THEIA RECHERCHE

PEUGEOT INVEST

Listed assets: a fine end to the year

NAV per share for H1-23 rose by 12.4%, dividends reinvested. This trend was driven by listed holdings, despite the downward revision of property assets. The year 2023 ended with a rally in the equity markets against a backdrop of falling interest rates. We are taking advantage of this movement to highlight the operating performance and prospects of 3 listed holdings that stood out. Despite the economic slowdown observed since 2023, China (and Asia) represent growth drivers for each of these 3 groups. It should be noted, however, that any downturn in Chinese growth will have a negative impact on the perception of Forvia and SEB, which have a strong presence on this continent (29% of their sales).

- Stellantis (7.1% holding and 42.9% of GAV H1-23)
- Forvia (3.1% holding and 1.6% GAV H1-23)
- SEB (4.0% holding and 3.0% of GAV H1-23)

Stellantis' surge has not been a catalyst for PEUG's share price over the past year. The spot discount remains high at 61% and has even widened since our last publication in September. After a year 2023 marked by the market's mistrust of investment companies, PEUG should maintain a cautious approach for 2024 (real estate, valuation of PE funds, China, etc.). However, with a 45% discount and no upside potential on listed assets, our central scenario shows an upside of 42%.

M€	30/06/2023
NAV	5516
NAV per share (€)	221.3
LTV (%)	14%
Gross debt	-911
Market capitalisation (27/01/24)	2.46 Md€

Peugeot INVEST

Issuer-funded research

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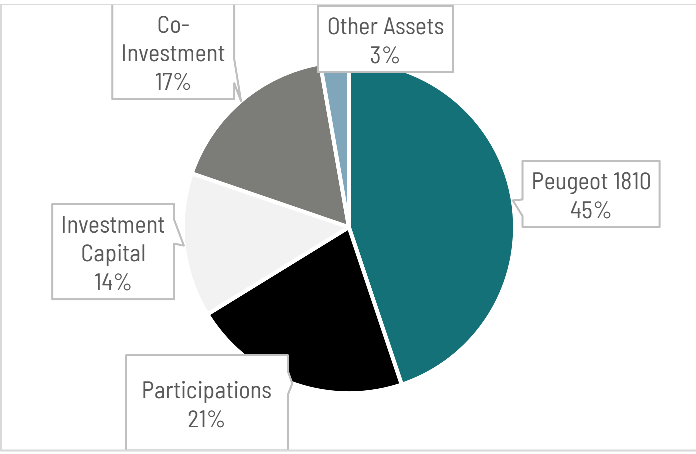
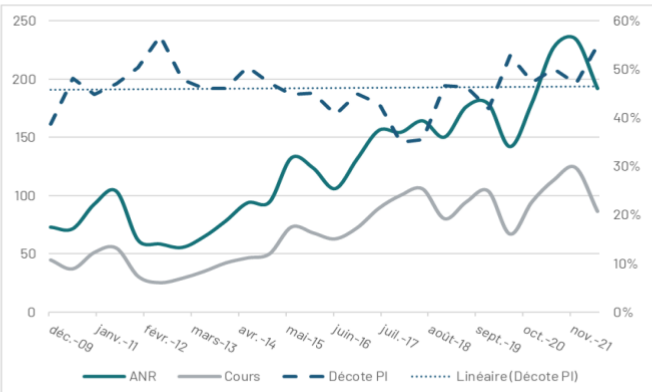
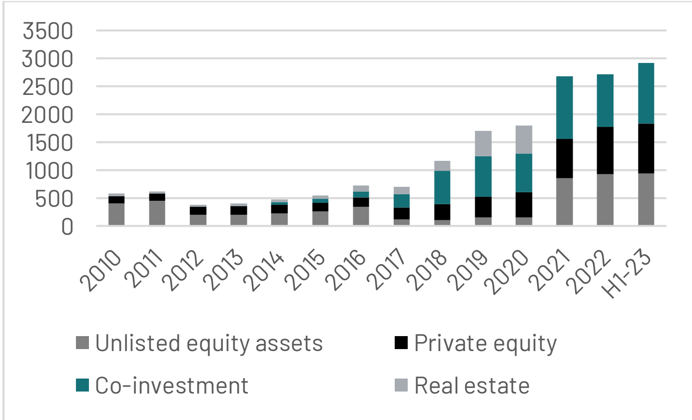


Graph3: 10-years historical discount and NAV



Source of charts: Euronext, Peugeot Invest, Theia Recherche
*Investments = Assets excluding Peugeot 1810

Graph 4: Evolution of unlisted assets



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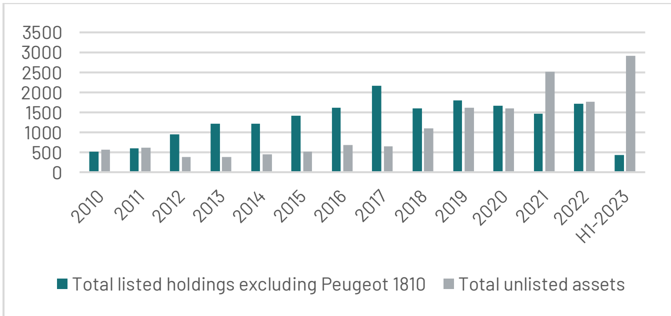
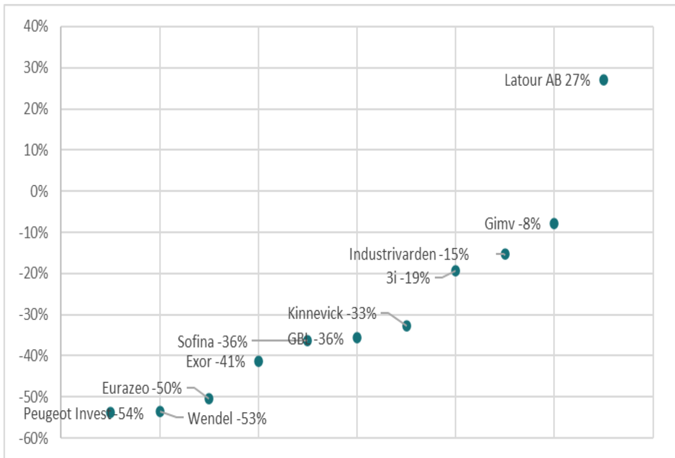


