



# Kamux + Quarterly Results Presentation January–September 2019

November 8, 2019

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## Quarterly Results Presentation Q3/2019



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Kamux Vision

**#1** used car retailer  
in **Europe**

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# Kamux Q3 2019 in Brief

1.

Revenue increased by **30.6%** to EUR 182.8 million (140.0)

3.

Adjusted operating profit increased by **29.0%** to EUR 8.6 million (6.6)

5.

Internationalization proceeded strongly. Total revenue increased in Sweden by **55.4%** to EUR 42.8 million and in Germany by **74.5%** to EUR 14.6 million

2.

Gross profit increased by **27.1%** to EUR 22.8 million (18.0)

4.

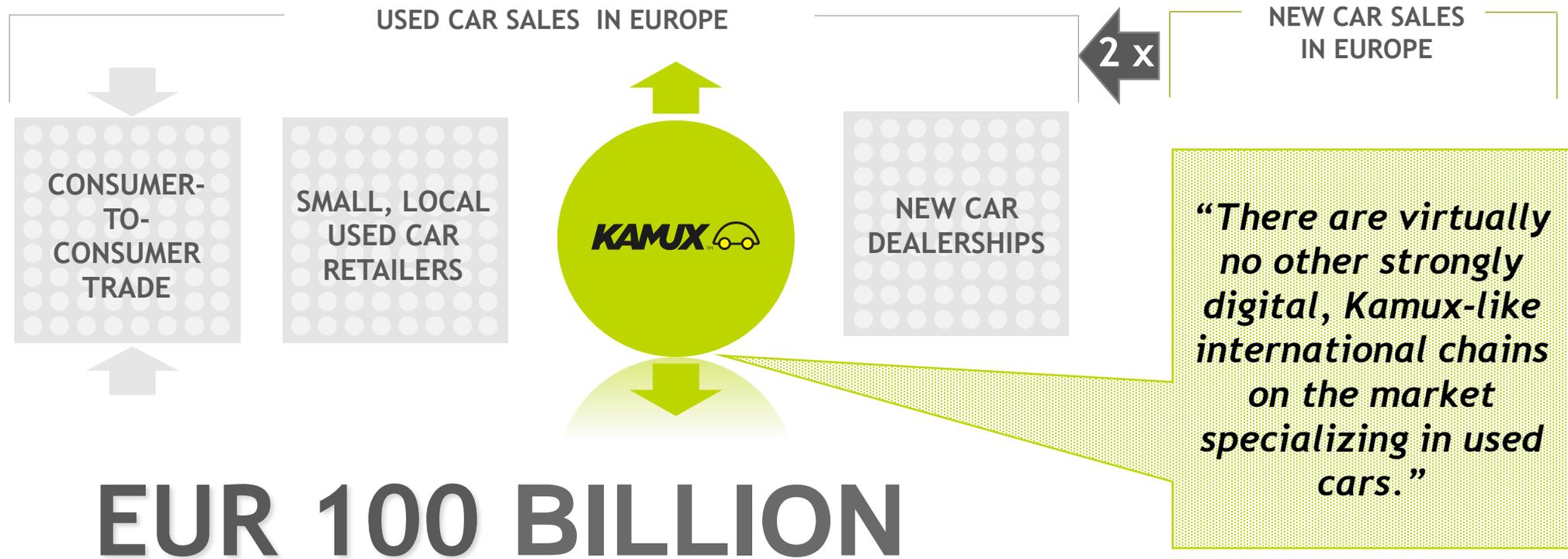
We opened new car showrooms in **Stade** and **Heide**

6.

Like-for-like showroom revenue growth was **9.6%** (4.2%)



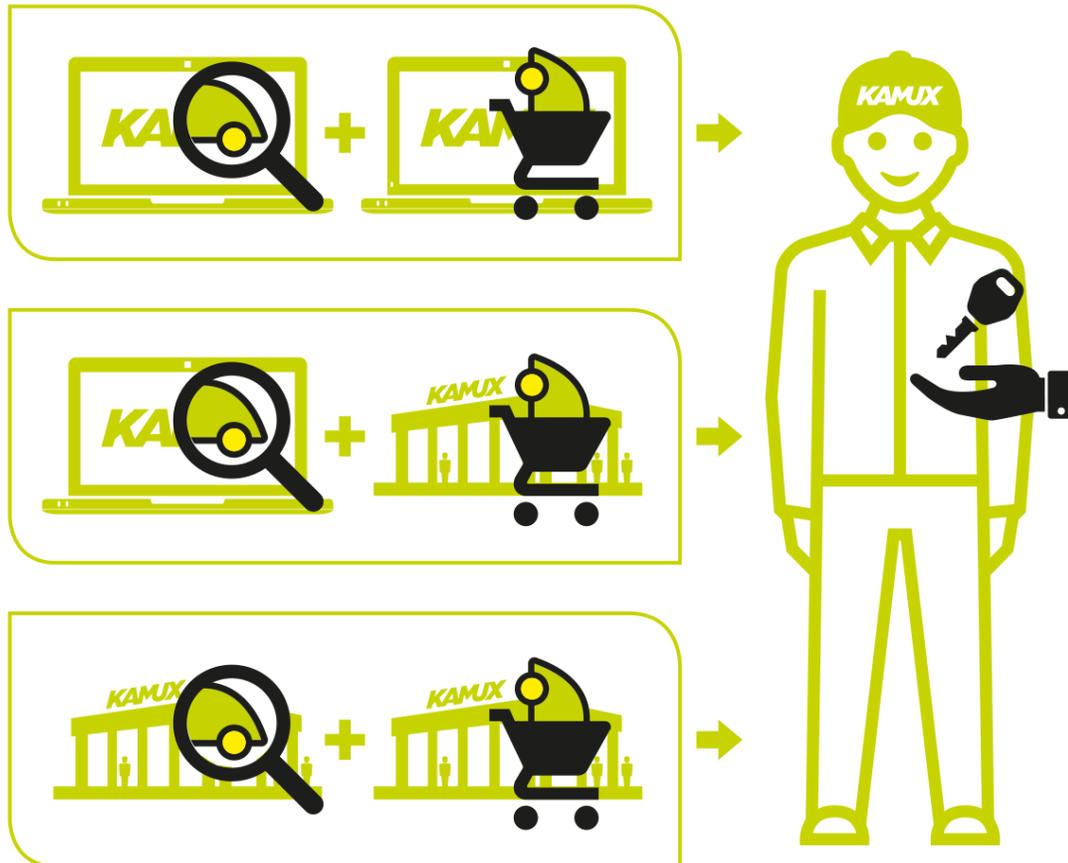
# The Used Car Market is Large and Fragmented



