



# PIERER MOBILITY AG

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

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# Highlights Business Year 2020

Active management of COVID crisis

**RECORD TURNOVER** of  
**EUR 1,530** million in 2020

**326,471 Motorcycles and  
E-Bikes** (previous year: 322,092)

**STRONG MARKET SHARE GAINS  
in North America & Australia**

Europe + 10%  
North America +22.8%  
Australia +22.4%

**Full integration of e-bike business  
(PEXCO)**

**BOOMING E-BIKE BUSINESS -**  
Increase in **unit sales + 33.5%** in  
2020



**100% TAKE OVER OF GASGAS  
MOTORCYCLES**

**GASGAS** complements its product  
portfolio with a sporty range in the high-  
end e-mountain bike sector

**OUTSTANDING SUCCESS IN MOTOGP  
STRENGTHENS  
BRAND AWARENESS WORLDWIDE**

**COVID CRISIS** is changing **mobility  
behavior** towards "Powered Two-  
Wheelers" (PTW)

# The Leading European Powered Two-Wheeler Group

The PIERER Mobility Group consists of 3 pillars of value creation

PIERER

Mobility AG

## 1,530

Mio. revenue in 2020

For the 10th time in a row PIERER Mobility was able to achieve a record turnover of EUR 1,530 million in 2020 despite COVID-19

## 4,586

Employees as of 31/12

Currently almost 4,600 people are employed by the group, of which ~80% are based in Austria

1

### Motorcycles



2

### Design, concept development & digitalization

**KISKA.**

**KTM eTECHNOLOGIES**

**KTM INNOVATION**

**AVOCODO**



3

### E-Bikes



## 326,471

Powered Two-Wheelers ("PTW") sold in 2020

With 326,471 motorcycles & E-bikes sold in fiscal year 2020, PIERER Mobility further expanded its position as a leading European Powered Two-Wheeler producer

## 156.5



















Mio investments in 2020

In 2020, EUR 156.5 million (excl. IFRS 16) were invested for the further growth course



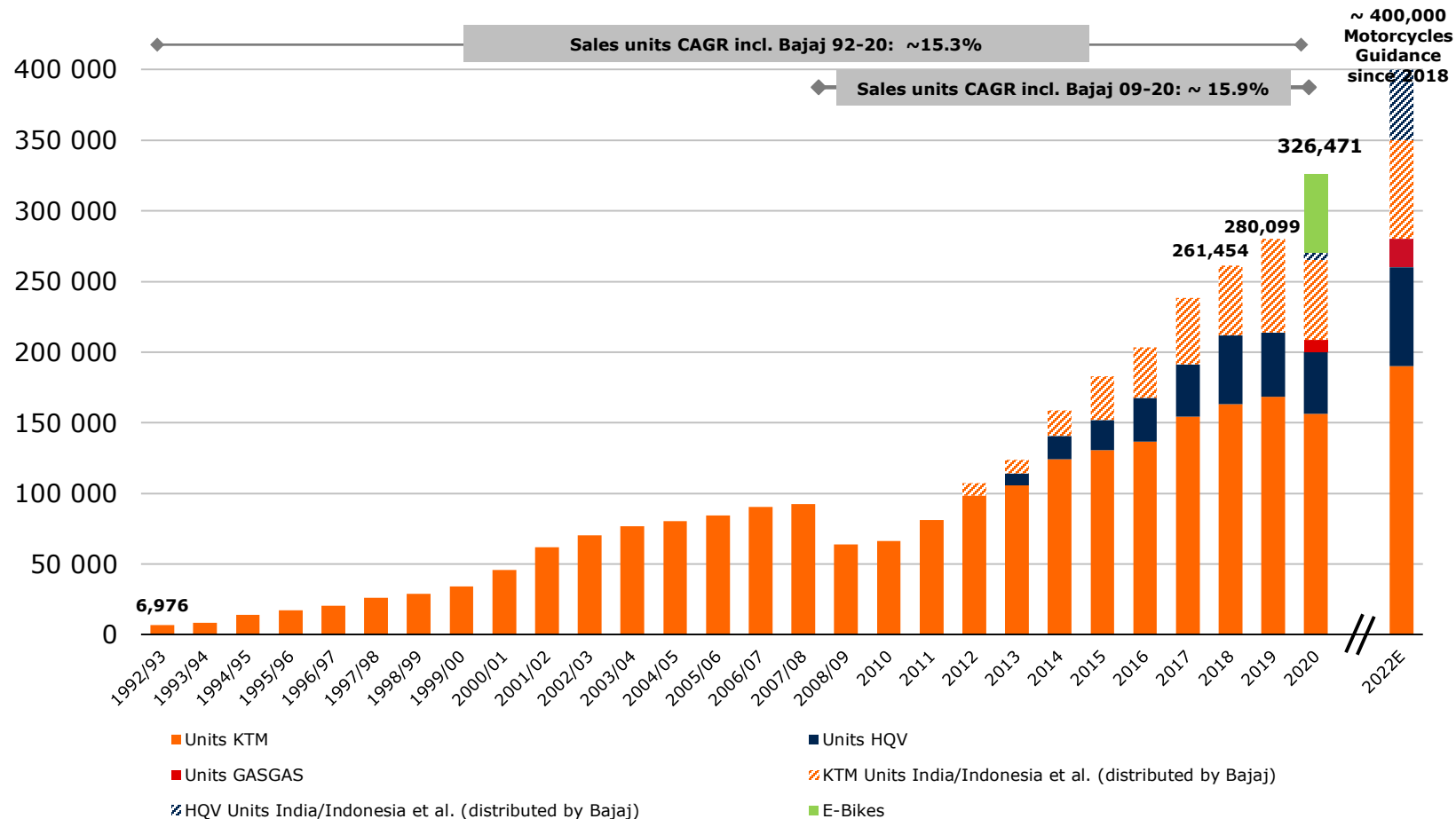
## Our brands provide customers the power of choice

PIERER Mobility covers the entire value chain of powered two-wheeler enthusiasts

	<b>READY TO RACE</b>				<b>PURITY PERFORMANCE</b>	
	<b>COOL RIDING</b>				<b>SIMPLE PROGRESSIVE SWEDISH ROOTS URBAN MOBILITY</b>	
 <b>GASGAS</b>	<b><i>GET ON THE GAS!</i></b>				<b>VIBRANT &amp; INVITING SPANISH ROOTS</b>	
	 <b>GASGAS</b>					<b>PREMIUM IN TECHNOLOGY &amp; COMPONENTS</b>

## Twenty-eight years of successful track record

Sales units Motorcycles & e-bikes



- **Sales Unit CAGR of ~15.9%** since 2009
- **326,471 units sold resulted in EUR 1.53 bln.** revenues in 2020
- **Group market share has quadrupled since 2009** to ~13% in Europe and ~12% in North America
- **E-bike target of ~ 250k units set to quadruple** from 2020 by 2025 in addition to traditional **combustion target of 400k units**

## Impact of COVID-19

COVID is accelerating worldwide mega trend of individual mobility

- Active **management** of **COVID Crisis** allows **strong market share gains** globally
- Boom in global two-wheeler demand due to an apparently **changed mobility behavior**
- **Booming E-Bicycle** business – PIERER Mobility **increased unit sales by 33.5% in 2020**
- Significant increase in demand for two-wheelers and production capacity ramp up allowed to hire **~200 additional employees** in 2020

# Motorcycle Registrations – 2020

Relevant Market Environment Motorcycles > 120cc

## NORTH AMERICA

**450,000**

Registrations  
+7%

**53,500**  
Registrations  
KTM & HQV  
+31%

## EUROPE

**643,000** Registrations

+4%

**85,000** Registrations KTM & HQV  
+15%

## CHINA

(Oct C)

