



PIERER
MOBILITY AG



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HY1
2024

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Facts of H1 2024

Among the first ones to take measures to overcome the difficult market environment



- H1 results negative but within current 2024 outlook, stable financings
- Full-year outlook confirmed
- Working capital on a high level, significant improvement expected for 2024/25
- Motorcycle sales slowed in particular due to still high interest rates in the US
- Bicycle market still suffering from over supply triggering impairments

Far-reaching measures to improve results, e.g.

- Tighter cost management with increasing impact in H2 2024
- Reduction of motorcycle production volumes in Austria
- Restructuring of the bicycle division



€1,007M (-27%)

Revenue H1 2024

€-102M (-157%)

EBITDA H1 2024

6,024

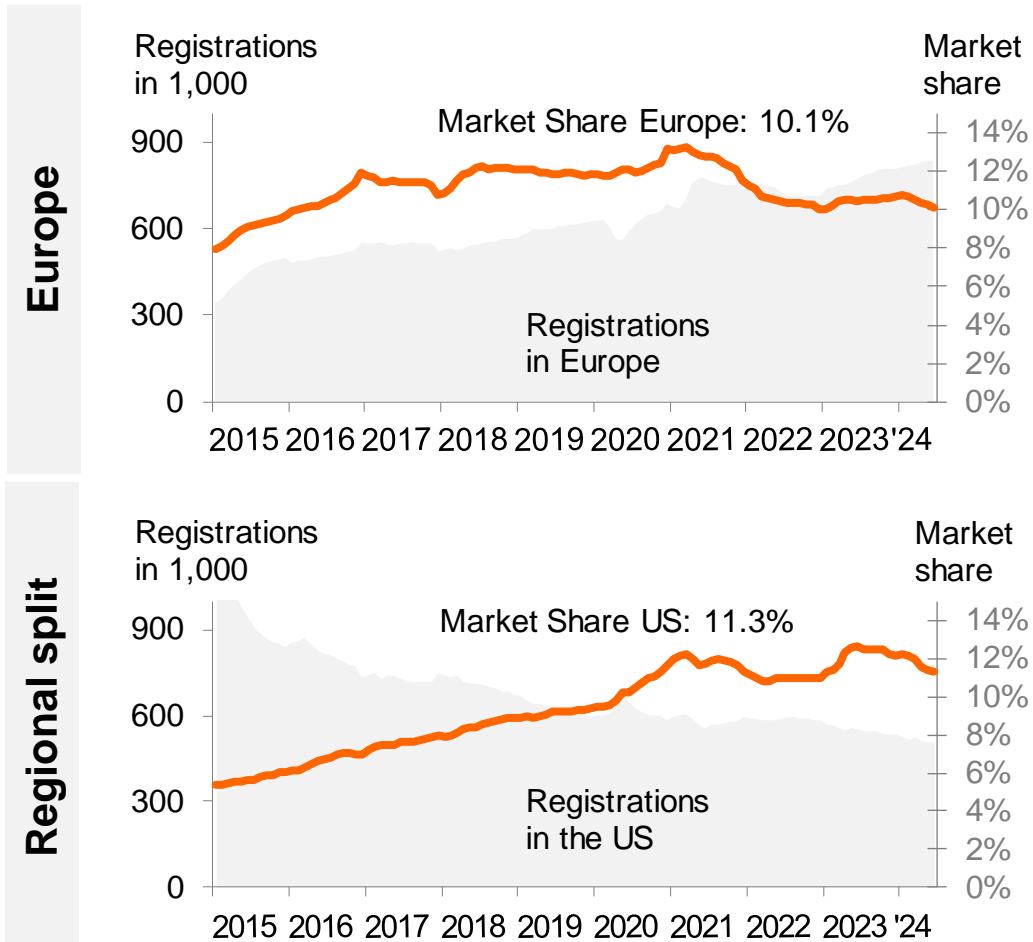
Employees as of June 30, 2024

>147,000 (-21%)

Motorcycles sold in H1 2024

Segment Motorcycles

Market environment



Main motorcycle (>120c) markets in H1 2024

- Europe: ~500,000 units (+5%)
- North America: ~275,000 units (-4%)
- Australia & New Zealand: ~30,000 units (-7%)
- India (relevant market): ~ 660,000 units (+16%)