-  TOP 5 PLAYERS ACCOUNT FOR LESS THAN 20% OF THE MARKET
-  TOP 5 PLAYERS ACCOUNT FOR LESS THAN 10% OF THE MARKET
-  TOP 5 PLAYERS ACCOUNT FOR APPROXIMATELY 2% OF THE MARKET



# Digitally Driven Sales Leads to Customer Interaction



**30%** DIGITAL BUYERS IN FINLAND  
**26%** DIGITAL BUYERS IN THE GROUP <sup>(1)</sup>

**65–70%** CUSTOMER JOURNEY  
STARTS ONLINE, SERVICE CONTINUES  
AT THE SHOWROOM <sup>(2)</sup>

**1–2%** IN STORE BUYERS:  
FROM START TO FINISH <sup>(2)</sup>

(1) Cross-selling 1–9/2019

(2) According to the company's estimate



# Multichannel Retailing in Numbers

**OVER**  
**800,000**  
**WEBSITE VISITS**  
**A MONTH**  
**KAMUX.FI/SE/DE**



**10**

**DIGITAL SALES CHANNELS**

**71**

**SHOWROOMS IN NETWORK**



# Showrooms, 8 November 2019

| 2019                  | FIN                                   | SWE                                | GER            | OPENINGS 2019 |
|-----------------------|---------------------------------------|------------------------------------|----------------|---------------|
| Q1                    | Limingantulli<br>Kajaani<br>Klaukkala | Karlskrona<br>Norrtälje            |                | 5             |
| Q2                    | Forssa                                | Helsingborg                        |                | 2             |
| Q3                    |                                       |                                    | Stade<br>Heide | 2             |
| Q4                    |                                       | Halmstad                           |                | 1             |
| Openings by country   | 4                                     | 4                                  | 2              | 10            |
| Showrooms, 8 Nov 2019 | 48                                    | 17                                 | 6              | 71            |
| Announced openings    |                                       | Göteborg >> Sundsvall<br>Stockholm | Kaltenkirchen  |               |



# Kamux's Market Position Strengthened in Q3

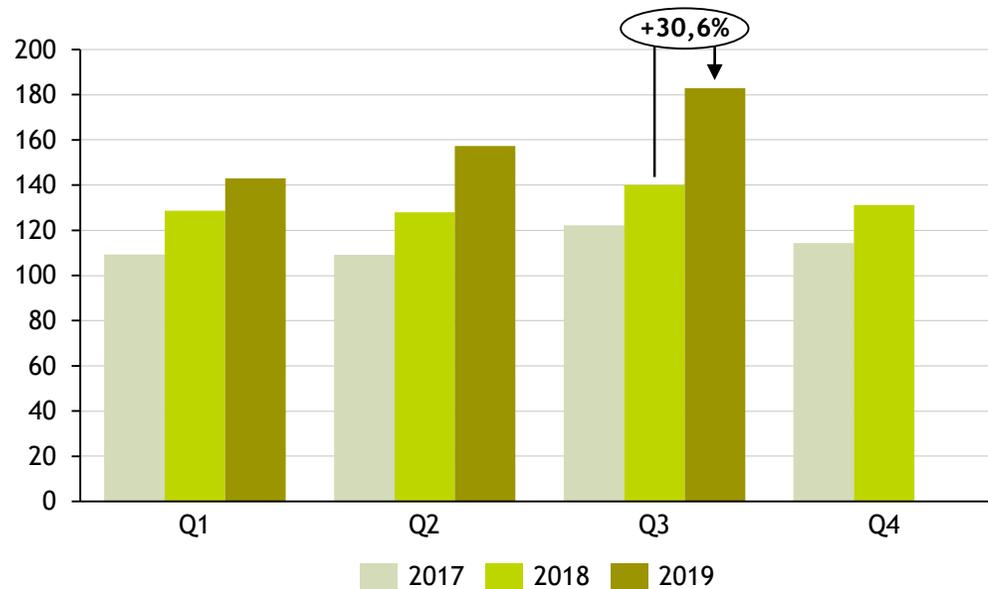
| Market   | Market size (2018) | Kamux's market share | Market development during Q3                        | Kamux's position and development during Q3  |
|--|--------------------|----------------------|---|---|
| Finland<br>   | ~0.5 million cars  | ~8.0% #1             | We estimate the used car market increased slightly. | Kamux maintained its market leader position.  |
| Sweden<br>    | ~1.2 million cars  | ~0.5% Top 10         | We estimate the used car market declined.           | Kamux grew strongly and strengthened its position among the ten largest used car dealers. |
| Germany<br> | ~7.2 million cars  | ~0.0%                | We estimate the used car market increased slightly. | Kamux grew its market share.  |

\* 1–9/2019 new car registrations in European Union region have declined -1.6% compared to the last year.  
 \* Historically, there have been large annual fluctuations in new cars sales.  
 \* Used car sales is more stable, market changes smaller and market size larger.  
 \* Kamux has continued to grow and strengthen its market position by systematically executing its concept.  
 \* The number of cars has kept on increasing.



