

FINANCIAL STATEMENTS BULLETIN January–December 2020



Kamux Corporation's Financial Statements Bulletin for January 1 – December 31, 2020

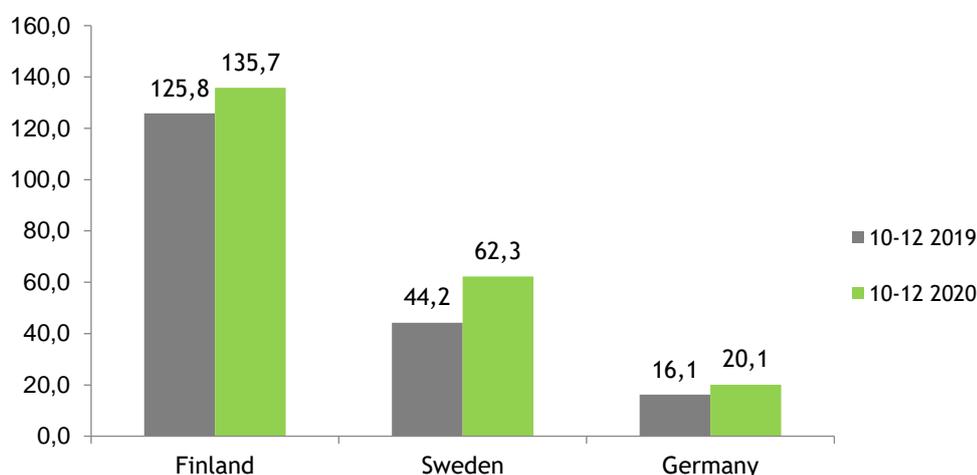
Kamux Saw Strong and Very Profitable Growth – Revenue Growth +13.3% and Adjusted Operating Profit +38.8%

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

October–December in brief

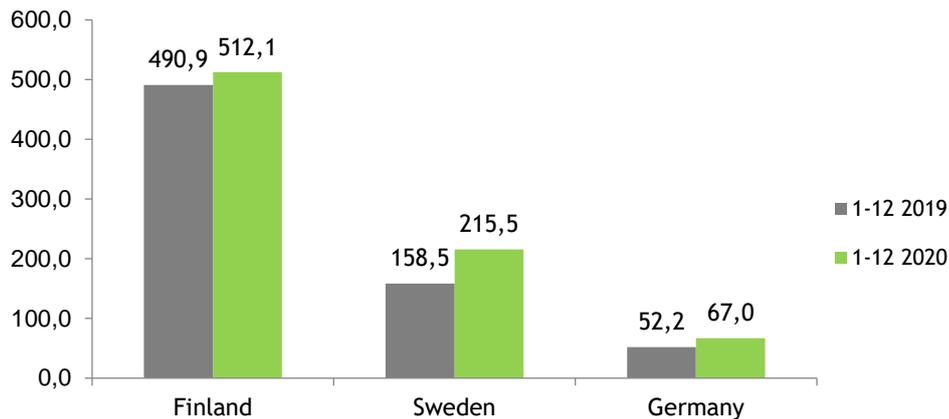
- Revenue increased by 13.3%, totaling EUR 198.8 million (175.4)
- Gross profit increased by 18.7% to EUR 23.8 million (20.0), or 12.0% (11.4) of revenue
- Adjusted operating profit (EBIT) increased by 38.8% to EUR 7.5 million (5.4), or 3.8% (3.1) of revenue
- Operating profit (EBIT) increased by 37.5% to EUR 7.4 million (5.4), or 3.7% (3.1) of revenue
- The number of cars sold increased by 9.3% to 15,733 cars (14,395)
- Like-for-like showroom revenue decline was -1.6% (14.6)
- Earnings per share were EUR 0.13 (0.12)

Revenue of business segments in October–December, EUR million



January–December in brief

- Revenue increased by 10.0%, totaling EUR 724.1 million (658.5)
- Gross profit increased by 15.0% to EUR 91.5 million (79.6), or 12.6% (12.1) of revenue
- Adjusted operating profit (EBIT) increased by 20.8% to EUR 30.7 million (25.4), or 4.2% (3.9) of revenue
- Operating profit (EBIT) increased by 23.1% to EUR 31.2 million (25.3), or 4.3% (3.8) of revenue
- The number of cars sold increased by 9.4% to 60,657 cars (55,432)
- Like-for-like showroom revenue decline was -3.8% (6.3)
- Earnings per share were EUR 0.58 (0.48)
- The Board of Directors proposes a dividend of EUR 0,24 per share to be distributed for the year 2020 (for the year 2019 a dividend EUR 0.23 per share was distributed). The dividend proposed is 41% of the earnings per share for the financial year.
- The business acquisition of Autosilta was concluded on January 9, 2020.
- The company published a stock exchange release on March 20, 2020, informing that it is not likely that Kamux will reach its medium-term targets in 2020. Kamux specified its outlook for 2020 in a stock exchange release published on December 16, 2020: according to the best estimate of that time, the company estimated to reach the 2020 medium-term target of operating profit margin and to reach or get close to the revenue growth target.

Revenue of business segments in January–December, EUR million

Key figures

EUR million	10–12/ 2020	10–12/ 2019	Change, %	1–12/ 2020	1–12/ 2019	Change, %
Revenue	198.8	175.4	13.3%	724.1	658.5	10.0%
Gross profit	23.8	20.0	18.7%	91.5	79.6	15.0%
as percentage of revenue, %	12.0%	11.4%		12.6%	12.1%	
Operating profit (EBIT)	7.4	5.4	37.5%	31.2	25.3	23.1%
as percentage of revenue, %	3.7%	3.1%		4.3%	3.8%	
Adjusted operating profit*	7.5	5.4	38.8%	30.7	25.4	20.8%
as percentage of revenue, %	3.8%	3.1%		4.2%	3.9%	
Revenue from integrated services	10.2	9.4	8.0%	37.1	32.9	12.7%
as percentage of revenue, %	5.1%	5.4%		5.1%	5.0%	
Number of cars sold	15,733	14,395	9.3%	60,657	55,432	9.4%
Gross profit per sold car, EUR	1,513	1,392	8.6%	1,509	1,437	5.1%
Sales growth of like-for-like showrooms, %	-1.6%	14.6%		-3.8%	6.3%	
Net debt				53.5	38.5	38.9%
Inventories				93.6	70.2	33.3%
Inventory turnover, days				47.2	44.5	6.1%
Capital expenditures	1.6	0.9	74.1%	4.9	2.7	80.4%
Average number of employees during the period				713	595	19.8%
Return on equity (ROE), %				26.3%	25.3%	
Return on investment (ROI), %				16.9%	16.7%	
Equity ratio, %				50.1%	45.1%	
Earnings per share, basic, EUR	0.13	0.12	16.0%	0.58	0.48	22.8%

* Operating profit adjusted for special items related to strategy planning, geographical expansion and taxes from previous financial years, totaling EUR 0.1 million for 10–12/2020 and EUR -0.5 million for 1–12/2020 (10–12/2019: EUR 0.1 million and 1–12/2019: EUR 0.1 million).

