



Kamux – Annual Results Presentation 2020

February 26, 2021

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CFO Marko Lehtonen



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Annual Results Presentation 2020



Q4 in Brief



Overview 2020



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Summary



Kamux Vision

#1 used car retailer

in Europe

Kamux Q4 2020 in Brief

1.

Revenue increased by **13.3%** to EUR 198.8 million (175.4)

3.

Adjusted operating profit increased by **38.8%** to EUR 7.5 million (5.4)

5.

Total revenue increased in Sweden by **40.7%** to EUR 62.3 million and in Germany by **24.5%** to EUR 20.1 million

2.

Gross profit increased by **18.7%** to EUR 23.8 million (20.0)

4.




Like-for-like showroom revenue decreased by **-1.6%** (14.6)

6.

Due to a wide lock-down in Germany Kamux stores were closed in December



Parallel Development in the Market Areas

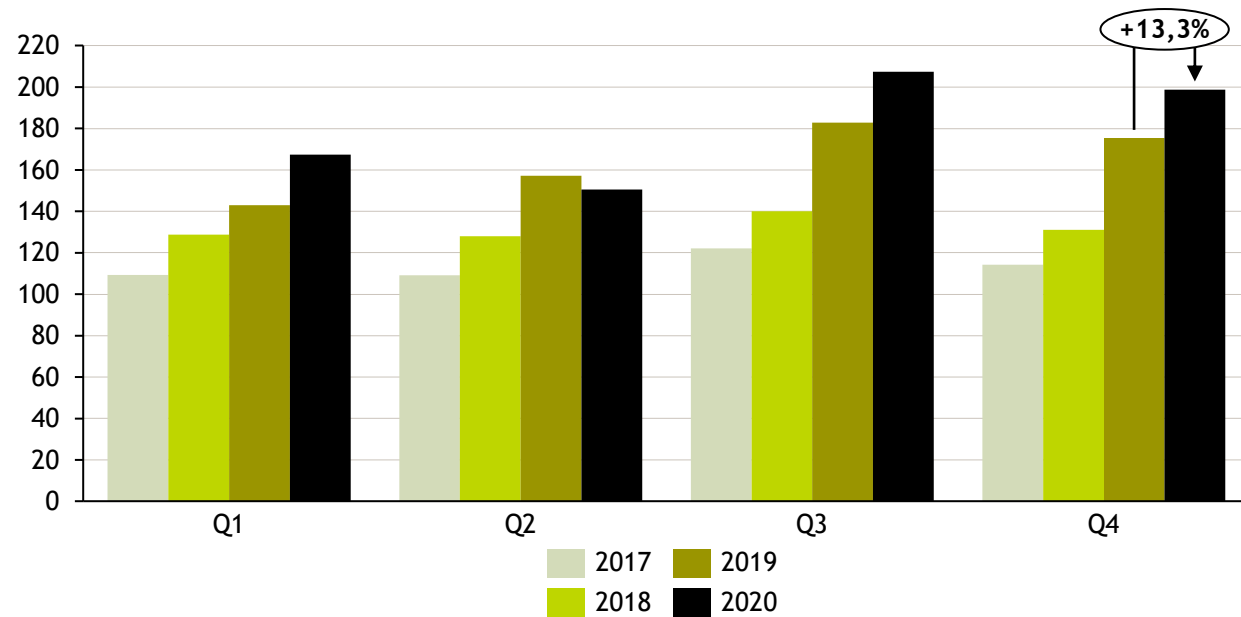
Market	Market size (2020)	Kamux's market share	Market development during Q4	Kamux's position and development during Q4
Finland 	~0.6 million cars	~8.0% #1	We estimate that the used car market increased from the previous year.	Kamux maintained its market leader position.
Sweden 	~1.4 million cars	~0.5% Top 10	We estimate that the used car market increased slightly from the previous year.	Kamux's position is among the ten largest used car dealers.
Germany 	~7.0 million cars	~0.0%	We estimate that the used car market increased slightly from the previous year.	Kamux grew its market share.

- The number of corona infections increased towards the end of the year in all Kamux's operating countries.
- In 2020, new car registrations in European Union region decreased by -23.7%.



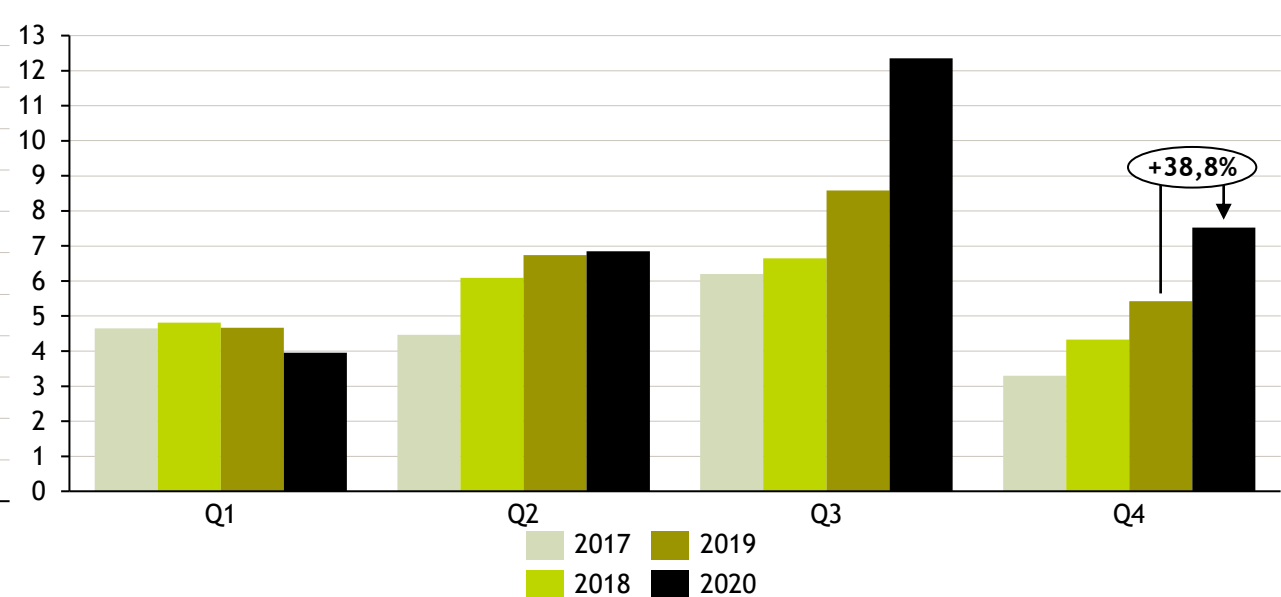
Kamux Q4 2020 – Revenue Increased by 13.3%, Profitability Improved

