Piaggio Group
First Nine Months of 2026 Financial Results

CORPORATE PARTICIPANTS

ALESSANDRA SIMONOTTO– CHIEF FINANCIAL OFFICER

RAFFAELE LUPOTTO – EXECUTIVE VICE PRESIDENT, HEAD OF INVESTOR RELATIONS

Operator

Good afternoon. This is the Chorus Call Conference Operator. Welcome and thank you for joining the Piaggio Third Quarter 2026 Financial Results Conference Call. As a reminder, all participants are in listen-only mode. After the presentation, there will be an opportunity to ask questions.

At this time, I would like to turn the conference over to Mr. Raffaele Lupotto, Head of Investor Relations of Piaggio. Please go ahead, sir.

MANAGEMENT DISCUSSION

Raffaele Lupotto – Executive Vice President, Head of Investor Relations

Thank you very much. Hello everyone, and welcome to Piaggio Group First Nine Months of 2026 Financial Results Conference Call. The conference call will be hosted by Alessandra Simonotto, Piaggio Group Chief Financial Officer, and myself. The slides supporting today's presentation are available on the Piaggio Group website.

Before we begin, as usual, I would like to remind you that during today's call we may make forward-looking statements based on Piaggio's current expectations and projections about future events. By their nature, these statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied. These factors are discussed in the safe harbor statement on Page 2 of today's presentation.

With that, I think that we can start immediately the Q&A session.

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QUESTION AND ANSWER SECTION

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Operator

This is the Chorus Call conference operator. We will now begin the question-and-answer session. (Operator Instructions). The first question is from Monica Bosio from Intesa Sanpaolo.

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Monica Bosio – Banca Intesa San Paolo

Yes. Good afternoon, and thanks for taking my questions. I have three. I'll ask one at a time. The first one is on the back of the sound and better result, better than expected results in the third quarter are you still confident in reaching the consensus figures for 2026, flagging revenues at EUR1.56 billion and an EBITDA at EUR265 million with a margin at 16.9%?

And apart from the P&L, given the strong free cash flow generation, how do you see your guidance of roughly EUR500 million of net debt by year-end? Maybe net debt could be better? This is the first.

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Alessandra Simonotto – Chief Financial Officer

Good afternoon. I'm Alessandra Simonotto. So what about our expectations for the fourth quarter and for the end of the year. Yes, more or less, we are working, and we think that the actual consensus we have is something that we will work for achieving it. So about this, in terms of net sales, more or less, also in terms of EBITDA and of course, in terms of net financial position.

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Monica Bosio – Banca Intesa San Paolo

Okay. Thank you. And regarding the next year, I know it's early, but I know that the company is going to introduce new vehicles for the Indian market in the two-wheel segment. And also, the market in the light commercial vehicle segment in India is keeping strong. So can you give us a rough indication of what is the growth rate the company is expecting for the next year in India?

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Raffaele Lupotto – Executive Vice President, Head of Investor Relations

Monica, Raffaele speaking. So essentially providing you the growth rate is not that easy. We foresee growth in both light commercial vehicles and two-wheelers, and we can confirm that we are ready to launch several new scooters for the Indian market, as we said in prior conference calls. Clearly, those new vehicles will boost our performance in term of volumes and revenues in the region.

Clearly, the trend is positive. We have the preliminary data for October and market data, and are still good in India. So we are very, very focused on India. Both for light commercial vehicles, domestic market, two wheelers, and the export market that is performing extremely, extremely well for like commercial vehicles. So this is what we can tell you. So we remain positive for India.

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Monica Bosio – Banca Intesa San Paolo

Thank you. And then my final question, and then I come back to the queue, is on 2027. There is a mounting inflation both on the logistic cost side but also for the components side. So if you -- if this year, the group will achieve a 16.9% margin. Do you see this as sustainable for next year, giving the increasing headwinds on the cost side? And can you, do you have a rough indication of your logistics cost in term of ratio on the net

revenues and also in terms of components? Any indication could be useful to see if this 16.9% margin could be sustainable also for the next year. Thank you.

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Alessandra Simonotto – Chief Financial Officer

Monica, Alessandra speaking. About 2027 and all this kind of cost and inflation connected. As you will understand, we are facing a lot of particular situations from a geopolitical point of view that affected 2026. And as of now, didn't change the situation. We wait for what the election in the US about -- also the election in Spain and the election in France could give to the economical background as a result.

But in this moment we can say that, as useful, we will work to get the best result in terms of EBITDA, both in absolute terms and also in percentage. So we will try to work as -- as we are able to do to maintain the efficiency that we have got in this year. But if we have to face another war, another situation in which something happened everywhere, I mean, we could not be able to do something, just like anyone else.

So we will work with the same effort then we -- that we put in place in 2025 and in 2026. You have in your hand the results, because we are talking about September 2026. So you can understand what we have done till now. We will work in the same way, with the same effort. But in this moment I can't assure anyone that we will achieve a 16.9% or 16.95% or 16.85%. So it is too much.

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Monica Bosio – Banca Intesa San Paolo

Okay. I got -- I got.?