CEO Juha Kalliokoski:

“Our business model proved its strength and carried us through the year of corona pandemic also in the completely exceptional operating environment in 2020. Our strengths in digital sales, our quick ability to react and the flexibility of our concept supported our success during the exceptional year.

During the fourth quarter, the corona pandemic continued as the number of infections increased in all Kamux’s operating countries. In Germany, society as well as retail were largely closed down in December, and also Kamux shifted its sales exclusively to digital channels. In Finland and Sweden, substitute arrangements enabled us to keep all showrooms under operation. Although coronavirus vaccinations began

in Europe at the end of December, the possible spread of viral variants as well as the poor availability of vaccines created uncertainty in the market.

Kamux's revenue increased by 13.3% and adjusted operating profit by 38.8% in the fourth quarter. In Finland, operating profit increased by 29.7% from the previous year, but revenue grew only by 7.9%. In both Sweden and Germany, revenue growth was strong even though the corona pandemic situation, worsened at the end of the year, was reflected in sales volume especially in December.

The difficulties in new car retail were reflected in the purchasing market with periodic challenges in sourcing appropriately priced used cars, even though the used car market grew in all our operating countries in the fourth quarter.

We worked with determination through the different stages of the pandemic. We implemented our strategy by opening new showrooms and by recruiting personnel in all our operating countries. Our investments in digital customer and business processes develop leading with knowledge, the significance of which was highlighted during the past year. In 2020, our revenue increased by 10.0% and adjusted operating profit by 20.8%. Our operating profit was 4.3% of the revenue of the financial year. Return on equity was 26.3% (25.3%).

I am quite satisfied with our year, as we were successful in achieving very profitable growth in an exceptional market situation. I want to thank our customers, partners and shareholders for their trust in Kamux also during this unusual year. In particular, I want to extend my gratitude to all Kamux employees for their committed and target-oriented work in the unpredictable pandemic situation, all the while taking care of the customers' health as well as their own.

On February 26, 2021, we published the company's updated strategy for the years 2021–2023. The used car market offers an exceptionally attractive opportunity, and the next logical step in Kamux's story is thus to take an ambitious leap to accelerate growth and to elevate scalability. Our strategy emphasizes leading with knowledge and utilizing data, improving process efficiency, and a seamless omnichannel customer experience. We develop our own capabilities for the good of the customer and invest in the continuous learning of our personnel. We will also make targeted investments into these areas during the strategy period."

Strategy

Strong revenue growth defines our strategy, which aims for nearly doubling our revenue during 2021–2023. The market offers an attractive opportunity for expansion and growth. Profitability development during the strategy period is built on business growth and scalability.

The company's strategic focus areas are:

- Omnichannel customer experience and services
- Efficient processes and scalability
- Utilizing data and leading with knowledge
- Developing capabilities and continuous learning

Outlook and financial targets

In connection with the updated strategy published on February 26, 2021, Kamux published its medium-term financial targets for the years 2021–2023. The company's medium-term financial targets are to increase revenue by over 20% annually, to increase adjusted operating profit annually, and to reach an adjusted operating profit margin of over 3.5% and a return on equity (ROE) of over 25%. Additionally, the company's target is to distribute dividends of at least 25% of net profits.

The Board of Directors of the Company estimates annually the balance between dividends to be distributed and funds to be used for Kamux's growth and based on this assessment, makes a proposal on the amount of dividends to be distributed, which may for any single year differ significantly from the target level set in the dividend policy.

Outlook for the year 2021

In 2021, Kamux expects its revenue to reach EUR 800–850 million and adjusted operating profit to increase from the previous year.

Previous targets

The company's previous medium-term annual financial targets for 2019–2022 were 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.

The global corona pandemic and the restrictions and regulations related to it caused significant changes to Kamux's operating environment during 2020. The company publishing a stock exchange release on March 20, 2020, informing that it is not likely that Kamux will reach its medium-term targets in 2020. No changes were made to the medium-term targets set by the Board of Directors.

Kamux specified its outlook for 2020 in a stock exchange release published on December 16, 2020: according to the best estimate of that time, the company estimated to reach the 2020 medium-term target of operating profit margin and to reach or get close to the revenue growth target.

Market review

During the fourth quarter, the corona pandemic continued to spread as the number of infections grew in all Kamux's operating countries. In Germany, society as well as retail were largely closed down in December. Alternatives to curb the corona pandemic were broadly discussed in all Kamux's operating countries, and guidelines were updated according to the incidence rate of infections. Vaccinations began at the end of December in Europe, but the possible spread of viral variants as well as the poor availability of vaccines created uncertainty.

According to the company's estimate, in the fourth quarter the used car market grew in Finland and also slightly in Sweden and Germany. The company estimates that it continued to be a market leader in Finland and 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. In the European Union, the number of first registrations of passenger cars decreased in October–December 2020, and the decline was -23.7% during the year 2020 (ACEA).

Kamux estimates that the used car market sizes in 2020 in the countries in which Kamux operates were as follows: approximately 0.6 million cars sold yearly in Finland, approximately 1.4 million cars in Sweden, and approximately 7.0 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 2020

Revenue increased by 13.3% compared to the corresponding period of the previous year and amounted to EUR 198.8 million (175.4). Kamux's integrated services revenue increased compared to the corresponding period of the previous year, amounting to EUR 10.2 million (9.4), or 5.1% (5.4) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 9.3% compared to the corresponding period of the previous year and amounted to 15,733 cars (14,395). Revenue per sold car amounted to EUR 12,635 (12,188).

Revenue in January–December 2020

Revenue increased by 10.0% compared to the year 2019 and amounted to EUR 724.1 million (658.5). Kamux's integrated services revenue increased to EUR 37.1 million (32.9), or 5.1% (5.0) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 9.4% compared to the previous year and amounted to 60,657 cars (55,432). Revenue per sold car amounted to EUR 11,937 (11,879).

Revenue allocation

EUR million	10–12/2020	10–12/2019	1–12/2020	1–12/2019
Sales of used cars	188.6	166.0	687.0	625.6
Financing fees and Insurance commissions	8.7	8.0	31.3	27.7
Sales of Kamux Plus	1.5	1.4	5.8	5.3
Total	198.8	175.4	724.1	658.5

Result in October–December 2020

Gross profit increased by 18.7% compared to the corresponding period of the previous year and amounted to EUR 23.8 million (20.0). Gross profit increased in all operating countries. In Kamux Group, gross profit as percentage of revenue increased by 0.5 percentage points to 12.0% (11.4). There was no need to recognize material exceptional inventory write-downs in the balance sheet at the end of the fourth quarter.