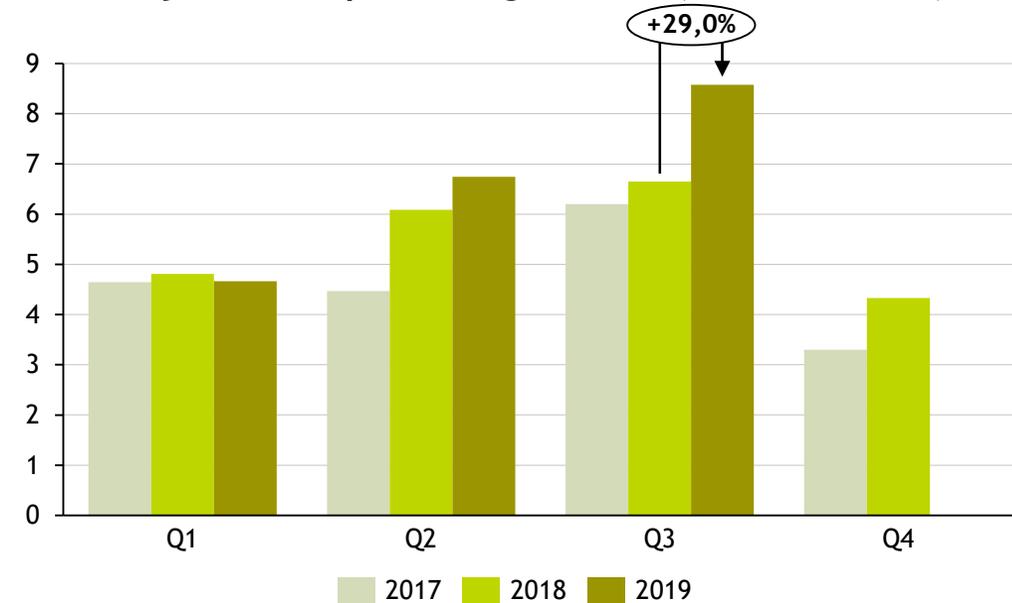
# Kamux Q3 2019 – Revenue Increased by 30.6%

Revenue (EUR million)



- The growth was fully organic and it was based on the sales of new showrooms and like-for-like showrooms.

Adjusted Operating Profit (EUR million)

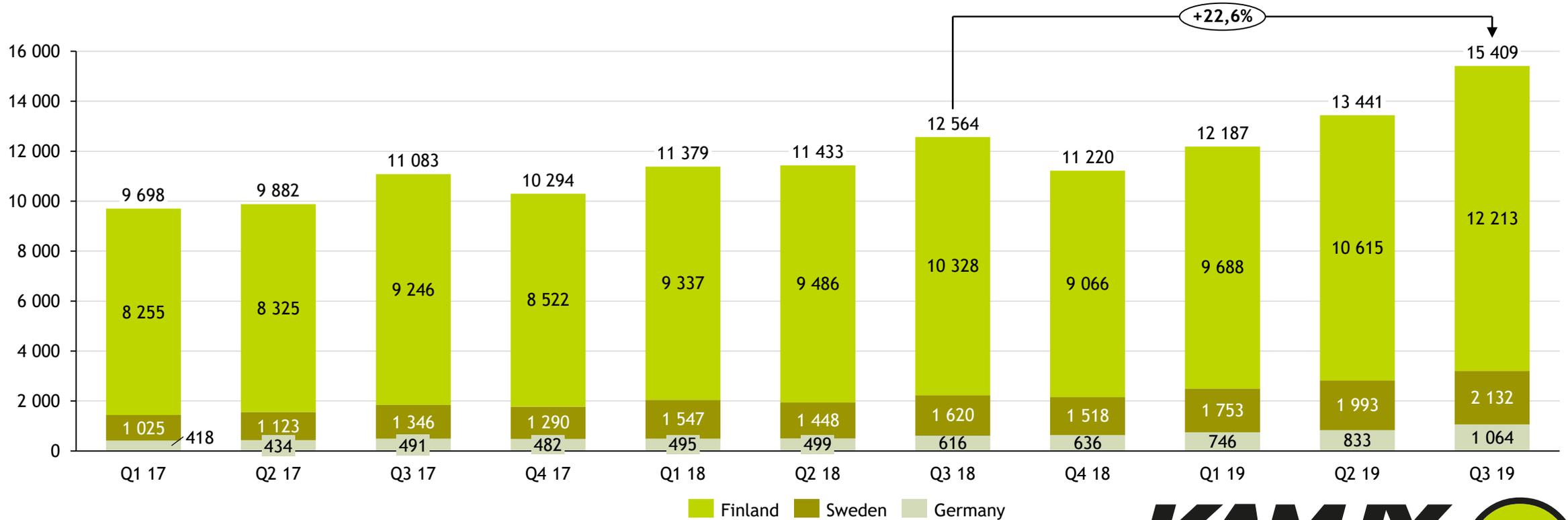


- Adjusted operating profit (EBIT) Q3 2019 increased by 29.0% and it was EUR 8.6 million (6.6).

