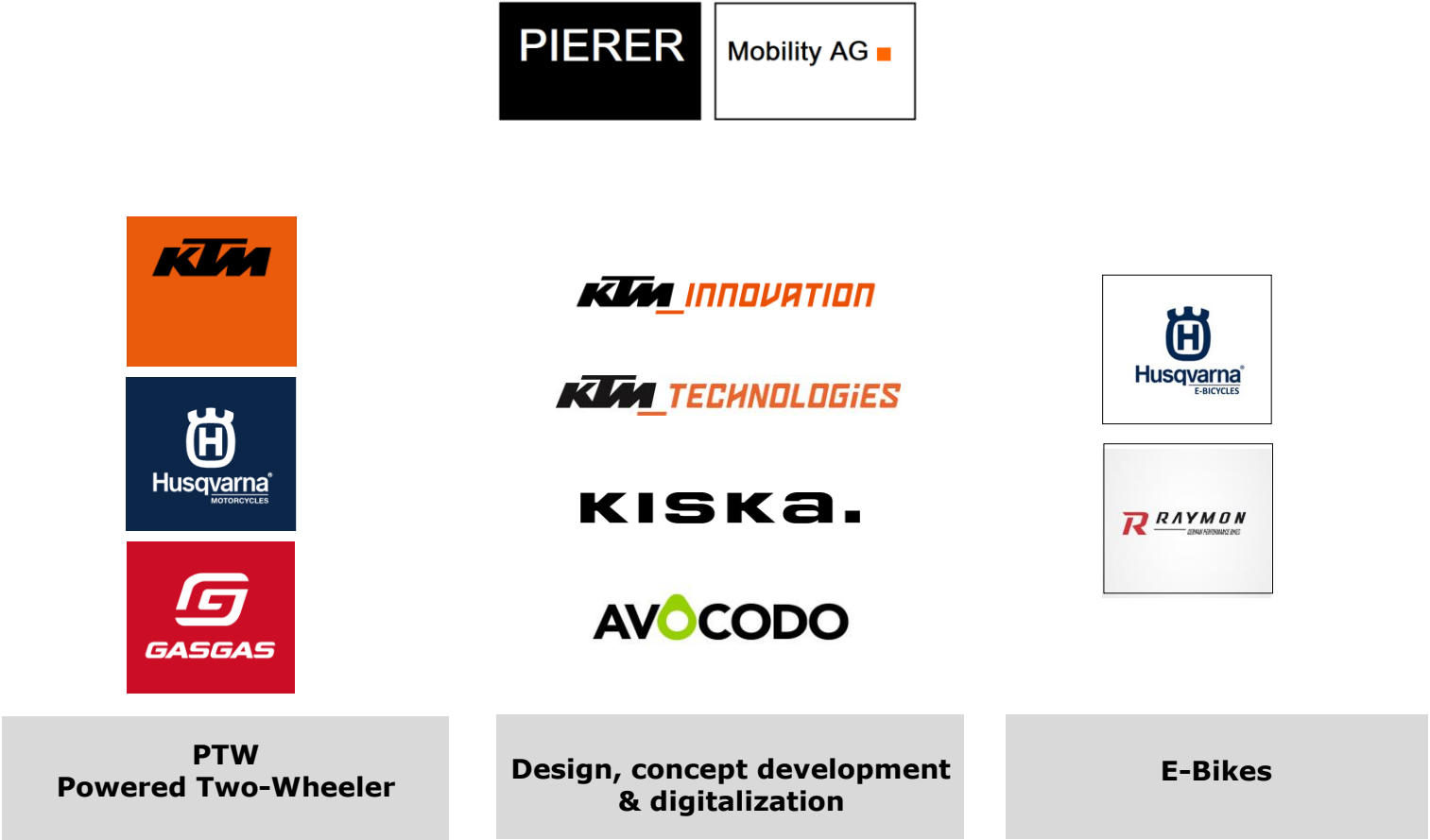


# PIERER MOBILITY AG

The KTM logo, consisting of the letters 'KTM' in a bold, italicized, black font, is centered within an orange square.The Husqvarna Motorcycles logo, featuring a white 'H' inside a crown-like shield, with the word 'Husqvarna' in a serif font and 'MOTORCYCLES' in a smaller sans-serif font below it, all on a dark blue background.The GasGas logo, featuring a stylized white 'G' inside a red square, with the word 'GASGAS' in a bold, italicized, white sans-serif font below it.The Husqvarna E-Bicycles logo, featuring a white 'H' inside a crown-like shield, with the word 'Husqvarna' in a serif font and 'E-BICYCLES' in a smaller sans-serif font below it, all on a white background.

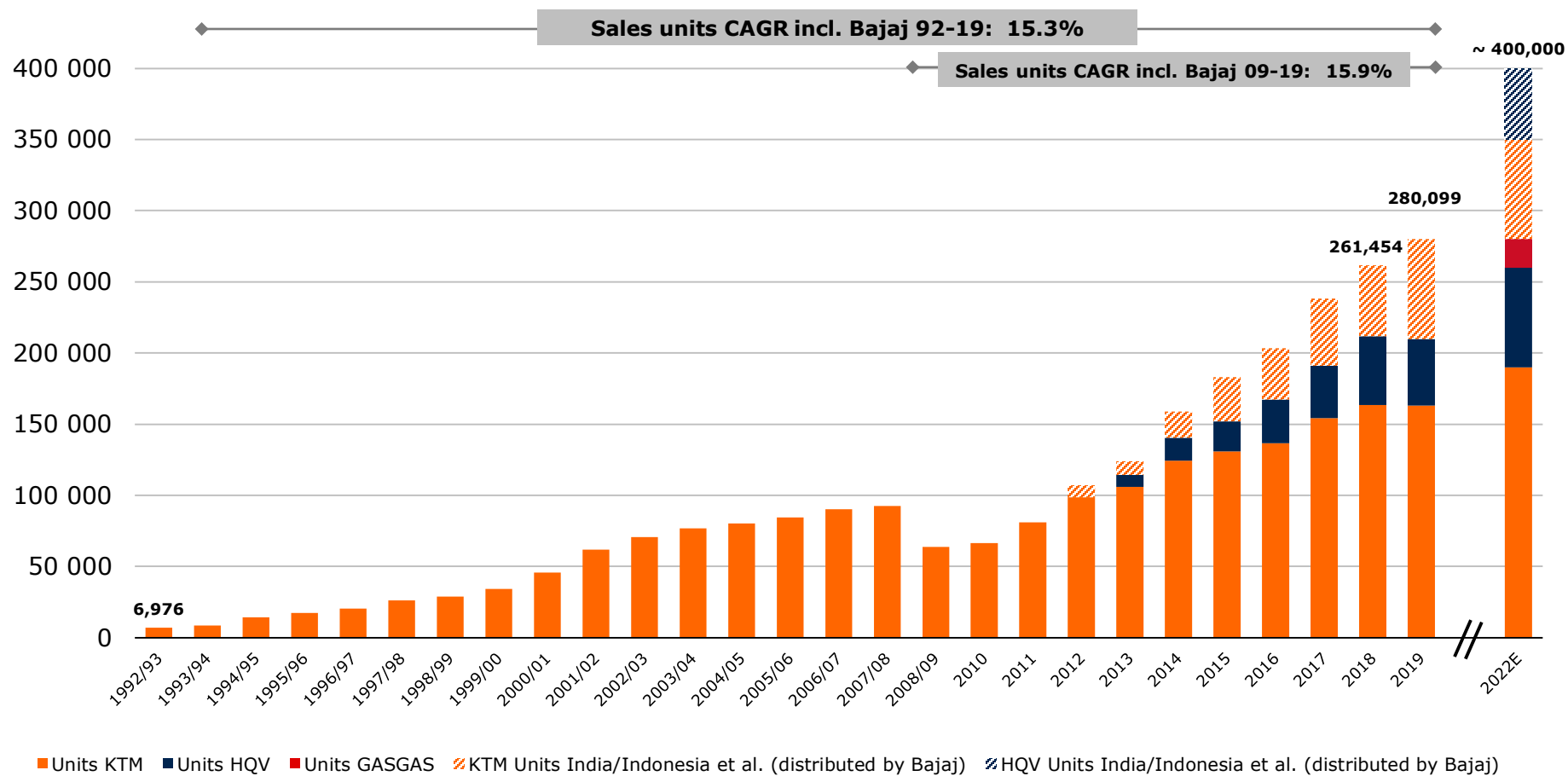
**THE LEADING EUROPEAN POWERED TWO-WHEELER COMPANY.**

# The Leading European Powered Two-Wheeler Group



## Twenty eight years of successful track record

Sales units



**BY 2019:**  
**280,099 units**

- **KTM AG: 213,893 units**  
Bajaj: **66,206 units**
- **KTM MC: 234,449 units**
- **Husqvarna MC: 45,650 units**