Graph 6: European Peer Discount/Premiums *



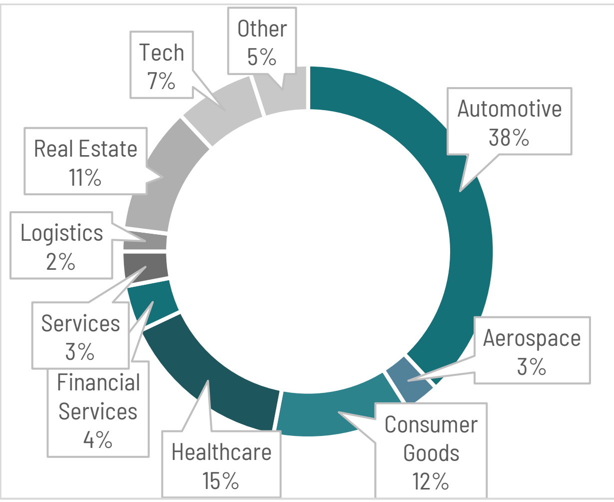
* Price at 27/01/2024 compared to recent published

Table 1: Peugeot Invest NAV at 27/01/2024

	30/06/2023	Valeur (M€)
	Stellantis	4374
	Forvia	96
Peugeot 1810 (76,5%) - A		**3726**
	Lisi	105
	SEB	240
	CIEL	8
	Tikehau Capital	66
	Spie	262
	Immobilière Dassault	63
Listed holdings - B		**744**
Unlisted holdings - C		**570**
Total investments D = B+C		**1 315**
Private equity vehicles - E		**894**
Co-Investment - F		**1084**
Other financial assets and liabilities		176
Treasury		49
Other assets - J		**224**
Gross asset value of investments D+E+F+J		**3 517**
Total gross revalued assets A+D+E+F+J		7243
Debt		-911
Net asset value		**6322**
Net asset value per share		**254,1**
Share price at 27/01/2024		**98,7**
Discount		**61%**

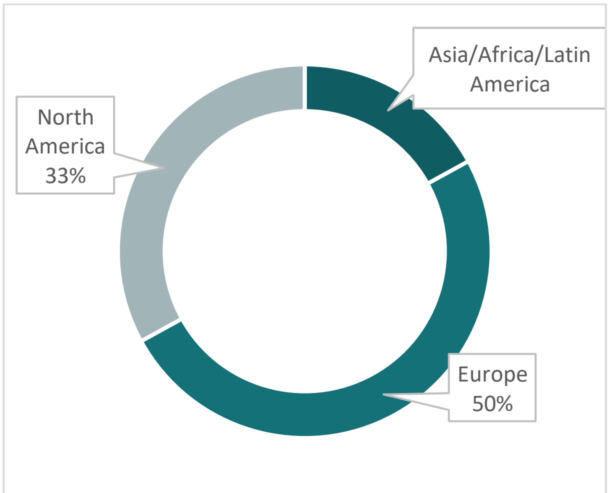
Source: Peugeot Invest, Theia Recherche

Graph 7: Assets investment* by sector (H1 23)



Source: Peugeot Invest, *Investments = excluding Peugeot 1810

Graph 8: Assets investment* by geographies (H1 23)



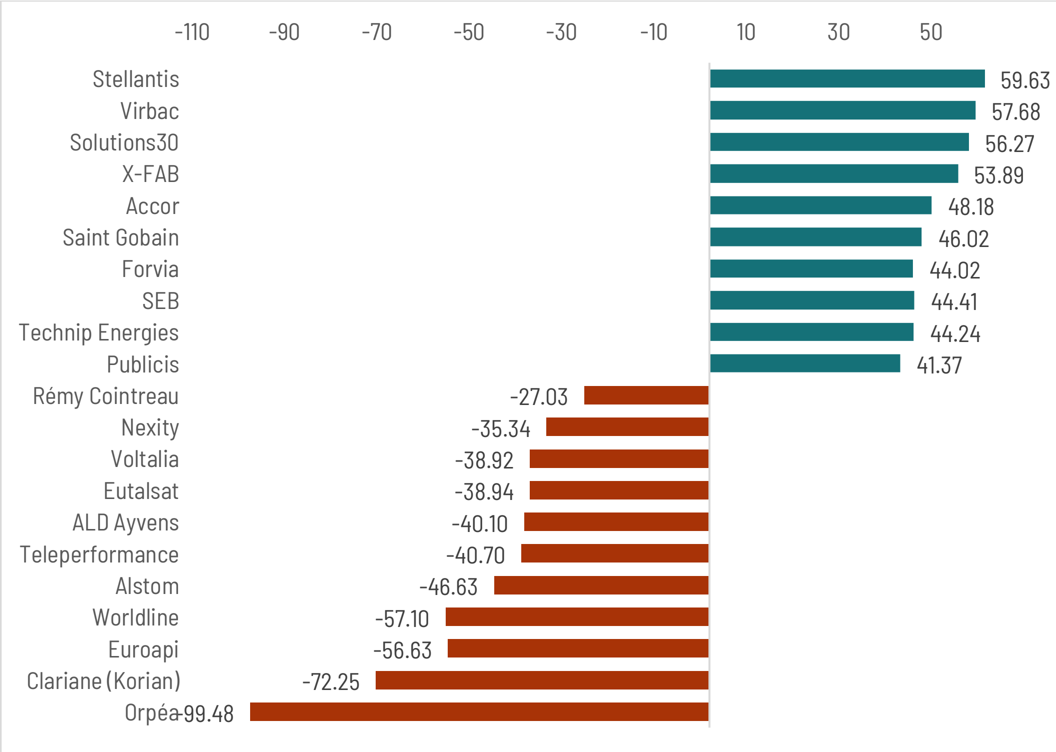
Source: Peugeot Invest, *Investments = excluding Peugeot 181

Three stocks in the SBF120 top 10

At the end of H1-2023, we noted that NAV growth was driven by the performance of Stellantis. This outperformance was accentuated in H2 2023. Forvia and SEB also outperformed over the year and are now well within last year's top 10. We review their recent publications. We reiterate that Asia, and China in particular, represent both challenges and opportunities for the development of these 3 groups.

