

Revenue increased and adjusted operating profit at previous year's level

Half Year Financial Report for January–June 2023

CEO Tapio Pajuharju

CFO Marko Lehtonen

Table of contents

Half Year Financial Report for January–June 2023

Q2 in brief

**Market position,
Q2 Highlights,
Strategy**

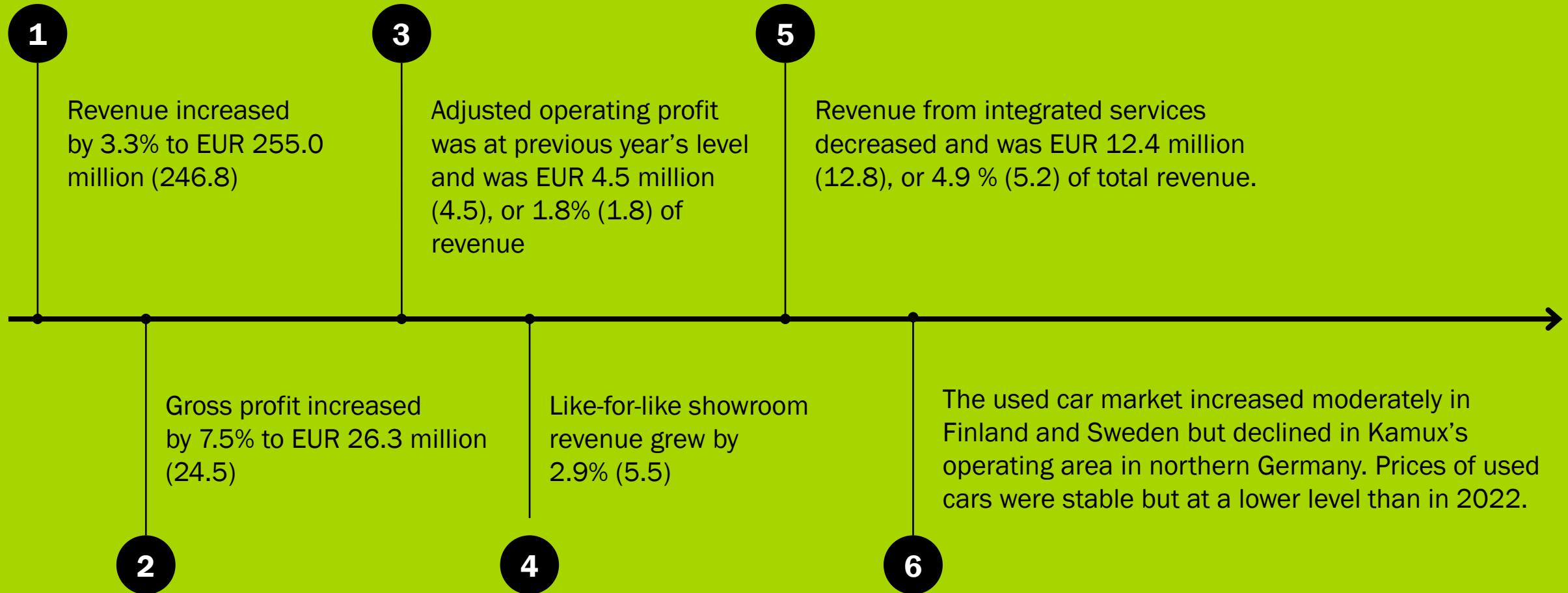
**Financial
development**

**Outlook and
financial targets,
Summary**

Kamux Vision #1 used car retailer in Europe



Kamux Q2 2023 in brief – solid topline and recovering margins, yet increased costs hurting operating profit



Kamux maintained its positions in all operating countries

Market	Market size* (2022)	Kamux market share	Market development in Q1 2023	Kamux position and development in Q2 2023
Finland	~0.6 million cars	~8.0% #1	We estimate that the market for used cars grew moderately vs. Q2 2022.	Kamux maintained its position as #1
Sweden	~1.2 million cars	~1.2% Top 5	We estimate that the market for used cars grew moderately vs. Q2 2022.	Kamux is among the top 5 used car dealers in Sweden
Germany	~5.6 million cars	~0.0%	We estimate that the market for used cars grew vs. Q2 2022 but there were significant regional differences.	Kamux maintained its market share

New passenger car registrations across the EU grew 17.9% in H1 2023 (ACEA).

New car registrations in Kamux's markets in H1 2023:
Finland +2.7%
Sweden -2.2%
Germany +12.8%

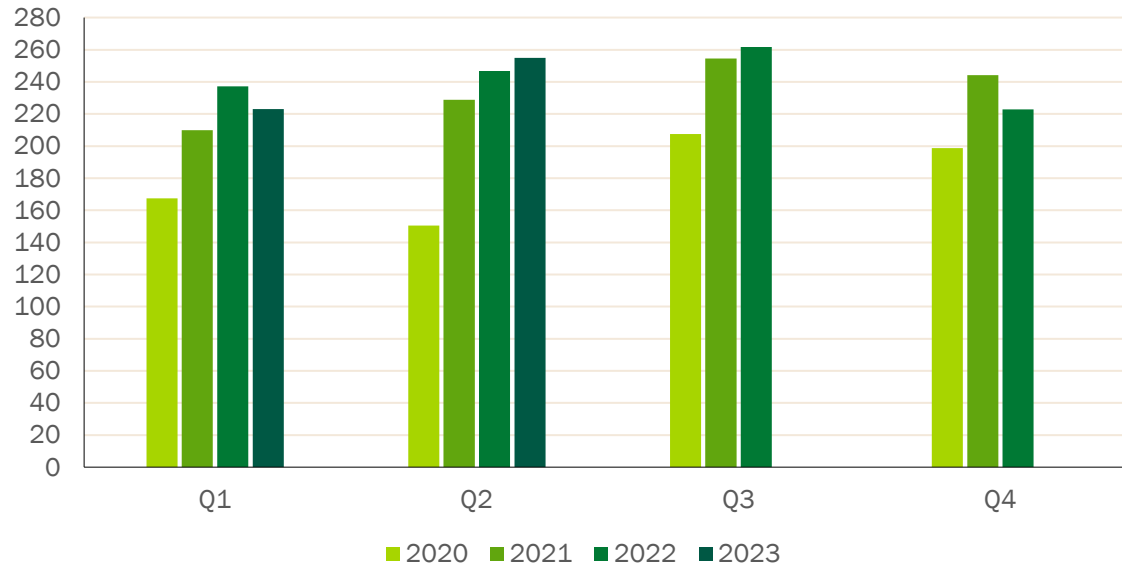
Kamux is Europe's fifth largest used car retailer

Largest used car dealers in Europe in 2022	Home country	# of operating countries	Pcs in 2022 – Kamux estimate*
Constellation Group	UK	22	90,000–100,000
Aures Holdings	Czechia	4	89,100
Aramis	France	6	71,949
Autohero	Germany	9	64,164
Kamux	Finland	3	62,922

A lot happened in the used car market in 2022. Industry consolidation continued and several online-only players were forced to adjust their operations in continental Europe.

