

# INTERIM REPORT

January—September 2017



Kamux Corporation

Interim Report

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Kamux Corporation's Interim Report for January–September 2017

**KAMUX'S GROWTH ACCELERATED FROM FIRST HALF***The figures in parenthesis refer to the comparison period, i.e. the same period in the previous year, unless otherwise mentioned.***Third quarter in brief**

- The number of cars sold increased by 12.7% to 11,083 cars (9,833)
- Revenue increased by 14.5%, totaling EUR 122.1 million (106.7)
- Gross profit increased by 13.7% to EUR 15.3 million (13.5) or 12.5% (12.6) of revenue
- Adjusted operating profit (EBIT) increased by 6.9% to EUR 6.2 million (5.8), or 5.1% (5.4) of revenue
- Operating profit (EBIT) increased by 11.3% to EUR 6.1 million (5.5), or 5.0% (5.1) of revenue
- Earnings per share were EUR 0.12 (0.11)
- Sweden's operating profit (EBIT) increased to EUR 0.4 million (0.0), or 2.1% (0.0) of revenue

**January–September in brief**

- The number of cars sold increased by 11.0% to 30,663 cars (27,614)
- Revenue increased by 11.0%, totaling EUR 340.6 million (306.9)
- Gross profit increased by 8.0% to EUR 40.8 million (37.8) or 12.0% (12.3) of revenue
- Adjusted operating profit (EBIT) increased by 2.3% to EUR 15.3 million (15.0), or 4.5% (4.9) of revenue
- Operating profit (EBIT) decreased by 3.4% to EUR 13.0 million (13.4), or 3.8% (4.4) of revenue
- Earnings per share were EUR 0.25 (0.26)

**CEO Juha Kalliokoski:**

“Our growth accelerated from the first half and we achieved quarterly records in revenue, operating profit and number of cars sold. In accordance with our strategy, we continue our journey to become the leading European retail chain specializing in used cars.

I am particularly pleased that the positive trend continued in Sweden. In the third quarter, Sweden made a positive operating profit. In addition, we returned to growth in Sweden and stabilized our operating model in the segment.

Kamux's growth in Germany, one of the largest markets in Europe, continued strong. We will continue to focus on uniform implementation of the Kamux concept and growing our presence in Northern Germany. Oliver Michels will start as country director of Germany at the beginning of next year. Mr. Michels' strong expertise in retail will support Kamux's growth in Germany.

There was a positive trend in the economy and in our operating environment in Finland and the market situation improved from the first half of the year. However, inventories in the industry were higher than average at the end of the third quarter. There was still uncertainty among consumers due to the public car tax and fuel discussions. We are pleased with the third quarter in

Finland given the challenges in the operating environment. We estimate that our development in Finland was clearly better than the market.

Kamux achieved record revenue in integrated services. Like-for-like showroom sales growth developed favorably compared to the first half of the year, but were still at an unsatisfactory level. We continue to take measures to increase sales of comparable stores.

In AutoBild Finland’s Service1 purchase study published in September, Kamux was recognized as the best used car company. The research was carried out using the mystery shopping method. The result is great feedback of our sales staff’s daily work in customer service.”

### Outlook and financial targets

Kamux does not provide a short term outlook. In the medium term, the company’s targets are to increase revenue to at least EUR 700 million with an operating profit margin of 4–5 % in 2019 and reaching at least 5 % operating profit margin in the long term.

### Key figures

| EUR million                                   | 7–9/<br>2017 | 7–9/<br>2016 | Change,<br>% | 1–9/<br>2017 | 1–9/<br>2016 | Change,<br>% | 1–12/<br>2016 |
|-----------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Revenue                                       | 122.1        | 106.7        | 14.5 %       | 340.6        | 306.9        | 11.0 %       | 404.8         |
| Gross profit                                  | 15.3         | 13.5         | 13.7 %       | 40.8         | 37.8         | 8.0 %        | 49.2          |
| as percentage of revenue, %                   | 12.5 %       | 12.6 %       |              | 12.0 %       | 12.3 %       |              | 12.2 %        |
| Operating profit (EBIT)                       | 6.1          | 5.5          | 11.3 %       | 13.0         | 13.4         | -3.4 %       | 15.7          |
| as percentage of revenue, %                   | 5.0 %        | 5.1 %        |              | 3.8 %        | 4.4 %        |              | 3.9 %         |
| Adjusted operating profit*                    | 6.2          | 5.8          | 6.9 %        | 15.3         | 15.0         | 2.3 %        | 18.0          |
| as percentage of revenue, %                   | 5.1 %        | 5.4 %        |              | 4.5 %        | 4.9 %        |              | 4.4 %         |
| Revenue from integrated services              | 5.8          | 5.0          | 14.7 %       | 16.8         | 14.0         | 19.3 %       | 19.3          |
| as percentage of revenue, %                   | 4.7 %        | 4.7 %        |              | 4.9 %        | 4.6 %        |              | 4.8 %         |
| Number of cars sold                           | 11,083       | 9,833        | 12.7 %       | 30,663       | 27,614       | 11.0 %       | 36,290        |
| Gross profit per sold car, EUR                | 1,381        | 1,369        | 0.9 %        | 1,332        | 1,369        | -2.7 %       | 1,357         |
| Sales growth of like-for-like showrooms, %    | -3.2 %       | 6.1 %        |              | -7.2 %       | 18.6 %       |              | 12.2 %        |
| Net debt                                      |              |              |              | 8.7          | 22.3         | -61.1 %      | 30.9          |
| Inventories                                   |              |              |              | 54.6         | 42.9         | 27.2 %       | 47.9          |
| Inventory turnover, days                      |              |              |              | 45.9         | 39.6         | 15.9 %       | 43.1          |
| Capital expenditures                          | 0.2          | 0.3          | -8.0 %       | 0.8          | 0.8          | -4.2 %       | 2.1           |
| Average number of employees during the period |              |              |              | 432          | 379          | 14.0 %       | 343           |
| Return on equity (ROE), %                     |              |              |              | 24.9 %       | 49.3 %       |              | 43.8 %        |
| Return on capital employed (ROI), %           |              |              |              | 16.8 %       | 25.2 %       |              | 22.5 %        |
| Equity ratio, %                               |              |              |              | 56.8 %       | 41.2 %       |              | 36.9 %        |
| Earnings per share, basic, EUR                | 0.12         | 0.11         | 11.2 %       | 0.25         | 0.26         | -3.8 %       | 0.29          |

\* Operating profit adjusted for the costs related to the initial public offering, special items related to strategy planning, strategy implementation and geographical expansion, totaling EUR 0.1 million for the third quarter of 2017 (7–9/2016: EUR 0.3 million) and totaling EUR 2.3 million for 1–9/2017 (1–9/2016: EUR 1.5 million).

