

Kamux Interim Report

Q1 2023

CEO Juha Kalliokoski
CFO Marko Lehtonen



Table of contents

Q1 2023 Interim Report

Q1 in brief

**Financial
development**

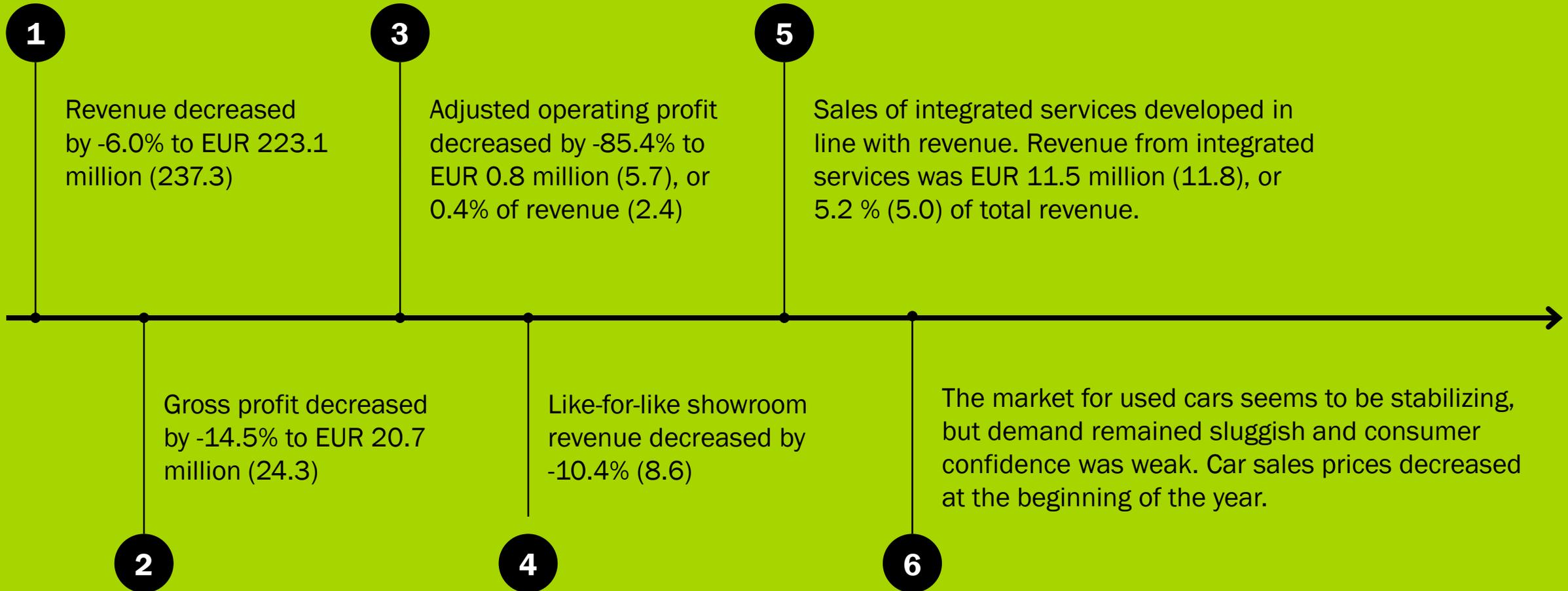
**Strategy, outlook
and financial
targets**

Summary

Kamux Vision #1 used car retailer in Europe



Kamux Q1 2023 in brief – decrease in car prices and sluggish demand burdened the 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 Q1 2023
Finland	~0.6 million cars	~8.0% #1	We estimate that the market for used cars grew moderately vs. Q1 2022	Kamux maintained its position as #1
Sweden	~1.2 million cars	~1.2% Top 5	We estimate that the market for used cars has contracted slightly vs. Q1 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 moderately vs. Q1 2022	Kamux maintained its market share

New passenger car registrations across the EU grew 17.9% in Q1 2023 (ACEA).

In the Nordics, there were less new car registrations than in Q1 2022.



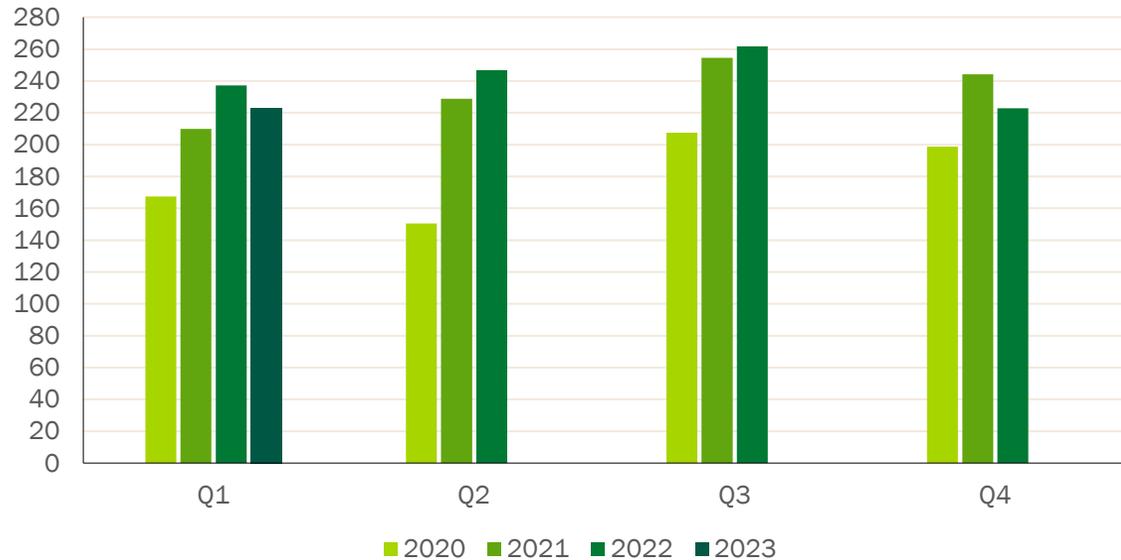
Kamux is Europe's fifth largest used car retailer

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	Tšekki	4	89,100
Aramis	Ranska	6	71,949
Autohero	Saksa	9	64,164
Kamux	Suomi	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.