**51,600**

Registrations +88%  
4,500 Registrations  
KTM & HQV +28%

## SOUTH AMERICA\*

**9,200**  
Registrations  
KTM & HQV  
+12%

## India

**730,000**

Registrations -18%  
**59,500**  
Registrations  
KTM & HQV -6%

## AUSTRALIA/NEW ZEALAND

**73,000**

Registrations +16%  
**14,000** Registrations  
KTM & HQV +43%

## Solid Market Share Growth in Key Markets:

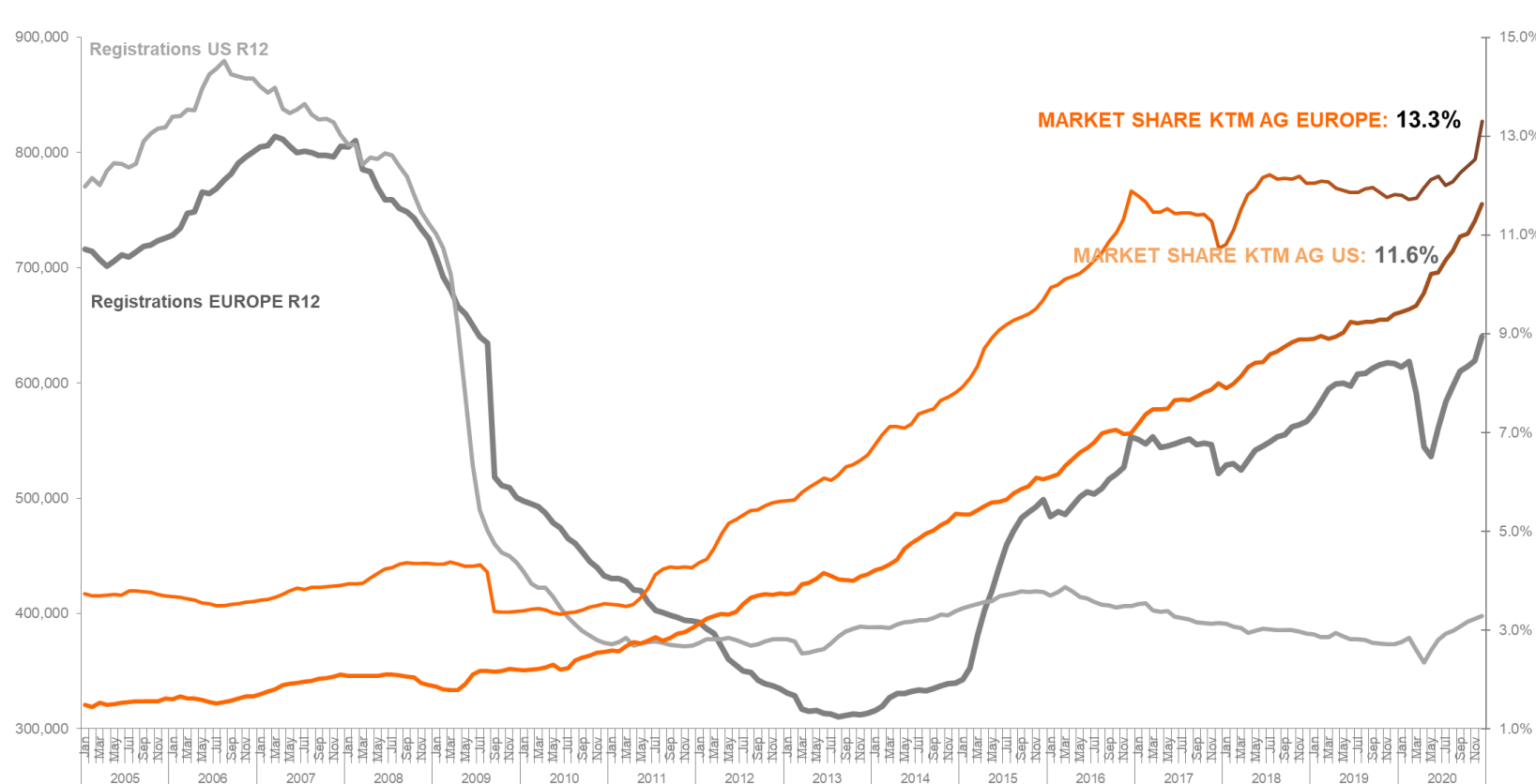
- Europe: 13.3% (+10%)
- North America: 11.9% (+22.8%)
- AUS/NZ: 19.3% (+22.4%)



# Market and Competitive Environment

Overall trends in market size and share

## Motorcycle registrations and market shares as of 31/12/2020



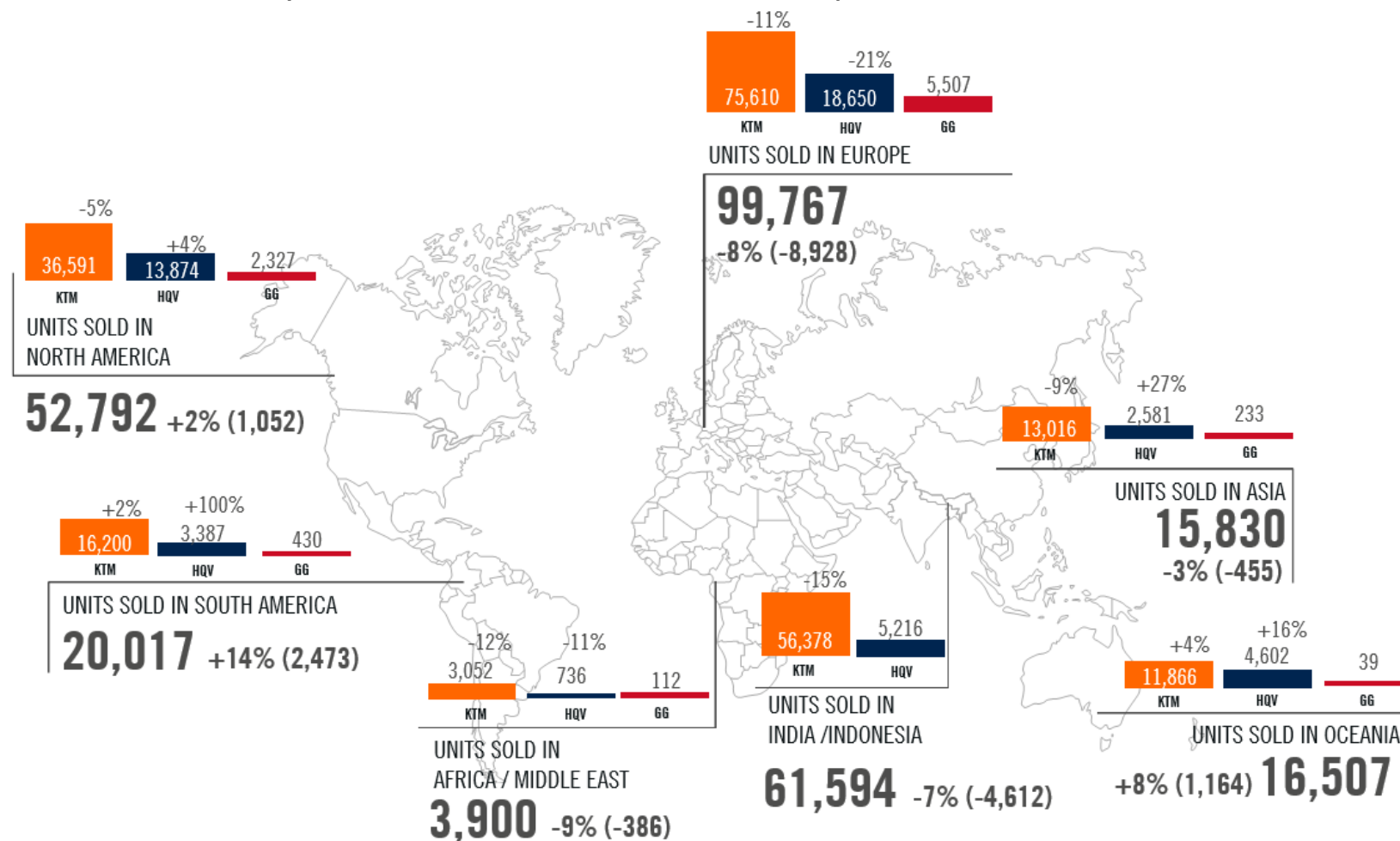
- PIERER Mobility continues to **gain market share** in the US and EUROPE with its motorcycle brands **KTM, Husqvarna** and **GASGAS**
- US Market recovers** and shows growth figures for the first time since 2015
- Strong rebound of European** motorcycle market after lockdowns during 2020
- Market share more than quadrupled in 10 years**

Source: PIERER Mobility AG | Europe DE, FR, IT, ES, UK, SE, BE, NL, AT, CH, FI, NO,): national data providers (w/o MX) | US: MIC (incl. MX) |

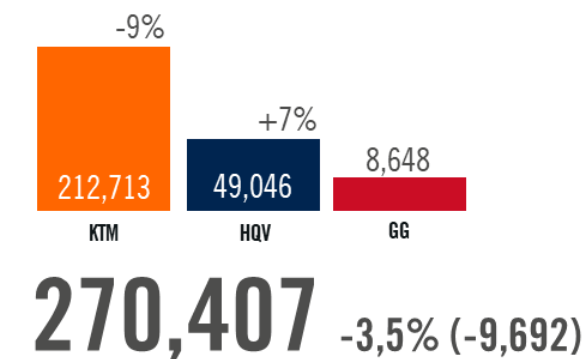
Note: Calculations 12 months rolling | Motorcycles >120cc (excl. ATVs, electric motorcycles and scooters)

# Motorcycle Wholesales – 2020

Deliveries to Motorcycle Dealer Network & General Importers



## Units sold 2020



## Estimation E-Bike Market

Development 2020 units vs. 2025 market assumptions leaves significant room for growth

