

Revenue grew and adjusted operating profit increased significantly

Interim Report for January–September 2023

CEO Tapio Pajuharju

CFO Marko Lehtonen

Kamux 20 years in October 2023



Landmark of
**500,000 sold
cars** achieved
during Q3
2023.

The iconic Kamux Beetle has made a comeback and will tour Finland throughout the 20-year anniversary



Table of contents

Interim Report for January–September 2023

Q3 in brief

**Market position,
Q3 Highlights,
Strategy**

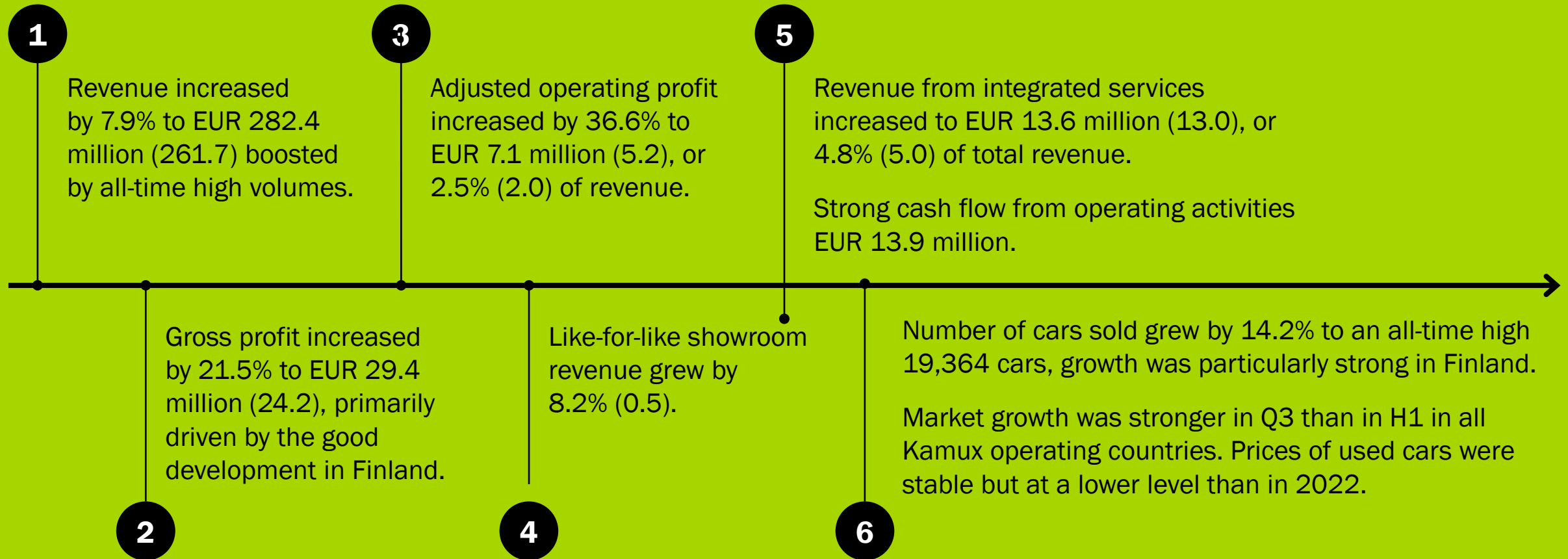
**Financial
development**

**Outlook and
financial targets,
Summary**

Kamux Vision #1 used car retailer in Europe



Solid performance with all-time high volumes, operating profit gradually improving



Used car market growth picking up in Q3, but volumes still below 2021 levels

Market	Market size (2022)	Kamux market share	Market development in Q3 2023	Kamux position and development in Q3 2023
Finland	~0.6 million cars	~8.0% #1	We estimate that the market for used cars grew vs. Q3 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 vs. Q3 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. Q3 2022 but there were regional differences.	Kamux maintained its market share

New passenger car registrations across the EU grew 16.9% in Jan–Sept 2023 (ACEA).

New car registrations in Kamux's markets in Jan–Sept 2023:
Finland +9.0%
Sweden +3.0%
Germany +14.5%

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.

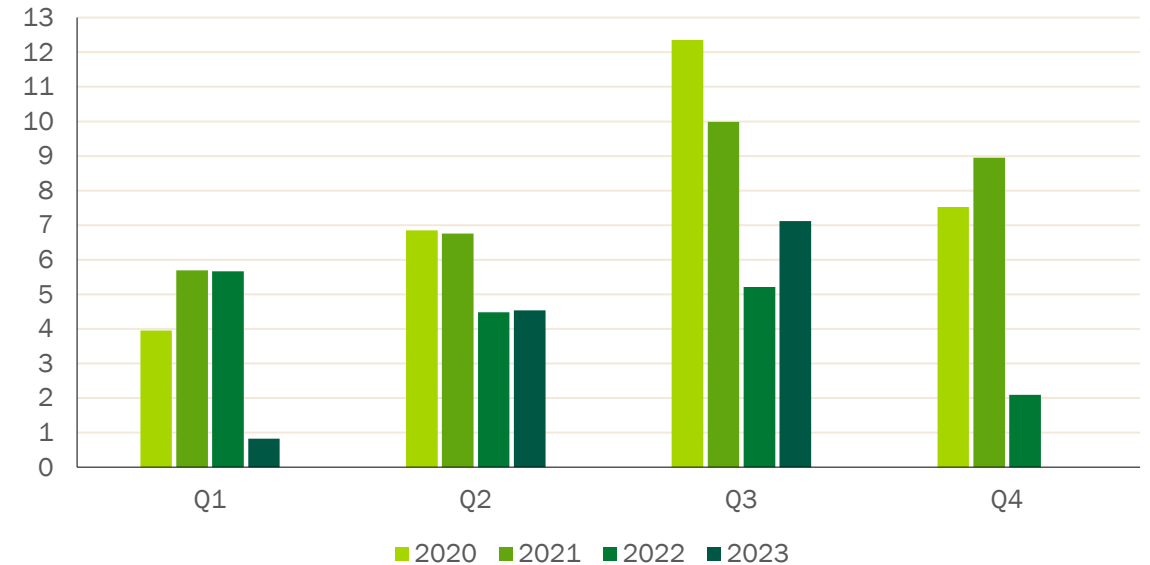
Strong volume growth not fully visible in revenue, operating profit improving as actions start to deliver

Revenue (EUR million)



Revenue increased by 7.9% and was EUR 282.4 million (261.7).