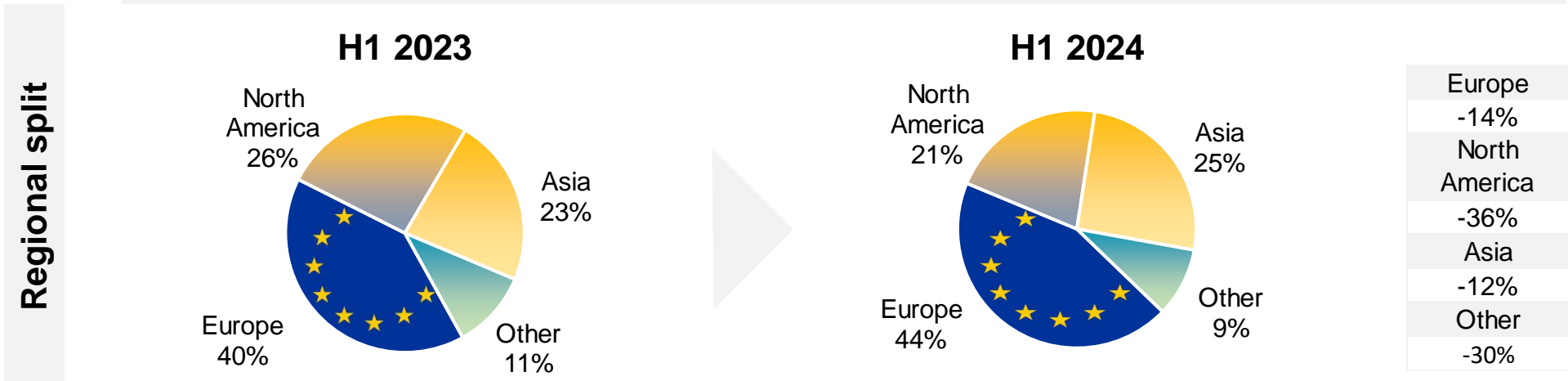
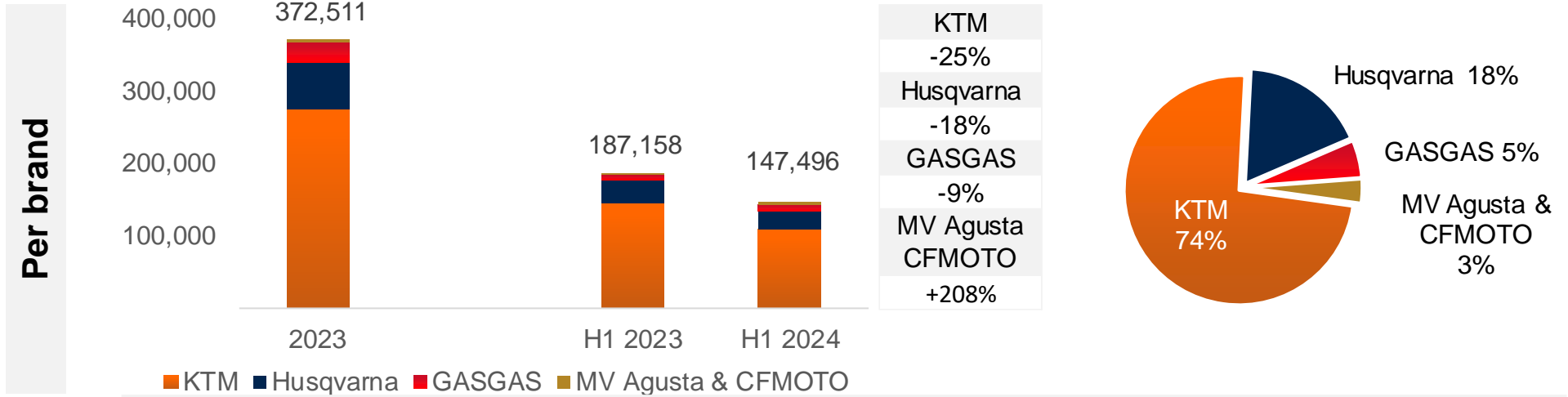
Key take aways

- Growth in Europe driven by low-price segment
- Decrease in NAM caused by high interest rates

Europe (DE, FR, IT, ES, UK, SE, BE, NL, AT, CH, FI, DK, NO, PL, CZ, SK, HU, PT, Baltic): national data providers (w/o MX) | US: MIC (incl. MX)

Note: Calculations 12 months rolling| Motorcycles >120cc + electric (excl. ATVs, electric motorcycles and scooters), no P&L impact; KTM AG (KTM, HQV, GASGAS, MVA) from January 2024

