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€14.10 PER SHARE IS NOT FAIR VALUE FOR IVECO. SHAREHOLDERS SHOULD ASK FOR MORE.

29 SEPTEMBER 2026

€14.10 is not fair value. Shareholders should ask for more.

Tata Motors' offer for Iveco: too low and unchanged for fifteen months

~2.0x

What Tata is paying, on its own estimate of CY2028 EBIT for Iveco

~7.0x

Where Volvo, Daimler Truck, Traton and PACCAR[1] trade on EV / EBIT

+15%

Those same four peers, on average, since the offer was agreed. Iveco: pinned at €14.10

Opinion, not investment advice. Based on Bloomberg data.

[1] This is on the basis of the peers selected by the Company (see page 159 Offer Document); not to be read as acknowledgement that these are the correct peers

Tata says this transaction creates substantial value. It does, and Iveco's shareholders should share in it.

"…this broadly works out about 2x EBITDA. Just to compare and contrast typically commercial vehicle business in India where we are operating at about 10x to 12x EBITDA."

P. B. Balaji, Group Chief Financial Officer, Tata Motors.

"… together we believe we can actually generate substantial value, we can triple our revenue and quadruple almost some of our profitability numbers amongst the two of us to ensure that and still generate a 20% kind of ROCE…"

P. B. Balaji

Tata's own published plan for Iveco

CY2028 target	Tata figure
Revenue	€17.5bn
EBIT margin	7.0-7.5%
EBIT at the mid-point	€1,269m
Free cash flow	€0.75-0.8bn

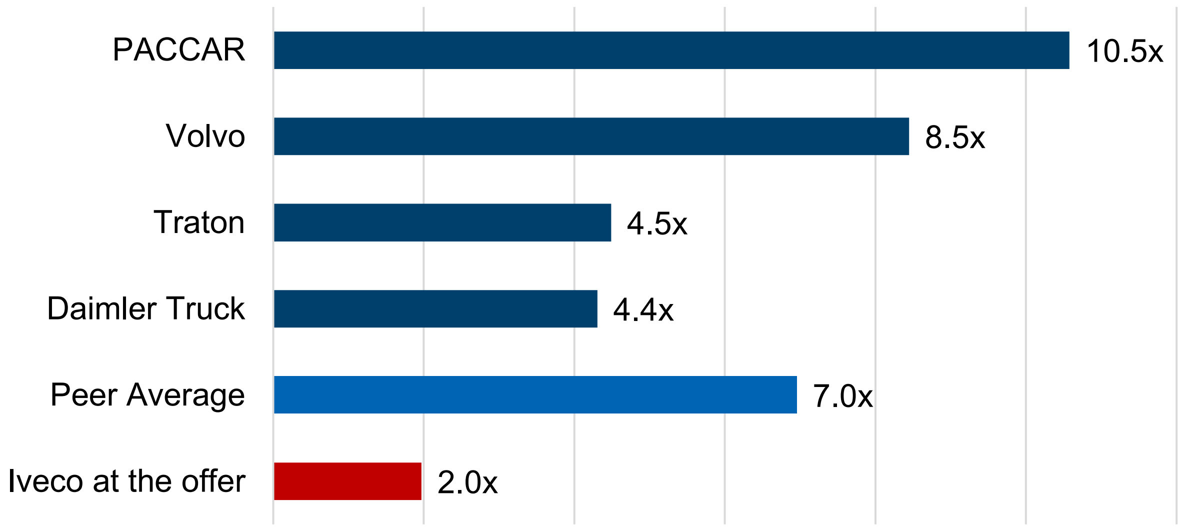
- **~35% CAGR** implied in Tata's EBIT expectation for 2028 (vs. '25)
- Free cash flow (excluding synergies) **repays transaction consideration within 5 years** (implies IRR of >20%)[1]

This transaction should create value for both Tata and Iveco's shareholders

Transcript of transaction call, 31 July 2025, and accompanying slides (for financial data referenced on this slide, see Slide 15 of transaction slides). (1) Assumes Iveco's value stays flat over the next 5 years, which is a very conservative assumption

€14.10 values Iveco at a third of its peers. Nothing about this business justifies that.

EV / EBIT ON CY2028



IMPLIED VALUE PER IVECO SHARE

At this multiple	On Tata's CY28 plan €1,269m
PACCAR	€54
Volvo	€44
Traton	€26
Daimler Truck	€25
Peer average	**€37**

Even with reference to the cheapest peer's multiple, Iveco is worth substantially more than €14.1 a share

Based on Bloomberg data (except Tata's EBIT guidance for Iveco CY2028)

Shareholders of Iveco do not share appropriately in the synergies generated from this transaction. This is unfair.

