

GOOD TO KNOW

PIERER MOBILITY

Analyst:	mark.diethelm@vontobel.com
Bloomberg: PKTM SE	Price: CHF 52.8
Enterprise value (mns)	CHF 2,003
Market cap (mns)	CHF 1,774
Reporting Currency	EUR

Buy **PT: CHF 91.0**

Income Stat. (mns)	2022A	2023E	2024E	2025E
Revenues	2437	2672	2819	2956
EBITDA	381	396	435	467
EBIT	235	225	254	275
Net profit	166	129	170	196
Growth (%)	2022A	2023E	2024E	2025E
Revenues	19.3	9.6	5.5	4.9
Net profit	79.6	-22.0	31.5	15.3
EPS (rep.)	26.6	-22.7	28.4	15.3
Margin analysis (%)	2022A	2023E	2024E	2025E
Gross margin	28.4	29.5	29.6	29.7
EBITDA margin	15.6	14.8	15.4	15.8
EBIT margin	9.7	8.4	9.0	9.3
Balance sheet (%)	2022A	2023E	2024E	2025E
NWC/Revenues	6.8	6.8	6.2	5.9
Net debt (mns)	257	238	163	90.7
Equity to tot. assets	35.8	40.8	44.0	47.7
Gearing	28.1	23.8	14.5	7.1
Net debt/EBITDA	0.7	0.6	0.4	0.2
CF statement (mns)	2022A	2023E	2024E	2025E
Capex	-247	-256	-252	-257
Operating FCF	33.8	85.1	141	140
Inc(+)/Dec(-) in cash	-94.8	-36.4	25.1	22.0
CF analysis (%)	2022A	2023E	2024E	2025E
Op. CF margin	11.5	12.8	13.9	13.4
Capex/Revenues	10.1	9.6	8.9	8.7
Capex/Depreciation	169	150	139	134
Per-share data (CHF)	2022A	2023E	2024E	2025E
EPS (rep.)	4.88	3.77	4.84	5.58
EPS (adj.)	4.83	3.77	4.84	5.58
Net cash	-7.5	-6.9	-4.6	-2.6
Dividend	1.98	1.96	2.01	2.06
Payout ratio (%)	40.5	52.0	41.5	36.8
Valuation (X)	2022A	2023E	2024E	2025E
P/E	13.8	14.0	10.9	9.5
P/E (adj.)	13.9	14.0	10.9	9.5
P/B	2.51	1.82	1.66	1.47
EV/EBITDA	6.6	5.1	4.4	4.0
FCF yield %	1.5	4.7	7.6	7.5
Dividend yield %	2.9	3.7	3.8	3.9
Profit. ratios (%)	2022A	2023E	2024E	2025E
ROIC	14.4	12.5	13.6	14.2
ROE	19.9	13.6	16.1	16.5
ROA	7.3	5.2	6.8	7.5
BB Consensus (mns)	2022A	2023E	2024E	2025E
Revenues	2428	2649	2834	3156
EBITDA	386	403	455	509
EBIT	233	235	254	293
Net profit	162	145	171	212
EPS	4.75	4.67	5.35	5.99

Conference call/analyst meeting

No conference call or analyst meeting scheduled

Call-option granted to take-over majority of MV Agusta by 2026 - CFMoto production expansion - On track to reach FY23 guidance - Buy confirmed

FACTS & COMMENT:

MV Agusta majority by 2026: After Pierer Mobility (PKTM) announced in November 2022 that it had acquired a 25.1% stake in MV Agusta (low double-digit EUR mn) and taking over the supply chain logistics and distribution of MV Agusta motorcycles through PKTM's global distribution network, Pierer yesterday announced a deepening of the cooperation. MV Agusta has granted PKTM a call option to acquire a majority stake, which will be executed in Spring 2026.

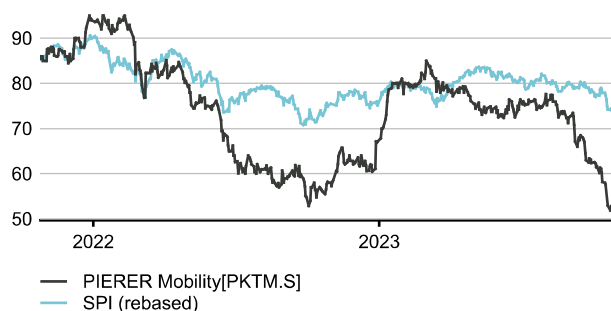
CFMoto JV intensification: Additionally, PKTM announced that the JV with Chinese motorcycle manufacturer and production partner CFMoto has been intensified with CFMoto expanding the production capacity for KTM motorcycles from 50k to 100k units p.a.

Trading supportive: Following a robust 1H23 result despite a challenging bicycles environment due to destocking, the company is on track to achieve its FY23 financial targets (revenue growth of 6-10% and an EBIT-margin between 8-10%) as the motorcycle demand has remained robust.

OUR CONCLUSION:

The call-option to acquire a majority stake is a logic development after Pierer Mobility took a minority stake last year and has started operating the complete supply chain for MV Agusta, including the sale of the premium motorcycles globally. It also signals that the efficiency efforts are yielding first results. The latter, however, has no material financial impact near-term. Trading remains supportive and PKTM seems well on track to reach the FY23 guidance. Buy and PT CHF 91 confirmed.

Performance



Source: Bloomberg, Vontobel Equity Research

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PIERER Mobility[PKTM.S] was last changed from Hold to Buy on 04-10-17

4. Global rating breakdown

	VT Research universe No.	VT Research universe As %	Share of Bank VT clients in rating category As %
Buy	40	41	43
Hold	57	59	35
Reduce	0	0	0

The table above is revised at the beginning of each quarter, i.e. it currently reflects the status as of 30 September 2023 .

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Reduce	Price target (when set) implies 10% downside on a 12-month horizon
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Buy	Price target (when set) implies 15% or more upside on a 12-month horizon
Hold	Price target (when set) implies 0-15% up/downside on a 12-month horizon
Reduce	Price target (when set) implies 10% downside on a 12-month horizon
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Hold	Price target (when set) implies 0-20% up/downside on a 12-month horizon
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