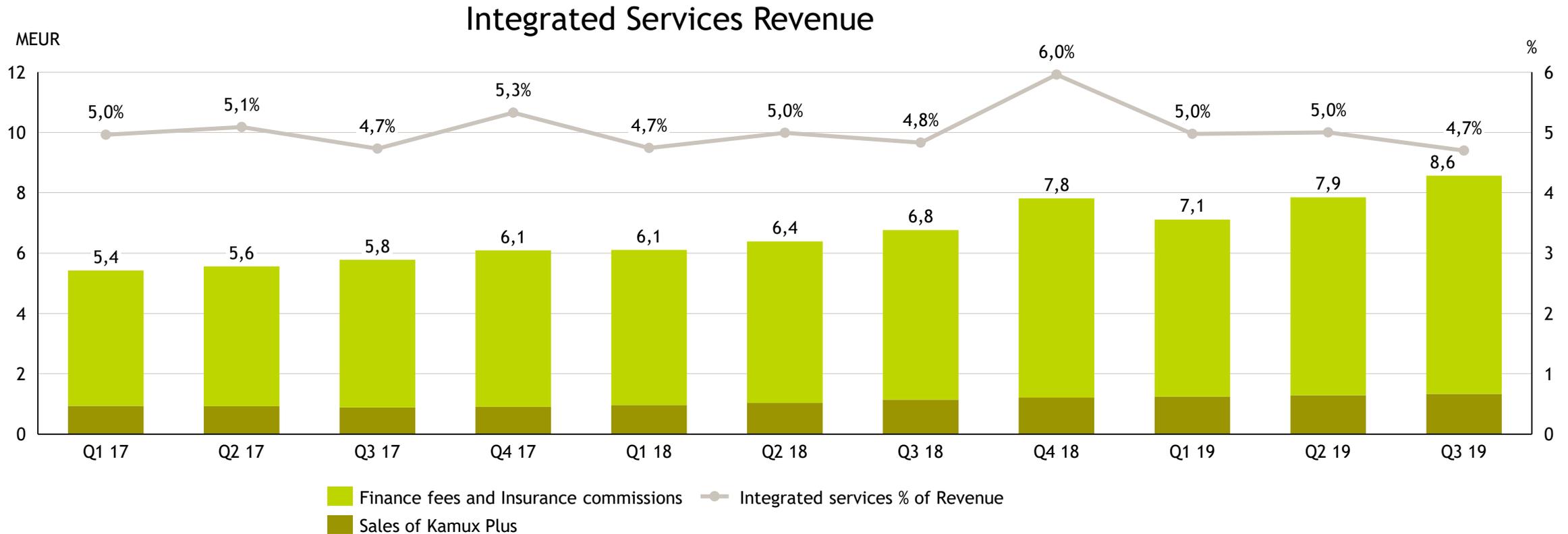


# Number of Cars Sold Grew by 22.6%

Sold Cars (pcs)



# Integrated Services Revenue Grew Q3 2019





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# Financial Development

Marko Lehtonen

CFO

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# Key Figures

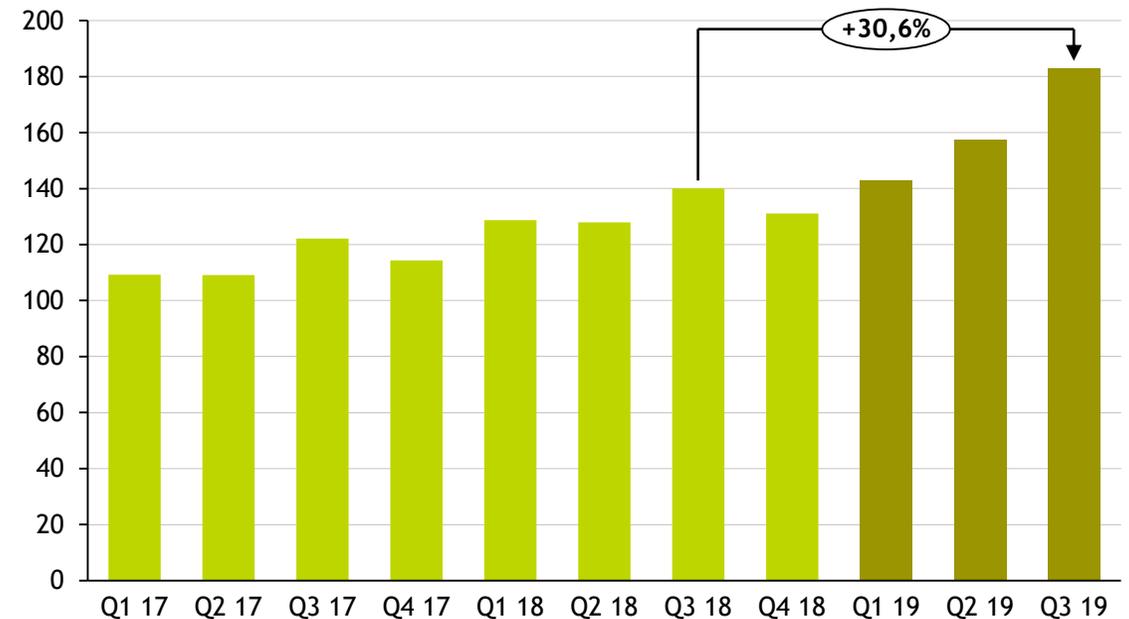
| (MEUR)                                     | 7-9/<br>2019 | 7-9/<br>2018 | Change, % | 1-9/<br>2019 | 1-9/<br>2018 | Change, % | 1-12/<br>2018 |
|--|--------------|--------------|-----------|--------------|--------------|-----------|---------------|
| Revenue                                    | 182.8        | 140.0        | 30.6%     | 483.1        | 396.7        | 21.8%     | 527.8         |
| Gross profit                               | 22.8         | 18.0         | 27.1%     | 59.6         | 48.9         | 21.9%     | 64.9          |
| as percentage of revenue, %                | 12.5%        | 12.8 %       |           | 12.3%        | 12.3%        |           | 12.3%         |
| Operating profit (EBIT)                    | 8.6          | 6.6          | 30.0%     | 20.0         | 15.0         | 33.0%     | 18.9          |
| as percentage of revenue, %                | 4.7%         | 4.7%         |           | 4.1%         | 3.8%         |           | 3.6%          |
| Adjusted operating profit                  | 8.6          | 6.6          | 29.0%     | 20.0         | 17.5         | 13.9%     | 21.9          |
| as percentage of revenue, %                | 4.7%         | 4.7%         |           | 4.1%         | 4.4%         |           | 4.1%          |
| Revenue from integrated services           | 8.6          | 6.8          | 26.6%     | 23.5         | 19.3         | 22.2%     | 27.1          |
| as percentage of revenue, %                | 4.7%         | 4.8%         |           | 4.9%         | 4.9%         |           | 5.1%          |
| Sales growth of like-for-like showrooms, % | 9.6%         | 4.2%         |           | 2.8%         | 7.3%         |           | 5.6%          |
| Inventory turnover, days                   |              |              |           | 48.2         | 49.1         | -1.8%     | 49.6          |
| Return on equity (ROE), %                  |              |              |           | 24.9%        | 21.7%        |           | 22.9%         |
| Return on capital employed (ROI), %        |              |              |           | 16.9%        | 15.7%        |           | 16.2%         |
| Equity ratio, %                            |              |              |           | 44.8%        | 56.4%        |           | 60.0%         |



