



# Kamux – Annual Results Presentation 2019

February 28, 2020

CEO Juha Kalliokoski

CFO Marko Lehtonen



# Table of Contents

## Annual Results Presentation 2019



Q4 and 2019 in Brief



Financial Development



Outlook and Financial  
Targets



Summary



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Kamux Vision

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

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# Kamux Q4 2019 in Brief

1.

Revenue increased by **33.8%** to EUR 175.4 million (131.1)

3.

Adjusted operating profit increased by **25.2%** to EUR 5.4 million (4.3)

5.

Like-for-like showroom revenue growth was **14.6%** (0.7%)

2.

Gross profit increased by **25.6%** to EUR 20.0 million (16.0)

4.

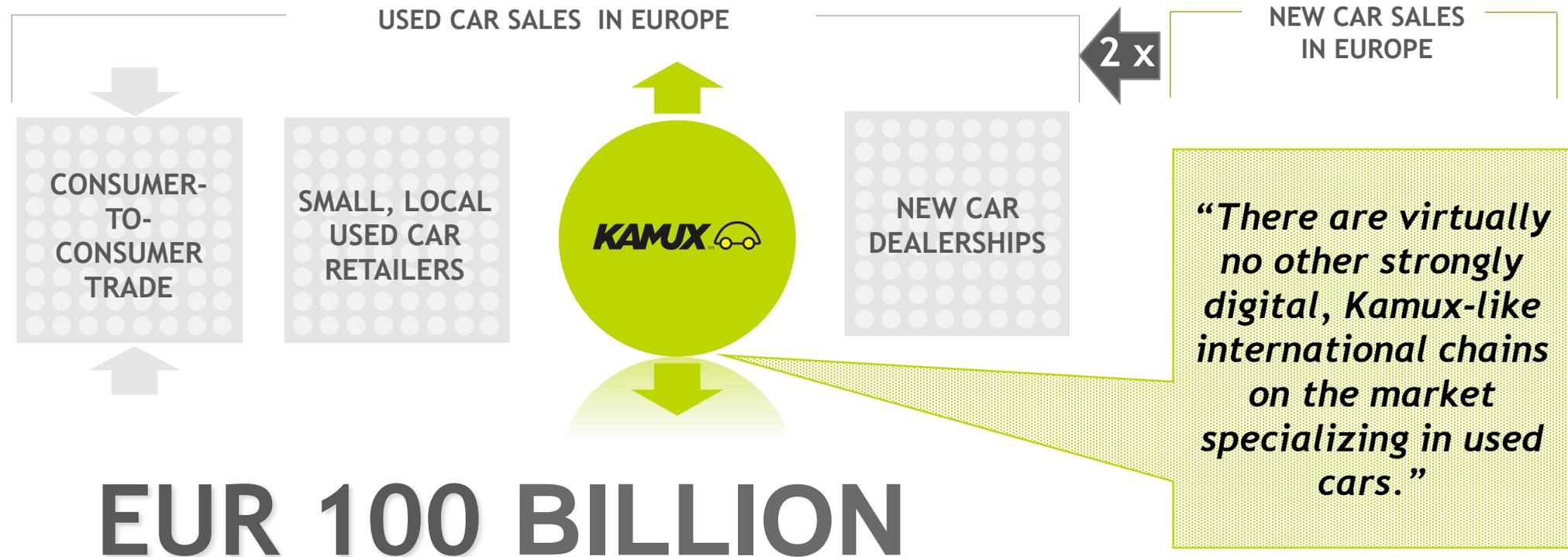
Internationalization proceeded strongly. Total revenue increased in Sweden by **63.8%** to EUR 44.2 million and in Germany by **97.6%** to EUR 16.1 million

6.

We opened a new car showroom in **Halmstad**



# The Used Car Market is Stable, Large and Fragmented



**EUR 100 BILLION**



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



# Kamux's Market Position Strengthened in Used Car Market during Q4

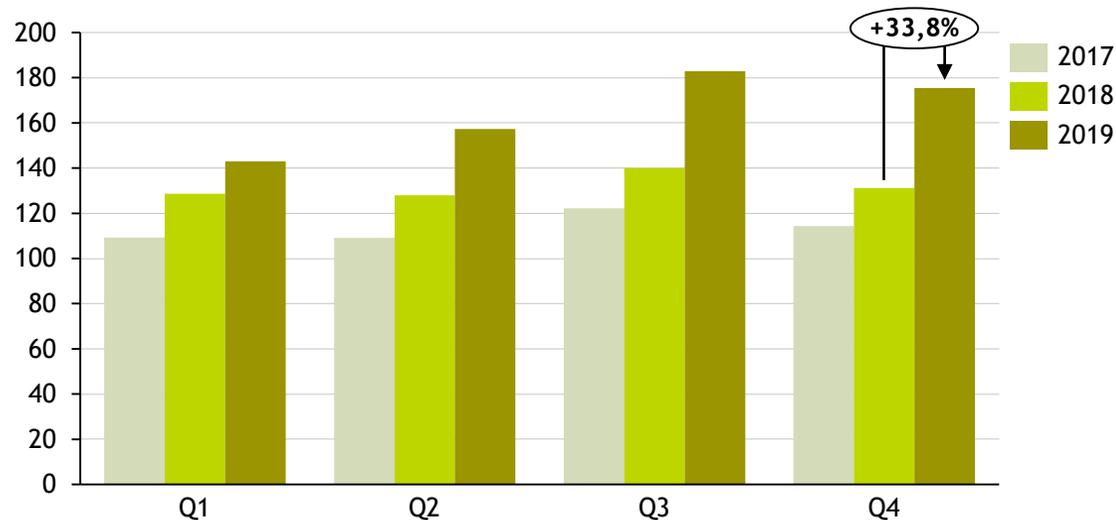
Market	Market size (2019)	Kamux's market share	Market development during Q4	Kamux's position and development during Q4
Finland 	~0.5 million cars	~8.0% #1	We estimate that the used car market remained at the level of the previous year.	Kamux maintained its market leader position.
Sweden 	~1.2 million cars	~0.5% Top 10	We estimate that the used car market increased.	Kamux grew strongly and strengthened its position among the ten largest used car dealers.
Germany 	~7.2 million cars	~0.0%	We estimate that the used car market remained at the level of the previous year.	Kamux grew its market share.

\* In 2019, new car registrations in European Union region increased 1.2% compared to the previous year. In Finland, first registrations declined by -5.2%.  
\* Used car sales is more stable than new car sales and the market size is bigger.  
\* During 2019, the number of cars kept on increasing in Finland, Sweden and Germany.