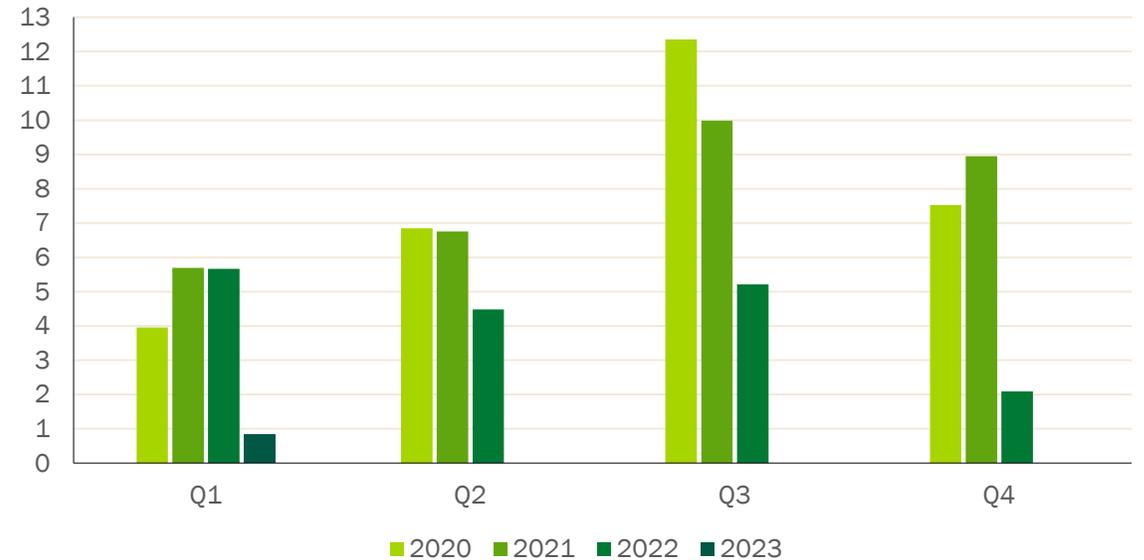
Kamux Q1 2023 – decrease in prices and sluggish demand had a negative impact on revenue and burdened the operating profit

Revenue (EUR million)



Revenue decreased by -6.0% and was EUR 223.1 million (237.3)

Adjusted operating profit (EUR million)

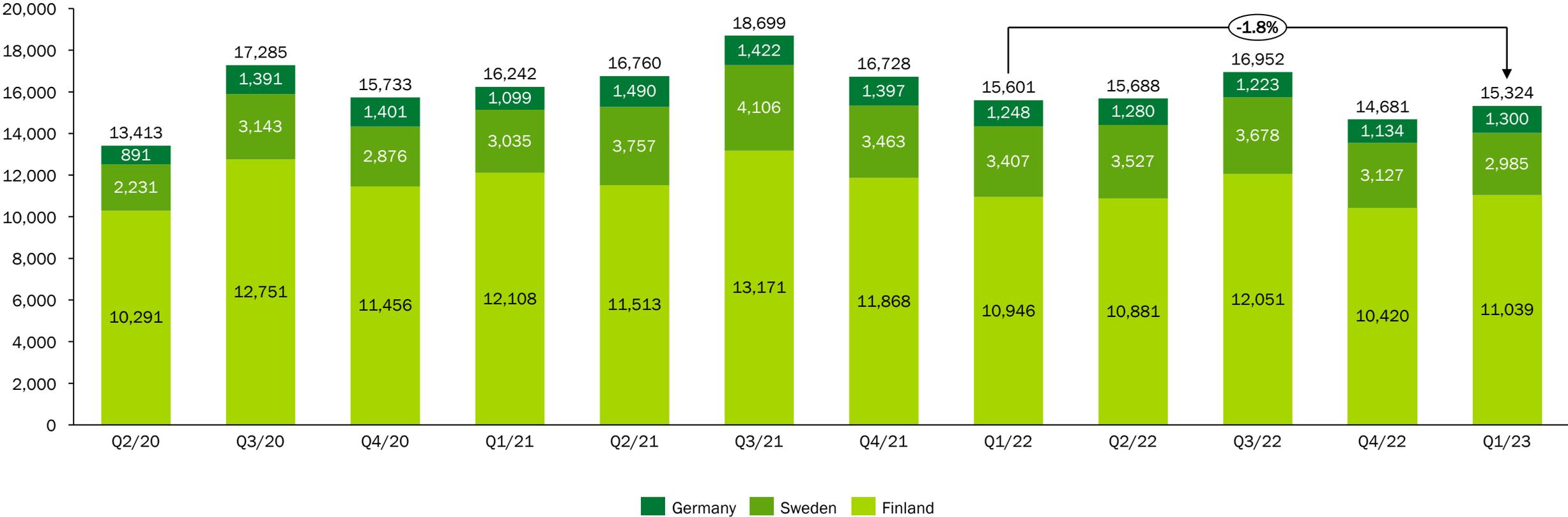


Adjusted operating profit (EBIT) decreased to EUR 0.8 million (5.7), or 0.4% (2.4) of revenue



