

GOOD TO KNOW

PIERER MOBILITY

Analyst:	mark.diethelm@vontobel.com
Bloomberg: PKTM SE	Price: CHF 44.6
Enterprise value (mns)	CHF 2,194
Market cap (mns)	CHF 1,539
Reporting Currency	EUR

Buy **PT: CHF 75.0**

Income Stat. (mns)	2022A	2023E	2024E	2025E
Revenues	2437	2662	2625	2821
EBITDA	381	324	349	421
EBIT	235	160	153	234
Net profit	166	68.6	71.6	145
Growth (%)	2022A	2023E	2024E	2025E
Revenues	19.3	9.2	-1.4	7.5
Net profit	79.6	-58.7	4.4	103
EPS (rep.)	26.6	-59.8	1.46	103
Margin analysis (%)	2022A	2023E	2024E	2025E
Gross margin	28.4	29.0	28.9	29.0
EBITDA margin	15.6	12.2	13.3	14.9
EBIT margin	9.7	6.0	5.8	8.3
Balance sheet (%)	2022A	2023E	2024E	2025E
NWC/Revenues	6.8	14.4	21.6	18.2
Net debt (mns)	257	775	735	574
Equity to tot. assets	35.8	35.0	39.0	44.8
Gearing	28.1	82.4	72.4	49.4
Net debt/EBITDA	0.7	2.4	2.1	1.4
CF statement (mns)	2022A	2023E	2024E	2025E
Capex	-247	-284	-273	-247
Operating FCF	33.8	-432	56.0	177
Inc(+)/Dec(-) in cash	-94.8	-38.1	-110	-39.1
CF analysis (%)	2022A	2023E	2024E	2025E
Op. CF margin	11.5	-5.5	12.6	15.0
Capex/Revenues	10.1	10.7	10.4	8.8
Capex/Depreciation	169	174	140	132
Per-share data (CHF)	2022A	2023E	2024E	2025E
EPS (rep.)	4.88	1.96	1.99	4.04
EPS (adj.)	4.83	2.39	2.92	4.04
Net cash	-7.5	-22.1	-20.4	-15.9
Dividend	1.98	0.48	0.47	0.93
Payout ratio (%)	40.5	24.5	23.5	23.1
Valuation (X)	2022A	2023E	2024E	2025E
P/E	13.8	23.4	22.4	11.1
P/E (adj.)	13.9	19.2	15.2	11.1
P/B	2.51	1.71	1.59	1.38
EV/EBITDA	6.6	7.0	6.4	5.0
FCF yield %	1.5	-26.9	3.4	10.7
Dividend yield %	2.9	1.0	1.0	2.1
Profit. ratios (%)	2022A	2023E	2024E	2025E
ROIC	14.4	7.6	6.1	9.5
ROE	19.9	7.4	7.3	13.4
ROA	7.3	2.5	2.7	5.6
BB Consensus (mns)	2022A	2023E	2024E	2025E
Revenues	2428	2640	2608	2801
EBITDA	386	325	341	415
EBIT	233	186	165	232
Net profit	162	116	96	143
EPS	4.75	2.95	3.07	4.24

Conference call/analyst meeting

No conference call or analyst meeting scheduled

Early execution of call option to take majority in MV Agusta - Site expansion in Italy planned with doubling of production capacity - Buy

FACTS & COMMENT:

50.1% majority: During a capital increase in November 2022, PKTM via KTM AG acquired a 25.1% stake in Italian-based luxury motorcycle manufacturer MV Agusta. As part of the cooperation, Pierer took over the supply chain of MV Agusta in 2023 and added MV Agusta's product range to its global distributor network. The call option to acquire the majority (50.1%) by early 2026 has now been executed pre-maturely as MV Agusta will likely achieve a turnaround in 2024 after being loss making for several years. As a result, PKTM will take industrial control.

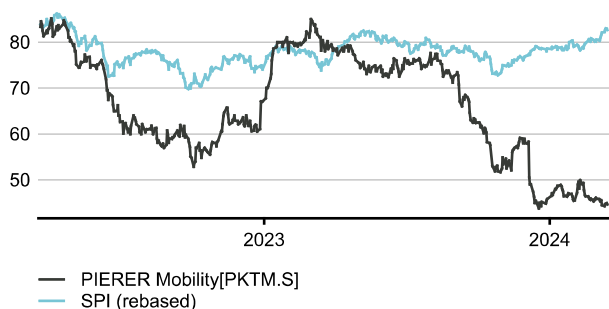
No financial details : According to PKTM, the valuation of the additional 25% stake was based on a previously agreed EBITDA multiple, without quantifying any details. Given that the turnaround was likely achieved due to the PKTM taking over component purchasing and sales distribution, we expect no material deviation to the EUR 20m it paid for the 1st 25.1% tranche.

Doubling of capacity: PKTM also announced that the MV Agusta production site in Varese is being expanded with more than 10,000 unit production planned mid-term (2023: 5'600).

OUR CONCLUSION:

That Pierer Mobility will take over a majority in MV Agusta within the next three years point was expected. However, the early execution of the call option is a surprise but is explained by MV Agusta's turnaround being achieved. By taking over the majority, MV Agusta will be fully consolidated this year and add a high single percentage point to Pierer Mobility's top-line in 2024 but not materially impact the company profits.

Performance



Source: Bloomberg, Vontobel Equity Research

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The document was not submitted to the analyzed companies before publication or distribution

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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	41	42	41
Hold	57	58	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 December 2023.

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Rating	Definition
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Hold	Price target (when set) implies 0-10% up/downside on a 12-month horizon
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
Other	All other Swiss stocks
Buy	Price target (when set) implies 20% or more upside on a 12-month horizon
Hold	Price target (when set) implies 0-20% up/downside on a 12-month horizon
Reduce	Price target (when set) implies 15% downside on a 12-month horizon
Restricted	Coverage is temporarily restricted (no price target)
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