SBF120 league table in 2023

Graph 9: Best and worst performers on the SBF120 in FY-23



Source: Euronext

The SBF 120 gained 15.2% in 2023 and the 3 groups to which PEUG is exposed rose by more than 40%. In the following pages, we look back at the recent events reported on Stellantis, Forvia and SEB, on the one hand, and at the importance of Asia, and China in particular, in the strategy of market share gains for these 3 companies, on the other.

China and Asia: high stakes

We review recent publications from three groups. Although Asia and China account for only a small percentage of Stellantis' sales (2%), Forvia is well represented there, with 29% of sales, as is SEB. We would point out that these regions represent major challenges and opportunities in the medium term. In the case of Forvia and SEB, we would point out that any information concerning the evolution of Chinese growth has an impact on the perception of the future performance of these 2 groups.

1 – Stellantis: electric vehicles and China

In 2023, **Stellantis** topped the CAC 40 and SBF 120 indexes, with an increase of 59.34%. The group once again demonstrated the quality of its execution, with an operating margin of 14.4% for the first six months of 2023. Only Porsche and Ferrari, albeit with a very different 'luxury' positioning, generated higher profitability.

The margins of **Stellantis** are impressive compared with those of its European counterparts.

Graph 10: Stellantis outperformance vs. sector and Stoxx600

Unlike most of its peers, **Stellantis** shares have performed well over the last twelve months, and the same is true of its profitability. Such high margins, with volumes three times greater than those of BMW and Mercedes-Benz, raise the question of their sustainability. The firepower in terms of synergies, favourable geographic spread and performance-based management favouring rapid decision-making and cost flexibility provide a solid answer.

We also expect a major shift as the automotive industry moves towards electric vehicles. **Stellantis** has the strengths to dodge obstacles, which could be the winning configuration.

How sustainable are these magins?

A double-digit adjusted operating margin has been **Stellantis'** basic target since its listing in January 2021. Although the 2030 plan envisages an extension of this floor margin of 10% until 2027 (12% from 2030), these targets are the result of contradictory underlying trends.

In this respect, **Stellantis** wants to avoid being drawn into a price war. As Carlos Tavares recently indicated, the group is currently protected against a downward trend in prices that could put several competitors in difficulty and make them takeover targets. Once again, Tesla has just lowered its prices, this time on its Model Y SUV in Germany and France, a week after a price cut in China, raising fears of a price war as in 2023.

- It should be remembered that battery electric vehicles (BEVs) generate lower profitability, accentuated by the pressure on prices exerted by new entrants.
- At **Stellantis,** the geographical exposure, the United States and the so-called "third engine" region (MEA + LATAM + APAC) recorded adjusted EBIT margins like those of Porsche of 17.5% and 18.1% in the first half of 2023.
- And that the Group still benefits from synergies between the ex-FCA and ex-PSA brands.

These synergies, which extend beyond 5 years after the merger, could prove to be underestimated. The Renault-Nissan Alliance is an example of how product cycles can take time to synchronise, with the alliance created in 1999 and the first common platform launched in 2015.

Q3 better than expected thanks to prices and volumes.

Q3 sales amounted to €45.17bn thanks to growth in shipments (+11%) and net pricing (around +3.5%, with a positive price effect in North America of around 2-2.5%, also positive in Europe), while the mix was slightly negative for the third consecutive quarter. Comments from the CFO were supportive of the margin outlook for 2023, with costs expected to have a neutral impact in H2-2023, excluding strikes. Stellantis confirmed its guidance for 2023. CFO Natalie Knight's comments point to a solid H2-2023, in line with July's guidance.

Leader in Tesla's core market.

Stellantis has passed the €25,000 mark for the BEV and is now in pole position. The company recently unveiled its Citroën ë-C3, priced at €23.3k before ecological subsidies. The car is fitted with an LFP battery (a cheaper but less efficient battery widely used on the Chinese market) and has a range of 320km. It is due to be launched on 24 February 2024. Another version will be launched by 2025, with a starting price of less than €20,000. This is a response to the Chinese competition. Tesla has yet to unveil its popular car, which is the key stage in its strategy focused on volume.

Stellantis takes the plunge in China: new strategy presented at the CMD on 13 june 2024?

Stellantis is turning its attention to China: the group has acquired a 20% stake in Chinese start-up Leapmotor, which specialises in electric vehicles, for €1.5bn, as we noted in our September 2023 issue. This deal echoes VW's €700m investment in 5% of Xpeng early last year.

Stellantis' CFO also made it clear that there were no plans to use the Leapmotor platform for **Stellantis**' other brands, which appears to be a vote of confidence in the capabilities of the company's proprietary BEV (hardware + software) platform.

Continued upgrading of multiples?

At the end of November, **Stellantis** announced the completion of a transaction in which the group bought back 50m of its shares (1.58% of its capital before cancellation) for €93m. The transaction was executed in accordance with a buyback framework announced in July 2022 with the price set at the five-day average closing price of Stellantis shares on its Italian line. Dongfeng retains 49.2m Stellantis shares, representing 1.58% of its share capital after the cancellation. This share buyback has no impact on the ongoing €1.5bn share buyback programme, which the group plans to complete before the end of the year.