## Highlights Business Year 2019

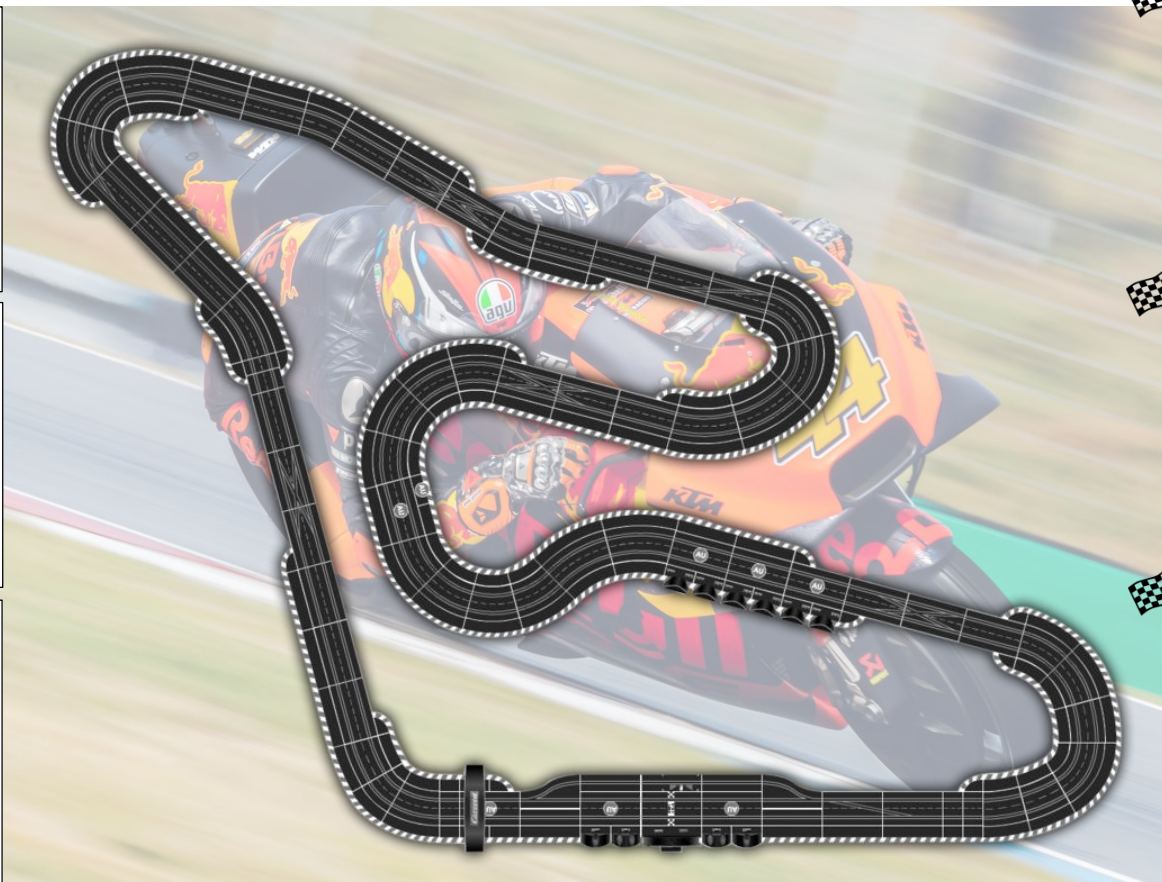
Continuation of strong growth and market share gains

**KTM Industries AG** – Europe's Leading Powered Two Wheeler Company – **was renamed into PIERER Mobility AG**

**Ninth record result in a row!** Increase in sales continued in BY 2019  
**280,099 motorcycles** sold (+7% vs 2018 )

**Market share gains in USA and India - market share in Europe on high level**

**10.9 %** (+40 bps) Market share in **established markets** in 09/2019



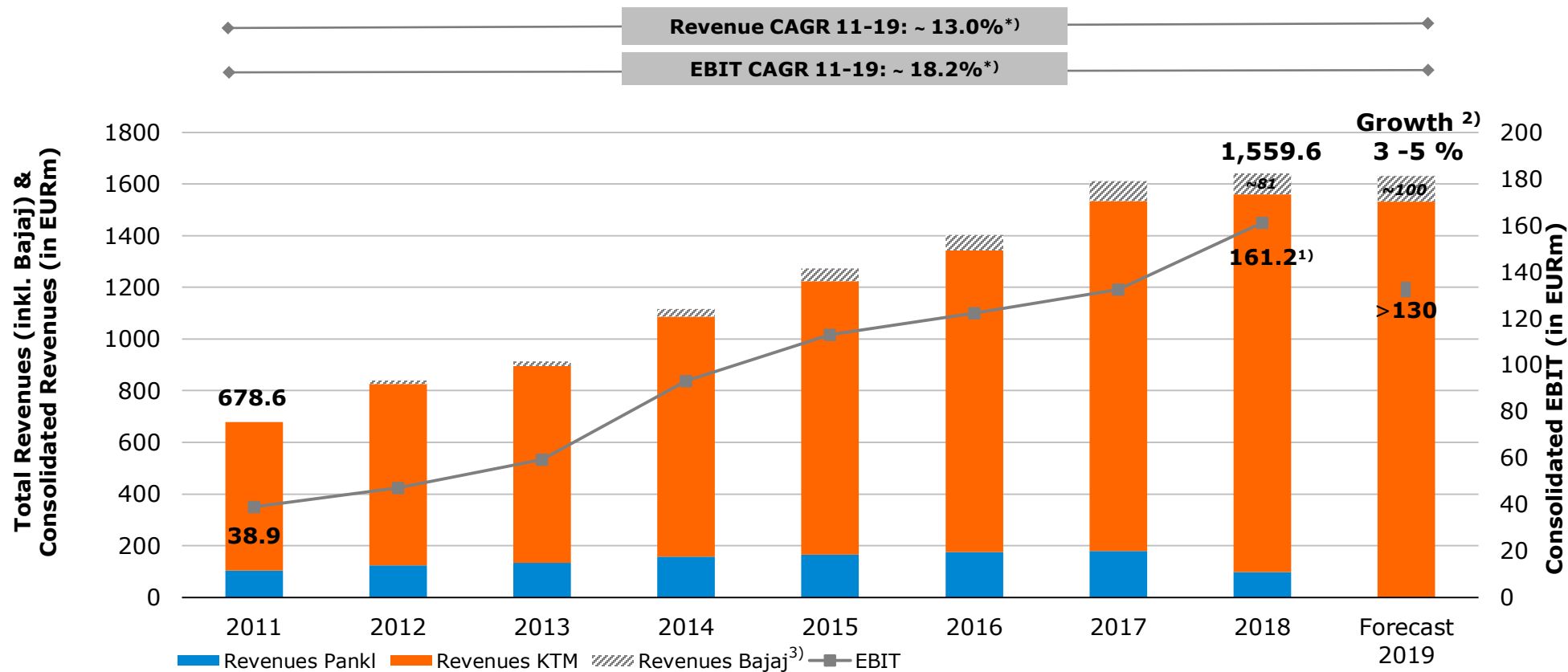
**KTM and Bajaj agree on new electric vehicle alliance** – Development of a common 48 volt **electric two-wheeler platform** in the power range 3 to 10 kW for planned serial production in India in 2022

**Take-over of Australian importer**

**GASGAS Motorcycles as third group brand**

# The Leading European Powered Two-Wheeler Group

## Revenue and EBIT performance



- **Bajaj** revenues not included in consolidated revenues of PIERER Mobility AG
- Income from **license fee**

## Development of Employees



- 160 apprentices
- 37 years average age
- 23% female share

### Flex-time Model

- great flexibility of time and place

### Improvement of Employee Benefit Program

#### **KTM ACADEMY**

- Digital Intrapreneurship MBA
- Young Pioneers College
- New high quality approach in Apprentice Training & increase up to 180 apprentices in 2020



## Investments

Facility Investments since 2009 ~ mEUR 250



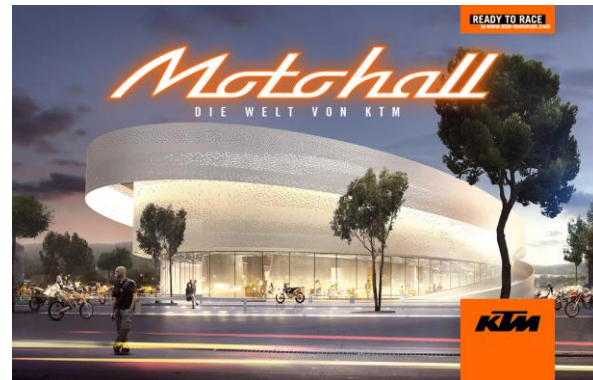
**EXPANSION OF R&D**  
MATTIGHOFEN



**EXPANSION LOGISTICS CENTER**  
MUNDERFING



**MOTORSPORT**  
MUNDERFING



**MOTOHALL**  
MATTIGHOFEN

Product Investments since 2009 ~ mEUR 730\*)



