

# HALF YEAR FINANCIAL REPORT January—June 2020



Kamux Corporation’s Half Year Financial Report for January 1 – June 30, 2020

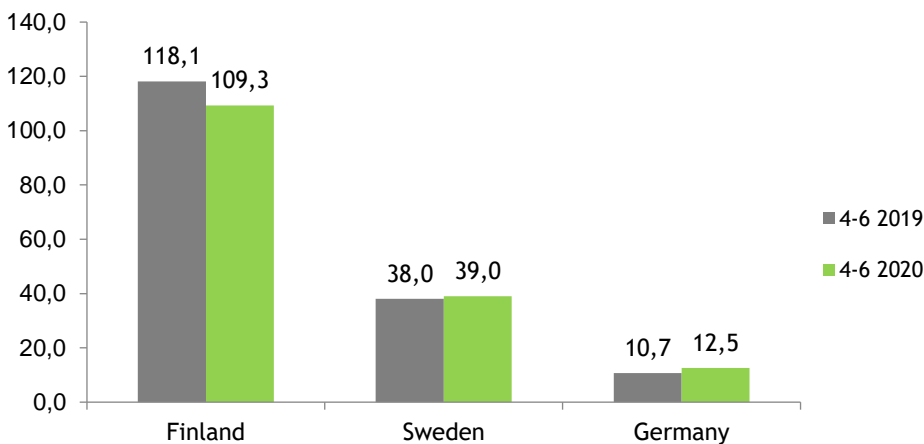
**Kamux’s Business Model Proved its Strength in an Exceptional Situation – Profitability Improved, Revenue Declined by -4.3%**

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

**April–June in brief**

- Revenue decreased by -4.3%, totaling EUR 150.5 million (157.3)
- Gross profit increased by 2.4% to EUR 20.6 million (20.1), or 13.7% (12.8) of revenue
- Adjusted operating profit (EBIT) increased by 1.6% to EUR 6.8 million (6.7), or 4.6% (4.3) of revenue
- Operating profit (EBIT) increased by 14.7% to EUR 7.7 million (6.7), or 5.1% (4.3) of revenue
- The number of cars sold was at previous year’s level, amounting to 13,413 cars (13,441)
- Like-for-like showroom revenue decline was -16.9% (2.4)
- Earnings per share were EUR 0.16 (0.12)

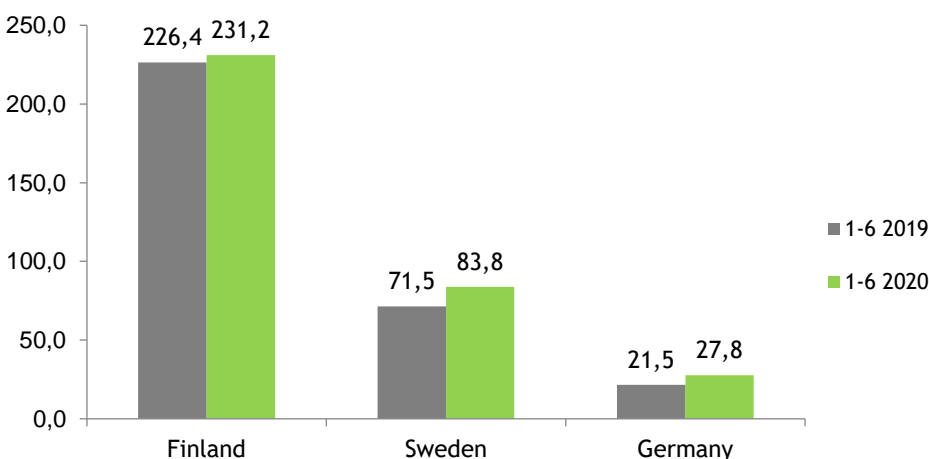
**Revenue of business segments in April–June, EUR million**



**January–June in brief**

- Revenue increased by 5.9%, totaling EUR 317.9 million (300.2)
- Gross profit increased by 5.8% to EUR 38.9 million (36.7), or 12.2% (12.2) of revenue
- Adjusted operating profit (EBIT) decreased by -5.3% to EUR 10.8 million (11.4), or 3.4% (3.8) of revenue
- Operating profit (EBIT) increased by 2.7% to EUR 11.7 million (11.4), or 3.7% (3.8) of revenue
- The number of cars sold increased by 7.9% to 27,640 cars (25,628)
- Like-for-like showroom revenue decline was -8.3% (-1.0)
- Earnings per share were EUR 0.22 (0.20)
- The business acquisition of Autosilta was concluded on January 9, 2020.
- As published in a stock exchange release on March 20, due to the corona pandemic, it is not likely that Kamux will reach its medium-term targets this year.

**Revenue of business segments in January–June, EUR million**



## Key figures

EUR million	4-6/ 2020	4-6/ 2019	Change, %	1-6/ 2020	1-6/ 2019	Change, %	1-12/ 2019
Revenue	150.5	157.3	-4.3%	317.9	300.2	5.9%	658.5
Gross profit	20.6	20.1	2.4%	38.9	36.7	5.8%	79.6
as percentage of revenue, %	13.7%	12.8%		12.2%	12.2%		12.1%
Operating profit (EBIT)	7.7	6.7	14.7%	11.7	11.4	2.7%	25.3
as percentage of revenue, %	5.1%	4.3%		3.7%	3.8%		3.8%
Adjusted operating profit*	6.8	6.7	1.6%	10.8	11.4	-5.3%	25.4
as percentage of revenue, %	4.6%	4.3%		3.4%	3.8%		3.9%
Revenue from integrated services	8.6	7.9	9.3%	17.5	15.0	17.1%	32.9
as percentage of revenue, %	5.7%	5.0%		5.5%	5.0%		5.0%
Number of cars sold	13,413	13,441	-0.2%	27,640	25,628	7.9%	55,432
Gross profit per sold car, EUR	1,538	1,499	2.6%	1,407	1,434	-1.9%	1,437
Sales growth of like-for-like showrooms, %	-16.9%	2.4%		-8.3%	-1.0%		6.3%
Net debt				36.1	57.8	-37.6%	38.5
Inventories				68.1	79.2	-14.0%	70.2
Inventory turnover, days				45.1	51.3	-12.0%	44.5
Capital expenditures	1.1	0.8	41.2%	2.2	1.2	83.7%	2.7
Average number of employees during the period				664	566	17.3%	595
Return on equity (ROE), %				25.6%	26.9%		25.3%
Return on investment (ROI), %				13.8%	16.0%		16.7%
Equity ratio, %				45.1%	44.6%		45.1%
Earnings per share, basic, EUR	0.16	0.12	33.3%	0.22	0.20	11.9%	0.48

