

INTERIM REPORT

January 1–March 31, 2022



Kamux Corporation's Interim Report for January 1–March 31, 2022

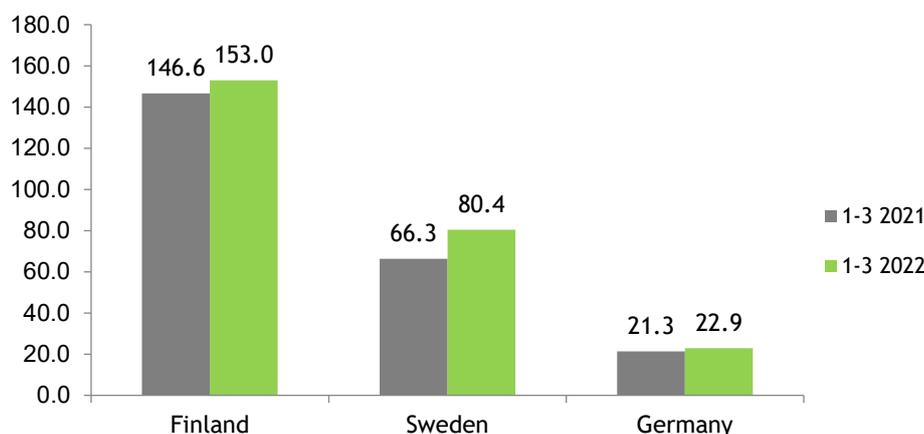
Kamux's revenue grew strongly at +13.1%, adjusted operating profit (EBIT) was at the previous year's level

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 increased by 13.1%, totaling EUR 237.3 million (209.9)
- Gross profit increased by 4.6% to EUR 24.3 million (23.2), or 10.2% (11.0) of revenue
- Adjusted operating profit (EBIT) was at the previous year's level, amounting to EUR 5.7 million (5.7), or 2.4% (2.7) of revenue
- Operating profit (EBIT) was at the previous year's level, amounting to EUR 5.7 million (5.7), or 2.4% (2.7) of revenue
- The number of cars sold decreased by -3.9% to 15,601 cars (16,242)
- Like-for-like showroom revenue growth was 8.6% (12.8)
- Basic earnings per share were EUR 0.11 (0.09) and diluted earnings per share were EUR 0.10 (0.09)

Revenue of business segments in January–March, EUR million



Key figures

EUR million	1–3/2022	1–3/2021	Change, %	1–12/2021
Revenue	237.3	209.9	13.1%	937.4
Gross profit	24.3	23.2	4.6%	101.3
as percentage of revenue, %	10.2%	11.0%		10.8%
Operating profit (EBIT)	5.7	5.7	-0.5%	28.0
as percentage of revenue, %	2.4%	2.7%		3.0%
Adjusted operating profit*	5.7	5.7	-0.5%	31.4
as percentage of revenue, %	2.4%	2.7%		3.3%
Revenue from integrated services	11.8	9.4	25.4%	42.8
as percentage of revenue, %	5.0%	4.5%		4.6%
Number of cars sold	15,601	16,242	-3.9%	68,429
Gross profit per sold car, EUR	1,554	1,427	8.9%	1,480
Sales growth of like-for-like showrooms, %	8.6%	12.8%		19.1%
Net debt	85.4	75.5	13.1%	70.4
Inventories	146.2	122.4	19.5%	132.8
Inventory turnover, days	56.7	54.3	4.4%	49.3
Capital expenditures	1.4	1.2	10.5%	7.4
Average number of employees during the period	875	795	10.1%	848
Return on equity (ROE), %	19.5%	26.5%		19.5%
Return on investment (ROI), %	11.2%	16.5%		12.5%
Equity ratio, %	46.4%	45.4%		47.3%
Earnings per share, basic, EUR	0.11	0.09	21.6%	0.49
Earnings per share, diluted, EUR	0.10	0.09	21.8%	0.49