# Strong Growth in Kamux's Revenue

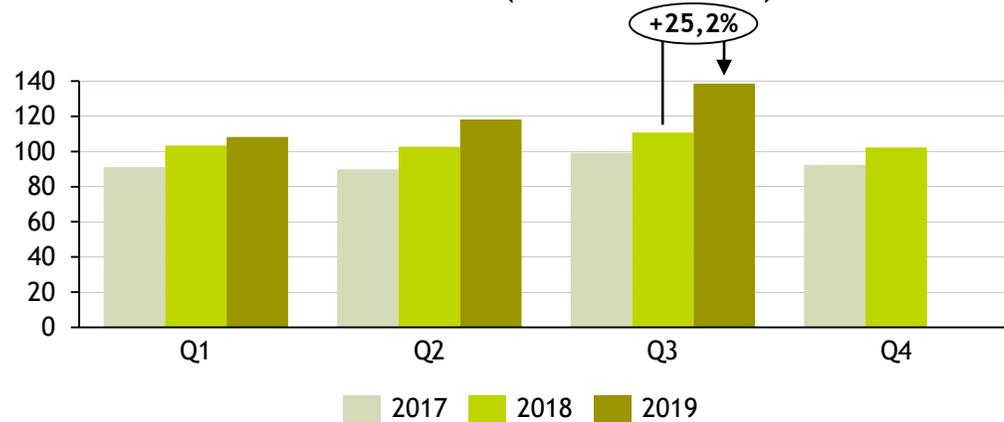
- The number of used cars sold by Kamux in the third quarter grew by 22.6% and totaled 15,409 cars (12,564).
- Kamux's revenue grew by 30.6% in Q3 2019.
- The increase in revenue was driven by new showrooms and like-for-like showrooms.
- Like-for-like sales growth in Q3 was 9.6% (4.2%).

Revenue (EUR million)

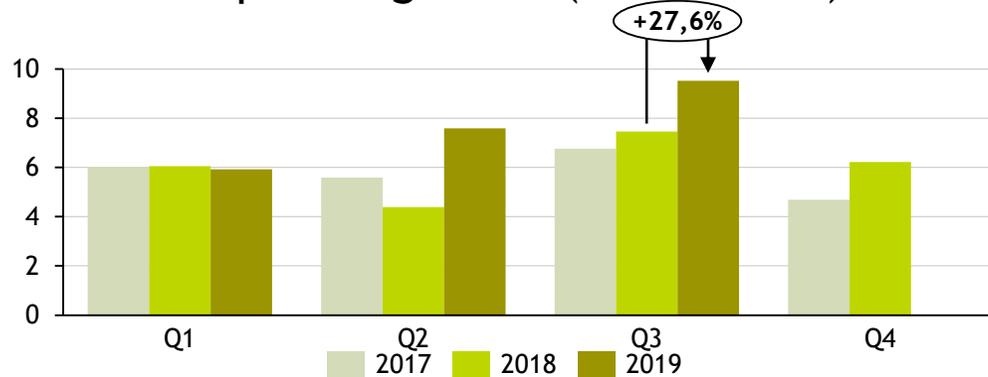


# Kamux Finland – Our Revenue and Profit Grew

Revenue (EUR million)



Operating Profit (EUR million)

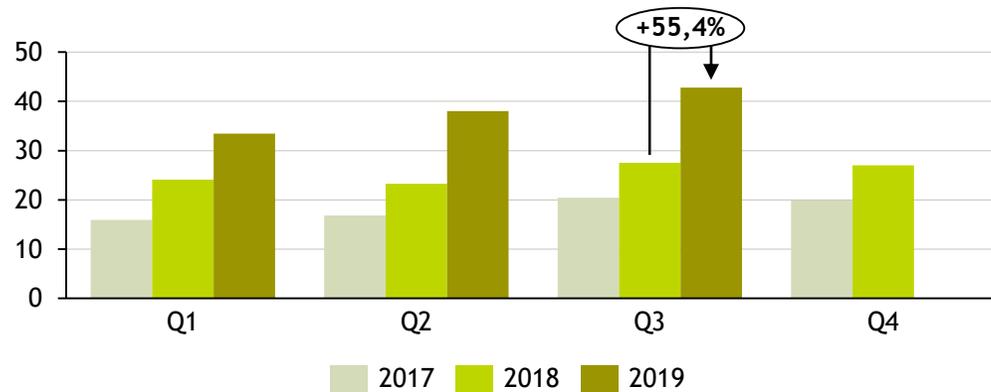


- Revenue grew by 25.2% compared to the previous year and was EUR 138.6 million (110.7).
- Gross margin increased to EUR 18.7 million (14.9) and 13.5% (13.5%) of revenue.
- Operating profit grew by 27.6% compared to previous year and was EUR 9.5 million (7.5) and 6.9% (6.7%) of revenue.
  - Excluding IFRS 16 effect the operating profit remained at previous year's level EUR 9.4 million (7.5).
- Integrated services revenue increased to EUR 7.4 million (6.0), or 5.3% (5.4) of revenue.
- Like-for-like showroom sales increased.

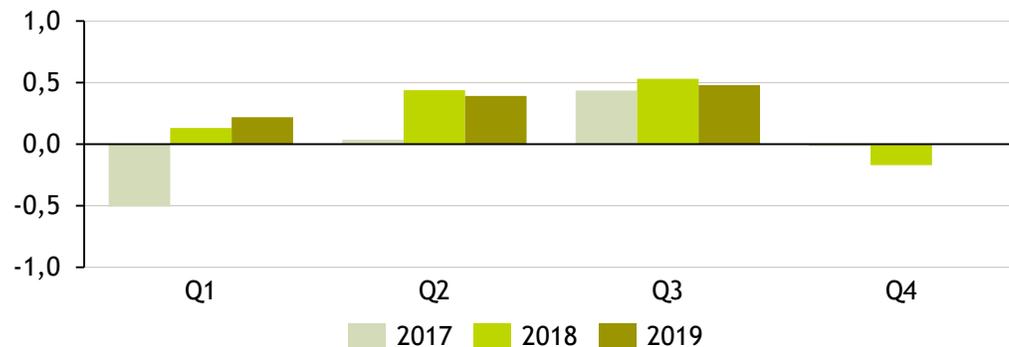


# Kamux Sweden – Strong Revenue Growth Continued

Revenue (EUR million)