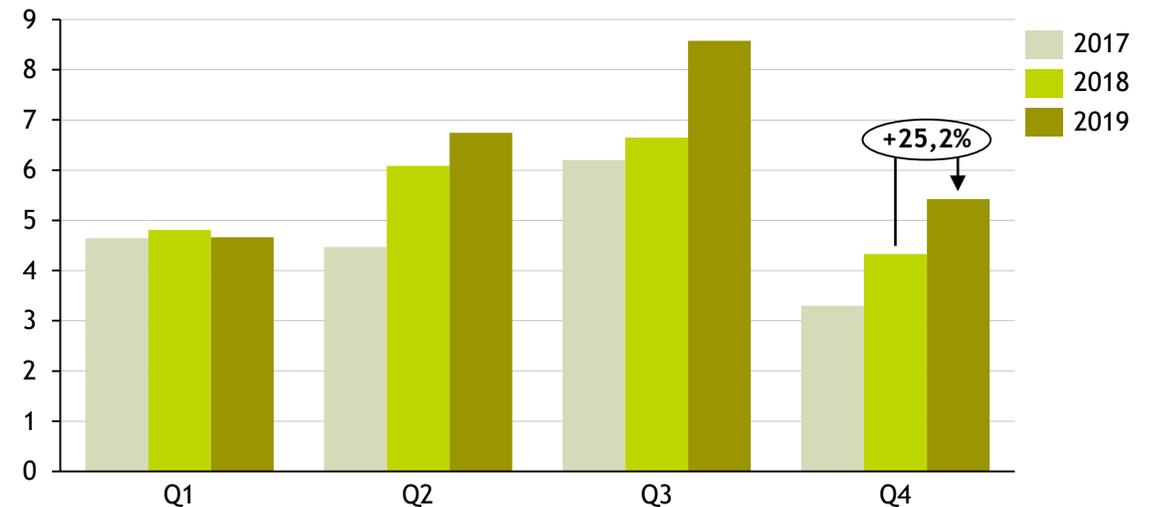


# Kamux Q4 2019 – Very Strong Revenue Growth 33.8%

Revenue (EUR million)



Adjusted Operating Profit (EUR million)



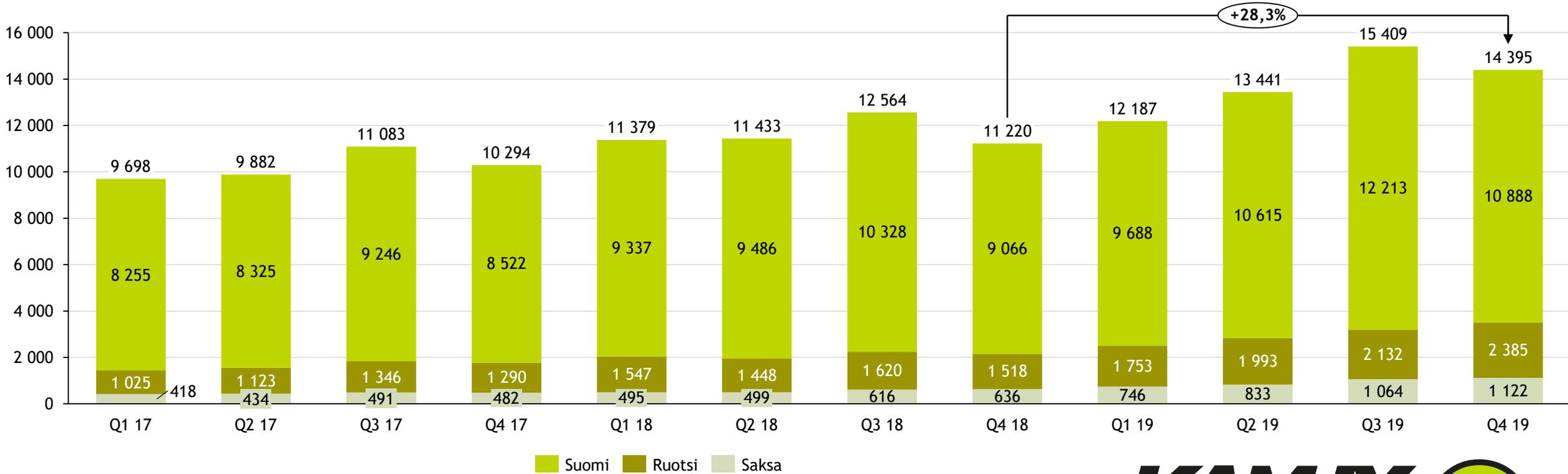
The growth was fully organic and it was based on the sales of new showrooms and like-for-like showrooms.

- Adjusted operating profit (EBIT) Q4 2019 increased by 25.2% and it was EUR 5.4 million (4.3).



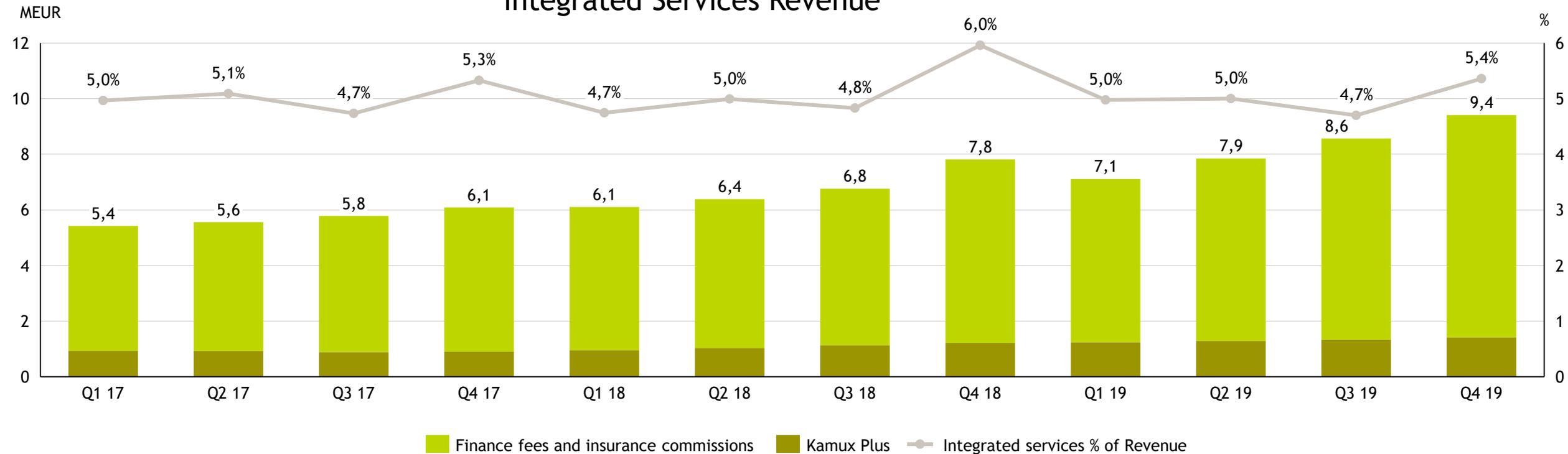
# Number of Cars Sold Grew by 28.3% during Q4 2019

Sold Cars (pcs)



# Integrated Services Revenue Grew Q4 2019

## Integrated Services Revenue



# Kamux in 2019: Very Strong Growth and Internationalization

1.

