



Group Figures

FINANCIAL KEY PERFORMANCE INDICATORS ¹⁾

| Earnings data | | | H1 2023 | H1 2024 | Δ |
|-------------------------------------|-------|--|----------|----------|---------|
| Revenue | in €m | | 1,388 | 1,007 | -27.4% |
| EBITDA | in €m | | 179 | -102 | >-100% |
| EBITDA margin | | | 12.9% | -10.1% | -23.0pp |
| EBIT | in €m | | 97 | -195 | >-100% |
| EBIT margin | | | 7.0% | -19.4% | -26.4pp |
| Result for the period | in €m | | 53 | -172 | >-100% |
| Earnings per share | in € | | 2 | -5 | >-100% |
| Balance sheet data | | | 12/31/23 | 06/30/24 | Δ |
| Balance sheet total | in €m | | 2,953 | 3,269 | 10.7% |
| Equity | in €m | | 909 | 722 | -20.6% |
| Equity ratio | | | 30.8% | 22.1% | -8.7pp |
| Working capital employed | in €m | | 531 | 809 | 52.2% |
| Net debt | in €m | | 776 | 1,469 | 89.3% |
| Gearing | | | 85.3% | 203.4% | 118.1pp |
| Cash flow and CAPEX | | | H1 2023 | H1 2024 | Δ |
| Cash flow from operating activities | in €m | | 52 | -414 | >-100% |
| Cash flow from investing activities | in €m | | -148 | -201 | -35.4% |
| Free cash flow | in €m | | -96 | -615 | >-100% |
| Cash flow from financing activities | in €m | | 68 | 464 | >100% |
| Capital expenditure | in €m | | 133 | 140 | 5.2% |
| Value creation | | | 12/31/23 | 06/30/24 | |
| ROCE (Return on capital employed) | | | 10.2% | -6.9% | -17.1pp |
| ROE (Return on equity) | | | 8.4% | -18.4% | -26.8pp |
| ROIC (Return on invested capital) | | | 9.2% | -3.6% | -12.8pp |

NON-FINANCIAL KEY PERFORMANCE INDICATORS

| | | | H1 2023 | H1 2024 | Δ |
|--|-----------------|--|---------|---------|--------|
| Employees ²⁾ | headcount | | 6,314 | 6,024 | -4.6% |
| Share of female employees | | | 26.1% | 25.4% | -0.7pp |
| Employees in R&D | | | 21.4% | 22.2% | 0.8pp |
| Unit sales motorcycles ³⁾ | number of units | | 187,158 | 147,496 | -21.2% |
| Unit sales e-bicycles | number of units | | 38,917 | 28,771 | -26.1% |
| Unit sales bicycles (without electric drive) | number of units | | 31,000 | 25,049 | -19.2% |
| Production motorcycles ⁴⁾ | number of units | | 205,796 | 168,165 | -18.3% |
| Production motorcycles in Mattighofen, Austria | number of units | | 111,940 | 76,386 | -31.8% |
| R&D expenses from revenue | | | 8.5% | 12.9% | 4.4pp |

1) See the Glossary for explanations of alternative performance measures

2) Number of employees on the reporting day (including temporary staff)

3) Including motorcycles sold by partner Bajaj

4) Includes all produced motorcycles in Austria, India, China, Spain and Italy

PIERER Mobility at a glance

1,007 €m

REVENUE

H1 2024

-102 €m

EBITDA

H1 2024

6,024

EMPLOYEES

as of June 30, 2024

147,496

MOTORCYCLES SOLD

H1 2024

10

SUSTAINALYTICS-RATING: LOW RISK

ESG Regional Top Rated Company,

ESG Industry Top Rated Company

One of Europe's leading
motorcycle manufacturers

Focus on the premium
segment

Numerous racing successes:
with KTM, Husqvarna and
GASGAS in offroad and road
racing

Motorcycle market share of
more than 10% in Europe,
the US and in China

Motorcycle dealer network
of 4,800 partners

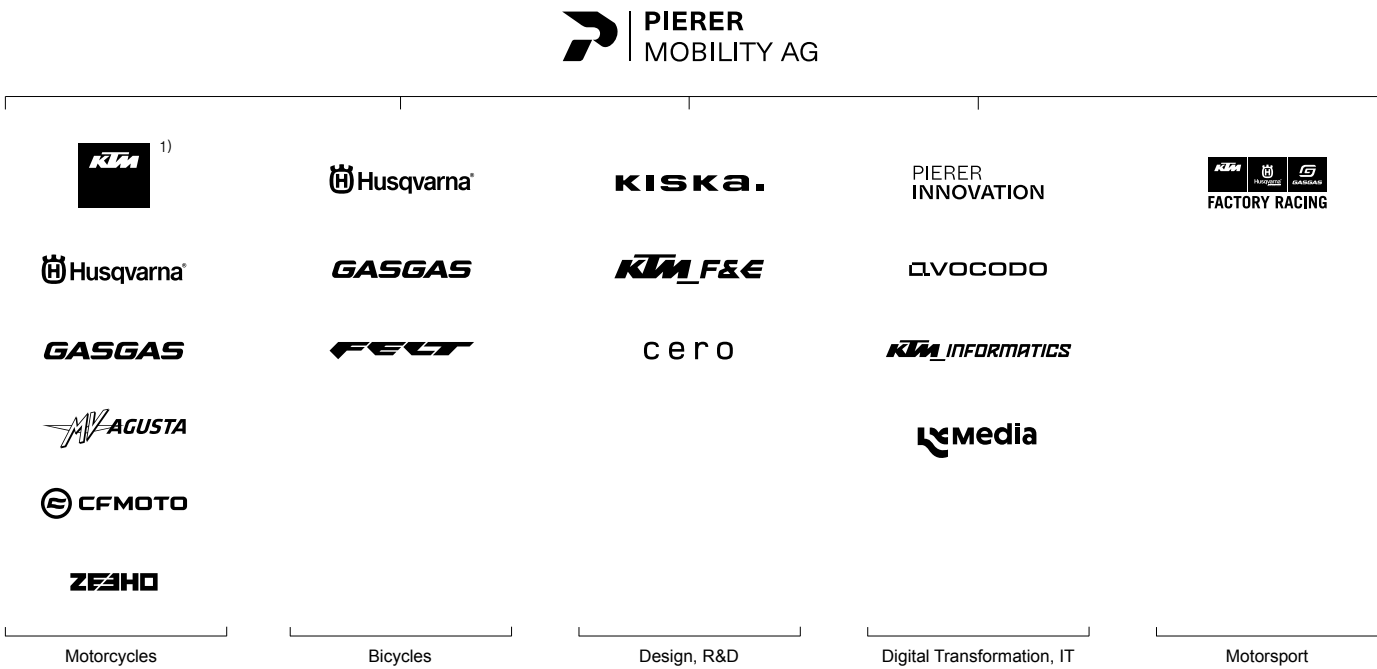
Strong global partnerships:
Bajaj (India), CFMOTO (China)

ABOUT PIERER MOBILITY AG

PIERER Mobility AG is the holding company of KTM AG, a leading European motorcycle manufacturer. With a focus on the premium segment, the company unites the brands KTM, GASGAS, Husqvarna and MV Agusta under one roof. The premium brand range also


includes the high-performance components of the WP brand and the special KTM X-BOW high-performance sports cars. E-bicycles from Husqvarna and GASGAS as well as bicycles from the Felt brand round off PIERER Mobility's range of two-wheelers.

GROUP STRUCTURE – SIMPLIFIED PRESENTATION BY AREA AND BRAND
OVERVIEW AS OF JUNE 2024



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, Avocado 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).

1) In this presentation,  stands for KTM AG, which, as the owner of the KTM brand, manufactures and/or distributes motorbikes and motorbike accessories under this brand. To be distinguished from this is KTM Fahrrad GmbH, which, as the exclusive licensee, manufactures and/or sells bicycles and bicycle accessories under the KTM brand. KTM AG and KTM Fahrrad GmbH are neither affiliated with each other under corporate law nor intertwined with each other in terms of capital or otherwise. Consequently, PIERER Mobility Group, does not produce or distribute bicycles and bicycle accessories under the KTM brand but under brands such as Husqvarna, GASGAS or Felt.

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Consolidated Management Report H1 2024

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ECONOMIC ENVIRONMENT AND MARKET DEVELOPMENT

ECONOMY

The impact of the Russian-Ukrainian war, which has been ongoing since 2022, the recent developments in the war in the Middle East, and the significantly higher rates of inflation caused by these conflicts have led, among other factors, to a slowdown in the global economy. Although the outlook remains subdued, increasingly positive signs are being seen. For example, there are indications of a largely positive normalization of business and consumer sentiment. Commodity prices are falling, though recent geopolitical tensions, particularly in the Middle East, may cause prices to spike again.

Significant financial and macroeconomic risks exist, on the one hand as a result of the simmering real estate crisis in China, and on the other from the continued trend in rates of inflation. While both overall inflation and core inflation, which excludes the volatile components of energy and food, are declining, both are likely to remain high, at least in the short and medium term. Overall, economic risks remain broadly unchanged through to the end of 2024, but there is still the risk of a downward trend. This illustrates the continuing uncertainty, particularly with regard to the course of the war in Ukraine, its further consequences and the uncertainty about the outcome of the war in the Middle East.

Ultimately, the situation described above means greater uncertainty in the global growth forecasts from the International Monetary Fund (IMF), the OECD, and the World Bank. However, the fact that recent IMF estimates have remained largely unchanged suggests a degree of stabilization.

| IMF growth forecasts | 2024 | 2025 |
|-----------------------------------|------|------|
| Global economy | 3.2% | 3.3% |
| Advanced economies | 1.7% | 1.8% |
| Eurozone | 0.9% | 1.5% |
| Germany | 0.2% | 1.3% |
| Emerging and developing countries | 4.3% | 4.3% |
| China | 5.0% | 4.5% |
| India | 7.3% | 6.5% |

The IMF expects global inflation to continue to fall slowly but steadily in 2024 and 2025. The future development of the global economy remains heavily dependent on the successful calibration of monetary policy, which takes account of the cumulative effects of previous interest rate hikes that could otherwise have serious adverse effects on the financial sector. Moreover, the course of the war in Ukraine and recently in the Middle East, and not least the level

of economic recovery and demand from China, are key factors that will influence the future development of the global economy. This assessment is largely shared by the OECD and the World Bank. The IMF, in particular, also declares that there is increasing divergence in economic growth, as the slowdown in growth appears to be more pronounced in advanced economies than it does in emerging markets and developing countries. With the IMF's forecast for global economic growth remaining largely unchanged, a major global economic downturn is not expected, although all forecasts in relation to the trend in the global economy remain subject to significant uncertainties.

MOTORCYCLE MARKET

H1 2024 showed a heterogeneous market development in the most important motorcycle markets for the PIERER Mobility Group and for premium motorcycles. A slightly positive trend in overall demand in Europe (+4.7%) driven primarily by the low-price segment, was offset by declining demand in North America (-3.9%) as well as in Australia and New Zealand (-6.6%). With the exception of Japan (+6.2%), the main Asian countries (Hong Kong, Thailand, China) recorded significant double-digit declines in the region of -25%.

In Europe, the motorcycle market¹⁾ grew to just over 500,000 registered motorcycles (previous year: 470,000), with Italy (+8.4%) and Spain (+9.6%) recording the strongest growth. Germany, the largest single market, recorded a slight increase of 0.7%. The registration figures for the core brands of the PIERER Mobility Group (KTM, Husqvarna, GASGAS and MV Agusta) decreased by -5% in H1 2024 compared to H1 2023.