Motorcycle unit sales



Working capital on high level – Focus still on supporting dealer network

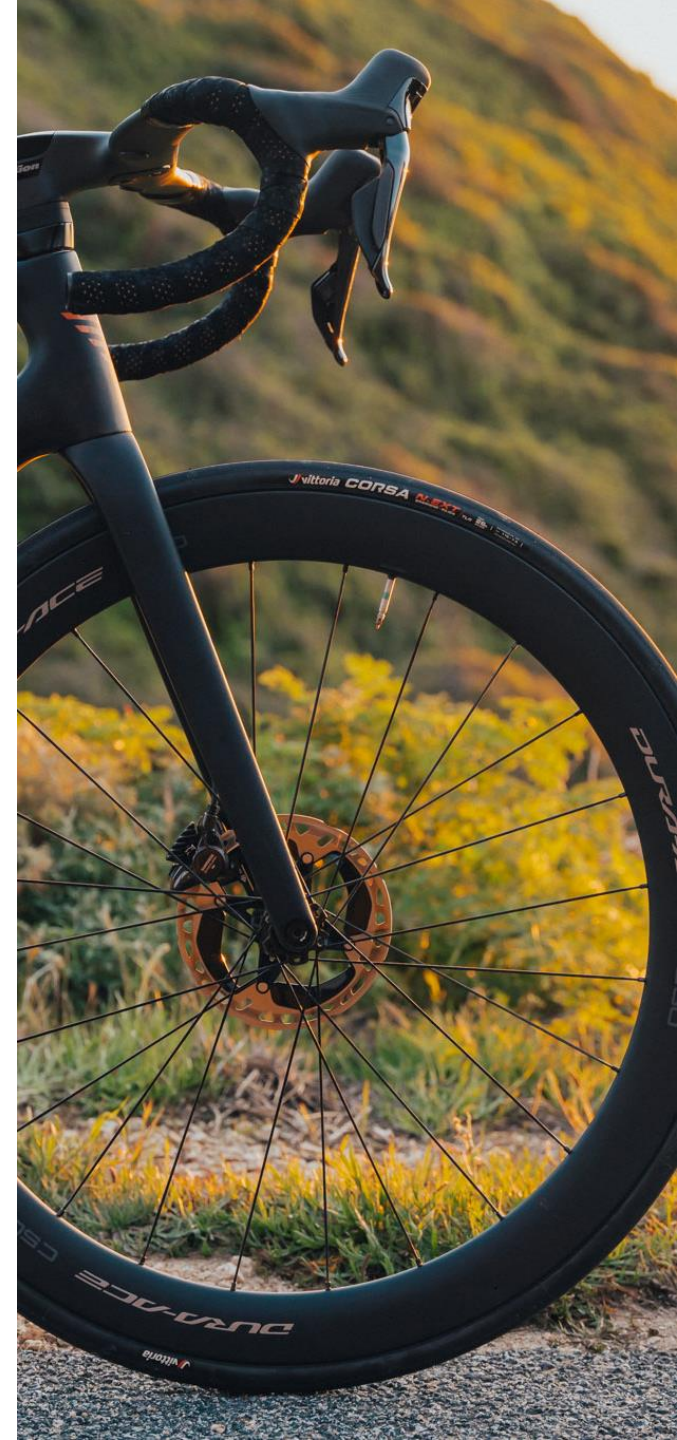
- **Relatively high inventory levels at PIERER Mobility and the dealers**
- **PIERER Mobility supports its dealer network**
 - Dealers play a strategic role in sales
 - After many years of growth, PIERER Mobility expected a slowdown in demand as early as 2023 and reduced production volumes to take the pressure off inventories
 - Extension of dealer payment terms and higher discounts
- **Supporting measures significantly increased net working capital (NWC) in 2023**
 - Decreasing inventory levels do not immediately improve NWC
 - Shift from inventories to accounts receivables
 - Improvement in NWC (and reduction in net debt) in two steps in 2024 and 2025



Segment Bicycles

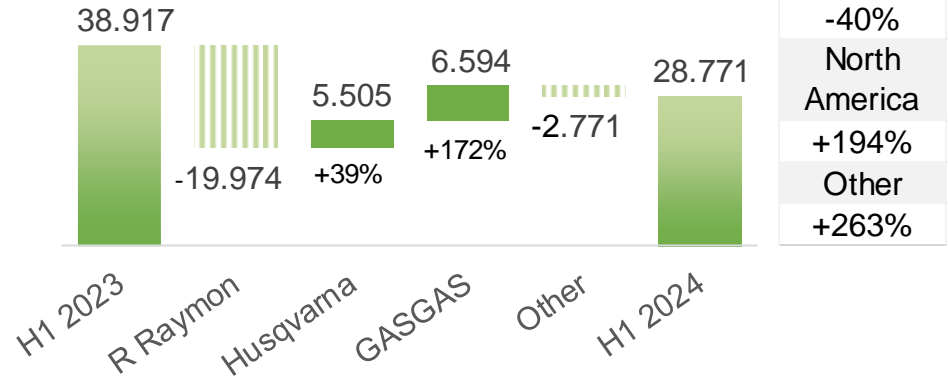
Market environment

- PIERER Mobility's core markets: German speaking countries and USA
- Demand for bicycles skyrocketed during the coronavirus pandemic and came down in the years after the pandemic
- Bicycle market overheated, disruptions throughout the entire supply chain
- Inventories (PIERER Mobility as well as suppliers and dealers) reached record levels
- Reduction of inventories to normal levels is still ongoing
- Massive pressure on selling prices

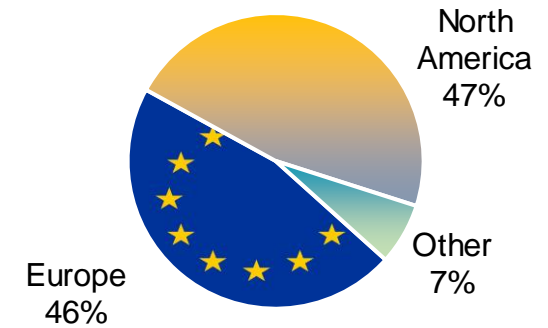
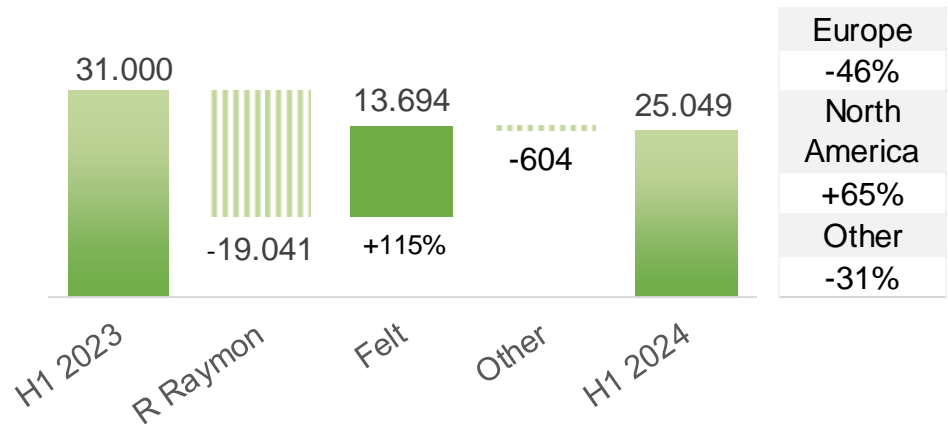