\* Operating profit adjusted for special expense items related to strategy planning, geographical expansion and taxes from previous financial years, totaling EUR -0.9 million for the second quarter of 2020 and totaling EUR -0.9 million for 1-6/2020 (4-6/2019: EUR 0.0 million, 1-6/2019: EUR 0.0 million and 1-12/2019: EUR 0.1 million).

### CEO Juha Kalliokoski:

“The corona pandemic significantly decreased used car sales in April. Sales started to recover in May and were already strong in June. Our quick response and our flexible business model enabled us to improve profitability in these exceptional circumstances. We carried out several measures related to ensuring safe customer interaction and safe working conditions as well as purchasing volumes and inventory management. In the second quarter of 2020, Kamux Group’s revenue decreased by -4.3%, but the adjusted operating profit grew by 1.6%.

In Finland, the operating profit adjusted for special items increased to EUR 8.1 million (7.6) in the second quarter. This is an excellent accomplishment considering that Kamux’s revenue in Finland decreased by 7.5%. In Finland, the operating profit in the second quarter was affected by a EUR 0.9 million tax refund related to taxes from previous financial years.

In Sweden, the restrictions related to the corona pandemic were lighter than in Finland and Germany, but they impacted people’s mobility and behavior. In Sweden, revenue increased slightly, and profitability was at previous year’s level.

In April, the showrooms in Germany were closed for two and a half weeks due to a government order. Despite the opening of the stores, wearing a mask is still compulsory and many strict regulations remain in force. Even in the extremely exceptional circumstances, total revenue in Germany increased by 17% compared to the corresponding period of the previous year. Thanks for this go to our German personnel, who were determined and persistent in the challenging operating environment.

Our strengths in the second quarter also included our inventory turnover and our digitally focused operating model, which enabled car sales also during strict mobility restrictions. Kamux’s strong financial position provides a solid basis for possible new waves of the pandemic.

We appointed Karri Kauppila as acting Country Director of Kamux Sweden as of August 1. Under Karri’s lead, we will continue working ambitiously to build profitable growth in the Swedish market. Karri has several years of business experience from Sweden and strong experience especially in marketing and sales, as well as in people management.”

### **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.

The global corona pandemic and the restrictions and regulations related to it have caused significant changes to Kamux’s operating environment, leading to 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 have been made to the medium-term targets set by the Board of Directors because of the situation.

### **Market review**

The measures taken due to the corona pandemic and their effects varied in Finland, Sweden and Germany in the second quarter. In Finland, the infection reproduction number decreased below 1 in the spring and early summer, and restrictions and recommendations were eased. Meanwhile, Sweden continued its recommendation-based coronavirus approach, and the number of infections and coronavirus-related deaths kept increasing. Germany was under a wide lockdown, closing e.g. retail stores in March and April. Even though restrictions were eased in late April, strict recommendations on mobility and shopping were in place from April to June and wearing a face mask was compulsory when visiting shops and running errands.

Manufacturing of new cars was practically halted for many weeks due to the corona pandemic in the spring. In the European Union region, new car registrations decreased by -38.1% in the first half of 2020, by -22.3% in June, by -52.3% in May and by -76.3% in April (ACEA).

According to the company’s estimate, the used car market was at previous year’s level in Finland and increased in Sweden compared to the corresponding period of the previous year. 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 second quarter. It is, however, still marginal. According to Kamux’s estimate, Germany’s used car market declined during the second quarter compared to 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 April–June 2020**

Revenue decreased by -4.3% compared to the corresponding period of the previous year and amounted to EUR 150.5 million (157.3). Revenue decreased significantly in April due to the impacts of the corona pandemic, but recovered during May and June as restrictions eased and the situation became slightly more normal. Kamux’s integrated services revenue increased to EUR 8.6 million (7.9), or 5.7% (5.0) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany was at previous year’s level and amounted to 13,413 cars (13,441). Revenue per sold car amounted to EUR 11,221 (11,700).

### **Revenue in January–June 2020**

Revenue increased by 5.9% compared to the corresponding period of the previous year and amounted to EUR 317.9 million (300.2). Kamux’s integrated services revenue increased to EUR 17.5 million (15.0), or 5.5% (5.0) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 7.9% compared to the corresponding period of the previous year and amounted to 27,640 cars (25,628). Revenue per sold car amounted to EUR 11,500 (11,716).

## Revenue allocation

EUR million	4-6/2020	4-6/2019	1-6/2020	1-6/2019	1-12/2019
Sales of used cars	141.9	149.4	300.3	285.3	625.6
Financing fees and Insurance commissions	7.1	6.6	14.6	12.4	27.7
Sales of Kamux Plus	1.4	1.3	2.9	2.5	5.3
<b>Total</b>	<b>150.5</b>	<b>157.3</b>	<b>317.9</b>	<b>300.2</b>	<b>658.5</b>

## Result in April–June 2020

Gross profit increased by 2.4% compared to the corresponding period of the previous year and amounted to EUR 20.6 million (20.1). Gross profit increased in Finland and in Sweden. In Germany, gross profit was at previous year's level and gross profit as percentage of revenue decreased. The gross profit in Germany was impacted by restrictions related to the corona pandemic. In Kamux Group, gross profit as percentage of revenue increased by 0.9 percentage points to 13.7% (12.8). Due to the market situation caused by the corona pandemic, during the second quarter we carried out measures related to purchasing and inventory management and thus there were no reason to recognize material exceptional inventory write-downs in the balance sheet at the end of June.