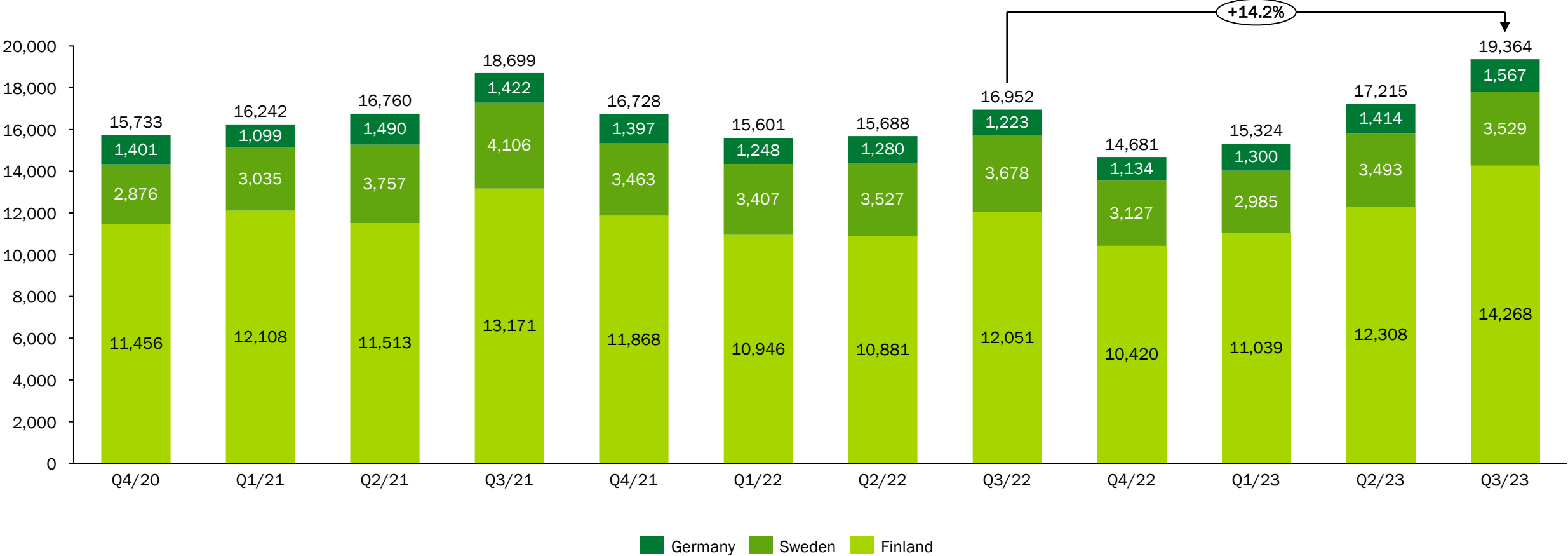
Adjusted operating profit (EUR million)



Adjusted operating profit (EBIT) increased 36.6% and was EUR 7.1 million (5.2), or 2.5% (2.0) of revenue.

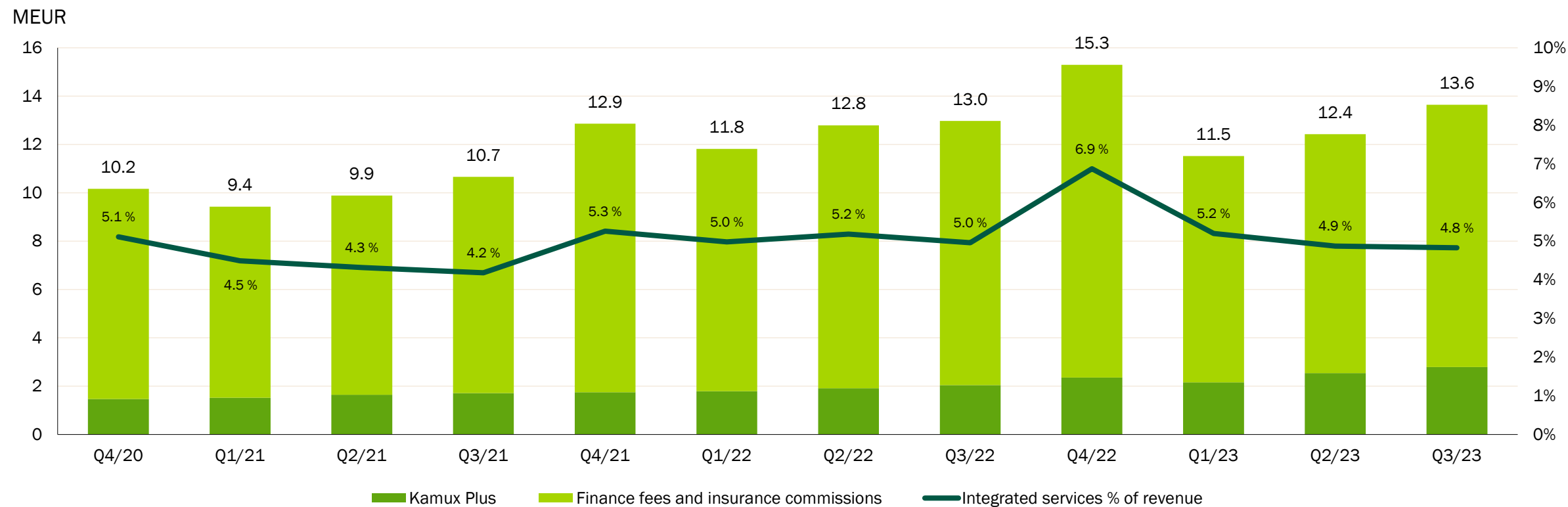
All-time high number of cars sold with Finland breaking records in three consecutive months

Sold cars (pcs)