## Market review

Finland is the company's largest segment in terms of revenue. Kamux estimates that it maintained its market leadership in sales of used cars in Finland in the third quarter of 2017. Finland's market situation improved in the third quarter, but inventories in the industry were still at higher levels than averages in the corresponding quarters of the previous years.

During the late summer and early autumn, emissions from diesel cars and the limitation of their use were discussed in public in Finland. In Kamux's view, diesel cars are still actively purchased, but negative publicity may affect demand for diesel cars in the future. In connection with the 2018 budget discussions in Finland, car taxes was also discussed, and a proposal was put forward to moderately reduce car taxes and target the reductions towards low-emission cars.

Sweden is Kamux's second largest segment. The company estimates that in the third quarter, it maintained its market position among the ten largest used car dealers and increased its market share.

Kamux's market share of the used car market in Hamburg grew in the third quarter. It is, however, still very small. There has also been an active debate in Germany about the environmental effects of diesel cars, but so far the discussion has not had a noticeable impact on car prices or demand.

## Revenue in July–September 2017

Revenue increased by 14.5% compared to the corresponding period of the previous year and amounted to EUR 122.1 million (106.7). The increase in revenue was driven by the opening of new showrooms. Record revenue was achieved in Kamux's integrated services, amounting to EUR 5.8 million (5.0), or 4.7% of total revenue (4.7).

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 12.7% compared to the corresponding period of the previous year and amounted to 11,083 (9,833). This is a new record of cars sold during one quarter in Kamux's history. The number of cars sold increased due to the opening of new showrooms. The revenue per sold car amounted to EUR 11,021 (10,846).

## Revenue in January–September 2017

Revenue increased by 11.0% compared to the corresponding period of the previous year and amounted to EUR 340.6 million (306.9). The increase in revenue was driven mainly by opening of new showrooms. The growth was fully organic. The share of Kamux's integrated services revenue increased to EUR 16.8 million (14.0), or 4.9% of total revenue (4.6).

The number of cars sold by Kamux in Finland, Sweden and Germany increased by 11.0% compared to the corresponding period of the previous year and amounted to 30,663 (27,614). The number of cars sold increased due to the opening of new showrooms. The revenue per sold car amounted to EUR 11,106 (11,116).

## Revenue allocation

| EUR million                              | 7–9/2017     | 7–9/2016     | 1–9/2017     | 1–9/2016     | 1–12/2016    |
|------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Sales of used cars                       | 116.4        | 101.6        | 323.8        | 292.9        | 385.5        |
| Financing fees and Insurance commissions | 4.9          | 4.1          | 14.0         | 11.4         | 15.8         |
| Sales of Kamux Plus                      | 0.9          | 0.9          | 2.7          | 2.6          | 3.5          |
| <b>Total</b>                             | <b>122.1</b> | <b>106.7</b> | <b>340.6</b> | <b>306.9</b> | <b>404.8</b> |

### Result of operations in July–September 2017

Gross profit increased by 13.7 % compared to the corresponding period of the previous year and amounted to EUR 15.3 million (13.5). Gross profit as % of revenue decreased by 0.1 percentage points to 12.5 %. Gross profit increased in all segments, i.e. Finland, Sweden and Germany.

The adjusted operating profit increased by 6.9 % and amounted to EUR 6.2 million (5.8) or 5.1 % (5.4) of the revenue. The adjusted operating profit has been adjusted for costs related to the listing, as well as special items related to strategic planning, implementation of the strategy and geographical expansion. The adjustment items to the operating profit totaled EUR 0.1 million (0.3) for the third quarter.

Kamux's operating profit increased 11.3 % as compared to the previous year, amounting to EUR 6.1 million (5.5). Kamux operating profit reached a historical high in the third quarter.

The result before taxes for the third quarter amounted to EUR 6.0 million (5.4). The earnings per share amounted to EUR 0.12 (0.11).

### Result of operations in January–September 2017

Gross profit increased by 8.0 % compared to the corresponding period of the previous year and amounted to EUR 40.8 million (37.8). Gross profit as a % of revenue decreased by 0.3 percentage points to 12.0 %.

The adjusted operating profit increased by 2.3 % and amounted to EUR 15.3 million (15.0) or 4.5 % (4.9) of the revenue. The adjustment items to the operating profit totaled EUR 2.3 million (1.5) for January–September. The adjustment items include EUR 1.2 million of expenses related to the listing, EUR 0.7 million related to strategic planning and implementation of the strategy and EUR 0.4 million related to geographical expansion.

Kamux's operating profit decreased 3.4 % as compared to the previous year, amounting to EUR 13.0 million (13.4). The decrease was mainly due to the abovementioned gross profit % decrease and increase in operating expenses, as well as items adjusting the operating profit.

The result before taxes for January–September amounted to EUR 12.5 million (12.9). The earnings per share amounted to EUR 0.25 (0.26).