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Alessandra Simonotto – Chief Financial Officer

Because -- now because so what I want to assure to everyone of you is this is not a matter of Piaggio, it is a matter of what is working around Piaggio, just like all the other industry

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Monica Bosio – Banca Intesa San Paolo

Yes, I fully understand. It's a problem across the Board. Thank you very much.

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Emanuele Gallazzi - Equita

Good evening, everybody. Thank you for taking my questions. I have three questions. We can go one by one, which maybe is a little bit easier. Starting from the Western countries, we saw a 9% increase in volumes. Just would like to understand a little bit better because I think in the presentation you mentioned a very strong performance of Americas. So any color about the evolution in the US and what is driving this performance?

And also, looking at Europe, you are mentioning the fact that the dealers' inventories are well below the prior levels. If you can comment a little bit more on these, just to understand the level of inventories across Europe. Thank you.

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Raffaele Lupotto – Executive Vice President, Head of Investor Relations

Yes, Emanuele, Raffaele speaking. In Q3, we have a very good performance in Americas, coming both from US and in terms of volumes you are mentioning. And also coming from Latin America. Year-to-date, clearly the biggest contribution came from US. As the CEO highlighted in the prior calls, we are working a lot to to strengthen our dealer network in US. And we are extremely successful with our products, and we are gaining market share in the scooter segment. So this is the answer, and we see a good trend also looking at Q4.

Concerning the dealer stock, clearly in absolute terms, the dealer stock went down compared to last year, same period. And clearly, if you consider that the sales and sell-out was higher, the ratio is even better. So this is what we can tell you right now.

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Emanuele Gallazzi - Equita

And just to understand, your expectation is to close at least part of this gap in the next quarter, just to understand or to maintain this level of inventories? Can you hear me?

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Raffaele Lupotto – Executive Vice President, Head of Investor Relations

Yes, we can hear you.

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Alessandra Simonotto – Chief Financial Officer

So as of now, we think that this level of inventory for our network could be useful for doing business also in 2027, because we -- with the kind of problems we have, all the brands we have, it's important that when the final customer enter in one of our dealer shops, find all the products. And so this is why I personally think that the total amount we see now would be useful also for 2027.

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Emanuele Gallazzi - Equita

Got it. And the other question is about the -- let's say the cash generation. We have seen, I would say, a very good contribution from the working capital. Trade payables are up more than EUR130 million. I was just trying to understand how structural is this trend or if it is a temporary movement, and if you can provide a little bit more color about what you expect in the fourth quarter in terms of net working capital and in 2027?

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Alessandra Simonotto – Chief Financial Officer

The trade payables are more or less connected to two different colors. The first one is all the components and the services we buy for producing and in the accessories. And the second one is for CapEx. As you have seen in the first -- in these first nine months, more or less the CapEx are reducing, just like we said in the last conference call, because and the most important part of the CapEx for the NP6 product and also for all the cybersecurity CapEx are closed.

In 2026, we have completed the CapEx for Moto Guzzi plant and Moto Guzzi site. I hope that you have already visited there, and we have done a very good job in Mandello. On the other side….so from one side, I think that the CapEx will be lower than last year, not so much more or less EUR20 million. And on the other side, if the volumes are growing up more or less, we have components to buy. So it's something pretty connecting on our way of working on the volumes that we are selling to our network.

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Emanuele Gallazzi - Equita

Okay. And the very last one is on the CapEx side. You are running at, I think, something around EUR100 million for 2026 or around 6.5 times, percentage the revenues, sorry. Do you think that this kind of level is kind of new normal for 2027 and 2028, or do you expect a pickup in CapEx in the next few years?

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Alessandra Simonotto – Chief Financial Officer

So I think that the CapEx in 2027 could be around EUR100 million or EUR120 million. I think that the CapEx f in 2027 could be more or less about EUR120 million. Because the process must be new in three or four years. And the time we need for a new product, both an engine or a vehicle, from an R&D point of view needs normally 24 months. So our brand, our range of product will be renewing on a normal basis, just like you've seen all this year. And we are working also on this in the same way.

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Gianluca Bertuzzo - Intermonte

Hello, everyone, and thank you for taking my question. We saw some weakness in mix in Europe. This was related to better scooters than motor, or there are other elements? Second question is about net financial expenses and tax rate for next year, what level we can assume? Thank you.

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Raffaele Lupotto – Executive Vice President, Head of Investor Relations

First question, you're right. So is the trend in scooter that is better than motorbikes. So this is the answer. And then for next year, in terms of tax rate, we haven't disclosed anything. And the other question was, sorry?

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Gianluca Bertuzzo - Intermonte

Net financial expenses.

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Raffaele Lupotto – Executive Vice President, Head of Investor Relations

No, you need to wait till next year.

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Gianluca Bertuzzo - Intermonte

Okay.Thank you

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Operator

Management, there are no more questions registered at this time.

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Raffaele Lupotto – Executive Vice President, Head of Investor Relations

Okay. Okay, so thank you. I think that then we can stop -- we can close the call now. Thank you, everyone, for attending this meeting. And if you need further info, you can call me later on. Thank you. Bye.