



EXOR N.V.

(a public limited company (naamloze vennootschap) under the laws of the Netherlands, with its statutory seat in Amsterdam, the Netherlands)

Admission to listing and trading of Ordinary Shares in EXOR N.V. on Euronext Amsterdam, a regulated market organised and managed by Euronext Amsterdam N.V.

This prospectus (the **Prospectus**) has been prepared in connection with the admission to listing and trading of all of the ordinary shares (the **Ordinary Shares**) in the share capital of Exor N.V. (the **Company** or **Exor**) on Euronext Amsterdam, a regulated market organised and managed by Euronext Amsterdam N.V. (**Euronext Amsterdam**) (the **Listing**).

This Prospectus does not constitute or form part of an offer by, or invitation by or on behalf of, the Company or any representative of the Company, to purchase any securities or an offer to sell or issue, or the solicitation to buy, securities by any person in any jurisdiction.

NONE OF THE SECURITIES REFERRED TO IN THIS DOCUMENT SHALL BE SOLD, ISSUED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

The trading of the Ordinary Shares on Euronext Amsterdam is expected to begin on 12 August 2022 (the **First Trading Date**) at 9:00 Central European Time (CET). The Ordinary Shares to be traded on Euronext Amsterdam will be settled via the facilities of Euroclear Bank S.A./N.V. (**Euroclear Bank**) and the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* trading as Euroclear Nederland) (**Euroclear Nederland**).

Investing in the Ordinary Shares involves risks. See “*Risk Factors*” for a description of the risk factors that should be carefully considered before investing in the Ordinary Shares.

This Prospectus constitutes a prospectus for the purposes of, and has been prepared in accordance with, Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union (the **Prospectus Regulation**). This Prospectus has been approved as a prospectus for the purposes of the Prospectus Regulation by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the **AFM**) as competent authority under the Prospectus Regulation. The AFM has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the Ordinary Shares. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

The validity of this Prospectus shall expire on 12 August 2022 (the First Trading Date) or 12 months after its approval by the AFM, whichever occurs earlier. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see the section “Important Information – Supplements”) shall cease to apply upon the expiry of the validity period of this Prospectus.

Applicable law and regulation may restrict the distribution of this Prospectus in certain jurisdictions and therefore persons into whose possession this Prospectus comes should inform themselves of and observe any restrictions. The Company is not taking any action to permit a public offering of Ordinary Shares in any jurisdiction. Any

failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Ordinary Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, nor under the securities laws of any state of the United States.

This Prospectus is dated 5 August 2022.

TABLE OF CONTENTS

1.	Summary.....	4
2.	Risk Factors	9
3.	Important Information	28
4.	The Special Voting Structure.....	34
5.	Dividends and Dividend Policy	38
6.	Business	40
7.	Capitalisation and Indebtedness.....	59
8.	Selected Consolidated Financial Information	61
9.	Operating and Financial Review.....	69
10.	Management, Employees and Corporate Governance	154
11.	Major Shareholders and Related Party Transactions	174
12.	Description of Share Capital and Corporate Structure.....	178
13.	The Listing.....	192
14.	Taxation	193
15.	General Information.....	203
16.	Defined Terms	205

1. SUMMARY

1.1 Introduction and Warnings

This summary should be read as an introduction to the prospectus (the **Prospectus**) relating to the admission to listing and trading of all of the ordinary shares (International Security Identification Number (**ISIN**): NL0012059018) (the **Ordinary Shares**) in the share capital of Exor N.V. (Legal Entity Identifier (**LEI**): 5493002ENHZ6NYET7405) (the **Company** or **Exor**) on Euronext Amsterdam, a regulated market organised and managed by Euronext Amsterdam N.V. (**Euronext Amsterdam**) (the **Listing**).

On 5 August 2022, the Prospectus was approved by the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*, the **AFM**).

The validity of this Prospectus shall expire on 12 August 2022 (the **First Trading Date**) or 12 months after its approval by the AFM, whichever occurs earlier. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see the section “*Important Information – Supplements*”) shall cease to apply upon the expiry of the validity period of this Prospectus.

The contact details are as follows:

	<u>Company</u>		<u>AFM</u>
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Any decision to invest in any Ordinary Shares should be based on a consideration by the investor of the Prospectus as a whole and not just the summary. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in, or incorporated by reference into, the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, have to bear the costs of translating the Prospectus and any documents incorporated by reference therein before the legal proceedings can be initiated.

Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus, or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares.

1.2 Key Information on the Issuer

(A) *Who is the Issuer of the Securities?*

Domicile and Legal Form. The legal name of the Company is EXOR N.V. The Company is a public limited company (*naamloze vennootschap*) under the laws of the Netherlands (LEI: 5493002ENHZ6NYET7405). Its statutory seat (*statutaire zetel*) is in the Netherlands and its registered office and principal place of business is at Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands.

Principal Activities. Exor is a diversified holding company controlled by the Agnelli family. For over a century, Exor has built companies and made investments worldwide with a culture that combines entrepreneurial spirit and financial discipline. With a net asset value (**NAV**) of over €26 billion, its portfolio is principally made up of

companies in which Exor is the largest shareholder: Ferrari, Stellantis, CNH Industrial, Iveco Group, Juventus, The Economist Group, GEDI and Shang Xia.

Major Shareholders. As at the date of the Prospectus, the Company’s major shareholders are Giovanni Agnelli B.V., Harris Associates LP, Baillie Gifford and Vanguard Group.

Board of Directors. As at the date of the Prospectus, the directors of the Company are:

Executive directors	John Elkann
Non-executive directors	Alessandro Nasi, Andrea Agnelli, Ginevra Elkann
Independent non-executive directors	Ajay Banga (Chairman), Melissa Bethell, Marc Bolland, Laurence Debroux, Axel Dumas

Independent Auditor. Ernst & Young Accountants LLP (**Ernst & Young**), the Company’s independent auditor, audited the Financial Statements (as defined below).

(B) What is the Key Financial Information regarding the Issuer?

The financial information included in the Prospectus is derived from the consolidated audited financial statements of the Company for the financial years ending on 31 December 2019, 31 December 2020 and 31 December 2021 (the **2019 Financial Statements**, the **2020 Financial Statements** and the **2021 Financial Statements**, respectively, and together, the **Financial Statements**).

Ernst & Young’s independent auditor’s report in respect of the 2019 Financial Statements includes an emphasis of matter paragraph which reads: “*The developments surrounding the Corona (Covid-19) virus have a profound impact on people’s health and on our society as a whole, as well as on the operational and financial performance of organizations and the assessment of the ability to continue as a Going Concern. The financial statements and our auditor’s report thereon are snapshots. The situation changes on a daily basis giving rise to inherent uncertainty. EXOR N.V. is confronted with this uncertainty as well, that is disclosed in the Board Report under subsequent events and 2020 outlook and risks related to business, strategy and operations, and the disclosure about events after the reporting period as disclosed in note 37. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.*”

Financial Statements

Selected Consolidated Statement of Income

Exor Group – Consolidated Data (€ million)	2021	2020^(a)	2019
Net revenues	33,617	26,792	143,755
Profit (loss) before tax	4,653	(214)	6,820
Net profit (loss) from continuing operations	3,350	(230)	4,985
Net profit (loss)	3,454	1	8,915
of which attributable to owners of the parent	1,717	(30)	3,053

(a) Adjusted following the classification of the FCA Group and the PartnerRe Group as discontinued operations.

Selected Consolidated Statement of Financial Position

Exor Group – Consolidated Data			
<i>(€ million)</i>	31/12/2021^(a)	31/12/2020	31/12/2019
Cash and cash equivalents	7,905	35,561	22,935
Total assets	91,111	172,945	172,610
Gross debt	28,950	52,932	43,499
Total equity	24,370	37,660	42,559
Issued capital and reserves attributable to owners of the parent:			
- Total	16,759	13,090	15,025
- Per share ^(b) - €	72.33	56.67	64.88

(a) Data of the FCA Group are not included, since it has been deconsolidated from 16 January 2021 following the FCA/PSA Merger; data of the PartnerRe Group are not included following it being accounted as a discontinued operation pursuant to IFRS 5.

(b) Based on 231,708,756 Ordinary Shares; 231,006,756 Ordinary Shares and 231,587,785 Ordinary Shares at 31 December 2021, 31 December 2020 and 31 December 2019, respectively.

Selected Consolidated Statement of Cash Flows

Exor Group – Consolidated Data			
<i>(€ million)</i>	2021	2020^(a)	2019
Cash flow from (used in) operating activities:	4,177	14,061	11,738
Cash flow from (used in) investing activities	(7,058)	(10,102)	(3,448)
Cash flow from (used in) financing activities	(2,188)	10,626	(5,435)
Translation differences	502	(1,949)	242
Net change in cash and cash equivalents	(4,567)	12,636	3,097
Cash and cash equivalents at the beginning of the period	35,561	22,935	19,136
Cash and cash equivalents at the beginning of the period included in Assets held for sale	27	17	719
Deconsolidation of the FCA Group at 16 January 2021	(22,532)	—	—
Cash and cash equivalents at the end of the period included in Assets held for sale	(584)	(27)	(17)
Cash and cash equivalents at the end of the period	7,905	35,561	22,935

(a) Adjusted following the presentation of the FCA Group and the PartnerRe Group as discontinued operations.

Other Selected Financial data (shortened)

Exor Group – Shortened Consolidated Data			
<i>(€ million)</i>	2021	2020	2019
Net (profit) loss attributable to owners of the parent	1,717	(30)	3,053
Share of earnings of investments and dividends	4,680	173	4,212
	31/12/2021	31/12/2020	31/12/2019
Investments in subsidiaries, associates and other to FVTOCI and FVTPL	21,362	16,290	17,629
Issued capital and reserves attributable to owners of the parent	16,759	13,090	15,025
Net financial position of the Holdings System	(3,924)	(3,251)	(2,631)

(C) What are the Key Risks that are Specific to the Issuer

The most material risk factors specific to the issuer are as follows:

- the Company's investee companies currently operate in different sectors. The Company is indirectly exposed to the risks typical of the sectors and markets in which such investee companies operate. Therefore, the performance of the main investee companies has a significant impact on the earnings, financial position and cash flows of the Company;

- the Company's earnings and financial position and those of its investee companies are susceptible to international markets and exposure to changes in local conditions and trade policies, as well as economic, geopolitical and other events;
- the Company does not have operations or significant assets other than the capital stock of its investee companies, and as such, the Company's financial condition is dependent on the distribution of funds by such entities;
- the distribution and amount of dividends by the Company depend on dividends distributed by the Company's investee companies and gains realised on the divestment of such companies, which are neither periodic nor recurrent. Furthermore, the Company does not have a policy for payment of dividends and dividends distributed may be limited due to repayment of debt;
- the Company is a diversified holding company, with the financial results of its major investments and the capital distributed by them (as dividends or otherwise) having a significant impact on its performance;
- the overall amount of the consolidated indebtedness of the Group could have a significant negative impact on the business and the financial performance of the Company and of the Group; and
- future acquisitions or disposals or other similar transactions by the Company could involve risks unknown to the Company that may harm the Company's business and adversely affect its financial condition.

1.3 Key Information on the Securities

(A) What are the Main Features of the Securities?

Type, Class and ISIN. At the date of this Prospectus, 241,000,000 ordinary shares with a nominal value of EUR 0.01 each (ISIN: NL0012059018) (the Ordinary Shares) are issued, of which 230,117,962 are outstanding. All such Ordinary Shares are fully paid and created under the laws of the Netherlands. The Ordinary Shares are denominated in and will trade in euros on Euronext Amsterdam.

Rights attached to the Securities. The Ordinary Shares will rank *pari passu* with each other and Ordinary Shareholders will be entitled to dividends and other distributions declared and paid on them, if any. Each Ordinary Share carries distribution rights and entitles its holder to the right to attend and to cast one vote at the general meeting (*algemene vergadering*) of the Company (**General Meeting**). There are no restrictions on voting rights attaching to the Ordinary Shares. Upon the issuance of Ordinary Shares, each holder of Ordinary Shares will have pre-emptive rights in proportion to the aggregate nominal value of its Ordinary Shares. Prior to each individual issuance of Ordinary Shares, pre-emptive rights may be restricted or excluded by a resolution of the general meeting of the Company. However, with respect to an issue of Ordinary Shares pursuant to a resolution of the board of directors of the Company (**Board**), the pre-emptive rights can be restricted or excluded pursuant to a resolution of the Board if and insofar as the Board is designated to do so by the General Meeting. A designation as referred to above will only be valid for a fixed term of no more than five years and may each time only be extended for a maximum period of five years. A resolution of the General Meeting to restrict or exclude the pre-emptive rights or to designate the Board as a body of the Company authorised to do so can only be adopted at the proposal of the Board. If a proposal is made to the General Meeting to restrict or exclude pre-emptive rights, the reason for such proposal and the choice of the intended issue price must be included in the proposal in writing. A resolution of the General Meeting to restrict or exclude pre-emptive rights or to designate the Board as the body of the Company authorised to do so requires a majority of not less than two-thirds of the votes cast, if less than one-half of the Company's issued capital is represented at the meeting.

Dissolution and Liquidation. If the Company is dissolved or liquidated, the Company's assets shall be paid to secured creditors, preferential creditors (including tax and social security authorities) and unsecured creditors, in that order. The balance of the assets of the Company remaining after all liabilities and the costs of liquidation have been paid shall be distributed as follows: (i) firstly, the amounts actually paid-in on Special Voting Shares in accordance with Article 13.5 of the articles of association of the Company (**Articles of Association**) will be transferred to those holders of special voting shares A and special voting shares B in the issued share capital of the Company (**Special Voting Shares**) whose Special Voting Shares have so been actually paid for; and (ii) secondly, the balance remaining will be transferred to the holders of Ordinary Shares in proportion to the aggregate number of the Ordinary Shares held by each of them.

Restrictions on Free Transferability of the Securities. There are no restrictions under the Articles of Association, nor under Dutch law, that limit the right of holders of the Ordinary Shares to transfer the Ordinary Shares. The transfer of the Ordinary Shares to persons located or resident in, or who are citizens of, or who have a registered address in, jurisdictions other than the Netherlands may be subject to specific regulations according to their securities laws.

Dividend Policy. The Company does not have a defined dividend policy and, as such, there are no restrictions on, or a target range for, the payment of dividends.

(B) Where will the Securities be Traded?

Application has been made to admit all of the Ordinary Shares to listing and trading on Euronext Amsterdam, under the symbol “EXO”.

The trading of the Ordinary Shares on Euronext Amsterdam is expected to begin on 12 August 2022 (the **First Trading Date**) at 9:00 CET.

(C) Is there a Guarantee Attached to the Securities?

Not applicable.

(D) What are the Key Risks that are Specific to the Securities?

The most material risk factors specific to the securities are as follows:

- the Company is controlled by a majority shareholder with the ability to sell its Ordinary Shares;
- the Special Voting Structure could have a negative effect on the liquidity of the Ordinary Shares and may make it more difficult for shareholders to acquire a controlling interest, change the management or the strategy of the Group or exercise influence over it, resulting in a reduction in the market price of the Ordinary Shares; and
- the tax treatment of the Special Voting Shares is uncertain.

1.4 Key Information on the Admission to Trading on a Regulated Market

(A) Under which Conditions and Timetable can I invest in this Security?

Not applicable. No securities are being offered for subscription or sale pursuant to the Prospectus.

(B) Who is the Person asking for Admission to Trading?

The legal name of the legal entity asking for admission to trading is “EXOR N.V.”. The Company is a public limited company (*naamloze vennootschap*) under the laws of the Netherlands. Its statutory seat (*statutaire zetel*) is in the Netherlands and its registered office and principal place of business is Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands.

(C) Why is this Prospectus being produced?

The Company has produced the Prospectus for the purposes of the Listing.

2. RISK FACTORS

Before investing in the Ordinary Shares, prospective investors should consider carefully the risks and uncertainties described below, together with the other information contained or incorporated by reference in this Prospectus. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, may have a significant negative impact on the Company's business, results of operations, financial condition and prospects. The price of the Ordinary Shares could decline and an investor might lose part or all of its investment upon the occurrence of any such event.

All of these risk factors and events are contingencies, which may or may not occur. The Company may face a number of the risks described below simultaneously and one or more of the risks described below may be interdependent, in which case the description of such risk factor will contain a reference to the other relevant risk factor where relevant and material. The risk factors have been divided into the most appropriate category. Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Company's business, financial condition, results and prospects. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.

Although the Company believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Company's business and industry and the Ordinary Shares in particular, they are not the only risks and uncertainties relating to the Company and the Ordinary Shares. Other risks, events, facts or circumstances not presently known to the Company, or that the Company currently deems to be immaterial, could, individually or cumulatively, prove to be important and may have a significant negative impact on the Company's business, results of operations, financial condition and prospects.

Prospective investors should carefully read and review the entire Prospectus and should form their own views before making an investment decision with respect to any Ordinary Shares. Furthermore, before making an investment decision with respect to any Ordinary Shares, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and/or tax advisors and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of their personal circumstances.

2.1 RISK FACTORS RELATED TO THE COMPANY'S BUSINESS, STRATEGY AND OPERATIONS

The Company's investee companies currently operate in different sectors. The Company is indirectly exposed to the risks typical of the sectors and markets in which such investee companies operate. Therefore, the performance of the main investee companies has a significant impact on the earnings, financial position and cash flows of the Company

As of the Prospectus date, the Company's investee companies operate mainly in the sectors of automobile (Stellantis), performance and luxury cars (Ferrari), tractors, agricultural and construction equipment (CNH Industrial), trucks, commercial vehicles and buses (Iveco Group, spun off from CNH Industrial in January 2022 pursuant to the Demerger), professional football (Juventus) and media, publishing and editorial (GEDI and The Economist Group). As a result, the Company is indirectly exposed to the risks typical of the sectors and markets in which such investee companies operate. Therefore, if the main investee companies do not financially perform, this may have a negative impact on the businesses, results of operations, financial position and prospects of the Company's investee companies, and in turn, the results of operations and financial position of the Company.

By way of example of the aforementioned sector-inherent risks:

- in the automotive industry, the ability to manufacture vehicles depends on continued access to semiconductors and components that incorporate semiconductors, and automotive manufacturers rely on third parties to supply these semiconductors and related components. Many of the key semiconductors used in Stellantis' vehicles come from limited or single sources of supply. In 2020, Stellantis began experiencing a significant supply shortage as a result of unfilled orders, which has increased chip delivery lead times, reduced vehicle production volumes and increased costs to source available semiconductors. Stellantis' overall vehicle shipment volumes in 2021 were significantly impacted by unfulfilled semiconductor orders, representing a loss of 20% of its planned production;
- in the luxury and performance automotive industry, manufacturers are required to keep up with advancements in high performance car technology. Although Ferrari invests heavily in research and development, its cars may not compete effectively with its competitors' cars if it is not able to develop, source and integrate the latest technology into its cars. For example, in the next few years, luxury performance cars will increasingly transition to hybrid and electric technology, albeit at a slow pace compared to mass market vehicles, and Ferrari may not handle this transition as effectively as its competitors;
- in the agriculture equipment manufacturing and service industry, the market for such equipment is influenced by factors such as the price of agricultural commodities and the ability to competitively export agricultural commodities, the profitability of agricultural enterprises, farmers' income and their capitalisation, the demand for food products, the availability of stocks from previous harvests and agricultural policies, including aid and subsidies to agricultural enterprises provided by governments and/or supranational organisations, policies impacting commodity prices or limiting the export or import of commodities and alternative fuel mandates. In addition, droughts, floods and other unfavourable climatic conditions, especially during the spring, a particularly important period for generating sales orders, could have a negative impact on decisions to buy agricultural equipment and, consequently, on revenues. In the construction equipment manufacturing and service industry, the market for such equipment is influenced by factors such as public infrastructure spending, new residential and non-residential construction and capital spending in oil and gas and, to a lesser extent, mining. These factors can significantly influence the demand for agricultural and construction equipment and consequently, CNH Industrial's financial results. Additionally, demand for CNH Industrial's products is influenced by engine emissions and other applicable legal requirements, as well as the effective date of such requirements. If demand for CNH Industrial's products is less than it expects, CNH Industrial may experience excess inventories and be forced to incur additional charges and its profitability will suffer, including lower fixed costs absorption associated with lower production levels at its plants. CNH Industrial's business may be negatively impacted if it experiences excess inventories or if it is unable to adjust on a timely basis its production schedules or its purchases from suppliers to reflect changes in customer demand and market fluctuations;
- in the professional football industry, revenues are driven by the performance of football teams. Therefore, revenues of football teams may vary significantly depending on their participation and performance in domestic and international competitions. Also, business and financial performances are affected significantly by transactions made as part of the transfer campaign and the management of a player's registrations rights. A significant portion of the revenues of Juventus includes, but is not limited to, its broadcasting and media rights, the management of its brand, sponsorship and advertising market. Revenues deriving from such activities may be affected by various circumstances, such as future changes to the rules and criteria set out both at national and European level to govern the distribution of the broadcasting and media rights and by events in the football industry that, even if unrelated to Juventus, may negatively affect its brand or reputation. Juventus' sponsorship and advertising revenues are also affected by the terms and conditions of the relevant sponsorship and advertising agreements; when the

current agreements expire, Juventus may not be able to renew or replace them with contracts on similar or better terms; and

- in the editorial, publishing and media industry, companies operating in the sector derive substantial revenues from the sale of advertising on newspapers, inserts and websites. Expenditures by advertisers tend to be cyclical, reflecting overall economic conditions and buying patterns. In addition, newer technologies and free-press are increasing the number of media available to audiences and may cause changes in consumer behaviour that could affect the attractiveness of the media and publishing industries' offerings, both to advertisers and to the public generally, which could have an adverse effect on the relevant business. The publishing industry is also largely exposed to the threat of content piracy and infringement of intellectual property rights. Furthermore, in general, the industry is highly regulated by laws and regulations issued and administered by various authorities; such authorities regulate, among other things, the ownership of media and various authorities have under consideration, and may in the future adopt, new laws, regulations and policies regarding a wide variety of matters, including technological changes, which could, directly or indirectly, adversely affect the editorial, publishing and media industry business.

The exposure of the Company to each of these sectors is proportional to the size of the investment made by the Company in the relevant investee companies. The weight of the above-mentioned investee companies on the Company's Gross Asset Value (as at 31 December 2021) is set out below:¹

- the automotive industry (Stellantis): 22.0%;
- the luxury and performance automotive industry (Ferrari): 25.6%;
- agricultural and construction equipment and commercial vehicles (CNH Industrial and Iveco Group (i.e. before the Demerger)): 14.1%;
- the professional football industry (Juventus): 1.5%; and
- the editorial, publishing and media industry (GEDI and The Economist Group): 1.6%.

The Company's earnings and financial position and those of its investee companies are susceptible to international markets and exposure to changes in local conditions and trade policies, as well as economic, geopolitical and other events

The Company's earnings and financial position, and those of its investee companies, are particularly influenced by the general state of the economy in the countries in which the investee companies operate and by the variables which affect performance, including increases or decreases in gross national product, access to credit, the level of consumer and business confidence, the cost of raw materials and the rate of unemployment. The principal sectors of the businesses carried out by the investee companies are also subject to highly cyclical demand and tend to reflect the overall performance of the economy, in certain cases even amplifying the effects of economic trends. Moreover, the evolution of world monetary and financial market conditions and the associated uncertainties, especially in emerging markets, could adversely affect present economic conditions.

The principal risks associated with a slowdown in the markets in which the Company's investee companies operate comprise increases in energy prices and fluctuations in raw materials or possible contractions in infrastructure spending. In addition, in the Eurozone, unemployment remains significant, and a slow or inefficient implementation of structural reforms and budget adjustments in the public and private sectors would continue to hamper the pace of the recovery.

¹ The exposure to the reinsurance business (PartnerRe) was equal to 22.4% at 31 December 2021. The disposal of PartnerRe was completed on 12 July 2022.

The Company is also susceptible to risks relating to epidemics and pandemics of diseases. The outbreak of coronavirus Covid-19, a virus causing potentially deadly respiratory tract infections, which was declared a global pandemic by the World Health Organization in March 2020, led to governments around the world mandating increasingly restrictive measures to contain the pandemic, including social distancing, quarantine, “stay-at-home” or similar orders, travel restrictions and suspension of non-essential business activities. The sectors and markets in which the Company's principal investee companies operate have been and continue to be affected by the ongoing pandemic. In particular, the adoption of lockdown measures taken to limit the spread of Covid-19 have caused, and may continue to cause, a decline in demand for the products and services that the Company’s investee companies provide and, as a result, adversely impact the business and operations of the Company’s investee companies, and, in turn, negatively affect the economic results and financial position of the Company. Further, the ongoing pandemic and any possible future outbreaks of other viruses may have a significant adverse effect on the Company and its capability to fully achieve its investing strategies and cause delays in the completion of, or failure to complete, any acquisition, disposal, merger, joint venture or similar transaction. Notwithstanding, the ultimate impact of the pandemic on the business, results of operations and financial condition of the Company and its investee companies will depend on numerous evolving factors and future developments that the Company is not able to predict, including the ultimate duration, spread and severity of the outbreak and potential subsequent waves (e.g. the Omicron variant), the ultimate extent and duration of the effect on the global economy and how quickly and to what extent normal economic and operating conditions can resume.

The Company may also be exposed through its investments to any market downturn arising in connection with the United Kingdom’s (the **UK**) exit from the European Union (**Brexit**). The UK left the European Union (the **EU**) on 31 January 2020 and the transition period ended on 31 December 2020. The precise impact of the long-term effects of Brexit on the business of the Company is difficult to determine. Although the Company does not believe Brexit has had or will have a direct material impact on its financial position, the long-term effects of Brexit remain uncertain and may comprise greater restrictions on imports and exports between the UK and EU countries, a fluctuation in currency exchange rates and additional regulatory complexity as well as further global economic uncertainty, all of which could have a material adverse effect on the businesses, financial condition, results of operations and prospects of the Company and its investee companies. The exit of the United Kingdom (or any other country following the example of the United Kingdom) from the European Union, the potential decision of any European country that adopted the Euro to adopt a different currency, or prolonged periods of uncertainty connected to these circumstances could have significant negative impacts on international markets, including further declines in stock exchange indices and in the value of Sterling and the Euro and/or greater volatility of markets in general due to the increased uncertainty, with possible negative consequences for the businesses, financial condition, results of operations and prospects of the Company and its investee companies.

In addition to the above and given that there is currently no legal procedure or practice aimed at facilitating the departure of a Member State from the Euro, the consequences of these decisions are exacerbated by the uncertainty regarding the methods by which a Member State could manage its current assets and liabilities denominated in Euros and the exchange rate between the newly adopted currency and the Euro. A collapse of the Eurozone could be accompanied by the deterioration of the economic and financial situation of the European Union and could have a significant negative effect on the entire financial sector, creating new difficulties in the granting of sovereign loans and loans to businesses and involving considerable changes to financial activities both at market and retail level. Should this occur, the businesses, financial condition, results of operations and prospects of the Company and its investee companies could be materially adversely affected.

New or revised agreements between the United States (the **U.S.**) and its trading partners may also impact business and cause potential changes in tax laws that could adversely affect U.S. operations. These developments have introduced an elevated level of economic and policy uncertainty and could have a material adverse effect on the businesses, financial condition, results of operations and prospects of the Company and its investee companies. Such developments could cause financial and capital markets within and outside the U.S. and Europe to constrict, thereby negatively impacting the Company’s ability to finance its business.

Additionally, on 24 February 2022, Russia invaded Ukraine. In response to these events, certain regions (including the U.S., the UK and the EU) have imposed sanctions against Russia, as well as certain Russian individuals and entities. In particular, sanctions have been imposed on the export of Russian oil and gas internationally, and the EU in particular, with the consequence of limited supply and increased prices. This has a notable impact on the automotive industry, and in turn may have a negative impact on the relevant investee companies (Stellantis, Ferrari and Iveco Group). Moreover, there is further disruption imposed on people and economic activity both at a regional and global scale across all sectors such as supply chains, commodity prices and exchange rates, in addition to volatility of the global markets and financial system. Primarily, all of the key investee companies (Stellantis, Ferrari, CNH Industrial and Iveco Group) will be impacted by supply chain interruptions (in addition to increased oil and gas prices, there are and will be increased costs of raw materials for automakers and shipping challenges) caused by the sanctions. The Company's investee companies have conducted business in jurisdictions that may be subject to trade or economic sanctions and such sanctions could be expanded. The overall effect of these factors may have a negative impact on the business, financial condition, results of operations and prospects of the Company and its investee companies. In 2022, only Iveco Group has, in its interim first quarter results, published quantitative financial data in relation to the impact of the conflict in Ukraine: it reported a negative after-tax impact of €51 million in connection with its operations in Russia and Ukraine, primarily due to the impairment of certain assets.

It is not possible to provide an accurate indication of the future trends of the above factors and variables which may have an adverse impact on the activity of the Company's investee companies, both in terms of sales and income and consequently on their balance sheet position, ability to meet their contractual financial commitments or their liquidity. Also, the investee companies' ability to make reliable forecasts could be impaired and have an impact on the Company's ability to assess the value of its assets, in particular its unlisted assets.

A potential decline in the value of the portfolio of the Company as a result of the above factors, a potential difficulty to assess the value of unlisted assets as well as any cash distribution by the Company could have an impact on the Company's NAV, its liquidity or its debt ratio.

The Company does not have operations or significant assets other than the capital stock of its investee companies, and as such, the Company's financial condition is dependent on the distribution of funds by such entities

The Company does not have operations or significant assets other than the capital stock of its investee companies and other intercompany balances. The Company has cash outflows in the form of payments on its indebtedness, other expenses and dividends to its shareholders. The Company relies primarily on cash dividends and payments from its investee companies to meet its cash outflows. In particular, the Company does not have a significant operating business of its own and, accordingly, the Company's financial condition depends upon the results of its investment activities, including the receipt of funds by its investee companies. The Company expects future dividends and other permitted payments from its investee companies to be the principal source of funds to repay its indebtedness and to pay expenses and dividends. The ability of the Company's investee companies to make such payments (in the form of dividends and intercompany payments) depends on their economic performance and financial condition and may also be limited by contractual or regulatory constraints, as discussed further below. No assurance can be given that the Company will receive adequate distributions from its investee companies to maintain its financial condition, and such distributions not being received may have an adverse effect on the Company's business, financial condition, results of operations and prospects.

Additionally, the Company's investee companies are and will continue to be separate legal entities, and accordingly they have no obligation to make any funds available to the Company, whether in the form of loans, dividends, distributions or otherwise. The boards of directors of the investee companies may consider a range of factors and consider their shareholders' constituencies as a whole when making decisions about dividends or other payments. The ability of the investee companies to distribute cash to the Company will also be subject to, among other things, restrictions that are contained in their financing agreements, availability of sufficient funds in such companies and applicable laws and regulatory restrictions. Claims of creditors of the Company's investee companies may have priority as to the assets of such companies over the Company's claims and claims of the

Company's creditors and shareholders. To the extent the ability of the Company's investee companies to distribute dividends or other payments to the Company could be limited in any way, the Company's liquidity and ability to pursue its investment strategy and business objectives or to take other action that could be beneficial to its business, or otherwise fund and conduct its business, could be materially limited.

Finally, any restrictions on the Company's investee companies' ability to pay dividends or distributions may limit the Company's ability to incur additional indebtedness or refinance its existing indebtedness in the future as well. The Company's ability to refinance its indebtedness depends on its ability to generate future cash flow, and the Company is dependent on its investee companies' ability to pay dividends or distributions to the Company in order for it to generate cash flow.

The distribution and amount of dividends by the Company depend on dividends distributed by the Company's investee companies and gains realised on the divestment of such companies, which are neither periodic nor recurrent. Furthermore, the Company does not have a policy for payment of dividends and dividends distributed may be limited due to repayment of debt

The distribution of dividends by the Company and the amount of such dividends depend on the Company's future profits which in turn depend on the dividends distributed by the Company's investee companies, and on the gains realised on divestment of these companies, events which by their nature are neither periodic nor recurrent.

Further, the Company does not have a policy for the payment of dividends (for example a minimum distribution per share in absolute terms or as a percentage-dividend payout) and has not made any specific undertaking in this respect. Accordingly, Ordinary Shareholders are not guaranteed the payment of dividends on their Ordinary Shares.

Further, the Company's results in different financial years may not be regular and/or comparable. Where investments have been made by the Company having recourse to debt financing, part of the resources arising from the corresponding divestment will, as a priority, be applied in repayment of such debt and only the remaining part may be used for the distribution of dividends by the Company to Ordinary Shareholders.

The Company is a diversified holding company, with the financial results of its major investments and the capital distributed by them (as dividends or otherwise) having a significant impact on its performance

The Company is a diversified holding company, with the financial results of its major investments and the capital distributed by them (as dividends or otherwise) having a significant impact on its performance.

The following table shows the dividends received from the Company's key investments in the past five years:

€ (in million)	2017	2018	2019	2020	2021	2022
Stellantis/FCA	-	-	876	-	1,377	467
PartnerRe ²	128	41	178	44	90	160
CNH Industrial	41	51	66		40	103
Ferrari	28	31	46	50	39	60
Inflows	197	123	1,166	94	1,546	790

² The disposal of PartnerRe was completed on 12 July 2022.

The Company does not have a specific policy on investment and disposals: investment decisions taken by the Company are formulated on the basis of in-depth assessments and the expertise developed in specific sectors, as well as on the basis of the potential contribution of the individual investment to the geographical and sector diversification of the portfolio and of its capacity to generate future cash flows. Disposals have been guided by the wish to reduce exposure to non-global businesses or the wish to take advantage of concrete opportunities to divest in a market which offered an adequate economic result. In this regard, the proceeds received from the sale of PartnerRe were equal to USD 9.3 billion.

The composition of the Company's investment portfolio may vary substantially from time to time. The maintenance of long-term investments and the decisions to invest and divest entail business risks, such as having a concentrated portfolio in one or a few companies or industries, being subject to movements and changes in market conditions and having to deal with obstacles holding back the disposal of investments or barriers that arise and prevent exit from a holding at the chosen time. This also means that, immediately after the disposal of a (or several) significant portfolio investment (or investments), the Company could temporarily be exposed to few companies or industries, exhibiting low levels of portfolio diversification.

Since the Company holds a limited number of investments, the economic and financial performance of the Company may be materially influenced by the negative economic and financial results even of a single investment. Additionally, a high level of concentration in specific regions and sectors can create significant economic risks for the portfolio in the event of a downturn in those regions or sectors, in turn potentially negatively impacting the Company's business, results of operations and financial position.

The Company's investee companies operate in sectors that are highly competitive

The Company's main investee companies operate in the sectors of automobile (Stellantis), performance and luxury cars (Ferrari) and tractors, agricultural and construction equipment (CNH Industrial). If any one or several of these investee companies should fail to perform compared to their sector or their competitors, this could have a negative impact on such investee companies' businesses, financial position, results of operations and prospects, and, in turn, the Company's results of operations and financial position.

The competition faced by the relevant investee companies in their respective sectors and the risk presented thereby is described below:

- the automotive industry is highly competitive and cyclical. Stellantis faces competition from other international passenger car and light commercial vehicle manufacturers and distributors and components suppliers in Europe, North America, Latin America, the Middle East, Africa and the Asia Pacific region. These markets are all highly competitive in terms of product quality, innovation, the introduction of new technologies, response to new regulatory requirements, pricing, fuel economy, reliability, safety, consumer service and financial or software services offered. Some of Stellantis' competitors are also better capitalised than Stellantis and command larger market shares, which may enable them to compete more effectively in these markets. In addition, Stellantis is exposed to the risk of new entrants in the automotive market, which may have technological, marketing and other capabilities, or financial resources, that are superior to Stellantis' and of other traditional automobile manufacturers and may disrupt the industry in a way that is detrimental to Stellantis. In particular, Stellantis is exposed to risks from non-OEM (original equipment manufacturer) startup technology companies that may enter into alliances with competitors of Stellantis and enable them to introduce disruptive solutions, as well as risks from startup OEMs that are increasingly able to access public capital markets through initial public offerings or business combinations with special purpose acquisition companies. If competitors of Stellantis are able to successfully integrate with one another or enter into significant partnerships with non-OEM technology companies, or if new competitors emerge as a result of the increased flow of capital toward potentially disruptive OEMs, and Stellantis is not able to adapt effectively to increased competition, competitors' integration or the emergence of new significant competitors could have a material adverse effect on Stellantis' business, financial condition and results of operations;

- in the luxury and performance automotive industry, manufacturers face competition in all product categories and markets in which they operate. Ferrari competes with other international luxury performance car manufacturers which own and operate well-known brands of high-quality cars, some of which form part of larger automotive groups and may have greater financial resources and bargaining power with suppliers than Ferrari does, particularly in light of Ferrari's policy to maintain low volumes in order to preserve and enhance the exclusivity of Ferrari cars. In addition, several other manufacturers have recently entered or are attempting to enter the upper end of the luxury performance car market, including with advanced electric technology, thereby increasing competition. Ferrari competes primarily on the basis of the brand image, the performance and design of their cars, their reputation for quality and the driving experience for customers. If Ferrari is unable to compete successfully, the business results of operations and financial condition could be adversely affected; and
- in the agriculture equipment manufacturing and service industry is highly competitive in global and regional markets. Depending on the particular country and product, CNH Industrial competes with other international, regional and local manufacturers and distributors of agricultural and construction equipment. Certain of CNH Industrial's global competitors have substantial resources and may be able to provide products and services at little or no profit, or even at a loss, to compete with certain of CNH Industrial's product and service offerings. CNH Industrial competes primarily on the basis of product performance, innovation, quality, distribution, customer service, and price. Aggressive pricing or other strategies pursued by competitors, unanticipated product or manufacturing delays, quality issues, or CNH Industrial's failure to price our products competitively could adversely affect CNH Industrial's business, results of operations and financial position. Additionally, there has been a trend toward consolidation in the construction equipment industries that has resulted in larger and potentially stronger competitors in those industries. The markets in which CNH Industrial competes are highly competitive in terms of product quality, innovation, pricing, fuel economy, reliability, safety, customer service and financial services offered. Competition, particularly on pricing, has increased significantly in the markets in which CNH Industrial competes. Should CNH Industrial be unable to adapt effectively to market conditions, this could have an adverse effect on CNH Industrial business, results of operations and financial condition.

The Company does not exercise control over its minority investments, and the value and liquidity of its stakes in such investments could decrease

The Company holds minority investments in a number of its investee companies. The Company's minority voting position precludes it from controlling these companies, limits its ability to implement strategies that it favours and allows any such company to adopt strategies and take actions which may, in some cases, be contrary to the Company's preferred strategies and actions. The Company's results of operations and financial condition are significantly affected by the performance of these non-controlled investee companies, among its other investee companies, as further described in "*The Company does not have operations or significant assets other than the capital stock of its investee companies, and as such, the Company's financial condition is dependent on the distribution of funds by such entities*". For example, any significant impairments, asset sales, changes in operational performance, loss of founders or other key personnel or changes in dividend policy of any such investee company, pursuant to a corporate action which the Company was not able, as a minority shareholder, to prevent, could have a significant impact on the business, financial condition, results of operations and prospects of the relevant investee company, and in turn, the Company's business, financial condition, results of operations and prospects.

Changes in market prices of the Company's investee companies

The Company holds investments in both publicly listed companies and unlisted companies. The value of the investments in listed companies is based on their market price, whereas for investments in unlisted companies one of the methods used to value the shareholdings is based on multiples of comparable listed companies. Therefore, changes in prices and market conditions can significantly negatively impact the value of the Company's investee companies, and in turn, the financial condition of the Company. A substantial weakening of equity and/or bond

markets could negatively impact the value of the Company's investments. Changes in prices and market conditions could also negatively impact investor perception of the aggregate value of the Ordinary Shares and the value of the assets the Company can pledge to creditors for debt financing (in particular, the shares held by the Company in its investee companies). This could adversely affect the Company's ability to incur additional debt or finance future acquisitions.

The ratings agencies may downgrade the Company's corporate credit rating

The Company's corporate credit rating from S&P is currently "BBB+"³ for long-term debt and "A-2"⁴ for short-term debt with a stable outlook. Its ability to access capital markets, and the cost of borrowing in those markets, is highly dependent on its credit ratings.

The rating agencies may review their ratings of the Company for possible downgrades, and any downgrades would increase the Company's cost of capital, potentially limiting its access to sources of financing, and likely negatively affect investor perceptions of the Company, with a corresponding adverse effect on the trading price of the Ordinary Shares, both of which could negatively affect the Company's business, financial condition and prospects.

The Company may in the future be a party to claims, lawsuits, governmental investigations and other legal proceedings

As at the date of this Prospectus, the Company is not involved in pending legal proceedings nor has it received written notification threatening any legal proceeding. Notwithstanding the above, there can be no assurance that in the future the Company will not be a party to claims, lawsuits, governmental investigations and other legal proceedings including those that arise in the ordinary course of its business. The Company may become party to legal proceedings relating to its current or prior business and previous transactions for which, depending on the circumstances, a reserve may not have been established or otherwise provided for or insured against. There can be no assurance that the Company will prevail in any litigation in which it may become involved, or that its insurance coverage will be adequate to cover any or all potential losses. In addition, from time to time, the Company may decide to settle litigation involving it for a variety of reasons and regardless of the Company's perceived merits of the claims related to such litigation. Such settlements may include non-monetary, as well as monetary terms. To the extent that the Company sustains losses from proceedings which are not reserved or otherwise provided for or insured against, the business, results of operations, cash flows and/or financial condition of the Company could be materially adversely affected.

Similarly, the Company's investee companies may in the future be party to claims, lawsuits, governmental investigations and other legal proceedings, and to the extent that they sustain losses from proceedings which are not reserved or otherwise provided for or insured against, the businesses, results of operations, cash flows and/or financial condition of the investee companies could be materially adversely affected, and in turn, the business and financial condition of the Company.

Further, the Company is subject to income taxes in the Netherlands and, in the ordinary course of business, can be subject to audits by the Dutch tax authorities. Although the Company believes its tax estimates are reasonable, any final determination of tax audits to the contrary and any related litigation could have a material adverse effect on its financial position and profitability in the relevant period or periods.

See "*Business – Litigation*" for an overview of all governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at

³ A "BBB" rating is that of "*Investment Grade: Adequate capacity to meet financial commitments, but more subject to adverse economic conditions*". See <https://www.spglobal.com/ratings/en/about/intro-to-credit-ratings>. A rating of "BBB" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within such rating category.

⁴ An "A" rating is that of "*Investment Grade: Strong capacity to meet financial commitments, but somewhat susceptible to economic conditions and changes in circumstances*". See <https://www.spglobal.com/ratings/en/about/intro-to-credit-ratings>. A rating of "A-2" is somewhat more susceptible to the adverse effects of economic conditions and changes in circumstances than obligations in higher short-term rating categories (A-1); however, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

least the previous 12 months which may have, or have had in the recent past significant effects on the Company and/or Group's financial position or profitability. The overview also contains the contingent liabilities associated with them.

The Company is exposed to financial institution counterparty risk and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations

The Company is exposed to financial institution counterparty risk and will continue to be exposed to the risk of loss if counterparty financial institutions fail or are otherwise unable to meet their obligations. Financial services institutions are inter-related as a result of trading, counterparty and other relationships. The Company has exposure to many different industries and counterparties and routinely executes transactions with counterparties in the financial industry, including financial intermediaries, brokers and dealers, commercial banks and investment banks for its own account (as outlined in "Operating and Financial Review - Liquidity and Capital Resources – Cash and cash equivalents and undrawn credit lines" and "- Bond Notes, Notes, Interest-Bearing Loans and Borrowings"). Defaults by, or even the perceived questioning of the creditworthiness of, one or more financial services institutions or the financial services industry, generally, has led and may continue to lead to market-wide liquidity problems and could also lead to losses or defaults. Any such event could have a significant negative impact on the business, financial condition, results of operations and prospects of the Company and its investee companies.

Certain of the Company's investee companies are subject to fluctuations in exchange rates

Certain investee companies in the Company's portfolio are based or have investments in non-Eurozone countries, such as the U.S. As the Group's consolidated financial statements are presented in Euro, the income statements of these investee companies are translated into Euro using average exchange rates. Exchange rate fluctuations may affect the Euro balance of the statements.

The success of the Company and of its investee companies has depended, and will continue to depend, partially upon their ability to attract and retain management personnel

The success of the Company and of its investee companies has depended, and will continue to depend, partially upon the ability to attract and retain management personnel to manage efficiently the Company and the investee companies. If the Company and its investee companies should lose the contribution of key executives, this could have a significant negative effect on the business prospects as well as on the results of operations and/or financial position of the Company and its investee companies.

Furthermore, if one or more managers should resign from service with the Company or with its investee companies and should it not be possible to adequately replace them in a timely manner with persons of equal skill and experience, the competitive capacity of the Company and such investee companies could diminish with potentially negative effects on their businesses and on the ability to replicate the results of operations achieved in the past.

The Company itself depends on the skills and experience of its management personnel to identify, select and negotiate suitable acquisitions, disposals and other similar transactions, to monitor and manage the Company's investment portfolio, and otherwise to manage the Company's business. The inability of the Company to attract and retain such management personnel may have a materially adverse effect on the Company's business, financial condition, results of operations and prospects.

In the course of their other business activities, certain conflicts of interest may arise with respect to the Company, its major shareholders, investee companies and other affiliates and their respective directors, officers and affiliates

Certain of the Company's major shareholders, investee companies and other affiliates, and their directors, officers and affiliates, may become aware of business opportunities which may be appropriate for presentation to the Company as well as to other entities with which they are or may be affiliated, or for their own purposes. Due to

their affiliations with other entities, such persons may have obligations to present potential business opportunities to those other entities, which could cause additional conflicts of interest. Accordingly, such persons may not present otherwise attractive acquisition, disposal, business combination or other similar transaction opportunities to the Company or its investee companies.

In addition, the Company currently has a number of, and may in the future acquire additional, major shareholders, investee companies and affiliates (**Affiliated Persons**), some of which engage or may engage in business dealings with each other and the Company from time to time. As a result, conflicts of interest could arise with respect to transactions involving business dealings between the Company and the Affiliated Persons or between and among the Affiliated Persons, including potential corporate and business transactions and business services. On the part of the Affiliated Persons, it may not be possible to equally favour the Company and/or its investee companies, as applicable, in these business dealings, and the resolution of these conflicts may not always be equal and in the best interest of the Company and/or its investee companies, as applicable, which could have a material effect on the Company's and/or one or more of its investee companies', as applicable, financial condition, results of operations and prospects.

Cyber security risks and the failure to maintain the confidentiality, integrity and availability of the Company's computer hardware, software and internet applications and related tools and functions, could result in damage to the Company's reputation and/or data integrity and/or subject it to costs, fines or lawsuits under data protection laws or other contractual requirements

The regulatory environment governing information, security and data protection laws continues to evolve. The Company could be subject to risks caused by misappropriation, misuse, leakage, falsification, system malfunction or intentional or accidental release or loss of information maintained in the Company's information systems and networks and those of the Company's third-party service providers.

The Company is exposed to security breaches to its information technology (IT) systems. Unauthorised attempts to access the Company's IT systems, including viruses, worms or malicious software programs, or malware, may interfere with its activity and jeopardise the security of information stored in the Company's IT systems. Groups of hackers may also act in a coordinated manner to launch denial of service attacks or other coordinated attacks that may cause the Company's website or other systems to experience service outages or other interruptions.

If the Company is unable to maintain reliable IT systems and appropriate controls with respect to global data protection and security requirements and prevent data breaches, it may suffer regulatory consequences in addition to business consequences.

Government enforcement actions under European Union data protection regulation can be costly and may interrupt the regular operation of the Company's activity, and data breaches or violations of data protection laws can result in significant fines, reputational damage and civil lawsuits, any of which may adversely affect the Company's business, financial condition, results of operations and prospects.

Certain changes in accounting or financial reporting standards or interpretations issued by standard-setting bodies for IFRS-EU may adversely affect the Group's reported revenue, profitability and financial results

The Group prepares its financial statements in accordance with International Financial Reporting Standards (**IFRS**) as adopted by the European Union (**IFRS-EU**). IFRS-EU is periodically revised and new accounting pronouncements, as well as new interpretations of existing accounting pronouncements, could affect the Group's reported revenue, profitability and financial results. In general, changes in IFRS-EU could have a significant impact on the amount or timing of the Group's reported earnings, valuation of liabilities or assets, and classification of financial instruments between equity and liability on either a retrospective or prospective basis. Non-compliance with accounting and disclosure requirements could result in significant penalties for the Group.

2.2 RISK FACTORS RELATED TO THE ORDINARY SHARES

The Company is controlled by a majority shareholder with the ability to sell its Ordinary Shares

The Company is controlled by a majority shareholder with the ability to sell its Ordinary Shares. Based on the most recent information available, Giovanni Agnelli B.V. holds 52.01% of the issued Ordinary Shares of the Company and, considering the Special Voting Structure, holds 85.63% of the voting rights, such that its control is not at present contestable. Accordingly, Giovanni Agnelli B.V. may exercise control over the business and affairs of the Company, including matters submitted to a vote of the Company's shareholders, such as the election of directors, the removal of directors and the approval of significant corporate transactions. This may have a negative impact on shareholders' interests, but only to the extent that their interests do not align with those of Giovanni Agnelli B.V.

If the majority shareholder elects to sell its Ordinary Shares, this could negatively affect investor perceptions of the Company and accordingly could have an adverse effect on the Company's stock price. Additionally, the sale by the majority shareholder of all of its Ordinary Shares could result in a change of control under the Company's Bond Notes and other existing and, if applicable, future credit facilities and other debt arrangements, requiring the Company to repurchase such Bond Notes, and constituting a breach under the Company's existing and, if applicable, future credit facilities and other debt arrangements. No assurance can be provided that upon the occurrence of such an event, the Company will be able to obtain the required waivers, repay its indebtedness or secure alternative arrangements, and failure to do so could have a material adverse effect on the Company's financial condition and prospects.

Further, for so long as Giovanni Agnelli B.V. continues to hold more than 30% of the voting rights in the Company, it may increase such participation in the voting capital without any obligation under the Dutch takeover laws and regulations to make a public offer for all the Ordinary Shares that it does not already own. See "*Description of Share Capital and Corporate Structure – Public Takeover Offers*".

The Special Voting Structure could have a negative effect on the liquidity of the Ordinary Shares and may make it more difficult for shareholders to acquire a controlling interest, change the management or the strategy of the Company or exercise influence over it, resulting in a reduction in the market price of the Ordinary Shares

The Special Voting Structure is intended to strengthen the continuity of the Company's governance and strategy, reward long-term shareholding and provide an incentive for a stable shareholder base, giving shareholders the opportunity to decide to receive special voting shares after a certain uninterrupted period of ownership of Ordinary Shares. For a comprehensive description of the Special Voting Structure, see "*The Special Voting Structure*".

Shareholders who hold a significant quantity of the Ordinary Shares for the uninterrupted periods prescribed in the Articles of Association and who request and are issued Special Voting Shares could be in a position to exercise a significant quota of voting rights at meetings of shareholders and to have substantial influence over the Company. In terms of the provisions of the Articles of Association, which establish the Special Voting Structure, qualifying shareholders are entitled to exercise up to five (where Ordinary Shares have been held for an uninterrupted period of five years) or ten voting rights (where Ordinary Shares have been held for an uninterrupted period of ten years) for each Ordinary Share held, such that they may better influence shareholder initiatives aimed at changing the Company's management or strategy and may discourage, delay, postpone or prevent others from initiating any potential merger, takeover or other change of control transaction, which could have the effect of depriving the holders of Ordinary Shares of the opportunity to receive a premium for their Ordinary Shares as part of a sale of the Company with a consequent decrease in the price of the Ordinary Shares. The Special Voting Structure began to have its effect only five years from the date of adoption of the new Articles of Association following the Merger becoming effective. No Special Voting Shares had been issued at the December 2016 Merger date, while after the maturity terms some shareholders registered in the Company special register have requested to receive Special Voting Shares A. As of the Prospectus date, there are 124,717,163 Special Voting Shares A outstanding, of which 124,717,132 issued to Giovanni Agnelli B.V.

For the foreseeable future, as a result of the Special Voting Structure and the concentration of ownership, Giovanni Agnelli B.V. will continue to be able to control or substantially influence matters requiring approval by the Company's general meeting (*algemene vergadering*), including the appointment and dismissal of members of the board of the Company, Directors' remuneration, dividend distributions, the amendment of the Articles of Association, capital increases and mergers and consolidations. In addition, Giovanni Agnelli B.V. might not be prevented from pursuing large acquisitions and mergers against a payment in shares in the Company, given the limited effects of dilutive transactions on Giovanni Agnelli B.V.'s voting power; any such issuance would, however, have the effect of diluting the shareholding and, correspondingly, the voting power of existing Ordinary Shareholders.

Lastly, it must be noted that the Special Voting Structure could reduce the liquidity of the Ordinary Shares, which may adversely affect the trading price of the Ordinary Shares in the market. This reduction in liquidity would be attributable to: (i) an increased difficulty for outside investors to gain control of the Company; and (ii) the fact that Ordinary Shares which are opted in for the Special Voting Structure cannot be traded.

The trading price of the Ordinary Shares may be highly-volatile and could be subject to fluctuations in response to a number of factors beyond the Company's control

The trading price of the Ordinary Shares may be highly-volatile and could be subject to fluctuations in response to a number of factors beyond the Company's control, including:

- actual or anticipated fluctuations in the Company's results of operations and the performance of its investee companies and their competitors;
- reaction of the market to the announcement of any future acquisitions, disposals or other similar transactions by the Company or its investee companies;
- the public's reaction to the Company's and/or any of the investee companies' press releases, other public announcements and filings with relevant regulators, commissions and authorities;
- changes in general economic conditions;
- actions of the Company's historical equity investors, including the sale of Ordinary Shares by the majority shareholder or other major shareholders and the Company's Directors; and
- trading in the Ordinary Shares by the Company's institutional investors.

The occurrence of any one or more of such factors may have a significant adverse effect on the trading price and accordingly the value of the Ordinary Shares.

The Company may in the future issue Ordinary Shares, which may dilute investors' shareholdings in the Company

Any future issues of Ordinary Shares will dilute the holdings of shareholders and could materially adversely affect the market price of the Ordinary Shares.

The Company has no current plans for an offering of Ordinary Shares. However, the Company may decide to offer additional Ordinary Shares in the future. If Shareholders do not take up such offer of Ordinary Shares or are not eligible to participate in such offering, their proportionate ownership and voting interests in the Company will be reduced and the percentage that their Ordinary Shares would represent of the Company's total share capital would be reduced accordingly. An additional offering of Ordinary Shares could have a material adverse effect on the market price of the Ordinary Shares as a whole.

2.3 RISKS RELATED TO THE INDEBTEDNESS OF THE COMPANY AND THE GROUP

The overall amount of the consolidated indebtedness of the Group could have a significant negative impact on the business and the financial performance of the Company and of the Group

The overall amount of the consolidated indebtedness of the Group could have a significant negative impact on the business and the financial performance of the Company and of the Group. A deterioration in market conditions, which the Group Companies are not able to tackle rapidly, could have negative effects on revenues and cash flows of Group Companies; such a situation could result in higher financial charges with a consequent negative impact on the profitability of such Group Companies and as a consequence on the flow of dividends and other payments to the Company.

The deterioration of the economic and financial position of the Group Companies could, also, have negative effects on the possibility of accessing sources of additional funding for the achievement of the business objectives of the Company and of the Group Companies, for capital expenditure, working capital and the repayment of debt as well as on the cost of the latter; such circumstances could render the Group financially vulnerable. Further, if the Company and the Group Companies should fail to generate the financial resources necessary to repay debt within the terms agreed, they would be compelled to seek other financial resources or to refinance or renegotiate existing debt on more onerous terms and conditions, with the consequent limitation of available funds and the increase of the related costs.

Any difficulty in obtaining financing could have a significant impact on the financial condition, results of operations and prospects of the Group.

The Company does not guarantee the debt of its investee companies; accordingly, the indebtedness of the Company is a more appropriate metric, as opposed to consolidated gross debt, to measure the Company's risk related to indebtedness. In this regard, as of 31 December 2021, the Company's gross debt was €4.2 billion, the majority of which attributable to bond notes issued by the Company and outstanding (the **Bond Notes**) in the value of approximately €4.1 billion (of which 59% pursuant to public issuances and 41% pursuant to private placements) with an average maturity of approximately seven years. In addition, the Company had a €150 million term loan with maturity in 2024, available committed credit lines for €385 million, and uncommitted credit lines for €545 million, all of which are undrawn at the date of the Prospectus.

Restrictions in the Company's Bond Notes, financing agreements and revolving credit facility agreements limit, and other future bond notes, debt instruments and financing agreements may limit, the Company's ability to operate its business

The terms governing the Bond Notes, financing agreements and revolving credit facility agreements contain, and any of the Company's future bond notes, other debt instruments and financing agreements may contain, operating and financial restrictions on the Company's business.

All of the Bond Notes contain a negative pledge clause which requires that, in case any security interest in assets of the Company is granted in connection with other notes or debt securities having the same ranking, such security should be equally and ratably extended to the relevant notes, subject to certain permitted exceptions. The Bond Notes further contain periodic disclosure obligations and an extensive list of events of default, on the occurrence of which noteholders may give notice to the Company that the relevant Bond Note shall immediately become due and payable in its principal amount, together with interest to the date of repayment. These events of default are described in full in "*Operating and Financial Review - Liquidity and Capital Resources – Bond Notes*". If such an event occurs, the Company may not be able to obtain the necessary waivers, repay its debts or secure alternative arrangements. Failure to do so could have a material adverse impact on the Company's financial position and prospects.

The 2.80% Bond Notes establish a financial covenant requiring the Company to maintain a financial ratio of net borrowings to asset value, calculated with reference to the Company's shortened consolidated financial statements, higher than 0.5 to 1.0 at the relevant time, and a rating by one of the major agencies. Any of the Company's future bond notes, other debt instruments and financing agreements may contain financial covenants requiring the maintenance of a specific cash-to-debt or asset-to-debt ratio.

Furthermore, the financing agreements and revolving credit facility agreements entered into by the Company contain, and financing agreements, revolving credit facility agreements and other debt instruments entered into by the Company in the future may contain, restrictions on the Company, including (i) negative pledge clauses which require that, in case any security interest in assets of the Company is granted in connection with other notes or debt securities having the same ranking, such security should be equally and ratably extended to the outstanding notes, subject to certain permitted exceptions (ii) *pari passu* clauses, under which the relevant debt ranks and will rank *pari passu* with all other present and future unsubordinated and unsecured obligations of the Company, (iii) periodic disclosure obligations; (iv) cross-default clauses which require immediate repayment of the debt under certain events of default on other financial instruments of the Company or a consolidated subsidiary, (v) limitation of new real guarantees and asset sales on certain company assets without the consent of the creditor (vi) limitation on incurrence of liens (vii) limitations on incurrence, repayment and prepayment of indebtedness and (viii) other clauses that are generally applicable to securities of a similar type.

As at 31 December 2021, the Company was not in breach of any of the Bond Notes or any of its financing agreements or revolving credit facility agreements, and was in compliance with the financial covenant contained in the 2.80% Bond Notes (as at 31 December 2021, the net borrowings to asset value ratio contemplated by the covenant was 0.12; as at the date of this Prospectus, pursuant to the disposal of PartnerRe, the Company is in a net cash position and accordingly has full headroom in relation to the ratio).

Further, the Bond Notes contain a change of control clause. If a change of control of the Company occurs, the bondholders may require the Company to redeem the Bond Notes. If the majority shareholder elects to sell all of its Ordinary Shares, this could result in such change of control under the Bond Notes, in which event the bondholders would be entitled to request the redemption of the Bond Notes. Such a redemption would have a material adverse impact on the financial position and prospects of the Company. See “*The Company is controlled by a majority shareholder with the ability to sell its Ordinary Shares*” in respect of the sale by the majority shareholder of its Ordinary Shares.

The restrictions in the terms of the relevant instruments and agreements, subject to specified exceptions, may restrict the Company’s, and in certain cases, its investee companies’ ability to, among other things:

- incur additional indebtedness;
- create liens or engage in sale and leaseback transactions;
- pay dividends or make distributions in respect of capital stock;
- make certain restricted payments;
- sell assets;
- engage in transactions with affiliates, except on an arms-length basis; or
- consolidate or merge with, or sell substantially all of their assets to, another person.

Future financing activities may adversely affect the Company’s leverage and financial condition

The Company may enter into financial obligations, in addition to those already entered into (see “*Operating and Financial Review - Liquidity and Capital Resources – Bond Notes, Notes, Interest-Bearing Loans and Borrowings* for a description of the Company’s existing debt arrangements) and correspondingly incur substantial additional indebtedness to enable it to execute on its investment strategy. These obligations could result in:

- default and foreclosure on the Company’s assets if its operating revenues after an investment or acquisition are insufficient to repay its financial obligations, which may have a negative impact on the Company’s business and financial position;
- acceleration of the Company’s obligations to repay the financial obligations even if it makes all required payments when due if it breaches certain covenants that require the maintenance of certain financial

ratios or reserves without a waiver or renegotiation of the relevant covenant (see also “*Operating and Financial Review - Liquidity and Capital Resources – Bond Notes, Notes, Interest-Bearing Loans and Borrowings*” and “– *Bond Notes*” in respect of the 2.80% Bond Notes, as well as “*Restrictions in the Company’s Bond Notes, financing agreements and revolving credit facility agreements limit, and other future bond notes, debt instruments and financing agreements may limit, the Company’s ability to operate its business*”), which may have a negative impact on the Company’s business, financial condition and prospects;

- the Company’s immediate repayment of all amounts owed, if any, if such financial obligations are payable on demand, which may have a negative impact on the Company’s business, financial condition and prospects;
- the Company’s inability to pay dividends on its shares, such that shareholders may not receive returns on their investment for the duration of such inability;
- the Company using a substantial portion of its cash flow to pay principal and interest or dividends on its financial obligations, which could reduce the funds available for dividends on its shares, if declared, expenses, capital expenditures, acquisitions and other general corporate purposes;
- limitations on the Company’s flexibility in planning for and reacting to changes in its business, which may have a negative impact on the Company’s business and prospects;
- an event of default that triggers a cross-default with respect to other financial obligations, including the Bond Notes, which may have a negative impact on the Company’s business, financial condition and prospects;
- increased vulnerability to adverse changes in general economic, industrial, financial, competitive, legislative, regulatory and other conditions and adverse changes in government policy and implementation, which may have a negative impact on the Company’s business, financial condition, results of operations and prospects; and
- limitations on the Company’s ability to borrow additional amounts for expenses, capital expenditures, acquisitions, debt service requirements, execution of its strategy and other purposes, which may have a negative impact on the Company’s business, financial condition and prospects.

2.4 RISKS RELATED TO ACQUISITIONS, DISPOSALS AND OTHER SIMILAR TRANSACTIONS

Future acquisitions or disposals or other similar transactions by the Company could involve risks unknown to the Company that may harm the Company’s business and adversely affect its financial condition

The Company has in the past pursued or completed, and may in the future pursue or complete, acquisitions, disposals or other similar transactions that involve a number of risks, and in doing so, has relied and intends to continue relying on conservative financial leverage. In the case of acquisitions, those risks may relate to the particular industry in which the business(es) or acquisition target(s) operate(s), including risks in industries with which the Company is not familiar or experienced with, the financial, legal and operational risks related to such acquisition and other risks unknown to the Company. In the case of disposals, those risks may relate to employment matters, counterparties, regulators and other stakeholders in the disposed business, risks related to the management of the Company’s business, financial, legal and operational risks related to such disposal and other risks unknown to the Company. In the case of other similar transactions, those risks would be determined on a case-by-case basis having regard to the specific nature of the relevant transaction, but in any event may relate to risks unknown to the Company. Although the Company intends to conduct extensive business, financial, operational and legal due diligence in connection with the evaluation of any such opportunity, there can be no assurance that the Company’s due diligence investigations will identify every risk that could have a material

adverse effect on the Company. The realisation of any such risks, identified before completion or otherwise, could expose the Company to unanticipated costs and liabilities, including, without limitation, those arising from litigation or other regulatory proceedings, and prevent or limit it from realising the outcome, projected benefits and ultimate profitability of such acquisition, disposal or other similar transaction, which could adversely affect the Company's financial condition, liquidity and prospects and its ability to service its debt.

Furthermore, taking into account its own investments, the Company intends to maintain its financial leverage in compatibility with its designated corporate credit rating. No assurance, however, can be given that a current or future acquisition, disposal or other similar transaction, if concluded, would not have a negative impact on the Company's corporate credit rating, and in turn, its financial condition in the short and/or long term. See "*The ratings agencies may downgrade the Company's corporate credit rating*", which describes the risk that the Company's corporate credit rating may be downgraded.

The Company may determine not to or may not be successful in identifying and consummating suitable acquisitions, disposals or other similar transactions

The Company may not be successful in identifying and consummating suitable acquisitions, disposals or other similar transactions, at all or at favourable valuations and other terms, or may determine not to consummate any such opportunity. For example, any attractive acquisition, disposal or other transaction may be limited or prohibited by applicable regulatory regimes, or the negotiations in relation to the acquisition, disposal or other similar transaction may fail. Any future acquisition, disposal or other similar transaction may furthermore be difficult to successfully execute, and the investigation thereof as well as the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments with respect to such transactions, might require a substantial amount of the Company's management's time and involve the incurring of substantial costs for financial advisors, accountants, attorneys and other advisors. Even if an agreement is reached relating to a specific transaction, such transaction may fail to be consummated for any number of reasons, including those beyond the Company's control or by virtue of the Company's determination not to so consummate on commercial or other grounds. The consumption of significant management time and the incurring of related costs, including in the form of a break or termination fee, with respect to the failure to consummate any acquisition, disposal or other similar transaction, could have a material adverse effect on the Company's results of operations and financial condition.