## Key figures of the business segments

| EUR million                                          | 7–9/<br>2017  | 7–9/<br>2016  | Change,<br>%  | 1–9/<br>2017  | 1–9/<br>2016  | Change,<br>%  | 1–12/<br>2016 |
|------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Revenue</b>                                       |               |               |               |               |               |               |               |
| Finland                                              | 99.2          | 89.3          | 11.1 %        | 280.1         | 259.0         | 8.1 %         | 343.2         |
| Sweden                                               | 20.5          | 17.2          | 18.9 %        | 53.3          | 47.6          | 12.0 %        | 60.9          |
| Germany                                              | 5.9           | 2.9           | 105.8 %       | 17.0          | 7.7           | 120.3 %       | 10.8          |
| <b>Segments total</b>                                | <b>125.5</b>  | <b>109.4</b>  | <b>14.8 %</b> | <b>350.4</b>  | <b>314.3</b>  | <b>11.5 %</b> | <b>414.9</b>  |
| Group functions and eliminations                     | -3.4          | -2.7          | -24.9 %       | -9.8          | -7.3          | -34.0 %       | -10.1         |
| <b>Total</b>                                         | <b>122.1</b>  | <b>106.7</b>  | <b>14.5 %</b> | <b>340.6</b>  | <b>306.9</b>  | <b>11.0 %</b> | <b>404.8</b>  |
| <b>Gross Profit</b>                                  |               |               |               |               |               |               |               |
| Finland                                              | 12.9          | 11.9          | 8.6 %         | 35.5          | 33.1          | 7.2 %         | 44.1          |
| Sweden                                               | 1.9           | 1.4           | 36.8 %        | 4.2           | 4.0           | 4.3 %         | 4.3           |
| Germany                                              | 0.5           | 0.2           | 158.1 %       | 1.1           | 0.6           | 71.7 %        | 0.8           |
| <b>Segments total</b>                                | <b>15.3</b>   | <b>13.5</b>   | <b>13.7 %</b> | <b>40.8</b>   | <b>37.8</b>   | <b>8.0 %</b>  | <b>49.2</b>   |
| Group functions and eliminations                     | -             | -             | -             | -             | -             | -             | -             |
| <b>Total</b>                                         | <b>15.3</b>   | <b>13.5</b>   | <b>13.7 %</b> | <b>40.8</b>   | <b>37.8</b>   | <b>8.0 %</b>  | <b>49.2</b>   |
| <b>Gross profit, as percentage of revenue, %</b>     |               |               |               |               |               |               |               |
| Finland                                              | 13.0 %        | 13.3 %        |               | 12.7 %        | 12.8 %        |               | 12.9 %        |
| Sweden                                               | 9.2 %         | 8.0 %         |               | 7.8 %         | 8.4 %         |               | 7.0 %         |
| Germany                                              | 8.7 %         | 6.9 %         |               | 6.5 %         | 8.3 %         |               | 7.7 %         |
| <b>Segments total</b>                                | <b>12.2 %</b> | <b>12.3 %</b> |               | <b>11.7 %</b> | <b>12.0 %</b> |               | <b>11.9 %</b> |
| Group functions and eliminations                     | -             | -             |               | -             | -             |               | -             |
| <b>Total</b>                                         | <b>12.5 %</b> | <b>12.6 %</b> |               | <b>12.0 %</b> | <b>12.3 %</b> |               | <b>12.2 %</b> |
| <b>Operating profit</b>                              |               |               |               |               |               |               |               |
| Finland                                              | 6.8           | 6.6           | 2.1 %         | 18.4          | 17.9          | 2.7 %         | 22.2          |
| Sweden                                               | 0.4           | 0.0           | 13304.8 %     | -0.0          | -0.6          | 94.3 %        | -1.5          |
| Germany                                              | -0.3          | -0.1          | -100.0 %      | -1.2          | -0.3          | -254.5 %      | -0.7          |
| <b>Segments total</b>                                | <b>6.9</b>    | <b>6.5</b>    | <b>6.7 %</b>  | <b>17.2</b>   | <b>16.9</b>   | <b>1.4 %</b>  | <b>20.0</b>   |
| Group functions and eliminations                     | -0.8          | -1.0          | 18.2 %        | -4.2          | -3.5          | -19.8 %       | -4.3          |
| <b>Total</b>                                         | <b>6.1</b>    | <b>5.5</b>    | <b>11.3 %</b> | <b>13.0</b>   | <b>13.4</b>   | <b>-3.4 %</b> | <b>15.7</b>   |
| <b>Operating profit, as percentage of revenue, %</b> |               |               |               |               |               |               |               |
| Finland                                              | 6.8 %         | 7.4 %         |               | 6.6 %         | 6.9 %         |               | 6.5 %         |
| Sweden                                               | 2.1 %         | 0.0 %         |               | -0.1 %        | -1.3 %        |               | -2.4 %        |
| Germany                                              | -4.6 %        | -4.7 %        |               | -6.9 %        | -4.3 %        |               | -6.7 %        |
| <b>Segments total</b>                                | <b>5.5 %</b>  | <b>5.9 %</b>  |               | <b>4.9 %</b>  | <b>5.4 %</b>  |               | <b>4.8 %</b>  |
| Group functions and eliminations                     | -             | -             |               | -             | -             |               | -             |
| <b>Total</b>                                         | <b>5.0 %</b>  | <b>5.1 %</b>  |               | <b>3.8 %</b>  | <b>4.4 %</b>  |               | <b>3.9 %</b>  |

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

| %                         | 7–9/2017 | 7–9/2016 | 1–9/2017 | 1–9/2016 | 1–12/2016 |
|---------------------------|----------|----------|----------|----------|-----------|
| <b>Financing services</b> |          |          |          |          |           |
| Finland                   | 45       | 46       | 45       | 47       | 47        |
| Sweden                    | 48       | 44       | 48       | 45       | 45        |
| Germany                   | 25       | 25       | 25       | 28       | 28        |
| <b>Insurance services</b> |          |          |          |          |           |
| Finland                   | 52       | 49       | 50       | 52       | 52        |
| Sweden                    | 94       | 60       | 90       | 54       | 60        |
| <b>Kamux Plus</b>         |          |          |          |          |           |
| Finland                   | 17       | 19       | 17       | 20       | 20        |
| Sweden                    | 25       | 27       | 26       | 26       | 25        |

#### Finland in July–September 2017

Revenue increased by 11.1 % compared to the corresponding period of the previous year, amounting to EUR 99.2 million (89.3). In Finland Kamux reached a new historical high in revenue and number of cars sold in the third quarter. The number of cars sold increased by 794, or 9.4 % compared to the third quarter of the previous year. The growth was based on the sales of new showrooms. During the third quarter Kamux opened a new showroom in Espoo Olarinluoma.

Revenue of the integrated services increased to EUR 5.2 million (4.6), or 5.3 % (5.2) of total revenue. Operating profit increased by 2.1 % as compared to the corresponding period of the previous year, amounting to EUR 6.8 million (6.6), or 6.8 % (7.4) of total revenue.

#### Finland in January–September 2017

Revenue increased by 8.1 % compared to the corresponding period of the previous year, amounting to EUR 280.1 million (259.0). The number of cars sold during the first nine months of 2017 increased by 2,022, or 8.5 % compared to the corresponding period of the previous year. The growth was mainly based on the sales of new showrooms.

Revenue of the integrated services increased to EUR 15.2 million (12.9) during January–September, or 5.4 % of the revenue (5.0). Operating profit increased by 2.7 % compared to the corresponding period of the previous year, amounting to EUR 18.4 million (17.9), or 6.6 % of the revenue (6.9). During January–September, Kamux opened 4 new showrooms in Finland, Turku in February, Espoo Koskelo and Iisalmi in May and Espoo Olarinluoma in August.

#### Sweden in July–September 2017

Revenue increased by 18.9 % compared to the corresponding period of the previous year, amounting to EUR 20.5 million (17.2). The number of cars sold during the third quarter increased by 184, or 15.8 % compared to the third quarter of the previous year. The growth was mainly due to the actions taken in Sweden to develop and align processes with the Kamux concept. During the third quarter Kamux returned to strong growth in Sweden.

Revenue of the integrated services increased slightly to EUR 0.4 million (0.4), or 2.6 % of the revenue (2.5). Operating profit increased compared to the corresponding period of the previous year, amounting to EUR 0.4 million (0.0) or 2.1 % (0.0) of revenue.