### NORTH AMERICA

est. market by 2025: ~1 million units

E-Bikes 2020  
~ 300,000 Units

### EUROPE

est. market by 2025: ~5 million units

E-Bikes 2020

~3,400,000 Units

56.064 units sold  
by PIERER E-Bikes

### OCEANIA

est. market by 2025:  
0.2 million units

E-Bikes  
~ 100,000 Units

### PIERER E-Bikes

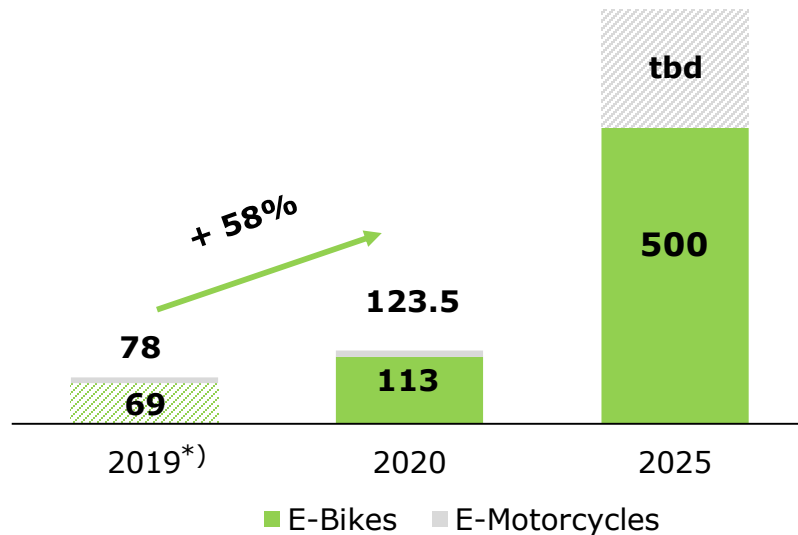
- **Sales BY 2020:**  
56.064 E-Bikes  
17.213 Non E-Bikes
- **2020:** Focus DACH-region  
dealer acquisition
- **2021:** Pan-European roll out  
  
Full integration of  
Motorcycle dealer network  
  
Introduction of GASGAS as  
third E-Bicycle brand
- **2022:** Global roll-out  
Market penetration

# The electric PTW opportunity

Revenues of PIERER Mobility and market opportunity

## Revenues PIERER Mobility (mEUR)

Sales CAGR E-Bike  
2020–2025: >35 %



Addressable  
premium market  
Europe

EUR  
~10bn

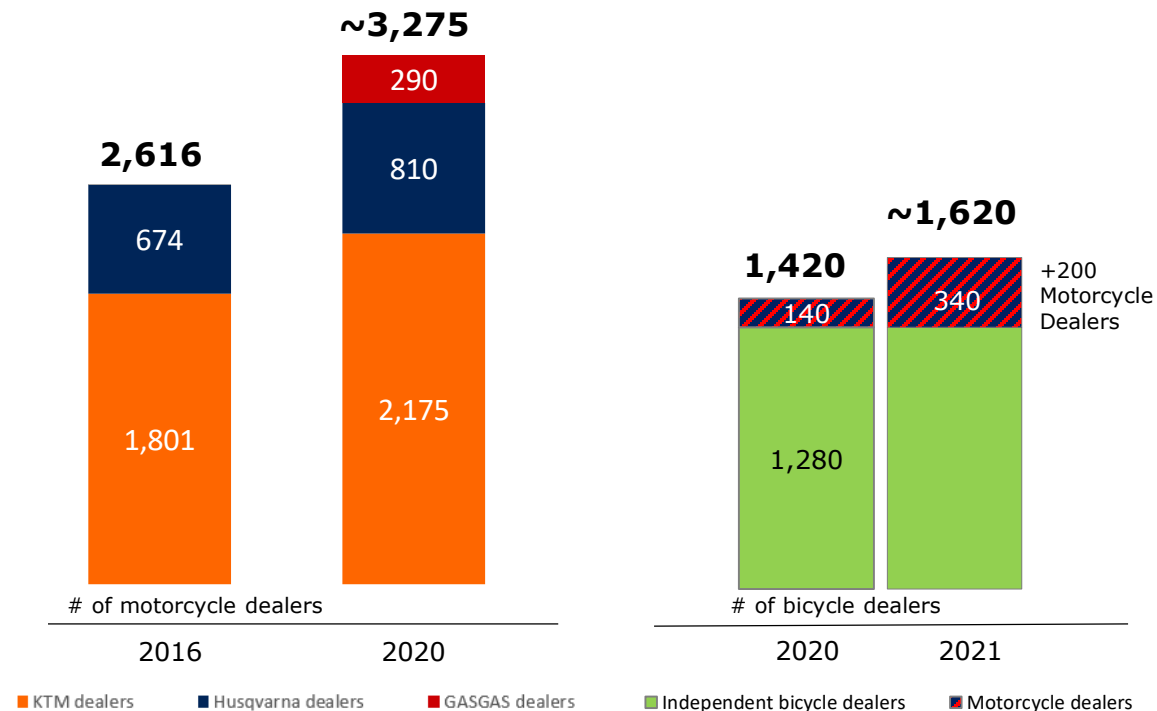
market size in  
the electric  
two-wheel  
segment in  
2025



**EUR 500 MILLION ELECTRIC BIKES BY 2025**

## Business Growth Driver– Dealers & Showrooms

Already more than 3,200 Motorcycle Dealers & more than 1,400 Bicycle Dealers



- **Vertical and horizontal integration** of motorcycle and bicycle dealerships
- **Offline experience &** supported by online bicycle sales infrastructure
- Diverse product mix catering **all segments of bicycle** and full vertical integration **driving superior margins including strong service share**

Source: PIERER Mobility AG; Note: Chart includes subsidiaries and importer dealers (including India)

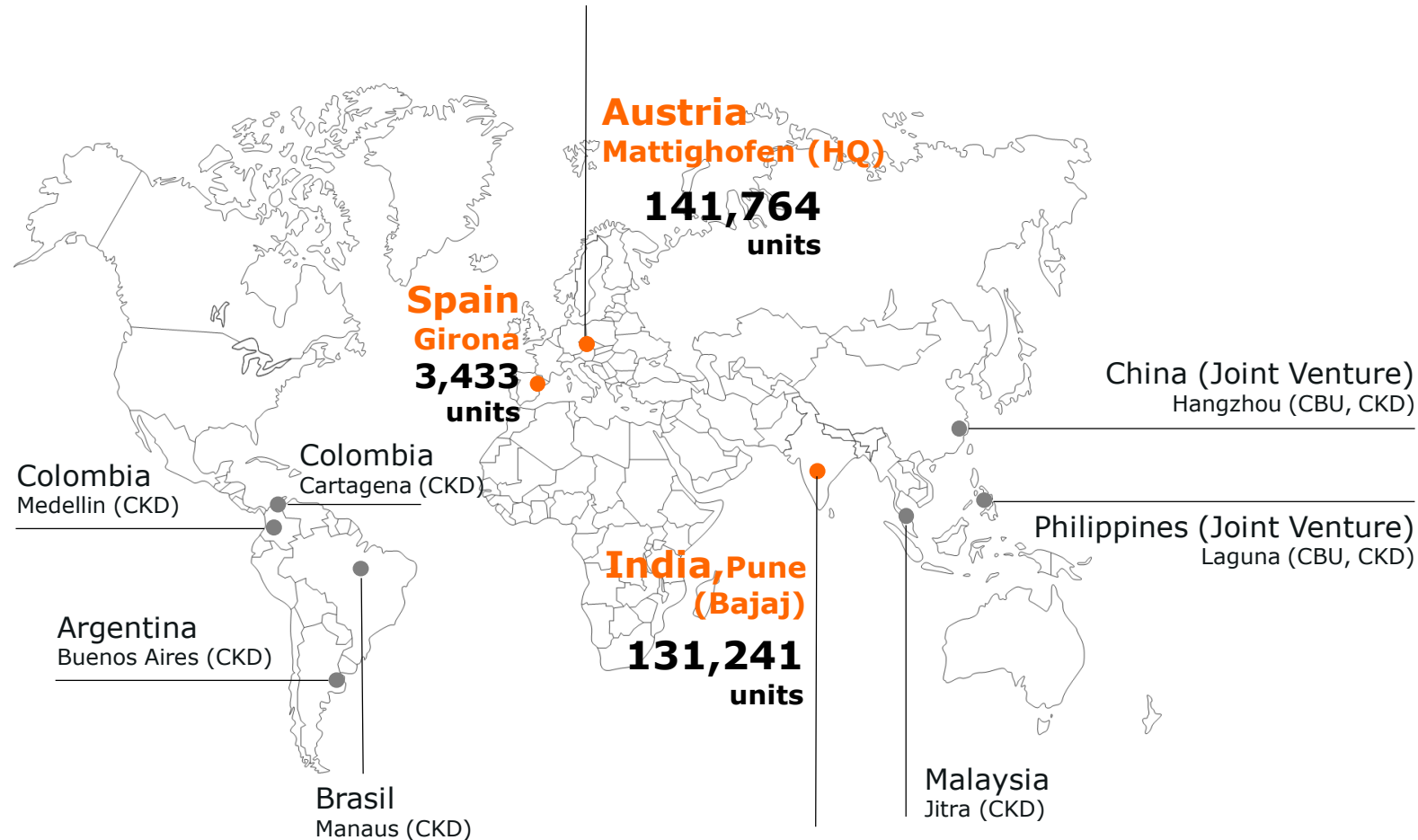
~3,275 **Motorcycle Dealers** (2,175 KTM, 810 Husqvarna & 290 GASGAS), Europe: ~1,300 Dealers; North America: ~680 Dealers; India/Indonesia: ~500 KTM; More than 300 dual brand dealers