Revenue (EUR million)



- The revenue increased by 13.3% and it was EUR 198.8 million (175.4)

Adjusted Operating Profit (EUR million)

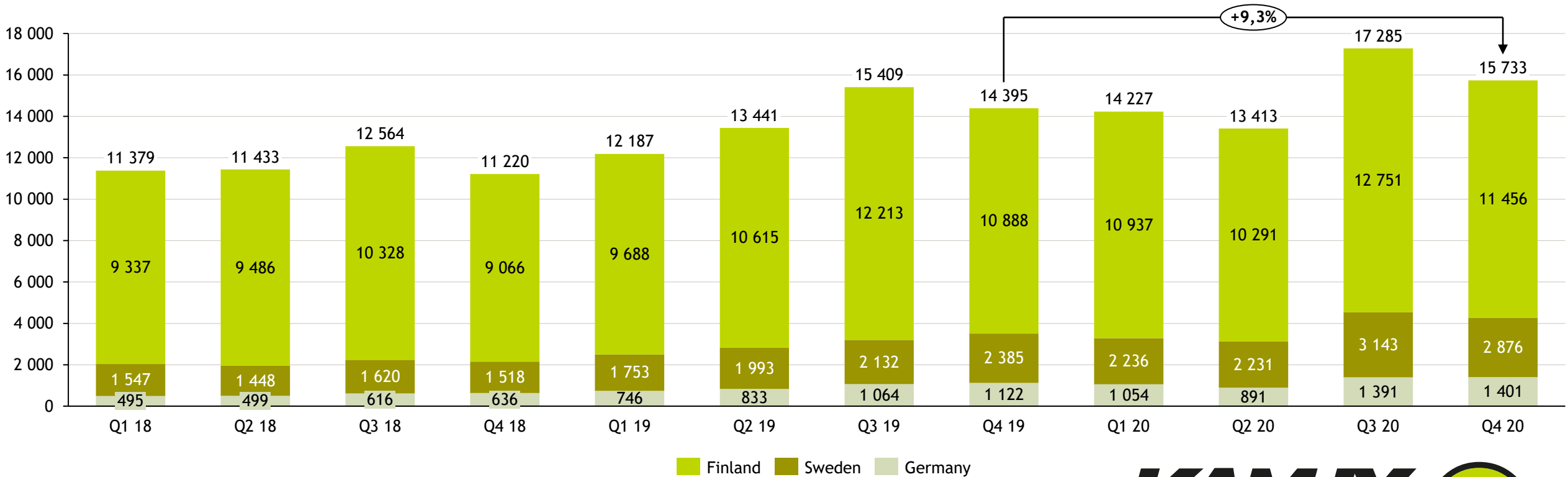


- Adjusted operating profit (EBIT) Q4 2020 increased by 38.8% and it was EUR 7.5 million (5.4)



Number of Cars Sold Increased Q4 2020

Sold Cars (pcs)

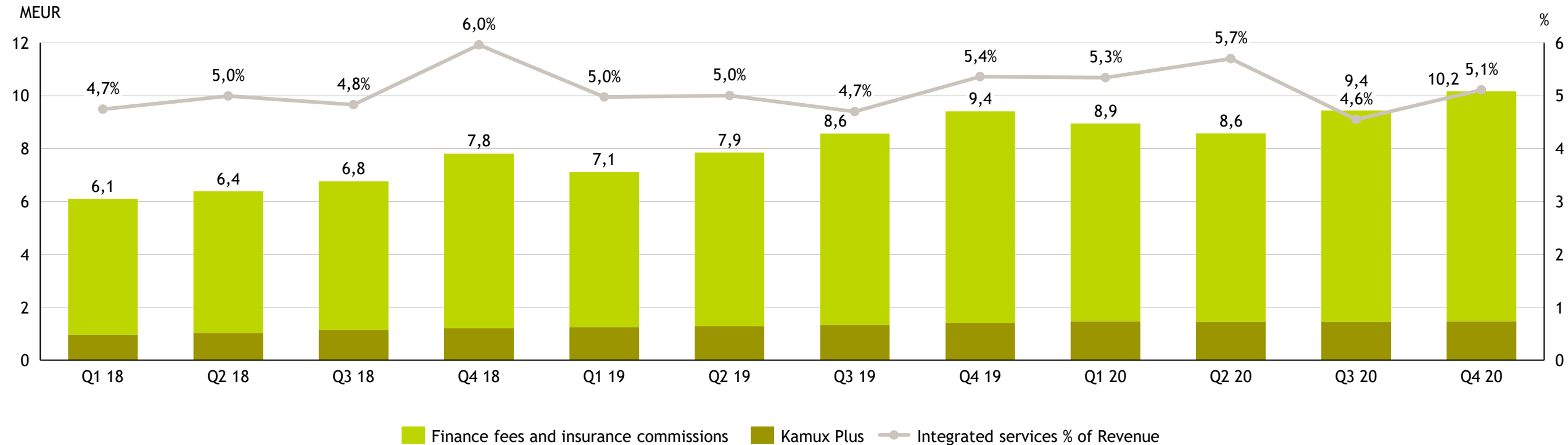


Finland Sweden Germany



Integrated Services Revenue increased Q4 2020

Integrated Services Revenue





2020 overview

Kamux in 2020: Business Model Carried through the Pandemic

1.

Revenue increased by **10.0%** to EUR 724.1 million (658.5)

3.

Adjusted operating profit increased by **20.8%** to EUR 30.7 (25.4)

5.

Internationalization proceeded and revenue increased in Sweden by **35.9%** to EUR 215.5 million, and in Germany by **28.4%** to EUR 67.0 million

2.

Gross profit increased by **15.0%** to EUR 91.5 million (79.6)

4.