In July, Kamux signed a new lease agreement in Jönköping, Sweden. The new showroom will be available from the beginning of 2018 and will allow the car offering to nearly triple in Jönköping. In September, Kamux announced the opening of a showroom in Karlstad in early December.

### **Sweden in January–September 2017**

Revenue increased by 12.0 % compared to the corresponding period of the previous year, amounting to EUR 53.3 million (47.6). The number of cars sold during the third quarter increased by 292, or 9.1 % compared to the corresponding period of the previous year. The growth was mainly due to the opening of a new showroom in July 2016 and the actions taken to develop processes.

Integrated services revenue increased to EUR 1.2 million (1.0), or 2.8 % (2.5) of total revenue. Operating loss decreased compared to the corresponding period of the previous year, amounting to EUR -0.0 million (-0.6). In June 2017 Kamux opened a showroom expansion in Örebro, Sweden.

### **Germany in July–September 2017**

Revenue increased by 105.8 % compared to the corresponding period of the previous year, amounting to EUR 5.9 million (2.9). The number of cars sold during the third quarter increased by 272, or 124.2 % compared to the third quarter of the previous year. The growth was mainly due to the new showroom opened in December 2016. During the third quarter, Kamux continued to develop its business processes also in Germany.

Integrated services revenue increased to EUR 0.1 million (0.0), or 2.0 % (1.7) of total revenue. Operating loss increased compared to the corresponding period of the previous year, amounting to EUR -0.3 million (-0.1). The increase in the operating loss was due to the increase in expenses as the company builds the organization for future growth.

### **Germany in January–September 2017**

Revenue increased by 120.3 % compared to the corresponding period of the previous year, amounting to EUR 17.0 million (7.7). The number of cars sold during January–September increased by 735, or 120.9 % compared to the corresponding period of the previous year. The growth was mainly due to the new showroom opened in December 2016.

Integrated services revenue increased to EUR 0.4 million (0.1), or 2.3 % (1.4) of total revenue. Operating loss increased compared to the corresponding period of the previous year, amounting to EUR -1.2 million (-0.3). The increase in the operating loss was due to the increase in expenses as the company builds the organization for future growth. The main event in Germany during January–September was the official opening in January 2017 of the showroom in Nedderfeld, which had started its operations in December 2016.

### **Consolidated balance sheet and financial position**

The group's consolidated balance sheet amounted to EUR 100.4 million as of September 30, 2017 (73.4), of which total equity amounted to EUR 57.0 million (30.2). The amount of net debt was EUR 8.7 million (22.3). Non-current bank loans amounted to EUR 22.4 million (25.4).

During January–September the company issued a total of 117,622 new shares in share issues directed to the company's new key employee and the new members of the Board of Directors



resulting in gross proceeds of EUR 0.7 million to the company. In May 2017 Kamux was listed on the Nasdaq Helsinki main market. Kamux issued 2,852,853 new shares in the initial public offering. Gross proceeds from the issue were EUR 20.5 million. A total of EUR 0.8 million net of taxes of the issue related expenses was deducted from the issue gross proceeds.

Kamux has entered into a five-year loan facility agreement of EUR 50 million with Nordea Bank AB (publ), Finnish Branch. The facility agreement was amended in April 2017 and it includes a five-year term loan of EUR 30 million and a revolving credit facility of EUR 20 million. Of the revolving credit facility, EUR 10.0 million is available as a multi-currency facility that Kamux entered into in December 2016. The term loan of EUR 30 million is currently repaid in bi-annual installments of EUR 1.5 million. In addition to the revolving facility, Kamux has a lease guarantee facility of EUR 0.4 million.

Net working capital amounted to EUR 49.0 million as at September 30, 2017 (36.9). Inventory amounted to EUR 54.6 million (42.9).

Kamux's cash flow from operating activities during January–September 2017 amounted to EUR 4.7 million (3.9). Cash and cash equivalents at the end of the period amounted to EUR 16.7 million (6.1).

Equity ratio at the end of the period was 56.8 % (41.2). Return on capital employed was 16.8 % (25.2) and return on equity was 24.9 % (49.3).

#### Capital expenditure, research and development

Kamux's capital expenditure for January–September 2017 amounted to EUR 0.8 million (0.8), consisting mainly of IT systems and ordinary maintenance in the showrooms. Kamux's research and development costs are mainly related to further developing of the company's retail concept and improving its business processes.

During 2017 Kamux will continue to invest in matters related to the opening of new showrooms, such as refurbishment, equipment and fixtures, as well as in digitalization projects, such as CRM/ERP system, analytics, information management and financial administration systems. The company will finance these investments with the existing cash and cash equivalents, cash flow from operations and, when necessary, bank overdrafts.

#### Personnel

In January–September 2017, Kamux's average number of employees amounted to 432 (379) in terms of full-time employees. Recruiting new personnel continues to support Kamux's growth.

#### Average number of employees by segment

|              | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|--------------|--------------|--------------|--------------|
| Finland      | 347          | 301          | 280          |
| Sweden       | 59           | 65           | 47           |
| Germany      | 26           | 13           | 16           |
| <b>Total</b> | <b>432</b>   | <b>379</b>   | <b>343</b>   |

## Kamux's share and shareholders

The company has one share class. Each share carries one vote at the general meeting of shareholders and each share confers equal right to dividends and net assets of the company. The shares have no nominal value. The shares of the Company are incorporated in the book-entry securities system maintained by Euroclear Finland.

Kamux's largest shareholders as of September 30, 2017 were Intera Fund II Ky (28.4%), Juha Kalliokoski (13.6%) and Elo Mutual Pension Insurance Company (6.7%). Shareholders in listed companies must notify in accordance with the provisions of the Securities Market Act both the Financial Supervisory Authority and the listed company of changes in their holdings (flagging). During the third quarter, Kamux received no flagging announcements.

During July–September 229,126 shares were traded on the Nasdaq Helsinki main market. The highest share price during the period was EUR 9.00, the lowest price was EUR 7.20. The closing share price on September 29, 2017 was EUR 7.29. Market capitalization, excluding treasury shares, measured at the review periods closing price was EUR 291.5 million.

Kamux's share capital amounted to EUR 80,000 on June 30, 2017, and the number of shares was 41,307,156. At the end of the review period, the company held 1,319,862 treasury shares, representing 3.2% of all shares.

## Management and Corporate Governance

At the end of the review period, Kamux's management team included Juha Kalliokoski, CEO, Tapio Arimo, CFO, Olli Kilpi, Head of International Business, Jussi Mäkinen, Country Director, Finland, Tero Törmänen, Purchasing Director, Tommi Iiskonmäki, Human Resources Director and Satu Heikkilä, Communications and Marketing Director.

