

FINANCIAL STATEMENTS BULLETIN January–December 2019



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Kamux Corporation's Financial Statements Bulletin for January 1 – December 31, 2019

Kamux continued its very strong growth: Revenue increased by 33.8% and adjusted operating profit by 25.2%

The figures in parenthesis refer to the comparison period, i.e. the same period in the previous year, unless stated otherwise.

October–December in brief

- Revenue increased by 33.8%, totaling EUR 175.4 million (131.1)
- Gross profit increased by 25.6% to EUR 20.0 million (16.0), or 11.4% (12.2) of revenue
- Adjusted operating profit (EBIT) increased by 25.2% to EUR 5.4 million (4.3), or 3.1% (3.3) of revenue
- Operating profit (EBIT) increased by 36.8% to EUR 5.4 million (3.9), or 3.1% (3.0) of revenue
- The number of cars sold increased by 28.3% to 14,395 cars (11,220)
- Like-for-like showroom revenue growth was 14.6% (0.7)
- Earnings per share were EUR 0.12 (0.08)

January–December in brief

- Revenue increased by 24.8%, totaling EUR 658.5 million (527.8)
- Gross profit increased by 22.8% to EUR 79.6 million (64.9), or 12.1% (12.3) of revenue
- Adjusted operating profit (EBIT) increased by 16.1% to EUR 25.4 million (21.9), or 3.9% (4.1) of revenue
- Operating profit (EBIT) increased by 33.8% to EUR 25.3 million (18.9), or 3.8% (3.6) of revenue
- The number of cars sold increased by 19.0% to 55,432 cars (46,596)
- Like-for-like showroom revenue growth was 6.3% (5.6)
- Earnings per share were EUR 0.48 (0.37)
- The Board of Directors proposes a dividend of EUR 0.23 per share to be distributed for the year 2019 (for the year 2018 a dividend EUR 0.16 per share was distributed)

CEO Juha Kalliokoski:

“Kamux’s revenue growth accelerated to reach a record level in the fourth quarter, increasing by 33.8% compared to the corresponding period of the previous year. At the same time, our operating profit growth was very strong. Sales of like-for-like showrooms increased by 14.6%. Our focus on inventory monitoring and management resulted in inventory turnover improving to 44.5 days (49.6). Return on equity (ROE) for 2019 was 25.3%.

During 2019, the importance of leading with knowledge increased. We see that our investments in digital development and leading with knowledge create a clear competitive advantage for the company in a situation where the seamless integration of supply and demand is increasingly important. Consolidation of the industry further continued in Finland and in Sweden during 2019.

In international business, our growth was very strong also in 2019. Due to the weak exchange rate of the Swedish krona, export sales from Sweden to Europe increased, which increased the prices of used cars in Sweden. We focused successfully in consumer purchases, which improved our offering and is a good example of our ability to react to changes in market situation.

In Sweden and Germany, this year we will focus on both growth and profitability. These two countries are still the key focus of our internationalization efforts.

In November, Vesa Uotila was appointed as Director of Business Development and Member of the Management Team. He will be responsible for the company's strategic development projects.

Outlook and financial targets

Kamux does not provide a short-term outlook. The company's medium-term annual financial targets for 2019–2022 are to increase revenue by over 10% and to reach an operating profit margin of at least 4% as well as a dividend payout of at least 30% of the profit for the financial year.

Key figures

EUR million	10–12/ 2019**	10–12/ 2018	Change, %	1–12/ 2019**	1–12/ 2018	Change, %
Revenue	175.4	131.1	33.8%	658.5	527.8	24.8%
Gross profit	20.0	16.0	25.6%	79.6	64.9	22.8%
as percentage of revenue, %	11.4%	12.2%		12.1%	12.3%	
Operating profit (EBIT)	5.4	3.9	36.8%	25.3	18.9	33.8%
as percentage of revenue, %	3.1%	3.0%		3.8%	3.6%	
Adjusted operating profit*	5.4	4.3	25.2%	25.4	21.9	16.1%
as percentage of revenue, %	3.1%	3.3%		3.9%	4.1%	
Revenue from integrated services	9.4	7.8	20.4%	32.9	27.1	21.7%
as percentage of revenue, %	5.4%	6.0%		5.0%	5.1%	
Number of cars sold	14,395	11,220	28.3%	55,432	46,596	19.0%
Gross profit per sold car, EUR	1,392	1,422	-2.1%	1,437	1,392	3.2%
Sales growth of like-for-like showrooms, %	14.6%	0.7%		6.3%	5.6%	
Net debt				38.5	9.6	300.3%
Inventories				70.2	71.0	-1.0%
Inventory turnover, days				44.5	49.6	-10.4%
Capital expenditures	0.9	0.7	30.5%	2.7	1.3	109.4%
Average number of employees during the period				595	472	26.1%
Return on equity (ROE), %				25.3%	22.9%	
Return on investment (ROI), %				16.7%	16.2%	
Equity ratio, %				45.1%	60.0%	
Earnings per share, basic, EUR	0.12	0.08	38.0%	0.48	0.37	29.8%

* Operating profit adjusted for special expense items related to strategy planning, geographical expansion and during the comparative year also taxes from previous financial years, totaling EUR 0.1 million for the fourth quarter of 2019 and totaling EUR 0.1 million for 1–12/2019. (10–12/2018: EUR 0.4 million and 1–12/2018: EUR 3.0 million).

** Key figures 1–12/2019 and 10–12/2019 include the effects of the adoption of IFRS 16 Leases standard. Excluding the effects of IFRS 16, the comparable figures in 1–12/2019 were: Operating profit (EBIT) EUR 25.2 million, Adjusted operating profit EUR 25.3 million, Net debt EUR -8.1 million, Return on equity (ROE) 25.5%, Return on investment (ROI) 20.6% and Equity ratio 60.7% and 10–12/2019 Operating profit (EBIT) EUR 5.3 million and Adjusted operating profit EUR 5.4 million.

Market review

The car retail market is impacted by technology change, power source and emissions and climate debate, as well as possible changes in car-related tax policies. These have affected especially the new car markets and are also partly reflected in used car sales. In January–December 2019, new car registrations increased by 1.2% (source: ACEA) in the European Union region compared to the

previous year, while in Finland first-time registrations decreased by -5.2% (The Finnish Information Centre of Automobile Sector). Historically, there have been large yearly fluctuations in new car registrations due to e.g. economic cycles and taxation changes. Used car market is more stable and market changes are smaller than in the new car market. During the last ten years, passenger vehicle fleet in Finland, Sweden and Germany has been increasing, and the growth continued also in 2019. Therefore, new mobility services, like car sharing, are not reflected in the number of cars.

Kamux was able to further strengthen its market position in all its markets in 2019. According to the company's estimate, during the fourth quarter the used car market in Finland was at the previous year's level and increased Sweden. The company estimates that it has strengthened its position among the ten largest used car retailers in Sweden. Kamux estimates that its share of the used car market in Germany increased during the fourth quarter. It is, however, still marginal. According to Kamux's estimate, during the fourth quarter Germany's used car market remained at the level of the corresponding period of the previous year.