The group has made it clear that it does not intend to accumulate additional cash, so increasing returns through a higher dividend and additional share buybacks remain important elements of the investment case.

The sale if Maserati: an option for creating value?

A possible sale or partial divestment of Maserati would be an interesting way for management to create value for shareholders. CNH in 2011 and Ferrari in 2015 proved the effectiveness of such an approach with the support of the Agnelli family.

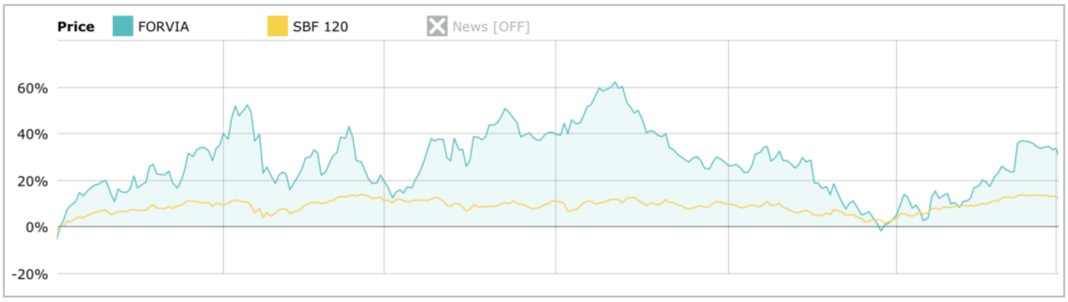
The Stellantis assessment

At this stage, **Stellantis** seems to have demonstrated that European carmakers can successfully adapt to the new world of EVs, including in terms of volumes. The DCF valuation reflects the share's upside potential in the context of its 2021-30 plan. However, most valuation methods confirm the undervaluation of the share, even after considering the depressed multiples of the industry. With the Agnelli and Peugeot families on board as long-standing supporters, and Carlos Tavares at the helm, the governance structure is up to the global challenge facing the company. Nevertheless, the controversies surrounding the CEO's remuneration will be something to watch out for when discussions about job cuts in the sector inevitably join the transition to electric vehicles. At this stage, **Stellantis** seems to have demonstrated that European carmakers can successfully adapt to the new world of EVs, including in terms of volumes.

2 – Forvia: increased exposure to China

At the end of October 2023, **Forvia** published its turnover for Q3-2023. It was in line with consensus expectations, at €6.2bn, with a favourable geographical mix. Organic growth reached 10.7%, an outperformance of 7 points, driven by a 12-point outperformance in China. **Forvia** recorded the strongest organic growth among French equipment manufacturers in Q3-23.

Graph 11: Forvia's outperformance vs. SBF120



Source: Euronext

Focus on Asia, particularly China

Combined exposure to Tesla and BYD now represents 10% of sales, the highest among European OEMs, with solid exposure to Chinese OEMs overall.

CEO Patrick Koller recently presented his vision of the future of the largely electric automotive sector. For him, the epicentre of this future will be Asia, and more particularly China, where the industry is driven by considerable economic, industrial and human resources.

In Europe, car production stands at around 16.5m units, a level that has tended to stagnate. In the United States, volumes are identical. In Asia, on the other hand, production stands at 55 million units and is rising steadily, driven by Chinese manufacturers. Of this production, 60% is exported to Europe. Regarding the energy mix, he indicated that by 2030, the battery electric vehicle (BEV) will have a market share of 60% in Europe, compared with 42% in China and 30% in North America.

Regarding the predominance of Asian players, mainly Chinese, it is estimated that by 2030, 50% of BEVs will be produced in China, with considerable human resources. China and India together train 2.8m engineers a year, compared with just 400,000 in Europe.

In China, combustion engines are more expensive. Mr Koller also pointed out that, as well as mastering the technology, Chinese manufacturers benefit from energy costs that are up to three times lower than in Europe. Even more so as Chinese manufacturers, encouraged by the government, are investing massively in the development of BEVs. In Europe, by 2022, a BEV would cost 23% more than its combustion equivalent. In China, although not to the same extent, BEVs are cheaper than combustion vehicles.

In China, renewal is very rapid. What's more, Chinese manufacturers' proposals evolve rapidly. For example, some models are renewed every three years, with a short development time (less than 2 years), whereas Western manufacturers take much longer to make decisions and develop new models. The extremely competitive Chinese market is conducive to this high turnover of models. At the same time, electric cars are still too expensive, especially as Europeans are moving away from the A segment, whereas Chinese manufacturers are offering attractive prices of around €10,000 with a range of around 300 km.

The group remains focused on generating FCF

The limited need for capital expenditure will support FCF 2023-24. A new €1 billion divestment programme was recently announced, designed to accelerate the reduction in debt and net financial expenses from 2025 onwards. The sale of BHTC by Hella was the first stage in this plan and is expected to contribute €200 million.

Management confirmed its guidance for 2023, while highlighting the uncertainties associated with the duration of the UAW strike, which has had a relative impact on **Forvia** for the time being. The Group benefits from strong global positions in exhaust, seating and interior systems, a focus on cost rationalisation and capital expenditure to maximise value creation.

In the medium term, **Forvia** remains favoured by China, which is the most profitable and fastest-growing region. Equipment manufacturers in Korea and Japan are increasingly receptive to the Group's offer, and margins are improving in North America.

3 – SEB: a growth profile

SEB is the world leader in small electrical appliances, a €75 billion global market that is growing, profitable, low in capital expenditure and cash generative, enabling the Group to generate recurring free cash flow and to self-finance its external growth in both the Consumer and Professional markets.