Kamux Plus growth solid, finance fees challenged by the increased interest rates

Revenue from integrated services



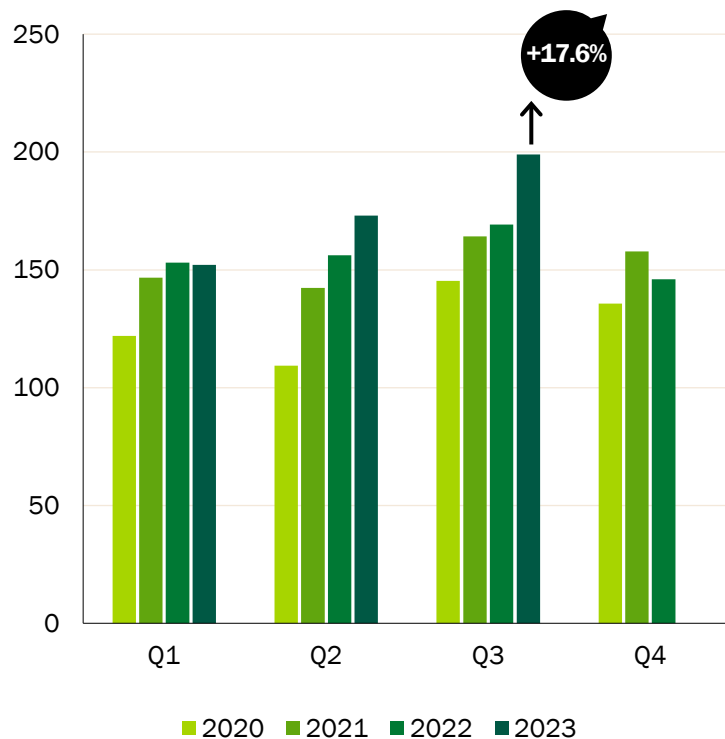
New openings and showrooms

	FINLAND	SWEDEN	GERMANY	TOTAL
Q1/2023	Lielähti and Hatanpää combined. Utility vehicles in Tampere to Lakalaiva	Värmdö showroom closed		-1
Q2/2023	Raahe showroom closed end of May		Düren showroom opened	+0
Q3/2023		Halmstad and Linköping to larger premises	Heide relocated	+0
Q4/2023	Niittykumpu upgrade and re-opening. Porvoo expansion to larger premises.			+0
Total showrooms on November 9, 2023	46	23	8	77
Announced openings/closures	New showroom in Tampere to be opened in spring 2024		New showroom to open in Hameln in Dec 2023. Ahrensburg to relocate early 2024.	+2

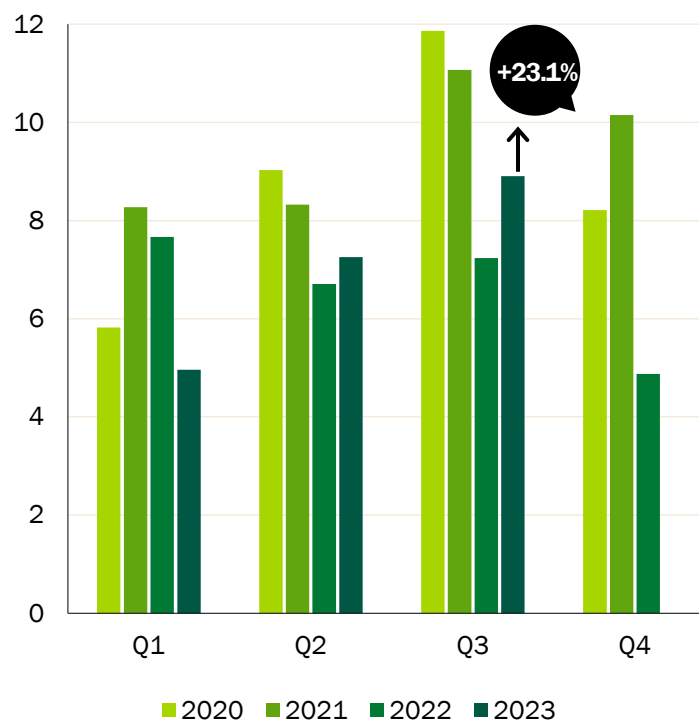


Kamux Finland – all-time high volumes boosted revenue, profitability improving steadily

Revenue (EUR million)



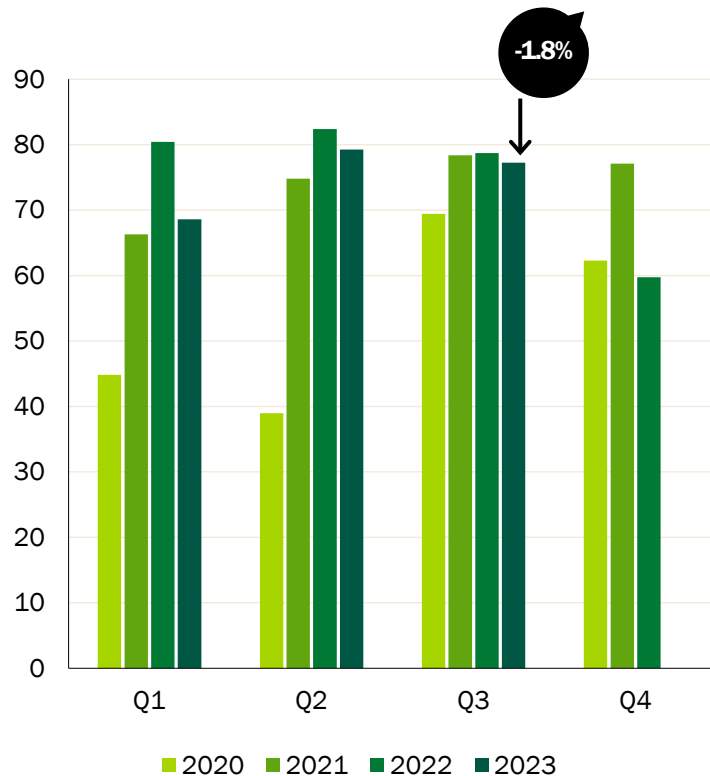
Operating Profit (EUR million)