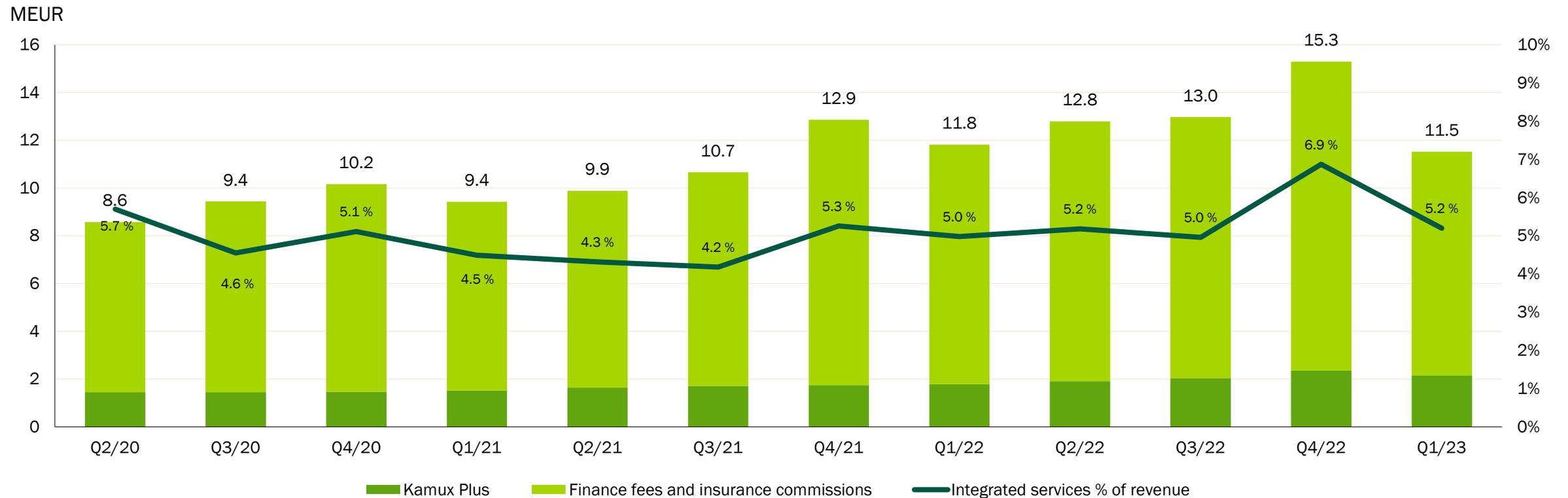
Number of sold cars decreased in Q1 2023 as the market stabilized slowly

Sold cars (pcs)



Revenue from integrated services decreased slightly in Q1 2023

Revenue from integrated services



New openings and showrooms on May 12, 2023

	FINLAND	SWEDEN	GERMANY	TOTAL
Q1/2023	Lielähti and Hatanpää were combined Utility vehicles in Tampere to Lakalaiva	Värmdö showroom closed		-1
Q2/2023			Düren showroom opened	+1
Total showrooms on March 3, 2023	47	23	8	78
Announced openings/closures	Raahe showroom to be closed by the end of May			-1

Financial development

Kamux's balance sheet continues to be very strong

- The impact of the war in Ukraine was limited in the comparison period
- Used car prices decreased at the beginning of the year, burdening car margins
- Gross margin per car was EUR 1,354, down on the previous year
- Operating expenses increased compared to the previous year due to investments in strategic projects and the financial management system. General price increases also had an impact.
- Return on equity (ROE) was 6.1%, down from the previous year
- Equity ratio of 51.2%, an improvement on the previous year
- Basic earnings per share of EUR 0.00, down on the previous year

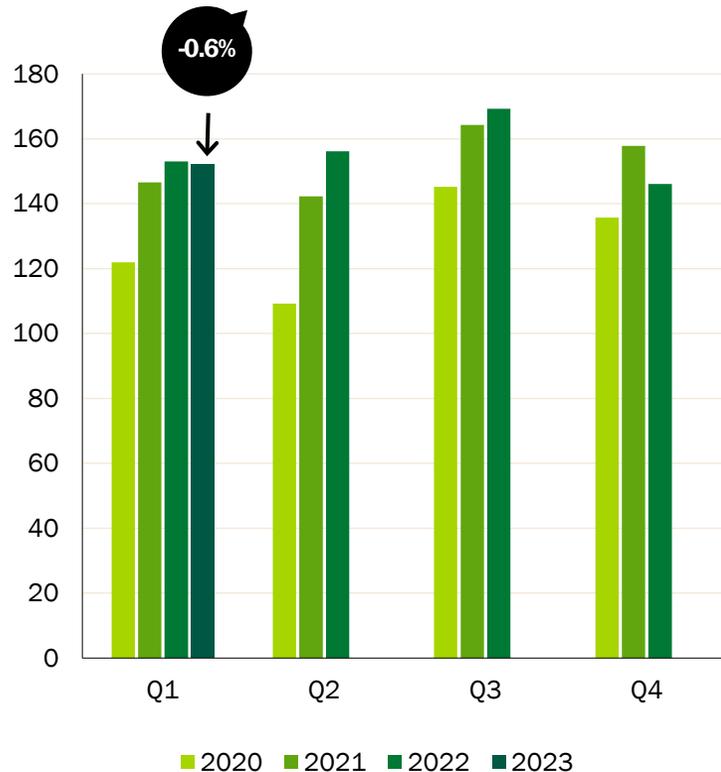
Strong balance sheet is the backbone of the growth strategy

Key Figures

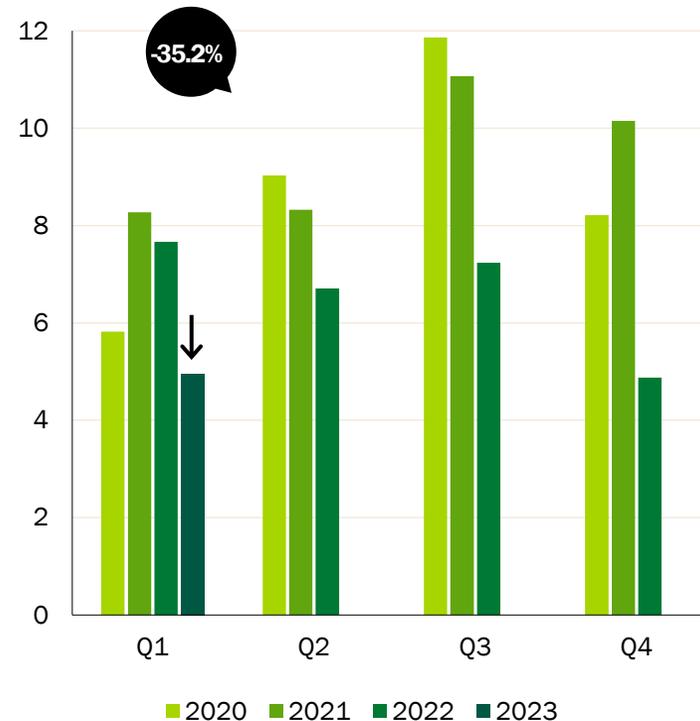
(MEUR)	1-3/2023	1-3/2022	Change, %	1-12/2022
Revenue	223.1	237.3	-6.0%	968.7
Gross profit	20.7	24.3	-14.5%	94.1
as percentage of revenue, %	9.3%	10.2%		9.7%
Operating profit (EBIT)	0.6	5.7	-89.5%	17.0
as percentage of revenue, %	0.3%	2.4%		1.8%
Adjusted operating profit	0,8	5.7	-85.4%	17.5
as percentage 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%
Sales growth of like-for-like showrooms, %	-10.4%	8.6%		0.6%
Inventory turnover, days	56.8	56.7	0.1%	51.5
Return on equity (ROE), %	6.1%	19.5%		10.1%
Return on capital employed (ROI), %	4.6%	11.2%		7.2%
Equity ratio, %	51.2%	46.4%		53.2%