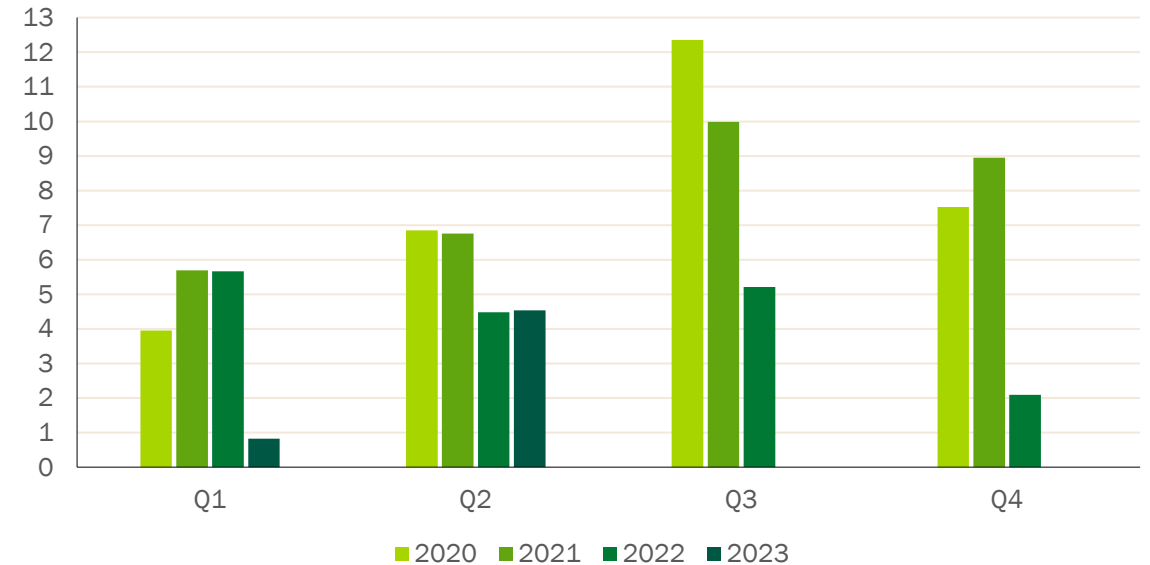
Kamux Q2 2023 – revenue increased as number of sold cars grew, yet increased cost level was hurting the operating profit

Revenue (EUR million)



Revenue increased by 3.3% and was EUR 255.0 million (246.8).

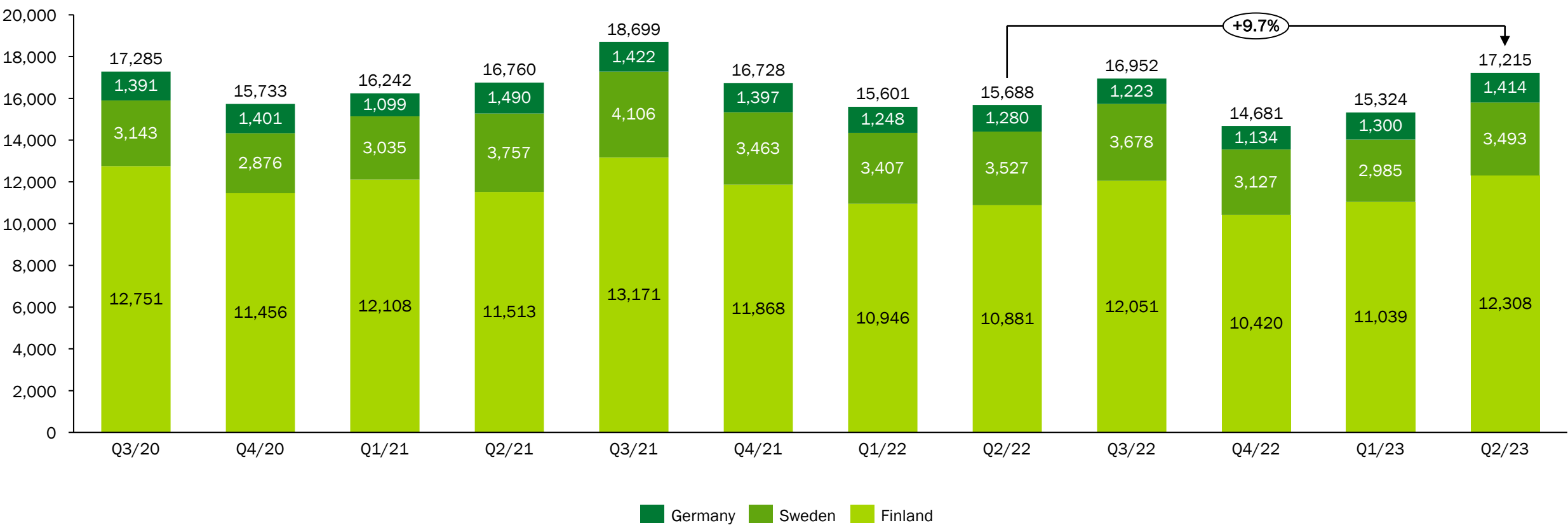
Adjusted operating profit (EUR million)



Adjusted operating profit (EBIT) was at previous year's level and was EUR 4.5 million (4.5), or 1.8% (1.8) of revenue

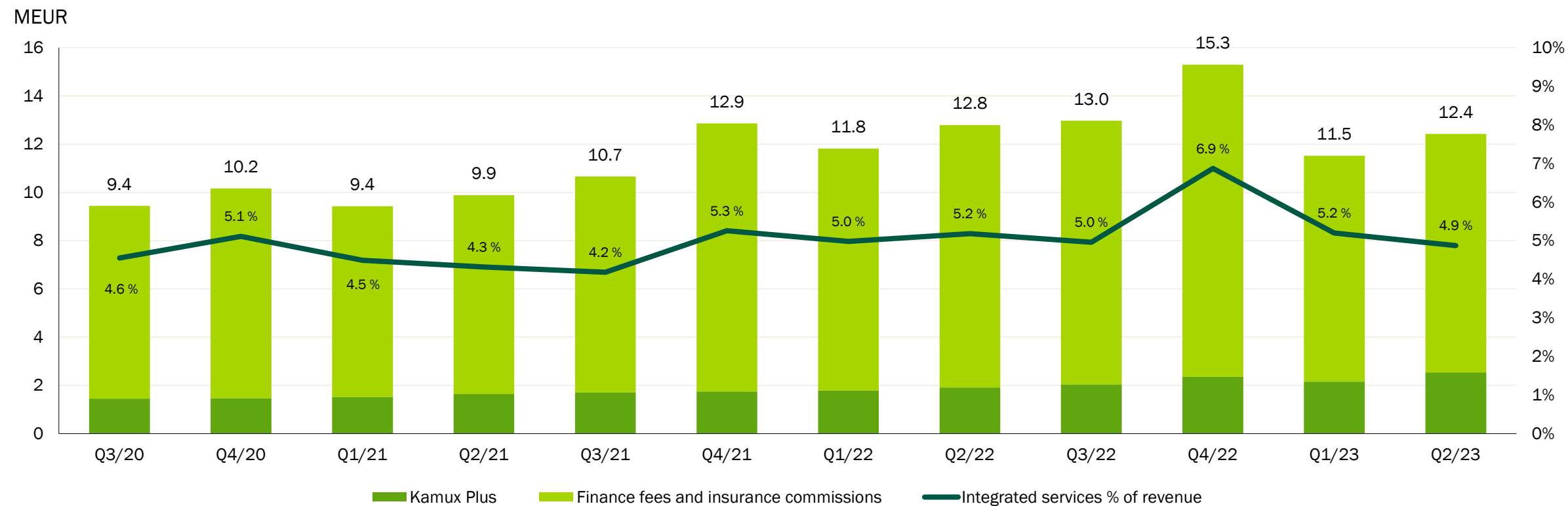
Number of sold cars increased in Q2 2023