Additionally, any delay in completing an acquisition, disposal or other similar transaction, could prejudice or delay the full achievement of the results and the benefits expected for the Company in respect of such acquisition, disposal or other similar transactions, and could have significant negative repercussions on the business prospects of the Company, as well as its results of operations and/or its financial condition.

Furthermore, even if the Company does execute an acquisition, disposal or other similar transaction, there is no assurance that such transaction will successfully enhance the Company's business, results of operations or financial condition.

Future acquisitions, disposals or other similar transactions may not require a shareholder vote and may be material to the Company

Any future acquisitions, disposals or other similar transactions could be material in size and scope, and the Company's shareholders and potential investors may have limited information about the relevant acquisition, disposal or other similar transaction upon which to base a decision whether to remain invested or invest in the Ordinary Shares, as applicable. In any event, depending upon the size and structure of any acquisitions, disposals or other similar transactions, shareholders are generally expected to not have the opportunity to vote on the relevant transaction, and may not have access to any information about the transaction until it is completed and the Company files a report with the relevant authority, commission or regulator disclosing the nature of such transaction and, as applicable, the underlying business, and publicly announces as much.

The Company may proceed with an acquisition, disposal or other similar transaction which it would otherwise not have been permitted to do if the acquisition, disposal or other similar transaction had been required to be put to a vote by the shareholders of the Company (assuming that they would then vote against such transaction). The transaction may then fail, with cost implications, or, if completed, the results may be poor – for example, if an acquisition, the acquired company may not perform, or, if a disposal, the purchase price may be lower due to unfavourable negotiations. Any such event may have an adverse impact on the Company's business, financial condition, results of operations and prospects.

2.5 RISKS RELATED TO TAXATION

The Company and its investee companies are exposed to increases in the level of taxation and the introduction of new taxes

Acquisition, divestment, investment and other similar transaction operations are often complex, because of the application of legal, fiscal and regulatory provisions under different applicable legislation and because specific organisational structures must be implemented depending on the characteristics of each investment.

Moreover, economic and financial activities of the Company and of its investee companies make the Company and its investee companies subject to a variety of taxes and duties. The Company and those investee companies are therefore exposed to the risk that the level of taxation to which they are subjected may rise in the future or that new taxes may be introduced. Any such increase in the level of taxation, or the introduction of new taxes, to which the Company and its principal investee companies may be subjected, could have negative effects on the economic results and the financial position of the Company and its investee companies.

Additionally, the Company and its investee companies are also exposed to risk from the interpretative complexity of tax regulations and may from time to time be subjected to inspections by the tax authorities. This complexity may in turn also have an impact on future acquisition, divestment, investment and other similar transaction operations.

Furthermore, the Company may incur significant taxes in connection with effecting acquisitions, disposals, investments and other similar transactions, holding and receiving payments from businesses and other assets and disposing of operating businesses and other assets. The Company's decisions to make a particular acquisition, sell a particular asset or increase or decrease a particular investment or complete some other similar transaction may be based on considerations other than the timing and amount of taxes owed as a result, which could have a negative effect on the financial condition of the Company and its investee companies.

The tax treatment of the Special Voting Shares is uncertain

No statutory, judicial or administrative authority has issued explicit guidance on how the receipt, ownership, or disposition of Special Voting Shares should be treated for Dutch tax purposes and as a result the tax consequences thereof in the Netherlands are uncertain. The fair market value of the Special Voting Shares, which may be relevant to the tax consequences, is a factual determination and is not governed by any guidance that directly addresses such a situation. Considering that the Special Voting Shares are not transferable (other than, in very limited circumstances, together with the associated Ordinary Shares) and that a shareholder's rights to receive amounts in respect of the Special Voting Shares are extremely limited, the Company believes and intends to take the position that the fair market value of each Special Voting Share is minimal. However, the relevant tax authorities could assert that the value of the Special Voting Shares as determined by the Company is incorrect. The tax treatment of the Special Voting Shares and the consequences of acquiring them, therefore, are not entirely clear and established, and such treatment and associated consequences, if negative, may be materially adverse to the holders thereof.

If the Company is classified as a passive foreign investment company for U.S. federal income tax purposes, U.S. investors that hold the Company's shares could be subject to potentially significant adverse tax consequences.

If the Company is classified as a passive foreign investment company (PFIC) in any taxable year in which a U.S. Holder, as defined in "*Taxation - U.S. Federal Income Tax Considerations*" beginning on page 198, holds Ordinary Shares, such U.S. Holder may be subject to significant adverse tax consequences. The Company believes there is substantial risk that it may have been a PFIC for its taxable year ended 31 December 2021, and may be for the foreseeable future.

The Company will be classified as a PFIC in respect of any taxable year in which, after taking into account its income and gross assets (and the income and assets of certain affiliates pursuant to applicable "look-through rules") either: (i) 75% or more of its gross income consists of certain types of "passive income"; or (ii) 50% or more of the average quarterly value of its assets is attributable to "passive assets" (assets that produce or are held for the production of passive income). Passive income generally includes interest, dividends, rents, certain non-active royalties and capital gains. PFIC status is a factual determination that needs to be made annually after the close of each taxable year, on the basis of the composition of the Company's income and assets, the relative value of its active and passive assets from time to time, and its market capitalisation. For this purpose, certain of the Company's assets are treated as passive even though it holds them in the ordinary course of its business operations.

Based on the present nature of its activities and the present composition of its assets and sources of income, including holding stock in subsidiary companies in amounts below the threshold required for application of the 25% look-through rule, the Company believes there is substantial risk that it may have been a PFIC for the year ending on 31 December 2021 and may be for the foreseeable future.

If the Company were to be classified as a PFIC, a U.S. Holder may be subject to significant adverse tax consequences, including that a U.S. Holder that does not make a "mark-to-market" election may incur significantly increased U.S. income tax on gain recognised on the sale or other disposition of the Company's Ordinary Shares and on the receipt of distributions on the Ordinary Shares to the extent such distribution is treated as an "excess distribution" under the U.S. federal income tax rules. Additionally, if the Company were to be or become classified as a PFIC, a U.S. Holder of its Ordinary Shares may be subject to additional U.S. tax form filing requirements, and the statute of limitations for collections may be suspended if the Holder does not file the appropriate form. See "*Taxation - U.S. Federal Income Tax Considerations*" beginning on page 198.

3. IMPORTANT INFORMATION

3.1 General

This Prospectus has been approved as a prospectus for the purposes of the Prospectus Regulation by the AFM, as the competent authority under the Prospectus Regulation, on 5 August 2022.

The validity of this Prospectus shall expire on 12 August 2022 (the First Trading Date) or 12 months after its approval by the AFM, whichever occurs earlier. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see the section “*Important Information – Supplements*”) shall cease to apply upon the expiry of the validity period of this Prospectus. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or of the quality of the Ordinary Shares. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

Prospective investors should only rely on the information contained in this Prospectus and any supplement to this Prospectus within the meaning of Article 23 of the Prospectus Regulation. The Company does not undertake to update this Prospectus, unless required pursuant to Article 23 of the Prospectus Regulation. Therefore, prospective investors should not assume that the information in this Prospectus is accurate as at any date other than the date of this Prospectus. If any information or representation not contained in this Prospectus is given or made, the information or representation must not be relied upon as having been authorised by the Company or any of its respective affiliates or representatives. The delivery of this Prospectus at any time after the date hereof shall, under any circumstances, create no implication that there has been no change in the business or affairs of the Company since the date of this Prospectus or that the information contained herein is correct at any time after such date.

Prospective investors are expressly advised that an investment in the Ordinary Shares entails certain risks and that they should therefore carefully review the entire contents of this Prospectus. Prospective investors should ensure that they read the whole of this Prospectus and not merely rely on key information or information summarised within it. A prospective investor should not invest in the Ordinary Shares unless it has the expertise (either alone or with a financial advisor) to evaluate how the Ordinary Shares will perform under changing conditions, the resulting effects on the value of the Ordinary Shares and the impact this investment will have on the prospective investor’s overall investment portfolio. Prospective investors should also consult their own tax advisors as to the tax consequences of the purchase, ownership and disposition of the Ordinary Shares.

The content of this Prospectus should not be construed as legal, business or tax advice. It should not be considered as a recommendation by any of the Company or any of its respective affiliates or representatives that any recipient of this Prospectus should invest in the Ordinary Shares. In making an investment decision, prospective investors should read the entire content of this Prospectus and, in particular, the section named “*Risk Factors*” when considering an investment in the Company. None of the Company or any of its respective representatives is making any representation to any purchaser of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such purchaser under the laws applicable to such purchaser. Prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial or legal advisors before making any investment decision with regard to the Ordinary Shares, to consider among other things such investment decision in light of his or her personal circumstances and in order to determine whether or not such prospective investor is eligible to invest in the Ordinary Shares. In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company and the Ordinary Shares, including the merits and risks involved.

The distribution of this Prospectus and any related materials may be restricted by law in certain jurisdictions other than the Netherlands, including, but not limited to, the United States.

This Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, the Ordinary Shares in any jurisdiction. The Company does not accept any responsibility

for any violation by any person, whether or not such person is a prospective purchaser of the Ordinary Shares, of any of these restrictions.

3.2 Responsibility Statement

The Company makes this Prospectus available, and the Company accepts sole responsibility for the information contained in this Prospectus. The Company declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

3.3 Presentation of Financial and Other Information

(A) Historical Financial Data

The financial information included in the Prospectus is derived from the consolidated audited financial statements of the Company for the financial years ending on 31 December 2019, 31 December 2020 and 31 December 2021 (the **2019 Financial Statements**, **2020 Financial Statements** and **2021 Financial Statements** respectively, and together the **Financial Statements**). The Financial Statements have been prepared in accordance with IFRS.

Ernst & Young Accountants LLP (**Ernst & Young**), the Company's independent auditor, audited the Financial Statements.

Unless otherwise indicated, financial information contained in this Prospectus has been prepared in accordance with IFRS as adopted in the EU, based on Regulation (EC) No 1606/2002.

Ernst & Young's independent auditor's report in respect of the 2019 Financial Statements includes an emphasis of matter paragraph which reads: "*The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organisations and the assessment of the ability to continue as a Going Concern. The financial statements and our auditor's report thereon are snapshots. The situation changes on a daily basis giving rise to inherent uncertainty. EXOR N.V. is confronted with this uncertainty as well, that is disclosed in the Board Report under subsequent events and 2020 outlook and risks related to business, strategy and operations, and the disclosure about events after the reporting period as disclosed in note 37. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.*"

(B) Segmental Data

Reportable segments reflect the operating segments of the Group that are regularly reviewed by the CEO, who is the Chief Operating Decision Maker (the **CODM**), as defined under IFRS 8 – *Operating Segments*, for making strategic decisions and allocating resources and assessing performance, and that exceed the quantitative threshold provided in IFRS 8, or the disclosure of which is considered useful for the users of the Financial Statements.

The Exor Group reportable segments coincide with the consolidated data of its principal investments, each of which represents an investment in a major business segment: Stellantis, CNH Industrial, Ferrari, PartnerRe, Juventus and GEDI. The column "Other and adjustments" includes unallocated income and expenses, share of profit in equity investments of the Company, expenses related to corporate activities and finance income and expense of the Company and other Exor entities which are not included within the reportable segments as well as assets and liabilities of the Holdings System entities.

Prior to the merger of PSA with and into FCA (the FCA/PSA Merger), Exor segment reporting included the FCA Group as a reportable segment. Following the merger, the economic data of the FCA Group have been excluded from continuing operations and are presented in a single line item in the consolidated income statement for the years 2021 and 2020 (as contained in the 2020 Financial Statements and the 2021 Financial Statements), as

discontinued operations, while the assets and liabilities of the FCA Group at 31 December 2020 have not been reclassified for the comparative consolidated statement of financial position.

On 16 December 2021, Exor and Covéa signed a definitive agreement for the sale of PartnerRe. At 31 December 2021, the sale within the next twelve months became highly probable and the subsidiary met the criteria to be classified as a disposal group held for sale and a discontinued operation pursuant to IFRS 5, since it represents a separate major line of the Exor Group, and therefore the segment reporting disclosures were appropriately adjusted. The economic data of PartnerRe have been excluded from continuing operations and are presented in the 2021 Financial Statements in a single line item within the consolidated income statement for the years 2021 and 2020, as a discontinued operation. The assets and liabilities of PartnerRe at 31 December 2020 have not been reclassified for the comparative consolidated statement of financial position.

(C) Alternative Performance Measures

To facilitate the understanding of the economic and financial performance of the Company and of the Group, the management of the Company has identified a number of Alternative Performance Measures (APM), which are used to identify operational trends and to make investment and resource allocation decisions. To ensure that the APM are correctly interpreted, it is emphasised that these measures are not indicative of the future performance of the Group. The APM are not part of international reporting standards (IFRS) and are unaudited. They should not be taken as replacements of the measures required under the reference financial reporting standards.

The APM should be read together with the consolidated financial information prepared using the shortened consolidation criterion. Since they are not based on the reference financial reporting standards, the APM used by the Company may not be consistent and comparable with those used by other companies or groups. The APM used by the Company have been consistently calculated and presented for all the reporting periods for which financial information is presented in this Prospectus.

(D) General

Certain figures in this Prospectus, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

In preparing the financial information included elsewhere in this Prospectus, most numerical figures are presented in millions of euros. For the convenience of the reader of this Prospectus, certain of these are rounded to the nearest one million. Thus, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

The percentages (as a percentage of revenue or costs and period-on-period percentage changes) presented in the textual financial disclosure in this Prospectus are derived directly from financial information included elsewhere in this Prospectus. Such percentages may be computed on the numerical figures expressed in millions of euros (or expressed in other terms as the case may be). Therefore, such percentages are not calculated based on the financial information in the textual disclosure that has been subjected to rounding adjustments in this Prospectus.

In tables, negative amounts are shown between brackets. Otherwise, negative amounts are shown by “-”, “minus” or “negative” before the amount.

(E) Currency

In this Prospectus, unless otherwise indicated: all references to “EUR”, “euro” or “€” or “euros” are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time; all references to “USD” are to the lawful currency of the United States.

(F) Exchange Rates

The Group publishes its Financial Statements in euros. The exchange rates below are provided solely for information and convenience. The tables below show, for the periods indicated, the period end, and average, high and low ECB composite rate expressed as USD per EUR 1.00. The ECB composite rate is a ‘best market’ calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The average rate for a year means the average of the ECB composite rates on the last day of each month during a year. The average rate for a month, or for any shorter period, means the average of the daily ECB composite rates during that month, or shorter period, as the case may be. No representation is made that USD could have been, or could be, converted into euros at any particular rate indicated, or any other rate.

	<u>Period end</u>	<u>Average rate</u>	<u>High</u>	<u>Low</u>
	USD per EUR 1.00			
Year				
2019	1.1234	1.1196	1.1535	1.0889
2020	1.2271	1.1421	1.2281	1.0707
2021	1.1326	1.1829	1.2338	1.1206
	<u>Period end</u>	<u>Average rate</u>	<u>High</u>	<u>Low</u>
	USD per EUR 1.00			
Month				
December 2021	1.1326	1.1304	1.1339	1.1256
January 2022	1.1156	1.1314	1.1463	1.1138
February 2022	1.1199	1.1342	1.1464	1.1163
March 2022	1.1101	1.1019	1.1162	1.0892
April 2022	1.0540	1.0819	1.1052	1.0485
May 2022	1.1579	1.1770	1.1872	1.1579
June 2022	1.1645	1.1601	1.1655	1.1542
July 2022	1.0198	1.0179	1.0455	1.0005

On 1 August 2022 (the latest practicable date before publication of this Prospectus), the ECB composite rate between the USD and EUR was USD 1.0233 per EUR 1.00.

3.4 Market and Industry Data

All references to market share, market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by industry professionals, competitors, organisations or analysts, of publicly available information or of the Group’s own assessment of its sales and markets. Statements based on the Group’s own proprietary information, insights, opinions or estimates contain words such as ‘believe’, ‘expect’, ‘see’, ‘plan’, ‘estimate’, ‘expect’, ‘goal’, ‘intend’, ‘may’, ‘could’, ‘would’, ‘should’, ‘might’, ‘will’, ‘forecast’, ‘outlook’, ‘guidance’, ‘possible’, ‘potential’ and ‘predict’ and as such do not purport to cite, refer to or summarise any third party or independent source and should not be so read.

This Prospectus also contains statistics, data and other information relating to markets, market sizes, market positions and other industry data pertaining to the Group’s business and markets. The information in this Prospectus that has been sourced from third parties has been accurately reproduced and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information provided inaccurate or misleading.

Industry publications and market studies generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Where third party information has been sourced in this Prospectus, the source of such information has been identified.

In this Prospectus, certain statements are made regarding the Group's competitive and market position. The Group believes these statements to be true, based on market data and industry statistics, but the Group has not independently verified the information. The Group cannot guarantee that a third party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Group's competitors may define their markets and their own relative positions in these markets differently from the Group and may also define various components of their business and operating results in a manner that makes such figures non-comparable with the Group's figures.

3.5 Supplements

If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus, which is capable of affecting the assessment of the Ordinary Shares, arises or is noted between the date of this Prospectus and the Listing, a supplement to this Prospectus will be published in accordance with the Prospectus Regulation. Such a supplement will be subject to approval by the AFM in accordance with Article 23 of the Prospectus Regulation and will be made public in accordance with the relevant provisions under the Prospectus Regulation. The summary shall also be amended, if necessary, to take into account the new information included in the supplement.

The obligation to supplement this Prospectus, which only relates to the Listing, in the event of significant new factors, material mistakes or material inaccuracies (see "*Information Regarding Forward-Looking Statements*" below) shall cease to apply upon the earlier of: (i) the First Trading Date; or (ii) the expiry of the validity period of this Prospectus.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document that is incorporated by reference in this Prospectus. Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

3.6 Information Regarding Forward-Looking Statements

Certain statements in this Prospectus are forward-looking statements, which reflect the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements, as a general matter, are all statements other than statements as to historical facts or present facts or circumstances. The words 'believe', 'expect', 'may', 'might', 'will', 'could', 'would', 'should', 'intend', 'estimate', 'plan', 'assume', 'predict', 'project', 'hope', 'seek', 'anticipate', 'annualised', 'goal', 'target', 'potential', 'objective' or 'aim' or, in each case, their negative, or similar expressions, identify certain of these forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places in this Prospectus, including, without limitation, in the sections entitled "*Risk Factors*", "*Dividends and Dividend Policy*", "*Operating and Financial Review*" and "*Business*", which are based on the Group's current beliefs and projections and on information currently available to it. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Group's control and all of which are based on the Group's current beliefs and expectations about future events.

Forward-looking statements include, among other things, statements relating to:

- (a) the Group's strategy, outlook and growth prospects;

- (b) the Group's liquidity, capital resources and capital expenditure requirements;
- (c) the Group's expectations as to future growth in demand for the Group's products and/or services;
- (d) the Group's medium-term objectives;
- (e) changes in general economic conditions and capital markets; and
- (f) the actions of competitors and customers.

Should one or more of these risks or uncertainties materialise, or should any of the assumptions underlying the above or other factors prove to be incorrect, the Group's actual future financial condition or results of operations could differ materially from those described herein as currently anticipated, believed, estimated or expected. In light of the risks, uncertainties and assumptions underlying the above factors, the forward looking events described in this Prospectus may not occur or be realised. Additional risks not known to the Group or that the Group does not currently consider material could also cause the forward-looking events discussed in this Prospectus not to occur. Prospective investors are advised to read "*Risk Factors*", "*Dividends and Dividend Policy*", "*Selected Consolidated Financial Information*", "*Operating and Financial Review*" and "*Business*" for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates.

Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. Except as required by applicable law, the Group does not undertake and expressly disclaims any duty to update or revise publicly any forward-looking statement in this Prospectus, whether as a result of new information, future events or otherwise. Such forward-looking statements are based on current beliefs, assumptions, expectations, estimates and projections of the Group's directors and of the Group's management, public statements made by it, present and future business strategies and the environment in which the Group will operate in the future. By their nature, they are subject to known and unknown risks and uncertainties, which could cause the Group's actual results and future events to differ materially from those implied or expressed by forward-looking statements. Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in this Prospectus include those described under "*Risk Factors*".

3.7 Certain Terms

As used herein, all references to the "**Company**" and "**Exor**" refer to EXOR N.V., a public limited company (*naamloze vennootschap*) under the laws of the Netherlands and together with its consolidated group companies the "**Group**", and the companies forming part thereof being the "**Group Companies**". The words "**Directors**", "**Board of Directors**", and "**General Meeting**" refer to, respectively, the directors, the board of directors and the general meeting of shareholders of the Company, the latter being the corporate body or, where the context so requires, the physical meeting of the Company.

3.8 Definitions

This Prospectus is published in English only. Definitions used in this Prospectus are defined in the section entitled "*Defined Terms*".

4. THE SPECIAL VOTING STRUCTURE

4.1 Introduction and Purpose of the Special Voting Structure

In order to foster the development and continued involvement of a core and stable base of long-term shareholders in a manner that reinforces the Group's stability, as well as providing the Company with enhanced flexibility when pursuing strategic investment opportunities in the future, the Articles of Association provide for a special-voting structure (the **Special Voting Structure**). The purpose of the Special Voting Structure is to reward long-term ownership of Ordinary Shares by granting long-term Ordinary Shareholders with special voting shares to which multiple voting rights are attached additional to the right granted by each Ordinary Share held. In line with this purpose, the Special Voting Structure helps the Company to attract and maintain a stable shareholder base supporting the long-term strategy of the Board of Directors; at the same time, the Company may use Ordinary Shares as currency for mergers, acquisitions and other similar transactions, while, by virtue of the Special Voting Structure, maintaining a stable shareholder base to pursue its long term strategy because loyal shareholders will have multiple voting rights per Ordinary Share.

More precisely, according to the Special Voting Structure:

- (i) after five years of uninterrupted ownership of Ordinary Shares held in the Loyalty Register (as defined below), each Ordinary Shareholder will be entitled to five voting rights for each Ordinary Share and, to this purpose, will receive – and the Company will issue – one special voting share, to which four voting rights are attached, and with a nominal value of EUR 0.04 (Special Voting Share A), additional to each Ordinary Share owned (to which one voting right is attached); and
- (ii) after ten years of uninterrupted ownership of Ordinary Shares held in the Loyalty Register (as defined below), each Ordinary Shareholder will be entitled to ten votes for each Ordinary Share and, to this purpose, each Special Voting Share A held will be converted into one special voting share B, to which nine voting rights are attached, and with a nominal value of EUR 0.09 (Special Voting Share B), additional to each Ordinary Share owned (to which one voting right is attached).

Special Voting Shares A and Special Voting Shares B, which are collectively referred to as “**Special Voting Shares**”, will not be tradable and will have only minimal economic entitlements.

4.2 Application for Special Voting Shares – Loyalty Register

A shareholder may at any time opt to become eligible for Special Voting Shares by requesting the agent (the **Agent**) referred to in Article 3.3 of the Terms and Conditions for Special Voting Shares (the **SVS Terms**), acting on behalf of the Company, to register one or more ordinary shares in the loyalty register (the **Loyalty Register**)⁵ maintained by the Company pursuant to the SVS Terms. Such request will need to be made by the relevant shareholder via its intermediary, by submitting: (i) a duly completed form (the **Election Form**); and (ii) an intermediary confirmation statement attesting the uninterrupted holding of Exor ordinary shares, pursuant to the SVS Terms.

Together with the Election Form, the relevant shareholder must submit a duly signed power of attorney, irrevocably instructing and authorising the Agent to act on his behalf and to represent him in connection with the issuance, allocation, acquisition, conversion, sale, repurchase and transfer of Special Voting Shares in accordance with and pursuant to the SVS Terms (the **Power of Attorney**).

⁵ The Loyalty Register is not accessible by the public; the register's contents are private. As prescribed by law and article 5.2 of the Articles of Association, the Board of Directors may provide a shareholder, on request, with the information from the Loyalty Register relating only to his, her or its shareholding. To the extent a shareholder crosses the substantial holdings threshold (being 3% or more of the issued capital of a listed company), such shareholder must notify the AFM as to this fact, pursuant to which his, her or its shareholding in the Company will become publicly available information.

Upon receipt of the Election Form, the intermediary's confirmation and the Power of Attorney, the Agent will examine the same and use its reasonable efforts to inform the relevant shareholder, through his intermediary, as to whether the request is accepted or rejected (and, if rejected, the reasons why) within ten business days of receipt of the above-mentioned documents. The Agent may reject a request for reasons of incompleteness or incorrectness of the Election Form, the Power of Attorney or the broker's confirmation or in case of serious doubts with respect to the validity or authenticity of such documents. If the Agent requires further information from the relevant shareholder in order to process the request, then such shareholder shall provide all necessary information and assistance required by the Agent in connection therewith.

Exor ordinary shares for which a shareholder has issued a request for registration in the Loyalty Register – as well as ordinary shares already registered – are referred to as “**Electing Ordinary Shares**”.

4.3 Transfer of Electing Ordinary Shares, Qualifying Ordinary Shares and Special Voting Shares; removal from the Loyalty Register

According to the SVS Terms and during the time in which Electing Ordinary Shares or Qualifying Ordinary Shares are held in the Loyalty Register, these cannot be sold, disposed of or transferred unless to a Loyalty Transferee.

No shareholder shall, directly or indirectly: (a) sell, dispose of or transfer any Special Voting Share or otherwise grant any right or interest therein, unless the shareholder is obliged to transfer Special Voting Shares to a Loyalty Transferee; or (b) create or permit to exist any pledge, lien, fixed or floating charge or other encumbrance over any Special Voting Share or any interest in any Special Voting Share.

As described above, anyone holding Electing Ordinary Shares or Qualifying Ordinary Shares may request at any time that all or part of their Electing Ordinary Shares or Qualifying Ordinary Shares be removed from the Loyalty Register and be transferred to the ordinary trading system, so as to enable the shareholder to freely dispose of their Exor shares as indicated below. Starting from the time the above mentioned request is made, it shall be considered that the person holding Qualifying Ordinary Shares has waived the attribution of the voting rights associated with the Special Voting Shares issued and attributed in relation to the Qualifying Ordinary Shares.

Each of the above mentioned requests shall result in a compulsory transfer by effect of which the Special Voting Shares shall be offered and transferred to Exor without any consideration (*om niet*) under the Articles of Association and the SVS Terms. Exor may keep the Special Voting Shares as treasury shares, but shall not be entitled to exercise the related voting rights. Alternatively, Exor may withdraw and cancel the Special Voting Shares and by this effect the nominal value of those shares shall be allocated to the special capital reserve of Exor. Therefore, the voting rights embodied in Special Voting Shares shall cease to apply with reference to the related Qualifying Ordinary Shares removed from the Loyalty Register.

Each shareholder holding Qualifying Ordinary Shares shall promptly notify Exor about the occurrence of an event of Change of Control (as defined under the SVS Terms) which concerns the same. A shareholder's Change of Control causes the related Qualifying Ordinary Shares to be removed from the Loyalty Register. The voting rights attaching to Special Voting Shares and assigned in relation to the corresponding Qualifying Ordinary Shares shall be suspended with immediate effect as a result of any event of Change of Control, directly or indirectly, related to each holder of Qualifying Ordinary Shares held in the Loyalty Register.

4.4 Other characteristics of Special Voting Shares

Issuance of Special Voting Shares does not require qualified shareholders to pay up their nominal value to Exor. Pursuant to Article 13.4 of the Articles of Association, Exor maintains a separate reserve (the “Special Capital Reserve”) to pay-up Special Voting Shares. The Board of Directors is authorised to credit or debit the Special Capital Reserve at the expense or in favour of the Company's general share premium reserve. If the Board of Directors so decides, Special Voting Shares can be issued at the expense of the Special Capital Reserve in lieu of an actual payment for the shares concerned.

However, the holder of Special Voting Shares issued at the expense of the Special Capital Reserve may at any time substitute the charge of the Special Capital Reserve by making an actual payment to the Company in respect of the shares concerned (in accordance with payment instructions provided by the Board of Directors on request) in an amount equal to the nominal value of such Special Voting Shares (such shares being defined as “**Special Voting Shares paid-up in cash**”).

As anticipated, Special Voting Shares have minimal economic entitlement. Under Dutch law, in fact, Special Voting Shares cannot be excluded – as a whole – from the assignment of economic rights. Consequently, in accordance with Article 28.2 of the Articles of Association, holders of Special Voting Shares paid-up in cash will be entitled to the payment of an annual dividend equal to 1% of the amount actually paid for such shares in accordance with the above, provided, however, that profits realised with respect to the financial year concerned are not fully appropriated to increase and/or form reserves. Actual payments made during the financial year to which the dividend relates will not be counted.

In case of liquidation of the Company, out of the balance remaining after payment of its debts, the following payments will be proceeded:

- firstly, the amounts actually paid-in on Special Voting Shares in accordance with Article 13.5 of the Articles of Association will be transferred to those holders of Special Voting Shares whose Special Voting Shares have so been actually paid for; and
- secondly, the balance remaining will be transferred to the holders of ordinary shares in proportion to the aggregate number of the ordinary shares held by each of them.

Pursuant to Article 11 of the SVS Terms, in the event of a breach of any of the obligations of a shareholder, that shareholder must pay to the Company an amount for each Special Voting Share affected by the relevant breach (the **Compensation Amount**), which amount is the average closing price of an ordinary share on Euronext Milan (or any other stock exchange) calculated on the basis of the period of 20 trading days prior to the day of the breach or, if such day is not a business day, the preceding business day, such without prejudice to the Company’s right to request specific performance.

Pursuant to Article 12 of the SVS Terms, the SVS Terms may be amended pursuant to a resolution by the Board of Directors, provided, however, that any material, not merely technical amendment will be subject to the approval of the general meeting of shareholders of Exor, unless such amendment is required to ensure compliance with applicable laws or listing regulations.

4.5 Allocation of Special Voting Shares

As per the date on which an Exor ordinary share has been registered in the Loyalty Register in the name of one and the same shareholder or its Loyalty Transferee (as defined under the SVS Terms) for an uninterrupted period of five years (the **SVS A Qualification Date**), such Electing Ordinary Share will become a “**Qualifying Ordinary Share A**” and the holder thereof will be entitled to acquire one Special Voting Share A in respect of each of such Qualifying Ordinary Share A.

As per the date on which an Exor ordinary share has been registered in the Loyalty Register in the name of one and the same shareholder or its Loyalty Transferee for an uninterrupted period of ten years (the **SVS B Qualification Date**), such Electing Ordinary Share – which, in the meantime, will have become a Qualifying Ordinary Share A – will become a “**Qualifying Ordinary Share B**”. Qualifying Ordinary Shares A and Qualifying Ordinary Shares B are collectively referred to as “**Qualifying Ordinary Shares**”.

On the SVS B Qualification Date, the Agent will, on behalf of the Company, issue a conversion statement pursuant to which the Special Voting Shares A corresponding to the number of Qualifying Ordinary Shares B will automatically convert into an equal number of Special Voting Shares B.

On 13 December 2021, after five years of registration in the Loyalty Register, the Electing Ordinary Shares held by Giovanni Agnelli B.V. became Qualifying Ordinary Shares A and Giovanni Agnelli B.V. became entitled to acquire one Special Voting Share A in respect of each of such Qualifying Ordinary Share A. On 13 December 2021, Exor issued 124,717,132 Special Voting Shares A allocated to Giovanni Agnelli B.V., now holding 85.63% of voting rights on outstanding capital and 84.37% of voting rights on issued capital.

5. DIVIDENDS AND DIVIDEND POLICY

5.1 Overview

The Board may decide that the profits realised during a financial year are fully or partially appropriated to increase and/or form reserves. Out of the profits remaining after such application, with respect to the financial year concerned, primarily and insofar as possible, a dividend is paid in the amount of 1% of the amount actually paid on the Special Voting Shares in accordance with the Articles of Association. These dividend payments will be made only in respect of Special Voting Shares for which such actual payments have been made. Actual payments made during the financial year to which the dividend relates, will not be counted. No further distribution will be made on the Special Voting Shares. If, in a financial year, no profit is made or the profits are insufficient to allow the distribution provided for in the preceding sentences, the deficit will be not paid at the expense of the profits earned in following financial years.

The profits remaining after application of the above (firstly, appropriation of profits to increase and/or form reserves, and secondly, payment of a dividend on the Special Voting Shares for which actual payments have been made) will be put at the disposal of the General Meeting for the benefit of the holders of Ordinary Shares. The Board of Directors will make a proposal for that purpose. A proposal to pay a dividend to holders of Ordinary Shares will be dealt with as a separate agenda item at the General Meeting.

Distributions from the Company's distributable reserves are made pursuant to a resolution of the Board and will not require a resolution from the General Meeting.

Distributions may be made only insofar as the Company's equity exceeds the amount of the issued capital, increased by the reserves which must be kept by virtue of the law or the Articles of Association. Provided it appears from an unaudited interim statement of assets signed by the Board of Directors that this requirement is met, the Board of Directors may make one or more interim distributions to the holders of Ordinary Shares.

The Board may decide that a distribution on Ordinary Shares will not take place as a cash payment but as a payment in Ordinary Shares, or decide that holders of Ordinary Shares will have the option to receive a distribution as a cash payment and/or as a payment in Ordinary Shares, out of the profit and/or at the expense of reserves, provided that the Board is designated by the General Meeting. The Board shall determine the conditions applicable to the aforementioned choices.

No payments will be made on treasury shares and treasury shares shall not be counted when calculating allocation and entitlements to distributions.

Dividends and other distributions will be made payable pursuant to a resolution of the Board of Directors within four weeks after adoption, unless the Board of Directors sets another date for payment. Different payment release dates may be set for the Ordinary Shares and the Special Voting Shares.

Dividend distribution is further summarised in "*Description of Share Capital and Corporate Structure*".

5.2 Dividend History

The Company's dividends history is set out below:

Declaration date	Payment date	Dividend per share (€)	Total amount paid (€ mn)
24-Mar-22	22-Jun-22	0.430	99
25-Mar-21	23-Jun-21	0.430	99.6
25-Mar-20	24-Jun-20	0.430	99.6
27-Mar-19	26-Jun-19	0.430	99.7
26-Mar-18	20-Jun-18	0.350	82.3

5-Apr-17	21-Jun-17	0.350	82.1
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5.3 Dividend Policy

In accordance with the Company's Article of Association, the Company's policy on reserves and dividends shall be determined and can be amended by the Board of Directors. The adoption and thereafter each amendment of the policy on reserves and dividends shall be discussed and accounted for at the General Meeting of Shareholders under a separate agenda item.

At the date of this Prospectus, Exor does not have a specific dividend policy, but has declared and paid recurring dividends to shareholders in accordance with the provisions of the Articles of Associations.

5.4 Uncollected Dividends

A claim for any declared dividend or other distribution lapses five years after the date on which those dividends or other distributions were released for payment. Any dividend or distribution that is not collected within this period will be considered to have been forfeited and reverts to the Company.

5.5 Taxation

The tax legislation of the jurisdiction where investors are resident for tax purposes, and of the Netherlands, the Company's country of incorporation, may have an impact on income received from the Ordinary Shares. Please see the section entitled "*Taxation*". Please note that the Company is resident for tax purposes in the Netherlands.

6. BUSINESS

Exor is a diversified holding company based in Europe, with a Net Asset Value (NAV) of approximately €26 billion at 31 December 2021. Through delivering on its purpose of developing and improving companies, the Company aims to outperform the MSCI World Index by increasing its NAV per share.

In addition, Exor focuses on maintaining financial strength and discipline by managing its leverage and keeping indebtedness levels below 20% of LTV Ratio⁶, generating net cash in excess of dividends paid and keeping its cash general expenses (Holdings System cost) under control.

The Company's approach to investing in new companies is based around its purpose and values. The Company identifies sectors and themes that are of potential interest and looks for opportunities within them, while not excluding other opportunities. All opportunities are then screened using a clear set of investment criteria:

UNDERSTANDING	PEOPLE	VALUE
We invest only when we understand	We back talent and look for cultural alignment	We decide based on value not only price
<ul style="list-style-type: none"> ✓ We learn from practitioners who bring deep knowledge ✓ We form our own opinions and strive to be aware of what we don't know 	<ul style="list-style-type: none"> ✓ We believe people are what makes the difference ✓ We know that behaviours are as important as skills or knowledge 	<ul style="list-style-type: none"> ✓ We assess intrinsic and potential value to invest when the price is right

6.1 Key Strengths and Strategy

Exor is a capital provider with a long-term outlook as it pursues its purpose of developing and improving companies while providing opportunities for its people to grow, make a positive contribution to society and deliver returns to its investors. Most of Exor's portfolio is made up of companies where it is the largest shareholder. Exor creates an environment where its companies can thrive through long-term and stable ownership which is accompanied with permanent capital that seeks to support and constructively challenge a company's strategy. The Company empowers leaders to develop cultures and to promote diversity and inclusion while also acting as a "critical friend". Governance is an influential tool used by Exor to steer its companies and it does so by building effective Boards and then playing an active role on them.

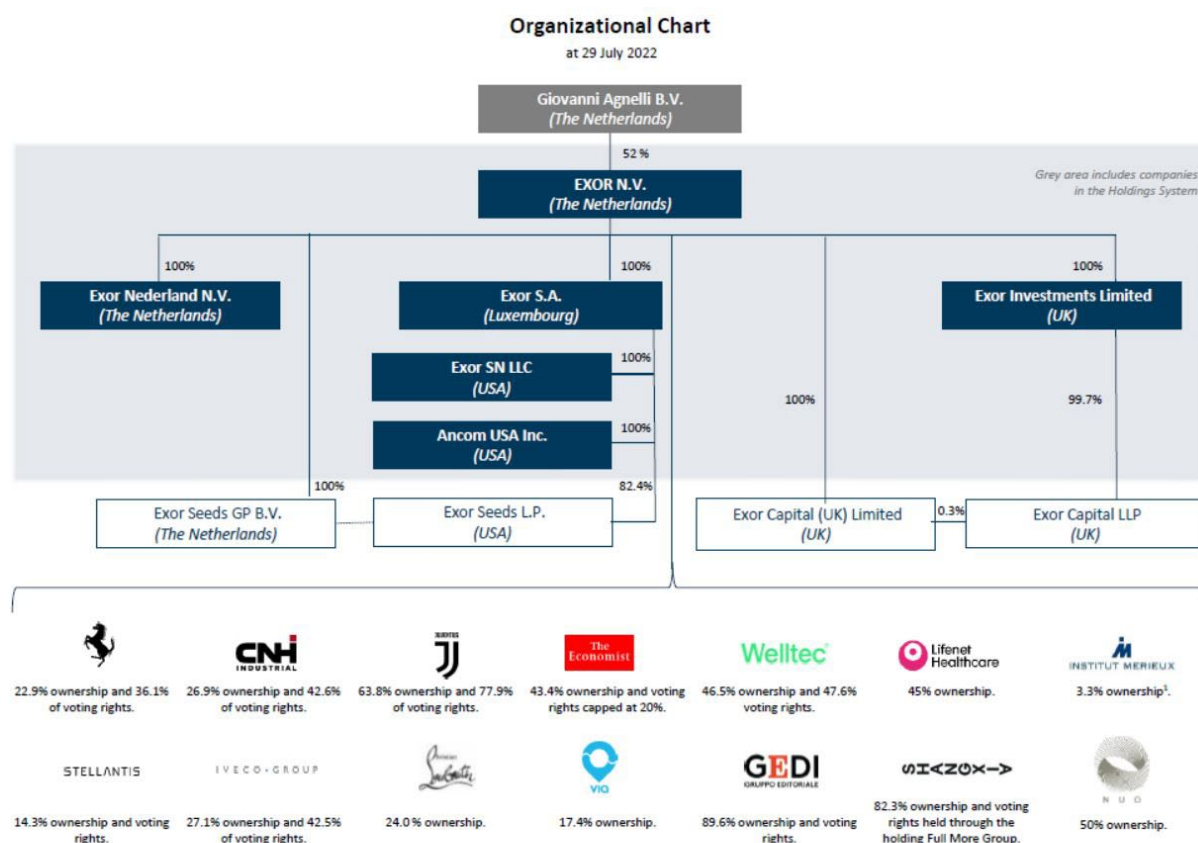
When looking for new investments, the Company investigates sectors and themes that reflect areas of expertise or interest. Following the identification of potential opportunities, Exor tests them against a set of investment criteria. The final element of the pre-investment process involves the Company assessing the potential of the opportunity in line with its ability to perform, seek renewal and change, be distinctive in what it does and act in a responsible way. Following investment, Exor works with the company to support it in its growth and development.

⁶ Reference is made to the Loan-to-Value (LTV) ratio, which is used to assess the financial risk profile of an investment holding company, and calculated by the sum of the net financial position of the Holdings System and other liabilities of the Holdings System, and dividing the product by the sum of the Gross Asset Value of the Company net of cash, cash equivalents and other financial assets of the Holdings System, expressed as a percentage. The Company's LTV ratio at 31 December 2021 was equal to 13% and the current LTV ratio is not applicable as the Company's financial position is net cash.

In executing this strategy, the Company faces challenges inherent to the business of investment through long-term holdings, including, in particular, those associated with: (i) the sectors in which the Company’s investee companies operate, which risks the Company may not be aware of at the time of investment, or which may materialise or exacerbate after investment (for further information on these challenges, please see “*The Company’s investee companies currently operate in different sectors. The Company is indirectly exposed to the risks typical of the sectors and markets in which such investee companies operate. Therefore, the performance of the main investee companies has a significant impact on the earnings, financial position and cash flows of the Company*”); (ii) international markets and exposure to changes in local conditions and trade policies, as well as economic, geopolitical and other events (for further information on these challenges, please see “*The Company’s earnings and financial position and those of its investee companies are susceptible to international markets and exposure to changes in local conditions and trade policies, as well as economic, geopolitical and other events*”); and (iii) participation in acquisitions, disposals, mergers and other similar transactions (for further information on these challenges, please see “*Future acquisitions or disposals or other similar transactions by the Company could involve risks unknown to the Company that may harm the Company’s business and adversely affect its financial condition*” and “*The Company may determine not to or may not be successful in identifying and consummating suitable acquisitions, disposals or other similar transactions*”). The Company faces these challenges under the leadership and experience of its Board of Directors and management team.

6.2 Organisational Structure of the Group

As at the date of the Prospectus, the organisational structure of the Group is as follows:







*Note: the organizational chart includes Holdings System, Companies and Alliances.
1) Exor signed an agreement to acquire a 10% stake in Institut Mérieux, of which 1/3 was subscribed on 29 July 2022.*

As of the date of this Prospectus, the Group is comprised of the Company, its consolidated operating subsidiaries (namely, Ferrari, CNH Industrial, Iveco Group, Juventus, Exor Seeds, GEDI, Shang Xia and Exor Capital) and the subsidiaries constituting the “Holdings System”, namely Exor Nederland N.V., Exor S.A., Ancom USA Inc., Exor SN and Exor Investments Limited. The Company’s associate companies have also been included in the above organogram.

6.3 Key Investments

The Company’s portfolio is made up of companies and other investments.

Companies: these constitute the majority of the portfolio by value. In all of these companies Exor is a significant shareholder and in many cases is the reference shareholder.

Company	Description	Economic rights and voting rights ^(a)
	<p>Ferrari^(b) (LEI: 549300RIVY5EX8RCON76) is among the world’s leading luxury brands focused on the design, engineering, production and sale of the world’s most recognisable luxury performance sports cars.</p> <p>Ferrari is listed on the New York Stock Exchange and the Euronext Milan managed by Borsa Italiana and is included in the FTSE MIB Index. Ferrari’s registered address is Via Abetone, Inferiore n. 4, I-41053 Maranello (MO), Italy.</p>	<p>22.9%</p> <p>36.1%</p>
	<p>Stellantis^(c) (LEI: 549300LKT9PW7ZIBDF31) is one of the world’s leading automakers and a mobility provider, guided by a clear vision: to offer freedom of movement with distinctive, affordable and reliable mobility solutions.</p> <p>Stellantis is listed on the New York Stock Exchange, the Euronext Paris and the Euronext Milan managed by Borsa Italiana and is included in the FTSE MIB Index. Stellantis’ registered address is Taurusavenue 1, 2132LS Hoofddorp, the Netherlands.</p>	<p>14.3%</p> <p>14.3%</p>
	<p>CNH Industrial^(d) (LEI: 549300WGC2HZ5J67V817) is a world-class equipment and services company that sustainably advances the noble work of agriculture and construction workers.</p> <p>CNH Industrial is listed on the New York Stock Exchange and the Euronext Milan managed by Borsa Italiana and is included in the FTSE MIB Index. CNH Industrial’s registered address is 25 St. James’s Street, London, SW1A 1HA, the United Kingdom.</p>	<p>26.9%</p> <p>42.6%</p>
	<p>As an independent family-owned company, Institut Mérieux is dedicated to the fight against infectious diseases and cancers, with a global and long-term vision. Thanks to five companies – bioMérieux, Transgene, ABL, Mérieux NutriSciences and Mérieux Equity Partners – Institut Mérieux develops complementary approaches to meet today’s public health challenges: from prevention of health risks to innovative disease treatment, including the key step of diagnosis.</p> <p>Present in 45 countries, Institut Mérieux employs more than 21,000 people around the world and achieves a turnover of 4 billion euros.</p>	<p>3.3%</p> <p>3.3%</p>

	Juventus was founded in 1897 and it is one of the most prominent professional football teams in the world.	63.8%
	Juventus is listed on the Euronext Milan managed by Borsa Italiana.	77.9%
	Christian Louboutin was founded in 1991 and has grown to become one of the leading names in global luxury, world famous for its signature red sole women's shoes. The company is also recognised for having successfully diversified its business into men's footwear, leather goods & accessories and beauty. Christian Louboutin operates about 150 boutiques around the world.	24%
		24%
	First launched in New York City in 2013, Via is a technology company specialising in the dynamic, data-driven optimisation of public mobility systems in cities all around the world.	17.4%
		17.4%
IVECO • GROUP	Iveco Group is a global automotive leader active in the Commercial & Specialty Vehicles, Powertrain and related Financial Services arenas.	27.1%
	Iveco Group is listed on Euronext Milan managed by Borsa Italiana and is included in the FTSE MIB Index.	42.5%
	The Economist Group is a leading source of analysis on international business and world affairs. Based in London and serving a global readership and client base, it delivers its information through a range of formats, from newspapers and magazines to conferences and electronic services.	43.4%
		20%
	GEDI Gruppo Editoriale is a leading Italian media group, operating through a set of first tier media brands including newspapers and magazines, radio, digital and advertising. It owns two of the leading Italian newspapers La Repubblica and La Stampa, Il Secolo XIX and other local newspapers, several magazines and three national radio stations including Radio DeeJay.	89.6%
		89.6%
	Welltec® services the energy industry with market leading technologies that are used to build and repair oil and gas wells. Its solutions help clients to optimise their production and minimise their environmental footprint. The company was established in 1994 and is based in Denmark.	46.5%
		47.6%
	SHANG XIA is a Chinese luxury company which uses its distinctive combination of contemporary design, hand artisanship and Chinese culture to create an artistic portfolio of apparel, furniture, homeware, leather goods, jewellery and accessories.	82.3%
		82.3%
	Lifenet S.r.l is an Italian company active in the healthcare sector, particularly in the management of hospitals and outpatient clinics. Founded in 2018, the company has presences in four Italian regions (Lombardy, Piedmont, Lazio and Emilia-Romagna).	45%
		45%

(a) At the date of this Prospectus.

(b) At 31 December 2021, Ferrari had reserves in the amount of €2,203,416,000, and €2,573,000 in issued capital, and the shares held by the Company in Ferrari had a book value of €6,77,443,000 and a market value of €10,109,026, and no amounts are owing on such shares. No amount of debt is owed between Exor and Ferrari.

- (c) At 31 December 2021, Stellantis had reserves in the amount of €55,876,000,000, and €31,000,000 in issued capital, and the shares held by the Company in Stellantis had a book value of €1,349,725,000 and a market value of €7,500,654,000, and no amounts are owing on such shares. No amount of debt is owed between Exor and Stellantis.
- (d) At 31 December 2021, CNH Industrial had reserves in the amount of €7,392,674,000, and €17,609,000 in issued capital, and the shares held by the Company in CNH Industrial had a book value of €1,694,530 and a market value of €6,300,152,000, and no amounts are owing on such shares. No amount of debt is owed between Exor and CNH Industrial.

Other Investments: Exor's other investments include both private and public situations as well as alliances.

Private: sector agnostic investments focused on best ideas across the capital structure in unlisted companies with an Asia bias.

Public: a portfolio of minority investments in a small number of publicly-listed companies.

Seeds: a portfolio of minority investments in early stage and late-stage companies through which it backs founders who have the ambition to build companies.

Alliances: situations where Exor does not directly invest but works with a partner.

The following amounts (expressed in millions of Euro) have been invested by the Company into its operating subsidiaries and subsidiaries constituting the Holdings System for the years ended 31 December 2021, 31 December 2020 and 31 December 2019, and for the current year up to the date of the Prospectus:

Operating subsidiaries / Segment entities		2022 to date	2021	2020	2019
Juventus	Italy	—	255.0	—	191.3
GEDI	Italy	—	—	188.0	—
Exor Seeds	USA	44.0	241.0	49.3	32.8
Shang Xia	People's Rep. of China	—	—	80.0	—
Other Exor subsidiaries					
Exor SN	USA	—	0.3	1.0	0.3

Considering the scope of consolidation at 31 December 2021, 2020 and 2019, the operating subsidiaries and the subsidiaries constituting the "Holdings System" are the following:

Company/Group	Country	Group Ownership		
		31/12/2021	31/12/2020	31/12/2019
Operating subsidiaries / Segment entities				
FCA ^(a)	the Netherlands	—	28.54%	28.67%
CNH Industrial	the Netherlands	27.06%	27.10%	27.18%
Ferrari	the Netherlands	24.17%	24.05%	23.98%
PartnerRe ^(b)	Bermuda	100%	100%	100%
Juventus Football Club	Italy	63.77%	63.77%	63.77%
GEDI Gruppo Editoriale	Italy	89.62%	89.62%	—
Exor Seeds	USA	79.96%	76.34%	73.11%
Shang Xia ^(c)	People's Rep. of China	77.30%	77.30%	—
Exor Capital LLP ^(d)	United Kingdom	100%	99.67%	99.67%
Other Exor entities				
Exor Nederland N.V.	the Netherlands	100%	100%	100%

Exor S.A.	Luxembourg	100%	100%	100%
Exor Investments Limited	United Kingdom	100%	100%	100%
Exor SN	USA	100%	100%	100%
Ancom USA Inc.	USA	100%	100%	100%

(a) Deconsolidated from 16 January 2021 following the FCA/PSA Merger.

(b) Disposed on 12 July 2022.

(c) Owned through the holding company Full More Group (Hong Kong).

(d) Formerly Exor Investments (UK) LLP.

6.4 Principal Markets

The following tables summarise selected financial information by reporting segment for the years ended 31 December 2021, 31 December 2020 and 31 December 2019. Data presented are prepared by each subsidiary for the Exor consolidation process and may differ from data published by each subsidiary in its financial report.

<i>(€ million)</i>	Stellantis ¹	CNH Industrial	Ferrari	PartnerRe ²	Juventus	GEDI	Associates, other and adjustments	Consolidated
2021								
Segment revenues	—	28,309	4,271	—	446	520	71	33,617
Revenues from transactions with other operating segments	—	—	—	—	—	—	—	—
Revenues from external customers	—	28,309	4,271	—	446	520	71	33,617
Profit (loss) from continuing operations	1,905	1,502	833	—	(215)	(35)	(640)	3,350
Profit (loss) from discontinued operations	—	—	—	—	—	—	104	104
Profit (loss) attributable to owners of the parent ³	1,905	398	201	580	(137)	(31)	(1,199)	1,717
31 December 2021								
Total assets	8,624	45,129	6,863	25,429	962	675	3,429	91,111
Gross debt	—	21,569	2,667	—	239	161	4,314	28,950
Cash and cash equivalents	—	6,058	1,344	—	160	14	329	7,905
Total equity	8,624	7,440	2,211	7,316	303	193	(1,717)	24,370
Issued capital and reserves attributable to owners of the parent ³	8,624	1,962	533	7,139	194	171	(1,864)	16,759

1) Consolidated with the equity method starting from 16 January 2021.

2) At 31 December 2021, PartnerRe Group data have been classified as a discontinued operation pursuant to IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*.

3) Exor share of the result or equity attributable to the owners of the parent of each segment entity.

<i>(€ million)</i>	FCA ¹	CNH Industrial	Ferrari	PartnerRe ²	Juventus	GEDI	Associates, other and adjustments	Consolidated
2020								
Segment revenues	—	22,749	3,460	—	509	367	(293)	26,792
Revenues from transactions	—	(272)	(101)	—	(43)	(3)	419	—
Revenues from external customers	—	22,477	3,359	—	466	364	126	26,792
Profit (loss) from continuing operations	—	(608)	609	—	(153)	(13)	(65)	(230)
Profit (loss) from discontinued operations	—	—	—	—	—	—	231	231
Profit (loss) attributable to owners of the parent ³	8	(178)	146	181	(98)	(11)	(78)	(30)
31 December 2020								
Total assets	100,053	41,199	6,262	22,537	967	660	1,267	172,945
Gross debt	21,750	21,805	2,727	1,915	396	143	4,196	52,932
Cash and cash equivalents	23,846	7,847	1,363	1,916	38	36	515	35,561
Total equity	25,861	5,489	1,789	6,583	125	231	(2,418)	37,660
Issued capital and reserves attributable to owners of the parent ³	7,337	1,431	452	6,025	80	207	(2,442)	13,090

1) The economic data of FCA for 2020 are presented in the line Profit (loss) from discontinued operation.

2) At 31 December 2021, PartnerRe Group economic data have been classified as a discontinued operation pursuant to IFRS 5 - *Non-current Assets Held for Sale and Discontinued Operations*.

3) Exor share of the result or equity attributable to the owners of the parent of each segment entity.

<i>(€ million)</i>	FCA	CNH Industrial	Ferrari	PartnerRe	Juventus	Associates, other and adjustments	Consolidated
2019							
Segment revenues	108,187	25,033	3,766	7,034	614	(879)	143,755
Revenues from transactions with other	(361)	(343)	(144)	—	(34)	882	—
Revenues from external customers	107,826	24,690	3,622	7,034	580	3	143,755
Profit (loss) from continuing operations	2,700	809	699	831	(98)	44	4,985
Profit (loss) from discontinued operations	3,930	—	—	—	—	—	3,930
Profit (loss) attributable to owners of the parent ¹	1,898	212	167	798	(62)	40	3,053
31 December 2019							
Total assets	98,677	43,780	5,446	22,980	1,129	598	172,610
Gross debt	13,219	22,729	2,105	1,476	464	3,506	43,499
Cash and cash equivalents	15,014	5,140	898	1,321	137	425	22,935
Total equity	28,675	6,999	1,487	7,142	276	(2,020)	42,599

Issued capital and reserves attributable to owners of the parent	8,173	1,852	378	6,477	176	(2,031)	15,025
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1) Exor share of the result or equity attributable to the owners of the parent of each segment entity.

Information by geographical area

The following tables present an analysis of the net revenues of the Group by country, irrespective of the origin of the goods and services for the years ended 31 December 2021, 2020 and 2019:

<i>(€ million)</i>	Years ended 31 December ¹		
	2021	2020	2019
North America	7,810	6,218	83,014
Italy	4,132	2,532	10,488
France	2,947	2,593	5,931
Brazil	2,679	1,693	9,293
Germany	2,183	1,828	4,585
China	855	909	2,840
Other countries	13,011	11,019	27,604
Total net revenues	33,617	26,792	143,755

1) Data is not completely comparable. In fact, the 2020 data have been re-presented following the classification of FCA and PartnerRe as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5. Accounting principles did not require the restatement of the 2019 data.

The item *Other countries* includes net revenues generated in the Netherlands for the year ended 31 December 2021 amounting to €287 million (€278 million for the year ended 31 December 2020 and €511 million for the year ended 31 December 2019).

6.5 Trends

Exor, as a holding company, is subject to several trends that could result in a material direct or indirect effect on the Company's business, operations, financial condition and performance, reputation and/or other interests. These include, but are not limited to: rise in inflation, changes in interest rates, the imposition or removal of sanctions and regulations by countries in connection to the conflict between Russia and Ukraine, changes in prices of raw materials and fluctuations in foreign currency exchange rates.

Through its investments in investee companies, Exor currently operates mainly in the sectors of performance and luxury cars (Ferrari), automobiles (Stellantis), tractors, agricultural and construction equipment (CNH Industrial), trucks, commercial vehicles, buses (Iveco Group, spun off from CNH Industrial in January 2022 pursuant to the Demerger), media, publishing and editorial (GEDI and The Economist Group) and professional football (Juventus). As a result, Exor is exposed to the trends typical of the sectors and markets in which such investee companies operate. Therefore, the performance of the main investee companies has a significant impact on the earnings, financial position and cash flows of Exor. Additional information related to trends affecting Exor's main listed operating companies can be found in their respective corporate documents, which are available on their official websites.

Exor's investment activity is not limited to any specific sector, with the Company being open to opportunities wherever they may materialise from time to time. However, there are three sectors where Exor is actively exploring opportunities: healthcare, luxury and technology, with each being affected by sector-specific trends. Healthcare is a non-cyclical sector with structural tailwinds such as the impact of the ageing population in different areas of the developed world. The significant inefficiencies of the sector might benefit from Exor's operational expertise. Secondly, luxury is a highly resilient sector with demographic tailwinds, including the growth of the Chinese and younger-generation consumer driving future demand. Companies in the luxury industry might benefit

from Exor's long-term capital and experience of family ownership. Finally, technology is under-represented in the Exor portfolio and has substantial growth potential, especially with the possible partnerships with other operating companies linked to Exor. Moreover, Exor views technology as a transversal trend that cuts into healthcare and luxury opportunities as almost all industries are undergoing digital transformation following the Covid-19 pandemic.

6.6 History

Exor sums up almost a century of entrepreneurial activity carried out through various companies controlled by the Agnelli family.

The origins of Exor date back to 1927 when Senator Giovanni Agnelli founded “Istituto Finanziario Industriale” (IFI) to manage his shareholdings in the automotive company FIAT S.p.A. (FIAT and, together with its direct and indirect subsidiaries, the **FIAT Group**; in this Prospectus, **FIAT Group** refers to FIAT and its direct and indirect subsidiaries up to 12 October 2014, *i.e.* the date of effectiveness of the merger of FIAT with and into FCA) as well as various other investments.

Over the years, IFI and its subsidiaries, IFIL Investments S.p.A (IFIL) (a company originally established in 1919 by a group of Piedmontese industrialists and subsequently acquired by IFI) and IFINT S.A. (established in 1964), made a variety of investments in diversified sectors (namely industrial, testing and certification services, banking, financial services, real estate properties, food industry, agricultural, retail, tourism and leisure and publishing) both in Italy and abroad, encouraging the development of the companies in which they invested.

Simplification

On 1 March 2009, IFIL was merged by incorporation into IFI and, on the same date, IFI assumed the new name of “EXOR S.p.A”.

The cross-border reverse Merger of EXOR S.p.A. with and into Exor Holding N.V., a public limited liability company (*naamloze vennootschap*) organised under the laws of the Netherlands, was completed on 10 December 2016 following the execution of the deed of merger relating to the Merger. Exor Holding N.V. was a Dutch wholly owned subsidiary of EXOR S.p.A. prior to the effective date of the Merger, and was subsequently renamed “EXOR N.V”.

On the effective date of the Merger, Exor issued 241,000,000 ordinary shares on the basis of the applicable exchange ratio. In particular, the shareholders of EXOR S.p.A. received one ordinary share of Exor for each ordinary share of EXOR S.p.A. held. The ordinary shares of Exor were admitted to trading on the MTA (now, Euronext Milan) on 5 December 2016 and were listed with effect from 12 December 2016.

Pursuant to the Merger, as of the effective date thereof, EXOR S.p.A. ceased to exist as a legal entity and Exor, under universal succession, succeeded to and assumed by operation of law all of the obligations, rights, interests, assets and liabilities of EXOR S.p.A. The above-mentioned events were part of a corporate structure simplification process to achieve an increased level of transparency, a more efficient governance structure and a lower cost base, also reflecting the ever-more global profile of Exor and its investments.

Portfolio evolution

Over the years, IFI (now Exor) and its subsidiaries have managed the composition of their investment portfolio consistent with the strategy to monitor and analyse it continuously.

Since 2009, Exor’s portfolio has evolved towards a portfolio composed in its majority by large investments with a global exposure where Exor is the lead investor. The current portfolio composition is described in section “Key Investments” above.

Recent significant developments relating to Exor are described further in the following paragraphs.

6.7 Significant Corporate Events

The significant corporate events relating to Exor from 1 January 2021 to the date of this Prospectus are set out below:

Creation of Stellantis (FCA/PSA Merger)

On 16 January 2021, PSA merged with and into FCA (the **FCA/PSA Merger**). By virtue of the FCA/PSA Merger, FCA issued 1.742 FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA. The surviving entity changed its name to “*Stellantis N.V.*” on 17 January 2021, which was the accounting acquisition date for the business combination.

Following the FCA/PSA Merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

On 29 January 2021, the extraordinary dividend of approximately €2.9 billion (Exor’s share of which being €827 million) was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

As part of the FCA/PSA Merger, Stellantis distributed to its shareholders its 39.34% stake in Faurecia and the proceeds generated by the sales of ordinary shares of Faurecia carried out in 2020. On 22 March 2021, Exor received 7,653,004 Faurecia ordinary shares (measured at €363 million) and a €43 million cash dividend.

Issue of non-convertible bond due on 19 January 2031 (the 0.875% Bond Notes)

On 19 January 2021, Exor issued bonds for a nominal amount of €500 million, maturing on 19 January 2031 with a fixed annual coupon of 0.875% (the 0.875% Bond Notes). The purpose of the issue was to raise new funds for Exor's general corporate purposes, including the refinancing of existing debt. The bonds are listed on the Luxembourg Stock Exchange for trading on the Euro MTF Market, with a BBB+ credit rating assigned by S&P.

Tender offers on 2022 and 2024 Exor Bonds (the 2.125% Bond Notes and the 2.50% Bond Notes)

On 12 January 2021, Exor launched an invitation to eligible noteholders of the Exor outstanding €750,000,000 2.125% Bond Notes due 2022 and the Exor outstanding €650,000,000 2.50% Bond Notes due 2024, listed on the Luxembourg Stock Exchange, to tender their notes for purchase by Exor for cash.

On 20 January 2021, Exor announced that it accepted all validly tendered notes for an aggregate nominal amount of €297,713,000. Therefore, the nominal amounts outstanding after the repurchase settlement date are €601,891,000 of the 2.125% Bond Notes and €500,396,000 of the 2.50% Bond Notes.

Investment in Christian Louboutin

On 8 March 2021, Exor and Christian Louboutin signed an agreement whereby Exor would invest €541 million to become a 24% shareholder in Christian Louboutin, alongside the founders and to nominate 2 of the 7 members of its board of directors. The transaction closed on 13 April 2021.

Increase in the investment in Via Transportation

In 2021, Exor invested a total amount of \$188 million (€158 million) to acquire a further 7.43% stake in Via Transportation. At 31 December 2021, Exor held 17.56% of the share capital of Via Transportation for a total amount of \$509 million (€449 million).

Increase in the investment in Exor Seeds

In 2021 and 2022, Exor increased its investment in Exor Seeds by \$284 million (€241 million) and \$46 million (€44 million), respectively.

Increase in the investment in Welltec

In 2021, Exor acquired a further 25.5% of Welltec for a total consideration of \$48 million (€39 million). In addition, Exor made an equity contribution of \$25 million in the context of the company's refinancing in October 2021. At 31 December 2021, Exor held 47.6% of the share capital of Welltec.

Creation of the new partnership between Exor and The World-Wide Investment Company Limited (WWICL) in NUO S.p.A.

On 16 June 2021, Exor and The World-Wide Investment Company Limited (**WWICL**), Hong Kong's oldest family office, created a partnership between two multi-generational entrepreneurial families to invest in and support the global development of medium-sized Italian companies specialising in consumer goods excellence. The new company, called NUO S.p.A., will be endowed with initial permanent capital of €300 million contributed equally by its founders. In December 2021 and March 2022, Exor invested €22 million and €6 million, respectively, in NUO S.p.A.

Juventus capital increase

On 25 August 2021, Juventus' board of directors proposed a capital increase for a total amount of €400 million, approved by the extraordinary shareholders' meeting on 29 October 2021. The capital increase was completed at the end of 2021 with a full subscription. Exor subscribed for its quota of the capital increase for a total of €255 million, of which €75 million paid on 27 August 2021 and the remaining €180 million paid on 9 December 2021.

After this operation, Exor owns 1,611,669,116 Juventus shares (63.77% of the share capital).