** Operating profit adjusted for special items related to legal processes and taxes from previous financial years. During the first quarter of 2022, there were no items adjusting the operating profit (1–3/2021: EUR 0.0 million and 1–12/2021: EUR 3.4 million).*

CEO Juha Kalliokoski:

“During the first quarter, we continued to firmly implement our growth strategy and succeeded in increasing our turnover, which is our most important goal, in a challenging market environment. Net sales grew by 13.1% and comparable showroom sales grew by 8.6%. I am particularly pleased with the external sales growth and the positive gross margin development in Sweden and Germany, as well as the growth in sales of integrated services in all markets. Gross margin per sold car also developed well.

The development in the number of sold cars was a disappointment. Sales developed well in Sweden and Germany, but in Finland the number of cars sold fell to 2020 level at approximately 11,000 cars. Due to rising prices and increased geopolitical uncertainty, fewer used cars were sold in all of our operating countries and in our view Russia's attack on Ukraine in February had a clear negative impact on demand. Given the market development, we can be particularly pleased with the sales development in Sweden and Germany. Due to the sharply increased fuel prices, the reduced demand was especially focused on hybrid and electric cars, for which the purchasing market is particularly tense. The global shortage of components continues to prolong delivery times for new cars, resulting in limited availability of used cars. Despite the tense purchasing market, sales of hybrid and electric cars at Kamux increased by almost 40% compared to Q1 2021. We took the tense purchasing market into account already at the end of 2021 and increased the inventory of cars ahead the coming summer season. This is reflected in our inventory and inventory turnover during the first quarter.

On May 16, 2022, it will be five years since trading with Kamux shares began at Nasdaq Helsinki's main market. Over these five years, we have taken a big step towards our vision to be the #1 used car retailer in Europe and have already reached third place. I would like to thank all our employees for their efforts on this journey and for their continued work for the benefit of the company and our customers. The number of shareholders has grown to more than 24,000, and I would also like to thank them all for their trust. We will continue to follow our path to growth, guided by our strategy.”

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

At the beginning of 2022, we have continued accelerating our growth in line with our strategy. A larger store size supports scalability and the streamlining of processes in line with the Kamux concept. During the first quarter, we announced the move of two stores in Finland (Pori and Petikko, Vantaa) to larger premises during the spring of 2022. In addition, we announced the opening of a new store in Nyköping, Sweden, in September 2022. In April, we announced the plan to open our 24th store in Sweden in Kalmar in September 2022.

We have continued to invest heavily in training and leadership development to ensure the best digital purchase path in the market and the fulfillment of our customer proposition. We have also continued to develop the utilization of data and analytics, as they support sales, purchasing and pricing management, as well as the development of the customers' online shopping experience.

Services have been developed, e.g., by introducing a renewed, more comprehensive Kamux Plus service in Finland. The pilot of the monthly fee-based Kamux Huoleton service, launched in 2021, continues.

Outlook for the year 2022

In 2022, Kamux expects its revenue to be at least EUR 1,100 million and adjusted operating profit to increase from the previous year.

Although Kamux's business is not exposed to immediate Russia-related risks, Russian military actions in Ukraine have caused significant uncertainty across Europe. The situation may have an impact on people's consumption behavior and purchasing power, which may also create uncertainty regarding Kamux's outlook for 2022.

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 dividends to be distributed, which may for any single year differ significantly from the target level set in the dividend policy.

Market review

In terms of car sales, the COVID-19 pandemic that characterized 2020 and 2021 did not have a significant impact on consumers' mobility and purchase behavior in the first quarter of 2022, although the omicron variant spread rapidly early in the year. Germany was the only Kamux operating country with restrictions on people's behavior and mobility during the quarter.