Despite the restrictions related to the corona pandemic we opened **7** new car showrooms in total in 2020

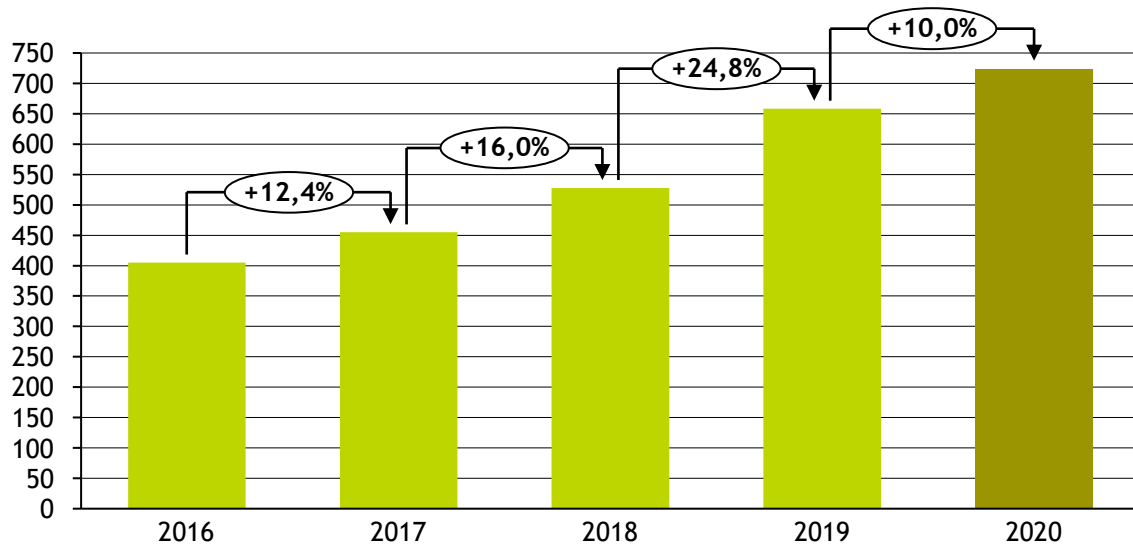
6.

Like-for-like showroom revenue declined **-3.8%** (6.3%)



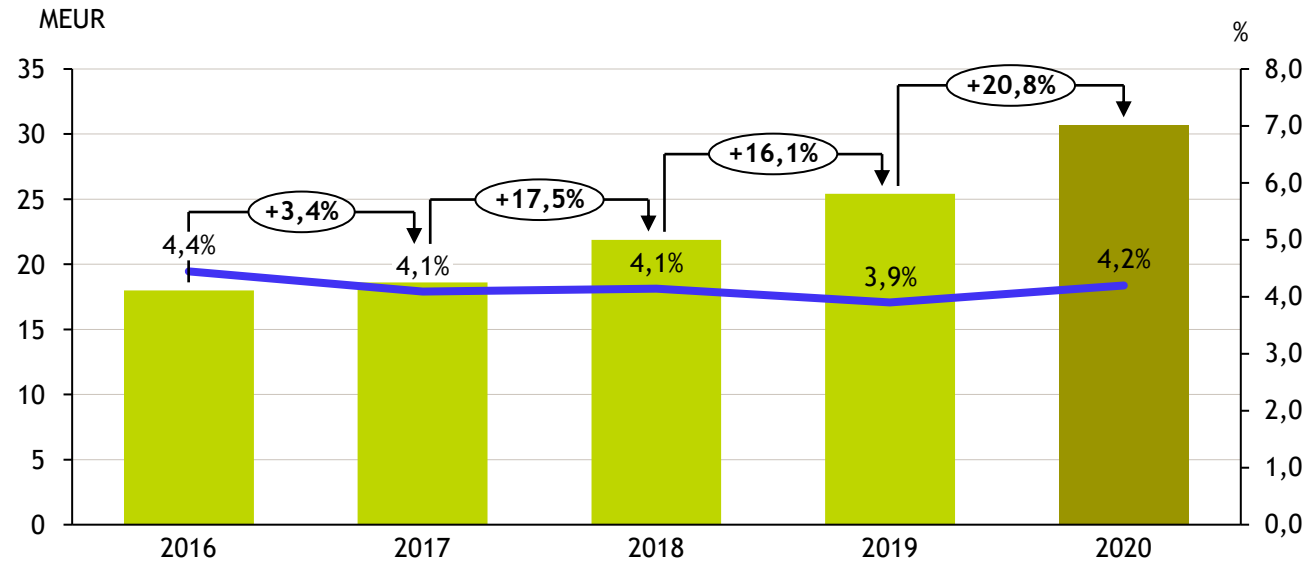
Kamux in 2020 – Very Profitable Growth in Exceptional Market Situation

Revenue (EUR million)



- Revenue increased by 10.0% in 2020

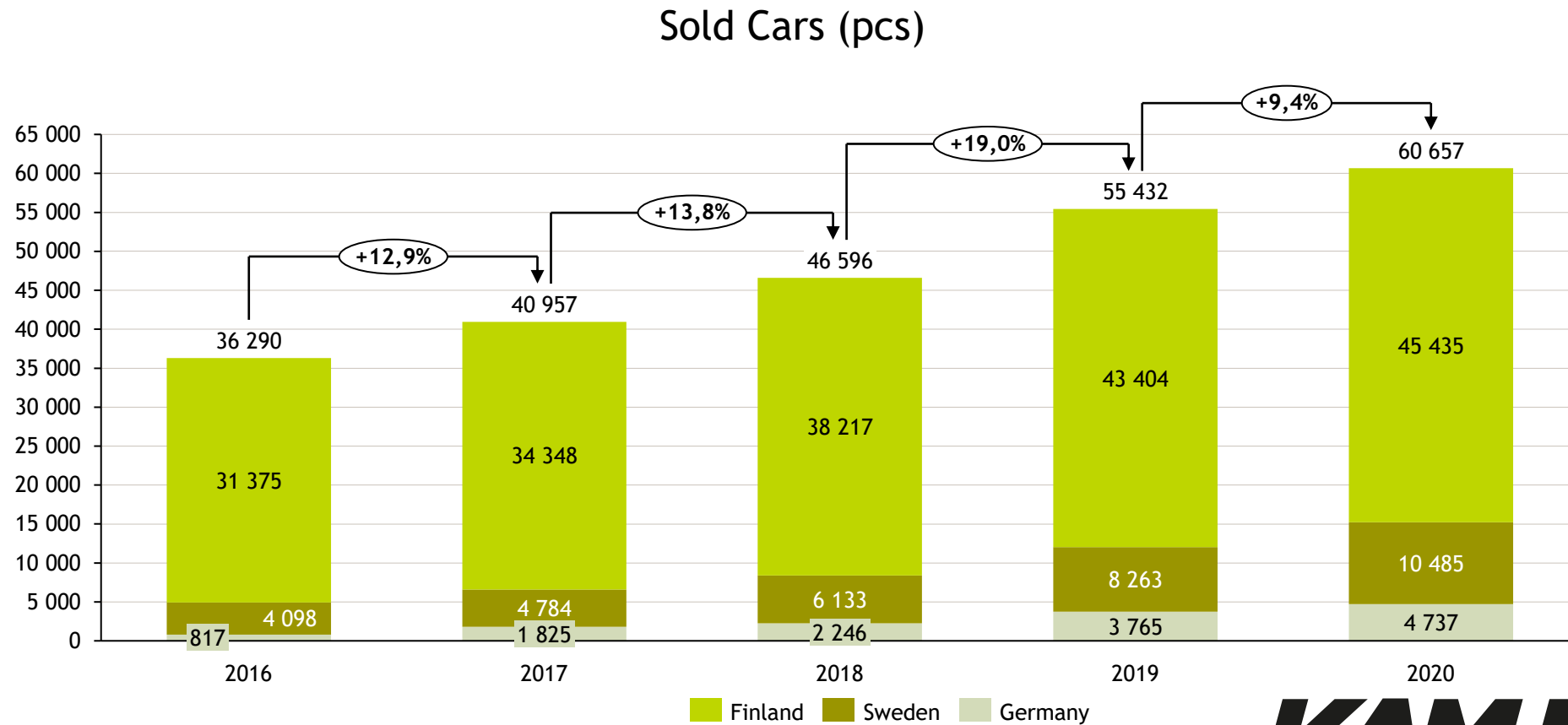
Adjusted Operating Profit (EUR million)



