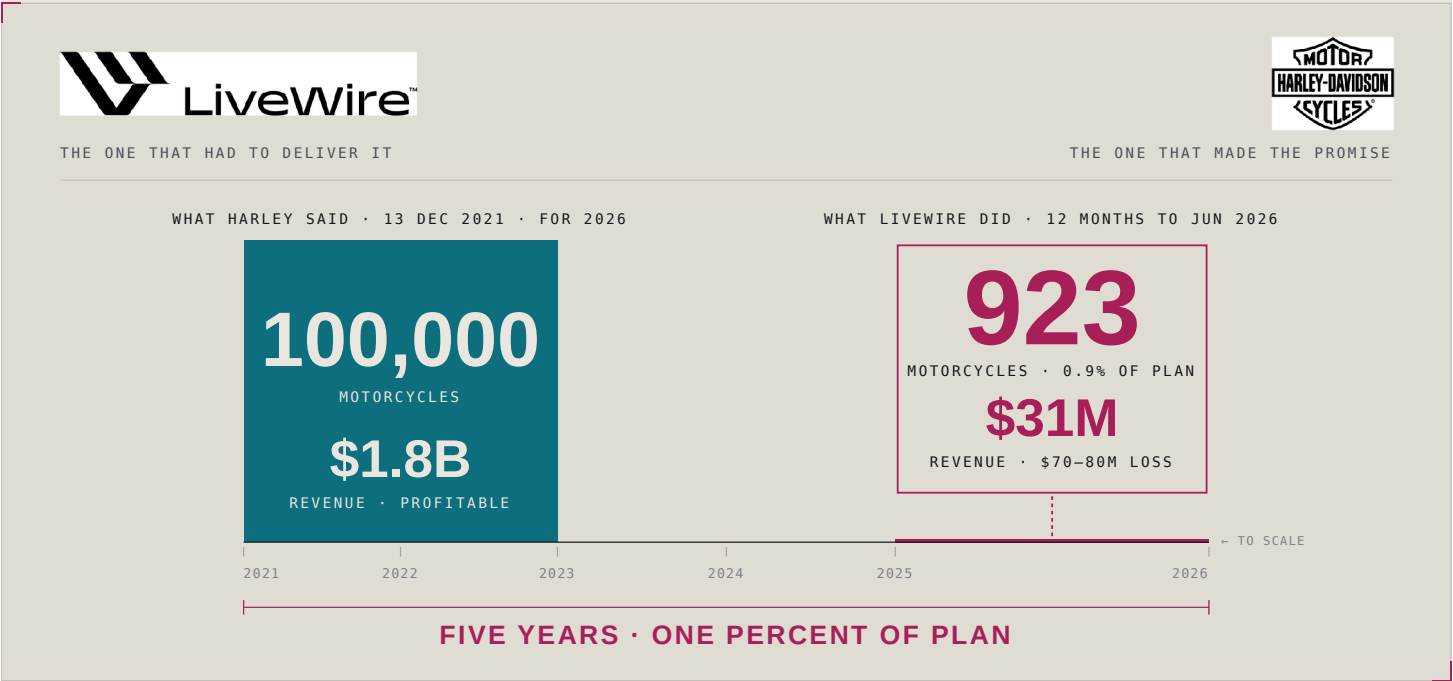


GROUND TRUTH NO. 01 • LIVEWIRE GROUP • SEPTEMBER 2026

LIVEWIRE:  
5 YEARS IN  
AND 1%  
OF PLAN

A TALE OF TWO CONTRACTS AND A LOAN



|                 |                                                                                                                                                                         |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| WHAT THEY SAID  | December 2021, on the call that sold LiveWire to the public:<br><b>100,000</b> motorcycles, <b>\$1.8 billion</b> in revenue, profitable by 2026.                        |
| WHAT IT IS      | Twelve months to June 2026: <b>923</b> motorcycles, <b>\$31 million</b> , a <b>\$70-80 million</b> loss. One percent of plan.                                           |
| WHAT DECIDED IT | Two manufacturing agreements, a services contract Harley can cancel on ninety days' notice, and a loan rewritten eight months before the quarter. Harley holds the pen. |

THE PEOPLE DID THE WORK. THE PAPERWORK DECIDED THE ENDING.

SOURCES: LVWR FORM 10-Q (Q2 2026) · LVWR FORM 10-K (FY2023, FY2024, FY2025) · HOG FORM 10-K (FY2025)  
LW EV HOLDINGS FORM 425 (14 DEC 2021, MERGER INVESTOR CALL TRANSCRIPT) · H-D “BACK TO THE BRICKS” (5 MAY 2026)  
AMENDED & RESTATED MASTER SERVICES AGREEMENT (EX. 10.1, 26 DEC 2024) · AMENDED & RESTATED KYMCO CONTRACT MANUFACTURING AGREEMENT (EX. 10.2, 22 MAY 2026) · DUST ASSET PURCHASE AGREEMENT (EX. 10.1, 22 MAY 2026)



LIVEWIRE ONE  
2021 · \$21,999 → \$13,999



S2 DEL MAR  
2023 · \$15,499 → \$11,999



S4 HONCHO  
2026 · \$4,999 · KYMCO



DUST MODEL\_1  
2026 · \$10,950 · ACQUIRED

THE LINEUP, 2021 → 2026. EVERY STEP DOWN THE LADDER IS IN \$04.

THE ROUTE · SIX PARTS, ONE THESIS

|                                                                                                              |                                                                                                             |                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <p>PART I</p> <p>THE GROWTH</p> <p>386% is 55 bikes to 267. The plan was 100,000. The miss is the story.</p> | <p>PART II</p> <p>THE LINEUP</p> <p>\$29,799 to \$4,999. Premium to price. The overhead never followed.</p> | <p>PART III</p> <p>THE CONTRACTS</p> <p>Buying bikes loses money. Not buying them costs money. Both in writing.</p> |
| <p>PART IV</p> <p>THE LOAN</p> <p>Nov 2025: equity backstop out, secured claim in. \$85M due Dec 2027.</p>   | <p>PART V</p> <p>THE TAPE</p> <p>Insiders sold on every spike, bought on none. 36 of 38 timed right.</p>    | <p>PART VI</p> <p>THE FINAL WORD</p> <p>Every spending number hit, no volume number hit. Harley changed seats.</p>  |

00 · START HERE

THE FINDING, AND THE TRAIL THAT LED TO IT

Five years in, one percent of plan. Here is how a percentage led me to the contracts.

Start with what they said. 13 December 2021, the investor call announcing the merger, filed with the SEC as a Form 425. Harley-Davidson’s CFO, on the record, for 2026: “approximately **100,000 units**,” revenue “from \$35 million today to almost **\$1.8 billion**,” and “profitable on both an EBITDA and cash flow basis.” That plan carried a **\$2.31 billion** valuation.

It is 2026. Trailing twelve months: **923** motorcycles. **\$31.3 million** of revenue. A parent guiding a **\$70–80 million** loss. Units at **0.9%** of plan, revenue at **1.7%**, and the top line below where it stood the day the plan was announced. Call it

one percent. I have watched a lot of product plans miss. I have never watched one miss by the whole plan.

That is the finding. The rest of this is about why, and whether the structure under the company lets anyone fix it. The trail started somewhere much smaller.

I saw a number online: LiveWire, **386%** unit growth in Q2. Accurate. Also **55** motorcycles to **267**, and fifty-five motorcycles is not a base, it is a parking lot. Normally that is worth a shrug. What turned it into two weeks of reading was where it led:

- Open the 10-Q for the denominator and you find a write-down eating **87%** of the gross loss.
- Ask why anyone writes down brand-new inventory and you land in a manufacturing agreement priced cost-plus.
- Read that agreement and there is a second one, with KYMCO, signed the same day.
- Read the services contract next to them and Harley can terminate on **ninety days'** notice, no reason required.
- At the bottom of the pile: a loan with its conversion feature removed and a lien over basically everything put in its place. **\$76.8M**, due December 2027.

None of that is in the earnings release. None of it has been reported. It lives in the exhibits, the attachments nobody opens, including most of the people paid to cover the stock.

## THE TRAIL, IN FIVE DOCUMENTS

The order I read them in. Each one sent me to the next.

- 01

Q2 2026 EARNINGS RELEASE · 8-K, 23 JUL 2026 →

**386%**. 55 motorcycles to 267. I went looking for the retail number the company itself calls its share measure and found it grew 171%, not 386%. Same table, different line.
- 02

FORM 10-Q · 5 AUG 2026 · SEGMENT NOTE →

**The write-down.** About 87% of the quarter's gross loss was a net realisable value adjustment on brand-new S2s. You don't write down new inventory unless it is carried above what it will fetch. The filing doesn't say why. So: who set the price?
- 03

CONTRACT MANUFACTURING AGREEMENT · H-D · 26 SEP 2022 →

**Cost-plus.** Harley builds, LiveWire buys into its own inventory at Harley's cost plus a mark-up. Miss the volume and there is a provision for the parts Harley already bought: \$6.1M of it, once, in 2023. And there is a second agreement, signed the same day, with KYMCO.
- 04

MASTER SERVICES AGREEMENT · H-D · 23 DEC 2024 · §8.3(C), §8.4 →

**Ninety days.** Everyone quotes the "forty percent" clause. The paragraph under it lets either party terminate for convenience on ninety days' notice. No trigger required.

**The seat change.** Conversion feature gone. Security interest over substantially all assets in. First \$10.0M of any ATM proceeds goes to Harley. \$76.8M due 15 December 2027, compounding to about \$85M. This was signed before the quarter above was even reported.

## THE PAPERWORK, ON ONE SCREEN

Four instruments. Read the cards and you can skip the rest; every section below is the arithmetic they imply.

- Why LiveWire.** It is the only pure-play electric motorcycle company in the U.S. that has to file with the SEC. Everyone else hands you the numbers they feel like handing you. Here the press release can be checked against the arithmetic.
- Who this is for.** Suppliers deciding whether to tool up. Investors sizing a position. Dealers weighing a franchise. Riders wondering if the warranty outlives the company.
- What I did.** Read all **260** filings for both companies, the agreements and the exhibits nobody quotes. Every figure links to its source. Corrections are published, not made quietly.
- Who I am.** Ex-Harley product manager (Touring, CVO, Trike), ex-Honda planning lead on the Grom, now an independent expert witness. No position in anything named here. Full bio and method in §14.

CONTRACT MANUFACTURING · HARLEY-DAVIDSON

**COST-PLUS, BUY-IN**

H-D builds the S2 at York. LiveWire buys every unit into its own inventory at H-D's cost plus a mark-up, then writes it down to what it will sell for. Per-product minimum volumes start calendar 2027. Miss them and you pay for parts anyway.

26 Sep 2022 · amended 14 Feb 2024

CONTRACT MANUFACTURING · KYMCO

**TAKE-OR-PAY, REDACTED**

KYMCO builds the Honcho. Minimum Annual Volume Commitment per product, enforced by an Order Deficit Impact Fee. Five-year exclusivity on a maxi-scooter nobody has announced. Products, volumes and prices: Exhibit A, all [\*\*\*].

26 Sep 2022 · restated 19 May 2026

MASTER SERVICES · HARLEY-DAVIDSON

**NINETY DAYS, NO REASON**

Either party can terminate for convenience on ninety days' notice. The famous "forty percent" clause is the slower route, 180 days, and it turns on a word the contract never defines: "production." Seven-year term to end-2031, on paper.

23 Dec 2024 · effective 1 Jan 2025

TERM LOAN · HARLEY-DAVIDSON

**SECURED, NO EXIT**

\$75M drawn Dec 2025. Conversion feature removed. Lien over substantially all assets. SOFR + 4%, compounding, nothing payable until 15 Dec 2027, about \$85M by then. First \$10.0M the ATM raises goes to the lender. Covenants block asset sales and new debt.

Feb 2024 · restated Nov 2025 · drawn Dec 2025

# THE GROWTH

A number I saw online, and what it turned out to be measuring.

|                |                                                                                                                                                                                         |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT      | 386% is fifty-five motorcycles becoming 267. Five years in, the company sits at one percent of the plan it was sold on, and revenue is below where it started.                          |
| WHY IT MATTERS | Everything after this is the explanation of that one percent: the lineup that couldn't carry it, the contracts that made volume a losing trade, and the loan that decided who fixes it. |



01 · THE NUMBER

LIVEWIRE GROUP · NYSE: LVWR

# 386% MORE MOTORCYCLES, AND THE LOSS DID NOT MOVE

Both numbers come from the same table, same segment, same two periods. No outside denominator, nothing to argue about. It is the cleanest comparison in the filing, which is probably why nobody used it.

UNIT SALES, Q2 2025 → Q2 2026

**+385.5%**

55 units to 267. Average selling price flat: \$11,400 to \$11,483.

OPERATING LOSS, SAME TWO QUARTERS

**-0.2%**

\$(18,003)K to \$(18,040)K. Five times the motorcycles. The loss got a hair worse.

## THREE QUALIFICATIONS, STATED BEFORE ANYONE ELSE STATES THEM

The base is the trough. Q2 2025's 55 units is what makes 386% look impressive and the flat loss look damning. Anyone using that quarter as a base, in either direction, picked a flattering comparison. Me included.

LiveWire has a fair explanation and it is in the same filing. Opex fell **\$967K**. Personnel came down **\$1.7M** on lower headcount, and that saving went into Honcho development, the Dust deal and the ATM programme. Reinvesting a cost-out into the next product is what a functioning company does. I have signed off on that trade myself.

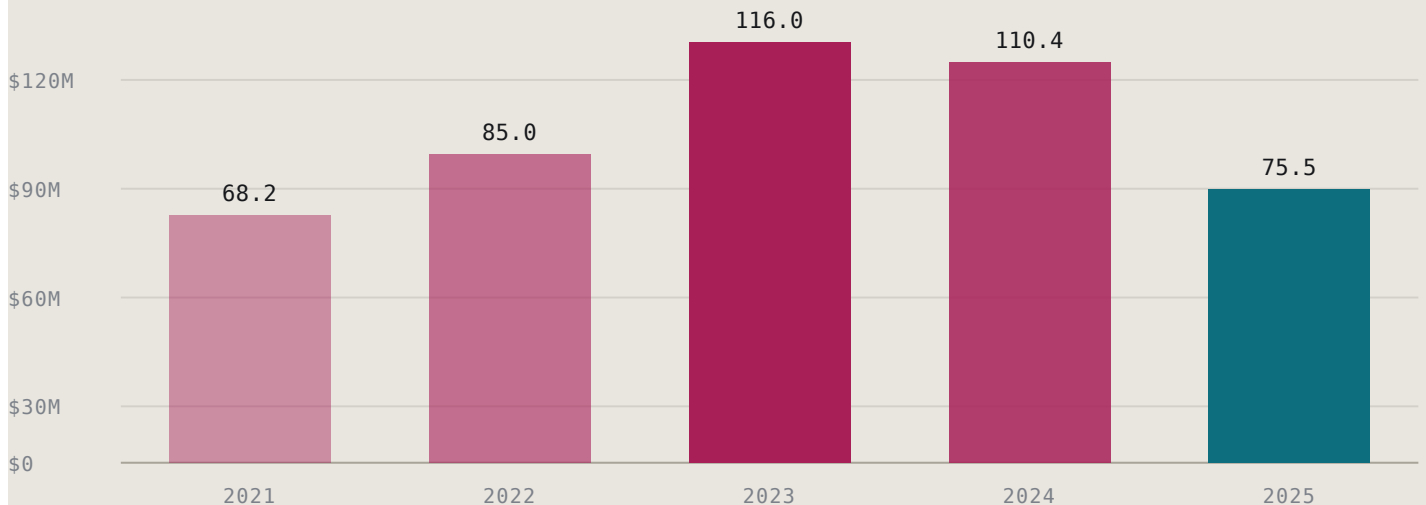
The annual trend runs the other way, and it is real.

[illegible][illegible]

**motorcycles.** That is the entire 386%. Same 212 bikes on the company's own annual run-rate is **+23%**. On the plan it was sold on, **0.2%**.

A percentage is arithmetic on a base. Pick a 55-unit base and any normal quarter looks like a launch. This is not a volume story. It is a convenient denominator.

\$ MILLIONS • LOWER IS BETTER



The same post carried a second number: **76%** U.S. market share. Of what? Three annual reports later, nobody has written it down.

|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>DOCUMENTED</div> <div>KNOWN</div>            | LiveWire stated "76% U.S. market share to date" for Q2 2026. The FY2023, FY2024 and FY2025 annual reports contain no share definition. "Kilowatt" and "horsepower" do not appear in the FY2025 10-K. Neither does the Motorcycle Industry Council.                                                                                                                                                                                                                                                                                             |
| <div>DOCUMENTED</div> <div>NOT DISCLOSED</div>    | The denominator. The geography. Registrations or sales. The segment: power threshold, on-road or off, price band. The period and the method.                                                                                                                                                                                                                                                                                                                                                                                                   |
| <div>THEREFORE</div> <div>FINDING</div>           | The figure cannot be reproduced from anything the company has filed. That is the finding and it is enough. Not that the number is wrong; that it cannot be checked. A share figure that cannot be checked is a marketing figure.                                                                                                                                                                                                                                                                                                               |
| <div>INDUSTRY CONTEXT</div> <div>HYPOTHESIS</div> | Likeliest source: MIC registration data, the paid dataset U.S. two-wheel share is measured from. That is my inference from years in planning offices, not a disclosure. If it is the source, the definition matters more than the data. Set a threshold at <b>50 kW</b> and the Can-Am Pulse and Origin, at 47 hp, fall out of the set while LiveWire's 63 kW and 75 kW bikes stay in. The threshold decides who gets counted. None of this is a claim about what LiveWire did; with no definition published, no claim can be made either way. |

The company's own filing names the number that measures share, and it isn't the one in the post. Q2 2026 10-Q:

|

LIVEWIRE GROUP, FORM 10-Q, PAGE 31

*"Retail Motorcycle Unit Sales made through both the Company-owned dealership and Independent Retail Partners are a **key measure of consumer demand and market share** for LiveWire's electric motorcycles."*

Retail is the share measure, by LiveWire's own definition. The 10-Q's table:

| Q2, MOTORCYCLE UNITS                                        | 2026 | 2025 | CHANGE         |
|-------------------------------------------------------------|------|------|----------------|
| Wholesale motorcycle unit sales                             | 251  | 47   | +434%          |
| Company retail motorcycle unit sales                        | 16   | 8    | +100%          |
| <b>Total LiveWire motorcycle unit sales</b> (the 386%)      | 267  | 55   | <b>+385.5%</b> |
| Independent Retail Partners, retail                         | 277  | 100  | +177%          |
| <b>Total retail motorcycle unit sales</b> (consumer demand) | 293  | 108  | <b>+171.3%</b> |

The 386% is **94% wholesale**: bikes shipped to dealers, an invoice, not a customer. The number the company itself calls the measure of demand grew **171%**. Anyone who has worked a month-end close at an OEM knows the difference between those two numbers, and knows which one goes in the post.