According to Company estimates, the used car market contracted during the first quarter in all of the Company's operating countries. The market for used cars contracted particularly strongly in Sweden. Accelerated inflation, geopolitical uncertainty and rising fuel prices weakened consumer confidence and slowed car sales throughout the quarter and especially towards the end of the quarter. 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, but the Company estimates that it increased slightly during the first quarter. New car registrations fell by 12.3% in January–March 2022 and by 20.5% in March 2022 across the European Union (ACEA).

Kamux estimates that the market for used cars in its three operating countries totals approximately 8.6 million sold cars, corresponding to more than EUR 100 billion a year. In 2021, according to Kamux's estimate, approximately 0.6 million used cars were sold in Finland, approximately 1.3 million in Sweden and approximately 6.7 million in Germany.

Revenue in January–March 2022

Revenue increased by 13.1% compared to the corresponding period of the previous year and was EUR 237.3 million (209.9). The increase in revenue was driven by the opening of new showrooms, higher average prices for cars, and sales growth of like-for-like showrooms. Revenue from integrated services increased to EUR 11.8 million (9.4), or 5.0% (4.5) of total revenue.

The number of cars sold by Kamux in Finland, Sweden and Germany decreased by -3.9% compared to the corresponding period of the previous year and was 15,601 cars (16,242). Revenue per sold car was EUR 15,209 (12,921).

Revenue allocation

EUR million	1–3/2022	1–3/2021	1–12/2021
Sales of used cars	225.4	200.4	894.6
Financing fees and insurance commissions	10.0	7.9	36.2
Sales of Kamux Plus	1.8	1.5	6.6
Total	237.3	209.9	937.4

Result in January–March 2022

Gross profit increased by 4.6% compared to the corresponding period of the previous year and was EUR 24.3 million (23.2). Gross profit increased in Sweden and Germany but decreased in Finland. In Kamux Group, gross profit as percentage of revenue decreased by -0.8 percentage points to 10.2% (11.0).

Adjusted operating profit was at the previous year's level, amounting to EUR 5.7 million (5.7). The adjusted operating profit as percentage of revenue was 2.4% (2.7). The adjusted operating profit has been adjusted for special items related to legal processes and taxes from previous financial years. There were no items adjusting the operating profit in the first quarter or the corresponding period of the previous year.

Operating profit (EBIT) was at the previous year's level, amounting to EUR 5.7 million (5.7).

Financial income and costs amounted to EUR -0.1 million (-1.1).

Profit before taxes was EUR 5.5 million (4.6). Basic earnings per share amounted to EUR 0.11 (0.09) and diluted earnings per share amounted to EUR 0.10 (0.09).

Key figures of the business segments

pcs	1–3/2022	1–3/2021	Change, %	1–12/2021
Number of cars sold excluding internal sales				
Finland	10,946	12,108	-9.6%	48,660
Sweden	3,407	3,035	12.3%	14,361
Germany	1,248	1,099	13.6%	5,408
Segments total	15,601	16,242	-3.9%	68,429
EUR million				
Revenue				
Finland	153.0	146.6	4.4%	611.0
Sweden	80.4	66.3	21.3%	296.6
Germany	22.9	21.3	7.3%	98.6
Segments total	256.4	234.3	9.4%	1,006.1
Group functions and eliminations	-19.1	-24.4	21.6%	-68.7
Total	237.3	209.9	13.1%	937.4
Gross profit				
Finland	17.8	18.5	-3.8%	79.6
Sweden	4.8	3.8	26.6%	19.0
Germany	1.6	0.9	89.0%	2.6
Segments total	24.3	23.2	4.6%	101.3
Group functions and eliminations	-	-	-	-
Total	24.3	23.2	4.6%	101.3
Gross profit, as percentage of revenue, %				
Finland	11.6%	12.6%		13.0%
Sweden	6.0%	5.8%		6.4%
Germany	7.1%	4.0%		2.6%
Segments total	9.5%	9.9%		10.1%
Group functions and eliminations	-	-		-
Total	10.2%	11.0%		10.8%