(E-)Bicycle unit sales

E-Bicycles

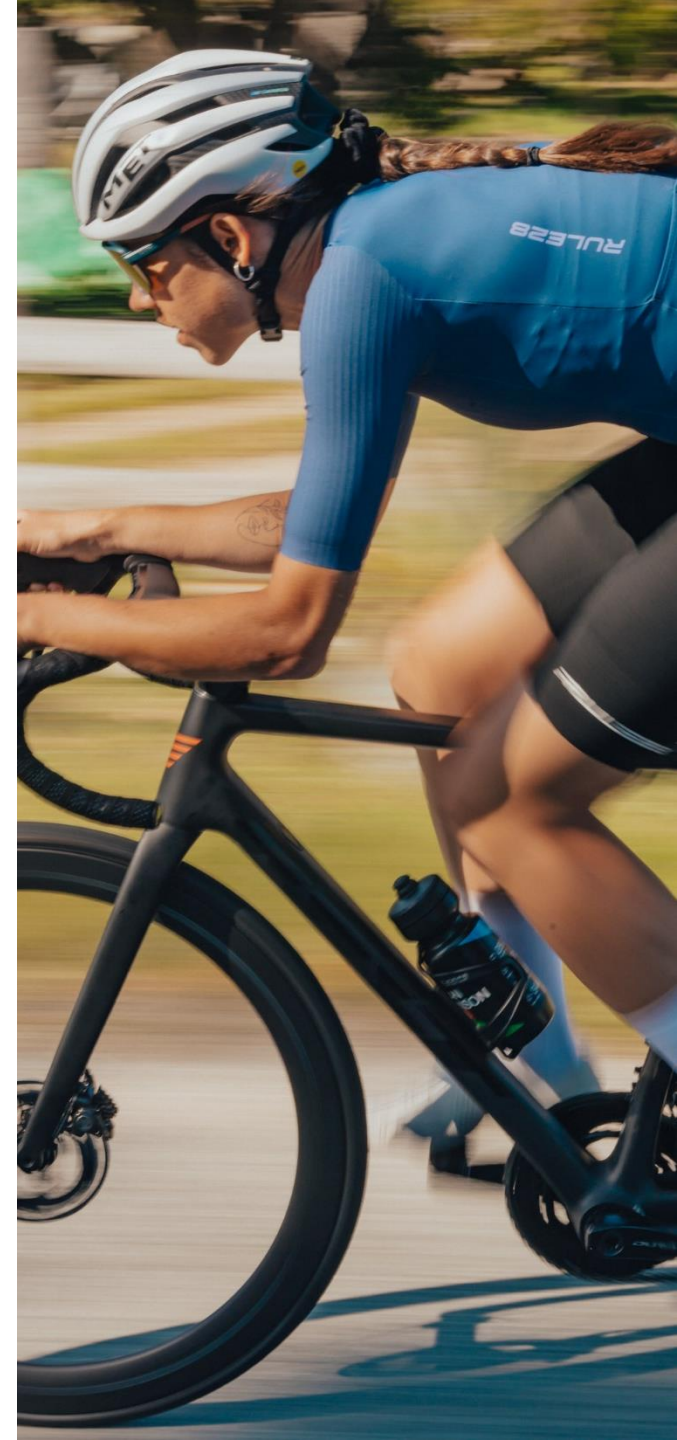


Bicycles



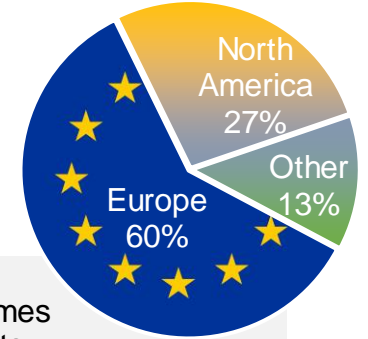
Restructuring of the Bicycles segment

- **Sale of R Raymon completed**
- Significantly negative result in the Bicycles segment in 2024 of approx. € 110-130 million mainly due to **impairment and restructuring charges**
- **Strict focus on the premium segment**
 - E-bicycles from Husqvarna and GASGAS
 - Non-e-bicycles from Felt
(20% equity with management, 70% with PIERER Mobility)
- **Restructuring to be completed in 2024**

