



Kamux Corporation Interim Report

January–March 2023



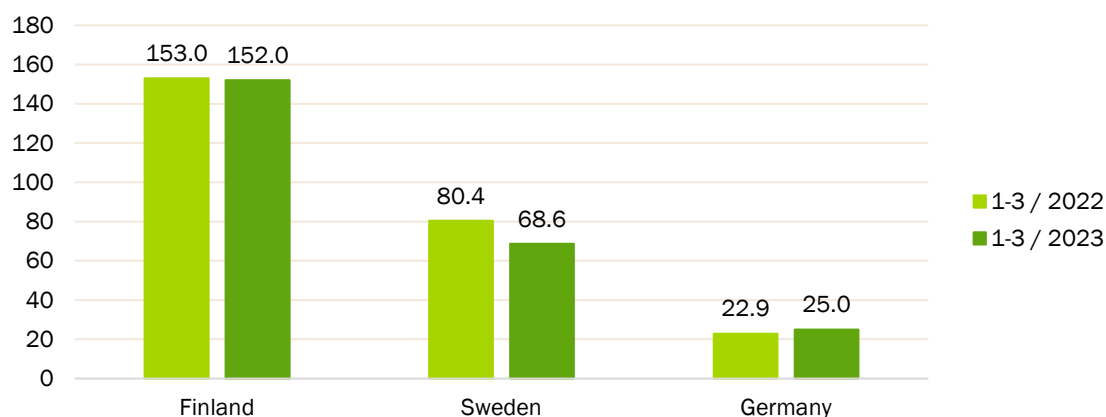
Kamux's revenue decreased and adjusted operating profit decreased significantly

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

January–March in brief

- Revenue decreased by -6.0%, totaling EUR 223.1 million (237.3)
- Gross profit decreased by -14.5% to EUR 20.7 million (24.3), or 9.3% (10.2) of revenue
- Adjusted operating profit (EBIT) decreased by -85.4% to EUR 0.8 million (5.7), or 0.4% (2.4) of revenue
- Operating profit (EBIT) decreased by -89.5% to EUR 0.6 million (5.7), or 0.3% (2.4) of revenue
- The number of cars sold decreased by -1.8% to 15,324 cars (15,601)
- Like-for-like showroom revenue decline was -10.4% (8.6)
- Basic earnings per share was 0.00 (0.11) and diluted earnings per share was EUR 0.00 (0.10)

Revenue of business segments in January–March, EUR million



Key Figures

EUR million	1-3/2023	1-3/2022	Change, %	1-12/2022
Revenue	223.1	237.3	-6.0%	968.7
Gross profit	20.7	24.3	-14.5%	94.1
as percentage of revenue, %	9.3%	10.2%		9.7%
Operating profit (EBIT)	0.6	5.7	-89.5%	17.0
as percentage of revenue, %	0.3%	2.4%		1.8%
Adjusted operating profit*	0.8	5.7	-85.4%	17.5
as percentage of revenue, %	0.4%	2.4%		1.8%
Revenue from integrated services	11.5	11.8	-2.5%	52.9
as percentage of revenue, %	5.2%	5.0%		5.5%
Number of cars sold	15,324	15,601	-1.8%	62,922
Gross profit per sold car, EUR	1,354	1,554	-12.9%	1,495
Sales growth of like-for-like showrooms, %	-10.4%	8.6%		0.6%
Net debt	68.4	85.4	-19.9%	59.1
Inventories	123.1	146.2	-15.8%	114.1
Inventory turnover, days	56.8	56.7	0.1%	51.5
Capital expenditures	0.4	1.4	-69.6%	3.1
Average number of employees during the period	845	875	-3.4%	883
Return on equity (ROE), %	6.1%	19.5%		10.1%
Return on investment (ROI), %	4.6%	11.2%		7.2%
Equity ratio, %	51.2%	46.4%		53.2%
Earnings per share, basic, EUR	0.00	0.11	-100.0%	0.27
Earnings per share, diluted, EUR	0.00	0.10	-100.0%	0.27

*) Operating profit adjusted for special items related to strategic planning, legal processes, taxes from previous financial years and own real estate operations, totaling EUR 0.2 million for the first quarter of 2023 (1-3/2022: EUR 0.0 million and 1-12/2022: EUR 0.4 million).

CEO Juha Kalliokoski:

"Based on the market development in the first quarter of 2023, the used car market seems to be slowly stabilizing after the very challenging year 2022. In Finland and Germany, after a sharp decline, the market grew cautiously during the first quarter, and in Sweden, the total market for used cars was only slightly down compared to the previous year. However, despite these positive signals, the demand for used cars was still sluggish and consumer confidence was weak during the first quarter, and Kamux's revenue decreased due to the decrease in car prices and the number of cars sold. Despite the decline in sales, we maintained our market position in all our operating countries.

Operating profit decreased significantly mainly due to the weakened gross margin. The imbalance between supply and demand lowered the prices of used cars considerably at the beginning of the first quarter especially in Finland and Sweden, and the margin earned from cars bought in 2022 was weak despite the inventory write-offs made at the turn of the year. Although the margin from cars was weak, it developed positively compared to the last quarter of 2022 and improved month-on-month during the first quarter. In Sweden, the operating profit was also weakened by the increased costs resulting from the capacity increase in 2022 and a difficult purchasing market due to the weak krona.