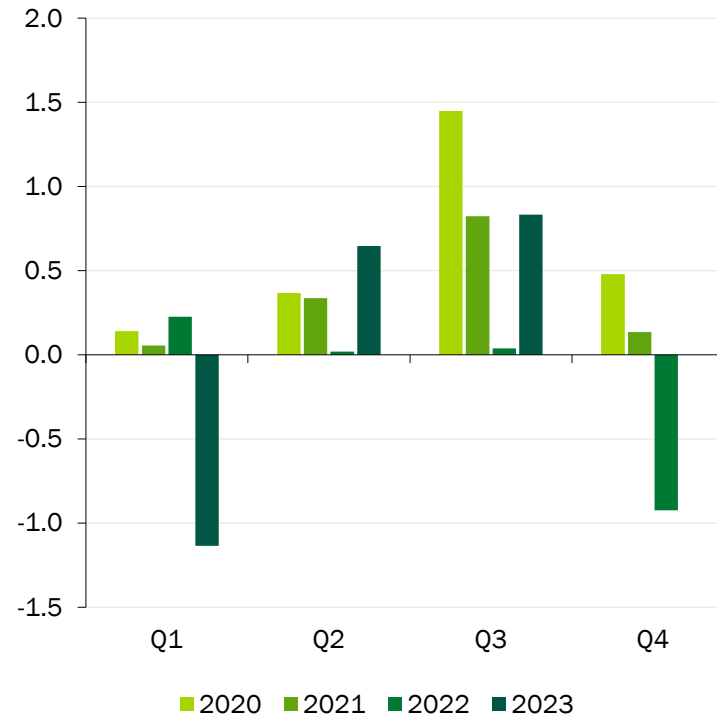
- Revenue increased by 17.6% compared to the previous year and was EUR 199.0 million (169.2). Revenue growth was due to the increase in number of cars sold.
- Gross margin increased compared to the previous year and was EUR 21.5 million (17.4), or 10.8% (10.3) of revenue.
- Operating profit increased by 23.1% compared to the previous year and was EUR 8.9 million (7.2), or 4.5% (4.3) of revenue.
- Revenue from integrated services increased to EUR 11.5 million (10.5), or 5.8% (6.2) of revenue.
- Strong operating profit improvement following excellent volume development and healthy margins.

Kamux Sweden – profitability improvement continuing, topline somewhat affected by lack of cars

Revenue (EUR million)



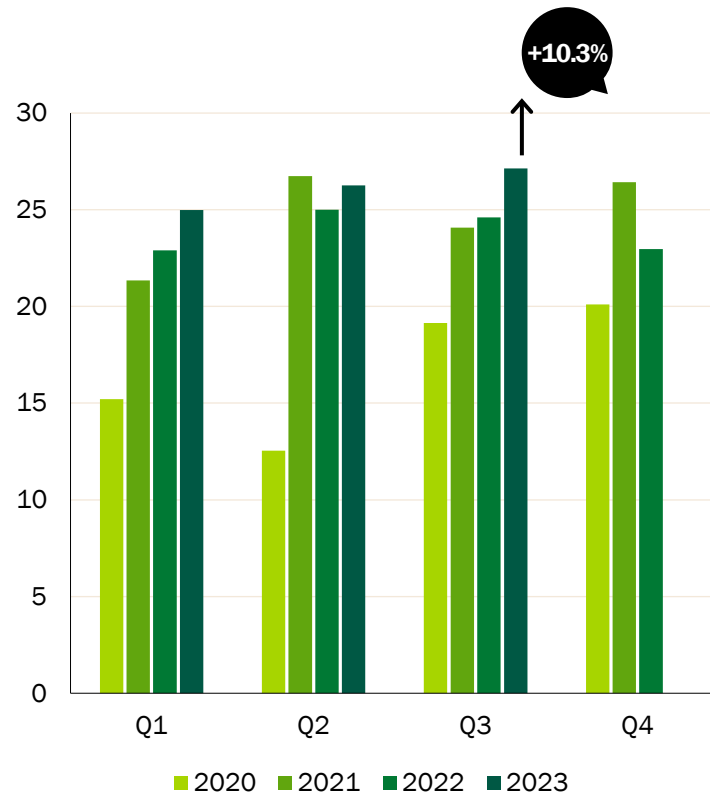
Operating Profit (EUR million)



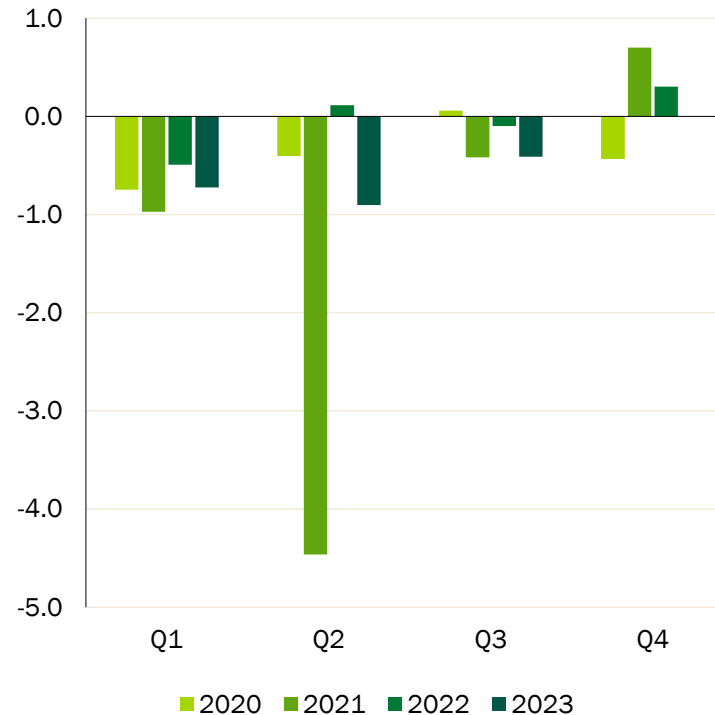
- Total revenue decreased by -1.8% compared to the previous year and was EUR 77.3 million (78.7).
- Gross margin increased compared to the previous year and was EUR 5.7 million (4.8), or 7.4% (6.1) of revenue.
- Operating profit increased compared to the previous year and was EUR 0.8 million (0.0), or 1.1% (0.0) of total revenue.
- Revenue from integrated decreased to EUR 1.3 million (1.5), or 2.3% (2.2) of external revenue.
- External revenue decreased due to a lower number of cars sold, partially due to challenging purchasing market in July and August. Operating profit increased as a result of improved average margin per car.