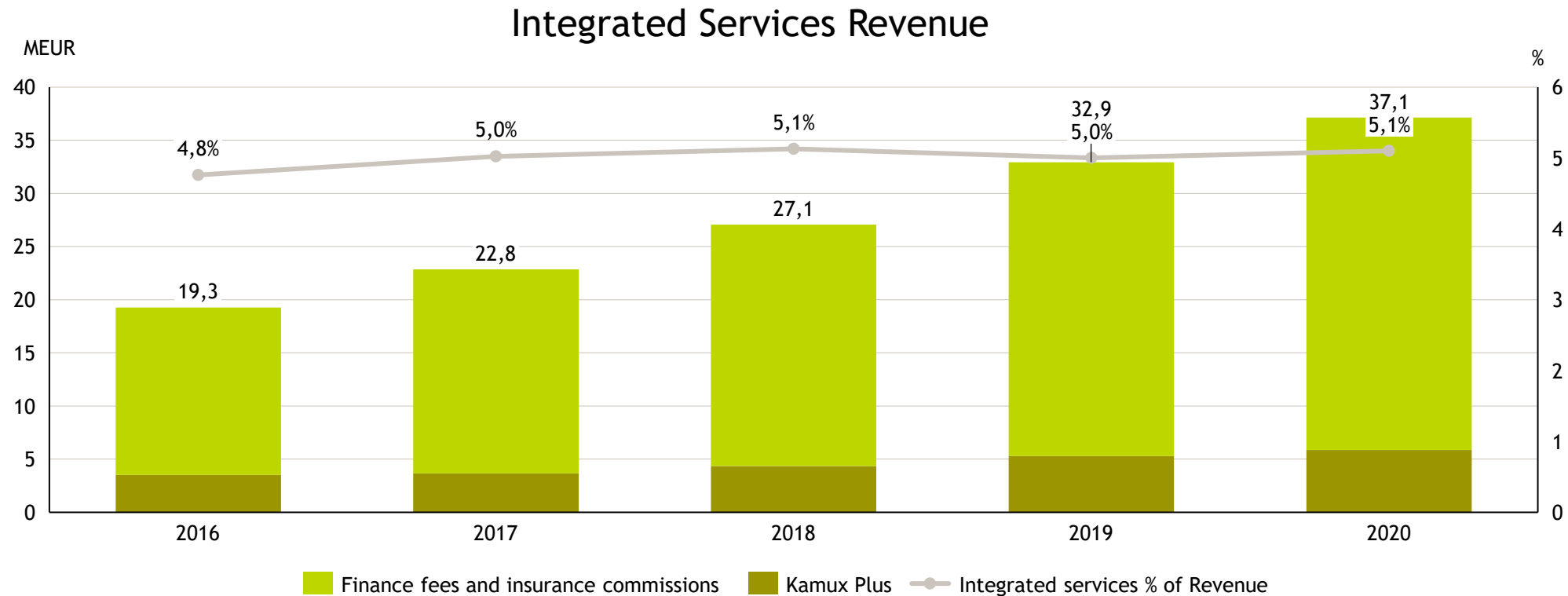
- Adjusted operating profit increased very strongly in 2020



Number of Sold Cars Increased by 9.4% in 2020



Integrated Services Revenue Continued to Grow in 2020



New Openings and Showrooms on February 26, 2021

2020	FINLAND	SWEDEN	GERMANY	OPENINGS 2020
Q1	Espoo Niittykumpu			1
Q2	Tornio	Sundsvall Stockholm Värmdö	Kaltenkirchen	5
Q3			Lübeck	1
Q4	—	—	—	—
Announced Openings	—	Gothenburg	—	—

2020	FINLAND	SWEDEN	GERMANY	TOTAL
Total showrooms Feb 26, 2021	50	20	8	78



Digital buying process, cross-selling and home delivery were highlighted in 2020

Cross-selling in 2020:

36% in Finland

31% in the Group



Over **900,000** monthly
website visits on kamux.fi/se/de

A man in a blue shirt is sitting at a desk in an office, using a computer mouse. A large computer monitor is visible on the right side of the desk. The background is slightly blurred, showing a yellow poster on the wall. The text 'Financial Development' is overlaid on the image in a large, white, sans-serif font, with a yellow horizontal line above and below it.

Financial Development

Marko Lehtonen, CFO

Profitable Growth Improved ROE, ROI and Financial Position

- Return on equity (ROE) 26.3 % was strong and increased from the previous year
- Equity ratio 50.1% slightly increased during the fourth quarter with the payment of RCF
- A deferred tax asset amounting to EUR 0.8 million related to the Swedish business was recognized during the fourth quarter
- Basic earnings per share were EUR 0.13, and it increased 16.0% from previous year