Sold cars (pcs)



Kamux Plus growth solid, but finance fees decreased in Q2 2023

Revenue from integrated services



New openings and showrooms

	FINLAND	SWEDEN	GERMANY	TOTAL
Q1/2023	Lielähti and Hatanpää were combined Utility vehicles in Tampere to Lakalaiva	Värmdö showroom closed		-1
Q2/2023	Raahe showroom closed at the end of May		Düren showroom opened	+0
Total showrooms on August 11, 2023	46	23	8	77
Announced openings/closures	New showroom in Tampere to be opened in spring 2024			+1



Strategy Period 2021–2023

Kamux seizes the huge market opportunity as a strongly digital and international retail chain and

ACCELERATES GROWTH

Profitability development is built on business growth and scalability during the strategy period



Kamux Way to Accelerate Growth

Seamless omni-channel customer experience and services



Trust and affordability



Shopping, online and mobile purchasing paths



Selected new services

Utilizing data and leading with knowledge



Systems for knowledge management and international growth



Demand conversion



Data driven pricing, purchasing and sales

Efficient processes, scalability and store strategy



Industrialised processes



Car information, inspections



Hubs and logistics



Bigger stores

Developing capabilities and continuous learning



Induction



Training and development



Career paths

A close-up photograph of a person's hand, wearing a black watch, pulling the chrome door handle of a dark-colored car. The car's interior, featuring a black leather seat with red stitching and a 'GTS' badge, is visible through the open door. The background is a bright, out-of-focus indoor space.

Financial development

Kamux's financial performance and margins were gradually recovering

- Average price per car slightly lower than previous year, impacting revenue
- Gross margin per car was EUR 1,527, slightly down on the previous year
- Operating expenses increased compared to the previous year due to growth of personnel expenses, regional expansion in Germany and investment in financial management system. General inflation also becoming visible.
- Successful inventory management
- Return on equity (ROE) was 5.9%, down from the previous year
- Equity ratio of 46,5%, an improvement on the previous year
- Basic earnings per share of EUR 0.06, down on the previous year

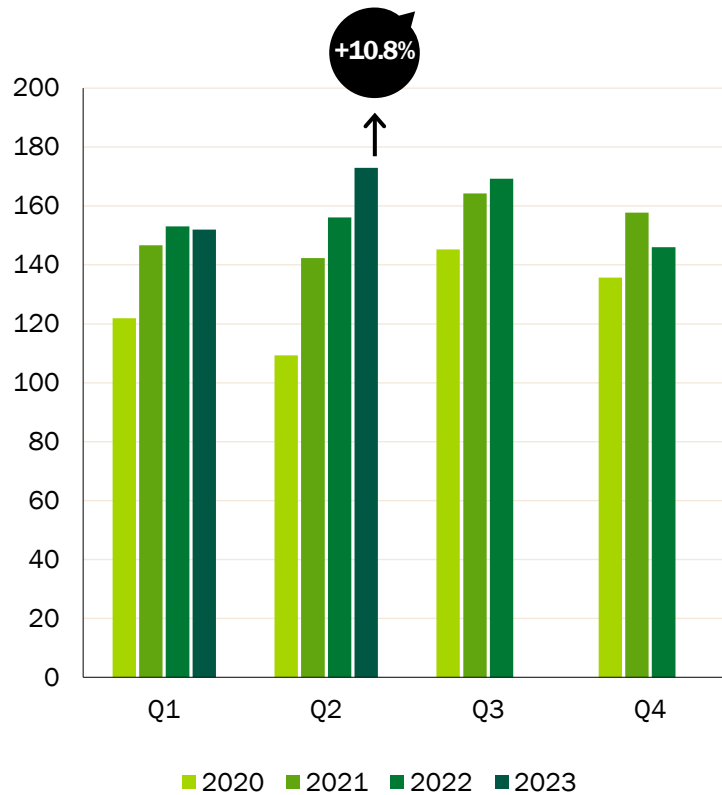
Strong balance sheet is the backbone of the growth strategy

Key Figures

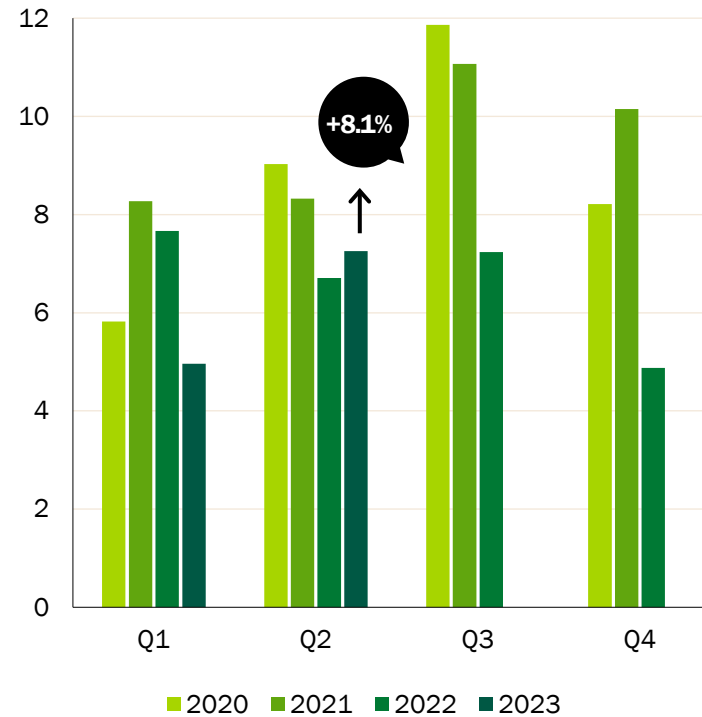
(MEUR)	4-6/2023	4-6/2022	Change, %	1-6/2023	1-6/2022	Change, %	1-12/2022
Revenue	255.0	246.8	3.3%	478.1	484.1	-1.2%	968.7
Gross profit	26.3	24.5	7.5%	47.0	48.7	-3.4%	94.1
as percentage of revenue, %	10.3%	9.9%		9.8%	10.1%		9.7%
Operating profit (EBIT)	3.9	4.5	-14.3%	4.5	10.2	-56.0%	17.0
as percentage of revenue, %	1.5%	1.8%		0.9%	2.1%		1.8%
Adjusted operating profit	4.5	4.5	1.2%	5.4	10.2	-47.2%	17.5
as percentage of revenue, %	1.8%	1.8%		1.1%	2.1%		1.8%
Revenue from integrated services	12.4	12.8	-2.9%	23.9	24.6	-2.7%	52.9
as percentage of revenue, %	4.9%	5.2%		5.0%	5.1%		5.5%
Sales growth of like-for-like showrooms, %	2.9%	5.5%		-2.4%	7.0%		0.6%
Inventory turnover, days				58.0	55.4	4.8%	51.5
Return on equity (ROE), %				5.9%	22.2%		10.1%
Return on capital employed (ROI), %				4.1%	12.6%		7.2%
Equity ratio, %				46.5%	44.5%		53.2%