Kamux Germany – strong revenue growth, but process improvements not yet visible in operating profit

Revenue (EUR million)



Operating Profit (EUR million)



- Total revenue increased by 10.3% compared to the previous year and was EUR 27.1 million (24.6). External revenue increased by 9.7%.
- Gross margin increased compared to the previous year and was EUR 2.1 million (2.0), or 7.8% (8.2) of revenue.
- Operating loss increased compared to the previous year and was EUR -0.4 million (-0.1), or -1.5% (-0.4%) of total revenue.
- Revenue from integrated services decreased to EUR 0.8 million (0.9), or 3.0% (3.8) of external revenue.
- Operating income was burdened by significant investments in the processing of cars and customer service.

**Strategy review
and update are
ongoing – ready to
be published in
spring 2024.**



Kamux Way – cornerstones of our way of operating

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



Financial development

Gradual recovery of used car markets boosting volumes, helping Kamux's revenue and margins grow

- Average price per car slightly lower than previous year, impacting revenue
- Gross margin per car was EUR 1,517, improving from the previous year
- Operating leverage is working, though operating expenses increased compared to the previous year
- Successful inventory management
- Return on equity (ROE) was 6.8%, down from the previous year
- Equity ratio of 48%, slight improvement on the previous year
- Basic earnings per share of EUR 0.12, significant improvement on the previous year

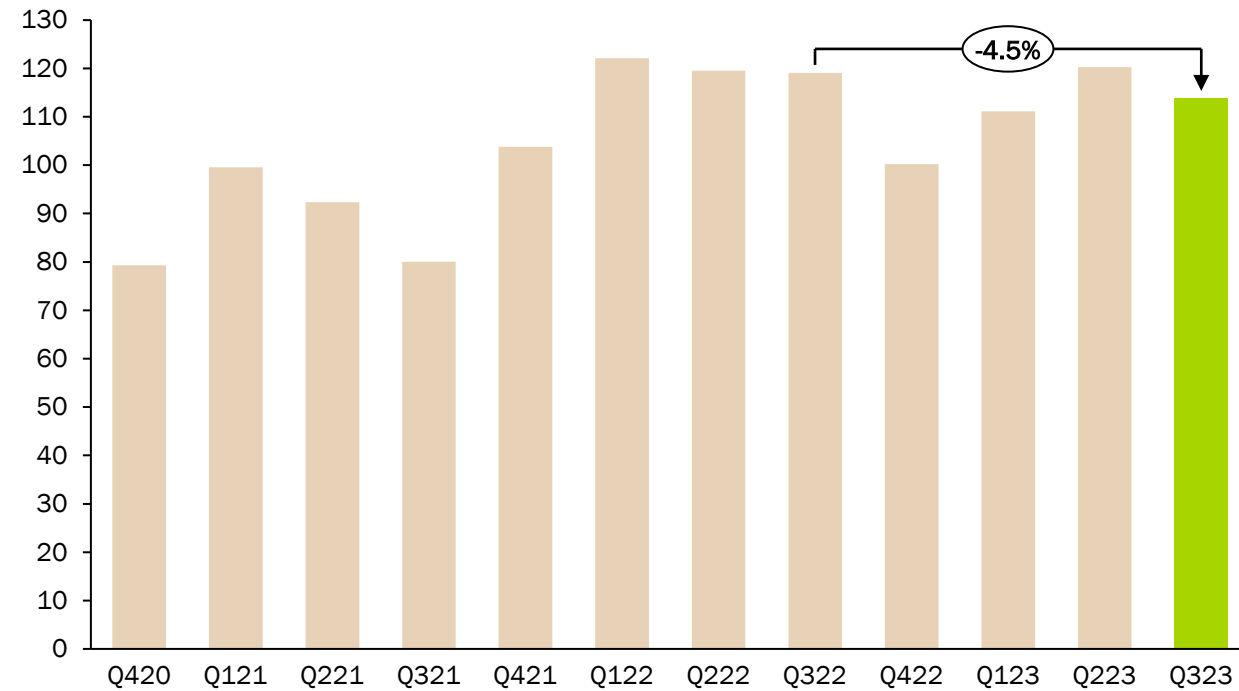
Strong balance sheet is the backbone of the growth strategy

Key Figures

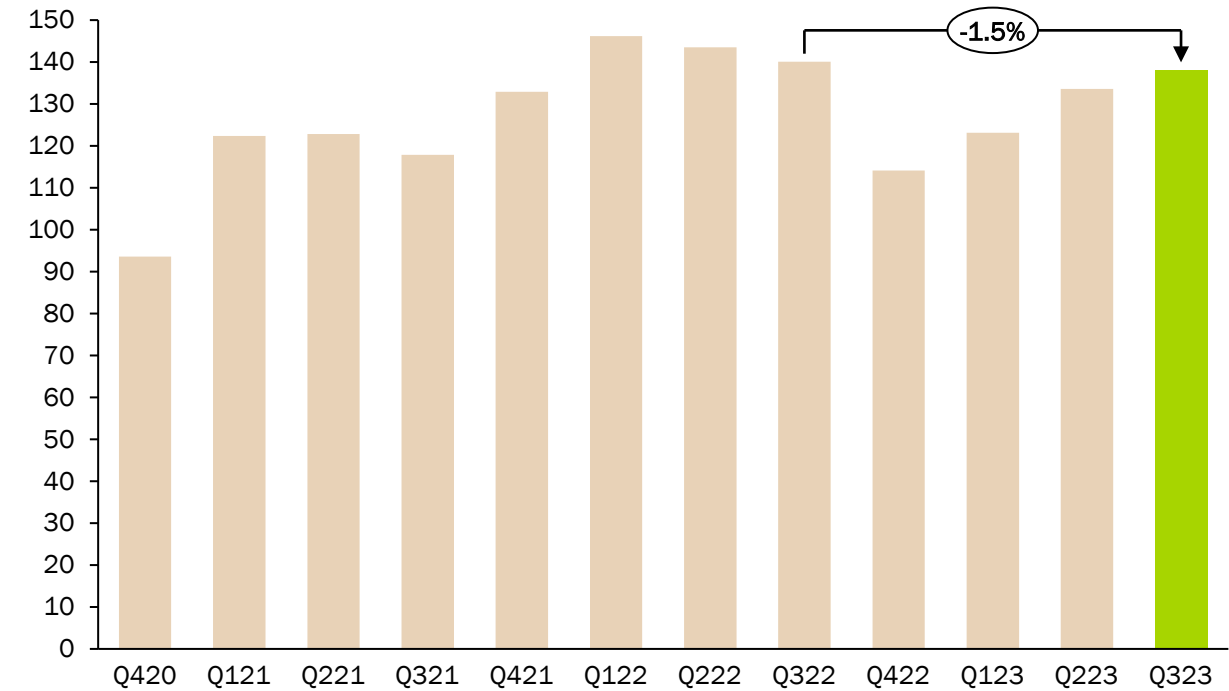
(MEUR)	7-9/2023	7-9/2022	Change, %	1-9/2023	1-9/2022	Change, %	1-12/2022
Revenue	282.4	261.7	7.9%	760.5	745.8	2.0%	968.7
Gross profit	29.4	24.2	21.5%	76.4	72.9	4.8%	94.1
as percentage of revenue, %	10.4%	9.2%		10.0%	9.8%		9.7%
Operating profit (EBIT)	6.8	5.2	31.0%	11.3	15.4	-26.6%	17.0
as percentage of revenue, %	2.4%	2.0%		1.5%	2.1%		1.8%
Adjusted operating profit	7.1	5.2	36.6%	12.5	15.4	-18.8%	17.5
as percentage of revenue, %	2.5%	2.0%		1.6%	2.1%		1.8%
Revenue from integrated services	13.6	13.0	5.1%	37.6	37.6	0.0%	52.9
as percentage of revenue, %	4.8%	5.0%		4.9%	5.0%		5.5%
Sales growth of like-for-like showrooms, %	8.2%	0.5%		1.3%	4.6%		0.6%
Inventory turnover, days				57.2	52.9	8.1%	51.5
Return on equity (ROE), %				6.8%	17.5%		10.1%
Return on capital employed (ROI), %				4.5%	10.7%		7.2%
Equity ratio, %				48.0%	47.4%		53.2%