The electrification of the car fleet continues, and an increasing number of sold used cars are EVs or plug-in hybrids. The number of plug-in hybrids and EVs sold by Kamux increased by 16% compared to the first quarter of 2022. Non-rechargeable hybrids were sold less than in the comparison period.

At Kamux, we continued to implement our strategy and focus on the basics: buying and selling cars, as well as inventory management. With the signals indicating market stabilization, we started to cautiously increase the inventory ahead of the coming season at the end of the first quarter. I would like to again thank all Kamux employees for their contribution to the company and our customers."

Strategy implementation

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

The Company's strategic focus areas are:

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

In accordance with our strategy, we continued to focus our operations on larger showrooms during the first quarter of 2023. In Tampere, we closed the Lielähti showroom and moved our passenger car sales in the area in the Hatanpää showroom. Sales of commercial vehicles moved to the Lakalaiva area. In Sweden, we closed the Värmdö showroom and focused our operations in the two remaining Kamux showrooms in the Stockholm area.

In February, we announced the opening of a new showroom in Germany, in the city of Düren, southwest of Cologne. The showroom is Kamux's first showroom in Germany to be opened outside the Hamburg metropolitan region, with approximately three million people living in its operating area. The showroom was opened after the reporting period at the beginning of April.

The renewed, more comprehensive Kamux Plus service, which was launched in Finland in early 2022, was introduced in Sweden in February.

Outlook for the year 2023 (unchanged)

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

Financial targets for 2021–2023

The Company's medium-term financial targets are to increase revenue by over 20% annually, to increase adjusted operating profit annually, and to reach an adjusted operating profit margin of over 3.5% and a return on equity (ROE) of over 25%. Additionally, the Company's target is to distribute dividends of at least 25% of net profits. The Board of Directors of the Company estimates annually the balance between dividends to be distributed and funds to be used for Kamux's growth, and based on this assessment, makes a proposal on the amount of dividend to be distributed, which may for any single year differ significantly from the target level set in the dividend policy.

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

Market review

According to Company estimates, the used car market grew moderately in Finland and Germany during the first quarter. In Sweden the market was only slightly down compared to the comparison period. The prices of used cars decreased sharply at the beginning of the reporting period in Finland and Sweden but remained mostly stable in Germany. Inflation and interest rates were high in the first quarter, and consumer confidence in the future was weak, which is why durable goods purchases were considered more carefully than usual. During the quarter, the UK-based Cazoo completed its withdrawal from the German market.

The company estimates that it maintained its position as the market leader in Finland and continues to be among the five largest players in Sweden. In Germany, Kamux's market share in used car sales is still small. Registrations of new passenger cars increased by 17.9% in the European Union during the first quarter of 2023 (ACEA). However, fewer new cars were registered in Finland and Sweden than in the corresponding period of 2022. Almost half of the new cars registered in the EU in January–March, 44.4%, were hybrids or EVs. Petrol cars accounted for 37.4% of new registrations (ACEA).

Kamux estimates that the market for used cars in its three operating countries totals approximately 7.4 million sold passenger cars annually. The market contracted sharply in 2022, but with the increase in the average price of cars, Kamux estimates the value of the market to remain at over EUR 100 billion. In 2022, according to Kamux's estimate, approximately 0.6 million used cars were sold in Finland, approximately 1.2 million in Sweden and approximately 5.6 million in Germany.

Revenue in January–March 2023

Revenue decreased by -6.0% compared to the corresponding period of the previous year and was EUR 223.1 million (237.3). The decrease in revenue was due to the decrease in car prices and a lower number of sold cars. Revenue from integrated services decreased to EUR 11.5 million (11.8), or 5.2% (5.0) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany decreased by -1.8% compared to the corresponding period of the previous year and was 15,324 cars (15,601). Revenue per sold car was EUR 14,558 (15,209).

Revenue allocation

EUR million	1–3/2023	1–3/2022	1–12/2022
Sales of used cars	211.6	225.4	915.8
Financing fees and insurance commissions	9.4	10.0	44.8
Sales of Kamux Plus	2.2	1.8	8.1
Total	223.1	237.3	968.7



Result in January–March 2023

Gross profit decreased by -14.5% compared to the corresponding period of the previous year and was EUR 20.7 million (24.3). In Kamux Group, gross profit as percentage of revenue decreased by -0.9 percentage points to 9.3% (10.2).

Adjusted operating profit decreased by -85.4% mainly due to negative development in the operating profit in Finland and was EUR 0.8 million (5.7). Adjusted operating profit as percentage of revenue was 0.4% (2.4). The adjusted operating profit has been adjusted for special items related to strategic investigations, legal processes, taxes from previous financial years and own real estate operations. Items adjusting the operating profit totaled EUR 0.2 million (0.0) in the first quarter.

Operating profit (EBIT) decreased by -89.5% compared to the previous year and was EUR 0.6 million (5.7).

Financial income and costs were EUR -0.3 million (-0.1).

Profit before taxes for the first quarter was EUR 0.3 million (5.5). Basic earnings per share were 0.00 (0.11) and diluted earnings per share were EUR 0.00 (0.10).