The group held a Capital Market Day in early December 2023. The Chairman pointed out that **SEB**'s end markets are growing structurally, driven by the expansion of the middle class, particularly in emerging markets (from €2bn in 2010 to €3bn by 2030), an ageing population, increased trade, growing awareness of healthy eating and growing demand for sustainable, repairable and reusable products, particularly in developed markets.
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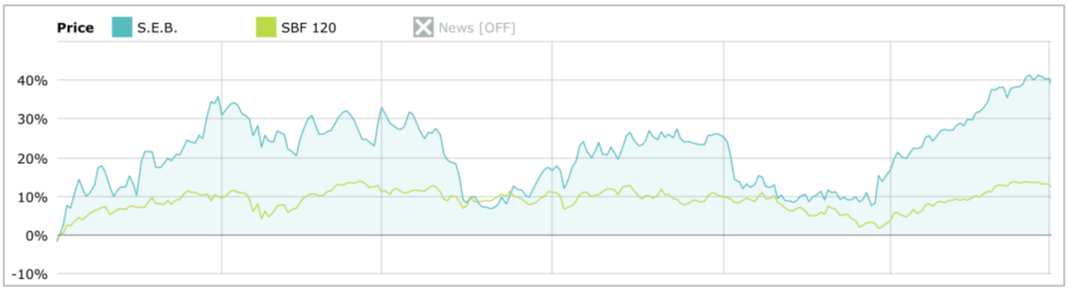
Graph 12: SEB outperformance vs. SBF 120



Source: Euronext

Professional equipment is a growth area. The professional market is attractive, growing and more profitable than the consumer market (>15% EBIT, adjusted margin). It offers strong potential for mergers and acquisitions, as it is still highly fragmented.

SEB benefits from: 1) the stability of its shareholder base, with both family shareholders (eighth generation) and long-term shareholders (BPI, Peugeot Invest); 2) managerial stability (the top 200 executives have been with the company for an average of 14 years) and 3) a corporate governance structure which takes account of the separation of powers between the Chairman of the Board of Directors and the Chief Executive Officer.

SEB intends to strengthen its leadership in the structurally growing (>3%) consumer market (€75bn market, including €50bn for small electrical appliances and €25bn for kitchen utensils), driven by the rise of the middle class, increased local needs, trading up and multi-equipment.

In the Professional segment (a €15bn market), **SEB** aims to become a benchmark player through geographic expansion (Europe currently accounts for less than 30% of the division's sales) and development in categories adjacent to the core Professional coffee machine segment, notably through acquisitions. In the Consumer & Professional division, **SEB** benefits from a strong and flexible industrial footprint. 60% of all products sold are manufactured in-house at **SEB's** 41 production sites in 14 countries.

The Group benefits from strong firepower in the field of innovation. Eco-design has also become a key priority for the group over the years and has become a key selling point (90% of **SEB** products will be repairable within 15 years of purchase at a fair price).

SEB has 3,000 employees dedicated to innovation and invests €300 million every year. **SEB** registers around 500 new patents every year and currently has around 10,000 active patents. The group has developed a global innovation centre in Ecully (France) as well as six other centres around the world. Innovation is a key driver of growth, with around a third of total revenues (in 2023) coming from products launched since 2021.

China : dévelopment of Supor

Supor has grown from a niche brand to a leading position (number 1 in small electrical appliances and kitchen utensils) in all categories (from 11 initially to 38 categories covered today). Supor sells 150m products every year and has 20,000 active patents in the country.

Supor's management is optimistic about the growth potential of the Chinese small electrical appliance and kitchenware market, based on 1) a growing customer base: despite the current demographic challenges, the number of households continues to rise, with younger and wealthier people keen to equip themselves (8m additional middle-class people every year between now and 2030). 2) Growing urbanisation: it is estimated that 9m people will move from rural towns to urban cities by 2030, driving a growing demand for small household appliances and cooking utensils (13 items per household in urban areas compared with an overall average of 10 in China). 3) A rising equipment rate: the equipment rate in China has more than doubled, rising from 4 to 10 on average in the country today. However, it is still barely half the level of Western developed countries.

Supor aims to strengthen its market share in existing categories while entering new categories such as electric cooking, domestic cleaning and home comfort, by leveraging:

- Innovation,
- Strong brands,
- Controlling time to market,
- A solid, competitive production footprint, particularly in China

Supor is recognised for its potential for innovation, with a very rapid time-to-market and superior quality (3,000 patents filed per year, a recall rate of less than 1%, the best in China) and the highest recommendation rate for its products. Supor already generates over 70% of its turnover online, with a solid presence on the major e-commerce players (Tmall, Pinduoduo, Tik Tok and JD.com), and is continuing to expand its presence.

The professional coffee market : conquering Asia

SEB is already world leader in the professional coffee machine segment, with a 30% market share in fully automatic coffee machines thanks to WMF & Schaerer. **SEB** is the market leader in the three largest countries: China, the United States and Germany.

The group covers the entire value chain, from manufacturing to distribution, including R&D, installation, maintenance and services (30% of sales today). Professional coffee machines represent an attractive market that is expected to grow at an average annual rate of 5%, including around 10% for fully automatic coffee machines, which are gaining market share from entry-level coffee machines and filter coffee machines (+3% average annual growth rate). Coffee consumption is growing structurally in the under-penetrated markets of Asia (China, South-East Asia and India), which are first equipment markets, while Western markets are replacement markets.

The growth model is based on:

- A broad customer base (>60000 customers in the division, including 7 of the 10 largest coffee chains covered),
- A range covering all categories, with a portfolio of complementary brands (WMF, Schaerer, Wilbur Curtis and La San Marco),
- Consumer knowledge to develop innovations.

Medium-term outlook

At the CMD, the new CFO, Olivier Casanova, reiterated the 7% average annual sales growth rate and the 10% average EBIT margin. This is based on:

- Exposure to mature and emerging countries,
- Balanced exposure to the segments,
- Wide category coverage,
- Innovation,
- Improving the mix,
- Pricing power,
- Economies of scale and the ability to adapt the cost structure.

The generation of FCF enables us to self-finance external growth operations while reducing our debt on a regular basis. In addition, the Group pays regular returns through dividends (average pay-out rate of 32%).