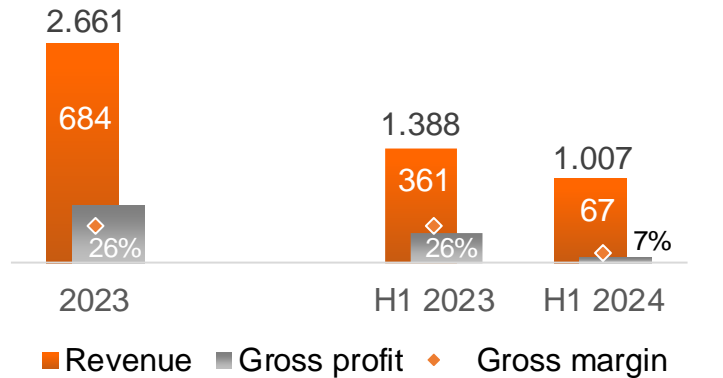


Financial results H1 2024

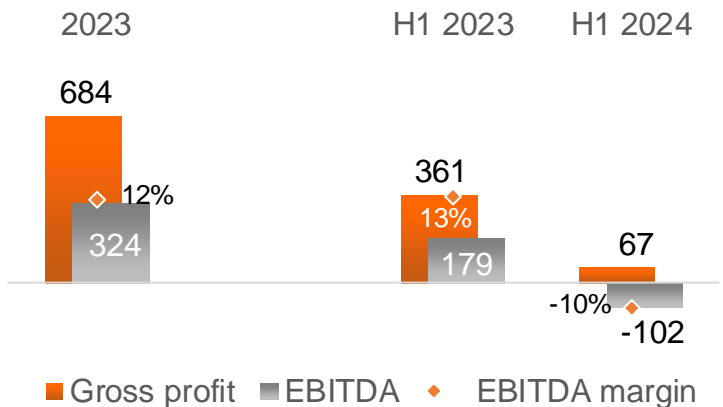
Results H1 2024



Revenue and gross profit (€ million)



Gross profit and EBITDA (€ million)

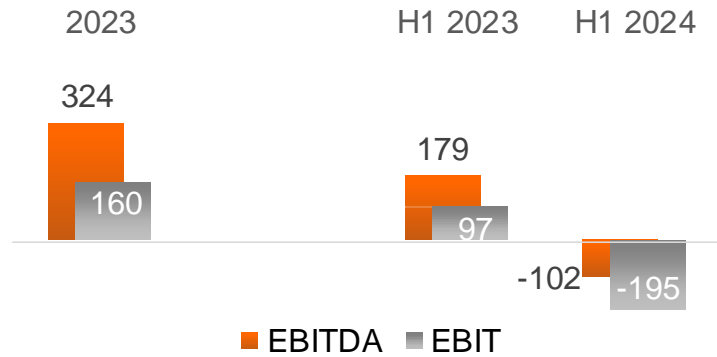


- Revenue down because of lower sales volumes (due to economic environment) and discounts
- Production costs decreased by 8%, much less than revenues
 - Cost pressure in Austria from high wage settlements and increasing costs for regulations and bureaucracy
- Restructuring of bicycles segment:
 - Impact on revenue: € -10 million
 - Impact on gross profit: additional € -65 million
- Gross profit down by 82%

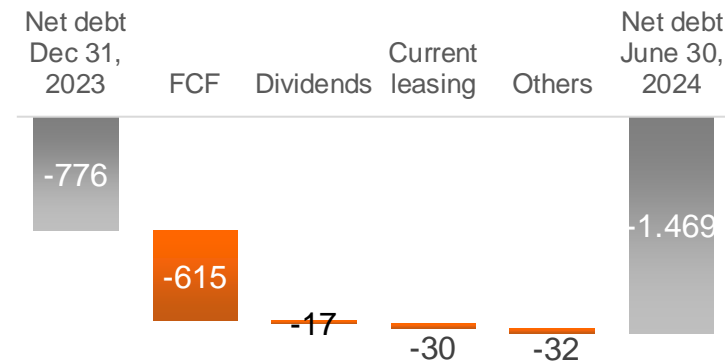
- Selling, general and administrative expenses 9% higher
 - General inflation
 - MV Agusta new to the Group
- Other operating income of € 27 million relating to MV Agusta acquisition
- EBITDA turned negative

Results H1 2024

EBITDA, EBIT (€ million)



Free cash flow and net debt (€ million)



- Financial result: € -42 million (H1 2023: € -30 million)
 - Significant increase of interest expenses by € 22 million as a consequence of higher net debt
- Income taxes: € 65 million (H1 2023: € -14 million)
 - Estimated based on the average annual tax rate for the year (IAS 34)
- Earnings per share: € -5.02

- Due to the negative H1 earnings and the increase in working capital, free cash flow was strongly negative.
- With its solid funding position, PIERER Mobility increased working capital to support its dealers and suppliers to cushion the financial burden from the increased interest rates.
- As a consequence, net debt went up.