Improved inventory management

Net Working Capital (EUR million)

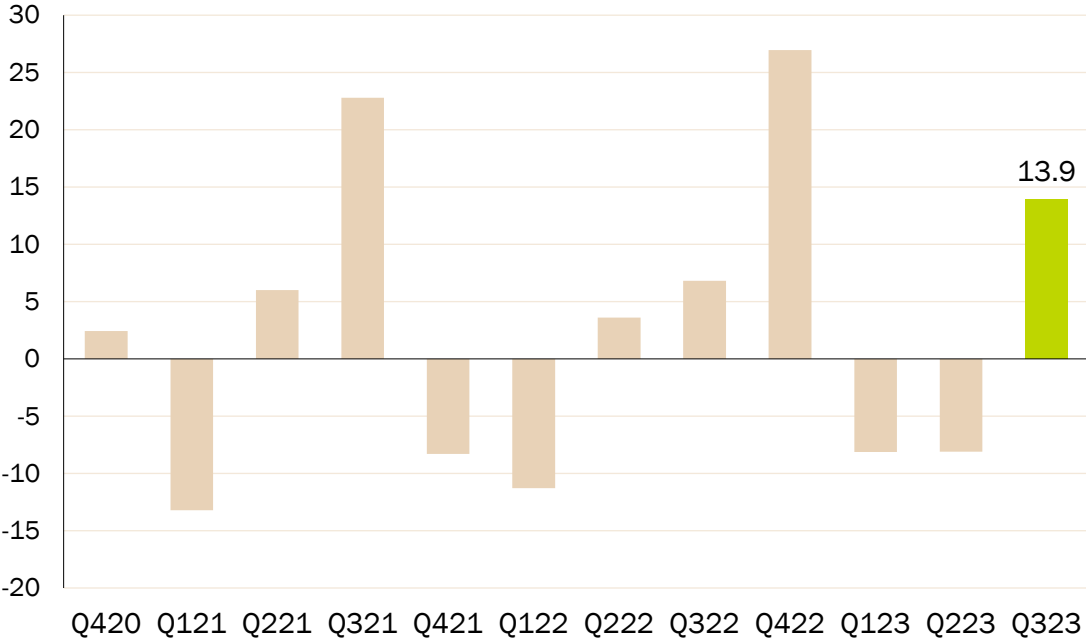


Inventories (EUR million)

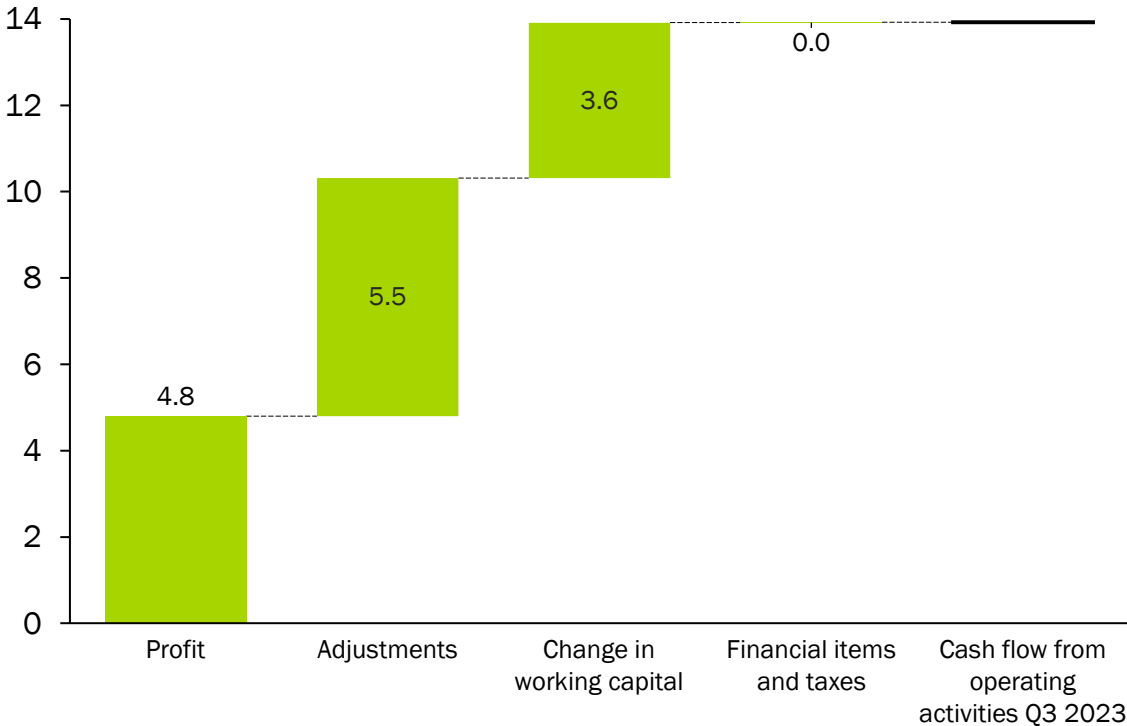


Strong cash flow from Operating activities

Cash Flow from Operating Activities
(EUR million)