Demerger between CNH Industrial and Iveco Group

Effective 1 January 2022, the Commercial and Specialty Vehicles, Powertrain and related Financial Services businesses of CNH Industrial were separated from CNH Industrial. Iveco Group (the vehicle housing the aforementioned businesses as the Iveco Group business) became a publicly-listed company independent from CNH Industrial and, from 3 January 2022, its common shares are traded on Euronext Milan. Each holder of common shares in the share capital of CNH Industrial received one common share of Iveco Group for every five CNH Industrial common shares held. Exor, which continues to be the shareholder of reference in both entities following completion of the spin-off process, holding 366,927,900 common shares in CNH Industrial, received 73,385,580 Iveco Group common shares (a 27.06% stake) and the same number of special voting shares. As the demerger is a "business combination involving entities or businesses under common control", it is outside the scope of application of IFRS 3 – *Business Combinations* and IFRIC 17 – *Distributions of Non-cash Assets to Owners*. Accordingly, in Exor's 2022 Consolidated Financial Statements, the opening position at 1 January 2022 for items in the statement of financial position (relative to CNH Industrial post-demerger and Iveco Group), will be equivalent to the carrying amounts of CNH Industrial pre-demerger at 31 December 2021.

Increased voting rights related to Exor's stake in Juventus

As of 3 January 2022, after an uninterrupted period of 24 months during which its shares in Juventus were maintained registered in the special list, in accordance with the company's voting rights regulations, Exor increased voting rights in Juventus and currently holds 77.874% of the voting rights.

Settlement with the Italian Tax Authorities

On 18 February 2022, Exor settled with the Italian Tax Authorities (*Agenzia delle Entrate*) a complex tax issue, specifically related to the exit tax due by the Italian registered company Exor S.p.A. that in December 2016 merged with its Dutch subsidiary Exor Holding N.V. (the Merger) to create today's Exor domiciled fiscally in the Netherlands.

Exor remains convinced that it acted in accordance with the relevant tax laws; however, with the objective of avoiding the time and the costs of a major tax dispute, it agreed to enter into a settlement with the *Agenzia delle Entrate* and paid €746 million, of which €104 million represented by interest.

The effect of the settlement, which was paid in full on 18 February 2022, has been reflected in the 2021 Financial Statements, to the extent applicable.

Investment in Lifenet

On 22 April 2022, Exor signed an agreement to acquire a 45% shareholding in Lifenet S.r.l., an Italian company active in the healthcare sector, particularly in the management of hospitals and outpatient clinics. The transaction, which will be executed principally via a capital increase reserved for Exor and the concurrent acquisition of shares owned by Invin S.r.l., the company that controls Lifenet, entails a total investment by Exor of €67 million.

The transaction was completed on 21 June 2022.

Exor buyback program

On 8 March 2022, Exor launched a share buyback program that will involve from time to time the repurchase of up to €500 million of ordinary shares by 2024 (the **Program**), in line with the disclosure made at the 2021 Investor Day. The Program will be conducted in the framework of the resolution adopted by the Annual General Meeting of Shareholders (**AGM**) held on 27 May 2021 or the resolution adopted by the AGM in place at the time of the announcement of the execution of each tranche. The shares will be repurchased at a price not higher than 10% above the reference price recorded on the day before each transaction is made.

The repurchases will be carried out in compliance with applicable rules and regulations, including the Market Abuse Regulation 596/2014 and the Commission Delegated Regulation (EU) 2016/1052.

On 8 March 2022, Exor initiated the repurchase of up to €100 million of ordinary shares, as the first tranche of the Program, executed on Euronext Milan through a non-discretionary buyback agreement with a primary financial institution. The shares repurchased under this tranche will be cancelled.

On 17 June 2022, Exor completed the first tranche with an invested amount of €100 million for a total amount of 1,524,103 ordinary shares purchased.

On 29 July 2022, Exor announced its intention to continue with the execution of the Program with a second tranche of up to €250 million to be executed on Euronext Amsterdam and Euronext Milan. The shares repurchased under the second tranche may be used to meet the obligations arising from the Company's new equity incentive plan 2022-2024. The second tranche will be conducted in the framework of the resolution adopted by AGM held on 24 May 2022.

Exor Annual General Meeting

On 24 May 2022, the General Meeting resolved in favour, in particular, of the following resolutions: (i) the adoption of the 2021 Financial Statements and the positive advice with respect to the 2021 remuneration report; (ii) the distribution of dividends at €0.43 per outstanding share, resulting in a maximum distribution of approximately €99 million, payable on 22 June 2022 (ex-dividend date 20 June 2022) and to be paid to the shares of record as of 21 June 2022; (iii) the appointment of Mr. Axel Dumas as non-executive director for a term of one year; (iv) the amendment of the Company's remuneration policy for directors for better aligning it with long-term performance-based value creation; (v) the approval of the amended remuneration policy and of a new performance share unit plan for executive directors; (vi) the authorisation to the Board of Directors to repurchase the Company's shares for a maximum amount of €500 million and for 18 months from the date of the General Meeting, as well as to cancel any ordinary shares held, or to be held, as treasury stock, in order to optimise Exor's capital structure and to create more flexibility to manage its capital; and (vii) the appointment of Ernst & Young as independent auditor charged with the auditing of the annual accounts for the financial year 2022, and of Deloitte Accountants B.V. as independent auditor charged with the auditing of the annual accounts for the financial year 2023.

Appointment of the new Chairman

On 24 May 2022, the Board of Directors resolved to separate the roles of Chairman and CEO and to appoint Mr. Ajay Banga as Chairman and Senior Non-Executive Director of the Board. John Elkann will continue to ensure the executive leadership of the Company in his role as Chief Executive Officer.

Agreement for the creation of the new long-term partnership between Exor and Institut Mérieux in global healthcare

On 1 July 2022, Exor and Institut Mérieux, the privately-held global healthcare holding of the Mérieux family, signed a long-term partnership agreement in terms of which Exor will acquire, by way of a reserved capital increase, a 10% shareholding in Institut Mérieux, representing an investment of €833 million. The partnership with Exor will provide further resources to support Institut Mérieux's growth as it continues its work to provide solutions to global health issues.

On 29 July 2022, Exor paid an initial amount of €278 million, corresponding to one third of the €833 million total investment, by way of a reserved capital increase. The remaining amount is expected to be contributed within the next 12 months. As part of the partnership sealed with the Mérieux family, John Elkann and Benoît Ribadeau-Dumas have joined Institut Mérieux's board of directors.

Disposal of PartnerRe

On 16 December 2021, Exor and Covéa signed a definitive agreement for the sale of PartnerRe, the global reinsurer wholly-owned by Exor, for an agreed cash consideration of \$9.0 billion, to be paid by Covéa at closing of the transaction, based on a consolidated common shareholders' equity value of \$7.0 billion. Based on PartnerRe's common shareholders' equity at 31 December 2021, the agreed cash consideration was adjusted, as per the agreed terms, to include additional proceeds of approximately \$0.3 billion (of which \$0.178 billion paid by PartnerRe as a special dividend to Exor in March 2022).

Preferred shares issued by PartnerRe and listed on the New York Stock Exchange (the NYSE) were not part of the transaction.

On 12 July 2022, Exor announced that it completed the sale of PartnerRe for a total cash consideration of \$9.3 billion (approximately €8.6 billion), based on a consolidated common shareholders' equity value of \$7.3 billion as at 31 December 2021.

Following closing of the transaction, Exor and Covéa will continue their reinsurance cooperation, with Exor acquiring from Covéa interests in special purpose reinsurance vehicles managed by PartnerRe for approximately \$725 million. These vehicles will invest in property catastrophe and other short-tail reinsurance contracts underwritten by PartnerRe. Covéa, Exor and PartnerRe will also continue to invest jointly in Exor-managed funds with reinforced alignment of interests.

6.8 Material agreements

Other than the agreements referred to in “*Business – Significant Corporate Events*”, “*Operating and Financial Review – Liquidity and Capital Resources – Bond Notes, Notes, Interest-Bearing Loans and Borrowings*” and “*- Bond Notes*”, “*Operating and Financial Review – Liquidity and Capital Resources - Guarantees granted and commitments*” and the agreements described below, there are no agreements (other than agreements entered into in the ordinary course of business) that have been entered into by the Company or any of its investee companies within the two years immediately preceding the date of this Prospectus, which are material or which have been entered into by the Company or any of its investee companies at any other time and which contain provisions under which the Company or any of its investee companies has an obligation or entitlement that is material to the Group as at the date of this Prospectus.

Shareholders' agreement in respect of Ferrari

On 23 December 2015, Exor and Piero Ferrari signed a shareholders' agreement concerning their shareholdings in Ferrari. The shareholders' agreement includes a consultation commitment with the aim of forming and exercising a common view on the items on the agenda of any general meetings of Ferrari shareholders, and certain obligations in case of transfers to third parties of the shares in Ferrari, including a pre-emption right in favour of Exor and a right of first offer of Piero Ferrari.

Consultation understanding

On 14 April 2021, Exor entered into a consultation understanding with Peugeot 1810 S.A.S. (**Peugeot 1810**) aimed at strengthening the relations between the Agnelli and Peugeot families and to provide support for Stellantis in its long term success. The understanding is intended to promote a free exchange of perspectives but does not include any obligation concerning the exercise of voting rights or to otherwise coordinate any actions related to their respective rights and obligations as shareholders in Stellantis. Exor and Peugeot 1810 will remain free at all times to exercise their voting rights in Stellantis autonomously and independently, at their own discretion, and without being bound by any discussions between them.

Commitment of Exor concerning the combination agreement in respect of the FCA/PSA Merger

On 18 December 2019, FCA and PSA signed a binding combination agreement providing for the merger of their businesses (the FCA/PSA Merger).

Exor, Bpifrance Participations S.A. (**BPI S.A.**) and Lion Participations SAS (**Lion SAS**, and, together with BPI S.A., **BPI**), Établissements Peugeot Frères and FFP (together, **EPF/FFP**), and Dongfeng Motor Group Company Ltd. (**DFG**) and Dongfeng Motor (Hong Kong) International Co Ltd. (**DMHK**, and, together with DFG, **Dongfeng**) had irrevocably committed to vote in favour of the transaction between PSA and FCA at the shareholders' meetings of FCA and PSA held on 4 January 2021.

A standstill in respect of the shareholdings of Exor, Bpifrance, Dongfeng and EPF/FFP will apply for a period of 7 years following completion of the FCA/PSA Merger, which occurred on 16 January 2021; except that EPF/FFP will be permitted to increase its shareholding by up to a maximum of 2.5% in Stellantis.

Exor, Bpifrance and EPF/FFP are subject to a 3-year lock-up in respect of their shareholdings, except that Bpifrance will be permitted to reduce its shareholding by 2.5% in Stellantis.

Other than as disclosed in this Prospectus in relation to the Company in relation to the Group's share-based incentives (see "*Management, Employees and Corporate Governance – Directors' Remuneration – Current Remuneration Policy*" and "*- The Long-Term Incentive Plan*") and Directors' interests in Shares (see "*Management, Employees and Corporate Governance – Shareholdings of Directors*"), the Directors have no material beneficial interests, direct or indirect, in any transactions effected by the Company during: (i) the current or immediately preceding fiscal year; or (ii) an earlier fiscal year and which remain, in any respect, outstanding or underperformed.

6.9 Options

Option in relation to shareholding in Shang Xia

In the context of the investment in the share capital of Full More, a Hong Kong-registered company that directly owns 100% of the share capital of Shang Xia, on 23 December 2020, the Company executed a shareholders' agreements with Full More's other shareholders, one of which being Hermès International SCA (**Hermès** and the **Hermès SHA**).

The Hermès SHA provides for a reciprocal put & call mechanism. In particular:

- a) Hermès is entitled to exercise a put option in favour of the Company in relation to its entire participation in Full More (equal to 9,000 shares, representing a 17.7% stake) at a price per share equal to EUR1,992.67. As a general rule, the put option may be exercised starting from the fifth anniversary of the Hermès SHA; it may, however, be exercised prior to that date upon the occurrence of certain specific events; and
- b) the Company is entitled to exercise a call option in relation to the entire participation held by Hermès in Full More at a price per share equal to EUR1,992.67. The call option may be exercised starting from the date of execution of the Hermès SHA.

Option in relation to shareholding in GEDI

On 23 April 2020, the Company entered into two put and call option agreements, respectively with (i) CIR S.p.A. – Compagnie Industriali Riunite (**CIR**), on the one side, and (ii) Mercurio S.p.A. (**Mercurio**), on the other side, pursuant to which the parties have granted to each other reciprocal option rights for the purchase, in favour of the Company, and the sale, in favour of CIR and Mercurio, of the shareholding *pro-tempore* held by the latter in GEDI. In particular, the agreements provide that if, on 13 July 2023, CIR and Mercurio still own shares in GEDI, they will have the right – exercisable in the time window between (i) 13 July 2023 and (ii) the 12th month following that date – to sell these shares to EXOR, which will have, in the same time window, the right to exercise the call option on such shareholding. The options price is equal to the fair market value of the shareholdings held by CIR and Mercurio in GEDI to be calculated on the basis of conventional criteria identified by the parties.

6.10 Litigation

Below is an overview of all governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12

months which may have, or have had in the recent past significant effects on the Company and/or Group's financial position or profitability. The overview also contains the contingent liabilities associated with them.

Pending litigation and contingent liabilities

As a global group with a diverse business portfolio, the Group is exposed to numerous legal risks, particularly in the areas of product liability, competition and antitrust law, environmental risks and tax matters, dealer and supplier relationships and intellectual property rights. The outcome of any proceedings cannot be predicted with certainty. These risks arise from pending legal proceedings or requests received by the Group seeking recovery for damage to property, personal injuries and in some cases include a claim for exemplary or punitive damages. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Group's financial position and results.

In addition to claims litigation, the Group may be subject to other kinds of lawsuits and regulatory actions in the normal course of business. This category of business litigation typically involves, among other things, allegations of underwriting errors or omissions, employment claims or regulatory activity. While the outcome of business litigation cannot be predicted with certainty, the Group will dispute all allegations against the Group and/or its subsidiaries that management believes are without merit.

Contingent liabilities of the CNH Industrial Group

At 31 December 2021, contingent liabilities estimated by the CNH Industrial Group amount to approximately €41 million (approximately €27 million at 31 December 2020), for which no provisions have been recognised since an outflow of resources is not considered probable at the present time (being 31 December 2021).

Although the ultimate outcome of legal matters pending against CNH Industrial and its subsidiaries cannot be predicted, CNH Industrial believes the reasonable possible range of losses for these unresolved legal matters in addition to the amounts accrued would not have a material effect on its consolidated financial statements.

Follow-up on Damages Claims

In 2011, Iveco S.p.A. and its competitors in the European Union were subject to an investigation by the European Commission (the **Commission**) into certain business practices in the European Union (in the period 1997-2011) in relation to Medium & Heavy trucks. On 19 July 2016, the Commission announced a settlement with Iveco (the **Decision**). Following the Decision, CNH Industrial, Iveco and Iveco Magirus AG (**IMAG**) have been named as defendants in proceedings across Europe.

The consummation of the Demerger will not allow CNH Industrial to be excluded from current and future follow-on proceedings originating from the Decision because, under EU competition law, a company cannot use corporate reorganisations to avoid liability for private damage claims. In the event one or more of these judicial proceedings would result in a decision against CNH Industrial ordering it to compensate such claimants as a result of the conduct that was the subject matter of the Decision, and Iveco S.p.A. and IMAG do not comply with such decisions, as a result of various intercompany arrangements, then CNH Industrial will ultimately have recourse against Iveco S.p.A. and IMAG for the reimbursement of the damages effectively paid to such claimants. The extent and outcome of these claims cannot be predicted at this time.

FPT Emissions Investigation

On 22 July 2020, a number of CNH Industrial's offices in Europe were visited by investigators in the context of a request for assistance by the public prosecutors of Frankfurt am Main, Germany and Turin, Italy in relation to alleged non-compliance of two engine models produced by FPT Industrial S.p.A. (**FPT**), which is now part of the Iveco Group N.V., installed in certain Ducato (a vehicle distributed by Stellantis) and Iveco Daily vehicles. FPT is providing its full cooperation to properly address the requests received. FPT, other companies of Iveco Group,

and in certain instances CNH Industrial and other third parties have received various requests for compensation by German and Austrian customers on various contractual and tort grounds, including requests for damages resulting from the termination of the purchase contracts, or in the form of requests for an alleged lower residual value of their vehicles as a consequence of the alleged non-compliance with type approval regulations regarding emissions. In certain instances, other customers have brought judicial claims on the same legal and factual bases. Although, at the date hereof, CNH Industrial has been informed by the Iveco Group that it has no evidence of any wrongdoing, it cannot predict at this time the extent and outcome of these requests and directly or indirectly related legal proceedings, including customer claims or potential class actions alleging emissions non-compliance.

Contingent liabilities of the Ferrari Group

Takata airbag inflator recalls

On 4 May 2016, the United States National Highway Traffic Safety Administration (**NHTSA**) published a Consent Order Amendment (the **Amended Consent Order**) to the 3 November 2015 Takata Consent Order regarding a defect which may arise in the non-desiccated Takata passenger airbag inflators mounted on certain Ferrari cars. As a result of such Amended Consent Order, Ferrari filed a Part 573 Defect Information Report on 23 May 2016 with the NHTSA and initiated a global recall relating to certain cars produced between 2008 and 2011.

In December 2016, the NHTSA issued a Third Amendment to the Coordinated Remedy Order (**ACRO**) which included the list of Ferrari vehicles sold in the United States up to model year 2017 to be recalled. As a consequence of the ACRO, Ferrari decided to extend the Takata global recall campaign to all vehicles worldwide mounting non-desiccated Takata passenger airbag inflators. In January 2017, Ferrari, in accordance with the Amended Consent Order and the ACRO, filed with the NHTSA a Part 573 Defect Information Report to include model year 2012 Zone A vehicles. In January 2018, Ferrari, in accordance with the Amended Consent Order and the ACRO, also filed with the NHTSA a Part 573 Defect Information Report to include model year 2013 Zone A vehicles. In January 2019, Ferrari, in accordance with the Amended Consent Order and the ACRO, filed with the NHTSA a Part 573 Defect Information Report to include model year 2014 - 2018 vehicles. In January 2020, Ferrari, in accordance with the Amended Consent Order and the ACRO, filed with the NHTSA a Part 573 Defect Information Report to include vehicles that had received the so-called “like-for-like” repair. As a result of the ACRO and the decision to extend the worldwide Takata airbag inflator recall, Ferrari recognised provisions of €37 million in 2016 for the estimated charges for Takata airbag inflators recalls to cover the cost of the worldwide global Takata recall due to uncertainty of recoverability of the costs from Takata. At 31 December 2021, the provision amounted to approximately €3 million, reflecting the current best estimate for future costs related to the entire recall campaign to be carried out by Ferrari.

Contingent liabilities of the Juventus Group

Audit by CONSOB

By letter dated 12 July 2021, CONSOB initiated an inspection of Juventus pursuant to Article 115, paragraph 1, letter c) of Legislative Decree no. 58/1998 concerning the acquisition of documentation and information relating to the item "Income from players' registration rights" recorded in Juventus' financial statements at 30 June 2020 and 30 June 2021.

Juventus responded to CONSOB's requests and provided due and full cooperation during the aforementioned audits. At present, Juventus has not received any notice of the initiation of proceedings by CONSOB.

Requests for information from sports Authorities

In a letter dated 4 October 2021, Co.Vi.So.C. (an Italian sport Authority), on the basis of press reports, requested that Juventus provide it with information about the requests for inquiries regarding the separate and consolidated

financial statements of Juventus received in 2021 from inspection bodies and, in particular, information about the expected response time and the elements of assessment regarding the facts subject to the said requests for inquiries; subsequently, in a letter dated 29 November 2021, Co.Vi.So.C. requested that Juventus provide it with further information, in particular with regard to the news published in the press concerning the criminal proceedings described in the following section (*Criminal proceedings pending before the Turin Judicial Authority*).

On 24 November 2021, the Procura Federale (Federal Prosecutor's Office) of the F.I.G.C. (*Federazione Italiana Giuoco Calcio*) made a request to Juventus for documentation concerning the transfer of the rights to the performances of various football players, in the framework of proceedings opened by the same Prosecutor's Office. Juventus provided these documents and all the information requested.

On 21 February 2022, Juventus received, together with ten other Italian football companies and respective senior managers, a “*Comunicazione di conclusione delle indagini*” (Communication of termination of investigations) from the Federal Prosecutor’s Office before the F.I.G.C. with regard to the valuation of the effects of certain transfers of players’ rights on the financial statements and the accounting of gains, following the “*segnalazione*” (report) by Co.Vi.So.C., for the postulated breach of article 31, paragraph 1, and articles 6 and 4 of the “*Codice di Giustizia Sportiva*” (Sport Justice Code). The communication served, concerning certain transfers completed in the financial years 2018/19, 2019/20 and 2020/21, does not constitute the exercise of the disciplinary action by the Federal Prosecutor’s Office. Juventus had access to the records and articulated its defences in accordance with the terms set forth in the code and trusts it will be in a position to demonstrate the correctness of its conduct.

Criminal proceedings pending before the Turin Judicial Authority

On 26 November 2021 and 1 December 2021, search and seizure orders were served on Juventus, through the Officers of the “*Guardia di Finanza of the Nucleo di Polizia Economico-Finanziaria*” of Turin.

In the same date, Juventus was informed of the existence of an investigation by the Public Prosecutor's Office of the Court of Turin, against itself and some of its current and former representatives, concerning the item “Income from players' registration rights” recorded in the financial statements at 30 June 2019, 2020 and 2021 for the offences referred to in Article 2622 of the Italian Civil Code (False corporate communications by listed companies) and art. 8 of Legislative Decree no. 74/2000 (Issue of invoices or other documents for non-existent transactions) and, as far as the Company is concerned, for the offence envisaged by articles 5 (Liability of the body) and 25-ter (Corporate offences) of Legislative Decree no. 231/2001.

The investigation launched by the Public Prosecutor's Office at the Court of Turin is ongoing and to date, no notice of conclusion of the preliminary investigations pursuant to art. 415-bis of the Decree of the President of the Republic of 22 September 1988, no. 447 (the “*Codice di procedura penale*”, or the **Code of Criminal Procedure**) has been served. Juventus is cooperating with the investigators and trusts that it will clarify any aspect of interest to them, believing that it has operated in compliance with the laws and regulations governing the preparation of financial reports, in accordance with accounting principles and in line with international football industry practice and market conditions.

Exor claim with the Italian Tax Authorities

On 18 February 2022, Exor settled a complex tax issue with the Italian Tax Authorities (*Agenzia delle Entrate*), specifically in respect of an exit tax payable pursuant to the Merger (**Exit Tax**), and has paid €746 million, of which €104 million is made up of interest.

The issue is related to the Italian registered company Exor S.p.A. that in December 2016 merged with its Dutch subsidiary Exor Holding N.V. to create today’s Exor domiciled fiscally in the Netherlands (the Merger). At the time of the Merger, the exiting company Exor S.p.A. applied the Participation Exemption (PEX) regulations as set out in Article 87 of the Italian Corporate Income Tax Act. Under this regime, 95% of any capital gains relating

to the value of its holdings was exempt and therefore excluded from the holding company's taxable income for the determination of the Exit Tax.

With a subsequent principle of law "Legal Principle 10/2021", published on 11 May 2021, the *Agenzia delle Entrate* contended that the PEX should not apply to cases in which a holding company transfers its fiscal domicile abroad without maintaining a permanent establishment in Italy.

As a result of the subsequent principle of law published in 2021, a complex matter of interpretation on the application of the PEX regulation back in 2016 has arisen. Exor remains convinced that it acted in accordance with the rules. However, with the objective of avoiding the time and costs of a major tax dispute, it has decided to enter into a settlement agreement with the *Agenzia delle Entrate*.

At 31 December 2021, the effect of this settlement is a recognition of a liability of €744 million, of which €643 million of income taxes and €101 million of interest (recognised until 31 December 2021).

At the same time, Exor settled with the *Agenzia delle Entrate* a previous tax claim related to the treatment of financial income in the fiscal year 2015, against which Exor had appealed, and other minor formal matters. The closing of the litigation generates income taxes of €32 million, interest of €3 million and a tax liability of €20 million.

There are no outstanding fiscal issues pending for Exor in respect of all the years in which it was tax resident in Italy, the ordinary statutory terms for any assessment having also expired.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Company and/or the Group's financial position or profitability, besides those proceedings described in this section "*Litigation*".

7. CAPITALISATION AND INDEBTEDNESS

The tables below set forth the Group's capitalisation and indebtedness as at 30 June 2022. The tables are based on nonpublished and unaudited internal consolidated management accounts figures of the Group.

The capitalisation of the Group is set out below:

	As at 30 June 2022
	<i>(unaudited)</i>
	<i>(EUR million)</i>
Total current debt (including current portion of non-current debt)	11,888
Guaranteed ¹	13
Secured ²	6,828
Unguaranteed/unsecured ³	5,047
Total non-current debt (excluding current portion of non-current debt)	20,500
Guaranteed ⁴	7
Secured ⁵	5,143
Unguaranteed/unsecured ⁶	15,350
Shareholder equity	17,795
Share capital	7
Legal reserve(s)	—
Other reserves ⁷	17,788
Total	50,183

(1) Total of guaranteed financial debt consists of a loan for the construction of a real estate development which has been guaranteed. This comprises the remaining amount of the Juventus loan with a remaining maturity up to one year which is granted by Juventus in favour of the lender. The guarantees involve the real estate development.

(2) This item includes the financing received through asset-backed commercial bonds, notes and factoring transactions which do not meet IFRS 9 derecognition requirements and it is secured through financial and commercial receivables and restricted cash, with a remaining maturity up to one year. Asset-backed financing also involves accounts receivable from final retail customers and from the network of wholesale dealers to financial service subsidiaries. This item includes secured financing mainly for CNH Industrial, Iveco Group and Ferrari.

(3) Total of unguaranteed and unsecured financial debt (loans, bonds and other liabilities) with a remaining maturity up to one year.

(4) Total of guaranteed financial debt consists of a loan for the construction of a real estate development which has been guaranteed. This comprises the remaining amount of the Juventus loan with a remaining maturity of more than one year which is granted by Juventus in favour of the lender. The guarantees involve the real estate development.

(5) This item includes the financing received through asset-backed commercial bonds, notes and factoring transactions which do not meet IFRS 9 derecognition requirements and it is secured through financial and commercial receivables and restricted cash, with a remaining maturity of more than one year. Asset-backed financing also involves accounts receivable from final retail customers and from the network of wholesale dealers to financial service subsidiaries. This item includes secured financing mainly from CNH Industrial, Iveco Group and Ferrari.

(6) Total of unguaranteed and unsecured financial debt (loans, bonds and other liabilities) with a remaining maturity of more than one year.

(7) Includes share premium, retained earnings, shared-based payment reserve, cash flow hedge reserve and cumulative translation reserve.

The indebtedness of the Group is set out below:

	As at 30 June 2022
	<i>(unaudited)</i>
	<i>(EUR million)</i>
Cash ¹	5,267
Cash equivalents ²	1,458
Other current financial assets ³	473
Liquidity (A)	7,198

	As at 30 June 2022
	<i>(unaudited)</i>
	<i>(EUR million)</i>
Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	4,683
Current portion of non-current financial debt	7,205
Current financial indebtedness (B)	11,888
Net current financial indebtedness (C) = (B) – (A)	4,690
Non-current financial debt (excluding current portion and debt instruments) ^{4, 5}	19,924
Debt instruments ⁶	411
Non-current trade and other payables ⁷	165
Non-current financial indebtedness (D)	20,500
Total financial indebtedness (C) + (D)	25,190

(1) Cash and available balances at banks.

(2) Money market securities, other cash equivalents and restricted cash. Restricted cash for around €840mn mainly includes bank deposits that may be used exclusively for the repayment of the financing relating to securitizations received through asset-backed commercial paper, notes and factoring transactions which do not meet IFRS9 requirements.

(3) Debt securities, financial receivables and derivative instruments with a remaining maturity up to one year.

(4) Total of financial debt with a remaining maturity of more than one year.

(5) Also includes liabilities related to leases, for an amount equal to approximately €470 million.

(6) Mainly consisting of derivative instruments.

(7) Mainly consisting of trade and other payables with a remaining maturity of more than one year.

The amount of lease liabilities across current and non-current financial debt is equal to approximately €474 million as at 30 June 2022.

7.1 No significant changes in capitalisation and indebtedness since 30 June 2022

There has been no material change in the Group's capitalisation and indebtedness since 30 June 2022.

7.2 Indirect and contingent indebtedness

There is no significant indirect or contingent indebtedness.

8. SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following tables set out the Company's selected consolidated income statement, selected consolidated statement of financial position and selected consolidated statement of cash flows derived from the Financial Statements, as well as the selected consolidated income statement and selected consolidated statement of financial position using the shortened consolidation criterion. The selected consolidated income statement and selected consolidated statement of financial position using the shortened consolidation criterion are extracted from the Company's board reports for 31 December 2021, 31 December 2020 and 31 December 2019, included, respectively, in the 2021 Annual Report, 2020 Annual Report and 2019 Annual Report, as available on the Company's website (2021 Annual Report: https://www.exor.com/sites/default/files/2022/document-documents/Exor_Annual%20Report_2021.pdf; 2020 Annual Report: https://www.exor.com/sites/default/files/2021/document-documents/EXOR_ANNUAL%20REPORT_2020.pdf; 2019 Annual Report: https://www.exor.com/sites/default/files/2020/document-documents/EXOR%202019%20ANNUAL%20REPORT_0.pdf).

Some data relating to 2020 and 2019 presented in the following tables could differ from those published respectively in the financial statements as at 31 December 2020 and 2019, as these data have been restated with respect to that previously published to facilitate comparability.

It should be noted that the APMs have not been audited or reviewed, as they are non-IFRS measures. The condensed and reclassified financial information is usually presented in the director's report on operation and contains the APMs used by the Group.

The selected consolidated financial information set out below is a summary only. It may not contain all the information that is important to prospective investors and, accordingly, should be read in conjunction with "Risk Factors", "Capitalisation and Indebtedness", "Operating and Financial Review" and "Important Information – Presentation of Financial and Other Information".

8.1 Financial Statements

(A) Selected Consolidated Statement of Income

<i>(€ million)</i>	Years ended 31 December		
	2021	2020 ¹	2019
Net revenues	33,617	26,792	143,755
Cost of sales	(25,979)	(21,937)	(121,017)
Selling, general and administrative expenses	(2,673)	(2,245)	(9,414)
Research and development costs	(1,823)	(1,699)	(5,287)
Other income (expenses), net	(378)	(734)	(14)
Result from investments	2,057	(1)	239
Net financial expenses	(169)	(390)	(1,442)
Profit (loss) before taxes	4,653	(214)	6,820
Tax expense	(1,302)	(16)	(1,835)
Profit (loss) from continuing operations	3,350	(230)	4,985
Profit (loss) from discontinued operations, net of tax	104	231	3,930
Profit (loss) for the period	3,454	1	8,915
Profit (loss) attributable to:			
<i>Owners of the parent</i>	1,717	(30)	3,053
<i>Non-controlling interests</i>	1,737	31	5,862

Profit (loss) from continuing operations attributable to:			
<i>Owners of the parent</i>	1,630	(214)	1,927
<i>Non-controlling interests</i>	1,720	(16)	3,058

1. The 2020 data have been re-presented following the classification of the FCA Group and the PartnerRe Group as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

(B) Selected Consolidated Statement of Financial Position

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Assets			
Intangible assets	8,639	33,318	35,067
Property, plant and equipment	7,777	35,169	36,710
Investments and other financial assets	12,746	6,174	5,400
Deferred tax assets	1,165	2,192	2,584
Inventories	6,951	14,322	18,057
Trade and other receivables	18,415	24,102	27,889
Investments of reinsurance companies	—	14,422	14,664
Other assets	1,629	7,357	8,923
Assets held for sale	25,883	328	381
Cash and cash equivalents	7,905	35,561	22,935
Total Assets	91,111	172,945	172,610
Equity and Liabilities			
Equity attributable to owners of the parent	16,759	13,090	15,025
Non-controlling interests	7,611	24,570	27,534
Total Equity	24,370	37,660	42,559
Liabilities			
Provisions for employee benefits	1,592	10,671	10,806
Other provisions	3,384	15,176	16,927
Technical reserves reinsurance companies	—	13,336	13,547
Deferred tax liabilities	358	2,256	2,062
Financial debt and other financial liabilities	28,950	52,932	43,499
Trade payables	7,040	26,796	27,611
Tax payables	1,205	707	604
Other liabilities	5,987	13,212	14,761
Liabilities held for sale	18,225	199	234
Total Liabilities	66,741	135,285	130,051
Total Equity and Liabilities	91,111	172,945	172,610

(C) Selected Consolidated Statement of Cash Flows

<i>(€ million)</i>	Years ended 31 December		
	2021	2020 ¹	2019
Cash flows from operating activities:			
Profit (loss) from continuing operations	3,350	(230)	4,985
Amortisation and depreciation	1,728	1,689	7,119
Gains on disposal of non-current assets	(40)	(102)	(379)
Other non-cash items	1,420	960	(1,121)
Dividends received	61	29	181
Change in provisions	357	148	(1,962)
Change in deferred taxes	(205)	(325)	1,028
Change in inventories, trade and other receivables and payables	(1,279)	1,758	2,195

Cash flows from operating activities – discontinued operations	(1,215)	10,134	(308)
Total	4,177	14,061	11,738
Cash flows used in investing activities:			
Investments in property, plant and equipment and intangible assets	(1,960)	(1,653)	(10,290)
Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets	(2,928)	(331)	(285)
Consideration paid for the acquisition of GEDI net of cash and cash equivalents acquired	—	(175)	—
Consideration paid for the acquisition of Full More Group net of cash and cash equivalents acquired	—	(76)	—
Net change in Investments of Reinsurance companies (PartnerRe Group)	—	—	2,116
Proceeds from disposal of investments, tangible, intangible and financial assets	165	267	252
Net change in financial receivables	(945)	490	(222)
Net change in securities	13	(104)	(303)
Net cash proceeds from disposal of discontinued operations	—	15	5,348
Other changes	130	—	91
Cash flows used in investing activities – discontinued operations	(1,533)	(8,535)	(155)
Total	(7,058)	(10,102)	(3,448)
Cash flows used in financing activities:			
Issuance of notes	1,355	3,085	2,480
Repayment of notes	(2,258)	(725)	(3,491)
Proceeds of other long-term debt	729	2,173	1,762
Repayment of other long-term debt	(562)	(1,778)	(3,049)
Net change in short-term debt and other financial assets/liabilities	(615)	(1,174)	(316)
Capital increases by subsidiaries	138	32	104
Exercise of stock options	12	—	(419)
Buyback of treasury shares	—	(28)	(207)
Dividends paid	(455)	(268)	(2,615)
Other changes	(281)	(208)	(9)
Cash flows used in financing activities – discontinued operations	(251)	9,517	325
Total	(2,188)	10,626	(5,435)
Translation exchange differences	502	(1,949)	242
Total Change in Cash and Cash Equivalents	(4,567)	12,636	3,097
Cash and cash equivalents at beginning of the period	35,561	22,935	19,136
Cash and cash equivalents at the beginning of the period included in Assets held for sale	27	17	719
Deconsolidation of FCA Group	(22,532)	—	—
Cash and cash equivalents at the end of the period included in Assets held for sale	(584)	(27)	(17)
Cash and cash equivalents at the end of the period	7,905	35,561	22,935

1. The 2020 data have been re-presented following the classification of the FCA Group and the PartnerRe Group as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5 – *Non current Assets Held for Sale and Discontinued Operations*.

(D) General Information and Scope of Consolidation

The Group's presentation currency is the Euro, which is also the functional currency of the Company.

The Financial Statements have been prepared in accordance with the IFRS issued by the International Accounting Standards Board (**IASB**) and as adopted by European Union (**EU-IFRS**) and Part 9 of Book 2 of the Dutch Civil Code. The designation "IFRS" also includes International Accounting Standards (**IAS**) as well as all interpretations of the IFRS Interpretations Committee (**IFRIC**).

The Financial Statements are prepared under the historical cost convention, except where the use of fair value is required for the measurement of certain financial assets and derivatives, as well as on the going concern assumption.

The Group presents the income statement using a classification based on the function of expenses, rather than a presentation based on the nature of expenses, as it is more representative of the format used for internal reporting and management purposes and consistent with international practice.

The statement of financial position is presented in decreasing order of liquidity as permitted by IAS 1 paragraph 60. More specifically, the Financial Statements include both industrial companies and financial services companies. While a separate classification of current and non-current in the statement of financial position provides useful information for industrial business, for the entities that have diverse operations and for which financial services activities are significant, a presentation of assets and liabilities in increasing or decreasing order of liquidity provides information that is reliable and more relevant.

The Financial Statements are prepared in accordance with IFRS which require the use of estimates, judgments and assumptions that affect the carrying amount of assets and liabilities, the disclosures relating to contingent assets and liabilities and the amounts of income and expense reported for the period. The estimates and related assumptions are based on elements that are known when the Financial Statements are prepared, on historical experience of the Group and on any other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed periodically and if the items subject to estimates do not perform as assumed, then the actual results could differ from the estimates, which would require adjustment accordingly. Due to the currently unforeseeable global consequences of the Covid-19 pandemic and the conflict between Russia and the Ukraine, these estimates and assumptions are subject to increased uncertainty. Actual results could differ materially from the estimates and assumptions used in preparation of the Financial Statements.

The effects of any changes in estimates are recognised in the income statement in the period in which the adjustment is made, or also in future periods if the revision affects both current and future periods.

The critical measurement processes and key assumptions and estimates which may have significant effects on the amounts recognised in the Financial Statements or for which there is a risk that a significant difference may arise in respect to the carrying amounts of assets and liabilities in the future are described in “*Critical Accounting Policies and Estimates and Forthcoming Changes*”.

Considering the periods taken as a reference, the main changes in the consolidation area are as follows:

Annual Report 2021

1. *Deconsolidation of former FCA Group*

On 17 December 2019, FCA and PSA entered into a combination agreement providing for the combination of FCA and PSA through a cross-border merger, with FCA as the surviving legal entity in the merger (the **FCA/PSA Merger**).

On 14 September 2020, FCA and PSA agreed to amend the combination agreement. According to the combination agreement amendment, the FCA extraordinary dividend, to be paid to former FCA shareholders, was reduced to €2.9 billion, with PSA’s 46% stake in Faurecia planned to be distributed to all Stellantis shareholders promptly after closing following approval by the Stellantis board and shareholders.

On 4 January 2021, PSA and FCA extraordinary general shareholders meetings approved the FCA/PSA Merger and on 16 January 2021, PSA merged with and into FCA. By virtue of the FCA/PSA Merger, FCA issued 1.742

FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA.

The surviving entity changed its name to “*Stellantis N.V.*” on 17 January 2021, which was the accounting acquisition date for the business combination. Following the FCA/PSA Merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

On 29 January 2021, the extraordinary dividend of approximately €2.9 billion (Exor’s share of which being €827 million) was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

As part of the FCA/PSA Merger, Stellantis distributed to its shareholders its 39.34% stake in Faurecia and the proceeds amounting to approximately €308 million generated by the sales of ordinary shares of Faurecia effected in 2020. On 22 March 2021, Exor received 7,653,004 Faurecia ordinary shares and a €43 million cash dividend.

Exor accounted for the former FCA Group applying the line-by-line consolidation method for the period from 1 January 2021 to 16 January 2021 (the date of the completion of the FCA/PSA Merger). At that date, Exor lost control over FCA and therefore de-recognised the former FCA Group net assets at 16 January 2021 and reclassified to the income statement, in the item *Profit (loss) from discontinued operations*, the amounts previously recognised in other comprehensive income related to the subsidiary.

At the date of completion of the FCA/PSA Merger, Exor assessed to have significant influence on Stellantis and started applying the equity method according to IAS 28 – *Investment in Associates and Joint Ventures*. On initial recognition the investment was accounted for at cost, equal to €6,660 million, to be attributed to Exor's share of Stellantis' net fair value as part of the purchase price allocation, to be completed within one year from the initial recognition. At 31 December 2021, the purchase price allocation process has been completed.

The presentation of the FCA Group is as follows:

- the net results of the FCA Group have been excluded from the Group’s continuing operations and are presented net of taxes as a single line item within the Consolidated Income Statement for the years ended 31 December 2021 and 2020. In order to present the financial effects of a discontinued operation, revenues and expenses arising from intercompany transactions were eliminated except for those revenues and expenses that are considered to continue after the disposal of the discontinued operation. However, no profit or loss is recognised for intercompany transactions;
- the assets and liabilities of the FCA Group at 16 January 2021 have been derecognised. The assets and liabilities of the FCA Group at 31 December 2020, presented for comparative purposes, have not been reclassified; and
- cash flows arising from the FCA Group have been presented separately as discontinued cash flows from operating, investing and financing activities within the consolidated statements of cash flows for the years ended 31 December 2021 and 2020 (as contained in the 2021 Financial Statements and the 2020 Financial Statements, respectively). These cash flows represent those arising from transactions with third parties.

2. PartnerRe Group

On 16 December 2021, Exor and Covéa signed a definitive agreement for the sale of PartnerRe, the global reinsurer wholly-owned by Exor. The transaction was completed on 12 July 2022.

At 31 December 2021, the sale within the next 12 months became highly probable and PartnerRe Group operations met the criteria to be classified as a disposal group held for sale. It also met the criteria to be classified as a discontinued operation pursuant to IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

The presentation of the PartnerRe Group is as follows:

- the net results of the PartnerRe Group have been excluded from the Group's continuing operations and are presented net of taxes as a single line item within the Consolidated Income Statement for the years ended 31 December 2021 and 2020. In order to present the financial effects of the discontinued operation, revenues and expenses arising from intercompany transactions were eliminated except for those revenues and expenses that are considered to continue after the disposal of the discontinued operation. However, no profit or loss was recognised for intercompany transactions within the consolidated income statement;
- the assets and liabilities of the PartnerRe Group have been classified as assets held for sale and liabilities held for sale within the consolidated statement of financial position at 31 December 2021 (as contained in the 2021 Financial Statements), while the assets and liabilities of the PartnerRe Group at 31 December 2020, presented for comparative purposes, have not been reclassified; and
- cash flows arising from the PartnerRe Group have been presented separately as discontinued cash flows from operating, investing and financing activities within the consolidated statements of cash flows for the years ended 31 December 2021 and 2020 (as contained in the 2021 Financial Statements and the 2020 Financial Statements, respectively). These cash flows represent those arising from transactions with third parties.

3. Acquisition of Shang Xia

In 2021, Exor finalised the purchase price allocation process, identifying trademarks of €48 million and a residual goodwill of €49 million.

Annual Report 2020

1. Acquisition of GEDI

In 2020, Exor completed the acquisition of the control of GEDI for a total consideration of €202 million at 31 December 2020 (89.62% of issued share capital).

Exor finalised the process of measuring the fair values assigned to GEDI's assets and liabilities at the acquisition date and identified a bargain purchase of €18 million, which represents the excess of the net assets of GEDI at the acquisition date over the consideration paid. Such amount was booked as a gain in the income statement in the second half of 2020.

2. Acquisition of Shang Xia

At the end of December 2020, Exor acquired a 77.30% stake in Shang Xia (through the holding company Full More Group) for a total consideration of €79 million.

The transaction was accounted for in accordance with IFRS 3, by applying the acquisition method on the basis of the 2020 Financial Statements (the acquisition date being 31 December 2020) and therefore did not have any effect on the income statement in the 2020 Financial Statements.

The 2020 Financial Statements included a difference of €76 million corresponding to the excess of the consideration paid over the book value of Shang Xia's equity as of the acquisition date. Since the initial accounting

was still provisional and the purchase price allocation process had not been completed, the difference of €76 million which had been recorded as goodwill was subject to future adjustments.

Annual Report 2019

During 2019, there were no significant changes in the consolidation area, apart from some minor changes that occurred in the Fiat Group. In 2019, FCA completed the sale of Magneti Marelli for a consideration of €5,772 million and a gain attributable to FCA of €3,770 million.

8.2 Other Financial Data

Using the shortened consolidation criterion adopted by Exor, rather than the line-by-line method of consolidation required by law and under IFRS, the data derived from the financial statements or accounting data prepared in accordance with IFRS by Exor and by the subsidiaries constituting the Holdings System – Exor Nederland N.V. (the Netherlands), Exor S.A. (Luxembourg), Exor Investments Limited (United Kingdom), Ancom USA Inc. (USA), Exor SN LLC (USA) – are consolidated in the financial statements of the parent company, Exor, using the line-by-line method, while the data derived from the financial statements or accounting data prepared in accordance with IFRS of the operating subsidiaries and associates (Ferrari, Stellantis, PartnerRe⁷, CNH Industrial, Juventus, The Economist Group, GEDI, Exor Seeds, Shang Xia, Christian Louboutin, Welltec, NUO and Exor Capital), are included in the consolidated financial statements of the parent company, Exor, using the equity method.

The presentation of financial data under the shortened consolidation method facilitates the analysis of the financial position and results of Exor and it is generally recognised by the financial community, including financial counterparties and rating agencies. Nevertheless, such data do not fully represent, nor should be treated as the consolidated financial position of the Exor Group prepared in accordance with IFRS. In fact, the shortened consolidation method is not contemplated in the reference accounting standards on the presentation of consolidated financial statements and may not be consistent with the method adopted by other groups and, therefore, such data may not be comparable with the data reported by such groups.

Below are presented the consolidated data relating to the statement of financial position and income statement at 31 December 2021, 2020 and 2019 prepared in the shortened consolidation form. These data were extracted from the Company's Board reports, dated 31 December 2021, 31 December 2020 and 31 December 2019, included in the Company's annual reports, dated 31 December 2021, 31 December 2020 and 31 December 2019, respectively, filed by Exor and available on the Exor website (2021 Annual Report: https://www.exor.com/sites/default/files/2022/document-documents/Exor_Annual%20Report_2021.pdf; 2020 Annual Report: https://www.exor.com/sites/default/files/2021/document-documents/EXOR_ANNUAL%20REPORT_2020.pdf; 2019 Annual Report: https://www.exor.com/sites/default/files/2020/document-documents/EXOR%202019%20ANNUAL%20REPORT_0.pdf). Some data relating to 2020 and 2019 presented in the following tables could differ from those published in the 2020 Financial Statements and the 2019 Financial Statements, as these data have been restated with respect to those previously published to facilitate comparability.

The consolidated data prepared in shortened form are not audited by the Independent Auditors.

(A) Selected Consolidated Statement of Income (shortened)

<i>(€ million)</i>	2021	2020	2019
Profit (loss) from investments in subsidiaries and associates:			
Share of the profit (loss)	3,088	79	3,033

⁷ The disposal of PartnerRe was completed on 12 July 2022.

Other (losses) gains ^(a)	—	(31)	—
Dividends received	1,592	94	1,179
Dividends eliminated ^(b)	(1,592)	(94)	(1,179)
Profit (loss) from investments in subsidiaries and associates	3,088	48	3,033
Profit (loss) from investments at FVTOCI	8	—	—
Net financial (expenses) income:			
Profit (loss) from cash, cash equivalents and financial assets	60	6	134
Cost of debt ^(c)	(124)	(104)	(96)
Exchange (losses) gains, net	7	(7)	6
Net financial (expenses) income	(57)	(105)	44
Net recurring general expenses	(19)	(19)	(21)
Net non-recurring other income (expenses)	(514)	50	(1)
Income taxes and other taxes and duties	(789)	(4)	(2)
Profit (loss) attributable to owners of the parent	1,717	(30)	3,053

(a) Year 2020 included the impairment recognised of the goodwill of Welltec (€49 million) and the badwill recognised on the acquisition of GEDI (+€18 million).

(b) Dividends from investments in subsidiaries and associates that are included in the share of the profit (loss) from investments in subsidiaries and associates are eliminated in the consolidation process.

(c) 2021 includes the one-off on partial bond cancellation (€21 million).

(B) Selected Consolidated Statement of Financial Position (shortened)

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Investments in subsidiaries and associates	20,159	16,099	17,551
Investments at FVTOCI	853	191	78
Investments at FVTPL ^(a)	350	—	—
Other asset (liabilities), net	(679)	51	27
Invested capital	20,683	16,341	17,656
Issued capital and reserves attributable to owners of the parent	16,759	13,090	15,025
Cash, cash equivalents and financial assets	(383)	(859)	(789)
Gross debt	4,307	4,110	3,420
Equity and net financial position	20,683	16,341	17,656

(a) At 31 December 2021, the item includes the fair value of the financial assets managed by Exor Capital mainly through a Luxembourg SICAV Fund. At 31 December 2020 and 2019, the item was included in cash, cash equivalents and financial assets.

9. OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the rest of this Prospectus, including the information set out in sections “Selected Consolidated Financial Information” and “Business”.

Except as otherwise stated, the figures in the Operating and Financial Review are derived from the Financial Statements, which have been prepared in accordance with IFRS. For a discussion on the presentation of the Company’s historical financial information included in this Prospectus, see section “Important Information – Presentation of Financial and Other Information”. The following discussion contains forward-looking statements that involve risks and uncertainties. The Group’s future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in particular in the sections entitled “Risk Factors” and “Business” and elsewhere in this Prospectus. See section “Important Information – Information Regarding Forward-Looking Statements” for a discussion of the risks and uncertainties relating to those statements.

9.1 Overview

Exor is one of Europe’s largest diversified holding companies, with a Net Asset Value (NAV) of approximately €26 billion at 31 December 2021. Exor is a diversified holding company with a culture that combines entrepreneurial spirit and financial discipline. Most of its portfolio is made up of companies in which Exor is the largest shareholder.

Exor’s purpose is to develop and improve companies while providing opportunities for its people to grow, to make a positive contribution to society and to deliver returns to its investors. The Company believes in building companies that perform, seek out renewal and change, are distinctive in what they do and act in a responsible way.

Exor creates an environment where its companies can thrive through long-term and stable ownership which is accompanied with permanent capital that seeks to support and challenge a company's strategy. The Company empowers leaders to develop cultures and to promote diversity and inclusion while also acting as a "critical friend". Governance is a tool used by Exor to steer its companies and it does so by building boards of directors and then playing an active role on them.

The Company is a diversified holding company carrying out investment activities. It does not perform any management function or otherwise coordinate or in any way involve itself in the day-to-day operation of its investee companies, which are autonomous in evaluating, resolving upon and executing their own investment, financing and operational strategies and objectives.

In order to understand the results of operations, it is necessary to analyse the performance of the main operating companies in the Group.

	2021			2020			2019		
	Revenues from continuing operations	Net profit (loss) from continuing operations	Profit (loss) attributable to owners of the parent ^(a)	Revenues from continuing operations	Net profit (loss) from continuing operations	Profit (loss) attributable to owners of the parent ^(a)	Revenues from continuing operations	Net profit (loss) from continuing operations	Profit (loss) attributable to owners of the parent ^(a)
(€ million)									
Stellantis ^(b)	—	1,905	1,905	—	—	—	—	—	—
FCA	—	—	—	—	—	8	108,187	6,630	1,898
CNH Industrial	28,309	1,502	398	22,749	(608)	(178)	25,033	809	212
Ferrari	4,271	833	201	3,460	609	146	3,766	699	167
PartnerRe ^(c)	—	—	580	—	—	181	7,034	831	798

Juventus	446	(215)	(137)	509	(153)	(98)	614	(98)	(62)
Gedi	520	(35)	(31)	367	(13)	(11)	—	—	—
Other and adjustments ^(d)	71	(640)	(1,199)	(293)	(65)	(78)	(879)	44	40
Consolidated data	33,617	3,350	1,717	26,792	(230)	(30)	143,755	8,915	3,053

(a) Exor share of the results attributable to the owners of the parent of each segment entity. The share of the result of FCA (€8 million and €9 million for the period 1 January-16 January 2021 and the year 2020 respectively) are included in the column other and adjustments.

(b) In 2021, consolidated with the equity method starting from 17 January.

(c) Data reclassified as discontinued operations.

(d) Includes the net result of Exor and subsidiaries of the Holdings System, excluding the share of the profit of the operating companies consolidated line by line, presented in their respective columns.

Set out below is a summary of the key operating data of the Company's primary investee companies:

Ferrari



(24.17% stake and 34.54% of voting rights on issued capital)

Key consolidated data reported by Ferrari in the year 2021 are as follows:

<i>(€ million)</i>	Year		Change	
	2021	2020		
Shipments (in units)	11,155	9,119	2,036	22%
Net revenues	4,271	3,460	811	23%
EBIT	1,075	716	359	50%
Net profit	833	609	224	37%

Shipments

Shipments totalled 11,155 units in 2021, up 2,036 units or 22.3% versus the prior year.

Shipments increased by 2,036 cars, or 22.3%, driven by a 34.6% increase in shipments of our V8 models, while shipments of our V12 models decreased by 16.1%, mainly due to the 812 Superfast, which was phased out during 2021. In particular, the increase in shipments was driven by the F8 family, together with the Ferrari Roma and the SF90 Stradale, which both reached global distribution in the second quarter of 2021, as well as the ramp-up of the Ferrari Portofino M and the SF90 Spider, partially offset by the Ferrari Portofino, the 488 Pista family and the 812 Superfast. Additionally, deliveries of the Ferrari Monza SP1 and SP2 increased in 2021 compared to 2020, in line with planning, and the models are reaching the end of production. The positive mix impact was driven by the SF90 family and the Ferrari Monza SP1 and SP2, as well as higher revenues from personalisations.

Units ⁽¹⁾	Year		Change	
	2021	2020		
EMEA	5,492	4,818	674	14%
Americas	2,831	2,325	506	22%
Mainland China, Hong Kong and Taiwan	899	456	443	97%
Rest of APAC	1,933	1,520	413	27%
Shipments	11,155	9,119	2,036	22%

1. Excluding the XX Programme, racing cars, Fuori Serie, one-off and pre-owned cars.

Net revenues

Net revenues for 2021 were €4,271 million, an increase of €811 million or 23.41% (an increase of 26.0% on a constant currency basis), compared to €3,460 million in 2020. The increase was attributable to the combination of a €738 million increase in cars and spare parts, a €38 million increase in engines, a €41 million increase in sponsorship, commercial and brand, partially offset by a €6 million decrease in other net revenues.

Net revenues generated from cars and spare parts were €3,573 million (up 26.0% or 28.8% at constant currency, due to higher car volumes, positive mix and personalisations, partially offset by negative foreign currency exchange impact. Shipments in 2020 were impacted by the seven-week production and delivery suspension in the first half of the year caused by the Covid-19 pandemic.

Net revenues generated from Engines were €189 million for 2021, an increase of €38 million, or 25.7%, from €151 million for 2020. The increase was mainly attributable to an increase in engines sold to Maserati and, to a lesser extent, higher revenues from the rental of engines to other Formula 1 racing teams.

Net revenues generated from sponsorship, Formula 1 commercial agreements and brand management activities were €431 million for 2021, an increase of €41 million, or 10.4%, from €390 million, primarily attributable to Formula 1 racing activities, driven by the more favourable Formula 1 calendar compared to 2020, and brand-related activities, partially offset by a lower prior year Formula 1 ranking.

(<i>€ million</i>)	Year		Change		
	2021	2020	amount	at current currency	at constant currency
Car and spare parts	3,573	2,835	738	26%	29%
Engines	189	151	38	26%	26%
Sponsorship, commercial and brand	431	390	41	10%	13%
Other	78	84	(6)	(7)%	(5)%
Net revenues	4,271	3,460	811	23%	26%

EBIT

EBIT for 2021 was €1,075 million, an increase of €359 million, or 50.2%, from €716 million for 2020. As a percentage of net revenues, EBIT increased from 20.7% in 2020 to 25.2% in 2021.

The increase in EBIT was primarily attributable to the combined effects of (i) positive volume impact of €220 million, (ii) positive product mix impact of €212 million, (iii) an increase in research and development costs of €61 million, (iv) an increase in selling, general and administrative costs of €12 million, (v) a positive contribution of €77 million driven by Formula 1 racing activities reflecting the more favourable Formula 1 calendar compared to 2020 as well as a higher contribution from brand-related activities, Maserati engines and other supporting activities, partially offset by a lower prior year Formula 1 ranking, and (vi) negative foreign

currency exchange impact of €77 million (including foreign currency hedging instruments) primarily driven by the strengthening of the Euro compared to the U.S. Dollar and the Japanese Yen.

The positive mix impact was driven by the SF90 family, the Ferrari Monza SP1 and SP2, and personalisations, partially offset by the ramp-up of the Ferrari Roma and the Portofino M and reduced contribution of the 812 Superfast, which was phased out during 2021.

PartnerRe⁸

PartnerRe



(100% interest in common shareholder's equity and 99.8% of voting rights; through Exor Nederland N.V.)

Data presented and commented below are derived from PartnerRe's consolidated financial information for the year ended 31 December 2021 and 2020 prepared in accordance with U.S. GAAP.

(\$ million)	Year	
	2021	2020
Net premiums written	7,134	6,301
Non-life combined ratio ^(a)	90.5%	106.0%
Life and Health allocated underwriting result ^(b)	97	70
Net investment return	2.7%	4.6%
Other expenses	399	356
Net income attributable to PartnerRe common shareholders ^(c)	679	206
Net Income ROE ^(d)	9.7%	3.1%

(a) PartnerRe uses a combined ratio to measure results for the Non-life P&C and Specialty segments. The combined ratio is the sum of the technical and other expense ratios.

(b) PartnerRe uses allocated underwriting result as a measure of underwriting performance for its Life and Health segment. This metric is defined as net premiums earned, other income or loss and allocated net investment income less life policy benefits, acquisition costs and other expenses.

(c) Net income/loss attributable to PartnerRe common shareholders is defined as net income/loss attributable to PartnerRe less preferred dividends.

(d) Net income ROE is calculated as net income return on average common shareholders' equity.

Net premiums written for 2021 increased to \$7.1 billion compared to \$6.3 billion in 2020. Non-life net premiums written increased 14% for the full year 2021 compared to the same period of 2020. The current year included favourable premium adjustments from prior underwriting years, compared to the prior year which included adverse premium adjustments related to the economic downturn.

The Non-life underwriting profit was \$507 million (combined ratio of 90.5%) for the full year 2021. This compares to a Non-life underwriting loss of \$304 million (combined ratio of 106.0%) for the full year 2020. Large catastrophic losses were \$483 million for the full year 2021 and included losses for Hurricane Ida, Winter Storm Uri, the European Floods, and related losses under aggregate covers, which adversely impacted the P&C and Specialty combined ratios by 12.1 points and 3.3 points, respectively. This compared to large catastrophic losses of 6.5 points and 11.6 points on the P&C and Specialty combined ratios, respectively, for the full year 2020

⁸ The disposal of PartnerRe was completed on 12 July 2022

from Covid-19 and Hurricane Laura. There were no changes in PartnerRe's net non-life Covid-19 ultimate loss estimates that were established in 2020.

The P&C segment reported a combined ratio 94.3% for the full year 2021, compared to 102.2% for the full year 2020. While large catastrophic losses increased across comparative periods, this was offset by an aggregation of mid-size loss events during 2020. Excluding large catastrophic losses, the combined ratio improved in relation to the comparative period as the current accident year attritional loss ratio benefited as a result of portfolio reshaping in prior periods and rate increases.

The Specialty segment reported a combined ratio of 83.1% for the full year 2021, compared to 112.2% for the full year 2020. In addition to the decrease in large catastrophic losses, the improvement in the combined ratio was driven by improvements in the current accident year attritional loss ratio resulting from strategic reductions in less profitable lines and favourable prior years' reserve development, which was 6.9 points favourable for the full year 2021, primarily driven by financial risks and aviation lines. This compared to adverse prior years' reserve development – 7.2 points for the full year 2020.

The Life and Health allocated underwriting result was a profit of \$97 million for the full year 2021, compared to a profit of \$70 million for 2020. Losses on protection products due to Covid-19 increased by \$10 million, with \$36 million for the full year 2021 compared to \$26 million for the full year 2020. Excluding Covid-19, the increase in the allocated underwriting result was driven by improvement in the short-term protection business, which was partially offset by a lower level of gains related to recaptures of business compared to the full year 2020.

Net investment income increased \$15 million, or 4.4%, for the full year 2021, compared to the same period in 2020, primarily due to the impact of re-allocations to investment grade corporate bonds, and higher reinvestment rates driven by increases in worldwide risk-free rates in 2021.

Net realised and unrealised investment gains of \$38 million for the full year 2021 included net realised and unrealised investment losses of \$539 million on fixed maturities and short-term investments, \$277 million of net realised and unrealised investment gains on equities and \$300 million of net realised and unrealised gains on other invested assets and investments in real estate. Losses on fixed maturities and short-term investments were primarily unrealised and driven by increases in worldwide risk-free rates and losses on real estate sector investments in PartnerRe's Asia high-yield portfolio, partially offset by narrowing credit spreads. Gains on equities were also primarily unrealised, resulting from increases in worldwide equity markets and also included a large realised gain on the sale of a preferred share investment in the fourth quarter of 2021. Gains on other invested assets were primarily driven by unrealised gains on private equity investments.

For 2020, net realised and unrealised investment gains of \$454 million included net realised and unrealised investment gains of \$245 million on fixed maturities and short-term investments, primarily due to decreases in worldwide risk-free rates and credit spreads, and \$209 million of net realised and unrealised investment gains on equities, investments in real estate and other invested assets. Interest in earnings of equity method investments of \$127 million for the full year of 2021 primarily reflects the unrealised Almacantar gain recorded in the fourth quarter and realised and unrealised gains on private equity funds and New York real estate funds.

Other Income Statement items

Other expenses of \$399 million (expense ratio of 5.7%) for the full year 2021 increased \$43 million compared to \$356 million (expense ratio of 5.4%) for 2020. The increase was driven primarily by increased personnel expenses, including higher annual incentive and long-term incentives due to the higher growth in book value reported by PartnerRe in 2021.

Net foreign exchange losses were \$31 million for the full year 2021 and driven by the appreciation of the U.S. dollar against certain major currencies (primary the Euro, British Pound and Swiss Franc), while net foreign

exchange losses of \$52 million for the full year 2020 were driven by the depreciation of the U.S. Dollar against the same currencies.

Interest expense was \$56 million for the full year 2021, compared to \$39 million for the same period of 2020. The increase for the full year 2021 was driven by the issuance of \$500 million 4.50% Fixed-Rate Reset Junior Subordinated Notes due 2050 during the third quarter of 2020.

A preferred dividend of \$23 million for the full year 2021, compared to \$46 million for the same period of 2020. In May 2021, PartnerRe fully redeemed its Series G, H and I preferred shares for a liquidation value of \$637 million. PartnerRe also incurred a loss on redemption of \$21 million, related to the preferred share issuance costs that were included in Additional paid-in-capital at issuance, and upon redemption were expensed, with no net impact to Common shareholder's equity. Following the redemption, only Series J preferred shares remain.

Income tax expense was \$38 million on pre-tax income of \$762 million for the full year 2021 compared to a benefit of \$13 million on pre-tax income of \$241 million in 2020. These amounts were primarily driven by the geographical distribution of pre-tax profits and losses.

Stellantis



(14.4% stake, 14.4% of voting rights on issued capital)

The key consolidated data of Stellantis for the year 2021 are presented below:

<i>(€ million)</i>	Year		Change	
	2021	2020	amount	%
Net revenues	149,419	47,656	101,763	+214
Pro-forma ¹ Net revenues	152,119	133,882	18,237	+14
Pro-forma ¹ Adjusted operating income ²	18,011	9,224	8,787	+95
Net profit (loss)	13,218	2,338	10,880	+465
Pro-forma ¹ Net profit (loss)	13,354	4,790	8,564	+179

1. Full year 2021 Pro-forma results are presented as if the merger had occurred on 1 January 2020 and include results of FCA for the period 1 January-16 January 2021. Year 2020 represents results of the continuing operations of PSA only and are not directly comparable to previously reported results of PSA and reflect accounting policies and reporting classifications of Stellantis. Year 2020 Pro-forma results are presented as if the merger had occurred on 1 January 2020.
2. Adjusted operating income is a non-GAAP financial measure used to measure performance. Adjusted operating income/(loss) excludes from Net profit/(loss) from continuing operations adjustments comprising restructuring, impairments, asset write-offs, disposals of investments and unusual operating income/(expense) that are considered rare or discrete events and are infrequent in nature, as inclusion of such items is not considered to be indicative of Stellantis's ongoing operating performance, and also excludes Net financial expenses/(income), Tax expense/(benefit) and Share of the profit of equity method investees. For the year ended 31 December 2021, Pro Forma Adjusted operating income includes the Adjusted operating income of FCA for the period 1-16 January 2021. For the year ended 31 December 2020, Pro Forma Adjusted operating income includes the Adjusted operating income result of FCA for the period 1 January-31 December 2020.

FCA/PSA Merger

On 17 December 2019, FCA and PSA entered into a combination agreement providing for the combination of FCA and PSA through a cross-border merger, with FCA as the surviving legal entity in the merger (the **FCA/PSA Merger**).

On 14 September 2020, FCA and PSA agreed to amend the combination agreement. According to the combination agreement amendment, the FCA extraordinary dividend, to be paid to former FCA shareholders, was reduced to €2.9 billion, with PSA's 46% stake in Faurecia planned to be distributed to all Stellantis shareholders promptly after closing following approval of the Stellantis board and shareholders.

On 4 January 2021, PSA and FCA extraordinary general shareholder meetings approved the FCA/PSA Merger. Following the respective shareholder approvals and receipt of the final regulatory clearances, FCA and PSA completed the legal merger.