Segment results

H1 2024, in € million	Motorcycles	Bicycles	Other	Total
Revenue external	936	69	2	1,007
EBITDA	11	-115	2	-102
<i>EBITDA margin</i>	1.2%	-166.8%	N/M	-10.1%
Depreciation & amortization	90	2	1	93
EBIT	-78	-117	0	-195
<i>EBIT margin</i>	-8.4%	-169.7%	N/M	-19.4%

Motorcycles
account for

93%

of total revenue

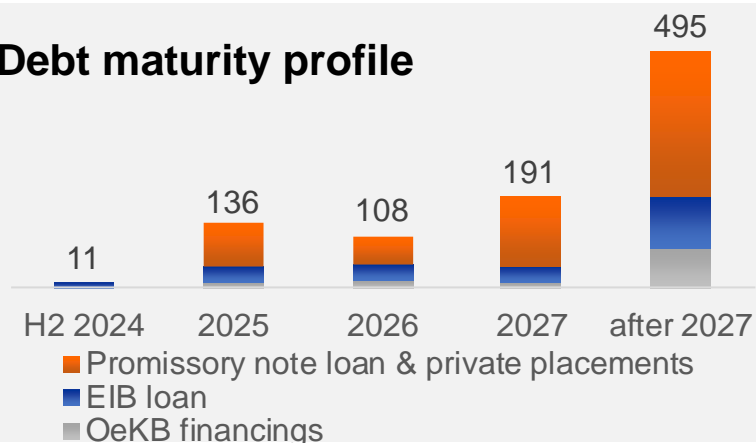
as of June 30, 2024	Motorcycles	Bicycles	Other	Total
Net debt (in € million)	1,435	299	-264	1,469
Net debt/EBITDA (12 months)	7.7x	N/M	N/M	34.5x

Flexible financing structure (as of June 30, 2024)

Overview (in € million)

Financial debt	1,488
+IFRS 16 leases	+87
Total financial debt	1,575
-Cash and cash equivalents	-106
Net debt	1,469

Debt maturity profile



Financings

- € 605 million promissory note loan & private placements
- € 215 million EIB loan
- € 122 million OeKB financings
- € 383 million Working Capital financing (incl KRR)
- € 164 million other financings

€ 1,488 million financial debt

Avg cost of debt: 4,3% Avg term to maturity: 5.78 years

€ 209 million undrawn committed credit lines

Sales financing

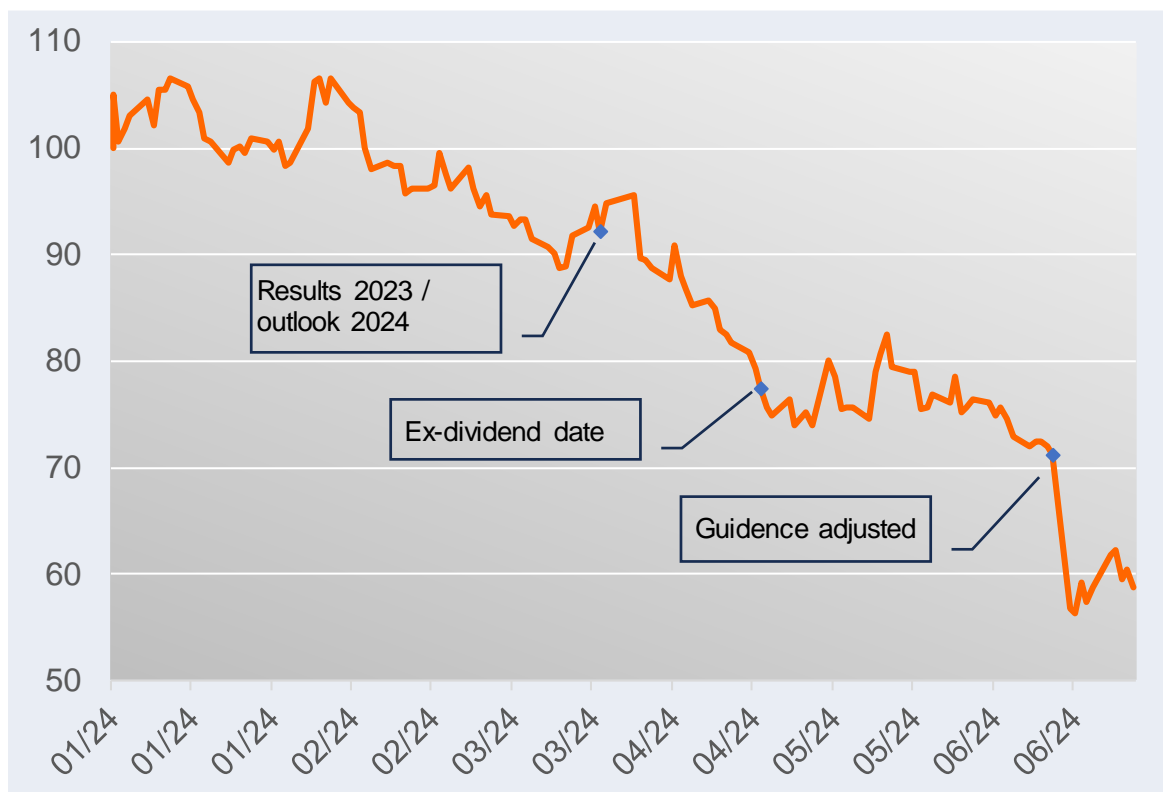
- € 325 million Asset Backed Securities (volume: € 412 million)
- € 26 million factoring Pierer New Mobility (volume: € 125 mn)
- € 96 million factoring