The adjusted operating profit increased by 1.6% and amounted to EUR 6.8 million (6.7). The adjusted operating profit as percentage of revenue was 4.6% (4.3). 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 -0.9 million (0.0) in the second quarter and consisted mainly of a refund from the Finnish tax authority related to previous financial years' taxes, which was recognized as credit in other operating expenses.

Operating profit (EBIT) increased by 14.7% compared to the previous year, amounting to EUR 7.7 million (6.7).

The profit before taxes for the second quarter amounted to EUR 7.7 million (6.0). Earnings per share amounted to EUR 0.16 (0.12).

## Result in January–June 2020

Gross profit increased by 5.8% compared to the corresponding period of the previous year and amounted to EUR 38.9 million (36.7). Gross profit as percentage of revenue was at previous year's level, amounting to 12.2% (12.2). Gross profit increased across all segments, but gross profit as percentage of revenue decreased in Sweden and in Germany. The gross profit in Sweden and in Germany was impacted by the corona pandemic and the related restrictions.

The adjusted operating profit decreased by -5.3% and amounted to EUR 10.8 million (11.4). The adjusted operating profit as percentage of revenue was 3.4% (3.8). The items adjusting the operating profit totaled EUR -0.9 million (0.0) in January–June.

Operating profit (EBIT) increased by 2.7% compared to the previous year, amounting to EUR 11.7 million (11.4).

The profit before taxes for January–June amounted to EUR 11.3 million (10.1). Earnings per share amounted to EUR 0.22 (0.20).

**Key figures of the business segments**

pcs	4-6/ 2020	4-6/ 2019	Change, %	1-6/ 2020	1-6/ 2019	Change, %	1-12/ 2019
<b>Number of cars sold without internal sales</b>							
Finland	10,291	10,615	-3.1%	21,228	20,303	4.6%	43,404
Sweden	2,231	1,993	11.9%	4,467	3,746	19.2%	8,263
Germany	891	833	7.0%	1,945	1,579	23.2%	3,765
<b>Segments total</b>	<b>13,413</b>	<b>13,441</b>	<b>-0.2%</b>	<b>27,640</b>	<b>25,628</b>	<b>7.9%</b>	<b>55,432</b>
<b>EUR million</b>							
<b>Revenue</b>							
Finland	109.3	118.1	-7.5%	231.2	226.4	2.1%	490.9
Sweden	39.0	38.0	2.4%	83.8	71.5	17.2%	158.5
Germany	12.5	10.7	17.0%	27.8	21.5	29.2%	52.2
<b>Segments total</b>	<b>160.8</b>	<b>166.9</b>	<b>-3.7%</b>	<b>342.7</b>	<b>319.4</b>	<b>7.3%</b>	<b>701.5</b>
Group functions and eliminations	-10.3	-9.6	-6.7%	-24.8	-19.2	-29.6%	-43.0
<b>Total</b>	<b>150.5</b>	<b>157.3</b>	<b>-4.3%</b>	<b>317.9</b>	<b>300.2</b>	<b>5.9%</b>	<b>658.5</b>
<b>Gross Profit</b>							
Finland	16.3	16.2	0.8%	30.9	29.7	3.8%	63.6
Sweden	3.3	2.9	11.9%	6.1	5.3	15.6%	11.6
Germany	1.0	1.0	0.7%	1.9	1.7	11.0%	4.4
<b>Segments total</b>	<b>20.6</b>	<b>20.1</b>	<b>2.4%</b>	<b>38.9</b>	<b>36.7</b>	<b>5.8%</b>	<b>79.6</b>
Group functions and eliminations	-	-	-	-	-	-	-
<b>Total</b>	<b>20.6</b>	<b>20.1</b>	<b>2.4%</b>	<b>38.9</b>	<b>36.7</b>	<b>5.8%</b>	<b>79.6</b>
<b>Gross profit, as percentage of revenue, %</b>							
Finland	15.0%	13.7%		13.4%	13.1%		13.0%
Sweden	8.4%	7.7%		7.3%	7.4%		7.3%
Germany	8.1%	9.4%		6.9%	8.0%		8.4%
<b>Segments total</b>	<b>12.8%</b>	<b>12.1%</b>		<b>11.3%</b>	<b>11.5%</b>		<b>11.4%</b>
Group functions and eliminations	-	-		-	-		-
<b>Total</b>	<b>13.7%</b>	<b>12.8%</b>		<b>12.2%</b>	<b>12.2%</b>		<b>12.1%</b>
<b>Operating profit</b>							
Finland	9.0	7.6	19.0%	14.8	13.5	9.9%	29.4
Sweden	0.4	0.4	-6.1%	0.5	0.6	-17.0%	1.3
Germany	-0.4	-0.3	-54.5%	-1.2	-0.7	-69.9%	-1.0
<b>Segments total</b>	<b>9.0</b>	<b>7.7</b>	<b>16.5%</b>	<b>14.2</b>	<b>13.4</b>	<b>5.7%</b>	<b>29.6</b>
Group functions and eliminations	-1.3	-1.0	-29.0%	-2.5	-2.1	-22.0%	-4.3
<b>Total</b>	<b>7.7</b>	<b>6.7</b>	<b>14.7%</b>	<b>11.7</b>	<b>11.4</b>	<b>2.7%</b>	<b>25.3</b>