Revenue increased by **EUR +130.7million** or **24.8%** to EUR 658.5 million (527.8)

3.

Adjusted operating profit increased by **16.1 %** to EUR 25.4 (21.9)

5.

Internationalization proceeded strongly and revenue increased in Sweden by **55.5%** to EUR 158.5 million, and in Germany by **73.5%** to EUR 52.2 million

2.

Gross profit increased by **22.8%** to EUR 79.6 million (64.9)

4.

We opened **10** new car showrooms in total, 4 in Finland, 4 in Sweden and 2 in Germany

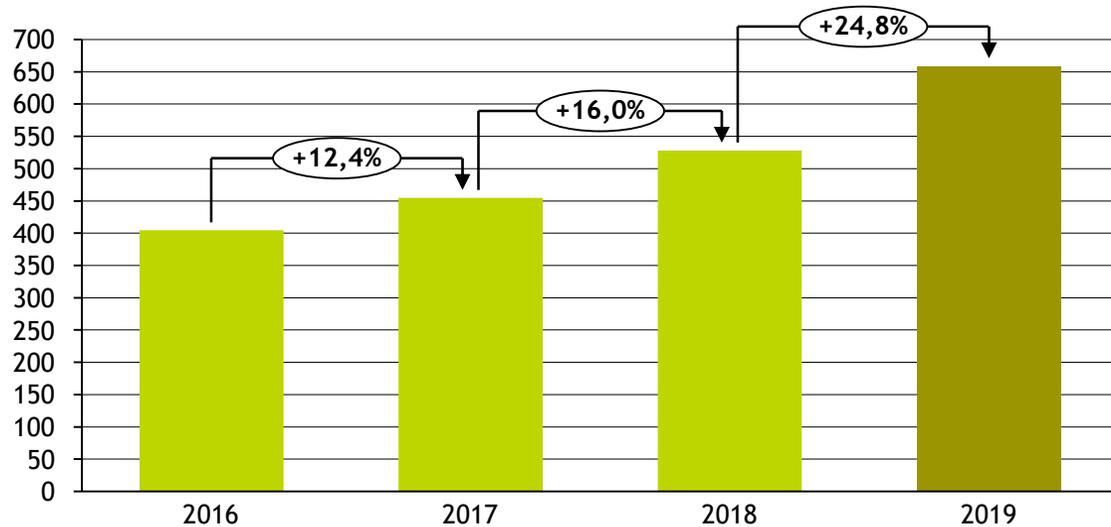
6.

Like-for-like showroom revenue growth was **6.3%** (5.6%)



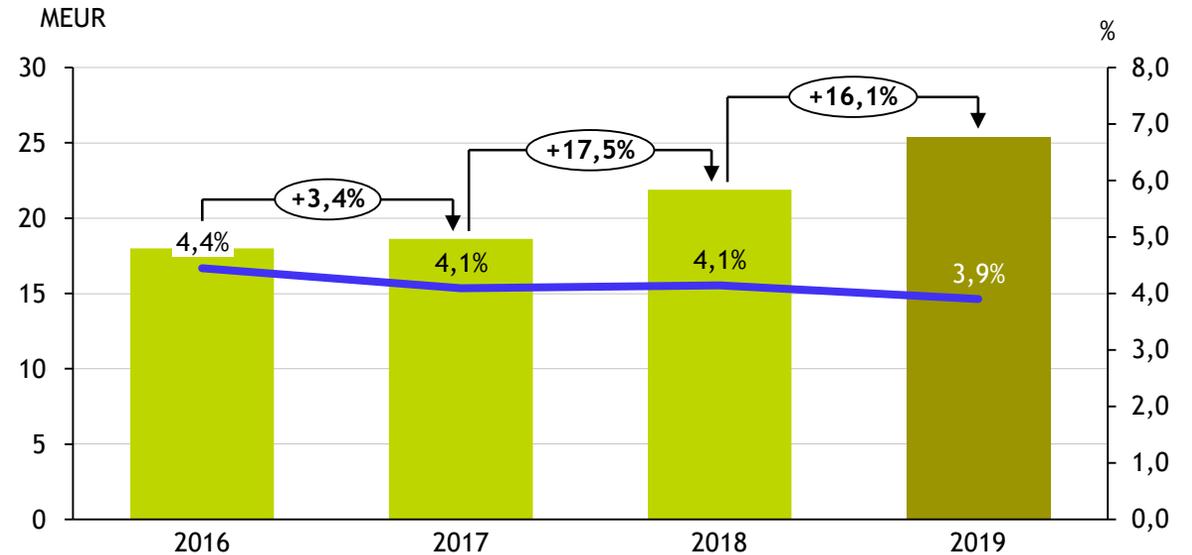
# Kamux in 2019 – Growth Accelerated, Concurrently Strong Profit Growth

Revenue (EUR million)