## Decisions of the Annual General Meeting

Kamux's Annual General Meeting on April 12, 2017 approved the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial year 2016. The Annual General Meeting re-elected Matti Virtanen, Reija Laaksonen, David Nuutinen, Jokke Paananen and Vesa Uotila as members of the Board. In addition it was noted that Harri Sivula's election was contingent on the execution of the initial public offering, and came into effect when trading in the company's share began on the pre-list of Nasdaq Helsinki on 12 May 2017. Matti Virtanen was elected as Chairman of the Board. The Annual General Meeting appointed PricewaterhouseCoopers Oy as its auditor for the financial year ending 31 December 2017. PricewaterhouseCoopers Oy appointed Janne Rajalahti, APA, as the principal auditor.

The Annual General Meeting decided on a dividend of EUR 0.06 per share outstanding at the time of the decision to be paid out from distributable earnings in 2016. The total dividend of EUR 2.2 million was paid on 25 April, 2017.

The Annual General Meeting authorized Kamux's Board of Directors to resolve on a directed share issue. Based on the authorization, new and/or existing shares may be issued in deviation from the shareholders' pre-emptive rights in one or more occasions, such that the total number of shares issued may not exceed 300,000. Shares may also be issued without consideration. The issued shares may be used for rewarding Kamux's key employees under the company's share-based incentive plan. The Board of Directors is authorized to decide on other terms of the share issue. The share issue authorization is valid until December 31, 2019.

## Authorizations and other decisions

The company's shareholders unanimously resolved on April 27, 2017 that the Chairman of the Board of Directors will receive an annual compensation of EUR 36,000 and the other members of the Board of Directors EUR 20,000 for performing their duties on the Board of Directors. No separate compensation will be paid for attending the meetings of the Board of Directors.

On April 27, 2017, the Board of Directors approved that the Company will pay Virtanen Consulting GmbH, a company controlled by Matti Virtanen, for the services provided in connection with the listing in the second quarter of 2017 a maximum of EUR 62 thousand.

On May 3, 2016, the company's shareholders unanimously authorized the Board of Directors to resolve on a directed share issue against a consideration. Based on the authorization, a maximum of 6,000,000 new shares may be issued in deviation from the shareholders' pre-emptive rights on one or more occasions. The authorization granted to the company's Board of Director was in effect until June 30, 2017, and it revoked the share issue authorization granted by the General Meeting of the Shareholders on December 22, 2015. Based on the authorization mentioned above, the company's Board of Directors resolved on an issue of new shares on May 11, 2017. The company issued a total of 2,852,853 new shares in the share issue, and the number of the shares increased to 41,307,156 shares.

## Short-term risks and uncertainties

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

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

Kamux's rapid and strong growth and business expansion during the past few years have set new standards and 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 and weaken Kamux's reputation.

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 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.

Kamux's IT systems are pivotal to the company's operations, and they cover all the major areas of the business. Should the IT systems and services not operate as planned, this 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. Should Kamux fail to maintain its service level on an adequate level or an adverse event damage the company's reputation, this 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**

In October, Kamux expanded in Kuopio by opening a commercial vehicle showroom in Kuopio. In early November Kamux opened its 41 store in Kaarina. In early November Kamux opened a Kamux Green shop-in-shop in Helsinki's Konala store, which includes hybrid, electric, gas and ethanol cars. The Kamux Green concept is designed to help consumers easily explore alternative energy-powered cars in both the store and online channels.

In October, Kamux appointed Oliver Michels Kamux as country director for Germany and Managing Director for Kamux Auto GmbH. Michels is part of the German management team of Kamux, and he will start his duties no later than January 1, 2018.

## Kamux Corporation's Interim Report for January–September 2017

### Key accounting policies

This Interim Report has been prepared according to the IAS 34 - Interim Financial Reporting standard. The Interim Report is based on the same accounting policies and calculation methods as used in the financial statements for the year 2016, as well as on the new and updated IFRS standards described in the financial statements for the year 2016. However, the Interim Report does not include all the information and notes that are presented in the annual financial statements. As such, the Interim Report should be read together with the annual financial statements for the year 2016.

The figures presented in the Interim Report are independently rounded.

Preparing the Interim 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. The most significant estimates made by the management relating to the group's accounting policies and uncertainties are the same as applied in the financial statements for the year 2016

The Interim Report is unaudited.

### IFRS 15 Revenue from Contracts with Customers

A new standard for the recognition of revenue, IFRS 15 Revenue from Contracts with Customers, will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts. The new standard includes a five-step model by which sales revenue is recognized when control of a good or service transfers to a customer. Revenue is recognized in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

During 2017, Kamux has continued to assess the impact of the adoption of IFRS 15. In the assessment the possible differences between revenue recognition principles at the moment and IFRS 15 have been determined. Preparation work is ongoing to adopt the standard from January 1, 2018 by using a fully retrospective method. Kamux does not expect significant effect on the timing of revenue recognition or presentation of balance sheet. Kamux will provide further information on the impacts in the financial statements for 2017.

### IFRS 9 Financial Instruments

Kamux will adopt IFRS 9 Financial Instruments from January 1, 2018. Kamux has analyzed possible effects especially on classification and measurement of financial assets, effect of the expected credit loss model on measurement of trade and other receivables as well as effect of new hedge accounting guidance on accounting and disclosure of derivatives. According to Kamux's analysis adoption of the standard will not have a significant effect on the financial statements. Kamux will provide further information on the impacts in the financial statements for 2017.

**Consolidated statement of comprehensive income**

| EUR million                                                                     | 7-9/2017     | 7-9/2016     | 1-9/2017     | 1-9/2016     | 1-12/2016    |
|---------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Revenue</b>                                                                  | <b>122.1</b> | <b>106.7</b> | <b>340.6</b> | <b>306.9</b> | <b>404.8</b> |
| Other operating income                                                          | 0.2          | 0.1          | 0.6          | 0.3          | 1.1          |
| Materials and services                                                          | -107.0       | -93.3        | -300.3       | -269.4       | -356.6       |
| Personnel costs                                                                 | -6.0         | -5.3         | -16.4        | -14.6        | -19.9        |
| Other operating expenses                                                        | -3.0         | -2.5         | -10.7        | -9.2         | -12.8        |
| Depreciation and amortization                                                   | -0.3         | -0.2         | -0.8         | -0.5         | -0.8         |
| <b>Operating profit</b>                                                         | <b>6.1</b>   | <b>5.5</b>   | <b>13.0</b>  | <b>13.4</b>  | <b>15.7</b>  |
| Finance costs                                                                   | -0.1         | -0.1         | -0.5         | -0.6         | -1.0         |
| <b>Profit before income tax</b>                                                 | <b>6.0</b>   | <b>5.4</b>   | <b>12.5</b>  | <b>12.9</b>  | <b>14.6</b>  |
| Income tax                                                                      | -1.1         | -1.2         | -2.8         | -3.0         | -3.6         |
| <b>Profit for the period</b>                                                    | <b>4.9</b>   | <b>4.2</b>   | <b>9.7</b>   | <b>9.9</b>   | <b>11.0</b>  |
| <b>Other comprehensive income</b>                                               |              |              |              |              |              |
| <b>Items that maybe subsequently reclassified to profit or loss</b>             |              |              |              |              |              |
| Translation differences                                                         | -0.0         | 0.0          | -0.0         | 0.0          | 0.0          |
| <b>Other comprehensive income for the period, net of tax</b>                    | <b>-0.0</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>4.9</b>   | <b>4.2</b>   | <b>9.7</b>   | <b>9.9</b>   | <b>11.0</b>  |
| Profit for the period attributable to owners of the Company                     | 4.9          | 4.2          | 9.7          | 9.9          | 11.0         |
| Total comprehensive income for the period attributable to owners of the Company | 4.9          | 4.2          | 9.7          | 9.9          | 11.0         |
| Earnings per share for profit attributable to owners of the Company             |              |              |              |              |              |
| Earnings per share, basic and diluted, EUR                                      | 0.12         | 0.11         | 0.25         | 0.26         | 0.29         |