~1,420 **Bicycle Dealers** (1,280 independent bicycle dealers, 140 motorcycle dealers)



# Global Production Facilities KTM – Husqvarna – GASGAS

Production 2020



## ■ Production Sites

- 3 production sites & 7 CKD/CBU facilities
- No capacity restriction in Chakan factory/India

## ■ CKD/CBU Production

- 125 DUKE, RC 125
- 200 DUKE, RC 200
- 250 DUKE
- 390 DUKE, RC 390
- SVARTPILEN/VITPILEN 250, 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



Vitpilen 250 / 401  
Svartpilen 250 / 401



390 ADVENTURE

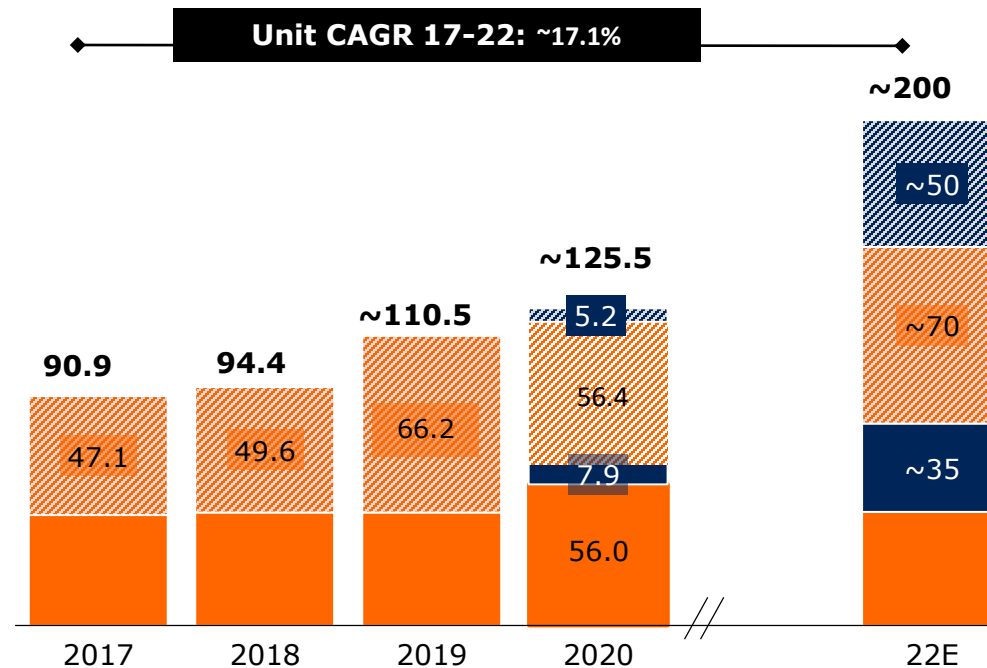


125/200/250/390 DUKE



RC 125/200/390

Units in k



- Production of Husqvarna model line 125cc in Chakan/India in 2020
- Production and Launch of KTM 390 ADVENTURE 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

- 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%

## Joint-Venture with CFMOTO – Ready to start SOP Q2/2021

High-end motorcycle market is growing 40% p.a.

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



- CFMOTO is sole distributor for KTM in China
- **Sales BY 2020: ~ 7,300 units**
- **Twin-cylinder platform** will be available for CFMOTO and KTM products
- **SOP** first product 'CFMOTO-MT800' in **Q2 2021**
- **Massive increase of cooperation level:** Production of **750 DUKE, 750 ADVENTURE, 750 SUPERMOTO T** for China domestic plus global markets in the **JV factory**
- 750 cc displacement as **additional product range for KTM**



Production capacity of around 50k motorcycles

# Financials

Consolidated profit & loss figures under IFRS <sup>1)</sup>

in EURm	2018	2019	2020	Δ 2019/20	
Revenues	1,462.2	1,520.1	1,530.3	+1%	1
EBITDA	211.0	240.8	239.0	-1%	2
EBIT	128.7	131.7	107.2	-19%	2
Earnings	85.2	95.7	69.4	-27%	
Earnings after minorities	41.1	54.5	34.9	-36%	3
EBITDA margin	14.4%	15.8%	15.6%	-0.2ppts	2
EBIT margin	8.8%	8.7%	7.0%	-1.7ppts	

Employees (Headcount)	4,303	4,368	4,586	+5%	4
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- Sales of 326,471 motorcycles and e-bikes.**
  - Despite **interruption in production** at the Mattighofen site of KTM AG from mid-March to mid-May PIERER Mobility delivered its 10<sup>th</sup> record year in a row
  - 2020: 57% of revenues in Europe; 24% in North America

- Good **operating result** despite corona crisis. Volume losses due the two-month production stop in first half were mostly caught up in the second half of the year.
  - Further **cost reduction program** (marketing, travelling, etc.) supported result especially in the second half of the year
  - EBITDA margin** nearly at prior-year level

- Higher decrease in **earnings after minorities** caused by one-time effect in 2019 from the full-consolidation of e-bike unit of € 10.4 million

- Number of **employees** increased due to the global demand for motorcycles and e-bicycles
  - Around 800 of the total employees work in **Research & Development**
  - Important focus on **apprentice training**

# Financials

Business segments under IFRS <sup>1)</sup>

	2020			
in EURm	GROUP	MOTORCYCLES	E-BIKES	OTHERS
Revenues	1,530.3	1,414.0	112.5	3.8
EBITDA	239.0	231.2	6.5	1.3
EBIT	107.2	105.3	2.2	-0.3
Earnings	69.4	71.2	0.3	-2.1
EBITDA margin	15.6%	16.4%	5.8%	-
EBIT margin	7.0%	7.4%	2.0%	-

1

2

2

3

1

- Sales of 270,407 KTM, HUSQVARNA and GASGAS motorcycles and 56,064 HUSQVARNA and R Raymon e-bikes
- Motorcycle business** segment in second half of 2020 **higher** by around € 120 million than in the same period of 2019
- E-bike segment revenue higher than expected** due to extremely strong demand

2

- As a reaction to the corona crisis, PIERER Mobility reacted immediately with a **cost efficiency program** and preparing **supply chain** for higher volumes in H2/2020
- A change in consumer behavior have led to an increased demand for powered two-wheelers.
- Operating figures** of the **E-bike** segment is above the budgeted expectations

3

- Despite the corona crisis, the **EBITDA margin** of the motorcycles business segment was **16.4%**, an increase of 1.1 percentage points to the previous year's figure of 15.1%.



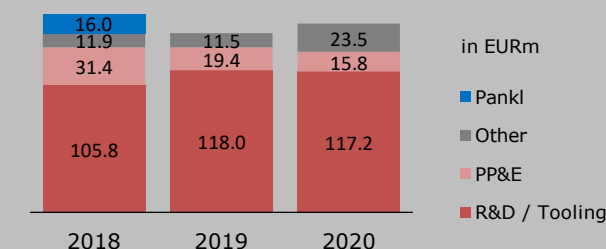
# Financials

Consolidated balance sheet and cash flow figures under IFRS <sup>1)</sup>

in EURm	2018	2019	2020	Δ 2019/20	
Balance sheet total	1,353.9	1,613.9	1,702.0	+5%	1
Equity	550.8	618.6	653.6	+6%	2
Total interest bearing debt	412.6	556.7	530.5	-5%	
Working capital employed	245.3	274.2	181.5	-34%	3
Net debt	323.3	395.8	312.2	-21%	
Equity ratio	40.7%	38.3%	38.4%	0.1ppts	2
Working capital as % of sales	16.8%	18.0%	11.9%	-6.1ppts	
Gearing	58.7%	64.0%	47.8%	-16.2ppts	4
Net debt / EBITDA	1.5x	1.6x	1.3x	-0.3x	

in EURm	2018	2019	2020	Δ 2019/20
Free Cash flow	-16.7	91.6	166.0	+81%
Capex <sup>2)</sup>	-165.1	-148.9	-156.5	+5%
Capex right-of-use/Leasing (IFRS 16)	-18.5	-16.0	-19.5	+22%
Cash flow from investing activities	-102.1	-165.7	-147.0	-11%
Depreciation	91.3	109.1	131.9	21%

- Increase of cash** to ensure liquidity due to the corona crisis
  - CAPEX slightly higher** than in 2019
  - Initial consolidation of KTM MOTOHALL GmbH
- Due to **outstanding result** in 2020, the equity increased. **Equity ratio** remains at around **38%** because of the balance sheet extension
- Due to **strong increase of retail turnover**, stock of motorcycles & e-bikes reduced
  - Atypical low working capital because of corona crisis. Normalization expected in 2021.
- Financial key ratios clearly better than expected due to the **outstanding free cash-flow**
- CAPEX driven by R&D** to support high innovation rate
  - Lower PP&E investments in 2020** after intensive investment program at the sites in last years
  - Increase in Other caused by **acquisition of the GASGAS brand** rights (€ 14 million.)