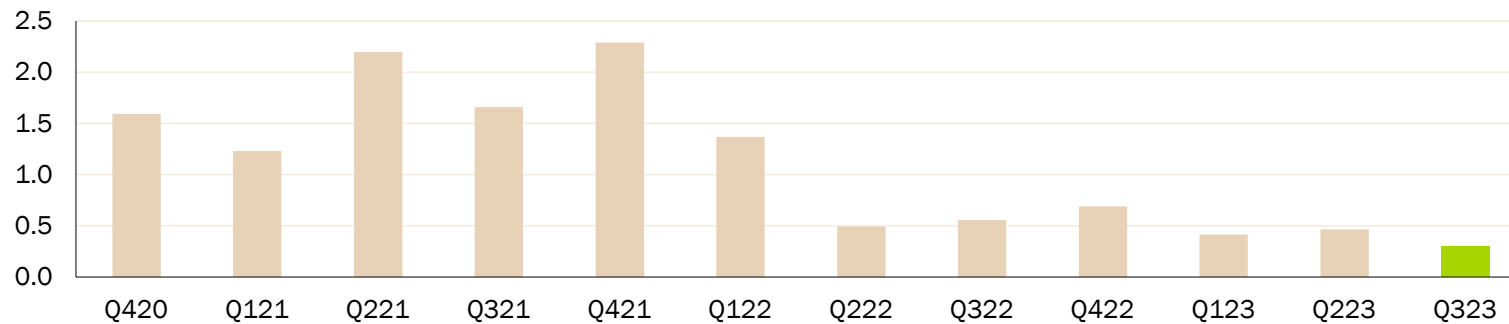


Components of Cash Flow from Operating Activities
Q3 2023 (EUR million)

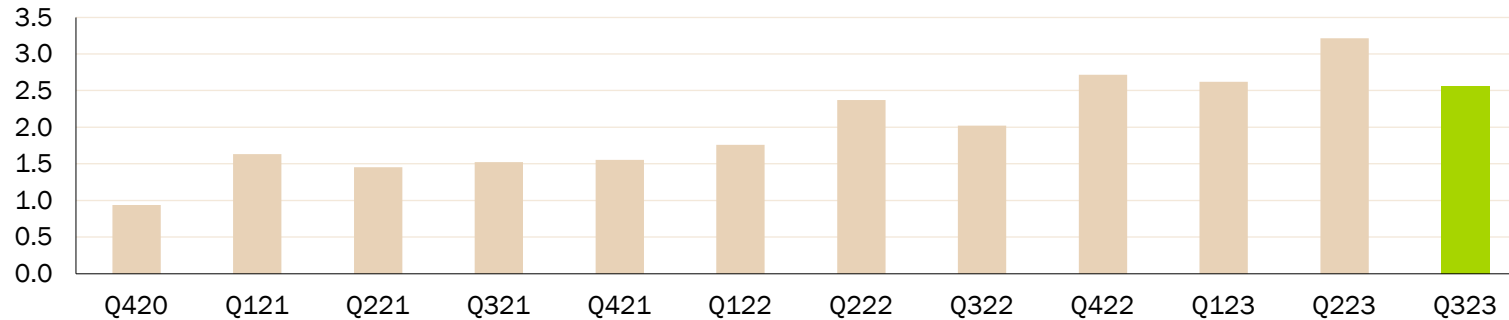


Moderate investments in showroom upgrades and IT systems, more digital capabilities in-house

Investments (EUR million)



Group Functions (EUR million)



- 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 Q3 2023 were directed as follows:
 - Showroom upgrades
 - IT systems

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 was paid in two instalments
 - EUR 0.05 per share was paid on May 2, 2023
 - EUR 0.10 per share was paid on October 31, 2023



A photograph of two men in a car dealership. The man on the left, wearing a grey sweater and jeans, is leaning over the open driver's side door of a silver car, looking into the interior. The man on the right, wearing a dark green zip-up jacket over a patterned scarf and a dark hoodie, is standing next to him, smiling and gesturing towards the car's interior. In the background, other cars and dealership staff are visible, though out of focus. The lighting is bright and even, typical of a modern car showroom.