Kamux Finland – increase in number of sold cars drove revenue up and operating profit increased in Q2 2023

Revenue (EUR million)



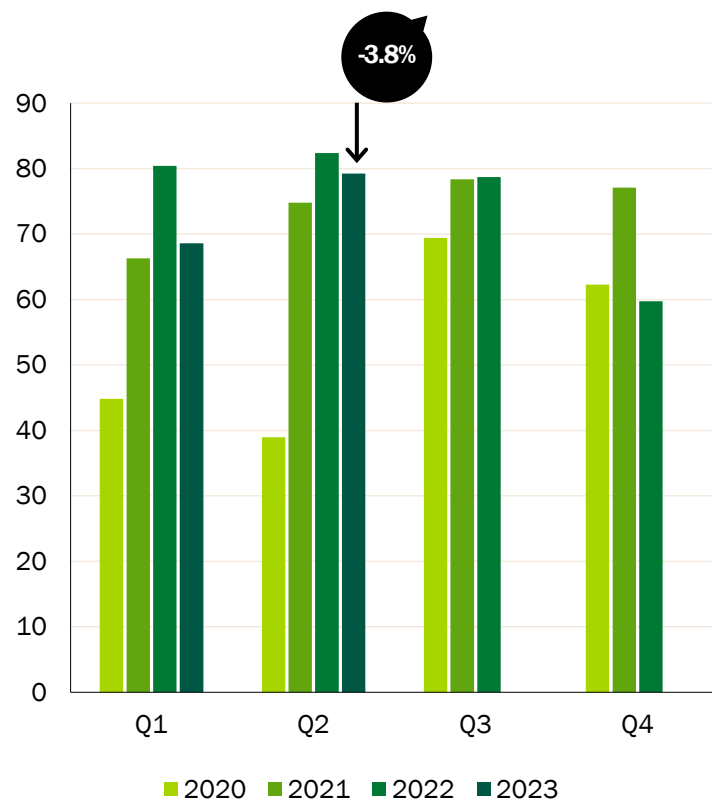
Operating Profit (EUR million)



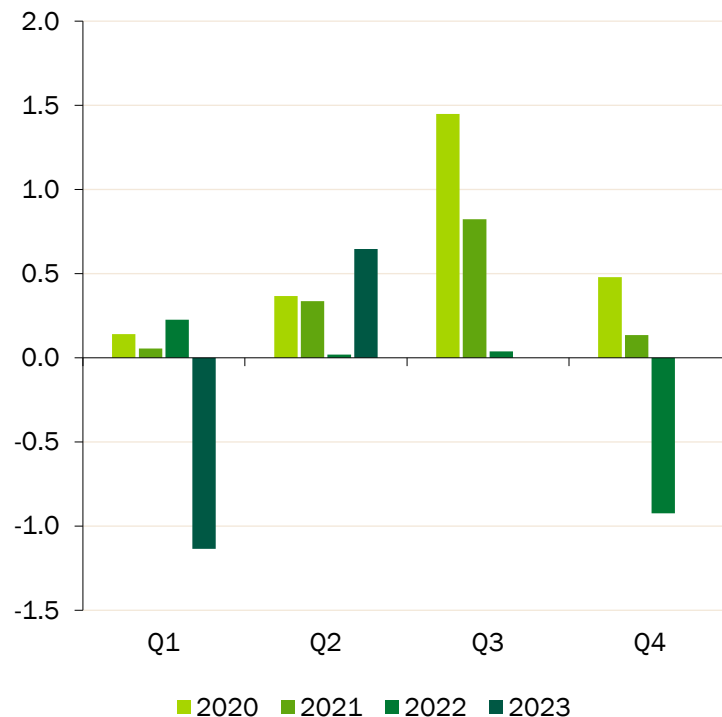
- Revenue increased by 10.8% compared to the previous year and was EUR 173.0 million (156.2). Revenue growth was due to the increase in number of cars sold.
- Gross margin increased compared to the previous year and was EUR 19.0 million (17.3), or 11.0% (11.1) of revenue.
- Operating profit increased by 8.1% compared to the previous year and was EUR 7.3 million (6.7), or 4.2% (4.3) of revenue.
- Revenue from integrated services decreased to EUR 10.4 million (10.5), or 6.0% (6.7) of revenue.
- Operating profit grew as a result of increased number of cars sold and improved margins.

Kamux Sweden – improved margins driving turnaround in profitability in Q2 2023

Revenue (EUR million)



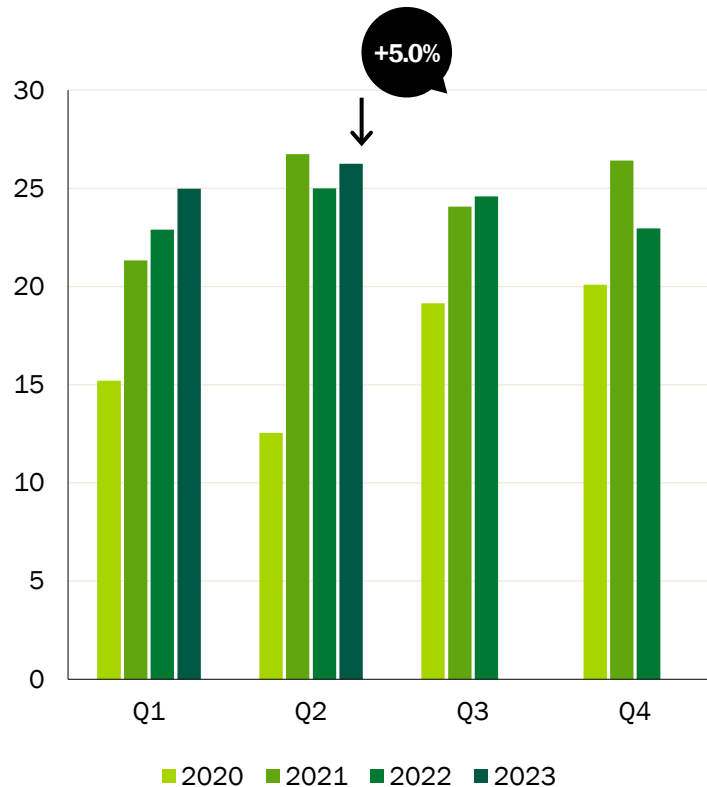
Operating Profit (EUR million)



