

05-Dec-2023 / 17:51 CET/CEST

Disclosure of an inside information acc. to Article 17 MAR of the Regulation (EU) No 596/2014, transmitted by EQS News - a service of EQS Group AG.

The issuer is solely responsible for the content of this announcement.

Ad hoc announcement pursuant to article 17 Regulation (EU) No 596/2014 (MAR)

Ad hoc announcement pursuant to article 53 LR

Wels, December 5, 2023

PIERER Mobility: Strategy sharpening and guidance adjustment

- **Focus on the core brands KTM, GASGAS, Husqvarna and MVAgusta**
- **Divestment of the Raymon and FELT brands and the non-e-bicycle division**
- **Partial relocation of production and R&D activities to China (CFMOTO) and India (Bajaj Auto)**
- **Adjustment of the 2023 guidance and outlook for 2024**

Focus on the core brands KTM, GASGAS, Husqvarna and MVAgusta

The Board of Directors has taken the strategic decision to focus even more strongly on the **core powered two-wheelers business** (motorcycles and e-bicycles) and to concentrate on the **premium brands** KTM, GASGAS and Husqvarna as well as MVAgusta.

As a result of this decision, the Board of Directors initiated the sale of the Raymon and FELT brands and the **divestment of the non-e-bike division**. The sale of the R Raymon brand has now been signed. The closing will take place by the end of 2023. The R Raymon bicycle brand, which was founded in 2017, will continue to be managed by Susanne and Felix Puella in a new, independent set-up. In addition, the process of selling the **FELT bicycle brand** to a consortium led by Florian Burguet has also been initiated and is expected to be closed in the first half of 2024. Florian Burguet will step down from the Management Board of PIERER Mobility AG at the end of December.

Electric bicycles (e-bicycles) from the Husqvarna and GASGAS brands are being promoted and expanded in order to further strengthen activities in the field of electromobility. As of the 2024 financial year, the segment reporting will be newly structured. In future, it will be reported in the segments "**Motorcycles**" and "**E-Mobility**". In addition to e-bicycles, the new "E-Mobility" segment will in future include all electrically powered two-wheelers such as e-motorcycles, e-minis and stand-up scooters.

The corresponding resolutions will be presented to the Supervisory Board at the next meeting.

Partial relocation of production and R&D activities to China (CFMOTO) and India (Bajaj Auto)

The unfavourable economic conditions in Europe have led to the decision to relocate parts of production for individual mid-range models and certain R&D activities to strategic partner Bajaj Auto, India, and CFMOTO, China. Among other things, this is intended to exploit cost advantages in these regions and accelerate development and industrialisation processes.

This strategic decision is associated with a necessary reduction in staff of up to 300 employees at the Austrian locations in 2024.

Adjustment of the 2023 guidance

In the motorcycle business the cost of dealer inventories has risen sharply due to significantly higher interest rates despite good market demand. PIERER Mobility is strengthening its dealer structure by extending payment terms and offering higher discounts.

Due to the sufficient liquidity reserves available, PIERER Mobility AG supports not only its dealers but also its suppliers in order to cushion the significantly increased financial burdens caused by the rise in interest rates and improve their liquidity situation.

This planned measure will lead to a significant reduction in total assets and thus to a higher equity ratio for the group. The associated negative impact on the company's cash flow for the 2023 financial year is being consciously accepted.

With the motorcycle business remaining at the guidance level, the reorientation of the bicycle business that has been initiated will have a significant negative impact on the overall result in 2023.

For these reasons, the guidance for the 2023 financial year has been adjusted. The Board of Directors expects sales growth for the 2023 financial year of 7 % to 9 % with an EBIT margin of between 5 % and 7 %.

Outlook for the 2024 financial year

We expect the global economic environment to be difficult in the 2024 financial year. For the PIERER Mobility Group, 2024 will be a **year of consolidation**, which will be used to **strengthen the core business**.

In order to secure the group's profitability, the management will implement cost-cutting measures in the double-digit

million range in the 2024 financial year.

The Board of Directors expects sales to remain almost unchanged and an EBIT margin of 5 % - 7 %.

About the PIERER Mobility Group

PIERER Mobility AG is the holding company of Europe's leading manufacturer of powered two-wheelers, producing a full range of premium brands including KTM, GASGAS and Husqvarna Motorcycles. With its innovative strength, PIERER Mobility is a pioneering technology leader in two-wheeled e-mobility through its motorcycle brands. The premium brand range also includes high-performance components under the WP brand and special KTM X-BOW high-performance sports cars.

Disclaimer

THIS ANNOUNCEMENT DOES NEITHER CONSTITUTE AN OFFER TO SELL NOR AN /INVITATION TO SUBMIT A PROPOSAL FOR THE ACQUISITION OF SECURITIES OF PIERER MOBILITY AG. THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, INTO OR WITHIN THE UNITED STATES, AUSTRALIA, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT.

Contact:

Investor Relations

Melinda Busáné Bellér

Tel: +43 (0) 1 533 1 433 - 70

Email: ir@pierermobility.com

Website: www.pierermobility.com

ISIN: AT0000KTMIO2; Swiss Valor Number (Switzerland): 41860974; Ticker Symbol: PKTM; Bloomberg: PKTM SW, PKTM AV; Reuters: PKTM.S; PKTM.VI

End of Inside Information

05-Dec-2023 CET/CEST News transmitted by EQS Group AG. www.eqs.com

Language:	English
Company:	PIERER Mobility AG Edisonstrasse 1 4600 Wels Austria
Phone:	+43 (0) 7242 69 402
E-mail:	ir@pierermobility.com
Internet:	www.pierermobility.com
ISIN:	AT0000KTMIO2
WKN:	A2JKHY
Listed:	SIX, Vienna Stock Exchange
EQS News ID:	1789925

Valorennummer (Schweiz): 41860974 Wertpapierkürzel: PKTM Bloomberg: PKTM SW ; PKTM AV
Reuters: PKTM.S; PKTM.VI

End of Announcement

EQS News Service