## Consolidated balance sheet

| EUR million                                               | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|-----------------------------------------------------------|--------------|--------------|--------------|
| <b>ASSETS</b>                                             |              |              |              |
| <b>Non-current assets</b>                                 |              |              |              |
| Intangible assets                                         | 1.0          | 0.8          | 1.0          |
| Goodwill                                                  | 13.6         | 13.6         | 13.6         |
| Property, plant and equipment                             | 1.7          | 1.0          | 1.7          |
| Other receivables                                         | 0.1          | 0.0          | 0.0          |
| Deferred tax assets                                       | 0.3          | 0.3          | 0.3          |
| <b>Total non-current assets</b>                           | <b>16.7</b>  | <b>15.7</b>  | <b>16.6</b>  |
| <b>Current assets</b>                                     |              |              |              |
| Inventories                                               | 54.6         | 42.9         | 47.9         |
| Trade and other receivables                               | 12.3         | 8.7          | 11.4         |
| Current tax asset                                         | 0.0          | 0.0          | 1.8          |
| Cash and cash equivalents                                 | 16.7         | 6.1          | 0.7          |
| <b>Total current assets</b>                               | <b>83.7</b>  | <b>57.7</b>  | <b>61.8</b>  |
| <b>TOTAL ASSETS</b>                                       | <b>100.4</b> | <b>73.4</b>  | <b>78.4</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                  | 24.6         | 1.4          | 4.1          |
| Translation differences                                   | 0.1          | 0.1          | 0.1          |
| Retained earnings                                         | 22.5         | 18.8         | 13.7         |
| Profit for the period                                     | 9.7          | 9.9          | 11.0         |
| <b>Total equity attributable to owners of the Company</b> | <b>57.0</b>  | <b>30.2</b>  | <b>28.9</b>  |
| <b>LIABILITIES</b>                                        |              |              |              |
| <b>Non-current liabilities</b>                            |              |              |              |
| Borrowings                                                | 22.4         | 25.4         | 25.4         |
| Derivative financial instruments                          | 0.0          | 0.1          | 0.1          |
| Provisions                                                | 0.4          | -            | 0.4          |
| <b>Total non-current liabilities</b>                      | <b>22.8</b>  | <b>25.5</b>  | <b>25.8</b>  |
| <b>Current liabilities</b>                                |              |              |              |
| Borrowings                                                | 3.0          | 3.0          | 6.3          |
| Trade and other payables                                  | 13.6         | 11.4         | 12.3         |
| Provisions                                                | 2.2          | 1.7          | 1.7          |
| Current income tax liabilities                            | 1.9          | 1.5          | 3.4          |
| <b>Total current liabilities</b>                          | <b>20.7</b>  | <b>17.7</b>  | <b>23.7</b>  |
| <b>Total liabilities</b>                                  | <b>43.4</b>  | <b>43.2</b>  | <b>49.5</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                       | <b>100.4</b> | <b>73.4</b>  | <b>78.4</b>  |

## Consolidated statement of changes in equity

| EUR million                                                                 | Share capital | Reserve for invested unrestricted equity | Translation differences | Retained earnings | Total equity |
|-----------------------------------------------------------------------------|---------------|------------------------------------------|-------------------------|-------------------|--------------|
| <b>Equity at Jan 1, 2017</b>                                                | 0.1           | 4.1                                      | 0.1                     | 24.7              | 28.9         |
| Profit for the period                                                       |               |                                          |                         | 9.7               | 9.7          |
| Other comprehensive income                                                  |               |                                          | -0.0                    |                   | -0.0         |
| <b>Total comprehensive income</b>                                           |               |                                          | -0.0                    | 9.7               | 9.7          |
| Transactions with owners:                                                   |               |                                          |                         |                   |              |
| Share issue                                                                 |               | 20.5                                     |                         |                   | 20.5         |
| Dividends for owners                                                        |               |                                          |                         | -2.2              | -2.2         |
| Price difference between the offering for employees and the public offering |               |                                          |                         | 0.1               | 0.1          |
| <b>Equity at Sep 30, 2017</b>                                               | 0.1           | 24.6                                     | 0.1                     | 32.2              | 57.0         |
| <b>Equity at Jan 1, 2016</b>                                                | 0.1           | 0.9                                      | 0.1                     | 20.3              | 21.3         |
| Profit for the period                                                       |               |                                          |                         | 9.9               | 9.9          |
| Other comprehensive income                                                  |               |                                          | 0.0                     |                   | 0.0          |
| <b>Total comprehensive income</b>                                           |               |                                          | 0.0                     | 9.9               | 9.9          |
| Transactions with owners:                                                   |               |                                          |                         |                   |              |
| Share issue                                                                 |               | 0.5                                      |                         |                   | 0.5          |
| Dividends to shareholders                                                   |               |                                          |                         | -1.5              | -1.5         |
| <b>Equity at Sep 30, 2016</b>                                               | 0.1           | 1.4                                      | 0.1                     | 28.7              | 30.2         |