For the 1ère time, the Group has made a medium-term financial commitment, announcing an average annual growth rate in LFL sales of at least 5%, a margin close to 10% in 2024 and around 11% in the medium term (three to five years, 2027?), while continuing to generate substantial annual free cash flow. Financial leverage should remain in the 1.5 to 2x range but could temporarily increase to > =3.5x in the event of a transforming acquisition.

Three recent developments – what about 2024?

In this section, we look at three recent developments, the first of which was announced at the end of November and the second and third in January, which could have a negative or positive impact on PEUG's NAV for 2023 and over the medium term. Given the uncertainties surrounding the property sector on the one hand and the valuation of unlisted investments on the other, we believe that Peugeot Invest will take a cautious approach to 2024.

1 – Signa: negative impact expected – caution remains

At the end of H1-2023, in an environment characterised by rising inflation and a rapid rise in interest rates, the property sector (11% of revalued gross assets at mid-2023) was impacted by upward pressure on capitalisation rates, the impact of teleworking and the attractiveness of office locations. In this uncertain environment, the valuation of property assets has been adjusted downwards.

On 30 November, Peugeot Invest took note of the opening of insolvency proceedings in respect of several Signa group entities. At that date, the investment in Signa Prime Selection was valued at €132m and that in Signa Development Selection at €51m. At end-2023, Peugeot Invest's exposure to the Signa group represented 2.9% of the ABR, which stood at €6.4bn at end-H1-2023.

In view of these factors, PEUG is likely to revise the value of its exposure to Signa downwards again at 31/12/2023. We therefore believe that PEUG should remain cautious about this sector and its valuation in 2024.

2 – IHS Towers: forthcoming governance changes

Peugeot Invest has invested $78 million in IHS Towers through 4 capital increases. After an initial investment of $5m in 2013 alongside the Emerging Capital Partners fund, Peugeot Invest reinvested $10m in early 2014, then another $60m in November 2014, including $50m alongside Wendel. PEUG now holds a 1.5% stake in IHS.

In our last issue in September 2023, we explained the operational and governance problems that IHS had been facing since its IPO. These had led to a sharp fall in the share price over the past 2 years. Today, its main shareholder Wendel announced that IHS Towers and Wendel have reached an agreement to present and support changes to IHS' corporate governance at its next AGM.

The purpose of the agreement is to align IHS' corporate governance with best practices for U.S.-listed companies, create alignment between the company's Board and shareholders, and improve the market overall perception of IHS. The resolution of the corporate governance dispute should allow IHS Towers to focus on executing its strategy and drive the restoration of shareholder value.

3 – Disposal of part of the holding in LISI

Very recently, PEUG sold part of its stake in LISI for 1.9m shares, representing around 4.08% of the capital on 31 December 2023.

PEUG has been involved with LISI since 1977 (holding company). This sale follows the reorganisation of the Group's shareholding structure (public takeover bid at LISI, followed by the merger of the CID holding company and the listed Group), to which Peugeot Invest contributed alongside the company's other family shareholders.

Following this transaction, Peugeot Invest retains 10% of the capital and 5% of the voting rights and remains LISI's 2nd largest shareholder. Peugeot Invest has undertaken to retain its entire residual stake for a period of 6 months.

Update of our 3 scenarios

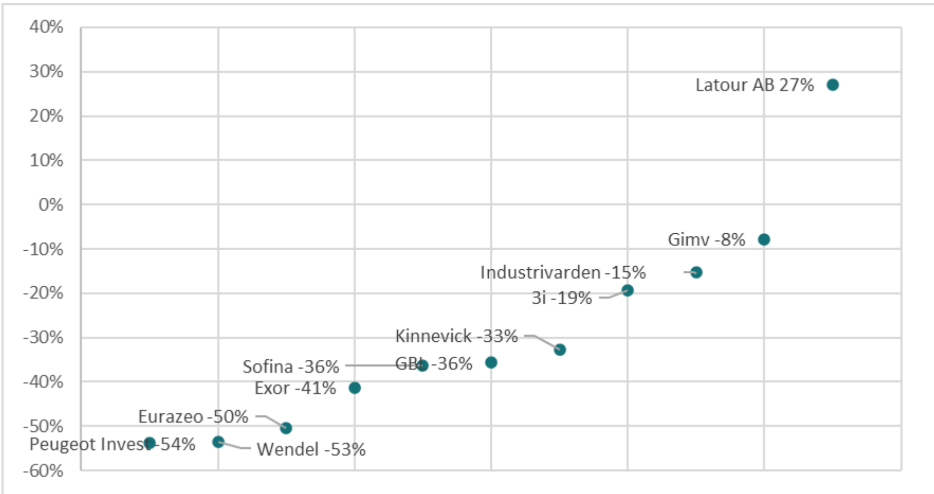
Theia Recherche proposes a central scenario and two alternative scenarios, one more optimistic, the other more pessimistic. With a discount of 45%, our central scenario shows potential upside of 42%. Very conservatively, we have used all the prices of listed assets at the end of January (with no upside potential).

To reflect the uncertainty prevailing in the markets, we do not believe it is appropriate to use analysts' consensus price targets for listed holdings. We have used share prices at the end of January 2024. Our calculations are therefore based on conservative assumptions.

Each scenario is based on a NAV calculation that distinguishes between:

- listed holdings (55% of total ABR at 30/06/2023) at the closing price on 27 January.
- unlisted holdings to which we apply a flat-rate IRR of 7% to 15% (these are companies where the Group has an influence in governance, for example Tikehau, International SOS, Acteon, etc.).
- private equity vehicles, unlisted co-investments, property assets and certain listed assets (such as KDP) intended to be monetised.
    - 12-month IRR of 15% for the optimistic scenario
    - 12-month IRR of 12% for the central scenario
    - 12-month IRR of 7% for the conservative scenario

Graph 13: European holdings companies' discounts/premiums at 27/01/2024



Source: Theia Recherche, companies

Central scenario

It is based on a 12-month IRR of 12% for unlisted assets. This gives a potential NAV of €255 per share. Applying a discount of 45% instead of the current 61% would generate an upside of 42% on the share price.