The share

The share

Ticker symbol	ISIN	Bloomberg	Reuters
PKTM	AT0000KTMI02	PKTM SW / PKTM AV (Vienna)	PKTM.S / PKTM.VI (Vienna)

Share price development Jan-Jun 2024 (indexed)



Primary listing

SIX Swiss Exchange
(since 11/2016)

Additional listing

Vienna Stock Exchange,
prime market
(since 03/2022)

Research coverage

Broker	Recommendation	Price target
Jefferies	Hold	CHF 51
Stifel	Hold	CHF 33
Vontobel	Hold	CHF 34

Dividend history

Year	DPS (paid)	EPS (in reference year)	Payout ratio
2024	€0.50	€2.37	21.1%
2023	€2.00	€5.03	39.8%
2022	€1.00	€3.34	29.9%
2021	€0.50	€1.56	32.1%

Transformation plan & outlook

Transformation process accelerated

- Significant reduction of production volumes in Mattighofen/Austria due to increased production costs
- Adjustment of the headcount, in particular in Austria (reduction of another 200 in Q3)
- Tight cost management
- Focus on premium brand strategy and streamlining of development processes
- MV Agusta integration is on track
- Restructuring of the Bicycle segment with a focus on high-margin segment

Total cost-cutting measures will have a double-digit million euro effect in 2024



Outlook

Guidance 2024 confirmed: Transformation year

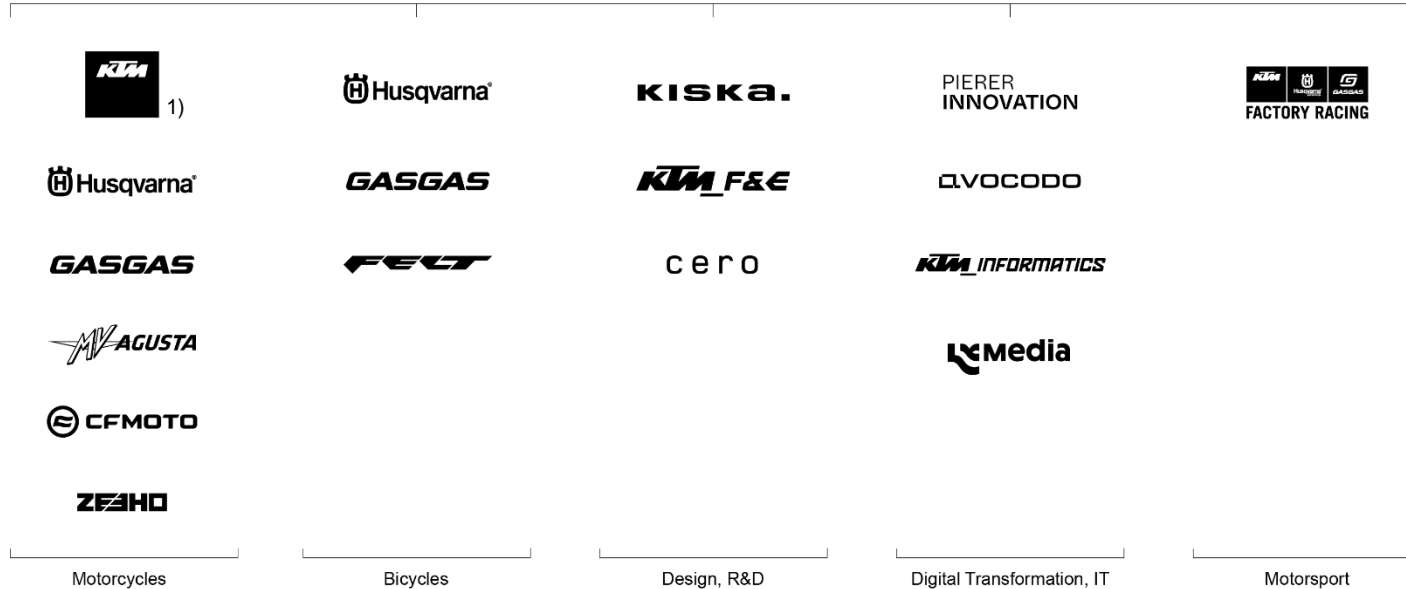
- H2 2024 significantly better than H1
- Revenue 2024 decline of 10%-15% (2023: € 2,661 million)
- EBIT 2024 Motorcycles: balanced to slightly positive
- EBIT 2024 Bicycles: € -110 to € -130 million, essentially due to extraordinary impairments and restructurings (€ 75 million in H1 2024)
- Working capital and net debt remain at high level; solid funding structure