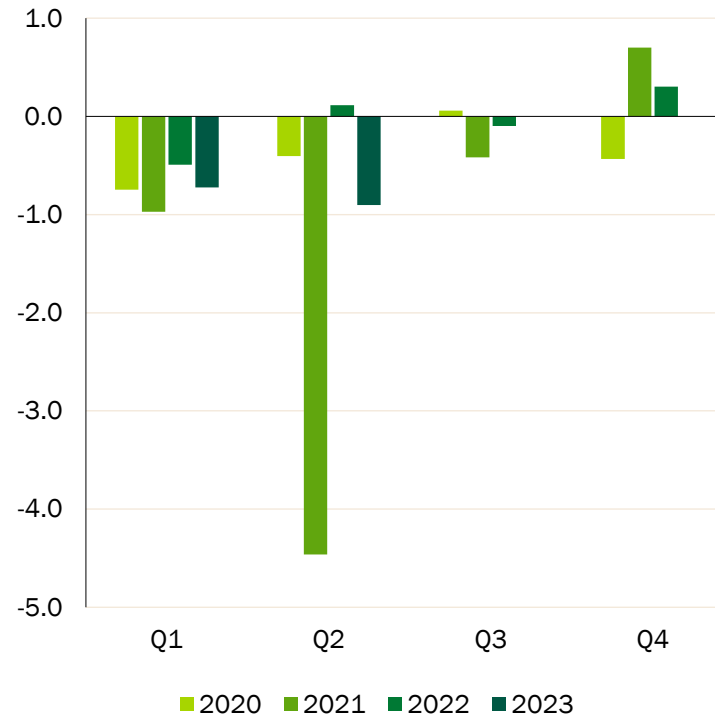
- Total revenue decreased by -3.8% compared to the previous year and was EUR 79.2 million (82.4).
- Gross margin increased compared to the previous year and was EUR 5.5 million (4.9), or 6.9% (5.9) of revenue.
- Operating profit increased compared to the previous year and was EUR 0.6 million (0.0), or 0.8% (0.0) of total revenue.
- Revenue from integrated services was at previous year's level and was EUR 1.4 million (1.4), or 2.4% (2.2) of external revenue.
- External revenue decreased due to a lower number of cars sold, partially due to challenging purchasing market. Operating profit increased as a result of improved average margin per car.

Kamux Germany – inventory clean up and expansion costs burdened operating profit in Q2 2023

Revenue (EUR million)



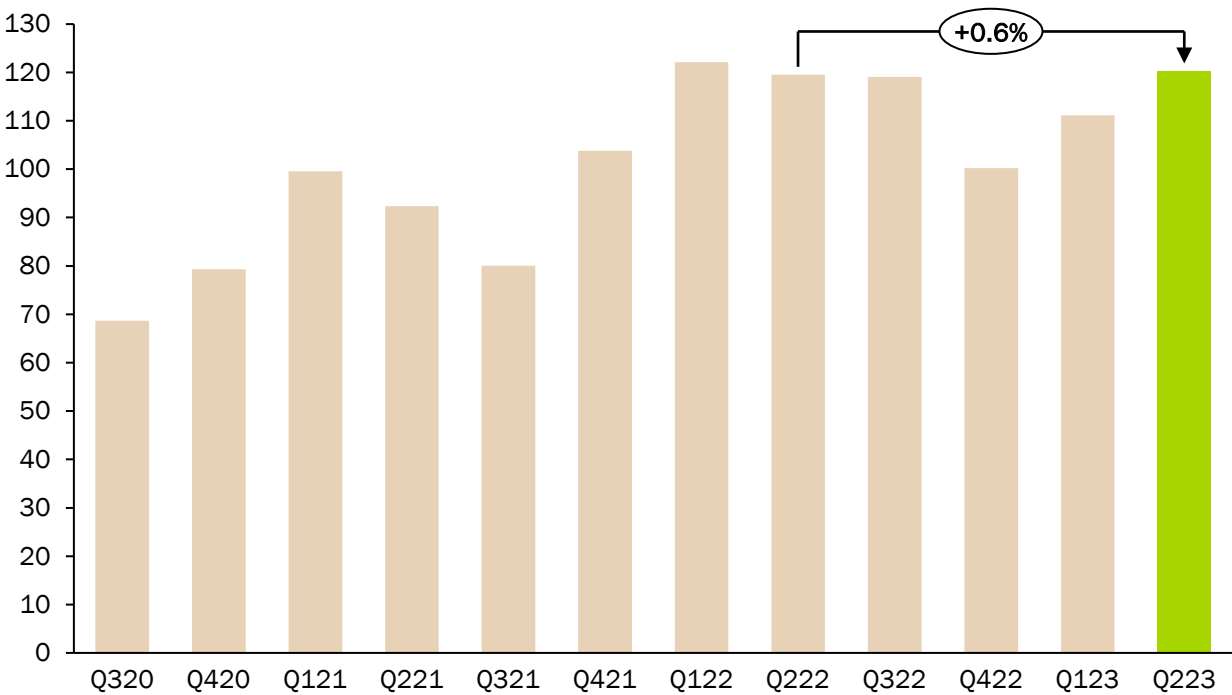
Operating Profit (EUR million)



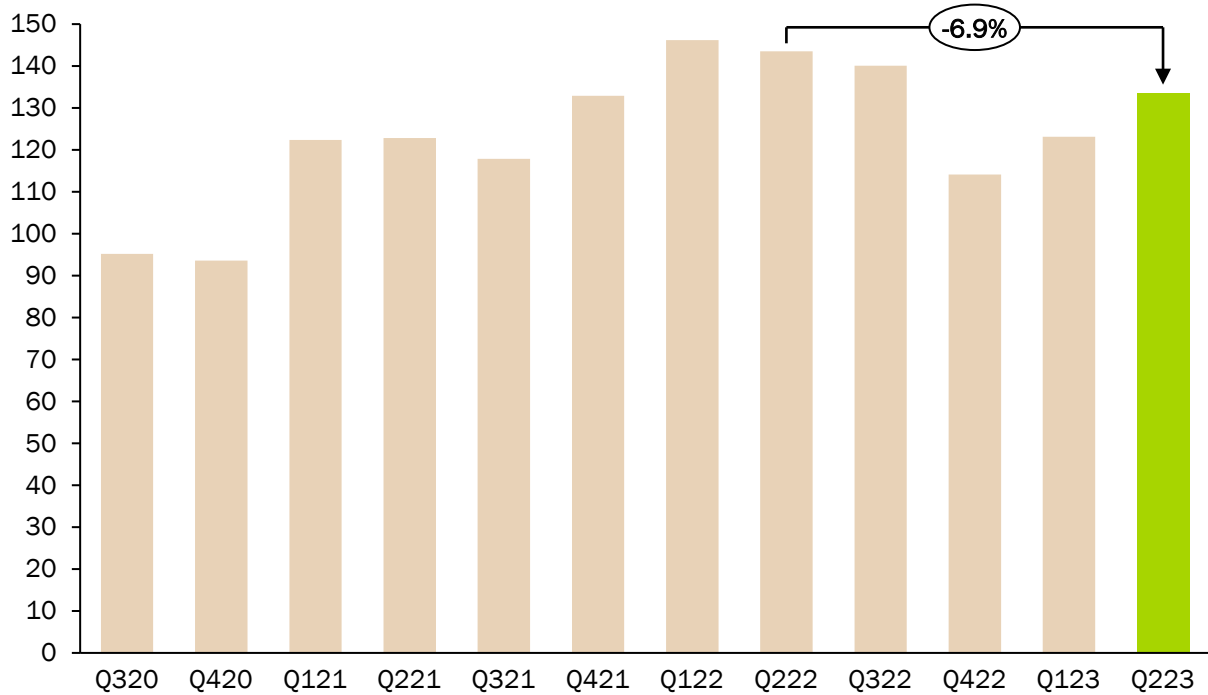
- Total revenue increased by 5.0% compared to the previous year and was EUR 26.3 million (25.0). External revenue increased by 6.3%.
- Gross margin decreased compared to the previous year and was EUR 1.8 million (2.3), or 6.8% (9.0) of revenue.
- Operating income decreased compared to the previous year and was EUR -0.9 million (0.1), or -3.4% (0.5%) of total revenue.
- Revenue from integrated services decreased to EUR 0.7 million (0.9), or 2.7% (3.7) of external revenue.
- Operating income was burdened by actions taken to clean up the inventory and investments in growth.