Kamux estimates that the used car market sizes in 2019 in the countries in which Kamux operates were as follows: approximately 0.5 million cars sold yearly in Finland, approximately 1.2 million cars in Sweden, and approximately 7.2 million cars in Germany. Kamux estimates that the used car market size in all three operating countries totals approximately 9 million sold cars annually, which is more than EUR 100 billion.

Revenue in October–December 2019

Revenue increased by 33.8% compared to the corresponding period of the previous year and amounted to EUR 175.4 million (131.1). The increase in revenue was driven by the opening of new showrooms and sales growth of like-for-like showrooms. The growth was fully organic. Kamux's integrated services revenue increased to EUR 9.4 million (7.8), or 5.4% (6.0) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 28.3% compared to the corresponding period of the previous year and amounted to 14,395 cars (11,220). Revenue per sold car amounted to EUR 12,188 (11,690).

Revenue in January–December 2019

Revenue increased by 24.8% compared to the corresponding period of the previous year and amounted to EUR 658.5 million (527.8). Kamux's integrated services revenue increased to EUR 32.9 million (27.1), or 5.0% (5.1) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 19.0% compared to the corresponding period of the previous year and amounted to 55,432 cars (46,596). Revenue per sold car amounted to EUR 11,879 (11,328).

Revenue allocation

EUR million	10-12/2019	10-12/2018	1-12/2019	1-12/2018
Sales of used cars	166.0	123.3	625.6	500.8
Financing fees and Insurance commissions	8.0	6.6	27.7	22.7
Sales of Kamux Plus	1.4	1.2	5.3	4.3
Total	175.4	131.2	658.5	527.8

Result in October–December 2019

Gross profit increased by 25.6% compared to the corresponding period of the previous year and amounted to EUR 20.0 million (16.0). Gross profit increased across all segments but in Finland and in Sweden, gross profit as percentage of revenue decreased. In Kamux Group, gross profit as percentage of revenue decreased by -0.7 percentage points to 11.4% (12.2).

The adjusted operating profit increased by 25.2% and amounted to EUR 5.4 million (4.3). The adjusted operating profit as percentage of revenue was 3.1% (3.3). The adjusted operating profit has been adjusted for special items related to strategic planning, geographical expansion and during the comparative year also special items related to taxes from previous financial years. The expenses adjusting the operating profit totaled EUR 0.1 million (0.4) in the fourth quarter.

Operating profit (EBIT) increased by 36.8% compared to the previous year, amounting to EUR 5.4 million (3.9). Excluding the effect of IFRS 16 the operating profit increased by 36.1% and amounted to EUR 5.3 million (3.9).

The profit before taxes for the fourth quarter amounted to EUR 5.9 million (4.2). IFRS 16 had no material effect on the profit before taxes. Earnings per share amounted to EUR 0.12 (0.08).

Result in January–December 2019

Gross profit increased by 22.8% compared to the corresponding period of the previous year and amounted to EUR 79.6 million (64.9). Gross profit as percentage of revenue decreased by -0.2 percentage points to 12.1% (12.3).

The adjusted operating profit increased by 16.1% and amounted to EUR 25.4 million (21.9). The adjusted operating profit as percentage of revenue was 3.9% (4.1). The expenses adjusting to the operating profit totaled EUR 0.1 million (3.0) in January–December. The adjustment items include EUR 0.0 million expenses related to geographical expansion and EUR 0.1 million expenses related to strategic analysis.

Operating profit (EBIT) increased by 33.8% compared to the previous year, amounting to EUR 25.3 million (18.9). Excluding the effect of IFRS 16, the operating profit increased by 33.0% and amounted to EUR 25.2 million (18.9).

The profit before taxes for January–December amounted to EUR 24.4 million (19.4). By comparable figures without the effect of IFRS 16, the profit before taxes amounted to EUR 24.6 million (19.4). Earnings per share amounted to EUR 0.48 (0.37).

Key figures of the business segments

EUR million	10-12/ 2019	10-12/ 2018	Change, %	1-12/ 2019	1-12/ 2018	Change, %
Revenue						
Finland	125.8	102.3	23.0%	490.9	419.1	17.1%
Sweden	44.2	27.0	63.8%	158.5	101.9	55.5%
Germany	16.1	8.2	97.6%	52.2	30.1	73.5%
Segments total	186.2	137.5	35.4%	701.5	551.1	27.3%
Group functions and eliminations	-10.8	-6.3	-70.1%	-43.0	-23.3	-84.7%
Total	175.4	131.1	33.8%	658.5	527.8	24.8%
Gross Profit						
Finland	15.3	13.4	13.6%	63.6	54.3	17.2%
Sweden	3.3	2.1	58.1%	11.6	8.3	39.6%
Germany	1.5	0.4	238.0%	4.4	2.2	98.3%
Segments total	20.0	16.0	25.6%	79.6	64.9	22.8%
Group functions and eliminations	-	-	-	-	-	-
Total	20.0	16.0	25.6%	79.6	64.9	22.8%
Gross profit, as percentage of revenue, %						
Finland	12.1%	13.1%		13.0%	13.0%	
Sweden	7.4%	7.7%		7.3%	8.2%	
Germany	9.3%	5.4%		8.4%	7.3%	
Segments total	10.8%	11.6%		11.4%	11.8%	
Group functions and eliminations	-	-		-	-	
Total	11.4%	12.2%		12.1%	12.3%	
Operating profit						
Finland	6.3	6.2	1.7%	29.4	24.1	21.7%
Sweden	0.2	-0.2	209.4%	1.3	0.9	35.0%
Germany	-0.1	-0.8	93.8%	-1.0	-1.8	43.2%
Segments total	6.5	5.2	23.2%	29.6	23.2	27.4%
Group functions and eliminations	-1.1	-1.3	17.4%	-4.3	-4.3	0.9%
Total	5.4	3.9	36.8%	25.3	18.9	33.8%
Operating profit, as percentage of revenue, %						
Finland	5.0%	6.1%		6.0%	5.8%	
Sweden	0.4%	-0.6%		0.8%	0.9%	
Germany	-0.3%	-10.0%		-2.0%	-6.1%	
Segments total	3.5%	3.8%		4.2%	4.2%	
Group functions and eliminations	-	-		-	-	
Total	3.1%	3.0%		3.8%	3.6%	

Share of the integrated services in all used cars sold by Kamux by segment

percentage, %	10-12/2019	10-12/2018	1-12/2019	1-12/2018
Financing services				
Finland	45	46	48	46
Sweden	47	45	46	46
Germany	22	21	22	21
Insurance services				
Finland	49	45	49	45
Sweden	91	89	91	91
Kamux Plus				
Finland	19	18	19	19
Sweden	23	24	22	26

Finland in October–December 2019

Revenue increased by 23.0% compared to the corresponding period of the previous year, amounting to EUR 125.8 million (102.3). The number of cars sold increased by 1,822, or 20.1% compared to the corresponding period of the previous year, amounting to 10,888 cars (9,066). The growth was driven by new showrooms as well as the sales growth of like-for-like showrooms.