\*) R&D gross expenses

# Retail Registrations - Relevant Market Environment Motorcycles > 120cc

January – September 2019 cumulated

## NORTH AMERICA

**350,000**  
Registrations  
(-2.8%)  
**32,000**  
Registrations  
KTM & HQV  
(+2.8%)

## EUROPE

**404,000** Registrations  
total (+7.7%)  
**51,000** Registrations  
KTM & HQV (+8.9%)

## MARKET SHARE (12 months rolling)

- **Europe: 11.5%**  
(-10bps)
- **North America: 9.1%**  
(+50bps)
- **India: 7.5%**  
(+310bps)

## INDIA

**660,000**  
Registrations (-17.1%)  
**49,000** Registrations  
KTM & HQV  
(+39.5%)

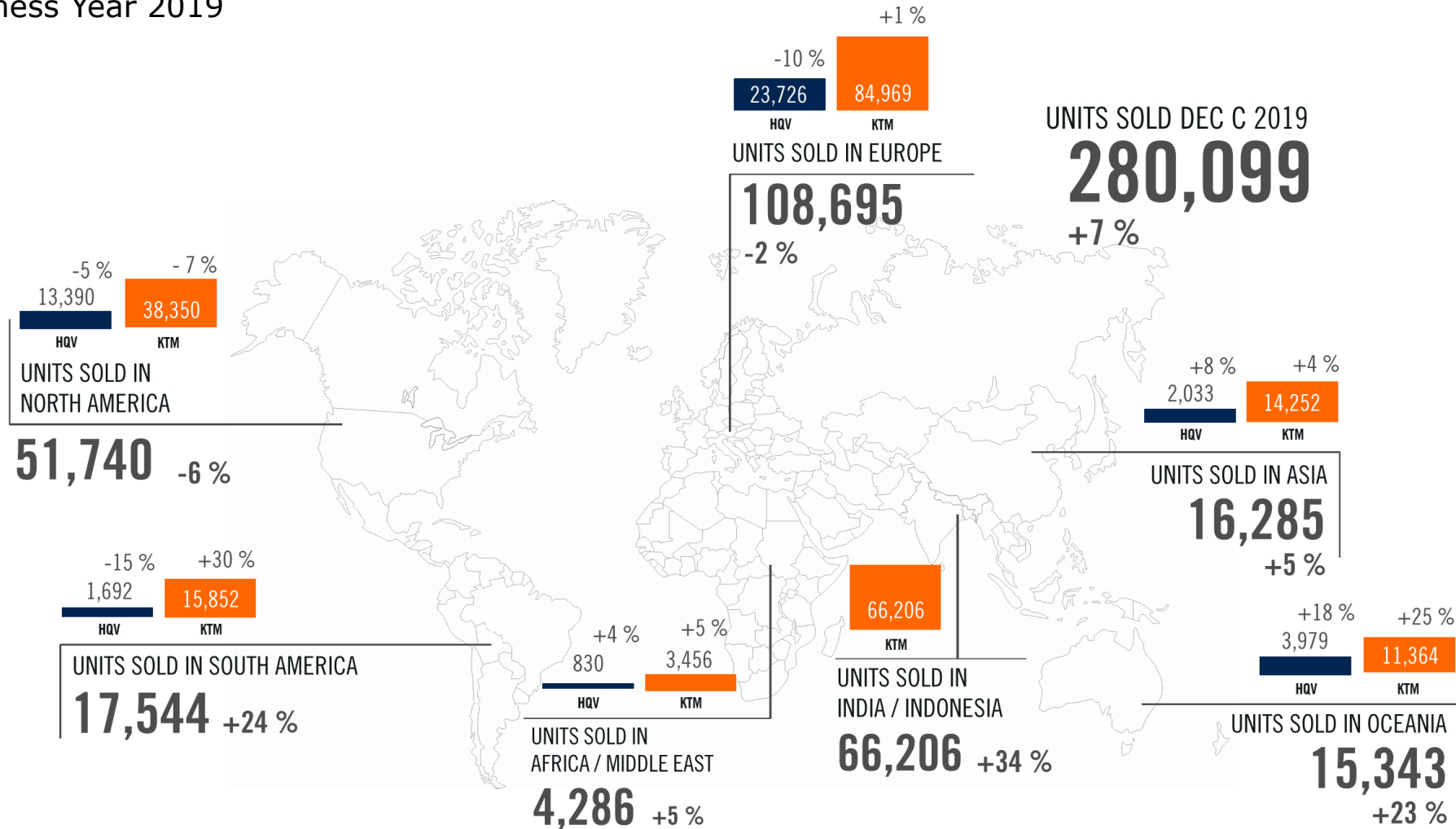
## OCEANIA

**46,000**  
Registrations (-9.7%)  
**7,200** Registrations  
KTM & HQV (-2.4%)



# Wholesale to Dealer Network & General Importers

Business Year 2019

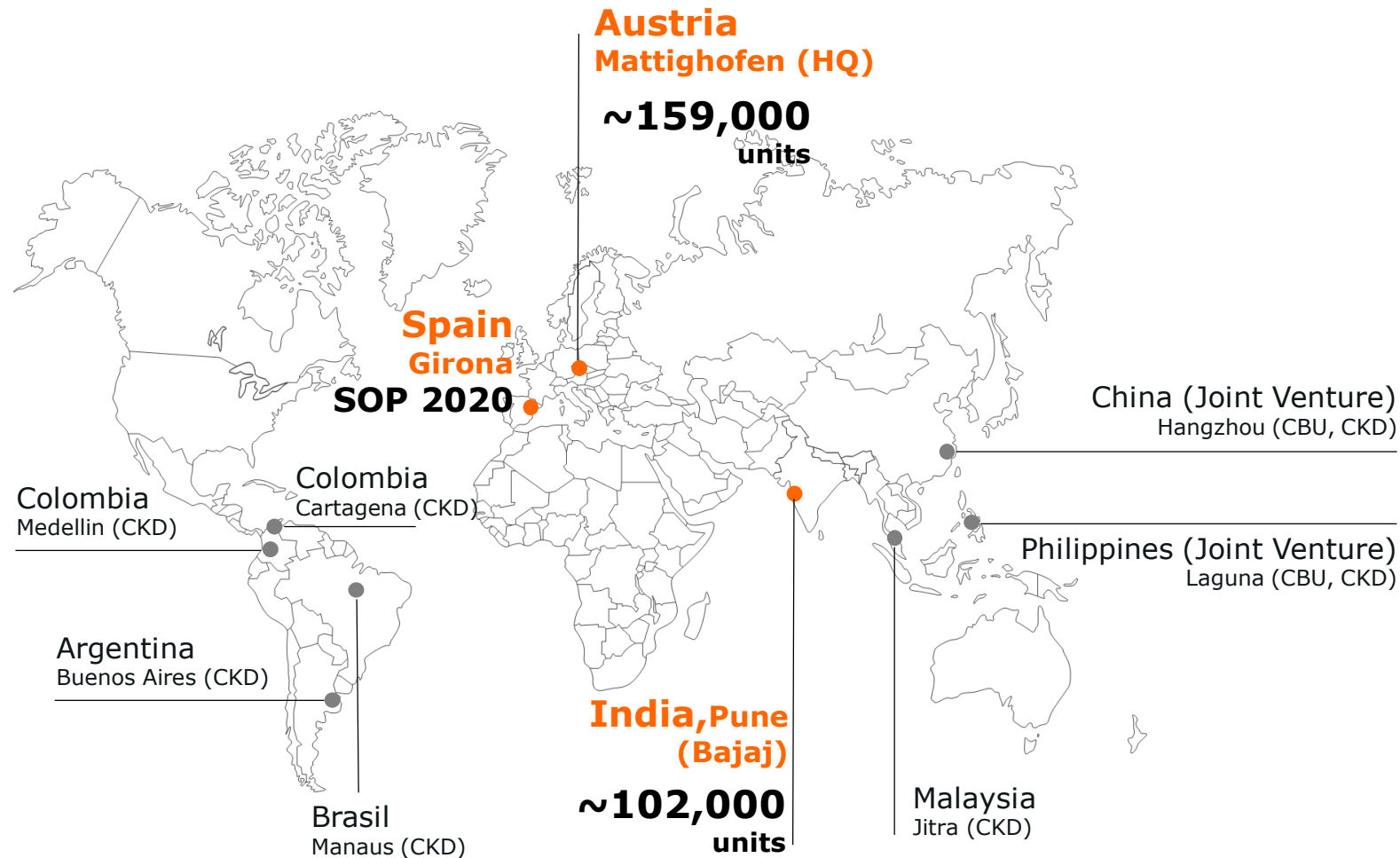


**BY 2019**  
**280,099 units**

- **2,874 Dealers**  
(2,116 KTM & 758 Husqvarna)
- Europe:  
1,177 Dealers
- North America:  
642 Dealers
- India/Indonesia:  
483 KTM Dealers
- More than 250  
dual brand dealers