The adjusted operating profit increased by 38.8% and amounted to EUR 7.5 million (5.4), or 3.8% (3.1) of revenue. The adjusted operating profit has been adjusted for special items related to strategic planning, geographical expansion and taxes from previous financial years. The items adjusting the operating profit totaled EUR 0.1 million (0.1) in the fourth quarter and consisted mainly of expenses related to previous financial years' taxes.

Operating profit (EBIT) increased by 37.5% compared to the previous year, amounting to EUR 7.4 million (5.4).

Financial income and costs amounted to EUR -1.5 million (0.5) mainly due to strong growth in car purchases from Sweden and rapid strengthening of Swedish krona against euro during the fourth quarter.

A deferred tax asset amounting to EUR 0.8 million and related to the Swedish business was recognized during the fourth quarter.

The profit before taxes amounted to EUR 5.9 million (5.9). Earnings per share amounted to EUR 0.13 (0.12).

Result in January–December 2020

Gross profit increased by 15.0% compared to the year 2019 and amounted to EUR 91.5 million (79.6). Gross profit as percentage of revenue increased by 0.5 percentage points to 12.6% (12.1). Gross profit increased across all segments, but gross profit as percentage of revenue decreased in Sweden and in Germany.

The adjusted operating profit increased by 20.8% and amounted to EUR 30.7 million (25.4), or 4.2% (3.9) of revenue. The items adjusting to the operating profit totaled EUR -0.5 million (0.1).

Operating profit (EBIT) increased by 23.1% compared to the previous year, amounting to EUR 31.2 million (25.3).

The profit before taxes amounted to EUR 28.5 million (24.4). Earnings per share amounted to EUR 0.58 (0.48).

Key figures of the business segments

pcs	10–12/ 2020	10–12/ 2019	Change, %	1–12/ 2020	1–12/ 2019	Change, %
Number of cars sold without internal sales						
Finland	11,456	10,888	5.2%	45,435	43,404	4.7%
Sweden	2,876	2,385	20.6%	10,485	8,263	26.9%
Germany	1,401	1,122	24.9%	4,737	3,765	25.8%
Segments total	15,733	14,395	9.3%	60,657	55,432	9.4%
EUR million	10–12/ 2020	10–12/ 2019	Change, %	1–12/ 2020	1–12/ 2019	Change, %
Revenue						
Finland	135.7	125.8	7.9%	512.1	490.9	4.3%
Sweden	62.3	44.2	40.7%	215.5	158.5	35.9%
Germany	20.1	16.1	24.5%	67.0	52.2	28.4%
Segments total	218.1	186.2	17.1%	794.6	701.5	13.3%
Group functions and eliminations	-19.3	-10.8	-79.4%	-70.5	-43.0	-63.8%
Total	198.8	175.4	13.3%	724.1	658.5	10.0%
Gross Profit						
Finland	17.9	15.3	17.6%	70.9	63.6	11.4%
Sweden	4.2	3.3	26.3%	15.2	11.6	30.6%
Germany	1.7	1.5	13.5%	5.5	4.4	25.2%
Segments total	23.8	20.0	18.7%	91.5	79.6	15.0%
Group functions and eliminations	-	-	-	-	-	-
Total	23.8	20.0	18.7%	91.5	79.6	15.0%
Gross profit, as percentage of revenue, %						
Finland	13.2%	12.1%		13.8%	13.0%	
Sweden	6.7%	7.4%		7.0%	7.3%	
Germany	8.5%	9.3%		8.2%	8.4%	
Segments total	10.9%	10.8%		11.5%	11.4%	
Group functions and eliminations	-	-		-	-	
Total	12.0%	11.4%		12.6%	12.1%	
Operating profit						
Finland	8.2	6.3	29.7%	34.9	29.4	19.0%
Sweden	0.5	0.2	171.1%	2.4	1.3	92.1%
Germany	-0.4	-0.1	-751.0%	-1.5	-1.0	-45.7%
Segments total	8.3	6.5	27.9%	35.8	29.6	21.1%
Group functions and eliminations	-0.9	-1.1	19.5%	-4.7	-4.3	-9.5%
Total	7.4	5.4	37.5%	31.2	25.3	23.1%

EUR million	10–12/ 2020	10–12/ 2019	Change, %	1–12/ 2020	1–12/ 2019	Change, %
Operating profit, as percentage of revenue, %						
Finland	6.0%	5.0%		6.8%	6.0%	
Sweden	0.8%	0.4%		1.1%	0.8%	
Germany	-2.2%	-0.3%		-2.3%	-2.0%	
Segments total	3.8%	3.5%		4.5%	4.2%	
Group functions and eliminations	-	-		-	-	
Total	3.7%	3.1%		4.3%	3.8%	
Special items adjusting operating profit						
Finland	-0.1	-0.1		0.7	-0.1	
Sweden	-	-		-0.0	-	
Germany	-	-		-	-	
Segments total	-0.1	-0.1		0.6	-0.1	
Group functions and eliminations	-	-		-0.2	-0.0	
Total	-0.1	-0.1		0.5	-0.1	
Operating profit adjusted for special items						
Finland	8.4	6.4	30.8%	34.2	29.4	16.4%
Sweden	0.5	0.2	171.1%	2.5	1.3	95.2%
Germany	-0.4	-0.1	-751.0%	-1.5	-1.0	-45.7%
Segments total	8.4	6.5	29.0%	35.2	29.6	18.8%
Group functions and eliminations	-0.9	-1.1	19.5%	-4.5	-4.2	-6.7%
Total	7.5	5.4	38.8%	30.7	25.4	20.8%
Operating profit adjusted for special items, as percentage of revenue, %						
Finland	6.2%	5.1%		6.7%	6.0%	
Sweden	0.8%	0.4%		1.1%	0.8%	
Germany	-2.2%	-0.3%		-2.3%	-2.0%	
Segments total	3.9%	3.5%		4.4%	4.2%	
Group functions and eliminations	-	-		-	-	
Total	3.8%	3.1%		4.2%	3.9%	

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

percentage, %	10–12/2020	10–12/2019	1–12/2020	1–12/2019
Financing services				
Finland	43	45	43	48
Sweden	43	47	46	46
Germany	21	22	21	22
Insurance services				
Finland	47	49	48	49
Sweden	92	91	93	91
Kamux Plus				
Finland	18	19	18	19
Sweden	25	23	19	22

Finland in October–December 2020

Revenue increased by 7.9% compared to the corresponding period of the previous year, amounting to EUR 135.7 million (125.8). The number of cars sold increased by 568, or 5.2% compared to the fourth quarter of the previous year, amounting to 11,456 cars (10,888). The growth was driven by new showrooms. Integrated services revenue increased to EUR 8.2 million (7.8), or 6.0% (6.2) of revenue. Operating profit increased by 29.7% compared to the corresponding period of the previous year, amounting to EUR 8.2 million (6.3), or 6.0% (5.0) of revenue. The number of coronavirus infections in Finland grew in October–December, and our showrooms had to resort to different substitute arrangements due to quarantines.