Integrated services revenue increased to EUR 7.8 million (6.8), or 6.2% (6.7) of revenue. Operating profit increased by 1.7% compared to the corresponding period of the previous year, amounting to EUR 6.3 million (6.2), or 5.0% (6.1) of revenue. Relative profitability was affected by a higher than usual profit on integrated services for the comparison period. IFRS 16 had no material effect on operating profit.

Finland in January–December 2019

Revenue increased by 17.1% compared to the corresponding period of the previous year, amounting to EUR 490.9 million (419.1). The number of cars sold during January–December increased by 5,187, or 13.6% compared to the corresponding period of the previous year, amounting to 43,404 cars (38,217).

Integrated services revenue increased to EUR 28.4 million (24.0), or 5.8% (5.7) of revenue during January–December. Operating profit increased by 21.7% compared to the corresponding period of the previous year, amounting to EUR 29.4 million (24.1), or 6.0% (5.8) of revenue. In January–December Finland's operating profit was impacted by EUR 0.1 million expenses of special items related to strategic planning. In the comparison period operating profit was impacted by EUR 2.5 million expenses of special items related to taxes from previous financial years. By comparable figures without the effect of IFRS 16, the operating profit amounted to EUR 29.2 million (24.1).

Sweden in October–December 2019

Total revenue increased by 63.8% compared to the corresponding period of the previous year, amounting to EUR 44.2 million (27.0). External revenue increased by 60.8%, amounting to EUR 33.9 million (21.1). The number of cars sold during the fourth quarter increased by 867, or 57.1%

compared to the corresponding period of the previous year, amounting to 2,385 cars (1,518). The growth was driven by new showrooms as well as the sales growth of like-for-like showrooms.

Revenue of the integrated services increased to EUR 0.9 million (0.7), or 2.6% (3.4) of external revenue. Operating profit increased compared to the corresponding period of the previous year, amounting to EUR 0.2 million (-0.2), or 0.4% (-0.6) of total revenue. IFRS 16 had no material effect on operating profit. In October, Kamux opened a new showroom in Halmstad.

Sweden in January–December 2019

Total revenue increased by 55.5% compared to the corresponding period of the previous year, amounting to EUR 158.5 million (101.9). External revenue increased by 46.3%, amounting to EUR 117.5 million (80.3). The number of cars sold during January–December increased by 2,130, or 34.7% compared to the corresponding period of the previous year, amounting to 8,263 cars (6,133).

Integrated services revenue increased to EUR 2.8 million (2.3) during January–December, or 2.4% (2.8) of external revenue. Operating profit increased compared to the corresponding period of the previous year, amounting to EUR 1.3 million (0.9), or 0.8% (0.9) of total revenue. IFRS 16 had no material effect on operating profit.

Germany in October–December 2019

Total revenue increased by 97.6% compared to the corresponding period of the previous year, amounting to EUR 16.1 million (8.2). External revenue increased by 101.7%, amounting to EUR 15.7 million (7.8). The number of cars sold during the fourth quarter increased by 486, or 76.4% compared to the corresponding period of the previous year, amounting to 1,122 cars (636). The growth was driven by sales growth in like-for-like showrooms as well as new showrooms.

Integrated services revenue increased to EUR 0.7 million (0.3), or 4.6% (3.4) of external revenue. Operating loss decreased compared to the corresponding period of the previous year, amounting to EUR -0.1 million (-0.8), or -0.3% (-10.0) of total revenue. IFRS 16 had no material effect on operating loss.

Germany in January–December 2019

Total revenue increased by 73.5% compared to the corresponding period of the previous year, amounting to EUR 52.2 million (30.1). External revenue increased by 76.3%, amounting to EUR 50.1 million (28.4). The number of cars sold during January–December increased by 1,519, or 67.6% compared to the corresponding period of the previous year, amounting to 3,765 cars (2,246).

Integrated services revenue increased to EUR 1.7 million (0.8) during January–December, or 3.5% (2.6) of the external revenue. Operating loss decreased compared to the corresponding period of the previous year, amounting to EUR -1.0 million (-1.8), or -2.0% (-6.1) of total revenue. By comparable figures without IFRS 16 effect, the operating loss amounted to EUR -1.1 million (-1.8).

Consolidated balance sheet and financial position

As of December 31, 2019, the consolidated balance sheet total was EUR 181.5 million (115.0), of which total equity amounted to EUR 81.7 million (68.9). Comparable consolidated balance sheet total without the effect of IFRS 16 amounted to EUR 142.1 million (115.0). Net debt amounted to EUR 38.5 million (9.6). Comparable net debt without the effect of IFRS 16 amounted to EUR -8.1 million (9.6). Non-current bank loans amounted to EUR 16.5 million (19.4).

Kamux has entered into a five-year credit facility agreement of EUR 50 million with Nordea Bank Corporation. The credit facility agreement includes a five-year term loan of EUR 30 million and a revolving credit facility of EUR 20 million. In addition to the revolving credit facility, Kamux has a lease guarantee facility of EUR 0.4 million. At the end of the reporting period, EUR 19.5 million of the term-loan was in use. The term loan is currently repaid in bi-annual installments of EUR 1.5 million.

Net working capital amounted to EUR 55.3 million (61.2) as of December 31, 2019. The value of the inventory was EUR 70.2 million (71.0).

Kamux's cash flow from operating activities for January–December amounted to EUR 33.5 million (2.7). Comparable cash flow from operating activities without the effect of IFRS 16 amounted to EUR 26.4 million (2.7). IFRS 16 increases the operating cash flow, as cash payments for the principal portion of the lease liability are classified within financing activities. Only that part of the payments which reflects interest continues to be presented as operating cash flow. Cash and cash equivalents at the end of the period amounted to EUR 27.6 million (12.8).

Equity ratio at the end of the review period was 45.1% (60.0). Return on capital employed (ROI) was 16.7% (16.2) and return on equity (ROE) was 25.3% (22.9). Due to the effect of IFRS 16, return on capital employed increased less than it would have increased without the effect of IFRS 16. The decrease in equity ratio was caused by growth in the consolidated balance sheet total resulting from the adoption of the IFRS 16. In comparable terms without the effect of IFRS 16, equity ratio amounted to 60.7% (60.0), ROI amounted to 20.6% (16.2) and ROE amounted to 25.5% (22.9) at the end of the review period.

Capital expenditure, research and development

Kamux seeks to gain a significant competitive advantage by investing in leading with knowledge as well as digital customer and business processes.