Table 1: Central scenario

	Price at 27/01/2024	Nber of shares	Value (M€)
Stellantis	19,5	224 075	4374
Forvia	15,8	6 050	96
Peugeot 1810 (76,5%) - A		**76,50%**	3419
Lisi	21,9	4 795	105
SEB	107,2	2 224	240
CIEL	7,0	115 000	8
Tikehau Capital	21,5	3 100	66
Spie	30,8	8 500	262
Immobilière Dassault	5%		63
Listed holdings - B			**4163**
Unlisted holdings - C	12-month IRR	10%	**638**
Total investments D = B+C			**4802**
Private equity vehicles - E	12%		1001
Co-Investment - F	**12%**		**1214**
Other financial assets and liabilities			176
Treasury			49
Other assets - J			**225**
Total gross revalued assets A+D+E+F+J			**7273**
Debt			-911
Net asset value			**6362**
Net asset value per share			**255**
Share price at 27/01/2024			**99**
Target discount / target price	45%		140
Price upside potential			42%

Source: Theia Recherche

Conservative scenario

It is based on the market price of listed holdings on 27/01/2024, a 12-month IRR of 7% for unlisted assets and a discount of 55%. This gives a potential NAV of €260 per share and a potential share price of €117, i.e. an increase of 18%.

Table 2: Conservative scenario

	Price at 27/01/2024	Nber of shares	Value (M€)
Stellantis	19,5	224 075	4374
Forvia	15,8	6 050	96
Peugeot 1810 (76,5%) - A		76,50%	**3419**
Lisi	21,9	4795	105
SEB	107,8	2 224	240
CIEL	7,0	115 000	8
Tikehau Capital	21,5	3 100	66
Spie	30,8	8 500	262
Immobilière Dassault	5%		63
Listed holdings - B			4163
Unlisted holdings - C	**12-month IRR**	**7%**	**610**
Total investments D = B+C			**4763**
Private equity vehicles - E	**7%**		**957**
Co-Investment - F	7%		**1 160**
Other financial assets and liabilities			176
Treasury			49
Other assets- J			**225**
Total gross revalued assets A+D+E+F+J			**7383**
Debt			-911
Net asset value			**6472**
Net asset value per share			260
Share price at 27/01/2024			99
Target discount / target price	55%		117
Price upside potential			18%

Source: Theia Recherche

Optimistic scenario

It is based on an IRR of 15% for unlisted assets and a discount of 45%. This gives a potential NAV of €392 per share. Applying a discount of 45% instead of the current 61% would generate an upside of almost 120% on the share price.

Table 3: Optimistic scenario

	Price at 27/01/2024	Nber of shares	Target value (M€)
Stellantis	19,5	224 075	4 374
Forvia	15,8	6 050	96
Peugeot 1810 (76,5%) - A		**76,50%**	**3 419**
Lisi	21,9	4795	105
SEB	107,8	2 224	240
CIEL	7,0	115 000	8
Tikehau Capital	21,5	3 100	66
Spie	30,8	8 500	262
Immobilière Dassault	5%		63
Listed holdings - B			**4163**
Unlisted holdings - C	**12-month IRR**	15%	**656**
Total investments D = B+C			**4819**
Private equity vehicles - E	15%		**1028**
Co-Investment - F	15%		**1 247**
Other financial assets and liabilities			176
Treasury			49
Other assets - J			225
Total gross revalued assets A+D+E+F+J			10738
Debt			-911
Net asset value			**9827**
Net asset value per share			**394**
Share price at 27/01/2024			99
Target discount / target price	45%		217
Price upside potential			120%

Source: Theia Recherche

Income statement at 31/12 (M€)	2015	2016	2017	2018	2019	2020	2021	2022
Income from long-term investments	159	172	230	154	186	227	640	309
Income from investment property	1	3	1	2	2	5	6	13
Revenue from ordinary activities	3	3	4	4	3	3	0	0
Revenue from ordinary activities	**164**	**178**	**235**	**160**	**190**	**235**	**646**	**322**
General Administration costs	-17	-18	-21	-23	-32	-37	-34	-37
	1	1	0					
Impairment of available-for-sale assets	-5	-1	-4					
Cost of debt	-12	-10	-13	-15	-20	-28	-29	-28
Pre-tax profit of consolidated companies	**130**	**150**	**197**	**122**	**138**	**170**	**583**	**257**
Share or net profit of associates	32	18	21	6	9	-14	13	24
Consolidated profit before tax	**161**	**168**	**218**	**128**	**147**	**155**	**596**	**281**
Income tax (including deferred tax)	-3	-18	4	-13	-16	11	-75	-17
Consolidated profit before tax	**159**	**150**	**222**	**115**	**131**	**166**	**521**	**264**
Minority interests	1	0	0	0	0	-32	-62	-48
Group share	159	150	222	115	131	134	456	237
Per share								
published	6,3	6,0	8,9	4,6	5,3	5,4	18,3	9,5
diluted	6,4	6,0	9,0	4,6	5,3	5,4	`18,41	`9,56
Average number of shares								
published	25,16	25,07	25,07	24,92	24,92	24,92	24,92	24,92
diluted	25,16	25,07	25,07	24,92	24,92	24,92	24,92	24,92

Source: Peugeot Invest

Other elements from income statement at 31/12 (M€)	2015	2016	2017	2018	2019	2020	2021	2022
Consolidated net profit	159	150	222	115	131	166	521	264
Impact of associates on net comprehensive income	9	-3	-6	7	17	11	9	17
Net revaluation of financial assets	580	26	323	-264	372	203	-313	-1 217
Capital gains on disposals of equity interests				232	137	94	1 235	18
Net revaluation of derivatives	3	-2	3	-1	-3	0	4	14
Exchange differences			-14	12	10	-49	46	31
Other direct revaluations net of equity	-7	11	-16	11	7	-3	41	20
Total other comprehensive income	585	32	292	-4	540	255	1 023	-1 116
CONSOLIDATED COMPREHENSIVE INCOME	743	182	513	111	671	422	1 541	-831
Of which Group Share	744	182	513	111	671	112	1 286	-677
Of which Minority interests	-1	0	0	0	0	310	255	-154