EUR million	4-6/ 2020	4-6/ 2019	Change, %	1-6/ 2020	1-6/ 2019	Change, %	1-12/ 2019
<b>Operating profit, as percentage of revenue, %</b>							
Finland	8.3%	6.4%		6.4%	6.0%		6.0%
Sweden	0.9%	1.0%		0.6%	0.9%		0.8%
Germany	-3.2%	-2.4%		-4.1%	-3.2%		-2.0%
<b>Segments total</b>	<b>5.6%</b>	<b>4.6%</b>		<b>4.1%</b>	<b>4.2%</b>		<b>4.2%</b>
Group functions and eliminations	-	-		-	-		-
<b>Total</b>	<b>5.1%</b>	<b>4.3%</b>		<b>3.7%</b>	<b>3.8%</b>		<b>3.8%</b>
<b>Special items adjusting operating profit</b>							
Finland	0.9	-		0.9	-		-0.1
Sweden	-	-		-	-		-
Germany	-	-		-	-		-
<b>Segments total</b>	<b>0.9</b>	<b>-</b>		<b>0.9</b>	<b>-</b>		<b>-0.1</b>
Group functions and eliminations	-0.0	-		-0.0	-0.0		-0.0
<b>Total</b>	<b>0.9</b>	<b>-</b>		<b>0.9</b>	<b>-0.0</b>		<b>-0.1</b>
<b>Operating profit adjusted for special items</b>							
Finland	8.1	7.6	7.1%	13.9	13.5	3.2%	29.4
Sweden	0.4	0.4	-6.1%	0.5	0.6	-17.0%	1.3
Germany	-0.4	-0.3	-54.5%	-1.2	-0.7	-69.9%	-1.0
<b>Segments total</b>	<b>8.1</b>	<b>7.7</b>	<b>4.8%</b>	<b>13.3</b>	<b>13.4</b>	<b>-1.0%</b>	<b>29.6</b>
Group functions and eliminations	-1.2	-1.0	-26.9%	-2.5	-2.0	-22.6%	-4.2
<b>Total</b>	<b>6.8</b>	<b>6.7</b>	<b>1.6%</b>	<b>10.8</b>	<b>11.4</b>	<b>-5.3%</b>	<b>25.4</b>
<b>Operating profit adjusted for special items, as percentage of revenue, %</b>							
Finland	7.4%	6.4%		6.0%	6.0%		6.0%
Sweden	0.9%	1.0%		0.6%	0.9%		0.8%
Germany	-3.2%	-2.4%		-4.1%	-3.2%		-2.0%
<b>Segments total</b>	<b>5.0%</b>	<b>4.6%</b>		<b>3.9%</b>	<b>4.2%</b>		<b>4.2%</b>
Group functions and eliminations	-	-		-	-		-
<b>Total</b>	<b>4.6%</b>	<b>4.3%</b>		<b>3.4%</b>	<b>3.8%</b>		<b>3.9%</b>

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

percentage, %	4–6/2020	4–6/2019	1–6/2020	1–6/2019	1–12/2019
<b>Financing services</b>					
Finland	44	48	44	48	48
Sweden	49	47	48	46	46
Germany	23	23	22	22	22
<b>Insurance services</b>					
Finland	49	48	48	48	49
Sweden	94	92	93	92	91
<b>Kamux Plus</b>					
Finland	19	19	19	19	19
Sweden	16	23	19	23	22

**Finland in April–June 2020**

Revenue decreased by -7.5% compared to the corresponding period of the previous year, amounting to EUR 109.3 million (118.1). The number of cars sold decreased by -324, or -3.1% compared to the second quarter of the previous year, amounting to 10,291 cars (10,615). Integrated services revenue increased to EUR 7.5 million (6.9), or 6.8% (5.8) of revenue. Operating profit increased by 19.0% compared to the corresponding period of the previous year, amounting to EUR 9.0 million (7.6), or 8.3% (6.4) of revenue. During the review period, 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. The restrictions related to the corona pandemic could be seen especially in April in people's mobility, behavior and purchasing power, which reflected in revenue in Finland. The Tornio showroom was opened at the beginning of May.

**Finland in January–June 2020**

Revenue increased by 2.1% compared to the corresponding period of the previous year, amounting to EUR 231.2 million (226.4). The number of cars sold during January–June increased by 925, or 4.6% compared to the corresponding period of the previous year, amounting to 21,228 cars (20,303). Integrated services revenue increased to EUR 15.2 million (13.2), or 6.6% (5.8) of revenue during January–June. Operating profit increased by 9.9% compared to the comparison period amounting to EUR 14.8 million (13.5), or 6.4% (6.0) of revenue. During the review period, 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 the other operating expenses. The restrictions related to the corona pandemic could be seen especially in April in people's mobility, behavior and purchasing power. The measures taken reflected especially in revenue in Finland.

**Sweden in April–June 2020**

Total revenue increased by 2.4% compared to the corresponding period of the previous year, amounting to EUR 39.0 million (38.0). External revenue increased by 3.1%, amounting to EUR 29.7 million (28.8). The number of cars sold during the second quarter increased by 238, or 11.9% compared to the second quarter of the previous year, amounting to 2,231 cars (1,993). The growth was driven by new showrooms. Revenue of the integrated services increased to EUR 0.8 million (0.7), or 2.8% (2.3) of external revenue. Operating profit was at previous year's level, amounting to EUR 0.4 million (0.4), or 0.9% (1.0) of total revenue. The restrictions related to the corona pandemic in Sweden were lighter than in Finland and Germany, but the exceptional circumstances reflected in consumer behavior and thus, in growth and profitability in Sweden. The showrooms in Stockholm, Sundsvall and Värmdö were opened in May–June.

**Sweden in January–June 2020**

Total revenue increased by 17.2% compared to the corresponding period of the previous year, amounting to EUR 83.8 million (71.5). External revenue increased by 12.7%, amounting to EUR 60.3 million (53.5). The number of cars sold during January–June increased by 721, or 19.2% compared to the corresponding period of the previous year, amounting to 4,467 cars (3,746). Integrated services revenue increased to EUR 1.6



million (1.3), or 2.7% (2.4) of external revenue during January–June. Operating profit decreased compared to the corresponding period of the previous year, amounting to EUR 0.5 million (0.6), or 0.6% (0.9) of total revenue. In Sweden, the corona pandemic reflected in consumer behavior and thus, in growth and profitability, especially in the second quarter.