Kamux's capital expenditure for January–December amounted to EUR 2.7 million (1.3) and the capital expenditure level will remain higher than in 2018 for about one year. The capital expenditure consisted mainly of IT systems and ordinary maintenance in the showrooms. The company finances these capital expenditure with its existing cash and cash equivalents as well as cash flow from operations.

Kamux's research and development costs are mainly related to further development of the company's retail concept and improvement of its business processes.

Personnel

In January–December, Kamux's average number of employees amounted to 595 (472) in terms of full-time employees. Recruitment of new personnel is continued to support Kamux's growth.

Average number of employees by segment

	1–12/2019	1–12/2018
Finland	425	362
Sweden	123	80
Germany	47	30
Total	595	472

Kamux's share and shareholders

Kamux's largest shareholders as of December 31, 2019 were Intera Fund II Ky (21.0%), Juha Kalliokoski including both the shares owned by Juha Kalliokoski and by an investment company controlled by closely associated persons to Juha Kalliokoski (15.2%), and Elo Mutual Pension Insurance Company (8.5%).

During January–December, 14,710,255 (950,664) Kamux shares were traded on the Nasdaq Helsinki main market. The highest share price during the period was EUR 7.62 (7.48), and the lowest price was EUR 4.50 (5.20). On the last trading day of the review period December 30, 2019, the closing share price was EUR 7.40 (5.44). Kamux's volume weighted average share price during January–December was EUR 6.14 (6.43). Market capitalization, excluding treasury shares, measured at the review period's closing price was EUR 296.1 million (217.5).

Kamux's share capital amounted to EUR 80,000 on December 31, 2019, and the number of shares was 40,017,420. On March 1, 2019, the company issued a total of 30,126 new shares in a share issue without consideration directed to the key personnel of the Kamux Group for the payment of share-based incentive scheme of 2018. The new shares were registered in the Finnish Trade Register on March 14, 2019. On September 18, 2019, a total of 1,345 shares and on December 13, 2019 a total of 978 shares of these new shares were returned to the company without consideration due to the termination of employment of persons belonging to the scheme. At the end of the review period, the Company held 2,323 treasury shares, representing 0.01% of all shares.

Management and Corporate Governance

At the end of the review period, Kamux's Management Team included Juha Kalliokoski, CEO; Marko Lehtonen, CFO; Tommi Iiskonmäki, Country Director, Finland; Mikko-Heikki Inkeroinen, Chief Digital Officer; Olli Kilpi, Chief People Officer; Satu Ojala, Director of Communications; Tero Törmänen, Purchasing Director, and Ilkka Virtanen, Director of International Business

After the review period on October 7, 2019 January 7, 2020, Vesa Uotila started as a member of the Management Team and Director of Business Development. Uotila's service as a member of the Board of Directors ended on December 31, 2019. The Board of Directors of Kamux will continue as a five-member Board until the end of its current term, i.e. to the next Annual General Meeting of the company.

Board member David Nuutinen was appointed as new member of the Audit Committee of Kamux Corporation to replace Vesa Uotila as of January 1, 2020.

Share-based incentive scheme

On January 23, 2019, the Board of Directors of Kamux Corporation decided to approve the detailed terms and conditions of the share-based incentive scheme for the Group's key personnel for 2019. The incentive scheme approved for 2019 is the second scheme approved on the basis of the decision made by the Board of Directors on April 27, 2017 to establish an incentive scheme. The general terms and conditions of the scheme were described and published in a separate stock exchange release on January 23, 2019. The entire scheme is accounted for as an equity-settled payment with net settlement features. The earnings period for the scheme is the calendar year 2019, followed by a two-year commitment period. The fair value of the scheme was determined on the grant date. The fair value of the scheme is expensed during the three years until the end of the commitment period. During January–December 2019, the total effect of the schemes on the consolidated income for the year was EUR -0.3 million (-0.1).

Decisions of the Annual General Meeting and the Constitutive Meeting of the Board of Directors

Decisions of the Annual General Meeting

Kamux Corporation's Annual General Meeting was held on Friday April 12, 2019. The Meeting approved the Financial Statements and discharged the members of the Board of Directors and CEO from liability for the year of 2018. The Board of Directors proposal for a dividend of EUR 0.16 per share was approved. The record date for dividend payments was April 16, 2019 and the dividends were paid on April 25, 2019.

The Annual General Meeting confirmed that the Board of Directors will consist of six members and Mr. Matti Virtanen, Ms. Reija Laaksonen, Mr. David Nuutinen, Mr. Jokke Paananen, Mr. Harri Sivula and Mr. Vesa Uotila and Mr. Harri Sivula were re-elected as members of the Board of Directors. The Annual General Meeting elected Mr. Matti Virtanen as the Chairman of the Board and Mr. Harri Sivula as the Vice Chairman of the Board.

Authorized Public Accountant PricewaterhouseCoopers Oy was re-elected as the company's auditor. The remuneration of the auditor will be paid according to the invoice as accepted by the Company. PricewaterhouseCoopers Oy has informed that Authorized Public Accountant Mr. Janne Rajalahti acts as the principal auditor.

The Annual General Meeting resolved to authorize the Board of Directors in accordance with the proposal of the Board to resolve on the issuance of a maximum of 4,000,000 shares in one or more tranches corresponding to approximately 10% of all the shares in the company. The Board of Directors decides on the terms and conditions of the issuance of shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares. The issuance of shares may be carried out in deviation from the shareholders' pre-emptive right (directed issue). The authorization cancels previous unused authorizations regarding share issues but for the part of the previously given authorization that has been given for the Company's share-based incentive schemes. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2020.

The Annual General Meeting resolved to authorize the Board of Directors in accordance with the proposal of the Board to resolve on the repurchase of a maximum of 2,000,000 company's own shares using the unrestricted equity of the company, representing approximately 5% of all the shares in the company. The authorization includes the right to accept company's own shares as a pledge. The shares shall be acquired to be used for execution of the Company's share-based incentive schemes or for other purposes determined by the Board of Directors. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2020. The Board of Directors shall decide on any other matters related to the repurchase of the company's own shares and/or accepting them as a pledge.

Decisions of the Constitutive Meeting of the Board of Directors

In its constitutive meeting convening after the Annual General Meeting, the Board of Directors reappointed Mr. Harri Sivula (Chairman), Ms. Reija Laaksonen and Mr. Vesa Uotila as members of the Audit Committee.

The Board assessed the independence of the directors in its meeting in accordance with the Finnish Corporate Governance Code. It was concluded that Ms. Reija Laaksonen, Mr. David Nuutinen and Mr. Harri Sivula are independent of the company and its significant shareholders, Mr. Jokke Paananen and Mr. Vesa Uotila are independent of the company, and Mr. Matti Virtanen is independent of the significant shareholders of the company.

The decisions of the Annual General Meeting and the constitutive meeting of the Board of Directors were published in a stock exchange release on April 12, 2019.