On 17 January 2021, the combined company was renamed "*Stellantis N.V.*", the board of directors was appointed and the Stellantis articles of association became effective. On this date, the Stellantis management and board of directors collectively obtained the power and the ability to control the assets, liabilities and operations of both FCA and PSA. As such, under IFRS 3 – *Business Combinations* (IFRS 3), 17 January 2021 is the acquisition date for the business combination.

The FCA/PSA Merger was accounted for by Stellantis using the acquisition method of accounting in accordance with IFRS 3, which requires the identification of the acquirer and the acquiree for accounting purposes. Based on the assessment of the indicators under IFRS 3 and consideration of all pertinent facts and circumstances, management determined that PSA is the acquirer for accounting purposes and as such, the merger has been accounted for as a reverse acquisition. In identifying PSA as the acquiring entity, notwithstanding that the merger was effected through an issuance of FCA shares, the most significant indicators were (i) the composition of the combined group's board, composed of 11 directors, six of whom were to be nominated by PSA, PSA shareholders or PSA employees, or were current PSA executives, (ii) the combined group's first CEO, who is vested with the full authority to individually represent the combined group, and was the president of the PSA Managing Board prior to the merger, and (iii) the payment of a premium by pre-merger shareholders of PSA.

On 29 January 2021, the approximately €2.9 billion extraordinary distribution was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

Net revenues			Adjusted operating income	
Year			Year	
2021	2020	€ million	2021	2020
69,736	60,633	North America	11,356	6,123
10,681	6,252	South America	882	156
59,060	56,480	Enlarged Europe	5,370	3,059
5,201	4,756	Middle East & Africa	545	300
3,980	3,200	China and India & Pacific	442	231
2,021	1,375	Maserati	103	(91)
1,440	1,186	Other activities, unallocated items and eliminations	(687)	(554)
152,119	133,882	Total	18,011	9,224

North America

The increase in Pro-forma Net revenues in 2021 compared to 2020 was primarily due to favourable vehicle mix and strong net pricing, partially offset by unfavourable translation differences.

The increase in Pro-forma Adjusted operating income in 2021 compared to 2020 was driven by higher net revenues and purchasing and manufacturing efficiencies, partially offset by increased raw materials, logistics and research and development costs.

South America

The increase in Pro-forma Net revenues in 2021 compared to 2020 was mainly driven by higher volumes and strong net pricing, as well as favourable vehicle and market mix, partially offset by negative translation differences.

The increase in Pro-forma Adjusted operating income in 2021 compared to 2020 was driven by higher net revenues, more than offsetting higher raw materials costs and unfavourable translation differences and transaction effects.

Enlarged Europe

The increase in Pro-forma Net revenues in 2021 compared to 2020 was mainly due to favourable vehicle mix, primarily higher BEV and PHEV volumes, net pricing, as well as parts and services, partially offset by reduced new and used vehicle volumes.

The increase in Pro-forma Adjusted operating income in 2021 compared to 2020 was driven by increased Net revenues, purchasing and manufacturing efficiencies, as well as reduced compliance costs, more than offsetting higher raw materials costs.

Middle East and Africa

The increase in Pro Forma Net revenues in 2021 compared to 2020 was mainly driven by higher net pricing, including pricing actions for Turkish Lira devaluation, and increased volumes, partially offset by negative translation differences, mainly from Turkish Lira.

The increase in Pro Forma Adjusted operating income in 2021 compared to 2020 reflects higher Net revenues, partially offset by negative translation differences.

China and India and Pacific

The increase in Pro Forma Net revenues in 2021 compared to 2020 was primarily due to overall higher volumes and favourable market mix and net pricing.

The increase in Pro-forma Adjusted operating income in 2021 compared to 2020 was mainly driven by favourable net pricing, volumes and vehicle mix, primarily related to Jeep Wrangler and Ram 1500, partially offset by increased product costs.

Maserati

The increase in Pro-forma Net revenues in 2021 compared to 2020 was primarily due to higher volumes, favourable market mix, mainly in China, and improved net pricing.

The increase in Pro-forma Adjusted operating income in 2021 compared to 2020 was mainly due to higher volumes and net pricing, driven by launch of refreshed line-up, favourable market mix, particularly in China, and improved residual values, partially offset by negative foreign exchange transaction effects.

The following table is the reconciliation of Net profit to Pro-forma Adjusted operating income (non-GAAP measure).

<i>(€ million)</i>	Year	
	2021	2020
Net profit from continuing operations	13,218	2,338
Tax expense	1,911	504
Net financial expenses	734	94
Share of the profit of equity method investees	(737)	74
Operating income	15,126	3,010
FCA operating income 1 January-16 January 2021	77	
FCA operating income 1 January-31 December 2020	—	2,165
Pro-forma adjustments	96	2,261
Pro-forma operating income	15,299	7,436
Adjustments:		
Restructuring and other costs, net of reversal ¹	873	490
Change in estimate of non-contractual warranties ²	732	—
Reversal of inventory fair value adjustment in purchase accounting ³	522	—
Impairment expense and supplier obligations ⁴	309	1,129
Provision for U.S. investigation matters ⁵		222
Loss/(Gains) on disposal of investments	—	(178)
Brazilian indirect tax – reversal of liability/recognition of credits ⁶	(253)	—
Other ⁷	529	125
Total adjustments	2,712	1,788
Pro-forma Adjusted operating income	18,011	9,224

1. Restructuring and other costs related to reorganisation of operations and dealer network, primarily in Enlarged Europe.
2. Change in estimate for warranty costs incurred after the contractual warranty period.
3. Reversal of fair value adjustment recognised in purchase accounting on FCA inventories.
4. Primarily related to certain vehicle platforms in Enlarged Europe.
5. Provision recognised for estimated probable losses to settle matters under investigation by the U.S. Department of Justice, primarily related to criminal investigations associated with U.S. diesel emissions matters.
6. Benefit related to final decision of Brazilian Supreme Court on calculation of state value added tax.
7. Includes other costs primarily related to merger and integration activities. The following table is the reconciliation of Net profit to Pro-forma Adjusted operating income (non-GAAP measure).

CNH Industrial



(27.06% stake, 41.68% of voting rights on issued capital)

Iveco Group Business Spin-off and Discontinued Operations

Until 31 December 2021, CNH Industrial N.V. owned and controlled the Off-Highway business (the Agriculture business, the Construction business, and the related Financial Services business) and On-Highway business (the Commercial and Specialty Vehicles business, the Powertrain business, and the related Financial Services business, together the **Iveco Group business** or **Iveco Group**).

Effective 1 January 2022, the Iveco Group business was separated from CNH Industrial in accordance with Section 2:334a (3) of the Dutch Civil Code by way of a legal statutory demerger to Iveco Group N.V. (the **Demerger**).

On 3 January 2022, Iveco Group N.V. common shares began trading on the regulated market Euronext Milan, under the ticker symbol "IVG". As a result of the Demerger, each holder of CNH Industrial N.V. common shares (and special voting shares as the case may be) received one Iveco Group N.V. share for every five CNH Industrial N.V. common shares (or special voting share as the case may be) held at close of business on the record date for allocation (4 January 2022). Since 3 January 2022, CNH Industrial N.V. and Iveco Group N.V. have been quoted separately on the regulated markets and operate as independent listed companies, each with its own management and Board of Directors.

As the transaction took effect on 1 January 2022, the consolidated financial statements for the year ended 31 December 2021 relate to CNH Industrial Pre-Demerger.

Additionally, as the Demerger is a "business combination involving entities or businesses under common control", it is outside the scope of application of IFRS 3 – *Business Combinations* and IFRIC 17 – *Distributions of Non-cash Assets to Owners*. Accordingly, in the 2022 consolidated financial statements for CNH Industrial Post-Demerger and Iveco Group, the opening position for items in the statement of financial position will be equivalent to the carrying amounts reported in the consolidated financial statements of CNH Industrial Pre-Demerger.

Key consolidated figures for both groups, for the year 2021 are as follows:

(\$ million)	2021			2020			Change
	Off Highway	On Highway	CNH Industrial Pre-Demer	Off Highway	On Highway	CNH Industrial Pre-Demer	Total
Revenues ¹	19,474	14,963	34,437	14,696	11,892	26,588	7,849
Revenues in € ²	<i>n.a.</i>	<i>n.a.</i>	28,309	<i>n.a.</i>	<i>n.a.</i>	22,749	5,560
Adjusted EBIT of Industrial Activities ³	1,729	357	2,086	517	(101)	416	1,670
Net (loss) of which attributable to owners of the parent	1,686	91	1,777	(270)	(425)	(695)	2,472
	1,677	63	1,740	(284)	(466)	(750)	2,490

1. Revenues of CNH Industrial Pre-Demerger before the eliminations (\$956 million in 2021 and \$604 million in 2020).

2. Revenues of CNH Industrial Pre-Demerger net of eliminations.

3. Adjusted EBIT of Industrial Activities is a non-GAAP financial measure used to measure performance. Adjusted EBIT of Industrial Activities is defined as profit/(loss) before taxes, financial services results, industrial activities financial expenses, restructuring costs and certain non-recurring items. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of on-going operational activities. Adjusted EBIT is a non-GAAP financial measure used to measure performance. Adjusted EBIT is defined as profit/(loss) before taxes, financial services results, industrial activities financial expenses, restructuring costs and certain non-recurring items.

Global Supply Chain Disruptions

On 13 October 2021, CNH Industrial announced the temporary closure of several of its European agricultural, commercial vehicle and powertrain manufacturing facilities in response to ongoing disruptions to the procurement environment and shortages of core components, especially semiconductors. The global supply chain still shows increasing input costs and logistics pressures, with ongoing disruptions to the procurement environment forcing repeated reviews of production schedules. Global supply chain represented the main challenge for the operations in the year, with multiple bottlenecks resulting in increased raw material prices, intermittent subcomponent availability, notably for semiconductors, and increased transportation costs.

Revenues

Consolidated net revenues for 2021 were \$33,481 million, an increase of 28.9% (up 27.3% on a constant currency basis) compared to 2020. This increase is primarily due to an increase of 30.6% (up 28.9% on a constant currency basis) compared to the prior year in net revenues of Industrial Activities due to continued strong industry demand and positive price realisation.

The following discussion provides a breakdown for Off-Highway and On-Highway businesses.

Off Highway – CNH Industrial excluding Iveco Group

In 2021, net revenues of CNH Industrial excluding Iveco Group were \$19,474 million, up 32.5% compared to 2020 (up 31.6% on a constant currency basis). The net sales of Industrial Activities of Continuing Operations were \$17,835 million, up 36.4% (35.4% on a constant currency basis) compared to 2020. The increase was due to higher industry demand, favourable price realisation and lower destocking compared to the previous year.

Net revenues for Agriculture were \$14,754 million in 2021, up 35.2% (34.2% on a constant currency basis), mainly due to higher industry demand, better mix, favourable price realisation and lower destocking compared to 2020.

For 2021, worldwide industry unit sales for tractors increased 14% compared to 2020, while worldwide industry sales for combines were up 19% compared to 2020. In North America, industry volumes in the over-140 hp tractor market sector were up 23% and combines were up 25%. Industry volumes for under-140 hp tractors were up 10%. European markets were up 16% and 17% for tractors and combines, respectively. In South America, tractor industry volumes increased 22% and combine industry volumes increased 19%. Rest of World markets increased 15% for tractors and 19% for combines.

Net revenues for Construction were \$3,081 million in 2021, up 42% compared to 2020 (up 40.9% on a constant currency basis), driven by favourable price realisation, higher demand, and lower destocking by dealers and distributors.

In 2021, global demand for construction equipment was up 14% compared to 2020, with the Heavy sub-segment up 16% and the Light sub-segment up 13%. Demand increased 23% in North America, 19% in Europe, 87% in South America, and 6% in Rest of World.

Financial Services reported net revenues of \$1,664 million in 2021, up 1.2% compared to 2020 (up 0.9% on a constant currency basis), primarily due to higher used equipment sales and higher average portfolios in Europe, South America and Rest of World, partially offset by lower average portfolio in North America due to a reduction in wholesale financing.

On Highway – Iveco Group

The consolidated net revenues of the Iveco Group were \$14,963 million, an increase of 25.8% (up 22.8% on a constant currency basis) compared to 2020. The net sales of the Industrial Activities of Iveco Group were \$14,808 million, an increase of 25.7% compared to the prior year (up 22.7% on a constant currency basis), due to higher volumes and positive price realisation.

Commercial and Specialty Vehicles' net revenues were \$12,204 million in 2021, up 29.6% compared to 2020 (up 27.3% on a constant currency basis), primarily driven by higher truck volumes and positive price realisation.

In 2021, the European truck market (GVW \geq 3.5 tons), excluding the U.K. and Ireland, increased by 11% compared to 2020. The LCV market increased 8%, and the M&H truck market increased by 19%. In South America, new truck registrations (GVW \geq 3.5 tons) increased 39% compared to 2020, with an increase of 39% and 42% in Brazil and in Argentina, respectively. In Rest of World, new truck registrations increased 18% compared with 2020.

CNH Industrial's estimated market share in the European truck market (GVW \geq 3.5 tons), excluding the U.K. and Ireland, was 11.8%, up 1.2 percentage points (p.p.) compared with 2020. The European market share increased 1.9 p.p. to 13.2% in LCV and increased 0.1 p.p. to 8.9% in M&H segment. In South America, in 2021, CNH Industrial's market share increased 0.8 p.p. to 10.5%.

During 2021, Commercial and Specialty Vehicles delivered approximately 161,178 vehicles (including buses and specialty vehicles), representing a 36% increase from 2020. Volumes were 40% higher in LCV and 43% higher in M&H truck segments. Commercial and Specialty Vehicles' deliveries increased 33%, 73% and 26% in Europe, South America and Rest of World, respectively.

In 2021, Commercial and Specialty Vehicles' ratio of truck orders received to units shipped and billed, or book-to-bill ratio, for the European truck market was 1.57, an increase of 32% compared to 2020. In 2021, truck order intake in Europe increased 81% compared to previous year.

Powertrain net revenues were \$4,435 million in 2021, an increase of 22.1% (up 19.4% on a constant currency basis) compared to 2020, mainly due to higher volumes. Sales to external customers accounted for 41% of total net revenues (52% in 2020).

During 2021, Powertrain sold approximately 538,300 engines, an increase of 12% compared to 2020. In terms of customers, 32% of engines were supplied to Commercial and Specialty Vehicles, 17% to Agriculture, 6% to Construction and the remaining 45% to external customers (units sold to third parties were down 16% compared to 2020). Additionally, Powertrain delivered approximately 67,900 transmissions and 192,500 axles, an increase of 36% and 38%, respectively, compared to 2020.

Financial Services reported net revenues of \$230 million in 2021, up 22.3% compared to 2020 (up 18.4% on a constant currency basis), due to higher volumes from financing activities.

(\$ million)	Year		
	2021	2020	% change
Off Highway – CNH Industrial excluding Iveco Group			
Agriculture	14,754	10,916	35.2
Construction	3,081	2,170	42.0
Financial Services	1,664	1,644	1.2
Elimination and other	(25)	(34)	n.s.
Total CNH Industrial excluding Iveco Group	19,474	14,696	32.5
On Highway – Iveco Group			
Commercial and Specialty Vehicles	12,204	9,420	29.6
Powertrain	4,435	3,633	22.1
Financial Services	230	188	22.3
Eliminations and other	(1,906)	(1,349)	n.s.
Total Iveco Group	14,963	11,892	25.8
Elimination Off Highway – On Highway	(956)	(604)	n.s.
Total Revenues	33,481	25,984	28.9

Adjusted EBIT of Industrial Activities

Adjusted EBIT of Industrial Activities was \$2,086 million (\$416 million in 2020), with an adjusted EBIT margin of 6.6%. The increase in adjusted EBIT was primarily attributable to all segments being up year over year.

Off Highway – CNH Industrial excluding Iveco Group

Adjusted EBIT of Industrial Activities of CNH Industrial excluding Iveco Group was \$1,729 million, a \$1,212 million increase compared to 2020. The improvement was driven by higher volume, favourable mix and

positive price realisation, partially offset by higher raw material and freight costs, and higher variable compensation.

Adjusted EBIT of Agriculture was \$1,794 million in 2021, compared to \$856 million in 2020. The \$938 million increase was driven by higher volumes, favourable mix and price realisation in all regions, partially offset by higher raw material and freight costs, higher SG&A costs driven by higher variable compensation. R&D spend returning to more normal levels from the low levels experienced in the previous year. Adjusted EBIT margin increased 440 bps to 12.2%.

Adjusted EBIT of Construction was \$83 million in 2021 (up \$276 million compared to 2020). The improvement was due to positive price realisation and favourable volumes and mix, partially offset by higher production costs related to raw material and freight.

On Highway – Iveco Group

Adjusted EBIT of Industrial Activities of Iveco Group was \$357 million (€101 million loss in 2020). The improvement was driven by higher volume and positive price realisation, partially offset by higher raw material costs, freight costs, and rework costs due to components shortages.

Adjusted EBIT of Commercial and Specialty Vehicles was \$300 million in 2021 (an increase of \$469 million compared to 2020). The improvement was driven by higher volumes and positive price realisation, partially offset by increased raw material costs, freight costs, and rework costs due to components shortages. SG&A costs increase was driven by higher variable compensation. R&D spending returned to more normal levels from the lows of the prior year. Adjusted EBIT margin was 2.5%.

Adjusted EBIT of Powertrain was \$246 million in 2021, a \$23 million increase compared to 2020, mainly due to favourable volume and mix in the first half of the year, almost offset by unfavourable raw material costs, higher freight costs due to logistics constraints, higher SG&A costs and lower absorption of fixed cost in the second half of the year due to certain third-party sales discontinuation. R&D spending returned to a pre-pandemic level. Adjusted EBIT margin was 5.5% in 2021.

(\$ million)	Year		
	2021	2020	% change
Off Highway – CNH Industrial excluding Iveco Group			
Agriculture	1,794	856	109.6
Construction	83	(193)	-143.0
Elimination and other	(148)	(146)	n.s.
Total Adjusted EBIT of Industrial Activities excluding Iveco	1,729	517	234.4
On Highway – Iveco Group			
Commercial and Specialty Vehicles	300	(169)	-277.5
Powertrain	246	223	10.3
Eliminations and other	(189)	(155)	n.s.
Total Adjusted EBIT of Industrial Activities Iveco Group	357	(101)	(453.5)
Total Adjusted EBIT of Industrial Activities CNH Industrial Pre-Demerger	2,086	416	401.4

Juventus



(63.77% of share capital)

The following information refers to the first half of 2021/2022 of Juventus F.C.

<i>(€ million)</i>	I Half		Change
	2021/2022	2020/2021	
Revenues	223	258	(35)
Operating costs	(242)	(263)	21
Operating result	(111)	(105)	(6)
Loss for the period	(119)	(114)	(5)

For a correct interpretation of the data, it should be noted that the financial year for Juventus does not coincide with the calendar year, but covers the period 1 July-30 June, which corresponds to the football season. The accounting data under examination (six months) thus represents the first half of operations for the financial year 2021/2022.

On the other hand, the financial data prepared only for Exor consolidated reporting purposes covers the period of 12 months (the second half of the financial year 2020/2021 and the first half of the financial year 2021/2022) and cannot be construed as representing the basis for a Juventus 2021/2022 full-year projection.

Result performance is characterised by the highly seasonal nature typical of the sector, determined mainly by the calendar of football events and the two phases of the players' Transfer Campaign. The financial position and cash flows are also affected by the seasonal nature of the income components; in addition, some revenue items are collected in a period different from the period to which they refer.

The Group's economic trend is characterised by a strong seasonal nature, typical of the business sector, determined essentially by participation in sports competitions, the calendar of sports events and the players' Transfer Campaign.

The first half of the 2021/2022 financial year closed with a consolidated loss of €119 million, a moderate increase compared to the loss of €114 million in the first half of the previous financial year, due to lower revenues for €35 million, mainly related to lower income from television and radio rights (€39 million); in the first half of the previous year, this item benefited also from the higher number of Serie A and UEFA Champions League matches played in the period. The negative effect mentioned above was partially offset by higher match revenues, an increase of €8 million thanks to the partial reopening of the stadium, and lower operating costs for €21 million.

GEDI Gruppo Editoriale



(89.62% of share capital)

The financial data prepared for Exor consolidated reporting purposes differs from those reported by GEDI since the data consolidated by Exor reflects the effects of the application by Exor of the acquisition method to account for its acquisition of GEDI.

The following information refers to the key consolidated figures of GEDI.

<i>(€ million)</i>	Year		Change
	2021	2020	
Net revenues	520	533	(13)
Gross operating profit (loss)	10	2	8
Gross operating profit (loss) – adjusted	37	24	13
Operating profit (loss)	(38)	(165)	127
Operating profit (loss) – adjusted	10	(12)	22
Net loss	(50)	(166)	116

Revenues

<i>(€ million)</i>	Year		Change
	2021	2020	
Circulation	218	253	(35)
Advertising	260	239	21
Add-ons and others	42	41	1
Total	520	533	(13)

In the context of the Covid-19 pandemic described above consolidated revenues stood at €520 million, excluding the impact of the local papers sold last year (this translates to a growth of 2.7%). Revenues from digital activities represented 17.3% of consolidated revenues (22.1% for the *la Repubblica* brand).

Circulation revenues from traditional products and digital subscriptions amounted to €218 million, a decline of 6% on comparable data from last year).

In 2021, the actions to increase the sales of digital subscriptions have continued: the subscriber base, which has grown by 30% compared to the close of 2020, has attained higher profitability compared to the same period in 2020. This improvement is principally due to the transition of the customer base from promotional offers made in 2020 to full pricing. It is a measure of the continued interest of subscribers in GEDI's digital products – going beyond the effects of the Covid-19 emergency and in spite of the ending of the promotional period – and of the effectiveness of the new customer retention and engagement initiatives designed to reduce churn and to increase readers' consumption of products.

In May 2021, the new *Repubblica* App was released which combines in one single app all the newspaper's digital offerings (both free of charge and subscription) with state-of-the-art functionalities.

Meanwhile, the production of paid digital content, particularly audio, was developed: up to 25 audio articles were published per day (175 per week) by *la Repubblica* and *La Stampa*, in addition to daily reports by regular contributors, several original audio series and the Long-Form audio version of *la Repubblica*.

With an average of around 4.9 million unique users a day and 26.6 million unique users a month on both of its websites (Audiweb, average data for January-December 2021), the GEDI Group is the fifth largest operator on the Italian digital market.

2021 was also a year of innovation, focusing on the quality of content for the GEDI Group's social media channels, a strategy that has proven highly successful in terms of reach and engagement. The growth on Instagram was particularly positive, as reflected in the results of *la Repubblica* (1.6 million followers, up 21.2% compared to

2020, and 58.6 million user-generated interactions), *La Stampa* (460,000 followers, +24.7% in 2020, and 9.1 million user-generated interactions) and Radio DeeJay (1.1 million followers, +14.9% in 2020, and 13.8 million user-generated interactions). When combined with the results of the new companies acquired by the Group, total generated interactions reached over 85 million with over 140 million views, not counting reels. We also saw positive growth on Facebook, up by an average of 4% year-on-year for the GEDI Group's publications, with a total of over 70 million user-generated interactions and more than 250 million views.

During 2021, the strategy of releasing Content Hubs continued, with *Moda & Beauty*, *il Gusto* and *Italian Tech*, distributed across *la Repubblica*, *La Stampa* and all the local daily newspapers, in multichannel format (digital and paper) with a digital focus and a unified organisational structure. In 2020, the *Green & Blue* and *Salute* Content Hubs were successfully launched.

The purpose of the Content Hubs is to increase digital subscriptions, host interesting content for advertisers and ensure production and sales efficiency along the vertical themes.

Advertising revenues amounted to €260 million; excluding the impact of the local papers sold in the previous year, growth stood at 12.5%.

In terms of the various media within the GEDI Group, GEDI's advertising revenue from print newspapers increased by 8.4%, radio broadcasting by 14.9% and internet by 24.3% respectively.

Net loss

The consolidated net result was a loss of €50 million, including provisions relative to the disputes regarding alleged fraud against INPS of €23 million, impairment on publications of €17 million, restructuring expenses, depreciation on printing equipment and real estate, and other extraordinary items, with a total impact on net profit of €7 million. Furthermore, in 2021, the sale of the equity investment in the company *Editoriale Corriere di Romagna* was concluded, resulting in capital gains of €0.1 million (book value €0.6 million, sale price €0.7 million), as were the sales of the equity investments in *Editoriale La Libertà*, *Telelibertà* and *Altrimedia* with a loss of €0.7 million (book value €9.2 million, sale price €8.5 million). Finally, a write-down of €1.8 million was recorded for the equity investments held in the Italian press agency ANSA, aligning the book value to the fair value.

In 2020, the loss for the year was €166 million, including impairments on goodwill and publications of €82 million, restructuring expenses and other extraordinary items with an impact on net profit of €24 million and losses realised on the sale of local papers of €11 million. In 2020, write-downs of €7 million were also recorded on the value of the investment held in *Editoriale Libertà* and *Editoriale Corriere di Romagna* and €13 million for adjustments on deferred tax assets due to the worsening forecasts for the recovery of previous tax losses due to Covid-19. Net of the aforementioned effects, the adjusted loss for 2021 was €2 million, compared to a loss of €29 million in the previous year.

9.2 Current Trading and Recent Developments

The Company does not prepare interim reports, however, certain investee companies publish interim reports. Set out below is a summary of the performance and key highlights from the first quarter of 2022 of these companies, namely Ferrari, Stellantis, CNH Industrial, Iveco Group and PartnerRe.

Ferrari

Ferrari reported total shipments of 3,251 units (up 17.3% versus Q1 2021), net revenues of €1,186 million (up 17.3% versus previous year), EBITDA of €423 million (up 12.5% versus previous year) with an EBITDA margin of 35.6%, EBIT of €307 million (up 15.4% versus previous year) with an EBIT margin of 25.9%, net profit of €239 million and diluted earnings-per-share at €1.29 and an exceptional industrial free cash flow generation of €299 million.

Q1 2022 was characterised by a record level of revenues, EBITDA and industrial free cash flow, which almost doubled to approximately €300 million thanks in particular to the collection of advances on the Daytona SP3. Margins in the quarter were in line with Ferrari's guidance. These results were sustained by the net order intake, which continued firmly over the first three months of the year.

The principal key data are reported below:

€ million (unless otherwise stated)	Q1		Change	
	2022	2021		
Shipments (in units)	3,251	2,771	480	17%
Net revenues	1,186	1,011	175	17%
EBIT	307	266	41	15%
Net profit	239	206	33	16%

Stellantis

Stellantis reported first quarter performance as follows: net revenues of €41.5 billion, up 12% compared to €37.0 billion for Q1 2021. Consolidated shipments of 1,374,000 units, down 12% primarily due to impact of unfilled semiconductor orders. Total new vehicle inventory of 807,000 units at 31 March 2022, broadly in line with 31 December 2021; Stellantis inventory of 179,000 units. Ordinary dividend of €1.04 per share was approved at Stellantis' annual general meeting and paid to shareholders in April 2022.

Stellantis' Q1 2022 revenues indicate the strength of new products including Jeep Grand Cherokee L and Wagoneer/Grand Wagoneer for North America; DS4, Fiat New 500, Opel Mokka, and the light commercial vehicles range for Enlarged Europe; Jeep Grand Cherokee, Peugeot 3008 and Citroën C4 for Middle East & Africa; while Fiat Pulse, Jeep Compass, Peugeot 208 and Fiat Cronos strongly contributed to South America market leadership. Meanwhile, Stellantis low-emission vehicles product momentum continues, leading to Enlarged Europe BEV sales being up more than 50% year-over-year.

Stellantis also made progress towards its planned battery capacity of 400 GWh by 2030 by executing strategic partnerships during Q1 2022 with LG Energy Solution and Automotive Cells Company (ACC) that will respectively bring the first large-scale lithium-ion battery manufacturing plant to Canada (Windsor) and a new battery facility to the Termoli (Italy) plant. In another key area of the Dare Forward 2030 plan, Stellantis entered into strategic partnerships with Amazon and Foxconn as part of the software-defined push.

	Q1		Change	
	2022	2021 pro-forma	Amount	%
Result from continuing operation:				
Consolidated shipments (thousand units)	1,374	1,567	(193)	(12)%
Net revenues (€ billion)	41.5	37.0	4.5	12%

Basis of preparation: all reported data are unaudited. "Q1 2022" and "Q1 2021" represent revenues as reportable under IFRS. Q1 2021 includes legacy FCA from 17 January 2021, following the closure of the merger; "Q1 2021 Pro Forma" is presented as if the merger had occurred on 1 January 2020 and includes results of FCA for the period 1-16 January 2021.

CNH Industrial

CNH Industrial reported first quarter performance under U.S. GAAP as follows: consolidated revenues of \$4.6 billion, (up 13.4% compared to Q1 2021 for continuing operations), net income of \$336 million, adjusted net income of \$378 million, with adjusted diluted earnings-per-share of \$0.28, adjusted EBIT of Industrial Activities of \$429 million (up \$36 million compared to Q1 2021) and seasonal free cash flow absorption of \$1,059 million (Industrial Activities) amid continued supply chain disruptions.

CNH Industrial delivered net sales of Industrial Activities of nearly \$4.2 billion, up 15% from last year on a constant currency basis. This resulted in adjusted gross margin of 22.2%, up 60 basis points from Q1 2021 and adjusted EBIT of Industrial Activities increased by more than 9% to \$429 million. Order books were up almost 40% in agriculture and 80% in construction. CNH Industrial did not plan for positive cash flow in the first quarter, and as critical supply chain disruptions constrained its ability to ship finished goods, ended the quarter with a cash outflow of \$1.1 billion. Logistics pressures and semiconductor shortages, which are not unique to CNH Industrial, are expected to remain a headwind through the year, but the company's management is confident in its team's ability to navigate the current environment as evidenced by results during the first quarter.

\$ million	Q1		Change	
	2022	2021 ^(a)	Amount	%
Result from continuing operation:				
Consolidated revenues (US-GAAP)	4,645	4,096	549	13%
Net income (US-GAAP)	336	363	(27)	(7)%
Adjusted net income (non-GAAP)	378	352	26	7%
Adjusted EBIT of Industrial activities (non-GAAP)	429	393	36	9%

a) The 2021 data have been re-presented following the classification of the Iveco Group Business as Discontinued Operations for the quarter ended 31 March 2021, as requested by the IFRS 5 – Non-current assets held for sale and discontinued operations.

Iveco Group

Iveco Group reported consolidated revenues of €3.0 billion (up 2% year-on-year), adjusted net income of €42 million, adjusted EBIT of €102 million and free cash flow of Industrial Activities negative €166 million, €137 million better than Q1 2021.

The seasonal free cash flow absorption from industrial activities was €166 million, €137 million better than the first quarter of last year, and its available liquidity remains healthy at €3.4 billion. As Iveco Group approaches the second quarter, when it foresees the most severe impacts from component shortages for the entire year, it will continue to maintain control on working capital and cash flow.

€ million	Q1		Change	
	2022	2021 ^(a)	Amount	%
Net revenues	3,048	2,998	50	1.7%
Adjusted EBIT of Industrial Activities	82	116	(34)	(29.3)%
Net (loss) profit	(15)	67	(82)	(122)%

PartnerRe

PartnerRe reported that operating income improved by \$132 million to \$174 million for an annualised operating return on equity of 9.9%, an increase of 7.4 points compared to the first quarter of 2021. Net loss attributable to

common shareholders of \$539 million was driven by unrealised losses of \$821 million on fixed maturities and short-term investments resulting from increases in interest rates. Non-life saw a 12.0 point improvement year-over-year, with a combined ratio of 84.7% and an underwriting profit of \$199 million. Cash provided by operating activities for the first quarter was \$383 million, an increase of 3.8% compared to the first quarter of 2021. The solvency position at 31 December 2021 entailed a Bermuda Solvency Capital Requirement ratio of 301% for the group.

PartnerRe continued to grow its premium base, particularly in casualty and professional lines, and reported an annualised operating return on equity of 9.9% and an improvement in its non-life combined ratio of 12 points year-over-year. While mark-to-market investment losses on fixed maturities, which PartnerRe includes in net income, were the sole driver of its net loss for the quarter, its management's approach of holding most of PartnerRe's fixed maturity investments to their maturity means that changes in interest rates do not immediately put its capital at risk.

\$ million (except percentages)	Q1	
	2022	2021
Net premiums written	2,326	2,048
Non-life combined ratio ^(a)	84.7%	96.7%
Life and Health allocated underwriting result	(16.0)	20

(a) PartnerRe uses a combined ratio to measure results for the Non-life P&C and Specialty segments. The combined ratio is the sum of the technical and other expense ratios.

9.3 Key Factors Affecting Results of Operations

The results of the Group's operations have been, and will continue to be, affected by a range of factors, many of which are beyond the Group's control. Through its investments in subsidiaries and associates, Exor currently operates mainly in the sectors of performance and luxury cars (Ferrari), automobiles (Stellantis), tractors, agricultural and construction equipment (CNH Industrial), trucks, commercial vehicles, buses (Iveco Group, spun off from CNH Industrial in January 2022), media, publishing and editorial (GEDI and The Economist Group) and professional football (Juventus Football Club). As a result, Exor is exposed to the key factors of its subsidiaries and associates.

This section discusses the key factors that have had a material effect on the Group's results of operations and financial condition during the periods under review and which are reasonably likely to have a material effect on the Group's results of operations and financial condition in the future.

(A) Disposal of PartnerRe

On 16 December 2021, Exor and Covéa signed a definitive agreement for the sale of PartnerRe, the global reinsurer wholly-owned by Exor, for an agreed cash consideration of \$9.0 billion, to be paid by Covéa at closing of the transaction, based on a consolidated common shareholders' equity value of \$7.0 billion. Based on PartnerRe's common shareholders' equity at 31 December 2021, the agreed cash consideration was adjusted, as per the agreed terms, to include additional proceeds of approximately \$0.3 billion (of which \$0.178 billion paid by PartnerRe as a special dividend to Exor in March 2022).

Preferred shares issued by PartnerRe and listed on the NYSE were not part of the transaction.

On 12 July 2022, Exor announced that it completed the sale of PartnerRe for a total cash consideration of \$9.3 billion (approximately €8.6 billion), based on a consolidated common shareholders' equity value of \$7.3 billion as at 31 December 2021.

Following closing of the transaction, Exor and Covéa will continue their reinsurance cooperation, with Exor acquiring from Covéa interests in special purpose reinsurance vehicles managed by PartnerRe for approximately

\$725 million. These vehicles will invest in property catastrophe and other short-tail reinsurance contracts underwritten by PartnerRe. Covéa, Exor and PartnerRe will also continue to invest jointly in Exor-managed funds with reinforced alignment of interests.

(B) Creation of Stellantis (the FCA/PSA Merger)

On 16 January 2021, PSA merged with and into FCA. By virtue of the merger, FCA issued 1.742 FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.

Following the merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

On 29 January 2021, the extraordinary dividend of approximately €2.9 billion (Exor's share being €827 million) was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

As part of the merger, Stellantis distributed to its shareholders its 39.34% stake in Faurecia and the proceeds generated by the sales of ordinary shares of Faurecia carried out in 2020. On 22 March 2021 Exor received 7,653,004 Faurecia ordinary shares (measured at €363 million) and a €43 million cash dividend.

(C) Demerger between CNH Industrial and Iveco Group

Effective 1 January 2022, the Commercial and Specialty Vehicles, Powertrain and related Financial Services businesses of CNH Industrial were separated from CNH Industrial. Iveco Group (the vehicle housing the aforementioned businesses as the Iveco Group business) became a publicly listed company independent from CNH Industrial and, from 3 January 2022, its common shares have been traded on Euronext Milan. Each holder of common shares in the share capital of CNH Industrial received one common share of Iveco Group for every five CNH Industrial common shares held. Exor, which continues to be the shareholder of reference in both entities following completion of the spin-off process, holding 366,927,900 common shares in CNH Industrial, received 73,385,580 Iveco Group common shares (a 27.06% stake) and the same number of special voting shares. As the demerger is a “business combination involving entities or businesses under common control”, it is outside the scope of application of IFRS 3 – *Business Combinations* and IFRIC 17 – *Distributions of Non-cash Assets to Owners*. Accordingly, in Exor's 2022 Consolidated Financial Statements, the opening position at 1 January 2022 for items in the statement of financial position (relative to CNH Industrial post-demerger and Iveco Group), will be equivalent to the carrying amounts of CNH Industrial pre-demerger at 31 December 2021.

(D) Settlement with the Italian Tax Authorities

On 18 February 2022, Exor settled with the Italian Tax Authorities (*Agenzia delle Entrate*) a complex tax issue, specifically related to the exit tax due by the Italian registered company Exor S.p.A. that in December 2016 merged with its Dutch subsidiary Exor Holding N.V. (the Merger) to create today's Exor, domiciled fiscally in the Netherlands.

Exor remains convinced that it acted in accordance with the relevant tax laws; however, with the objective of avoiding the time and the costs of a major tax dispute, it agreed to enter into a settlement with the *Agenzia delle Entrate* and paid €746 million, €104 million of which represented interest.

The effect of the settlement, which was paid in full on 18 February 2022, has been reflected in the 2021 Financial Statements, to the extent applicable.

(E) Covid-19

The effects of the Covid-19 pandemic and the related actions of governments and other authorities to contain Covid-19 spread have affected and continue to affect Exor's and operating subsidiaries' results, cash flow and outlook. Exor remains cautious about the future impact of the Covid-19 pandemic and continues to monitor its impact on all aspects of its business, its employees and the Company's results of operations, financial condition and cash flows in 2022. Exor cannot reasonably estimate the impact it will have on its operations and results or on the operations and results of its operating subsidiaries.

(F) Conflict between Russia and Ukraine

The conflict between Russia and Ukraine is causing a severe humanitarian crisis involving millions of people. In response to these events the EU, the United States and the United Kingdom, among other countries, imposed sanctions against certain Russian individuals and entities. Potential effects on a global scale include supply chain disruptions, rises in commodity prices, inflationary pressures and volatility in the capital markets.

Exor's subsidiaries have conducted business in jurisdictions that may be subject to trade or economic sanctions and such sanctions could be expanded. Exor and its subsidiaries will continue to comply with and implement sanction regimes or other similar laws or regulations.

Exor acknowledges the high uncertainty regarding the duration, outcome and long-lasting consequences of the conflict. The overall effect of these factors on Exor's business cannot be estimated with a sufficient degree of confidence, and Exor will continue to monitor developments closely.

9.4 Description of Key Line Items

Below is a brief description of the composition of certain line items of the consolidated statement of income in the Financial Statements. This description must be read in conjunction with the significant accounting policies elsewhere in this section and in the Financial Statements.

(A) Revenue recognition

Revenue is recognised when control of the vehicles, equipment, services or parts has been transferred and the Group's performance obligations to its customers have been satisfied. Revenue is measured as the amount of consideration the Group expects to receive in exchange for transferring goods or providing services.

The timing of when the Group transfers the goods or services to the customer may differ from the timing of the customer's payment.

Revenues are stated net of discounts, allowances, settlement discounts and rebates, as well as costs for sales incentive programs, which are determined on the basis of historical costs, country by country, and charged against profit for the period in which the corresponding sales are recognised.

The Group also enters into contracts with multiple performance obligations. For these contracts, the Group allocates revenue from the transaction price to the distinct goods and services in the contract on a relative standalone selling price basis. To the extent that the Group sells the good or service separately in the same market, the standalone selling price is the observable price at which the Group sells the good or service separately. For all other goods or services, the Group estimates the standalone selling price using a cost-plus-margin approach.

Revenue recognition – Sales of goods

The Group has determined that the customers from the sale of vehicles, equipment and parts are generally dealers, distributors and retail customers.

Transfer of control, and thus related revenue recognition, generally corresponds to when the vehicles, equipment and parts are made available to the customer. Therefore, the Group recognises revenue at a point in time, when control is transferred to the customer at a sale price that the Group expects to receive.

For all sales, no significant uncertainty exists surrounding the purchaser's obligation to pay for vehicles, equipment and parts. The Group records appropriate allowance for credit losses and anticipated returns as required. Fixed payment schedules exist for all sales, but payment terms vary by geographic market and product line.

The cost of incentives, if any, is estimated at the inception of a contract at the expected amount that will ultimately be paid and is recognised as a reduction to revenue at the time of the sale. If a vehicle or equipment contract transaction has multiple performance obligations, the cost of incentives is allocated entirely to the vehicle or equipment as the intent of the incentives is to encourage sales of vehicles or equipment. If the estimate of the incentive changes following the sale to the customer, the change in estimate is recognised as an adjustment to revenue in the period of the change. The Group grants certain sales incentives to support sales of its products to retail customers. At the later of the time of sale or the time an incentive is announced to dealers, the Group records the estimated impact of sales allowances in the form of dealer and customer incentives as a reduction of revenue. Subsequent adjustments to sales incentive programs related to products/vehicles previously sold are recognised as an adjustment to revenues in the period the adjustment is determinable.

The determination of sales allowances requires management to make estimates based upon historical data, estimated future market demand for products, field inventory levels, announced incentive programs, competitive pricing and interest rates, among other things.

With reference to the sales to dealers accompanied by "floor plan" agreements under which the Group offers wholesale financing including "interest-free" financing for a specified period of time (which also varies by geographic market and product line), two separate performance obligations exist. The first performance obligation consists of the sale of the equipment/vehicle to the dealer.

The interest-free financing represents a cash sale incentive recognised as a reduction of net sales. The second performance obligation consists of a credit facility extended to the dealer. The remuneration of this performance obligation is represented by the interest charged to the dealer. This remuneration is recognised over the period of the outstanding exposure.

For parts sales, when the Group provides its customers with a right to return a transferred product, revenue and corresponding cost of sales are recognised for parts that are not expected to be returned. The expected returns are estimated based on an analysis of historical experience. The portion of revenue (and corresponding cost of sales) related to the parts that are expected to be returned is recognised at the end of the return period. The amount received or receivable that is expected to be returned is recognised as a refund liability, representing the obligation to return the customer's consideration. Furthermore, at the time of the initial sale, the Group recognises a return asset for the right to recover the goods returned by the customer. This asset is initially measured at the former carrying amount of the inventory. At each reporting date, both the refund liability and the return asset are re-measured to record any revisions to the expected level of returns, as well as any decreases in the value of the returned products.

Revenue recognition – Rendering of services

Revenues from services provided are primarily comprised of extended warranties and maintenance and repair services and are recognised over the contract period when the costs are incurred; that is when the claims are charged by the dealer. Amounts invoiced to customers for which the Group receives consideration before the performance is satisfied are recognised as contract liability. These services are either separately priced or included in the selling price of the vehicle. In the second case, revenue for the services is allocated based on the estimated

stand-alone selling price. In the event that the costs expected to be incurred to satisfy the remaining performance obligations exceed the transaction price, an estimated contract loss is recognised.

Shipping and other transportation activities performed as an agent are recognised on a net basis, which is netting the related freight cost against the freight revenue.

Revenue recognition – Rents and other income on assets sold with Buy-back Commitments

The Group enters into transactions for the sale of vehicles to some customers with an obligation to repurchase (the **Buy-back Commitment**) the vehicles at the end of a period (the **Buy-back Period**) at the customer's request. For these types of arrangements, at inception, the Group assesses whether a significant economic incentive exists for the customer to exercise the option.

If the Group determines that a significant economic incentive exists for the customer to exercise the buy-back option, the transaction is accounted for as an operating lease. In such case, vehicles are accounted for as Property, plant and equipment, because the agreements typically have a long-term Buy-back Period. The difference between the carrying value (corresponding to the manufacturing cost) and the estimated resale value (net of refurbishing costs) at the end of the Buy-back Period is depreciated on a straight-line basis over the same period. The initial sale price received is recognised in "Other current liabilities" and comprises the repurchase value of the vehicle, and the rents to be recognised in the future, recorded as contract liability. These rents are determined at the inception of the contract as the difference between the initial sale price and the repurchase price and are recognised as revenue on a straight-line basis over the term of the agreement. At the end of the agreement term, upon exercise of the option, the used vehicles are reclassified from Property, plant and equipment to Inventories. The proceeds from the sale of such vehicles are recognised as Revenues.

If the Group determines that a significant economic incentive does not exist for the customer to exercise the buy-back option, the transaction is treated as a sale with a variable consideration whose variable component is the buy-back provision accrual. The buy-back provision accrual is the difference between the repurchase price and the estimated market value of the used vehicle at the end of the Buy-back Period and is recorded only when the repurchase price is greater than the estimated market value of the used vehicle. The buy-back provision accrual is estimated and recognised as a reduction of revenues at the time of the sale. Any subsequent change following such periodic reassessment is recognised as a reduction of revenues at that time.

Revenue recognition – Interest income of financial services activities

Interest income, which is primarily generated from the Group's provision of dealer and retail financing, is recognised using the effective interest method.

Revenue recognition – Reinsurance Premiums

Non-life and health net premiums written and earned are based upon reports received from ceding companies, supplemented by PartnerRe's own estimates of premiums for which ceding company reports have not been received. The determination of premium estimates requires a review of PartnerRe's experience with cedants, familiarity with each market, an understanding of the characteristics of each line of business and Management's assessment of the impact of various other factors on the volume of business written and ceded to PartnerRe.

Premium estimates are updated as new information is received from cedants and differences between such estimates and actual amounts are recorded in the period in which the estimates are changed or the actual amounts are determined. Net premiums written and earned are presented net of ceded premiums, which represent the cost of retrocessional protection purchased by PartnerRe.

Premiums are earned on a basis that is consistent with the risks covered under the terms of the reinsurance contracts, which is generally one to two years. For U.S. and European wind and certain other risks, premiums are earned commensurate with the seasonality of the underlying exposure.

Reinstatement premiums are recognised as written and earned at the time a loss event occurs, where coverage limits for the remaining life of the contract are reinstated under pre-defined contract terms. The accrual of reinstatement premiums is based on Management's estimate of losses and loss expenses associated with the loss event. Unearned premiums represent the portion of premiums written that is applicable to the unexpired risks under contracts in force.

Premiums related to life business are earned over the premium-paying period on the underlying policies.

(B) Cost of sales

Cost of sales comprises expenses incurred in the manufacturing and distribution of the Group's products, expenses directly attributable to the financial services, sports activities and reinsurance acquisition costs as follows:

Manufacturing and Distribution – all directly attributable material and production costs, all overheads directly related to production and/or the performance of services, depreciation of property, plant and equipment and the amortisation of intangible assets relating to production and write-downs of inventories, freight and insurance costs relating to deliveries to dealers and agency fees in the case of direct sales and provisions made to cover the estimated cost of product warranties.

Financial services – interest expenses related to financial services financing as a whole and provisions for risks and write-downs of assets.

Sports activities – includes costs for players' wages and technical staff, amortisation and impairment losses on players' registration rights, operating and maintenance costs of sports facilities as well as all the costs incurred for sports events.

Reinsurance acquisition costs for non-life and health contracts comprise incremental brokerage fees, commissions and excise taxes which vary directly with, and are related to, the acquisition of reinsurance contracts which are capitalised and charged to expense as the related premium is earned. All other acquisition related costs, including all indirect costs, are expensed as incurred. Acquisition costs related to life contracts are deferred and amortised over the premium-paying periods in proportion to anticipated premium income, allowing for lapses, terminations and anticipated investment income. Actual and anticipated losses and loss expenses, other costs and investment income related to underlying premiums are considered in determining the recoverability of deferred acquisition costs related to PartnerRe's Non-life business. Actual and anticipated loss experience, together with the present value of future gross premiums, the present value of future benefits, settlement and maintenance costs, are considered in determining the recoverability of deferred acquisition costs related to PartnerRe's Life business.

(C) Income taxes

Income taxes include all taxes based upon the taxable profits of the Group. Income taxes are provided by each consolidated company on the basis of a reasonable estimate of the definition of taxable income for tax purposes, in accordance with existing laws in the individual countries in which the Group operates and takes into account tax credit entitlement.

Current and deferred taxes are recognised as income or expense and included in the consolidated income statement for the period, except tax arising from a business combination or a transaction or event which is recognised, in the same or a different period, either in *Other comprehensive income* or directly in *Equity*.

Deferred taxes are accounted for under the full liability method.

Deferred tax liabilities are recognised for all taxable temporary differences between the carrying amounts of assets or liabilities and their tax base, except to the extent that the deferred tax liabilities arise from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit, or for differences related to investments in subsidiaries where reversal will not take place in the foreseeable future.

Deferred tax assets and liabilities are measured at the substantively enacted tax rates in the respective jurisdictions in which the Group operates that are expected to apply to the period when the asset is realised or liability is settled.

Deferred tax assets relating to the carry-forward of unused tax losses and tax credits, as well as those arising from temporary differences, are recognised to the extent that it is probable that future profits will be available, against which they can be utilised.

The Group recognises deferred tax assets associated with the deductible temporary differences on investments in subsidiaries only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The Group recognises deferred tax liabilities associated with the existence of a subsidiary's undistributed profits, except when it is able to control the timing of the reversal of the temporary difference, and it is probable that this temporary difference will not reverse in the foreseeable future.

The Group reassesses unrecognised deferred tax assets at the end of each year and recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current income taxes and deferred taxes are offset when they relate to the same taxation authority and there is a legally enforceable right of offset.

Other taxes not based on income, such as property taxes and capital taxes, are included in other income (expenses).

(D) Dividends

Dividends payable by the Group are reported as a movement in equity in the year in which they are approved by the shareholders' meeting.

9.5 Results of Operations

This section presents the historical trend of the Group's consolidated results of operations for the period between 2019 and 2021. The comparative figures for 2019 and 2020 are derived from the 2020 Financial Statements and the 2021 Financial Statements, respectively. Investors should note the following for a better understanding of the trend of the results over the period reviewed.

In the 2021 Financial Statement, the 2020 financial data have been re-presented with the FCA Group and the PartnerRe Group reclassified as discontinued operations in accordance with IFRS 5. The accounting principles did not require the restatement of the 2019 data.

(a) Income Statement

Comparison between FY2021 and FY2020

<i>(€ million)</i>	Years ended 31 December		Change
	2021	2020 ¹	
Net revenues	33,617	26,792	6,825

Cost of sales	(25,979)	(21,937)	(4,042)
Selling, general and administrative expenses	(2,673)	(2,245)	(428)
Research and development costs	(1,823)	(1,699)	(124)
Other income (expenses), net	(378)	(734)	356
Result from investments	2,057	(1)	2,058
Net financial expenses	(169)	(390)	221
Profit (loss) before taxes	4,653	(214)	4,866
Tax expense	(1,302)	(16)	(1,286)
Profit (loss) from continuing operations	3,350	(230)	3,580
Profit (loss) from discontinued operations, net of tax	104	231	(127)
Profit (loss) for the period	3,454	1	3,453

1. The 2020 data have been re-presented following the classification of the FCA Group and the PartnerRe Group as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

Net revenues increased by €6,825 million or 25.5%, from €26,792 million in the year ended 31 December 2020 to €33,617 million in the year ended 31 December 2021, mainly due to a higher volume of business of CNH Industrial as highlighted in the table below.

<i>(€ million)</i>	2021	2020	Change
CNH Industrial	28,309	22,749	5,560
Ferrari	4,271	3,460	811
Juventus	446	509	(63)
Gedi	520	367	153
Other and adjustments	71	(293)	364
Net revenues	33,617	26,792	6,825

Cost of sales increased by €4,042 million or 18.4%, from €21,937 million in the year ended 31 December 2020 to €25,979 million in the year ended 31 December 2021, mainly due to higher cost of goods.

<i>(€ million)</i>	2021	2020	Change
Cost of goods	25,648	21,463	4,185
Reinsurance acquisition costs	7	—	7
Interest cost and other financial expenses from financial services companies	324	474	(150)
Total cost of sales	25,979	21,937	4,042

Selling, general and administrative expenses increased by €428 million or 19%, from €2,245 million in the year ended 31 December 2020 to €2,673 million in the year ended 31 December 2021.

Research and development costs increased by €124 million or 7.3%, from €1,699 million in the year ended 31 December 2020 to €1,823 million in the year ended 31 December 2021, as described in the table below.

<i>(€ million)</i>	2021	2020	Change
Research and development costs expensed	1,424	1,063	361
Amortisation of capitalised development costs	383	552	(169)
Impairment and write-off of costs previously capitalised	16	84	(68)
Total research and development costs	1,823	1,699	124

Other income (expenses) net decreased by €356 million or 48.5% from €734 million in the year ended 31 December 2020 to €378 million in the year ended 31 December 2021. The decrease is mainly related to the separation costs (€158 million) recognised in 2021 by the CNH Industrial Group in connection with the demerger

of the Iveco Group and to the absence of charges for impairments of goodwill in 2021 compared to the charges of €505 million recognised in 2020 by the CNH Industrial Group.

Result from investments increased by €2,058 million or 100%, from €1 million of net loss in the year ended 31 December 2020 to €2,057 million of gain in the year ended 31 December 2021. The change is due mainly to the share in the profit of Stellantis Group (€1,905 million) recorded in the year ended 31 December 2021.

Result from investments for the years ended 31 December 2021 and 2020 are as follows:

<i>(€ million)</i>	2021	2020	Change
Share of the profit of equity method investees	2,051	32	2,019
Impairment losses	(2)	(56)	54
Other income from investments	8	23	(15)
Total result from investments	2,057	(1)	2,058

The following table details the share of profits of equity method investees for the years ended 31 December 2021 and 2020:

<i>(€ million)</i>	2021	2020	Change
Joint ventures	70	(9)	79
Associates ¹	1,981	41	1,940
Share of the profit of equity method investees	2,051	32	2,019

1. In 2021, mainly related to Stellantis (€1,905 million).

Net financial expenses decreased by €221 million or 56.7%, from €390 million in the year ended 31 December 2020 to €169 million in the year ended 31 December 2021, as described in the table below.

<i>(€ million)</i>	2021	2020	Change
Financial Income:			
Interest and other financial income	50	45	5
Financial services income	685	728	(43)
Gains on disposal of securities	—	—	—
Total financial income	735	773	(38)
<i>Related to:</i>			
<i>Industrial companies (A)</i>	<i>50</i>	<i>45</i>	<i>5</i>
<i>Financial services companies (reported within net revenues)</i>	<i>685</i>	<i>728</i>	<i>(43)</i>
Financial Expenses:			
Interest expenses and other financial expenses	(662)	(657)	(5)
Write-downs and losses on financial assets and securities	(42)	(103)	61
Net interest expenses on employee benefits provisions	(7)	(14)	7
Total interest and other financial expenses	(711)	(774)	63
Net expenses from derivative financial instruments and exchange rate differences	167	(135)	302
Total financial expenses	(544)	(909)	365
<i>Related to:</i>			
<i>Industrial companies (B)</i>	<i>(219)</i>	<i>(435)</i>	<i>216</i>
<i>Financial services companies (reported within cost of revenues)</i>	<i>(324)</i>	<i>(474)</i>	<i>150</i>
Net financial expenses relating to industrial companies (A+B)	(169)	(390)	221

Tax expense increased by €1,286 million, from €16 million in the year ended 31 December 2020 to €1,302 million in the year ended 31 December 2021. €643 million recognised in 2021 is attributable to the settlement signed by Exor with the Italian Tax Authorities (*Agenzia delle Entrate*) specifically in respect of the Italian exit tax.

(€ million)	2021	2020	Change
Current tax	751	339	412
Deferred tax	(217)	(305)	88
Tax (benefit) expense relating to prior periods	768	(18)	786
Total tax expense	1,302	16	1,286

Profit (loss) from discontinued operations net of tax decreased by €127 million or 55%, from €231 million in the year ended 31 December 2020 to €104 million in the year ended 31 December 2021, as described in the table below.

(€ million)	2021	2020	change
PartnerRe			
Net revenues	6,144	6,459	(315)
Expenses	(5,648)	(6,182)	534
Other income (expenses) and Result of investments	215	1	214
Net financial expenses	(75)	(81)	6
Profit (loss) before taxes from discontinued operations	637	197	440
Tax expense	(32)	12	(44)
Adjustments	(4)	—	(4)
Total PartnerRe	600	208	392
FCA			
Net revenues	—	86,676	(86,676)
Expenses	—	(84,571)	84,571
Other income (expenses) and Result of investments	—	238	(238)
Net Financial expenses	—	(988)	988
Tax expense	—	(1,332)	1,332
FCA Profit (loss)	—	23	(23)
Exor Share of the FCA profit loss ¹	8	—	8
Reversal of Exor's share in FCA OCI reserve	(490)	—	(490)
Other adjustments	(14)	—	(14)
Total FCA	(496)	23	(519)
Profit (loss) from discontinued operation, net of tax	104	231	(127)

1. In 2021 data related to the period 1 January-16 January.

Comparison between FY2020 and FY2019

As previously disclosed, in the 2021 Financial Statement, the 2020 financial data have been re-presented with the FCA Group and the PartnerRe Group reclassified as discontinued operations in accordance with IFRS 5.

The following table summarises and reconciles the 2020 financial data as adjusted and presented as comparative items in 2021, with the 2020 financial data as reported in 2020 Financial Statements.

(€ million)	2020 Adjusted	FCA	PartnerRe	IC	2020 As Reported
Net revenues	26,792	86,676	6,459	(408)	119,519
Cost of revenues	(21,937)	(75,963)	(5,845)	408	(103,337)

Selling, general and administrative expenses	(2,245)	(5,629)	(337)	0	(8,211)
Research and development costs	(1,699)	(2,979)	0	0	(4,678)
Other income (expenses), net	(734)	59	4	0	(671)
Result from investments	(1)	179	(4)	0	174
Net financial expenses	(390)	(988)	(81)	0	(1,459)
Profit (loss) before taxes	(214)	1,355	196	0	1,337
Tax expense	(16)	(1,332)	12	0	(1,336)
Profit (loss) from continuing operations	(230)	23	208	0	1
Profit (loss) from discontinued operations, net of tax	231	(23)	(208)	0	0
Profit (loss) for the period	1	0	0	0	1

The 2020 financial data reported can be compared with those related to 2019, as follows:

<i>(€ million)</i>	Years ended 31 December		Change
	2020	2019	
Net revenues	119,519	143,755	(24,236)
Cost of sales	(103,337)	(121,017)	17,680
Selling, general and administrative expenses	(8,211)	(9,414)	1,203
Research and development costs	(4,678)	(5,287)	609
Other income (expenses), net	(671)	(14)	(657)
Result from investments	174	239	(65)
Net financial expenses	(1,459)	(1,442)	(17)
Profit (loss) before taxes	1,337	6,820	(5,483)
Tax expense	(1,336)	(1,835)	499
Profit (loss) from continuing operations	1	4,985	(4,984)
Profit (loss) from discontinued operations, net of tax	0	3,930	(3,930)
Profit (loss) for the period	1	8,915	(8,914)

Net revenues decreased by €24,236 million or 16.9%, from €143,755 million in the year ended 31 December 2019 to €119,519 million in the year ended 31 December 2020, mainly due to a lower volume of business of CNH Industrial and FCA Groups as highlighted in the table below.

<i>(€ million)</i>	2020	2019	Change
CNH Industrial	22,749	25,033	(2,284)
Ferrari	3,460	3,766	(306)
Juventus	509	614	(105)
Gedi	367	-	367
FCA Group (now Stellantis Group)	86,676	108,187	(21,511)
PartnerRe Group	6,459	7,034	(575)
Other and adjustments	(701)	(879)	178
Net revenues	119,519	143,755	(24,236)

Cost of sales decreased by €17,680 million or 14.6%, from €121,017 million in the year ended 31 December 2019 to €103,337 million in the year ended 31 December 2020.

<i>(€ million)</i>	2020	2019	Change
Cost of goods	96,993	114,776	(17,783)
Losses and loss expenses and Reinsurance acquisition costs	5,845	5,683	162

Interest cost and other financial expenses from financial services companies	499	558	(59)
Total cost of sales	103,337	121,017	(17,680)

Cost of sales includes charges against intangible and tangible assets recognized by FCA Group and CNH Industrial Group.

Selling, general and administrative expenses decreased by €1,203 million or 12.8%, from €9,414 million in the year ended 31 December 2019 to €8,211 million in the year ended 31 December 2020.

Research and development costs decreased by €609 million or 11.5%, from €5,287 million in the year ended 31 December 2021 to €4,678 million in the year ended 31 December 2020.

<i>(€ million)</i>	2020	2019	Change
Research and development costs expensed	2,289	2,447	(158)
Amortisation of capitalised development costs	1,802	1,864	(62)
Impairment and write-off of costs previously capitalised	587	976	(389)
Total research and development costs	4,678	5,287	(609)

Impairment and write-offs of capitalized development costs mainly referred to the FCA Group (€504 million). In 2020 this primarily was recognized in relation to the impact and effects of the Covid-19 pandemic that caused reduce in volume expectations, renewal activities and changes in future strategy. In 2019 this primarily was recognized in relation to the rationalization of product portfolio plans, primarily for Europe in the A-segment as well as for Alfa Romeo.

Other income (expenses) net increased by €657 million from net expenses of €14 million in the year ended 31 December 2019 to €671 million of net expenses in the year ended 31 December 2020. The increase is mainly related to the charges of 505 million for impairments of goodwill in 2020 recognized by the CNH Industrial Group.

Result from investments decreased by €65 million or 27.2%, from €239 million of net profit in the year ended 31 December 2019 to €174 million of net profit in the year ended 31 December 2020.

Result from investments for the years ended 31 December 2020 and 2019 are as follows:

<i>(€ million)</i>	2020	2019	Change
Share of the profit of equity method investees	212	239	(27)
Dividends from investments	0	1	(1)
Impairment losses	(56)	(1)	(55)
Other income from investments	18	0	18
Total result from investments	174	239	(65)

The following table details the share of profits of equity method investees for the years ended 31 December 2020 and 2019:

<i>(€ million)</i>	2020	2019	Change
Joint ventures	181	193	(12)
Associates	24	21	3
Others	7	25	(18)
Share of the profit of equity method investees	212	239	(27)

Net financial expenses increased by €17 million or 1.2%, from €1,442 million in the year ended 31 December 2019 to €1,459 million in the year ended 31 December 2020, as describe in the table below.

<i>(€ million)</i>	2020	2019	Change
Financial Income:			
Interest and other financial income	160	321	(161)
Financial services income	857	1,019	(162)
Gains on disposal of securities	2	21	(19)
Total financial income	1,019	1,361	(342)
<i>Related to:</i>			
<i>Industrial companies (A)</i>	<i>162</i>	<i>343</i>	<i>(181)</i>
<i>Financial services companies (reported within net revenues)</i>	<i>857</i>	<i>1,019</i>	<i>(162)</i>
Financial Expenses:			
Interest expenses and other financial expenses	(1,434)	(1,751)	317
Write-downs and losses on financial assets and	(112)	(81)	(31)
Net interest expenses on employee benefits	(232)	(320)	88
Total interest and other financial expenses	(1,778)	(2,152)	374
Net expenses from derivative financial instruments and exchange rate differences	(342)	(191)	(151)
Total financial expenses	(2,120)	(2,343)	223
<i>Related to:</i>			
<i>Industrial companies (B)</i>	<i>(1,621)</i>	<i>(1,785)</i>	<i>164</i>
<i>Financial services companies (reported within cost of revenues)</i>	<i>(499)</i>	<i>(558)</i>	<i>59</i>
Net financial expenses relating to industrial companies (A+B)	(1,459)	(1,442)	(17)

Tax expense decreased by €499 million or 27.2%, from €1,835 million in the year ended 31 December 2019 to €1,336 million in the year ended 31 December 2020.

<i>(€ million)</i>	2020	2019	Change
Current tax	535	893	(358)
Deferred tax	935	1,007	(72)
Tax (benefit) expense relating to prior periods	(134)	(65)	(69)
Total tax expense	1,336	1,835	(499)

Tax (benefit) expense relating to prior periods includes a €325 million deferred tax benefit of FCA Group in the U.S. arising on adjustments in 2020 to the prior year tax positions on the provision for returns.

(b) Statement of financial position

Comparison between 31 December 2021 and 31 December 2020

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Assets			
Intangible assets	8,639	33,318	(24,679)
Property, plant and equipment	7,777	35,169	(27,392)
Investments and other financial assets	12,746	6,174	6,572
Deferred tax assets	1,165	2,192	(1,027)

Inventories	6,951	14,322	(7,371)
Trade and other receivables	18,415	24,102	(5,687)
Investments of reinsurance companies	—	14,422	(14,422)
Other assets	1,629	7,357	(5,728)
Assets held for sale	25,883	328	25,555
Cash and cash equivalents	7,905	35,561	(27,656)
Total Assets	91,111	172,945	(81,834)
Equity and Liabilities			
Equity attributable to owners of the parent	16,759	13,090	3,669
Non-controlling interests	7,611	24,570	(16,959)
Total Equity	24,370	37,660	(13,290)
Liabilities			
Provisions for employee benefits	1,592	10,671	(9,079)
Other provisions	3,384	15,176	(11,792)
Technical reserves reinsurance companies	—	13,336	(13,336)
Deferred tax liabilities	358	2,256	(1,898)
Financial debt and other financial liabilities	28,950	52,932	(23,982)
Trade payables	7,040	26,796	(19,756)
Tax payables	1,205	707	498
Other liabilities	5,987	13,212	(7,225)
Liabilities held for sale	18,225	199	18,026
Total Liabilities	66,741	135,285	(68,544)
Total Equity and Liabilities	91,111	172,945	(81,834)

For the tables which summarise the assets and liabilities of FCA Group deconsolidated at 16 January 2021 and for the assets and liabilities of PartnerRe Group which were classified as held for sale in accordance with IFRS 5, please refer to Note 3 Scope of Consolidation of the 2021 Financial Statements.