Outlook and financial targets

Financial Targets 2021–2023

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

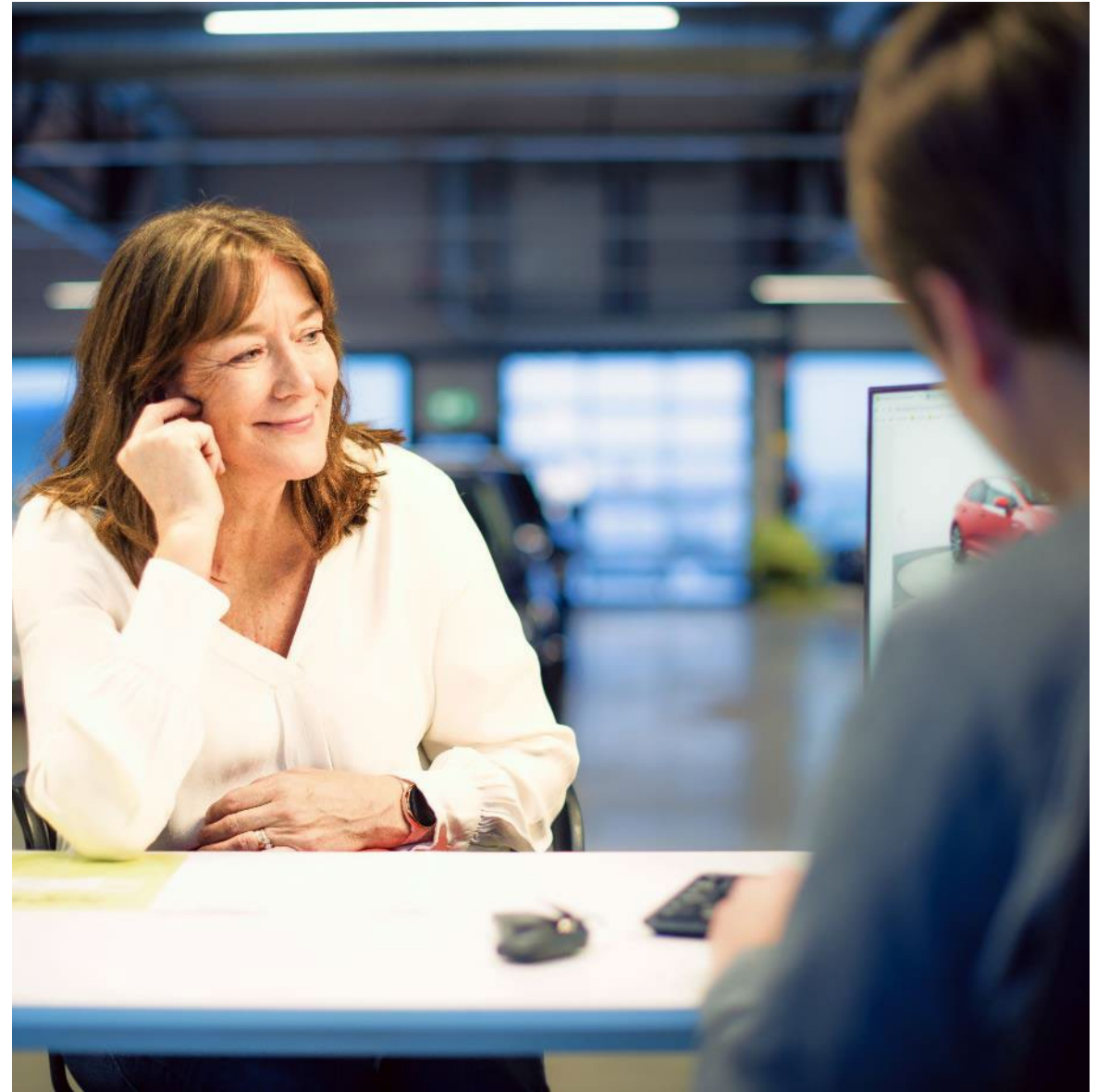
- Revenue growth of over 20% annually
- Annually increasing adjusted EBIT and adjusted EBIT margin over 3.5%
- Return on equity (ROE) over 25%
- Target to distribute at least 25% of net profits as dividend *

Indicator	Target (from Feb 26, 2021)	Actual 1-9/2023
Revenue growth annually	Over 20%	2.0%
Adjusted operating profit	Annually increasing	EUR 12.5 million (1-9/2022: 15.4)
Adjusted operating profit (EBIT) margin	Over 3.5%	1.6%
Return on equity (ROE)	Over 25%	6.8%
Dividend	At least 25% of net profits	Dividend for the year 2022 55%

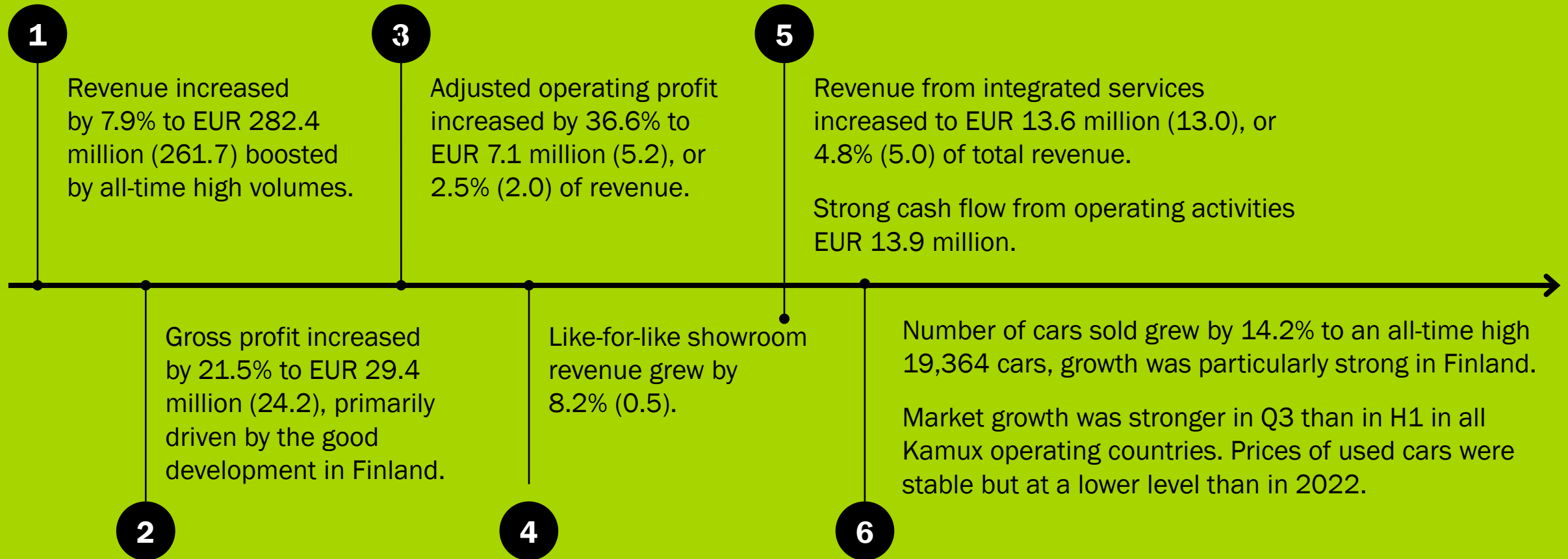
*) The Board of Directors of the Company estimates annually the balance between dividend to be distributed and funds to be used for Kamux's growth and based on this assessment, makes a proposal on the amount of dividend to be distributed, which may for any single year differ significantly from the target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



Solid performance with all-time high volumes, operating profit gradually improving





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.