

WHAT'S NEW?

PIERER MOBILITY

Analyst:	mark.diethelm@vontobel.com
Bloomberg: PKTM SE	Price: CHF 9.0
Enterprise value (mns)	CHF 1,708
Market cap (mns)	CHF 302
Reporting Currency	EUR

Reduce **PT: CHF 6.00**

Income Stat. (mns)	2023A	2024E	2025E	2026E
Revenues	2662	2053	2017	2149
EBITDA	325	-27.7	234	286
EBIT	161	-268	57.3	115
Net profit	76.8	-331	-73.9	-16.9
Growth (%)	2023A	2024E	2025E	2026E
Revenues	9.2	-22.9	-1.7	6.5
Net profit	-53.7	-531	NA	NA
EPS (rep.)	-55.0	-521	NA	NA
Margin analysis (%)	2023A	2024E	2025E	2026E
Gross margin	25.7	23.8	25.4	26.4
EBITDA margin	12.2	-1.4	11.6	13.3
EBIT margin	6.1	-13.1	2.8	5.4
Balance sheet (%)	2023A	2024E	2025E	2026E
NWC/Revenues	13.3	34.9	38.1	24.4
Net debt (mns)	776	1555	1407	1226
Equity to tot. assets	30.8	18.2	16.6	17.9
Gearing	85.3	268	272	237
Net debt/EBITDA	2.4	-56.0	6.0	4.3
CF statement (mns)	2023A	2024E	2025E	2026E
Capex	-313	-278	-231	-205
Operating FCF	-424	-718	147	181
Inc(+)/Dec(-) in cash	-19.8	-78.6	192	-69.1
CF analysis (%)	2023A	2024E	2025E	2026E
Op. CF margin	-4.2	-21.4	18.8	17.9
Capex/Revenues	11.8	13.5	11.5	9.5
Capex/Depreciation	191	116	131	120
Per-share data (CHF)	2023A	2024E	2025E	2026E
EPS (rep.)	2.20	-9.24	-2.06	-0.47
EPS (adj.)	2.27	-8.09	-2.06	-0.47
Net cash	-22.2	-43.4	-39.3	-34.2
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	NM
P/E (adj.)	20.1	-1.1	-4.4	-19.0
P/B	1.77	0.56	0.62	0.62
EV/EBITDA	7.2	-65.6	7.2	5.2
FCF yield %	-26.4	-223	45.7	56.2
Dividend yield %	1.0	0.0	0.0	0.0
Profit ratios (%)	2023A	2024E	2025E	2026E
ROIC	7.6	-10.0	2.0	4.5
ROE	8.5	-44.7	-13.5	-3.3
ROA	2.7	-10.9	-2.4	-0.6
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	-5.49	-0.53	1.58

Conference call/analyst meeting

No conference call or analyst meeting scheduled

KTM prepares for judicial debt restructuring proceedings - High triple-digit loss expected in FY24 extinguish most equity - Fresh capital injection with very high dilution likely

FACTS & COMMENT:

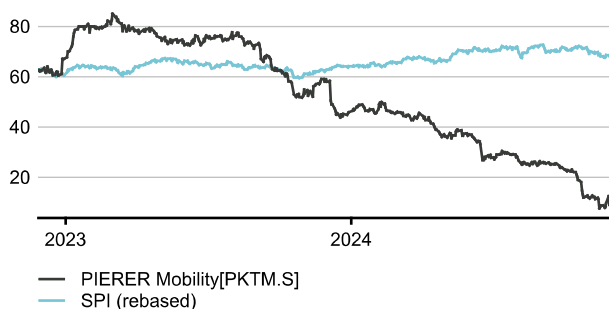
Judicial restructuring: KTM, a 100% subsidiary of Pierer Mobility, will apply for the initiation of judicial restructuring proceedings with self-administration (Sanierungsverfahren unter Eigenverwaltung) this Friday as the bridge financing for the triple-digit financing needs of KTM will unlikely be secured in time. The proceedings will allow KTM to agree on a reorganization plan with creditors within 90 days. All financing options are on the table, including fresh equity but also debt-to-equity swaps.

High triple digit loss : As part of the debt restructuring, KTM will also dimensioning its operations. This should result in a gradual adjustment of excess inventory over the next 2 years with a reduction in operating output totaling over EUR 1bn in 2025/26. The restructuring will result in additional losses, including write-downs (i.e. capitalized R&D) as well as staff reduction cost and a shortfall in covering fixed costs. Overall, Pierer Mobility expects a net loss in a high three-digit million range (VTe: EUR 800-900m; old: EUR 332m).

OUR CONCLUSION:

The financial situation has deteriorated significantly in recent weeks, with a temporary bridge financing no longer possible. The judicial restructuring enables the group to agree a financial restructuring plan with its creditors within 90 days. The necessary dimensioning of the operating business of KTM will result in a very high net loss, extinguish most of Pierer Mobility's equity. This makes a capital increase (fresh capital and/or debt-equity swap) with a high dilution very likely. Reduce

Performance



Source: Bloomberg, Vontobel Equity Research