Intangible assets decreased by €24,679 million, from €33,318 million at 31 December 2020 to €8,639 million at 31 December 2021. The decrease is primarily due to the deconsolidation of the FCA Group (€22,853 million) and the classification of the intangible assets of PartnerRe Group as assets held for sale (€1,192 million). The composition of the item at 31 December 2021 and 2020 is presented in the table below.

	Goodwill	Trademark and Intangible assets with an indefinite useful life	Development costs externally acquired	Development costs internally generated	Patents, concessions and licences externally acquired	Other intangible assets externally acquired	Players' registration rights	Total
<i>(€ million)</i>								
Balance at 31 December 2020								
Original cost	14,239	3,739	24,889	8,170	6,021	2,781	866	60,705
Accumulated amortisation and impairment	(1,093)	(118)	(14,039)	(5,738)	(4,140)	(1,864)	(395)	(27,387)
Net carrying amount	13,146	3,621	10,850	2,432	1,881	917	471	33,318
Balance at 31 December 2021								
Original cost	4,817	576	3,937	4,885	1,214	1,814	860	18,103
Accumulated amortisation and impairment	(1,035)	(59)	(2,966)	(2,932)	(1,103)	(908)	(461)	(9,464)
Net carrying amount	3,783	518	970	1,953	111	906	399	8,639
Change								
Original cost	(9,422)	(3,163)	(20,952)	(3,285)	(4,807)	(967)	(6)	(42,602)

Accumulated amortisation and impairment	58	59	11,073	2,806	3,037	956	(66)	17,923
Net carrying amount	(9,364)	(3,104)	(9,879)	(479)	(1,770)	(11)	(72)	(24,679)

The analysis of goodwill by segment is as follows.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Goodwill			
<i>Agricultural</i>	2,704	1,418	1,286
<i>Construction</i>	42	—	42
<i>Commercial and Specialty Vehicles</i>	54	52	2
<i>Powertrain</i>	5	3	2
<i>Financial Services</i>	116	107	9
CNH Industrial	2,922	1,580	1,342
Ferrari	786	786	—
PartnerRe	—	538	(538)
Shang Xia	49	76	(27)
Juventus Football Club	2	2	—
GEDI	6	—	6
Other	18	33	(15)
FCA	—	10,131	(10,131)
Total goodwill	3,783	13,146	(9,363)

The acquisitions of Raven Industries Inc. and Sampierana S.p.A. by CNH Industrial Group during the fourth quarter of 2021 led to an increase in goodwill for Agriculture and Construction of €1.1 billion and €42 million, respectively. Goodwill related to the acquisitions was calculated as the excess of the consideration transferred over the net assets recognised and represents the future economic benefits arising from the other assets acquired that could not be individually identified and separately recognised. The valuation of assets acquired and liabilities assumed has not yet been finalised at 31 December 2021. Thus, goodwill associated with the acquisitions is subject to adjustment during the measurement period.

In 2020, CNH Industrial completed a quantitative impairment assessment for the Construction cash-generating unit which resulted in a recoverable amount below carrying value. Based on the assessment, CNH Industrial recognised a goodwill impairment loss of €505 million (\$576 million) for the Construction cash-generating unit, representing the total impairment of Construction goodwill.

Property, plant and equipment decreased by €27,392 million, from €35,169 million at 31 December 2020 to €7,777 million at 31 December 2021. The decrease is primarily due to the deconsolidation of the FCA Group (€27,874 million). The composition of the item at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Other tangible assets	7,275	32,994	(25,719)
Right-of-use assets	502	2,175	(1,673)
Total Property, plant and equipment	7,777	35,169	(27,392)

The composition of other tangible assets at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	Land	Industrial buildings	Plant, machinery and equipment	Assets sold with a buy-back commitment	Other tangible assets	Advances and tangible assets in progress	Total
Balance at 31 December 2020							
Original cost	1,137	10,980	59,625	2,151	5,572	5,059	84,524
Accumulated depreciation and impairment	(33)	(5,307)	(42,208)	(778)	(3,190)	(14)	(51,530)
Net carrying amount	1,104	5,673	17,417	1,373	2,382	5,045	32,994
Balance at 31 December 2021							
Original cost	302	3,362	10,917	1,973	3,010	495	20,059
Accumulated depreciation and impairment	(3)	(2,047)	(8,880)	(597)	(1,253)	(4)	(12,784)
Net carrying amount	299	1,315	2,037	1,376	1,757	491	7,275
Change							
Original cost	(835)	(7,618)	(48,708)	(178)	(2,562)	(4,564)	(64,465)
Accumulated depreciation and impairment	30	3,260	33,328	181	1,937	10	38,746
Net carrying amount	(805)	(4,358)	(15,380)	3	(625)	(4,554)	(25,719)

Investment and other financial assets increased by €6,752 million, from €6,174 million at 31 December 2020 to €12,746 million at 31 December 2021. The composition of the item at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Equity method investments	10,214	3,528	6,686
Investments at FVTOCI	1,077	531	546
Other investments	644	325	319
Total investments	11,935	4,384	7,551
Financial receivables	96	175	(79)
Debt securities	540	492	48
Derivative assets	175	830	(655)
Other financial assets	—	293	(293)
Total investments and other financial assets	12,746	6,174	6,572

The changes in investments (€7,551 million) in the year ended 31 December 2021 are set out below:

<i>(€ million)</i>	At 31 December 2020	Revaluations/ (Write-downs)	Acquisition and capitalisations	Fair value re-measurements	Translation differences	Change in scope of consolidation	Disposals and other changes	At 31 December 2021
Investments in joint ventures	2,233	70	22	—	(15)	(1,965)	12	357
Investments in associates	1,295	2,181	934	—	396	5,434	(383)	9,857
Equity method investments	3,528	2,251	956	—	381	3,469	(371)	10,214
Investments at FVTOCI	531	—	578	(28)	23	(32)	5	1,077
Other investments	325	186	213	—	28	(110)	2	644
Total investments	4,384	2,437	1,747	(28)	432	3,327	(364)	11,935

The increase is mainly due to the entry of the investment Stellantis accounted for in accordance with the equity method (€8,624 million), the acquisition of the 24% interest in Christian Louboutin (€562 million), and the accounting for Faurecia shares received from Stellantis, partially offset by the derecognition of investments and other financial assets following the deconsolidation of FCA Group (€3,145 million).

Investments in joint ventures at 31 December 2021 and 2020 are as follows:

<i>(€ million, except percentages)</i>	At 31 December			
	2021	2020	Change	
Investments in joint ventures				
New Holland HFT Japan Inc.	50.00%	73	66	7
Turk Traktor Ve Ziraat Makineleri A.S. (Turk Traktor)	37.50%	43	56	(13)
CNH de Mexico SA de CV	50.00%	31	26	5
Naveco (Nanjing Iveco Motor Co.) Ltd. (Naveco)	50.00%	—	54	(54)
FCA Bank ¹	50.00%	—	1,738	(1,738)
Tofas - Turk Otomobil Fabrikasi A.S. (Tofas) ¹	37.90%	—	181	(181)
Other		209	112	97
Total Investments in joint ventures		357	2,233	(1,876)

1. Joint ventures of the FCA Group, deconsolidated at 16 January 2021.

Investments in associates at 31 December 2021 and 2020 are as follows:

<i>(€ million, except percentages)</i>	At 31 December			
	2021	2020	Change	
Investments in associates				
Stellantis	14.35%	8,624	—	8,624
Christian Louboutin	24.03%	562	—	562
The Economist	43.40%	317	299	18
CNH Capital Europe	49.90%	186	192	(6)
Almacantar ¹	35.70%	—	403	(403)
Other		168	401	(233)
Total Investments in associates		9,857	1,295	8,562

1) The balance at 31 December 2021, in compliance with IFRS 5, has been reclassified in the Consolidated Statement of Financial Position to the line Assets held for sale.

Trade receivables decreased by €5,687 million, from €24,102 million at 31 December 2020 to €18,415 million at 31 December 2021. The decrease is primarily due to the deconsolidation of the FCA Group (€4,005 million). The composition of trade receivables at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Trade receivables	725	2,274	(1,549)
Receivables from financing activities	17,689	18,455	(766)
Receivables from reinsurance activities	—	3,373	(3,373)
Total trade and other receivables	18,415	24,102	(5,687)

At 31 December 2021, receivables from financing activities include the entire portfolio of the financial services companies of the CNH Industrial Group and Ferrari Group, classified under current assets as it will be realised in their normal operating cycle. The composition of the item at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Retail			
Retail financing	9,547	8,586	961
Finance leases	503	458	45
Total Retail	10,050	9,044	1,006
Wholesale			
Dealer financing	7,560	8,990	(1,430)
Total Wholesale	7,560	8,990	(1,430)
Other	79	421	(342)
Total receivables from financing activities	17,689	18,455	(766)

Cash and cash equivalents decreased by €27,656 million, from €35,561 million at 31 December 2020 to €7,905 million at 31 December 2021. The decrease is primarily due to the deconsolidation of the FCA Group (€22,514 million). The composition of the item at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Cash at banks	6,997	18,701	(11,704)
Money market securities and other cash equivalents	15	16,133	(16,118)
Restricted cash	893	727	166
Total cash and cash equivalents	7,905	35,561	(27,656)

Provision for employee benefits decreased by €9,079 million, from €10,671 million at 31 December 2020 to €1,592 million at 31 December 2021. The decrease is primarily due to the deconsolidation of the FCA Group (€8,776 million). The composition of the item at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Present value of defined benefit obligations:			
Pension plans	2,155	26,732	(24,577)
Healthcare and life insurance plans	255	2,573	(2,318)
Other post-employment benefits	321	1,104	(783)
Total present value of defined benefit obligations	2,730	30,409	(27,679)
Fair value of plan assets on pension plan	(1,626)	(21,879)	20,253
Fair value of plan assets of healthcare and life insurance plans	(115)	(118)	3
Asset ceiling	17	27	(10)
Total net defined benefits plan	1,007	8,439	(7,432)
<i>of which:</i>			
<i>Net defined benefit liability (A)</i>	<i>1,039</i>	<i>9,212</i>	<i>(8,173)</i>
<i>(Defined benefit plan assets)</i>	<i>(32)</i>	<i>(773)</i>	<i>741</i>
Other provisions for employees (B)	553	1,459	(906)
Total provisions for employee benefits (A) + (B)	1,592	10,671	(9,079)

Financial debt and other financial liabilities decreased by €23,982 million, from €52,932 million at 31 December 2020 to €28,950 million at 31 December 2021. The decrease is primarily due to the deconsolidation of the FCA Group (€21,593 million) and the reclassification of the financial debt and other financial liabilities of

PartnerRe Group for €1,937 million, as liabilities held for sale, in accordance with IFRS 5. The composition of the item at 31 December 2021 and 2020 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Financial debt	28,684	52,101	(23,417)
Other financial liabilities	266	831	(565)
Total financial debt and other financial liabilities	28,950	52,932	(23,982)

The composition of financial debt at 31 December 2021 and 2020 is as follows:

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Notes	13,283	23,865	(10,582)
Borrowings from banks	2,880	13,108	(10,228)
Asset-backed financing	10,661	10,518	143
Lease liabilities	504	2,253	(1,749)
Payables represented by securities	1,081	1,696	(615)
Other financial debt	275	661	(386)
Total financial debt	28,684	52,101	(23,417)

The composition of financial debt at 31 December 2021 and 2020 by entity is as follows:

<i>(€ million)</i>	At 31 December		
	2021	2020	Change
Exor	4,235	4,030	205
CNH Industrial	21,414	21,746	(332)
Ferrari	2,630	2,725	(95)
PartnerRe ¹	—	1,912	(1,912)
Juventus	239	396	(157)
GEDI	161	143	18
Shang Xia	5	10	(5)
FCA	—	21,139	(21,139)
Total financial debt	28,684	52,101	(23,417)

1. The balance at 31 December 2021, in compliance with IFRS 5, has been reclassified in the Consolidated Statement of Financial Position at the line *Liabilities held for sale*.

Comparison between 31 December 2020 and 31 December 2019

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Assets			
Intangible assets	33,318	35,067	(1,749)
Property, plant and equipment	35,169	36,710	(1,541)
Investments and other financial assets	6,174	5,400	774
Deferred tax assets	2,192	2,584	(392)
Inventories	14,322	18,057	(3,735)
Trade and other receivables	24,102	27,889	(3,787)
Investments of reinsurance companies	14,422	14,664	(242)
Other assets	7,357	8,923	(1,566)

Assets held for sale	328	381	(53)
Cash and cash equivalents	35,561	22,935	12,626
Total Assets	172,945	172,610	335
Equity and Liabilities			
Equity attributable to owners of the parent	13,090	15,025	(1,935)
Non-controlling interests	24,570	27,534	(2,964)
Total Equity	37,660	42,559	(4,899)
Liabilities			
Provisions for employee benefits	10,671	10,806	(135)
Other provisions	15,176	16,927	(1,751)
Technical reserves reinsurance companies	13,336	13,547	(211)
Deferred tax liabilities	2,256	2,062	194
Financial debt and other financial liabilities	52,932	43,499	9,433
Trade payables	26,796	27,611	(815)
Tax payables	707	604	103
Other liabilities	13,212	14,761	(1,549)
Liabilities held for sale	199	234	(35)
Total Liabilities	135,285	130,051	5,234
Total Equity and Liabilities	172,945	172,610	335

Intangible assets decreased by €1,749 million, from €35,067 million at 31 December 2019 to €33,318 million at 31 December 2020. The composition of the item at 31 December 2020 and 2019 is presented in the table below.

	Goodwill	Trademark and Intangible assets with an indefinite useful life	Development costs externally acquired	Development costs internally generated	Patents, concessions and licences externally acquired	Other intangible assets externally acquired	Players' registration rights	Total
<i>(€ million)</i>								
Balance at 31 December 2019								
Original cost	15,658	3,757	23,453	7,957	5,628	2,855	880	60,187
Accumulated amortisation and impairment	(923)	(121)	(12,700)	(5,391)	(3,827)	(1,773)	(385)	(25,120)
Net carrying amount	14,735	3,636	10,753	2,566	1,801	1,082	494	35,067
Balance at 31 December 2020								
Original cost	14,239	3,739	24,889	8,170	6,021	2,781	866	60,705
Accumulated amortisation and impairment	(1,093)	(118)	(14,039)	(5,738)	(4,140)	(1,864)	(395)	(27,387)
Net carrying amount	13,146	3,621	10,850	2,432	1,881	917	471	33,318
Change in 2020								
Original cost	(1,419)	(18)	1,436	213	393	(74)	(14)	518
Accumulated amortisation and impairment	(170)	3	(1,339)	(347)	(313)	(91)	(10)	(2,267)
Net carrying amount	(1,589)	(15)	97	(134)	80	(165)	(23)	(1,749)

The analysis of goodwill by segment is as follows:

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Goodwill			
<i>Agricultural</i>	1,418	1,581	(163)
<i>Construction</i>	—	515	(515)
<i>Commercial and Specialty Vehicles</i>	52	53	(1)
<i>Powertrain</i>	3	4	(1)
<i>Financial Services</i>	107	110	(3)
CNH Industrial	1,580	2,263	(683)
Ferrari	786	786	—
PartnerRe	538	588	(50)
Shang Xia	76	—	76
Juventus Football Club	2	—	2
Other	33	33	—
FCA	10,131	11,065	(934)
Total goodwill	13,146	14,735	(1,589)

In 2020, CNH Industrial completed a quantitative impairment assessment for the Construction cash-generating unit which resulted in a recoverable amount below carrying value. Based on the assessment, CNH Industrial recognised a goodwill impairment loss of €505 million (\$576 million) for the Construction cash-generating unit, representing the total impairment of Construction goodwill.

Property, plant and equipment decreased by €1,541 million, from €36,710 million at 31 December 2019 to €35,169 million at 31 December 2020. The composition of the item at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Other tangible assets	32,994	34,548	(1,554)
Right-of-use assets	2,175	2,162	13
Total Property, plant and equipment	35,169	36,710	(1,541)

The composition of other tangible assets at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	Land	Industrial buildings	Plant, machinery and equipment	Assets sold with a buy-back commitment	Other tangible assets	Advances and tangible assets in progress	Total
	Balance at 31 December 2019						
Original cost	1,262	13,010	61,608	2,391	6,108	4,271	88,650
Accumulated depreciation and impairment	(31)	(5,581)	(42,309)	(808)	(3,198)	(13)	(51,940)
Net carrying amount	1,231	7,429	19,299	1,583	2,910	4,258	36,710
Balance at 31 December 2020							
Original cost	1,170	13,037	60,667	2,151	6,097	5,059	88,181
Accumulated depreciation and impairment	(33)	(5,858)	(42,921)	(778)	(3,408)	(14)	(53,012)
Net carrying amount	1,137	7,179	17,746	1,373	2,689	5,045	35,169
Change							
Original cost	(92)	27	(941)	(240)	(11)	788	(469)

Accumulated depreciation and impairment	(2)	(277)	(612)	30	(210)	(1)	(1,072)
Net carrying amount	(94)	(250)	(1,553)	(210)	(221)	787	(1,541)

Investment and other financial assets increased by €774 million, from €5,400 million at 31 December 2019 to €6,174 million at 31 December 2020. The composition of the item at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Equity method investments	3,528	3,596	(68)
Investments at FVTOCI	531	198	333
Other investments	325	171	154
Total investments	4,384	3,965	419
Financial receivables	175	278	(103)
Debt securities	492	928	(436)
Derivative assets	830	214	616
Other financial assets	293	1	278
Total investments and other financial assets	6,174	5,400	774

Change in investments in the year ended 31 December 2020 is mainly related to the investments at FVTOCI that included the investment in Via Transportation made by Exor (€163 million), the increase of the investment in Nikola Corporation made by CNH Industrial and the positive fair value remeasurement of the latter.

Investments in joint ventures at 31 December 2020 and 2019 are as follows:

<i>(€ million, except percentages)</i>	At 31 December			
		2020	2019	Change
Investments in joint ventures				
New Holland HFT Japan Inc.	50.00%	66		66
Turk Traktor	37.50%	56	45	11
CNH de Mexico SA de CV	50.00%	26		26
Naveco	50.00%	54	115	(61)
FCA Bank	50.00%	1,738	1,501	237
Tofas	37.90%	181	240	(59)
Other		112	288	(176)
Total Investments in joint ventures		2,233	2,189	44

Investments in associates at 31 December 2020 and 2019 are as follows:

<i>(€ million, except percentages)</i>	At 31 December			
		2020	2019	Change
Investments in associates				
The Economist	43.40%	299	323	(24)
CNH Capital Europe	49.90%	192	169	23
Almacantar	35.70%	403	430	(27)
Other		401	440	(39)
Total Investments in associates		1,295	1,362	(67)

Trade receivables decreased by €3,787 million, from €27,889 million at 31 December 2019 to €24,102 million at 31 December 2020. The decrease is primarily due to the receivables from financing activities of CNH Industrial Group. The composition of trade receivables at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Trade receivables	2,274	2,582	(308)
Receivables from financing activities	18,455	21,418	(2,963)
Receivables from reinsurance activities	3,373	3,889	(516)
Total trade and other receivables	24,102	27,889	(3,787)

At 31 December 2020 and 2019, receivables from financing activities include the entire portfolio of the financial services companies of the CNH Industrial Group, FCA Group and Ferrari Group, classified under current assets as it will be realised in their normal operating cycle. The composition of the item at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Retail			
Retail financing	8,586	9,321	(735)
Finance leases	458	458	—
Total Retail	9,044	9,779	(735)
Wholesale			
Dealer financing	8,990	11,298	(2,308)
Total Wholesale	8,990	11,298	(2,308)
Other	421	341	80
Total receivables from financing activities	18,455	21,418	(2,963)

Cash and cash equivalents increased by €12,626 million, from €22,935 million at 31 December 2019 to €35,561 million at 31 December 2020. The composition of the item at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Cash at banks	18,701	11,530	7,171
Money market securities and other cash equivalents	16,133	10,461	5,672
Restricted cash	727	944	(217)
Total cash and cash equivalents	35,561	22,935	12,626

Provisions for employee benefits at 31 December 2020 are aligned to 31 December 2019 and detailed as per the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Present value of defined benefit obligations:			
Pension plans	26,732	27,823	(1,091)
Healthcare and life insurance plans	2,573	2,656	(83)
Other post-employment benefits	1,104	1,110	(6)
Total present value of defined benefit obligations	30,409	31,589	(1,180)
Fair value of plan assets on pension plan	(21,879)	(22,734)	855
Fair value of plan assets of healthcare and life insurance plans	(118)	(135)	17
Asset ceiling	27	33	(6)
Total net defined benefits plan	8,439	8,753	(314)
<i>of which:</i>			
<i>Net defined benefit liability (A)</i>	<i>9,212</i>	<i>9,527</i>	<i>(315)</i>
<i>(Defined benefit plan assets)</i>	<i>(773)</i>	<i>(734)</i>	<i>(39)</i>
Other provisions for employees (B)	1,459	1,279	180
Total provisions for employee benefits (A) + (B)	10,671	10,806	(135)

Technical reserves of reinsurance companies at 31 December 2020 amounted to €13,336 million, in line with the amount at 31 December 2019 (€13,547 million). The item included unpaid losses and loss expenses reserve for €9,286 million (€9,229 million at 31 December 2019), life and health technical reinsurance reserves for €2,204 million (€2,152 million at 31 December 2019) and unearned premium reserves for €1,846 million (€2,166 million at 31 December 2019).

Financial debt and other financial liabilities increased by €9,433 million, from €43,499 million at 31 December 2019 to €52,932 million at 31 December 2020. The increase is in line with the increase of cash and cash equivalents. The composition of the item at 31 December 2020 and 2019 is presented in the table below.

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Financial debt	52,101	43,031	9,070
Other financial liabilities	831	468	363
Total financial debt and other financial liabilities	52,932	43,499	9,433

The composition of financial debt at 31 December 2020 and 2019 is as follows:

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Notes	23,865	19,031	4,834
Borrowings from banks	13,108	7,562	5,546
Asset-backed financing	10,518	11,405	(887)
Lease liabilities	2,253	2,180	73
Payables represented by securities	1,696	1,899	(203)
Other financial debt	661	954	(293)
Total financial debt	52,101	43,031	9,070

The composition of financial debt by entity at 31 December 2020 and 2019 is as follows:

<i>(€ million)</i>	At 31 December		
	2020	2019	Change
Exor	4,030	3,393	637
CNH Industrial	21,746	22,689	(943)
Ferrari	2,725	2,090	635
PartnerRe	1,912	1,475	437
Juventus	396	464	(68)
GEDI	143	—	143
Shang Xia	10	—	10
FCA	21,139	12,920	8,219
Total financial debt	52,101	43,031	9,070

(c) Cash flow

Comparison between FY2021 and FY2020

<i>(€ million)</i>	Years ended 31 December	
	2021	2020 ¹
Cash flows from operating activities:		
Profit (loss) from continuing operations	3,350	(230)
Amortisation and depreciation	1,728	1,689
Gains on disposal of non-current assets	(40)	(102)
Other non-cash items	1,420	960
Dividends received	61	29
Change in provisions	357	148
Change in deferred taxes	(205)	(325)
Change in inventories, trade and other receivables and payables	(1,279)	1,758
Cash flows from operating activities – discontinued operations	(1,215)	10,134
Total	4,177	14,061
Cash flows used in investing activities:		
Investments in property, plant and equipment and intangible assets	(1,960)	(1,653)
Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets	(2,928)	(331)
Consideration paid for the acquisition of GEDI net of cash and cash equivalents acquired	—	(175)
Consideration paid for the acquisition of Full More Group net of cash and cash equivalents acquired	—	(76)
Proceeds from disposal of investments, tangible, intangible and financial assets	165	267
Net change in financial receivables	(945)	490
Net change in securities	13	(104)
Net cash proceeds from disposal of discontinued operations	—	15
Other changes	130	—
Cash flows used in investing activities – discontinued operations	(1,533)	(8,535)
Total	(7,058)	(10,102)
Cash flows used in financing activities:		
Issuance of notes	1,355	3,085
Repayment of notes	(2,258)	(725)
Proceeds of other long-term debt	729	2,173
Repayment of other long-term debt	(562)	(1,778)
Net change in short-term debt and other financial assets/liabilities	(615)	(1,174)

Capital increases by subsidiaries	138	32
Exercise of stock options	12	—
Buyback of treasury shares	—	(28)
Dividends paid	(455)	(268)
Other changes	(281)	(208)
Cash flows used in financing activities – discontinued operations	(251)	9,517
Total	(2,188)	10,626
Translation exchange differences	502	(1,949)
Total Change in Cash and Cash Equivalents	(4,567)	12,636
Cash and cash equivalents at beginning of the period	35,561	22,935
Cash and cash equivalents at the beginning of the period included in Assets held for sale	27	17
Deconsolidation of FCA Group	(22,532)	—
Cash and cash equivalents at the end of the period included in Assets held for sale	(584)	(27)
Cash and cash equivalents at the end of the period	7,905	35,561

1. The 2020 data have been re-presented following the classification of FCA and PartnerRe as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

For the table which summarises the cash-flows of FCA Group and PartnerRe Group that were presented as discontinued cash-flows for the year ended 31 December 2020, please refer to the Note 3 Scope of Consolidation of the 2021 Financial Statements.

In 2021, the Group generated positive cash flows from operating activities for €4,177 million, while the cash flow in investing activities is a negative €7,058 million mainly related to the investments in property, plant and equipment and intangible assets for €1,960 million and investment in subsidiaries and associates for €2,928 million. Net cash used in financing activities was €2,188 million, primarily related to the repayment of notes (€2,258 million) and other long-term debt (€562 million), partially offset by issues of new notes (€1,355 million) and new medium/long-term loans drawn (€729 million).

In 2020, the Group generated positive cash flows from operating activities for €14,061 million (of which €10,134 million from discontinued operations) and negative cash flows from investing activities for €10,102 million (of which €8,535 million from discontinued operations). Cash flows from investing activities from continuing operations (€1,567 million) mainly refer to the investments in property, plant and equipment and intangible assets for €1,653 million, investment in subsidiaries and associates for €582 million, partially offset by a net positive change in financial receivables for €490 million. Net cash used in financing activities for the continuing operations was €1,109 million primarily related to the repayment of notes (€725 million) and other long-term debt (€1,778 million), partially offset by issues of new notes (€3,085 million) and new medium/long-term loans drawn (€2,173 million).

During the years ended 31 December 2021 and 2020, the Group paid interest of €619 million and €1,469 million, respectively and received interest of €566 million and €744 million, respectively.

During the years ended 31 December 2021 and 2020, the Group made income tax payments, net of refunds of €511 million and €333 million, respectively.

Comparison between FY2020 and FY2019

(<i>€ million</i>)	Years ended 31 December	
	2020 ¹	2019
Cash flows from operating activities:		
Profit (loss) from continuing operations	(230)	4,985
Amortisation and depreciation	1,689	7,119
Gains on disposal of non-current assets	(102)	(379)

Other non-cash items	960	(1,121)
Dividends received	29	181
Change in provisions	148	(1,962)
Change in deferred taxes	(325)	1,028
Change in inventories, trade and other receivables and payables	1,758	2,195
Cash flows from operating activities – discontinued operations	10,134	(308)
Total	14,061	11,738
Cash flows used in investing activities:		
Investments in property, plant and equipment and intangible assets	(1,653)	(10,290)
Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets	(331)	(285)
Consideration paid for the acquisition of GEDI net of cash and cash equivalents acquired	(175)	—
Consideration paid for the acquisition of Full More Group net of cash and cash equivalents acquired	(76)	—
Net change in Investments of Reinsurance companies (PartnerRe Group)	—	2,116
Proceeds from disposal of investments, tangible, intangible and financial assets	267	252
Net change in financial receivables	490	(222)
Net change in securities	(104)	(303)
Net cash proceeds from disposal of discontinued operations	15	5,348
Other changes	—	91
Cash flows used in investing activities – discontinued operations	(8,535)	(155)
Total	(10,102)	(3,448)
Cash flows used in financing activities:		
Issuance of notes	3,085	2,480
Repayment of notes	(725)	(3,491)
Proceeds of other long-term debt	2,173	1,762
Repayment of other long-term debt	(1,778)	(3,049)
Net change in short-term debt and other financial assets/liabilities	(1,174)	(316)
Capital increases by subsidiaries	32	104
Exercise of stock options	—	(419)
Buyback of treasury shares	(28)	(207)
Dividends paid	(268)	(2,615)
Other changes	(208)	(9)
Cash flows used in financing activities – discontinued operations	9,517	325
Total	10,626	(5,435)
Translation exchange differences	(1,949)	242
Total Change in Cash and Cash Equivalents	12,636	3,097
Cash and cash equivalents at beginning of the period	22,935	19,136
Cash and cash equivalents at the beginning of the period included in Assets held for sale	17	719
Cash and cash equivalents at the end of the period included in Assets held for sale	(27)	(17)
Cash and cash equivalents at the end of the period	35,561	22,935

1. The 2020 data have been re-presented following the classification of FCA and PartnerRe as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5 – *Non current Assets Held for Sale and Discontinued Operations*.

In 2020, the Group generated positive cash flows from operating activities for €14,061 million (of which €10,134 million from discontinued operations) and negative cash flows from investing activities for €10,102 million (of which €8,535 million from discontinued operations). Cash flows from investing activities from continuing operations (€1,567 million) mainly refer to the investments in property, plant and equipment and intangible assets for €1,653 million, investment in subsidiaries and associates for €582 million, partially offset by a net positive change in financial receivables for €490 million. Net cash used in financing activities for the continuing operations was €1,109 million primarily related to the repayment of notes (€725 million) and other

long-term debt (€1,778 million), partially offset by issues of new notes (€3,085 million) and new medium/long-term loans drawn (€2,173 million).

In 2019, the Group generated positive cash flows from the operating activities for €11,738 million (of which €308 million from discontinued operations) and negative cash flows from investing activities for €3,448 million (of which €155 million from discontinued operations). Cash flows from investing activities from continuing operations (€3,293 million) mainly refer to the investments in property, plant and equipment and intangible assets for €10,290 million, investment in subsidiaries and associates for €285 million, partially offset by net investments of Reinsurance companies (PartnerRe Group) for €2,116 and net cash proceeds from disposal of discontinued operations for €5,348 million. Net cash used in financing activities for the continuing operations was €5,760 million primarily related to the repayment of notes (€3,491 million) and other long-term debt (€3,049 million), partially offset by issues of new notes (€2,480 million) and new medium/long-term loans drawn (€1,762 million).

During the years ended 31 December 2020 and 2019, the Group paid interest of €1,469 million and €1,718 million, respectively and received interest of €744 million and €702 million, respectively.

During the years ended 31 December 2020 and 2019, the Group made income tax payments, net of refunds of €333 million and €604 million, respectively.

(d) Income Statement - Shortened

Comparison between FY2021 and FY2020

<i>(€ million)</i>	2021	2020	Change
Profit (loss) from investments in subsidiaries and associates:			
Share of the profit (loss)	3,088	79	3,009
Other (losses) gains ^(a)	—	(31)	31
Dividends received	1,592	94	1,498
Dividends eliminated ^(b)	(1,592)	(94)	(1,498)
Profit (loss) from investments in subsidiaries and associates	3,088	48	3,040
Profit (loss) from investments at FVTOCI	8	—	8
Net financial (expenses) income:			
Profit (loss) from cash, cash equivalents and financial assets	60	6	54
Cost of debt ^(c)	(124)	(104)	(20)
Exchange (losses) gains, net	7	(7)	14
Net financial (expenses) income	(57)	(105)	48
Net recurring general expenses	(19)	(19)	0
Net non - recurring other (expenses) income	(514)	50	(564)
Income taxes and other taxes and duties	(789)	(4)	(785)
Profit (loss) attributable to owners of the parent	1,717	(30)	1,747

(a) Dividends from investments in subsidiaries and associates which are included in the share of the profit (loss) from investments in subsidiaries and associates are eliminated in the consolidation process.

(b) Dividends from investments in subsidiaries and associates which are included in the share of the profit (loss) from investments in subsidiaries and associates are eliminated in the consolidation process.

(c) In 2021, includes the one-off on partial bond cancellation (€21 million).

The item *profit (loss) from investments in subsidiaries and associates* increased by €3,040 million from €48 million in the year ended 31 December 2020 to €3,088 million in the year ended 31 December 2021. The net increase is mainly attributable to the improvement of the performances of the operating companies, in particular

Stellantis (€1,905 million), CNH Industrial (€574 million) and PartnerRe (€399 million). In the following table we show the detail of the performances of the subsidiaries in the years ended 31 December 2021 and 2020.

Share of the profit (loss) of investments accounted for using the equity method

<i>(€ million)</i>	Result ^(a)			Exor's share ^(b)		
	2021	2020	Change	2021	2020	Change
Ferrari	831	608	223	201	146	55
PartnerRe	587	177	410	580	181	399
Stellantis ^(c)	14,200	—	14,200	1,905	—	1,905
FCA ^(d)	29	29	—	8	8	—
CNH Industrial	1,471	(656)	2,127	398	(176)	574
Juventus Football Club ^(e)	(215)	(153)	(62)	(137)	(98)	(39)
Christian Louboutin ^(f)	90	—	90	22	—	22
Exor Seeds	184	27	157	111	19	92
The Economist Group ^(g)	26	30	(4)	11	13	(2)
GEDI Gruppo Editoriale ^(h)	(35)	(13)	(22)	(31)	(11)	(20)
Other	—	—	—	20	(3)	23

Share of the profit (loss) of investments in subsidiaries and associates

3,088 79 3,009

- (a) Results attributable to owners of the parent. Results reported in foreign currencies have been converted into Euro at the average exchange rate of the year.
(b) Including consolidation adjustments.
(c) The result refers to the period 17 January - 31 December 2021.
(d) The result of the year 2021 refers to the period 1 January 2021 - 16 January 2021, before the merger with PSA occurred in 2021.
(e) The result refers to the accounting data prepared for consolidation in Exor for the period 1 January - 31 December.
(f) The result refers to the period 1 May 2021 - 31 December 2021.
(g) The result refers to the period 1 October - 30 September.
(h) In the year 2020, the result referred to the period 1 May - 31 December, as Exor acquired control on 30 April 2020.

Profit (loss) from investments at FVTOCI increased by €8 million from nil in the year ended 31 December 2020 to €8 million in the year ended 31 December 2021. The change is mainly attributable to dividends received.

Net financial (expenses) income decreased by €48 million from €105 million in the year ended 31 December 2020 to €57 million in the year ended 31 December 2021. The change is mainly attributable to the positive fair value related to cash invested in financial assets managed by Exor Capital through a Luxembourg SICAV Fund (€54 million), partially offset by the one-off expense on partial bond cancellation (€21 million).

Net recurring general expenses in the year ended 31 December 2021 amounted to €19 million, in line with the year ended 31 December 2020.

Net non-recurring other (expenses) income increased by €564 million from a net income of €50 million in the year ended 31 December 2020 to a net expense of €514 million in the year ended 31 December 2021. The change is mainly attributable to €504 million arising from the deconsolidation of FCA, following the merger of PSA with and into FCA, of which €490 million related to the reversal to the income statement of Exor's share in the FCA items, previously recognised in other comprehensive income reserve.

Income tax and other taxes and duties increased by €785 million from €4 million in the year ended 31 December 2020 to €789 million in the year ended 31 December 2021. The change mainly includes the effect of a settlement reached on 18 February 2022 by Exor with the Italian Tax Authorities (*Agenzia delle Entrate*) on a complex tax issue, specifically in respect of the Exit Tax.

Comparison between FY2020 and FY2019

<i>(€ million)</i>	2020	2019	Change
Profit (loss) from investments in subsidiaries and associates:			
Share of the profit (loss)	79	3,033	(2,954)
Other (losses) gains ^(a)	(31)	—	(31)
Dividends received	94	1,179	(1,085)
Dividends eliminated ^(b)	(94)	(1,179)	1,085
Profit (loss) from investments in subsidiaries and associates	48	3,033	(2,985)
Profit (loss) from investments at FVTOCI	—	—	—
Net financial (expenses) income:			
Profit (loss) from cash, cash equivalents and financial assets	6	134	(128)
Cost of debt	(104)	(96)	(8)
Exchange (losses) gains, net	(7)	6	(13)
Net financial (expenses) income	(105)	44	(149)
Net recurring general expenses	(19)	(21)	2
Net non - recurring other income (expenses)	50	(1)	51
Income taxes and other taxes and duties	(4)	(2)	(2)
Profit (loss) attributable to owners of the parent	(30)	3,053	(3,083)

(a) Year 2020 included the impairment recognised of the goodwill of Welltec (-€49 million) and the badwill recognised on the acquisition of GEDI (+€18 million).

(b) Dividends from investments in subsidiaries and associates which are included in the share of the profit (loss) from investments in subsidiaries and associates are eliminated in the consolidation process.

Profit (loss) from investments in subsidiaries and associates decreased by €2,985 million from €3,033 million in the year ended 31 December 2019 to €48 million in the year ended 31 December 2020. The change is principally attributable to the lower result from the operating subsidiaries, mainly impacted by the significant negative effect of the Covid-19 pandemic, while the 2019 result included Exor's share of the gain realised on the disposal of Magneti Marelli for €1,081 million (total €3,771 million). The following table shows the detail of the performances of the operating companies in the years ended 31 December 2020 and 2019.

<i>(€ million)</i>	Result ^(a)			Exor's share ^(b)		
	2020	2019	Change	2020	2019	Change
Ferrari	608	696	(88)	146	167	(21)
PartnerRe	177	798	(621)	181	802	(621)
FCA ^(c)	29	6,622	(6,593)	8	1,897	(1,889)
CNH Industrial ^(d)	(656)	781	(1,437)	(176)	213	(389)
Juventus Football Club ^(e)	(153)	(98)	(55)	(98)	(62)	(36)
Christian Louboutin ^(f)	—	—	—	—	—	—
Exor Seeds	27	9	18	19	4	15
The Economist Group ^(g)	30	29	1	13	12	1
GEDI Gruppo Editoriale ^(h)	(13)	—	(13)	(11)	—	(11)
Other	—	—	—	(3)	—	(3)
Share of the profit (loss) of investments in subsidiaries and associates				79	3,033	(2,954)

- (a) Results attributable to owners of the parent. Results reported in foreign currencies have been converted into Euro at the average exchange rate of the year.
- (b) Including consolidation adjustments.
- (c) The result of the year 2020 included impairment losses following the assessment of certain assets as a consequence of the Covid-19 pandemic for €1,447 million (total Exor's share €413 million): in particular €549 million for deferred tax assets, €898 million for impairment charges of tangible and intangible assets.
- (d) The result of the year 2020 includes impairment losses following the assessment of certain assets as a consequence of the Covid-19 pandemic for €1,029 million (total Exor's share €279 million): in particular €504 million for goodwill impairment loss, €272 million for impairment charges of other assets and €253 million for asset optimisation charges. The year 2019 included a charge of €147 million (Exor's share €40 million) related to the asset optimisation portion of the "Tranform2Win" strategy and €103 million of restructuring costs (Exor's share €28 million).
- (e) The result refers to the accounting data prepared for consolidation in Exor for the period 1 January - 31 December.
- (f) The result refers to the period 1 May 2021 - 31 December 2021.
- (g) The result refers to the period 1 October - 30 September.
- (h) In the year 2020 the result referred to the period 1 May - 31 December, as Exor acquired control on 30 April 2020.

Net financial (expenses) income increased by €149 million from a net income of €44 million in the year ended 31 December 2019 to a net expense of €105 million in the year ended 31 December 2020. The change is mainly attributable to the decrease of the fair value related to the cash invested in financial assets managed by Exor Capital (through a Luxembourg SICAV Fund).

Net recurring general expenses decreased by €2 million from €21 million in the year ended 31 December 2019 to €19 million in the year ended 31 December 2020. The change is mainly due to the waiver, from 1 April 2020 for the remainder of the year, of the fixed remuneration by the Chairman and CEO, other Directors and senior management.

Net non-recurring other income (expenses) increased by €51 million from a net expense of €1 million in the year ended 31 December 2019 to a net income of €50 million in the year ended 31 December 2020. The change mainly refers to a one-off income (€63 million), partially offset by consulting fees related to investment and divestment projects (€12 million) and contributions to cultural and charitable associations (€1 million).

Income tax and other taxes and duties is not material and mainly refers to indirect taxes.

(e) Statement of the financial position - Shortened

Comparison between 31 December 2021 and 31 December 2020

<i>(€ million)</i>	31/12/2021	31/12/2020	Change
Investments in subsidiaries and associates	20,159	16,099	4,060
Investments at FVTOCI	853	191	662
Investments at FVTPL	350	—	350
Other asset (liabilities), net	(679)	51	(730)
Invested capital	20,683	16,341	4,342
Issued capital and reserves attributable to owners of the parent	16,759	13,090	3,669
Cash, cash equivalents and financial assets	(383)	(859)	476
Gross debt	4,307	4,110	197
Equity and net financial position	20,683	16,341	4,342

Investment in subsidiaries and associates increased by €4,060 million from €16,099 million at 31 December 2020 to €20,159 million at 31 December 2021, as shown in the following table.

<i>€ million</i>	31/12/2021	31/12/2020	Change
Ferrari	533	452	81
PartnerRe	7,139	6,025	1,114
Stellantis ^(a)	8,624	—	8,624
FCA ^(a)	—	7,337	(7,337)
CNH Industrial	1,962	1,431	531
Juventus Football Club	194	80	114
Christian Louboutin ^(b)	562	—	562
Exor Seeds	489	156	333
The Economist Group	317	299	18
GEDI Gruppo Editoriale	171	207	(36)
Shang Xia ^(c)	68	78	(10)
Other ^(d)	100	34	66
Investments in subsidiaries and associates	20,159	16,099	4,060

(a) On 16 January 2021, PSA merged with and into FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.

(b) The acquisition date is 30 April 2021.

(c) Owned through the holding company Full More Group. Acquisition date at 31 December 2020.

(d) At 31 December 2021 mainly includes investments in Welltec, NUO and Exor Capital. At 31 December 2020 included investments in Welltec.

Investments measured at fair value through other comprehensive income increased by €662 million from €191 million at 31 December 2020 to €853 million at 31 December 2021.

<i>(€ million)</i>	31/12/2021	31/12/2020	Change
VIA Transportation ⁽¹⁾	449	163	286
Faurecia ⁽²⁾	320	—	320
Other investments	84	28	56
Investments measured at fair value through other comprehensive income	853	191	662

1. The positive change in Via Transportation is due to an increase of the investment for €158 million and €128 million a positive change in fair value.

2. The investment in Faurecia is distributed by Stellantis as part of the merger. On 22 March 2021, Exor received 7,653,004 Faurecia ordinary shares accounted for €363 million. At 31 December 2021, the fair value adjustment is negative for €43 million.

Investments at FVTPL at 31 December 2021 mainly includes the fair value of the financial assets managed by Exor Capital LLP mainly through a Luxembourg SICAV Fund, classified as cash and cash equivalent at 31 December 2020.

Issued capital and reserves attributable to owners of the parents increased by €3,669 million from €13,090 million at 31 December 2020 to €16,759 million at 31 December 2021. The following table shows the detail of the change in the consolidated equity for the years ended 31 December 2021 and 2020.

<i>(€ million)</i>	31/12/2021	31/12/2020	Change
Initial amount	13,090	15,025	(1,935)
Movements attributable to Exor and the Holdings System:			
– Buyback Exor treasury stock	—	(29)	29
– Dividend paid by Exor	(100)	(100)	—
– Fair value adjustment to investments and other financial assets	95	(13)	108
– Measurement derivative financial instruments	7	(5)	12
– Translation differences	427	(440)	867
– Other net	(9)	(44)	35

Movements attributable to operating companies accounted for using the equity method:

– Reversal OCI reserve of FCA to profit and loss	490	—	490
– Translation differences	737	(1,233)	1,970
– Remeasurement of defined benefit plans	363	(39)	402
– Fair value	(31)	31	(62)
– Buyback treasury stock	(56)	(32)	(24)
– Cash flow hedge	9	2	7
– Other net	20	(3)	23
Consolidated profit (loss) attributable to owners of the parent^(a)	1,717	(30)	1,747
Net change during the year	3,669	(1,935)	5,604
Final amount	16,759	13,090	3,669

(a) The result of the year 2021 includes the negative impact due to the reclassification to the income statement of the amount previously recognised in other comprehensive income (mainly translation differences) related to FCA (€490 million).

Cash, cash equivalents and financial assets decreased by €476 million from €859 million at 31 December 2020 to €383 million at 31 December 2021. The change is mainly attributable to the reclassification of financial assets managed by Exor Capital LLP mainly through a Luxembourg SICAV Fund in the item investments at FVTPL.

Gross debt increased by €476 million from €859 million at 31 December 2020 to €383 million at 31 December 2021. The change is mainly attributable to the issuance of new bonds.

The following table shows the net financial position of the Holdings System and details the items cash, cash equivalents and financial assets and gross debt at 31 December 2021 and 2020.

(€ million)	31/12/2021	31/12/2020	Change
Financial assets and financial receivables	100	367	(267)
Cash and cash equivalents	283	492	(209)
Cash, cash equivalents and financial assets (A)	383	859	(476)
Exor bonds	4,069	3,855	214
Bank debt	150	—	150
Commercial paper	—	160	(160)
Other financial liabilities	88	95	(7)
Gross debt (B)	4,307	4,110	197
Net financial position of the Holdings System (A) - (B)	(3,924)	(3,251)	(673)

Comparison between 31 December 2020 and 31 December 2019

(€ million)	31/12/2020	31/12/2019	Change
Investments in subsidiaries and associates	16,099	17,551	(1,452)
Investments at FVTOCI	191	78	113
Other asset (liabilities), net	51	27	24
Invested capital	16,341	17,656	(1,315)
Issued capital and reserves attributable to owners of the parent	13,090	15,025	(1,935)
Cash, cash equivalents and financial assets	(859)	(789)	(70)
Gross debt	4,110	3,420	690
Equity and net financial position	16,341	17,656	(1,315)

Investment in subsidiaries and associates increased by €1,452 million from €17,551 million at 31 December 2019 to €16,099 million at 31 December 2020, as shown in the following table.

(€ million)	31/12/2020	31/12/2019	Change
Ferrari	452	378	74
PartnerRe	6,025	6,477	(452)
FCA	7,337	8,173	(836)
CNH Industrial	1,431	1,852	(421)
Juventus Football Club	80	176	(96)
Exor Seeds	156	84	72
The Economist Group	299	323	(24)
GEDI Gruppo Editoriale ^(a)	207	—	207
Shang Xia ^(b)	78	—	78
Other ^(c)	34	88	(54)
Investments in subsidiaries and associates	16,099	17,551	(1,452)

(a) At 31 December 2019 the investment (€14 million) was classified in investment measured at fair value to other comprehensive income.

(b) Owned through the holding company Full More Group. Acquisition date at 31 December 2020.

(c) At 31 December 2020 and 2019 included investments in Welltec.

Investments measured at fair value through other comprehensive income increased by €113 million from €78 million at 31 December 2019 to €191 million at 31 December 2020. The increase is mainly due to the acquisition of Via Transportation (€163 million, net of the negative fair value adjustment of €20 million), offset by the partial disposal of other assets (-€39 million) and by the reclassification of the 5.99% quota of GEDI shares held prior to the acquisition of the control (-€14 million).

Issued capital and reserves attributable to owners of the parents decreased by €1,935 million from €15,025 million at 31 December 2019 to €13,090 million at 31 December 2020. The following table shows the detail of the change in the consolidated equity for the years ended 31 December 2020 and 2019:

(€ million)	31/12/2020	31/12/2019	Change
Initial amount	15,025	12,210	2,815
Buyback Exor treasury stock	(29)	(207)	178
Dividend paid by Exor	(100)	(100)	—
Fair value adjustment to investments and other financial assets	(13)	(6)	(7)
Measurement of Exor derivative financial instruments	(5)	(4)	(1)
Other net changes of Exor Holdings System ^(a)	(484)	113	(597)
Movements attributable to operating companies accounted for using the equity method:			
– Exchange differences on translation ^(b)	(1,233)	183	(1,416)
– Fair value	31	(2)	33
– Buyback treasury stock	(32)	(108)	76
– Remeasurement of defined benefit plans	(39)	(62)	23
– Cash flow hedge	2	(48)	50
– Other	(3)	3	(6)
Consolidated loss attributable to owners of the parent	(30)	3,053	(3,083)
Net change during the year	(1,935)	2,815	(4,750)
Final amount	13,090	15,025	(1,935)

(a) Mainly includes negative exchange differences on translation.

(b) Mainly relates to FCA (-€790 million) and CNH Industrial (-€290 million).

Cash, cash equivalents and financial assets increased by €70 million from €789 million at 31 December 2019 to €859 million at 31 December 2020. The change is not material.

Gross debt increased by €690 million from €3,420 million at 31 December 2019 to €4,110 million at 31 December 2020. The change is mainly attributable to the issuance of new bonds and commercial paper.

The following table shows the net financial position of the Holdings System and details the items cash, cash equivalents and financial assets and gross debt at 31 December 2020 and 2019.

<i>(€ million)</i>	31/12/2020	31/12/2019	Change
Financial assets and financial receivables	367	366	1
Cash and cash equivalents	492	423	69
Cash, cash equivalents and financial assets (A)	859	789	70
Exor bonds	3,855	3,391	464
Commercial paper	160	—	160
Other financial liabilities	95	29	66
Gross debt (B)	4,110	3,420	690
Net financial position of the Holdings System (A) – (B)	(3,251)	(2,631)	(620)

9.6 Alternative Performance Measures

To facilitate the understanding of the economic and financial performance of the Company and of the Group, the management of the Company has identified a number of Alternative Performance Measures (**APM**), which are used to identify operational trends and to make investment and resource allocation decisions. To ensure that the APM are correctly interpreted, it is emphasised that these measures are not indicative of the future performance of the Group. The APM are not part of international reporting standards (IFRS) and are unaudited. They should not be taken as replacements of the measures required under the reference financial reporting standards.

The APM should be read together with the consolidated financial information prepared using the shortened consolidation criterion. Since they are not based on the reference financial reporting standards, the APM used by the Company may not be consistent and comparable with those used by other companies or groups. The APM used by the Company have been consistently calculated and presented for all the reporting periods for which financial information is presented in this Prospectus.

Set out below are the main APMs identified by Exor:

- (a) Net Asset Value;
- (b) Gross Asset Value (as a component of Net Asset Value);
- (c) Gross Debt of the Holdings System (as a component of Net Asset Value);
- (d) Net financial position of the Holdings System (determined using the shortened consolidation criterion);
- (e) Share of the profit (loss) from investments in subsidiaries and associates (determined using the shortened consolidation criterion); and
- (f) LTV Ratio.

The APMs should be read together with the consolidated financial information prepared applying the shortened consolidation criterion.

The shortened consolidation data is prepared by the Company on the basis of a “shortened” method of consolidation in which the data derived from the IFRS-compliant financial statements of the Company and of the subsidiaries of the Holdings System: Exor Nederland N.V. (the Netherlands); Exor S.A. (Luxembourg); Ancom USA Inc. (USA); Exor SN LLC (USA); and Exor Investments Limited (United Kingdom) are included in the financial statements of the parent company, namely Exor, using the line-by-line method, while the data derived

from the financial statements prepared in accordance with IFRS of the Company's investee companies (Ferrari, PartnerRe, Stellantis, CNH Industrial, Juventus, Christian Louboutin, Exor Seeds, The Economist Group, GEDI, Shang Xia, Welltec, NUO and Exor Capital) are included in the financial statements of Exor using the equity method.

The data and information prepared using the shortened consolidation method are recognised by the financial community, by financial counterparties and by the rating agencies, and the Company believes that these data and information facilitate better analysis of the financial position and results of the Company than the equivalent IFRS measures (which are reconciliated below for reference), by virtue of Exor's business as a holding company. However, such data do not fully represent, nor should be treated as, the consolidated financial position of the Group prepared in accordance with IFRS. In fact, the shortened consolidation method is not contemplated in the reference accounting standards on the presentation of consolidated financial statements and may not be consistent with the methods adopted by other groups and, therefore, such data may not be comparable with the data reported by such groups.

Additionally, the consolidated data prepared in shortened form are not audited by the independent auditors.

The following table shows the scope of consolidation under the shortened method:

	Reporting currency	% of consolidation	
		31/12/2021	31/12/2020
Holding Company			
– EXOR N.V. (the Netherlands)	€	100	100
Companies in the Holdings System consolidated line-by-line			
– Exor Nederland N.V. (the Netherlands)	\$	100	100
– Exor S.A. (Luxembourg)	€	100	100
– Ancom USA Inc. (USA)	\$	100	100
– Exor SN LLC (USA)	\$	100	100
– Exor Investments Limited (United Kingdom)	£	100	100
Investments in operating subsidiaries and associates, accounted for using the equity method			
– Ferrari	€	24.17	24.05
– PartnerRe ^(a)	\$	100	100
– Stellantis ^(b)	€	14.35	—
– FCA ^(b)	€	—	28.54
– CNH Industrial	\$	27.06	27.10
– Juventus Football Club	€	63.77	63.77
– Christian Louboutin ^(c)	€	24.03	—
– Exor Seeds	\$	79.96	76.34
– The Economist Group	£	43.40	43.40
– GEDI Gruppo Editoriale	€	89.62	89.62
– Shang Xia	CNY	77.30	77.30
– Welltec	\$	47.62	22.12
– NUO	€	50.00	—
– Exor Capital LLP ^(d)	£	100	99.67

(a) The disposal of PartnerRe was completed on 12 July 2022

- (b) On 16 January 2021, PSA merged with and into FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.
- (c) The accounting acquisition date is 30 April 2021.
- (d) Previously Exor Investments (UK) LLP, in 2021 has become an independent operating company outside of the Holdings System.

Net Asset Value (including Gross Asset Value and Gross Debt of the Holdings System, as components of Net Asset Value)

Definition and Methodology

Net Asset Value (NAV) is a metric used to determine the value of the Company and corresponds to the total value of assets (Gross Asset Value or GAV) net of the gross debt of the Holdings System (Gross Debt of the Holdings System) and other liabilities of the Holdings System. Net Asset Value is identified as an APM and reported on by the Company because it indicates the value of the Company to shareholders and investors, and in particular it indicates the value per share which can be measured against the MSCI World Index, a financial target of the Company. In turn, Gross Asset Value and Gross Debt of the Holdings System are the components constituting Net Asset Value and by which it is calculated; they accordingly contribute in providing the aforementioned useful information to shareholders and investors. Further, Gross Debt of the Holdings System, in particular, is a useful analytical metric for measuring the Company's outstanding debt.

To determine the value of an asset:

- (a) Listed equity investments and other listed securities are valued at official market prices.
- (b) Unlisted equity investments are valued on the basis of the valuation method that better reflects their most recent fair value which can be either (i) a valuation determined annually by independent experts at the end of the year, (ii) a valuation of a recent round or arms-length transaction or (iii) a valuation at cost if the investment has been completed recently.
- (c) Investments in funds or other investment vehicles are valued at NAV or Exor's share of the value reported by the fund.
- (d) Bonds held to maturity are valued at amortised cost and bonds held for trading are valued at market value.
- (e) Treasury stock includes the shares held in treasury designated to service stock option plans (measured at the option exercise price under the plan if this is less than the market price). Treasury stock does not include the shares bought back under the share buyback program launched in November 2018 and completed in November 2020. Starting from 31 December 2021, shares held in treasury and not allocated to stock option plans are excluded from the NAV calculation.

The sum of the aforesaid values constitutes the total value of assets (Gross Asset Value or GAV).

Gross Debt of the Holdings System corresponds to the total amount of the financial debt of the Holdings System and other liabilities not included in the net financial position.

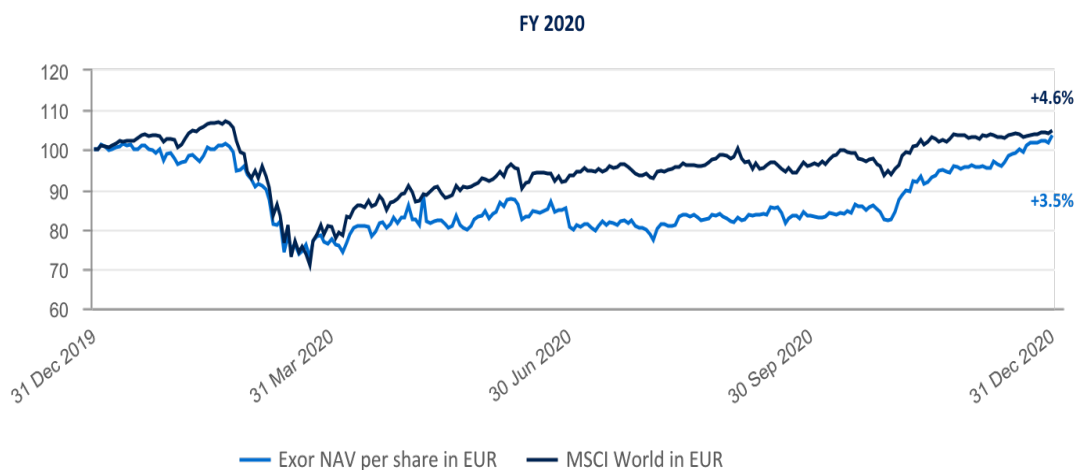
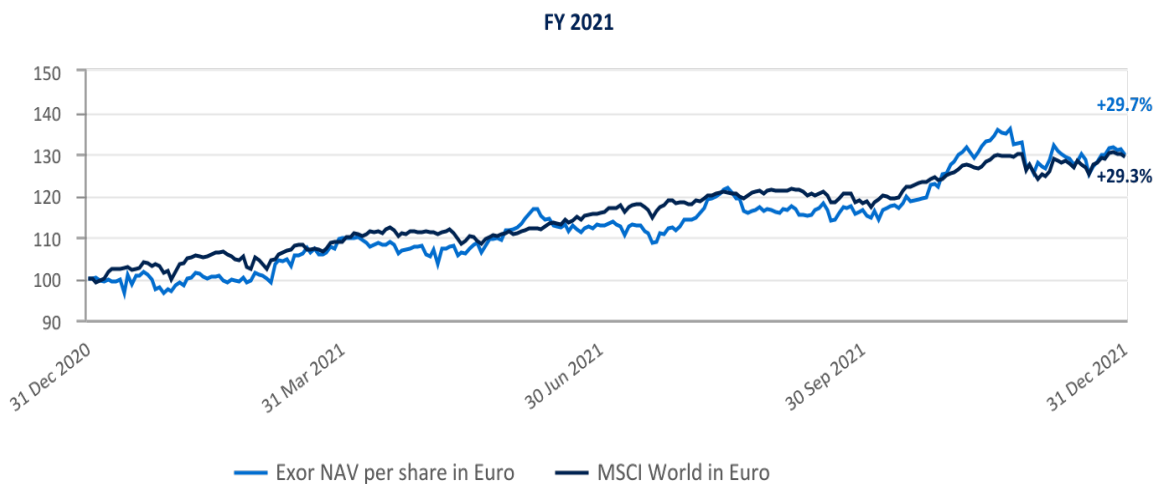
Items denominated in foreign currencies are converted at the official exchange rates at the corresponding reporting date.

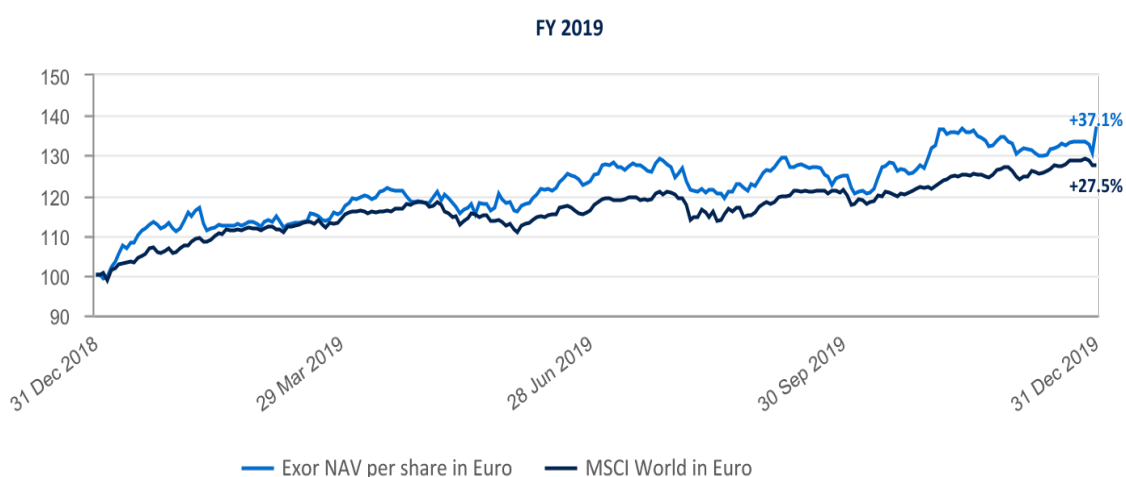
Highlights

- (a) At 31 December 2021, Exor's NAV is €31,069 million compared to €24,041 million at 31 December 2020 and €23,282 million at 31 December 2019.
- (b) At 31 December 2021, Exor's NAV per share amounts to €132.41 compared to €102.08 at 31 December 2020 and €98.60 at 31 December 2019.

NAV per share is based on 234,645,891 shares at 31 December 2021, 235,516,639 shares at 31 December 2020 and 236,121,668 shares at 31 December 2019. At 31 December 2021, this is calculated based on 241,000,000 issued shares excluding (i) the 5,483,361 shares bought back in the context of the share buyback program launched in November 2018 and completed in November 2020 and excluding (ii) the 870,748 shares held in treasury and not allocated to stock option plans.

Yearly change in NAV per share compared to the MSCI World Index in Euro





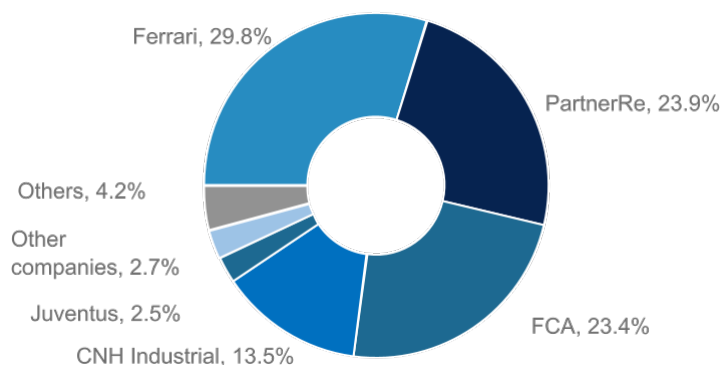
Breakdown of Net Asset Value in Euro

(€ million)	Ownership % at 31/12/2021	Valuation methodology ^(a)	31/12/2021	31/12/2020	31/12/2019
Companies			34,314	26,941	25,602
Ferrari	22.9%	Official market price	10,109	8,383	6,572
PartnerRe ^(b)	100.0%	Fair value	8,109	6,723	8,011
Stellantis	14.4%	Official market price	7,499	—	—
FCA	—	Official market price	—	6,588	5,930
CNH Industrial	26.9%	Official market price	6,300	3,789	3,592
Juventus	63.8%	Official market price	556	691	1,058
Other companies ^(c)		Fair value	1,741	767	439
Others			1,833	1,210	1,100
Seeds		Fair value	489	114	57
Listed Securities ^(d)		Official market price	355	10	—
Public funds ^(e)		Fair value	337	283	282
Other assets ^(f)		Fair value	152	74	87
Financial assets ^(g)		Official market price	100	73	76
Alliances ^(h)		Fair value	22	—	—
Cash and cash equivalents			283	492	431
Treasury stock ⁽ⁱ⁾			95	164	167
Gross Asset Value	A		36,147	28,151	26,702
Gross Debt of the Holdings System	B		4,307	4,110	3,420
Other liabilities of the Holdings System ^(j)	C		771	—	—
Net Asset Value (NAV)	A-B-C		31,069	24,041	23,282
NAV per Share in Euro^(k)			132.41	102.08	98.60

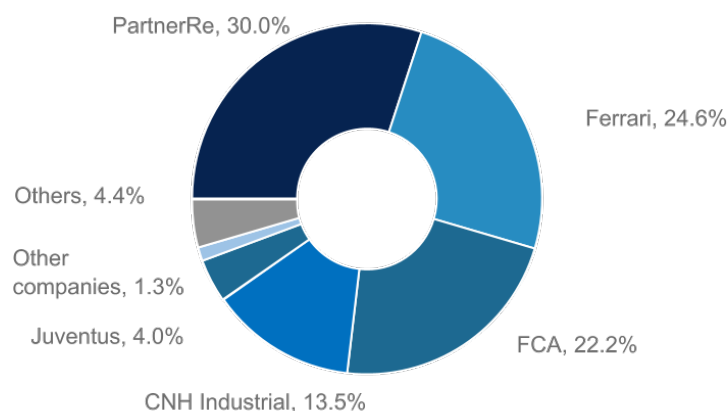
- (a) Listed equity investments and other securities are valued at official market prices; unlisted equity investments are valued at fair value, which can be either (i) determined annually by an independent expert, (ii) based on a recent round or arms-length transaction or (iii) at cost if the investment has been completed recently.
- (b) At 31 December 2021, the fair value was aligned with the price under the terms of the definitive agreement signed with Covéa on 16 December 2021, equal to \$9 billion plus a price adjustment of around \$328 million. At 31 December 2020 and at 31 December 2019, the fair value was determined by an independent expert.
- (c) Other companies at 31 December 2021 include Christian Louboutin (€541 million), Via Transportation (€449 million), The Economist (€364 million), GEDI (€202 million), Welltec (€101 million) and Shang Xia (€84 million). Other companies at 31 December 2020 included The Economist (€280 million), GEDI (€207 million), Via Transportation (€163 million), Shang Xia (€78 million) and Welltec (€39 million). Other companies at 31 December 2019 included The Economist (€328 million), Welltec (€97 million) among others.
- (d) Listed securities at 31 December 2021 include Faurecia (€320 million) among others.
- (e) Until 31 December 2021, public funds were classified in the net financial position under the item cash, cash equivalents and financial assets. At 31 December 2021, following a management reassessment of these investments, they have been reclassified outside the net financial position. The previous year has been restated accordingly. Public funds are managed by Exor Capital mainly through a Luxembourg SICAV Fund.
- (f) Other assets include minor investments and receivables among others. Not included in the net financial position.
- (g) Assets included in the net financial position. These are investment-grade and high-yield bonds purchased by Exor.
- (h) Alliances include the investment in NUO.
- (i) At 31 December 2021, treasury stock includes shares held in treasury at the service of stock option plans, valued at the option strike price if less than market price. At 31 December 2020 and at 31 December 2019, it included also 870,748 shares not allocated to stock option plans. Shares bought back in the context of the 2018-2020 program are not included.
- (j) Mainly related to the Tax claim settled on 18 February 2022.
- (k) Based on 234,645,891 shares at 31 December 2021, 235,516,639 shares at 31 December 2020 and 236,121,668 shares at 31 December 2019.