In North America, motorcycle sales (in contrast to Europe, including motocross models) decreased to a half-year volume of approximately 275,000 units (previous year: 290,000). The core brands of the PIERER Mobility Group recorded a decline in new registrations of -18.4%. Despite this development, PIERER Mobility still has a double-digit market share of 11.0% (previous year: 12.9%).

The relevant Indian motorcycle market (S2/S3 segment) is still on the upswing and recorded a strong increase (+16.0%) with 660,000 motorcycles sold in H1 2024. Against this backdrop, strategic partner Bajaj sold more than 31,000 KTM and Husqvarna motorcycles in India, resulting in a slight decline in market share to 4.7% (previous year: 5.6%).

The market in Australia and New Zealand continued to decline. A total of 30,000 motorcycles were registered in H1 2024 (previous year: -6.6%). The number of registered PIERER Mobility motorcycles fell by -10.1%, but the market share remained stable at 19.0% (H1 2023: 19.7%).

1) Motorcycles ≥ 120 cc excluding motocross, scooters and ATVs, including electric motorcycles in the markets DE, FR, IT, GB, ES, SE, BE, NL, AT, CH, FI, DK, NO, HU, PO, SV, CZ, LT, LV, EE, GR, PT.

Total demand in China declined by -27.4%. Nevertheless, the PIERER Mobility Group was able to clearly set itself apart from the competition with an increase in registrations of +2.6% compared to the previous year and increased its market share to 10.3% (H1 2023: 7.3%).

BICYCLE MARKET

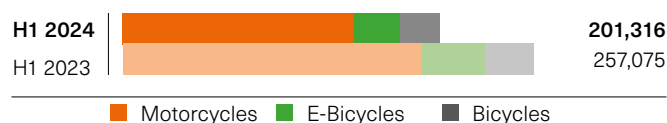
During the coronavirus pandemic, the demand for bicycles rose rapidly, leading to overheating in the bicycle market and disruption throughout the supply chain. Stock levels peaked as a result. The return of these stocks to normal levels continues, while at the same time there is massive pressure on sales prices. On the customer side, the increased cost of living in the core market of Europe led to a loss of purchasing power. This caused a decline in demand for premium e-bicycles and bicycles.

BUSINESS DEVELOPMENT

DEVELOPMENT OF SALES AND REVENUE IN H1 2024

The overall sales figures for the PIERER Mobility Group in H1 2024 are as follows:

Unit sales total

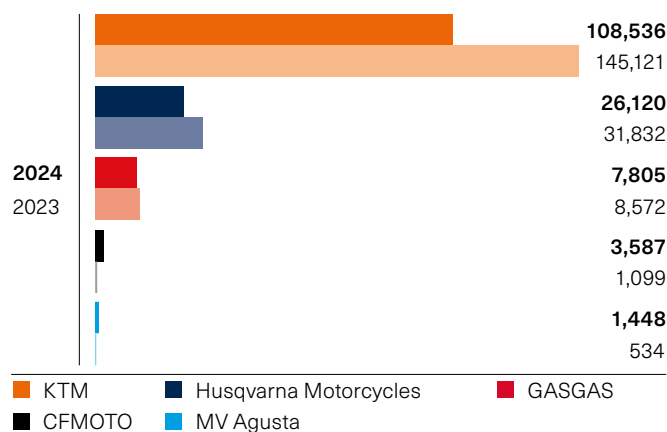


Motorcycles

Primarily due to the challenging macroeconomic environment, sales of motorcycles in H1 2024 fell by -21.2% compared to the same period last year. With 108,536 KTM motorcycles sold, 26,120 Husqvarna motorcycles, 7,805 GASGAS motorcycles sold, 3,587 CFMOTO motorcycles and 1,448 MV Agusta motorcycles sold H1 2024, a total of 147,496 motorcycles (previous year: 187,158) were sold (taking into account the motorcycles sold in India and Indonesia by partner Bajaj). PIERER Mobility has a market share of more than 10% of registered motorcycles in the key markets of Europe, USA and China .

Motorcycles sales in H1 2024: 147,496 units

Motorcycles sales in H1 2023: 187,158 units



All relevant markets have seen a decline in sales figures, with the decline having a particularly strong impact on KTM's domestic market in Europe. Around 44% of motorcycles were sold in Europe (+4 percentage points year-on-year), 21% in North America including Mexico (-5 percentage points year-on-year) and 22% in India and Indonesia via partner Bajaj (+4 percentage points year-on-year). Another 13% were sold in the rest of the world (-3 percentage points on the previous year).

Unit sales by region H1 2024

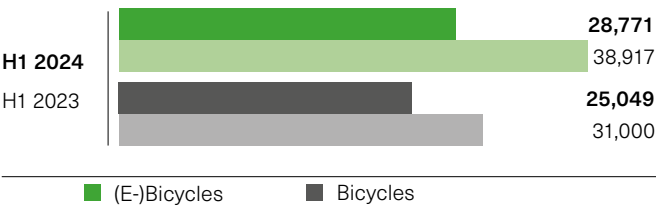
- 44.1% Europe
- 21.1% North America (incl. Mexico)
- 21.9% India / Indonesia (by Bajaj)
- 12.9% rest of world



Bicycles

In H1 2024, PIERER Mobility sold 53,820 bicycles (-23.0%), of which 28,771 were e-bicycles and 25,049 were bicycles.

(E-)Bicycles sales in H1 2024: 53,820 units
(E-)Bicycles sales in H1 2023: 69,917 units



At the end of 2023, PIERER Mobility divested its R Raymon brand. In the first half of the previous financial year, this brand accounted for 51.3% of sales of e-bicycles and 61.4% of bicycle sales. Following increases in sales for the Husqvarna, GASGAS and Felt brands H1 2024, sales of e-bicycles fell by just 26.1% to 28,771 units and sales of bicycles fell by 19.2% to 25,049 units. Of the e-bicycles sold H1 2024, around two thirds were sold under the Husqvarna E-Bicycles brand and one third under the GASGAS brand. The sales of bicycles can be attributed mainly to the Felt brand. From a regional perspective, Europe, and in particular the DACH region, remains the largest sales market.

Unit sales by region H1 2024



STRATEGIC PROJECTS

In November 2022, KTM AG, a subsidiary of PIERER Mobility AG, acquired a 25.1% stake in MV Agusta Motor S.p.A., with registered office in Varese (Italy), as part of a capital increase. The call option granted to KTM AG on the basis of the annual financial statements dated December 31, 2025 to acquire the majority stake in MV Agusta Motor S.p.A. was exercised early in March 2024. The purchase price for the extra 25% of the shares was calculated using the previously agreed valuation method (EBITDA multiple). In the medium term, an annual production volume of more than 10,000 MV Agusta premium motorcycles is planned at the site in Varese.

The PIERER Mobility Group is focusing increasingly on the premium segment. This involves the KTM, GASGAS, Husqvarna and MV Agusta brands for motorcycles. In the bicycle segment, the focus is on e-bicycles from the Husqvarna and GASGAS brands as well as bicycles under the Felt brand. After the reporting date, PIERER Mobility therefore acquired the majority stake in Felt. More information can be found in the notes in the section on events after the reporting date. To make sales more efficient, work began in the first half of the year to combine the sales companies of PIERER New Mobility GmbH with those of the KTM sales subsidiaries in the relevant countries.

ACTIVITIES AND SUCCESSES IN RACING

MOTORSPORT

PIERER Mobility has two teams racing in **MotoGP™**: Red Bull KTM Factory Racing and Red Bull GASGAS Tech 3.

The 2024 season started with very impressive performances from the Red Bull KTM Factory Racing team. Brad Binder secured a Sprint and Grand Prix podium place in Qatar, with Jack Miller delivering two top-five finishes in Portimao. With its intense testing program and enhanced performance, the team is looking forward to a promising second half of the season.

At Red Bull GASGAS Tech3, Pedro Acosta made a remarkable entrance to the MotoGP scene. He rode his RC16 to a number of podium finishes in the Sprints and Grand Prix races. From 2025, he will be joining the Red Bull KTM Factory Racing team, riding alongside Brad Binder.

The Tech3 team will revert back to its iconic orange colors next season. Enea Bastianini and Maverick Vinales will ride for the Red Bull KTM Tech3 team.

In the world of offroad motorcycle racing, Husqvarna factory rider Billy Bolt secured the title in the **2024 FIM SuperEnduro World Championship** in Newcastle (GB) for the fourth consecutive time, cementing his status as a top-tier competitor in this sport by winning all seven of the races he entered.

In the American **AMA Supercross Championship**, Red Bull KTM newcomer Chase Sexton finished third overall in the 450SX class. His current lead in the AMA ProMotocross series underlines the competitiveness of the KTM 450 SX-F. Tom Vialle claimed his first AMA Supercross title and won the 250SX East division riding his KTM 250 SX-F. RJ Hampshire from the Rockstar Energy Husqvarna Factory Racing team enjoyed success in the 250SX West division. Manuel Lettenbichler from Red Bull KTM Factory Racing showcased his skills in the **Red Bull Erzbergrodeo 2024**. He conquered the Iron

Giant for the third consecutive year, celebrating his tenth victory in a row in the **FIM Hard Enduro World Championship**.

In the **2024 Dakar Rally**, KTM managed to secure a fourth-place finish with Kevin Benavides, despite the stiff competition.

At the start of the **2024 FIM EnduroGP World Championship**, Josep Garcia from Red Bull KTM Factory Racing surged to the fore again and is now leading the pack after five out of seven races. Right behind him is Andrea Verona, who is now in second place on his GASGAS EC 350F.

After 13 out of 20 races in the **2024 FIM MXGP World Championship**, Jorge Prado (Red Bull GASGAS Factory Racing) is in second place, followed by Jeffrey Herlings (Red Bull KTM Factory Racing) in third. In Motocross, Kay de Wolf leads the **MX2 Championship** for the Nestaan Husqvarna Factory Racing team. Other riders such as Liam Everts, Andrea Adamo, Simon Längenfelder, Sacha and Lucas Coenen have also already celebrated podium finishes and victories this year.

CYCLING

GASGAS Bicycles launched a number of new models over the last 12 months, attracting plenty of attention. In the last two seasons, to boost its presence in the cycling community, the brand teamed up with the GASGAS Factory Racing team to participate in the **UCI Mountain Bike World Series** in the E-Enduro category. After the first season of racing, the brand-new ECC electric mountain bike helped the GASGAS athletes secure several stage wins, with team rider Alex Marin finishing the 2023 season fourth overall in the **E-EDR World Cup**. In 2024, GASGAS fielded three factory riders, who are currently competing for the UCI Mountain Bike World Series on ECC6 e-bike models.

Felt is synonymous with speed and, as a performance-driven brand, has achieved some extraordinary results on race tracks around the globe in recent months. In the famous **UNBOUND Gravel cycling race**, the Felt athletes managed to claim three top-10 finishes over the full distance.

NEW MODELS

MOTORCYCLES

KTM

The KTM DUKE series is celebrating its 30th anniversary in 2024. To mark this anniversary, KTM has launched three new, significantly overhauled motorcycle models:

- **KTM 390 DUKE:** With its distinct styling, it offers the best power-to-weight ratio in its class.
- **KTM 990 DUKE:** This bike impresses with many technical innovations, a new engine and chassis.
- **KTM 1390 SUPER DUKE R and KTM 1390 SUPER DUKE R EVO:** These form the top tier of hyper-naked bikes, combining improved peak performance with a typically aggressive design.