# Global Production Facilities KTM – Husqvarna - GASGAS

Production 2019



## ■ Production Sites

- 2 production sites & 7 CKD/CBU facilities
- No capacity restriction in Chakan factory/India
- Transfer of production of Husqvarna model line 401 to Chakan/ India in Q4/2019 – Launch in India in 2020

## ■ CKD/CBU Production

- 200 DUKE, RC 200
- 250 DUKE
- 390 DUKE, RC 390
- SVARTPILEN/VITPILEN 401
- 250 / 390 ADVENTURE

## Cooperation with BAJAJ – stronger increase than planned

Production volume is expected to increase to over 200,000 units over the next years



Unit CAGR 17-22: ~17.1%



Husqvarna Vitpilen / Svartpilen 401

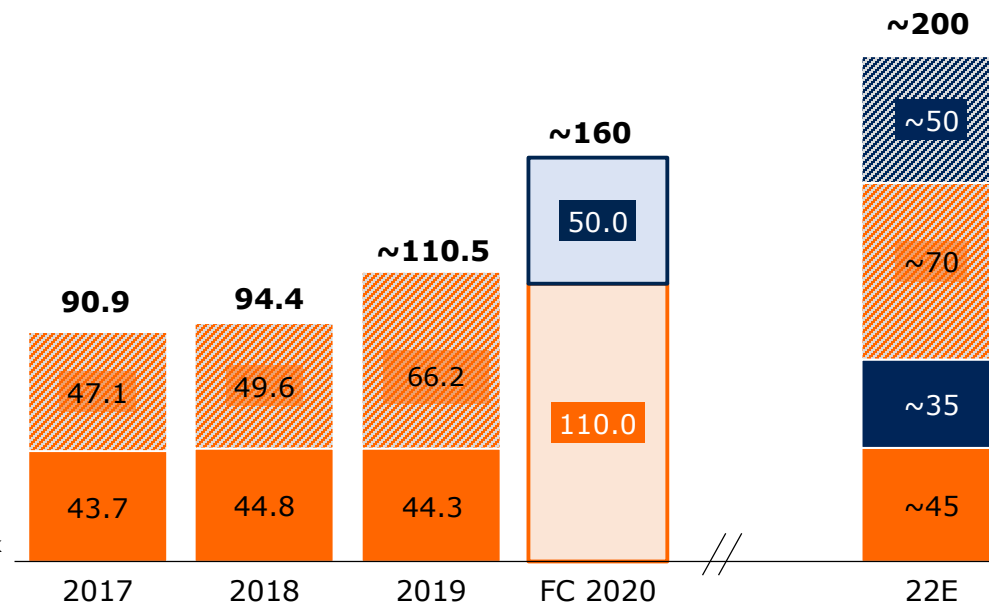


DUKE 125/200/390



RC 200/390

Units in k



- KTM units distributed by KTM (joint products)
- Husqvarna units distributed by KTM (joint products)
- ▨ KTM units distributed by Bajaj (license fee model)
- ▨ Husqvarna units distributed by Bajaj (license fee model)

**License fee model**  
KTM & Husqvarna  
2019: 4-5%

- **Stronger increase** of sales volume (units) in India than planned
- **Transfer of production of Husqvarna model line 401** to Chakan/ India in Q4/2019 – **Launch** in India in **2020**
- **No capacity restriction** in Chakan factory/India
- US Dollar **natural hedge**
- Development of a common **48 volt electric two-wheeler platform** in the power range **3 to 10 kW** for planned serial production in India

## Joint-Venture with CFMOTO

High-end motorcycle market is growing 20% p.a.



### Joint venture with long-term Chinese partner CFMOTO



- CFMOTO is sole distributor for KTM in China
- **Sales 2019:** ~5,200 units
- **Twin-cylinder platform** will be available for CFMOTO and KTM products
- **Plant** ready in **09/2020**
- **SOP** first product 'CFMOTO-MT800' in **10/2020**
- Assembly of KTM mid-class street motorcycles for Chinese market (790 DUKE and 790 ADVENTURE)



Plant under construction

Production capacity of around 50k motorcycles;  
Expansion to around 100k motorcycles possible



## Performance and Urban E-Mobility

Zero emission product strategy

### KTM FREERIDE-E



- FREERIDE E-XC
- 16 kW
- Retail price:  
EUR ~11,290 (incl.  
battery package EUR  
~3,600)

### KTM FREERIDE LIGHT



- FREERIDE LIGHT
- 4 kW
- in Development

### KTM SPORT MINI



- SX-E5
- 2 kW (5 kW Top  
Performance)
- Retail price:  
EUR ~5,000

### GASGAS TRIAL



- TXE
- 15 kW
- Retail price:  
EUR ~ 12,690

▶ On the market

▶ market launch  
2022

▶ On the market

▶ market launch  
2020

## Performance and Urban E-Mobility

Zero emission product strategy

### HUSQVARNA E-BIKES



- EXTREME CROSS 9
- 250 W
- Retail price: EUR ~5,399

### HUSQVARNA SPORT MINI



- EE 5
- 2 kW (5 kW Top Performance)
- Retail price: EUR ~5,000

### HUSQVARNA E-SCOOTER



- HUSQVARNA E-SCOOTER
- 4 kW / 10 kW
- In Development

▶ On the market

▶ On the market

▶ market launch  
2021





## Outlook – Strategic Initiatives

### Offensive market strategy in emerging markets

**Continuous market share gains in developed markets**

**Focus on B2B Business (Dealer Development)**

**Continuation of sustainable efficiency program**

**Strong focus on Free Cash Flow generation**

**Full Integration of E-Bike activities (PEXCO)**

**Market Challenge – switch from EURO 4 to EURO 5**

### Global production capacity

- Successful start of production of HUSQVARNA 401 model line in India (SOP 12/2019)
- Development of China Joint-Venture according to plan
- Successful ramp-up of Philippine Joint-Venture
- Take over and full integration of **GASGAS Motorcycles** into PIERER Mobility AG