Operating Profit (EUR million)

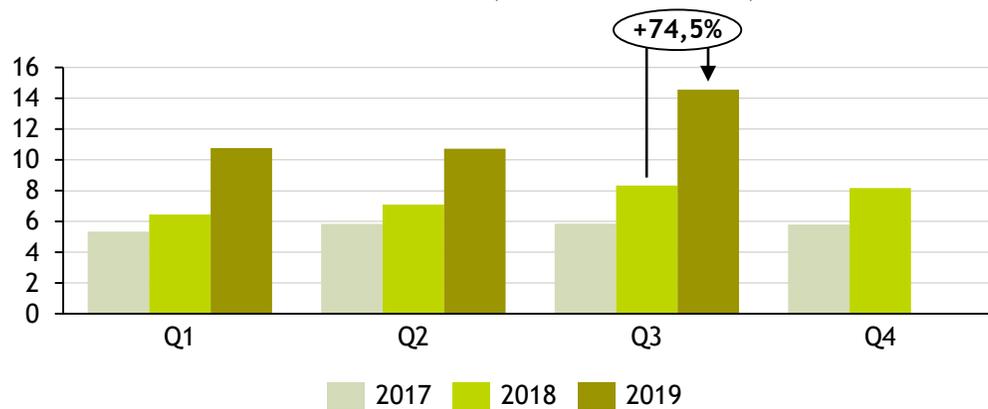


- Total revenue grew 55.4% compared to the previous year and was EUR 42.8 million (27.5).
- Operating profit was at last year's level and was EUR 0.5 million (0.5) and 1.1% (1.9%) of total revenue.
  - IFRS 16 had no material effect on operating profit.
- Revenue of the integrated services increased to EUR 0.7 million (0.5), or 2.3% (2.5) of external revenue.
- Like-for-like showroom sales increased.
- The Göteborg showroom will be replaced with the Sundsvall showroom.

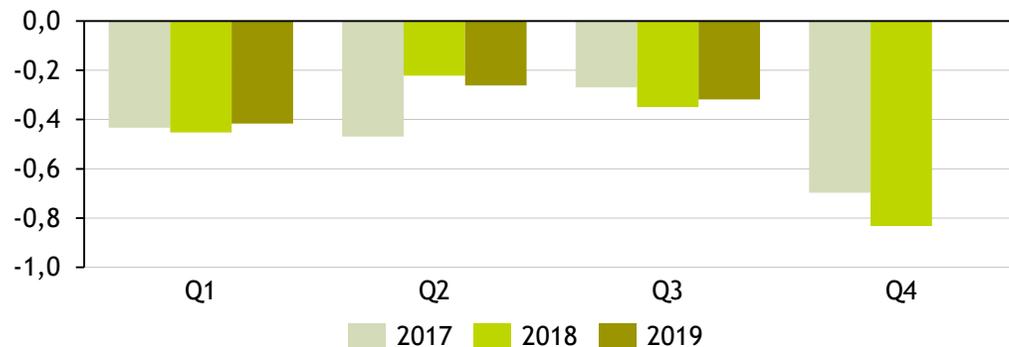


# Kamux Germany – Very Strong Revenue Growth Continued

Revenue (EUR million)



Operating Income (EUR million)

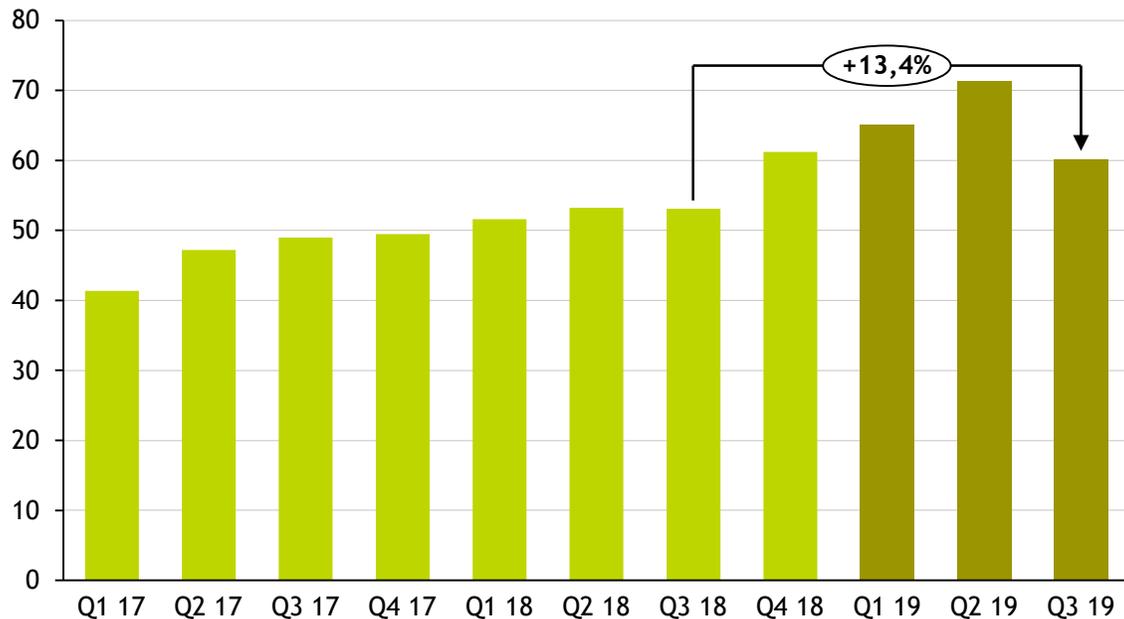


- Revenue grew by 74.5% compared to the previous year and was EUR 14.6 million (8.3).
- Operating loss was at last year's level and was EUR -0.3 million (-0.3) and -2.2% (-4.2%) of total revenue
  - IFRS 16 had no material effect on operating loss.
- Integrated services revenue increased to EUR 0.5 million (0.2), or 3.3% (2.6) of external revenue.
- Like-for-like showroom sales increased.
- In September we opened showrooms in Heide and Stade.