### Germany in April–June 2020

Total revenue increased by 17.0% compared to the corresponding period of the previous year, amounting to EUR 12.5 million (10.7). External revenue increased by 11.1%, amounting to EUR 11.5 million (10.4). The number of cars sold during the second quarter increased by 58, or 7.0% compared to the second quarter of the previous year, amounting to 891 cars (833). The growth was driven by new showrooms. Integrated services revenue was at previous year's level, amounting to EUR 0.3 million (0.3), or 2.5% (3.0) of external revenue. Operating loss increased compared to the corresponding period of the previous year, amounting to EUR -0.4 million (-0.3), or -3.2% (-2.4) of total revenue. In Germany, the extensive lockdown, closing of brick-and-mortar stores and measures taken to fight the spread of coronavirus pandemic heavily restricted people's mobility and behavior until mid-April, after which society was opened but strict restrictions were still in place. The exceptional situation reflected in profitability. Considering the circumstances, revenue grew strongly. The Kaltenkirchen showroom was opened in April.

### Germany in January–June 2020

Total revenue increased by 29.2% compared to the corresponding period of the previous year, amounting to EUR 27.8 million (21.5). External revenue increased by 30.1%, amounting to EUR 26.4 million (20.3). The number of cars sold during January–June increased by 366, or 23.2% compared to the corresponding period of the previous year, amounting to 1,945 cars (1,579). Integrated services revenue increased to EUR 0.7 million (0.6) during January–June, or 2.7% (2.7) of external revenue. Operating loss increased compared to the corresponding period of the previous year, amounting to EUR -1.2 million (-0.7), or -4.1% (-3.2) of total revenue. In Germany, measures taken to curb the corona pandemic have ranged from extensive lockdown to various strict restrictions which lasted until the end of June.

### Consolidated balance sheet and financial position

As of June 30, 2020, the consolidated balance sheet total was EUR 189.8 million (158.4), of which total equity amounted to EUR 85.6 million (70.4). Net debt amounted to EUR 36.1 million (57.8). Non-current bank loans amounted to EUR 25.9 million (17.9).

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 27.9 million of the term-loan and EUR 10.0 million of the revolving credit facility was taken into use as a precautionary measure related to the corona pandemic. 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 55.3 million (71.3) as of June 30, 2020. The value of the inventory was EUR 68.1 million (79.2).

Kamux's cash flow from operating activities for January–June amounted to EUR 13.6 million (2.3). Cash and cash equivalents at the end of the period amounted to EUR 38.6 million (3.0).

Equity ratio at the end of the review period was 45.1% (44.6). Return on capital employed (ROI) was 13.8% (16.0) and return on equity (ROE) was 25.6% (26.9).

### 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–June amounted to EUR 2.2 million (1.2) and they consisted mainly of IT systems, Autosilta business acquisition, and ordinary maintenance in the showrooms. The company finances 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–June, Kamux's average number of employees amounted to 664 (566) in terms of full-time employees. Recruitment of new personnel is continued to support Kamux's growth.

### Average number of employees by segment

	1–6/2020	1–6/2019	1–12/2019
Finland	463	409	425
Sweden	140	114	123
Germany	60	44	47
<b>Total</b>	<b>664</b>	<b>566</b>	<b>595</b>

### Kamux's share and shareholders

Kamux's largest shareholders as of June 30, 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%), Intera Fund II Ky (14.1%) and Elo Mutual Pension Insurance Company (9.1%).

During January–June, 11,499,515 (3,417,415) Kamux shares were traded on the Nasdaq Helsinki main market. The highest share price during the period was EUR 8.98 (6.20) and the lowest price was EUR 5.14 (5.20). On the last trading day of the review period June 30, 2020, the closing share price was EUR 7.25 (5.40). Kamux's volume weighted average share price during January–June was EUR 7.15 (5.73). Market capitalization, excluding treasury shares, measured at the review period's closing price was EUR 289.9 million (216.1).

At the end of June 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 June 2020, a total of 2,445 shares were returned to the company without consideration due to the termination of employment of a person covered by the scheme. At the end of the review period, the company held 34,731 treasury shares, representing 0.09% 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.

Kamux's CPO and Member of the Management Team, Olli Kilpi left his position on May 22, 2020. Satu Ojala, Director of Communications, is responsible for the human resources function from May 23, 2020.

### 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–June 2020, the total effect of the share-based schemes on the consolidated income for the reporting period was EUR -0.2 million (-0.1).

### *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 will be 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 record date for the second dividend instalment is October 23, 2020 and the dividend will be paid on October 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.

#### 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 Antti Mäkelä and 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 an annual compensation of EUR 60,000 be paid for the Chairman of the Board and EUR 30,000 for the Board Members, and an additional compensation of EUR 5,000 per year to the Chairman of the Audit Committee and EUR 2,500 for 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 the 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 about 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.

## 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.

## Flagging notices

During the second quarter of 2020, the company received a notice 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 voices of Intera Fund II Ky in Kamux Corporation has fallen below the 15 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 unfounded, and the company plans to place the issue before the Administrative Court and apply for a rectification of the Board of Adjustment'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 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](http://www.kamux.com).

## Events after the reporting period

On July 29, 2020 Kamux appointed Mr. Karri Kauppila (BBA) as acting Country Director of Kamux Sweden from August 1, 2020. The previous Swedish Country Director, Mr. Robin Toss, has decided to leave the company, but he will continue to work at Kamux Sweden until the end of the year.