Finland in January–December 2020

Revenue increased by 4.3% compared to the year 2019, amounting to EUR 512.1 million (490.9). The number of cars sold increased by 2,031, or 4.7% compared to the year 2019, amounting to 45,435 cars (43,404). Integrated services revenue increased to EUR 31.4 million (28.4), or 6.1% (5.8) of revenue. Operating profit increased by 19.0% compared to the year 2019, amounting to EUR 34.9 million (29.4), or 6.8% (6.0) of revenue. Finland's operating profit was impacted by a EUR 0.9 million refund related to previous financial years' taxes that was recognized as credit in other operating expenses in the second quarter. The restrictions related to the corona pandemic could be seen especially in March and April in people's mobility, behavior and purchasing power. In the summer, the situation returned partially to normal, but the second wave of the pandemic began in August–September, and escalated towards the end of the year.

Sweden in October–December 2020

Total revenue increased by 40.7% compared to the corresponding period of the previous year, amounting to EUR 62.3 million (44.2). External revenue increased by 29.5%, amounting to EUR 43.9 million (33.9). The number of cars sold increased by 491, or 20.6% compared to the fourth quarter of the previous year, amounting to 2,876 cars (2,385). The growth was driven by new showrooms. Revenue of the integrated services increased to EUR 1.2 million (0.9), or 2.8% (2.6) of external revenue. Operating profit increased compared to the corresponding period of the previous year, amounting to EUR 0.5 million (0.2), or 0.8% (0.4) of total revenue. In Sweden, the number of infections started to rise rapidly towards the end of the year having an effect on people's mobility and shopping behavior. Due to quarantines, substitute employee arrangements were required in showrooms.

Sweden in January–December 2020

Total revenue increased by 35.9% compared to the year 2019, amounting to EUR 215.5 million (158.5). External revenue increased by 26.4%, amounting to EUR 148.5 million (117.5). The number of cars sold increased by 2,222, or 26.9% compared to the previous year, amounting to 10,485 cars (8,263). Integrated services revenue increased to EUR 3.7 million (2.8), or 2.5% (2.4) of external revenue during January–December. Operating profit increased to EUR 2.4 million (1.3), or 1.1% (0.8) of total revenue. In

Sweden, the corona pandemic reflected in consumer behavior and thus, in growth and profitability, especially in the second quarter. In autumn after the summer's relatively calm situation, the number of infections started to rise rapidly towards the end of the year having an effect on people's mobility and shopping behavior. Staff quarantines required special arrangements in Kamux's showrooms during the year.

Germany in October–December 2020

Total revenue increased by 24.5% compared to the corresponding period of the previous year, amounting to EUR 20.1 million (16.1). External revenue increased by 21.4%, amounting to EUR 19.1 million (15.7). The number of cars sold increased by 279, or 24.9% compared to the fourth quarter of the previous year, amounting to 1,401 cars (1,122). The growth was driven by new showrooms. Integrated services revenue increased to EUR 0.8 million (0.7), or 4.1% (4.6) of external revenue. Operating loss increased compared to the corresponding period of the previous year, amounting to EUR -0.4 million (-0.1), or -2.2% (-0.3) of total revenue. On December 16, the German government initiated large-scale lockdown measures on society and retail, resulting in Kamux closing its showrooms as well.

Germany in January–December 2020

Total revenue increased by 28.4% compared to the year 2019, amounting to EUR 67.0 million (52.2). External revenue increased by 26.4%, amounting to EUR 63.4 million (50.1). The number of cars sold increased by 972, or 25.8% compared to the previous year, amounting to 4,737 cars (3,765). Integrated services revenue increased to EUR 2.0 million (1.7), or 3.2% (3.5) of the external revenue. Operating loss increased compared to the year 2019, amounting to EUR -1.5 million (-1.0), or -2.3% (-2.0) of total revenue. Germany was under an extensive lockdown in the spring. During summer, restrictions were lighter. The second wave of the pandemic caused an increase in the number of infections in the autumn, and on December 16, the German government again initiated large-scale lockdown measures on society and retail, resulting in Kamux closing its showrooms as well.

Consolidated balance sheet and financial position

As of December 31, 2020, the consolidated balance sheet total was EUR 191.3 million (181.5), of which total equity amounted to EUR 95.7 million (81.7). Net debt amounted to EUR 53.5 million (38.5). Non-current bank loans amounted to EUR 14.9 million (16.5).

On March 31, 2020 Kamux renewed the five-year credit facility agreement of EUR 40 million with Nordea Bank Corporation. The renewed credit facility agreement includes a five-year term loan of EUR 18 million and a five-year revolving credit facility of EUR 22 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 16.9 million of the term-loan was taken into use. In March, EUR 10.0 million of the revolving credit facility was taken into use as a precautionary measure related to the corona pandemic and it was paid back fully in December. The term loan is currently repaid in bi-annual instalments of EUR 1.0 million. The renewed credit facility agreement strengthens Kamux's financial position and decreases financing costs.

Net working capital amounted to EUR 79.3 million (55.3) as of December 31, 2020. The value of the inventory was EUR 93.6 million (70.2). Due to stable price development and the challenges related to the availability of used cars, preparations for spring 2021 sales in terms of inventory commenced already during the fourth quarter.

Kamux's cash flow from operating activities for January–December amounted to EUR 10.2 million (33.3). Cash and cash equivalents at the end of the period amounted to EUR 11.2 million (27.6).

Equity ratio at the end of the review period was 50.1% (45.1). Return on capital employed (ROI) was 16.9% (16.7) and return on equity (ROE) was 26.3% (25.3).

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 4.9 million (2.7) and they consisted mainly of IT systems, Autosilta business acquisition, and ordinary maintenance in the showrooms. The company financed these capital expenditures 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.

Changes in the Group structure in 2020

In January 2020, Kamux Suomi Oy, a subsidiary of Kamux Corporation, acquired the Autosilta car retail business from Jagro Oy.

Personnel

In January–December, Kamux's average number of employees amounted to 713 (595) in terms of full-time employees. Recruitment of new personnel is continued to support Kamux's growth.