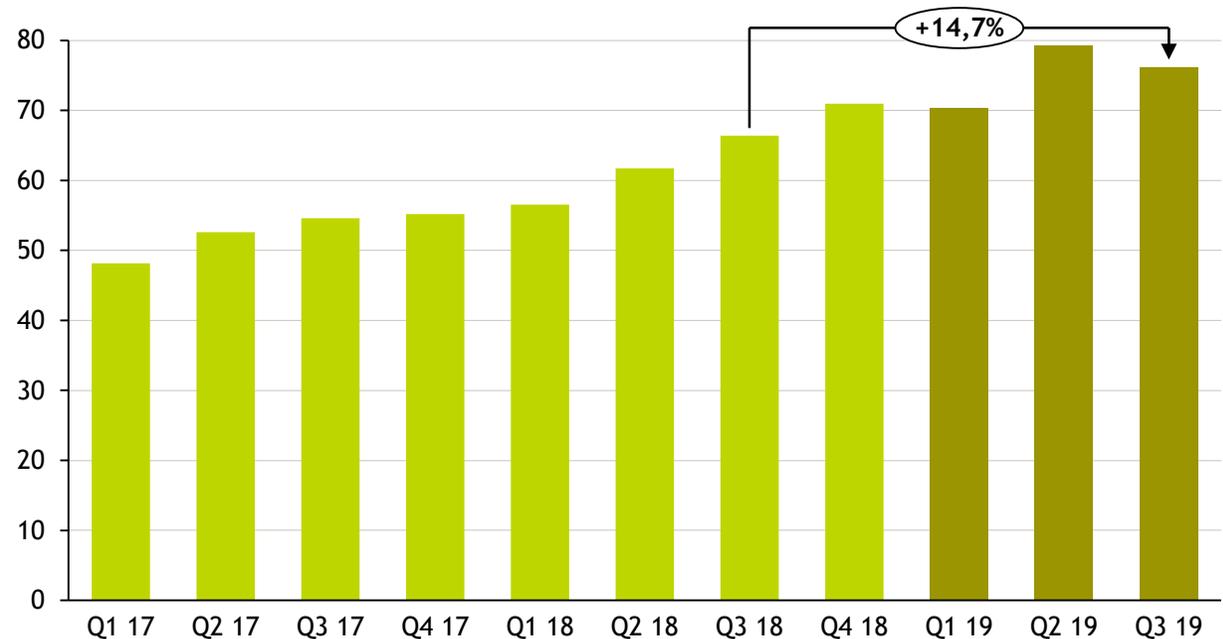


# Net Working Capital and Inventories Grew Slower than Revenue

Net Working Capital (EUR million)

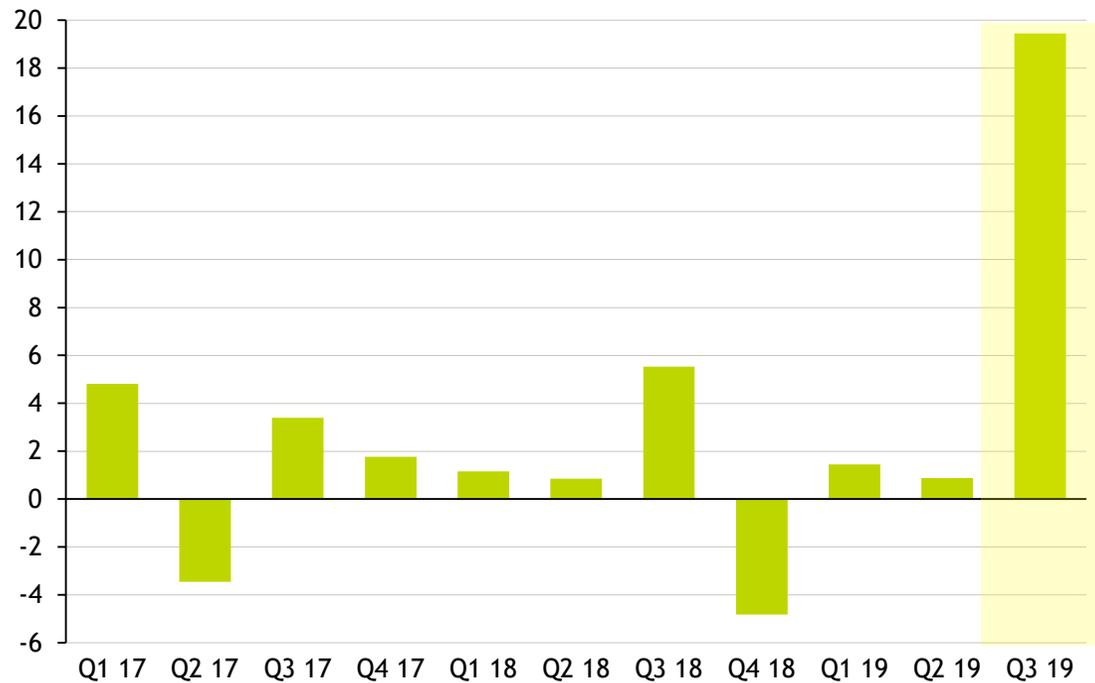


Inventories (EUR million)