**KTM**



**Husqvarna**  
MOTORCYCLES



**GASGAS**



**Husqvarna**  
E-BICYCLES

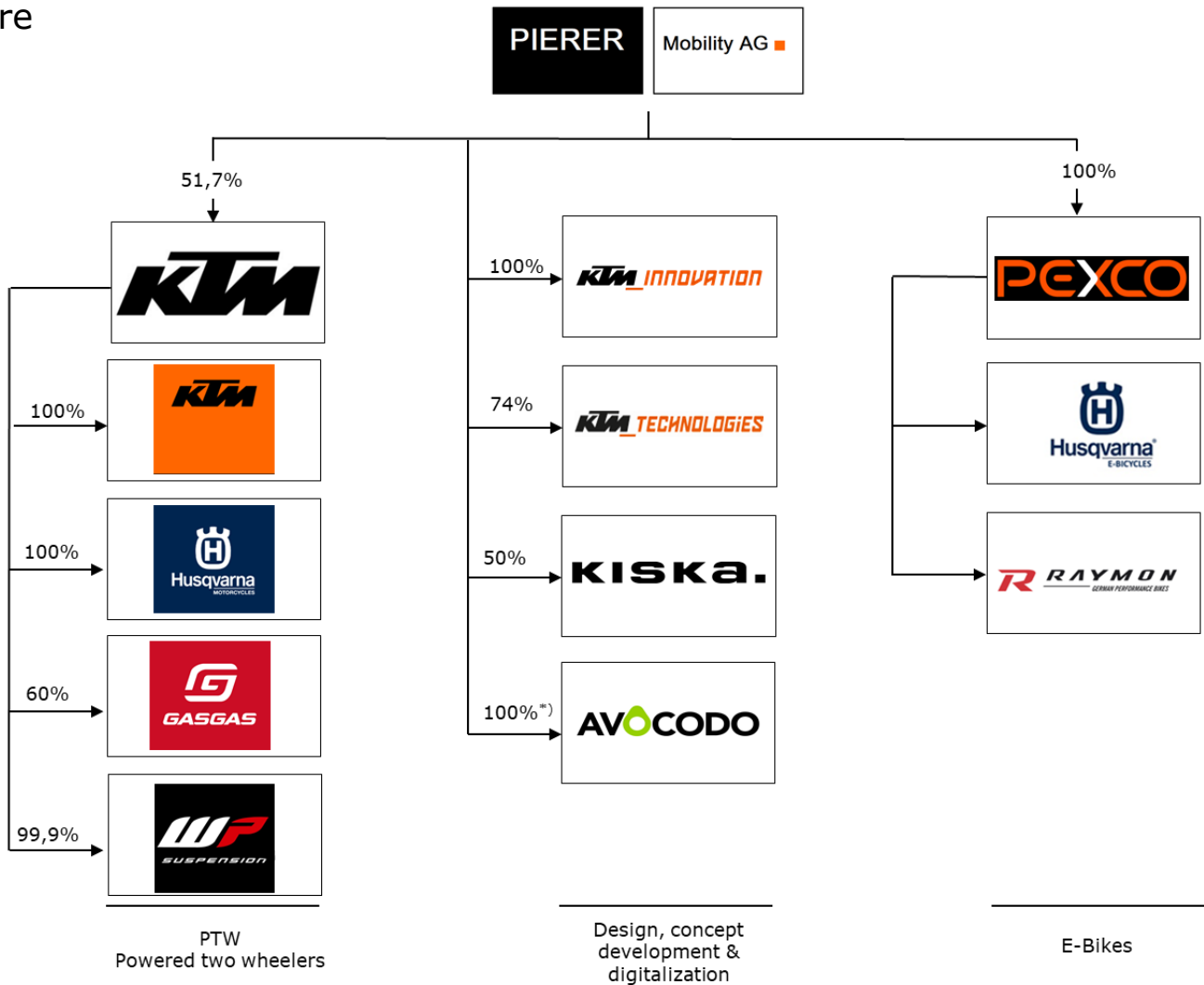
# APPENDIX





# The Leading European Powered Two-Wheeler Group

simplified Group structure



## Financials

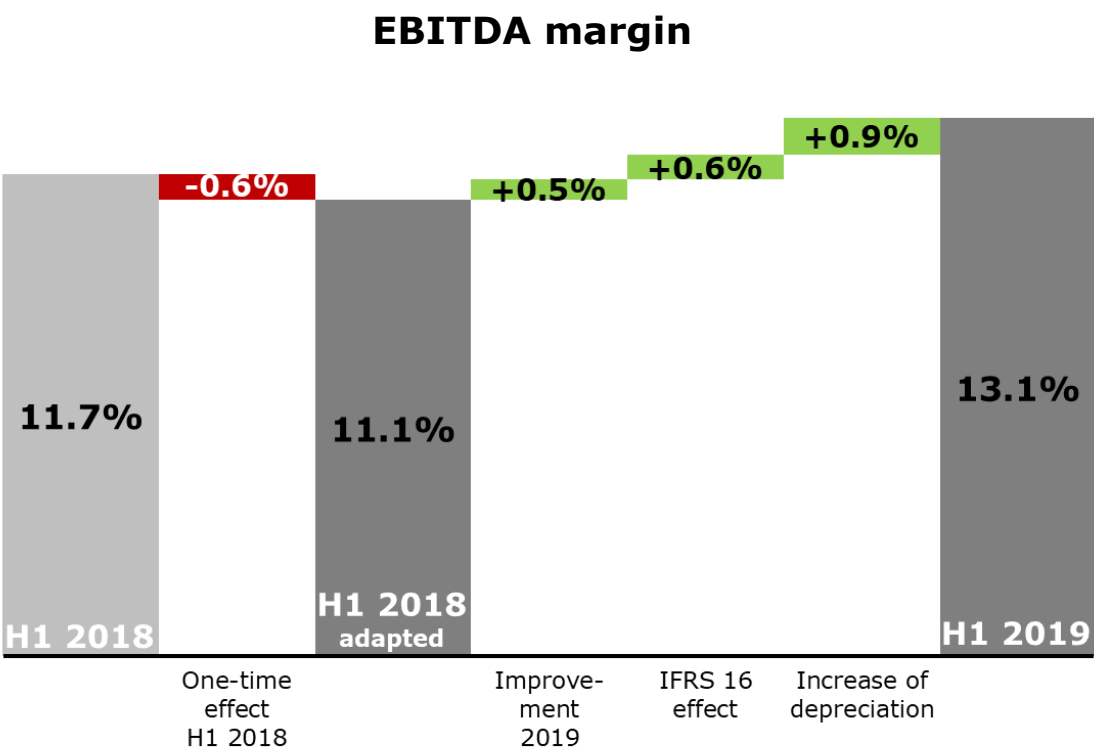
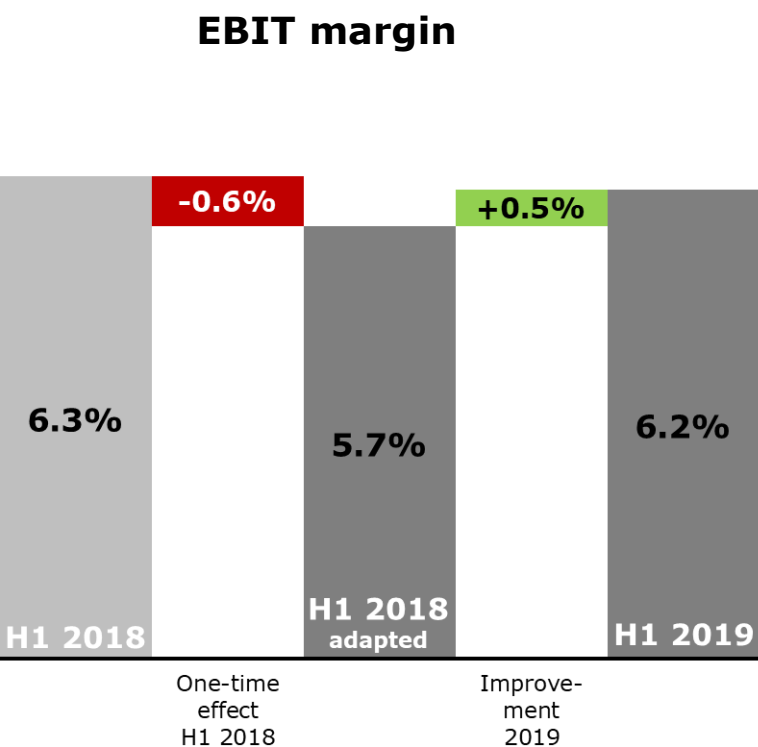
Consolidated profit & loss figures under IFRS (continued operation - excluding Pankl Group)

in EURm	H1 2018	H1 2019	Δ H1	
Revenues	724.5	754.9	+4%	1
EBITDA	84.7	98.5	+16%	
EBIT	46.0	46.6	+1%	2
Earnings	30.0	29.3	-2%	
Earnings after minorities	13.6	14.8	+9%	
EBITDA margin	11.7%	13.1%	1.4ppts	
EBIT margin	6.3%	6.2%	-0.1ppts	2
Employees (Headcount)	4.334	4.427	+2%	3

- 1
  - Record sales of more than 135,711 motorcycles
  - Expansion in all continents was consistently pursued in the first six months
  - 39% of revenues outside Europe
- 2
  - EBIT exceeded the planned expectations in the first half of 2019
  - Adjusted for one-time effects in the previous year the EBIT margin increased by 0.5ppts
- 3
  - About 8% of the workforce are leased employees
  - 16% of the total employees work in Research & Development
  - Important focus on apprentice training

Financials

EBIT & EBITDA margin H1 2018 vs H1 2019



# Financials

Consolidated balance sheet and cash flow figures under IFRS

in EURm	excluding Pankl Group FY 2018	H1 2019	Δ 2018/19	
Balance sheet total	1,353.9	1,462.3	+8%	1
Equity	550.8	557.8	+1%	
Total interest bearing debt	412.6	519.1	+26%	2
Working capital employed	245.3	270.6	+10%	3
Net debt	323.3	420.4	+30%	2
Net working capital as % of sales	16.8%	18.1% <sup>1)</sup>	1.3ppts	
Equity ratio	40.7%	38.1%	-2.6ppts	1
Gearing	58.7%	75.4%	+16.7ppts	2
Net debt / EBITDA	1.5x	1.9x <sup>1)</sup>	+0.4x	2

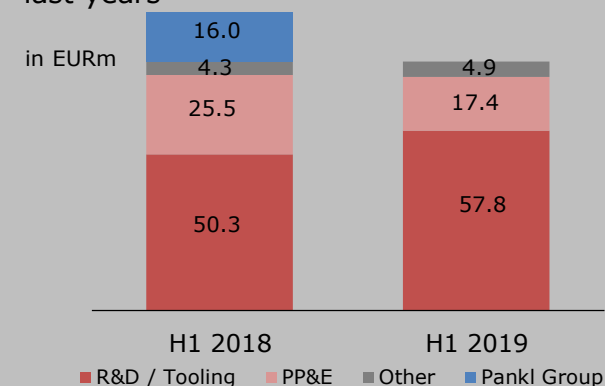
in EURm	including Pankl Group H1 2018	H1 2019	Δ H1	
Cash flow from operating activities	-49.6	46.3	>100%	
Capex <sup>2)</sup>	-96.2	-80.1	-17%	4
Cash flow from investing activities	-38.6	-77.5	>100%	