- Revenue growth accelerated in 2019

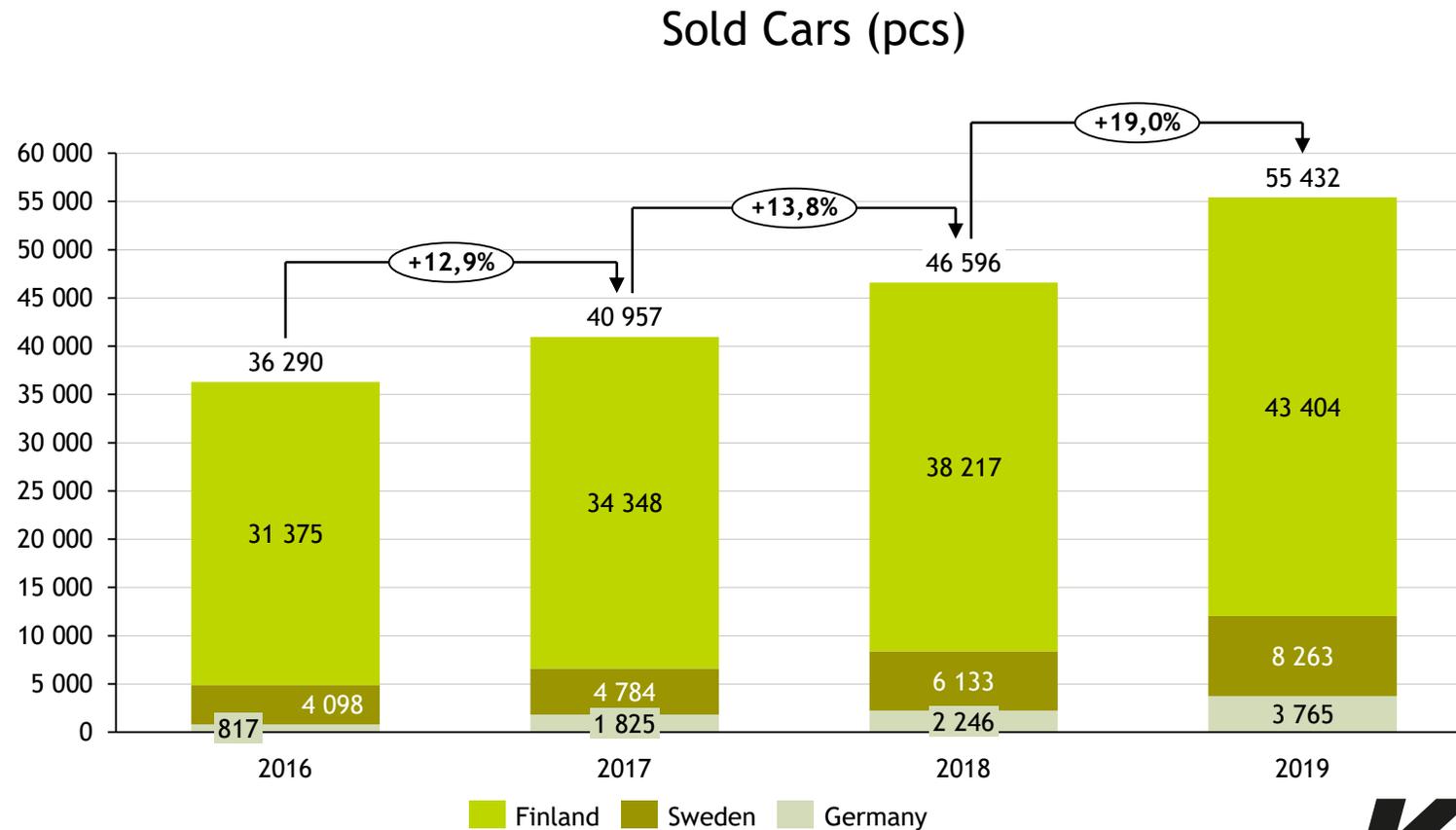
Adjusted Operating Profit (EUR million)



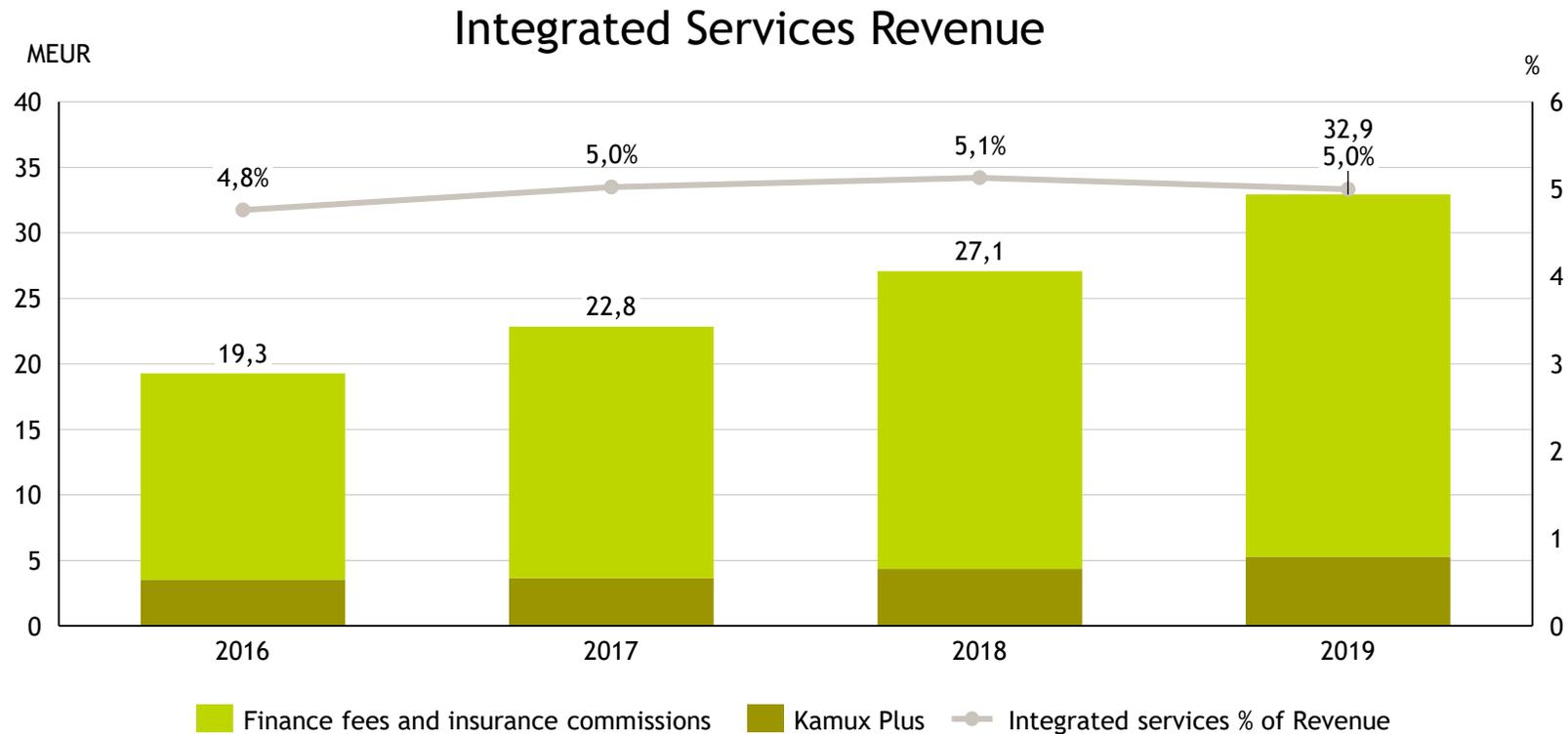
- Adjusted operating profit grew strongly in 2019



# Number of Sold Cars Grew by 19.0% in 2019



# Integrated Services Revenue Continued to Grow in 2019



# Kamux is taking advantage of the digital disruption for the benefit of the customer



Cross-selling in 2019:

**33%** in Finland

**29%** in the Group

Over **800,000** monthly web site visits on [kamux.fi/se/de](https://kamux.fi/se/de)