Average number of employees by segment

	1-12/2020	1-12/2019
Finland	492	425
Sweden	154	123
Germany	67	47
Total	713	595

Kamux's share and shareholders

Kamux's largest shareholders as of December 31, 2020 were 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%), Elo Mutual Pension Insurance Company (9.1%) and Jussi Mäkinen (3.4%).

During January–December, 33,287,962 (14,710,255) Kamux shares were traded on the Nasdaq Helsinki main market. The highest share price was EUR 13.76 (7.62) and the lowest price was EUR 5.14 (4.50). On the last trading day of the review period December 30, 2020, the closing share price was EUR 13.60 (7.40). Kamux's volume weighted average share price during January–December was EUR 8.97 (6.14). Market capitalization, excluding treasury shares, measured at the review period's closing price was EUR 543.6 million (296.1).

At the end of December 2020, Kamux's share capital amounted to EUR 80,000 and the number of shares was 40,017,420. In March, the company acquired a total of 82,360 treasury shares for the payment of the share-based incentive scheme of the company. In April 2020, the company issued a total of 40,729 shares held by the company to the key personnel of the Kamux Group for the payment of the share-based incentive scheme of 2019. In May, the company transferred to the Members of the Board of Directors a total of 11,668 shares held by the company as a part of the annual compensation. In 2020, a total of 2,445 shares in June, 1,231 shares in October and 7,745 shares in November were returned to the company without consideration due to the termination of employment of persons covered by the scheme. At the end of the review period, the company held 43,707 treasury shares, representing 0.11% 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; Satu Ojala, Director of Communications; Tero Törmänen, Purchasing Director; Vesa Uotila, Director of Business Development, and Ilkka Virtanen, Director of International Business.

Share-based incentive scheme

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. The incentive scheme approved for 2020 is the third 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 16, 2020. 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 2020, 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 2020, the total effect of the share-based schemes on the consolidated income for the reporting period was EUR -0.2 million (-0.3).

Resolutions of the Annual General Meeting of Kamux Corporation and the Decisions of the Constitutive Meeting of the Board of Directors

Resolutions of the Annual General Meeting

Kamux Corporation's Annual General Meeting was held on Tuesday, April 21, 2020 in exceptional circumstances caused by the corona pandemic, observing the participant restrictions set by the authorities. Shareholders were offered the possibility to use their voting rights through a power of attorney service and to follow the meeting as a live video stream.

The Meeting approved the Financial Statements and discharged the members of the Board of Directors and CEO from liability for the year of 2019. Further, The Annual General Meeting approved the Remuneration Policy for the Governing Bodies.

Payment of dividend

The Board of Directors' proposal for a dividend of EUR 0.23 per share was approved. The dividend was paid in two instalments. The record date for the first dividend instalment was April 23, 2020 and the dividend was paid on April 30, 2020. The Annual General Meeting authorized the Board of Directors to decide on the payment or the cancellation of the payment of the second dividend instalment.

On August 13, 2020, the Board of Directors of Kamux Corporation decided on the payment of the second dividend instalment of EUR 0.11 per share, based on the decision of the Annual General Meeting on April 21, 2020. The record date for the second dividend instalment was October 23, 2020 and the dividend was paid on October 30, 2020.

Members of the Board of Directors and remuneration

The Annual General Meeting confirmed that the Board of Directors will consist of six members and Mr. Harri Sivula, Ms. Reija Laaksonen, Mr. David Nuutinen, Mr. Jukka Paananen were re-elected as members of the Board of Directors and Mr. Antti Mäkelä and Mr. Tuomo Vähäpassi were elected as new members of the Board of Directors. The Annual General Meeting elected Mr. Harri Sivula as the Chairman of the Board and Mr. David Nuutinen as the Vice Chairman of the Board.

The Annual General Meeting resolved that an annual compensation of EUR 60,000 be paid to the Chairman of the Board and EUR 30,000 to the Board Members, and an additional compensation of EUR 5,000 per year to the Chairman of the Audit Committee and EUR 2,500 to each member of the Audit Committee. Travel expenses will be reimbursed in accordance with the Company's travel policy.

Auditor

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 will act as the principal auditor.

Authorizing the Board of Directors to decide on a share issue

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, including the previously given authorization that has been given for the Company's share-based incentive schemes and would have ended on April 26, 2021. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2021.

Authorization of the Board of Directors to decide on the repurchase of company's own shares

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 through public trading, for which reason the shares are acquired otherwise than in proportion to the share ownership of the shareholders and the consideration paid for the shares shall be the market price of the Company's share in public trading at Nasdaq Helsinki Ltd at the time of the acquisition. Shares may also be acquired outside public trading for a price which at most corresponds to the market price in public trading at the time of the acquisition.

The authorization includes the Board's right to resolve on a directed repurchase or the acceptance of shares as a pledge, if there is a compelling financial reason for the company to do so as provided for in Chapter 15, section 6 of the Finnish Limited Liability Companies Act. 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 decision to repurchase or redeem company's own shares or to accept them as pledge shall not be made so that the shares of the company in the possession of or held as pledges by the company and its subsidiaries would exceed 10% of all shares. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2021. 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.

Establishment of a Shareholders' Nomination Board

The Annual General Meeting resolved in accordance with the proposal of the Board of Directors to establish a Shareholders' Nomination Board and to approve the Rules of Procedure for the Shareholders' Nomination Board.

Kamux's Shareholders' Nomination Board was established on September 30, 2020, according to the resolution of the Annual General Meeting. The purpose of the Shareholders' Nomination Board is to annually prepare and present to the Annual General Meeting, and to Extraordinary General Meeting when necessary, the proposals for the composition of the Board of Directors (the amount of members and the persons) and for the remuneration in accordance with the Remuneration Policy for the Governing Bodies. In addition, the Nomination Board's duty is to look for successor candidates for the Board Members and to prepare the Board of Directors' principles regarding diversity. The Nomination Board consists of four (4) members. The right to appoint members representing the shareholders belongs to the three (3) shareholders, whose proportions of the votes of all shares of the Company are the largest, according to the shareholder register on the first business day of September preceding the Annual General Meeting. In addition, the Chairperson of the Board of Directors is a member of the Nomination Board. The following members have been nominated to Kamux's Shareholders' Nomination Board: Terho Kalliokoski, representing shareholders Juha Kalliokoski and Callardo Capital Oy (Chairperson of the Nomination Board), Jan Lehtinen, representing shareholder Elo Mutual Pension Insurance Company, Esko Torsti, representing shareholder Ilmarinen Mutual Pension Insurance Company, and Harri Sivula, Chairperson of the Board of Kamux Corporation.