- Due to initial application of IFRS 16 "Leases" around EUR 39 million were capitalized within property, plant and equipment
  - Investment level (particularly in development projects) over amortizations
  - Due to balance sheet extension the equity ratio reduced

- As a result of the initial application of IFRS 16 "Leases" debt level increased

- Growth-related increase

- CAPEX driven by R&D to support high innovation rate
  - Lower PP&E investments in 2019 after intensive investment program at the sites in last years



Source: PIERER Mobility AG

1) Calculated dynamically for the last 12 month

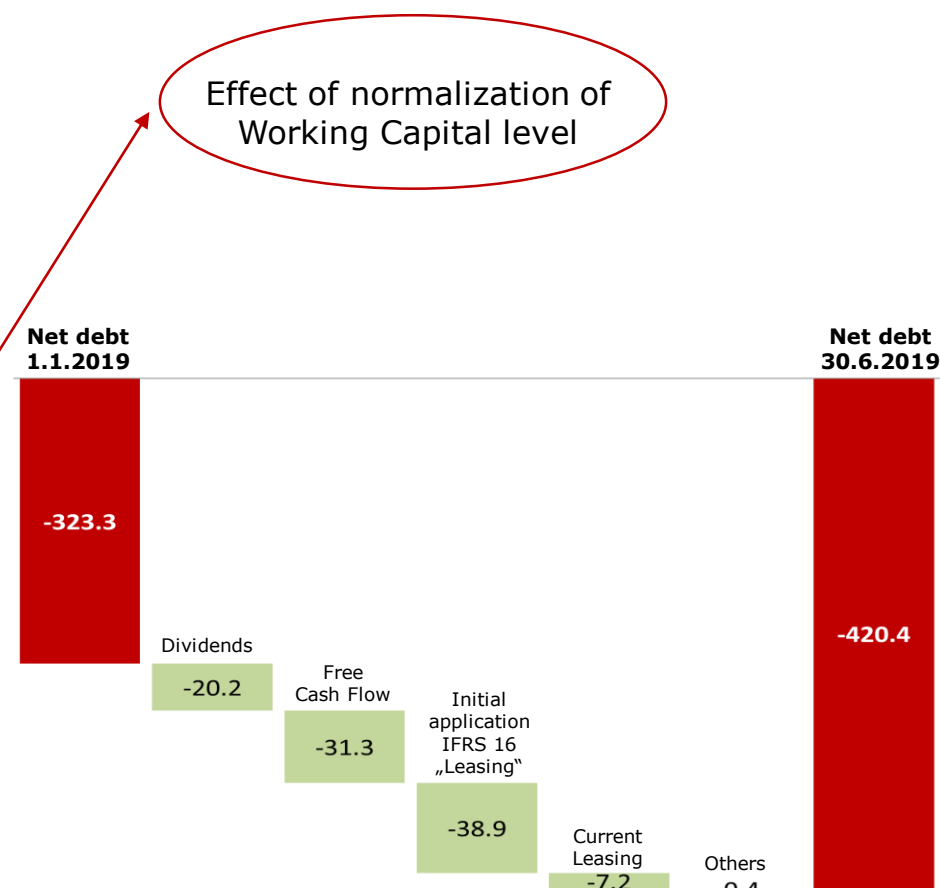
2) Definition: Additions of property, plant & equipment (PP&E) and intangible assets according to the fixed assets schedule; excluding right-of-use additions from initial application of IFRS 16 of EUR 39 million



# Financials

## Free Cash Flow and Net Debt

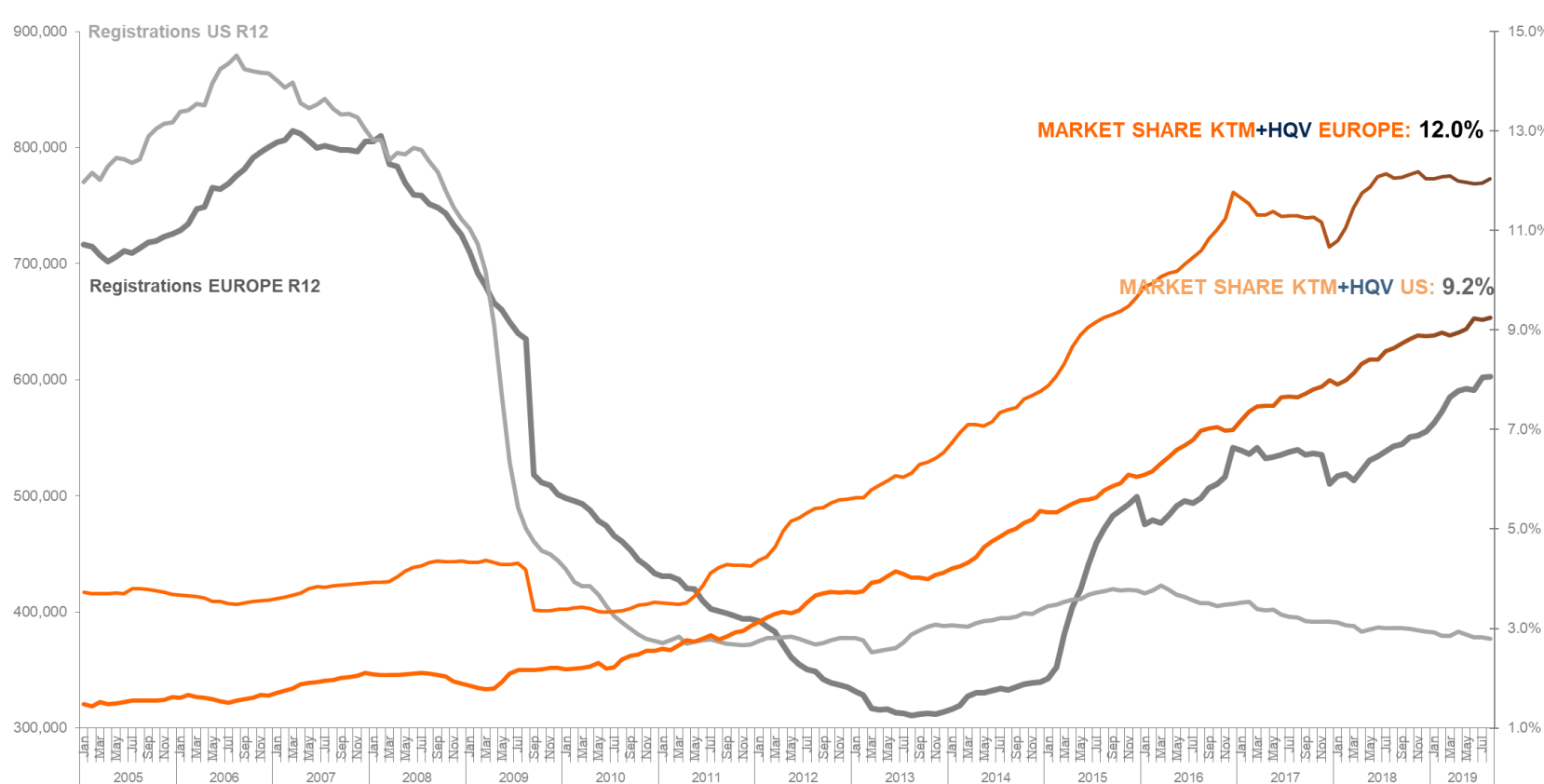
in EURm	including Pankl Group H1 2018	H1 2019	Chg.
<b>EBITDA</b> (continued)	<b>84.7</b>	<b>98.5</b>	13.8
<b>EBITDA</b> (discontinued – Pankl)	<b>41.5</b>	<b>0.0</b>	-41.5
+ / - Interest receipts and payments	-4.0	-7.2	-3.2
- Taxes	-7.6	-1.7	5.9
+ / - Non cash expenses (income)	-20.0	-5.4	14.6
<b>Gross Cash Flow</b>	<b>94.6</b>	<b>84.2</b>	-10.4
+ / - Change Working Capital employed	-89.0	-26.5	62.5
+ / - Change Non-Working Capital	-55.2	-11.4	43.8
<b>Cash Flow operating activity</b>	<b>-49.6</b>	<b>46.3</b>	95.9
<b>Cash Flow investing activity</b> (current)	<b>-97.1</b>	<b>-77.5</b>	19.6
<b>Cash Flow from Pankl sale</b>	<b>58.5</b>	<b>0.0</b>	-58.5
<b>Free Cash Flow</b>	<b>-88.2</b>	<b>-31.3</b>	56.9