Other new motorcycles are:

2024 KTM RC 8C: This motorcycle caters for the demands of performance-oriented riders and seasoned track racers alike.

2025 KTM 250 SX-F Adamo Edition: This collector's item is available in a limited quantity. It has been dedicated to Andrea Adamo, the 2023 MX2 World Champion.

In addition, a number of improvements have been made to new generations of existing models:

2025 KTM XC and XC-F range: A number of technical updates have helped to improve handling characteristics and reduce weight.

2025 KTM 450 Rally Replica: This motorcycle is best known from the Dakar Rally and symbolizes Rally-Raid Championships. It has been given the most extensive updates so far.

2025 KTM EXC range (2-stroke and 4-stroke Enduro series): Extensive improvements have been made to the chassis in particular.

2025 KTM 125 XC-W: This motorcycle has been relaunched specifically for the Junior Enduro category.

Husqvarna

Vitpilen and Svartpilen series 2024: Since they were launched in 2018, all machines have been completely overhauled with new engines, a new chassis, class-leading technology and new styling.

Svartpilen 801: This exceptional, scrambler-inspired bike sets a new standard for medium-weight street models by focusing on providing accessible performance and outstanding quality.

TC 150 and TC 300: These two new 2-stroke machines complete Husqvarna's Motocross range for 2025.

TE 125: Following the relaunch of this completely redesigned motorcycle, the 2025 Enduro model range now includes four 2-stroke and 4-stroke motorcycles.

GASGAS

GASGAS TXE: This prototype of an electric-powered trial bike entered the TrialGP World Championship for the first time in 2024.

TXT GP and TXT Racing series 2025: All six trial-bike models are equipped with more powerful components.

MC 150 and MC 300: GASGAS rounded off its 2025 Motocross line with these new 2-stroke machines.

EC 125: By introducing this 2-stroke engine, GASGAS has expanded its Enduro model range to seven motorcycles for 2025.

MV Agusta

Enduro Veloce: This new, exclusive and powerful travel enduro impresses with its distinctive, dynamic character and harmonious lines.

BICYCLES

PIERER New Mobility presented the new models and product developments from the Husqvarna and GASGAS brands at EUROBIKE in Frankfurt. Husqvarna showcased its new e-bike models: In addition to the Grand Towner 6, which is equipped with the Enviolo system, the Crosser, the Tourer and the Young Cross, an electric mountain bike for kids, were unveiled. GASGAS presented the ECC and MXC series from the new electric mountain bike generation as well as the stylish all-round cruisers, the MOTO 1 and MOTO 2.

PERFORMANCE ANALYSIS

In H1 2024, the PIERER Mobility Group generated revenue of € 1,006.9 million (-27.4%). Around 93% of this was generated by the Motorcycles segment and 7% came from the Bicycles segment. Approximately 95% of revenue was earned outside Austria. From a regional point of view, some 61% of the revenue was attributable to Europe (+2 percentage points compared to the previous year), 27% to North America including Mexico (-1 percentage point compared to the previous year) and 12% to the rest of the world (-1 percentage point compared to the previous year).

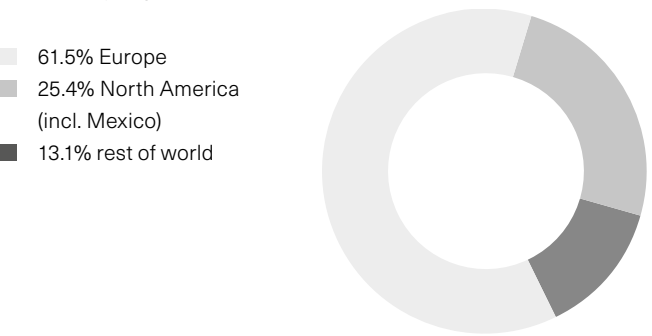
With a figure of € -195.0 million, the operating result (EBIT) for H1 2024 was significantly lower than the previous year's figure of € 96.9 million, equating to an EBIT margin of -19.4%. The earnings before interest, taxes, depreciation, and amortization (EBITDA) of € -101.9 million (previous year: € 178.9 million) equate to an EBITDA margin of -10.1%. One of the main reasons for this development is the restructuring of the Bicycle segment. Special effects in this regard impacted the operating result in the amount of € 75.5 million. The result for the period was € -172.0 million (previous year: € 53.0 million).

The two segments "Motorcycles" and "Bicycles" represent the main operating areas of the PIERER Mobility Group, the development of which is discussed below.

MOTORCYCLES

In H1 2024, external revenue in the Motorcycle segment decreased by 26.7% to € 936.3 million (previous year: € 1,276.8 million). Both the EBITDA and EBIT were well below the previous year's level. Specifically, the EBITDA amounted to € 11.3 million (previous year: € 196.2 million), which equates to an EBITDA margin of 1.2% (previous year: 15.4%). The EBIT of € -78.4 million (previous year: € 117.3 million) equates to an EBIT margin of -8.4% (previous year: 9.2%).

Revenue by region H1 2024



This development is primarily due to the difficult economic environment. It is characterized by high inflation rates, increased personnel costs and high interest rates, which had a particularly negative impact on the US market, which is important for the PIERER



Mobility Group. These factors led to a sharp decline in sales figures in H1 2024. At the same time, measures to support sales, in particular discounts and dealer bonuses, had a negative impact on earnings.

BICYCLES

External revenue in H1 2024 was € 69.0 million, which was much lower than in H1 2023 (-35.8%). The EBITDA was € -115.1 million (previous year: € 14.2 million) and the EBIT was € -117.1 million (previous year: € -16.4 million).

Revenue by region H1 2024

- 25.2% DACH region
- 29.1% rest of Europe
- 45.7% rest of world



The earnings position for the Bicycle segment was significantly impacted by the market environment and the aftermath of the coronavirus pandemic. While the demand for bicycles rose sharply during the pandemic, causing overheating within the bicycle market and disruption throughout the supply chain, the current situation is characterized by high levels of stock at suppliers and dealers. Reducing these stocks to a normal level is taking a long time because the demand has largely already been covered, exacerbating the pressure on retail prices. The market situation outlined above requires adjustments that will affect income. The special effects of € -75.5 million consist mainly of write-downs of inventories in accordance with IAS 2 amounting to approx. € -41 million as well as provisions made for contingent losses.

BALANCED SHEET ANALYSIS

The balance sheet structure of the PIERER Mobility Group is as follows:

| | 12/31/2023 | | 06/30/2024 | |
|-------------------------------|----------------|---------------|----------------|---------------|
| | m€ | share | m€ | share |
| Non-current assets | 1,333.8 | 45.2% | 1,611.7 | 49.3% |
| Current assets | 1,619.1 | 54.8% | 1,656.9 | 50.7% |
| Assets | 2,952.9 | 100.0% | 3,268.6 | 100.0% |
| Equity | 909.3 | 30.8% | 722.2 | 22.1% |
| Non-current liabilities | 1,130.0 | 38.3% | 1,231.8 | 37.7% |
| Current liabilities | 913.6 | 30.9% | 1,314.6 | 40.2% |
| Equity and liabilities | 2,952.9 | 100.0% | 3,268.6 | 100.0% |

Total assets of the PIERER Mobility Group increased by 10.7% to € 3,268.6 million compared to the consolidated financial statements as of December 31, 2023.

Similar to previous years, the increase in non-current assets to € 1,611.7 million resulted from capitalized development projects, the value of which exceeded amortization and led to H1 2024. Property, plant and equipment increased by € 61.3 million, mainly due to the first full consolidation of MV Agusta S.p.A. In this context, goodwill of around € 131 million was also taken into account.

Within current assets, inventories in particular increased by € 80.3 million and tax refund claims increased by € 87.1 million. Trade receivables remained at almost the same level. Receivables and other assets increased by € 26.2 million, while cash and cash equivalents decreased by a total of € 153.1 million. The overall result was a slight increase in current assets of 2.3% to € 1,656.9 million.

Current liabilities increased by 43.9% to € 1,314.6 million. The increase is largely attributable to taking up current financial liabilities (€ +573 million). Trade payables decreased by around 30% or around € 200 million. Non-current liabilities increased by € 101.8 million or 9.0% compared to December 31, 2023. This change resulted mainly from an earn-out liability following the contractual agreements

made as part of the full consolidation of MV Agusta Motor S.p.A. and accounting for the written put option arising from the same contract.

Non-current financial liabilities, which mainly comprise long-term investment loans, research and promotional loans, promissory note loans, registered bonds and lease liabilities, decreased by € 32.6 million to € 930.3 million compared to December 31, 2023. This was primarily due to the reclassification of the short-term share of promissory note loans into non-current financial liabilities (€ -63.0 million) and another investment loan that was taken out with a volume of € +33.1 million. Net debt increased from € 775.9 million to € 1,469.2 million mainly due to the negative free cash flow in the first half of the year.

Equity decreased by € 187.1 million to € 722.2 million in the first six months of the year. This change was mainly due to the negative net income for the period of € -172.0 million. In addition, dividend payments of € 17.1 million led to a reduction in equity. The other effects of € 2.1 million essentially concerned the recognition of foreign currency differences with no effect on profit or loss, the measurement of financial instruments and the revaluation of net debt from defined benefit plans. At 22.1%, the equity ratio as of June 30, 2024 was below the 30.8% ratio as of December 31, 2023.

LIQUIDITY ANALYSIS

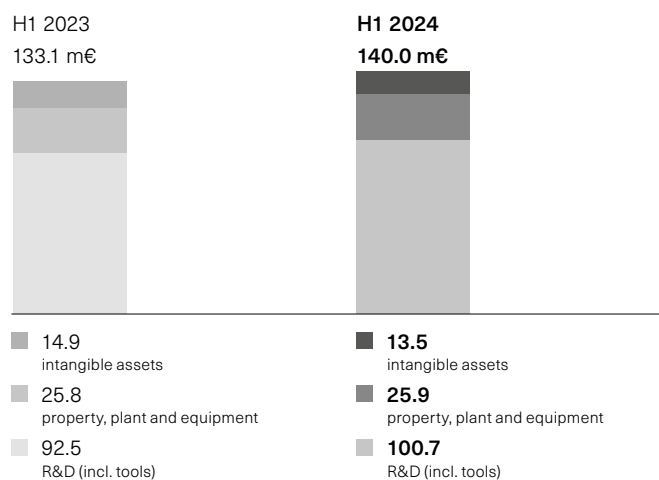
Cash flow from operating activities amounted to € -413.8 million H1 2024 and was therefore significantly lower than the previous year's figure of € 52.4 million. This outcome was mainly due to the negative result and the increase in working capital. The cash outflow from investments was € -201.0 million and is higher than the previous year's figure of € -148.4 million. Free cash flow was thus € -614.8 million, following € -96.0 million in the same period last year.

After taking the cash flow from financing activities of € 464.5 million into account, liquid funds decreased by € 153.1 million (including foreign currency effects of € -2.8 million) to € 105.8 million compared to December 31, 2023.

The existing liquidity reserves and a balanced mix of different financial instruments enable the Group to operate flexibly and decisively in a volatile market environment. Accordingly, short-term financing options have been maintained at a high level and expanded further, and long-term loans have also been taken out. The Group considers itself to be in a solid financial position thanks to the sufficient availability of working capital lines and long-term loans in particular.

INVESTMENTS

In H1 2024, total investments of € 169.6 million were made in the PIERER Mobility Group (previous year: € 151.7 million) including IFRS 16 lease additions of € 29.6 million (previous year: € 18.6 million). The investments excluding leasing projects were divided between development projects (incl. tools), property, plant and equipment and intangible assets as follows:



The investments in development projects (incl. tools) as a percentage of total investments was 72%, which was above the previous year's level (previous year: 69%). The consistently high investments in series product development represent one of the key success factors of the PIERER Mobility Group. At 18%, investments in infrastructure (property, plant and equipment) were slightly below the previous year's level of 19%. Another 10% (previous year: 11%) was attributable to intangible assets (IT and licenses).