The financial position creates the basis for growth

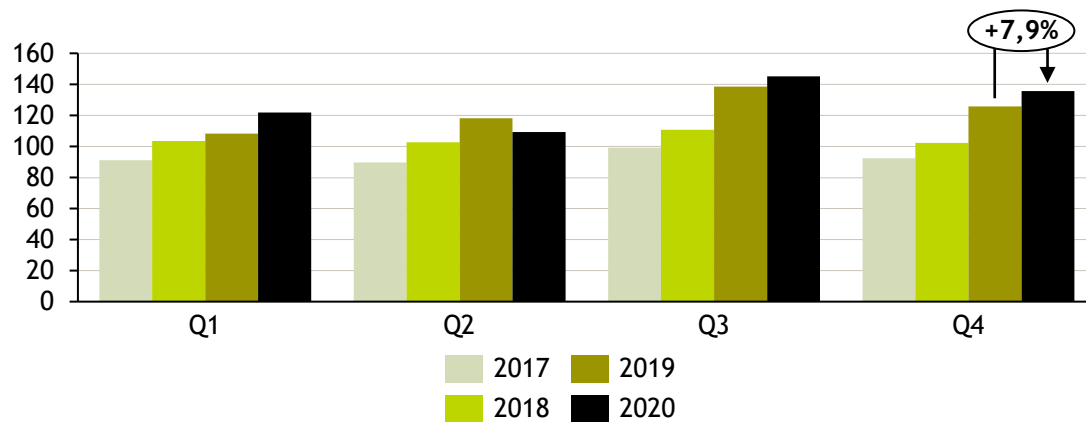


Key Figures

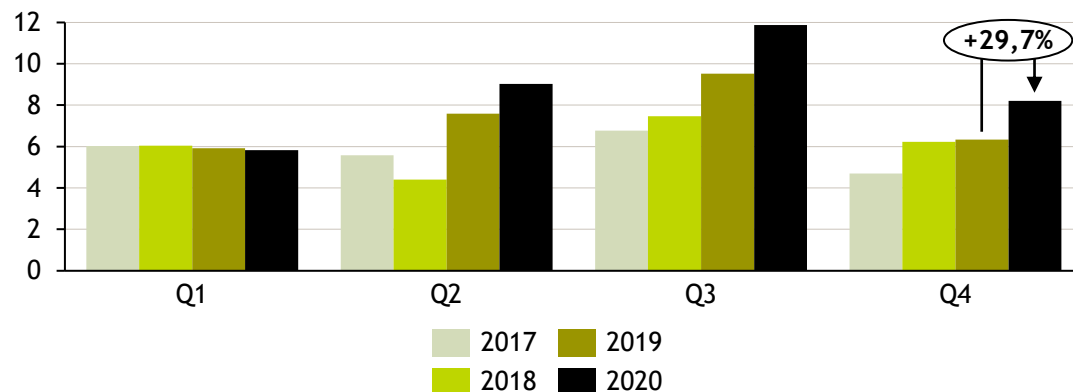
(MEUR)	10-12/ 2020	10-12/ 2019	Change, %	1-12/ 2020	1-12/ 2019	Change, %
Revenue	198.8	175.4	13.3%	724.1	658.5	10.0%
Gross profit	23.8	20.0	18.7%	91.5	79.6	15.0%
as percentage of revenue, %	12.0%	11.4%		12.6%	12.1%	
Operating profit (EBIT)	7.4	5.4	37.5%	31.2	25.3	23.1%
as percentage of revenue, %	3.7%	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%	
Sales growth of like-for-like showrooms, %	-1.6%	14.6%		-3.8%	6.3%	
Inventory turnover, days				47.2	44.5	6.1%
Return on equity (ROE), %				26.3%	25.3%	
Return on capital employed (ROI), %				16.9%	16.7%	
Equity ratio, %				50.1%	45.1%	

Kamux Finland – Very Profitable Revenue Growth in Q4 2020

Revenue (EUR million)



Operating Profit (EUR million)

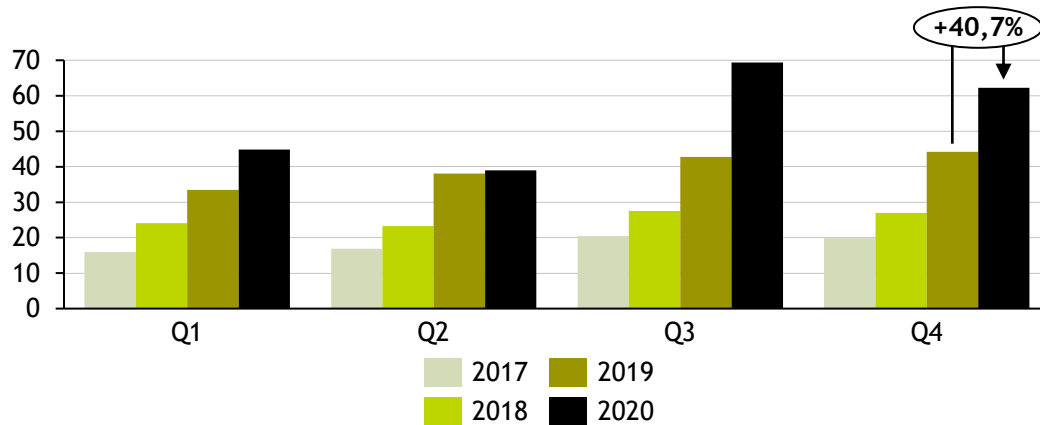


- Revenue increased by 7.9% compared to the previous year and was EUR 135.7 million (125.8).
- Gross margin increased to EUR 17.9 million (15.3), or 13.2% (12.1) of revenue.
- Operating profit increased by 29.7% compared to previous year and was EUR 8.2 million (6.3), or 6.0% (5.0) of revenue.
- Integrated services revenue increased to EUR 8.2 million (7.8), or 6.0 % (6.2) of revenue.
- The growth was driven by new showrooms.

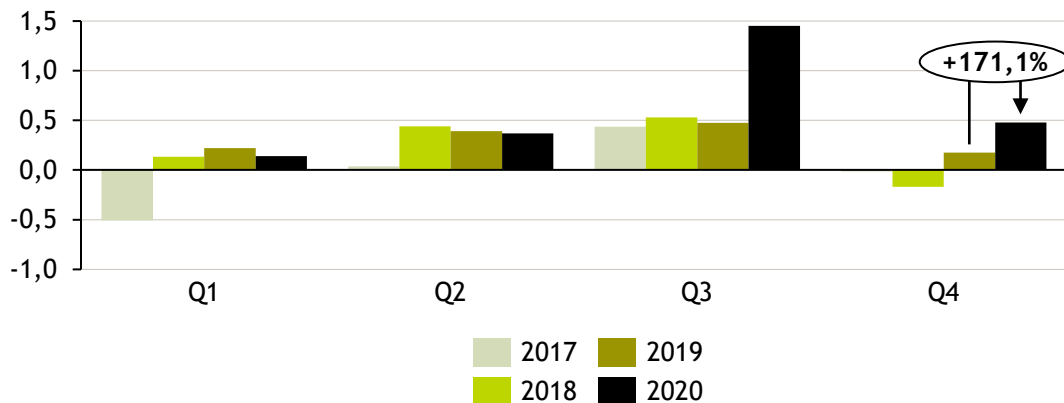


Kamux Sweden – Very Strong Revenue Growth in Q4 2020

Revenue (EUR million)



Operating Profit (EUR million)