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 dividend will be paid to shareholders who are registered in the shareholders' register maintained by Euroclear Finland Ltd on the record date, October 23, 2020. The dividend payment date will be October 30, 2020. Following the dividend payment, Kamux will have distributed a total dividend of EUR 0.23 per share in 2020 according to the decision of the Annual General Meeting.

## 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	4–6/2020	4–6/2019	1–6/2020	1–6/2019	1–12/2019
Operating profit (EBIT)	7.7	6.7	11.7	11.4	25.3
Strategic investigations	0.0	-	0.0	-	0.1
Special items relating to geographical expansion	-	-	-	0.0	0.0
Taxes related to previous financial years	-0.9	-	-0.9	-	-
Total adjustment items	-0.9	-	-0.9	0.0	0.1
<b>Adjusted operating profit</b>	<b>6.8</b>	<b>6.7</b>	<b>10.8</b>	<b>11.4</b>	<b>25.4</b>

### 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	=	$100 * \left( \frac{\text{Like-for-like showroom car sales}}{\text{Like-for-like showroom car sales in the previous year}} - 1 \right)$ <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	=	$365 * \frac{\text{Inventories (average for 12 months)}}{\text{Materials and services (rolling 12 months)}}$
Return on equity (ROE), %	=	$100 * \frac{\text{Profit for the period (rolling 12 months)}}{\text{Equity (average for 12 months)}}$
Return on capital employed (ROI), %	=	$100 * \frac{\text{Profit for the period} + \text{Finance costs (rolling 12 months)}}{\text{Equity} + \text{Financial debt (average for 12 months)}}$
Equity ratio, %	=	$100 * \frac{\text{Equity}}{\text{Balance sheet total} - \text{Advance payments received}}$
Gearing, %	=	$100 * \frac{\text{Net debt}}{\text{Equity}}$
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 Half Year Financial Report for January–June 2020

### Key accounting policies

This Half Year Financial Report has been prepared according to the IAS 34 - Interim Financial Reporting standard. The Half Year Financial Report 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 Half Year Financial Report does not include all the information and notes that are presented in the Annual Financial Statements. As such, the Half Year Financial Report should be read together with the Annual Financial Statements for the year 2019. The same accounting principles are applied in this Half Year Financial Report as in the Annual Financial Statements, and also the exceptional situation caused by the corona pandemic has been taken into consideration in the accounting principles applied in preparation of this Half Year Report.

The figures presented in the Half Year Financial Report are independently rounded.

Preparing the Half Year Financial Report 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 Half Year Financial Report, 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 Half Year Financial Report is unaudited.

### Consolidated statement of comprehensive income

EUR million	4-6/2020	4-6/2019	1-6/2020	1-6/2019	1-12/2019
<b>Revenue</b>	<b>150.5</b>	<b>157.3</b>	<b>317.9</b>	<b>300.2</b>	<b>658.5</b>
Other operating income	0.5	0.2	0.7	0.3	0.8
Materials and services	-130.4	-137.3	-279.7	-263.8	-579.6
Personnel costs	-8.5	-8.3	-17.6	-15.6	-34.3
Other operating expenses	-2.0	-3.1	-4.9	-5.7	-11.7
Depreciation and amortization	-2.4	-2.1	-4.7	-4.1	-8.4
<b>Operating profit</b>	<b>7.7</b>	<b>6.7</b>	<b>11.7</b>	<b>11.4</b>	<b>25.3</b>
Finance income and costs	0.0	-0.8	-0.4	-1.3	-1.0
<b>Profit before income tax</b>	<b>7.7</b>	<b>6.0</b>	<b>11.3</b>	<b>10.1</b>	<b>24.4</b>
Income tax	-1.5	-1.3	-2.5	-2.3	-5.3
<b>Profit for the period</b>	<b>6.2</b>	<b>4.7</b>	<b>8.8</b>	<b>7.8</b>	<b>19.0</b>
<b>Other comprehensive income</b>					
<b>Items that may be subsequently reclassified to profit or loss</b>					
Translation differences	0.1	-0.0	0.0	-0.0	-0.0
<b>Other comprehensive income for the period, net of tax</b>	<b>0.1</b>	<b>-0.0</b>	<b>0.0</b>	<b>-0.0</b>	<b>-0.0</b>
<b>Total comprehensive income for the period</b>	<b>6.3</b>	<b>4.7</b>	<b>8.8</b>	<b>7.8</b>	<b>19.0</b>
<b>Profit for the period attributable to</b>					
owners of the Company	6.2	4.7	8.8	7.8	19.0
<b>Total comprehensive income for the period attributable to</b>					
owners of the Company	6.3	4.7	8.8	7.8	19.0
<b>Earnings per share for profit attributable to owners of the Company</b>					
Earnings per share, basic and diluted, EUR	0.16	0.12	0.22	0.20	0.48

**Consolidated balance sheet**

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	3.0	1.3	2.1
Goodwill*	14.0	13.6	13.6
Property, plant and equipment	2.5	2.1	2.2
Lease assets	46.0	39.6	46.4
Other receivables	0.1	0.1	0.1
Deferred tax assets	0.5	0.5	0.4
<b>Total non-current assets</b>	<b>66.2</b>	<b>57.2</b>	<b>64.8</b>
<b>Current assets</b>			
Inventories**	68.1	79.2	70.2
Trade and other receivables***	16.7	19.0	18.4
Derivative financial instruments	0.3	-	0.2
Current income tax assets	-	-	0.2
Cash and cash equivalents	38.6	3.0	27.6
<b>Total current assets</b>	<b>123.6</b>	<b>101.2</b>	<b>116.6</b>
<b>TOTAL ASSETS</b>	<b>189.8</b>	<b>158.4</b>	<b>181.5</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	0.1	0.1	0.1
Reserve for invested unrestricted equity	24.7	24.7	24.7
Translation differences	-0.1	-0.1	-0.1
Treasury shares	-0.2	-	-
Retained earnings	52.2	37.8	37.9
Profit for the period	8.8	7.8	19.0
<b>Total equity attributable to owners of the Company</b>	<b>85.6</b>	<b>70.4</b>	<b>81.7</b>
<b>Non-current liabilities</b>			
Borrowings	25.9	17.9	16.5
Lease liabilities	38.4	32.3	38.8
Other non-current liabilities	0.1	0.2	0.2
Provisions	0.4	0.4	0.4
<b>Total non-current liabilities</b>	<b>64.9</b>	<b>50.7</b>	<b>55.7</b>
<b>Current liabilities</b>			
Borrowings	2.0	3.0	3.0
Lease liabilities	8.2	7.6	7.9
Derivative financial instruments	-	0.1	-
Trade and other payables	24.1	23.8	29.7
Provisions	2.6	2.4	2.7
Current income tax liabilities	2.4	0.4	0.8
<b>Total current liabilities</b>	<b>39.4</b>	<b>37.3</b>	<b>44.1</b>
<b>Total liabilities</b>	<b>104.3</b>	<b>88.0</b>	<b>99.8</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>189.8</b>	<b>158.4</b>	<b>181.5</b>

