

WHAT'S NEW?

PIERER MOBILITY

Analyst:	mark.diethelm@vontobel.com
Bloomberg: PMAG SE	Price: CHF 92.0
Enterprise value (mns)	CHF 3,356
Market cap (mns)	CHF 3,158
Reporting Currency	EUR

Buy **PT: CHF 108**

Income Stat. (mns)	2020A	2021E	2022E	2023E
Revenues	1530	2038	2155	2341
EBITDA	234	333	356	384
EBIT	107	190	204	225
Net profit	34.9	136	146	163
Growth (%)	2020A	2021E	2022E	2023E
Revenues	0.7	33.2	5.7	8.6
Net profit	-35.9	289	7.8	11.1
EPS (rep.)	-37.7	154	7.77	11.1
Margin analysis (%)	2020A	2021E	2022E	2023E
Gross margin	27.9	28.7	29.0	29.2
EBITDA margin	15.3	16.3	16.5	16.4
EBIT margin	7.0	9.3	9.4	9.6
Balance sheet (%)	2020A	2021E	2022E	2023E
NWC/Revenues	14.5	8.5	9.1	9.9
Net debt (mns)	312	236	182	90.4
Equity to tot. assets	38.8	41.9	45.3	49.4
Gearing	47.8	30.6	20.6	8.8
Net debt/EBITDA	1.3	0.7	0.5	0.2
CF statement (mns)	2020A	2021E	2022E	2023E
Capex	-148	-196	-172	-174
Operating FCF	165	104	95.8	129
Inc(+)/Dec(-) in cash	105	16.3	33.8	41.9
CF analysis (%)	2020A	2021E	2022E	2023E
Op. CF margin	20.4	14.7	12.4	12.9
Capex/Revenues	9.7	9.6	8.0	7.4
Capex/Depreciation	117	137	113	109
Per-share data (CHF)	2020A	2021E	2022E	2023E
EPS (rep.)	1.67	4.25	4.58	5.08
EPS (adj.)	1.67	4.25	4.58	5.08
Net cash	-15.1	-7.4	-5.7	-2.8
Dividend	0.54	1.05	1.16	1.26
Payout ratio (%)	32.0	24.7	25.2	24.8
Valuation (X)	2020A	2021E	2022E	2023E
P/E	42.5	22.1	20.1	18.1
P/E (adj.)	42.5	22.1	20.1	18.1
P/B	4.08	3.95	3.37	2.92
EV/EBITDA	8.5	10.2	9.4	8.5
FCF yield %	11.1	3.5	3.2	4.3
Dividend yield %	0.8	1.1	1.3	1.4
Profit. ratios (%)	2020A	2021E	2022E	2023E
ROIC	7.2	12.8	13.0	13.7
ROE	10.0	24.2	17.9	17.3
ROA	4.2	7.8	7.8	8.2
BB Consensus (mns)	2020A	2021E	2022E	2023E
Revenues	1499	2040	2157	2284
EBITDA	221	331	351	374
EBIT	93	187	197	215
Net profit	29	115	135	151
EPS	1.33	3.67	4.08	4.47

Conference call/analyst meeting

Conf call at 10.30am CET. Dial-in: +41 (0) 58 310 5000

Preliminary FY21 results - Profitability at upper end of guidance with very strong FCF - FY22 guidance signals continued profitable growth - Buy

FACTS & COMMENT:

FY21 results ahead of guidance: Group sales (+33.4% y/y) came even slightly above the top-end of the recently lifted guidance. Both segments contributed to the growth with motorcycles unit sales up 23% y/y and bicycles +40% y/y (e-bikes +37% y/y). The FY21 EBIT margin was 9.5% (+250bps y/y) and also at the top of the guidance range (9.0-9.5%).

Very strong FCF: A key highlight of the FY21 result is the very strong FCF of EUR 172mn (+4% y/y), equivalent to 8.4% of sales, well above the target range (3-5%) and our expectations despite the strong top-line growth. FY21 net debt stood at EUR 190mn (-39% y/y) vs. consensus at EUR 248mn.

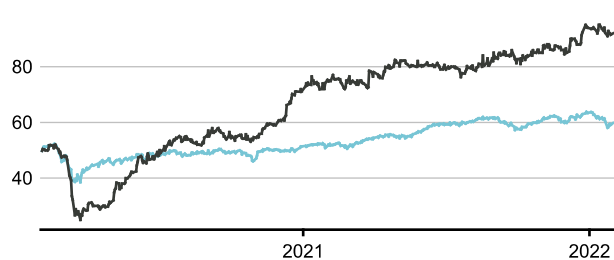
Outlook FY22: FY21 sales growth guidance of 6-10% (cons: 5.9%; VTe: 5.8%) with an EBITDA-margin range of 15-17% (cons./VTe: 16.3%) and 8-10% for EBIT (cons: 9.4%; VTe: 9.3%). All segments are expected to growth.

Full results: Detailed FY21 results and sustainability report will be published on 29 March.

OUR CONCLUSION:

FY21 sales was even a touch higher than the pre-announced range. Key highlights were the substantially improved profitability and the very strong FCF. The FY22 top-line prospects are clearly positive, particularly after the already dynamic 2021 with the mid-point 2% ahead of expectations. The mid-point of the margin outlook is slightly below market expectation and likely reflects cont'd supply uncertainty and the launch of the electric 2-wheeler products, offset by the higher top-line. Buy.

Performance



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

Source: Bloomberg, Vontobel Equity Research

Preliminary results FY21

EUR (mn)	Reported	VTe	Cons	YoY (%)	vs VT (%)	vs C (%)
Revenues	2042	2038	2040	33	0	0
EBITDA	332	333	331	42	0	0
EBITDA margin (IFRS) (%)	16.3	16.3	16.2	101 bp	-6 bp	4 bp
EBIT	193.5	189.8	188.3	n.m.	2	3
EBIT margin (%)	9.5	9.3	9.2	247 bp	17 bp	25 bp
Net profit incl. minorities	149	138	-	115.0	9	-
Net margin (%)	7.3	6.7	-	n.m.	-	-
FCF	172	94	85	n.m.	83	102

Source: Company data, AWP, FactSet, Vontobel Equity Research

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EMS-Chemie[EMSN.S] was last changed from Suspended Coverage to Hold on 23-05-19

Holcim[HOLN.S] was last changed from Hold to Buy on 30-06-16

PIERER Mobility[PMAG.S] was last changed from Hold to Buy on 04-10-17

SIG Combibloc[SIGNC.S] was last changed from NA to Hold on 03-05-19

UBS[UBSG.S] was last changed from Hold to Buy on 04-11-09

4. Global rating breakdown

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	No.	As %	As %
Buy	34	34	47
Hold	67	66	25
Reduce	0	0	0

The table above is revised at the beginning of each quarter, i.e. it currently reflects the status as at 31 December 2021 .

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Rating	Definition
SMI/SLI (ex SMI)	Swiss Market Index/Swiss Leader Index stocks
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
SMIM	Swiss Market Index Mid stocks
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
Other	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)
Suspended Coverage	Coverage is temporarily suspended (no price target)

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Buy: When upside to price target falls below: 5% for SMI/SLI stocks for 30 calendar days; 10% for SMIM stocks for 30 calendar days; 15% for all other stocks for 45 calendar days.

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