Proposal of the Board of Directors for distribution of profit

On December 31, 2019 Kamux Corporation's distributable earnings totaled EUR 80,438,739.64 of which profit for the year was EUR 17,814,098.72. The Board of Directors proposes a dividend of EUR 0.23 per share to be distributed for the year 2019 and that the other distributable earnings be held in unrestricted equity (for the year 2018 a dividend of EUR 0.16 per share was distributed). The Board proposes that the dividend for the financial year 2019 will be paid in two instalments. The first dividend instalment, EUR 0.12 per share, is to be paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland Ltd on the first dividend instalment payment record date of April 23, 2020. The Board proposes that the first dividend instalment pay date be April 30, 2020. The second dividend instalment is to be paid to shareholders registered in the Company's register of shareholders maintained by Euroclear Finland Ltd on the second dividend instalment payment record date of October 23, 2020. The Board proposes that the second dividend instalment pay date be October 30, 2020. The Board proposes that it be authorized to decide, if necessary, on a new dividend payment record date and pay date for the second instalment if the rules and statutes of the Finnish book-entry system change or otherwise so require.

Annual General Meeting

The Annual General Meeting of Kamux Corporation is scheduled to be held on Tuesday April 21, 2020.

Flagging notices

During 2019, the company received notices of changes in shareholdings pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act as follows:

On August 29, 2019, Juha Kalliokoski and Callardo Capital Oy, a company controlled by closely associated persons to Juha Kalliokoski, announced that the total holdings of shares and voices of Juha Kalliokoski and Callardo Capital Oy in Kamux Corporation has exceeded the 15 percent flagging threshold.

On December 12, 2019, Intera Fund II Ky announced that the total holdings of shares and voices of Intera Fund II Ky in Kamux Corporation has fallen below the 25 percent flagging threshold.

Tax reassessment decision

In June 2018, Kamux announced that it had received a tax reassessment decision from the Finnish Tax Administration. The decision was related to a tax audit carried out by the Finnish Tax Administration in 2016–2018 concerning Kamux Suomi Oy and the tax years 2012–2016. Kamux expensed the total amount of the tax reassessment decision, approximately EUR 2.6 million, in full in its result for the second quarter of 2018. However, Kamux considers the decision to be unfounded and has appealed against the decision. The status of the tax reassessment appeal remains unresolved.

Short-term risks and uncertainties

According to the company's assessment, there have not been any material changes in the short-term risks or uncertainties during the review period.

Kamux's revenue and operating profit have experienced strong growth in recent years. However, in the future, Kamux's revenue and operating profit may increase more slowly or decrease compared to the historical performance.

Kamux's geographical expansion involves several risks, and any failure in recognizing suitable co-operation partners, recruiting new employees or achieving estimated benefits from internationalization may have a material adverse effect on Kamux. Furthermore, the company's success will depend on, inter alia, the company's management and other skilled employees, as well as its ability to recruit, develop, train, motivate and retain skilled employees.

Kamux's rapid and strong growth and business expansion during the past few years have set new requirements for the scope and monitoring of internal guidelines and policies. Any failure in the implementation and monitoring of these guidelines or policies may lead to financial consequences for Kamux and weaken the company's reputation.

Kamux operates in the used car retail market, and uncertain general economic conditions in the countries in which Kamux operates may have an adverse effect on Kamux's business, financial position and results of operations.

Kamux operates in a competitive and fragmented used car market, and competition may increase in the future.

Changes in car tax legislation or preparation of legislation may have a material adverse effect on the sales of new and used cars and on Kamux. Kamux's tax burden could increase as a result of changes to tax laws or their application or as a result of a tax audit. Public discussion on car power sources and possible changes in power sources as well as political decisions related to power sources may seasonally have an effect on Kamux's business, considering that the consumer demand may fluctuate.

Kamux's IT systems are pivotal to the company's operations, and they cover all the major areas of the business. Failure of the IT systems and services to operate as planned may disturb Kamux's operations and have an adverse effect on its business.

Kamux believes that its brand and reputation among its customers are important for the company's success. Kamux's failure to maintain an adequate service level or an adverse event that damages the company's reputation may have a significant adverse effect on Kamux.

The main principles of Kamux's risk management are described in the consolidated financial statements and on the website at www.kamux.com.

Events after the financial year

On December 2, 2019, Kamux announced the acquisition of the business and assets of Autosilta from Jagro Oy. The acquisition was completed on January 9, 2020 and on that date Kamux obtained control of the assets acquired. On January 10, 2020 Kamux opened a new showroom in Niittykumpu in Espoo, located on the former premises of Autosilta. In connection with the acquisition five employees were transferred into Kamux. Preliminary effect of the business acquisition on Kamux's net sales for year 2020 is EUR 23.0 million. Purchase price allocation and thus possible amount of goodwill arising from the acquisition is unfinished and Kamux will present the disclosures in accordance IFRS 3 in its interim report for the first quarter of 2020.

On January 16, 2020, the Board of Directors of Kamux Corporation decided to approve the detailed terms and conditions of the share-based incentive scheme for the Group's key personnel for 2020.

On January 31, 2020, Kamux announced that the Jyväskylä showroom will expand its commercial vehicle sales in as it moves to new premises.

On February 14, 2020, Kamux announced the opening of the Tornio showroom in April 2020.

On February 19, 2020, Kamux announced the opening of the Värmdö showroom during early summer 2020.

On February 25, 2020, Olli Kilpi, Kamux's CPO and Member of the Management Team, announced to leave to take up new responsibilities outside the company. He will continue in his current position until May 22, 2020.

On February 28, 2020, Kamux announced to start to repurchase the company's own shares for execution of the Company's share-based incentive scheme.

Calculation of key figures and alternative performance measures

Kamux presents alternative performance measures as additional information to performance measures presented in the consolidated income statement, consolidated statement of financial position and consolidated statement of cash flows prepared in accordance with IFRS. In Kamux's view, the alternative performance measures provide significant additional information related to Kamux's operating results, financial position and cash flows, and they are widely utilized by analysts, investors and other parties.

The alternative performance measures should not be considered separately from measures under IFRS or as substitutes for corresponding measures under IFRS. All companies do not calculate alternative performance measures in a uniform way and therefore the alternative performance measures presented by Kamux may not be comparable with similarly named measures presented by other companies.