**Consolidated statement of cash flows**

| EUR million                                                   | 7–9/<br>2017 | 7–9/<br>2016 | 1–9/<br>2017 | 1–9/<br>2016 | 1–12/<br>2016 |
|---------------------------------------------------------------|--------------|--------------|--------------|--------------|---------------|
| <b>Cash flows from operating activities</b>                   |              |              |              |              |               |
| Profit for the period                                         | 4.9          | 4.2          | 9.7          | 9.9          | 11.0          |
| Adjustments for:                                              |              |              |              |              |               |
| Depreciation and amortization                                 | 0.3          | 0.2          | 0.8          | 0.5          | 0.8           |
| Finance costs                                                 | 0.1          | 0.1          | 0.5          | 0.6          | 1.0           |
| Change in provisions                                          | 0.2          | 0.2          | 0.5          | 0.5          | 0.8           |
| Write-down of inventories                                     | -0.1         | -0.1         | -0.2         | -0.1         | 0.3           |
| Income taxes                                                  | 1.1          | 1.2          | 2.8          | 3.0          | 3.6           |
| Other non-cash items                                          | 0.0          | -            | 0.1          | -            | 0.1           |
| Changes in working capital:                                   |              |              |              |              |               |
| Change in trade receivables and other receivables             | -1.5         | -0.4         | -0.9         | -2.4         | -5.1          |
| Change in trade payables and other payables                   | 1.3          | 0.5          | 1.3          | 2.3          | 2.7           |
| Change in inventories                                         | -1.9         | -1.4         | -6.6         | -7.0         | -12.2         |
| Interests paid                                                | -0.1         | -0.2         | -0.4         | -0.4         | -0.7          |
| Other financial items, net                                    | -0.1         | 0.1          | -0.2         | -0.2         | -0.2          |
| Income taxes paid                                             | -0.8         | -0.5         | -2.6         | -2.8         | -3.2          |
| <b>Net cash inflow (outflow) from operating activities</b>    | <b>3.4</b>   | <b>3.9</b>   | <b>4.7</b>   | <b>3.9</b>   | <b>-1.1</b>   |
| <b>Cash flows from investing activities</b>                   |              |              |              |              |               |
| Investments in property, plant and equipment                  | -0.2         | -0.1         | -0.4         | -0.4         | -1.5          |
| Investments in intangible assets                              | -0.1         | -0.2         | -0.4         | -0.4         | -0.7          |
| <b>Net cash (outflow) from investing activities</b>           | <b>-0.2</b>  | <b>-0.3</b>  | <b>-0.8</b>  | <b>-0.8</b>  | <b>-2.1</b>   |
| <b>Cash flows from financing activities</b>                   |              |              |              |              |               |
| Proceeds from share issues                                    | -            | -            | 20.5         | 0.5          | 3.2           |
| Purchase of treasury shares                                   | -            | -            | -            | -            | -5.2          |
| Proceeds from bank loans                                      | -            | -0.0         | -            | 33.0         | 43.4          |
| Repayments of bank loans                                      | -1.5         | -4.5         | -6.3         | -29.8        | -36.9         |
| Dividends paid                                                | -            | -            | -2.2         | -1.5         | -1.5          |
| <b>Net cash inflow (outflow) from financing activities</b>    | <b>-1.5</b>  | <b>-4.5</b>  | <b>12.0</b>  | <b>2.1</b>   | <b>3.1</b>    |
| <b>Net decrease/increase in cash and cash equivalents</b>     | <b>1.6</b>   | <b>-0.9</b>  | <b>15.9</b>  | <b>5.2</b>   | <b>-0.1</b>   |
| Cash and cash equivalents at the beginning of the period      | 15.1         | 6.9          | 0.7          | 0.8          | 0.8           |
| Effects of exchange rate changes on cash and cash equivalents | -0.0         | -            | 0.0          | -0,0         | -0,0          |
| <b>Cash and cash equivalents at the end of period</b>         | <b>16.7</b>  | <b>6.1</b>   | <b>16.7</b>  | <b>6.1</b>   | <b>0.7</b>    |



| EUR million                     | Finland      | Sweden      | Germany     | Segments total | Group functions | Eliminations | Group        |
|---------------------------------|--------------|-------------|-------------|----------------|-----------------|--------------|--------------|
| <b>1–12/2016</b>                |              |             |             |                |                 |              |              |
| <b>Revenue</b>                  | <b>343.2</b> | <b>60.9</b> | <b>10.8</b> | <b>414.9</b>   |                 | <b>-10.1</b> | <b>404.8</b> |
| internal                        |              | 9.6         | 0.6         | 10.1           |                 | -10.1        |              |
| external                        | 343.2        | 51.3        | 10.3        | 404.8          |                 |              | 404.8        |
| <b>Gross profit</b>             | <b>44.1</b>  | <b>4.3</b>  | <b>0.8</b>  | <b>49.2</b>    |                 |              | <b>49.2</b>  |
| <b>EBITDA</b>                   | <b>22.8</b>  | <b>-1.3</b> | <b>-0.7</b> | <b>20.8</b>    | <b>-4.3</b>     |              | <b>16.5</b>  |
| Depreciation and amortization   | -0.6         | -0.1        | -0.0        | -0.8           | -0.0            |              | -0.8         |
| <b>Operating profit</b>         | <b>22.2</b>  | <b>-1.5</b> | <b>-0.7</b> | <b>20.0</b>    | <b>-4.3</b>     |              | <b>15.7</b>  |
| Finance costs                   |              |             |             |                |                 |              | -1.0         |
| <b>Profit before income tax</b> |              |             |             |                |                 |              | <b>14.6</b>  |

### Net working capital

| EUR million                    | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|--------------------------------|--------------|--------------|--------------|
| Inventories                    | 54.6         | 42.9         | 47.9         |
| Trade and other receivables    | 12.3         | 8.7          | 11.4         |
| Current income tax receivables | 0.0          | 0.0          | 1.8          |
| Trade and other payables       | -13.6        | -11.4        | -12.3        |
| Provisions                     | -2.5         | -1.7         | -2.0         |
| Current income tax liabilities | -1.9         | -1.5         | -3.4         |
| <b>Net working capital</b>     | <b>49.0</b>  | <b>36.9</b>  | <b>43.3</b>  |

### Borrowings and net debt

| EUR million                         | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|-------------------------------------|--------------|--------------|--------------|
| <b>Non-current</b>                  |              |              |              |
| Bank loans                          | 22.4         | 25.4         | 25.4         |
| <b>Total non-current borrowings</b> | <b>22.4</b>  | <b>25.4</b>  | <b>25.4</b>  |
| <b>Current</b>                      |              |              |              |
| Bank loans                          | 3.0          | 3.0          | 5.0          |
| Bank overdrafts                     | -            | -            | 1.3          |
| <b>Total current borrowings</b>     | <b>3.0</b>   | <b>3.0</b>   | <b>6.3</b>   |
| <b>Total borrowings</b>             | <b>25.4</b>  | <b>28.4</b>  | <b>31.7</b>  |
| Less cash and cash equivalents      | -16.7        | -6.1         | -0.7         |
| <b>Net debt</b>                     | <b>8.7</b>   | <b>22.3</b>  | <b>30.9</b>  |