# Showrooms 28 February 2020

2019	FIN	SWE	GER	OPENINGS 2019
Q1	Limingantulli Kajaani Klaukkala	Karlskrona Norrtälje		5
Q2	Forssa	Helsingborg		2
Q3			Stade Heide	2
Q4		Halmstad		1
Openings 2019 by Segment	4	4	2	10
<b>Openings Q1 2020</b>	Espoo Niittykumpu			1
Showrooms total 28 Febr 2020	49	17	6	72
<i>Announced openings</i>	<i>Tornio</i>	<i>Göteborg &gt;&gt; Sundsvall Stockholm Värmdö</i>	<i>Kaltenkirchen</i>	4





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# Financial Development

Marko Lehtonen, CFO

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# More Efficient Use of Capital

- Inventory turnover 44.5 days (49.6 days)
- Earnings per share 0.48 EUR, growth 29.8%
- Return on Equity (ROE) was 25.3% (22.9%)
- Net cash inflow from operating activities was EUR 33.3 million (2.7)

We Created  
Added Value  
for  
Shareholders



# Key Figures 2019

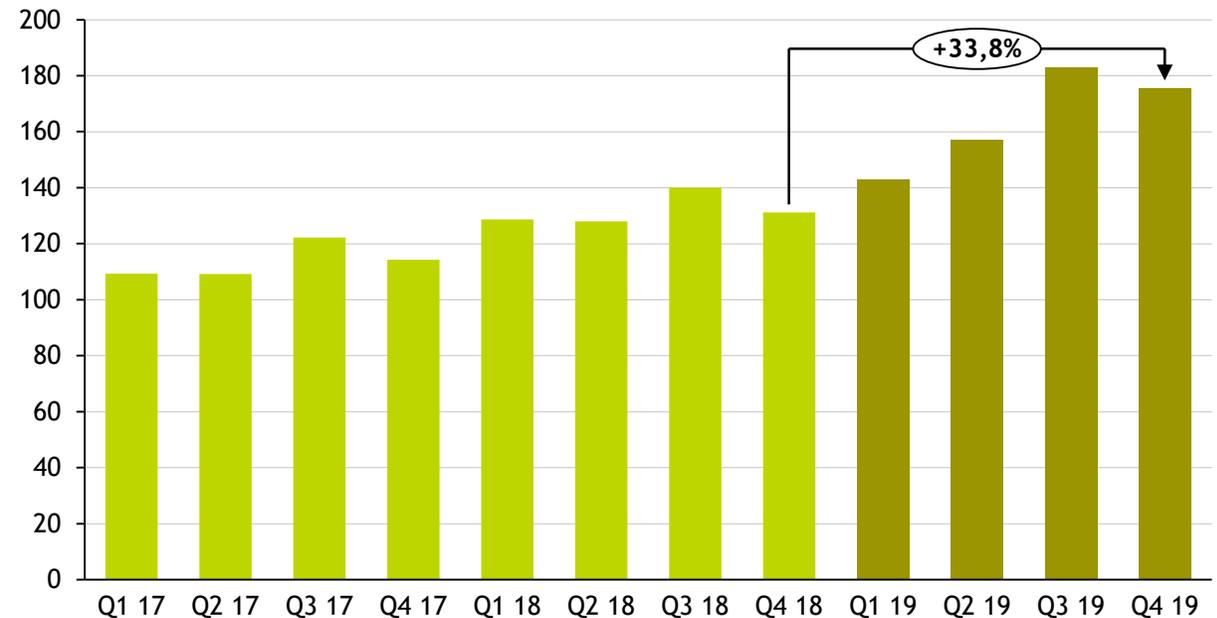
(MEUR)	10-12/ 2019	10-12/ 2018	Change, %	1-12/ 2019	1-12/ 2018	Change, %
Revenue	175.4	131.1	33.8%	658.5	527.8	24.8%
Gross profit	20.0	16.0	25.6%	79.6	64.9	22.8%
as percentage of revenue, %	11.4%	12.2%		12.1%	12.3%	
Operating profit (EBIT)	5.4	3.9	36.8%	25.3	18.9	33.8%
as percentage of revenue, %	3.1%	3.0%		3.8%	3.6%	
Adjusted operating profit	5.4	4.3	25.2%	25.4	21.9	16.1%
as percentage of revenue, %	3.1%	3.3%		3.9%	4.1%	
Revenue from integrated services	9.4	7.8	20.4%	32.9	27.1	21.7%
as percentage of revenue, %	5.4%	6.0%		5.0%	5.1%	
Sales growth of like-for-like showrooms, %	14.6%	0.7%		6.3%	5.6%	
Inventory turnover, days				44.5	49.6	-10.4%
Return on equity (ROE), %				25.3%	22.9%	
Return on capital employed (ROI), %				16.7%	16.2%	
Equity ratio, %				45.1%	60.0%	
Earnings per share, basic, EUR	0.12	0.08	38.0%	0.48	0.37	29.8%



# Very Strong Revenue Growth Q4 2019

- The number of used cars sold by Kamux in the fourth quarter grew by 28.3% and totaled 14,395 cars (11,220).
- Kamux's revenue grew by 33.8% in Q4 2019.
- The increase in revenue was driven by new showrooms and like-for-like showrooms.
- Like-for-like sales growth in Q4 was 14.6% (0.7%).

Revenue (EUR million)

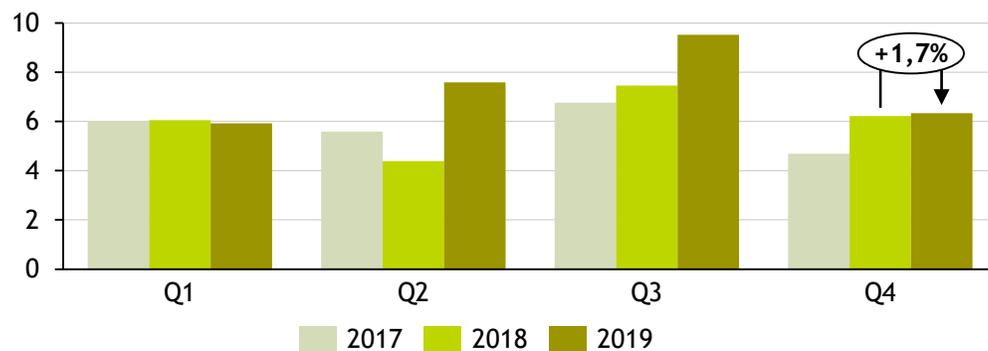


# Kamux Finland – Very Strong Revenue Growth in Q4 2019

Revenue (EUR million)



Operating Profit (EUR million)

