

## WHAT'S NEW?

## PIERER MOBILITY

Analyst:	mark.diethelm@vontobel.com
Bloomberg: PKTM SE	Price: CHF 11.3
Enterprise value (mns)	CHF 1,750
Market cap (mns)	CHF 381
Reporting Currency	EUR

**Under Review  
(NEW)****PT: CHF 16.0**

Income Stat. (mns)	2023A	2024E	2025E	2026E
Revenues	2662	2099	2203	2365
EBITDA	325	-18.6	263	347
EBIT	161	-196	79.9	160
Net profit	76.8	-209	-50.0	33.8
Growth (%)	2023A	2024E	2025E	2026E
Revenues	9.2	-21.2	4.9	7.4
Net profit	-53.7	-372	NA	NA
EPS (rep.)	-55.0	-367	NA	NA
Margin analysis (%)	2023A	2024E	2025E	2026E
Gross margin	25.7	23.8	25.4	26.4
EBITDA margin	12.2	-0.9	12.0	14.7
EBIT margin	6.1	-9.3	3.6	6.8
Balance sheet (%)	2023A	2024E	2025E	2026E
NWC/Revenues	13.3	34.8	34.7	21.6
Net debt (mns)	776	1521	1273	1080
Equity to tot. assets	30.8	22.2	21.7	25.0
Gearing	85.3	217	192	152
Net debt/EBITDA	2.4	-81.9	4.8	3.1
CF statement (mns)	2023A	2024E	2025E	2026E
Capex	-313	-278	-240	-225
Operating FCF	-424	-685	249	193
Inc(+)/Dec(-) in cash	-19.8	-196	174	-107
CF analysis (%)	2023A	2024E	2025E	2026E
Op. CF margin	-4.2	-19.4	22.2	17.7
Capex/Revenues	11.8	13.3	10.9	9.5
Capex/Depreciation	191	157	131	120
Per-share data (CHF)	2023A	2024E	2025E	2026E
EPS (rep.)	2.20	-5.85	-1.41	0.95
EPS (adj.)	2.27	-4.69	-1.41	0.95
Net cash	-22.2	-42.7	-35.8	-30.4
Dividend	0.48	0.00	0.00	0.00
Payout ratio (%)	21.9	0.0	0.0	0.0
Valuation (X)	2023A	2024E	2025E	2026E
P/E	20.9	NM	NM	11.9
P/E (adj.)	20.1	-2.4	-8.1	11.9
P/B	1.77	0.58	0.61	0.57
EV/EBITDA	7.2	-100	6.2	4.1
FCF yield %	-26.4	-169	61.7	47.9
Dividend yield %	1.0	0.0	0.0	0.0
Profit. ratios (%)	2023A	2024E	2025E	2026E
ROIC	7.6	-7.1	2.8	6.1
ROE	8.5	-26.0	-7.3	4.9
ROA	2.7	-6.9	-1.6	1.2
BB Consensus (mns)	2023A	2024E	2025E	2026E
Revenues	2640	2121	2215	2410
EBITDA	325	16	255	366
EBIT	186	-218	73	160
Net profit	116	-244	-27	54
EPS	2.95	-6.62	-0.97	1.58

**Conference call/analyst meeting**

No conference call or analyst meeting scheduled

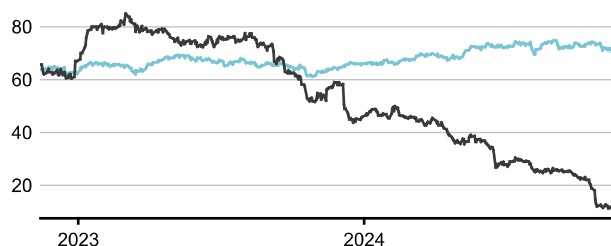
**Bridge financing required as additional liquidity for KTM is required - Additional restructuring to resize the business - Uncertainty becomes too high - Rating UNDER REVIEW (Hold)****FACTS & COMMENT:**

**Bridge financing:** As part of the FY25 planning, PKTM has discovered that KTM AG, the motorcycle subsidiary of Pierer Mobility, needs additional liquidity in the triple-digit region (VTe: EUR 300-400m). To that end, PKTM is currently securing a bridge financing. The majority shareholder Pierer Bajaj AG and existing financial creditors are in discussion of a standstill agreement until the financial restructuring is concluded.

**Additional restructuring:** Additionally, PKTM has announced that due to the challenging economic environment, a deeper operational restructuring is planned to reduce inventories at KTM and its dealership network by significantly reducing production volumes and reduce FTEs significantly again. This will result in a significantly redimensioned operational level by end FY25.

**OUR CONCLUSION:**

Following a profit warning last month, PKTM now sees additional liquidity needs and is in discussion for a bridge financing. PKTM also announced another restructuring to re-size the motorcycle biz, aimed to reduce the financial burden from its NWC support for its dealership, which has weakened its balance sheet substantially. Given the high debt burden already, the potential for a debt-to-equity swap is increasing while the future shape of the business remains unclear. Rating put under review.

**Performance**

— PIERER Mobility[PKTM.S]  
— SPI (rebased)

Source: Bloomberg, Vontobel Equity Research

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Alcon[ALC.S] was last changed from Reduce to Hold on 15-01-21

PIERER Mobility[PKTM.S] was last changed from Buy to Hold on 20-06-24

Ypsomed[YPSN.S] was last changed from Suspended Coverage to Buy on 08-01-20

### 4. Global rating breakdown

	VT Research universe	VT Research universe	Share of Bank VT clients in rating category
	No.	As %	As %
Buy	40	42	23
Hold	55	58	31
Reduce	0	0	0

The table above is revised at the beginning of each quarter, i.e., it currently reflects the status as of 30 September 2024.

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