Key figures of the business segments

pcs	1-3/2023	1-3/2022	Change, %	1-12/2022
Number of cars sold excluding internal sales				
Finland	11,039	10,946	0.8%	44,298
Sweden	2,985	3,407	-12.4%	13,739
Germany	1,300	1,248	4.2%	4,885
Segments total	15,324	15,601	-1.8%	62,922
EUR million				
Revenue				
Finland	152.0	153.0	-0.6%	624.5
Sweden	68.6	80.4	-14.7%	301.3
Germany	25.0	22.9	9.1%	95.5
Segments total	245.6	256.4	-4.2%	1,021.2
Group functions and eliminations	-22.5	-19.1	-18.0%	-52.6
Total	223.1	237.3	-6.0%	968.7
Gross Profit				
Finland	15.6	17.8	-12.2%	67.6
Sweden	3.4	4.8	-29.6%	18.0
Germany	1.7	1.6	5.8%	8.5
Segments total	20.7	24.3	-14.5%	94.1
Group functions and eliminations	-	-	-	-
Total	20.7	24.3	-14.5%	94.1
Gross profit, as percentage of revenue, %				
Finland	10.3%	11.6%		10.8%
Sweden	5.0%	6.0%		6.0%
Germany	6.9%	7.1%		8.9%
Segments total	8.4%	9.5%		9.2%
Group functions and eliminations	-	-		-
Total	9.3%	10.2%		9.7%
Operating profit				
Finland	5.0	7.7	-35.2%	26.5
Sweden	-1.1	0.2	-600.4%	-0.6
Germany	-0.7	-0.5	-47.6%	-0.2
Segments total	3.1	7.4	-58.1%	25.7
Group functions and eliminations	-2.5	-1.7	-44.8%	-8.6
Total	0.6	5.7	-89.5%	17.0
Operating profit, as percentage of revenue, %				
Finland	3.3%	5.0%		4.2%
Sweden	-1.7%	0.3%		-0.2%
Germany	-2.9%	-2.1%		-0.2%
Segments total	1.3%	2.9%		2.5%
Group functions and eliminations	-	-		-
Total	0.3%	2.4%		1.8%

EUR million	1-3/2023	1-3/2022	Change, %	1-12/2022
Special items adjusting operating profit				
Finland	-0.1	-		-0.2
Sweden	-	-		-
Germany	-	-		-0.1
Segments total	-0.1	-		-0.2
Group functions and eliminations	-0.2	-		-0.2
Total	-0.2	-		-0.4

Operating profit adjusted for special items				
Finland	5.0	7.7	-34.5%	26.7
Sweden	-1.1	0.2	-600.4%	-0.6
Germany	-0.7	-0.5	-47.6%	-0.1
Segments total	3.2	7.4	-57.3%	25.9
Group functions and eliminations	-2.3	-1.7	-35.0%	-8.4
Total	0.8	5.7	-85.4%	17.5

Operating profit adjusted for special items, as percentage of revenue, %				
Finland	3.3%	5.0%		4.3%
Sweden	-1.7%	0.3%		-0.2%
Germany	-2.9%	-2.1%		-0.1%
Segments total	1.3%	2.9%		2.5%
Group functions and eliminations	-	-		-
Total	0.4%	2.4%		1.8%

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

percentage, %	1-3/2023	1-3/2022	1-12/2022
Financing services			
Finland	49	49	49
Sweden	46	46	46
Germany	31	27	30
Insurance services			
Finland	51	47	47
Sweden	88	82	87
Kamux Plus			
Finland	30	27	28
Sweden	24	24	25

Finland in January–March 2023

Revenue decreased by -0.6% compared to the corresponding period of the previous year and was EUR 152.0 million (153.0). The decrease in revenue was primarily due to the decrease in used car prices and the focus on cars in more affordable price categories. Demand for used cars continued to be sluggish during the first quarter and consumer confidence was weak. The number of cars sold increased by 93, or 0.8% compared to the first quarter of the previous year and was 11,039 cars (10,946). Sales of the renewed Kamux Plus service developed very well. Revenue from integrated services decreased to EUR 9.5 million (9.9), or 6.3% (6.5) of revenue. Operating profit



decreased by -35.2% compared to the corresponding period of the previous year due to the decrease in car prices and lower average margin per car and was EUR 5.0 million (7.7), or 3.3% (5.0) of revenue. In addition, the measures to adjust the inventory to meet the changed demand had a negative impact on operating profit.

Sweden in January–March 2023

Total revenue decreased by -14.7% compared to the corresponding period of the previous year and was EUR 68.6 million (80.4). External revenue decreased by -24.4% due to a lower number of sold cars and the decrease in car prices, and was EUR 46.8 million (61.9). The number of cars sold during the quarter decreased due to weak demand and a tight purchasing market by -422, or -12.4% compared to the corresponding period of the previous year and was 2,985 cars (3,407). Revenue from integrated services was at previous year's level and was EUR 1.4 million (1.4), or 2.9% (2.3) of external revenue. Operating income decreased compared to the corresponding period of the previous year and was EUR -1.1 million (0.2), or -1.7% (0.3) of total revenue. The decrease in operating income was due to the lower number of sold cars and lower average margin per car.

Germany in January–March 2023

Total revenue increased by 9.1% compared to the corresponding period of the previous year and was EUR 25.0 million (22.9). External revenue increased by 8.3% and was EUR 24.2 million (22.4). The number of cars sold during the first quarter increased by 52, or 4.2% compared to the first quarter of the previous year and was 1,300 cars (1,248). Sales of financing and insurance services developed very well and revenue from integrated services increased to EUR 0.6 million (0.5), or 2.7% (2.4) of external revenue. Operating income decreased compared to the corresponding period of the previous year mainly due to investments in growth and was EUR -0.7 million (-0.5), or -2.9% (-2.1) of total revenue.