To be fair on the point that matters: retail beat wholesale in the quarter (**293** vs 267) and the half (**412** vs 358). Dealer stock went down. This was not channel stuffing; the demand is real at its scale. But 386% and 171% are different claims about different things, and only one is about riders.

# ONE DAY, TWO FILINGS

The 386% quarter went out on **23 July 2026**, 8-K, Item 2.02. That was the good news. The bad news arrived the same afternoon, by letter.

Same day, the New York Stock Exchange told LiveWire it was out of compliance with Section 802.01C: thirty straight trading days under **\$1.00**. That letter was disclosed six days later, in a separate 8-K under Item 3.01.

DOCUMENTED

## THE SEQUENCE, IN THE COMPANY'S OWN FILINGS

**23 July:** Q2 earnings release: unit sales up 386%. Same day: NYSE non-compliance notice received.

**29 July:** the delisting notice is disclosed by 8-K.

**31 July:** month end, and the first date on which the Exchange's cure test can be applied. The stock closes at **\$1.81**.

**4 August:** the board doubles executive severance and carves an H-D acquisition of 100% of the stock out of the definition of "change in control."

**5 August:** the 10-Q is filed.

The stock roughly doubled on the earnings and kept going: a **\$0.77** close on release day to an intraday **\$3.57** on 27 July, on 75.6 million shares against a normal day under 200,000.

The cure test under 802.01C is a month-end close and thirty-day average both at or above \$1.00. At the 31 July close of **\$1.81** the stock appears to have cleared it, nine days after the letter. The 386% headline is, quite literally, what got the company off the delisting track.

What is not filed: no announced return to compliance, and the 5 August 10-Q doesn't mention the letter. The cure reading is mine, from the Exchange's published standard and the market closes. On the filings alone, the cure period runs to **23 January 2027**.

### SO WHAT • \$01

|                    |                                                                                                                                                                     |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT          | 386% is a wholesale number off a 55-unit base. The company's own demand measure grew 171%. The 76% share figure has no published denominator and cannot be checked. |
| BACK TO THE THESIS | Both headline numbers are real and both flatter. Behind them is a business doing 923 bikes a year against a plan of 100,000.                                        |
| OUTLOOK            | The same-day NYSE letter tells you what the 386% was for. It bought a cure and a selling window. It did not buy volume.                                             |

### 02 • THE PLAN OF RECORD

# WHAT WAS PROMISED, ON

# THE RECORD, IN DECEMBER 2021

The joint Harley-Davidson / AEA-Bridges call announcing the deal, filed as a Form 425. I use their numbers as the benchmark because they picked them. Nobody made them say 100,000.

| COMMITTED, DECEMBER 2021                                           | FOR          | ACTUAL                                                       |
|--------------------------------------------------------------------|--------------|--------------------------------------------------------------|
| "approximately 100,000 units by 2026"                              | 2026         | 923 TTM, 0.9% of plan                                        |
| Revenue "from \$35 million today to almost \$1.8 billion by 2026"  | 2026         | \$31.3M TTM, 1.7% of plan                                    |
| "profitable on both an EBITDA and cash flow basis in 2026"         | 2026         | FY2025 operating loss \$75.5M; H-D guides -\$70-80M for 2026 |
| Gross margin "in the range of 25% to 30%"                          | long term    | -69.7% (Electric Motorcycles, Q2 2026)                       |
| "\$500 million, \$600 million will fund the plan"                  | to breakeven | \$52.9M cash, and \$76.8M owed to H-D                        |
| Post-money equity value \$2.31B at "1x... estimated 2026 revenues" | at close     | ~\$247M market cap. On actual revenue, 57x, not 1x           |

FIG 02 PLAN VERSUS OUTCOME, UNIT VOLUME UNITS, U.S. + INTERNATIONAL

2021 PLAN FOR 2026



ACTUAL: TTM TO 30 JUN 2026

0.9% of plan. The magenta bar is drawn to scale

**CALCULATED** One scale. At 923 units the actual bar is 6.5 pixels wide against a 700-pixel plan. Form 425 (14 Dec 2021); LVWR 10-K FY2025, 10-Q Q2 2026.

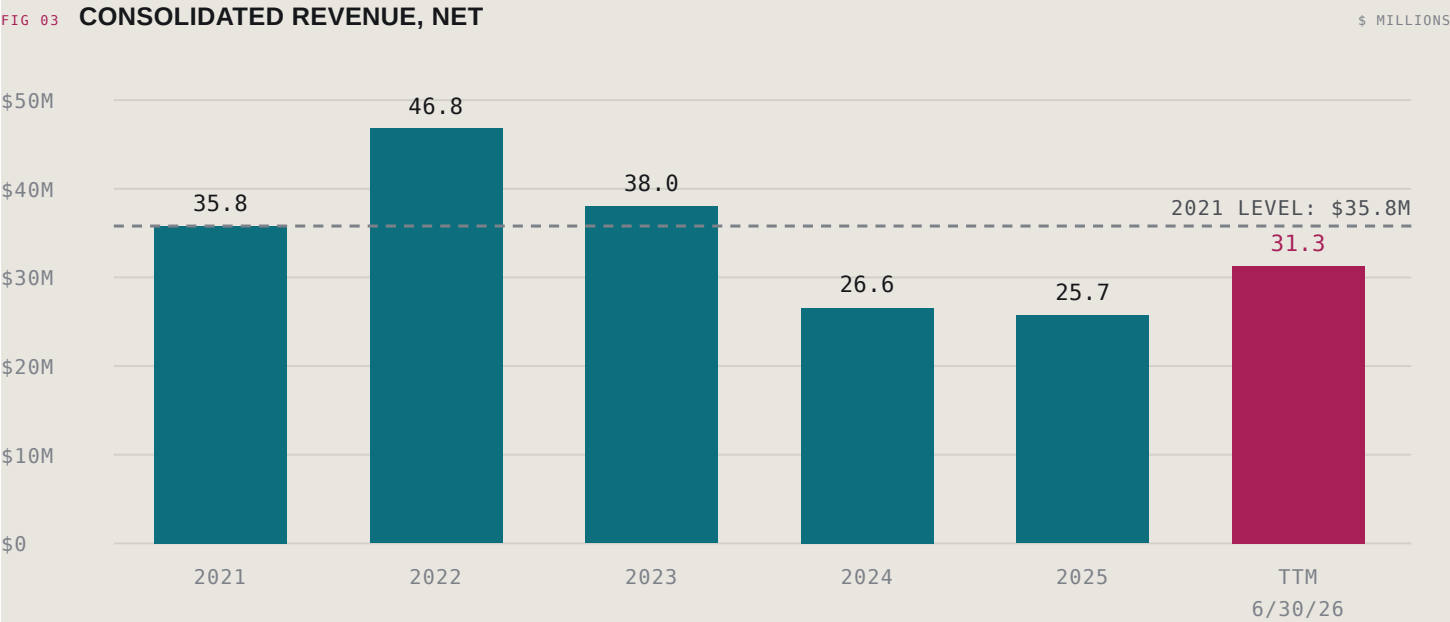
## SO WHAT • \$02

|                    |                                                                                                                                        |
|--------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT          | Harley's own CFO set the benchmark: 100,000 units, \$1.8 billion, profitable in 2026. Nobody imposed it.                               |
| BACK TO THE THESIS | Against that plan LiveWire is at 0.9% on units and 1.7% on revenue. That is the thesis in two numbers.                                 |
| OUTLOOK            | No forecast since has been hit on volume. Treat any new unit target the same way the market has: as a starting point for the next cut. |

# THE BUSINESS IS SMALLER THAN THE DAY IT WAS SOLD

Revenue was **\$35.8M** in 2021, the year the deal was announced. Trailing twelve months to 30 June 2026: **\$31.3M**. The high-water mark was 2022, at \$46.8M.

Five years. An accumulated deficit of **\$337.4M**. And the top line is below where it started, against a plan that called for **51x**.



**CALCULATED** Consolidated revenue including STACYC. FY2021–23 from the FY2023 10-K; FY2024–25 from the FY2025 10-K; TTM = FY2025 + H1 2026 – H1 2025.

SO WHAT · 03

**THE POINT** Revenue is lower than the year the deal was announced. Five years, \$337 million of accumulated deficit, and the top line went backwards.

**BACK TO THE THESIS** Growth was the entire premise of the valuation. The business has none.

**OUTLOOK** With the ATM sweeping to the lender and Harley’s funding capped, there is no capital for a growth push before the December 2027 maturity.

PART II

# THE LINEUP

From a \$29,799 flagship to a \$4,999 minimoto: the walk from premium to price and volume, and what each step cost.

|                |                                                                                                                                                     |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT      | Every LiveWire has been cheaper than the one before it, from a \$29,799 halo to a \$4,999 minimoto. The overhead never followed the price down.     |
| WHY IT MATTERS | A lineup that retreated from premium to price cannot carry \$62 million of opex. That is why the volume was never coming, whatever the Honcho does. |



S2 DEL MAR · NOW \$11,999

# SEVEN YEARS WALKING DOWN THE PRICE LADDER

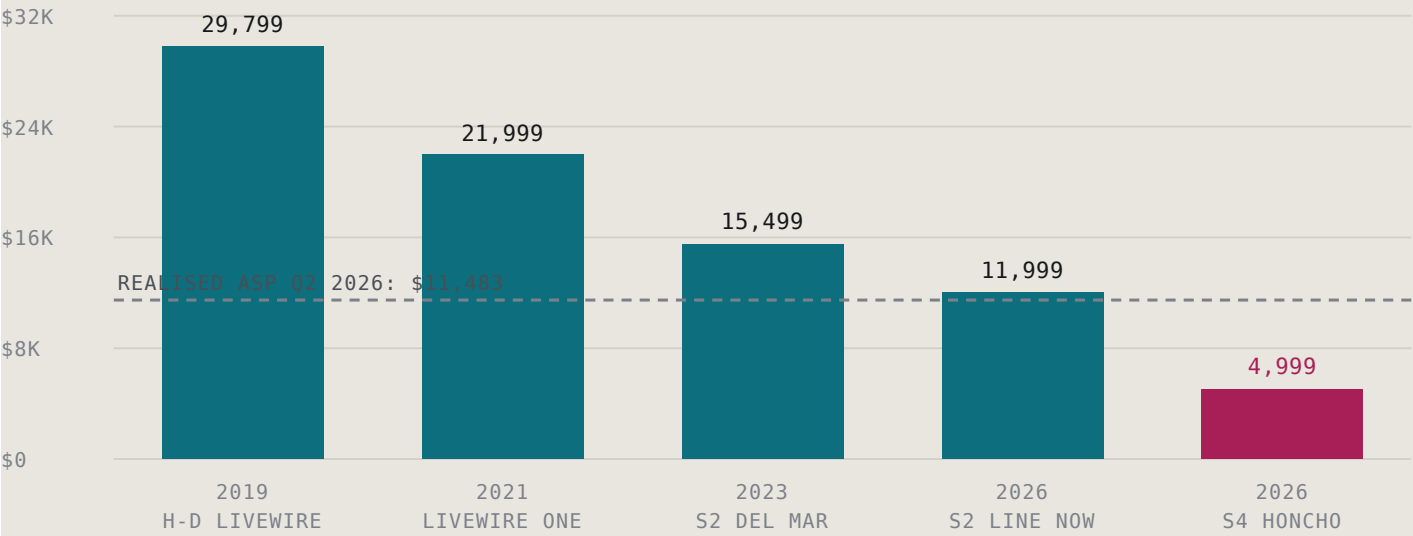
Every LiveWire has been cheaper than the one before it. The overhead never followed the price down.

| PRODUCT                   | LAUNCHED | PRICE AT LAUNCH   | POSITION                                                                                                                                                                                                              |
|---------------------------|----------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Harley-Davidson LiveWire  | 2019     | \$29,799          | The original. A halo product inside Harley-Davidson, sold through H-D dealers.                                                                                                                                        |
| LiveWire ONE (S1)         | 2021     | \$21,999          | The same motorcycle, rebadged for the new standalone brand and repriced \$7,800 lower. <b>Now listed at \$13,999.</b>                                                                                                 |
| S2 Del Mar                | 2023     | \$15,499          | First attainability pivot. A new, smaller platform on the ARO architecture. H-D-built.                                                                                                                                |
| S2 Mulholland / Alpinista | 2025     | \$11,999–12,999   | Body-style variants on the S2 platform. Current pricing across the whole S2 line.                                                                                                                                     |
| Dust Moto assets          | May 2026 | up to \$14.75M    | Asset acquisition of an Oregon electric dirt-bike startup. <b>\$375K cash</b> plus \$500K of stock at closing, three annual \$875K stock instalments, and up to <b>\$11.25M of contingent earn-out, all in stock.</b> |
| S4 Honcho                 | 2026     | \$4,999 / \$5,499 | Second attainability pivot. <b>KYMCO-built</b> , not Harley-Davidson.                                                                                                                                                 |

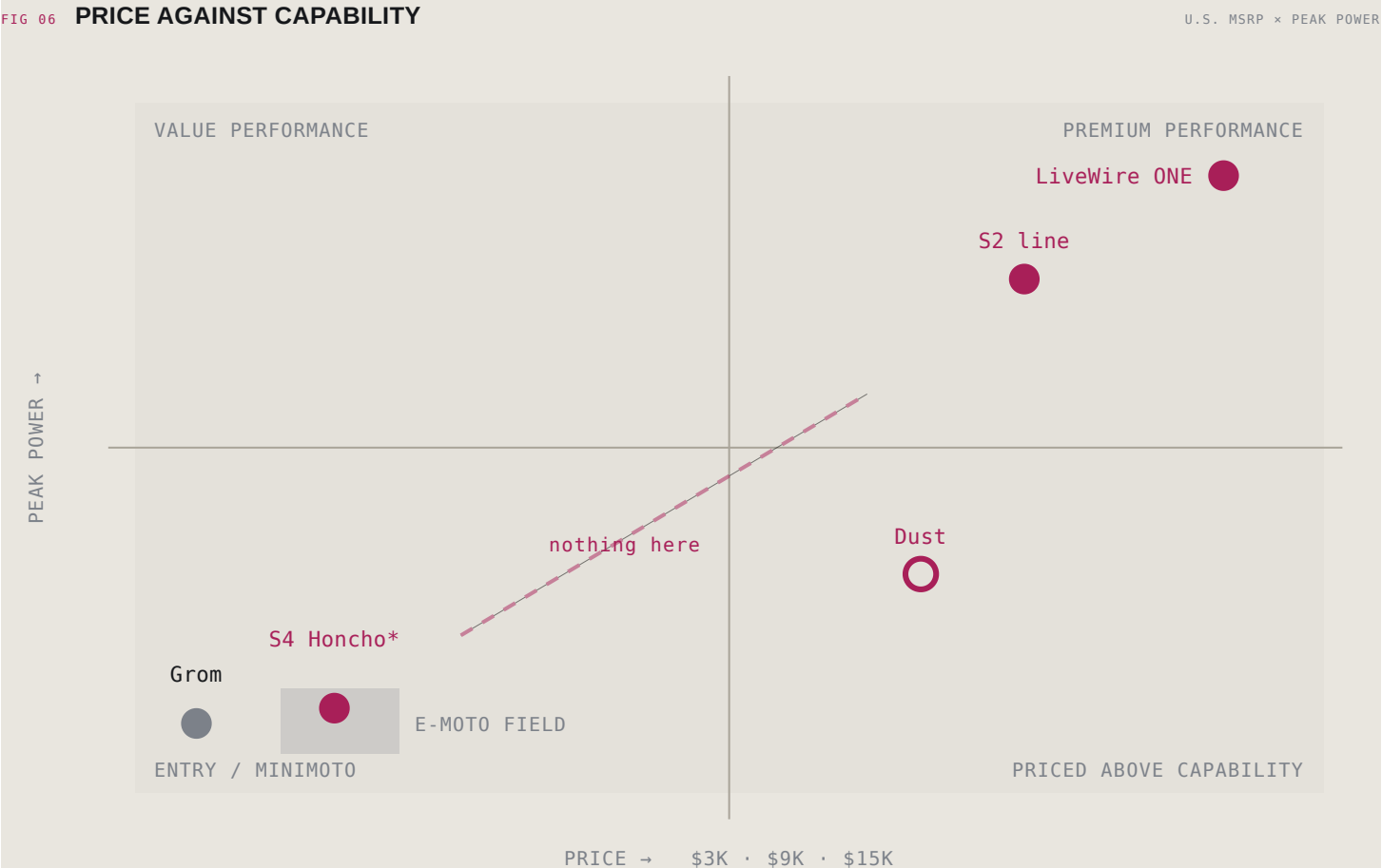
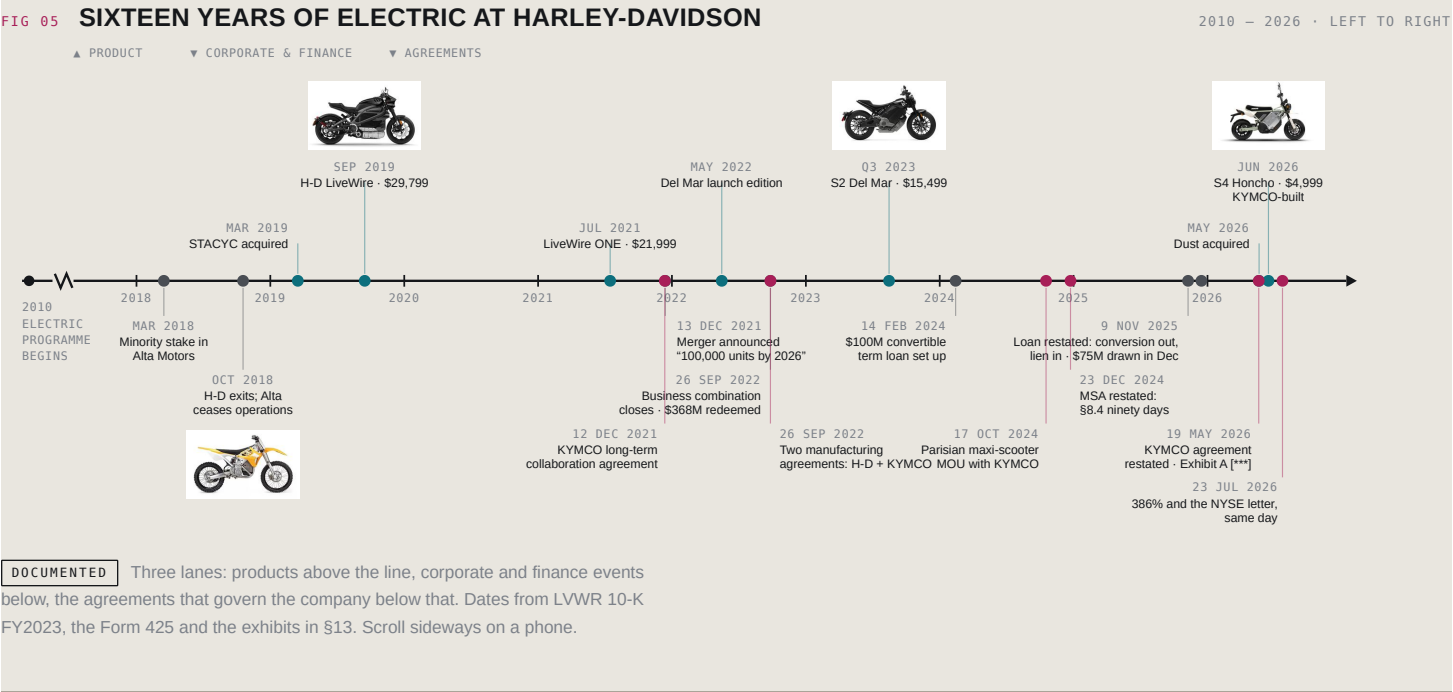
FIG 04

LEAD PRODUCT PRICE AT LAUNCH

U.S. MSRP



**DOCUMENTED** Lead product price down **83%** in seven years. Launch prices from H-D and LiveWire announcements; the realised ASP line is motorcycle revenue ÷ units, Q2 2026.