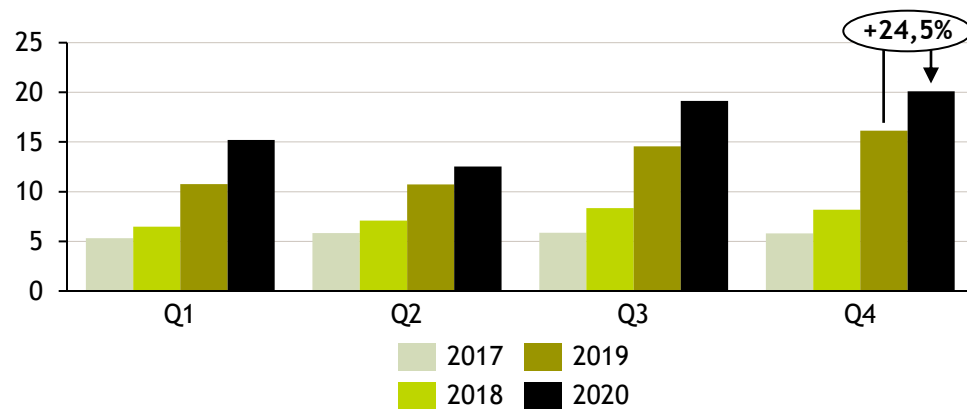


- Total revenue increased 40.7% compared to the previous year and was EUR 62.3 million (44.2).
- Gross margin increased to EUR 4.2 million (3.3), or 6.7% (7.4) of revenue.
- Operating profit increased and was EUR 0.5 million (0.2), or 0.8% (0.4) of total revenue.
- Revenue of the integrated services increased to EUR 1.2 million (0.9), or 2.8% (2.6) of external revenue.
- The growth was driven by new showrooms.

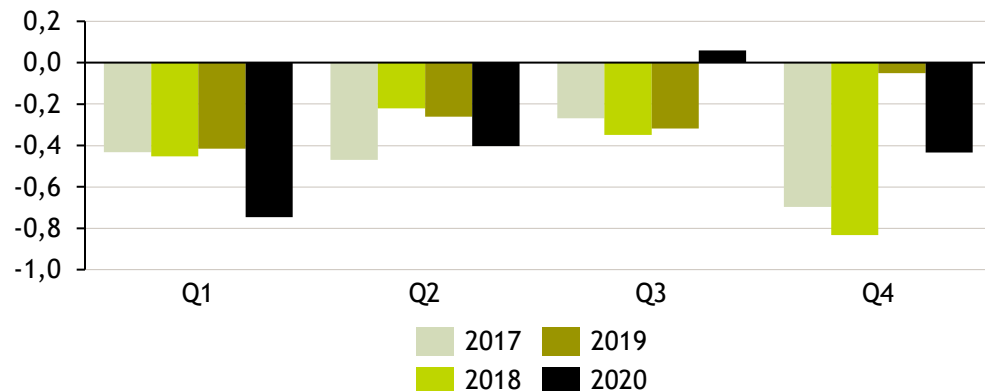


Kamux Germany – Very Strong Revenue Growth in Q4 2020 despite the lock-down in December

Revenue (EUR million)



Operating Income (EUR million)

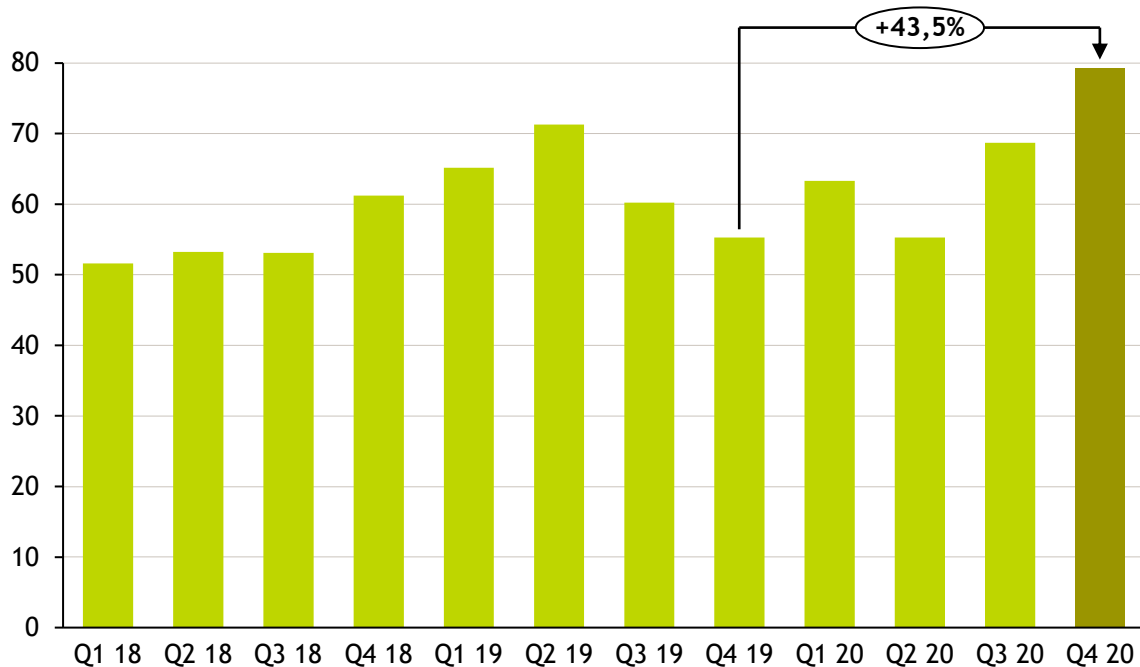


- Total revenue increased by 24.5% compared to the previous year and was EUR 20.1 million (16.1).
- Gross margin increased to EUR 1.7 million (1.5), or 8.5% (9.3) of revenue.
- Operating loss increased and was EUR -0.4 million (-0.1), or -2.2% (-0.3) of total revenue.
- Integrated services revenue increased and was EUR 0.8 million (0.7), or 4.1% (4.6) of external revenue.
- The growth was driven by new showrooms.