Kamux Finland – decrease in prices and the number of sold cars burdened revenue and operating profit in Q1 2023

Revenue (EUR million)



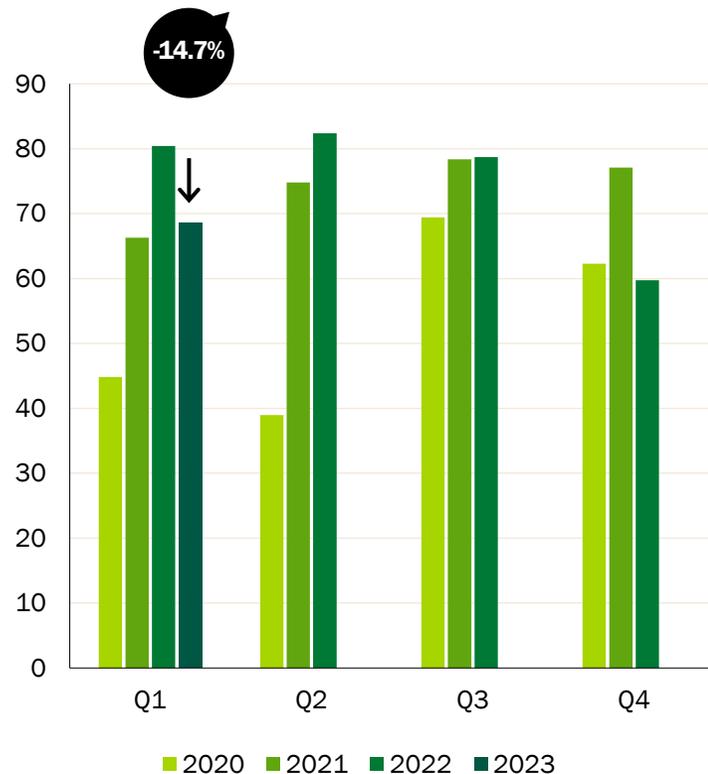
Operating Profit (EUR million)



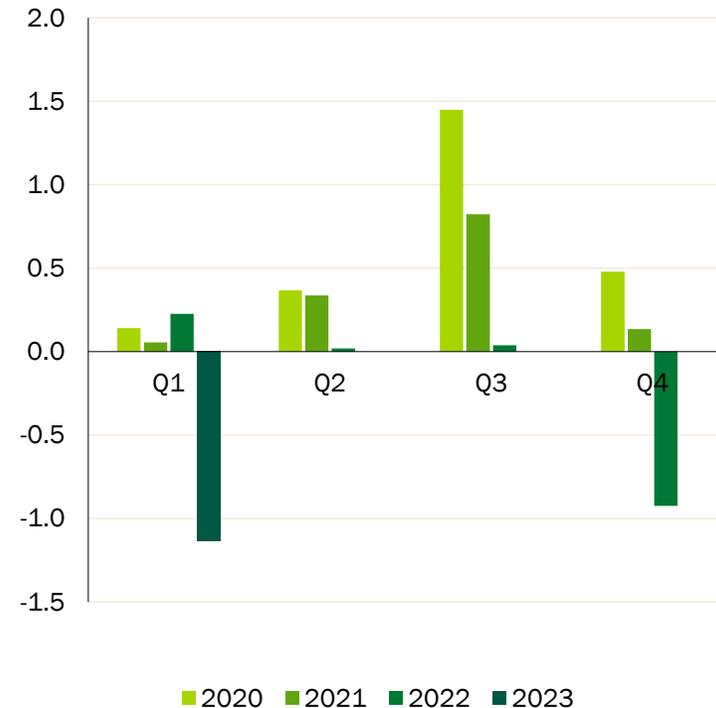
- Revenue decreased by -0.6% compared to the previous year and was EUR 152.0 million (153.0).
- Gross margin decreased compared to the previous year and was EUR 15.6 million (17.8), or 10.3% (11.6) of revenue.
- Operating profit decreased by -35.2% compared to the previous year and was EUR 5.0 million (7.7), or 3.3% (5.0) of revenue.
- Revenue from integrated services decreased to EUR 9.5 million (9.9), or 6.3% (6.5) of revenue.
- Revenue decrease was primarily due to the decrease in used car prices and the focus on cars in more affordable price categories. Operating profit decreased due to the decrease in car prices and lower average margin per car.

Kamux Sweden – negative operating income in Q1 2022 due to weaker average margin and decrease in revenue

Revenue (EUR million)



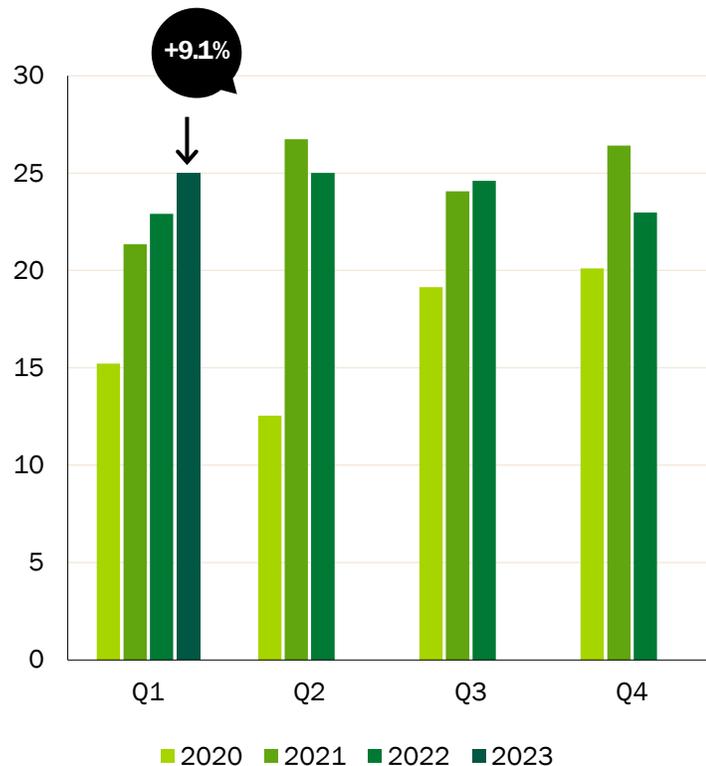
Operating Profit (EUR million)