The following chart illustrates the GAV composition at 31 December 2021 (€36,147 million), compared to 31 December 2020 (€28,151 million) and 31 December 2019 (€26,702 million).





31 December 2019



The composition of gross debt is presented below, in the calculation of net financial position.

Reconciliation with the IFRS financial statements

The following table shows the reconciliation between the Net Asset Value (NAV) and the issued capital and reserves attributable to owners of the parent.

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Issued capital and reserves attributable to owners of the parent	16,759	13,090	15,025
Difference between the market value and the book value of the investments	14,215	10,785	8,095
Treasury stock and other	95	166	162
Net Asset Value (NAV)	31,069	24,041	23,282

As described above, Gross Asset Value is a component of Net Asset Value. The following table shows the reconciliation between Gross Asset Value against the nearest IFRS measure:

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Issued capital and reserves attributable to owners of the parent	16,759	13,090	15,025
Difference between the market value and the book value of the investments	14,215	10,787	8,090
Gross Debt of the Holdings System	4,307	4,110	3,420
Treasury stock	95	164	167
Other liabilities of the Holdings System	771	0	0
Gross Asset Value (GAV)	36,147	28,151	26,702

Additionally, Gross Debt of the Holdings System is a component of Net Asset Value. The following table shows the reconciliation between Gross Debt of the Holdings System against the nearest IFRS measure:

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Gross debt consolidated^(a)	28,950	52,932	43,499
(Less) Gross debt of the operating subsidiaries accounted for using the equity method in the Holdings System	24,643	48,822	40,079
Gross debt of the Holdings System	4,307	4,110	3,420

(a) IFRS measure. Financial debt and other financial liabilities in the Statement of financial position. Data at 31 December 2020 included gross debt of FCA for €21,750 million (€13,219 million at 31 December 2019), deconsolidated at 16 January 2021 following the merger with PSA occurred in 2021.

Net financial position of the Holdings System (determined using the shortened consolidation criterion)

The net financial position of the Holdings System, determined by applying the shortened consolidation criterion, is the representative measure of the financial resources and commitments directly attributable to and managed by Exor. This APM is a metric used to indicate to shareholders and investors the financial resources and indebtedness directly attributable to Exor, rather than the consolidated financial resources and indebtedness of the Group.

The following table shows the net financial position of the Holdings System and details the composition thereof, namely cash, cash equivalents and financial assets less Gross Debt of the Holdings System:

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Financial assets and financial receivables	100	367	366
Cash and cash equivalents	283	492	423
Cash, cash equivalents and financial assets of the Holdings System (A)	383	859	789
Exor bonds	4,069	3,855	3,391
Bank debt	150	—	—
Commercial paper	—	160	—
Other financial liabilities	88	95	29
Gross debt of the Holdings System (B)	4,307	4,110	3,420
Net financial position of the Holdings System (A) – (B)	(3,924)	(3,251)	(2,631)

Reconciliation with the IFRS financial statements

Considering that the net financial position of the Holdings System is a non-IFRS measure, the reconciliations with the IFRS financial statements are presented for the components of the net financial position of the Holdings System, meaning cash, cash equivalents and financial assets and gross debt.

The reconciliation of cash, cash equivalents and financial assets of the Holdings System against the nearest IFRS measure is as follows:

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Cash and cash equivalents^(a)	7,905	35,561	22,935
(Less) Cash and cash equivalents of the operating subsidiaries accounted for using the equity method in the Holdings System	(7,622)	(35,069)	(22,512)
Financial assets and financial receivables	100	367	366
Cash, and cash equivalents and financial assets of the Holdings System	383	859	789

(a) IFRS measure. Data at 31 December 2020 included cash and cash equivalents of FCA for €23,846 million (€15,014 at 31 December 2019), deconsolidated at 16 January 2021 following the merger with PSA occurred in 2021.

The reconciliation of Gross Debt of the Holdings System against the nearest IFRS measure is as follows:

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Gross debt consolidated^(a)	28,950	52,932	43,499
(Less) Gross debt of the operating subsidiaries accounted for using the equity method in the Holdings System	24,643	48,822	40,079
Gross debt of the Holdings System	4,307	4,110	3,420

(b) IFRS measure. Financial debt and other financial liabilities in the Statement of financial position. Data at 31 December 2020 included gross debt of FCA for €21,750 million (€13,219 million at 31 December 2019), deconsolidated at 16 January 2021 following the merger with PSA occurred in 2021.

Share of the profit (loss) from investments in subsidiaries and associates (determined using the shortened consolidation criterion)

The share of the profit (loss) from investments in subsidiaries and associates is determined using the shortened consolidation criterion and measures the profitability of Exor's investments. This APM is a metric used to indicate the profits or losses directly attributable to Exor's proportionate shareholding in its subsidiaries and associates, rather than the consolidated profits or losses attributable to the Group. The composition is as follows:

<i>(€ million)</i>	2021	2020	2019
Ferrari	201	146	167
PartnerRe	580	181	798
Stellantis ^(a)	1,905	—	—
FCA ^(b)	8	8	1,898
CNH Industrial	398	(176)	212
Juventus Football Club	(137)	(98)	(62)
Christian Louboutin	22	—	—
Exor Seeds	111	19	4
The Economist Group	11	13	12
GEDI Gruppo Editoriale ^(c)	(31)	(11)	—
Other	20	(3)	4
Share of the profit (loss) from investments in subsidiaries and associates	3,088	79	3033

a) The result refers to the period 17 January to 31 December 2021.

b) The result refers to the period 1 January to 16 January 2021.

c) In the year 2019, the investment was accounted at fair value through other comprehensive income.

Reconciliation with the IFRS financial statements

The reconciliation of the share of the profit from investments in subsidiaries and associates (determined using the shortened consolidation criterion) with the nearest IFRS measure is as follows:

<i>(€ million)</i>	2021	2020	2019
Profit (loss) attributable to owners of the parent^(a)	1,717	(30)	3,053
Less:			
- Other losses (gains)	—	31	—
- Profit from investments at FVTOCI	(8)	—	—
- Net financial income/expenses	57	105	(44)
- Net recurring general expenses	19	19	21
- Net non-recurring other income/expenses ^(b)	514	(50)	1
- Income taxes and other taxes and duties	789	4	2
Share of the profit (loss) from investments in subsidiaries and associates	3,088	79	3,033

(a) IFRS measure.

(b) In the year 2021 includes €504 million arising from the deconsolidation of FCA, following the merger of PSA with and into FCA, in particular, €490 million relates to the reversal to the income statement of Exor's share in the FCA items previously recognised in other comprehensive income reserve.

LTV Ratio

Exor focuses on managing its leverage and keeping indebtedness below 20% of Loan-to-Value (LTV) ratio as a target. LTV ratio is a measure used to assess the financial risk profile of an investment holding company, and, in respect of Exor, is calculated by the sum of the net financial position of the Holdings System and other liabilities of the Holdings System, and dividing the product by the sum of the Gross Asset Value of the Company net of cash, cash equivalents and other financial assets of the Holdings System, expressed as a percentage. The Company's LTV ratio at 31 December 2021 was equal to 13% and the current LTV ratio is not applicable as the Company's financial position is net cash. This APM is a ratio used to provide shareholders and investors with a metric which shows the relationship between the Company's net debt and the value of its portfolio of companies.

The below table sets out the Company's LTV ratio at 31 December for 2021, 2020 and 2019:

<i>(€ million)</i>	31/12/2021	31/12/2020	31/12/2019
Net financial position of the Holdings System	(3,924)	(3,251)	(2,631)
Other liabilities of the Holdings System ^(a)	(771)	—	—
Numerator	(4,695)	(3,251)	(2,631)
Gross Asset Value	36,147	28,151	26,702
Cash, cash equivalents and financial assets of the Holdings System	383	859	789
Denominator	35,764	27,292	25,913
LTV Ratio	13.13%	11.91%	10.15%

a) In 2021, the LTV ratio had been adjusted to reflect the tax claim accrued at 31 December 2020 and paid in February 2022.

9.7 Liquidity and Capital Resources

(A) Cash flow

The Company depends largely on access to cash flows from investee companies in the form of distributions, and as part of its daily operations and in its ordinary course of business, uses available credit facilities (as described in "Cash and cash equivalents and undrawn credit lines" below) to manage its cash flow needs. The following table sets out the Exor Group's cash flows and cash and cash equivalents positions for the periods indicated:

<i>(€ million)</i>	Years ended 31 December		
	2021	2020¹	2019

Cash flows from operating activities:			
Profit (loss) from continuing operations	3,350	(230)	4,985
Amortisation and depreciation	1,728	1,689	7,119
Gains on disposal of non-current assets	(40)	(102)	(379)
Other non-cash items	1,420	960	(1,121)
Dividends received	61	29	181
Change in provisions	357	148	(1,962)
Change in deferred taxes	(205)	(325)	1,028
Change in inventories, trade and other receivables and payables	(1,279)	1,758	2,195
Cash flows from operating activities – discontinued operations	(1,215)	10,134	(308)
Total	4,177	14,061	11,738
Cash flows used in investing activities:			
Investments in property, plant and equipment and intangible assets	(1,960)	(1,653)	(10,290)
Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets	(2,928)	(331)	(285)
Consideration paid for the acquisition of GEDI net of cash and cash equivalents acquired	—	(175)	—
Consideration paid for the acquisition of Full More Group net of cash and cash equivalents acquired	—	(76)	—
Net change in Investments of Reinsurance companies (PartnerRe Group)	—	—	2,116
Proceeds from disposal of investments, tangible, intangible and financial assets	165	267	252
Net change in financial receivables	(945)	490	(222)
Net change in securities	13	(104)	(303)
Net cash proceeds from disposal of discontinued operations	—	15	5,348
Other changes	130	—	91
Cash flows used in investing activities – discontinued operations	(1,533)	(8,535)	(155)
Total	(7,058)	(10,102)	(3,448)
Cash flows used in financing activities:			
Issuance of notes	1,355	3,085	2,480
Repayment of notes	(2,258)	(725)	(3,491)
Proceeds of other long-term debt	729	2,173	1,762
Repayment of other long-term debt	(562)	(1,778)	(3,049)
Net change in short-term debt and other financial assets/liabilities	(615)	(1,174)	(316)
Capital increases by subsidiaries	138	32	104
Exercise of stock options	12	—	(419)
Buyback of treasury shares	—	(28)	(207)
Dividends paid	(455)	(268)	(2,615)
Other changes	(281)	(208)	(9)
Cash flows used in financing activities – discontinued operations	(251)	9,517	325
Total	(2,188)	10,626	(5,435)
Translation exchange differences	502	(1,949)	242
Total Change in Cash and Cash Equivalents	(4,567)	12,636	3,097
Cash and cash equivalents at beginning of the period	35,561	22,935	19,136
Cash and cash equivalents at the beginning of the period included in Assets held for sale	27	17	719
Deconsolidation of FCA Group	(22,532)	—	—
Cash and cash equivalents at the end of the period included in Assets held for sale	(584)	(27)	(17)
Cash and cash equivalents at the end of the period	7,905	35,561	22,935

1. The 2020 data have been re-presented following the classification of the FCA Group and the PartnerRe Group as Discontinued Operations for the year ended 31 December 2021, as requested by the IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

For the table which summarises the cash-flows of FCA Group and PartnerRe Group that were presented as discontinued cash-flows for the year ended 31 December 2020, please refer to the Note 3 Scope of Consolidation of the 2021 Financial Statements.

In 2021, the Group generated positive cash flows from operating activities for €4,177 million, while the cash flow in investing activities is a negative €7,058 million mainly related to the investments in property, plant and equipment and intangible assets for €1,960 million and investment in subsidiaries and associates for €2,928 million. Net cash used in financing activities was €2,188 million, primarily related to the repayment of notes (€2,258 million) and other long-term debt (€562 million), partially offset by issues of new notes (€1,355 million) and new medium/long-term loans drawn (€729 million).

In 2020, the Group generated positive cash flows from the operating activities for €14,061 million (of which €10,134 million from discontinued operations) and negative cash flows from investing activities for €10,102 million (of which €8,535 million from discontinued operations). Cash flows from investing activities from continuing operations (€1,567 million) mainly refer to the investments in property, plant and equipment and intangible assets for €1,653 million, investment in subsidiaries and associates for €582 million, partially offset by a net positive change in financial receivables for €490 million. Net cash used in financing activities for the continuing operations was €1,109 million primarily related to the repayment of notes (€725 million) and other long-term debt (€1,778 million), partially offset by issues of new notes (€3,085 million) and new medium/long-term loans drawn (€2,173 million).

In 2019, the Group generated positive cash flows from the operating activities for €11,738 million (of which €308 million from discontinued operations) and negative cash flows from investing activities for €3,448 million (of which €155 million from discontinued operations). Cash flows from investing activities from continuing operations (€3,293 million) mainly refer to the investments in property, plant and equipment and intangible assets for €10,290 million, investment in subsidiaries and associates for €285 million, partially offset by net investments of Reinsurance companies (PartnerRe Group) for €2,116 and net cash proceeds from disposal of discontinued operations for €5,348 million. Net cash used in financing activities for the continuing operations was €5,760 million primarily related to the repayment of notes (€3,491 million) and other long-term debt (€3,049 million), partially offset by issues of new notes (€2,480 million) and new medium/long-term loans drawn (€1,762 million).

(B) Cash and cash equivalents and undrawn credit lines

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Cash at banks	6,997	18,701	11,530
Money market securities and other cash equivalents	15	16,133	10,461
Restricted cash	893	727	944
Total cash and cash equivalents	7,905	35,561	22,935

At 31 December 2021, the cash and cash equivalents decreased primarily due to the deconsolidation of FCA and PartnerRe for €22,514 million and €584 million, respectively.

Undrawn Credit Facilities

<i>(€ billion)</i>	At 31 December		
	2021	2020	2019
Exor	0.4	0.5	0.4
CNH Industrial	4.0	4.4	4.9
Ferrari	0.7	0.7	0.4
Juventus	0.3	0.3	0.1

PartnerRe ¹	—	0.8	0.6
FCA	—	7.3	7.6

1. In compliance with IFRS 5, PartnerRe assets and liabilities at 31 December 2021 have been classified at Assets and Liabilities held for sale.

At 31 December 2021, the main committed credit facilities were as follows:

- CNH Industrial: €4 billion revolving credit facility expiring in 2024 with two extension options of 1-year each, exercisable on the first and second anniversary of the signing date. CNH Industrial exercised the first of the two extension options at 28 February 2020 and the second extension option at 26 February 2021. The facility is now due to mature in March 2026 for €3,950.5 million, and the remaining €49.5 million will mature in March 2025. The credit facility replaced the five-year €1.75 billion credit facility which was due to mature in 2021. The facility is guaranteed by CNH Industrial with cross guarantees from each of the borrowers; and
- Ferrari: €350 million unsecured committed revolving credit facility, negotiated in 2019, with 5-year tenure with two further one-year extension options exercisable on the first and second year from the signing date, and the additional committed credit lines of €350 million secured in April 2020, with tenures ranging from 18 to 24 months. The mentioned credit facilities were undrawn at 31 December 2021.

At 31 December 2020, the main committed credit facilities were as follows:

- FCA: undrawn committed credit lines totaling €7.3 billion, including the €6.25 billion syndicated revolving credit facility and €1.1 billion of other revolving lines of credit;
- CNH Industrial: €4 billion revolving credit facility expiring in 2024 with two extension options of 1-year each, exercisable on the first and second anniversary of the signing date. CNH Industrial exercised the first of the two extension options at 28 February 2020 and the second extension option at 26 February 2021. The facility is now due to mature in March 2026 for €3,950 million, and the remaining €49.5 million will mature in March 2025. The credit facility replaced the existing five-year €1.75 billion credit facility which was due to mature in 2021. The facility is guaranteed by CNH Industrial with cross guarantees from each of the borrowers;
- Ferrari: €350 million unsecured committed revolving credit facility, negotiated in 2019, with 5-year tenure with two further one-year extension options exercisable on the first and second year from the signing date, and the additional committed credit lines of €350 million secured in April 2020, with tenures ranging from 18 to 24 months. The mentioned credit facilities were undrawn at 31 December 2020; and
- PartnerRe: \$400 million credit facility with the first \$100 million being unsecured and the remainder secured. This facility matures each year on 14 November and unless cancelled by either party automatically renews. Other secured credit facilities for an amount of \$350 million. PartnerRe maintains committed secured letter of credit facilities which must be fully secured with cash and/or government bonds and/or investment grade bonds.

(C) Notes, Interest-Bearing Loans and Borrowings

The Group's sources of financing are largely represented by bond issues and bank loans (including, without limitation, credit facilities as described in “- *Cash and cash equivalents and undrawn credit lines*” above). The Company's sources of financing are represented by public and private bond issues and bank loans (including, without limitation, committed and uncommitted credit facilities as described in “- *Cash and cash equivalents and undrawn credit lines*” above, to manage its cash flow needs), as well as commercial paper.

Financial liabilities and the revolving credit facility agreements may impose covenants on the borrower and in certain cases on the guarantor, which are typical of international practice for similar liabilities.

The covenants vary from facility to facility and may include among others: (i) negative pledge clauses which require that, in case any security interest in assets of the issuer is granted in connection with other notes or debt securities having the same ranking, such security should be equally and ratably extended to the outstanding notes, subject to certain permitted exceptions; (ii) *pari passu* clauses, under which the debt rank and will rank *pari passu* with all other present and future unsubordinated and unsecured obligations of the issuer; (iii) periodic disclosure obligations; (iv) cross-default clauses which require immediate repayment of the debt under certain events of default on other financial instruments of the relevant issuer; (v) limitation of new real guarantees and asset sales on certain company assets without the consent of the creditor; (vi) limitation on incurrence of liens; (vii) limitations on incurrence, repayment and prepayment of indebtedness, and (viii) other clauses that are generally applicable to securities of a similar type. A breach of these covenants may require the early repayment of the underlying indebtedness.

At 31 December 2021, 2020 and 2019, the Group was in compliance with all covenants under its debt agreements. In this regard, it should be noted that Exor is a holding company at the head of a diversified and non-integrated group and does not exercise management and coordination activities over its subsidiaries, which operate in full autonomy.

It should also be noted that Exor has not assumed any guarantees in relation to the indebtedness of its investee operating companies.

The financial debt is also affected by the assets-backed financing (almost entirely related to the CNH Industrial Group) that represents the amount of financing received through factoring transactions which do not meet the asset derecognition requirements and which are recognised as assets for the same amount in the consolidated statement of financial position in the 2021 Financial Statements. The composition of Asset-backed financing is as presented below.

Consolidated Gross debt

(<i>€ million</i>)	At 31 December		
	2021	2020 ^(a)	2019 ^(a)
Notes	13,283	23,865	19,031
Borrowings from banks	2,880	13,108	7,562
Asset-backed financing	10,661	10,518	11,405
Payables represented by securities	1,081	1,696	1,899
Lease liabilities	504	2,253	2,180
Other financial debt	275	661	954
Other financial liabilities	266	831	468
Consolidated Gross debt^(a)	28,950	52,932	43,499

(a) Or financial debt and other financial liabilities as in the Statement of financial position. Data at 31 December 2020 included gross debt related to FCA for €21,750 million (€13,219 million at 31 December 2019), deconsolidated at 16 January 2021 following the merger with PSA occurred in 2021 and PartnerRe for €1,915 million (€1,476 million at 31 December 2019).

(<i>€ million</i>)	At 31 December		
	2021	2020	2019
Financial debt	28,684	52,101	43,031
Other financial liabilities	266	831	468
Total financial debt and other financial liabilities	28,950	52,932	43,499

At 31 December 2021, the financial debt and other financial liabilities decreased primarily due to the deconsolidation of the FCA Group for €21,593 million and the reclassification of the financial debt and

other financial liabilities of the PartnerRe Group for €1,937 million, as liabilities held for sale, in accordance with IFRS 5.

The composition of financial debt by entity is as follows:

(<i>€ million</i>)	At 31 December		
	2021	2020	2019
Exor	4,235	4,030	3,393
CNH Industrial	21,414	21,746	22,689
Ferrari	2,630	2,725	2,090
PartnerRe ¹	—	1,912	1,475
Juventus	239	396	464
GEDI	161	143	—
Shang Xia	5	10	—
FCA	—	21,139	12,920
Total financial debt	28,684	52,101	43,031

1. The balance at 31 December 2021, in compliance with IFRS 5, has been reclassified in the consolidated statement of financial position in the 2021 Financial Statements at the line *Liabilities held for sale*.

Notes

(<i>€ million</i>)	At 31 December		
	2021	2020	2019
Exor	4,069	3,855	3,391
CNH Industrial	7,548	7,887	6,940
Ferrari	1,487	1,883	886
PartnerRe ¹	—	1,608	1,245
Juventus	179	178	178
FCA	—	8,454	6,391
Total notes	13,283	23,865	19,031

1. The balance at 31 December 2021, in compliance with IFRS 5, has been reclassified in the consolidated statement of financial position in the 2021 Financial Statements at the line *Liabilities held for sale*.

The composition of notes at 31 December 2021, 2020 and 2019 is as follows:

Issuer	Currency	Face value outstanding (in million)	Coupon	Maturity	At 31 December		
					2021	2020	2019
					Outstanding amount (in € million)		
Exor							
Exor	€	200	3.375%	Nov 2020	—	—	201
Exor	€	602	2.125%	Dec 2022	602	749	748
Exor	€	500	2.50%	Oct 2024	503	653	653
Exor	€	100	5.25%	Jan 2025	104	104	104
Exor	€	450	2.875%	Dec 2025	451	451	451
Exor	\$	170	4.398% paid semi- annually	May 2026	151	139	152
Exor	€	500	1.75%	Jan 2028	502	502	501
Exor	€	200	3.125%	Feb 2038	202	201	201
Exor	€	500	2.25%	Apr 2030	500	499	—
Exor	€	500	0.875%	Jan 2031	498	—	—

Exor	Yen	10,000	2.80% paid semi-annually	May 2031	77	80	82
Exor	€	500	1.75%	Oct 2034	479	477	298
Total Exor Notes					4,069	3,855	3,391
Medium Term Note Programme (MTNP)							
CNH Industrial Group	€	4,327	0.00% - 3.875%	Sep 21 - Jul 2039	3,644	4,328	3,578
FCA Group	€	4,750	3.375% - 4.5%	July 2023 - July 2028	—	4,757	3,607
FCA Group	€	2,350	4.750%	March 2021 - July 2022	—	2,350	—
Total Medium Term Notes					3,644	11,435	7,185
Other Notes							
CNH Industrial Group	\$	3,831	0.00% - 4.875%	Apr 2021 - Nov 2027	3,382	3,367	3,206
CNH Industrial Group	AUD	175	2.10%	Dec 22	272	110	109
CNH Industrial Group	CAD	300	1.5%	Oct 2024	208	—	—
CNH Industrial Group	ARS	701	36.00%	Aug 21	—	7	—
Ferrari Group	€	1,485	1.5%	March 2023 - May 2025	1,487	1,883	886
PartnerRe Group ¹	\$	1,062	3.7%-6.44%	July 2029 - Dec 2066	—	863	504
PartnerRe Group ²	€	750	1.25%	Sep 26	—	745	741
Juventus	€	175	3.35%	Feb 24	179	178	178
FCA Group	\$	3,000	4.5% - 5.25%	Apr 2020 - Apr 2023	—	1,223	2,670
Total Other Notes					5,529	8,376	8,294
Hedging effect and amortised cost valuation					41	199	161
Total Notes					13,283	23,865	19,031

- The balance at 31 December 2021 of €930 million was reclassified in the consolidated statement of financial position (as contained in the 2021 Financial Statements) in the line *Liabilities held for sale*.
- The balance at 31 December 2021 of €745 million was reclassified in the consolidated statement of financial position (as contained in the 2021 Financial Statements) in the line *Liabilities held for sale*.

Borrowings from banks

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Exor	150	—	—
CNH Industrial	2,490	2,824	3,703
Ferrari	154	29	33
Juventus	14	21	112
GEDI	71	41	—
FCA	—	10,193	3,714
Total Borrowings from banks	2,880	13,108	7,562

Asset-backed financing

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
CNH Industrial	9,761	9,716	10,466
Ferrari	900	761	788
FCA	—	41	151
Total asset-backed financing	10,661	10,518	11,405

Exor believes that the Gross Debt of the Holdings System, a non-IFRS financial measure as defined in “*Selected Consolidated Financial Information - Alternative Performance Measures*” is a useful analytical metric for measuring Exor's effective borrowing requirements. The detail of the Gross Debt of the Holdings System at 31 December 2021, 2020 and 2019 is as follows:

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Exor bonds	4,069	3,855	3,391
Bank debt	150	—	—
Commercial paper	—	160	—
Other financial liabilities	88	95	29
Total gross debt of the Holdings System	4,307	4,110	3,420

The reconciliation of the consolidated gross debt of Exor Group with the consolidated Gross Debt of the Holdings System is as follows:

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Gross debt consolidated	28,950	52,932	43,499
(Less) Gross debt of the operating subsidiaries accounted for using the equity method in the Holdings System	(24,643)	(48,822)	(40,079)
Total gross debt of the Holding System	4,307	4,110	3,420

(D) Bond Notes

Of the bond notes issued by the Company and outstanding (the **Bond Notes**), those issued before 11 December 2016 were issued by Exor S.p.A. As a result of the Merger, the Company was renamed “*Exor N.V.*” and acquired all the assets and assumed all the liabilities and other legal relationships of Exor S.p.A. under universal title of succession.

All Bond Notes are listed on the Luxembourg Stock Exchange, except for the 2.80% Bond Notes, which were issued in a private placement to an institutional investor.

The Bond Notes are rated BBB+ by S&P, in line with the Company’s long-term debt rating.

The Company intends to repay the Bond Notes in cash at maturity using available liquid resources and undrawn credit lines. The Company may, from time to time, buy back Bond Notes on the market for purposes of their cancellation. Such buybacks, if made, depend on market conditions, the Company’s financial situation and other factors which could affect such decisions.

The Bond Notes contain a negative pledge clause, which requires that, in case any security interest in assets of the Company is granted in connection with other notes or debt securities having the same ranking, such security should be equally and ratably extended to the relevant notes, subject to certain permitted exceptions. The Bond Notes further contain periodic disclosure obligations.

The 2.80% Bond Notes establish a covenant requiring the Company to maintain a financial ratio of net borrowings to asset value, calculated by reference to the Company's shortened consolidated financial statements, higher than 0.5 to 1.0 at the relevant time (as at 31 December 2021, the net borrowings to asset value ratio contemplated by the covenant was 0.12; as at the date of this Prospectus, pursuant to the disposal of PartnerRe, the Company is in a net cash position (0) and accordingly has full headroom in relation to the ratio).

The Bond Notes and coupons rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Company, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

The Bond Notes contain an extensive list of events of default, as set out below. The holder of the Bond Notes may give notice to the Company that the relevant Bond Note is immediately due and repayable at its principal amount, together with interest accrued to the date of repayment, if any of the following events of default shall have occurred and be continuing:

- if default is made in the payment of any principal or interest due in respect of the Bond Notes or any of them and the default continues for a period of ten days; or
- if the Company fails to perform or observe any of its other obligations under the conditions as defined in the relevant underlying prospectus documentation and (except in any case where the failure is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days next following the service by any noteholder on the Company of notice requiring the same to be remedied; or
- if (i) any indebtedness for borrowed money as defined in the relevant underlying prospectus documentation of the Company or any consolidated subsidiary becomes due and repayable prematurely by reason of an event of default (however described); (ii) the Company or any consolidated subsidiary fails to make any payment in respect of any indebtedness for borrowed money on the due date for payment (as extended by any originally applicable grace and/or remedy period); (iii) any security given by the Company or any consolidated subsidiary for any indebtedness for borrowed money becomes enforceable; (iv) default is made by the Company or any consolidated subsidiary in making any payment due under any guarantee and/or indemnity given by it in relation to any indebtedness for borrowed money of any other person (as extended by any originally applicable grace and/or remedy period), provided that no such event shall constitute an event of default where the Company or such consolidated subsidiary is contesting in good faith by, in the reasonable opinion of the Company, appropriate means its liability to make payment thereunder or unless the aggregate indebtedness for borrowed money relating to all such events which shall have occurred and be continuing shall amount to at least €30,000,000 (or its equivalent in any other currency);
- if any order is made by any competent court or resolution passed for the winding up or dissolution of the Company or any of its consolidated subsidiaries, save (A) on terms approved by an extraordinary resolution as defined in the relevant underlying prospectus documentation of noteholders or (ii) for the purpose of and followed by a permitted reorganization as defined in the relevant underlying prospectus documentation; or
- (A) if the Company or any of its consolidated subsidiaries ceases or threatens to cease to carry on the whole or a substantial part of its business activities, save for (i) the purposes of reorganisation on terms approved by an extraordinary resolution as defined in the relevant underlying prospectus documentation of noteholders or (ii) the purposes of a permitted reorganisation, as defined in the relevant underlying prospectus documentation, or (iii) any transaction under which all of the assets of the Company or any consolidated subsidiary are transferred, sold, assigned or contributed to a third party or parties (whether associated or not) for full consideration received by the Company or the consolidated subsidiary on an arm's length basis or (iv) the payment of dividends (including extraordinary dividends) by the Company

or any of its Consolidated Subsidiaries, or (B) if the Company or any of its consolidated subsidiaries stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent (for the purposes of this paragraph, substantial part of its business activities means a part of the relevant entity's business which accounts for 20 per cent. or more of the assets of the Group on a consolidated basis); or

- if (i) proceedings are initiated against the Company or any of its consolidated subsidiaries under any applicable bankruptcy, liquidation (other than a solvent liquidation), insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Company or any of its consolidated subsidiaries, or an encumbrancer takes possession in relation to the Company or any consolidated subsidiaries, or a moratorium, distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the Company or any of its consolidated subsidiaries; and (ii) in any such case (other than the appointment of an administrator) is not discharged, stayed or otherwise removed within 30 days (such period commencing, in the case of any Consolidated Subsidiary incorporated under Italian law, on the date of the first hearing of the relevant position or application); or
- if the Company or any of its consolidated subsidiaries (i) initiates or consents to judicial proceedings relating to itself under any applicable bankruptcy, liquidation (other than a solvent liquidation), insolvency, composition, reorganisation or other similar laws or (ii) other than in the ordinary course of its business, makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors) in respect of all or a material part of its debt; or
- if the Company repudiates its obligations in respect of the relevant Bond Notes or does or causes to be done any act or thing which evidences an intention to repudiate such obligations; or
- if at any time any act, condition or thing which is required to be done, fulfilled or performed in order (i) to enable the Company lawfully to enter into, exercise its rights under and perform the obligations expressed to be assumed by it under and in respect of the relevant Bond Notes; (ii) to ensure that those obligations are legal, valid, binding and enforceable; or (iii) to make the relevant Bond Notes and the coupons admissible in evidence in (The Netherlands or) the Republic of Italy is not done, fulfilled or performed; or
- if at any time it is or becomes unlawful for the Company to perform or comply with any or all of its obligations under or in respect of the relevant Bond Notes or any of the obligations of the Company thereunder are not or cease to be legal, valid and binding; or
- if any agency of any state shall seize, compulsorily acquire, expropriate or nationalise all or a material part of the assets or shares of the Company or any consolidated subsidiary and, in the case of a consolidated subsidiary, adequate compensation is not received by the owner of such assets or shares.

As at 31 December 2021, the Company was not in breach of any of the Bond Notes, and was in compliance with the financial covenant contained in the 2.80% Bond Notes.

The following Bond Notes issued by the Company contain change of control provisions, in terms of which bondholders are entitled to request early redemption of the relevant bonds:

- Non-convertible bond issue 2015/2022 of €750 million;

- Non-convertible bond issue 2014/2024 of €650 million;
- Non-convertible bond issue 2012/2025 of €100 million;
- Non-convertible bond issue 2015/2025 of €450 million;
- Non-convertible bond issue 2016/2026 of \$170 million;
- Non-convertible bond issue 2018/2028 of €500 million;
- Non-convertible bond issue 2020/2030 of €500 million;
- Non-convertible bond issue 2011/2031 of ¥10 billion;
- Non-convertible bond issue 2021/2031 of €500 million;
- Non-convertible bond issue 2019/2034 of €500 million; and
- Non-convertible bond issue 2018/2038 of €200 million.

The following Bond Notes issued by the Company contain provisions entitling the Company to redeem all of the bonds outstanding at an optional redemption date by making a payment to the bondholders equal to the optional redemption amount as defined in the relevant underlying prospectus documentation:

- Non-convertible bond issue 2018/2028 of €500 million;
- Non-convertible bond issue 2020/2030 of €500 million;
- Non-convertible bond issue 2021/2031 of €500 million;
- Non-convertible bond issue 2019/2034 of €500 million; and
- Non-convertible bond issue 2018/2038 of €200 million.

(E) Working Capital

In the opinion of the Company, the Group's working capital is sufficient for its present requirements; that is, for at least the next 12 months following the date of this Prospectus.

(F) Contractual Obligations and Commitments

The material commitments of the Group as at 31 December 2021 can be summarised as set out below. These commitments have been made in the Group's ordinary course of business on the basis of existing multi-year agreements.

Guarantees granted and commitments

Guarantees granted by the CNH Industrial Group

At 31 December 2021, Financial Services has various agreements to extend credit for the following financing arrangements:

	At 31 December 2021		
	Total Credit Limit	Utilised	Not utilised
Facility			
Wholesale and dealer financing (in € million)	6,665	2,406	4,259

At 31 December 2021, the CNH Industrial Group provided guarantees on the debt or commitments of third parties and performance guarantees mainly in the interest of a joint venture related to commercial commitments of defence vehicles amounting to €465 million (€501 million at 31 December 2020 and €403 million at 31 December 2019).

Guarantees granted by the PartnerRe Group

At 31 December 2021, approximately €93 million of cash and cash equivalents (€256 million at 31 December 2020 and €262 million at 31 December 2019) and €4,841 million of securities (€4,069 million at 31 December 2020 and €3,584 million at 31 December 2019) were deposited, pledged or held in escrow accounts in favour of ceding companies and other counterparties of government authorities to comply with regulations on reinsurance contracts and insurance laws.

Commitments of the Ferrari Group arising from contractual arrangements

Arrangements with key suppliers

From time to time, in the ordinary course of business, the Ferrari Group enters into various arrangements with key third party suppliers in order to establish strategic and technological advantages. A limited number of these arrangements contain unconditional purchase obligations to purchase a fixed or minimum quantity of goods and /or services with fixed and determinable price provisions.

Arrangements with sponsors

Certain of the Ferrari Group's sponsorship contracts include terms whereby the Ferrari Group is obligated to purchase a minimum quantity of goods and/or services from its sponsors. Future minimum purchase obligations under these arrangements at 31 December 2021, 2020 and 2019 were as follows for the Ferrari Group's continuing operations:

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Due within one year	80	68	72
Due between one and three years	60	54	16
Due between three and five years	15	17	5
Due beyond five years	1	—	—
Total	156	139	93

Commitments of Juventus

At 31 December 2021, the commitments of Juventus included guarantees received from leading credit institutions of €40 million (€56 million at 31 December 2020 and €62 million at 31 December 2019) issued to guarantee the payables arising from the acquisition of players' registration rights (€33 million) and other commitments (€7 million). These aforementioned commitments will be financed by the operating cash flow generated by the Group, which the Group believes to be sufficient to fulfil its commitments with.

(G) Capital Expenditures and Investments

<i>(€ million)</i>	At 31 December		
	2021	2020	2019
Additions to Property, plant and equipments	2,100	6,903	7,548
Additions to Intangible assets	1,196	4,551	4,647
Total Capital Expenditures and Investments	3,296	11,454	12,195

In 2021, additions to *Property, plant and equipments* total €2,100 million and mainly refer to the CNH Industrial Group for €1,134 million and the Ferrari Group for €365 million. In 2020, *Additions to Property, plant and equipments* totalled €6,903 million and mainly referred to the FCA Group for €5,600 million, the CNH Industrial Group for €1,014 million and the Ferrari Group for €382 million. In 2019, *Additions to Property, plant and equipments* totalled €7,548 million and mainly refer to the FCA Group for €5,403 million, the CNH Industrial Group for €1,035 million and the Ferrari Group for €352 million.

(H) Off-Balance Sheet Arrangements and Contingent Liabilities

Please see “*Business – Litigation*” for an overview as per 31 December 2021 of the main lawsuits pending and the contingent liabilities associated with them. There are no off-balance sheet arrangements.

9.8 Financial Risk Management

The Group is exposed to the following financial risks connected with its operations:

- credit risk related to its financing activities;
- liquidity risk, with particular reference to the availability of funds and access to the credit market and to financial instruments in general;
- financial markets risk (primarily relating to exchange rates and interest rates);
- currency risk;
- interest rate risk;
- interest rate benchmark reform; and
- sensitivity analysis.

These risks could significantly affect the Group’s financial position and results and for this reason, the Group systematically identifies and monitors these risks in order to detect potential negative effects in advance and take the necessary action to mitigate them, primarily through its operating and financing activities and if required, through the use of derivative financial instruments in accordance with established risk management policies.

The following section provides qualitative and quantitative disclosures on the effect that these risks may have upon the Group. The quantitative data reported in the following paragraphs does not have any predictive value. In particular, the sensitivity analysis on market risks does not reflect the complexity of the market or the reaction, which may result from any changes that are assumed to take place.

The credit concentration risk differs in relation to the activities carried out by the segments and sales markets in which the Group operates; in all cases, however, the risk is mitigated by the large number of counterparties and customers. Considered from a global point of view, however, there is a concentration of credit risk in trade receivables and receivables from financing activities, in particular dealer financing and finance leases in the European Union market and in North America, as well as in Latin America for the Agriculture, Construction and Commercial and Specialty Vehicles segments of CNH Industrial Group.

(A) Credit Risk

The maximum credit risk to which the Group is theoretically exposed at 31 December 2021, 2020 and 2019 is represented by the carrying amounts of financial assets in the financial statements and the nominal value of the guarantees provided on debt or commitments to third parties.

Dealers and final customers are generally subject to specific assessments of their creditworthiness under a detailed scoring system. In addition to carrying out this evaluation process, the Group may also obtain financial and non-financial guarantees for risks arising from credit granted for the sale of commercial vehicles, agricultural

equipment and construction equipment. These guarantees are further secured, where possible, by retention of title clauses or specific guarantees on financed vehicle sales to the distribution network and on vehicles under finance leasing agreements.

For further information regarding the exposure to credit risk and ECLs of trade receivables, other receivables and financial receivables at 31 December 2021, refer to Note 18 Trade and other receivables of the 2021 Financial Statements.

(B) *Liquidity Risk*

Liquidity risk represents the risk that the Group is unable to obtain the funds needed to carry out its operations and meet its obligations. Any actual or perceived limitations on the Group's liquidity may affect the ability of counterparties to do business with the Group or may require additional amounts of cash and cash equivalents to be allocated as collateral for outstanding obligations.

The continuation of challenging economic conditions in the markets in which the Group operates and the uncertainties that characterise the financial markets, necessitate special attention to the management of liquidity risk. Additionally, as part of the activities, the Group regularly carries out funding operations on the various financial markets which may take on different technical forms and which are aimed at ensuring that it has an adequate level of current and future liquidity.

Measures taken to generate financial resources through operations and to maintain an adequate level of available liquidity are an important factor in ensuring normal operating conditions and addressing strategic challenges. The Group therefore plans to meet its requirements to settle liabilities as they fall due and to cover expected capital expenditures by using cash flows from operations and available liquidity, renewing or refinancing bank loans and making recourse to the bond market and other forms of funding.

The two main factors that determine its liquidity situation are the funds generated by or used in operating and investing activities and the debt lending period and its renewal features or the liquidity of the funds employed and market terms and conditions.

The Group has adopted a series of policies and procedures whose purpose is to optimise the management of funds and to reduce liquidity risk as follows:

- centralising the management of receipts and payments where it may be economical in the context of the local civil, currency and fiscal regulations of the countries in which the Group is present;
- maintaining a conservative level of available liquidity;
- diversifying the means by which funds are obtained and maintaining a continuous and active presence in the capital markets;
- obtaining adequate credit lines; and
- monitoring future liquidity on the basis of business planning.

Details of the repayment structure of the Group's financial assets and liabilities are provided in Note 18 Trade and other receivables, Note 26 Financial debt and other financial liabilities, Note 27 Other financial assets and other financial liabilities, Note 28 Trade payables and Note 29 Other liabilities of the 2021 Financial Statements.

Exor Group believes that the funds currently available, together with the funds that will be generated from operating and financing activities, will enable the Group to satisfy its requirements resulting from its investing activities and its working capital needs and to fulfil its obligations to repay its debt at the natural due date.

(C) Financial Markets Risk

Due to the nature of its business, the Exor Group is exposed to a variety of financial market risks, including foreign currency exchange rate risk and interest rate risk.

The Group's exposure to foreign currency exchange rate risk arises both in connection with the geographical distribution of the Group's industrial activities compared to the markets in which it sells its products, and in relation to the use of external borrowing denominated in foreign currencies.

The Group's exposure to interest rate risk arises from the need to fund industrial and financial operating activities and the necessity to deploy surplus funds. Changes in market interest rates may have the effect of either increasing or decreasing the Group's result, thereby indirectly affecting the costs and returns of financing and investing transactions.

The Group regularly assesses its exposure to foreign currency and interest rate risk and manage those risks through the use of derivative financial instruments in accordance with its established risk management policies.

The policies adopted by the Group permit derivatives to be used only for managing the exposure to fluctuations in exchange and interest rates connected with future cash flows and assets and liabilities, and not for speculative purposes.

Derivative financial instruments designated as fair value hedges are utilised mainly to hedge:

- the currency risk on financial instruments denominated in foreign currency; and
- the interest rate risk on fixed rate loans and borrowings.

The instruments used for these hedges are mainly currency swaps, forward contracts, interest rate swaps and combined interest rate and currency financial instruments.

Derivative financial instruments as cash flow hedges are utilised for the purpose of pre-determining:

- the exchange rate at which forecasted transactions denominated in foreign currencies will be accounted for; and
- the interest paid on borrowings, both to match the fixed interest received on loans (customer financing activity), and to achieve a pre-defined mix of floating versus fixed rate funding structured loans.

The exchange rate exposure on forecasted commercial flows is hedged by foreign currency swaps, forward contracts and currency options. Interest rate exposures are usually hedged by interest rate swaps and, in limited cases, by forward rate agreements. Counterparties to these agreements are major and diverse financial institutions.

Information on the fair value of derivative financial instruments held at the balance sheet date is provided in Note 28 Other financial assets and other financial liabilities of the 2021 Financial Statements.

(D) Currency Risk

The Group is exposed to risk resulting from changes in exchange rates, which can affect its earnings and equity.

Where one of the subsidiaries of the Group incurs costs in a currency different from that of its revenues, any change in exchange rates can affect the operating results of that company.

The principal exchange rates to which the Group is exposed are the following:

- EUR/USD, in relation to the production/purchases of Agriculture and Construction in the euro area and to sales in dollars made by Commercial and Specialty Vehicles;
- USD/BRL and EUR/BRL, in relation to production in Brazil and the respective import/export flows;
- AUD/USD, mainly in relation to sales made by Agriculture and Construction in Australia; and
- EUR/GBP, predominately in relation to sales on the U.K. market.

Trade flows of CNH Industrial exposed to changes in these exchange rates in 2021 made up approximately 77% of the exposure to currency risk from trade transactions.

It is the policy of CNH Industrial to use derivative financial instruments to hedge a certain percentage, on average between 55% and 85%, of the forecasted trading transaction exchange risk exposure for the coming 12 months with additional flexibility to reach 0% or 100% (including risk beyond that date where it is believed to be appropriate) and to hedge completely the exposure resulting from firm commitments.

Certain subsidiaries may hold trade receivables or payables denominated in a currency different from the subsidiary's functional currency. In addition, in a limited number of cases, subsidiaries may obtain financing or use funds in a currency different from their functional currency.

Changes in exchange rates may result in exchange gains or losses arising from these situations. It is the policy of the Group to hedge fully, whenever possible, the exposure resulting from receivables, payables, and securities denominated in foreign currencies different from the subsidiary's functional currency.

The Group monitors its principal exposure to translation exchange risk, although there were no specific hedging in place at 31 December 2021, 2020 and 2019.

There were no substantial changes in 2021 in the nature or structure of exposure to currency risk or in the Group hedging policies.

For CNH Industrial Group, the potential loss in fair value of derivative financial instruments held for currency risk management (currency swaps/forwards, currency options, interest rate and currency swaps) at 31 December 2021 resulting from a hypothetical change of 10% in the exchange rates amounts to approximately \$531 million corresponding to €469 million (\$512 million corresponding to €417 million at 31 December 2020, and \$392 million corresponding to €349 million at 31 December 2019).

For Ferrari Group, the potential loss in fair value of derivative financial instruments held for foreign currency exchange rate risk management (currency swaps/forwards) at 31 December 2021 resulting from a 10% change in the exchange rates would have been approximately €98 million (€103 million at 31 December 2020 and €75 million at 31 December 2019).

Receivables, payables and future trade flows whose hedging transactions have been analysed were not included in this analysis. It is reasonable to assume that changes in market exchange rates will produce the opposite effect, of an equal or greater amount, on the underlying transactions that have been hedged.

(E) Interest Rate Risk

The manufacturing companies and treasuries make use of external funds obtained in the form of financing and invest in monetary and financial market instruments. In addition, Group Companies sell receivables from their trading activities on a continuing basis. Changes in market interest rates can affect the cost of financing, including the sale of receivables, or the return on investments of funds, causing an impact on the level of net financial expenses incurred by the Group.

In addition, the financial services companies provide loans (mainly to customers and dealers), financing themselves using various forms of direct debt or asset-backed financing (e.g., securitisation of receivables). Where the characteristics of the variability of the interest rate applied to loans granted differ from those of the variability of the cost of the financing/funding obtained, changes in the current level of interest rates can affect the profit/(loss).

In order to manage these risks, the Group uses interest rate derivative financial instruments, mainly interest rate swaps and forward rate agreements.

(F) Interest rate benchmark reform

Certain existing benchmark InterBank Offered Rates (**IBORs**) such as USD LIBOR will be reformed by the authority and gradually replaced with alternative benchmark rates. Despite the uncertainty around the timing and precise nature of these changes, the existing benchmark interest rates are still applied as reference rates.

To transition existing contracts and agreements that reference USD LIBOR to an alternative benchmark rate (SOFR), adjustments for term differences and credit differences might need to be applied to the alternative benchmark rate, to enable the two benchmark rates to be economically equivalent on transition.

CNH Industrial has issued U.S. dollar-denominated fixed rate debt which it fair value hedges using sterling fixed to U.S. dollar fixed to USD LIBOR interest rate swaps. At 31 December 2021, the notional amount of hedging instruments directly affected by the reform of benchmark interest rates is \$1,228 million (€1,084 million).

CNH Industrial is managing the Group's USD LIBOR transition plan. The greatest change will be amendments to the contractual terms of the USD LIBOR-referenced fixed-rate debt and the corresponding update of the hedge designation.

In calculating the change in fair value attributable to the hedged risk of fixed-rate debt, the Group has made the following assumptions that reflect its current expectations:

- the fixed-rate debt will move to SOFR at the beginning of 2022 (or at July 2023 if the new consultations are confirmed) and the spread will be similar to the spread included in the interest rate swap used as the hedging instrument;
- no other changes to the terms of the fixed-rate debt are anticipated; and
- CNH Industrial does not expect any material impact deriving from the replacement of benchmark interest rate.

(G) Sensitivity Analysis

For CNH Industrial Group, the potential loss in fair value of fixed rate financial instruments (including the effect of interest rate derivative financial instruments) held at 31 December 2021, 2020 and 2019, resulting from a hypothetical, unfavourable and instantaneous change of 10% in market interest rates would have been approximately \$21 million (€19 million), \$16 million (€13 million) and \$21 million (€19 million), respectively.

Floating rate financial instruments consist principally of cash and cash equivalents, wholesale receivables, debt and asset-backed securities. The effect of the sale of receivables is also considered in the sensitivity analysis as well as the effect of hedging derivative instruments.

For CNH Industrial Group, a hypothetical 10% change in short-term interest rates at 31 December 2021, 2020 and 2019 applied to floating rate financial assets and liabilities, operations for the sale of receivables and derivative

financial instruments, would have caused increased net expenses before taxes, on an annual basis, of approximately \$8 million (€7 million), \$1 million (€1 million) and \$4 million (€4 million), respectively.

This analysis is based on the assumption that there is a hypothetical change of 10% in interest rate levels across homogeneous categories. A homogeneous category is defined on the basis of the currency in which the financial assets and liabilities are denominated.

9.9 Critical Accounting Policies and Estimates and Forthcoming Changes

(A) Critical Accounting Estimates and Judgments

The 2021 Financial Statements have been prepared in accordance with the IAS/IFRS and pursuant to the related principles for interpretation issued by the SIC/IFRIC, as endorsed by the European Commission and in force as at the reporting date.

Use of Estimates

The Financial Statements are prepared in accordance with IFRS which require the use of estimates, judgments and assumptions that affect the carrying amount of assets and liabilities, the disclosures relating to contingent assets and liabilities and the amounts of income and expense reported for the period. The estimates and related assumptions are based on elements that are known when the financial statements are prepared, on historical experience of the Group and on any other factors that are considered to be relevant.

Particularly in light of the current economic uncertainty, developments may occur which may differ from the Group's estimates and assumptions, and therefore might require significant adjustments to the carrying amounts of certain items, which as of the date of the Financial Statements cannot be accurately estimated or predicted.

The principal items affected by estimates are the allowances for doubtful accounts receivable and inventories, non-current assets (tangible and intangible assets), the residual values of vehicles leased out under operating lease arrangements or sold with Buy-back Commitments, sales allowances, product warranties, pension and other post-employment benefits, deferred tax assets and contingent liabilities.

The estimates and underlying assumptions are reviewed periodically and if the items subject to estimates do not perform as assumed then the actual results could differ from the estimates, which would require adjustment accordingly. Due to the currently unforeseeable global consequences of the Covid-19 pandemic, these estimates and assumptions are subject to increased uncertainty. Actual results could differ materially from the estimates and assumptions used in preparation of the 2021 Financial Statements.

The effects of any changes in estimate are recognised in the consolidated income statement in the period in which the adjustment is made, or also in future periods if the revision affects both current and future periods.

The following are the critical measurement processes and key assumptions and estimates which may have significant effects on the amounts recognised in the 2021 Financial Statements or for which there is a risk that a significant difference may arise in respect to the carrying amounts of assets and liabilities in the future.

The 2021 Financial Statements include all updates of estimates and assumptions considered necessary by management to fairly state the Group's results of operations, financial position and cash flows. Updated estimates and assumptions to incorporate the expected consequences of the Covid-19 pandemic were also included in the analysis of the recoverability and collectability of financial assets, especially of receivables from financing activities.

Recoverability of goodwill and intangible assets with indefinite useful lives

In accordance with IAS 36 – *Impairment of Assets*, goodwill and intangible assets with indefinite lives are not amortised and are tested for impairment annually or more frequently if facts or circumstances indicate that the asset may be impaired.

Goodwill and intangible assets with indefinite useful lives are allocated to operating segments or cash generating units (CGUs) within the operating segments. The impairment test is performed by comparing the carrying amount and the recoverable amount of each CGU to which goodwill has been allocated.

If indicators of impairment are present, the carrying amount of the assets is reduced to its recoverable amount that is the higher of its fair value less disposal costs and its value in use. In assessing its value in use, the pre-tax estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognised when the recoverable amount is lower than the carrying amount.

The assumptions used in the impairment test represent management's best estimate for the period under consideration including in relation to expected cash flows, growth rates, discount rates and future developments in the market where the Group operates.

Recoverability of non-current assets with definite useful lives

Non-current assets with definite useful lives include property, plant and equipment, intangible assets and assets held for sale. Intangible assets with definite useful lives mainly consist of capitalised development expenditures of the CNH Industrial Group and the Ferrari Group. The Group's subsidiaries periodically review the carrying amount of non-current assets with definite useful lives when events or circumstances indicate that an asset may be impaired. The recoverability of non-current assets with definite useful lives is based on the estimated future cash flows, using the Group's subsidiaries current business plans, of the cash generating units to which the assets relate.

The estimation of future cash flows is based on assumptions which are inherently uncertain in nature and therefore require management judgement.

The business plans of the Group's subsidiaries could change in response to these evolving requirements and emerging technologies or in relation to any future business plans or strategies developed as part of partnership and collaborations, which may result in changes to estimated future cash flows and could affect the recoverability of non-current assets with definite useful lives. Any change in recoverability would be accounted for at the time such change to the business plan occurs.

For the years ended 31 December 2021 and 2020, the impairment tests performed compared the carrying amount of the assets included in the respective CGUs to their value in use. The value in use of the CGUs was determined using a discounted cash flow methodology based primarily on unobservable inputs, including estimated pre-tax future cash flows attributable to the CGUs and a pre-tax discount rate reflecting a current market assessment of the time value of money and the risks specific to the CGU.

Residual values of assets leased out under operating lease arrangements or sold with a Buy-back Commitment

The Group records assets rented to customers or leased to them under operating lease as tangible assets. Furthermore, new vehicle sales with a Buy-back Commitment are not recognised as sales at the time of delivery but are accounted for as operating lease if it is probable that the vehicle will be bought back. Income from such operating lease is recognised on a straight-line basis over the term of the lease. Depreciation expense for assets subject to operating lease is recognised on a straight-line basis over the lease term in amounts necessary to reduce the cost of an asset to its estimated residual value at the end of the lease term. The estimated residual value of leased assets is calculated at the lease commencement date on the basis of published industry information and historical experience and are reviewed quarterly. Realisation of the residual values is dependent on the Group's

future ability to market the assets under the then-prevailing market conditions. The Group continually evaluates whether events and circumstances have occurred which impact the estimated residual values of the assets on operating lease. The used vehicle market was carefully monitored to ensure that write-downs were properly determined. However, it cannot be excluded that additional write-downs may be required if market conditions should deteriorate further.

Recoverability of deferred tax assets

Deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax assets to be utilised. The recoverability of deferred tax assets depends on the Group's ability to generate sufficient future taxable income in the period in which it is assumed that the deductible temporary differences reverse and tax losses carried forward can be utilised. In making this assessment the Group considers future taxable income based on the most recent budgets and plans prepared using the same criteria as those for the impairment of assets and goodwill. These estimates and assumptions are subject to a high degree of uncertainty, in particular with regard to the future performance of the CNH Industrial Group in its agricultural and construction equipment segments in Brazil. Therefore, changes in current estimates due to unanticipated events could have a significant impact on the 2021 Financial Statements.

Pension and other post-employment benefits

Group Companies sponsor pension and other post-employment benefits in various countries, mainly in the U.S., the UK and Germany.

Employee benefit liabilities, related assets, costs and net interest connected with them are measured on an actuarial basis which requires the use of estimates and assumptions to determine the net defined benefit liability/asset for the Group. The actuarial method takes into consideration parameters of a financial nature such as the discount rate, the rate for expected return on plan assets, the rate of salary increases and the healthcare costs trend rate and takes into consideration the likelihood of potential future events by using certain demographic parameters such as mortality rates and dismissal or retirement rates. The discount rates selected are based on yields or yield curves of high quality corporate bonds in the relevant market. Trends in healthcare costs are developed on the basis of historical experience, the near-term outlook for costs and likely long-term trends. Rates of salary increases reflect the Group's long-term actual expectations in the reference market and inflation trends. Changes in any of these assumptions may have an effect on future contributions to the plans.

The effects resulting from revising the estimates for the above parameters ("re-measurements") are recognised directly in other comprehensive income without reclassification to profit or loss in subsequent years: refer to the "Employee benefits" section in the 2021 Financial Statements.

Significant future changes in the yields of corporate bonds, other actuarial assumptions referred to above and returns on plan assets may significantly impact the net liability/asset.

Allowance for obsolete and slow-moving inventory

The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value, and has been determined on the basis of past experience and historical and expected future trends in the used vehicle market. A worsening of the economic and financial situation could cause a further deterioration in conditions in the used vehicle market compared to that taken into consideration in calculating the allowances recognised in the financial statements.

Sales allowance

The Group grants certain sales incentives to support sales of its products to retail customers. At the later of the time of sale or the time an incentive is announced to dealers, the Group records the estimated impact of sales

allowances in the form of dealer and customer incentives as a reduction of revenue. The expense for new programs is accrued at the inception of the program. The amounts of incentives to be paid are estimated. The determination of sales allowances requires management to make estimates based upon historical data, estimated future market demand for products, field inventory levels, announced incentive programs, competitive pricing and interest rates, among other things.

Product warranties

The Group makes provisions for estimated expenses related to product warranties at the time products are sold. Management establishes these estimates based on historical information on the nature, frequency and average cost of warranty claims. The Group seeks to improve vehicle quality and minimise warranty expenses arising from claims. Warranty costs may differ from those estimated if actual claim rates are higher or lower than historical rates.

Contingent liabilities

The Group's subsidiaries are subject to various proceedings, claims and governmental investigations on a wide range of topics. Some of these proceedings allege defects in specific products or general design defects. Such proceedings seek recovery for damage to property, personal injuries or wrongful death and in some cases include a claim for exemplary or punitive damages. Adverse decisions could require the relevant subsidiary to pay substantial damages or undertake service actions, recall campaigns or other costly actions.

Litigation is subject to many uncertainties and the outcome of the individual matters is not predictable. An accrual is recorded if it is probable that there will be an outflow of funds and when the amount can be reasonably estimated. Since such accruals represent estimates, the final resolution could require the Group to make payments in excess of the amounts accrued or in an amount or range that could not previously be estimated. The subsidiaries of the Group monitor the status of pending legal proceedings and consult with experts on legal and tax matters on a regular basis.

(B) Accounting standards, amendments and interpretations applied as from 1 January 2021

The following amendments and interpretations, which were effective from 1 January 2021, were adopted by the Group. The adoption of these amendments had no material impact on the 2021 Financial Statements.

Interest Rate Benchmark Reform – Phase 2

There was no effect from the adoption of a package of amendments to IFRS 9 – *Financial Instruments*, IAS 39 – *Financial Instruments: Recognition and Measurement*, IFRS 7 – *Financial Instruments: Disclosures*, IFRS 4 – *Insurance Contracts* and IFRS 16 – *Leases in response to the reform of inter-bank offered rates (IBOR) and other interest rate benchmarks*. The amendments aimed at helping companies to provide investors with useful information about the effects of the reform on those companies' financial statements. These amendments focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform.

The new amendments relate to:

- changes to contractual cash flows – a company will not be required to derecognise or adjust the carrying amount of financial instruments for changes required by the interest rate benchmark reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- hedge accounting – a company does not have to discontinue its hedge accounting solely because it makes changes required by the interest rate benchmark reform if the hedge meets other hedge accounting criteria; and

- disclosures – a company is required to disclose information about new risks that arise from the interest rate benchmark reform and how the company manages the transition to alternative benchmark rates.

There was no effect from the adoption of the amendments to IFRS 4 – *Insurance Contracts* which deferred the expiry date of the temporary exemption from applying IFRS 9 to annual periods beginning on or after 1 January 2021.

New standards and amendments effective from 1 April 2021

In March 2021, the IASB extended by one year the applicability of a previous amendment to IFRS 16 issued in 2020 that permits lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications, thus giving the possibility to the lessees to recognise the entire economic benefit of such discounts immediately through profit or loss. There was no significant effect from the adoption of this amendment.

(C) Future Accounting Developments

New standards and amendments not yet effective

The standards, amendments and interpretations issued by the IASB that will have mandatory application in 2022 or subsequent years are listed below. Effective dates refer to those as issued by the IASB and may differ from those of the EU when the relevant standard is endorsed. The Group will introduce any new standards, amendments and interpretations once they are endorsed by EU and as of their dates.

IFRS 17 – Insurance contracts

In May 2017, the IASB issued IFRS 17 — *Insurance Contracts*, which establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued as well as guidance relating to reinsurance contracts held and investment contracts with discretionary participation features issued. In June 2020, the IASB issued amendments to IFRS 17 aimed at helping companies implement IFRS 17 and making it easier for companies to explain their financial performance. The new standard and amendments are effective on or after 1 January 2023. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IAS 1

In January 2020, the IASB issued *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*, which affects the requirements in IAS 1 for the presentation of liabilities, including clarifying one of the criteria for classifying a liability as non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IFRS 3 — Business combinations

In May 2020, the IASB issued amendments to IFRS 3 — *Business combinations* to update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations. These amendments are effective on or after 1 January 2022. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IAS 16 — Property, Plant and Equipment

In May 2020, the IASB issued amendments to IAS 16 — *Property, Plant and Equipment*. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company should recognise

such sales proceeds and the related cost in the income statement. These amendments are effective on or after 1 January 2022. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IAS 37 — Provisions, Contingent Liabilities and Contingent Assets

In May 2020, the IASB issued amendments to IAS 37 — *Provisions, Contingent Liabilities and Contingent Assets*, which specify which costs a company includes when assessing whether a contract will be loss-making. These amendments are effective on or after 1 January 2022. The Group does not expect any material impact from the adoption of these amendments.

Annual Improvements to IFRSs 2018 - 2020 Cycle

In May 2020, the IASB issued *Annual Improvements to IFRSs 2018 - 2020 Cycle*. The improvements have amended four standards with effective date 1 January 2022: (i) IFRS 1 — *First-time Adoption of International Financial Reporting Standards* in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, (ii) IFRS 9 — *Financial Instruments* in relation to which fees an entity includes when applying the '10 percent' test for derecognition of financial liabilities, (iii) IAS 41 — *Agriculture* in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and (iv) IFRS 16 — *Leases* in relation to an illustrative example of reimbursement for leasehold improvements. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IAS 1 — Presentation of Financial Statements and IFRS

In February 2021, the IASB issued amendments to IAS 1 — *Presentation of Financial Statements* and IFRS Practice Statement 2: *Disclosure of Accounting Policies* which require companies to disclose their material accounting policy information rather than their significant accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective on or after 1 January 2023. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimate

In February 2021, the IASB issued amendments to IAS 8 — *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates* which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective on or after 1 January 2023. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IAS 12 — Income Taxes: Deferred Tax related to Assets and Liabilities Arising From a Single Transaction

In May 2021, the IASB issued amendments to IAS 12 — *Income Taxes: Deferred Tax related to Assets and Liabilities Arising From a Single Transaction* that clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. These amendments are effective on or after 1 January 2023. The Group does not expect any material impact from the adoption of these amendments.

Amendments to IFRS 17 — Insurance contracts

In December 2021, the IASB issued an amendment to IFRS 17 — *Insurance Contracts: Initial Application of IFRS 17* and IFRS 9 — *Comparative Information*, which provides a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. The amendment is

effective on or after 1 January 2023. The Group does not expect any material impact from the adoption of this amendment.

10. MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

10.1 General

This section summarises the most relevant information concerning the Board of Directors, the Company's employees and its corporate governance. It is based on and discusses relevant provisions of Dutch law in effect as on the date of this Prospectus and the Company's Articles of Association.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the relevant provisions of Dutch law as in force on the date of this Prospectus and the Articles of Association. The Articles of Association are available in electronic form on the Company's website (in Dutch and in English).

10.2 Management Structure

As at the date of this Prospectus, the Board of Directors is a one-tier board and consists of members having responsibility for the day-to-day management of the Company (**Executive Directors**) and members not having such day-to-day responsibility (**Non-Executive Directors**). The Executive Directors are responsible for the day-to-day management of the Company's operations, subject to the supervision of the Non-Executive Directors.