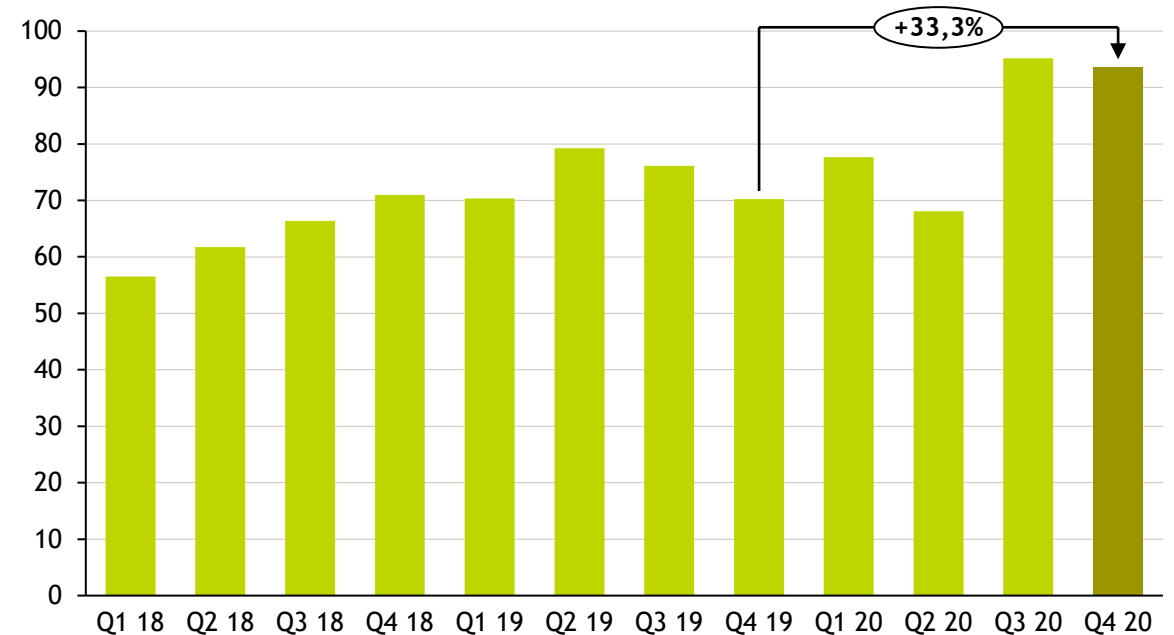


The Availability of Used Cars Remained Challenging, Preparations for Growth

Net Working Capital (EUR million)

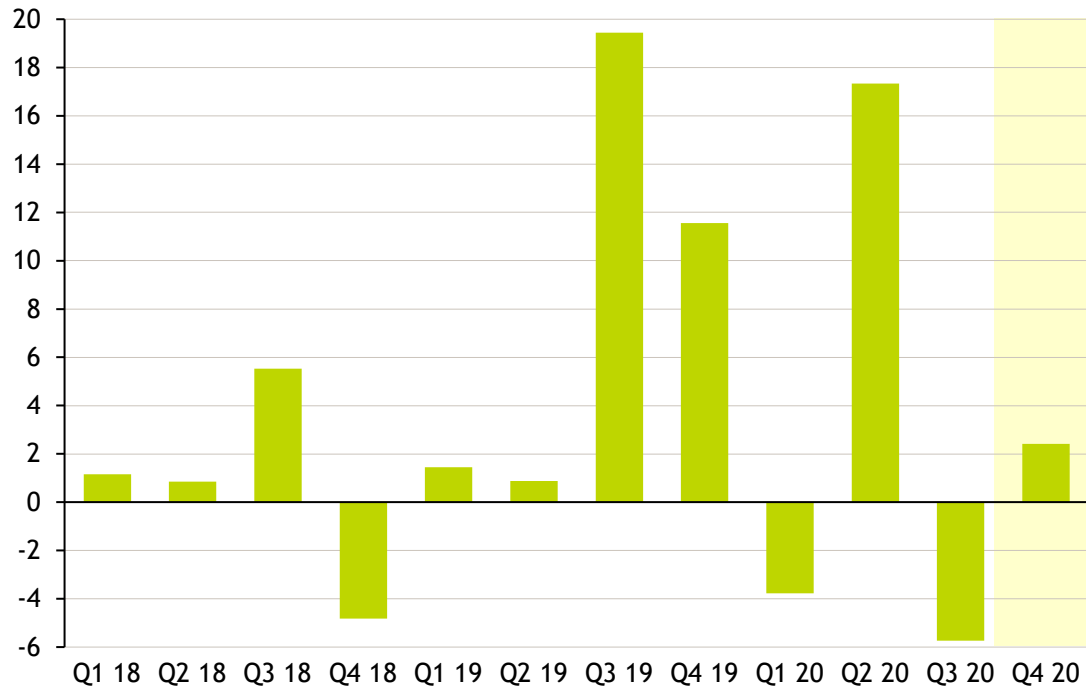


Inventories (EUR million)

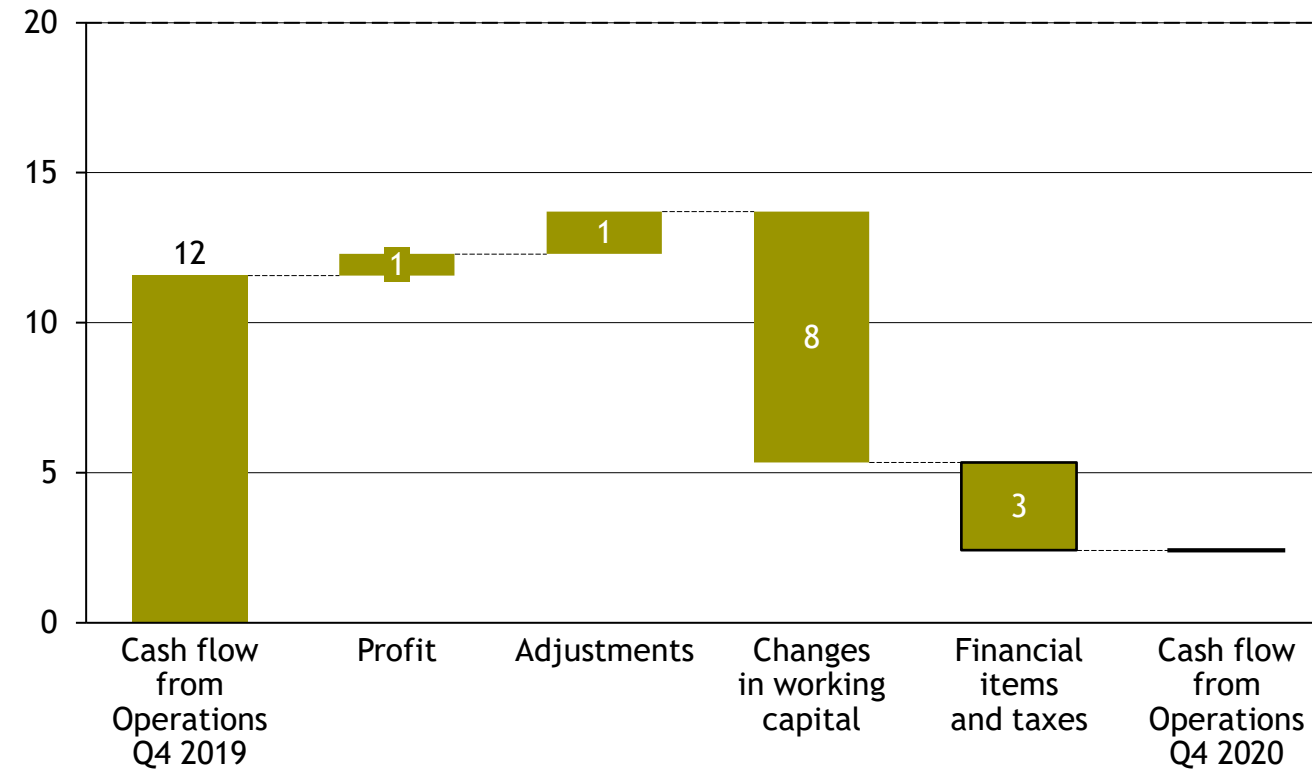


Inventory Level Reflects Growth Orientation

Cash Flow from Operations (EUR million)