Source: Peugeot Invest

Cash flow au 31/12 (M€)	2015	2016	2017	2018	2019	2020	2021	2022
Consolidated net profit	159	150	222	115	131	166	518	286
Net depreciation, amortisation and prov.	5	1	5	2	1	1	1	1
Gains and losses on disposals of non-current assets							-173	
Unrealised gains and losses linked to changes in fair value	-48	-135	-153	2	-7	-61	-34	-124
Share of profit of associates, net of dividends received	-80	-2	0	-73	-63	-148	-296	90
Cost of net financial debt	-28	-14	-16	-1	-4	16	-11	-1
Tax expense (current & deferred)	12	10	13	15	20	29	29	28
Cashflow before cost of net debt and tax	3	18	-4	13	16	-11	75	17
Tax payable	**23**	**28**	**66**	**72**	**94**	**-8**	**109**	**296**
Change in operating WC requirement	-6	-3	0	-7	-7	-1	-12	-36
Net cashflow from operating activities	8	-7	-2	14	1	-14	-15	-9
Acquisitions of tangible and intangible fixed assets	**25**	**18**	**64**	**79**	**88**	**-22**	**82**	**252**
Proceeds from disposals of property, plant and equipment and intangible assets	-1	0	-2	-1	0	0	0	-2
Acquisitions and disposals of treasury shares	0	0	0	0	0	0		0
Acquisition of financial assets	-1	0	-29	-1	0	0	0	-1

Proceeds from disposals of LT investments	-148	-169	-439	-382	-453	-473	-758	-318
Change in other non-current assets	47	84	346	249	235	273	631	502
Net cash used in investing activities	33	-3	-8	7	0	-11	1	-4
Net cashflow from financing activities	**-70**	**-88**	**-132**	**-128**	**-218**	**-212**	**-126**	**177**
Dividends paid during the year	-50	-40	-45	-49	-53	-53	-58	-66
Proceeds from new borrowings	1	112	243	107	301	373	87	-243
Loan repayments	-52	-1	-110	0	-79	0	0	0
Change in other non-current financial liabilities	163	-1	5	0	0	0	0	0
Net interest paid	-12	-10	-13	-15	-19	-28	-28	-28
Net cashflow from financing activities	**50**	**60**	**79**	**42**	**149**	**291**	**0,4**	**-336,8**
Change in net cash and cash equivalents	5	-10	11	-6	19	57	-44	92
Cash and cash equivalents at beginning of year	11	16	6	17	11	31	88	52
Cash and cash equivalents at end of year	16	6	17	11	31	88	52	70

Source: Peugeot Invest

Balance sheet at 31/12 (M€)	2015	2016	2017	2018	2019	2020	2021	2022
Concessions, patents and similar assets	0	0	0	0	0	0	0	0
Intangible fixed assets	0	0	0	0	0	0	0	0
Investment property	16	18	18	19	19	22	27	
Land	13	13	13	13	13	13		
Buildings	0	0	0	2	2	1		1
Plantations	1	1	1	1	1	1		
Other fixed assets	1	1	2	1	1	1	1	1
Rental rights of use					4	3	3	4
Property, plant and equipment	32	34	35	36	41	43	30	6
Investment in associates (equity method)	286	222	248	258	287	274	300	321
Non-consolidated holdings	2 686	2 967	3 341	3 172	3 792	4 738	5 834	4 598
LT portfolio securities (TIAP)	363	485	745	1 133	1 515	1 607	2 210	2 346
Other non-current financial assets	206	4	12	6	6	25	27	43
Non-current financial assets	3 540	3 678	4 347	4 568	5 600	6 644	8 371	7 308
Deferred tax assets	21	3	5	3	4	29	12	2
Non-current assets	3 593	3 715	4 386	4 607	5 644	6 716	8 413	7 316
Stocks	11	10	10	7	8	9		
Current tax	0	2	4	0		7	0	5
Other receivables	1	2	7	2	3	5	14	25
Cash & cash equivalent	16	6	17	11	31	88	52	70
Current assets	29	20	38	21	41	108	66	101
Total assets	3 622	3 736	4 424	4 628	5 685	6 825	8 479	7 417
Capital contributed	25	25	25	25	25	25	25	25
Additional paid-in capital	158	158	158	158	158	158	158	158
Reserves	2 586	2 737	3 104	3 271	3 874	4 011	4 928	4 405
RESULT FOR THE YEAR (Gp Share)	159	150	222	115	131	134	456	237
Total capital & reserves (Gp Share)	2 928	3 070	3 509	3 570	4 189	4 328	5 568	4 825
Minority interests	-1	-1	0	0	-1	619	859	651
TOTAL SHAREHOLDERS' EQUITY	2 928	3 069	3 509	3 569	4 188	4 947	6 427	5 476
Non-current financial liabilities	593	587	817	935	1 340	1 713	1 814	1 779
Deferred tax liabilities	85	68	83	98	134	125	206	164
Provisions	0	1	1	1	1	1	1	0
Other non-current liabilities	0	1	0	0	0	0		
TOTAL NON-CURRENT LIABILITIES	679	656	901	1 034	1 474	1 838	2 021	1 943
Current financial liabilities	5	5	7	12	9	10	7	14
Current tax	5	0	0	7	2	13	13	9
Other liabilities	6	5	8	6	11	17	11	13
TOTAL CURRENT LIABILITIES	15	10	14	25	23	39	31	36
Total liabilities	**3 622**	**3 736**	**4 424**	**4 628**	**5 685**	**6 825**	**8 479**	**7 455**

Source: Peugeot Invest

Risk of conflicts of interest

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