Consolidated balance sheet and financial position

As of March 31, 2023, the consolidated balance sheet total was EUR 212.9 million (238.4), of which total equity was EUR 108.3 million (110.0). Net debt was EUR 68.4 million (85.4). Non-current bank loans were EUR 14.3 million (16.6).

In spring 2020, Kamux renewed its five-year credit facility agreement of EUR 40 million with Nordea Bank Corporation. The 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 12.0 million of the term loan and EUR 9.4 million of the revolving credit facility were drawn. The term loan is currently repaid in bi-annual instalments of EUR 1.0 million.

In January 2023, Kamux Corporation issued a commercial paper totaling EUR 5.0 million and the commercial paper issued in autumn 2022 matured/expired. The funds acquired through the revolving credit facility and the commercial paper are used to fund working capital.

Following the completion of the Oulu showroom and processing center, a ten-year term loan of EUR 5.0 million was drawn for the property in March 2022. At the end of the quarter, EUR 4.7 million of the term loan was drawn. The term loan is repaid in bi-annual instalments of EUR 0.2 million.

Net working capital was EUR 111.2 million (122.1) as of March 31, 2023. The value of the inventory was EUR 123.1 million (146.2).

Kamux's cash flow from operating activities for January–March was EUR -8.1 million (-11.3). Cash and cash equivalents were EUR 1.6 million (1.8) at the end of the reporting period.

Equity ratio at the end of the reporting period was 51.2% (46.4). Return on capital employed (ROI) was 4.6% (11.2) and return on equity (ROE) was 6.1% (19.5).

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–March was EUR 0.4 million (1.4), and it mainly consisted of investments in IT systems and ordinary maintenance in the showrooms. Investments in the comparison period also included the investment in the Oulu showroom and processing center. The company financed this capital expenditure with its existing cash and cash equivalents, cash flow from operations as well as a revolving credit facility and commercial papers.

Kamux's research and development costs are mainly related to further development of the Company's retail concept and improvement of its business processes.

Personnel

In January–March, Kamux's average number of employees was 845 (875) in terms of full-time employees. Recruitment of new personnel will be continued to support Kamux's growth.

Average number of employees by segment

	1-3/2023	1-3/2022	1-12/2022
Finland	541	579	568
Sweden	233	218	240
Germany	71	78	75
Total	845	875	883

Kamux's share and shareholders

Kamux's largest shareholders as of March 31, 2023 were Juha Kalliokoski, including both the shares owned by Juha Kalliokoski and by an investment company controlled by persons closely associated with Juha Kalliokoski (14.7%), Danske Invest Finnish Equity Fund (5.4%) and Elo Mutual Pension Insurance Company (5.3%).

During January–March, 7,872,834 (9,534,520) Kamux shares were traded on Nasdaq Helsinki Ltd. The highest share price was EUR 5.58 (11.91) and the lowest price was EUR 4.18 (9.53). On the last trading day of the reporting period, March 31, 2023, the closing share price was EUR 5.21 (11.23). Kamux's volume-weighted average share price during January–March was EUR 4.76 (10.73). Market capitalization, excluding treasury shares, measured at the reporting period's closing price was EUR 208.5 million (449.4).

At the end of March 2023, Kamux's share capital amounted to EUR 80,000 and the number of shares was 40,017,420. In March 2023, a total of 2,060 shares were returned to the Company without consideration due to the termination of employment of persons covered by the share-based incentive plan. At the end of the reporting period, the Company held 6,098 treasury shares, representing 0.02% of all shares.

Management and Corporate Governance

Management Team

At the end of the reporting period, Kamux's Management Team included Juha Kalliokoski, CEO; Marko Lehtonen, CFO; Jani Koivu, Country Director for Finland; Kerim Nielsen, Country Director for Sweden; Martin Verrelli, Country Director for Germany; Jarkko Lehtismäki, Chief Digital Officer; Marjo Nurmi, Chief People Officer; Juha Saarinen, Chief Purchasing Officer and Vesa Uotila, Director of Business Development.

As earlier announced, Tapio Pajuharju will assume his role as CEO of Kamux on June 1, 2023.

Share-based incentive plan

On February 26, 2021, the Board of Directors of Kamux Corporation decided to approve the new long-term share-based incentive plan for the Group's key personnel for years 2021–2023. The general terms and conditions of the plan were described and published in a separate stock exchange release on February 26, 2021.

The plan is divided into three one-year earning periods, the first of which began at the beginning of the year 2021. The commitment period following the earning periods ends at April 30, 2024. In addition, the plan includes an

additional component based on the market value of the Company. Based on the additional component, if the criteria are met, additional shares are distributed after the end of the 2023 earnings period.

The entire plan is accounted for as an equity-settled payment with net settlement features. The fair value of the plan was determined on the grant date. The fair value of the plan is expensed during the three years until the end of the commitment period. In January–March 2023, the total effect of the share-based plans on the consolidated income for the financial year was EUR -0.0 million (-0.1).

On March 3, 2023 Kamux announced that an ESG criterion based on the company's sustainability program is added as a key performance indicator to the 2023 earnings criteria of the share-based incentive plan. In addition, the weight of the operating profit criterion was increased for the 2023 performance period.

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 after the reporting period on Thursday, April 20, 2023. The Meeting approved the Annual Accounts for the financial year 2022 and discharged the members of the Board of Directors and CEO from liability. The Annual General Meeting also made an advisory resolution to approve the remuneration report for the governing bodies.