10.3 Board of Directors

(A) Powers, Responsibilities and Function

The Board of Directors is the executive and supervisory body of the Company. It is entrusted with the management of the Company. In the exercise of their duties, the Directors must be guided by the interests of the Company and the business connected with it. Each Director is responsible for the general course of affairs. The Board of Directors is accountable for these matters to the General Meeting.

The Board of Directors' responsibilities include, among other things: (i) setting the Company's management agenda; (ii) developing a view on long-term value creation by the Company; (iii) enhancing the performance of the Company; (iv) developing a strategy and identifying, analysing and managing the risks associated with the Company's strategy; and (v) carrying out activities and establishing and implementing internal procedures, to ensure that all relevant information is known to the Board of Directors in a timely manner. The duty of the Non-Executive Directors is to supervise the performance of duties by the Executive Directors as well as the general course of affairs of the Company and the business connected with it. The Non-Executive Directors are also charged with the duties assigned to them pursuant to the law and the Articles of Association. The Board of Directors may perform all acts necessary or useful for achieving the Company's corporate purposes, except for those expressly attributed to the General Meeting as a matter of Dutch law or pursuant to the Articles of Association. Pursuant to the Articles of Association, the Board of Directors may delegate duties and powers to individual Directors and/or committees. This may also include a delegation of resolution-making power, provided this is laid down in writing. A Director to whom and a committee to which powers of the Board of Directors are delegated must comply with the rules set in relation thereto by the Board. The specific duties of the CEO and other Directors, if any, will be laid down by the Board of Directors in writing.

Subject to certain statutory exceptions, the Board of Directors as a whole is authorised to represent the Company. Additionally, the CEO is also authorised to solely represent the Company. The Board of Directors may appoint officers with general or limited power of representation. Each of these officers may represent the Company subject to the limitations relating to his power. Their titles shall be determined by the Board of Directors.

(B) Composition, Appointment and Removal

Pursuant to the Articles of Association, the exact number of Directors, as well as the number of Executive Directors and Non-Executive Directors, is determined by the Board, provided that the total number of Directors must be at least seven and at most nineteen. Only individuals can be Non-Executive Directors. Directors are appointed by the General Meeting of shareholders, either as an Executive Director or as a Non-Executive Director.

Each Director may be suspended or removed by the General Meeting of shareholders at any time. A resolution of the General Meeting of shareholders to suspend or remove a Director other than pursuant to a proposal by the Board requires a two-thirds majority of the votes cast. An Executive Director may also be suspended by the Board of Directors. Any suspension may be extended one or more times, but may not last longer than three months in the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension will end. A suspension by the Board of Directors may at any time be discontinued by the General Meeting.

(C) Board Meetings and Decisions

The Board of Directors meets as often as deemed desirable by the senior Non-Executive Director or the CEO. The meeting is chaired by the senior Non-Executive Director or in his absence the CEO.

Except as provided otherwise in the Articles of Association, the board resolutions are adopted by absolute majority of the votes cast. If there is a tie in voting, the CEO will have a decisive vote. The Board of Directors may designate types of resolutions which are subject to requirements deviating from the foregoing. These types of resolutions and the nature of the deviation must be clearly specified and laid down in writing.

Decisions taken at a meeting of the Board of Directors will only be valid if the majority of the Directors is present or represented at the meeting. The Board of Directors may designate types of resolutions which are subject to requirements deviating from the foregoing. These types of resolutions and the nature of the deviation must be clearly specified and laid down in writing. For adoption of a resolution other than at a meeting, it is required that the proposal be submitted to all Directors, none of them having objected to the relevant manner of adopting such resolution and such majority of the Directors as required having expressly consented to the relevant manner of adopting resolutions.

Dutch law and the Articles of Association provide that resolutions of the Board of Directors involving significant changes in the identity or character of the Company or its business are subject to the approval of the General Meeting. Such changes include:

- (a) the transfer of (nearly) the entire business of the Company to a third party;
- (b) entering into or terminating a long-term cooperation between the Company or a subsidiary (*dochtermaatschappij*) and another legal entity or company, or as a fully liable partner in a limited partnership or general partnership, if such cooperation or termination is of fundamental importance for the Company; and
- (c) acquiring or disposing of a participation in the capital of a company if the value of such participation is at least one-third of the sum of the assets of the Company according to its balance sheet and explanatory notes or, if the Company prepares a consolidated balance sheet, its consolidated balance sheet and explanatory notes set out in the last adopted annual accounts of the Company, by the Company or a subsidiary (*dochtermaatschappij*).

In each of the above-mentioned situations, the absence of approval (from the General Meeting) does not affect the authority of the Board of Directors or the Directors to represent the Company.

(D) Conflict of Interest

Dutch law provides that a member of the board of directors of a Dutch public limited liability company, such as the Company, may not participate in the deliberation or decision-making of a relevant board resolution if he or she has a direct or indirect personal interest conflicting with the interests of the relevant company and the business connected with it. Such a conflict of interest in any event exists if, in the situation at hand, the director is deemed to be unable to serve the interests of the Company and the business connected to it with the required level of integrity and objectivity.

Pursuant to the Articles of Association, a Director having a conflict of interest or an interest that may have the appearance of such a conflict of interest must declare the nature and extent of that interest to the other Directors. A Director may not participate in deliberation or decision-making by the Board of Directors if, with respect to the matter concerned, the Director has a direct or indirect personal interest that conflicts with the interests of the Company and the business connected with it. This prohibition does not apply if the conflict of interest exists for all Directors and the Board shall maintain its power, subject to the approval of the general meeting of shareholders. The Director who, in connection with a (potential) conflict of interest, does not exercise certain duties and powers will insofar be regarded as a Director who is unable to perform his/her duties (*belet*).

(E) Members of the Board of Directors

As of the date of this Prospectus, the Board of Directors of the Company comprises the following members.

Executive Directors	Year of Birth	Term	First appointed
John Elkann	1976	Until the date of the AGM called to approve the 2022 Financial Statements	11 December 2016
Non-Executive Directors	Year of Birth	Term	First appointed
Alessandro Nasi	1974	Until the date of the AGM called to approve the 2022 Financial Statements	11 December 2016
Andrea Agnelli	1975	Until the date of the AGM called to approve the 2022 Financial Statements	11 December 2016
Ginevra Elkann	1979	Until the date of the AGM called to approve the 2022 Financial Statements	11 December 2016

Non-executive independent directors	Year of birth	Term	First appointed
Marc Bolland	1959	Until the date of the AGM called to approve the 2022 Financial Statements	11 December 2016
Axel Dumas	1970	Until the date of the AGM called to approve the 2022 Financial Statements	24 May 2022
Ajay Banga	1959	Until the date of the AGM called to approve the 2022 Financial Statements	27 May 2021
Melissa Bethell	1974	Until the date of the AGM called to approve the 2022 Financial Statements	30 May 2017
Laurence Debroux	1969	Until the date of the AGM called to approve the 2022 Financial Statements	30 May 2017

The Company's registered address, Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands, serves as the business address for all members of the Board of Directors.

John Elkann – John Elkann is the sole Executive Director and CEO of Exor. He obtained a scientific baccalaureate from the Lycée Victor Duruy in Paris, and graduated in Engineering from Politecnico, the Engineering University of Turin. While at university, he gained work experience in various companies of the Fiat Group in the UK and Poland (manufacturing) as well as in France (sales and marketing). He started his professional career in 2001 at General Electric as a member of the Corporate Audit Staff, with assignments in Asia, the USA and Europe. He is currently chairman of Stellantis (formerly FCA), Ferrari, Giovanni Agnelli B.V. and GEDI. In addition, he is chairman of the Giovanni Agnelli Foundation, a member of the Museum of Modern Art (MoMA) and of the JP Morgan International Council.

Alessandro Nasi – Alessandro Nasi obtained a degree in Economics at the University of Turin. He started his career as a financial analyst in several banks, gaining experience at a division of Unicredit in Dublin, at PricewaterhouseCoopers in Turin, at Merrill Lynch and JP Morgan in New York. He then joined JP Morgan Partners in New York as an Associate in their Private Equity Division. In the years thereafter, he held various senior managerial positions at Stellantis (formerly FCA) and CNH Industrial. Alessandro Nasi serves as chairman of the board of Iveco Defence, Comau and Astra and is a member of the board of CNH Industrial, Iveco Group and Giovanni Agnelli B.V. In addition, he is a member of the advisory board of the Lego Brand Group and an independent director of GVS S.p.A.

Andrea Agnelli – Andrea Agnelli studied at Oxford (St Clare's International College) and Milan (Università Commerciale Luigi Bocconi). While at university, he gained professional experience both in Italy and abroad, including positions at Iveco-Ford in London, Piaggio in Milan, Auchan Hypermarché in Lille, Schroder Salomon Smith Barney in London and is currently the executive chairman at Juventus in Turin. He began his professional career in 1999 at Ferrari Idea di Lugano and moved to Paris later and assumed responsibility for marketing at Uni Invest SA, a Banque San Paolo company specialising in managed investment products. He furthermore held positions in companies such as Philip Morris International and IFIL (now Exor). He is a director of Giovanni Agnelli B.V., Stellantis (formerly FCA) and a member of the advisory board of BlueGem Capital Partners LLP.

In addition, he is the executive chairman of Lamse S.p.A. From 2012 to 2021, he was a member of the Executive Board of the European Club Association (ECA), in respect of which he served as Chairman from September 2017. Between 2015 and 2021, he held the position as ECA representative at the UEFA Executive Committee. In April 2021, he assumed the position of Vice President of the Super League, of which Juventus is a founding member. He is also the president of "*Fondazione del Piemonte per l'Oncologia*".

Ginevra Elkann – Ginevra Elkann graduated in Visual Communication at the American University of Paris and completed a Masters in Film Making at the London Film School. Ginevra Elkann is president of Asmara Films, a film production company founded in 2010. Since 2011, she is the president of Pinacoteca Giovanni and Marella Agnelli. She sits on the Boards of Christie's, Fondation Cartier and UCCA in Beijing, China. In addition, Mrs. Elkann sits on the board of trustees of the American Academy in Rome. Since April 2021, she is a board member of Christian Louboutin.

Marc Bolland – Marc Bolland graduated with an MBA from the University of Groningen in the Netherlands. In November 2011, he was awarded an Honorary Doctorate from the University of York, in the UK. He began his professional career at Heineken N.V. in 1987 as a Management trainee. During his first 14 years, he occupied several international management positions at Heineken N.V., WM Morrison Supermarkets plc, Marks and Spencer plc and the Blackstone Group International Partners LLP, where he currently is Chairman Europe. He is currently a non-executive director of the Coca-Cola company board, Atlanta USA. In addition, he is a trustee of the Royal Collection Trust and the chairman of the Royal Collection Enterprises. He is also the vice president at Unicef UK and was elected vice chairman of the Consumer Goods Forum in 2014. He was appointed by HRH the Prince of Wales as his personal National Ambassador and was appointed by the Prime Minister as a British Business Ambassador.

Axel Dumas – Axel Dumas, great grandson of Émile Hermès, is part of the sixth generation of the Hermès family. Holding a Masters in Law and Bachelor of Philosophy, Axel Dumas is a graduate of Sciences-Po Paris and Harvard Business School (AMP). After eight years at Paribas, based in Beijing and New York, he joined Hermès in 2003 as an auditor in the Finance Department of Hermès International and then became Retail Director for France. In 2006 he was named Managing Director of Hermès Bijouterie and, in 2008, was appointed Managing Director Métier Hermès Leather and Saddlery. From May 2011 to June 2013, he held the position of Chief Operating Officer. Since June 2013, Axel Dumas has been the Chief Executive Officer of Hermès International.

Ajay Banga – Ajay Banga is the Chairman of Exor and is also the vice chairman at General Atlantic. He joined General Atlantic after 12 years at Mastercard, where he served over 11 years as president and chief executive officer and one year as executive chair of the board of directors. Mr. Banga began his career at Nestlé in India, where he worked on assignments spanning sales, marketing and general management. He also spent two years with PepsiCo before joining Citigroup, where he rose to the role of chief executive officer of Citigroup Asia Pacific. In addition, Ajay Banga serves as chairman of the International Chamber of Commerce and is an independent director at Temasek. He is also an advisor to General Atlantic's BeyondNetZero venture. Mr. Banga is a member of the Trilateral Commission, the co-chair of the Partnership for Central America, a founding trustee of the U.S.-India Strategic Partnership Forum and chairman emeritus of the American India Foundation. Furthermore, he is a co-founder of The Cyber Readiness Institute, and vice chair of the Economic Club of New York. He is also a member of the Weill Cornell Medicine board of fellows.

Melissa Bethell – Melissa Bethell has an MBA with distinction from Harvard Business School and received a BA with honours in Political Science and Economics from Stanford University. She is currently a partner at Atairos, an investment fund backed by Comcast NBC Universal, where she is the Managing Partner of Atairos Europe. She was previously a managing director at Bain Capital for over 18 years and member of the senior leadership team responsible for strategy setting, fundraising and portfolio management. Prior to joining Bain Capital, Ms. Bethell worked in the Capital Markets group at Goldman Sachs & Co., with a focus on media and technology. Ms. Bethell previously held non-executive director positions at Samsonite, Worldpay and Atento. In addition, she is a non-executive director of Tesco plc and Diageo plc.

Laurence Debroux – Laurence Debroux holds a Masters in Management from HEC (Paris) and began her career in investment banking. She has had Executive responsibility for Global functions such as Strategic Planning & Business Control, Tax & Financial Markets, Business Development, Financial Processes & Internal Control, Accounting & Reporting, Procurement and Information Systems. Laurence Debroux was CFO and member of the Executive Board of Heineken N.V. from April 2015 until April 2021. Before joining Heineken N.V., she had been chief financial and administrative officer and a member of the executive board of JCDecaux since July 2010. Prior to this, Mrs. Debroux spent 14 years with the global healthcare company SANOFI where she held various executive positions including CFO and chief strategic officer. In addition, Laurence Debroux is a member of the Board of Directors, Chair of the Audit Committee and member of the Remuneration Committee of Novo Nordisk A/S; she is also a member of the Board of Directors of Juventus, and a non-executive director at Kite Insights (The Climate School) and HEC Paris.

10.4 Overview of Directorships

Below is a list of all companies and partnerships where each of the Directors has been, or is, a member of the administrative, management or supervisory bodies at any time in the previous five years, indicating whether the individual is still a member of the administrative, management or supervisory bodies.

Name	Company	Position	Position still held
John Elkann	Stellantis N.V. (formerly Fiat Chrysler Automobiles N.V.)	Chairman	Yes
	Ferrari N.V.	Chairman	Yes
	Ferrari N.V.	Vice Chairman, CEO ad interim	No
	GEDI Gruppo Editoriale S.p.A.	Chairman	Yes
	Giovanni Agnelli B.V.	Chairman & Managing Director	Yes
	Ferrari S.p.A.	Chairman	Yes
	Ferrari S.p.A.	Vice Chairman, CEO ad interim	No
	Institut Mérieux	Member of the Board of Directors	Yes
	Giovanni Agnelli Foundation	Chairman	Yes
	Pinacoteca Giovanni e Marella Agnelli	Member of the Board of Directors	Yes
	MoMa	Member of the Board of Directors	Yes
	JP Morgan International Council	Member of the Board of Directors	Yes
	ACEA	Member of the Board of Directors	No
	Accademia Nazionale Lincei	Member of the Board of Directors	No
	The Bilderberg Group	Member of the Steering Committee	No
	Bocconi	Member of the International Advisory Council	No
	The Economist Group	Member of the Board of Directors	No
	European Round Table	Member	No
	ASPEN Institute Italia	Vice Chairman	No
	Comau S.p.A.	Chairman	Yes

Alessandro Nasi	Iveco Defence Vehicles	Chairman	Yes
	CNH Industrial	Member of the Board of Directors	Yes
	Iveco Group	Member of the Board of Directors	Yes
	GVS S.p.A	Independent Director	Yes
	Lego Brand Group	Member of the Advisory Board	Yes
	Giovanni Agnelli B.V.	Member of the Board of Directors	Yes
	Fiat Industrial	Secretary of the Industrial Executive Council	No
Andrea Agnelli	Juventus Football Club S.p.A	Executive Chairman	Yes
	Lamse S.p.A.	Chairman	Yes
	Stellantis N.V.	Member of the Board of Directors	Yes
	BlueGem Capital Partners LLP	Member of the Advisory Board	Yes
	Fondazione del Piemonte per l'Oncologia	Chairman	Yes
	Giovanni Agnelli B.V.	Member of the Board of Directors	Yes
	Super League	Vice President	Yes
	European Club Association (ECA)	Member of the Executive Board	No
	Serie A National Team Sports	Member of the Board of Directors	No
	The Foundation for General Mutuality in Professional Team Sports	Member of the Board of Directors	No
	Ginevra Elkann	Asmara Films Srl.	President
Pinacoteca Giovanni and Marella Agnelli		President	Yes
Christie's		Member of the Board of Directors	Yes
Fondation Cartier		Member of the Board of Directors	Yes
UCCA Beijing China		Member of the Board of Directors	Yes
American Academy Rome		Member of the Board of Trustees	Yes
Christian Louboutin SAS		Member of the Board of Directors	Yes
Kering Group		Member of the Board of Directors	No
Unicef Italia		Member of the Board of Directors	Yes
Marc Bolland	Blackstone Group International Partners LLP	Chairman	Yes
	The Coca-Cola Company, Atlanta USA	Member of the Board of Directors	Yes
	Polymateria Ltd.	Chairman	Yes
	8Greens Ltd.	Chairman	Yes
	Royal Collection Trust Strategic Development Committee	Trustee	Yes
	Unicef UK	Vice President	Yes
	Blackstone Group International Partners LLP	Senior Operating Partner	No

	IAG	Non-Executive Director	No
Axel Dumas	Hermès International	Executive Co-Chairman	Yes
	Comptoir Nouveau de la Parfumerie	Member of the Board of Directors	Yes
	Hermès Sellier	Chairman	Yes
	Faubourg Middle East	Member of the Board of Directors	Yes
	Hermès Of Paris	Chairman	Yes
	Axam 2	Manager	Yes
	H51	Member of the Board of Directors	Yes
	Maia	Manager	Yes
	La Montre Hermès	Member of the Board of Directors	No
	Mathel	Manager	Yes
	Hermès Asia-Pacific	Chairman	No
	Hermès China	Chairman	No
	Hermès China Trading	Chairman	No
	Hermès Japon	Member of the Board of Directors	No
	Hermès Korea	Chairman	No
	L'Oréal	Member of the Board of Directors	No
	Ateliers A.S.	Member of the Board of Directors	No
	CHP3	Chairman	No
	Compagnie Hermès de Participations	Chairman	No
Ajay Banga	General Atlantic, L.P.	Vice Chairman	Yes
	BeyondNetZero	Advisor	Yes
	Partnership for Central America	Co-Chair	Yes
	The Council for Inclusive Capitalism with the Vatican / NYC	Guardian	Yes
	American India Foundation	Chairman Emeritus	Yes
	The Cyber Readiness Institute	Co-Founder	Yes
	Economic Club of New York	Vice Chairman	Yes
	How Institute for Society (The)	Member of the Board of Directors	Yes
	Peterson Institute for International Economics	Member of the Board of Directors	Yes
	Temasek	Member of the Board of Directors	Yes
	Weill Cornell Medical College	Board of Overseers	Yes
	B-Team (The)	B-Team Leader	Yes
	U.S.-India Strategic Partnership Forum	Founding Trustee	Yes
	International Chamber of Commerce / Paris, France	First Vice Chairman, Chairman	No
	Dow Chemical Company	Member of the Board of Directors	No

	American Red Cross	Member of the Board of Governors	No
	MasterCard	President and CEO, Executive Chair of the Board of Directors	No
	Kraft Foods Inco	Member of the Board of Directors	No
Melissa Bethell	Atairos Europe	Managing Partner	Yes
	Tesco plc.	Member of the Board of Directors	Yes
	Diageo plc.	Member of the Board of Directors	Yes
	Bain Capital, LP	Managing Director	No
	Samsonite	Member of the Board of Directors	No
	Worldpay	Member of the Board of Directors	No
	Atento	Member of the Board of Directors	No
Laurence Debroux	Solvay SA	Member of Board of Directors	Yes
	Juventus Football Club S.p.A	Member of the Board of Directors	Yes
	Kite Insights Ltd.	Member of the Board of Directors	Yes
	Novo Nordisk A/S	Member of the Board of Directors	Yes
	HEC Paris	Member of Board of Directors	Yes
	The Heineken Company	Member of the Board of Directors	No
	Natixis	Member of the Board of Directors	No

10.5 Audit Committee

The audit committee of the Company (the **Audit Committee**), under the responsibility of the Board of Directors, assists and supports the Board of Directors with its oversight of, among others: (i) the integrity and quality of the Company's financial statements and the auditors' report thereon; (ii) the effectiveness of the risk management and the systems of internal controls that management and the Board of Directors have established, including the internal audit reviews thereon; (iii) the Company's compliance with legal and regulatory requirements; (iv) the Company's follow-up on recommendations and observations of the internal and the independent auditors; (v) the Company's policies and procedures; (vi) the qualifications, independence and remuneration of the Company's independent auditors and any non-audit services provided to the Company by the independent auditors; (vii) the effectiveness and functioning of the Company's internal audit function and independent auditors; and (viii) the implementation and effectiveness of the Company's ethics and compliance program.

The Audit Committee comprises the following members appointed by the Board of Directors: Laurence Debroux (chair), Ajay Banga and Marc Bolland.

10.6 Compensation and Nominating Committee

The compensation and nominating committee of the Company (the **Compensation and Nominating Committee**), under the responsibility of the Board of Directors, assists and supports the Board of Directors with its oversight of, among others: (i) determining the (Non-) Executive compensation; (ii) the Company's

remuneration policy; (iii) review of the remuneration reports; (iv) drawing up of the selection criteria and appointment procedures for Directors of the Company; (v) periodic assessment of the size and composition of the Board of Directors and as appropriate making proposals for changes in the composition of the Board of Directors; (vi) periodic assessment of the performance of individual Directors and reporting on this to the Board of Directors; and (vii) proposals for the nomination and re-nomination of Executive and Non-Executive Directors to be appointed by the shareholders meeting.

The Compensation and Nominating Committee comprises the following members appointed by the Board of Directors: Marc Bolland (chair), Axel Dumas and Melissa Bethell.

10.7 Environmental, Social and Governance Committee

The Environmental, Social and Governance (**ESG**) Committee (the **ESG Committee**), established in 2021, assists and supports the Board of Directors and shall, if applicable, prepare the resolutions to be adopted by and acts to be performed by the Board of Directors in carrying out its governance and oversight responsibilities with regard to sustainability, environmental, social, corporate governance and other human capital matters (**ESG Matters**). The Board of Directors remains responsible for the resolutions taken.

The ESG Committee oversees and gives guidance to the Company's Board of Directors on key global ESG Matters and/or as to the general evolution of the ESG landscape. It does this in relation to the Company itself and also advises the Company representatives on how they can use their roles in the governance of the businesses partially or wholly owned by the Company to champion further progress within those businesses on ESG Matters.

The ESG Committee comprises the following members: Ajay Banga (chair), Melissa Bethell and Laurence Debroux.

10.8 Directors' Remuneration

(A) Current Remuneration Policy

The Company's current Remuneration Policy was adopted by the AGM on 24 May 2022. The Remuneration Policy takes into account all applicable laws and regulations, such as, but not limited to, the requirements of the Shareholder Rights Directive and its implementation into the Dutch Civil Code, the Dutch Corporate Governance Code, the Company's Articles of Association and the regulations of the Board, as applicable from time to time.

Within the scope of the Company's Remuneration Policy, the remuneration of the Executive Directors is determined by the Board of Directors at the recommendation of the Compensation and Nominating Committee of the Company. The objective of the Remuneration Policy is to provide a compensation structure that allows the Company to attract and retain the most highly qualified executives and to motivate them to achieve business and financial goals that create long-term value for shareholders in a manner consistent with the Company's core business and leadership values. For these objectives to be achieved, the Remuneration Policy is determined considering (i) best practices in compensation policy design (in accordance, inter alia, with the Dutch Corporate Governance Code); and (ii) the need for sustainable compensation and aligned with the medium-to-long-term interests of all stakeholders.

The table below summarises the policy for the remuneration of the Executive Directors. The composition of the remuneration package is designed to fit the Company's focus on performance. By its DNA, the Company's focus is long-term and its purpose is to build companies that perform such that they make a positive contribution to society and deliver returns to its investors over the long term.

In line with the Company's purpose and strategy, the remuneration package consists primarily of variable components that are conditional on long-term performance targets. When all performance targets are met in full, the base salary contributes 7% of the Executive Director's total direct compensation, the short-term incentive

another 7% and the long-term incentive the remaining 86%. The actual ratio between fixed and variable pay for the Executive Director will be influenced by the extent to which targets are met.

	Purpose and link to strategy	Quantum
<i>Fixed components</i>		
Base salary	The primary objective of the base salary (the fixed part of the annual cash compensation) is to attract and retain highly qualified Executive Directors	Well below market level
Benefits	A range of benefits may be provided to Executive Directors in order to place Exor in a competitive position (e.g. medical insurance, liability insurance, external advice)	Aligned with market practice
<i>Variable components</i>		
Short-Term Incentives (Annual Bonus)	The primary performance objective is to incentivise Executive Directors to focus on the short-term financial or other business priorities as set by the Compensation and Nominating Committee for the current year that serve Exor's strategy and to enhance alignment with the value creation objectives	Well below market level at 100% of base salary
Long-term incentive	The objective of long-term performance share units grants is to (i) align the interests of the Executive Directors with those of our shareholders and other stakeholders; (ii) motivate the attainment of the Company's financial and other performance goals and reward sustained long-term value creation; and (iii) serve as an important attraction and long-term retention tool that is being used to strengthen on-going commitment to the Company	At target value of EUR 6M brings TDC in line with peer group

Remuneration of Non-Executive Directors is approved by the Company's meeting of shareholders and will be periodically reviewed by the Compensation and Nominating Committee. The remuneration arrangements for Non-Executive Directors provide a simple and transparent structure:

- Bring remuneration levels in line with peers and with levels adequate to attract qualified (international) Board members; and
- Align remuneration with responsibilities and time spent.

In receiving fixed cash remuneration, Non-Executive Directors can provide independent, objective stewardship of the Company with no financial conflict between individual financial interest and decisions made by the Board of Directors. This approach to Non-Executive Director remuneration aligns with the business strategy and long-term interests of shareholders, while also contributing to the sustainability, identity, mission and values of the Company.

At the time of this Prospectus, the annual remuneration for the Non-Executive Directors is:

- €50,000 for each Non-Executive Director;
- An additional €15,000 for each member of the Audit Committee and €20,000 for the chairman of the Audit Committee;
- An additional €7,500 for each member of the Compensation and Nominating Committee and €10,000 for the Compensation and Nominating Committee chairman; and

- An additional €7,500 for each member of the ESG Committee and €10,000 for the committee's chairman.

The Non-Executive Directors are not eligible for variable compensation and do not participate in any incentive plans. In compliance with the Dutch Corporate Governance Code, Non-Executive Directors are not eligible for compensation in the form of shares and/or rights to shares.

The compensation plans of Non-Executive Directors include non-monetary benefits, including but not limited to reimbursement of out-of-pocket expenses and expenses for travelling required for the performance of the activities associated with the specific responsibilities assigned.

For all Non-Executive Directors, there is also insurance cover for directors' civil liability relating to claims for compensation for non-fraudulent acts performed in the performance of the Director's duties.

(B) The Long-Term Incentive Plan

On 24 May 2022, the General Meeting of shareholders approved a proposal to establish a long-term incentive plan for the Executive Directors. Each year, a grant of performance share units (the **PSUs**) to a value of EUR 6 million can be awarded to the Executive Director (the **2022 PSU Plan**). The number of PSUs to be conditionally granted will be calculated by taking the average closing price of an Ordinary Share over the last 30 trading days prior to the date of grant. Appropriate stretching targets will be set at grant over a 3-year period for the two equally weighted performance measures: absolute total shareholder return (the **TSR**) and net asset value (the **NAV**) relative to the MSCI-World Index. An additional vesting requirement is continued employment, subject to the leaver arrangements set out in the Remuneration Policy.

At the end of the three-year plan period, when the performance targets are met in full, all PSUs granted will vest, which means that the related Ordinary Shares will be delivered to the Executive Director. The maximum vesting opportunity is equivalent to 3 times the number of Ordinary Shares corresponding to the PSUs granted and will be awarded when the TSR has a compounded annual growth rate (the **CAGR**) of at least 20% and the NAV has a CAGR of 10% or more above the index. When TSR performance is at threshold, half of the PSUs granted in respect of the TSR target, i.e. 25% of the total PSUs granted, will vest, whereas, when performance is below threshold, no vesting takes place and the part of the grant is forfeited. With respect to the NAV performance target, the target level is in effect the threshold, i.e. when NAV growth falls short of MSCI growth, no vesting takes place and the part of the grant is forfeited. Subsequent to vesting, an additional 2-year holding period applies to the Ordinary Shares to ensure sustainable performance and bringing the total holding period after grant to five years in compliance with the Dutch Corporate Governance Code.

Stock options granted in previous years

The following table summarises outstanding stock options held by the Executive Director of Exor at 31 December 2021:

Name	Plan	Grant Date	Exercise price	At 1 January 2021			at 31 December 2021	
				Granted and not vested	Granted	Vested	Expired	Granted and not vested
John Elkann/ Exor Plan	2016	7/1/2016	€32.38	402,790	—	402,790	—	—

Share plans granted to Directors

The following table gives an overview of the share plans held by Directors of Exor at 31 December 2021:

Name/Plan	Grant Date	Vesting Date	Number of shares under award at 1 January 2021	Shares Granted	Shares Vested	Number of shares under award at 31 December 2021	Shares subject to a Performance condition
John Elkann							
Ferrari Equity incentive Plan 2019-2021 PSUs and RSUs	April 2019	March 2022	20,703	—	—	20,703	13,802
John Elkann							
Ferrari Equity incentive Plan 2020-2023 PSUs and RSUs	April 2020	March 2023	4,829	—	—	4,829	3,219
John Elkann							
Ferrari Equity incentive Plan 2020-2022 PSUs and RSUs	April 2021	March 2024	—	4,448	—	4,448	2,965

The number of conditional shares outstanding as per 31 December 2020 under the FCA 2019 and FCA 2020 plans reported in the 2020 remuneration report have not been reported in the table shown above. This is because these plans belong to Stellantis following the merger between PSA and FCA and Stellantis is not a subsidiary of Exor as FCA was in the past.

(C) Remuneration

Hereafter follows an illustration, on an individual basis, of the compensation paid in whatever form to the Executive and Non-Executive Directors in the financial year 2021. The data in the tables relate to Board positions held in the Company and in the listed and non-listed (operating) subsidiaries.

The following table summarises the remuneration paid to the members of the Board for the year ended 31 December 2021. In addition, the share ownership table sets out the number of common shares of the Company and the (operating) subsidiaries owned by the members of the Board of Directors at the end of December 2021.

		Amount in €						
		Exor N.V.			OTHER ⁽¹⁾		TOTAL	
Directors of Exor N.V.	Office held	Salary Annual fee (cash)	Compensation Annual fee (Equity)	Bonus and other (non-equity)	Committee	Total Exor N.V.	Total other	Total compensation
John Elkann	Executive Director (CEO)	850,043	1,473,676	897,918		3,221,637	379,025	3,600,662
Alessandro Nasi	Non-Executive Director (Vice Chairman)	0 ⁽²⁾			3,000	3,000	271,858	274,858
Andrea Agnelli	Non-Executive Director	0 ⁽²⁾				0	566,423	566,423
Ginevra Elkann	Non-Executive Director	0 ⁽²⁾			0 ⁽³⁾	0		0
Marc Bolland	Non-Executive Director	50,000			10,500	60,500		60,500

		Amount in €					
		Exor N.V.				OTHER ⁽¹⁾	TOTAL
Directors of Exor N.V.	Office held	Salary Annual fee (cash)	Compensation Annual fee (Equity)	Bonus and other (non-equity)	Committee	Total Exor N.V.	Total other
							Total compensation
Joseph Bae ⁽⁷⁾	Non-Executive Director	0	⁽⁴⁾		0	⁽⁴⁾	0
Ajay Banga ⁽⁵⁾	Non-Executive Director (Chairman)	30,000			6,000		36,000
Melissa Bethell	Non-Executive Director	50,000			21,500		71,500
Laurence Debroux	Non-Executive Director	50,000			22,500		72,500
Antonio Horta-Osorio ⁽⁶⁾	Non-Executive Director	20,000			4,000		24,000
Total		1,050,043	1,473,676	897,918	67,500	3,489,137	1,481,551

- (1) Related to the remuneration received from the management positions held respectively at CNH Industrial, Ferrari, PartnerRe, Juventus and FCA (in 2020).
- (2) Directors have waived their right to the emolument of €50,000 as determined by the Exor Shareholders' Meeting.
- (3) Director has waived her right to the emolument of €10,767 (€15,000 in 2020) as determined by the Exor Shareholders' Meeting.
- (4) Director has waived his right to the emolument of €61,733 as determined by the Exor Shareholders' Meeting, €50,000 for Salary/Annual Fee and €11,733 for Committee (€50,000 for Salary/Annual Fee and €7,500 for Committee in 2020).
- (5) Director from 27 May 2021.
- (6) Director until 27 May 2021.
- (7) Director until 24 May 2022.

The following table summarises the remuneration paid to the members of the Board of Directors for the year ended 31 December 2021 from the operating subsidiaries:

		Amount in €					
							Other
Directors of Exor N.V.	Office held	CNH Industrial	Ferrari	PartnerRe	Juventus	FCA	Total
John Elkann	Executive Director (CEO)		336,938	42,087			379,025
Alessandro Nasi	Non-Executive Director (Vice Chairman)	271,858					271,858
Andrea Agnelli	Non-Executive Director				558,537	7,886	566,423
Laurence Debroux	Non-Executive Director				11,781		11,781
Antonio Horta-Osorio	Non-Executive Director			252,464			252,464
Total		271,858	336,938	294,551	570,318	7,886	1,481,551

There is no service contract which has been concluded between the Company or any of its subsidiaries and the Executive Director providing for benefits upon termination of employment of the Executive Director.

10.9 Shareholdings of Directors

The shareholdings of the directors in respect of the Company and its subsidiaries as at the end of 2021 are set out below:

<u>Director</u>	<u>Exor N.V. ordinary shares</u>	<u>CNH Industrial N.V. ordinary shares</u>	<u>Ferrari N.V. ordinary shares</u>	<u>Juventus S.p.A. ordinary shares</u>
Company shareholdings				
John Elkann			15,375	
Alessandro Nasi		348,994	375	
Andrea Agnelli			1,122	96,711

10.10 Potential Conflicts of Interest and Other Information

No agreements are in place between the Company and the Directors. There are no conflicts of interest between the private interests and the duties of each of the Directors towards the Company, except that Mr. Elkann, Executive Director of Exor, also fulfils a role as chairman of Ferrari, Stellantis and Giovanni Agnelli B.V., the latter being the majority, controlling shareholder of the Company. Ferrari, Stellantis and certain companies within their respective groups and Giovanni Agnelli B.V. qualify as related parties to Exor and may therefore have potential conflicts of interest with Exor.

The Board of Directors adopted rules dealing with conflicts of interest and related party transactions on 5 April 2017 and last amended and updated these on 13 November 2019.

In the financial year 2021, there were no transactions involving a conflict of interests with members of the Board.

During the last five years, none of the members of the Board of Directors: (i) has been convicted of fraudulent offences; (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation, or which has been placed under administration; or (iii) has been subject to any official public incrimination and/or sanctions by the statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs on any issuer.

10.11 Liability of Members of the Board of Directors

Under Dutch law, members of the Board of Directors may be liable towards the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In addition, they may be liable towards third parties for infringement of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil, administrative and criminal liabilities.

10.12 Insurance

The Directors are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as Directors.

10.13 Indemnification

The Articles of Association include provisions regarding the indemnification, to the extent permissible by law, of Directors, both former members and members currently in office, against any and all liabilities, claims, judgments, fines and penalties incurred by them as a result of any expected, pending or completed action, investigation or

other proceeding, whether civil, criminal or administrative, of or initiated by any party other than the Company itself or a group company (*groepsmaatschappij*) thereof, in relation to any acts or omissions in or related to his capacity as current or former Director. Claims will include derivative actions of or initiated by the Company or a group company (*groepsmaatschappij*) thereof against the current or former Director and (recourse) claims by the Company itself or a group company (*groepsmaatschappij*) thereof for payments of claims by third parties if the current or former Director will be held personally liable therefore.

The Company will settle or reimburse any expenses (including reasonable attorneys' fees and litigation costs) incurred by the current or former Director in connection with any and all liabilities, claims, judgments, fines and penalties, but only upon receipt of a written undertaking by that current or former Director that he will repay such expenses if a competent court in an irrevocable judgment has determined that he is not entitled to be indemnified. Expenses will be deemed to include any tax liability which the current or former Director may be subject to as a result of his indemnification.

However, there shall be no indemnification with respect to any and all liabilities, claims, judgments, fines and penalties in so far as these claims relate to the gaining in fact of personal profits, advantages or remuneration to which the current or former Director was not legally entitled, or if the current or former Director has been adjudged to be liable for wilful misconduct (*opzet*) or intentional recklessness (*bewuste roekeloosheid*).

10.14 Employees

The Company has a lean organisation structure at holding company level, employing 19 people at 31 December 2021 (17 at 31 December 2020, 19 at 31 December 2019 and 21 at the date of this Prospectus).

In 2021 the Group's continuing operations had an average number of employees of 74,353 (70,519 in 2020 and 268,979 in 2019).

Key workforce metrics are reported in the tables below.

Number of employees at holding company level

Number of employees

Employees	31 December 2021	31 December 2020	31 December 2019
Total	19	17	19
<i>of which women</i>	47.4%	58.8%	52.6%

By employment contract (permanent and temporary), by gender

Type of employment contract	31 December 2021			31 December 2020		
	Male	Female	Total	Male	Female	Total
Permanent	9	8	17	7	8	15
Temporary	1	1	2	-	2	2
Total	10	9	19	7	10	17

Type of employment contract	31 December 2019		
	Male	Female	Total
Permanent	8	10	18
Temporary	1	0	1
Total	9	10	19

By geographical area

Geographical Area	31 December 2021			31 December 2020		
	Male	Female	Total	Male	Female	Total
The Netherlands	5	6	11	3	7	10
Luxembourg	-	1	1	-	1	1
United Kingdom	5	2	7	4	2	6
Total	10	9	19	7	10	17

Geographical Area	31 December 2019		
	Male	Female	Total
The Netherlands	5	7	12
Luxembourg	-	1	1
United Kingdom	4	2	6
Total	9	10	19

Per employee category by gender

Employment category	31 December 2021			31 December 2020		
	Male	Female	Total	Male	Female	Total
Top Managers	2	2	4	2	2	4
Middle-managers	3	3	6	3	3	6
Professionals	5	4	9	2	5	7
Total	10	9	19	7	10	17

Employment category	31 December 2019		
	Male	Female	Total
Top Managers	2	2	4
Middle-managers	3	5	8
Professionals	4	3	7
Total	9	10	19

Per employee category by age group

Employment category	31 December 2021				31 December 2020			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Top Managers	-	1	3	4	-	1	3	4
Middle-managers	-	5	1	6	-	5	1	6
Professionals	4	4	1	9	2	4	1	7
Total	4	10	5	19	2	10	5	17

Employment category	31 December 2019			
	<30	30-50	>50	Total
Top Managers	-	1	3	4
Middle-managers	-	7	1	8
Professionals	1	3	3	7
Total	1	11	7	19

Employee turnover

New hires			
	2021	2020	2019
Number of employees	6	3	3
Turnover %	31.6%	17.6%	15.8%

Leavers			
	2021	2020	2019
Number of employees	4	5	3
Turnover %	21.1%	29.4%	15.8%

Number of employees at Group companies

Ferrari

Employees	31 December 2021	31 December 2020	31 December 2019
Total	4,609	4,556	4,285
<i>of which women</i>	<i>15.2%</i>	<i>14.8%</i>	<i>14.0%</i>

Stellantis

Employees	31 December 2021
Total	281,595
<i>of which women</i>	<i>21%</i>

FCA⁹

Employees	31 December 2020	31 December 2019
Total	189,512	191,752
<i>of which women</i>	<i>20.6%</i>	<i>20.4%</i>

CNH Industrial¹⁰

Employees	31 December 2021	31 December 2020	31 December 2019
Total	71,895	64,016	63,499

10.15 Pension Schemes

The Group provides post-employment benefits for certain of its active employees and retirees, either directly or by contributing to independently administered funds. The way these benefits are provided varies according to the legal, fiscal and economic conditions of each country in which the Group operates.

The Group provides post-employment benefits under defined contribution and defined benefit plans. The plans are classified by the Group on the basis of the type of benefit provided as follows: pension benefits, healthcare plans, life insurance plans, and other post-employment benefits.

Moreover, the Group provides post-employment benefits, such as pension or healthcare benefits, to its employees under defined contribution plans. In this case, the Group pays contributions to the publicly or privately

⁹ Merged with PSA in January 2021 to create Stellantis.

¹⁰ CNH Industrial does not disclose number of employees by gender.

administered insurance plans on a legally mandatory, contractual, or voluntary basis. By paying these contributions the Group fulfils all of its obligations. The Group recognises the cost for defined contribution plans over the period in which the employee renders service. In 2021, this cost amounted to €541 million (€1,803 million in 2020, of which €1,308 million related to the FCA Group).

Group Companies sponsor pension and other post-employment benefits in various countries, mainly in the United States, the United Kingdom and Germany. Group Companies in the United States and Canada sponsor both non-contributory and contributory defined benefit pension plans. Liabilities arising from these plans are usually funded by contributions made by the Group and, at times by their employees, into legally separate trusts which independently manage the assets servicing the plan from which the employee benefits are paid. The Group's funding policy for defined benefit pension plans is to contribute the minimum amounts required by applicable laws and regulations. Occasionally, additional discretionary contributions in excess of these legally required are made to achieve certain desired funding levels.

There are no pension arrangements in place for the Directors.

10.16 Works Council

The Company does not have a works council (*ondernemingsraad*) in place.

10.17 Dutch Corporate Governance Code

The Dutch Corporate Governance Code contains best practice principles for listed companies. The principles may be regarded as reflecting the general views on good corporate governance and they create a set of standards governing the conduct of the respective corporate bodies of a listed company.

The application of the Dutch Corporate Governance Code is based on the so-called "comply-or-explain" principle. Subsequently, listed companies are required to disclose, in their annual board reports, whether or not they are complying with the various best practice principles of the Dutch Corporate Governance Code. If a company deviates from a best practice principle in the Dutch Corporate Governance Code, the reason for such deviation must be properly explained in the annual board report.

The Company endorses the principles and best practice provisions of the Dutch Corporate Governance Code and complies with the majority of the provisions, except for the best practice provisions listed below:

- a) *Best practice provision 2.1.7 (iii) of the Dutch Corporate Governance Code: For each shareholder, or group of affiliated shareholders, who directly or indirectly hold more than ten percent of the shares in the company, there is at most one supervisory board member who can be considered to be affiliated with or representing them as stipulated in best practice provision 2.1.8, sections vi. and vii.*

The Non-Executive Directors Alessandro Nasi, Andrea Agnelli and Ginevra Elkann are considered non-independent non-executive directors within the meaning of best practice provision 2.1.7 (iii) of the Dutch Corporate Governance Code. These three members belong to the Agnelli family, which controls Giovanni Agnelli B.V. In light of the major shareholding of Giovanni Agnelli B.V., the Company's history and its commencement, the Company feels it is appropriate that more than one member of the Agnelli family has a seat on the Board of Directors as a Non-Executive Director.

- b) *Principle 2.3.2 of the Dutch Corporate Governance Code: If the supervisory board consists of more than four members, it shall appoint from among its members an audit committee, a remuneration committee and a selection and appointment committee.*

The Company has combined the roles of the remuneration committee and the selection and appointment committee in one committee, called the Compensation and Nominating Committee. The Company feels that

there would be no benefits for the Company, given its size and the nature of its organisational structure, in splitting the Compensation and Nominating Committee as prescribed under the Dutch Corporate Governance Code.

- c) Best practice provision 4.3.3 of the Dutch Corporate Governance Code: The general meeting of shareholders of a company not having statutory two-tier status (structuurregime) may pass a resolution to cancel the binding nature of a nomination for the appointment of a member of the management board or of the supervisory board and/or a resolution to dismiss a member of the management board or of the supervisory board by an absolute majority of the votes cast.

Pursuant to article 15.3 of the Company's Articles of Association, the binding nature may only be cancelled with a two-third majority of the votes cast. The Company feels that in view of the major shareholding of Giovanni Agnelli B.V., it is appropriate to have such a threshold.

11. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

11.1 Major Shareholders

At the date of the Prospectus, according to the notices received from the AFM website, the material holdings in the share capital of the Company were as follows:

RELEVANT SHAREHOLDINGS		
Shareholder	% economic rights	% voting rights
Giovanni Agnelli B.V.	52.01	85.63*
Harris Associates LP	4.99	1.65
Baillie Gifford	3.14	1.04
Vanguard Group	3.05	1.01

**On 13 December 2021, 124,717,132 Special Voting Shares A were issued to Giovanni Agnelli B.V. under the loyalty voting scheme, now holding 85.63% voting rights on outstanding capital (84.37% voting rights on issued capital).*

Giovanni Agnelli B.V. is the largest shareholder of the Company through its 52.01% shareholding and 85.63% voting rights in the Company. Giovanni Agnelli B.V. is a Dutch private company with limited liability and the shares of which are held by the descendants of Giovanni Agnelli, founder of Fiat. The main business objective of Giovanni Agnelli B.V. is to preserve unity and continuity of its controlling equity interest in the Company.

Consequently, Giovanni Agnelli B.V. could control all matters submitted to a vote of the Company's shareholders, including approval of annual dividends, election and removal of directors and approval of extraordinary business transactions.

Furthermore, at 31 December 2021, there are 124,717,163 Special Voting Shares A outstanding, 124,717,132 of which issued to Giovanni Agnelli B.V. Accordingly, by virtue of the Special Voting Structure, Giovanni Agnelli B.V. holds five voting rights per Ordinary Share and thus 85.63% voting rights in the Company.

To guard against any abuse of control by a majority shareholder, the Company maintains a Board of Directors comprised of a majority of independent, Non-Executive Directors, in line with best practice provision 2.1.7(ii) and 2.1.8 of the Dutch Corporate Governance Code. To ensure the independence of Directors, each Director is required to inform the Board (through the Board's company secretary) as to all material information regarding any circumstances or relationships that may impact their characterisation as "independent", or impact the assessment of their interests. One of the ways in which this is done is by responding promptly to the annual questionnaire circulated by or on behalf of the Board's company secretary that is designed to elicit relevant information regarding business and other relationships.

In addition, each Director is required to annually assess in good faith whether he or she (i) is independent (as referred to in best practice provision 2.1.8. of the Dutch Corporate Governance Code) and/or (ii) would have a conflict of interest in connection with any transactions between the Company and a significant shareholder or related party of the Company, including affiliates of a significant shareholder (such conflict being a **Related-Party Conflict**). Currently, Giovanni Agnelli B.V. would be considered a significant shareholder. Based on each Director's assessment, the Board shall make a determination at least annually regarding such Director's independence and such Director's Related-Party Conflicts.

These annual determinations are conclusive, absent a change in circumstances from those disclosed to the Board that necessitates a change in such determination.

Additionally, the charter of each of the Audit Committee, the Compensation and Nominating Committee and the ESG Committee require that the members be non-executive directors, and that more than half of them be independent within the meaning of best practice provision 2.1.8 of the Dutch Corporate Governance Code. The charter of the Compensation and Nominating Committee requires further that the chairperson of such committee may not be the Senior Non-Executive Director or a former Executive Director.

Further, the Company has prepared and maintains a related party transaction policy pursuant to best practice provision 2.7.2. of the Dutch Corporate Governance Code, which policy forms part of the regulations of the Board.

11.2 Related Party Transactions

The Board is required to draw up a related party transaction policy in accordance with Dutch law, for the purpose of providing a procedure that prevents related parties from taking advantage of their position and provide adequate protection for the interests of the Company and its stakeholders. Such a policy has been drawn up in accordance with best practice provision 2.7.2 of the Dutch Corporate Governance Code and forms part of the Board's regulations. A Director shall not participate in the discussions and/or decision-making process on a subject or transaction in the event of being involved in a related party transaction within the meaning of Section 2:169 paragraph 4 DCC. The related party transaction policy provides procedures for members of the Board to notify a potential related party transaction. Potential related party transactions shall be subject to review by the Board. The related party transaction policy stipulates when a transaction qualifies as a related party transaction. No such related party transactions shall be undertaken without the approval of the Board.

The entities of each consolidated Group put in place transactions with subsidiaries, joint ventures, associates and other related parties, on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved.

Pursuant to IAS 24, the related parties of the Exor Group are Giovanni Agnelli, the CNH Industrial Group, the Ferrari Group, the GEDI Group, the Juventus Group and their respective unconsolidated subsidiaries, associates or joint ventures, the Stellantis Group, The Economist Group, the Welltec Group, the Christian Louboutin Group and their subsidiaries. In addition, members of the board of directors of Exor and its parent company Giovanni Agnelli B.V. and their families are also considered related parties.

Transactions carried out by the Group with unconsolidated subsidiaries, joint ventures, associates and other related parties are primarily those of a commercial nature, which have had an effect on revenues, cost of sales, and trade receivables and payables.

In accordance with IAS 24, transactions with related parties also include compensation payable to directors, statutory auditors and executives with strategic responsibilities.

For the years 2021, 2020 and 2019, and for the period between 31 December 2021 and the date of this prospectus, the Company believes that all related party transactions entered into are immaterial and negotiated and executed on an arm's length basis.

The effects of transactions with related parties recognised in the consolidated income statement of the Group for the years 2021, 2020 and 2019 are as follows:

<i>(€ million)</i>	Years ended 31 December							
	2021				2020			
	Net revenues	Cost of sales	Selling, general and other (income) expenses	Financial income (expenses)	Net revenues	Cost of sales	Selling, general and other (income) expenses	Financial income (expenses)
Total joint ventures	701	357	—	(1)	793	349	—	—
Total associates	719	308	93	(42)	567	421	—	1
Total other related parties	17	—	5	—	—	—	10	—
Total unconsolidated subsidiaries	—	1	2	—	—	—	2	—
Total related parties	1,437	666	100	(43)	1,360	770	12	1

Years ended 31 December				
<i>(€ million)</i>	2019			
	Net revenues	Cost of sales	Selling, general and other (income) expenses	Financial income (expenses)
Total joint ventures	3,757	4,880	(8)	(54)
Total associates	164	196	—	1
Total other related parties	5	—	13	—
Total unconsolidated subsidiaries	—	7	5	—
Total related parties	3,926	5,083	10	(53)

Non-financial assets and liabilities originating from related party transactions at 31 December 2021, 31 December 2020 and 31 December 2019 are as follows:

<i>(€ million)</i>	At 31 December 2021				At 31 December 2020			
	Trade receivables	Trade payables	Other assets	Other liabilities	Trade receivables	Trade payables	Other assets	Other liabilities
Total joint ventures	4	84		250	323	492	3	29
Total associates	62	90	1	6	23	65	9	—
Total other related parties	1	5		9	3	1	—	1
Total unconsolidated subsidiaries	—	3	—	—	5	16	—	—
Total related parties	67	182	1	265	354	574	12	30

<i>(€ million)</i>	At 31 December 2019			
	Trade receivables	Trade payables	Other assets	Other liabilities
Total joint ventures	304	365	2	238
Total associates	28	65	9	8
Total other related parties	4	—	—	1
Total unconsolidated subsidiaries	7	9	—	—
Total related parties	343	439	11	247

The data at 31 December 2020 and 2019 includes the non-financial assets and liabilities originating from related party transactions of the FCA Group deconsolidated on 16 January 2021.

Financial assets and liabilities originating from related party transactions at 31 December 2021, 31 December 2020 and 31 December 2019 are as follows:

<i>(€ million)</i>	At 31 December 2021		At 31 December 2020		At 31 December 2019	
	Receivables from financing activities	Financial debt	Receivables from financing activities	Financial debt	Receivables from financing activities	Financial debt
Total joint ventures	—	—	277	68	175	194
Total associates	3	3	36	4	33	5
Total other related parties	—	—	8	—	—	—
Total unconsolidated subsidiaries	—	1	12	27	1	24
Total related parties	3	4	333	99	209	223

The data at 31 December 2020 and 2019 includes the financial assets and liabilities originating from related party transactions of the FCA Group deconsolidated on 16 January 2021.

12. DESCRIPTION OF SHARE CAPITAL AND CORPORATE STRUCTURE

Set out below is a summary of the most relevant information concerning the Company's share capital and of certain, relevant significant provisions of Dutch law and the most relevant provisions of the Articles of Association. It is based on the relevant provisions of Dutch law as in effect on the date of this Prospectus and the Articles of Association.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles of Association and the relevant provisions of Dutch law. The Articles of Association are available in electronic form on the Company's website (in Dutch and in English), or at the Company's business address in Amsterdam, the Netherlands during regular business hours. See also "*Management, Employees and Corporate Governance*" for a summary of certain material provisions of the Articles of Association and Dutch law relating to the Board of Directors. The Company was incorporated in the Netherlands on 30 September 2015.

The Special Voting Structure was introduced as part of the Merger which was completed on 11 December 2016. Prior to the completion of the Merger, the management board and the general meeting of the Company approved the Special Voting Structure simultaneously with the approval of the Merger.

The statutory seat (*statutaire zetel*) of the Company is in Amsterdam, the Netherlands, and its registered office is at Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands. The Company's telephone number is +31 (0) 202402220. The Company is registered with the Netherlands Chamber of Commerce (*Kamer van Koophandel*) (**Chamber of Commerce**) under number 64236277.

12.1 Corporate Purpose

Pursuant to Article 3 of the Articles of Association, the Company's purpose is to: (a) incorporate, participate in any way whatsoever in, manage, supervise businesses and companies; (b) finance businesses and companies; (c) borrow, lend and raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as enter into agreements in connection with the aforementioned activities; (d) render advice and services to businesses and companies with which the Company forms a group and to third parties; (e) grant guarantees, bind the Company and pledge its assets for obligations of businesses and companies with which it forms a group and on behalf of third parties; (f) acquire, alienate, manage and exploit registered property and items of property in general; (g) trade in currencies, securities and items of property in general; (h) perform any and all activities of an industrial, financial or commercial nature, and do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

12.2 Share Capital

The total authorised share capital of the Company as from 1 January 2019 up to and including 31 December 2021, was and remains, as of the date of this Prospectus, EUR 11,650,000. At the date of this Prospectus, the authorised share capital is divided into the following classes of shares:

- 375,000,000 Ordinary Shares, having a nominal value of EUR 0.01 each;
- 175,000,000 Special Voting Shares A, having a nominal value of EUR 0.04 each; and
- 10,000,000 Special Voting Shares B, having a nominal value of EUR 0.09 each.

At the date of this Prospectus, the total issued capital of the Company is equal to EUR 7,398,686.52, divided into 241,000,000 Ordinary Shares each with a nominal value of EUR 0.01 and 124,717,163 Special Voting Shares A each with a nominal value of EUR 0.04.

On 13 December 2021, the first allocation of Special Voting Shares A took place, with no change in authorised share capital, and the issued share capital subsequently comprising 241,000,000 Ordinary Shares and 124,717,132 Special Voting Shares A.

At 31 December 2021, 9,291,244 Ordinary Shares with a nominal value of €0.01 per share were held as treasury stock (9,993,244 at 31 December 2020 and 9,412,215 at 31 December 2019), with a book value of €298 million (€298 million at 31 December 2020 and €269 million at 31 December 2019). In 2021, the movements in treasury stock are related to the shares utilised under the Company's stock option plans.

All shares in the Company have been paid up.

(A) Form and Trading of Shares

The Company's share capital is divided into Ordinary Shares and Special Voting Shares. All Shares are in registered form and are only available in the form of an entry in the Company's shareholders' register and not in certificate form. The Shares are subject to, and have been created under, the laws of the Netherlands.

The transfer of rights a shareholder holds with regard to the Company's Shares included in the book-entry system, which is any book-entry system in the country where the Company's Shares are listed from time to time, must take place in accordance with the provisions of the regulations applicable to the relevant book-entry system. The transfer of Shares not included in the book-entry system requires an instrument intended for such purpose and, save when the Company itself is a party to such legal act, the written acknowledgement by the Company of the transfer. The acknowledgement must be made in the instrument or by a dated statement of acknowledgement on the instrument or on a copy or extract thereof and signed as a true copy by a civil law notary or the transferor. Official service of such instrument or such copy or extract on the Company is considered to have the same effect as an acknowledgement.

(B) Clearing and Settlement of Shares

The principal settlement systems to be used for the trading and settlement of Ordinary Shares are the book-entry systems operated by Euronext Securities Milan (formerly Monte Titoli S.p.A.) (**Euronext Securities Milan**), Euroclear Bank S.A./N.V. (**Euroclear Bank**), and the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) trading as Euroclear Nederland (**Euroclear Nederland**). These systems have established electronic securities and payment transfer, processing, depository and custodial links among themselves and others, either directly or through custodians and depositories. These links allow Ordinary Shares to be issued, held and transferred among the settlement systems without the physical transfer of Shares. Euronext Securities Milan acts as the principal Central Securities Depository for the Shares.

For purposes of the Listing, application has been made for the Ordinary Shares to be accepted for delivery through the book-entry facilities of Euroclear Nederland. The Ordinary Shares are already accepted for delivery through the book-entry facilities of Euroclear Bank. Application has been made for a remote common code in Euroclear Bank to reflect the Ordinary Shares admitted to listing and trading on Euronext Amsterdam in its system.

Euronext Securities Milan is located at Piazza degli Affari 6, 20123 Milan, Italy. Euroclear Bank is located at 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. Euroclear Nederland is located at Herengracht 459-469, 1017 BS Amsterdam, the Netherlands.

The description of the settlement systems in this section reflects the Company's present understanding of the rules and procedures of Euronext Securities Milan, Euroclear Bank and Euroclear Nederland as they are currently in effect. Those systems could change their rules and procedures at any time in the future.

The Company has and takes no responsibility for any aspect of the actions of Euronext Securities Milan, Euroclear Bank and Euroclear Nederland or any of their direct or indirect participants or accountholders. The Company has no responsibility for any aspect of the records kept by Euronext Securities Milan, Euroclear Bank or Euroclear Nederland or any of their direct or indirect participants or accountholders. The Company does not supervise these systems in any way.

All trades in the Ordinary Shares on Euronext Amsterdam will be cleared by LCH.Clearnet.

Trades in the Ordinary Shares on Euronext Amsterdam will be settled in Euros through either Euroclear Nederland, the primary settlement platform for trades on Euronext Amsterdam, or through Euroclear Bank, depending on the default settlement system selected by the relevant broker through which a trade is executed. If the investor's broker has selected Euroclear Nederland as its default settlement system, a trade will be settled via the Euroclear Settlement of Euronext-zone Shares (ESES) settlement platform.

At the date of this Prospectus, the Ordinary Shares have been deposited with Euronext Securities Milan. Euroclear Bank maintains a link with Euronext Securities Milan and Euroclear Netherlands in order for cross-border settlement to take place. If you own Ordinary Shares that are not deposited with Euroclear Bank or Euroclear Nederland, deposit arrangements need to be made before trading on Euronext Amsterdam.

Settlement of trades on Euronext Amsterdam through Euroclear Bank or Euroclear Nederland is possible only if you or your bank or broker maintains a securities account with an institution which has been admitted by Euroclear Bank or Euroclear Nederland, respectively. You can sell the Ordinary Shares on Euronext Amsterdam only if and to the extent a sufficient number of the Ordinary Shares has been credited to such securities account. The Company advises you to consult with your bank and broker on the arrangements which must be made in this respect.

Neither Euroclear Bank nor Euroclear Nederland has knowledge of the actual beneficial owners of the Ordinary Shares. The records of both Euroclear Bank and Euroclear Nederland only reflect the identity of the direct participants to whose accounts such Ordinary Shares are credited, which may or may not be the beneficial owners. The direct and indirect participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by Euroclear Bank or Euroclear Nederland to direct participants, by direct participants to indirect participants and by direct participants and indirect participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

(C) *The Special Voting Structure*

Please see the section "*The Special Voting Structure*" for further information on the Special Voting Structure.

12.3 Issuance of Shares

Shares can be issued either (i) if and to the extent the Board of Directors has been designated by the General Meeting as the authorised corporate body to resolve to issue Shares, pursuant to a resolution by the Board of Directors, or (ii) if and to the extent the Board of Directors has not been designated as the authorised corporate body to resolve to issue Shares, pursuant to a resolution by the General Meeting (adopted with a simple majority) on a proposal to that effect by the Board of Directors. This also applies to the granting of rights to subscribe for Shares, such as options, but is not required for an issue of Shares pursuant to the exercise of a previously granted right to subscribe for Shares. An authorisation as referred to above will only be valid for a fixed term of no more than five years and may each time only be extended for a maximum period of five years.

12.4 Pre-emptive Rights

Upon the issuance of Ordinary Shares, each holder of Ordinary Shares will have pre-emptive rights in proportion to the aggregate nominal value of his Ordinary Shares. A Shareholder will not have pre-emptive rights in respect

of Ordinary Shares issued against a non-cash contribution. Nor will the Shareholder have pre-emptive rights in respect of Ordinary Shares issued to employees of the Company or of a group company (*groepsmaatschappij*).

Prior to each individual issuance of Ordinary Shares, pre-emptive rights may be restricted or excluded by a resolution of the General Meeting. However, with respect to an issue of Ordinary Shares pursuant to a resolution of the Board, the pre-emptive rights can be restricted or excluded pursuant to a resolution of the Board if and insofar as the Board is designated to do so by the General Meeting. A designation as referred to above will only be valid for a fixed term of no more than five years and may each time only be extended for a maximum period of five years.

A resolution of the General Meeting to restrict or exclude the pre-emptive rights or to designate the Board as a body of the Company authorised to do so can only be adopted at the proposal of the Board. If a proposal is made to the General Meeting to restrict or exclude pre-emptive rights, the reason for such proposal and the choice of the intended issue price must be set forth in the proposal in writing.

A resolution of the General Meeting to restrict or exclude pre-emptive rights or to designate the Board as the body of the Company authorised to do so requires a majority of not less than two-thirds of the votes cast, if less than one-half of the Company's issued capital is represented at the meeting.

When rights are granted to subscribe for Ordinary Shares, the holders of Ordinary Shares will have pre-emptive rights in respect thereof. Holders of Ordinary Shares will have no pre-emptive rights in respect of Ordinary Shares issued to a person exercising a right to subscribe for Ordinary Shares previously granted.

12.5 Capital Reduction

Subject to the provisions of Dutch law and the Articles of Association, the General Meeting may, but only if proposed by the Board of Directors, and in compliance with Sections 2:99 and 2:100 of the Dutch Civil Code, pass resolutions to reduce the issued share capital by: (i) cancelling Shares; or (ii) reducing the nominal value of the shares by amendment of the Articles of Association. A resolution to cancel shares may only relate to: (i) shares held by the Company or of which it holds the depositary receipts; or (ii) all shares of a particular class. A reduction of the nominal value of shares, whether without redemption or against partial repayment on the shares or upon release from the obligation to pay up the nominal value of the shares, must be made pro rata on all Shares. This requirement may be deviated from in a way that a distinction is made between classes of Shares. In that case, a reduction of the nominal value of the Shares of a particular class will require the prior approval of the meeting of holders of Shares of the class concerned. Acquisition by the Company of its own Shares.

The Company is entitled to acquire its own fully paid-up Shares, or depositary receipts for Shares, with due observance of the relevant statutory provisions.

Acquisition for valuable consideration is permitted only if the General Meeting has authorised the Board to do so. Such authorisation will be valid for a period not exceeding 18 months. The General Meeting must determine in the authorisation the number of Shares or depositary receipts for Shares which may be acquired, the manner in which they may be acquired and the limits within which the price must be set.

The Company may, without authorisation by the General Meeting, acquire its own Shares for the purpose of transferring such Shares to employees of the Company or of a group company (*groepsmaatschappij*) under a scheme applicable to such employees, provided such Shares are quoted on the price list of a stock exchange.

12.6 Acquisition by the Company of its own Shares

The Company is entitled to acquire its own fully paid-up Shares, or depositary receipts for Shares, with due observance of the relevant statutory provisions.

Acquisition for valuable consideration is permitted only if the General Meeting has authorised the Board to do so. Such authorisation will be valid for a period not exceeding 18 months. The General Meeting must determine in the authorisation the number of Shares or depository receipts for Shares which may be acquired, the manner in which they may be acquired and the limits within which the price must be set.

The Company may, without authorisation by the General Meeting, acquire its own Shares for the purpose of transferring such Shares to employees of the Company or of a group company (*groepsmaatschappij*) under a scheme applicable to such employees, provided such Shares are quoted on the price list of a stock exchange.

12.7 Dividend Distributions

(A) General

Distributions may be made only insofar as the Company's equity exceeds the amount of the issued capital, increased by the reserves which must be kept by virtue of the law or the Articles of Association. The dividend payout can be summarised as follows.