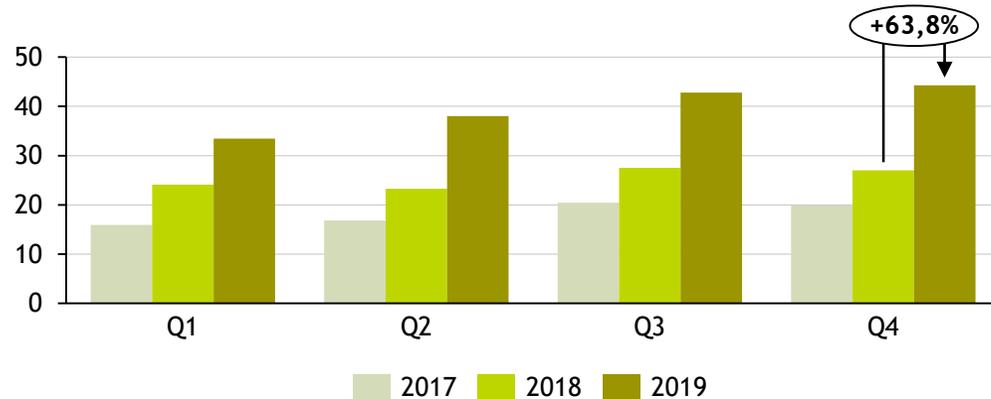


- Revenue grew by 23.0 % compared to the previous year and was EUR 125.8 million (102.3).
- Gross margin increased to EUR 15.3 million (13.4), or 12.1% (13.1%) of revenue.
- Operating profit grew by 1.7% compared to previous year and was EUR 6.3 million (6.2), or 5.0% (6.1) of revenue.
  - IFRS 16 had no material effect on operating profit.
- Integrated services revenue increased to EUR 7.8 million (6.8), or 6.2 % (6.7) of revenue.
- Like-for-like showroom sales increased.

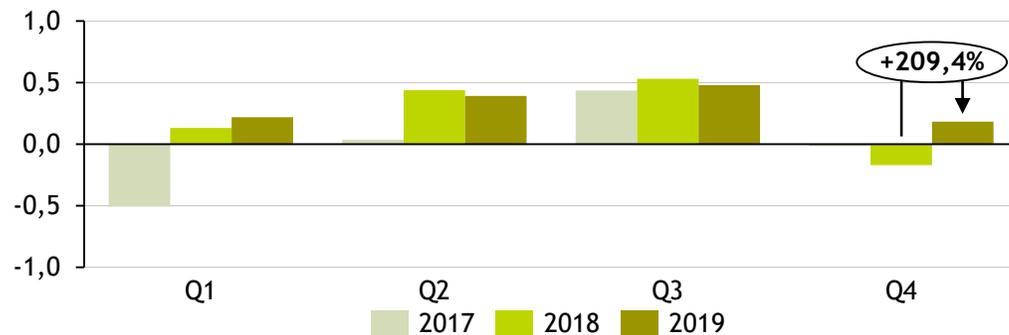


# Kamux Sweden – Very Strong Revenue Growth Continued and Profit Grew Q4 2019

Revenue (EUR million)



Operating Profit (EUR million)



- Total revenue grew 63.8% compared to the previous year and was EUR 44.2 million (27.0).
- Operating profit grew compared to the previous year and was EUR 0.2 million (-0.2) and 0.4% (-0.6) of total revenue.
  - IFRS 16 had no material effect on operating profit.
- Revenue of the integrated services increased to EUR 0.9 million (0.7), or 2.6% (3.4) of external revenue.
- Like-for-like showroom sales increased.
- The Halmstad showroom was opened in October.

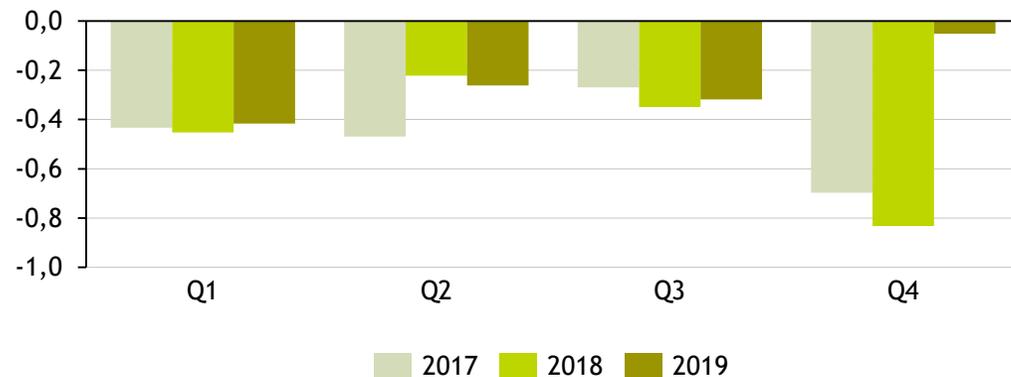


# Kamux Germany – Very Strong Revenue Growth Continued and Operating Loss Decreased Q4 2019

Revenue (EUR million)



Operating Income (EUR million)

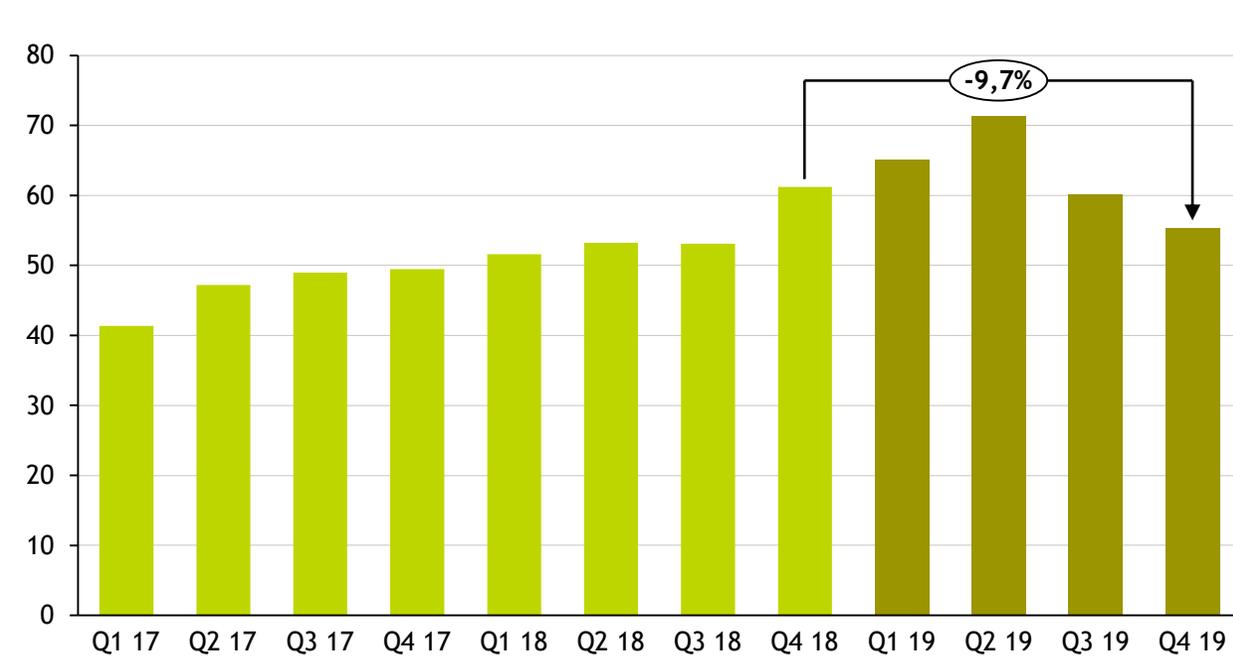


- Total revenue grew by 97.6% compared to the previous year and was EUR 16.1 million (8.2).
- Operating loss decreased compared to the previous year and was EUR -0.1 million (-0.8), or -0.3 % (-10.0) of total revenue
  - IFRS 16 had no material effect on operating loss.
- Integrated services revenue increased to EUR 0.7 million (0.3), or 4.6% (3.4) of external revenue.
- Like-for-like showroom sales increased.