INDUSTRY CONTEXT

Peak power from manufacturer specs: LiveWire ONE 100 hp, S2 84 hp, Dust Model\_1 35 hp, Grom 9.7 hp. \*Honcho output isn't published; plotted at an industry estimate of 10–15 hp.

Read it as a portfolio and the shape is a barbell with nothing in the middle. Premium performance at one end, a \$3,600-class minimoto at the other, Dust in the quadrant where price runs ahead of the bike. No LiveWire between \$5,000 and \$11,000, which is where two-wheel volume lives and exactly where Can-Am parked the Pulse and the Origin.

## THE LINEUP, DRAWN TO TYPE

Manufacturer photographs, linked to source. Alta's site has been dark since 2018; the Redshift image is archived press material.



**LIVEWIRE ONE**  
\$13,999 · LAUNCHED \$21,999  
BUILT BY HARLEY-DAVIDSON



**S2 DEL MAR**  
\$11,999 · LAUNCHED \$15,499  
BUILT BY HARLEY-DAVIDSON



**S4 HONCHO**  
\$4,999 TRAIL / \$5,499 STREET  
BUILT BY KYMCO



**DUST MODEL\_1**  
\$10,950 · UP TO \$14.75M CONSIDERATION  
MOSTLY STOCK · OREGON ASSEMBLY



**ALTA REDSHIFT**  
CEASED OPERATIONS 18 OCT 2018  
ASSETS TO BRP, 2019



**HONDA GROM**  
\$3,599 · ~10,000 U.S. UNITS/YR  
COMBUSTION: THE BENCHMARK

Image credits: LiveWire ONE, S2 Del Mar and S4 Honcho photographs © LiveWire Group, Inc., from the company's own product pages; Dust Model\_1 © Dust Moto; Alta Redshift © Alta Motors (archived press image). Honda Grom photographs © American Honda, product and lifestyle imagery. Reproduced here for editorial comment; confirm rights before any commercial distribution.



S2, STRIPPED LIVEWIRE PLATFORM RENDER

The cost-plus product. Every one built for LiveWire is bought at Harley's cost plus a mark-up.



H-D LIVEWIRE, 2019 DEALER FLOOR, LAUNCH YEAR

The \$29,799 bike that started the ladder. Same motorcycle became the \$21,999 ONE two years later.

**DOCUMENTED** A PRODUCT THAT APPEARS IN NO FILING EXCEPT ONE EXHIBIT

The Amended and Restated Contract Manufacturing Agreement filed 22 May 2026 is with KYMCO, not Harley. Its recitals name the covered product: "LiveWire's **Parisian maxi-scooter**." MOU dated 17 October 2024, joint design and manufacture of an EV maxi-scooter.

"Parisian" and "maxi-scooter" appear nowhere else in any LiveWire filing. Not a 10-K, not a 10-Q, not a release. A fourth vehicle programme, under contract for nearly two years, exists in the public record only in the preamble of an exhibit. I know what a fourth platform costs a 150-person company. Nobody has been told it exists.

The same agreement puts LiveWire on the hook for a Minimum Annual Volume Commitment per product, enforced by an Order Deficit Impact Fee: miss the number and you take the shortfall or pay for it anyway. Take-or-pay. It sits alongside the per-product minimums owed to Harley from calendar 2027. Exhibit A, the products, volumes and prices, is redacted in full:

| EXHIBIT A |     |     |     |     |     |     |
|-----------|-----|-----|-----|-----|-----|-----|
| PRODUCTS  |     |     |     |     |     |     |
| ***       | *** | *** | *** | *** | *** | *** |
| ***       | *** | *** | *** | *** | *** | *** |
| ***       | *** | *** | *** | *** | *** | *** |
| ***       | *** | *** | *** | *** | *** | *** |

CLIPPED FROM THE FILING EX. 10.2 TO FORM 8-K · 22 MAY 2026 · EXHIBIT A, P.1

[Open on EDGAR →](#)

The entire products schedule. **Twenty-eight cells**, every one of them [\*\*\*]. Four rows by seven columns: anyone in supply chain will recognise a pricing and volume grid. It is exactly what an investor would need to know, and it is the one thing the filing withholds.

## EVERY PIVOT MOVED THE PRICE. NONE OF THEM MOVED THE OVERHEAD.

Two things fall out. First, the S2 now sells at roughly the realised average the segment reports: **\$11,999** sticker against **\$11,483** recognised. That is the simplest explanation for the write-downs: a cost-plus transfer price sitting above where the market clears the bike. The filing doesn't itemise the cost, so that is an inference, labelled as one in §06.

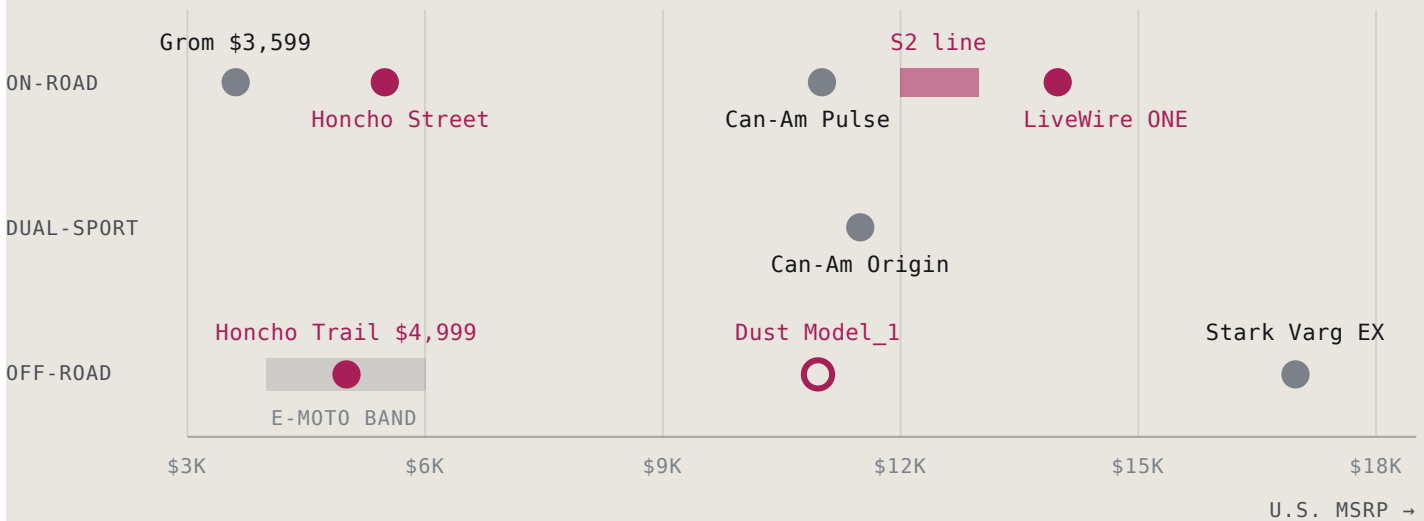
Anyone who has run a transfer-price negotiation between an OEM and its own sub knows how that meeting goes.

Second, the Honcho is not another rung. It is a different business: **\$4,999**, built by KYMCO, sold into the minimoto segment. It shares a badge with the S2 and not much else. Dust points the same way. Put those next to STACYC, the only segment that makes money, and the portfolio describes a retreat from the premium on-road thesis that justified **\$2.31 billion**.

FIG 07 WHERE THE LINEUP SITS TODAY

U.S. MSRP × PRIMARY USE CASE

■ LIVEWIRE & ACQUIRED ■ COMPETITION



**INDUSTRY CONTEXT** Current MSRPs, except the Stark Varg EX Factory Edition (300 units worldwide). The e-moto band is the Sur-Ron / Talaria street-price range, indicative. Zero and Energica omitted for want of a current U.S. price. Hollow marker = acquired line, not a shipping LiveWire.

Left to right, a company that vacated the top of its own map. The ONE, once **\$29,799**, is now **\$13,999** and the most expensive thing the brand sells. Can-Am, which bought the Alta patents, brackets the S2 from below on both rows.

And the Honcho does not land in open space. It lands inside the e-moto band, on top of Sur-Ron and Talaria, **\$1,400** above the gasoline Grom that outsells everything in the category. The one uncontested position on the map is **\$6,000–\$10,000**, where nobody, LiveWire included, builds anything.

**THE POINT** The lineup walked from premium to price, and the one open position on the map, \$6,000–\$10,000, is the one LiveWire never filled. A fourth programme, the Parisian, exists only in an exhibit.

**BACK TO THE THESIS** This is why the volume plan failed before the contracts even bit: there was never a product where the buyers are.

**OUTLOOK** The Honcho is a minimoto with a take-or-pay minimum behind it. It changes the revenue mix, not the solvency.

# ALTA MOTORS, AND THE FIRST TIME THIS HAPPENED

ALTA MOTORS

HARLEY-DAVIDSON, INC. • NYSE: HOG

Before LiveWire was public, Harley-Davidson’s decision to stop funding had already decided the fate of a different American electric motorcycle company.

| DATE            | EVENT                                                                                                                                                                                                             |
|-----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| March 2018      | Harley-Davidson takes a minority stake in <b>Alta Motors</b> , the Brisbane, California maker of the Redshift electric off-road and supermoto line, in a partnership to develop and produce electric motorcycles. |
| Autumn 2018     | Approximately six months later, Harley-Davidson ends the arrangement and elects to build its own Silicon Valley R&D operation instead.                                                                            |
| 18 October 2018 | <b>Alta Motors ceases operations.</b>                                                                                                                                                                             |
| Early 2019      | BRP (Bombardier Recreational Products) acquires Alta's assets, including patents, stating no intention of reviving the brand.                                                                                     |
| 2024–2026       | BRP is selling electric motorcycles under the Can-Am name. Harley-Davidson's electric business does not appear in Harley-Davidson's strategy.                                                                     |

## WHY THIS BELONGS IN THE FILE

The pattern is not that Harley killed Alta. Alta was a venture startup with its own problems. The pattern is narrower: both times, Harley’s decision to stop funding was the event that decided what happened next.

In 2018 that decision came six months after the investment and Alta closed within weeks. In February 2026 it came in an audited annual report: “The Company does not plan to make additional investments in LiveWire beyond the amount outstanding under the Term Loan.”

The difference this time: it is a filed statement, with a maturity date attached and a lien over substantially all of the borrower’s assets.

The irony is worth one line. The Alta patents went to BRP, which now competes in the category. The Silicon Valley R&D centre Harley built instead became the LiveWire business whose R&D has since fallen from **\$54.1M** to **\$23.9M** a year.

Eight years and roughly **\$394M** of cumulative losses later, the assets Harley declined to buy are sold by a competitor, and the ones it built are not named in its own five-year plan.



**ALTA MOTORS**

BRISBANE, CALIFORNIA · 2010–2018

The first American electric motorcycle company Harley invested in, then dropped.



**ALTA REDSHIFT SM**

BRISBANE, CALIFORNIA · ARCHIVED PRESS IMAGE  
© ALTA MOTORS

Alta Redshift SM. Harley bought a piece of this company, then pulled out. The patents are BRP's now.



**ALTA MOTORS, BRISBANE CA**

REDSHIFT ON THE BENCH · ARCHIVED IMAGE

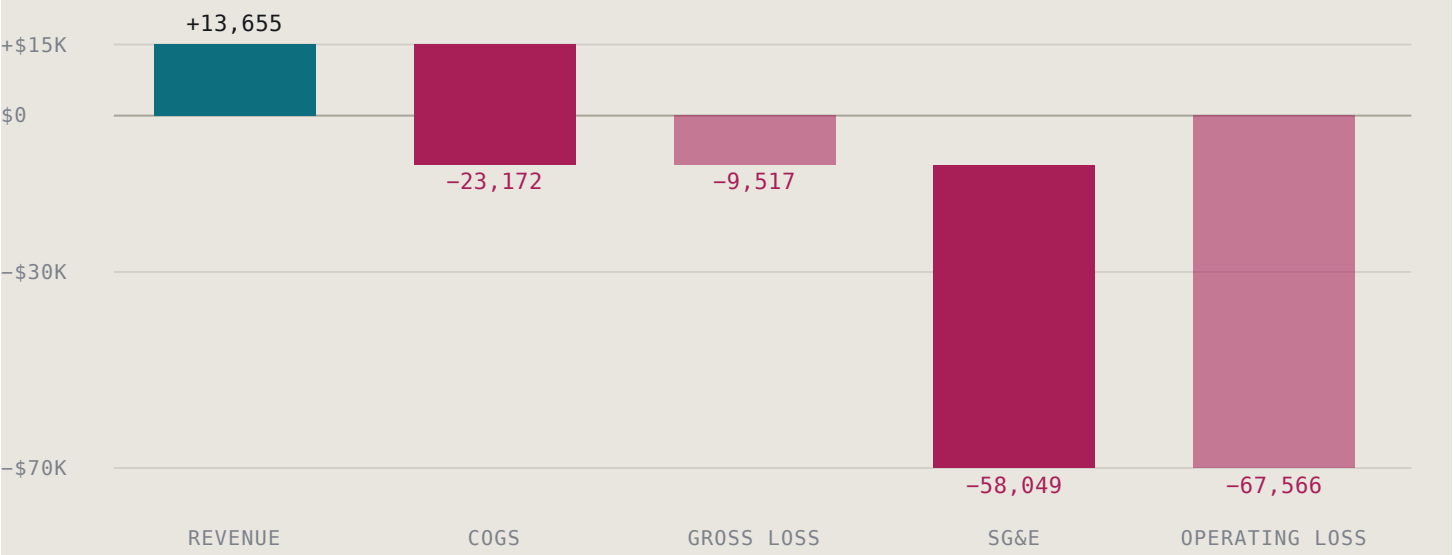
Brisbane, California. The operation Harley didn't buy, then built its own version of down the road.

■ SO WHAT · \$05

|                    |                                                                                                                                                             |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT          | Twice now, Harley's decision to stop funding an electric motorcycle company was the event that decided its fate. Alta in 2018, LiveWire in the FY2025 10-K. |
| BACK TO THE THESIS | The pattern is documented, not inferred, and it is the frame for everything in Parts III and IV.                                                            |
| OUTLOOK            | Read every Harley filing about LiveWire from here on as a lender's, not a parent's.                                                                         |

# WHERE THE MONEY ACTUALLY GOES

Q2 2026, Electric Motorcycles segment, per bike: **\$13,655** of revenue in. **\$23,172** cost of goods out. **\$58,049** of selling, admin and engineering on top. Read those three again. Then try explaining them to a dealer principal who just floored six.



**CALCULATED** Solid bars are flows; half-tone bars the running subtotal. Of the **\$9,517** gross loss per unit, about \$8,255 is the year-on-year increase in NRV adjustments on S2 purchases, disclosed as \$2,204K.

**DOCUMENTED** **WHAT THE WRITE-DOWN ACTUALLY MEANS**

**DOCUMENTED** What the filing establishes: the S2s on LiveWire's books cost more than it expected to get for them, and it wrote the difference off. **\$2,204K** in the quarter, on brand-new inventory. What it doesn't do is itemise the cost. Transfer price, freight, overhead, selling cost, slow-moving assumptions: all inside the number, none broken out.

**INFERRED** The manufacturing agreement supplies the mechanism. LiveWire buys at Harley's cost plus a mark-up; the S2 sells at the segment's realised average. Cost-plus in, write-down out. That the transfer price is the main driver is my reading of the two documents together, not something either one says. Either way the loss is real; it just gets booked at purchase instead of at sale.

SO WHAT · \$06

|                    |                                                                                                                                                                   |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT          | Per bike: \$13,655 in, \$23,172 of cost, \$58,049 of overhead. The write-down is documented; the cost-plus mechanism behind it is my inference from the contract. |
| BACK TO THE THESIS | Every unit sold moves the company further from the December 2027 maturity. Volume is what hurts.                                                                  |
| OUTLOOK            | Nothing in the cost-out changes the sign of that equation. Only the contracts can, and they run the other way.                                                    |

# THE CONTRACTS

Two manufacturing agreements and a services deal. This is where buying motorcycles became a losing trade and not buying them became expensive.

## THE POINT

Two manufacturing agreements signed the same day. Buy the bikes and they are written down on arrival. Don't buy them and you pay for the parts anyway.

## WHY IT MATTERS

This is why execution cannot fix it. The losing trade is contractual, and from 2027 it stops being discretionary.



KYMCO, TAIWAN · THE SECOND CONTRACT

## THE S4 HONCHO MEETS A CATEGORY CEILING

The S4 Honcho is priced: **\$4,999** Trail, **\$5,499** Street. Built by KYMCO, not Harley. Different plant, different country, different contract, and a different set of minimums.

