



Are the damages irreparable?

Stellantis Short Thesis

26.11.2025





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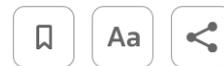
Jeep maker Stellantis stock falls 9% after issuing warning on one-off costs

PUBLISHED THU, OCT 30 2025 4:58 AM EDT | UPDATED THU, OCT 30 2025 4:22 PM EDT

Canada says it is launching dispute settlement proceedings against Stellantis

By Reuters

November 3, 2025 6:00 PM GMT+1 · Updated 15 hours ago





Agenda

- 1 Company Overview**
- 2 Bear Case**
- 3 Counter Arguments**
- 4 Conclusion**



Company Overview

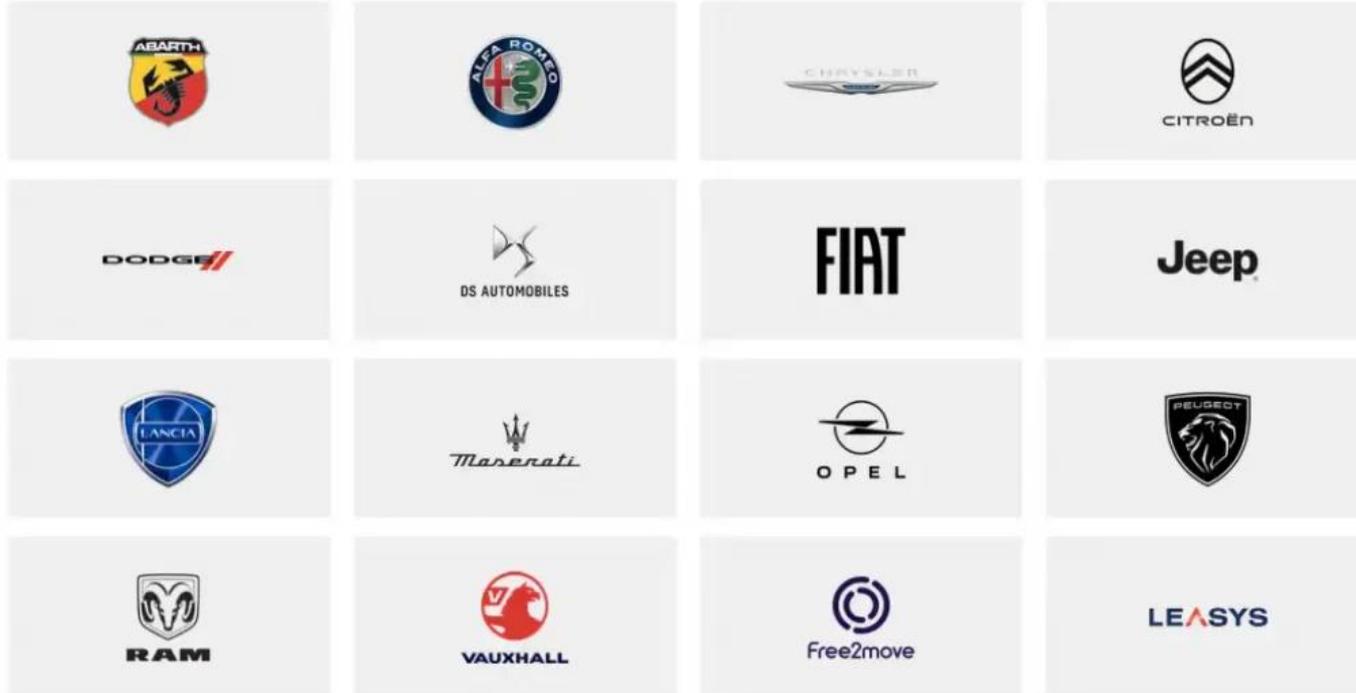


Company Overview

Background Information:			Company Info:	CEO:
	Founded:	16.01.2021	Stellantis N.V. is a global automotive manufacturer formed by the merger of Fiat Chrysler Automobiles and PSA Group, producing cars across all segments.	 Antonio Filosa
	Headquarter:	Hoofddorp, Netherlands		
	#Employees:	248,243		
	Revenue:	156,88 mrd EUR		
	Units Sold 2024:	5,53 Million		



Brands:





Financials

	Note	Years ended December 31,		
		2024	2023	2022
Net revenues	4	€ 156,878	€ 189,544	€ 179,592
Cost of revenues		136,360	151,400	144,327
Selling, general and other costs		9,299	9,541	8,981
Research and development costs	5	5,784	5,619	5,200
Gains/(losses) on disposal of investments		(98)	20	72
Restructuring costs		1,617	1,119	1,144
Share of the profit/(loss) of equity method investees	12	(33)	491	264
Operating income/(loss)		3,687	22,376	20,276
Net financial expenses/(income)	6	(345)	(42)	768
Profit/(loss) before taxes		4,032	22,418	19,508
Tax expenses/(benefit)	7	(1,488)	3,793	2,729
Net profit/(loss)		€ 5,520	€ 18,625	€ 16,779
Net profit/(loss) attributable to:				
Owners of the parent		€ 5,473	€ 18,596	€ 16,799
Non-controlling interests		47	29	(20)
		€ 5,520	€ 18,625	€ 16,779
Earnings per share:				
Basic earnings per share	29	€ 1.86	€ 5.98	€ 5.35
Diluted earnings per share		€ 1.84	€ 5.94	€ 5.31

Income Statement

	Note	At December 31,	
		2024	2023
Assets			
Goodwill and intangible assets with indefinite useful lives	9	€ 31,986	€ 30,994
Other intangible assets	10	22,379	20,625
Property, plant and equipment	11	45,011	37,687
Equity method investments	12	9,100	8,070
Non-current financial assets	13	3,294	3,269
Other non-current assets and prepaid expenses	16	9,661	7,694
Deferred tax assets	7	4,371	2,152
Tax receivables	16	227	117
Total Non-current assets		126,029	110,608
Inventories	14	20,861	21,414
Assets sold with a buy-back commitment		1,938	1,328
Trade receivables	16	5,506	6,426
Tax receivables	16	1,411	802
Other current assets and prepaid expenses	16	12,973	10,288
Current financial assets	13	3,872	6,830
Cash and cash equivalents	18	34,100	43,669
Assets held for sale	3	917	763
Total Current assets		81,578	91,520
Total Assets		€ 207,607	€ 202,128
Equity and liabilities			
Equity			
Equity attributable to owners of the parent	28	81,692	81,693
Non-controlling interests		423	427
Total Equity		82,115	82,120
Liabilities			
Long-term debt	22	25,028	20,001
Other non-current financial liabilities	17	15	21
Other non-current liabilities	24	5,980	8,065
Non-current provisions	21	8,860	7,744
Employee benefits liabilities	20	5,441	4,911
Tax liabilities		475	542
Deferred tax liabilities	7	4,507	4,784
Total Non-current liabilities		50,306	46,068
Short-term debt and current portion of long-term debt	22	12,199	9,462
Current provisions	21	14,220	13,724
Employee benefit liabilities	20	583	562
Trade payables	23	29,684	33,008
Tax liabilities		475	1,264
Other liabilities	24	17,558	15,570
Other current financial liabilities	17	9	18
Liabilities held for sale	3	458	332
Total Current liabilities		75,186	73,940
Total Equity and liabilities		€ 207,607	€ 202,128

Balance Sheet



2

Bear Case



Former CEO shooting against Stellantis



Carlos Tavares



Background

- Published a book in which he openly criticizes Stellantis' direction after his departure
- Recommends splitting up Stellantis, arguing the conglomerate structure has become inefficient and strategically misaligned.
- Unusual situation: a former CEO undermining his own legacy, signaling internal disagreement and strategic instability.
- His public attacks add reputational risk and amplify concerns already raised by investors about Stellantis' long-term viability



CFO History



Richard (Keith) Palmer

Until Jun 23
(FCA CFO before merger)

- CFO and EVP
- “surprise announcement”
- No further details for why Palmer stepped down



Natalie Knight

Jul 23 – Oct 24
(~15 months)

- Departing as part of leadership changes
- alarmed investors when she described margin targets as “ambitious”



Doug Ostermann

Oct 24 – Sep 25
(~11.5 months)

- Leaving for “personal reasons”
- Worked for the company a long time before becoming CFO



João Laranjo

Since Sep 25

- CFO change (analyst comments)
- “surprising”
- Adds to management instability
- Turnaround possible?



“Misleading” Financial Reporting

Insights Into the Lawsuit Claims

The lawsuit highlights serious allegations concerning misleading or false information about Stellantis' operational forecasts. It is claimed that the defendants misrepresented expectations regarding revenue and other crucial metrics, all while failing to disclose important negative facts. This lack of transparency has raised significant concerns among investors.