Inventory was in efficient use in Q2 2023

Net Working Capital (EUR million)

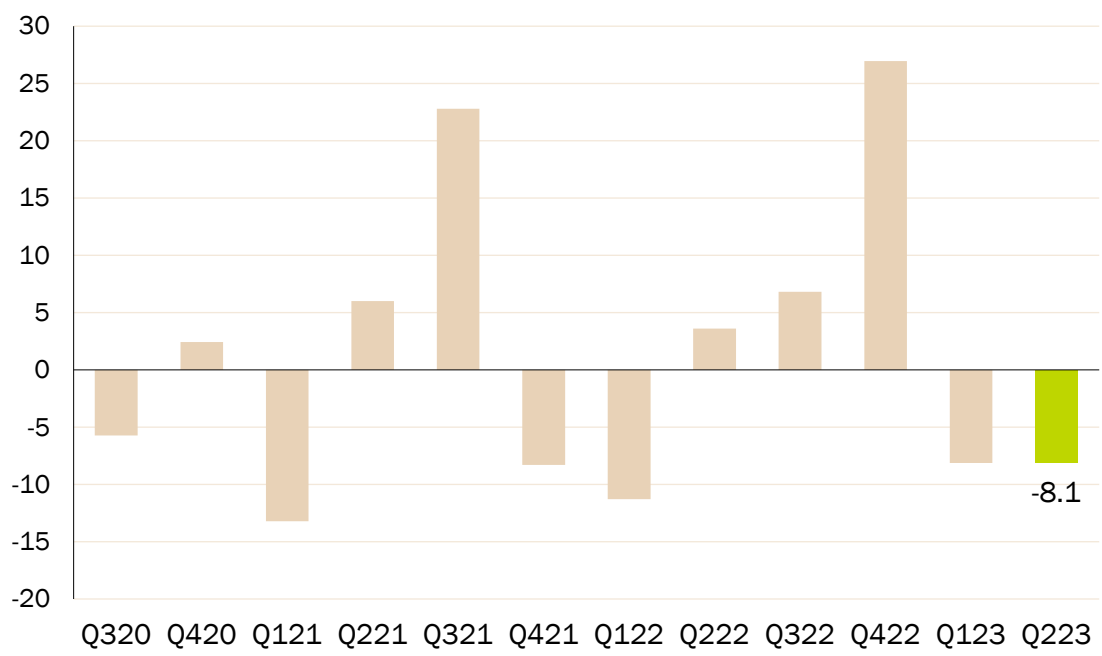


Inventories (EUR million)

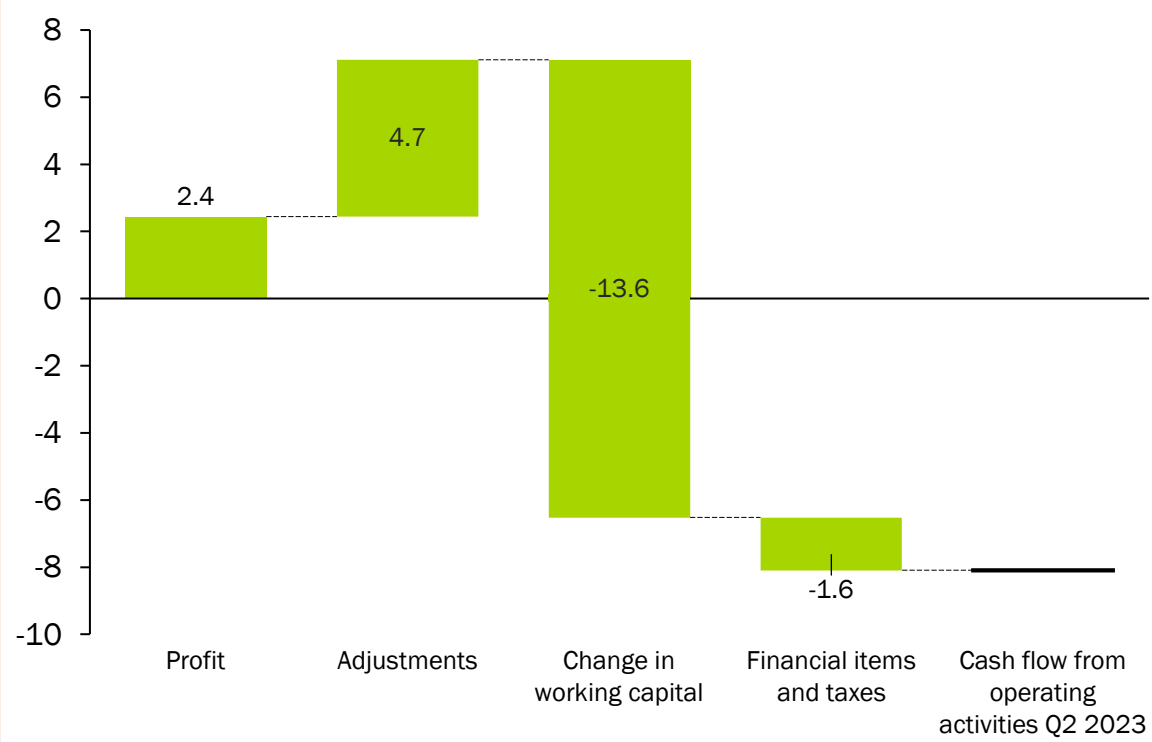


Seasonal inventory build-up amid recovering market

Cash Flow from Operating Activities
(EUR million)

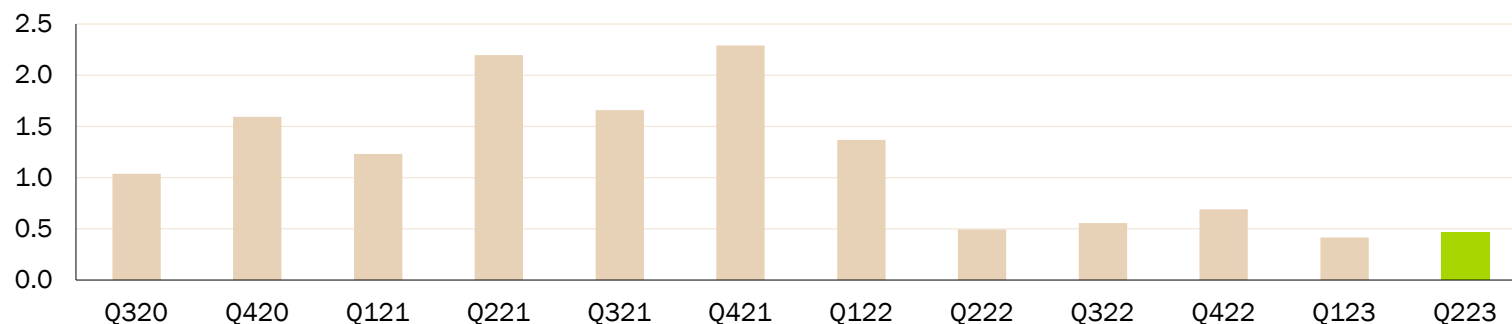


Components of Cash Flow from Operating Activities
Q2 2023 (EUR million)