# Market and Competitive Environment

Overall trends in market size and share

## Motorcycle registrations and market shares as of 30/09/2019 (12 months rolling)



- PIERER Mobility continues to gain market share in the US. These gains are mainly driven by the addition of Husqvarna to the KTM platform
- Despite the ongoing decline of the US market – driven by Harley-Davidson - KTM and Husqvarna are able to gain market shares
- Stable two-digit market share in Europe and growing market share in the US.
- Due to the introduction of **EURO 5** standards in 2020, a consolidation among manufacturers is expected

## Market and Competitive Environment 09/2019 (cumulated)

Overall trends in market size and share





### Motorcycle registrations and market shares by region 2019 September C

	Total registrations			KTM + Husqvarna registrations			KTM + Husqvarna market share		
	2018	2019	Diff. to PY	2018	2019	Diff. to PY	2018	2019	Diff. to PY
DE	107,391	113,206	5.4%	16,214	17,554	8.3%	15.1%	15.5%	+ 40 bps
FR	97,593	114,158	17.0%	7,872	8,767	11.4%	8.1%	7.7%	- 40 bps
IT	78,815	87,355	10.8%	7,272	7,821	7.5%	9.2%	9.0%	- 20 bps
UK	70,258	68,524	-2.5%	7,150	7,645	6.9%	10.2%	11.2%	+ 100 bps
ES	45,529	58,603	28.7%	4,838	6,035	24.7%	10.6%	10.3%	- 30 bps
SE	8,535	9,238	8.2%	1,615	1,773	9.8%	18.9%	19.2%	+ 30 bps
BE	14,809	15,285	3.2%	1,597	1,684	5.4%	10.8%	11.0%	+ 20 bps
AT	15,218	15,895	4.4%	4,327	4,551	5.2%	28.4%	28.6%	+ 20 bps
CH	22,056	23,580	6.9%	1,866	1,899	1.8%	8.5%	8.1%	- 40 bps
FI	2,655	3,012	13.4%	603	559	-7.3%	22.7%	18.6%	- 410 bps
DN	2,802	1,918	-31.5%	147	112	-23.8%	5.2%	5.8%	+ 60 bps
NO	7,300	7,694	5.4%	1,183	1,365	15.4%	16.2%	17.7%	+ 150 bps
<b>EUROPE.</b>	<b>472,961</b>	<b>518,468</b>	<b>7.7%</b>	<b>54,684</b>	<b>59,765</b>	<b>8.9%</b>	<b>11.6%</b>	<b>11.5%</b>	<b>- 10 bps</b>
US	317,641	309,808	-2.5%	26,465	27,140	2.6%	8.3%	8.8%	+ 50 bps
CA	44,296	41,862	-5.5%	4,680	4,892	4.5%	10.6%	11.7%	+ 110 bps
<b>North America</b>	<b>361,937</b>	<b>351,670</b>	<b>-2.8%</b>	<b>31,145</b>	<b>32,032</b>	<b>2.8%</b>	<b>8.6%</b>	<b>9.1%</b>	<b>+ 50 bps</b>
OC	50,608	45,649	-9.8%	7,329	7,153	-2.4%	14.5%	15.7%	+ 120 bps
ZA	7,820	8,712	11.4%	1,298	1,389	7.0%	16.6%	15.9%	- 70 bps
<b>TOTAL</b>	<b>893,326</b>	<b>924,499</b>	<b>3.5%</b>	<b>94,456</b>	<b>100,339</b>	<b>6.2%</b>	<b>10.6%</b>	<b>10.9%</b>	<b>+ 40 bps</b>
<b>INDIA</b>	<b>796,564</b>	<b>656,700</b>	<b>-17.5%</b>	<b>35,099</b>	<b>48,971</b>	<b>39.5%</b>	<b>4.4%</b>	<b>7.5%</b>	<b>+ 310 bps</b>

- Strong increase in Europe, especially in France, Spain and Italy
- Overall US market still declining
- Solid growth figures for KTM + Husqvarna in biggest European markets (DE, FR, ES, UK)
- Outperformance of North American market with almost 10% market share
- KTM Registrations in India +39.5% in September 2019 (cumulated)

## Electric Powered 2-Wheelers

### Legal Classification

	LOW VOLTAGE (48 Volt)			HIGH VOLTAGE
Category (Technical & Performance)	Electric Bicycle 	L1e-B Moped up to 50cc 	L3e-A1 Motorcycle/Scooter up to 125cc 	L3e-A2, L3e-A3 Motorcycle/Scooter 
Maximum Performance ( <i>rated</i> )	250 W	2-4 kW	4-11 kW	>10 - 35 kW
Maximum Speed	25 km/h (15.5 mph)	45 km/h (28mph)	Not Specified	Not Specified
Required Licence	No Licence Required	Moped (AM)	A1 Motorcycle	A2, A

# KTM Product Portfolio

234,449 Units in 2019\*



MOTOCROSS / ENDURO



ADVENTURE / TRAVEL



SUPERMOTO / DUAL PURPOSE



NAKED



SUPERSPORT



PERFORMANCE E-MOBILITY



# HUSQVARNA Product Portfolio

45,650 Units in 2019\*



**URBAN  
E-MOBILITY**



**MOTOCROSS / ENDURO**



**SUPER MOTO**



**EXPLORER**



**NAKED**



**BICYCLE / SCOOTER**

GASGAS Product Portfolio

OFFROAD  
E-MOBILITY

OFFROAD FULL-SIZE



KIDS/JUNIOR



MOTOCROSS



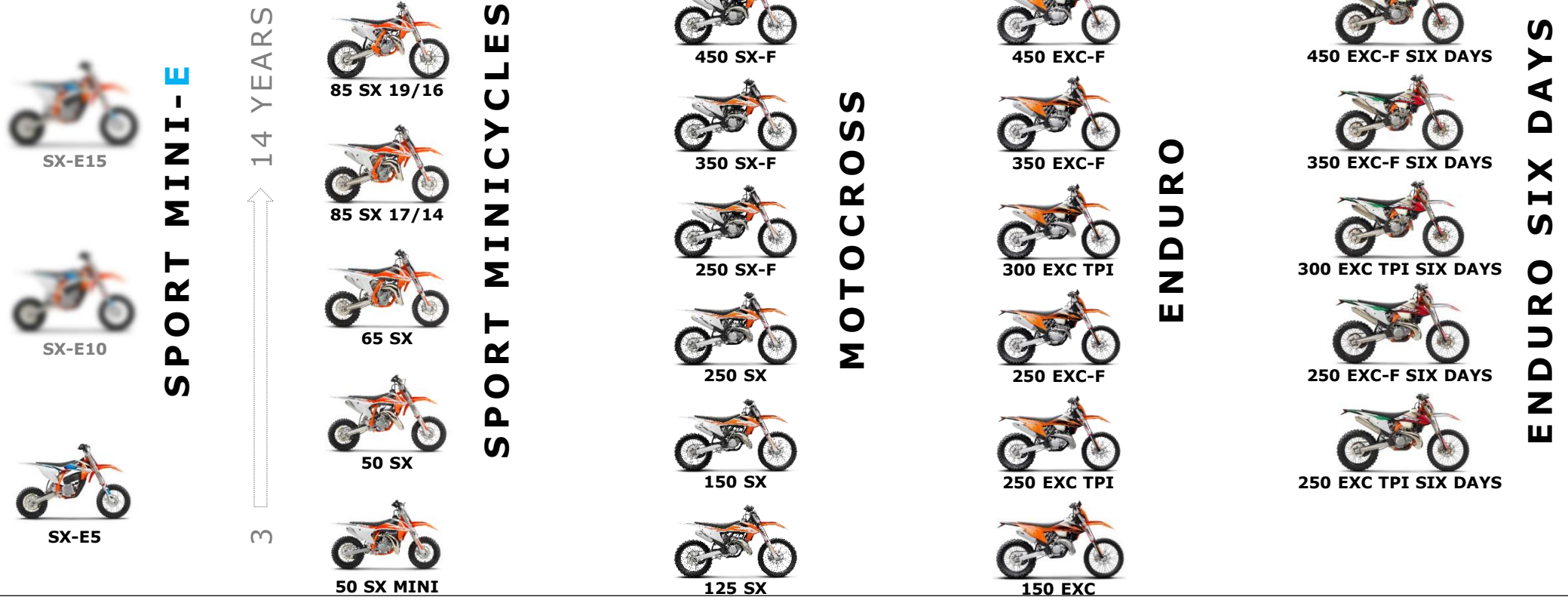
ENDURO

# KTM Product Portfolio - STREET and E-MOBILITY

	ADVENTURE TRAVEL	SUPERMOTO DUAL-PURPOSE	NAKED	SPORT	Performance E-MOBILITY
1290					
690/790/890		 			
490		 			
125/250 390		 			
	ADVENTURE	SMC R/SM R    SM T / ENDURO R	DUKE	RC	SPORT MINI E