Confronting the Allegations of Misleading Statements

During the purchase period in question, defendants are said to have made overly optimistic claims regarding Stellantis' expected revenue and operational performance. These statements included assertions about reducing inventory, adjusting prices, and expanding product lines. However, these claims were made alongside undisclosed critical facts about actual inventory levels and market stability.

The Impact on Investors

When corrections were finally made public, the consequences became evident; investors suffered considerable losses. The damage resulting from misinformation can severely undermine trust among investors and provoke strong reactions from those directly affected. Understanding the significance of these events is vital for any investor who is mindful of potential risks.



Involved law firms

- Rosen Law Firm, P.A.
- Bernstein Liebhard LLP
- Scott+Scott Attorneys at Law LLP

Summary

- Lawsuit covers investors who purchased Stellantis securities in between February 15, 2024 and July 24, 2024
- Misleading/overly optimistic statements involving inventory levels, pricing strategy, product-line expansion while failing to disclose important adverse information
- Result: investor losses



Takata Airbag Scandal

- Stellantis has ongoing lawsuits since **2018** for alleged economic losses due to defect Airbags
- Eventhough a 2022 judgement ruled in Stellantis favour, some US States still have open lawsuits
- Court narrowed class certification following appeals
- Even in 2025 Stellantis is still recalling Vehicles because of Tanaka Airbags (e.g. France)

Source(s): FAZ





Emission Litigations

- Class actions in the Netherlands, UK, Portugal, and Israel against former FCA/PSA entities
- ~4,000 individual claims in Germany + ~60 in Austria for alleged diesel non-compliance
- German KBA declared Opel Euro 5 engines non-compliant (Potentially high costs)
- Courts predict the same problems for suspected the same for the Peugeot, Citroen and DS diesels of this generation.

The screenshot shows a Reuters news article. At the top left is the Reuters logo. To its right are navigation links: World, Business, Markets, Sustainability, Legal, Commentary, and More. The main headline reads "Dutch court says diesel brands now owned by Stellantis had cheating software from 2009". Below the headline, it says "By Reuters" and "July 30, 2025 5:58 PM GMT+2 · Updated July 30, 2025". On the right side of the article, there are three icons: a bookmark icon, a font size icon (Aa), and a share icon. The main image of the article shows a large blue "STELLANTIS" logo on a white building facade, with a stylized blue and white globe logo to its right.



Canada

- Canada started a 30-day dispute process after Stellantis shifted Compass production to Illinois.
- Government claims the move breaches subsidy contracts tied to billions in incentives.
- Ottawa aims to recover taxpayer funds and enforce job and production guarantees.
- Stellantis says Brampton is paused, not closed, and that no jobs were lost.

The screenshot shows the CBC News website interface. At the top, there is a 'Menu' icon and the 'CBC' logo. Below this is a red navigation bar with 'NEWS' and several category links: 'Top Stories', 'Local', 'Climate', 'World', 'Canada', 'Politics', and 'Indigenous'. Underneath is a 'VIDEO' section with a 'Channels' dropdown menu. The main content area features a video player with two images: on the left, a worker in a red shirt stands next to a red car chassis on an assembly line; on the right, a female news anchor, Mélanie Joly, is speaking into a microphone. A video title overlay at the bottom of the player reads: 'Canada will start dispute resolution process over Stellantis jobs lost to U.S.: Joly'. Below the video player, the text 'November 3 | 2:52' is visible. At the bottom of the page, a large headline reads: 'Canada will start dispute resolution process over Stellantis jobs lost to U.S.: Joly'.

Canada will start dispute resolution process over Stellantis jobs lost to U.S.: Joly



Factory Closures



Factory	Duration:	Reason
Eisenach, Germany	5 days	Demand downturn; inventory reduction; production slowdown
Poissy, France	3 weeks	Weak demand; overcapacity
Saragossa, Spain	7 days	Decline in sales; especially EV models
Tychy, Poland	9 days	Market slowdown in Europe
Madrid, Spain	14 days	Demand crisis; adjustment to lower sales
Pomigliano d'Arco, Italy	15 days	Inventory reduction; production deceleration



GM Litigations

- 2023: UAW accused GM & Stellantis of refusing to bargain in good faith.
- 2023: Union said both companies were far apart on wages & benefits.
- 2024: New UAW complaints claiming Stellantis breached labor commitments.
- Status: Stellantis denies all allegations and says it complied.