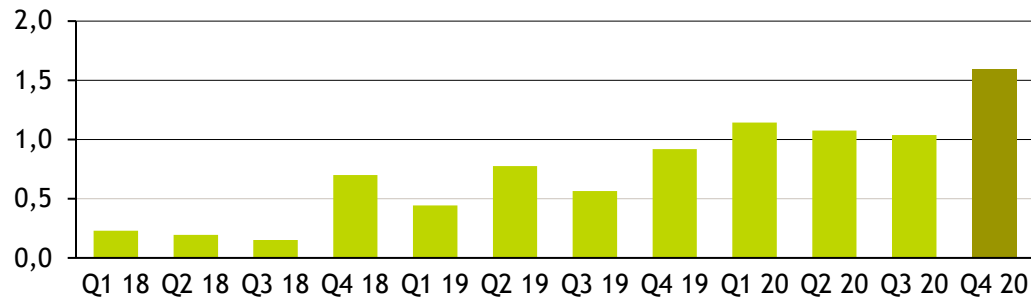


Change (EUR million) to Comparison Period

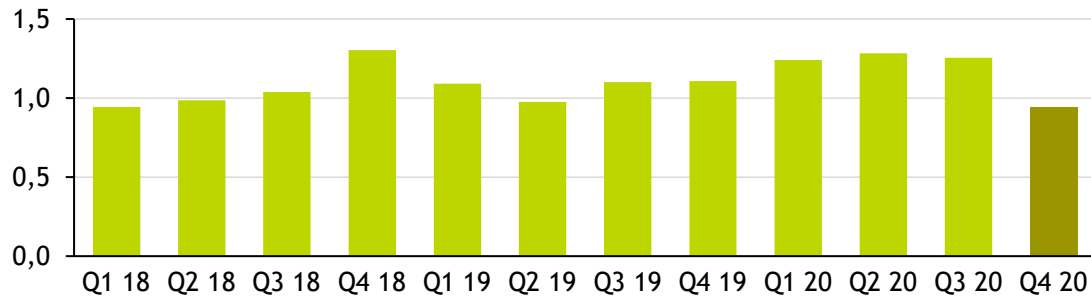


Investments in Knowledge Management Continued

Investments (EUR million)



Group Functions (EUR million)



- In line with our strategy, we have systematically invested in growth.
- Kamux seeks to gain a significant competitive advantage by investing in leading with knowledge as well as digital customer and business processes.
- Investments were directed as follows:
 - Digital functions: developing the CRM-ERP system, analytics, data management and financial management systems
 - Personnel: recruitment and training
 - Internationalization: investments in international growth



Dividend Proposal and Annual General Meeting



- The Board of Directors will propose to the AGM a dividend of EUR 0.24 per share (0.23) to be distributed for the year 2020
- Earnings per share in 2020 were EUR 0.58 (0.48)
- The proposed dividend is 41% (48%) of net profit
- The Annual General Meeting will be held on April 20, 2021 in Helsinki





Outlook and Financial Targets

Outlook and Financial Targets 2019–2022



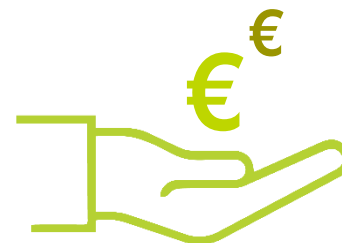
Revenue growth of over 10% annually 2019-2022

Revenue



EBIT margin of at least 4% in 2019-2022

Profitability



Distribute dividends of at least 30% of net profits

Dividend Policy



Kamux does not publish a short-term outlook

Outlook

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. On December 16, 2020 Kamux published a stock exchange release and specified its outlook for 2020: according to the current best estimate the Company will be able to reach its medium-term targets regarding the operating profit margin and get close or to the target regarding the revenue growth.



The Company's Strategic Focus Areas for the Years 2021—2023

**Omnichannel
customer experience
and services**

**Utilizing data and
leading with
knowledge**

**Efficient processes
and scalability**

**Developing
capabilities and
continuous learning**

Outlook and Financial Targets 2021–2023

- Revenue growth of over 20% annually
- Annually increasing adjusted operating profit and adjusted EBIT margin over 3.5%
- Return on equity (ROE) over 25%
- Target is to distribute dividends of at least 25% of net profits*

Outlook for 2021

In 2021, Kamux expects the revenue to be between 800–850 million euros and adjusted operating profit to increase from previous year’s level.

Indicator	Target (from Feb 26, 2021)	Actual 2020
Revenue growth annually	Over 20%	10.0%
Adjusted operating profit	Annually increasing	EUR 30.7 million (25.4)
Adjusted operating profit (EBIT) margin	Over 3.5%	4.2%
Return on equity (ROE)	Over 25%	26.3%
Dividend	At least 25% of net profits	41%**

* 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.

** Proposal of BoD to AGM





Summary

Summary Q4/2020

Revenue increased by **13.3%** to EUR 198.8 million (175.4)



Adjusted operating profit increased by **38.8%** to EUR 7.5 million (5.4)

Gross profit increased by **18.7%** to EUR 23.8 million (20.0)



Kamux's growth was strong and very profitable despite the exceptional operating environment





Questions?

Disclaimer

It should be noted that Kamux and its business are exposed to various risks and uncertainties, and certain statements herein which are not historical facts, including without limitation, those regarding expectations for market growth and developments; expectations for growth and profitability; and statements preceded by “believes”, “expects”, “anticipates”, “foresees”, or similar expressions, are forward-looking statements.

Since these statements are based on current plans, estimates and projections, they involve risks and uncertainties that may cause actual results to materially differ from those expressed in such forward-looking statements. All statements are based on the management’s best assumptions and beliefs in light of the information currently available to it and Kamux assumes no obligation to publicly update or revise any forward-looking statement except to the extent legally required.