Source: PIERER Mobility AG

1) preliminary figures for 2020

2) Additions of property, plant & equipment (PP&E) and intangible assets according to the fixed assets schedule (excl. right-of-use additions - IFRS 16 leasing)

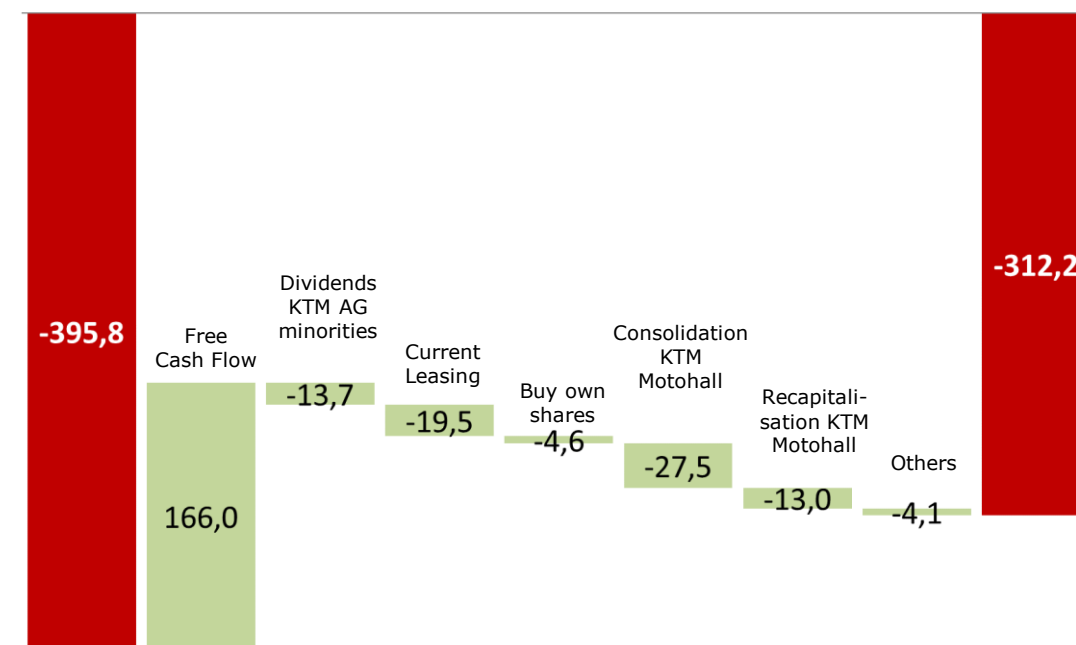
# Financials

Free Cash Flow and Net Debt analysis <sup>1)</sup>

in EURm	2019	2020	Δ 2019/20
<b>EBITDA</b>	<b>240.8</b>	<b>239.0</b>	-1.8
(+) Interest receipts and (-) payments	-12.4	-12.6	-0.2
(-) Taxes	-10.4	-4.1	6.3
(+) Non cash expenses and (-) income	-31.9	0.2	32.1
<b>Gross Cash Flow</b>	<b>186.1</b>	<b>222.5</b>	36.4
+ / - Change Working Capital employed	50.2	71.1	20.9
+ / - Change Non-Working Capital	21.1	19.4	-1.7
<b>Cash Flow operating activity</b>	<b>257.4</b>	<b>313.0</b>	55.6
<b>Cash Flow investing activity</b>	<b>-165.7</b>	<b>-147.0</b>	18.7
<b>Free Cash Flow</b>	<b>91.6</b>	<b>166.0</b>	74.4
in % of revenue	6.0%	10.8%	

Net debt 12/31/2019

Net debt 12/31/2020



## Sustainability and future outlook

Agenda at the core of future growth strategy driven by electrification



- Introduction of **ISO 14001:2015 planned**
- Expansion of quality management system to **GASGAS**



- Expansion of the site infrastructure to **expand e-mobility activities**
- Further **advance R&D** with a focus on material and consumption efficiency



- Expansion of renewable energies at production sites through **photovoltaic systems**



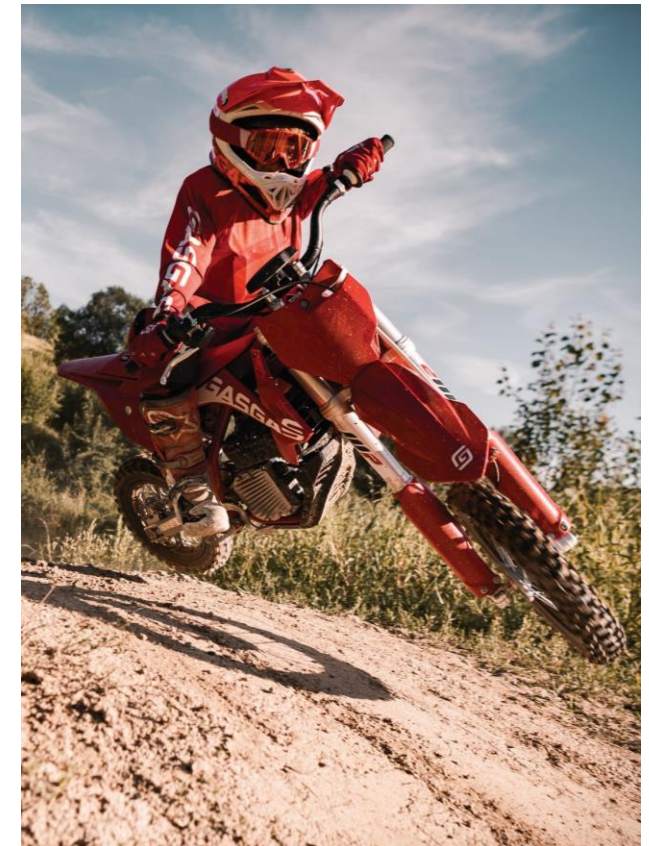
- Apprentice offensive: investment of EUR 2.5 million in our **training workshop and increasing the number of apprentices**



- Training **focus on compliance and Lean Management**



- Continuous improvement of **occupational safety management** through the "KTM Operations System (KOS)"



# Material topics and key measures

Our six phase ESG framework



## Product quality and safety

- Process-oriented quality management system: KTM Operations System (KOS) and ISO 9001:2015
- "end-of-line-test" for each vehicle and engine leaving production
- Close cooperation with suppliers and periodic quality assessments



## Research & Development

- Progressive R&D strategy
- Early detection of trends, further development of the product range
- Global and modern R&D organization
- Employees in R&D around 18% of total employees



## Business compliance & fairness in dealing with business partners

- Strong compliance principles in Code of Conduct
- Anti-corruption system and extensive training measures in place
- Regional procurement strategy & maintenance of reliable business relations



## Environmental aspects along the life cycle

- Efficient & careful use of resources
- Development of sustainable mobility concepts for the use-phase (esp. e-mobility)
- Comprehensive recycling strategy & focus on material cycles



## Occupational safety and employee health

- Our goal: reduction of occupational accidents
- Process optimization measures for safety improvement
- Comprehensive mandatory safety briefings
- Focus in health promotion on burnout prevention and support



## Employee training and education

- Strategic focus on apprentice training
- Comprehensive training program KTM\_academy & academic courses
- Targeted personnel development and career planning for each employee with "KTM Performance Talk"

## Strategic Initiatives 2021

*"two-wheeler will become increasingly important for private transport"*

- **E-Bike division** – Expansion of sales throughout Europe, North America and Australia
- **Strengthen Market Leadership in Europe and USA**
- **Offensive market strategy in China** based on the Joint Venture with CFMOTO
- **Extension of electrical product range (4 – 10 kW) in the low voltage range (48 Volt) by further models**
- **Extension of GASGAS motorcycle product range & further expansion of product portfolio into E-Bike sector**
- **Continuation of sustainable efficiency program and focus on the Supply Chain**
- **Strong focus on Free Cash Flow generation**





## The PIERER Mobility DNA

### CONTINUED GROWTH

~**15% sales** unit **CAGR** since 1992  
resulting in EUR 1,530 million revenue  
in 2020



### HIGH INNOVATION RATE

Research and Development expenses  
are around **9% of revenues**

### PREMIUM BRANDS

**strong brands** secure sustainable  
profitability and cash flows



### PIONEER IN PTW- (POWERED TWO-WHEELERS) ELECTRIFICATION

## Electrification of urban mobility

Short distance mobility share is forecasted to grow from 5-10% to 20-30% by 2030 in urban cities like Munich

### Distribution of passenger-kilometers traveled in Munich (% of km traveled)

#### Shared & private short distance mobility

(incl. e-bikes, e-mopeds and e-scooters)