(B) Right to Reserve

The Board of Directors may decide that the profits realised during a financial year are fully or partially appropriated to increase and/or form reserves.

(C) Annual Profit Distribution

Out of the profits remaining after application of the above, with respect to the financial year concerned, primarily and insofar as possible, a dividend is paid in the amount of 1% of the amount actually paid on the Special Voting Shares in accordance with the Articles of Association. These dividend payments will be made only in respect of Special Voting Shares for which such actual payments have been made. Actual payments made during the financial year to which the dividend relates, will not be counted. No further distribution will be made on the Special Voting Shares. If, in a financial year, no profit is made or the profits are insufficient to allow the distribution provided for in the preceding sentences, the deficit will be not paid at the expense of the profits earned in following financial years.

The profits remaining after application of the above will be put at the disposal of the General Meeting for the benefit of the holders of Ordinary Shares. The Board will make a proposal for that purpose. A proposal to pay a dividend to holders of Ordinary Shares will be dealt with as a separate agenda item at the General Meeting of Shareholders.

Distributions from the Company's distributable reserves are made pursuant to a resolution of the Board and will not require a resolution from the General Meeting.

Dividends and other distributions will be made payable pursuant to a resolution of the Board of Directors within four weeks after the decision by the General Meeting to pay dividends or another distribution, unless the Board of Directors sets another date for payment. A claim of a shareholder for payment of a distribution shall be barred after five years have lapsed after the payment date. Reference is made to Articles 28 and 29 of the Articles of Association.

(D) Interim Distribution

Subject to Dutch law and the Articles of Association, the Board of Directors may resolve to make one or more interim distributions provided that it appears from an unaudited interim statement of assets signed by the Board of Directors that the Company's equity does not fall below the sum of called-up and paid-up share capital, any statutory reserves and conversion reserves.

(E) Distribution in Kind

The Board of Directors may decide that a distribution be made not in cash but in shares, or decide that shareholders shall have the option to receive a distribution as a cash payment and/or as a payment in shares, provided that the Board of Directors is authorised by the General Meeting to resolve to issue shares and exclude pre-emptive rights.

12.8 Exchange Controls and Other Provisions relating to non-Dutch Shareholders

Under Dutch law, subject to the 1977 Sanction Act (*Sanctiewet 1977*) or otherwise by international sanctions, there are no exchange control restrictions on investments in, or payments on, Ordinary Shares, provided that the payment in a foreign currency for any Ordinary Shares issued, or to be issued, by the Company will only result in the performance of the obligation to pay up the Ordinary Shares, to the extent that the Company consents to payment in such foreign currency, the paid-up sum can be converted (exchanged) freely into euro and is equal to at least the euro nominal value of such Ordinary Shares. There are no special restrictions in the Articles of Association or Dutch law that limit the right of shareholders who are not citizens or residents of the Netherlands to hold or vote Ordinary Shares.

12.9 Meetings of Shareholders and Voting Rights

(A) General Meetings

The annual General Meeting must be held on or before 30 June each year. Typical agenda items of the annual General Meeting are: the report of the Board of Directors, the implementation of the remuneration policy, the approval of the annual accounts, the policy on reserves and dividends, the proposal to distribute dividends (if applicable), the release of the members of the Board of Directors from liability, the appointment of an independent auditor, the designation of the Board of Directors as authorised by the corporate body of the Company to issue Shares and to exclude pre-emptive rights, the authorisation of the Board of Directors to cause the Company to acquire its own Shares, and any other subjects presented for discussion by the Board of Directors.

Additional extraordinary General Meetings are held whenever the Board of Directors deems such to be necessary.

Within three months of it becoming apparent to the Board of Directors that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a General Meeting will be held to discuss any requisite measures.

(B) Place of Meetings, Chairman and Minutes

The Articles of Association provide that General Meetings must be held in Amsterdam or Haarlemmermeer (including Schiphol Airport), the Netherlands at the choice of those who call the General Meeting.

The General Meetings of Shareholders will be chaired by the Senior Non-Executive Director or his replacement. However, the Board may also appoint another person to chair the meeting. The chairman of the meeting will have all the powers he may deem required to ensure the proper and orderly functioning of the General Meeting of Shareholders. The chairman of the meeting will have all the powers he may deem required to ensure the proper and orderly functioning of the General Meeting. If the chairmanship of the meeting is not provided for in accordance with the above, the meeting will itself elect a chairman, provided that so long as such election has not taken place, the chairmanship will be held by a Board member designated for that purpose by the Directors present at the meeting.

Minutes will be kept of the proceedings at the General Meeting by, or under the supervision of, the Company secretary, which will be adopted by the chairman and the secretary and will be signed by them as evidence thereof. However, the chairman of the meeting may determine that notarial minutes will be prepared of the proceedings of the meeting. In that case, the co-signature of the chair will be sufficient.

(C) Convocation Notice and Agenda

A General Meeting can be convened by the Board of Directors by a convening notice, which must be given no later than the 42nd day before the date of the General Meeting. Such notice must include the location and the time of the meeting, an agenda indicating the items for discussion and any proposals for resolutions, the admission, participation and voting procedure, the record date and the address of the Company's website. All convocations, announcements, notifications and communications to shareholders have to be made in accordance with the relevant provisions of Dutch law and the convocation and other notices may also occur by means of sending an electronically transmitted legible and reproducible message to the address of those shareholders that consented to this method of convocation.

Shareholders and/or other persons entitled to attend the General Meeting of Shareholders, who, alone or jointly, meet the requirements set forth in section 2:114a subsection 2 of the Dutch Civil Code will have the right to request the Board to place items on the agenda of the General Meeting of Shareholders, provided the reasons for the request must be stated therein and the request must be received by the Senior Non-Executive Director or the CEO in writing at least 60 days before the date of the General Meeting of Shareholders.

(D) Admission and Registration

Each shareholder is entitled to attend and address the General Meetings and to exercise voting rights pro rata to his holding of Shares, either in person or by proxy. Shareholders may exercise these rights if they are holders of shares on the record date, which is the 28th day before the day of the General Meeting. The convocation notice shall state the record date and the manner in which persons holding such rights can register and exercise their rights.

The Board is authorised to determine that the voting rights and the right to attend the General Meeting of Shareholders can be exercised by using an electronic means of communication. If so decided, it will be required that each person entitled to attend the General Meeting of Shareholders, or his proxy holder, can be identified through the electronic means of communication, follow the discussions in the meeting and, to the extent applicable, exercise the voting right. The Board may also determine that the electronic means of communication used must allow each person entitled to attend the General Meeting of Shareholders or his proxy holder to participate in the discussions.

Members of the Board of Directors have the right to attend and address the General Meeting. In these General Meetings, they have an advisory role. The independent auditor of the Company is also authorised to attend and address the General Meeting.

(E) Voting Rights

Each Ordinary Share confers the right to cast one vote. Each Special Voting Share A confers the right to cast four votes and each Special Voting Share B confers the right to cast nine votes.

12.10 Amendment of Articles of Association

The General Meeting may pass a resolution to amend the Articles of Association of the Company. Any such proposal must be stated in the notice of the General Meeting. A resolution of the General Meeting to amend the Articles of Association requires the absolute majority of the votes cast without any quorum being required.

In the event of a proposal to the General Meeting to amend the Articles of Association, a copy of such proposal containing the verbatim text of the proposed amendment will be deposited at the Company's office, for inspection by shareholders and other persons holding meeting rights, until the end of the meeting. Furthermore, a copy of the proposal will be made available free of charge to shareholders and other persons holding meeting rights from the day it was deposited until the day of the meeting.

12.11 Dissolution and Liquidation

The Company may be dissolved pursuant to a resolution to that effect by the General Meeting with an absolute majority of the votes cast without any quorum being required. When a proposal to dissolve the Company is to be made to the General Meeting, this must be stated in the notice convening the General Meeting. In the event of dissolution, the Company will be liquidated in accordance with Dutch law and the Articles of Association and the liquidation shall be arranged by the members of the Board of Directors, unless the General Meeting appoints other liquidators. During liquidation, the provisions of the Articles of Association will remain in force for as long as possible.

From the balance remaining after payment of the debts of the dissolved Company will be paid, insofar as possible (a) firstly, the amounts actually paid in on Special Voting Shares in accordance with the Articles of Association are transferred to those holders of Special Voting Shares whose Special Voting Shares have so been actually paid for; and (b) secondly, the balance remaining is transferred to the holders of Ordinary Shares in proportion to the aggregate number of the Ordinary Shares held by each of them.

12.12 Transparency Directive

The Netherlands is the Company's home member state for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU) (the **Transparency Directive**), as a consequence of which the Company is subject to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder (**Dutch Financial Supervision Act**) in respect of certain ongoing transparency and disclosure obligations, as discussed below.

12.13 Annual and Semi-Annual Financial Reporting

The Company's financial year is the calendar year. Annually, not later than four months after the end of the financial year, the Board must prepare annual accounts and deposit the same for inspection by the Shareholders and other persons entitled to attend the General Meeting of Shareholders at the Company's office. Within the same period, the Board must also deposit the board report for inspection by the Shareholders and other persons entitled to attend the General Meeting of Shareholders. The annual accounts must be signed by the Directors. If the signature of one or more of them is missing, this will be stated and reasons for this omission will be given.

The Company must ensure that the annual accounts, the board report, and the information to be added by virtue of the law are kept at its office as of the day on which notice of the annual General Meeting of Shareholders is given. Shareholders and other persons entitled to attend the General Meeting of Shareholders may inspect the documents at that place and obtain a copy free of charge.

The annual accounts, the board report and the information to be added by virtue of the law are furthermore subject to the provisions of the Dutch Civil Code. The language of the annual accounts and the board report will be English.

The annual accounts will be submitted to the General Meeting for adoption. At the General Meeting of Shareholders at which it is resolved to adopt the annual accounts, it will be separately proposed that the Directors be released from liability for their respective duties, insofar as the exercise of such duties is reflected in the annual accounts or otherwise disclosed to the General Meeting prior to the adoption of the annual accounts.

Within three months after the end of the first six months of each financial year, the Board of Directors must prepare semi-annual financial statements and make them publicly available. If the semi-annual financial statements are audited or reviewed, the independent auditor's report must be made publicly available together with the semi-annual financial statements.

12.14 Dutch Financial Reporting Supervision Act

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*, the **FRSA**), the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange, such as the Company.

Pursuant to the FRSA, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards and (ii) recommend the issuer to make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) to order the Company to (a) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (b) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

12.15 Squeeze-out Proceedings

Pursuant to Section 2:201a of the Dutch Civil Code, a shareholder who for his own account contributes at least 95% of a Dutch limited liability company's issued share capital may institute proceedings against such company's minority shareholders jointly for the transfer of their shares to him. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary, after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to him, he is required to publish the same in a daily newspaper with nationwide circulation.

The offeror under a public offer is also entitled to start squeeze-out proceedings if, following the public offer, the offeror contributes at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary, after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

12.16 Public Takeover Offers

Pursuant to the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*), and in accordance with European Directive 2004/25/EC, also known as the Takeover Directive, any shareholder who directly or indirectly obtains control of a Dutch listed company, is required to make a public takeover offer for all issued and outstanding shares in that company's share capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the general meeting of shareholders of such listed company (subject to a grandfathering exemption for major shareholders who, acting alone or in concert, already had control at the time of the company's initial public offering).

The provisions of the Dutch Financial Markets Supervision Act and the Dutch Public Takeover Bid Decree (*Besluit openbare biedingen Wft*) will also apply to the public takeover bid that is made.

Exempted from the obligation to launch a public takeover bid is – in line with the statutory mandatory offer rules of the Dutch Financial Markets Supervision Act – such shareholder that decreases its interest below the applicable threshold within 30 calendar days, as well as a party that made a public takeover bid and as a result can exercise more than 50% of the voting rights in the general meeting of shareholders of the company.

12.17 Statutory Cooling-off Period

On 1 May 2021, the Dutch Bill on a Cooling-off Period for Listed Companies came into force. The purpose is to give the board of a listed company more time to weigh the interests of the company and its stakeholders in the event of an unsolicited takeover bid or other pressure being put on the board to change the course of the company. Pursuant to the bill, the board of a listed company may invoke a cooling-off period up to 250 days in the event of: (i) a request by one or more shareholders for consideration of a proposal to appoint, suspend or dismiss one or more members of the (supervisory) board, or (ii) when a public bid has been announced or made for the shares without agreement having been reached on the bid with the target company. The decision by the board to invoke the cooling-off period is subject to supervisory board approval. In addition, to invoke the cooling-off period, the request under (i) and the public bid under (ii) must in the view of the board be substantially contrary to the interest of the company and its affiliated enterprise.

12.18 Diversity

On 1 January 2022, a bill (*Wet inzake evenwichtige man vrouw verhouding in de top van het bedrijfsleven*) came into force that requires the supervisory board or the non-executive directors of a one-tier board of a Dutch listed company to comprise at least one-third women and at least one-third men. Appointments not in accordance with this quota should be regarded as null and void (*nietig*). The quota will apply to new appointments of supervisory or non-executive directors made after the bill comes into force. A supervisory or non-executive director who is eligible for reappointment can be reappointed if his or her reappointment takes place within eight years from the year of the first appointment, even if this reappointment would not make the male:female ratio more balanced.

The Company recognises the benefits of having a diverse Board and believes that, considering the specific characteristics, the culture and the business of the Company, the Board of Directors has the appropriate diversity mix, independence and judgment to allow the Board of Directors to fulfil its responsibilities, execute its duties appropriately and to have a good understanding of the current affairs and long-term risks and opportunities related to the Company's business.

At the date of this Prospectus, the Board of Directors complies with the aforementioned requirement.

12.19 Obligations to Disclose Holdings

(A) Obligations of Shareholders to Disclose Holdings

Pursuant to the Dutch Financial Markets Supervision Act, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of a listed company must immediately notify the AFM by means of a standard form, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the company reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the above-mentioned thresholds as a result of a change in the Company's total outstanding share capital or voting rights. Such notification must be made no later than the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital. The Company is required to notify the AFM immediately of the changes to its total share capital or voting rights if its issued share capital or voting rights changes by 1% or more since the Company's previous notification. The Company must furthermore notify the

AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1% in that relevant quarter since the Company's previous notification.

In addition, every holder of 3% or more of the Company's share capital or voting rights whose interest at 31 December at midnight has a different composition than in a previous notification to the AFM must notify the AFM within four weeks.

Controlled entities, within the meaning of the Dutch Financial Markets Supervision Act, do not have notification obligations under the Dutch Financial Markets Supervision Act, as their direct and indirect interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the Dutch Financial Markets Supervision Act, including a natural person. A person who has a 3% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the Dutch Financial Markets Supervision Act will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, inter alia, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly) or third party referred to above, may acquire pursuant to any option or other right to acquire shares; (v) shares that determine the value of certain cash-settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares that are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares.

Special attribution rules apply to shares and voting rights that are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the same purpose, the following instruments qualify as "shares": (a) shares; (b) depositary receipts for shares (or negotiable instruments similar to such receipts); (c) negotiable instruments for acquiring the instruments under (a) or (b) above (such as convertible bonds); and (d) options for acquiring the instruments under (a) or (b) above.

(B) Notification of Short Positions

Each person holding a gross short position in relation to the issued share capital of a Dutch listed company that reaches, exceeds or falls below any one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, must immediately give written notice to the AFM. If a person's gross short position reaches, exceeds or falls below one of the above-mentioned thresholds as a result of a change in the Company's issued share capital, such person must make a notification not later than the fourth trading day after the AFM has published the Company's notification in the public register of the AFM. Shareholders are advised to consult with their own legal advisors to determine whether the gross short-selling notification obligation applies to them.

In addition, pursuant to Regulation (EU) No. 236/2012, each person holding a net short position attaining 0.1% of the issued share capital of a Dutch listed company is required to notify such position to the AFM. Each subsequent increase of this position by 0.1% above 0.1% must also be notified. Each net short position equal to 0.5% of the issued share capital of a Dutch listed company and any subsequent increase of that position by 0.1% will be made public via the AFM short-selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set off. A short transaction in a share can only

be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation from a third party that the shares have been located.

12.20 Related Party Transactions Regime

Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the **Shareholder Rights Directive II**), establishes requirements in relation to the exercise of certain shareholder rights attached to voting shares in relation to general meetings of companies, which have their registered office in a Member State and the shares of which are admitted to trading on a regulated market situated or operating within a Member State. The Dutch Act to implement the Shareholder Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*) (the **Dutch SRD Act**) entered into force on 1 December 2019. The Dutch SRD Act, among other things, adds new rules on related party transactions to the Dutch Civil Code and provides that “*material transactions*” with “*related parties*” not entered into within the ordinary course of business or not concluded on normal market terms, will need to be approved by the non-executive members of the board of directors, and be publicly announced at the time that the transaction is entered into. If information is required to be published at an earlier stage under the Market Abuse Regulation, that requirement prevails. The board of directors will be required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Any director or shareholder that has a (direct or indirect) personal interest in the transaction cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. In this context: a “*related party*” is interpreted in accordance with IFRS (IAS 24 (*Related Party Disclosures*)) and includes a party that has “*control*” or “*significant influence*” over the company or is a member of the company’s key management personnel; and a transaction is considered “*material*” if it would constitute inside information within the meaning of the Market Abuse Regulation and is concluded between the company and a related party (which for this purpose, and in line with the Dutch Corporate Governance Code, in any event includes one or more shareholders representing at least 10% of the issued share capital, an executive director or a non-executive director). Not all transactions with a “*related party*” are subject to the approval and disclosure provisions of the Dutch SRD Act (for example, transactions concluded between a company and its subsidiary).

12.21 Market Abuse Regime

(A) *Obligations of Persons Discharging Managerial Responsibilities to Disclose Holdings and to Refrain from Trading in the Company Securities*

Pursuant to Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the **MAR**), which entered into force on 3 July 2016, persons discharging managerial responsibilities must notify the AFM and the Company of any transactions conducted for his or her own account relating to the shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto.

Persons discharging managerial responsibilities within the meaning of the MAR include: (i) managing directors; or (ii) members of the senior management who have regular access to inside information relating directly or indirectly to that entity and the authority to take managerial decisions affecting the future developments and business prospects of the Company.

In addition, pursuant to the MAR and the regulations promulgated thereunder, certain persons who are closely associated with persons discharging managerial responsibilities are also required to notify the AFM and the Company of any transactions conducted for their own account relating to shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto. The MAR and the regulations promulgated thereunder cover, inter alia, the following categories of persons: (a) the spouse or any partner considered by national law as equivalent to the spouse; (b) dependent children; (c) other relatives who have shared the same household for at least one year at the relevant transaction date; and (d) any legal person, trust or

partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to under (a), (b) or (c) above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interest of which are substantially equivalent to those of such a person.

These notification obligations under the MAR apply when the total amount of the transactions conducted by a person discharging managerial responsibilities or a person closely associated to a person discharging managerial responsibilities reaches or exceeds the threshold of EUR 5,000 within a calendar year (calculated without netting). When calculating whether the threshold is reached or exceeded, persons discharging managerial responsibilities must add any transactions conducted by persons closely associated with them to their own transactions and vice versa. The first transaction reaching or exceeding the threshold must be notified as set out above. The notifications pursuant to the MAR described above must be made to the AFM and the Company no later than the third business day following the relevant transaction date.

(B) *Non-compliance*

Non-compliance with the notification obligations under the MAR set out in the paragraphs above is an economic offence (*economisch delict*) and could lead to the imposition of criminal fines, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and, vice versa, the AFM is no longer allowed to seek criminal prosecution if administrative penalties have been imposed. In addition, non-compliance with some of the notification obligations set out in the paragraphs above may lead to civil sanctions, including suspension of the voting rights relating to the shares held by the offender for a period of not more than three years, voiding of a resolution adopted by the general meeting of shareholders in certain circumstances and ordering the person violating the disclosure obligations to refrain, during a period of up to five years, from acquiring shares and/or voting rights in shares.

(C) *Obligation for the Company to Disclose Inside Information*

The Company is required to inform the public of inside information, which directly concerns the Company as soon as possible and in a manner that enables fast access and complete, correct and timely assessment of the information. Pursuant to the MAR, inside information is knowledge of information of a precise nature directly or indirectly relating to the issuer or the trade in its securities which has not yet been made public and publication of which could significantly affect the trading price of the securities (i.e. information a reasonable investor would be likely to use as part of the basis of his or her investment decision). An intermediate step in a protracted process can also be deemed to be inside information. The Company is required to post and maintain on its website all inside information for a period of at least five years. Under certain circumstances, the disclosure of inside information may be delayed, which needs to be notified to the AFM after the disclosure has been made. Upon request of the AFM, a written explanation needs to be provided setting out why a delay of the publication was considered permitted. Where the Company elects to delay the disclosure of inside information, it and any person acting on its behalf or on its account is required to draw up an insiders' list, to promptly update the insiders' list and provide the insider list to the AFM upon its request. The Company and any person acting on its behalf or on its account is obligated to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

(D) *Prohibition from Trading during Closed Periods*

A person discharging managerial responsibilities is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third party, relating to shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of a half-yearly report or an annual report of the Company. The Company may release persons

discharging managerial responsibilities from this restriction on a case-by-case basis in exceptional, justifiable circumstances.

(E) Prohibition to engage in insider dealing and market manipulation

Pursuant to the MAR, no natural or legal person is permitted to: (i) engage or attempt to engage in insider dealing in financial instruments listed on a regulated market, such as the Ordinary Shares, or for which a listing has been requested; (ii) recommend that another person engages in insider dealing or induce another person to engage in insider dealing; or (iii) unlawfully disclose inside information relating to the Ordinary Shares or the Company. Furthermore, no person may engage in or attempt to engage in market manipulation.

(F) Non-compliance with Market Abuse Rules

In accordance with the MAR, the AFM has the power to take appropriate administrative sanctions, such as fines, and/or other administrative measures in relation to possible infringements. Non-compliance with the MAR could also constitute an economic offence and/or a crime (*misdrif*) and could lead to the imposition of administrative fines by the AFM. The public prosecutor could press criminal charges resulting in fines or imprisonment. If criminal charges are pressed, it is no longer allowed to impose administrative penalties and vice versa.

The AFM shall, in principle, also publish any decision imposing an administrative sanction or measure in relation to an infringement of the MAR.

13. THE LISTING

13.1 Introduction

On 29 July 2022, the Board of Directors passed a resolution approving of, among others, the listing of the Ordinary Shares on Euronext Amsterdam. Application has been made for the admission to listing and trading of all of the Ordinary Shares under the symbol “EXO” on Euronext Amsterdam. The ISIN is NL0012059018. The trading of the Ordinary Shares on Euronext Amsterdam is expected to begin on 12 August 2022 at 9:00 a.m. CET.

13.2 Reasons for the Listing

The main purpose of the listing on Euronext Amsterdam is to align the listing venue with the Company’s established legal status as a diversified holding company governed by the laws of the Netherlands and domiciled in the Netherlands. The listing on Euronext Amsterdam will also permit to streamline its regulatory regime under the supervision of a single regulator (the AFM) rather than the current two regulators (the AFM and CONSOB, the Italian stock exchange regulator) and reduce administrative burdens and costs.

Having an established corporate presence in the Netherlands, Euronext Amsterdam represents a natural and logical choice for the Company, for the above reasons and also considering that it is a global venue and a major international stock exchange. The Company believes that the choice of Euronext Amsterdam is, and will be, beneficial to the Company as Euronext markets are some of the largest, most integrated and proven capital markets in Europe.

13.3 Fees and Expenses of the Listing

No expenses or taxes will be charged by the Company in respect of the Listing.

13.4 Delisting

Pursuant to the Rules of the Markets organised and managed by Borsa Italiana (*Regolamento dei Mercati organizzati e gestiti da Borsa Italiana S.p.A.*), Exor, being a company established under Dutch law with its Ordinary Shares traded on Euronext Milan (a regulated market organised and managed by Borsa Italiana), immediately upon receipt of the notice of admission to listing and trading on Euronext Amsterdam, will send Borsa Italiana a written request (the **Delisting Request**) for the delisting of its Ordinary Shares attaching the required documentation (i.e. the relevant resolution of the Board of Directors approving of, among others, the listing of the Ordinary Shares on Euronext Amsterdam and the delisting thereof from Euronext Milan, and a declaration attesting the admission to listing and trading on Euronext Amsterdam). Borsa Italiana will promptly announce (the **Notice**) the receipt of the Delisting Request.

Borsa Italiana, within ten days of the submission of the Delisting Request, will arrange for the delisting, specifying the date thereof. The measure adopted by Borsa Italiana will be announced in a Notice, which will be transmitted to the Company.

15 days before the date set for delisting, the Company will remind the public of the imminent delisting by publishing a press release.

At least 45 days will pass from the submission of the Delisting Request to the delisting being effective.

14. TAXATION

Material Dutch tax considerations

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of the Ordinary Shares, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Ordinary Shares may include an individual or entity who does not have the legal title of these Ordinary Shares, but to whom nevertheless the Ordinary Shares or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Ordinary Shares or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax advisor with respect to the tax consequences of the acquisition, holding, redemption and disposal of the Ordinary Shares.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Prospectus, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual income tax consequences for:

- (a) investment institutions (*fiscale beleggingsinstellingen*);
- (b) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- (c) corporate holders of Ordinary Shares which qualify for the participation exemption (*deelnemingsvrijstelling*) or would qualify for the participation exemption had the corporate holders of Ordinary Shares been resident in the Netherlands or which qualify for participation credit (*deelnemingsverrekening*). Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption or participation credit if it represents an interest of 5% or more of the nominal paid-up share capital;
- (d) holders of Ordinary Shares holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company and holders of Ordinary Shares of whom a certain related person holds a substantial interest in the Company. Generally speaking, a substantial interest in the Company arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Company or 5% or more of the issued capital of a certain class of shares of the Company, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in the Company;
- (e) persons to whom the Ordinary Shares and the income therefrom are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);
- (f) entities which are a resident of Aruba, Curaçao or Sint Maarten and that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Ordinary Shares are attributable to such permanent establishment or permanent representative;
- (g) holders of Ordinary Shares which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Ordinary Shares or the benefits derived from or realised in respect of these Ordinary Shares; and

- (h) individuals to whom the Ordinary Shares or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to ‘the Netherlands’ or ‘Dutch’, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Any reference hereafter made to a treaty for the avoidance of double taxation concluded by the Netherlands includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), the Tax Regulation Netherlands Curaçao (*Belastingregeling Nederland Curaçao*), the Tax Regulation Netherlands Sint Maarten (*Belastingregeling Nederland Sint Maarten*), the Tax Regulation for the Country of the Netherlands (*Belastingregeling voor het land Nederland*) and the Agreement between the Taipei Representative Office in the Netherlands and the Netherlands Trade and Investment Office in Taipei for the Avoidance of Double Taxation.

Dividend withholding tax

Withholding requirement

The Company is required to withhold 15% Dutch dividend withholding tax in respect of dividends paid on the Ordinary Shares. Generally, Dutch dividend withholding tax will not be borne by the Company, but will be withheld from the gross dividends paid on the Ordinary Shares. In the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), dividends are defined as the proceeds from shares, which include:

- (a) direct or indirect distributions of profit, regardless of their name or form;
- (b) liquidation proceeds, proceeds on redemption of the Ordinary Shares and, as a rule, the consideration for the repurchase of the Ordinary Shares by the Company in excess of its average paid-in capital recognised for Dutch dividend withholding tax purposes, unless a particular statutory exemption applies;
- (c) the nominal value of the Ordinary Shares issued to a holder of the Ordinary Shares or an increase of the nominal value of the Ordinary Shares, insofar as the (increase in the) nominal value of the Ordinary Shares is not funded out of the Company's paid-in capital as recognised for Dutch dividend withholding tax purposes; and
- (d) partial repayments of paid-in capital recognised for Dutch dividend withholding tax purposes, if and to the extent there are qualifying profits (*zuivere winst*), unless the general meeting of the shareholders of the Company has resolved in advance to make such repayment and provided that the nominal value of the Ordinary Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association and the paid-in capital is recognised as capital for Dutch dividend withholding tax purposes. The term "qualifying profits" includes anticipated profits that are yet to be realised.

Residents of the Netherlands

If a holder of Ordinary Shares is a resident or deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, Dutch dividend withholding tax which is withheld with respect to proceeds from the Ordinary Shares will generally be creditable for Dutch corporate income tax or Dutch individual income tax purposes.

Such holder of Ordinary Shares subject to Dutch corporate income tax is only allowed to credit the Dutch dividend withholding tax incurred in that year against the Dutch corporate income tax due in that same year. Insofar as the Dutch dividend withholding tax exceeds the Dutch corporate income tax due, the excess withholding tax can be carried forward indefinitely and is generally available to be offset against a positive balance of Dutch corporate income tax payable in future years.

Non-residents of the Netherlands

If a holder of Ordinary Shares is a resident of a country other than the Netherlands and if a treaty for the avoidance of double taxation with respect to taxes on income is in effect between the Netherlands and that country, and such holder is a resident for the purposes of such treaty, such holder may, depending on the specific conditions of that particular treaty, qualify for full or partial relief at source or for a refund in whole or in part of the Dutch dividend withholding tax.

A refund of Dutch dividend withholding tax is available to entities resident in another EU member state, Norway, Iceland, or Liechtenstein provided (i) these entities are not subject to corporate income tax there and (ii) these entities would not be subject to Dutch corporate income tax, if these entities would be tax resident in the Netherlands for corporate income tax purposes and (iii) these entities are not comparable to investment institutions (*fiscale beleggingsinstellingen*) or exempt investment institutions (*vrijgestelde beleggingsinstellingen*). Furthermore, a similar refund of Netherlands dividend withholding tax may be available to entities resident in other countries, under the conditions that (i) the Ordinary Shares are considered portfolio investments for purposes of article 63 (taking into account article 64) of the Treaty on the functioning of the European Union and (ii) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information.

A (partial) refund of Dutch dividend withholding tax is available to a holder of Ordinary Shares resident in another EU member state, Norway, Iceland or Liechtenstein if (i) this holder of Ordinary Shares is not subject to Dutch individual income tax or Dutch corporate income tax with respect to the income from the Ordinary Shares and (ii) such Dutch dividend withholding tax is higher than the Dutch individual income tax or Dutch corporate income tax would have been had this holder of Ordinary Shares been tax resident in the Netherlands, after taking into account a possible refund based on the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*) or a refund based on a treaty for the avoidance of double taxation with respect to taxes on income and (iii) no credit based on a treaty for the avoidance of double taxation with respect to taxes on income is granted in the state in which the holder of Ordinary Shares is tax resident, for the full amount of Dutch dividend withholding tax withheld and (iv) this holder of Ordinary Shares does not have a similar function as an investment institution (*fiscale beleggingsinstelling*) or exempt investment institution (*vrijgestelde beleggingsinstelling*). Furthermore, a similar refund of Dutch dividend withholding tax may be available to a holder of Ordinary Shares resident in another country, under the conditions that (i) the Ordinary Shares are considered portfolio investments for purposes of article 63 (taking into account article 64) of the Treaty on the functioning of the European Union and (ii) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information and (iii) no credit based on a treaty for the avoidance of double taxation with respect to taxes on income is granted in the state in which the holder of Ordinary Shares is tax resident, for the full amount of Dutch dividend withholding tax withheld. and (iv) this holder of Ordinary Shares does not have a similar function as an investment institution (*fiscale beleggingsinstelling*) or exempt investment institution (*vrijgestelde beleggingsinstelling*).

Beneficial owner

A recipient of proceeds from the Ordinary Shares will not be entitled to any exemption, reduction, refund or credit of Dutch dividend withholding tax if such recipient is not considered to be the beneficial owner of such proceeds. The recipient will not be considered the beneficial owner of these proceeds, if, in connection with such proceeds, the recipient has paid a consideration as part of a series of transactions in respect of which it is likely:

- (a) that the proceeds have in whole or in part accumulated, directly or indirectly, to a person or legal entity that would:
 - (i) as opposed to the recipient paying the consideration, not be entitled to an exemption from dividend withholding tax; or

- (ii) in comparison to the recipient paying the consideration, to a lesser extent be entitled to a reduction or refund of dividend withholding tax; and
- (b) that such person or legal entity has, directly or indirectly, retained or acquired an interest in shares, profit-sharing certificates or loans, comparable to the interest it had in similar instruments prior to the series of transactions being initiated.

Corporate and individual income tax

Residents of the Netherlands

If a holder of Ordinary Shares is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Ordinary Shares are attributable, income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares are generally taxable in the Netherlands (at up to a maximum rate of 25.8%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares are taxable at the progressive rates (at up to a maximum rate of 49.50%) under the Dutch Income Tax Act 2001, if:

- (a) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Ordinary Shares are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Ordinary Shares are attributable; or
- (b) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Ordinary Shares that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (a) nor condition (b) above applies to the holder of the Ordinary Shares, taxable income with regard to the Ordinary Shares must be determined on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Ordinary Shares will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 31%. Based on a decision of the Dutch Supreme Court (*Hoge Raad*) of 24 December 2021 (ECLI:NL:HR:2021:1963), the current system of taxation based on a 'deemed return' may under specific circumstances contravene with Section 1 of the First Protocol to the European Convention on Human Rights in combination with Section 14 of the European Convention on Human Rights. In reaction to this case law, the Dutch State Secretary for Tax Affairs and Tax Administration announced that if the deemed return based on the actual composition of the yield basis (with currently unknown separate deemed return percentages for savings, debts and investments) in 2022 is lower than the deemed return based on current legislation as described above, the former (lower) deemed return will be used to determine taxable income from savings and investments.

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income

derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares, unless:

- (a) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Ordinary Shares are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Ordinary Shares are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25.8%.

- (b) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Ordinary Shares are attributable, or (2) realises income or gains with respect to the Ordinary Shares that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Ordinary Shares that exceed regular, active portfolio management, or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Ordinary Shares are attributable.

Income derived from the Ordinary Shares as specified under (1) and (2) by an individual is subject to individual income tax at progressive rates up to a maximum rate of 49.50%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "*Residents of the Netherlands*").

Gift and inheritance tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Ordinary Shares by way of gift by, or on the death of, a holder of Ordinary Shares, unless:

- (a) the holder of the Ordinary Shares is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (b) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

Value added tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Ordinary Shares or in respect of a cash payment made under the Ordinary Shares, or in respect of a transfer of the Ordinary Shares.

Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Ordinary Shares.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as **FATCA**, a foreign financial institution (as defined by FATCA) may be required to withhold on certain payments it makes (foreign passthru payments) to persons that fail to meet certain certification, reporting or related requirements. The Company may be a foreign financial institution for these purposes. A number of jurisdictions (including the Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (the **IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Ordinary Shares, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Ordinary Shares, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Ordinary Shares, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and the Ordinary Shares issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Ordinary Shares that are not distinguishable from previously issued Ordinary Shares are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Ordinary Shares, including Ordinary Shares offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Ordinary Shares.

U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax considerations relevant to U.S. Holders and non-U.S. Holders (as defined below) acquiring, holding and disposing of Ordinary Shares. This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the **Code**), final, temporary and proposed U.S. Treasury regulations, administrative and judicial interpretations, all of which are subject to change, possibly with retroactive effect, as well as on the income tax treaty between the United States and the Netherlands as currently in force (the **Treaty**).

This summary does not discuss all aspects of U.S. federal income taxation that may be relevant to investors in light of their particular circumstances, such as investors subject to special tax rules (including, without limitation: (i) financial institutions; (ii) insurance companies; (iii) dealers in stocks, securities, or currencies or notional principal contracts; (iv) regulated investment companies; (v) real estate investment trusts; (vi) tax-exempt organisations; (vii) partnerships, pass-through entities, or persons that hold Ordinary Shares through pass-through entities; (viii) holders that own (directly, indirectly or constructively) 5% or more of the voting stock of the Company; (x) investors that hold Ordinary Shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes; (xi) investors that have a functional currency other than the U.S. dollar and (xii) U.S. expatriates and former long-term residents of the United States), all of whom may be subject to tax rules that differ significantly from those summarised below. This summary does not address tax consequences applicable to holders of equity interests in a holder of the Ordinary Shares, U.S. federal estate, gift or alternative minimum tax considerations, or non-U.S., state or local tax considerations. This summary only addresses investors that will acquire Ordinary Shares in the Offering, and it assumes that investors will hold their Ordinary Shares as capital assets (generally, property held for investment).

For the purposes of this summary, a "**U.S. Holder**" is a beneficial owner of Ordinary Shares that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation created in, or organised under the laws of, the United States or any state thereof, including the District of Columbia,

(iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source or (iv) a trust that is subject to U.S. tax on its worldwide income regardless of its source. A "**Non-U.S. Holder**" is a beneficial owner of Ordinary Shares that is neither a U.S. Holder nor a partnership.

Passive Foreign Investment Company Rules

In general, a corporation organized or incorporated outside the United States is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75% of its gross income is classified as "passive income" or (ii) the average percentage of assets that produce or are held for the production of passive income is at least 50%. Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions.

Based on the present nature of its activities and the present composition of its assets and sources of income, including holding stock in subsidiary companies in amounts below the threshold required for application of the 25% look-through rule, the Company believes there is a substantial risk that it may have been a PFIC for the year ending on 31 December 2021 and may be a PFIC in the foreseeable future. Because the factual elements underlying this analysis are subject to change, and because the interpretation of the law relating to PFIC status is not clear in all respects, the Company cannot provide assurances with respect to its PFIC status. If the Company is classified as a PFIC in any year that a U.S. Holder is a shareholder, the Company generally will continue to be treated as a PFIC for that U.S. Holder in all succeeding years, regardless of whether the Company continues to meet the income or asset test described above. If the Company were a PFIC in any taxable year, U.S. Holders could be subject to materially negative U.S. tax consequences, including, but not limited to, special tax rules relating to dividends and certain distributions and gains on sale. U.S. Holders should consult their own tax advisor about the application of the PFIC rules.

If a U.S. Holder does not make a valid election as discussed below, and the Company is a PFIC for any taxable year during which an investor is a U.S. Holder, the investor will be subject to special tax rules with respect to any "excess distribution" received and any gain realized from a sale or other disposition (including a pledge) of Ordinary Shares. Distributions received in a taxable year that are greater than 125% of the average annual distributions received during the shorter of the three preceding taxable years or the U.S. Holder's holding period for the Ordinary Shares will be treated as excess distributions. Under these special tax rules: (i) the excess distribution or gain will be allocated rateably over the U.S. Holder's holding period for the Ordinary Shares; (ii) the amount allocated to the current taxable year and other years before the Company was a PFIC will be treated as ordinary income; and (iii) the amount allocated to each other year will be subject to tax at the highest tax rate in effect for that year and an interest charge (at the rate generally applicable to underpayments of tax for the period from such year to the current year) will be imposed on the resulting tax attributable to each such year. A U.S. Holder will generally be subject to similar rules with respect to distributions to the Company by, and dispositions by the Company of the stock of, any direct or indirect subsidiaries of the Company that are also PFICs.

If the Company is a PFIC and if any of its subsidiaries or other entities in which it, directly or indirectly, owns equity are PFICs (collectively, **Lower-tier PFICs**), a U.S. Holder will be deemed to own its proportionate share of any such Lower-tier PFICs and will be subject to U.S. federal income tax according to the PFIC rules described in the paragraph above on (i) certain distributions by a Lower-tier PFIC and (ii) a disposition of Ordinary Shares of a Lower-tier PFIC, in each case as if the U.S. Holder owned such shares directly, even though it has not received the proceeds of those distributions or dispositions directly. U.S. Holders should consult their tax advisors regarding the application of the PFIC rules to any of the Company's subsidiaries.

A U.S. Holder subject to the PFIC rules discussed above is required to file Internal Revenue Service (the **IRS**) Form 8621 with respect to its investment in the Ordinary Shares in the year such U.S. Holder receives any distribution upon, or makes any disposition of, such shares. Prospective purchasers should consult their tax advisors regarding the requirement to file IRS Form 8621 and the potential application of the PFIC regime.

Mark-to-market election

U.S. Holders may be eligible to make a mark-to-market election with respect to the Ordinary Shares. If a U.S. Holder makes a mark-to-market election, such U.S. Holder will generally include as ordinary income the excess, if any, of the fair market value of the Ordinary Shares at the end of each taxable year over the adjusted basis of the Ordinary Shares, and will be permitted an ordinary loss in respect of the excess, if any, of the adjusted basis of the Ordinary Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of income previously included in income as a result of the mark-to-market election). Any gain recognised on the sale or other disposition of the Ordinary Shares will be treated as ordinary income, and any loss incurred on the sale or other disposition of the Ordinary Shares will be treated as ordinary loss to the extent of any mark-to-market gains for prior years. The mark-to-market election is available only for "marketable stock," which is stock that is traded in other than de minimis quantities on at least 15 days during each calendar quarter on a qualified exchange or other market, as defined in the applicable U.S. Treasury Regulations. Application has been made for the Ordinary Shares to be admitted to Euronext Amsterdam, which the Company expects to be a qualified exchange. However, the Company cannot be certain that the Ordinary Shares will continue to trade on Euronext Amsterdam, that the Ordinary Shares will be traded on at least 15 days in each calendar quarter in other than de minimis quantities, or that the other qualifications will be met in a given year. U.S. Holders should be aware, however, that if the Company was determined to be a PFIC, the interest charge regime described above could be applied to indirect distributions or gains deemed to be attributable to U.S. Holders in respect of any of the Company's subsidiaries that also may be determined to be a PFIC, and the mark-to-market election generally would not be effective for such subsidiaries.

A U.S. Holder's adjusted tax basis in the Ordinary Shares will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. If a U.S. Holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the Ordinary Shares are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election. U.S. Holders are urged to consult their tax advisors about the availability of the mark-to-market election in the event the Company were to be characterised as a PFIC, and whether making the election would be advisable in their particular circumstances.

Qualified electing fund election

To mitigate certain adverse consequences of the PFIC rules discussed above, a U.S. Holder may make an election to treat the Company as a qualified electing fund (**QEF**) for U.S. federal income tax purposes. To make a QEF election, the Company must provide U.S. Holders with information compiled according to U.S. federal income tax principles. The Company currently does not intend to compile such information for U.S. Holders, and therefore it is expected that this election will be unavailable.

Dividends

Subject to the PFIC rules discussed above, a distribution made by the Company on the Ordinary Shares (including amounts withheld in respect of foreign income tax, if any) will be treated as a dividend includible in the gross income of a U.S. Holder as ordinary income to the extent of the Company's current and accumulated earnings and profits as determined under U.S. federal income tax principles. Such dividends will not be eligible for the dividends received deduction allowed to corporations. To the extent the amount of such distribution exceeds the Company's current and accumulated earnings and profits as so computed, the distribution will be treated first as a non-taxable return of capital to the extent of such U.S. Holder's adjusted tax basis in the Ordinary Shares and, to the extent the amount of such distribution exceeds such adjusted tax basis, will be treated as gain from the sale of such shares. The Company does not expect to maintain calculations of earnings and profits for U.S. federal income tax purposes. Therefore, a U.S. Holder should expect that such distribution will generally be treated as a dividend.

"Qualified dividend income" received by individual and certain other non-corporate U.S. Holders is currently subject to reduced rates applicable to long-term capital gain if (i) the Company is a "qualified foreign corporation"

(as defined below) and (ii) such dividend is paid on Ordinary Shares that have been held by such U.S. Holder for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date. The Company generally will be a “qualified foreign corporation” if (1) it is eligible for the benefits of the Treaty and (2) it is not a PFIC in the taxable year of the distribution or the immediately preceding taxable year. No assurance can be given that the Company will be eligible for the benefits of the Treaty. As discussed above under “*Passive Foreign Investment Company Rules*”, the Company believes there is substantial risk that it may have been a PFIC for the taxable year ending December 31, 2021 and that it may be a PFIC for the current year.

Dividends on the Ordinary Shares generally will constitute income from sources outside the United States for foreign tax credit limitation purposes. The amount of any distribution of property other than cash will be the fair market value of the property on the date of the distribution.

The U.S. dollar value of any distribution made by the Company in foreign currency must be calculated by reference to the exchange rate in effect on the date of receipt of such distribution by the U.S. Holder, regardless of whether the foreign currency is in fact converted into U.S. dollars. If the foreign currency so received is converted into U.S. dollars on the date of receipt, such U.S. Holder generally will not recognize foreign currency gain or loss on such conversion. If the foreign currency so received is not converted into U.S. dollars on the date of receipt, such U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any gain on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such U.S. Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

Sale or other disposition

Subject to the PFIC rules discussed above, a U.S. Holder generally will recognize gain or loss for U.S. federal income tax purposes upon a sale or other disposition of its Ordinary Shares in an amount equal to the difference between the amount realized from such sale or disposition and the U.S. Holder's adjusted tax basis in such Ordinary Shares, as determined in U.S. dollars. Such gain or loss generally will be capital gain or loss and will be long-term capital gain (taxable at a reduced rate for non-corporate U.S. Holders, such as individuals) or loss if, on the date of sale or disposition, such Ordinary Shares were held by such U.S. Holder for more than one year. The deductibility of capital loss is subject to significant limitations. Such gain or loss realized generally will be treated as derived from U.S. sources.

A U.S. Holder that receives foreign currency from a sale or disposition of Ordinary Shares generally will realize an amount equal to the U.S. dollar value of the foreign currency on the date of sale or disposition or, if such U.S. Holder is a cash basis or electing accrual basis taxpayer and the Ordinary Shares are treated as being traded on an "established securities market" for this purpose, the settlement date. If the Ordinary Shares are so treated and the foreign currency received is converted into U.S. dollars on the settlement date, a cash basis or electing accrual basis U.S. Holder will not recognize foreign currency gain or loss on the conversion. If the foreign currency received is not converted into U.S. dollars on the settlement date, the U.S. Holder will have a basis in the foreign currency equal to the U.S. dollar value on the settlement date. Any gain or loss on a subsequent conversion or other disposition of the foreign currency generally will be treated as ordinary income or loss to such U.S. Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

A U.S. Holder will be required to provide additional information with its U.S. federal income tax return if such U.S. Holder holds the Ordinary Shares in any year in which we are a PFIC. The rules relating to PFICs are complex and each U.S. Holder is urged to consult its own tax advisor concerning the U.S. federal income tax consequences of holding Ordinary Shares if we are a PFIC in any taxable year during its holding period.

Non-U.S. Holders

A Non-U.S. Holder generally should not be subject to U.S. federal income or withholding tax on any distributions made on the Ordinary Shares or gain from the sale, redemption or other disposition of the Ordinary Shares unless: (i) that distribution and/or gain is effectively connected with the conduct by that Non-U.S. Holder of a trade or business in the United States; or (ii) in the case of any gain realised on the sale or exchange of a Share by an individual Non-U.S. Holder, that Non-U.S. Holder is present in the United States for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met.

U.S. information reporting and backup withholding tax

A U.S. Holder may be subject to information reporting unless it establishes that payments to it are exempt from these rules. For example, payments to corporations generally are exempt from information reporting and backup withholding. Payments that are subject to information reporting may be subject to backup withholding if a U.S. Holder does not provide its taxpayer identification number and otherwise comply with the backup withholding rules. Non-U.S. Holders may be required to comply with applicable certification procedures to establish that they are not U.S. Holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules are available to be credited against a U.S. Holder's U.S. federal income tax liability and may be refunded to the extent they exceed such liability, provided the required information is timely provided to the IRS.

Under U.S. federal income tax law and regulations, certain categories of U.S. persons must file information returns with respect to their investment in the equity interests of a foreign corporation. A U.S. person that purchases for cash Ordinary Shares will be required to file IRS Form 926 or similar form if the transfer, when aggregated with all transfers made by such person (or any related person) within the preceding 12 month period, exceeds US\$100,000. In the event a U.S. Holder fails to file any such required form, the U.S. Holder could be required to pay a penalty equal to 10% of the gross amount paid for such Ordinary Shares up to a maximum penalty of US\$100,000.

15. GENERAL INFORMATION

15.1 Domicile, Legal Form and Incorporation

Exor N.V. is a public limited company (*naamloze vennootschap*) under the laws of and domiciled in the Netherlands. The Company was incorporated in the Netherlands on 30 September 2015. The group consisting of the Company and its subsidiaries was formed as a result of the cross-border merger of EXOR S.p.A. with and into the Company (then “Exor Holding N.V.”) (the **Merger**). Upon completion of the Merger, on 11 December 2016, the Company was renamed “Exor N.V.”

The Company’s statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands, and its registered office is at Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands. The Company is registered with the Netherlands Chamber of Commerce (*Kamer van Koophandel*) under number 64236277, and its telephone number is +31 (0) 20 2402220. The Company’s LEI is 5493002ENHZ6NYET7405. The Company’s website is www.exor.com. The Company’s commercial name is “EXOR”.

15.2 Corporate Resolutions

On 29 July 2022, the Board of Directors passed a resolution approving of, among others, the listing of the Ordinary Shares on Euronext Amsterdam. Application has been made for the admission to listing and trading of all of the Ordinary Shares under the symbol “EXO” on Euronext Amsterdam. The ISIN is NL0012059018. The trading of the Ordinary Shares on Euronext Amsterdam is expected to begin on 12 August 2022 at 9:00 a.m. CET.

15.3 Independent Auditors

Ernst & Young Accountants LLP (**Ernst & Young**), the Company’s independent auditor, audited the Company’s consolidated financial statements for the financial years ended on 31 December 2021, 31 December 2020 and 31 December 2019, and issued unqualified auditor’s reports thereon, included by reference in this Prospectus. The auditor who signed the aforementioned auditor’s reports on behalf of Mazars Accountants N.V. is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

Ernst & Young do not have an interest in the Company. They are an independent registered accounting firm. The address of Ernst & Young is Antonio Vivaldistraat 150, 1083 HP, Amsterdam, the Netherlands.

15.4 No Significant Change

As at the date of this Prospectus, there has been no significant change in the financial performance and financial position of the Group since 31 December 2021.

15.5 Available Documents

Copies of this Prospectus are available and can be obtained free of charge from the date of publication of this Prospectus from the Company’s website (<https://exor.com/pages/exor-prospectus-admission-listing-and-trading>).

Copies of the Articles of Association are available in electronic form on the Company’s website (the official Dutch version and an English translation thereof). The 2021 Financial Statements, 2020 Financial Statements and 2019 Financial Statement, including the independent auditor’s reports for the relevant years, are contained in the 2021 Annual Report, 2020 Annual Report and 2019 Annual Report, respectively, available in electronic form on the Company’s website (2021 Annual Report: https://www.exor.com/sites/default/files/2022/document-documents/Exor_Annual%20Report_2021.pdf; 2020 Annual Report: https://www.exor.com/sites/default/files/2021/document-documents/EXOR_ANNUAL%20REPORT_2020.pdf; 2019 Annual Report: https://www.exor.com/sites/default/files/2020/document-documents/EXOR%202019%20ANNUAL%20REPORT_0.pdf).

15.6 Incorporation by Reference

Prospective investors should only rely on the information that is provided in this Prospectus or incorporated by reference into this Prospectus.

The Articles of Association (the official Dutch version and an English translation thereof) are incorporated by reference in this Prospectus and, as such, form part of this Prospectus. Copies of the Articles of Association are available in electronic form on the Company's website (https://www.exor.com/sites/default/files/2018/document-documents/EXOR%20NV_By-Laws_0.pdf).

The Financial Statements, including the independent auditor's reports for the relevant years, are also incorporated by reference in this Prospectus and, as such, form part of this Prospectus. The 2021 Financial Statements, 2020 Financial Statements and 2019 Financial Statements are contained in the 2021 Annual Report, 2020 Annual Report and 2019 Annual Report, which are available in electronic form on the Company's website (2021 Annual Report: https://www.exor.com/sites/default/files/2022/document-documents/Exor_Annual%20Report_2021.pdf; 2020 Annual Report: https://www.exor.com/sites/default/files/2021/document-documents/EXOR_ANNUAL%20REPORT_2020.pdf; 2019 Annual Report: https://www.exor.com/sites/default/files/2020/document-documents/EXOR%202019%20ANNUAL%20REPORT_0.pdf).

No other documents or information, including the contents of the Company's website (www.exor.com) or of any website accessible from hyperlinks on the Company's website, form part of, or are incorporated by reference into, this Prospectus. Additionally, this information has not been scrutinised or approved by the AFM, as competent authority under the Prospectus Regulation.

16. DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of certain of the defined terms used in this Prospectus.

0.875% Bond Notes	the bond notes issued by the Company on 19 January 2021 and maturing on 19 January 2031, for EUR 500 million
2019 Annual Report	the annual report of the Company for the financial year ending on 31 December 2019
2019 Financial Statements	the consolidated audited financial statements of the Company for the financial year ending on 31 December 2019
2020 Annual Report	the annual report of the Company for the financial year ending on 31 December 2020
2020 Financial Statements	the consolidated audited financial statements of the Company for the financial year ending on 31 December 2020
2021 Annual Report	the annual report of the Company for the financial year ending on 31 December 2021
2021 Financial Statements	the consolidated audited financial statements of the Company for the financial year ending on 31 December 2021
2022 PSU Plan	the PSUs that can be awarded to the Executive Director each year to a value of EUR 6 million
2.125% Bond Notes	the bond notes issued by the Company on 3 December 2015 and maturing on 2 December 2022, for EUR 750 million
2.50% Bond Notes	the bond notes issued by the Company on 8 October 2014 and maturing on 8 October 2024, for EUR 650 million
2.80% Bond Notes	the bond notes issued by the Company on 9 May 2011 and maturing on 9 May 2031, for JPY 10 billion
Affiliate	with respect to any specified person, any other person who directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such specified person, whereas “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise
Agent	the agent referred to in Article 3.3 of the Terms and Conditions, acting on behalf of the Company
Agriculture	the Agriculture business of CNH Industrial
ACRO	the Third Amendment to the Coordinated Remedy Order issued by the NHTSA in December 2016
AFM	Netherlands Authority for the Financial Markets (<i>Autoriteit Financiële Markten</i>)
AGM	the annual general meeting of shareholders
Agenzia delle Entrate	the Italian Tax Authorities
Amended Consent Order	the consent order amendment published on 4 May 2016 by the NHTSA
APM	alternative performance measure
Articles of Association	the Company’s articles of association
Audit Committee	the audit committee of the Company

Board or Board of Directors	the Board of Directors (<i>raad van bestuur</i>) of the Company
Bond Notes	the various bond notes issued by the Company and outstanding
Borsa Italiana	<i>Borsa Italiana S.p.A.</i>
Brexit	the UK's exit from the European Union
Buy-back Commitment	the sale of vehicles to some customers with an obligation to repurchase the vehicles at the end of the Buy-back Period at the customer's request
Buy-back Period	shall have the meaning given to it on page 91
CAGR	compounded annual growth rate
CEO	the Company's Chief Executive Officer
CET	Central European Time
CGU	cash generating units
Christian Louboutin	Christian Louboutin SAS
CNH Industrial	CNH Industrial N.V
CNH Industrial Group	CNH Industrial and its subsidiaries
CODM	the Company's Chief Operating Decision Maker as defined under IFRS 8
Commercial and Specialty Vehicles	The Commercial and Specialty Vehicles business of Iveco Group
Commission	the European Commission
The Commission's Proposal	the European Commission's proposal for a Directive for a common FTT in the Participating Member States published on 14 February 2013
Company or Exor	EXOR N.V.
Compensation and Nominating Committee	the compensation and nominating committee of the Company
CONSOB	<i>Commissione Nazionale per le Società e la Borsa</i>
Construction	the Construction business of CNH Industrial
Covéa	Covéa Coopérations
CSD	Central Securities Depository
Decision	the settlement announced by the Commission with Iveco
Demerger	the separation of the Iveco Group business from CNH Industrial in accordance with Section 2:334a (3) of the Dutch Civil Code by way of a legal statutory demerger to Iveco Group
Dutch Civil Code	the Dutch civil code (<i>het burgerlijk wetboek</i>)
Dutch Code of Civil Procedure	the Dutch code of civil procedure (<i>Wetboek van Burgerlijke Rechtsvordering</i>)
Dutch Corporate Governance Code	the Dutch corporate governance code
Dutch Dividend Withholding Tax Act 1965	the Dutch Dividend Withholding Tax Act 1965 (<i>Wet op de dividendbelasting 1965</i>)
Dutch Financial Markets Supervision Act	the Dutch Financial Markets Supervision Act (<i>Wet op het financieel toezicht</i>)
Directors	the directors of the Company
Dutch Financial Supervision Act	the Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>) and the rules promulgated thereunder

Dutch SRD Act	the Dutch Act to implement the Shareholder Rights Directive II (<i>bevordering van de langetermijnbetrokkenheid van aandeelhouders</i>)
ECB	European Central Bank
ECL	forward-looking expected credit loss
The Economist Group	The Economist Newspaper Limited and its subsidiaries
EEA	European Economic Area
Election Form	the duly completed form in relation to the application for Special Voting Shares, as described on page 34
Electing ordinary shares	Ordinary Shares for which a shareholder has issued a request for registration in the Loyalty Register and ordinary shares already registered
Enterprise Chamber	the enterprise chamber of the court of appeal in Amsterdam (<i>Ondernemingskamer van het Gerechtshof te Amsterdam</i>)
ESG Committee	the environmental, social and governance committee of the Company
ESG Matters	governance and oversight responsibilities with regard to sustainability, environmental, social, corporate governance and other human capital matters
Ernst & Young	Ernst & Young Accountants LLP
ESMA	European Securities and Markets Authority
EUR, euro(s) or €	the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time
Euroclear Bank	Euroclear Bank S.A./N.V.
Euroclear Nederland	the Netherlands Central Institute for Giro Securities Transactions (<i>Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.</i>) trading as Euroclear Nederland
Euronext Amsterdam	Euronext Amsterdam, a regulated market organised and managed by Euronext Amsterdam N.V.
Euronext Milan	Euronext Milan, a regulated market organised and managed by Borsa Italiana (previously, the <i>Mercato Telematico Azionario</i> , or “MTA”)
Euronext Securities Milan	Euronext Securities Milan (formerly Monte Titoli S.p.A.)
Executive Directors	members of the Board of Directors having responsibility for the day-to-day management of the Company
Exor Capital	Exor Capital LLP
Exor SN	Exor SN LLC
Ernst & Young	Ernst & Young Accountants LLP
EU	the European Union
FATCA	the Foreign Account Tax Compliance Act, U.S. Internal Revenue Code of 1986
Faurecia	Faurecia S.E.
FCA	Fiat Chrysler Automotives N.V.
FCA Group	FCA and its subsidiaries
FCA/PSA Merger	the merger by PSA with and into FCA on 16 January 2021, in terms of which FCA issued 1.742 FCA common shares for each

outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination

Ferrari	Ferrari N.V.
Ferrari Group	Ferrari and its subsidiaries
FIAT	FIAT S.p.A
FIAT Group	FIAT and its direct and indirect subsidiaries
Financial Statements	the consolidated financial statements of the Company for the financial years ending on 31 December 2019, 2020 and 2021 (the 2019 Financial Statements, the 2020 Financial Statements and the 2021 Financial Statements), respectively
First Trading Date	12 August 2022
FPT	FPT Industrial S.p.A
FTT	financial transactions tax
Full More Group	Full More Group Limited (Hong Kong)
FVTOCI	fair value through other comprehensive income
FVTPL	fair value through profit and loss
GAAP	Generally Accepted Accounting Principles
GAV	gross asset value
GEDI	GEDI Gruppo Editoriale S.p.A.
GEDI Group	GEDI Gruppo Editoriale S.p.A. and its subsidiaries
General Meeting	the general meeting of shareholders of the Company
Group or Exor Group	the Company and its consolidated subsidiaries (including the Holdings System)
Group Company	a company falling within the Group
Holdings System	Exor Nederland N.V. (the Netherlands), Exor S.A. (Luxembourg), Exor Investments Limited (United Kingdom), Ancom USA Inc. (USA), Exor SN LLC (USA)
IASB	International Accounting Standards Board
IAS	International Accounting Standards
IBORs	InterBank Offered Rates
IFI	Istituto Finanziario Industriale
IFIL	IFIL Investments S.p.A.
IFRS	International Financial Reporting Standards in the EU based on Regulation (EC) No 1606/2002
IFRS-EU	the International Financial Reporting Standards as adopted by the European Union
IGAs	intergovernmental agreements between the United States and a number of jurisdictions (including the Netherlands) to implement FATCA
IMAG	Iveco Magirus AG
ISIN	International Securities Identification Number
Iveco	Iveco Group N.V.
Iveco Group	Iveco and its subsidiaries

Iveco Group business	the Commercial and Specialty Vehicles business, the Powertrain business, and the related Financial Services business of CNH Industrial, as its On-Highway Business, which was separated from CNH Industrial in terms of the Demerger to Iveco Group
Juventus	Juventus Football Club S.p.A.
Juventus Group	Juventus and its subsidiaries
LEI	Legal Entity Identifier
Listing	the admission to listing and trading of the Ordinary Shares on Euronext Amsterdam
Loyalty Register	the Company's loyalty register maintained pursuant to the SVS Terms
LTV	loan-to-value
MAR	Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse
Member State	a member state of the European Union
Merger	the cross-border merger of EXOR S.p.A. with and into the Company (formerly "Exor Holding N.V.")
NAV	net asset value
Naveco	Naveco (Nanjing Iveco Motor Co.) Ltd.
NHTSA	the United States National Highway Traffic Safety Administration
Non-Executive Directors	members of the Board of Directors not having responsibility for the day-to-day management of the Company
Non-U.S. Holder	is a beneficial owner of Shares that is neither a U.S. Holder nor a partnership
NYSE	the New York Stock Exchange
OCI	other comprehensive income
Ordinary Shareholders	holders of Ordinary Shares
Ordinary Shares	the ordinary shares in the share capital of the Company, each with a nominal value of EUR 0.01
Participating Member States	the participating Member States to the Commission's Proposal, i.e. Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia
PartnerRe	PartnerRe Ltd.
PartnerRe Group	PartnerRe and its subsidiaries
Peugeot 1810	Peugeot 1810 S.A.S.
PFIC	passive foreign investment company
Power of Attorney	shall have the meaning given to it on page 34
p.p	percentage points
Program	the share buyback program of the Company that will involve from time to time the repurchase of up to €500 million of ordinary shares by 2024
Prospectus	this prospectus, dated 5 August 2022
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of the European Union
PSA	Peugeot S.A.
PSUs	performance share units
QEF	qualified electing fund

Qualifying Ordinary Shares	Qualifying Ordinary Shares A and Qualifying Ordinary Shares B together
Qualifying Ordinary Share A	Electing Ordinary Shares as per the SVS A Qualification Date
Qualifying Ordinary Share B	Electing Ordinary Shares as per the SVS B Qualification Date
Remuneration Policy	the Company's current remuneration policy as approved and adopted by the AGM on 24 May 2022
RSUs	restricted share units
S&P	S&P Global Ratings
Shang Xia	Shang Xia Trading (Shanghai) Co., Limited
Shareholder Rights Directive II	Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC
Shares	shares in the share capital of the Company, including, at the date of this Prospectus, the Ordinary Shares and the Special Voting Shares
SOFR	Secured Overnight Financing Rate
Special Voting Shares	Special Voting Shares A and Special Voting Shares B
Special Voting Shares A	the special voting shares A in the capital of the Company, each with a nominal value of EUR 0.04
Special Voting Shares B	the special voting shares B in the capital of the Company, each with a nominal value of EUR 0.04
Special Voting Structure	shall have the meaning given to it on page 34
Stellantis	Stellantis N.V.
Stellantis Group	Stellantis and its subsidiaries
SVS A Qualification Date	the date on which an Ordinary Share has been registered in the Loyalty Register in the name of one and the same shareholder or its Loyalty Transferee (as defined under the SVS Terms) for an uninterrupted period of five years
SVS B Qualification Date	the date on which an Ordinary Share has been registered in the Loyalty Register in the name of one and the same shareholder or its Loyalty Transferee for an uninterrupted period of ten years
SVS Terms	the Terms and Conditions for Special Voting Shares
Takeover Directive	European Directive 2004/25/EC
Tax Regulation for the Country of the Netherlands	the Tax Regulation for the Country of the Netherlands (<i>Belastingregeling voor het land Nederland</i>)
Tax Regulation Netherlands Curaçao	the Tax Regulation for Netherlands Curaçao (<i>Belastingregeling Nederland Curaçao</i>)
Tax Regulation for the Kingdom of the Netherlands	the Tax Regulation for the Kingdom of the Netherlands (<i>Belastingregeling voor het Koninkrijk</i>)
Tax Regulation for Netherlands Sint Maarten	the Tax Regulation for Netherlands Sint Maarten (<i>Belastingregeling Nederland Sint Maarten</i>)
Tofas	Turk Otomobil Fabrikasi A.S.
TSR	absolute total shareholder return
Turk Traktor	Turk Traktor Ve Ziraat Makineleri A.S.
UK	the United Kingdom
United States, US, USA or U.S.	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
USD	the lawful currency of the United States
USD LIBOR	London Interbank Offered Rate for USD

U.S. Holder	a beneficial owner of Shares that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation created in, or organised under the laws of, the United States or any state thereof, including the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source or (iv) a trust that is subject to U.S. tax on its worldwide income regardless of its source
U.S.-NL Treaty	the 1992 double tax treaty entered into by the United States and the Netherlands, as amended most recently by the Protocol signed on 8 March 2004
Via Transportation	Via Transportation, Inc.
Welltec	Welltec International ApS
WWICL	the World-Wide Investment Company Limited

The Company

EXOR N.V.

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