Reconciliation of adjusted operating profit

EUR million	10-12/2019	10-12/2018	1-12/2019	1-12/2018
Operating profit (EBIT)	5.4	3.9	25.3	18.9
Strategic investigations	0.1	0.4	0.1	0.4
Special items relating to geographical expansion	-	0.0	0.0	0.1
Taxes related to previous financial years	-	-	-	2.5
Total adjustment items	0.1	0.4	0.1	3.0
Adjusted operating profit	5.4	4.3	25.4	21.9

Calculation of key figures

Gross profit	=	Revenue + Other operating income - Materials and services
Earnings before interest, tax, depreciation, and amortization (EBITDA)	=	Operating profit + Depreciation and amortization
Adjusted operating profit (EBIT)	=	Operating profit adjusted for costs relating to the special items relating to strategic planning and geographical expansion of business and also on comparative year for taxes related to previous financial years.
Net debt	=	Non-current borrowings + Current borrowings + Lease liabilities - Cash and cash equivalents
Financial debt	=	Non-current borrowings + Current borrowings
Like-for-like showroom revenue growth	=	$100 \times \left(\frac{\text{Like-for-like showroom car sales}}{\text{Like-for-like showroom car sales in the previous year}} - 1 \right)$ <i>New showrooms are included in the calculation when they have been open for 13 months and, therefore, the first time the showroom is included in the measure is its 25th operating month.</i>
Inventory turnover	=	$365 \times \frac{\text{Inventories (average for 12 months)}}{\text{Materials and services (rolling 12 months)}}$
Return on equity (ROE), %	=	$100 \times \frac{\text{Profit for the period (rolling 12 months)}}{\text{Equity (average for 12 months)}}$
Return on capital employed (ROI), %	=	$100 \times \frac{\text{Profit for the period} + \text{Finance costs (rolling 12 months)}}{\text{Equity} + \text{Financial debt (average for 12 months)}}$
Equity ratio, %	=	$100 \times \frac{\text{Equity}}{\text{Balance sheet total} - \text{Advance payments received}}$
Gearing, %	=	$100 \times \frac{\text{Net debt}}{\text{Equity}}$
Earnings per share, basic	=	$\frac{\text{Profit for the period (attributable to owners of the Company)}}{\text{Weighted average number of outstanding shares adjusted for share issue for the period}}$
Net working capital	=	Inventories + Trade and other receivables + Current income tax receivables - Trade and other payables - Current income tax liabilities - Non-current and current provisions

Kamux Corporation's Financial Statements Bulletin for January–December 2019

Key accounting policies

This Financial Statements Bulletin has been prepared according to the IAS 34 - Interim Financial Reporting standard. The Financial Statements Bulletin is based on the same accounting policies and calculation methods as used in the financial statements for the year 2018 as well as on the new and amended IFRS standards described in the financial statements for the year 2018. However, the Financial Statements Bulletin does not include all the information and notes that are presented in the Annual Financial Statements. As such, the Financial Statements Bulletin should be read together with the Annual Financial Statements for the year 2018. This Financial Statements Bulletin applies the same accounting principles as the annual financial statements, with the exception of the new and amended standards described below, adopted at the beginning of the financial year.

The figures presented in the Financial Statements Bulletin are independently rounded.

Preparing the Financial Statements Bulletin requires the management to make accounting estimates and judgments as well as assumptions that affect the application of the accounting principles and the carrying amounts of assets, liabilities, income and expenses. The actual outcomes may differ from these estimates and judgments. In preparation of this Financial Statements Bulletin the most significant estimates made by the management relating to the group's accounting policies and uncertainties are the same as those applied in the financial statements for the year 2018.

The Financial Statements Bulletin is unaudited.

IFRS 16 Leases

IFRS 16 was effective for accounting periods beginning on or after January 1, 2019, and Kamux adopted the standard on its effective date. Kamux adopted IFRS 16 using the modified retrospective transition approach. Figures of comparative years are not restated but to retain the comparability between 2018 and 2019 figures, Kamux discloses additional information about the effects of IFRS 16 on 2019 figures.

In accordance with IFRS 16, Kamux recognizes almost all leases on the balance sheet. The standard removed the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. Kamux applies an optional exemption that exists for short-term and low-value leases.

In IFRS 16 implementation project, Kamux adjusted accounting processes to meet IFRS 16 requirements and improved controls. Kamux implemented a lease agreement administration and calculation system which was taken into use at the beginning of year 2019. The standard has a significant effect on Kamux's consolidated financial statements, since Kamux has leased many showrooms and office premises from third parties for periods longer than one year and by cancellable contracts. The amount of leased assets and corresponding lease liabilities increased the consolidated balance sheet total by 33% or EUR 38.3 million at the date of transition January 1, 2019. During 2019, key figures based on balance sheet changed. During 2019, the change also had effect on Kamux's statement of comprehensive income because in the new method, the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, lease payment in operating expenses was replaced with interest and depreciation, and consequently key figures such as EBITDA and operating profit changed. The adoption of IFRS 16 improved EBITDA significantly but did not have a significant impact on operating profit in 2019.

Consolidated statement of comprehensive income

EUR million	10–12/2019*	10–12/2018	1–12/2019*	1–12/2018
Revenue	175.4	131.1	658.5	527.8
Other operating income	0.2	0.3	0.8	0.9
Materials and services	-155.6	-115.5	-579.6	-463.8
Personnel costs	-9.2	-6.7	-34.3	-26.8
Other operating expenses	-3.3	-5.0	-11.7	-17.9
Depreciation and amortization	-2.2	-0.3	-8.4	-1.2
Operating profit	5.4	3.9	25.3	18.9
Finance income and costs	0.5	0.3	-1.0	0.4
Profit before income tax	5.9	4.2	24.4	19.4
Income tax	-1.3	-0.8	-5.3	-4.7
Profit for the period	4.6	3.3	19.0	14.6
Other comprehensive income				
Items that maybe subsequently reclassified to profit or loss				
Translation differences	0.0	0.0	-0.0	-0.1
Other comprehensive income for the period, net of tax	0.0	0.0	-0.0	-0.1
Total comprehensive income for the period	4.6	3.3	19.0	14.6
Profit for the period attributable to				
owners of the Company	4.6	3.3	19.0	14.6
Total comprehensive income for the period attributable to				
owners of the Company	4.6	3.3	19.0	14.6
Earnings per share for profit attributable to owners of the Company				
Earnings per share, basic and diluted, EUR	0.12	0.08	0.48	0.37

* Includes the effects of the adoption of IFRS 16 Leases standard. Excluding IFRS 16 the comparable figures in 10–12/2019 were: Other operating expenses EUR -5.2 million, Depreciation and amortization EUR -0.3 million, Finance income and expenses EUR -0.6 million, Operating profit EUR 5.3 million and Profit for the period EUR 4.6 million.

Excluding IFRS 16 the comparable figures in 1–12/2019 were: Other operating expenses EUR -19.0 million, Depreciation and amortization EUR -1.2 million, Finance income and expenses EUR -0.6 million, Operating profit EUR 25.2 million and Profit for the period EUR 19.2 million.