On the 23 July call, management said production had started and first units would reach dealers later in the summer. So the Honcho contributed nothing to the 386% quarter. Everything below is forward arithmetic on a product that has not yet sold at scale.



S4 HONCHO LIVEWIRE LIFESTYLE IMAGE

Wood-grain plastics and knobbies. A minimoto, priced \$1,400 above the one that owns the segment.



KYMCO ASSEMBLY, TAIWAN

MANUFACTURER IMAGE · NOT THE HONCHO LINE SPECIFICALLY

KYMCO, Taiwan. Product built here now carries a minimum annual volume and a deficit fee. Take-or-pay.



S4 HONCHO, SHOW BOOTH

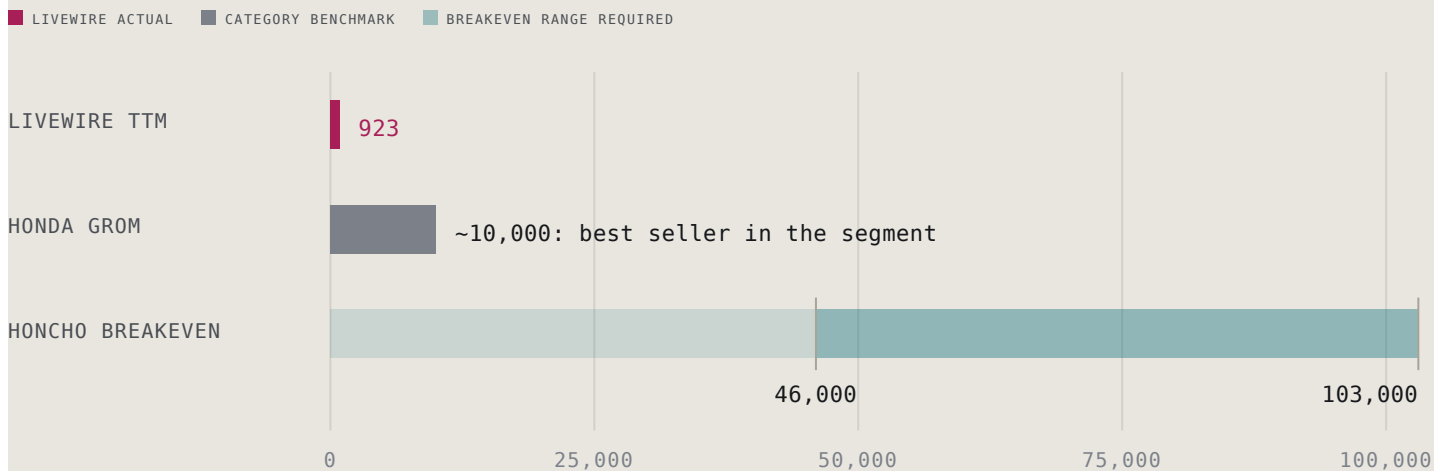
LIVEWIRE EVENT DISPLAY · 2026

Hats, koozies, a rug, a hunting-season photo wall. This is the Grom's customer, at \$1,400 above the Grom's price.

Electric Motorcycles segment opex runs about **\$62M** a year. For Honcho gross profit alone to cover it you need somewhere between **46,000** units at a 31% margin (the 2021 long-term target) and **103,000** at 14%.

FIG 09 **BREAKEVEN VOLUME AGAINST THE SEGMENT THAT EXISTS**

U.S. UNITS PER YEAR, ONE SCALE



THE SEGMENT, IN MOTION HONDA LIFESTYLE IMAGE

Two Groms, downtown, two-up on a \$3,599 sticker. This is the customer the Honcho is competing for.



GROM, \$3,599 HONDA LIFESTYLE IMAGE

About 10,000 a year, my estimate from planning the bike. The category leader, and very nearly the category.

The Kawasaki Z125 Pro, priced within \$200 of the Grom, doesn't meaningfully compete. The segment isn't "small motorcycles." The segment is the Grom, and everything else is rounding. When I ran planning on that bike, the competitive set was one line on the sheet. A new entrant doesn't get to assume the leader's volume; it takes what the challengers take.

**CALCULATED** Grom MSRP \$3,599; Z125 Pro \$3,799–3,999. The ~10,000-unit Grom figure is my own estimate from planning that bike at American Honda, not a published statistic; MIC registration volumes are not public. The conclusion holds at any Grom volume between 5,000 and 20,000.

**THE HONCHO IS A CHANGE  
IN REVENUE MIX, NOT A  
CHANGE IN SOLVENCY.**

At an optimistic **3,000** units and 31% margin, the Honcho throws off about **\$4M** of gross profit against \$62M of opex. Six percent of the overhead. It arrives 39% above the category leader's price, with no nameplate, 105 dealers, and range and charging friction a \$3,599 gasoline Grom doesn't have.

Note what hasn't changed. After cutting cost per unit **47%**, headcount 18% and R&D from \$54.1M to \$23.9M, the volume needed to break even is still roughly the 2021 plan number. The cost-out was real. It didn't move the breakeven.

## HOW MANY HONCHOS WOULD KEEP LIVEWIRE AFLOAT?

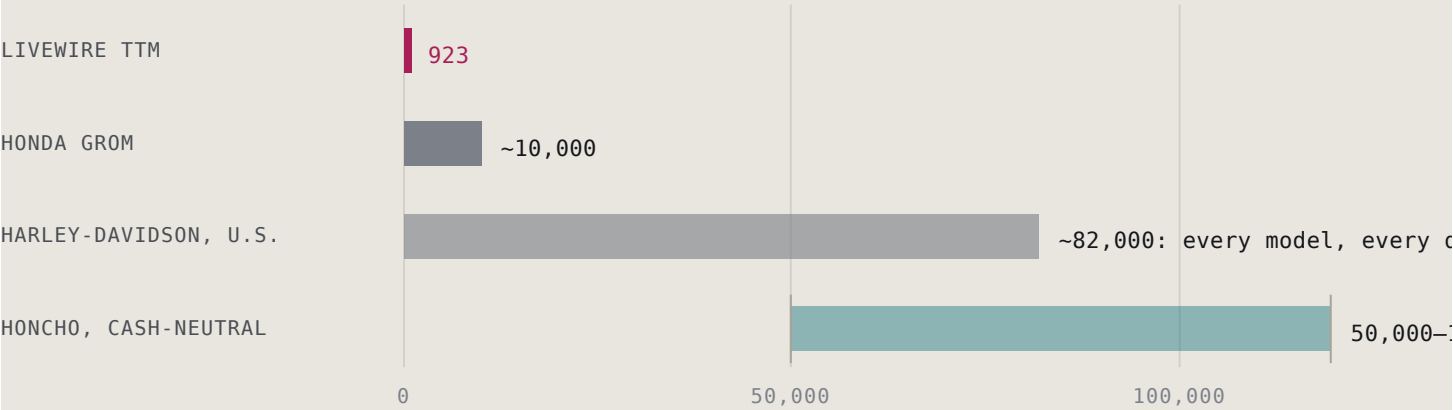
"Afloat" is a cash question. LiveWire burned **\$29.9M** in H1 2026, call it **\$60M** a year. That is the hole the Honcho would have to fill alone.

Contribution per unit is the variable. At a recognised wholesale price near \$4,300, a KYMCO-built bike plausibly returns **\$500–\$1,500** a unit after landed cost, freight, warranty and dealer support. Planner's numbers, pencilled before finance sees the BOM.

| CONTRIBUTION PER HONCHO                        | TO COVER CASH BURN (\$60M) | TO COVER SEGMENT OPEX (\$62M) | TO COVER FY2025 OPERATING LOSS (\$75.5M) |
|------------------------------------------------|----------------------------|-------------------------------|------------------------------------------|
| \$500 (12% of wholesale)                       | 119,600                    | 124,000                       | 151,000                                  |
| \$700 (16%)                                    | 85,400                     | 88,600                        | 107,900                                  |
| \$900 (21%)                                    | 66,400                     | 68,900                        | 83,900                                   |
| \$1,200 (28%)                                  | 49,800                     | 51,700                        | 62,900                                   |
| \$1,500 (35%, above the 2021 long-term target) | 39,900                     | 41,300                        | 50,300                                   |

Mid-case: **50,000–120,000** Honchos a year, centring near **65,000**. Seventy times the company's entire trailing-twelve-month volume.

FIG 10 WHAT 65,000 UNITS WOULD MEAN U.S. UNITS PER YEAR, ONE SCALE



**CALCULATED** One scale. To be cash-neutral on the Honcho alone, LiveWire would need to sell **60–145%** of Harley-Davidson's entire U.S. motorcycle volume. One model, 105 dealers, eighteen months.

**619 HONCHOS PER DEALER, PER YEAR. TWELVE A WEEK, EVERY WEEK, AT EVERY STORE. I HAVE RUN DEALER ALLOCATIONS. TWELVE A WEEK IS NOT AN ALLOCATION. IT IS A GROM-SHAPED FANTASY.**

A typical powersports store retails a few hundred motorcycles a year across every brand it carries; the ones that do a thousand are famous. And 65,000 units at \$4,300 is **\$280M** of revenue, nine times the company's current total.

Run it the other way. At a realistic 3,000 units the Honcho contributes about \$2.7M against \$60M of burn: **4.5%** of the hole.

## THE LIKELY CASE: ROUGHLY 2,000 UNITS

Set the tables aside and take the realistic number. A category leader doing about 10,000 a year with Honda's network behind it; a new nameplate at a 39% premium; 105 dealers; an electric powertrain in a segment that buys on price. Roughly **2,000** Honchos globally in the first full year is defensible. It may be generous.

### INDUSTRY CONTEXT

#### BASIS FOR THE 2,000-UNIT ESTIMATE

That number is mine, and it rests on having done the job. I held planning lead on the Grom, and as Sales Planning Lead for Honda's CRF line I worked MIC registration volumes as a daily input. Harley supplied the other half: what a dealer network of a given size can physically retail in a season.

- The minimoto segment is small and concentrated. The Grom isn't the leader; it is very nearly the whole category.
- New nameplates without a parts and service footprint take years, not quarters, to register real volume.
- 105 retail points cannot move what 1,000 can, no matter how good the bike is.

The estimate is not load-bearing. I give a number because a specific one is more useful than a vague one. Nothing under roughly **40,000** units changes any finding here. Think the Honcho does 8,000? Same place.

At that volume the Honcho doesn't just fail to help. It costs money three ways, and two of them are in writing.

|                                               |                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. It contributes almost nothing              | At \$900 of contribution per unit, roughly <b>\$1.8 million: 3.0% of annual cash burn</b> and <b>1.5%</b> of the \$121.8M that must be found by December 2027. Revenue of about \$8.6 million against a company that needs orders of magnitude more.                                                                                                       |
| 2. It probably triggers the KYMCO deficit fee | The KYMCO agreement obliges LiveWire to order at least the <b>Minimum Annual Volume Commitment</b> for each product, or pay an <b>Order Deficit Impact Fee</b> . The committed volumes are redacted, but a manufacturer tooling a new platform does not set them at 2,000. Selling well below commitment converts a growth product into a fixed liability. |
| 3. It drops H-D below the 40% floor           | On the units reading of "production": about 900 H-D-built motorcycles against 2,000 KYMCO-built ones is <b>31%</b> . The threshold is crossed at roughly 1,350 non-H-D units. A modest Honcho success trips it; only failure keeps LiveWire compliant.                                                                                                     |

**DOCUMENTED AND THE FAILURE MODE IS ALREADY ON THE RECORD, TWICE**

Short of volume, the KYMCO agreement gives LiveWire a choice: pay the deficit fee, or take delivery of the units to hit the commitment. Neither branch is hypothetical.

**Buying them.** Under the Harley agreement, H-D builds and LiveWire buys at cost-plus. On arrival the bikes get written down. **87%** of Q2's gross loss was that write-down.

The FY2025 10-K says it plainly, explaining why costs fell: "primarily driven by a significant decrease of the number of motorcycles purchased in 2025 as compared to 2024 resulting in lower net realizable value adjustments." Margins improved because the company bought fewer motorcycles.

**Not buying them.** In 2023 LiveWire booked a **\$6.1M** provision for excess inventory components held by H-D under the manufacturing agreement: parts Harley had already bought for bikes LiveWire didn't take. Take-or-pay, working four years before the formal minimums kick in.

So the 2027 commitments don't introduce a new risk. They formalise one that has already cost \$6.1M once, and the same structure now exists in duplicate with KYMCO.

On terminology, because I got asked: no bikes have been bought back from dealers. Retail beat wholesale in Q2 and H1. The write-downs are on inventory LiveWire owns.

Dust doesn't change this on any near timetable. Assets bought May 2026; the Hightail still in validation in Bend, Oregon. Meaningful volume is 2027 at the earliest, and off-road electric is not a volume category at **\$10,950**. The consolation is symmetrical: consideration is up to \$14.75M but mostly contingent and in stock, so a programme that never scales never pays out.



DUST, RIDDEN DUST MOTO IMAGE

The acquired programme. Real bike, real riders, small category.



HIGHTAIL, PRODUCTION SPEC DUST MOTO SPEC SHEET

42 hp, 75 mph, 4.4 kWh, under 100 kg. Volume in 2027 at the earliest.

## WHAT THE PAPERWORK ACTUALLY SAYS

Two contract manufacturing agreements, same day, **26 September 2022**: Harley-Davidson Motor Company Group and Kwang Yang Motor Co. Services from Harley run under a separate Master Services Agreement, restated 23 December 2024, seven-year term to end-2031.

Here is what its termination article says. The clip is below the table.

| PROVISION                                  | WHAT IT PERMITS                                                                                                                                                                                                                            | NOTICE REQUIRED |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>§8.4</b><br>Termination for convenience | <b>Either party may terminate for convenience.</b> No reason required. LiveWire must pay amounts owed and reimburse H-D for costs not otherwise remunerated.                                                                               | <b>90 days</b>  |
| <b>§8.3(b)(ii)</b><br>Change of control    | H-D may terminate if LiveWire undergoes a Change of Control Event.                                                                                                                                                                         | Immediate       |
| <b>§8.3(c)</b><br>The 40% floor            | H-D may terminate if LiveWire “did not engage HD to manufacture at least forty percent (40%) of LiveWire’s production during such calendar year”. Notice only promptly after year-end, and <b>no later than the last day of February</b> . | 180 days        |
| <b>§8.3(a)</b><br>Material breach          | Either party, on an uncured material breach.                                                                                                                                                                                               | 30-day cure     |

## AND THE KYMCO AGREEMENT, WHICH IS THE HEAVIER OF THE TWO

The KYMCO agreement, dated 19 May 2026, is longer, longer-dated and more tightly bound than the Harley deal:

| PROVISION                                | WHAT IT DOES                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>\$2.1</b><br>Exclusivity              | LiveWire appoints KYMCO its <b>exclusive manufacturer for the Covered Products for five years</b> from the date KYMCO begins building them. The mirror image of the Harley arrangement: LiveWire is locked to KYMCO on this platform exactly as it is locked to H-D on the S2.                                                               |
| <b>\$2.1</b><br>Powertrain carve-out     | Exclusivity “shall explicitly exclude the manufacture of the Powertrain which shall be manufactured by LiveWire through itself or its designee.” <b>The motor and pack are the one thing LiveWire has not outsourced</b> , and the only manufacturing asset it still controls.                                                               |
| <b>\$14.1</b><br>Term                    | <b>Ten-year initial term</b> , renewing automatically in successive five-year periods. Covered Product obligations cannot expire before their own five-year exclusivity runs out. Longer than the seven-year Harley MSA. <b>The termination notice period in §14.2(b) is redacted.</b>                                                       |
| <b>\$2.3</b><br>Take-or-pay              | Minimum Annual Volume Commitment for <b>each Product</b> , enforced by an <b>Order Deficit Impact Fee</b> . Miss the volume and LiveWire either pays the fee or takes delivery of the shortfall. Reviewed annually. The committed volumes are in Exhibit A.                                                                                  |
| <b>\$14.3(ii)</b><br>The tax-credit lock | If KYMCO establishes U.S. facilities, equipment and labor qualifying for the associated <b>EV tax credit</b> and can build the product there, LiveWire <b>loses the right</b> to move that manufacturing away. The agreement anticipated LiveWire wanting U.S.-built product for credit eligibility and gave KYMCO a route to keep the work. |

**DOCUMENTED**    **A PRODUCT NAMED ONCE, IN A RECITAL**

The Covered Product is identified in a single WHEREAS clause: “a *Memorandum of Understanding on or about 17 October 2024 (the ‘Parisian MOU’)* related to the joint design and manufacture of an **EV maxi-scooter** (‘Parisian’).”

“Scooter” appears twice in the whole agreement, both in that one sentence. Everything after runs on “Covered Product,” which appears **24 times**. Skip the recitals and you never learn what the product is. No LiveWire filing, release or deck names it anywhere else.

One distinction: the Covered Product carrying the five-year exclusivity is the Parisian. The Honcho, if it appears at all, is a Product under redacted Exhibit A, a weaker category. The §2.3 minimum attaches to “each Product,” so it very likely reaches the Honcho. But the exclusivity was built around a scooter nobody has announced.

## A CORRECTION TO EARLIER REVISIONS OF THIS BRIEF

Earlier drafts treated the 40% clause as the thing capping how much production could move to KYMCO. Reading it properly, that overstates it.

Section 8.4 lets either party terminate the entire MSA for convenience on **ninety days'** notice. Harley doesn't need the 40% trigger. It needs no reason at all, and convenience is faster than the 180-day route.

(c) HD may terminate this Agreement or any Letter Agreement upon one hundred eighty (180) days' prior written notice to LiveWire, such notice to be provided promptly following the end of any calendar year (but no later than the last day of February) in the event that LiveWire did not engage HD to manufacture at least forty percent (40%) of LiveWire's production during such calendar year.

Section 8.4 **Termination for Convenience**. Either Party may terminate this Agreement or any applicable Letter Agreement for convenience upon ninety (90) days' prior written notice to the other Party; provided that all amounts then owed are paid as of the termination date, and provided that LiveWire reimburses HD, as of the termination date, any other costs or expenses incurred by HD and for which HD has not otherwise been remunerated.

CLIPPED FROM THE FILING EX. 10.1 TO FORM 8-K · 26 DEC 2024 · MASTER SERVICES AGREEMENT, P.11 OF 33

[Open on EDGAR →](#)

Both clauses, one page. 8.3(c) is "forty percent" spelled out in words, which is why a search for "40%" misses it. 8.4 is the one that matters.