The investments made in recent years have safeguarded the production capacities required for the years ahead. The focus of the investments has been and still is, therefore, on other projects, in particular on the (further) development of existing and new models and high-tech modernization. They are currently (and will continue to be) the top priority for the Group's investments. In line with strategic goals, expenditure on investments in research and development will remain at the already high level of previous years.

Important investments planned are also the procurement of tools, in particular for planned research and development projects, investments in digital distribution platforms for dealers and end customers as well as the modernization, expansion, improvement and digitalization of existing production capacities.

EMPLOYEES

As of June 30, 2024, the PIERER Mobility Group employed 6,024 people, 4,712 of them in Austria (78.2%). Around 1,340 of the Group's employees work in research and development.

In total, the Group's headcount decreased by 160 employees since December 31, 2023. This was due to the reduction of 373 employees in H1 2024, of which 309 were in Austria. On the other hand, the first-time full consolidation of MV Agusta (Italy) added 213 employees to the Group. As part of an apprentice drive, around 60 more apprentices will begin their training this year. In total, the Group is currently training 200 apprentices.

OPPORTUNITIES AND RISK REPORT

For information about opportunities and risks, please refer to the consolidated financial statements as of December 31, 2023. The following statements update the opportunities and risk report for the 2023 financial year.

Risk management system

The main purpose of the PIERER Mobility Group's risk management system is to safeguard and strengthen the company by assessing financial, operational and strategic risks promptly, correctly and transparently. The fact that the risk management system is working properly was audited and confirmed by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (in accordance with Rule 83 of the Austrian Corporate Governance Code, ÖCGK) as of the reporting date of December 31, 2023.

The PIERER Mobility Group has an Enterprise Risk Management system in which the Group-wide risks are identified based on specialist departments and, where applicable, geographical areas. KTM AG's risk management and the local management have operational responsibility for and assess the Group-wide risks. They report directly to the Executive Board and are monitored by the Executive Board and the Group Executive Board.

Preventive analysis of potential events is another task for risk management. In addition, it is essential to actively manage opportunities and risks and to define and evaluate appropriate measures with the business units concerned.

Enterprise Risk Management process

Enterprise Risk Management in the PIERER Mobility Group comprises a continuous, multi-stage process that is used to identify and evaluate, analyze and report, define and track measures in relation to the operational and strategic risks and opportunities across the Group. This forms the basis for a standard, Group-wide reporting system and ensures ongoing monitoring of operational and strategic risks. The Risk Management department reports directly to the Executive Board of KTM AG. A report detailing the overall risk situation is regularly prepared for the Executive Board and the Group Executive Board of PIERER Mobility AG for monitoring purposes. Climate-related risks and opportunities are considered and taken into account equally in this process.

Ad-hoc reporting

Ad-hoc reporting to Risk Management if there are any changes to the risk situation is used to provide a transparent assessment of the overall risk situation. There was an increase in this ad-hoc reporting in H1 2024.

Presentation of opportunities, risks and measures taken

The following table provides an overview of the main identified opportunities, risks and measures. Overall, the PIERER Mobility Group has not identified any risks that could jeopardize its continued existence as a going concern, neither on the reporting date nor at the time that the financial statements were prepared.



MV Agusta
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| Risks and opportunities | Description | Measures |
|-------------------------------------|---|--|
| INDUSTRY | | |
| Regulations | <ul style="list-style-type: none"> Dependencies on national and international legal frameworks in the countries in which vehicles are sold have an impact on offroad motorsports, motorcycle registrations and the driver's license (e.g., planned regulation in the European Union for internal combustion engines) Efforts to protect the climate could lead to a tightening and extension of legislation or to new regulations and driving bans Research and development required to comply with existing and future regulations Regulatory measures such as environmental zones or other driving bans related to the climate and air quality could make motorcycles more attractive as a more fuel-efficient alternative to the passenger car | <ul style="list-style-type: none"> Market segmentation ensures that the relevant regulations are taken into account optimally as early as the product development process (PDP) Additional monitoring and control by the Regulatory Affairs department ensures compliance with existing and future country-specific regulations relating to motorcycles As a member of the ACEM (European Association of Motorcycle Manufacturers) at the level of KTM AG, PIERER Mobility supports the strategy of decarbonization, which is based on the objectives of the European Green Deal and the Climate Protection Act, as well as the European Commission's Sustainable and Smart Mobility Strategy Development of low-emission/zero-emission/alternative drive systems and products |
| MARKET | | |
| Changes in customer behavior | <ul style="list-style-type: none"> Persistent inflation may erode customer purchasing power. E-mobility: Consideration of greater demand for low-emission and low-noise individual mobility solutions Digital solutions in products could provide valuable information for climate change-related transport measures and thus constitute a service that offers a new source of revenue The change to new (lower-emission/zero-emission) technologies could change the existing market structure and increase the chance of gaining market shares | <ul style="list-style-type: none"> High quality standards and clear positioning in the premium segment Further development of cooperation with strategic development partners, in particular in the area of alternative drive technologies Further development and focusing of strategic partnerships in the area of production for the mid-range segment Consideration of customer requirements in the product development process to cover the needs of customers |
| Market and sales trends | <ul style="list-style-type: none"> The current economic situation creates an ongoing sales risk for the current financial year The persistently high key interest rates in core markets increase the likelihood of a recession and are reducing the disposable household incomes of individuals, especially in the USA The volatile market environment is characterized by geopolitical and country-specific political impacts The latest interest rate decisions in the USA and volatile sales figures in Europe are curtailing expectations after three years of above-average success | <ul style="list-style-type: none"> Strict cost management throughout the Group Stepping up of cooperation with the strategic partners Bajaj Auto Ltd. (Pune, India) and CFMOTO (Hangzhou, China) Long-term successful market strategy – KTM AG as Europe's leading motorcycle manufacturer with a focus on its core business Strategic development of network of dealers |
| Customs regulations | <ul style="list-style-type: none"> The current trade dispute between the EU and China, particularly in the e-mobility segment, is leading to changes to customs regulations, which may result in higher costs and limited product availability (including for other product groups, e.g., aluminum) Changes at short notice and retrospective changes to customs regulations may result in additional fees/costs | <ul style="list-style-type: none"> Optimizing the supply chain and developing strategic partnerships Additional monitoring and control by the specialist department |
| IT | | |
| Cyber crime | <ul style="list-style-type: none"> The number of cyber attacks on large companies has risen rapidly in recent years | <ul style="list-style-type: none"> Further development of the crisis organization Cyber security training Running awareness programs IT security and risk management system for identifying and managing information security risks |

| Risks and opportunities | Description | Measures |
|------------------------------------|--|---|
| FINANCES | | |
| Financial risk | For further information, including the specific measures to mitigate risks through the use of financial instruments (hedges of foreign currency positions with futures, swaps, etc.), please refer to the notes to the consolidated financial statements of FY 2023. | |
| Bad debt | <ul style="list-style-type: none"> Persistently high interest rates increase the pressure on dealers, this may lead to more bad debts | <ul style="list-style-type: none"> Close coordination with the dealers and support with targeted programs Bank guarantees as security Strategic development of network of dealers |
| HR | | |
| Workforce | <ul style="list-style-type: none"> The attractiveness of an employer and the importance of health and safety have a significant impact on the decisions made by employees and applicants Key workers could leave the company | <ul style="list-style-type: none"> Strategic personnel development Training courses Cross-media employee campaigns Comprehensive apprentice training program in the company's own apprentice workshop Employee health program Continuous development of occupational safety and health protection |
| Personnel costs | <ul style="list-style-type: none"> Personnel costs may increase at a faster rate than expected as a result of collective bargaining agreements or macroeconomic developments | <ul style="list-style-type: none"> Constant monitoring of personnel costs Strengthening of strategic partnerships in India and China |
| PROCUREMENT AND PRODUCTION | | |
| Materials and raw materials | <ul style="list-style-type: none"> Prices for resources such as steel and aluminum could rise as a result of macroeconomic developments or the effects of climate change (increased use of renewable energies, which are currently still more expensive, higher requirements placed on steel production, requirements for the use of recycled materials, etc.) A large increase in demand for critical resources, e.g., for the production of batteries needed for e-mobility, could lead to shortages of resources in the market The ongoing conflict between Russia and Ukraine may have a negative impact on the prices of materials and raw materials An escalation in the conflict between China and Taiwan would have a serious impact on the security of the supply of certain electronic components Politically motivated unrest may have a negative impact on logistics costs and therefore on material prices (e.g., Suez Canal) Positive economic developments may lead to lower costs for materials and raw materials Technological advancement and new materials and raw materials with improved properties ready for the market | <ul style="list-style-type: none"> Use of alternative supply chains and corresponding activities to reduce costs Safeguarding by using second sources and additional supply chains for critical product groups Adaptation of the logistical procurement structure to minimize transport routes and costs Research into alternative materials and raw materials, and into material reduction/functional lightweight construction Purchasing conditions and effective cost engineering Targeted risk management for suppliers to identify risks at an early stage |
| Supply of materials | <ul style="list-style-type: none"> Bottlenecks or delays in the supply of materials may impair production There is an ongoing procurement risk for the Motorcycles segment from delays to deliveries of ordered components Politically motivated unrest may have a negative impact on logistics routes and lead to bottlenecks or delays in the supply of materials (e.g., Suez Canal) Financial default risks may lead to supply bottlenecks in the short to medium term | <ul style="list-style-type: none"> Flexibility in the production layout guarantees rapid adaptation of production plans Long-term cooperation with our supply partners and careful selection of new excellent suppliers Nurturing relationships with suppliersPromoting short supply chains and local procurement strategies to shorten delivery times Risk management Implementation of a market intelligence system for electronic components and development of various sources of supply (multiple sourcing) Regular adaptation of the procurement strategy to reflect the current geopolitical and economic challenges |

| Risks and opportunities | Description | Measures |
|---|--|--|
| OTHERS | | |
| Product quality and liability | <ul style="list-style-type: none"> As a manufacturer of premium products, quality is an essential attribute to which PIERER Mobility devotes the appropriate level of attention Product liability cases and the associated penalties pose a risk, especially in the US market due to the legal system In addition to existing potential causes of product-related lawsuits, climate change-related regulations could add further legal risks | <ul style="list-style-type: none"> High quality standard from selecting suitable suppliers Application of internationally recognized standards in quality management (ISO 9001) as well as supplementary Group-wide standards Regular reviews by conducting internal and external audits Insurance |
| Compliance risks | <p>General compliance challenges:</p> <ul style="list-style-type: none"> Violation of the minimum standards defined in the Code of Conduct Violation of national and/or international laws Challenges for own business activities and in the supply chain <p>Specific challenges:</p> <ul style="list-style-type: none"> Human rights, respect, integrity, diversity, ethical recruitment, fair working conditions, health protection, occupational safety Sustainability, protection of the environment and climate, animal welfare Fair competition, prohibition of cartels Corruption, bribery, invitations, gifts Money laundering, financing of terrorism, export controls Taxes, tax strategy, tax compliance, international tax guidelines Conflicts of interest, prohibition of insider trading, political activities, donations, sponsorship Handling company property and assets, business and trade secrets, data protection, intellectual property Supply chain compliance Handling conflict minerals, chemicals, harmful substances | <ul style="list-style-type: none"> Measures for safeguarding compliance: Compliance with the Code of Conduct Representing employee interests Reviewing progress Implementing measures to safeguard human rights Implementing the ESG platform "SupplierAssurance" (NQC) Stipulating minimum requirements as a basis for supplier relationships Ensuring the minimum age of employment Conducting annual training and awareness programs Setting up whistleblowing channels Automated e-learning course on compliance |
| Climate and environmental risks, opportunities | <ul style="list-style-type: none"> Physical climate risks (e.g., heat waves, river flooding, heavy precipitation) Product and technology development entails both risks and opportunities. Developments that focus on the future may expand the company's market shares, but misdirected developments may also cause the company to lose market share. This has an influence on the Group's production activities and the use phase among users. New regulations: In light of climate change, the regulatory environment the company has to contend with is very dynamic. New or revised regulations that may be legally binding for the upstream and downstream value chain as well as for PIERER Mobility are being published all the time. These may lead to increased costs and expenses both in product development and in processes and beyond. Acceptance of motorcycles with internal combustion engines. Increasing restrictions and a change of attitude in society may make people less accepting of internal combustion engines (ICEs). This may reduce the market for motorcycles with internal combustion engines and lead to increased demand for alternatives. | <ul style="list-style-type: none"> Installation of air-conditioning systems, emergency power generator for controlled shutdown of IT systems, relocation of IT servers to higher floors Research and promotion of alternative fuels |
| Risks in preparing the financial statements | <ul style="list-style-type: none"> Changes in accounting and valuation methods may require the restatement of prior financial statements. Impairment tests can lead to extraordinary write-downs | |

RELATED PARTY DISCLOSURES

Please refer to the notes to the interim financial statements for information.