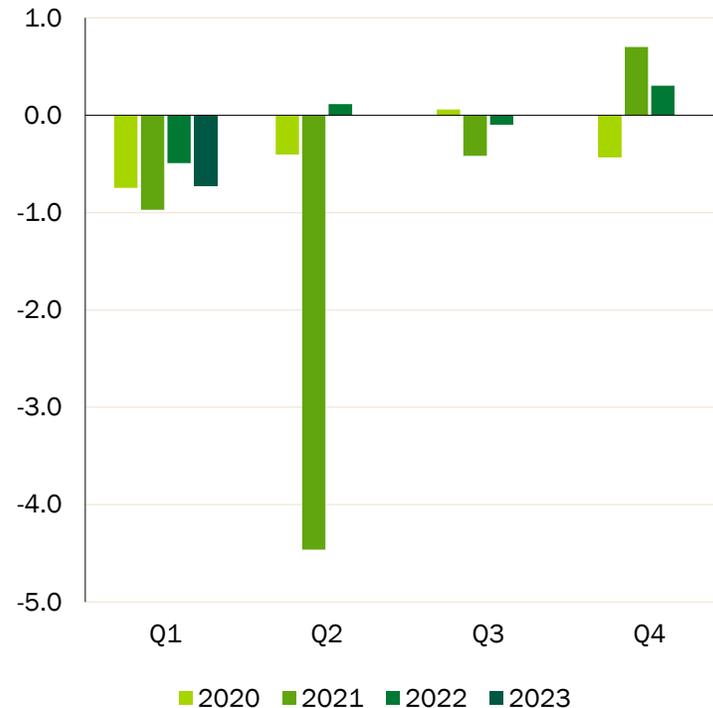
- Total revenue decreased by -14.7% compared to the previous year and was EUR 68.6 million (80.4).
- Gross margin decreased compared to the previous year and was EUR 3.4 million (4.8), or 5.0% (6.0) of revenue.
- Operating income decreased compared to the previous year and was EUR -1.1 million (0.2), or -1.7% (0.3) of total revenue.
- 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.
- External revenue decreased due to a lower number of cars sold and the decrease in car prices. The decrease in operating income was due to the lower number of sold cars and lower average margin per car.

Kamux Germany – revenue grew in Q1 2023 despite the sluggish market

Revenue (EUR million)



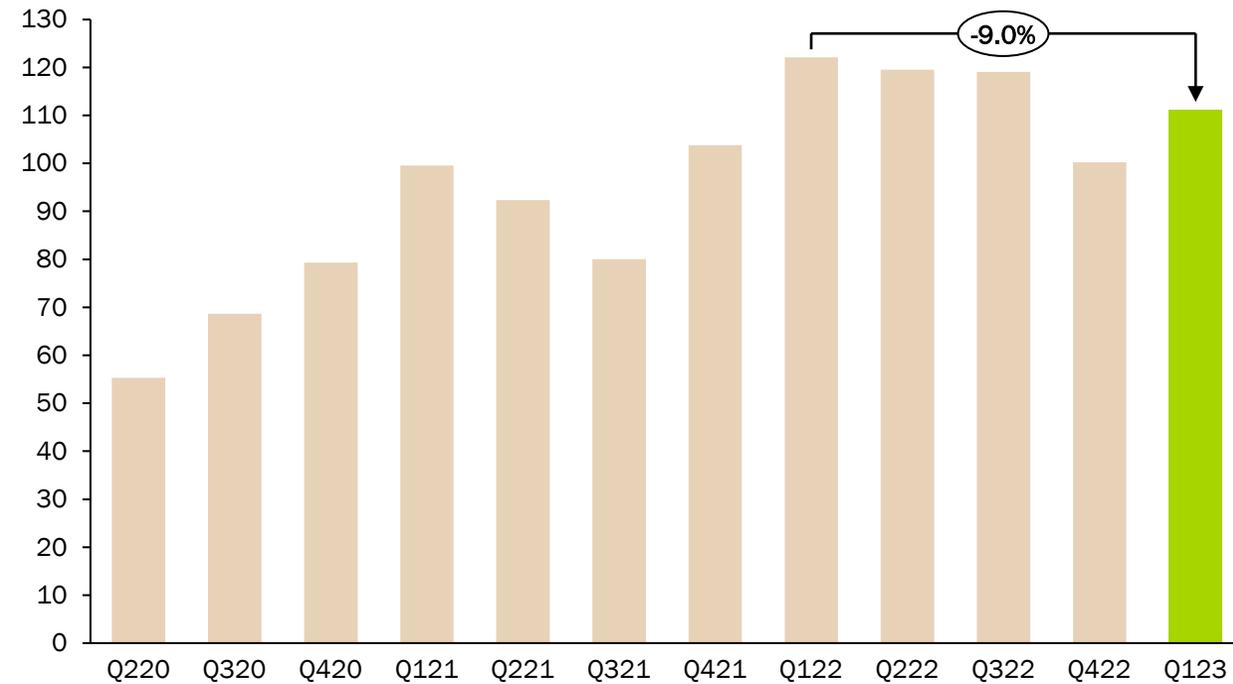
Operating Profit (EUR million)