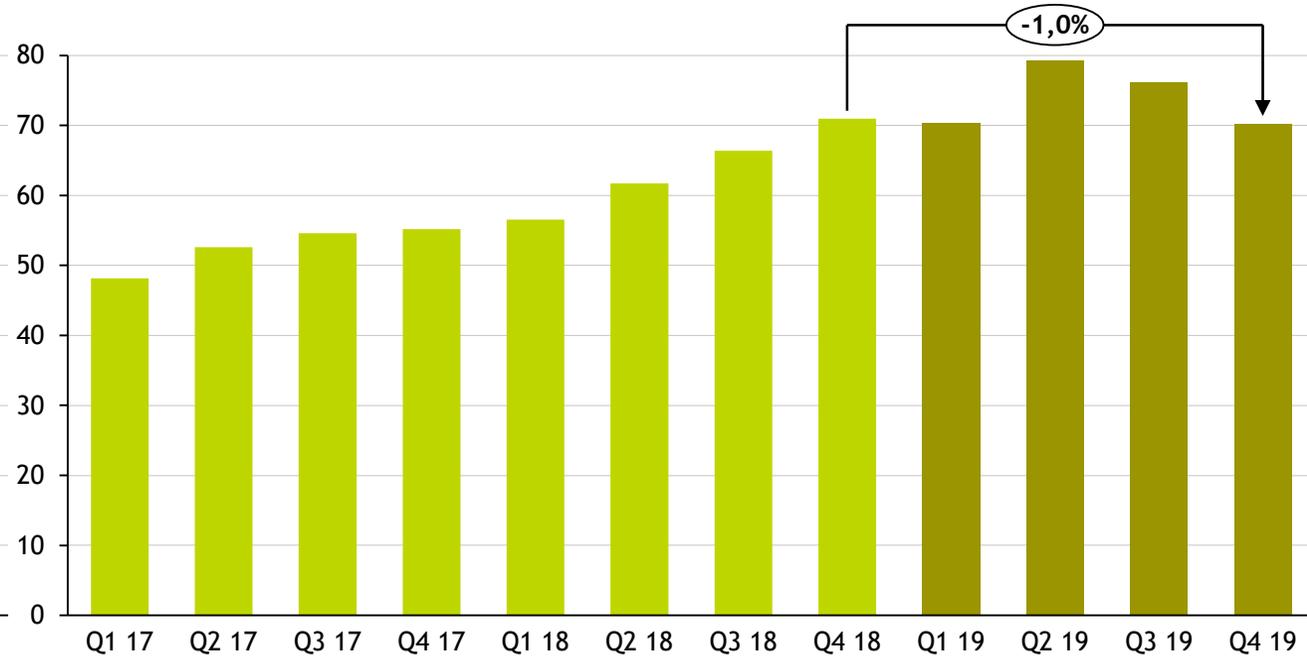


# Despite a very strong growth in revenue, net working capital decreased

Net Working Capital (EUR million)

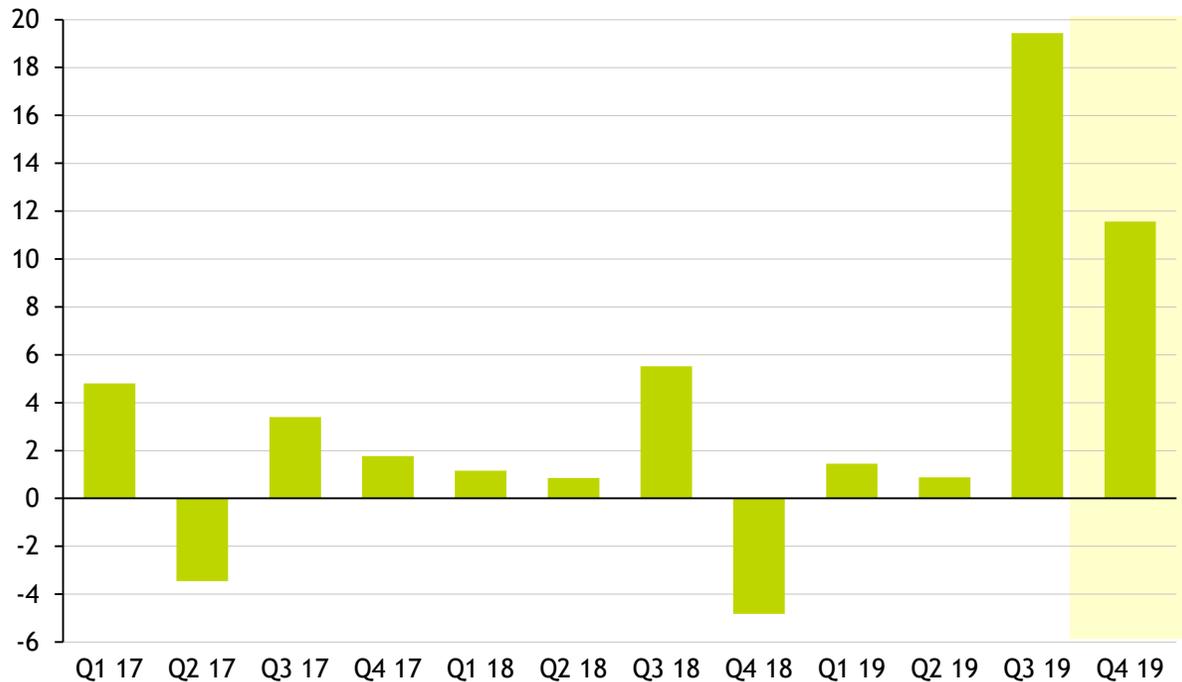


Inventories (EUR million)