Payment of dividend

The Board of Directors' proposal for a dividend of EUR 0.15 per share was approved. The dividend is paid in two installments. The record date for the first dividend installment, EUR 0.05, was April 24, 2023, and the dividend was paid on May 2, 2023. The record date for the second dividend installment, EUR 0.10, is October 24, 2023, and the dividend will be paid on October 31, 2023. The Board of Directors was authorized, if necessary, to decide on a new dividend payment record date and pay date for the second installment if the rules and statutes of the Finnish book-entry system change or otherwise so require.

Composition and remuneration of the Board of Directors

In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting confirmed that the Board of Directors will consist of six members. In accordance with the proposal of the Shareholders' Nomination Board, Mr. Terho Kalliokoski, Ms. Reija Laaksonen, Mr. Antti Mäkelä, Mr. Harri Sivula and Ms. Jaana Viertola-Truini were re-elected as members of the Board of Directors and Mr. Juha Kalliokoski was elected as a new member of the Board of Directors. In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting elected Mr. Terho Kalliokoski as the Chairperson of the Board and Mr. Harri Sivula as the Vice Chairperson of the Board.

In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting also resolved that an annual compensation of EUR 68,000 be paid to the Chairperson of the Board and EUR 31,000 to the Board Members, and an additional compensation of EUR 5,000 per year to the Chairpersons of the Audit Committee and the Personnel and Remuneration Committee and EUR 2,500 per year to each member of the Audit Committee and the Personnel and Remuneration Committee. It was resolved that 40% of the annual fee of the Chairperson and the members of the Board of Directors is paid in Kamux Corporation shares either purchased at a prevailing market price from the market or alternatively by using own shares held by the Company. The transfer of own shares or acquisition of shares directly for the members of the Board of Directors will be executed within two weeks of the publication of the interim report for the period January 1, 2023 to March 31, 2023. The rest of the annual fee will be paid in cash, which is used to cover taxes arising from the fees. The Company pays the transaction costs and transfer taxes related to the purchase and transfer of shares. The fees of the Committee members will be paid in cash. If the Board of Directors decides to establish new committees, the annual fees of the Chairperson and the members of the new committee will be equal to the annual fees of the Chairperson and the members of the other committees. 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 in accordance with the proposal of the Board of Directors. The remuneration of the auditor will be paid according to a reasonable invoice as approved by the Company. PricewaterhouseCoopers Oy has informed that Authorized Public Accountant Mr. Markku Launis will act as the principal auditor.

Authorizing the Board of Directors to decide on a share issue

The Annual General Meeting resolved to authorize the Board of Directors in accordance with the proposal of the Board to resolve on the issuance of a maximum of 4,000,000 shares in one or more tranches corresponding to approximately 10% of all the shares in the Company. The Board of Directors decides on the terms and conditions of the issuance of shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares either against payment or without consideration. The issuance of shares may be carried out in deviation from shareholders' pre-emptive right (directed issue) for a weighty financial reason from the Company's perspective, such as using the shares to develop the Company's capital structure, to finance possible acquisitions, capital expenditure or other arrangements within the scope of the Company's business operations, or to implement the Company's commitment and incentive scheme. The authorization cancels the previous authorization regarding share issue given to the Board of Directors by the Annual General Meeting on April 20, 2022. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2024.

Authorization of the Board of Directors to decide on the repurchase of the 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 of the 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 the 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 the most, corresponds to the market price in public trading at the time of the acquisition. The Board of Directors will be authorized to resolve upon how the shares are acquired. The authorization includes the Board's right to resolve on a directed repurchase or the acceptance of the 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 the 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 (ten) per cent of all shares. 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. The authorization cancels the previous authorization given to the Board of Directors by the Annual General Meeting on April 20, 2022. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2024.

Amendment of the Articles of Association

The Annual General Meeting resolved to amend the Company's Article of Association by adding a new section no. 12, which allows the Board of Directors to decide that a shareholder may also participate in a General Meeting by fully exercising their right to vote during the meeting by means of a telecommunications link and a technical aid (hybrid meeting), or that a General Meeting shall be held without a meeting place in such a way that shareholders exercise their voting rights fully and in a timely manner during the meeting by means of a telecommunications link and a technical aid (remote meeting). A shareholder attending a remote meeting may exercise all their rights at the remote meeting in the same way as if they were attending the meeting in person. In addition, the sentence "The

General Meeting must be held in Helsinki or Hämeenlinna.” was removed from the section no. 10 of the Articles of Association and it is included in the new section no. 12.

Decisions of the Constitutive Meeting of the Board of Directors

In its constitutive meeting convening after the Annual General Meeting, the Board of Directors decided to appoint Mr. Harri Sivula (chairperson), Mr. Juha Kalliokoski and Ms. Jaana Viertola-Truini as members of the Audit Committee and appoint Ms. Reija Laaksonen (chairperson), Mr. Juha Kalliokoski and Mr. Antti Mäkelä as members of the Personnel and Remuneration Committee. In accordance with the independence assessment of the Board of Directors, Mr. Juha Kalliokoski is dependent of the Company and its major shareholders. The other members are independent of both the Company and its major shareholders.

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 20, 2023.

Flagging notices

On January 13, 2023, Kamux Corporation received a notification pursuant to Chapter 9, Section 5 of the Securities Markets Act (“SMA”), according to which the total holding of funds (Danica Pension Livsforsikringsaktie and Finnish Fund) managed by Danske Bank A/S (Copenhagen, Denmark) in Kamux Corporation shares and votes had increased above five (5) percent on January 12, 2023 and was 5.05% following the notification.