## Derivatives

| EUR million                         | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|-------------------------------------|--------------|--------------|--------------|
| <b>Interest rate derivatives</b>    |              |              |              |
| Fair value                          | -0.0         | -0.1         | -0.1         |
| Value of underlying instrument      | 5.8          | 7.1          | 6.5          |
| <b>Foreign currency derivatives</b> |              |              |              |
| Fair value                          | 0.0          | -0.0         | 0.0          |
| Value of underlying instrument      | 2.1          | 1.0          | 3.1          |

## Lease obligations and other commitments

### Operating lease commitments

The future minimum lease payments under non-cancellable operating leases

| EUR million                                 | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|---------------------------------------------|--------------|--------------|--------------|
| No later than 1 year                        | 6.0          | 4.6          | 5.0          |
| Later than 1 year and no later than 5 years | 12.8         | 11.5         | 11.8         |
| Later than 5 years                          | 0.5          | 1.1          | 1.0          |
| <b>Total</b>                                | <b>19.3</b>  | <b>17.2</b>  | <b>17.8</b>  |

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

| EUR million                    | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|--------------------------------|--------------|--------------|--------------|
| Loans                          | 25.4         | 28.4         | 31.7         |
| guarantees given against loans | 104.0        | 104.0        | 104.0        |

### Other commitments

| EUR million                       | Sep 30, 2017 | Sep 30, 2016 | Dec 31, 2016 |
|-----------------------------------|--------------|--------------|--------------|
| Rent and other payment guarantees | 0.3          | 0.2          | 0.3          |

## Related party transactions

| EUR million            | 7-9/2017 | 7-9/2016 | 1-9/2017 | 1-9/2016 | 1-12/2016 |
|------------------------|----------|----------|----------|----------|-----------|
| Sales of used cars     | 0.0      | -        | 0.1      | 0.2      | 0.2       |
| Purchases of used cars | -0.0     | -0.0     | -0.0     | -0.1     | -0.1      |
| Rental expenses        | -0.2     | -0.2     | -0.3     | -0.5     | -0.6      |
| Consulting expenses    | -0.1     | -0.0     | -0.2     | -0.1     | -0.1      |

Rental expenses consist of lease payments for showrooms owned by the Group's CEO, his immediate family members and companies under their control. Consulting expenses comprise consultancy fees paid to DN Advisory Oy, controlled by David Nuutinen, and to Virtanen Consulting GmbH, controlled by Matti Virtanen. The fees are related to the Group's geographical expansion and stock exchange listing.

On January 30, 2017, the company issued a total of 52,174 new shares in a share issue directed to a new member of the company’s management. The shares were registered in the Finnish Trade Register on February 14, 2017.

On March 27, 2017, the company issued a total of 39,348 new shares in a share issue directed to the new members of the company’s Board of Directors. The shares were registered in the Finnish Trade Register on April 20, 2017.

On April 5, 2017, the company issued a total of 26,100 new shares in a share issue directed to a new key member of the company’s management. The shares were registered in the Finnish Trade Register on April 26, 2017.

### 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 results of operations, 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                                      | 7-9/2017   | 7-9/2016   | 1-9/2017    | 1-9/2016    | 1-12/2016   |
|--------------------------------------------------|------------|------------|-------------|-------------|-------------|
| <b>Operating profit (EBIT)</b>                   | <b>6.1</b> | <b>5.5</b> | <b>13.0</b> | <b>13.4</b> | <b>15.7</b> |
| Costs relating to the listing                    | 0.0        | 0.2        | 1.2         | 1.2         | 1.2         |
| Strategic investigations                         | -          | 0.1        | 0.7         | 0.2         | 0.6         |
| Special items relating to geographical expansion | 0.1        | 0.0        | 0.4         | 0.1         | 0.2         |
| Share-based payments                             | -          | -          | -           | -           | 0.3         |
| <b>Total adjustment items</b>                    | <b>0.1</b> | <b>0.3</b> | <b>2.3</b>  | <b>1.5</b>  | <b>2.3</b>  |
| <b>Adjusted operating profit</b>                 | <b>6.2</b> | <b>5.8</b> | <b>15.3</b> | <b>15.0</b> | <b>18.0</b> |

|                                                                        |           |                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Gross profit                                                           | =         | Revenue + Other operating income - Materials and services                                                                                                                                                                                                                           |
| Earnings before interest, tax, depreciation, and amortization (EBITDA) | =         | Operating profit + Depreciation and amortization                                                                                                                                                                                                                                    |
| Adjusted operating profit (EBIT)                                       | =         | Operating profit adjusted for costs relating to the listing, special items relating to strategic planning and strategy implementation, special items relating to geographical expansion of business and cash-settled share-based payments related to redemption of treasury shares. |
| Net debt                                                               | =         | Non-current borrowings + Current borrowings - Cash and cash equivalents                                                                                                                                                                                                             |
| Financial debt                                                         | =         | Non-current borrowings + Current borrowings                                                                                                                                                                                                                                         |
| Same store sales growth                                                | = 100 * ( | $\frac{\text{Car sales same store showrooms}}{\text{Car sales of same store showrooms of the previous year}} - 1$ )                                                                                                                                                                 |
|                                                                        |           | <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                                                                                                         |

## Publication schedule for financial reporting in 2018

Kamux will publish its Financial Statements and Interim Reports in 2018 as follows:

8 March 2018: Kamux Corporation will publish its Financial Statements Bulletin 2017.

24 May 2018: Kamux Corporation will publish its Interim Report for January-March 2018.

23 August 2018: Kamux Corporation will publish its Half-Year Financial Report for January-June 2018.

22 November 2018: Kamux Corporation will publish its Interim Report for January-September 2018.

The Annual Report for 2017 including Financial Statements will be published on week 14/2018.

The Annual General Meeting of Kamux Corporation is scheduled to be held on Thursday 26 April 2018.

## Interim Report conference call

Kamux will hold an Interim Report conference call today November 23, 2017 at 14:00 (Finnish time) in Finnish and the English part is expected to begin around 14:30. The Interim Report will be presented by CEO Juha Kalliokoski and CFO Tapio Arimo. Participants are requested to call in and register a few minutes prior to the start of the conference call at:

<https://praecomspark.webex.com/praecomspark/onstage/g.php?MTID=ef672859faaf0752c00bcd2dfc7611883>

The numbers are: UK call-in toll number: +44-203-478-5289, Finland toll: +358 9 3158 4349 and Sweden toll: +46 8 5051 3563.

Global call-in numbers:

<https://praecomspark.webex.com/praecomspark/globalcallin.php?serviceType=EC&ED=600577647&tollFree=0>

The conference access code is: 848 329 467.

In Hämeenlinna on November 23, 2017

Kamux Corporation

The Board of Directors

## For more information:

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