WHAT THE SYNERGIES ARE WORTH

> *"Annual FCF synergies – up to 0.5% of joint revenue from FY28 onwards"*

Combined revenue, on Tata's own figures: **~€22bn**

0.5% of joint revenue: **~€110m a year** from FY2028

Capitalised at a 10.3-11.3% cost of capital,[1] 1-3% terminal growth

€4 – €6

per Iveco share of synergy value: almost all of it accruing to the buyer

DCF IN FAIRNESS OPINIONS PLUS 50% OF SYNERGIES[2]

Discounted cash flow + 50% Synergies	Low	Mid	High
Goldman Sachs	€14.70	€16.25	€17.80
Rothschild & Co	€15.30	€16.55	€17.80
Average	**€15.00**	**€16.40**	**€17.80**
vs. €14.10	**+6%**	**+16%**	**+26%**

Iveco's shareholders ought to benefit from the significant synergies generated in this transaction. Any conservative estimate of those raises fair value above what is offered

Shareholders of Iveco deserve their fair share of the synergies generated from this transaction

(1) By reference to Rothschild & Co's Fairness Opinion cost of capital. We believe this cost of capital may be too high and have used it for illustrative purposes only. (2) For illustrative purposes only. We do not have the data for a meaningful critique of the DCFs. We have used 50% of synergies as a conservative proposition – with the right negotiation posture, Iveco's shareholders might have been able to benefit from significantly more

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Iveco's shareholders should be compensated for the 15 months between signing and closing of this transaction.

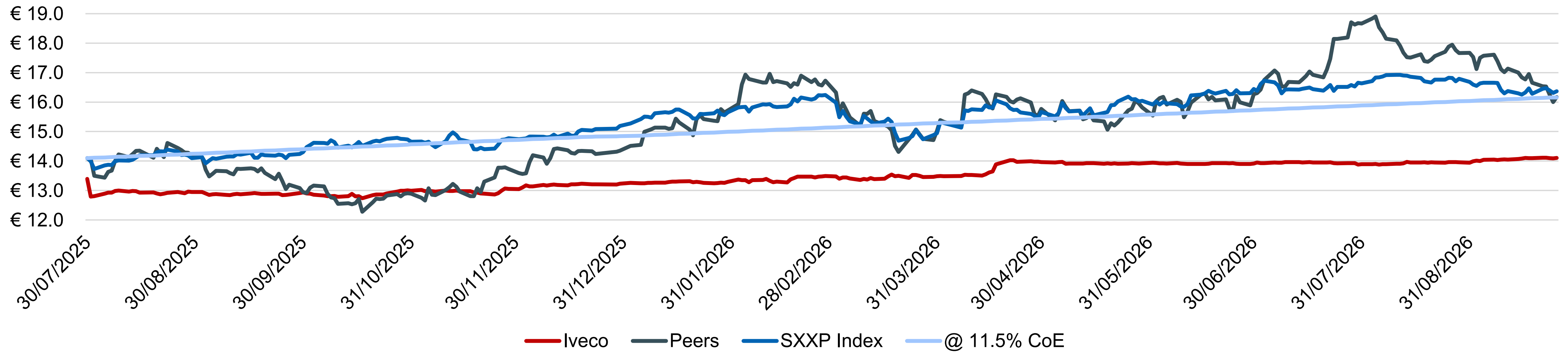
30 Jul 2025
Price agreed at €14.10

22 Apr 2026
Dividend from the sale of the defence business to Leonardo

7 Sep 2026
Offer opens. Same price

16 Oct 2026
EGM: the Back-End Resolution

30 Oct 2026
Settlement, fifteen months on



If €14.1 was fair on 30 July 2025, performance of peers and Europe more broadly (and a return on equity of 11.5%[1]) suggest fair value in the range of €16-17/shr now (i.e., ~15% higher)

(1) Based on GS' Fairness Opinion

€14.10 is too low. Shareholders should ask for more.

1 **Tata is buying Iveco at ~2.0x CY2028 EBIT.** The company-approved peer set trades at ~7.0x on average. On this basis, Iveco is worth significantly more than **€14.10** a share.

2 **Shareholders are not being compensated for the wait.** The price was struck on 30 July 2025 and settles on 30 October 2026. At a 11.5% cost of capital, fifteen months is worth **c. 15%.** Peers and Europe rallied **c. 15**% over the same period.

3 **The transaction generates significant synergies.** Iveco's shareholders should receive at least half of them – they appear to receive almost nothing.

4 **Shareholders should ask for more.** At a minimum, shareholders should request **compensation for the 15 months to closing** and receive a **fair share of the synergies generated in this transaction**.

€14.10

The offer

→

~€16.00

Time value: compensation for fifteen months of waiting (conservative)

→

~€18.00

Conservatively, synergies add another €2.00. Still a great deal for Tata (and at a significant discount to peers)

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