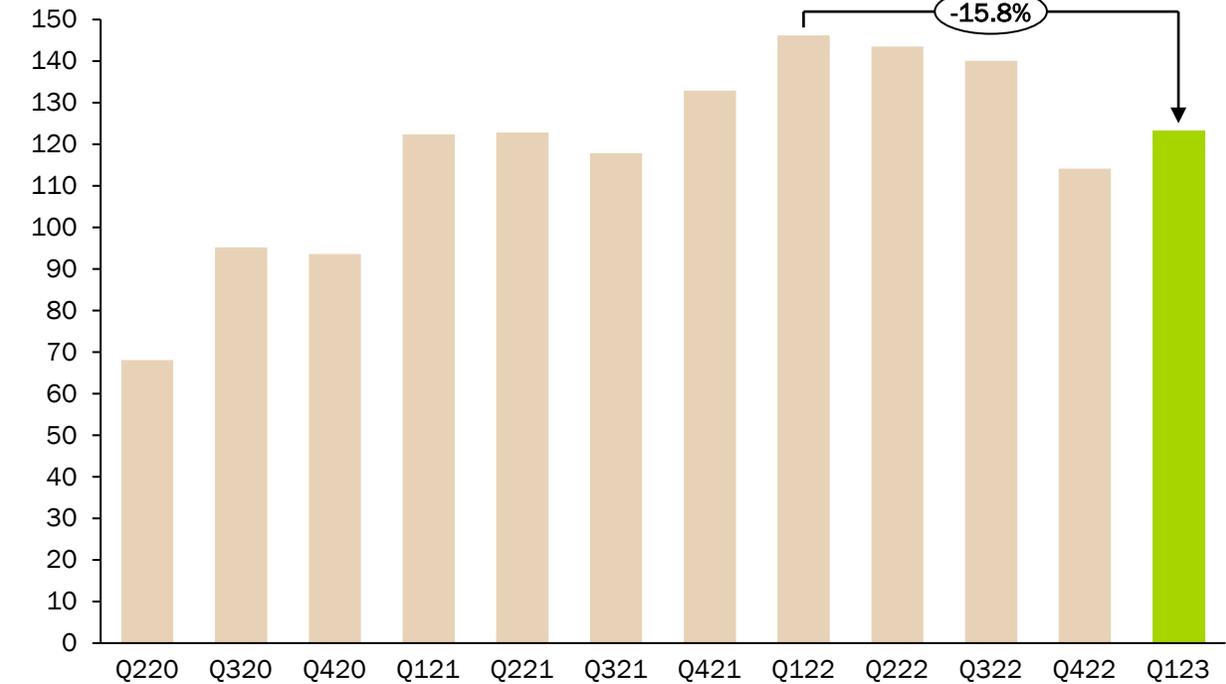
- Total revenue increased by 9.1% compared to the previous year and was EUR 25.0 million (22.9). External revenue increased by 8.3%.
- Gross margin increased compared to the previous year and was EUR 1.7 million (1.6), or 6.9% (7.1) of revenue.
- Operating income decreased compared to the previous year and was EUR -0.7 million (-0.5), or -2.9% (-2.1%) of total revenue.
- Sales of financing services developed well and revenue from integrated services increased to EUR 0.6 million (0.5), or 2.7% (2.4) of external revenue.
- Operating income was burdened by investments in growth

The cautious increase in inventory ahead of the coming season is reflected in net working capital and inventories

Net Working Capital (EUR million)

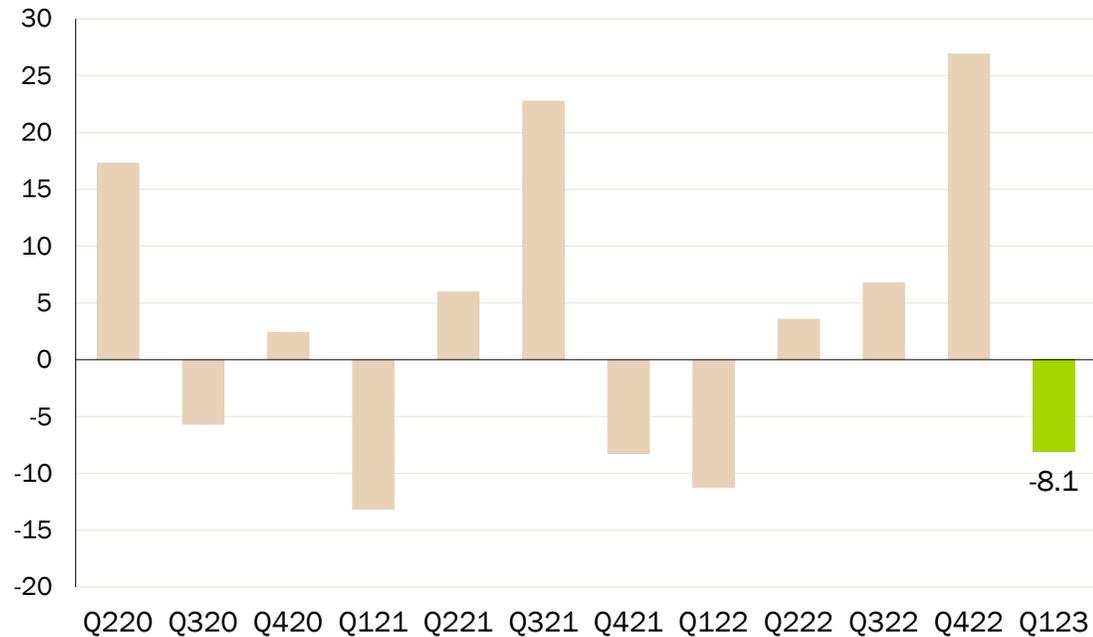


Inventories (EUR million)