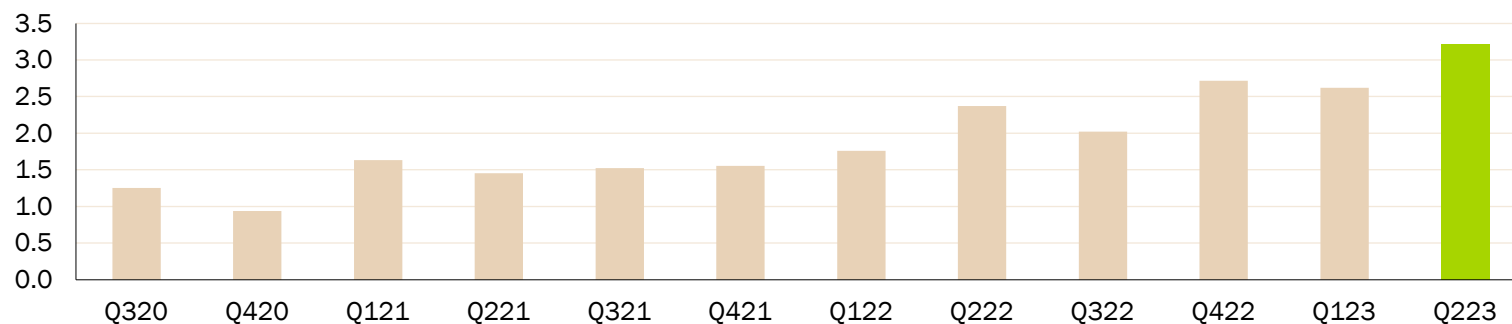


Investments in leading with data and growth continued

Investments (EUR million)



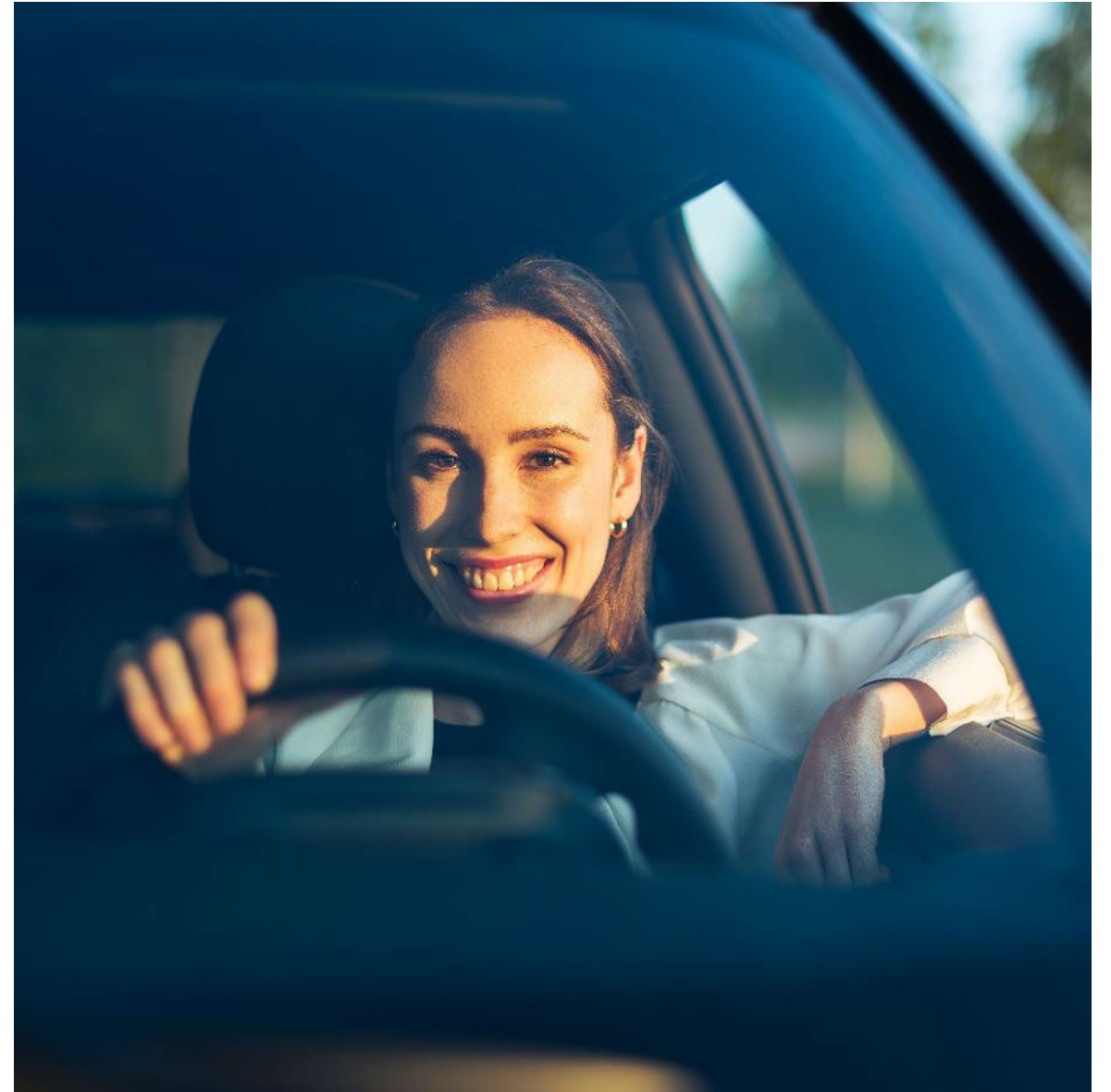
Group Functions (EUR million)



- In line with our strategy, we have systematically invested in growth
- Kamux seeks to gain a significant competitive advantage by investing in leading with knowledge and making strategic real estate investments
- More focus on building in-house competence visible in Group costs
- Investments in Q2 2023 were directed as follows:
 - IT system investments in Finance
 - Showroom maintenance
 - Internationalization: investments in growth in Germany

Dividend from 2022

- AGM decided that a dividend of EUR 0.15 per share (EUR 0.20 per share) be paid
 - Earnings per share were EUR 0.27 (0.49)
 - Payout ratio is 55% (41%)
 - Dividend paid in two instalments
 - EUR 0.05 per share was paid on May 2, 2023
 - EUR 0.10 per share will be paid on October 31, 2023