Source(s): Reuters

The screenshot shows the top portion of a Reuters news article. At the top left is the Reuters logo. To its right are navigation links: World, Business, Markets, Sustainability, Legal, Commentary, and More. The main headline is "UAW files unfair labor practice charges against GM, Stellantis". Below the headline is the author's name, "By David Shepardson", and the publication date, "September 1, 2023 5:37 AM GMT+2 · Updated September 1, 2023". To the right of the date are icons for bookmarking, font size adjustment (Aa), and sharing. Below the text is a large image of a modern glass building with the GM logo prominently displayed on its facade.



Recurring concerns from former engineers

- Former Stellantis and Opel engineers describe constant last-minute design changes and a lack of clear development planning.
- Several posts claim that engineering and quality control were largely outsourced to low-cost suppliers, reducing in-house technical oversight.
- Ex-employees report that cost-cutting and management indecision often prevented early fixes, leading to recurring quality problems at production plants.
- One Opel engineer stated that since the Stellantis merger, experienced staff were sidelined, and vehicles now suffer from poor component quality, faulty designs, and inadequate testing.



DubzD123 · vor 8 Monaten

I worked at Stellantis as my first engineering job. I still have zero idea how they get their cars built. The engineering was poor, and the majority of the design and release teams I worked with couldn't answer design questions. They would leave it up to the suppliers.

It seemed like a lot of issues got worked on at the plants. They did have quality initiatives that improved the quality of the vehicles.

I also remember chief engineers being motivated not to spend money. They would be given the opportunity to fix an issue early on, decide not to, and then it would become too big of a problem that cost too much later on.

The place was a shit show. When I left to go to Ford, it was a breath of fresh air. Engineering work was actually done, and the design and release team had finally said on their parts. They were very knowledgeable, and all the testing was complete. It was a night and day difference compared to working for Stellantis.

↑ 4 ↓ Antworten Auszeichnen Teilen ...

⊕ 2 weitere Antworten



Financial Services Customer experiences



⚠ Profil nicht beansprucht

Stellantis Financial Services

Bewertungen 108 · ★★☆☆☆ 1,6 ⓘ

Versicherungsmakler



✔ Profil beansprucht

Leasys (Page not active)

Bewertungen 3.727 · ★★☆☆☆ 1,7 ⓘ

Mietwagenanbieter



✔ Profil beansprucht

Leasys Deutschland

Bewertungen 11 · ★★★☆☆ 2,8 ⓘ

Kfz-Leasingservice

BM

Braincrash Mf

DE · 2 Bewertungen

8. Sep. 2025



Ein absolutes Verbrecherunternehmen

Ein absolutes Verbrecherunternehmen. Ich habe dort ein Fahrzeug geleased von dem sich im Nachhinein herausgestellt hat, dass es defekt ist und eklatante Schäden hat. Die Leasys will sich nicht kümmern, ergo geht es zum Anwalt. Ich kann von dieser Firma nur abraten.

D.

D.F.

DE · 1 Bewertung

22. Okt. 2025



KEINE KONTOAUSZÜGE! - ABSOLUTER LEASING-BLINDFLUG

Ich bin ein Endkunde - keine Firma - und offensichtlich deswegen bin ich für die Stellantis-Bank ein NICHTS.

ICH HABE NACH 5 MONATEN OPEL-LEASING KEINEN EINZIGEN ZAHLUNGSNACHWEIS VON DER BANK ERHALTEN.

EUR 3900.- Anzahlung zum Leasing - KEINE QUITTUNG / KEIN KONTOASUZUG - NICHTS!!

Meine Anfragen über mein Online-Kundenkonto bei Stellantis werden einfach komplett ignoriert und KOMENTARLOS GESCHLOSSEN MARKIERT !!.

AM TELEFON NUR LEERE ZUSAGEN OHNE NUR IRGENDNEINE REAKTION IM NACHGANG. Absolute Vera***e!.

Wenn ich das alles bloß vorher gewusst hätte!! - NIEMALS WIEDER WERDE ICH MICH AUF EINE DERARTIGE GESCHÄFTSBEZIEHUNG EINLASSEN!!



Recent Cyber Attack



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THREATS

Stellantis Hack Exposes 18M Records

Stellantis breach tied to Salesforce hack exposes millions of customer records.