Tax reassessment decision

In June 2018, Kamux announced that it had received a tax reassessment decision from the Finnish Tax Administration. The decision was related to a tax audit carried out by the Finnish Tax Administration in 2016–2018 concerning Kamux Suomi Oy and the tax years 2012–2016. Kamux expensed the total amount of the tax reassessment decision, approximately EUR 2.6 million, in full in its result for the second quarter of 2018. However, Kamux considered the decision to be unfounded and appealed against the decision.

In June 2020, the Finnish Tax Administration’s Adjustment Board partially approved the appeal by Kamux on the tax reassessment decision and ruled that the Company receive a refund of approximately EUR 0.9 million. Kamux recognized the total amount of the refund, EUR 0.9 million, in its result for the second quarter of 2020 as credit in other operating expenses. Both parties have the opportunity to appeal the decision. Kamux considers the decision of the Adjustment Board partly unfounded, and the Company placed the issue before the Administrative Court and applied for a rectification of the Adjustment Board’s ruling. In December 2022, the Administrative Court rejected Kamux’s appeal for the most part. Kamux has filed an application for leave to appeal and an appeal to the Supreme Administrative Court in January 2023.

Short-term risks and uncertainties

According to the Company’s assessment, there were no significant changes in the short-term risks and uncertainties during the reporting period.

The war in Ukraine has caused significant uncertainty across Europe. The geopolitical situation has been reflected in the markets of many European countries, for example, in connection with monetary policy, investment markets and inflation, including energy and fuel prices. If prolonged, the situation may continue to have an impact on people’s consumption behavior and purchasing power, which may also be reflected in used car sales.

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 historical performance.

Kamux’s geographical expansion involves several risks, and any failure in recognizing suitable co-operation partners, recruiting new employees or achieving the 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 occasionally 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 to 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.

Kamux offers its customers third-party financial products, which have a significant impact on its ability to make a profit. Possible major changes in lending by financial institutions, in the interest rate offered to customers or in the financial situation of an individual financial institution may affect the supply and competitiveness of such financial products in the market.

The main principles of Kamux's risk management are described in the consolidated financial statements and on Kamux's website at www.kamux.com

Significant events after the reporting period

On April 14, 2023, Kamux Corporation received a notification pursuant to Chapter 9, Section 5 of the Securities Markets Act ("SMA"), according to which the total holding of Elo Mutual Pension Insurance Company in Kamux Corporation shares and votes had decreased below five (5) percent on April 13, 2023 and was 4.97% following the notification.

On May 10, 2023 Kamux Corporation received a notification pursuant to Chapter 9, Section 5 of the Securities Markets Act ("SMA"), according to which the total holding of funds (Danica Pension Livsforsikringsaktie and Finnish Fund) managed by Danske Bank A/S (Copenhagen, Denmark) in Kamux Corporation shares and votes had decreased below five (5) percent on May 9, 2023 and was 4.95% following the notification.

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	1-3/2023	1-3/2022	1-12/2022
Operating profit (EBIT)	0.6	5.7	17.0
Strategic investigations	0.1	-	0.1
Legal processes	-	-	-0.1
Taxes related to previous financial years	0.1	-	0.2
Own real estate operations	0.1	-	0.2
Total adjustment items	0.2	-	0.4
Adjusted operating profit	0.8	5.7	17.5

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, legal processes, own real estate operations 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	=	$100 * \left(\frac{\text{Like-for-like showroom car sales}}{\text{Like-for-like showroom car sales in the previous year}} - 1 \right)$ <p><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></p>
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 Interim Report for January–March 2023

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 accounting policies and calculation methods used in the financial statements for the year 2022 as well as on the new and amended IFRS standards described in the financial statements for the year 2022. 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 2022. The same accounting principles are applied in this Interim Report as in the Annual Financial Statements.

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. In preparation of this Interim 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 2022.

The Interim Report is unaudited.

Consolidated statement of comprehensive income

EUR million	1–3/2023	1–3/2022	1–12/2022
Revenue	223.1	237.3	968.7
Other operating income	0.3	0.2	1.1
Materials and services	-202.6	-213.2	-875.7
Personnel costs	-12.2	-11.7	-46.9
Other operating expenses	-4.8	-3.9	-17.7
Depreciation and amortization	-3.2	-3.0	-12.4
Operating profit	0.6	5.7	17.0
Finance income and costs	-0.3	-0.1	-1.8
Profit before income tax	0.3	5.5	15.3
Income tax	-0.3	-1.3	-4.4
Profit for the period	0.0	4.2	10.8
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Translation differences	-0.0	-0.0	-0.3
Other comprehensive income for the period, net of tax	-0.0	-0.0	-0.3
Total comprehensive income for the period	-0.0	4.2	10.5
Profit for the period attributable to owners of the Company	0.0	4.2	10.8
Total comprehensive income for the period attributable to owners of the Company	-0.0	4.2	10.5
Earnings per share for profit attributable to owners of the Company			
Earnings per share, basic, EUR	0.00	0.11	0.27
Earnings per share, diluted, EUR	0.00	0.10	0.27