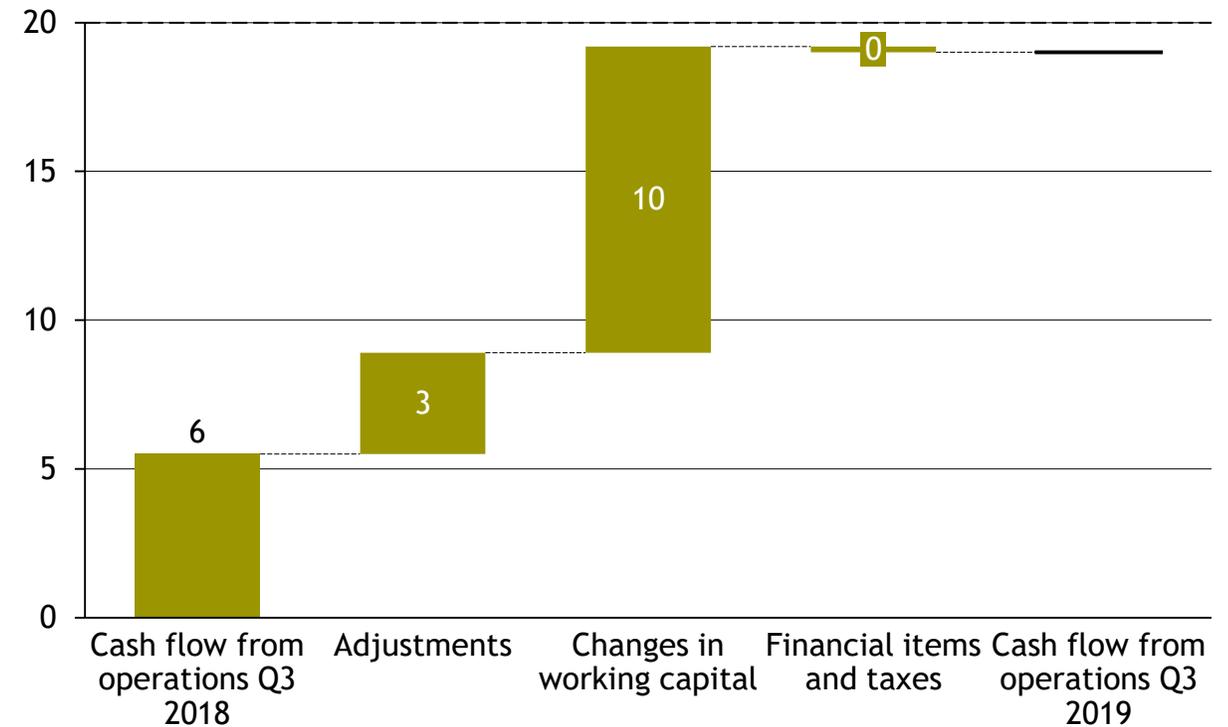


# Cashflow from Operations Was Strongly Positive in Q3 2019

Cash Flow from Operations (EUR million)

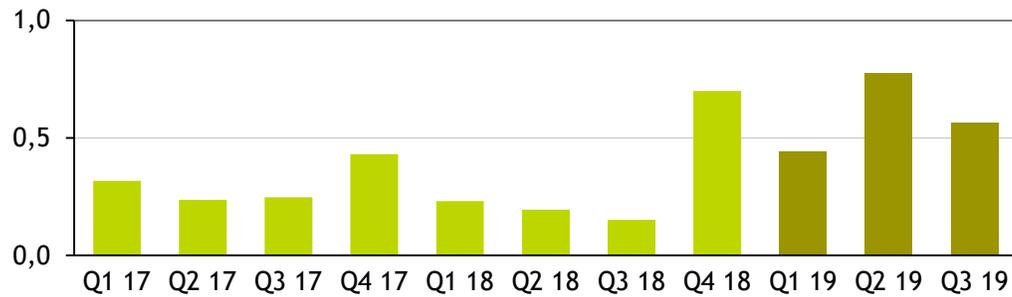


Change (EUR million) to Comparison Period

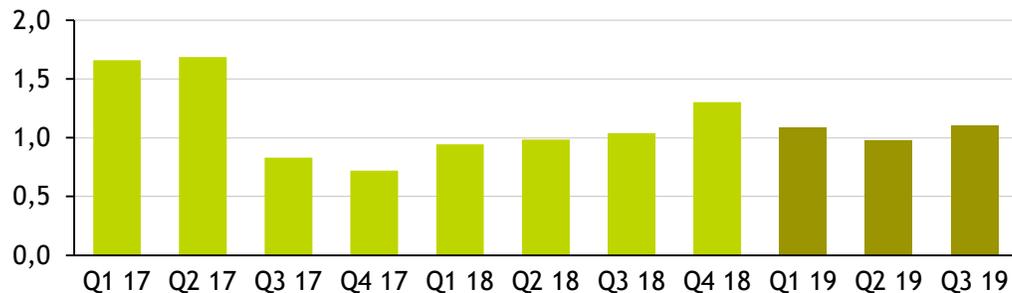


# Investments in Growth Continued According to Strategy

Investments (EUR million)



Group Functions (EUR million)



- In line with our strategy, we have systematically invested in our future growth.
- Kamux seeks to gain a significant competitive advantage by investing in leading with knowledge as well as digital customer and business processes.
- Investments were directed as follows:
  - Digital functions: developing the CRM-ERP system, analytics, data management and financial management systems
  - Personnel: recruitment and training
  - Internationalization: investments in international growth



# Leadership Through Data and Intelligence

**Combining supply and demand at European level**

- Pricing
- Purchasing
- Logistics
- Sales

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**Enabling growth**

- Readiness to launch new concepts, services or countries

**KAMUX'S  
OWN  
CRM/ERP**

**Combining the physical and digital world into a seamless customer experience**

- E.g. sales leads management, customer care

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**Automation and robotics in enhancing processes**

- Automation of basic processes of car sales



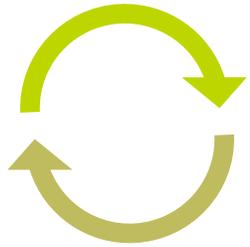


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# Outlook and Financial Targets

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# Outlook and Financial Targets



Revenue growth of  
over 10% annually  
2019-2022

Revenue



EBIT margin of  
at least 4% in  
2019-2022

Profitability



Distribute dividends of  
at least 30% of net  
profits

Dividend Policy



Kamux does not  
publish a short-term  
outlook

Outlook



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# Summary

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# Summary Q3/2019

Revenue increased by  
**30.6%**  
to EUR 182.8 million  
(140.0)



Adjusted operating  
profit increased by  
**29.0%**  
to EUR 8.6 million  
(6.6)

Gross profit  
increased by  
**27.1%**  
to EUR 22.8 million  
(18.0)



Leading with  
knowledge and  
digital processes in  
focus





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Questions?

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# 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.