\* 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 June 30, 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 June 30, 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
<b>Equity at Jan 1, 2020</b>	<b>0.1</b>	<b>24.7</b>	<b>-0.1</b>	<b>-</b>	<b>56.9</b>	<b>81.7</b>
Profit for the period					8.8	8.8
Other comprehensive income			0.0			0.0
<b>Total comprehensive income</b>			<b>0.0</b>		<b>8.8</b>	<b>8.8</b>
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					-4.8	-4.8
<b>Equity at Jun 30, 2020</b>	<b>0.1</b>	<b>24.7</b>	<b>-0.1</b>	<b>-0.2</b>	<b>61.0</b>	<b>85.6</b>
<b>Equity at Jan 1, 2019</b>	<b>0.1</b>	<b>24.7</b>	<b>-0.0</b>	<b>-</b>	<b>44.1</b>	<b>68.9</b>
Profit for the period					7.8	7.8
Other comprehensive income			-0.0			-0.0
<b>Total comprehensive income</b>			<b>-0.0</b>		<b>7.8</b>	<b>7.8</b>
Transactions with owners:						
Share-based payments					0.1	0.1
Dividends to shareholders					-6.4	-6.4
<b>Equity at Jun 30, 2019</b>	<b>0.1</b>	<b>24.7</b>	<b>-0.1</b>	<b>-</b>	<b>45.7</b>	<b>70.4</b>

**Consolidated statement of cash flows**

EUR million	4-6/ 2020	4-6/ 2019	1-6/ 2020	1-6/ 2019	1-12/ 2019
<b>Cash flows from operating activities</b>					
<b>Profit for the period</b>	<b>6.2</b>	<b>4.7</b>	<b>8.8</b>	<b>7.8</b>	<b>19.0</b>
Adjustments for:					
Depreciation and amortization	2.4	2.1	4.7	4.1	8.4
Finance income and costs	-0.0	0.8	0.4	1.3	1.0
Change in provisions	-0.1	0.2	-0.1	0.2	0.5
Write-down of inventories	-1.3	-0.1	0.3	-0.1	-0.2
Income taxes	1.5	1.3	2.5	2.3	5.3
Other non-cash items	-0.1	0.1	0.1	0.1	0.1
Changes in working capital:					
Change in trade receivables and other receivables	-3.4	0.8	2.0	-5.4	-4.6
Change in trade payables and other payables	-0.6	1.3	-5.6	3.1	8.9
Change in inventories	11.6	-9.0	1.8	-8.5	0.6
Interests paid	-0.2	-0.2	-0.5	-0.3	-0.7
Other financial items, net	0.0	0.0	-0.1	-0.0	-0.1
Income taxes paid	1.2	-1.0	-0.8	-2.2	-5.0
<b>Net cash inflow (outflow) from operating activities</b>	<b>17.3</b>	<b>0.9</b>	<b>13.6</b>	<b>2.3</b>	<b>33.3</b>
<b>Cash flows from investing activities</b>					
Investments in property, plant and equipment	-0.4	-0.4	-0.5	-0.6	-1.0
Investments in intangible assets	-0.7	-0.4	-1.7	-0.6	-1.8
<b>Net cash inflow (outflow) from investing activities</b>	<b>-1.1</b>	<b>-0.8</b>	<b>-2.2</b>	<b>-1.2</b>	<b>-2.7</b>
<b>Cash flows from financing activities</b>					
Purchase of treasury shares	-	-	-0.5	-	-
Proceeds from bank loans	-	-	10.0	-	-
Repayments of bank loans	-	-	-1.5	-1.5	-3.0
Repayments of lease liabilities	-1.8	-1.7	-3.7	-3.3	-6.9
Dividends paid	-4.8	-6.4	-4.8	-6.4	-6.4
Other cash flows from financing activities	-0.3	0.1	-0.0	0.2	0.1
<b>Net cash inflow (outflow) from financing activities</b>	<b>-6.8</b>	<b>-8.0</b>	<b>-0.5</b>	<b>-11.1</b>	<b>-16.2</b>
<b>Net decrease/increase in cash and cash equivalents</b>	<b>9.4</b>	<b>-7.9</b>	<b>10.8</b>	<b>-10.0</b>	<b>14.4</b>
Cash and cash equivalents at the beginning of the period	29.9	10.9	27.6	12.8	12.8
Effects of exchange rate changes on cash and cash equivalents	-0.8	0.0	0.1	0.1	0.3
<b>Cash and cash equivalents at the end of period</b>	<b>38.6</b>	<b>3.0</b>	<b>38.6</b>	<b>3.0</b>	<b>27.6</b>