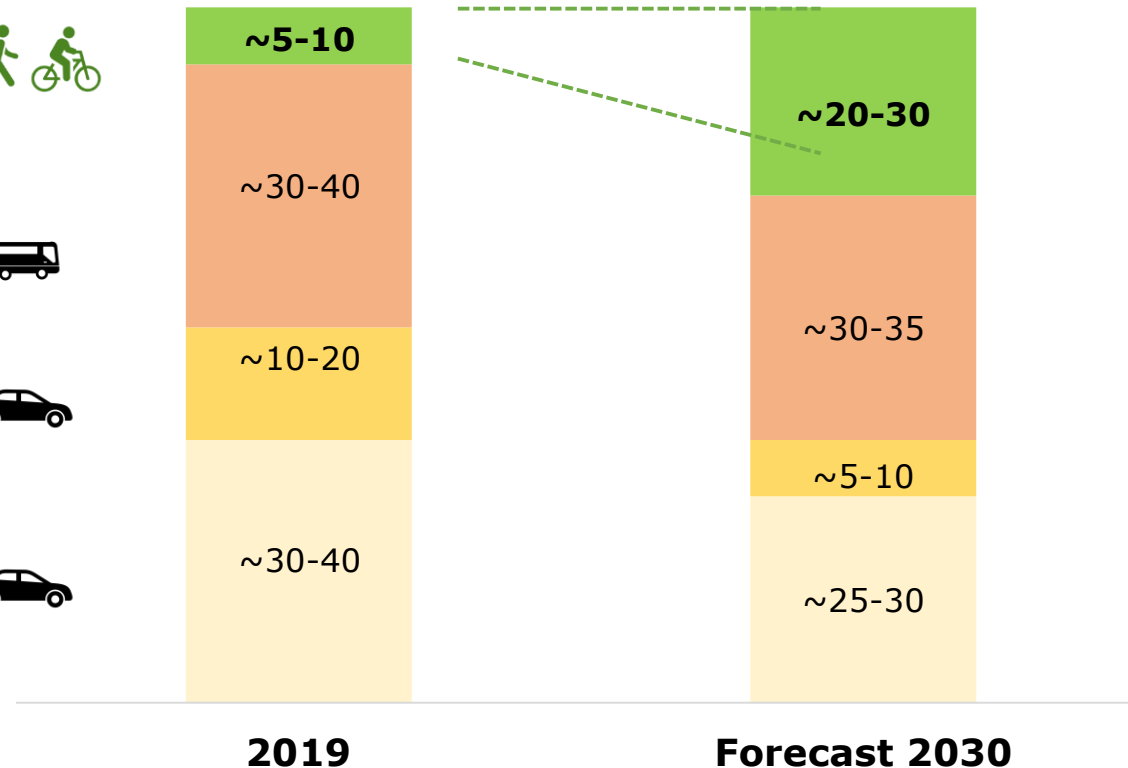
Public transit



Other car-based mobility



Private car



### Example: Micromobility Impact Munich by 2030



**80,000**

tons of CO<sub>2</sub> emissions reduced; the equivalent of the yearly CO<sub>2</sub> emissions of 10,000–15,000 Germans



**130**

hectares of green areas added; the equivalent of 180 football fields



**4**

hours saved per passenger per year; the equivalent of half an average working day per passenger

## Electrification – Offroad & Urban E-Mobility

New E-mobility strategy serves all customer groups with leading electric market share

### ELECTRIC MOTORBIKES

- KTM is the pioneer in the industry with the **only successful moto cross electric based product launch**, having increased the range by 50% over the least years
- Joint series development project with Bajaj suggests significant potential with a common **48 volt electric two-wheeler platform** in the power range **3 to 10 kW** for planned serial production in India
- KTM E-Technologies GmbH provides **in-house E-mobility expertise** at the highest level including the development **of proprietary electric drive systems & battery platforms**
- New product launches & updates including **KTM FREERIDE E & electric minicycles**



### ELECTRIC BICYCLES

- The **E-bike market was valued USD 15.5 bln. in 2019**, expected to grow double digit annually until 2025
- PIERER Mobility AG, through Husqvarna E-Bicycles (incl. its latest integration of PEXCO GmbH) as well as R Raymon & GASGAS brand is **intending to become a major player in its field** offering all product categories with in-house development expertise

**"As a global player with strong brands in the e-mobility segment, we aim to comprehensively exploit innovation and development potentials, participate in shaping the growing market and secure market share."**

## The electric PTW opportunity

Become a global leader for electric powered two-wheel vehicles in the power range 3 to 10 kW (48 Volt) with strategic cooperation with Bajaj and with CFMOTO

**Existing European motorcycle and scooter market in the 50 – 125cc class will become 50% electric in the low voltage range on short distance within the next 10 years**



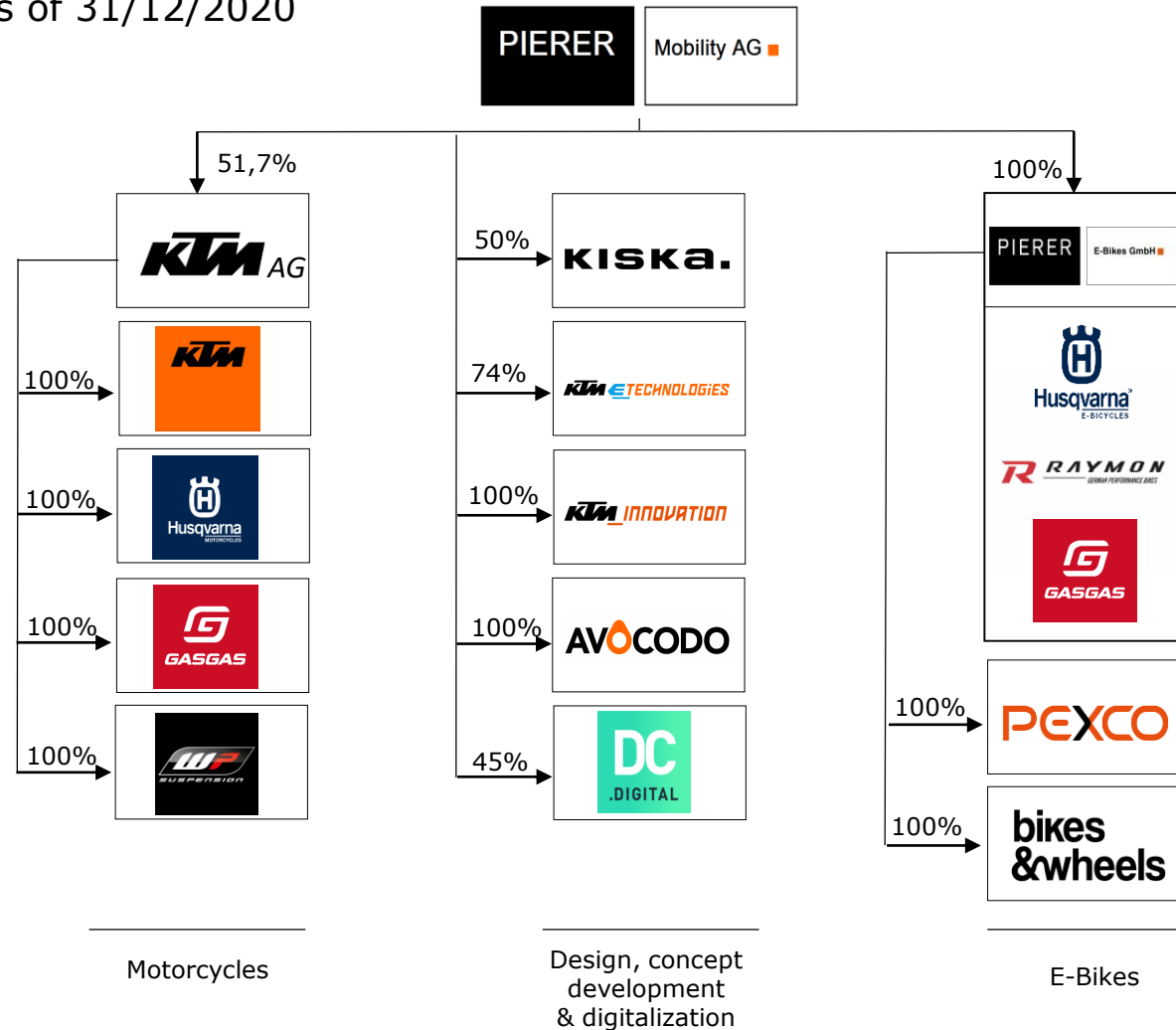
# APPENDIX





# The Leading European Powered Two-Wheeler Group

Simplified Group structure as of 31/12/2020



## Growth Strategy supported by world wide mega trend towards Powered Two-Wheelers

Redefining Powered Two-Wheeler urban mobility through electrification

### ORGANIC GROWTH

Organic growth in global two-wheel markets with new & existing two-wheel brands and stronger dealer roll-out

### NEW BRANDS

Continuation of successful consolidation strategy through the acquisition of further brands controlling the entire product life cycle chain



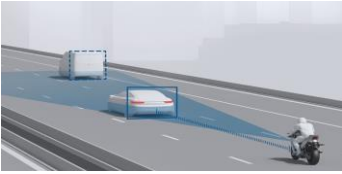

### E-BIKES

Incorporation of e-bike division and expansion of sales throughout Europe, North America and Australia through existing dealer structure and new brands (Husqvarna, R Raymon, GASGAS)