Decisions of the Constitutive Meeting of the Board of Directors

In its constitutive meeting convening after the Annual General Meeting on April 21, 2020, the Board of Directors decided to appoint Mr. David Nuutinen (Chairman), Ms. Reija Laaksonen and Mr. Antti Mäkelä as the members of the Audit Committee.

The Board assessed the independence of the directors in accordance with the Finnish Corporate Governance Code. It was concluded that Mr. Harri Sivula, Ms. Reija Laaksonen, Mr. Antti Mäkelä, Mr. David Nuutinen and Mr. Tuomo Vähäpassi are independent from the company and its significant shareholders, and Mr. Jokke Paananen is independent from 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 21, 2020.

Proposal of the Board of Directors for distribution of profit

On December 31, 2020 Kamux Corporation's distributable earnings totaled EUR 91,390,147.79 of which profit for the year was EUR 20,313,140.18. The Board of Directors proposes a dividend of EUR 0.24 per share to be distributed for the year 2020 and that the other distributable earnings be held in unrestricted equity (for the year 2019 a dividend of EUR 0.23 per share was distributed). The Board proposes that the dividend for the financial year 2020 will be paid in two instalments. The first dividend instalment, EUR 0.11 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, 2021. The Board proposes that

the first dividend instalment pay date be April 30, 2021. 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 22, 2021. The Board proposes that the second dividend instalment pay date be October 29, 2021. 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 20, 2021.

Flagging notices

During year 2020, the company has received notices of changes in shareholdings pursuant to Chapter 9, Section 5 of the Finnish Securities Markets Act as follows:

On June 24, 2020, Intera Fund II Ky announced that the total holdings of shares and voting rights of Intera Fund II Ky in Kamux Corporation has fallen below the 15 percent flagging threshold.

On September 9, 2020, Intera Fund II Ky announced that the total holdings of shares and voting rights of Intera Fund II Ky in Kamux Corporation has fallen below the 5 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 considered the decision to be unfounded and appealed against the decision.

In June 2020, The Finnish Tax Administration's Adjustment Board partially approved the appeal by Kamux on the tax reassessment decision and ruled that the company receive a refund of approximately EUR 0.9 million. Kamux recognized the total amount of the refund, EUR 0.9 million, in its result for the second quarter of 2020 as credit in other operating expenses. Both parties have the opportunity to appeal the decision. Kamux considers the decision of the Adjustment Board partly unfounded, and the company has placed the issue before the Administrative Court and applied for a rectification of the Adjustment Board's ruling.

Short-term risks and uncertainties

According to the company's assessment, there have been material changes in the short-term risks and uncertainties during the review period due to the ongoing corona pandemic.

The global corona pandemic and the restrictions and regulations related to it have caused significant changes to Kamux's operating environment. The exceptional circumstances widely impact people's lives, health, mobility, financial situation and the business of companies. There are many uncertainties related to the situation and the spread, new waves or duration of the pandemic that have already impacted Kamux's business, financial position and results of operations negatively and might continue to do so in the future as well.

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 reporting period

On January 5, 2021 Kamux announced that the Tampere Lielähti showroom will relocate to new premises.

On January 12, 2021 Kamux announced the opening of a mega store in Gothenburg.

On January 20, 2021 Kamux announced, that Germany extends lock-down and Kamux's car sales continues solely online.

On February 3, 2021 Marjo Nurmi (Master of Health Science, b. 1975) was appointed as Chief People Officer and as Member of the Management Team of Kamux Corporation.

On February 26, 2021 published its strategy for the period 2021–2023.

On February 26, 2021 the Board of Directors of Kamux Corporation decided to approve the new long-term incentive plan for the Group's key persons for 2021–2023.

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	10–12/2020	10–12/2019	1–12/2020	1–12/2019
Operating profit (EBIT)	7.4	5.4	31.2	25.3
Strategic investigations	-	0.1	0.0	0.1
Special items relating to geographical expansion	-	-	-	0.0
Taxes related to previous financial years	0.1	-	-0.5	-
Total adjustment items	0.1	0.1	-0.5	0.1
Adjusted operating profit	7.5	5.4	30.7	25.4

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 special items relating to strategic planning, geographical expansion of business and 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	=	$100 \cdot \left(\frac{\text{Like-for-like showroom car sales}}{\text{Like-for-like showroom car sales in the previous year}} - 1 \right)$ <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	=	$365 \cdot \frac{\text{Inventories (average for 12 months)}}{\text{Materials and services (rolling 12 months)}}$
Return on equity (ROE), %	=	$100 \cdot \frac{\text{Profit for the period (rolling 12 months)}}{\text{Equity (average for 12 months)}}$
Return on capital employed (ROI), %	=	$100 \cdot \frac{\text{Profit for the period} + \text{Finance costs (rolling 12 months)}}{\text{Equity} + \text{Financial debt (average for 12 months)}}$
Equity ratio, %	=	$100 \cdot \frac{\text{Equity}}{\text{Balance sheet total} - \text{Advance payments received}}$
Gearing, %	=	$100 \cdot \frac{\text{Net debt}}{\text{Equity}}$
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 2020

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 2019 as well as on the new and amended IFRS standards described in the financial statements for the year 2019. 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 2019. The same accounting principles are applied in this Financial Statements Bulletin as in the Annual Financial Statements, and also the exceptional situation during year 2020 caused by the corona pandemic has been taken into consideration in the accounting principles applied in preparation of this Interim Report.

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 2019.

The Financial Statements Bulletin is unaudited.

Consolidated statement of comprehensive income

EUR million	10–12/2020	10–12/2019	1–12/2020	1–12/2019
Revenue	198.8	175.4	724.1	658.5
Other operating income	0.3	0.2	1.3	0.8
Materials and services	-175.3	-155.6	-633.8	-579.6
Personnel costs	-10.0	-9.2	-39.0	-34.3
Other operating expenses	-3.9	-3.3	-11.7	-11.7
Depreciation and amortization	-2.5	-2.2	-9.6	-8.4
Operating profit	7.4	5.4	31.2	25.3
Finance income and costs	-1.5	0.5	-2.7	-1.0
Profit before income tax	5.9	5.9	28.5	24.4
Income tax	-0.5	-1.3	-5.2	-5.3
Profit for the period	5.3	4.6	23.3	19.0
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Translation differences	0.2	0.0	0.2	-0.0
Other comprehensive income for the period, net of tax	0.2	0.0	0.2	-0.0
Total comprehensive income for the period	5.5	4.6	23.5	19.0
Profit for the period attributable to				
owners of the Company	5.3	4.6	23.3	19.0
Total comprehensive income for the period attributable to				
owners of the Company	5.5	4.6	23.5	19.0
Earnings per share for profit attributable to owners of the Company				
Earnings per share, basic and diluted, EUR	0.13	0.12	0.58	0.48