Outlook and financial targets

Financial Targets 2021–2023

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

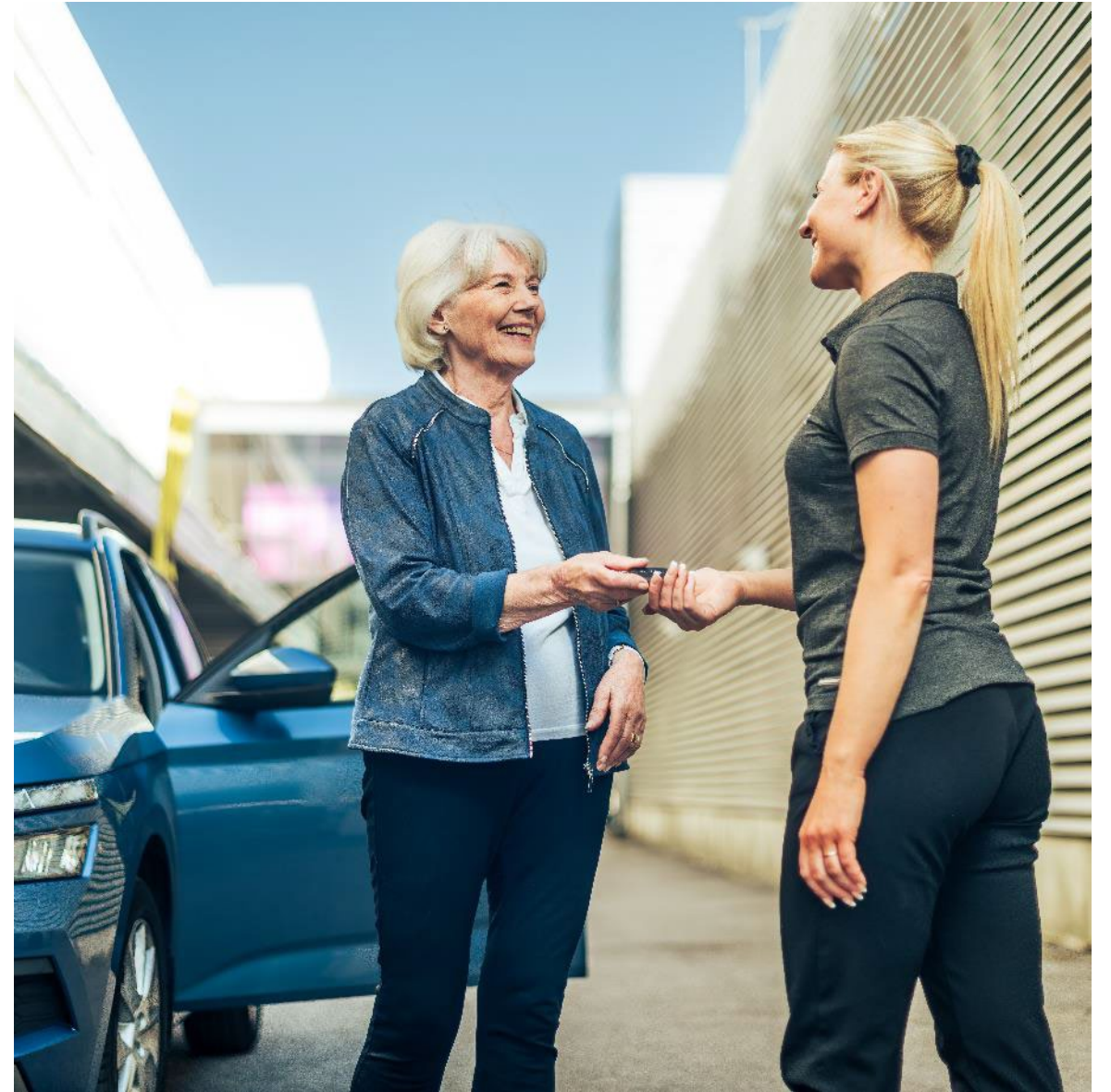
Kamux will update its strategy and financial targets at the beginning of 2024

Indicator	Target (from Feb 26, 2021)	Actual 1-6/2023
Revenue growth annually	Over 20%	-1.2%
Adjusted operating profit	Annually increasing	EUR 5.4 million (1-6/2022: 10.2)
Adjusted operating profit (EBIT) margin	Over 3.5%	1.1%
Return on equity (ROE)	Over 25%	5.9%
Dividend	At least 25% of net profits	Dividend for the year 2022 55%

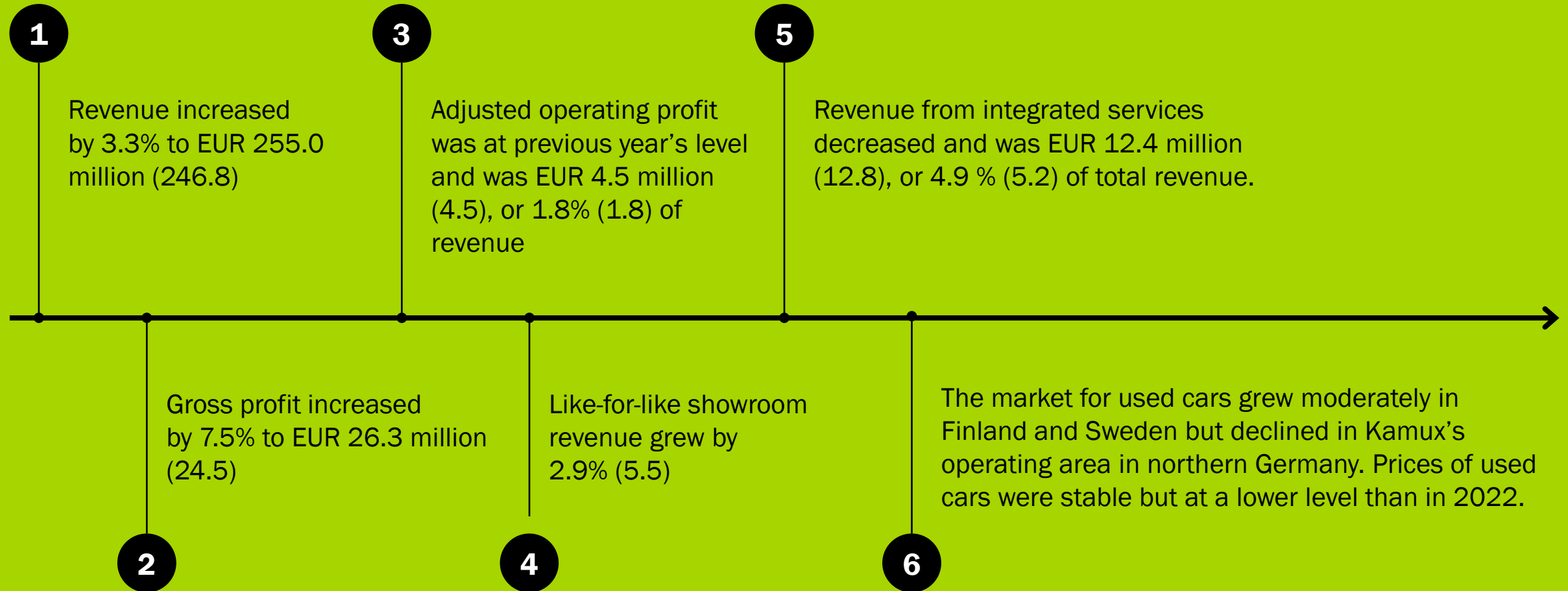
*) The Board of Directors of the Company estimates annually the balance between dividend to be distributed and funds to be used for Kamux's growth and based on this assessment, makes a proposal on the amount of dividend to be distributed, which may for any single year differ significantly from the target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

Outlook for 2023

In 2023, Kamux expects its adjusted operating profit to grow from the year 2022, when the adjusted operating profit was EUR 17.5 million.



Q2 2023 in summary



Thank You!

Disclaimer

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

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