Consolidated balance sheet

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
ASSETS			
Non-current assets			
Intangible assets	5.6	6.3	5.9
Goodwill	14.0	14.0	14.0
Property, plant and equipment	6.9	6.9	6.9
Lease assets	37.6	44.3	39.2
Other receivables	0.2	0.2	0.2
Deferred tax assets	1.3	1.4	1.3
Total non-current assets	65.6	73.0	67.4
Current assets			
Inventories	123.1	146.2	114.1
Trade and other receivables	19.5	17.0	17.2
Derivative financial instruments	-	0.2	-
Current income tax assets	3.0	0.3	1.6
Cash and cash equivalents	1.6	1.8	4.2
Total current assets	147.3	165.4	137.1
TOTAL ASSETS	212.9	238.4	204.6
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	0.1	0.1	0.1
Reserve for invested unrestricted equity	24.7	24.7	24.7
Translation differences	-0.3	0.0	-0.3
Treasury shares	-	-0.0	-
Retained earnings	83.9	81.0	73.0
Profit for the period	0.0	4.2	10.8
Total equity attributable to owners of the Company	108.3	110.0	108.4
Non-current liabilities			
Borrowings	14.3	16.6	15.5
Lease liabilities	29.6	35.9	31.2
Other non-current liabilities	0.0	0.0	0.0
Provisions	0.4	0.4	0.4
Total non-current liabilities	44.3	52.9	47.0
Current liabilities			
Borrowings	16.7	24.9	7.3
Lease liabilities	9.3	9.6	9.3
Derivative financial instruments	0.1	-	0.2
Trade and other payables	31.0	37.8	29.3
Provisions	3.1	3.2	3.1
Current income tax liabilities	-	-	-
Total current liabilities	60.3	75.5	49.2
Total liabilities	104.6	128.4	96.2
TOTAL EQUITY AND LIABILITIES	212.9	238.4	204.6

Consolidated statement of changes in equity

EUR million	Share capital	Reserve for invested unrestricted equity	Translation differences	Treasury shares	Retained earnings	Total equity
Equity Jan 1, 2023	0.1	24.7	-0.3	-	83.8	108.4
Profit for the period					0.0	0.0
Other comprehensive income			-0.0			-0.0
Total comprehensive income			-0.0		0.0	-0.0
Transactions with owners:						
Share-based payments					0.0	0.0
Equity Mar 31, 2023	0.1	24.7	-0.3	-	83.9	108.3
Equity Jan 1, 2022	0.1	24.7	0.0	-0.0	81.0	105.7
Profit for the period					4.2	4.2
Other comprehensive income			-0.0			-0.0
Total comprehensive income			-0.0		4.2	4.2
Transactions with owners:						
Share-based payments					0.0	0.0
Equity Mar 31, 2022	0.1	24.7	0.0	-0.0	85.2	110.0

Consolidated statement of cash flows

EUR million	1-3/2023	1-3/2022	1-12/2022
Cash flows from operating activities			
Profit for the period	0.0	4.2	10.8
Adjustments for:			
Depreciation and amortization	3.2	3.0	12.4
Finance income and costs	0.3	0.1	1.8
Change in provisions	0.0	-0.2	-0.2
Write-down of inventories	0.1	0.2	0.7
Income taxes	0.3	1.3	4.4
Other non-cash items	0.0	0.1	0.2
Changes in working capital:			
Change in trade receivables and other receivables	-2.5	1.1	0.8
Change in trade payables and other payables	2.0	-3.9	-11.9
Change in inventories	-9.5	-13.7	15.4
Interests paid	-0.5	-0.3	-1.2
Other financial items, net	0.1	-0.0	0.1
Income taxes paid	-1.7	-3.1	-7.5
Net cash inflow (outflow) from operating activities	-8.1	-11.3	26.1
Cash flows from investing activities			
Investments in property, plant and equipment	-0.2	-1.0	-1.9
Investments in intangible assets	-0.2	-0.3	-1.2
Net cash inflow (outflow) from investing activities	-0.4	-1.4	-3.1
Cash flows from financing activities			
Proceeds from bank loans	14.4	22.1	24.4
Repayments of bank loans	-6.2	-6.0	-27.0
Repayments of lease liabilities	-2.5	-2.4	-9.6
Dividends paid	-	-	-8.0
Other cash flows from financing activities	0.0	-0.1	0.1
Net cash inflow (outflow) from financing activities	5.8	13.6	-20.2
Net decrease/increase in cash and cash equivalents	-2.8	0.9	2.8
Cash and cash equivalents at the beginning of the period	4.2	0.9	0.9
Effects of exchange rate changes on cash and cash equivalents	0.2	-0.1	0.6
Cash and cash equivalents at the end of period	1.6	1.8	4.2

Earnings per share

	1-3/2023	1-3/2022	1-12/2022
Profit for the period attributable to Owners of the Company (EUR million)	0.0	4.2	10.8
Impact of share-based compensation plan on number of shares	-23	-4	-22
Weighted average number of shares outstanding during the period, basic, in thousands of shares	39,990	39,976	39,983
Earnings per share, basic (EUR)	0.00	0.11	0.27
Impact of share-based compensation plan on number of shares	-22	3	-18
Weighted average number of shares outstanding during the period, fully diluted, in thousands of shares	39,990	39,986	39,989
Earnings per share, fully diluted (EUR)	0.00	0.10	0.27