Appendix

Group structure

Simplified presentation by area and brand

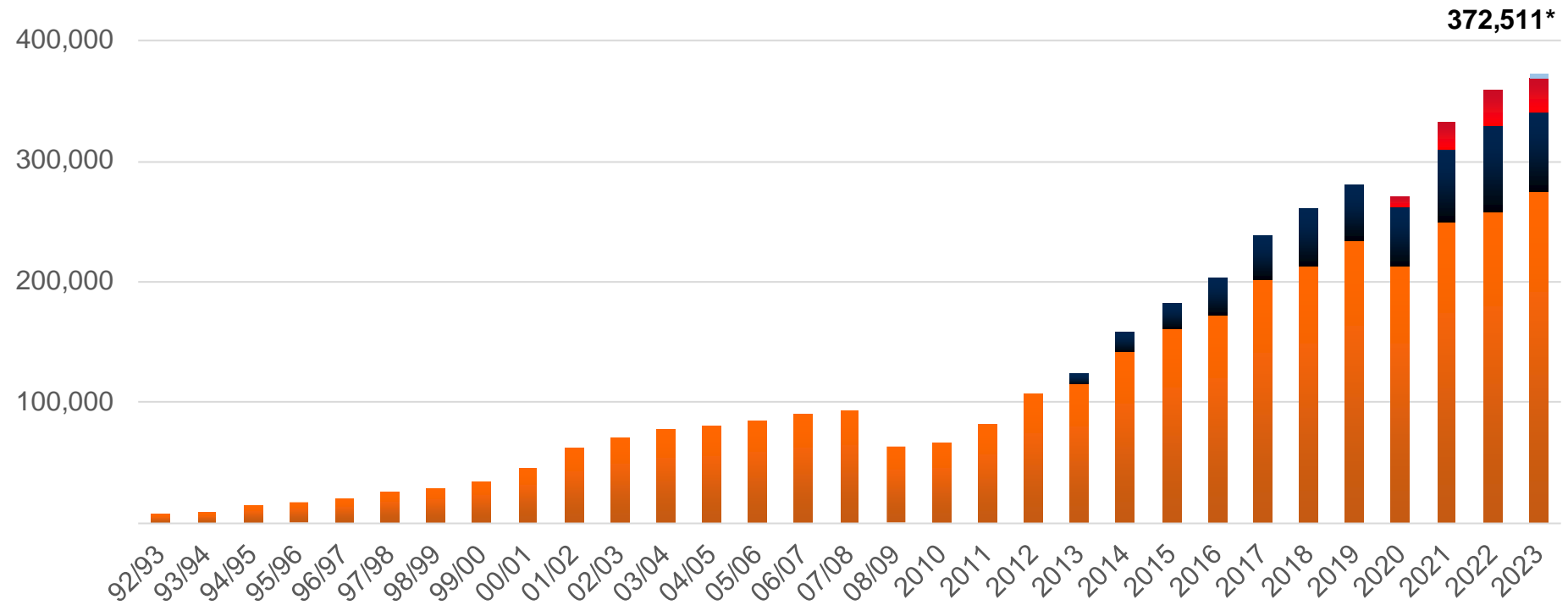


100% shareholdings: KTM AG, Husqvarna Mobility GmbH, GASGAS GmbH, CFMOTO Motorcycles Distribution GmbH (with the brand Zeeho, distributed by CFMOTO Motorcycles Distribution GmbH), PIERER New Mobility GmbH (with the brands Husqvarna, GASGAS and Felt), PIERER Innovation GmbH, Avocodo GmbH, KTM Forschungs & Entwicklungs GmbH, KTM Informatics GmbH, KTM Racing GmbH; 74% shareholding: LX media GmbH; 50.1 % shareholding: MV Agusta Motor S.p.A.; **50% shareholdings:** KISKA GmbH, CERO Design Studio S.L; **19.9% shareholding** (equity method consolidation): FELT Bicycles GmbH. An additional 50.1% of the shares was acquired on July 1, 2024 (full consolidation).

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Motorcycles unit sales

Historical development



* excl. Skutta and E-Balance Bikes

■ KTM
 ■ Husqvarna
 ■ GASGAS
 ■ MV Agusta & CFMOTO

Motorcycle wholesales in H1 2024

Deliveries to motorcycle dealer network & general importers

Europe	North America	India	South America	Asia	Australia New Zealand	Africa Middle East
64,978 units sold -14% (-10,788)	31,195 units sold -36% (-17,518)	32,351 units sold -2% (-678)	8,151 units sold -33% (-3,923)	5,137 units sold -48% (-4,665)	4,801 units sold -27,2% (-1,793)	883 units sold -25,2% (-297)
KTM 42,769 -24%	KTM 21,490 -36%	KTM 30,818 -6%	KTM 6,337 -33%	KTM 3,655 -53%	KTM 2,881 -32%	KTM 586 -32%
HQV 13,671 -9%	HQV 6,787 -41%	HQV 1,533 +278%	HQV 1,517 +20%	HQV 1,131 -35%	HQV 1,223 -25%	HQV 258 -1%
GG 3,935 +14%	GG 2,630 -27%		GG 254 -43%	GG 297 +6%	GG 652 -14%	GG 37 -29%
MV 1,016	MV 288		MV 43	MV 54	MV 45	MV 2
CF 3,587						

Wholesale (B2B): Sale to Dealer & General Importer Network reflected in P&L | Regions reflect Profit Centers Europe includes Europe, Europe Importers & Other Sales

- Bajaj sells KTM and Husqvarna motorcycles in India and Indonesia
- PIERER Mobility is distributor of CFMOTO motorcycles (CF) in AT, DE, CH, ES, GB
- CFMOTO sells KTM motorcycles in China