### ELECTRIC PTW-VEHICLES

Become a global leader for two-wheel electric vehicles in the power range 3 to 10 kW with strategic cooperation with Bajaj

## Safety & digital innovation at the core for sustainable two-wheel transportation

	SAFETY			TECHNOLOGY	
					
Trend and challenge	<b>Connectivity in traffic</b> Vehicle-to-vehicle (V2V) communication, especially for early detection of approaching vehicles	<b>Electronic assistance systems</b> Electronic systems focusing on lean-angle-dependent break and traction control	<b>Adaptive cruise control (ACC) &amp; radar signals</b> Electronic, radar-based aids warn about hazards such as a vehicle approaching in the rider's blind spot	<b>Optimization of drivetrains</b> Improvement of performance and compliance with environmental law standards	<b>Electric drive</b> Zero emission for two-wheelers and light-weight vehicles
Partner	Bosch	Bosch	Bosch	Pankl	KTM
Achievements	<ul style="list-style-type: none"> <li>Car industry is leading the development</li> <li>It will take several more years before V2V will become relevant for motorcycle manufacturers</li> <li>Important future safety feature for P2W by making other road users aware of approaching motorcycles</li> </ul>	<ul style="list-style-type: none"> <li>Cornering Brake Control (CBS) introduced by KTM and integrated in all KTM models</li> <li>Motorcycle Stability Control system (MSC) integrated in KTM flagship models</li> </ul>	<ul style="list-style-type: none"> <li>ACC, a Among the systems included here is ACC adaptive cruise control, which can automatically adjust the bike's speed to maintain a safe following distance.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with EURO 4 (2016/17) and 5 (2020/21)</li> <li>Continuous introduction of new light-weight components</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of KTM E-Ride series (Freeride E-XS, E-XC, E-SM)</li> <li>Growth will depend on development of efficient, light-weight and low-cost batteries</li> </ul>

- **Technology** will remain a dominant differentiating factor for the foreseeable future
- As for cars, the **drivetrain** is the most expensive component and the most important area enabling differentiation
- While KTM manufactures all key elements of the drivetrain in-house, it relies on **partnerships** with prime partners in other innovation areas such as batteries or V2V technology

## Sustainability at the center

With its business activities, PIERER Mobility Group contributes to the achievement of the global Sustainable Development Goals.



### Responsible Business

We operate in compliance with legal provisions and ethical principles. We are interested in long-term and trusting business relationships with business partners (especially suppliers) and are strongly anchored in the region.



### Technology pioneer

We contribute to sustainable economic growth and secure our role as an innovation company through constant development work. We focus on the highest quality and security for our customers and develop sustainable mobility concepts.



### Reliable employer

As one of the largest employers in Upper Austria, we have a special responsibility towards our employees. Our focus is on supporting decent work, providing education & learning opportunities, promoting potential and ensuring health and safety.



### Sustainable interaction with the environment

As a manufacturing company, we are aware of our environmental impact and rely on the safe and efficient use of resources. Our recycling strategy focuses on material cycles and high recycling quotes. We invest in increasing the efficiency of our vehicles and the development of climate-friendly technologies.



SDGs with biggest impact for PIERER Mobility Group



# Sustainability along the product lifecycle

PIERER Mobility Group strives to use natural resources responsibly in the company's respective departments

## PRODUCT USE & RECYCLING

- Growing activities in the field of vehicles with electric drives
  - Development project for single-track electric vehicles (3 and 10 kW)
  - Priority in regard to development of CO<sub>2</sub> emission-neutral electric vehicles (new competence center for e-mobility)
- High attention to the recovery and recycling of lithium-ion batteries (e.g. European Recycling Platform)

## LOGISTICS & SALES

- Large share of deliveries sourced from suppliers in the local geographical area
- Agreement with suppliers to avoid waste packaging and unnecessary repacking
- In-house developed motorcycle logistics system based on reusable metal racks
- Least 95% of consignments to companies that pursue initiatives to protect the environment



## DEVELOPMENT & PRODUCTION

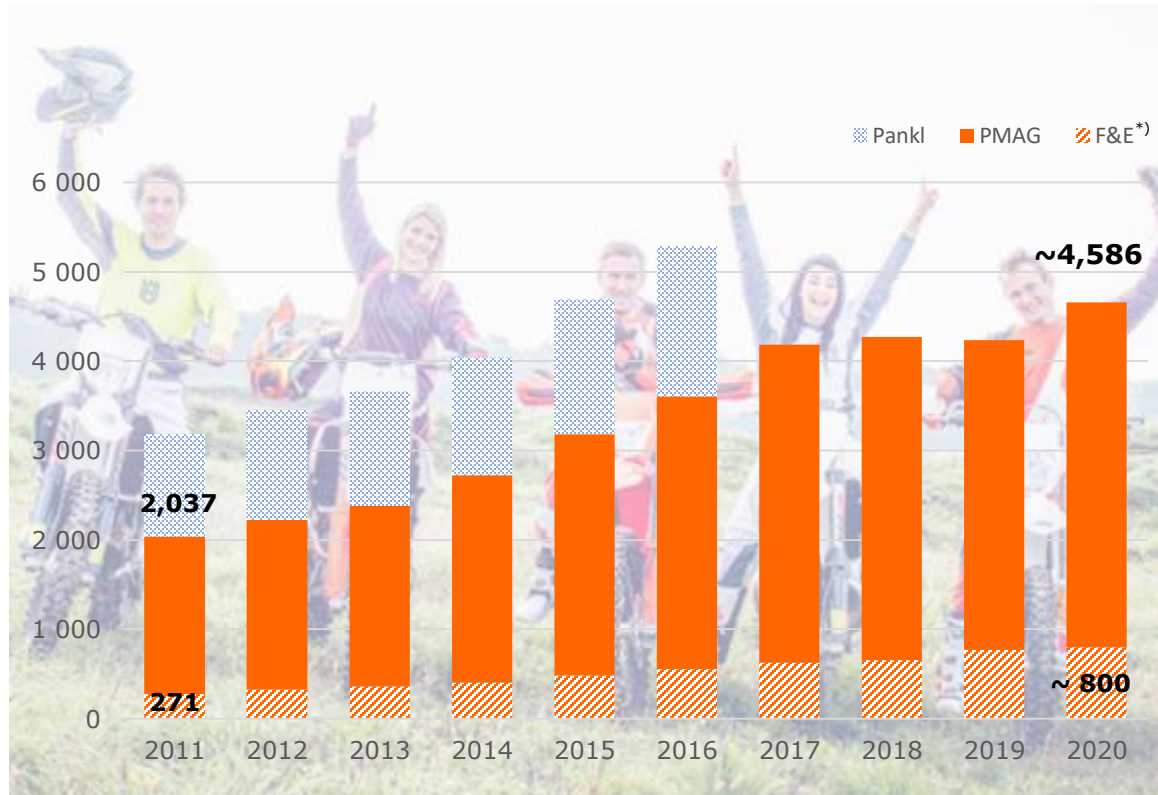
- 2% emissions caused by production vs. 98% during service life cycle
- 90-95% of waste produced during production cycled (both steel and aluminum)
- 1 vehicle assembly line for 3 brands
- Roof of KTM logistics center with photovoltaic system (40,000 m<sup>2</sup>; electricity for the public grid)
- Switch to sustainable & reusable packaging units
- Operative & administrative buildings of KTM AG built according to specifications of OIB Guideline 6

## PRODUCT QUALITY & SAFETY

- Entire production mapped by process-oriented quality management system according to ISO 90001:2015 and controlled using KTM process management system
- Intensive audit performed during production and test bench run
- Compliance with different market requirements
- New testing equipment installed for Euro 5 emission standard



## Development of Employees



### Facts

- BY 2020 4,586 employees
- 170 apprentices
- 37 years average age
- 23% female share
- Staff growth despite COVID-19 (**~200 employees** in 2020)

### Improvement of Employee Benefit Program

#### Flex-time Model

- great flexibility of time and place

#### KTM ACADEMY

- "KTM Digital Intrapreneurship MBA"
- "KTM Digital Transfer Manager"
- Focus on e-learning
- High-quality approach in Apprentice Training