Consolidated balance sheet

EUR million	Dec 31, 2020	Dec 31, 2019
ASSETS		
Non-current assets		
Intangible assets	5.1	2.1
Goodwill*	14.0	13.6
Property, plant and equipment	2.4	2.2
Lease assets	46.9	46.4
Other receivables	0.2	0.1
Deferred tax assets	1.3	0.4
Total non-current assets	69.9	64.8
Current assets		
Inventories**	93.6	70.2
Trade and other receivables***	16.6	18.4
Derivative financial instruments	-	0.2
Current income tax assets	0.0	0.2
Cash and cash equivalents	11.2	27.6
Total current assets	121.4	116.6
TOTAL ASSETS	191.3	181.5
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	-0.1
Treasury shares	-0.2	-
Retained earnings	47.6	37.9
Profit for the period	23.3	19.0
Total equity attributable to owners of the Company	95.7	81.7
Non-current liabilities		
Borrowings	14.9	16.5
Lease liabilities	39.1	38.8
Other non-current liabilities	0.1	0.2
Provisions	0.4	0.4
Total non-current liabilities	54.5	55.7
Current liabilities		
Borrowings	2.0	3.0
Lease liabilities	8.6	7.9
Derivative financial instruments	0.0	-
Trade and other payables	27.3	29.7
Provisions	3.1	2.7
Current income tax liabilities	0.1	0.8
Total current liabilities	41.2	44.1
Total liabilities	95.6	99.8
TOTAL EQUITY AND LIABILITIES	191.3	181.5

*Goodwill in the balance sheet is allocated to the operating segment Finland which is profitable. In accordance with management's estimate, the corona pandemic has not caused any indication of impairment of goodwill.

**Inventory is measured at lower of cost and estimated selling price of the car i.e. net realizable value which is determined based on management's judgment, market information and historical data. If the estimated selling price of the car is lower than the cost, the inventory value for the car will be written down through profit or loss in the item Materials and services. In accordance with management's estimate, the market situation caused by the corona

pandemic has not given a reason to recognize material exceptional inventory write-downs in the balance sheet as per December 31, 2020.

***Trade receivables consist mainly of receivables from finance companies. Receivables originate when there is a temporary time lag between the approved credit decision and a payment made by the finance company. During that time lag Kamux has a temporary credit risk from finance companies. The company mitigates the credit risk by dealing only with highly rated finance company counterparties. The trade receivables as per December 31, 2020 do not include material past due items and there was no need to recognize material impairment losses.

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, 2020	0.1	24.7	-0.1	-	56.9	81.7
Profit for the period					23.3	23.3
Other comprehensive income			0.2			0.2
Total comprehensive income			0.2		23.3	23.5
Transactions with owners:						
Acquisition of treasury shares				-0.5		-0.5
Conveyance of treasury shares				0.3		0.3
Share-based payments					-0.1	-0.1
Dividends for owners					-9.2	-9.2
Equity at Dec 31, 2020	0.1	24.7	0.1	-0.2	71.0	95.7
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 to shareholders					-6.4	-6.4
Equity at Dec 31, 2019	0.1	24.7	-0.1	-	56.9	81.7

Consolidated statement of cash flows

EUR million	10–12/ 2020	10–12/ 2019	1–12/ 2020	1–12/ 2019
Cash flows from operating activities				
Profit for the period	5.3	4.6	23.3	19.0
Adjustments for:				
Depreciation and amortization	2.5	2.2	9.6	8.4
Finance income and costs	1.5	-0.5	2.7	1.0
Change in provisions	-0.0	0.0	0.4	0.5
Write-down of inventories	0.1	0.0	0.2	-0.2
Income taxes	0.5	1.3	5.2	5.3
Other non-cash items	-0.1	0.1	0.2	0.1
Changes in working capital:				
Change in trade receivables and other receivables	1.6	1.2	2.1	-4.6
Change in trade payables and other payables	-7.0	-1.8	-2.9	8.9
Change in inventories	2.5	6.2	-22.7	0.6
Interests paid	-0.3	-0.2	-1.1	-0.7
Other financial items, net	-0.0	-0.0	-0.1	-0.1
Income taxes paid	-4.3	-1.4	-6.6	-5.0
Net cash inflow (outflow) from operating activities	2.4	11.6	10.2	33.3
Cash flows from investing activities				
Investments in property, plant and equipment	-0.2	-0.2	-0.8	-1.0
Investments in intangible assets	-1.4	-0.7	-4.1	-1.8
Net cash inflow (outflow) from investing activities	-1.6	-0.9	-4.9	-2.7
Cash flows from financing activities				
Purchase of treasury shares	-	-	-0.5	-
Proceeds from bank loans	-	-	10.0	-
Repayments of bank loans	-10.0	-	-12.5	-3.0
Repayments of lease liabilities	-2.2	-1.8	-7.9	-6.9
Dividends paid	-4.4	-	-9.2	-6.4
Other cash flows from financing activities	0.0	-0.2	-0.0	0.1
Net cash inflow (outflow) from financing activities	-16.5	-2.0	-20.1	-16.2
Net decrease/increase in cash and cash equivalents	-15.7	8.6	-14.7	14.4
Cash and cash equivalents at the beginning of the period	28.5	19.1	27.6	12.8
Effects of exchange rate changes on cash and cash equivalents	-1.6	-0.1	-1.7	0.3
Cash and cash equivalents at the end of period	11.2	27.6	11.2	27.6

Earnings per share

	10-12/ 2020	10-12/ 2019	1-12/ 2020	1-12/ 2019
Profit for the period attributable to Owners of the Company (EUR million)	5.3	4.6	23.3	19.0
Impact of share-based compensation scheme on number of shares	-62	-28	-54	-7
Weighted average number of shares outstanding during the period, basic, in thousands of shares	39,917	39,988	39,931	40,004
Earnings per share, basic (EUR)	0.13	0.12	0.58	0.48
Impact of share-based compensation scheme on number of shares	13	25	-29	13
Weighted average number of shares outstanding during the period, fully diluted, in thousands of shares	39,989	40,013	39,955	40,017
Earnings per share, fully diluted (EUR)	0.13	0.12	0.58	0.48

Acquired businesses in 2020

<u>Segment</u>	<u>Acquisition</u>	<u>Business</u>	<u>Acquisition date</u>
Finland	Autosilta business from Jagro Oy	Car retail	January 9, 2020

The preliminary assets and liabilities recognized in the business acquisition from Jagro Oy were as follows:

<u>EUR million</u>	<u>Fair values recognized in business combination</u>
Assets and liabilities of the business acquired	
Inventory	3.3
Trade and other receivables	0.7
Property, plant and equipment	0.1
Total assets	4.1
Trade and other payables	0.0
Total liabilities	0.0
Net assets	4.1
Acquisition cost	4.5
Goodwill	0.4
Effect on the consolidated cash flow	-4.5

On January 9, 2020 Kamux Suomi Oy, a subsidiary of Kamux Corporation, acquired the Autosilta business from Jagro Oy. On January 10, 2020 Kamux opened a showroom in Espoo Niittykumpu in the former premises of Autosilta. The acquisition cost was paid in cash at the acquisition date. Five employees were transferred into Kamux in the business acquisition.