WRITTEN BY



KEN UNDERHILL

SEP 24, 2025



Changing Company Fundamentals

Cash burning

- Two years ago: 45bn cash → now 29bn
- Stellantis burned around 3bn in the first half of the year, and will probably burn more money
- Mature Business burning cash
- Strong cash position (cash > debt), was a huge factor for higher valuations in the past, not the case anymore (now debt > cash)

LCV business

- Light commercial vehicle (LCV) brands: Vauxhall, Peugeot, Citroen, Fiat
- LCV business was the most profitable market for Stellantis in the past
- It generates about a third of total revenues
- Reports from April claim that Stellantis LCV sales are down 22%, nearly twice as poor as market average

Shrinking margins

- Operating Income margin used to be around 12%
- Now its only around 2.5% (FY25)
- Goal: 6-8% (mid- to long-term)



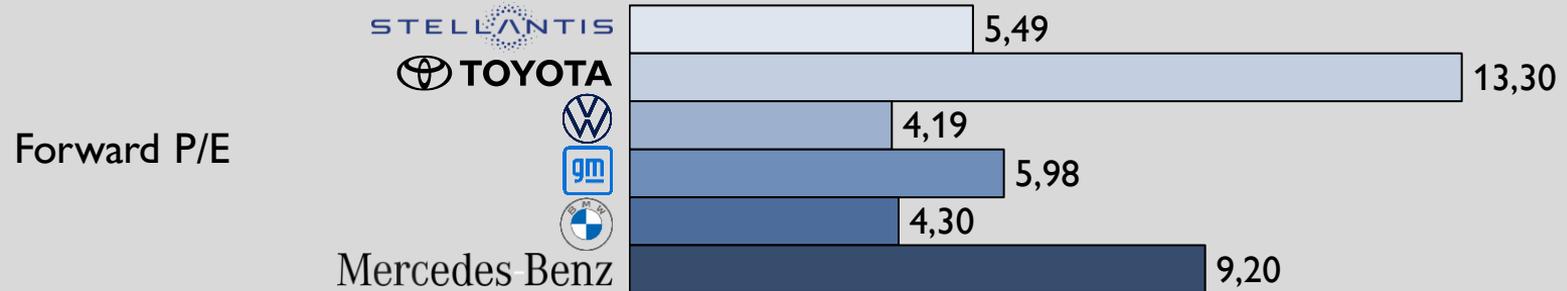
Long Term Ratings

Carmaker:	Rating Moodys	Rating S&P	Outlook Moodys	Outlook S&P	Characterization of debt and issuer (source: Moody's)	Rating	
						S&P	Moody's
	Baa1	BBB+	Stable	Stable	Highest quality	AAA	Aaa
	Baa2	BBB	Stable	Negative	High quality	AA+	Aa1
	A3	A	Stable	Stable	High quality	AA	Aa2
	A2	A	Stable	Negative	High quality	AA-	Aa3
					Strong payment capacity	A+	A1
					Strong payment capacity	A	A2
					Strong payment capacity	A-	A3
					Adequate payment capacity	BBB+	Baa1
					Adequate payment capacity	BBB	Baa2
					Adequate payment capacity	BBB-	Baa3
					Likely to fulfil obligations, ongoing uncertainty	BB+	Ba1
					Likely to fulfil obligations, ongoing uncertainty	BB	Ba2
					Likely to fulfil obligations, ongoing uncertainty	BB-	Ba3
					High credit risk	B+	B1
					High credit risk	B	B2
					High credit risk	B-	B3
					Very high credit risk	CCC+	Caa1
					Very high credit risk	CCC	Caa2
					Very high credit risk	CCC-	Caa3
					Near default with possibility of recovery	CC	Ca
					Default	SD	C
					Default	D	



Multiple Comparison

Stellantis Trades at an Unjustified EV/EBITDA Premium vs. Global Peers



Stellantis Toyota VW GM BMW Mercedes



4

Counterarguments



Turnaround?



Antonio Filosa

Background & Credentials

- CEO of Stellantis since November 2024
- Before he was head of Stellantis South America
- Some argue that Filosa has a more international focus, instead of Carlos Tavares France-centric focus
- Q3 2025 marked the first revenue increase in seven quarters
- While far from guaranteed, a leadership-driven turnaround remains the only credible bullish thesis



5

Conclusion



STELLANTIS