Segments

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1-3/2023							
Revenue	152.0	68.6	25.0	245.6		-22.5	223.1
internal	-0.0	21.8	0.8	22.6		-22.5	0.0
external	152.0	46.8	24.2	223.1			223.1
sales of used cars	142.5	45.4	23.6	211.5			211.5
integrated services	9.5	1.4	0.6	11.5			11.5
Gross profit	15.6	3.4	1.7	20.7			20.7
EBITDA	6.7	-0.4	-0.4	5.9	-2.1		3.8
Depreciation and amortization	-1.7	-0.8	-0.3	-2.8	-0.4		-3.2
Operating profit	5.0	-1.1	-0.7	3.1	-2.5		0.6
Finance income and costs							-0.3
Profit before income tax							0.3

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1-3/2022							
Revenue	153.0	80.4	22.9	256.4		-19.1	237.3
internal	-0.0	18.6	0.5	19.1		-19.1	0.0
external	153.0	61.9	22.4	237.3			237.3
sales of used cars	143.1	60.5	21.8	225.4			225.4
integrated services	9.9	1.4	0.5	11.8			11.8
Gross profit	17.8	4.8	1.6	24.3			24.3
EBITDA	9.7	0.9	-0.2	10.4	-1.7		8.7
Depreciation and amortization	-2.0	-0.7	-0.3	-3.0	-0.0		-3.0
Operating profit	7.7	0.2	-0.5	7.4	-1.7		5.7
Finance income and costs							-0.1
Profit before income tax							5.5

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1-12/2022							
Revenue	624.5	301.3	95.5	1,021.2		-52.6	968.7
internal	-0.0	50.4	2.1	52.5		-52.6	-0.1
external	624.5	250.9	93.4	968.8			968.8
sales of used cars	582.1	244.6	89.1	915.9			915.9
integrated services	42.4	6.3	4.2	52.9			52.9
Gross profit	67.6	18.0	8.5	94.1			94.1
EBITDA	34.7	2.5	0.9	38.1	-8.6		29.5
Depreciation and amortization	-8.2	-3.1	-1.1	-12.4	-0.0		-12.4
Operating profit	26.5	-0.6	-0.2	25.7	-8.6		17.0
Finance income and costs							-1.8
Profit before income tax							15.3

Net working capital

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Inventories	123.1	146.2	114.1
Trade and other receivables	19.5	17.0	17.2
Current income tax receivables	3.0	0.3	1.6
Trade and other payables	-31.0	-37.8	-29.3
Provisions	-3.5	-3.5	-3.4
Current income tax liabilities	-	-	-
Net working capital	111.2	122.1	100.2

Net debt

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Non-current interest-bearing liabilities			
Bank loans	14.3	16.6	15.5
Lease liabilities	29.6	35.9	31.2
Total non-current interest-bearing liabilities	44.0	52.6	46.7
Current interest-bearing liabilities			
Bank loans	7.3	7.3	2.3
Bank overdrafts	4.4	2.6	-
Issued commercial papers	5.0	15.0	5.0
Lease liabilities	9.3	9.6	9.3
Total current interest-bearing liabilities	26.1	34.5	16.7
Total interest-bearing liabilities	70.0	87.1	63.3
Less cash and cash equivalents	-1.6	-1.8	-4.2
Net debt	68.4	85.4	59.1

Additional information on Net debt development is presented in the section Consolidated balance sheet and financial position.

Derivatives

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Foreign currency derivatives			
Fair value	-0.1	0.2	-0.2
Value of underlying instrument	18.3	14.2	18.3

Lease agreements and other commitments

Changes of lease agreements in the balance sheet

EUR million	Lease assets	Lease liabilities
Jan 1, 2023	39.2	40.5
Increases	1.3	1.3
Decreases	-0.2	-0.2
Depreciation	-2.5	-
Exchange rate differences and other changes	-0.2	-0.2
Interest expenses	-	-0.1
Repayments of lease liability	-	-2.4
Mar 31, 2023	37.6	39.0

EUR million	Lease assets	Lease liabilities
Jan 1, 2022	44.6	45.9
Increases	2.2	2.2
Decreases	-0.0	-0.0
Depreciation	-2.4	-
Exchange rate differences and other changes	-0.2	-0.2
Interest expenses	-	-0.1
Repayments of lease liability	-	-2.3
Mar 31, 2022	44.3	45.6

Changes of lease agreements in the statement of comprehensive income

EUR million	1-3/2023	1-3/2022	1-12/2022
Depreciation of lease assets	-2.5	-2.4	-9.7
Interest cost from lease liabilities	-0.1	-0.1	-0.5
Costs from short-term leases	-0.0	-0.0	-0.1
Costs from service components included in lease agreements	-0.1	-0.1	-0.4
Total expense in the statement of comprehensive income	-2.7	-2.6	-10.6

Loans against which guarantees and mortgages have been given

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Loans	26.1	26.6	17.8
guarantees given against loans	110.0	110.0	110.0

Other commitments

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Rent and other payment guarantees	0.2	0.4	0.3

Related party transactions

EUR million	1-3/2023	1-3/2022	1-12/2022
Sales of used cars	0.0	-	0.0
Purchases of used cars	-0.1	-	-0.3

EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Lease liabilities	1.9	2.1	1.9

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.

The Group's lease liabilities to related parties include the present value of future lease payments for showrooms leased from the Group's CEO, his immediate family members and companies under their control.



Publication schedule for financial reporting in 2023

Publication schedule for Kamux Corporation's financial reporting in 2023 is as follows:

- Half-Year Report for January–June 2023 August 11, 2023
- Interim Report for January–September 2023 November 10, 2023

Hämeenlinna, May 12, 2023

Kamux Corporation
Board of Directors