EVENTS AFTER THE REPORTING DATE

Please refer to the notes to the interim financial statements for information.

OUTLOOK

In a persistently challenging environment, the Executive Board expects a significantly better second half of the year, supported by a higher-margin product mix, particularly in the offroad segment. For 2024 as a whole, it expects revenue to decline by 10% to 15%. Following the decline in sales, the management expects a continued high level of working capital with a corresponding capital commitment. This is expected to have a significant negative impact on EBIT and the financial result in the 2024 financial year. As a result

of various measures, working capital and thus net debt will return to a significantly lower level by the end of 2025. The necessary financing requirements have been secured.

In the motorcycle segment, the Executive Board assumes that the cost savings introduced will be able to compensate for the negative effects of the declining in sales to such an extent that a balanced to slightly positive EBIT can be achieved in 2024. The development of existing dealers and the further expansion of the dealer network to support the brand strategy is a core topic for the 2024 financial year.

By contrast, in the bicycle segment, the Executive Board expects a significantly negative EBIT of € -110 million and € -130 million, which is mainly due to extraordinary impairment and restructuring requirements. Special effects amounting to € -75.5 million have already been recognized in the half-year results. The aim is to complete the restructuring of the bicycle segment in 2024.

Wels, August 23, 2024

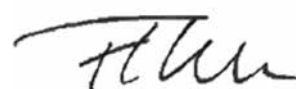
The Executive Board of PIERER Mobility AG



Stefan Pierer



Hubert Trunkenpolz



Florian Kecht



Alex Pierer



Rudolf Wiesbeck



Condensed Consolidated Interim Financial Statements

(unaudited)

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CONDENSED CONSOLIDATED INCOME STATEMENT

| €m | H1 2023 | H1 2024 |
|---|--------------|---------------|
| Revenue | 1,387.6 | 1,006.9 |
| Production costs of the services provided to generate the revenue | -1,026.1 | -940.2 |
| Gross profit from sales | 361.5 | 66.7 |
| Selling and racing expenses | -144.8 | -167.8 |
| Research and development expenses | -30.6 | -27.4 |
| Administration expenses | -92.5 | -96.1 |
| Other operating expenses and income | -0.5 | 26.5 |
| Earnings from at-equity holdings | 3.8 | 3.1 |
| Result from operating activities, EBIT | 96.9 | -195.0 |
| Interest income | 4.9 | 7.4 |
| Interest expenses | -29.4 | -51.5 |
| Other financial and investment income (expenses) | -5.3 | 2.2 |
| Result before taxes | 67.0 | -236.8 |
| Income taxes | -14.0 | 64.8 |
| Result for the period | 53.0 | -172.0 |
| thereof owners of the parent company | 55.0 | -169.7 |
| thereof non-controlling shareholders | -2.0 | -2.4 |
| Undiluted (=diluted) earnings per share (EUR) | 1.63 | -5.02 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| €m | H1 2023 | H1 2024 |
|---|-------------|---------------|
| Result for the period | 53.0 | -172.0 |
| Foreign currency translation | -4.2 | 3.1 |
| Valuation of cash flow hedges | -6.1 | 1.8 |
| Deferred tax on valuation of cash flow hedges | 1.5 | -0.4 |
| Items reclassified to profit or loss or which can be subsequently reclassified | -8.8 | 4.5 |
| Revaluation of net debt from defined benefit plans | -0.5 | 0.5 |
| Tax effect | 0.1 | -0.1 |
| Items not reclassified to profit or loss | -0.4 | 0.4 |
| Other net result after tax | -9.2 | 4.9 |
| Total comprehensive income | 43.8 | -167.1 |
| thereof owners of the parent company | 45.8 | -164.8 |
| thereof non-controlling shareholders | -2.0 | -2.4 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| €m | 12/31/2023 | 06/30/2024 |
|---|----------------|----------------|
| ASSETS | | |
| Goodwill | 131.7 | 262.9 |
| Intangible assets | 669.0 | 736.7 |
| Property, plant, and equipment | 483.9 | 545.2 |
| Investments accounted for using the equity method | 33.9 | 26.8 |
| Deferred tax assets | 9.9 | 35.4 |
| Other non-current assets | 5.4 | 4.6 |
| Non-current assets | 1,333.8 | 1,611.7 |
| Inventories | 857.3 | 937.5 |
| Trade receivables | 350.8 | 348.1 |
| Receivables and other assets | 146.1 | 176.0 |
| Tax refund claims | 2.3 | 89.4 |
| Non-current assets held for sale | 3.7 | 0.0 |
| Cash and cash equivalents | 259.0 | 105.8 |
| Current assets | 1,619.1 | 1,656.9 |
| Total assets | 2,952.9 | 3,268.6 |
| EQUITY | | |
| Share capital | 33.8 | 33.8 |
| Capital reserves | 9.9 | 9.9 |
| Other reserves including retained earnings | 860.5 | 676.4 |
| Equity of the owners of the parent company | 904.3 | 720.1 |
| Non-controlling interests | 5.0 | 2.1 |
| Total Equity | 909.3 | 722.2 |
| LIABILITIES | | |
| Financial liabilities | 962.8 | 930.3 |
| Liabilities for employee benefits | 28.0 | 28.6 |
| Deferred tax liabilities | 120.7 | 134.1 |
| Other non-current liabilities | 18.5 | 138.8 |
| Non-current liabilities | 1,130.0 | 1,231.8 |
| Financial liabilities | 72.0 | 644.8 |
| Trade payables | 677.0 | 477.1 |
| Provisions | 21.9 | 41.1 |
| Tax liabilities | 1.8 | 6.4 |
| Other current liabilities | 140.9 | 145.3 |
| Current liabilities | 913.6 | 1,314.6 |
| Total liabilities and equity | 2,952.9 | 3,268.6 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

| €m | H1 2023 | H1 2024 |
|--|---------------|---------------|
| Result for the period | 53.0 | -172.0 |
| + (-) Interest expenses / interest income | 24.5 | 44.1 |
| + Tax expenses | 14.0 | -64.8 |
| + Depreciation/amortization of property, plant and equipment and intangible assets | 82.0 | 93.1 |
| + (-) Other non-cash expenses (income) | -5.3 | 44.1 |
| + Interest received | 4.8 | 7.4 |
| - Interest payments | -28.2 | -47.9 |
| - Tax payments | -3.1 | -13.6 |
| Gross cash flow | 141.8 | -109.6 |
| - (+) Increase (decrease) in the net current assets | -89.4 | -304.1 |
| Cash flow from operations | 52.4 | -413.8 |
| - Payments for the acquisition of intangible assets and property, plant and equipment | -151.1 | -152.1 |
| - Payments for the acquisition of investments accounted for using the equity method and other financial assets | 0.0 | -1.8 |
| + Receipts from the sale of intangible assets and property, plant and equipment | 0.0 | 2.5 |
| + Receipts from the disposal of investments accounted for using the equity method and other financial assets | 0.9 | 0.0 |
| + (-) Sale and acquisition of subsidiaries | 0.0 | -43.9 |
| + (-) Payments from other assets | 1.7 | -5.7 |
| Cash flow from investing activity | -148.4 | -201.0 |
| Free cash flow | -96.0 | -614.8 |
| - Dividend payments to third parties | -67.8 | -17.1 |
| + (-) Disposal/acquisition of non-controlling interests | -0.2 | 0.0 |
| + Taking out non-current interest-bearing liabilities | 162.5 | 43.3 |
| - Repayment of lease liability | -12.8 | -12.1 |
| - Repayment of non-current interest-bearing liabilities | -25.2 | -17.3 |
| + (-) Change in other current financial liabilities | 9.1 | 464.9 |
| + (-) Change from other financing activities | 2.6 | 2.7 |
| Cash flow from financing activity | 68.1 | 464.5 |
| Total cash flow | -27.9 | -150.3 |
| + Opening balance of liquid funds within the Group | 278.7 | 259.0 |
| + Total cash flow | -27.9 | -150.3 |
| + Effect of foreign currency fluctuations | -5.5 | -2.8 |
| Closing balance of liquid funds within the Group | 245.3 | 105.8 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| €m | Equity of the owners of the parent company | | | | | | Non-controlling interests | Total consolidated equity |
|--|--|------------------|-----------------------------------|-----------------------------------|---------------------------------------|---------------|---------------------------|---------------------------|
| | Share capital | Capital reserves | Reserves including total earnings | Reserve in accordance with IFRS 9 | Adjustment items currency translation | Total | | |
| Balance as of January 1, 2024 (adjusted) | 33.8 | 9.9 | 858.3 | 8.4 | -2.9 | 907.5 | 1.7 | 909.3 |
| Result for the period | 0.0 | 0.0 | -169.7 | 0.0 | 0.0 | -169.7 | -2.4 | -172.0 |
| Other comprehensive income | 0.0 | 0.0 | 0.4 | 1.4 | 3.1 | 4.9 | 0.0 | 4.9 |
| Total comprehensive income | 0.0 | 0.0 | -169.3 | 1.4 | 3.1 | -164.8 | -2.4 | -167.1 |
| Transactions with shareholders | | | | | | | | |
| Dividends to third parties | 0.0 | 0.0 | -16.9 | 0.0 | 0.0 | -16.9 | -0.2 | -17.1 |
| Acquisition/disposal of shares to subsidiaries | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Options on non-controlling interests | 0.0 | 0.0 | -5.4 | 0.0 | 0.0 | -5.4 | -91.4 | -96.8 |
| Consolidation changes | 0.0 | 0.0 | -0.3 | 0.0 | 0.0 | -0.3 | 94.2 | 93.9 |
| Miscellaneous | 0.0 | 0.0 | -0.1 | 0.0 | 0.0 | -0.1 | 0.1 | 0.0 |
| Balance as of June 30, 2024 | 33.8 | 9.9 | 666.4 | 9.8 | 0.2 | 720.1 | 2.1 | 722.2 |
| Balance as of January 1, 2023 (adjusted) | 33.8 | 9.9 | 850.7 | 16.3 | 2.3 | 913.0 | 1.4 | 914.4 |
| Result for the period | 0.0 | 0.0 | 55.0 | 0.0 | 0.0 | 55.0 | -2.0 | 53.0 |
| Other comprehensive income | 0.0 | 0.0 | -0.4 | -4.6 | -4.2 | -9.2 | 0.0 | -9.2 |
| Total comprehensive income | 0.0 | 0.0 | 54.6 | -4.6 | -4.2 | 45.8 | -2.0 | 43.8 |
| Transactions with shareholders | | | | | | | | |
| Dividends to third parties | 0.0 | 0.0 | -67.6 | 0.0 | 0.0 | -67.6 | -0.5 | -68.1 |
| Acquisition/disposal of shares to subsidiaries | 0.0 | 0.0 | -0.2 | 0.0 | 0.0 | -0.2 | 0.0 | -0.2 |
| Options on non-controlling interests | 0.0 | 0.0 | -2.4 | 0.0 | 0.0 | -2.4 | 0.2 | -2.2 |
| Capital increase by non-controlling shareholders without changing the shareholding structure | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.6 | 2.6 |
| Miscellaneous | 0.0 | 0.0 | 0.0 | -0.3 | 0.0 | -0.4 | 0.0 | -0.4 |
| Balance as of June 30, 2023 | 33.8 | 9.9 | 835.1 | 11.3 | -1.9 | 888.3 | 1.7 | 889.9 |