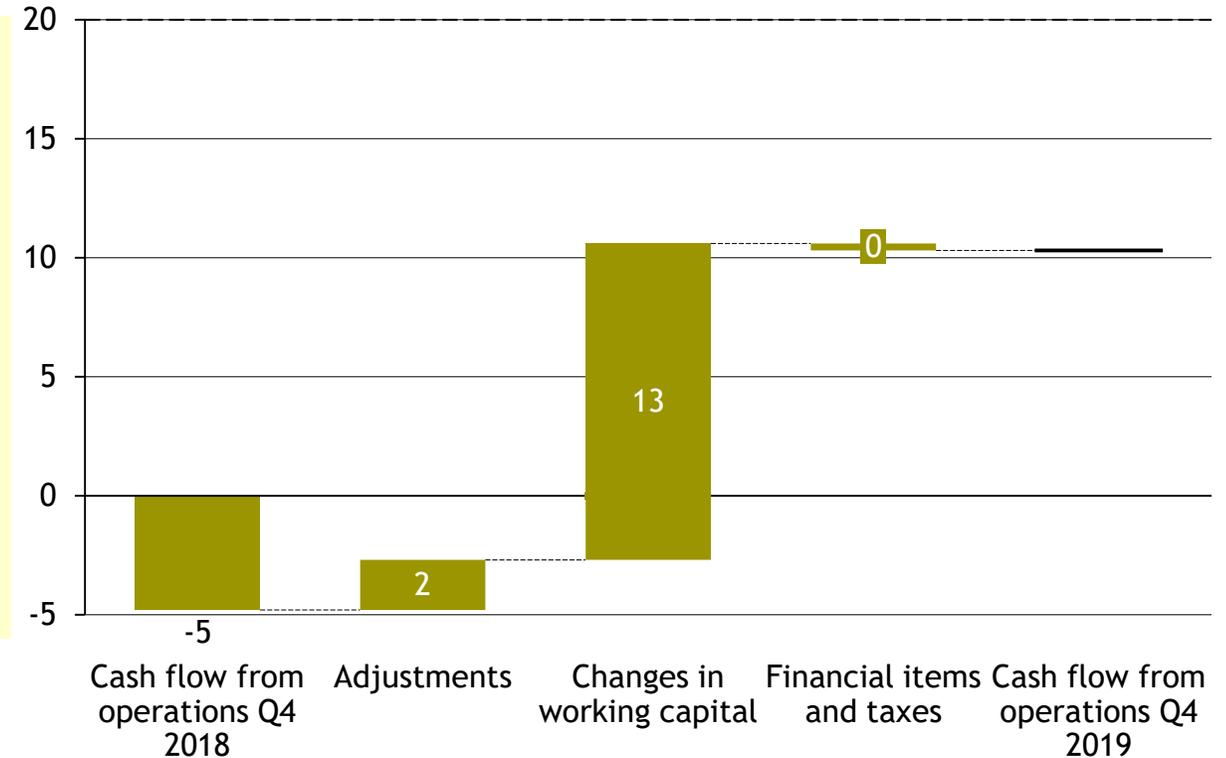


# Very Strong Growth in Cash Flow from Operations

Cash Flow from Operations (EUR million)

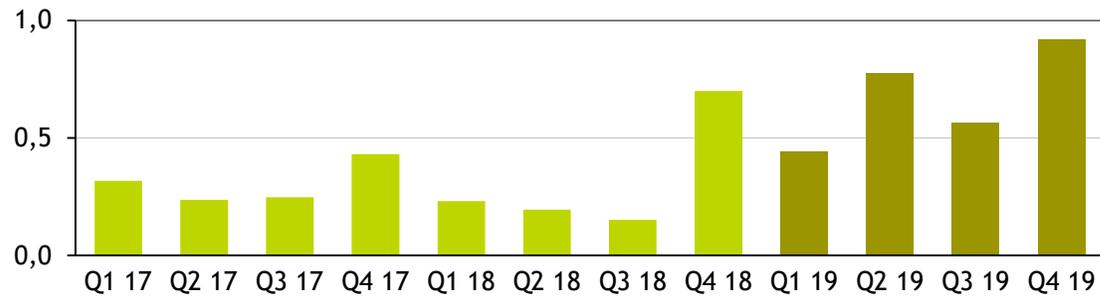


Change (EUR million) to Comparison Period

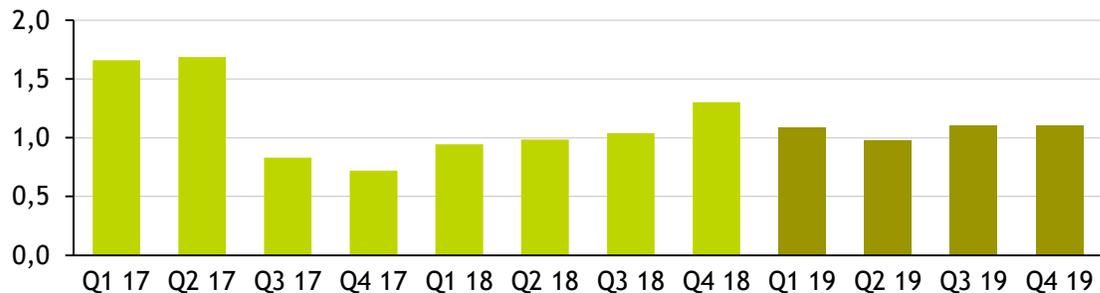


# Strategic Investments Continued

Investments (EUR million)



Group Functions (EUR million)



- In line with our strategy, we have systematically invested in growth.
- Kamux seeks to gain a significant competitive advantage by investing in leading with knowledge 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



# We Support Company's Growth by Investing in Leading with Knowledge and Intelligence

We invest in digital development:

- Seamless integration of supply and demand in European level
- Automation of basic processes



# Dividend Proposal and Annual General Meeting

- The Board of Directors will propose to the AGM a dividend of EUR 0.23 per share (0.16) to be distributed for the year 2019
- Earnings per share in 2019 was EUR 0.48 (0.37)
- The proposed dividend is 48% (44%) of net profit
- The Annual General Meeting will be held on April 21, 2020 in Helsinki





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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

2019: Revenue +24.8%



EBIT margin of at least 4% in 2019-2022

Profitability

2019: Adjusted operating profit 3.9%



Distribute dividends of at least 30% of net profits

Dividend Policy

2019: 48% of net profits \*  
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Kamux does not publish a short-term outlook

Outlook

\* Board of Directors' proposal to AGM

\*\* The Board proposes that the dividend for the financial year 2019 will be paid in two instalments.





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# Summary

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# Summary Q4/2019

Revenue increased by  
**33.8%**  
to EUR 175.4 million  
(131.1)



Adjusted operating  
profit increased by  
**25.2%**  
to EUR 5.4 million (4.3)

Gross profit increased  
by **25.6%**  
to EUR 20.0 million  
(16.0)



Like-for-like  
showroom revenue  
growth was  
**14.6%** (0.7%)





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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.