The fair value recognized in the business acquisition into property, plant and equipment relates to fixed assets and lease agreement. Goodwill arising from the acquisition is presented as a EUR 0.4 million item in the balance sheet at the reporting date. The fair value of the acquired net assets is final. The goodwill is regarded as arising mainly from strengthening of the market position and business location.

The consolidated financial statements at the reporting date include the acquired business' net sales and income after the acquisition. The effect of the transaction on consolidated cash flow is equivalent to the acquisition cost.

Segments

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1–12/2020							
Revenue	512.1	215.5	67.0	794.6		-70.5	724.1
internal	0.0	66.9	3.6	70.6		-70.5	0.1
external	512.1	148.5	63.4	724.0			724.0
sales of used cars	480.8	144.8	61.3	686.9			686.9
integrated services	31.4	3.7	2.0	37.1			37.1
Gross profit	70.9	15.2	5.5	91.5			91.5
EBITDA	41.3	4.7	-0.5	45.4	-4.6		40.8
Depreciation and amortization	-6.3	-2.3	-1.0	-9.6	-0.0		-9.6
Operating profit	34.9	2.4	-1.5	35.8	-4.7		31.2
Finance income and costs							-2.7
Profit before income tax							28.5

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

Net working capital

EUR million	Dec 31, 2020	Dec 31, 2019
Inventories	93.6	70.2
Trade and other receivables	16.6	18.4
Current income tax receivables	0.0	0.2
Trade and other payables	-27.3	-29.7
Provisions	-3.4	-3.1
Current income tax liabilities	-0.1	-0.8
Net working capital	79.3	55.3

Net debt

EUR million	Dec 31, 2020	Dec 31, 2019
Non-current interest-bearing liabilities		
Bank loans	14.9	16.5
Lease liabilities	39.1	38.8
Total non-current interest-bearing liabilities	54.0	55.2
Current interest-bearing liabilities		
Bank loans	2.0	3.0
Bank overdrafts	-	-
Lease liabilities	8.6	7.9
Total current interest-bearing liabilities	10.6	10.9
Total interest-bearing liabilities	64.7	66.1
Less cash and cash equivalents	-11.2	-27.6
Net debt	53.5	38.5

Additional information on Net debt in section Consolidated balance sheet and financial position.

Derivatives

EUR million	Dec 31, 2020	Dec 31, 2019
Foreign currency derivatives		
Fair value	-0.0	0.2
Value of underlying instrument	5.5	18.9

Lease agreements and other commitments
Changes of lease agreements in the balance sheet

EUR million	Lease assets	Lease liabilities
Jan 1, 2020	46.4	46.6
Increases	10.0	8.8
Decreases	-1.6	-0.4
Depreciation	-8.4	-
Exchange rate differences and other changes	0.6	0.6
Interest expenses	-	-0.5
Repayments of lease liability	-	-7.5
Dec 31, 2020	46.9	47.7

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/ 2020	10–12/ 2019	1–12/ 2020	1–12/ 2019
Depreciation of lease assets	-2.2	-1.9	-8.4	-7.1
Interest cost from lease liabilities	-0.1	-0.1	-0.5	-0.4
Costs from short-term leases	-0.0	-0.0	-0.1	-0.3
Costs from service components included in lease agreements	-0.1	-0.1	-0.3	-0.3
Total expense in the statement of comprehensive income	-2.4	-2.1	-9.3	-8.1

Loans against which guarantees and mortgages have been given

EUR million	Dec 31, 2020	Dec 31, 2019
Loans	16.9	19.5
guarantees given against loans	104.0	104.0

Other commitments

EUR million	Dec 31, 2020	Dec 31, 2019
Rent and other payment guarantees	0.5	0.5

Related party transactions

EUR million	10–12/2020	10–12/2019	1–12/2020	1–12/2019
Sales of used cars	0.0	0.0	0.1	0.1
Purchases of used cars	-	-0.1	-0.2	-0.2
Consulting expenses	-	-0.0	-0.0	-0.1

EUR million	Dec 31, 2020	Dec 31, 2019
Lease liabilities	3.9	4.0

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.

Consulting expenses comprise consultancy fees paid to Virtanen Consulting GmbH, controlled by Matti Virtanen. The fees are related to the Group's geographical expansion.

Group's lease liabilities for related party include the present value of future lease payments for showrooms owned by the Group's CEO, his immediate family members and companies under their control.

In April 2020, the company issued a total of 17,396 shares held by the company to the members of the company's management belonging to related party, for payment of the share-based incentive scheme of 2019. In May the company transferred a total of 11,668 shares held by the company to the members of the Board of Directors as a part of the annual compensation. In June 2020, a total of 2,445 shares were returned to the company without consideration due to termination of employment of a key person belonging to related party.

Publication schedule for financial reporting in 2021

Publication schedule for Kamux Corporation's financial reporting in 2021:

May 12, 2021: Kamux Corporation will publish its Interim Report for January–March 2021.

August 13, 2021: Kamux Corporation will publish its Half-Year Report for January–June 2021.

November 12, 2021: Kamux Corporation will publish its Interim Report for January–September 2021.

The Annual Report for 2020 including Financial Statements will be published on week 11/2021.

The Annual General Meeting of Kamux Corporation is scheduled to be held on Tuesday, April 20, 2021.

Financial Statements Bulletin Webcast

Kamux will hold a Financial Statements Bulletin webcast and conference call for media and analysts today, February 26, 2021 at 11:00 (EET) in Finnish and then in English at around 12:00 (EET). The event will be held only through web and you can follow it as a live webcast in Finnish through a link at <https://kamux.videosync.fi/2020-q4-tulos> and in English at <https://kamux.videosync.fi/2020-q4-results>. The Financial Statements Bulletin will be presented by CEO Juha Kalliokoski and CFO Marko Lehtonen.

In Hämeenlinna on February 26, 2021

Kamux Corporation

The Board of Directors

For more information:

Juha Kalliokoski, CEO

Tel. +358 50 544 5538

Marko Lehtonen, CFO

Tel. +358 50 575 2006

Satu Ojala, Director of Communications

Tel. +358 400 629 337