Notes to the Consolidated Financial Statements

(unaudited)

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COMPANY INFORMATION

As a leading European motorcycle manufacturer, PIERER Mobility AG offers a wide range of premium brands. In the Motorcycles segment, these include the high-performance motorcycle brands of KTM, Husqvarna, GASGAS and MV Agusta, as well as premium components from the WP brand and KTM X-BOW high-performance sports cars. In the Bicycles segment, the range includes Husqvarna and GASGAS E-Bicycles as well as Felt bicycles.

The great commitment of the Group's more than 6,000 employees worldwide has enabled it to grow strongly in recent years. Long-standing strategic partnerships with Bajaj in India and CFMOTO in China have enabled the Group to diversify its production capacities and increase its competitiveness in the global market.

From its headquarters in Austria, the company has expanded its presence to more than 7,000 dealerships worldwide. The Group is constantly evolving to meet the challenges of the modern world. To this end, the PIERER Mobility Group is investing in technology and innovation.

PIERER Mobility AG has its registered office at Edisonstraße 1, 4600 Wels, and is registered in the commercial register at the Provincial Court of Wels in its capacity as Commercial Court under the registration number FN 78112 x. The company is part of the same group as Pierer Konzerngesellschaft mbH, Wels (ultimate parent company of the group) and its affiliated companies, and is included within the consolidated financial statements of that group. These consolidated financial statements are filed with the Provincial Court of Wels in its capacity as Commercial Court under file number FN 134766 k and represent the consolidated financial statements for the largest scope of consolidation.

The shares of PIERER Mobility AG have their primary listing in the Swiss Performance Index (SPI) of the SIX Swiss Exchange in Zurich and are also listed in the Official Market, prime market segment, of the Vienna Stock Exchange.

PRINCIPLES OF FINANCIAL REPORTING

The condensed consolidated financial statements for the reporting period from January 1 to June 30, 2024 (H1 2024) of PIERER Mobility AG were prepared in accordance with the International Financial Reporting Standards (IFRS), as must be applied in the EU, applying IAS 34 (Interim Financial Reporting).

These condensed consolidated financial statements covering H1 2024 have not been audited or reviewed by an auditor. They do not include all of the notes and disclosures required for year-end consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements as of December 31, 2023.

The interim consolidated financial statements are prepared in euros, which is the functional currency of the parent company. Unless otherwise specifically indicated, all amounts are rounded to the nearest 1,000,000 euros (m€), which may give rise to rounding differences. The use of automated calculating tools may result in rounding differences with accumulation of rounded figures and with percentages.

The accounting policies used for the consolidated financial statements as of December 31, 2023 form the basis for the present consolidated financial statements for H1 2024. The amendments to be applied as of January 1, 2024 are described below under "Changes in accounting and valuation methods" and in the "Newly applied standards and interpretations" section.

The financial reporting of the companies included in the condensed consolidated financial statements is subject to uniform accounting principles. These provisions were applied by all consolidated entities.

Pursuant to IAS 34, income tax expenses for the interim consolidated financial statements have been calculated using the average annual tax rate expected for the financial year as a whole.

Provisions for severance payments and anniversary bonuses are measured using the projected unit credit method. The amount of the provisions is determined on the basis of an actuarial report. Actuarial reports are prepared for the valuation on the reporting date at the end of the year. These values are updated for the interim consolidated financial statements. If significant changes to the parameters occur during the year, the net liability is remeasured. As at June 30, 2024, the interest rate was adjusted from 3.51% to 3.76%. There were no other material changes to the consolidated financial information presented for H1 2024.

Change in accounting and valuation methods

In the first half of 2024, the Group adjusted the accounting treatment of puttable non-controlling interests ("NCI put options"). The adjustment is due to the acquisition of MV Agusta Motor S.p.A. described under "Changes in the scope of consolidation", as the previously existing NCI put options are of minor significance compared to the option liability recognized in the course of the acquisition. In order to ensure uniform accounting of the NCI put options and thus a better and more accurate presentation in the consolidated financial statements, the accounting was adjusted as follows.

Previously, a financial liability was recognized for the puttable non-controlling interests and the non-controlling interests continued to be reported in equity. The adjusted presentation follows the so-called partial profit realization method, according to which the put options of minority shareholders are considered as equity providers of the Group during the year and are therefore taken into account accordingly in the appropriation of profits. On each reporting date, the corresponding non-controlling interests are derecognized against the purchase price liability and equity without affecting profit or loss. The non-controlling interests in equity are reclassified within equity from the item "Non-controlling interests" to the item "Reserves including consolidated retained earnings".

The adjusted presentation has the following effects on the interim consolidated financial statements:

| m€ | 12/31/2023 (not adjusted) | 12/31/2023 (adjusted) | 01/01/2023 (not adjusted) | 01/01/2023 (adjusted) |
|---|------------------------------|--------------------------|------------------------------|--------------------------|
| Share capital | 33.8 | 33.8 | 33.8 | 33.8 |
| Capital reserves | 9.9 | 9.9 | 9.9 | 9.9 |
| Reserves including retained earnings | 855.0 | 858.3 | 845.4 | 850.7 |
| Other reserves | 5.5 | 5.5 | 18.6 | 18.6 |
| Equity of the owners of the parent company | 904.3 | 907.5 | 907.7 | 913.0 |
| Non-controlling interests | 5.0 | 1.7 | 6.7 | 1.4 |
| Total Equity | 909.3 | 909.3 | 914.4 | 914.4 |

ESTIMATE UNCERTAINTIES AND JUDGMENTS

Estimates and judgments must be made in the consolidated financial statements. These influence the recognized assets and liabilities, the disclosure of contingent liabilities as at the reporting date and the presentation of income and expenses for the respective financial year. Estimates are generally based on the experience of the Executive Board and are based on the circumstances at the reporting date. The amounts actually arising may differ from the estimates if assumed parameters develop contrary to expectations. If new findings come to light, they are taken into account and the estimates adjusted.

Estimates and judgments are explained in the consolidated financial statements of PIERER Mobility AG as of December 31, 2023 under Note 5. "Estimates and judgments".

SEASONALITY

The PIERER Mobility Group's business is influenced by macroeconomic conditions and the associated demand behavior of customers in the main sales markets. These factors reinforce or override an underlying seasonality, according to which sales in the onroad segment tend to be higher in the first half of the year than in the second half. In the offroad segment, the seasonality is reversed.

SCOPE OF CONSOLIDATION

All subsidiaries that are either legally or de facto under the control of PIERER Mobility AG are included in the present interim consolidated financial statements as of June 30, 2024.

The number of companies included in the scope of consolidation changed in H1 2024 as shown below, PIERER Mobility AG – as the parent company of the PIERER Mobility Group – was not included in this list.

| | Fully consolidated companies | At-equity companies |
|--|------------------------------|---------------------|
| Balance as of 12/31/2023 | 80 | 4 |
| Additions to the scope of consolidation | 4 | 1 |
| Eliminations from the scope of consolidation | -6 | -1 |
| thereof disposals due to mergers | -6 | 0 |
| Balance as of 06/30/2024 | 78 | 4 |
| thereof foreign companies | 53 | 2 |

CHANGES IN THE SCOPE OF CONSOLIDATION

MV Agusta Motor S.p.A.

In November 2022, KTM AG, a subsidiary of PIERER Mobility AG, acquired a 25.1% stake in MV Agusta Motor S.p.A. (MV Agusta), with registered office in Varese (Italy), as part of a capital increase. On the basis of the annual financial statements as of December 31, 2025, the Group was granted a call option to acquire the majority stake in MV Agusta. As part of its growth strategy with a focus on premium brands, the PIERER Mobility Group agreed with the previous owner of MV Agusta that this call option can be exercised earlier. The agreement on the early exercise of the call option was completed in March 2024. This increased the Group's stake in MV Agusta Motor S.p.A. to 50.1%. The agreed purchase price was € 45 million (of which € 35 million was in cash and € 10 million was in shares of PIERER Mobility AG) plus a subsequent purchase price payment of at least € 5 million, which is dependent on the development of the value of MV Agusta as a company on the basis of an EBITDA multiple in the fiscal year 2026. The transaction was accounted for using the acquisition method in accordance with IFRS 3.

MV Agusta Motor S.p.A. holds 100% of the shares in its subsidiaries Centro Stile MV Agusta S.r.l., Borgo Maggiore, Italy, and MV Agusta USA LLC, Pennsylvania, United States. These subsidiaries were also included as part of the initial consolidation. In addition, MV Agusta Motor S.p.A. holds 100% of the shares in MV AGUSTA Operations GmbH, Cologne, Germany, which has been in liquidation since February 2024. Due to the resulting restrictions on control and the immateriality of the company, this company was not included in the scope of consolidation.

The fair values of the identifiable assets and liabilities of MV Agusta and the subsidiaries included in the scope of consolidation on the date of initial consolidation (March 1, 2024) are as follows:

| €m | |
|---|--------------|
| Non-current assets | 106.3 |
| Current assets | 33.5 |
| thereof receivables from consolidated affiliated companies | 1.3 |
| Non-current liabilities | -16.4 |
| Current liabilities | -44.5 |
| thereof liabilities to consolidated affiliated companies | -19.8 |
| Net assets | 78.9 |
| Fair value of shares previously accounted for using the equity method | 42.9 |
| Pre-existing relationship | 12.4 |
| Cash | 35.0 |
| Equity instruments | 10.0 |
| Purchase price liabilities | 15.4 |
| Consideration transferred | 115.8 |
| Consideration transferred | 115.8 |
| Non-controlling interests | 94.2 |
| Net assets | -78.9 |
| Goodwill | 131.0 |

The contractual agreements entered into include puttable non-controlling interests. The value of these depends on the development of the enterprise value of MV Agusta Motor S.p.A. The Group accounts for these puttable non-controlling interests using the partial profit realization method (see "Change in accounting policies"). The fair value of the put option was € 94.2 million at the time of acquisition and € 96.8 million as at 30 June 2024; the difference was recognized in other reserves in equity.