What the 40% clause is evidence of is intent. In 2022, and again in December 2024, both sides contemplated LiveWire moving manufacturing away from Harley, and Harley wanted a trigger tied to it. Worth recording. Not a cap.

And "production" is not a defined term. It appears once, lowercase, in 8.3(c). A termination right turns on a word the contract never defines.

My read, as industry interpretation: in Harley's planning vernacular "production" means motorcycles built at the plant. Unit output, not revenue, not platforms. I used the word that way for years. On that reading the test is a unit-count ratio and STACYC falls outside it. Natural reading of an undefined term; still an interpretation.

## CALCULATED NOR DOES CUTTING SOLVE IT

The obvious counter is to shrink the company to fit the product. Run it: 3,000 Honchos at \$900 contribution, about 1,000 S2s near breakeven, STACYC's small operating income. Total opex would have to fall to under about **\$5M** a year. It is currently **\$62M**.

That is not a cost programme. That is a much smaller company that no longer designs motorcycles, and it still wouldn't service \$76.8M in December 2027.

The conclusion falls out of arithmetic, not opinion about the bike: no combination of Honcho volume and cost cuts reaches solvency at a scale this category can supply. Which is why the resolution, when it comes, will be financial rather than commercial.

**THE POINT** Buying bikes loses money, not buying them costs money, the minimums go live in calendar 2027, and the services agreement can be ended on ninety days' notice.

**BACK TO THE THESIS** This is the mechanism under the one percent. The people can't execute their way past cost-plus and take-or-pay, because those are the terms.

**OUTLOOK** Expect the 2027 minimums to show up as either a deficit fee or an inventory build. Either one lands in the P&L before the loan does.

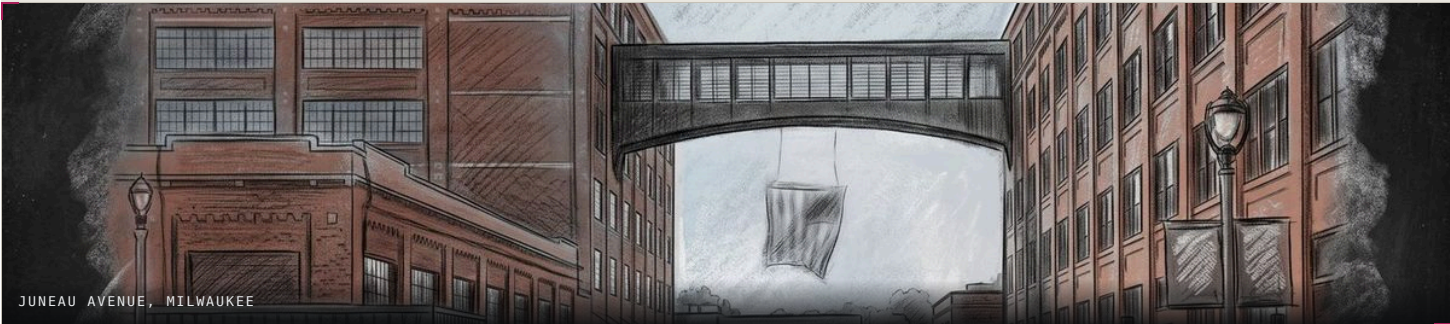
**PART IV**

# THE LOAN

A date that cannot be moved, and the instrument that decided who is on which side of the table.

**THE POINT** November 2025: Harley swapped an equity backstop for a secured claim over substantially all assets. About \$85 million comes due 15 December 2027.

**WHY IT MATTERS** Whoever holds the note decides the ending. It is not LiveWire, and the 10-Q says a raise is being pursued this quarter.

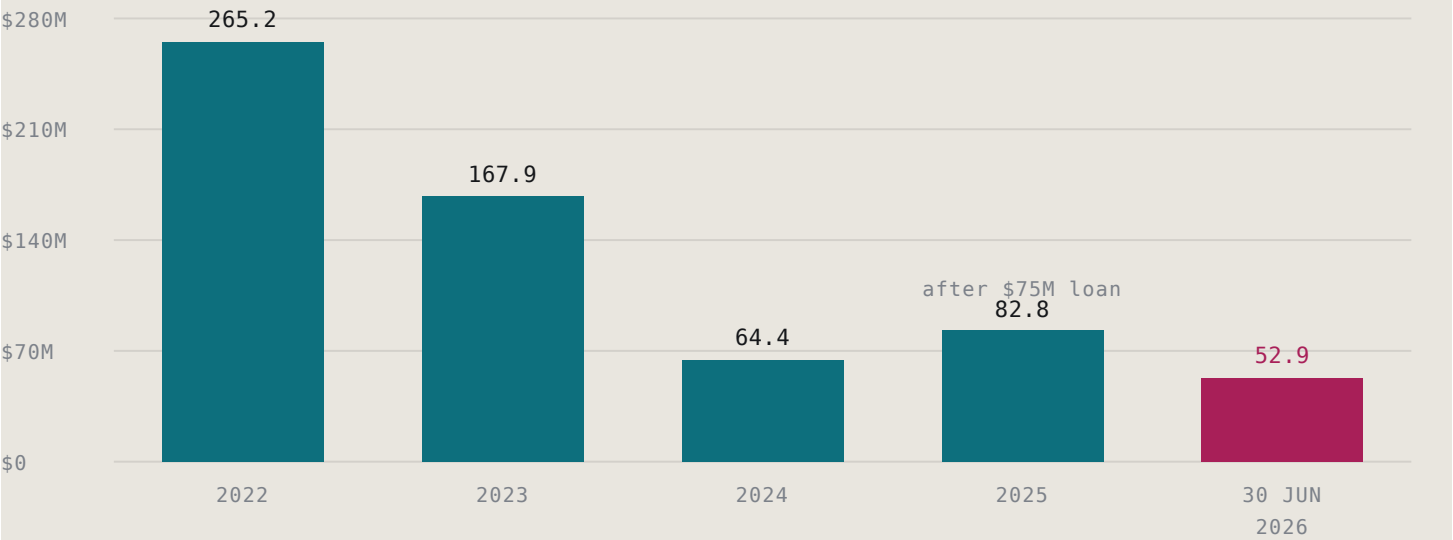


# CASH, AND A DATE THAT CANNOT BE MOVED

Cash burned in H1 2026: **\$29.9M**. Runway per the 10-Q: about twelve months, call it August 2027. The Harley term loan, **\$76.8M** secured on substantially all

assets, matures **15 December 2027**.

**FIG 11 CASH AND CASH EQUIVALENTS** \$ MILLIONS, PERIOD END



**DOCUMENTED** The 2025 increase is borrowed, not earned. H-D's FY2025 10-K: the company "does not plan to make additional investments in LiveWire beyond the amount outstanding under the Term Loan."

POSITION AT 30 JUNE 2026

|                                                                                         |                 |
|-----------------------------------------------------------------------------------------|-----------------|
| Cash                                                                                    | \$52.9M         |
| Total cash decline, six months                                                          | \$29.9M         |
| Of which net cash used by operating activities (H1 2025: \$32.4M, an 18.4% improvement) | \$26.4M         |
| H-D term loan, secured on substantially all assets, due 15 Dec 2027                     | \$76.8M         |
| Shareholders' equity, down 74% in six months                                            | \$11.9M         |
| Accumulated deficit                                                                     | \$337.4M        |
| At-the-market programme drawn                                                           | \$1.6M of \$50M |

## AND WHAT WOULD IT ACTUALLY TAKE TO PAY IT BACK?

- Six quarters from 30 June 2026 to 15 December 2027. Burn is about **\$15M** a quarter.
- The debt grows while you wait: no interest payable until maturity, accreting at SOFR + 4.00%, compounded semi-annually. The December 2027 payoff is closer to **\$85M**.
- Burn plus payoff less cash on hand: about **\$122M** that has to come from somewhere.

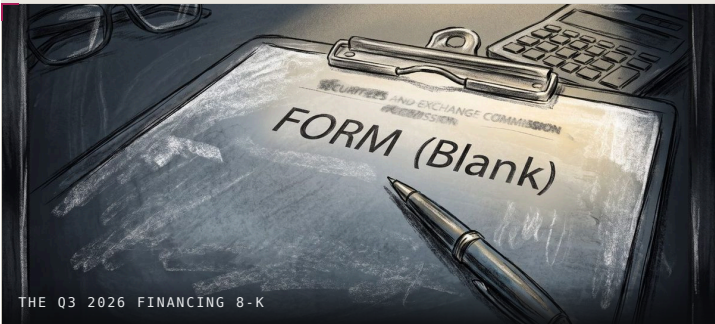
|                                                                                                                     |           |
|---------------------------------------------------------------------------------------------------------------------|-----------|
| Burn at the current rate, six quarters                                                                              | \$89.7M   |
| Term loan at maturity, including accrued interest (SOFR + 4.00%, compounded semi-annually, all payable at maturity) | ~\$85.0M  |
| Less cash on hand at 30 June 2026                                                                                   | -\$52.9M  |
| Net cash that must be generated                                                                                     | ~\$121.8M |

| CONTRIBUTION PER HONCHO | CUMULATIVE UNITS | PER MONTH<br>(14 SELLING MONTHS) | PER DEALER<br>PER WEEK |
|-------------------------|------------------|----------------------------------|------------------------|
| \$500                   | 243,600          | 17,399                           | 38                     |
| \$700                   | 174,000          | 12,428                           | 27                     |
| \$900                   | 135,300          | 9,666                            | 21                     |
| \$1,200                 | 101,500          | 7,249                            | 16                     |
| \$1,500                 | 81,200           | 5,799                            | 13                     |

135,000 HONCHOS IN  
FOURTEEN MONTHS.  
TWENTY-ONE PER DEALER,  
PER WEEK.

That is 13.5 times the Grom's entire annual U.S. volume, in a bit over a year, from a company that sold 923 bikes in the last twelve months through 105 dealers. And the Honcho isn't shipping in volume yet.

The at-the-market programme is the only other lever, and it isn't one. The Term Loan sends the first \$10.0M of net ATM proceeds to Harley as prepayment. LiveWire has paid \$800K of that. Until \$10M has gone to the lender, the ATM raises no usable cash. An ATM that pays the bank first. The clause:



of this Agreement (“**ATM Proceeds**”) in the previous fiscal quarter, Borrower shall prepay the principal outstanding under this Agreement, without premium or penalty and without the payment of any accrued and unpaid interest on such prepaid principal (which accrued and unpaid interest shall remain outstanding and continue to be due and payable on the Maturity Date or, if earlier, upon acceleration under Section 5), in an amount equal to 100% of the excess of the (A) ATM Proceeds over (ii) the underwriting discounts and commissions and other reasonable fees and expenses incurred by Guarantor or its subsidiaries in connection with the applicable issuance(s) (“**Net ATM Cash Proceeds**”); *provided, however*, that this Section 1(c)(iii) shall in no event require the payment of more than \$10,000,000 in Net ATM Cash Proceeds in the aggregate during the term of this Agreement.

CLIPPED FROM THE FILING EX. 10.1 TO FORM 10-Q · 10 NOV 2025 · AMENDED & RESTATED TERM LOAN, P.4 (DOCUSIGN SCAN)

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A DocuSign scan, not a clean draft. The operative sentence starts “Borrower shall prepay” and ends at \$10,000,000.

Past that, **\$48.4M** is undrawn, under 40% of the gap even if fully placed.  
Placing it means issuing roughly \$48M of stock into a 44-million-share float at \$1.16, which isn't a financing so much as a description of what happens to the share price.

#### DOCUMENTED THE COMPANY HAS SAID WHEN IT IS LOOKING

The 5 August 10-Q doesn't leave the timing open. Management “will continue to actively pursue additional financing during the third quarter of 2026,” and if it can't, that “could adversely affect its ability to satisfy obligations as they become due.”

That quarter ends **30 September 2026**. This is not a 2027 problem being managed at leisure. It is a stated intention to raise money inside a window now measured in weeks, and what that raise looks like will arrive as an 8-K.

#### INFERRED WHAT THE NUMBER IS ACTUALLY TELLING YOU

Nobody at LiveWire or Harley expects this note to be repaid out of motorcycle sales. The arithmetic is worth doing precisely because the answer is unreachable: December 2027 gets settled by a financial decision, not a commercial one.

Harley holds the note and **78%** of the equity. It is on both sides of that decision. No filing says what it intends, and I don't assert one.

**THE POINT** About \$122 million has to come from somewhere before 15 December 2027, the ATM pays Harley first, and the 10-Q says a raise is being pursued this quarter.

**BACK TO THE THESIS** The clock is the thesis with a date on it. Nothing the product does moves it.

**OUTLOOK** Watch for an 8-K in the next few weeks. Its shape, ATM, new instrument, or something from Harley, is the most informative thing that will happen to this company this year.

# WHAT A FINANCIAL RESOLUTION COULD LOOK LIKE

**| READ THIS SECTION DIFFERENTLY**

Everything before this is sourced to a filing. This section isn't. It lays out the mechanisms available under instruments already on file, assigns no probabilities, and states no intention on anyone's behalf. One caveat up front, because the cover line invites it: the documents fix constraints, obligations and incentives, not results. The paperwork does not decide how this ends. It decides who gets to.

No filing says Harley intends to divest, wind down, convert, acquire or take LiveWire private. The closing outlook is my judgment, and says so.

## THE REPOSITIONING, IN DATED INSTRUMENTS

Read alone, each is housekeeping. Read in order, they describe one thing.

| DATE        | INSTRUMENT OR STATEMENT                                                                                                                                                                                                                                                                                                |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14 Feb 2024 | H-D extends a <b>\$100M Convertible</b> Delayed Draw Term Loan. If LiveWire cannot repay at maturity, H-D converts to equity. That is a parent's instrument, an equity backstop. <b>It is never drawn.</b>                                                                                                             |
| 9 Nov 2025  | Amended and restated. <b>The conversion feature is removed.</b> A security interest over <b>substantially all assets</b> is added. So are negative covenants blocking asset sales, new debt, liens, investments and fundamental changes. And the <b>first \$10.0M of any ATM proceeds is redirected to the lender.</b> |
| 15 Dec 2025 | \$75.0M drawn. Interest accrues at SOFR + 4.00%, compounding semi-annually, <b>nothing payable until maturity.</b>                                                                                                                                                                                                     |
| 26 Feb 2026 | H-D's audited 10-K: <i>"does not plan to make additional investments in LiveWire beyond the amount outstanding under the Term Loan."</i>                                                                                                                                                                               |
| 5 May 2026  | "Back to the Bricks." Six financial targets, none of them LiveWire. The word "electric" does not appear.                                                                                                                                                                                                               |

## IN FIFTEEN MONTHS, HARLEY-DAVIDSON WENT FROM PARENT TO SECURED CREDITOR. IT DIDN'T LEAVE THE TABLE. IT CHANGED SEATS.

Every step is a filed instrument with a date on it. What the sequence means is interpretation; that it happened is not. An equity backstop became a secured claim, the borrower got fenced in, and the only equity lever it has left was made to pay the lender first.

### 1(d) Security.

(i) *Grant of Security Interest.* For value received and as collateral security for the Obligations (as defined below), each of Borrower and Guarantor hereby grants to Lender a security interest and Lien (as defined below) in and on, and agrees and acknowledges that Lender has, and shall continue to have, a security interest and Lien in and on, each of Borrower's and Guarantor's right, title and interest in and to each of the following assets, wherever located, however arising or created and whether now owned or existing or hereafter arising, created or acquired: all equipment, fixtures, inventory, documents, general intangibles, accounts, deposit accounts, contract rights, chattel paper, patents, trademarks and copyrights (and the goodwill associated with and registrations and licenses of any of them), instruments, letter of credit rights and investment property, and all additions and accessions to, all replacements for, software used in, all returned or repossessed goods the sale of which gave rise to, and all proceeds, supporting obligations and products of, the foregoing (collectively, the "**Collateral**").

(ii) *Indebtedness Secured.* The security interest granted herein is granted to secure the payment and performance of (collectively, the "**Obligations**"); (i) any and all

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Equipment, fixtures, inventory, accounts, contract rights, IP, goodwill, "all products and proceeds of the foregoing." That is what "substantially all assets" looks like written out.

UNVERIFIED

### ONE THING THE AUTHOR DOES NOT CLAIM TO KNOW

**Why the conversion right was removed.** Two readings fit. A lender expecting to be repaid has no use for a conversion feature. A lender who would rather hold a secured claim than a diluted stake drops it for the opposite reason.

That is roughly the difference between an extension and a foreclosure, and nothing on file settles it. Anyone who says they know is guessing.

One fact drives the whole set. Harley holds the secured note and **~78%** of the equity. In a normal workout a creditor negotiates with shareholders; here they are the same party. The only outside interest is the **~22%** public float.

| MECHANISM                             | HOW IT WORKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | WHAT IT COSTS H-D                                                                                                |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| Extend or amend the note              | Maturity pushed beyond December 2027, possibly repriced or re-covenanted. Threads the “no additional investments” language, since extending an existing note is not new investment.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Nothing today. Preserves every other option.                                                                     |
| Convert debt to equity                | <b>Correction worth noting:</b> H-D <i>used to</i> hold this as a contractual right. The February 2024 Convertible Delayed Draw Term Loan let H-D convert amounts outstanding to equity at maturity if it determined, reasonably and in good faith, that LiveWire lacked the financial wherewithal to repay. <b>That facility was never drawn, and the November 2025 amendment and restatement removed the conversion feature.</b> A conversion today would require a fresh negotiated agreement, not the exercise of an existing right. The arithmetic if it happened: at \$1.20, \$85M is roughly 71 million shares, taking H-D from ~78% toward ~88%. <b>Delaware's short-form merger provision becomes available at 90%</b> , above which a parent may squeeze out minority holders without a shareholder vote. | No cash. Dilutes the minority substantially.                                                                     |
| Harley's consent right over all of it | The Term Loan carries negative covenants restricting LiveWire's ability to <b>incur indebtedness, create liens, sell assets, make investments, make fundamental changes, pay dividends, or enter into affiliate transactions.</b> Selling STACYC, raising senior money, or merging with anyone plausibly requires the lender's agreement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Nothing. It already holds it.                                                                                    |
| Take-private                          | Acquire the float. Requires a Schedule 13E-3, a special committee of independent directors, and a fairness opinion. That is the function the conflicts committee described on the 2021 investor call was created to perform.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ~\$54M at market, and minority squeeze-outs typically carry a 30–50% premium. Less than another year of funding. |
| Sale to a third party                 | KYMC is the structurally obvious counterparty: existing shareholder, manufacturer of the volume product, short on Western brand and distribution. Complicated by the secured note sitting ahead of all other claims.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Recovers something; crystallises the loss.                                                                       |
| Break-up                              | STACYC is separable and profitable: 45.6% gross margin and positive operating income in Q2 2026. It would sell readily. Selling it also removes the only profitable segment and makes the remainder strictly worse.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Raises cash. <b>If STACYC is sold, the remainder is being prepared for wind-down, not growth.</b>                |
| Outside capital                       | Named directly in H-D's own risk factor: <i>“the ability of LiveWire to obtain sufficient funding from sources other than the Company.”</i> A new investor would face a \$75M annual loss, a secured creditor ahead of them, and a 78% controlling holder above them, and would likely require H-D to subordinate or convert first.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Nothing, but routes back to conversion.                                                                          |
| Secured-creditor remedies             | The note is secured by substantially all assets. On default, foreclosure (or a reorganisation with H-D as debtor-in-possession lender and stalking-horse bidder) transfers the assets and leaves the public equity behind. A documented legal right, recorded here for completeness.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Recovers assets. Wipes out the minority.                                                                         |
| Delisting                             | Compliance is fragile: the shares were non-compliant with NYSE Section 802.01C as recently as July 2026 and trade at \$1.16 as of 3 September 2026. A move off the exchange reduces the cost of being public and destroys what the 2022 business combination was for.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Nothing. Passive.                                                                                                |

## THE INCENTIVE THAT PROBABLY SETS THE TIMING

Every target in “Back to the Bricks” is an HDMC target: EBITDA above \$350M by 2027, 25–30% gross margin, opex under 20% of sales. LiveWire’s **\$70–80M** annual drag isn’t in those metrics but it is in the consolidated results. Anything that deconsolidates LiveWire improves the reported picture at the cost of crystallising the loss. That tension is the most plausible driver of *when*, whatever the *what*.