4 - 18kW

# KTM Product Portfolio - OFFROAD





## HUSQVARNA Product Portfolio – STREET & E-MOBILITY

### SUPERMOTO DUAL-PURPOSE



701



501



125 / 250 / 401

SUPER MOTO / ENDURO

### TRAVEL



901



501



250 / 401

EXPLORER

### NAKED



501



125 / 250 / 401

NAKED

### URBAN E-MOBILITY



CLASSIC



E-SCOOTER

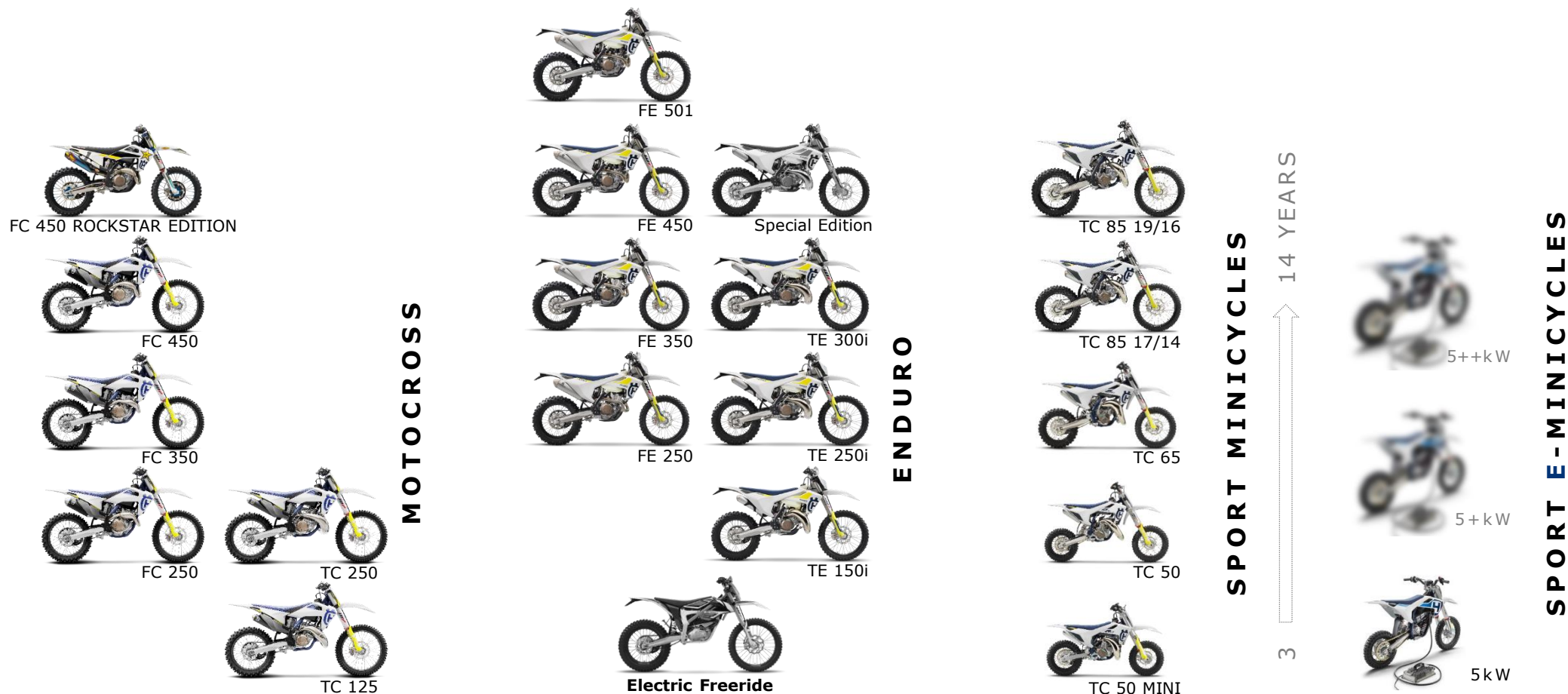


E-BICYCLE

up to 11kW



# HUSQVARNA Product Portfolio - OFFROAD



# GASGAS Product Portfolio

## OFFROAD E-MOBILITY

## OFFROAD FULL-SIZE



Supermoto



Enduro



Trial

KIDS/JUNIOR



300 GP



300



250



125



Electric TXE

TRIAL



450 4T



250 4T



125 2T

MOTOCROSS



350 4T



250 4T



300 2Ti



250 2Ti

ENDURO

# Appendix

## Data sources for motorcycles market information and intelligence

### Sources by market

Europe	Reported countries: Data source: Motorcycles:	AT, BE, CH, DE, DK, ES, FI, FR, IT, NO, SE, UK National data providers >120cc & electric, no MX available
North America	Data source: Motorcycles:	MIC (US), MMIC (CA) >120cc, incl. MX
South Africa	Data source: Motorcycles:	eNaTis >120cc, incl. MX
Australia	Data source: Motorcycles:	ERG >120cc, incl. MX
India	Data source: Premium motorcycles:	Bajaj Market Intelligence >120cc, MSRP >~EUR 2,500 Market share partly extrapolated due to data availability

# Disclaimer

This document is for information purposes only and shall not be treated as giving any investment advice and/or recommendation whatsoever. This presentation and any information (written or oral) provided to you does not constitute an offer of securities, nor a solicitation for an offer of securities, nor a prospectus or advertisement or a marketing or sales activity for such securities. This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

The shares of PIERER Mobility AG (the "Company") have not been registered under the U.S. Securities Act of 1933 (the "Securities Act") nor in Canada, U.K. or Japan. No securities may be offered or sold in the United States or in any other jurisdiction, which requires registration or qualification. These materials must not be copied or otherwise distributed to "U.S. persons" (according to the definition under Regulation S of the Securities Act as amended from time to time) or publications with general circulation in the United States. The circulation of this document may be restricted or prohibited in certain jurisdictions.

For the United Kingdom: This presentation and related material (these "Materials") are for distribution only to persons who are members of PIERER Mobility AG falling within Article 43(2) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order") or who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). These Materials are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which these Materials relate is available only to relevant persons and will be engaged in only with relevant persons.

Certain statements contained herein may be statements of future expectations and other forward-looking statements, which are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements which are forward-looking by reason of context, words such as "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions typically identify forward-looking statements.

By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. As such, no forward-looking statement can be guaranteed. Undue reliance should not be placed on these forward-looking statements. Many factors could cause our results of operations, financial condition, liquidity, and the development of the industries in which we compete, to differ materially from those expressed or implied by the forward-looking statements contained herein.

Subject to applicable securities law requirements, we disclaim any intention or obligation to update or revise any forward-looking statements set forth herein, whether as a result of new information, future events or otherwise.

We have exercised utmost diligence in the preparation of this presentation. However, rounding, transmission, printing, and typographical errors cannot be ruled out. We are not responsible or liable for any omissions, errors or subsequent changes which have not been reflected herein and we accept no liability whatsoever for any loss or damage howsoever arising from any use of this document or its content or third party data or otherwise arising in connection therewith.

The contents of this presentation are confidential and may not be copied, distributed, published or reproduced in whole or in part, or disclosed or distributed by recipients to any other person.

In receiving any information relating to the Company and its group, including information in this presentation, you will be deemed to have represented and agreed for the benefit of the Company (i) that you will only use such information for the purposes of discussions with the Company, (ii) to hold such information in strict confidence and not to disclose it (or any discussions with the Company) to any person, except as may be required by law, regulation or court order, (iii) not to reproduce or distribute, in whole or in part, (directly or indirectly) any information, (iv) that you are permitted, in accordance with all applicable laws, to receive such information, and (v) that you are solely responsible for your own assessment of the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own review of the potential future performance of the Company's business.

## Management team & contact details

### PIERER Mobility AG



**Stefan Pierer**

- CEO
- DI



**Friedrich Roithner**

- CFO
- Mag.



**Hubert Trunkenpolz**

- CSO
- Mag. Ing.



**Viktor Sigl**

- Member of the Board
- Mag., MBA



**Michaela Friepess**

- IR
- Mag.

### Contact details

#### PIERER Mobility AG

Edisonstrasse 1

4600 Wels

Austria

[www.pierermobility.com](http://www.pierermobility.com)

#### Mag. Michaela Friepess, IR

E-mail: [ir@pierermobility.com](mailto:ir@pierermobility.com)

Phone: +43 7242 / 69 402