The goodwill of €131.0 million results from the earnings potential of the company and is allocated in full to the cash-generating unit "KTM". The shares previously held were accounted for using the equity method. Immediately before control was obtained, the previous shares were remeasured at their fair value (full goodwill method). This resulted in income of € 31.7 million, which is reported under other operating income. As part of the company acquisition, fair values for trademark rights in the amount of € 48.8 million and deferred tax liabilities of € 14.6 million were identified. Furthermore, the KTM Group revalued the assets already held against MV Agusta prior to the acquisition and included them in the purchase price allocation in the amount of €12.4 million. The revaluation resulted in a loss of € 4.1 million.

As part of the acquisition, the fair values of trade receivables in the amount of € 1.9 million and other receivables and assets in the amount of € 14.7 million were taken over. The receivables expected to be uncollectible are considered immaterial. As MV Agusta's products were already being sold entirely by Group sales companies prior to the acquisition of the additional shares, the acquisition had no impact on Group revenue in H1 2024. Profit for the period increased by € 1.9 million (before consolidation effects). If the acquisition had taken place on January 1, 2024, Group revenue would have amounted to € 1,006.9 million and the result for the period would have been € -173.9 million.

Other

The total shares in Pierer Green Energy GmbH were acquired by Pierer Industrie AG, Wels, with effect from June 1, 2024. The purchase price amounted to € 0.3 million. Immediately after the initial consolidation, Pierer Green Energy GmbH was merged into KTM Immobilien GmbH.

As part of the strategic decision to restructure and realign PIERER New Mobility GmbH, the sales subsidiaries of the Bicycle Division, PIERER New Mobility Suisse GmbH, PIERER New Mobility Espana S.L., PIERER New Mobility France SAS, PIERER New Mobility Italia S.r.l. and PIERER New Mobility Benelux SA were merged with the KTM sales subsidiaries in the respective countries in H1 2024.

In addition, the newly founded FELT Bicycles GmbH, Munderfing, Austria joined PIERER New Mobility GmbH as an associate company.

SEGMENT REPORTING

The business activities of PIERER Mobility AG are managed under the two "Motorcycles" and "Bicycles" divisions. The individual company divisions are managed separately and report to the Executive Board of PIERER Mobility AG in accordance with IFRS accounting regulations. The main decision-maker for the segment report is the overall Executive Board of PIERER Mobility AG.

The segment reporting is done in line with the internal reports with the Motorcycles. Bicycles and Others segments.

MOTORCYCLES:

The Motorcycles segment comprises the development, production and distribution of motorcycles under the KTM, Husqvarna Motorcycles, GASGAS and MV Agusta brands as well as components of the WP brand. As of June 30, 2024, the Motorcycles segment included 60 subsidiaries, located in Austria, the United States, Japan, South Africa, Mexico, India, Australia and New Zealand and in various other European and Asian countries, which are included within the consolidated financial statements. In addition, the Motorcycles segment has equity holdings in assembly companies in the Philippines and China.

BICYCLES:

PIERER New Mobility GmbH together with its subsidiaries forms the "Bicycles" segment. In the case of the "Husqvarna E-Bicycles", "GASGAS E-Bicycles" and Felt brands, the focus is on developing, manufacturing and trading e-bicycles and bicycles. In total, the segment comprises 8 fully consolidated companies.

OTHERS:

The "Others" segment encompasses PIERER Mobility AG, PIERER E-Commerce GmbH, PIERER E-Commerce North America Inc., PIERER Innovation GmbH, Avocado GmbH, DealerCenter Digital GmbH, LX media GmbH, and Platin 1483. GmbH.

Segment information for H1 2024 and H1 2023 is as follows:

| €m | Motorcycles | Bicycles | Other | Consolidation | Total |
|--|-------------|----------|-------|---------------|----------------|
| H1 2024 | | | | | |
| Revenues (including revenues within the segments) | 965.7 | 69.0 | 32.4 | -60.2 | 1.006.9 |
| External revenues | 936.3 | 69.0 | 1.6 | 0.0 | 1.006.9 |
| Result from operating activities | -78.4 | -117.1 | -1.4 | 1.8 | -195.0 |
| Investments ¹⁾ | 136.1 | 1.3 | 2.7 | 0.0 | 140.0 |
| Depreciation and amortization | 89.7 | 2.0 | 2.2 | -0.8 | 93.1 |
| Share in the result of companies accounted for using the equity method | 2.8 | 0.0 | -0.2 | 0.5 | 3.1 |
| Balance sheet total | 3,280.6 | 312.1 | 39.3 | -363.4 | 3.268,6 |
| Equity | 848.5 | -96.6 | 301.4 | -331.1 | 722.2 |

| €m | Motorcycles | Bicycles | Other | Consolidation | Total |
|--|-------------|----------|-------|---------------|----------------|
| H1 2023 | | | | | |
| Revenues (including revenues within the segments) | 1,276.8 | 107.5 | 31.3 | -27.9 | 1,387.6 |
| External revenues | 1,276.8 | 107.5 | 3.4 | 0.0 | 1,387.6 |
| Result from operating activities | 117.3 | -16.4 | -4.3 | 0.2 | 96.9 |
| Investments ¹⁾ | 119.1 | 13.8 | 0.3 | 0.0 | 133.1 |
| Depreciation and amortization | 78.9 | 2.2 | 1.7 | -0.8 | 82.0 |
| Share in the result of companies accounted for using the equity method | 3.6 | 0.0 | 0.0 | 0.2 | 3.8 |
| Balance sheet total | 2,487.8 | 249.9 | 210.1 | -272.3 | 2,675.5 |
| Equity | 878.3 | 26.0 | 246.9 | -261.2 | 889.9 |

1) Excluding lease additions according to IFRS 16 of € 29.6 million (previous year: € 18.6 million).

NOTES TO THE CONSOLIDATED INCOME STATEMENT

In H1 2024, the PIERER Mobility Group generated revenue of € 1,006.9 million (-27.4%). Approximately 95% of revenue was earned outside Austria. The breakdown by geographical area of external revenues is based on the location of the customers. Revenue by geographical region is made up as follows:

| €m | H1 2023 | H1 2024 |
|------------------------------|----------------|----------------|
| Europe | 824.6 | 603.9 |
| North America (incl. Mexico) | 379.7 | 272.0 |
| Other | 183.3 | 131.0 |
| | 1,387.6 | 1,006.9 |

The revenue generated declined due to a slowdown demand. As a result, dealers were faced with elevated stock levels. The revenue generated was supported by significantly increased discounts. This negative EBIT margin is mainly due to the reduction in gross profit or the gross margin, which is under considerable pressure due to current market conditions, while at the same time the savings in overheads, as a result of the cost-cutting strategy pursued by management, only offset this negative trend to a certain degree.

The difficult market conditions led to a decrease in gross profit. The cost reduction strategies implemented by management have not yet had a full impact on earnings and were only able to partially offset the negative developments described above. The cost reduction strategies implemented by management have not yet had a full impact on earnings and could only partially offset the negative developments described above.

During the coronavirus pandemic, the demand for bicycles rose rapidly, leading to overheating in the bicycle market and disruption throughout the supply chain. As a result, the company's own stocks and those of suppliers and dealers reached peak levels. The reduction of these stocks to normal levels continues, while at the same time there is great pressure on sales prices. Against this backdrop, the Bicycles segment underwent profound structural changes in the first half of 2024, with further strategic focus on the premium segment. The market situation outlined is now resulting in necessary adjustments that will affect net income. The special effects impact the total comprehensive income with a total amount of € -75.5 million. These effects include, in particular, write-downs of inventories in accordance with IAS 2 amounting to approx. € -41 million. In addition, provisions were made for contingent losses.

The EBIT of € -195.0 million in H1 2024 was significantly below the previous year's figure of € 96.9 million, resulting in an EBIT margin of -19.4% (previous year: 7.0%). The EBITDA of € -101.9 million was below the previous year's figure of € 178.9 million. As a result, the PIERER Mobility Group supported sales with significantly increased discounts.

The financial result changed by € -12.0 million compared to the previous year and amounted to € -41.8 million. The financial result is mainly made up of interest income, interest expenses and foreign currency valuation effects on bank balances. Increased interest expenses are the main reason for this decrease. The effective tax rate as of June 30, 2024 was 27.4% (previous year: 20.9%).

The net result for the period thus amounted to € -172.0 million (previous year: € 53.0 million). Earnings per share in H1 2024 amounted to € -5.0 (previous year: € 1.6).

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Non-current assets increased in the first half of the year by 20.8%. The increase mainly relates to goodwill (+€ 131.2 million) following the full consolidation of MV Agusta Motor S.p.A. described above (see the "Scope of consolidation" item). In H1 2024, intangible assets also increased by € 67.7 million to € 736.7 million, mainly due to the net capitalization of development costs (€ 37.0 million) and the acquisition of the MV Agusta brand, which was previously accounted for only as a right similar to a trademark (€ 28.9 million). Property, plant and equipment increased by € 61.3 million to € 545.2 million compared to the carrying amount as of December 31, 2023. This increase is mainly due to the acquisition and full consolidation of MV Agusta Motor S.p.A.

Current assets were 2.3% higher than their value as at December 31, 2023. On the one hand, inventories (€ 80.3 million), receivables and other assets (€ 26.2 million) and tax refund claims (€ 87.1 million) increased. On the other hand, cash fell by € 153.1 million.

On the liabilities side, current liabilities increased by 43.9% in the first half of the year, mainly due to the taking up of short-term credit and working capital lines (€ 572.7 million). Trade payables decreased by € 199.9 million. The 9.0% increase in non-current liabilities is due in particular to an earn-out liability as part of the full consolidation of MV Agusta Motor S.p.A. and the recognition of the put-option.

In the first six months, consolidated equity decreased by € 187.1 million to € 722.2 million. The main reasons for this were the negative net result for the period of € -172.0 million and dividend payments amounting to € 17.1 million. The other effects essentially concerned the recognition of foreign currency differences with no effect on profit or loss, the measurement of financial instruments and the revaluation of net debt from defined benefit plans. As of June 30, 2024, the equity ratio was 22.1% (December 31, 2023: 30.8%).

An indication of impairment was identified for the cash-generating units (CGUs) "KTM" and "PIERER New Mobility" due to deviations between planned and actual figures in the first half of 2024. The recoverable amount was determined based on the value in use. The methodology corresponds to that used as at 31.12.2023. The cash flow forecast is based on the most recent forecasts approved by management, taking into account the medium-term strategic objectives. A weighted average cost of capital (WACC) before taxes of 10.9% (December 31, 2023: 11.1%) for "KTM" and 9.6% (December 31, 2023: 10.4%) was used as the discount rate. For the cash-generating unit "KTM", an increase in the pre-tax WACC to 11.7% (Dec. 31, 2023: 14.1%) or a reduction in future planned EBITs by 4.5% (Dec. 31, 2023: 20.6%) would result in the carrying amount of the CGU corresponding to the recoverable amount, all other things being equal. For the cash-generating unit "PIERER New Mobility", an increase in the pre-tax WACC to 12.4% (December 31, 2023: 11.6%) or a reduction in future planned EBITs by 56.4% (December 31, 2023: 13.9%) would result in the carrying amount of the CGU corresponding to the recoverable amount, all other things being equal.

On the reporting date of June 30, 2024, property, plant and equipment amounting to € 103.5 million (December 31, 2023: € 103.5 million) was secured by registered and deposited pledge agreements, primarily for liabilities owed to credit institutions.

NOTES TO THE STATEMENT OF CASH FLOWS

In H1 2024, the Group's liquid funds decreased by € 153.1 million to € 105.8 million. The change is based on the cash flow from operating activities of € -413.8 million, the cash flow from investing activities of € -201.0 million and the cash flow from financing activities of € 464.5 million. In addition, foreign currency effects of € -2.8 million were recorded.