WHAT TO WATCH, IN ORDER OF INFORMATION VALUE

| FILING OR EVENT                                                                  | WHAT IT WOULD INDICATE                                                                                                                                                                                                      |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SC 13E-3, a special committee announcement, or a 13D/A                           | A take-private in motion. Note that <b>no Schedule 13D has ever been filed on LiveWire</b> ; its appearance would itself be the news.                                                                                       |
| 8-K recording a share issuance to H-D; share count jumps                         | Debt conversion. Check immediately whether it crosses 90%.                                                                                                                                                                  |
| 8-K amending the credit agreement                                                | Extension. The date moves; nothing else does.                                                                                                                                                                               |
| 8-K disposing of STACYC                                                          | Break-up. The strongest single signal in the set.                                                                                                                                                                           |
| SC 13D by a new party, or a merger agreement                                     | Third-party sale.                                                                                                                                                                                                           |
| Forbearance language, or a <b>going-concern qualification</b> in the FY2026 10-K | The distressed path.                                                                                                                                                                                                        |
| A new NYSE deficiency notice, or a <b>Form 25</b>                                | Delisting.                                                                                                                                                                                                                  |
| Aggressive <b>ATM</b> drawdown                                                   | Distress. Only 3.2% of the \$50M programme has been placed, and the first \$10.0M of net proceeds goes to Harley-Davidson before LiveWire sees a dollar. Heavy use at these prices would be a decision made under pressure. |

THE HARLEY-DAVIDSON READ-THROUGH

LiveWire is a **\$247M** company with a 44-million-share float. Harley is a \$27.81 stock that actually trades. The bigger question for most readers is what LiveWire is doing to the parent's numbers, and what changes if it stops.

Harley consolidates LiveWire as one of three segments. LiveWire's losses run straight through H-D's income statement, reduced only by the slice attributed to minority holders.

| Q2 2026, FROM BOTH FILINGS                             | AMOUNT              |              |
|--------------------------------------------------------|---------------------|--------------|
| LiveWire net loss (LVWR 10-Q)                          | \$ (18,213)K        |              |
| Loss attributed to noncontrolling interests (HOG 10-Q) | \$ (824)K           | 4.5%         |
| <b>Borne by Harley-Davidson</b>                        | <b>\$ (17,389)K</b> | <b>95.5%</b> |
| H-D net income attributable, as reported               | \$79,805K           | EPS \$0.75   |
| Same figure with LiveWire's loss removed               | \$97,194K           | +21.8%       |

**UNVERIFIED** AN ANOMALY WORTH FLAGGING, AND NOT EXPLAINING AWAY

On a straight 78/22 split the minority would eat about **\$4.0M** of the quarter's loss. The filed figure is **\$824K**, or 4.5%.

So Harley is carrying about **95%** of an economic loss in a company it owns 78% of. There are ordinary explanations: loss attribution once minority equity is exhausted, basis differences, intercompany margin eliminations. I don't know which applies. Both figures are filed and the gap is large; working out the cause needs H-D's equity roll-forward and is beyond this brief.

On the half year: LiveWire's H1 net loss was \$36.3M, \$1.5M of it to minorities. Strip out the remainder and H-D's attributable net income goes from \$104.6M to **\$139.4M**, a third higher, and H1 diluted EPS from \$0.97 to about **\$1.33**. Annualised, LiveWire is worth on the order of **\$0.65** of Harley EPS.

#### CALCULATED

#### WHAT THAT ARITHMETIC DOES NOT SAY

Removing a loss is not the same as deconsolidating a business. Three things sit between that arithmetic and any real outcome, and all three cut against it:

**Harley makes money from LiveWire.** Cost-plus manufacturing, a monthly services fee, HDFS floorplan, and now SOFR + 4%. Those revenues leave with the customer. The net benefit of separation is smaller than the loss it removes, possibly much smaller.

**Deconsolidation crystallises a charge.** H-D carries an investment in LiveWire and a **\$76.8M** secured receivable. What comes off the balance sheet, and at what value, needs Harley's own carrying value, which this brief hasn't established.

**The targets already exclude it.** LiveWire never appears in the metrics management is measured on, but it does appear in the results shareholders get paid on. That gap is the whole tension.

Which reframes the question for anyone holding HOG rather than LVWR. Harley is absorbing roughly **\$70M** a year, about \$0.65 of EPS, from a segment absent from its own plan and whose funding it has publicly capped. The strategic decision is made and disclosed. The accounting hasn't caught up. When it does, the reported numbers move: one way on earnings, possibly the other on a one-time charge.

Ground Truth No. 02 takes up the parent: Harley's carrying value of LiveWire, the write-off arithmetic, and whether Back to the Bricks is reachable on HDMC alone.

## OUTLOOK: MY JUDGMENT

#### INFERRED

**The commercial question is settled, and arithmetic settled it.** Clearing December 2027 on product needs roughly **135,000** Honchos in fourteen months, in a segment whose best seller does 10,000 a year with Honda behind it. No ramp closes that. The Honcho may be a good motorcycle; it cannot be a solvency event.

At the realistic figure, about 2,000 units, the position is worse than neutral: **3%** of annual burn covered, a probable deficit fee against a minimum it can't meet, and Harley pushed below the 40% floor. Nothing under roughly 40,000 units changes a conclusion here.

**So the financial question is the only live one, and one party decides it.**

Harley holds the note, the lien, 78% of the equity, the board, the covenants, the manufacturing, the dealer financing, the building, and a services agreement it can cancel on ninety days' notice. There is no counterparty with leverage. The public float has a ticker symbol and a very good view.

**Timing points to the first half of 2027.** Twelve months of runway lands around August 2027; the note matures in December. And the FY2026 10-K arrives around **February 2027**, when an auditor has to take a going-concern view with nine months of cash against \$85M coming due.

**Base case: extension or restructuring on Harley's terms.** Cheapest path, keeps every option open, no write-off headline, and Harley controls both sides of the table. The tell is an 8-K amending the credit agreement.

**What would surprise me is outside capital.** The lien and the covenants make LiveWire close to unfundable by anyone willing to rank behind Harley, which is the practical meaning of the risk factor about funding “from sources other than the Company.”

**A complication nobody has priced.** Four vehicle programmes in flight: S2, Honcho, Dust, and the undisclosed Parisian. Minimum-volume commitments to two manufacturers. A **\$23.9M** R&D budget and about 150 people. I have watched OEMs with ten times the headcount struggle to carry four platforms.

**INFERRED WHAT THIS BRIEF DOES NOT CONCLUDE**

**That LiveWire fails.** A controlled restructuring by a parent that owns 78% isn't a failure event; it is a change in who owns it and on what terms.

The people running the company cut cost per bike **47%** in two years, cut operating burn **18%**, run a profitable STACYC business and rebuilt a dealer network they had cut by 30%. That is execution. I have seen far worse from far bigger companies.

What the filings describe is not a company run badly. It is a company whose position was fixed by the end of 2025, and whose remaining decisions belong to someone else. What follows: the tape, the scorecard, and the people who did the work anyway.

**SO WHAT · §09**

**THE POINT** Harley holds the note, the lien, 78% of the equity, the board, the manufacturing, the services contract and the dealer financing. It negotiates with itself.

**BACK TO THE THESIS** This is the answer to “who fixes it”: not the team, not the market, not outside capital.

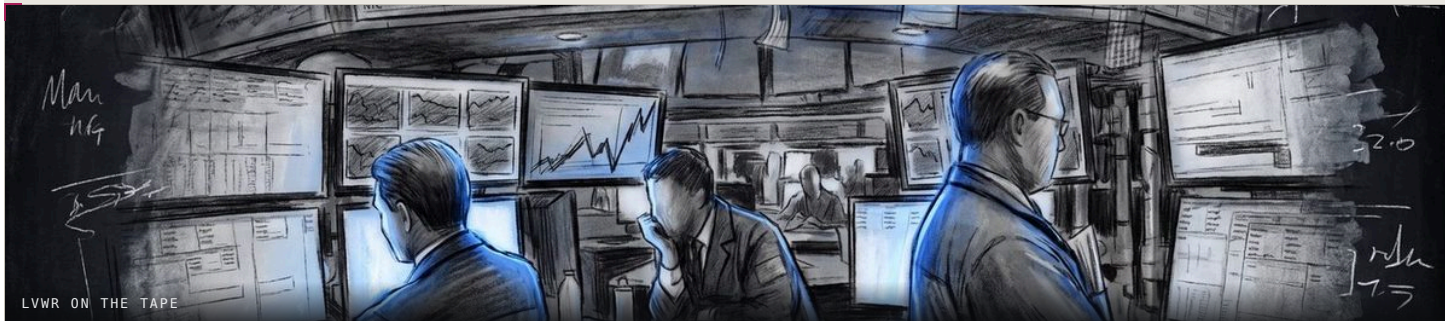
**OUTLOOK** Base case: extension or restructuring on Harley's terms, first half of 2027, triggered by the going-concern question in the FY2026 audit.

# THE TAPE

What the market did with all of this, and what the people inside did with the market.

**THE POINT**      Insiders sold only on retail spikes, never bought a share, and 36 of 38 sales were followed by a lower price.

**WHY IT MATTERS**      The people with the best information priced the stock the way this brief does. Nothing irregular; everything informative.

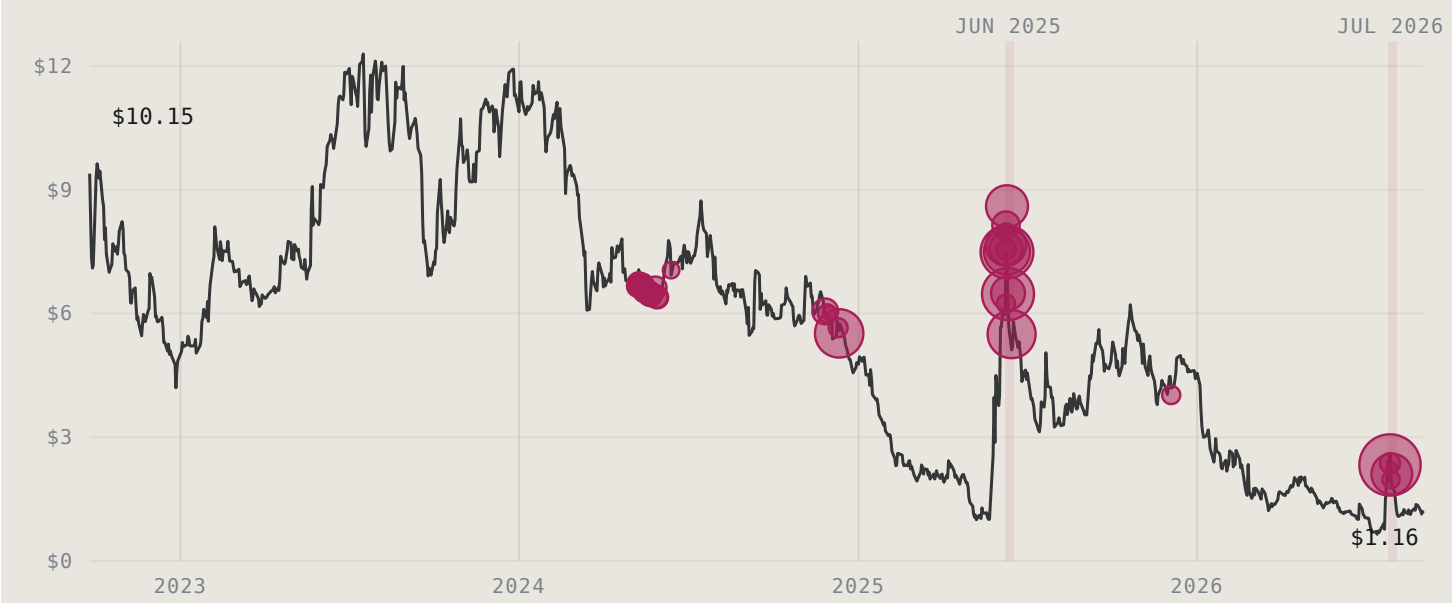


10 • THE TAPE

LIVEWIRE GROUP • NYSE: LVWR

## WHAT THE STOCK DID, AND WHAT INSIDERS DID WITH IT

Four years of share price with every reported insider trade laid over it. No names. The pattern is the point.



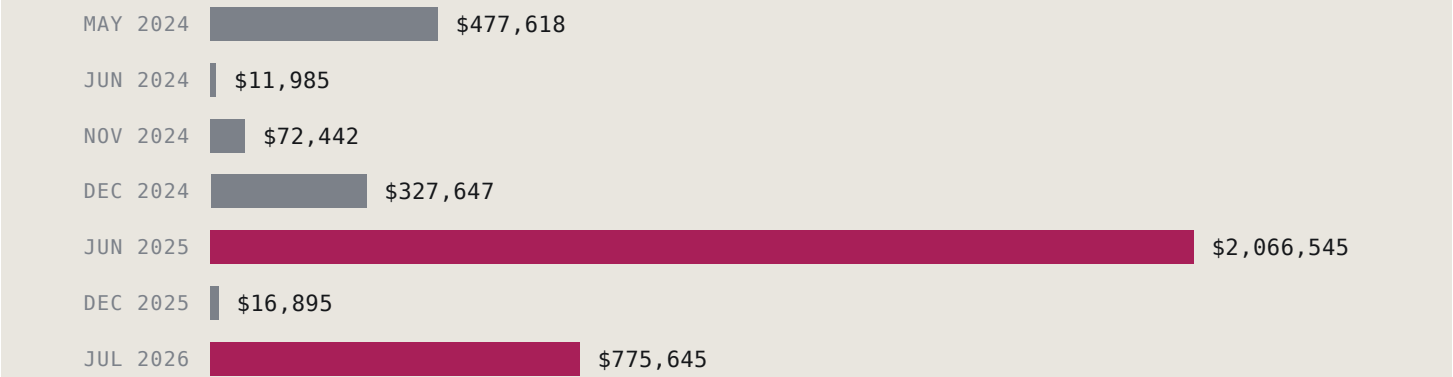
**DOCUMENTED** Close of the business combination, 26 September 2022, to 3 September 2026. Each circle is one open-market sale (code S) at its execution price, area proportional to proceeds. Shaded bands are the two selling clusters: June 2025 (seven sellers, **\$2.07M**) and July 2026 (four sellers, **\$0.78M**). Forms 4 and 4/A.

- The line goes from about **\$10** to **\$1.16**.
- The circles only ever appear on the way up. Spikes, never troughs.
- One kind of mark never appears at all: a purchase.

| ACROSS FOUR YEARS AS A PUBLIC COMPANY                         | SHARES    | VALUE       |
|---------------------------------------------------------------|-----------|-------------|
| Granted to insiders                                           | 5,605,088 |             |
| Withheld by the company for taxes (code F, not a market sale) | 494,607   | \$2,213,428 |
| Sold on the open market (code S)                              | 788,446   | \$3,748,777 |
| Bought on the open market (code P)                            | 0         | \$0         |

All Forms 3, 4, 4/A and 5 filed under CIK 0001898795, 26 September 2022 to 3 September 2026, parsed from the SEC’s XML: 134 ownership filings, 141 reported transactions, 16 officers and directors. Two amended transactions counted once. Value is shares × reported price.

In four years as a public company, no officer or director has bought a single share on the open market. Not at \$10, not at \$12.29, not at \$0.65. Common enough, people paid in stock rarely buy more, but it is the one signal that costs nothing to send and has never been sent.



**CALCULATED** Open-market proceeds by month. Seven months in four years contain any selling; the two highlighted months are 81% of shares sold and 76% of proceeds.

Both clusters follow the same event: a retail-driven spike with nothing from the business behind it.

- May–June 2025.** The stock went from \$1.01 to \$4.50 in a week on 220 million shares. Over the next fortnight seven insiders sold \$2.07M at \$5.50 to \$8.60.
- July 2026.** From \$0.66 to an intraday \$3.57 on 233 million shares; the 386% release was the spark. In the three days after, four insiders sold \$776K at \$1.98 to \$2.38. Same week the company disclosed the NYSE letter it had held since release day.

DOCUMENTED

WHAT THE RECORD SUPPORTS, AND WHAT IT DOESN'T

**The calendar was clean.** The delisting letter was disclosed inside the four business days the rule allows. The July sales sit inside the normal post-results window. Nothing here alleges otherwise.

**The timing was a choice.** Not one of the 38 sales in four years was under a 10b5-1 plan; the box is on every Form 4 and it is zero on all of them.

The July lots had not just vested: the Forms 144 show them acquired six weeks to two and a half years earlier, held through every prior window, and sold in the one week the stock traded above \$2. Not improper. Price-sensitive. It tells you what the people with the best information thought their stock was worth while retail paid triple.

**They are still long.** Every July seller kept far more in unvested units than they sold, in the largest case about six times as much. Nobody exited. They took a slice of a window that hadn't existed the week before.