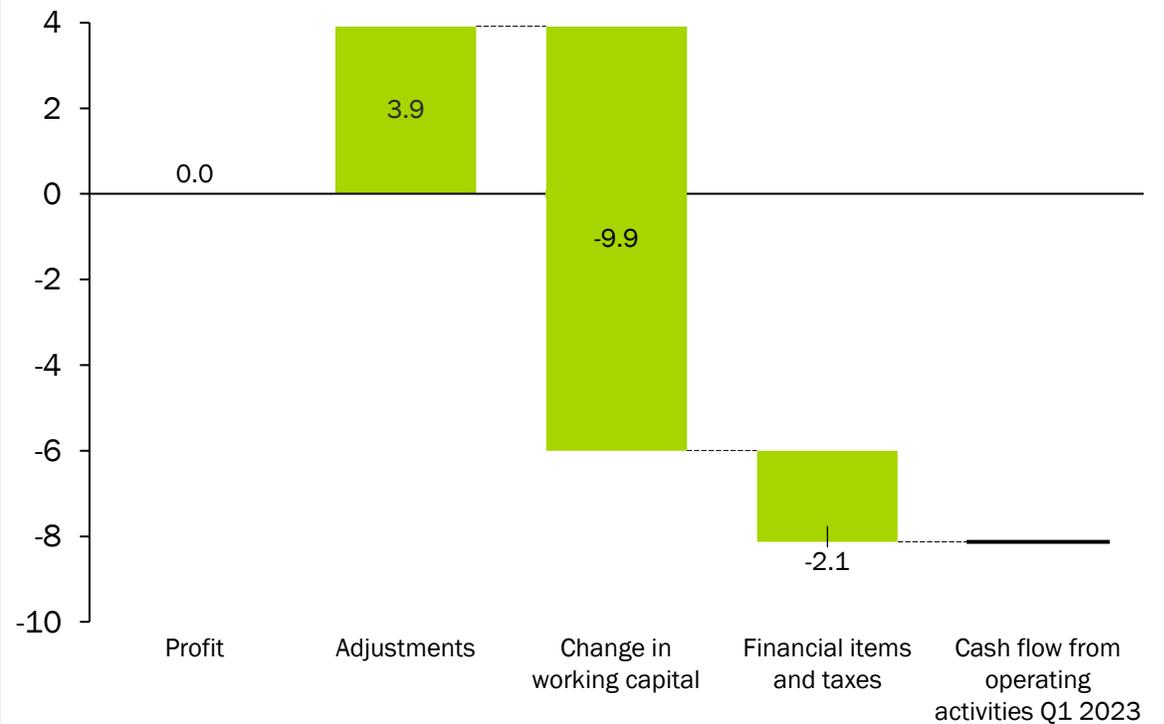


Increase in inventory ahead of the season was also reflected in cash flow

**Cash Flow from Operating Activities
(EUR million)**

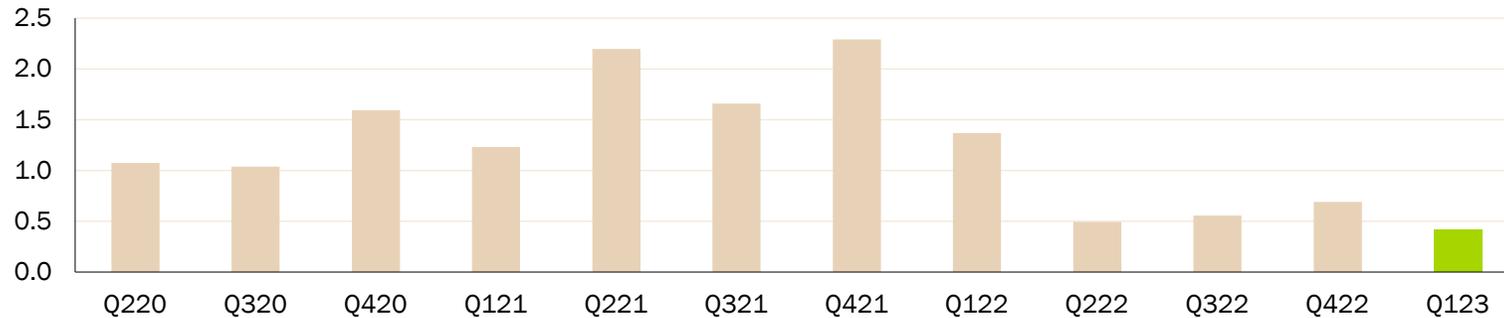


**Components of Cash Flow from Operating Activities
Q1 2023 (EUR million)**

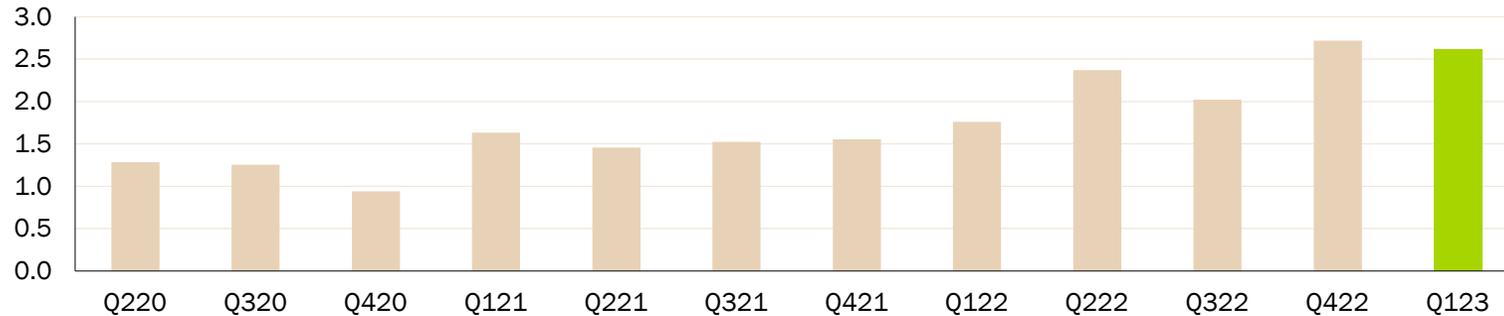


Investments in leading with knowledge and growth were continued, more focus on building in-house competence

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
- Investments in Q1 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