Consolidated balance sheet

EUR million	Dec 31, 2019*	Dec 31, 2018
ASSETS		
Non-current assets		
Intangible assets	2.1	1.1
Goodwill	13.6	13.6
Property, plant and equipment	2.2	1.8
Lease assets	46.4	-
Other receivables	0.1	0.1
Deferred tax assets	0.4	0.4
Total non-current assets	64.8	16.9
Current assets		
Inventories	70.2	71.0
Trade and other receivables	18.4	13.7
Derivative financial instruments	0.2	0.6
Current income tax assets	0.2	-
Cash and cash equivalents	27.6	12.8
Total current assets	116.6	98.1
TOTAL ASSETS	181.5	115.0
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	0.1	0.1
Reserve for invested unrestricted equity	24.7	24.7
Translation differences	-0.1	-0.0
Retained earnings	37.9	29.5
Profit for the period	19.0	14.6
Total equity attributable to owners of the Company	81.7	68.9
Non-current liabilities		
Borrowings	16.5	19.4
Lease liabilities	38.8	-
Other non-current liabilities	0.2	0.2
Provisions	0.4	0.4
Total non-current liabilities	55.7	20.0
Current liabilities		
Borrowings	3.0	3.0
Lease liabilities	7.9	-
Trade and other payables	29.7	20.7
Provisions	2.7	2.2
Current income tax liabilities	0.8	0.3
Total current liabilities	44.1	26.1
Total liabilities	99.8	46.1
TOTAL EQUITY AND LIABILITIES	181.5	115.0

* Includes the effects of the adoption of IFRS 16 Leases standard on December 31, 2019. Excluding IFRS 16, the comparable figures were on December 31, 2019: Non-current assets EUR 18.4 million, Non-current liabilities EUR 17.0 million, Current liabilities EUR 36.2 million and Balance sheet total EUR 142.1 million.

Consolidated statement of changes in equity

EUR million	Share capital	Reserve for invested unrestricted equity	Translation differences	Treasury shares	Retained earnings	Total equity
Equity at Jan 1, 2019	0.1	24.7	-0.0	-	44.1	68.9
Profit for the period					19.0	19.0
Other comprehensive income			-0.0			-0.0
Total comprehensive income			-0.0		19.0	19.0
Transactions with owners:						
Share-based payments					0.2	0.2
Dividends for owners					-6.4	-6.4
Equity at Dec 31, 2019	0.1	24.7	-0.1	-	56.9	81.7
Equity at Jan 1, 2018	0.1	24.6	0.0	-8.1	42.3	58.9
Profit for the period					14.6	14.6
Other comprehensive income			-0.1			-0.1
Total comprehensive income			-0.1		14.6	14.6
Transactions with owners:						
Cancellation of treasury shares		0.1		8.1	-8.2	-
Share-based payments					0.1	0.1
Dividends to shareholders					-4.8	-4.8
Equity at Dec 31, 2018	0.1	24.7	-0.0	-	44.1	68.9

Consolidated statement of cash flows

EUR million	10–12/2019*	10–12/2018	1–12/2019*	1–12/2018
Cash flows from operating activities				
Profit for the period	4.6	3.3	19.0	14.6
Adjustments for:				
Depreciation and amortization	2.2	0.3	8.4	1.2
Finance income and costs	-0.5	-0.3	1.0	-0.4
Change in provisions	0.0	-0.1	0.5	-0.0
Write-down of inventories	0.0	0.1	-0.2	0.1
Income taxes	1.3	0.8	5.3	4.7
Other non-cash items	0.1	0.0	0.1	0.1
Changes in working capital:				
Change in trade receivables and other receivables	1.2	1.3	-4.6	-0.9
Change in trade payables and other payables	-1.8	-4.4	8.9	5.1
Change in inventories	6.2	-4.7	0.6	-16.3
Interests paid	-0.2	-0.1	-0.7	-0.5
Other financial items, net	-0.0	-0.0	-0.1	-0.1
Income taxes paid	-1.4	-1.2	-5.0	-4.9
Net cash inflow (outflow) from operating activities	11.6	-4.8	33.3	2.7
Cash flows from investing activities				
Investments in property, plant and equipment	-0.2	-0.4	-1.0	-0.7
Investments in intangible assets	-0.7	-0.3	-1.8	-0.6
Net cash inflow (outflow) from investing activities	-0.9	-0.7	-2.7	-1.3
Cash flows from financing activities				
Repayments of bank loans	-	-	-3.0	-3.0
Repayments of lease liabilities	-1.8	-	-6.9	-
Dividends paid	-	-	-6.4	-4.8
Other cash flows from financing activities	-0.2	0.0	0.1	0.3
Net cash inflow (outflow) from financing activities	-2.0	0.0	-16.2	-7.5
Net decrease/increase in cash and cash equivalents	8.6	-5.5	14.4	-6.1
Cash and cash equivalents at the beginning of the period	19.1	18.1	12.8	18.1
Effects of exchange rate changes on cash and cash equivalents	-0.1	0.2	0.3	0.8
Cash and cash equivalents at the end of period	27.6	12.8	27.6	12.8

* Includes the effects of the adoption of IFRS 16 Leases standard. Excluding IFRS 16 the comparable figures were: In 10–12/2019 Net cash inflow (outflow) from operating activities EUR 9.8 million and Net cash inflow (outflow) from financing activities EUR -0.2 million and in 1–12/2019 Net cash inflow (outflow) from operating activities EUR 26.4 million and Net cash inflow (outflow) from financing activities EUR -9.3 million.

Earnings per share

	10-12/2019	10-12/2018	1-12/2019	1-12/2018
Profit for the period attributable to Owners of the Company (EUR million)	4,6	3,3	19,0	14,6
Impact of share-based compensation scheme on number of shares	-28	-	-7	-
Weighted average number of shares outstanding during the period, basic, in thousands of shares	39 988	39 987	40 004	39 987
Earnings per share, basic (EUR)	0,12	0,08	0,48	0,37
Impact of share-based compensation scheme on number of shares	25	35	13	9
Weighted average number of shares outstanding during the period, fully diluted, in thousands of shares	40 013	40 023	40 017	39 996
Earnings per share, fully diluted (EUR)	0,12	0,08	0,48	0,37

Segments

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1-12/2019*							
Revenue	490.9	158.5	52.2	701.5		-43.0	658.5
internal	0.0	41.0	2.1	43.0		-43.0	-0.0
external	490.9	117.5	50.1	658.5			658.5
sales of used cars	462.5	114.7	48.4	625.6			625.6
integrated services	28.4	2.8	1.7	32.9			32.9
Gross profit	63.6	11.6	4.4	79.6			79.6
EBITDA	35.2	3.1	-0.4	37.9	-4.2		33.7
Depreciation and amortization	-5.8	-1.8	-0.7	-8.4	-0.0		-8.4
Operating profit	29.4	1.3	-1.0	29.6	-4.3		25.3
Finance income and costs							-1.0
Profit before income tax							24.4

* Includes the effects of IFRS 16 Leases -standard. Excluding IFRS 16 the comparable EBITDA, Depreciation and amortization and Operating profit in 1-12/2019 were as follows (EUR million):

EBITDA: Finland 30.2, Sweden 1.5, Germany -1.0 and Group 26.4.

Depreciation and amortization: Finland -0.9, Sweden -0.9, Germany -0.1 and Group -1.2.