**And the timing has been good.** 36 of 38 sales were followed by a lower price six months later. In a stock down 88% since the merger that takes no foreknowledge; it is what selling into strength looks like when the trend only goes one way. \$1.16 on 3 September.

**THE POINT**      Insiders sold only into retail spikes, never under a 10b5-1 plan, never bought, and were right 36 times out of 38.

**BACK TO THE THESIS**      The people with the best information about this business priced it the way the filings do.

**OUTLOOK**      The next spike will tell you whether that has changed. If the pattern holds, the Forms 4 arrive within three days of it.

# THE FINAL WORD

What was promised, what was delivered, who did the work, and who holds the pen.

**THE POINT**      The team hit every spending number and no volume number. Harley didn't leave. It changed seats.

**WHY IT MATTERS**      Outlook: the resolution is financial, on Harley's terms, most likely in the first half of 2027. The tell is an 8-K amending the credit agreement.



SAME BUILDING, DIFFERENT CHAIR

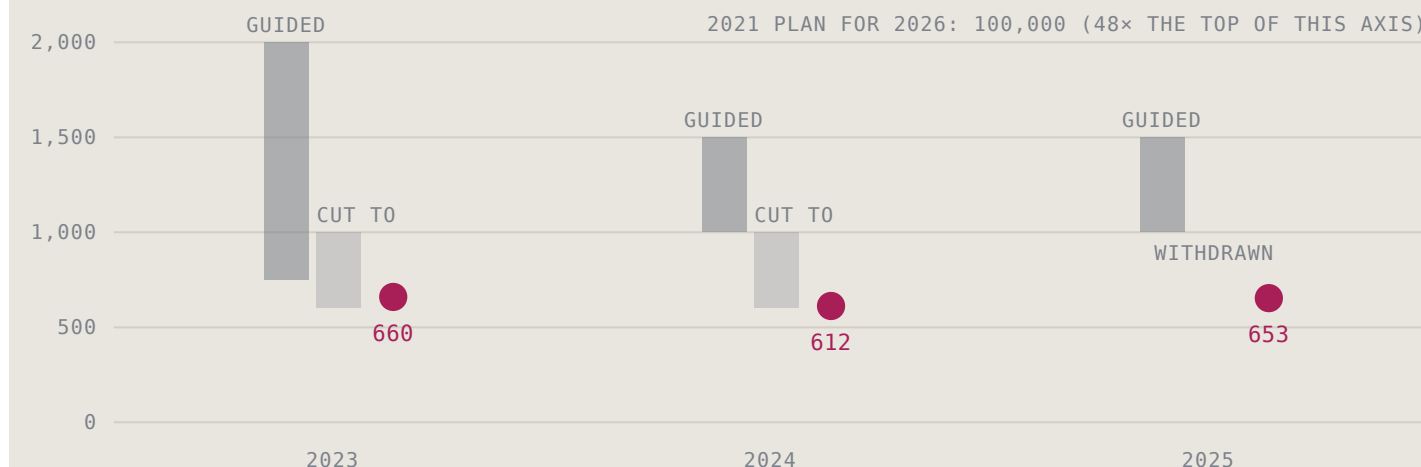
# WHAT WAS PROMISED. WHAT WAS DELIVERED.

Every forecast below was made by LiveWire or Harley in a filed document, and every result is from a filing too. Where guidance was revised mid-year, both numbers are shown and the verdict says which one was hit.

| SAID                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | BY                      | THE FORECAST                                                                                                                                                              | WHAT ACTUALLY HAPPENED                                                                                                                               | VERDICT                                                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| 13 Dec 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | H-D CFO, merger call    | “approximately 100,000 units by 2026”                                                                                                                                     | 923 motorcycles in the twelve months to 30 June 2026                                                                                                 | Miss: 0.9% of plan                                                                                             |
| 13 Dec 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | H-D CFO, merger call    | revenue “from \$35 million today to almost \$1.8 billion by 2026”                                                                                                         | \$31.3M trailing twelve months. Below the starting point.                                                                                            | Miss: 1.7% of plan                                                                                             |
| 13 Dec 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | H-D CFO, merger call    | “profitable on both an EBITDA and cash flow basis in 2026”                                                                                                                | H1 2026 operating loss \$(35.7)M; parent guides a \$70–80M loss for the year                                                                         | Miss                                                                                                           |
| Dec 2021 / Feb 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | H-D 10-K                | Deal funded by ABIC’s \$400M trust “assuming no redemptions,” plus \$100M from H-D and \$100M from KYMCO                                                                  | Holders of 36.6M shares redeemed \$368.1M. About \$34M of the trust reached the company.                                                             | Miss: 91.5% redeemed                                                                                           |
| Feb 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | H-D 10-K / LVWR         | 2023: 750–2,000 units; operating loss \$115–125M                                                                                                                          | Aug 2023: units cut to 600–1,000. Delivered 660; loss \$116.8M                                                                                       | Units: miss, hit after cut<br>Loss: hit                                                                        |
| Feb 2024                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | H-D 10-K / LVWR         | 2024: 1,000–1,500 units; operating loss \$115–125M                                                                                                                        | Apr: loss improved to \$105–115M. Nov: units cut to 600–1,000. Delivered 612; loss \$109.6M                                                          | Units: miss, hit after cut<br>Loss: beat                                                                       |
| Feb 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | H-D 10-K / LVWR         | 2025: 1,000–1,500 units; loss \$70–80M; cash use ~\$60M; “reduce our cash burn by 40% or more”                                                                            | May: units withdrawn, loss ~\$59M. Jul: \$59–69M. Nov: \$72–77M. Delivered 653 units; loss \$75.0M; cash use about \$57M (derived)                   | Units: withdrawn (would have missed)<br>Loss: hit the third guide, missed the second<br>Cash and burn cut: hit |
| Feb 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | H-D 10-K                | Harley-Davidson 2025 diluted EPS “flat to down 5%” vs \$3.44                                                                                                              | \$2.78, down 19%                                                                                                                                     | Miss                                                                                                           |
| Feb 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | H-D 10-K                | 2026: LiveWire operating loss \$70–80M. No unit guidance given, for the first time.                                                                                       | H1 2026: \$(35.7)M, an 8.3% improvement on H1 2025                                                                                                   | On pace                                                                                                        |
| Feb 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | H-D 10-K                | The forecast that replaced the forecast: H-D “does not plan to make additional investments in LiveWire beyond the amount outstanding under the Term Loan”                 | \$75M drawn Dec 2025; secured; ~\$85M due 15 Dec 2027. LiveWire says it will “actively pursue additional financing during the third quarter of 2026” | Pending. The only forecast that matters now                                                                    |
| 5 May 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | H-D, Back to the Bricks | HDMC EBITDA above \$350M by 2027; 25–30% gross margin; opex under 20% of sales. LiveWire: not mentioned. Wholesale shipments of 130,000–135,000 Harley-Davidsons in 2026. | H1 2026 HDMC operating income \$91.3M, down \$86.3M year on year. Too early to score.                                                                | Pending                                                                                                        |
| <p>Forecasts: LW EV Holdings Form 425 (14 Dec 2021); HOG 10-K FY2021, FY2022, FY2023, FY2024, FY2025; HOG 10-Qs of 10 May 2023, 9 Aug 2023, 6 May 2024, 6 Nov 2024, 6 May 2025, 6 Aug 2025, 5 Nov 2025; LVWR 8-Ks of 5 Feb 2025, 1 May 2025, 30 Jul 2025 and 4 Nov 2025. Results: LVWR 10-K FY2022–FY2025 unit tables (wholesale plus company retail, the company’s own “Electric Motorcycle unit sales” measure); LiveWire segment operating loss as reported by Harley-Davidson in its 10-Ks; LVWR 10-Q Q2 2026. 2025 cash use is derived from the filed cash balances (\$64.4M to \$82.8M) net of the \$75M loan draw and is approximate.</p> |                         |                                                                                                                                                                           |                                                                                                                                                      |                                                                                                                |

FIG 14 GUIDED VS. DELIVERED: MOTORCYCLE UNITS

2023 – 2025



**DOCUMENTED** Grey bars are February guidance; the lighter bar the mid-year cut. Magenta dot is what shipped. Original unit guidance: never met, cut every year, withdrawn in 2025.

## WHERE THE FORECAST ACTUALLY LIVES

People ask where LiveWire publishes its unit guidance. Mostly, it doesn't. LiveWire's own 10-K has never carried a forward volume number. It is in Harley's annual report instead: one paragraph in the MD&A Outlook, wedged between the HDMC margin guide and the HDFS guide.

LiveWire repeats it in the bullets of its earnings 8-K. Four annual reports, clipped below. Watch the number: 750–2,000, then 1,000–1,500, then 1,000–1,500 again, then gone.

2023 • 750–2,000 UNITS

DELIVERED 660

The Company expects LiveWire motorcycle shipments of 750 to 2,000 units and a LiveWire operating loss of \$115 million to \$125 million in 2023. The LiveWire expectations assume a launch of LiveWire's Del Mar electric motorcycle in the second half of 2023.

CLIPPED FROM THE FILING HARLEY-DAVIDSON 10-K FY2022 • FILED 24 FEB 2023 • MD&amp;A, OUTLOOK

[Open on EDGAR](#) →

2024 • 1,000–1,500 UNITS

DELIVERED 612

The Company expects LiveWire motorcycle sales of 1,000 to 1,500 units and a LiveWire operating loss of \$115 million to \$125 million in 2024. This range is consistent with the 2023 operating loss while selling between 50% and 125% more motorcycle units.

CLIPPED FROM THE FILING HARLEY-DAVIDSON 10-K FY2023 • FILED 23 FEB 2024 • MD&amp;A, OUTLOOK

[Open on EDGAR](#) →

2025 • 1,000–1,500 UNITS

DELIVERED 653

The Company expects LiveWire motorcycle sales of 1,000 to 1,500 units and a LiveWire operating loss of \$70 million to \$80 million in 2025. This range represents approximately 35% improvement in operating results from 2024 while selling between 60% and 145% more motorcycle units. In addition, in 2025 the Company expects cash used by operating activities

CLIPPED FROM THE FILING HARLEY-DAVIDSON 10-K FY2024 • FILED 26 FEB 2025 • MD&amp;A, OUTLOOK

[Open on EDGAR](#) →

2026 • NO UNIT NUMBER

LOSS ONLY

The Company expects LiveWire operating loss of \$70 million to \$80 million in 2026.

CLIPPED FROM THE FILING HARLEY-DAVIDSON 10-K FY2025 • FILED 26 FEB 2026 • MD&amp;A, OUTLOOK

[Open on EDGAR](#) →

LIVEWIRE, IN ITS OWN VOICE

SAME NUMBERS

For the full year 2023, the Company expects:

- Electric Motorcycle wholesale units of 750 to 2,000
- LiveWire Group Operating Loss of \$115 to \$125 million

CLIPPED FROM THE FILING LIVEWIRE 8-K • 2 FEB 2023 • EX. 99.1, "2023 FINANCIAL OUTLOOK"

[Open on EDGAR](#) →

WITHDRAWN THREE MONTHS LATER

1 MAY 2025 8-K

For the full year 2025, the Company expects:

- Electric Motorcycle sales of 1,000 to 1,500 revenue units
- LiveWire Group operating loss of \$70 to \$80 million

CLIPPED FROM THE FILING LIVEWIRE 8-K • 5 FEB 2025 • EX. 99.1, "2025 FINANCIAL OUTLOOK"

[Open on EDGAR](#) →

**DOCUMENTED** Six documents, one sentence each, and the sentence gets shorter every year. By FY2025 the parent guides the loss and nothing else. On 1 May 2025 LiveWire pulled the unit range itself: uncertainty "limits our ability to provide updated units projections with the necessary level of precision and reliability, we have chosen to withdraw our previously issued units guidance at this time." A company that stops telling you how many it will sell has usually stopped knowing.

INFERRED

## THE PATTERN, IN ONE SENTENCE

LiveWire hits its spending numbers and misses its volume numbers. Every year. Loss guidance: met 2023, beaten 2024, met 2025 after two revisions. Unit guidance: missed, missed, withdrawn, not offered. That is a company that can control what it spends and cannot control what it sells, and the 2021 plan it was sold on was a volume plan.

The one number that never moved is the deadline. 2026 was the year everything was supposed to happen. It is 2026.

### SO WHAT · §11

#### THE POINT

Every loss number hit. Every volume number missed, cut or withdrawn. The unit guidance lives in Harley's 10-K, not LiveWire's, and has now disappeared.

#### BACK TO THE THESIS

One percent of plan is not a single bad year. It is five consecutive Februaries of the same pattern.

#### OUTLOOK

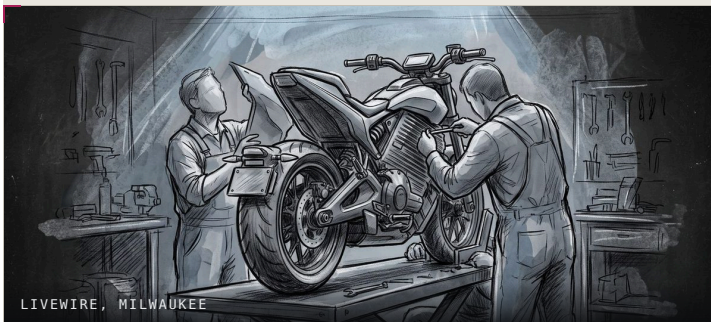
There is no volume guidance for 2026. Whatever gets sold this year, nobody put a number on it in advance.

### 12 · CREDIT WHERE IT'S DUE

LIVEWIRE GROUP · NYSE: LVWR

# THE PEOPLE DID THE WORK. THE PAPERWORK DIDN'T.

Most of this brief is contracts and a loan. Before the final word, what the people inside LiveWire actually pulled off, each one filed, each one real, each one followed by why it still isn't enough. That second line is the whole story: not a lineup problem the engineers can fix, not a demand problem the dealers can fix. A structure problem, and structure lives in exhibits.



LIVEWIRE, MILWAUKEE



STACYC

|                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div><div>-47%</div><div>COST PER MOTORCYCLE · 2024 → Q2 2026</div><div><del>\$44,147</del> to <b>\$23,172</b> a unit in two years. Real engineering, real sourcing, real fights with suppliers. Nobody hands you that.</div><div>WHY IT ISN'T ENOUGH</div><div>Cost is still \$23,172 against \$11,483 recognised. Halving the cost of a thing you sell at a loss still leaves a loss.</div></div> | <div><div>-61%</div><div>LOSS PER UNIT · TWO YEARS</div><div>Operating loss per bike down to <del>\$67,566</del> from an almost theoretical number. Right direction, fast.</div><div>WHY IT ISN'T ENOUGH</div><div>At \$67,566 a unit, every bike sold moves the company further from December 2027. The overhead doesn't scale down with the sticker.</div></div>                                        | <div><div>-18.4%</div><div>OPERATING CASH BURN · H1 2026 VS H1 2025</div><div>Operating cash burn from \$32.4M to <del>\$26.4M</del> in a half. On a company this size, discipline.</div><div>WHY IT ISN'T ENOUGH</div><div>\$26.4M a half is still \$52.9M of cash against ~\$85M due in fifteen months. Better burn buys weeks, not a maturity.</div></div>                  | <div><div>45.6%</div><div>STACYC GROSS MARGIN · Q2 2026</div><div>Revenue \$5.5M, gross profit \$2.5M, positive operating income. The balance-bike business is a real business, and the only segment that makes money.</div><div>WHY IT ISN'T ENOUGH</div><div>A few million a year against \$62M of Electric Motorcycles opex. It is also the most saleable asset LiveWire owns, and the covenants restrict selling it.</div></div>                                                  |
| <div><div>171%</div><div>RETAIL SELL-THROUGH · Q2 2026</div><div>Retail beat wholesale in Q2 and H1: <del>293 vs 267</del>, 412 vs 358. Dealer stock went down. Not channel stuffing. The demand is real at its scale.</div><div>WHY IT ISN'T ENOUGH</div><div>Its scale is 923 a year. The plan was 100,000. Real demand at one percent of plan is still one percent of plan.</div></div>          | <div><div>105</div><div>DEALERS · 88 → 96 → 105</div><div>Cut the network 30%, then rebuilt it: 88, 96, <b>105</b>. Rebuilding a network you just cut is harder than building one.</div><div>WHY IT ISN'T ENOUGH</div><div>105 doors cannot retail what 1,000 can. Every breakeven number in this brief divides by 105. That is why they come out at twelve, twenty-one, thirty-eight a week.</div></div> | <div><div>\$23.9M</div><div>R&amp;D · DOWN FROM \$54.1M</div><div>R&amp;D from \$54.1M to <b>\$23.9M</b>, headcount 182 to about 150, while starting the Honcho and closing Dust. A small team carrying a lot.</div><div>WHY IT ISN'T ENOUGH</div><div>Four platforms now sit on that budget, with minimums owed to two manufacturers. Discipline is not capacity.</div></div> | <div><div>\$4,999</div><div>S4 HONCHO · BUILT BY KYMCO</div><div>A new platform, at a new price, from a new manufacturer, into production in the middle of all this. Launching anything under these conditions is an achievement.</div><div>WHY IT ISN'T ENOUGH</div><div>A minimoto entering the Grom's segment at a 39% premium with a take-or-pay minimum behind it. At any plausible volume it costs money. At 135,000 it clears the loan. Nothing in between exists.</div></div> |

All figures from LVWR Form 10-K FY2025 and Form 10-Q Q2 2026, and the Q2 2026 earnings release; per-unit figures are arithmetic on filed numbers as shown in §06. The 2021 plan of record is from the Form 425 of 14 December 2021.

So here is the fair summary, and I would say it to any of them to their face. This team inherited a ~~\$2.31 billion~~ valuation, a 100,000-unit promise and a cost structure built for a company ten times its size. They cut, sourced, re-priced, rebuilt a network and launched two platforms.

**What they don't have is a lineup with volume in it. What they can't get is a set of contracts that let them win if they found one.** You cannot execute your way out of cost-plus, take-or-pay, a services contract Harley can end on ninety days' notice, and a secured note held by your own parent. Those were signed by people above them, some before most of them arrived.