Strategy, outlook and financial targets

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

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 *

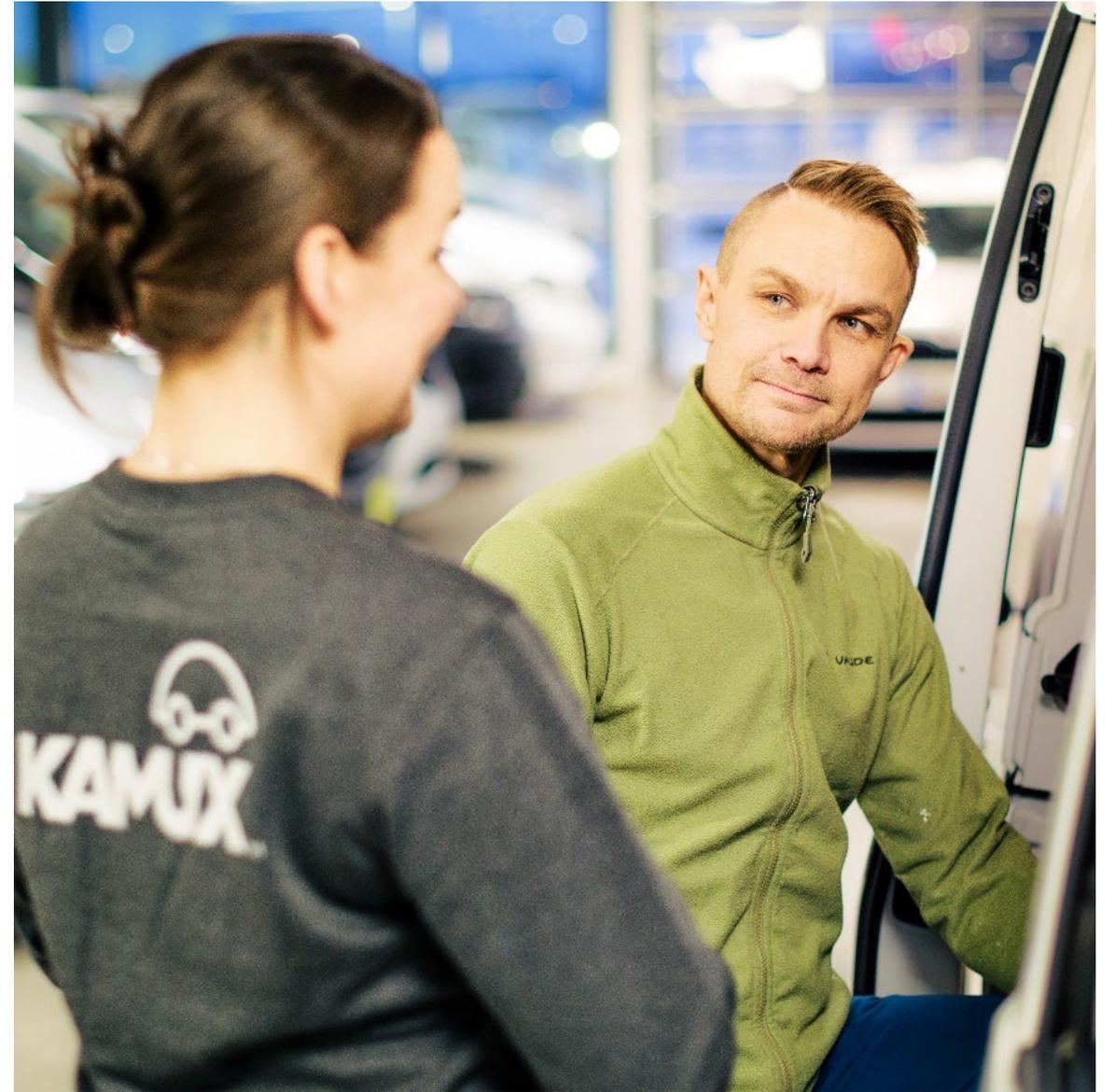
Kamux will update its strategy and financial targets at the beginning of 2024

Indicator	Target (from Feb 26, 2021)	Actual 1-3/2023
Revenue growth annually	Over 20%	-6.0%
Adjusted operating profit	Annually increasing	EUR 0.8 million (1-3/2022: 5.7)
Adjusted operating profit (EBIT) margin	Over 3.5%	0.4%
Return on equity (ROE)	Over 25%	6.1%
Dividend	At least 25% of net profits	Dividend for the year 2022 55%

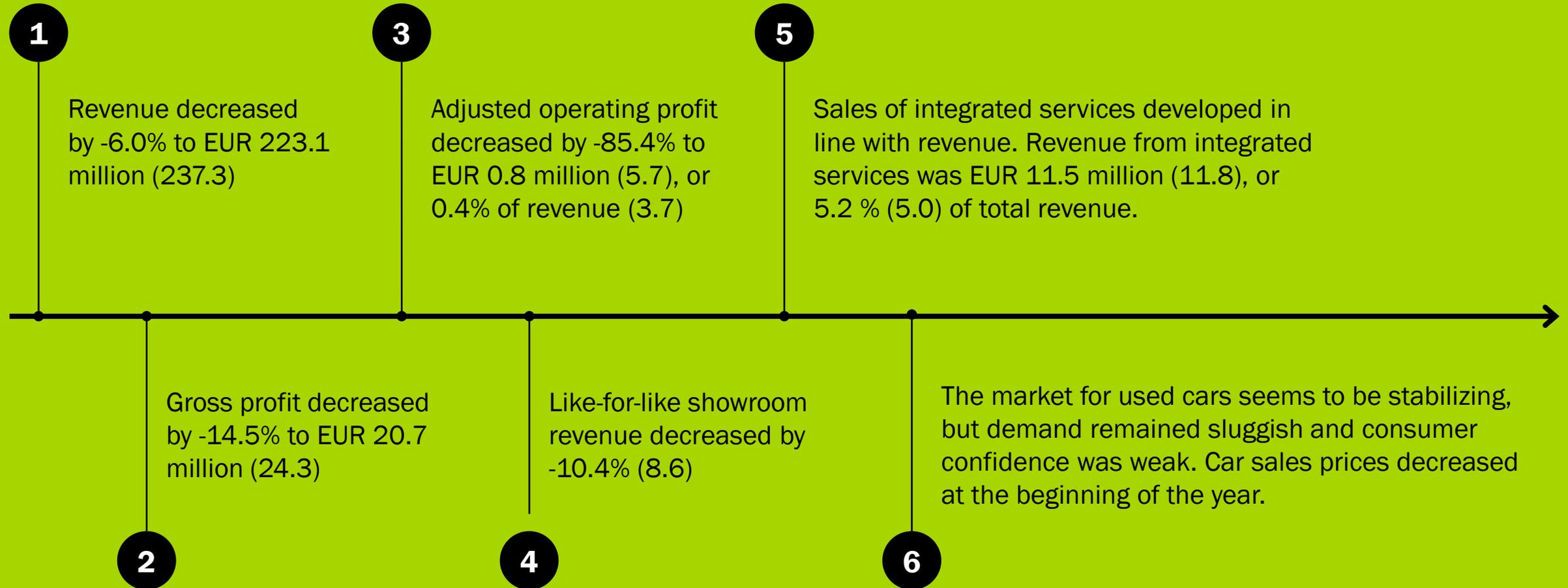
*) The Board of Directors of the Company estimates annually the balance between dividend to be distributed and funds to be used for Kamux's growth and based on this assessment, makes a proposal on the amount of dividend to be distributed, which may for any single year differ significantly from the target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



Q1 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.