## Market and Competitive Environment 12/2020 (cumulated)

Overall trends in market size and share

### Motorcycle registrations and market shares by region 2020

	Total registrations			KTM AG registrations		
	2019	2020	Diff. to PY	2019	2020	Diff. to PY
DE	124,328	161,876	30.2%	19,944	26,531	33.0%
FR	137,816	127,520	-7.5%	11,215	11,613	3.5%
IT	101,297	94,205	-7.0%	9,738	9,471	-2.7%
ES	76,430	71,162	-6.9%	8,379	8,486	1.3%
UK	83,666	77,110	-7.8%	9,640	9,169	-4.9%
SE	10,281	12,708	23.6%	2,191	3,464	58.1%
BE	17,265	18,307	6.0%	1,987	2,371	19.3%
NL	12,186	12,953	6.3%	1,489	1,404	-5.7%
AT	17,203	20,627	19.9%	5,132	6,933	35.1%
CH	23,536	31,898	35.5%	1,962	2,890	47.3%
FI	3,215	3,482	8.3%	650	769	18.3%
NO	8,157	8,538	4.7%	1,496	1,581	5.7%
BALTIC	1,920	2,145	11.7%	446	569	27.6%
<b>EUROPE</b>	<b>617,300</b>	<b>642,531</b>	<b>4.1%</b>	<b>74,269</b>	<b>85,251</b>	<b>14.8%</b>
US	373,696	397,915	6.5%	35,118	46,241	31.7%
CA	46,393	50,373	8.6%	5,735	7,280	26.9%
<b>North America</b>	<b>420,089</b>	<b>448,288</b>	<b>6.7%</b>	<b>40,853</b>	<b>53,521</b>	<b>31.0%</b>
<b>AUS/NZ</b>	<b>62,491</b>	<b>72,742</b>	<b>16.4%</b>	<b>9,877</b>	<b>14,074</b>	<b>42.5%</b>
<b>Japan</b>	<b>62,563</b>	<b>66,829</b>	<b>6.8%</b>	<b>2,090</b>	<b>2,484</b>	<b>18.9%</b>
<b>Total</b>	<b>1,173,776</b>	<b>1,238,089</b>	<b>5.5%</b>	<b>128,812</b>	<b>156,639</b>	<b>21.6%</b>
<b>India</b>	<b>888,733</b>	<b>728,023</b>	<b>-18.1%</b>	<b>63,444</b>	<b>59,552</b>	<b>-6.1%</b>

KTM AG market share		
2019	2020	Diff. to PY
16.0%	16.4%	+ 40 bps
8.1%	9.1%	+ 100 bps
9.6%	10.1%	+ 50 bps
11.0%	11.9%	+ 90 bps
11.5%	11.9%	+ 40 bps
21.3%	27.3%	+ 600 bps
11.5%	13.0%	+ 150 bps
12.2%	10.8%	- 140 bps
29.8%	33.6%	+ 380 bps
8.3%	9.1%	+ 80 bps
20.2%	22.1%	+ 190 bps
18.3%	18.5%	+ 20 bps
23.2%	26.5%	+ 330 bps
<b>12.0%</b>	<b>13.3%</b>	<b>+130 bps</b>
9.4%	11.6%	+ 220 bps
12.4%	14.5%	+ 210 bps
<b>9.7%</b>	<b>11.9%</b>	<b>+ 200 bps</b>
15.8%	19.3%	+ 350 bps
3.3%	3.7%	+ 40 bps
<b>11.0%</b>	<b>12.7%</b>	<b>+ 170 bps</b>
7.1%	8.2%	+110 bps

- KTM AG registrations significantly outperform all main sales regions
- Solid double-digit market shares in Europe, North America and Australia / New Zealand
- Strong rebound of global motorcycle markets after shortfall in spring 2020 due to COVID lockdowns
- US Market now growing, despite the continuing registration loss by Harley-Davidson
- KTM AG including KTM, Husqvarna and GasGas registrations

Source: PIERER Mobility AG | Europe DE, FR, IT, ES, UK, SE, BE, NL, AT, CH, FI, NO, BALTIC): national data providers (w/o MX) | US: MIC (incl. MX) | CA: MMIC (incl. MX) AU, NZ: ERG (incl. MX)

IN: Bajaj Market Intelligence (S2 + S3 segment); JP: RICS (>250cc); ZAF: AMID

Note: Calculations are Registrations Jan - Dec cumulated | Motorcycles >120cc (excl. ATVs, electric motorcycles and scooters), Total includes ZAF; **no P&L impact**

# Market and Competitive Environment 12/2020 (cumulated)

Positioning (MC >= 120 cc without ATVs and Scooters)

## Brand performance

	Performance ranking by brand			
	2019	2020	Diff. to PY	Change
KTM AG	128,812	156,639	27,827	22%
KAWASAKI	136,027	156,886	20,859	15%
<b>KTM</b>	<b>99,775</b>	<b>119,780</b>	<b>20,005</b>	<b>20%</b>
YAMAHA	146,208	159,186	12,978	9%
HUSQVARNA	27,784	34,122	6,338	23%
SUZUKI	62,854	66,518	3,664	6%
TRIUMPH	46,322	49,060	2,738	6%
BENELLI	12,929	14,979	2,050	16%
<b>GAS GAS</b>	<b>1,253</b>	<b>2,737</b>	<b>1,484</b>	<b>118%</b>
APRILIA	10,771	12,199	1,428	13%
MV AGUSTA	1,473	2,214	741	50%
MOTO GUZZI	9,666	10,217	551	6%
SHERCO	2,504	2,958	454	18%
BETA	5,396	5,596	200	4%
BMW	108,815	108,053	-762	-1%
HONDA	188,274	187,240	-1,034	-1%
DUCATI	41,788	35,526	-6,262	-15%
HARLEY-DAVIDSON	179,443	148,168	-31,275	-17%

**KTM AG: strongest absolute growth**

## Relative market position and momentum

	Units ranking by brand			
	2019	2020	Diff. to PY	Change
HONDA	188,274	187,240	-1,034	-1%
YAMAHA	146,208	159,186	12,978	9%
KAWASAKI	136,027	156,886	20,859	15%
KTM AG	128,812	156,639	27,827	22%
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SHERCO	2,504	2,958	454	18%
<b>GAS GAS</b>	<b>1,253</b>	<b>2,737</b>	<b>1,484</b>	<b>118%</b>
MV AGUSTA	1,473	2,214	741	50%

**KTM AG: Just about level with Yamaha & Kawasaki**

Source: PIERER Mobility AG | Europe DE, FR, IT, ES, UK, SE, BE, NL, AT, CH, FI, NO, BALTIC): national data providers (w/o MX) | US: MIC (incl. MX) | CA: MMIC (incl. MX) AU, NZ: ERG (incl. MX)

JP: RICS (>250cc); ZAF: AMID

Note: Calculations are Registrations Jan - Dec cumulated | Motorcycles >120cc (excl. ATVs, electric motorcycles and scooters) **no P&L impact**

# Performance and Urban E-Mobility

Zero emission product strategy

## KTM FREERIDE E



- FREERIDE E-XC
- 18 kW
- Retail price: EUR ~11,290 (incl. battery package 3,9kWh EUR ~3,600)

## KTM SPORT MINI



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

## HUSQVARNA SPORT MINI



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

## GASGAS TRIAL



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

▶ On the Market

▶ On the Market

▶ On the Market

▶ On the Market

# Performance and Urban E-Mobility

Zero emission product strategy

## GASGAS E-BIKES



- ENDURO
- 250 W
- Retail price: EUR 2,000-5,500
- Complete Offroad Portfolio

▶ **Market launch**  
**Q1 - 2021**

## HUSQVARNA E-BIKES



- HARD CROSS 9
- 250 W
- Retail price: EUR ~7,499

▶ **On the Market**

## HUSQVARNA E-SCOOTER



- E-SCOOTER
- Platform Utilization
- 4 kW
- In Development

▶ **Market launch**  
**2022**

## HUSQVARNA E-PILEN







- Modular Battery System
- Platform Utilization
- 4 kW / 10 kW
- In Development

▶ **Market launch**  
**2022**

# Electric Powered Two-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

212,713 Units in BY 2020



MOTOCROSS / ENDURO



ADVENTURE / TRAVEL



SUPERMOTO / DUAL PURPOSE



NAKED



SUPERSPORT



PERFORMANCE E-MOBILITY



# HUSQVARNA Product Portfolio

49,046 Units in BY 2020



**URBAN  
E-MOBILITY**



**MOTOCROSS / ENDURO**



**EXPLORER**



**SUPERMOTO / DUAL PURPOSE**



**NAKED**



**OFFROAD E-MOBILITY**



**E-SCOOTER / E-BICYCLE**

# GASGAS Product Portfolio

8,648 Units in BY 2020

## OFFROAD



## E-MOBILITY



KIDS/JUNIOR



TRIAL



MOTOCROSS



ENDURO



# Appendix

## Data sources for motorcycles market information and intelligence

### Sources by market

Europe	Reported countries: Data source: Motorcycles:	DE, FR, IT, ES, UK, SE, BE, NL, AT, CH, FI, NO, BALTIC 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 / New Zealand	Data source: Motorcycles:	ERG >120cc, incl. MX
India	Data source: Premium motorcycles:	Bajaj Market Intelligence S2 + S3 Segment
Japan	Data source: Motorcycles:	RICS >250cc

## Management team & contact details

### PIERER Mobility AG

**Stefan Pierer**

- CEO
- DI

**Friedrich Roithner**

- CFO
- Mag.

**Hubert Trunkenpolz**

- CMO
- Mag. Ing.

**Viktor Sigl**

- Member of the Board
- Mag., MBA

**Michaela Friepess**

- IR
- Mag.

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