Free cash flow in H1 2024 was around € -615 million (H1 2023: € -96.0 million). The main reasons for this were the markedly negative result and the increase in net working capital.

It is a material objective of financial risk management in the PIERER Mobility Group to ensure solvency and financial flexibility at all times. Liquidity risks may arise, among other things, if the proceeds from revenues are below the planning assumptions. For this purpose, the Group maintains a liquidity reserve in the form of unused credit lines (cash credits and guarantee credits) and in the form of cash in banks of a high creditworthiness. As of June 30, 2024, the PIERER Mobility Group has a liquidity portfolio of € 105.8 million (12/31/2023: € 259.0 million) and unused credit lines of € 208.6 million (12/31/2023: € 560.4 million). Top priority is given to ensuring liquidity over the short and medium term. The maximization of free cash flow by adopting cost-cutting measures, proactive working capital management, and reduced investment expenditure is a major control parameter. In the area of working capital management in particular, the Group has a wide range of instruments at its disposal to manage liquidity in line with demand. These include utilizing asset-backed securities and factoring programs or adjusting stock levels by making use of the flexibility of production volumes.

DISCLOSURES RELATING TO FINANCIAL INSTRUMENTS

The measurement categories of IFRS 9 were used to classify and measure the assets side. The fair value of a financial instrument is determined by means of quoted market prices for identical instruments in active markets (Level 1). If no quoted market prices in active markets are available for the instrument, the fair value is determined by means of valuation techniques for which the material inputs are based exclusively on observable market data (Level 2). In all other cases, the fair value is determined on the basis of measurement techniques for which at least one input is not based on observable market data (Level 3).

The table below shows the carrying amounts and fair values of financial assets (financial instruments shown on the assets side), broken down by class and IFRS 9 measurement category. However, it does not provide any information in relation to financial assets not measured at fair value where the carrying amount is a reasonable approximation of fair value.

| €m | Fair value level | Classification | 12/31/2023 | | 06/30/2024 | |
|---|------------------|-----------------------------|------------|------------|------------|------------|
| | | | Book value | Fair value | Book value | Fair value |
| Financial assets measured at fair value | | | | | | |
| Other current assets - derivatives with positive market value that are already assigned to receivables (Fair value hedge) | Level 2 | Hedging Instruments | 4.7 | 4.7 | 0 | 0 |
| Other current assets - derivatives with positive market value (cash flow hedge) | Level 2 | Hedging Instruments | 11.0 | 11.0 | 14.8 | 14.8 |
| Trade receivables | Level 3 | FVPL | 17.9 | 17.9 | 19.3 | 19.3 |
| Other financial assets | Level 3 | FVOCI (excluding recycling) | 0.2 | 0.2 | 0.2 | 0.2 |
| Total | | | 33.8 | | 34.4 | |
| Financial assets not measured at fair value | | | | | | |
| Cash and cash equivalents | - | AC | 259.0 | 259.0 | 105.8 | 105.8 |
| Trade receivables | - | AC | 332.9 | 332.9 | 328.8 | 328.8 |
| Other financial assets | - | AC | 40.4 | 40.4 | 48.3 | 48.3 |
| Total | | | 632.2 | | 483.0 | |
| Total | | | 666.1 | | 517.3 | |

The table below shows the carrying amounts and fair values of financial liabilities (financial instruments shown on the liabilities side), broken down by class and IFRS 9 measurement category. However, it does not provide any information in relation to financial liabilities not measured at fair value where the carrying amount is a reasonable approximation of fair value.

| €m | Fair value level | Classification | 12/31/2023 | | 06/30/2024 | |
|--|------------------|---------------------|------------|------------|------------|------------|
| | | | Book value | Fair value | Book value | Fair value |
| Financial liabilities measured at fair value | | | | | | |
| Other financial liabilities - derivatives with a negative market value that are already been assigned to receivables | Level 2 | Hedging Instruments | 0.4 | 0.4 | 0.1 | 0.1 |
| Other financial liabilities - derivatives with negative market value (cash flow hedge) | Level 2 | Hedging Instruments | 1.7 | 1.7 | 0.9 | 0.9 |
| Total | | | 2.1 | | 1.0 | |
| Financial liabilities not measured at fair value | | | | | | |
| Interest-bearing liabilities | Level 3 | AC | 961.6 | 979.4 | 1,487.9 | 1,491.7 |
| Liabilities from deliveries and services | - | AC | 677.0 | 677.0 | 477.1 | 477.1 |
| Options on non-controlling interests | - | *) | 5.8 | 5.8 | 102.6 | 102.6 |
| Other financial liabilities (current and non-current) | - | AC | 81.6 | 81.6 | 89.9 | 89.9 |
| Total | | | 1,726.1 | | 2,157.6 | |
| Total | | | 1,728.2 | | 2,158.5 | |

*) Valuation is based on other reserves in equity.

Fair value determination: In relation to the valuation technique, please refer to Note 44 (Classification and Fair Value) of the consolidated financial statements of PIERER Mobility as of December 31, 2023.

EXPLANATIONS REGARDING RELATED COMPANIES AND INDIVIDUALS

Business relationships exist with related parties, as explained in the consolidated financial statements as at December 31, 2023, on the basis of arm's length contracts. As a result of the acquisition of MV Agusta and its subsidiaries described above, the related party disclosures as at December 31, 2023 no longer apply. As at June 30, 2024, there were no further material changes to the related parties or the nature of transactions with them.

EVENTS AFTER THE REPORTING DATE OF JUNE 30, 2024

PIERER New Mobility GmbH acquired 50.1% of the shares in FELT Bicycles GmbH from Pierer 2 Radbeteiligungs GmbH by July 1, 2024, FELT Bicycles GmbH was previously held by PIERER New Mobility GmbH with a share of 19.9% using the equity method. The purchase price amounted to € 1.9 million and was paid by bank transfer. In the short period between the date of acquisition and the date of preparation of the interim financial statements, it was not possible to adequately and meaningfully collect or determine the required disclosures; therefore, applying IFRS 3.B66, no further disclosures in accordance with IFRS 3.B64 are made for this acquisition in these interim financial statements.

In July 2024, Mr. Viktor Sigl's Executive Board mandates as Chief Financial Officer (CFO) of PIERER Mobility AG and KTM AG were terminated for both companies by mutual agreement with the Supervisory Board, Stefan Pierer, CEO has taken over the previous agendas and tasks of Mr. Sigl on an interim basis. The Supervisory Board has also decided to appoint Gottfried Neumeister as another member of the Executive Board of PIERER Mobility AG and KTM AG with effect from September 1, 2024 in order to support the CEO agendas.

Further events that occurred after June 30, 2024 and are material for the assessment of assets and liabilities have either been reflected in these financial statements or are not known.

NEWLY APPLIED STANDARDS AND INTERPRETATIONS

The table below shows the standards and interpretations mandatorily applied for the first time that had also already been endorsed by the European Commission:

| First-time application | New and amended standards and interpretations | Published by the IASB |
|------------------------|---|-----------------------|
| January 1, 2024 | Amendments to IFRS 16 Leases – Lease Liability in a Sale and Leaseback | September 22, 2022 |
| | Amendments to IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current (including Deferral of Effective Date as well as Non-current Liabilities with Covenants) | October 31, 2022 |
| | Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements | May 25, 2023 |
| January 1, 2025 | Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability | August 15, 2023 |
| January 1, 2026 | Amendments to IFRS 7 and 9 - Classification and measurement of financial instruments | May 30, 2024 |
| January 1, 2027 | IFRS 18 Presentation and Disclosure in Financial Statements | April 9, 2024 |
| | IFRS 19 Subsidiaries without Public Accountability: Disclosures | May 9, 2024 |

The PIERER Mobility Group assumes that there will be no material effects on the consolidated financial statements due to the standards to be newly applied in the future.

Statement of All Legal Representatives

Declaration of the Executive Board pursuant to section 125 (1) of the Austrian Stock Exchange Act (§ 125 Abs. 1 Börsegesetz)

We confirm that, to the best of our knowledge, the condensed interim consolidated financial statements, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the PIERER Mobility Group. Furthermore, that the interim group management report gives a true and fair view of the assets, liabilities, financial position and earnings position of the group in relation to the important events that occurred during the first six months of the financial year and their impact on the condensed interim consolidated financial statements in relation to the principal risks and uncertainties for the remaining six months of the financial year and in relation to material transactions with related parties requiring disclosure.

Wels, August 23, 2024

The Executive Board of PIERER Mobility AG



Stefan Pierer



Hubert Trunkenpolz



Florian Kecht



Alex Pierer



Rudolf Wiesbeck

Glossary

| | |
|---|--|
| Capital employed | Property, plant and equipment + goodwill + intangible assets + working capital employed |
| Capital expenditures (CAPEX) | Additions to property, plant and equipment and intangible assets and investments in development projects (incl. tools) according to the schedule of investments, excluding right of use additions according to IFRS 16 |
| Earnings per share | Result for the period attributable to equity holders of the parent / number of shares outstanding (weighted average) |
| EBIT (Earnings Before Interest and Tax) | EBIT equals the operating income (loss) according to IFRS and is the operating income (loss) before financial result and income taxes |
| EBIT margin | EBIT / revenue |
| EBITDA (Earnings Before Interst. Tax. Depreciation and Amortization) | EBIT + depreciation |
| EBITDA margin | EBITDA / revenue |
| Equity ratio | Total equity / total assets |
| €m | Euro million |
| Free cash flow | Cash flow from operations + cash flow from investing activity |
| Gearing | Net debt / total equity |
| Net debt | Financial liabilities (current and non-current) - cash and cash equivalents |
| pp | percentage point(s) |
| R&D | Research & Development |
| ROCE (Return On Capital Employed) | EBIT of the last 12 months / average capital employed Average capital employed is calculated as half of the sum of capital employed at the end of the reporting period and at the end of the comparable period of the previous year |
| ROE (Return On Equity) | Result for the period of the last 12 months / average equity Average equity is calculated as half of the sum of total equity at the end of the reporting period and at the end of the comparable period of the previous year |
| ROIC (Return On Invested Capital) | NOPAT of the last 12 months / average Capital Employed NOPAT = EBIT - income taxes Average capital employed is calculated as half of the sum of capital employed at the end of the reporting period and at the end of the comparable period of the previous year |
| Working capital employed | Inventories + trade receivables - trade payables |



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FINANCIAL CALENDAR 2025

| | |
|------------------|---|
| January 29, 2025 | Announcement of preliminary annual results 2024 |
| March 26, 2025 | Publication of annual financial statements 2024 |
| April 15, 2025 | Record date Annual General Meeting |
| April 25, 2025 | 28 th Annual General Meeting |
| April 30, 2025 | Ex-dividend date |
| May 2, 2025 | Record date dividend |
| May 6, 2025 | Dividend payment date |
| August 26, 2025 | Report on the 1 st half-year 2025 |


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DISCLAIMER

This report

- has been prepared with the greatest possible care and the correctness of the data has been checked. However, minor differences may occur in the addition of rounded amounts and percentages. There may also be typographical and other errors.
- contains forward-looking statements. Actual results may differ materially from those anticipated due to a variety of factors. Neither PIERER Mobility AG nor any other person assumes any liability for any such forward-looking statements. PIERER Mobility AG will not update these forward-looking statements, whether due to changed factual circumstances or changes in assumptions or expectations.
- is published in German and English. The German version is binding.
- contains results for the current financial year that have not been audited or reviewed by a certified public accountant.
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