**Earnings per share**

	4-6/2020	4-6/2019	1-6/2020	1-6/2019	1-12/2019
Profit for the period attributable to Owners of the Company (EUR million)	6.2	4.7	8.8	7.8	19.0
Impact of share-based compensation scheme on number of shares	-60	-	-66	-	-7
Weighted average number of shares outstanding during the period, basic, in thousands of shares	39,909	40,017	39,945	40,005	40,004
<b>Earnings per share, basic (EUR)</b>	<b>0.16</b>	<b>0.12</b>	<b>0.22</b>	<b>0.20</b>	<b>0.48</b>
Impact of share-based compensation scheme on number of shares	-53	-	-53	14	13
Weighted average number of shares outstanding during the period, fully diluted, in thousands of shares	39,887	40,017	39,935	40,019	40,017
<b>Earnings per share, fully diluted (EUR)</b>	<b>0.16</b>	<b>0.12</b>	<b>0.22</b>	<b>0.20</b>	<b>0.48</b>

**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>
<b>Assets and liabilities of the business acquired</b>	
Inventory	3.3
Trade and other receivables	0.7
Property, plant and equipment	0.1
<b>Total assets</b>	<b>4.1</b>
Trade and other payables	0.1
<b>Total liabilities</b>	<b>0.1</b>
<b>Net assets (preliminary)</b>	<b>4.1</b>
<b>Acquisition cost</b>	<b>4.5</b>
<b>Goodwill (preliminary)</b>	<b>0.4</b>
<b>Effect on the consolidated cash flow</b>	<b>-4.5</b>

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 preliminary and is dependent on the final fair value measurement. 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.



**Net working capital**

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Inventories	68.1	79.2	70.2
Trade and other receivables	16.7	19.0	18.4
Current income tax receivables	-	-	0.2
Trade and other payables	-24.1	-23.8	-29.7
Provisions	-3.0	-2.7	-3.1
Current income tax liabilities	-2.4	-0.4	-0.8
<b>Net working capital</b>	<b>55.3</b>	<b>71.3</b>	<b>55.3</b>

**Net debt**

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
<b>Non-current interest-bearing liabilities</b>			
Bank loans	25.9	17.9	16.5
Lease liabilities	38.4	32.3	38.8
<b>Total non-current interest-bearing liabilities</b>	<b>64.4</b>	<b>50.2</b>	<b>55.2</b>
<b>Current interest-bearing liabilities</b>			
Bank loans	2.0	3.0	3.0
Bank overdrafts	-	-	-
Lease liabilities	8.2	7.6	7.9
<b>Total current interest-bearing liabilities</b>	<b>10.2</b>	<b>10.6</b>	<b>10.9</b>
<b>Total interest-bearing liabilities</b>	<b>74.6</b>	<b>60.8</b>	<b>66.1</b>
Less cash and cash equivalents	-38.6	-3.0	-27.6
<b>Net debt</b>	<b>36.1</b>	<b>57.8</b>	<b>38.5</b>

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

**Derivatives**

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
<b>Foreign currency derivatives</b>			
Fair value	0.3	-0.1	0.2
Value of underlying instrument	6.9	35.5	18.9

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

EUR million	Lease assets	Lease liabilities
<b>Jan 1, 2020</b>	<b>46.4</b>	<b>46.6</b>
Increases	3.9	3.9
Decreases	-0.1	-0.1
Depreciation	-4.1	-
Exchange rate differences and other changes	-0.1	-0.1
Interest expenses	-	-0.2
Repayments of lease liability	-	-3.5
<b>Jun 30, 2020</b>	<b>46.0</b>	<b>46.7</b>

EUR million	Lease assets	Lease liabilities
Jan 1, 2019	38.3	38.3
Increases	5.2	5.2
Decreases	-	-
Depreciation	-3.5	-
Exchange rate differences and other changes	-0.3	-0.4
Interest expenses	-	-0.2
Repayments of lease liability	-	-3.2
Jun 30, 2019	39.6	39.9

#### Changes of lease agreements in the statement of comprehensive income

EUR million	4-6/ 2020	4-6/ 2019	1-6/ 2020	1-6/ 2019	1-12/ 2019
Depreciation of lease assets	-2.1	-1.8	-4.1	-3.5	-7.1
Interest cost from lease liabilities	-0.1	-0.1	-0.2	-0.2	-0.4
Costs from short-term leases	-0.0	-0.1	-0.0	-0.2	-0.3
Costs from service components included in lease agreements	-0.1	-0.1	-0.2	-0.2	-0.3
<b>Total expense in the statement of comprehensive income</b>	<b>-2.3</b>	<b>-2.0</b>	<b>-4.5</b>	<b>-4.1</b>	<b>-8.1</b>

#### Loans against which guarantees and mortgages have been given

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Loans	27.9	20.9	19.5
guarantees given against loans	104.0	104.0	104.0

#### Other commitments

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Rent and other payment guarantees	0.5	0.5	0.5

#### Related party transactions

EUR million	4-6/2020	4-6/2019	1-6/2020	1-6/2019	1-12/2019
Sales of used cars	0.0	-	0.0	-	0.1
Purchases of used cars	-	-0.0	-0.1	-0.0	-0.2
Consulting expenses	-0.0	-0.0	-0.0	-0.1	-0.1

EUR million	Jun 30, 2020	Jun 30, 2019	Dec 31, 2019
Lease liabilities	3.8	4.2	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 2020**

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

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

### **Half Year Report Press Conference and Webcast**

Kamux will hold a Half Year Report webcast and press conference for media and analysts today, August 13, 2020 at hotel Kämp, Symposium meeting room, address Pohjoisesplanadi 29, Helsinki, at 11:00 (EET) in Finnish and then in English at around 11:45 (EET). You can follow the press conference as a live webcast in Finnish through a link at <https://kamux.videosync.fi/2020-q2-tulokset> and in English at <https://kamux.videosync.fi/2020-q1-results-2>. The Half Year Report will be presented by CEO Juha Kalliokoski and CFO Marko Lehtonen.

In Hämeenlinna on August 13, 2020

Kamux Corporation

The Board of Directors

#### **For more information:**

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