Operating profit: Finland 29.2, Sweden 1.3, Germany -1.1 and Group 25.2.

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1–12/2018							
Revenue	419.1	101.9	30.1	551.1		-23.3	527.8
internal	0.0	21.6	1.6	23.3		-23.3	-0.0
external	419.1	80.3	28.4	527.8			527.8
sales of used cars	395.0	78.0	27.7	500.8			500.8
integrated services	24.0	2.3	0.8	27.1			27.1
Gross profit	54.3	8.3	2.2	64.9			64.9
EBITDA	25.1	1.1	-1.7	24.5	-4.3		20.2
Depreciation and amortization	-1.0	-0.1	-0.1	-1.2	-0.0		-1.2
Operating profit	24.1	0.9	-1.8	23.2	-4.3		18.9
Finance income and costs							0.4
Profit before income tax							19.4

Net working capital

EUR million	Dec 31, 2019	Dec 31, 2018
Inventories	70.2	71.0
Trade and other receivables	18.4	13.7
Current income tax receivables	0.2	-
Trade and other payables	-29.7	-20.7
Provisions	-3.1	-2.5
Current income tax liabilities	-0.8	-0.3
Net working capital	55.3	61.2

Net debt

EUR million	Dec 31, 2019*	Dec 31, 2018
Non-current interest-bearing liabilities		
Bank loans	16.5	19.4
Lease liabilities	38.8	-
Total non-current interest-bearing liabilities	55.2	19.4
Current interest-bearing liabilities		
Bank loans	3.0	3.0
Lease liabilities	7.9	-
Total current interest-bearing liabilities	10.9	3.0
Total interest-bearing liabilities	66.1	22.4
Less cash and cash equivalents	-27.6	-12.8
Net debt	38.5	9.6

* Includes the effects of the adoption of IFRS 16 Leases standard on December 31, 2019. Excluding IFRS 16 the comparable Net debt on December 31, 2019 was EUR -8.1 million.

Derivatives

EUR million	Dec 31, 2019	Dec 31, 2018
Foreign currency derivatives		
Fair value	0.2	0.6
Value of underlying instrument	18.9	29.2

Lease agreements, lease obligations and other commitments

Operating lease commitments

The future minimum lease payments under non-cancellable operating leases

EUR million	Dec 31, 2019*	Dec 31, 2018
No later than 1 year	-	9.4
Later than 1 year and no later than 5 years	-	20.8
Later than 5 years	-	2.6
Total	-	32.8

* Due to the adoption of IFRS 16 the lease agreements that were former presented as lease obligations, have been recognized into balance sheet from January 1, 2019.

Loans against which guarantees and mortgages have been given

EUR million	Dec 31, 2019	Dec 31, 2018
Loans	19.5	22.4
guarantees given against loans	104.0	104.0

Other commitments

EUR million	Dec 31, 2019	Dec 31, 2018
Rent and other payment guarantees	0.5	0.4

On January 1, 2019, Kamux adopted IFRS 16 Leases standard. The following tables include additional information on IFRS 16 effects at the adoption date and during the reporting period.

Reconciliation of lease obligations and present value of minimum lease payments in accordance with IFRS 16

EUR million	
The future minimum lease payments under non-cancellable operating leases on December 31, 2018	32.8
Estimate of the lease period under IFRS 16	14.6
Discounting of future lease payments	-1.5
VAT	-6.1
Service components included into agreements	-1.1
Short-term leases	-0.4
Other items	-0.1
Lease liability under IFRS 16 recognized into balance sheet on January 1, 2019	38.3

Changes of lease agreements in the balance sheet

EUR million	Lease assets	Lease liabilities
Jan 1, 2019	38.3	38.3
Increases	17.9	17.9
Decreases	-2.5	-2.5
Depreciation	-7.1	-
Exchange rate differences and other changes	-0.2	-0.2
Interest expenses	-	-0.4
Repayments of lease liability	-	-6.5
Dec 31, 2019	46.4	46.6

Changes of lease agreements in the statement of comprehensive income

EUR million	10–12/2019	1–12/2019
Depreciation of lease assets	-1.9	-7.1
Interest cost from lease liabilities	-0.1	-0.4
Costs from short-term leases	-0.0	-0.3
Costs from service components included in lease agreements	-0.1	-0.3
Total expense in the statement of comprehensive income	-2.1	-8.1

Related party transactions

EUR million	10–12/2019	10–12/2018	1–12/2019	1–12/2018
Sales of used cars	0.0	-	0.1	0.1
Purchases of used cars	-0.1	-0.0	-0.2	-0.1
Rental expenses	-	-0.1	-	-0.5
Consulting expenses	-0.0	-0.0	-0.1	-0.1

Kamux's key management personnel, members of the Board of Directors and their family members have the right to buy cars from Kamux and sell cars to Kamux in accordance with the personnel policy applicable to the whole staff.

Rental expenses consist of lease payments for showrooms owned by the Group's CEO, his immediate family members and companies under their control. As of January 1, 2019, these lease agreements have been treated in accordance with IFRS 16. At the end of the reporting period, the Group's lease liabilities to related party amounted to EUR 4.0 million. Consulting expenses comprise consultancy fees paid to Virtanen Consulting GmbH, controlled by Matti Virtanen. The fees are related to the Group's geographical expansion.

On March 1, 2019, the company issued a total of 14,721 new shares in a share issue without consideration directed to members of the company's management belonging to related party, for payment of share-based incentive scheme of 2018. The shares were registered in the Finnish Trade Register on March 14, 2019. On September 18, 2019, a total of 1,345 shares of these new shares were returned to the company without consideration due to the termination of employment of key persons belonging to related party.

Publication schedule for financial reporting in 2020

Publication schedule for Kamux Corporation's financial reporting in 2020:

May 15, 2020: Kamux Corporation will publish its Interim Report for January–March 2020.

August 13, 2020: Kamux Corporation will publish its Half–Year Report for January–June 2020.

November 13, 2020: Kamux Corporation will publish its Interim Report for January–September 2020.

The Annual Report for 2019 including Financial Statements will be published on week 12/2020.

The Annual General Meeting of Kamux Corporation is scheduled to be held on Tuesday, April 21, 2020.

Financial Statements Bulletin press conference and webcast

Kamux will hold a Financial Statements Bulletin press conference for media and analysts today, February 28, 2020 at Hotel Kämp, Symposium meeting room, address Pohjoisesplanadi 29, Helsinki, at 11:00 (Finnish time) in Finnish and then in English at around 11:45. You can follow the press conference live in Finnish through a link at <https://kamux.videosync.fi/2019-q4-tulos> and in English <https://kamux.videosync.fi/2019-q4-results>. The Financial Statements Bulletin will be presented by CEO Juha Kalliokoski and CFO Marko Lehtonen.

In Hämeenlinna on February 28, 2020

Kamux Corporation

The Board of Directors

For more information:

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