## GETS PAID ON EVERY FRONT

NINE CONTRACTUAL CHANNELS · ALL FILED · ALL RUNNING NOW

### ON THE WAY UP

#### Cost-plus manufacturing

Every S2 bought at H-D cost + mark-up

CMA · 26 SEP 2022

#### Monthly services fee

Payroll, IT, engineering, the building

MSA · DEC 2024

#### 78% of the equity

Any upside is mostly Harley's

FORM 3 · SEP 2022

### ON THE WAY DOWN

#### SOFR + 4% on \$76.8M

Accreting to ~\$85M, nothing due until Dec 2027

TERM LOAN · NOV 2025

#### First \$10M of the ATM

Equity raised goes to the lender first

\$1(C)(III)

#### HDFS floorplan

Dealers finance LiveWire stock through Harley

10-K FY2025

### ON THE WAY OUT

#### Lien over substantially all assets

Equipment, inventory, IP, goodwill, proceeds

\$1(D)

#### Covenants on asset sales

Nothing leaves without the lender's say

TERM LOAN

#### Ninety days' notice

Services end for convenience

MSA §8.4



PAYS ALL NINE · 923 MOTORCYCLES A YEAR · \$70-80M LOSS

22%

PUBLIC FLOAT

CARRIES THE RISK · COLLECTS NONE OF THE FEES

INFERRED THE FINAL WORD · HARLEY-DAVIDSON

## HARLEY DIDN'T LEAVE. IT CHANGED SEATS.

In 2021 Harley-Davidson sold the world a \$2.31 billion electric motorcycle company and said, on a call filed with the SEC, **100,000** units and **\$1.8 billion** by 2026. In 2026 it is **923** and **\$31M**, and Harley's own annual report says it "does not plan to make additional investments in LiveWire beyond the amount outstanding under the Term Loan."

Between those two sentences Harley moved from the parent's chair to the banker's. It still builds the bikes, at cost-plus. Still charges the services fee. Still floors the dealers. Now collects SOFR + 4% on **\$76.8M**, secured on substantially all of LiveWire's assets, with a services agreement it can end on ninety days' notice. **It gets paid on the way up, on the way down, and on the way out.**

The only party carrying LiveWire's risk without collecting LiveWire's fees is the 22% public float, and, through consolidation, Harley's own shareholders, at about **\$0.65** a share a year.

I ran product at Harley. I know how a program like this gets born, and I know the meeting where its funding gets quietly cut off. Nothing in these filings is illegal, unusual or even unwise from Harley's chair.

It is what a company looks like once it has decided, and written the decision into contracts while saying nothing in a press release. When the 8-K amending the credit

agreement lands, and it will, remember the terms were set in November 2025. The 386% was just the thing that got everyone to look.

■ SO WHAT • §12

|                    |                                                                                                                                                        |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| THE POINT          | Cost per bike down 47%, burn down 18%, a profitable STACYC business, a rebuilt dealer network, a new platform launched. All real, all filed.           |
| BACK TO THE THESIS | None of it touches the structure. That is the whole thesis: the people did the work and the paperwork decided the ending.                              |
| OUTLOOK            | Harley gets paid on the way up, on the way down and on the way out. When the credit-agreement 8-K lands, remember the terms were set in November 2025. |

13 • SOURCES

# EVERY DOCUMENT, LINKED

Each row opens the filing on EDGAR. Nothing here rests on a secondary source or somebody else's summary.

| DOCUMENT                                                                                        | FILED                                   | WHAT IT SUPPORTS                                                                                                                                                                                                             | LINK                                                                              |
|-------------------------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>Form 10-K, FY2025</b><br>LiveWire Group, Inc.                                                | 20 Feb 2026                             | Manufacturing and services agreement summaries; 2027 minimum volume commitments; segment results; NRV commentary                                                                                                             | <a href="#">Open on EDGAR →</a><br>0001898795-26-000028                           |
| <b>Form 10-Q, Q2 2026</b><br>LiveWire Group, Inc.                                               | 5 Aug 2026                              | Q2 segment results; unit sales; NRV adjustment of \$2,204K; cash flows; Term Loan terms; Item 5 severance amendment                                                                                                          | <a href="#">Open on EDGAR →</a><br>0001898795-26-000085                           |
| <b>Form 10-K, FY2024</b><br>LiveWire Group, Inc.                                                | 21 Feb 2025                             | 2023 provision for excess inventory components held by H-D (\$6,126K); revised MSA summary                                                                                                                                   | <a href="#">Open on EDGAR →</a><br>0001898795-25-000055                           |
| <b>Form 10-K, FY2023</b><br>LiveWire Group, Inc.                                                | 23 Feb 2024                             | Original MSA terms including the 8% mark-up; FY2021–FY2023 income statement                                                                                                                                                  | <a href="#">Open on EDGAR →</a><br>0001898795-24-000066                           |
| <b>Form 8-K: Q2 2026 results</b><br>LiveWire Group, Inc.                                        | 23 Jul 2026                             | Item 2.02. The earnings release announcing 386% unit growth                                                                                                                                                                  | <a href="#">Open on EDGAR →</a><br>0001898795-26-000064                           |
| <b>Form 8-K: NYSE notice</b><br>LiveWire Group, Inc.                                            | 29 Jul 2026                             | Item 3.01. Non-compliance with NYSE Section 802.01C, received 23 July 2026                                                                                                                                                   | <a href="#">Open on EDGAR →</a><br>0001898795-26-000078                           |
| <b>Form 8-K: Dust acquisition &amp; KYMCO agreement</b><br>LiveWire Group, Inc.                 | 22 May 2026                             | Ex. 10.1 Dust Asset Purchase Agreement (consideration up to \$14.75M). Ex. 10.2 Amended & Restated KYMCO Contract Manufacturing Agreement: Parisian maxi-scooter, Minimum Annual Volume Commitment, Order Deficit Impact Fee | <a href="#">Open on EDGAR →</a><br>0001193125-26-237206                           |
| <b>Form 8-K: Term Loan</b><br>LiveWire Group, Inc.                                              | 29 Dec 2025                             | \$75.0M drawn under the Amended and Restated Delayed Draw Term Loan                                                                                                                                                          | <a href="#">Open on EDGAR →</a><br>0001193125-25-335418                           |
| <b>Form 8-K: Master Services Agreement</b><br>LiveWire Group, Inc.                              | 26 Dec 2024                             | Ex. 10.1 Amended & Restated MSA. §8.3(c) the 40% clause; §8.4 termination for convenience on 90 days                                                                                                                         | <a href="#">Open on EDGAR →</a><br>0001898795-25-000327                           |
| <b>Definitive proxy (DEF 14A)</b><br>LiveWire Group, Inc.                                       | 9 Apr 2026                              | Beneficial ownership; board composition; related-party transactions                                                                                                                                                          | <a href="#">Open on EDGAR →</a><br>0001140361-26-014000                           |
| <b>Form S-4: business combination</b><br>LW EV Holdings, Inc.                                   | 7 Feb 2022                              | The SPAC registration statement and the original separation agreements                                                                                                                                                       | <a href="#">Open on EDGAR →</a><br>0001193125-22-029818                           |
| <b>Form 10-K, FY2025</b><br>Harley-Davidson, Inc.                                               | 26 Feb 2026                             | “Does not plan to make additional investments in LiveWire”; LiveWire guided to a \$70–80M operating loss; MIC 601cc+ registrations                                                                                           | <a href="#">Open on EDGAR →</a><br>0000793952-26-000011                           |
| <b>Form 10-K, FY2022 – FY2024</b><br>Harley-Davidson, Inc.                                      | 24 Feb 2023 · 23 Feb 2024 · 26 Feb 2025 | LiveWire unit and operating-loss guidance for 2023, 2024 and 2025 (MD&A Outlook), clipped in §11; LiveWire segment operating loss as reported by the parent                                                                  | <a href="#">Open on EDGAR →</a><br>0000793952-23-000046 · -24-000076 · -25-000063 |
| <b>Form 8-K, Ex. 99.1: FY2022 and FY2024 results</b><br>LiveWire Group, Inc.                    | 2 Feb 2023 · 5 Feb 2025                 | LiveWire’s own “Financial Outlook” bullets: 750–2,000 units for 2023; 1,000–1,500 units and \$70–80M loss for 2025                                                                                                           | <a href="#">Open on EDGAR →</a><br>0001898795-23-000005 · 0001898795-25-000017    |
| <b>Form 8-K, Ex. 99.1: Q1 2025 results</b><br>LiveWire Group, Inc.                              | 1 May 2025                              | Unit guidance withdrawn; operating-loss target moved below \$60M                                                                                                                                                             | <a href="#">Open on EDGAR →</a><br>0001898795-25-000098                           |
| <b>Form 8-K: “Back to the Bricks”</b><br>Harley-Davidson, Inc.                                  | 5 May 2026                              | The five-year strategic plan. Six financial targets, no LiveWire target, no use of the word “electric”                                                                                                                       | <a href="#">Open on EDGAR →</a><br>0000793952-26-000029                           |
| <b>Form 425: merger investor call transcript</b><br>LW EV Holdings, Inc.                        | 14 Dec 2021                             | The plan of record: ~100,000 units and ~\$1.8B revenue by 2026; 25–30% long-term gross margin; \$2.31B post-money equity value                                                                                               | <a href="#">Open on EDGAR →</a>                                                   |
| <b>Form 3: initial statement of beneficial ownership</b><br>Harley-Davidson / ElectricSoul, LLC | 26 Sep 2022                             | H-D’s only ownership filing on LVWR. Filed jointly by ElectricSoul, LLC, Harley-Davidson Motor Company Group, LLC and Harley-Davidson, Inc. <b>No Schedule 13D has ever been filed on LiveWire.</b>                          | <a href="#">Open on EDGAR →</a>                                                   |

Non-SEC sources: manufacturer pricing pages, linked at the point of use. No MIC figure is reproduced; where segment volume appears, it is my own estimate and says so.

THE COMPLETE ARCHIVE

Written against a full local copy of both companies' filings: **260**, reconciled against EDGAR with zero missing. 153 for LiveWire from 2021, 107 for Harley from 2022. Claims were checked against the documents, not against reporting about them.

14 • METHOD & STANDING

WHO WROTE THIS, AND HOW



WILLIAM WEPPNER  
CONTACT PATCH ADVISORY

I'm an independent expert witness and litigation consultant. EV and powersports product liability. Contact Patch Advisory is the practice.

I spent most of my career inside the companies this brief is about. At **Harley-Davidson** I ran product for Touring, CVO and Trike, the lines that pay for everything else on Juneau Avenue. Before that, sales planning lead for the CRF range at **Honda** and planning lead on the Grom, the bike that still defines the segment LiveWire is entering. Later, product development at **Super73**, OEM sales at **Sena**, and **Faction MX**, which I founded and sold.

I race motocross at expert level and I ride constantly. It matters here for one reason: when this brief says what a bike costs to build, what a dealer can retail in a season, or how much a segment will absorb, those are calls I made for a living, not things I pulled from a spreadsheet.

Nobody else is doing this particular job. The analysts don't read manufacturing agreements. The powersports people don't read 10-Ks. I do both, and the gap between what these companies announce and what they file is where the story usually is.

|                   |                                                                                          |
|-------------------|------------------------------------------------------------------------------------------|
| PRACTICE          | Independent expert witness & litigation consultant: EV and powersports product liability |
| HARLEY-DAVIDSON   | Product Manager: Touring, CVO, Trike                                                     |
| HONDA             | Sales Planning Lead: CRF line; planning lead, Grom                                       |
| SUPER73           | Director of Product Development                                                          |
| SENA TECHNOLOGIES | Director of OEM Sales                                                                    |
| FACTION MX        | Founder, sold to private equity                                                          |
| ALSO              | Amphenol Nova Sensor · LID Technology · expert-level motocross racer                     |





Left: the Low Rider on the freeway. Middle: leading a group through the canyons. Right: the day job on weekends.

STANDING AND INDEPENDENCE

I hold no position in LiveWire Group, Harley-Davidson, or any company named here: long, short, or derivative. I have no engagement, adverse or friendly, with any of them.

Where a conclusion rests on my time in the industry rather than a document, I say so. Where an earlier version of this was wrong, the fix is in the log at §14, not made quietly. If something here is wrong, tell me.

METHOD

**Primary documents first.** Figures come from filed financial statements or are computed from them, and the computation is shown.

**Derived figures are labelled.** Per-unit economics, trailing-twelve-month revenue and breakeven volumes are arithmetic on filed numbers, identified in the captions.

**Fact and opinion are separated.** Sections 01–08 are sourced. Sections 09, 10 and 12 are judgment, and say so. Where an interpretation rests on my industry experience rather than a document (as with the undefined term “production”), it is marked as my reading.

EVIDENCE STATUS

Major findings carry one of five tags, so a reader can see at a glance what kind of claim is being made and how to attack it.

|                  |                                                                                      |
|------------------|--------------------------------------------------------------------------------------|
| DOCUMENTED       | Stated in a filing, contract or transcript, and linked to it.                        |
| CALCULATED       | Arithmetic on documented numbers, with the computation shown.                        |
| INFERRED         | A conclusion supported by more than one documented fact, but stated by none of them. |
| INDUSTRY CONTEXT | My professional experience or established industry practice, not a document.         |
| UNVERIFIED       | Plausible, and not independently establishable from public information.              |

CORRECTIONS LOG

Each of these was asserted in an earlier revision and corrected on reading the document. The log is published because a method is only worth what its error-handling is worth.

WHAT WAS CLAIMED

WHAT THE DOCUMENT SAID

|                                                                                                             |                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A U.S. segment size derived by dividing worldwide units by a U.S. retail share.                             | Invalid on its face: worldwide numerator, U.S. denominator. Removed, and replaced with MIC 601cc+ registrations as a sourced denominator.                                                                                                                                                            |
| Average selling price of \$13,655 per motorcycle.                                                           | That divided <i>total segment revenue</i> , including parts and apparel, by <i>motorcycle</i> units. True ASP is <b>\$11,483</b> .                                                                                                                                                                   |
| A gross loss of \$9,517 per motorcycle, presented without qualification.                                    | Roughly <b>87% of it</b> was the year-over-year increase in net realisable value adjustments, not build cost at sale.                                                                                                                                                                                |
| The 40% manufacturing clause had lapsed with the 2022 agreement.                                            | It is live and appears in the current 10-K. The search that missed it looked for "40%"; the filing spells it <b>"forty percent"</b> .                                                                                                                                                                |
| The 40% clause caps how much production can move to KYMCO.                                                  | <b>\$8.4 lets either party terminate for convenience on 90 days' notice.</b> H-D needs no trigger at all; the 40% route is slower. The clause is evidence of intent, not a cap.                                                                                                                      |
| Exhibit 10.2 to the 8-K of 22 May 2026 is an amended Harley-Davidson manufacturing agreement.               | It is the <b>KYMCO</b> agreement, and its Exhibit A (products, volumes, prices) is redacted under Item 601(b)(10).                                                                                                                                                                                   |
| Dust Moto was acquired for \$375,000.                                                                       | \$375K cash, plus \$500K of stock at closing, three annual \$875K stock instalments, and up to \$11.25M of contingent earn-out. <b>Up to \$14.75M.</b>                                                                                                                                               |
| Debt-for-equity conversion is a mechanism available to Harley-Davidson.                                     | It was, under the February 2024 facility, which was never drawn. <b>The November 2025 restatement removed the conversion feature.</b>                                                                                                                                                                |
| NYSE compliance was regained on 3 August 2026.                                                              | No filing says so. The company has announced no return to compliance and the 5 August 10-Q does not mention the notice. Restated as the author's reading of the Exchange's month-end cure test against the 31 July close, with the <b>23 January 2027</b> cure deadline shown as the filed position. |
| The ~10,000-unit Grom volume is sourced to MIC registration data.                                           | It is not a published statistic and is not reproduced from MIC. It is the <b>author's own estimate</b> , formed as planning lead on the Grom program at American Honda, and is now labelled as judgment rather than as a cited figure.                                                               |
| The December 2027 obligation is \$76.8M.                                                                    | Interest accrues at SOFR + 4.00% compounded semi-annually with nothing payable until maturity. The payoff is nearer <b>\$85M</b> .                                                                                                                                                                   |
| Q2 2026 purchases were driven by minimum volume commitments.                                                | The Harley minimums begin in <b>calendar 2027</b> . Those purchases were discretionary.                                                                                                                                                                                                              |
| The write-down is "arithmetic proof" that the cost-plus transfer price exceeds market value.                | The filing establishes that carrying cost exceeded net realisable value; it does not itemise the cost. The cost-plus mechanism is now <b>labelled as an inference</b> from the agreement and the filing together, in \$00, \$04 and \$06.                                                            |
| The 76% share figure most likely rests on MIC data in which classification is declared by the manufacturer. | Not needed to make the point and not established from any filing. The section is restructured as <b>known / not disclosed / therefore / hypothesis</b> ; the finding is that the figure cannot be reproduced from the public record, and the MIC source is labelled as industry context.             |
| "The paperwork has already decided how it ends."                                                            | Kept as the cover line. As analysis it overstates: the documents fix <b>constraints, obligations and incentives</b> , not results. \$09 now says so before the mechanisms are laid out. Evidence-status tags added throughout; legend in \$14.                                                       |

CORRECTIONS AND CHALLENGES

If a figure or reading here is wrong, I want to know. Corrections get made in the document, dated, and added to the log. Not made quietly.

METHOD & LIMITATIONS

WHAT THIS BRIEF DOES AND DOES NOT CLAIM

Every figure is drawn from SEC filings, company releases, or manufacturers' published pricing. Derived figures (per-unit economics, trailing-twelve-month revenue, breakeven

volumes) are arithmetic on filed numbers and are identified as such in the captions.

**This brief does not assert, and no filing states, that Harley-Davidson intends to divest, wind down, or take LiveWire private.** No Schedule 13D has ever been filed on LiveWire. Harley-Davidson's sole ownership filing is a Form 3 dated 26 September 2022, filed jointly by ElectricSoul, LLC, Harley-Davidson Motor Company Group, LLC and Harley-Davidson, Inc.

The Master Services Agreement of 23 December 2024 has now been read. "Production" is **not a defined term** in it; the word appears once, lowercase, in Section 8.3(c). The reading offered in S07 is the author's industry interpretation of an undefined term, identified as such, and is not represented as the agreement's own definition.

One has been closed and corrected. An earlier revision described the exhibit filed 22 May 2026 as an amended Harley-Davidson manufacturing agreement. **It is not. It is the KYMCO agreement**, and its Exhibit A, containing the products, volumes and prices, is redacted under Item 601(b)(10). Those figures are not public. The Harley-Davidson minimum volume commitments beginning in calendar 2027 are described in the FY2025 10-K; the underlying agreement dates from 26 September 2022 and was amended 14 February 2024.

CONTACT PATCH ADVISORY · GROUND TRUTH NO. 01 · WILLIAM WEPPNER  
· SEPTEMBER 2026