EUR million	1–3/2022	1–3/2021	Change, %	1–12/2021
Operating profit				
Finland	7.7	8.3	-7.4%	37.8
Sweden	0.2	0.1	316.4%	1.3
Germany	-0.5	-1.0	49.4%	-5.1
Segments total	7.4	7.4	0.6%	34.0
Group functions and eliminations	-1.7	-1.7	-4.1%	-6.1
Total	5.7	5.7	-0.5%	28.0
Operating profit, as percentage of revenue, %				
Finland	5.0%	5.6%		6.2%
Sweden	0.3%	0.1%		0.5%
Germany	-2.1%	-4.5%		-5.2%
Segments total	2.9%	3.1%		3.4%
Group functions and eliminations	-	-		-
Total	2.4%	2.7%		3.0%
Special items adjusting operating profit				
Finland	-	-		0.0
Sweden	-	-		-
Germany	-	-		-3.5
Segments total	-	-		-3.5
Group functions and eliminations	-	-		0.0
Total	-	-		-3.4
Operating profit adjusted for special items				
Finland	7.7	8.3	-7.4%	37.8
Sweden	0.2	0.1	316.4%	1.3
Germany	-0.5	-1.0	49.4%	-1.6
Segments total	7.4	7.4	0.6%	37.5
Group functions and eliminations	-1.7	-1.7	-4.1%	-6.1
Total	5.7	5.7	-0.5%	31.4
Operating profit adjusted for special items, as percentage of revenue, %				
Finland	5.0%	5.6%		6.2%
Sweden	0.3%	0.1%		0.5%
Germany	-2.1%	-4.5%		-1.7%
Segments total	2.9%	3.1%		3.7%
Group functions and eliminations	-	-		-
Total	2.4%	2.7%		3.3%

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

percentage, %	1–3/2022	1–3/2021	1–12/2021
Financing services			
Finland	49	45	46
Sweden	46	45	44
Germany	27	20	19
Insurance services			
Finland	47	49	48
Sweden	82	91	88
Kamux Plus			
Finland	27	20	19
Sweden	24	22	22

Finland in January–March 2022

Revenue increased by 4.4% compared to the corresponding period of the previous year, mainly as a result of higher average prices for sold cars, and was EUR 153.0 million (146.6). Rising fuel prices and growing geopolitical uncertainty had a negative impact on demand, and the reduced demand was especially focused on hybrid and electric cars. The number of cars sold decreased by -1,162, or -9.6% compared to the first quarter of the previous year, and was 10,946 (12,108). Revenue growth was driven by the opening of new showrooms (Q1/2020 and thereafter) and sales growth of like-for-like showrooms. The renewed Kamux Plus service was well received, and as sales of financing services also progressed well, revenue from integrated services grew to EUR 9.9 million (8.2), or 6.5% (5.6) of revenue. Operating profit decreased by -7.4% compared to the corresponding period of the previous year, and was EUR 7.7 million (8.3), or 5.0% (5.6) of revenue. A new combined showroom and processing center, aligned with the new strategy, was opened in Oulu in February.

Sweden in January–March 2022

Total revenue increased by 21.3% compared to the corresponding period of the previous year and was EUR 80.4 million (66.3). External revenue increased by 30.7% and was EUR 61.9 million (47.3). The number of cars sold increased by 372, or 12.3% compared to the first quarter of the previous year, and was 3,407 (3,035). Revenue growth was driven by the opening of new showrooms and sales growth of like-for-like showrooms. Higher average prices for sold cars and the new showroom opened in Gothenburg during the second quarter of 2021 contributed to revenue growth. Revenue from integrated services increased to EUR 1.4 million (1.0), or 2.3% (2.1) of external revenue. Operating profit increased compared to the corresponding period of the previous year and was EUR 0.2 million (0.1), or 0.3% (0.1) of total revenue. The COVID-19 pandemic had no impact on showroom opening hours.

Germany in January–March 2022

Total revenue increased by 7.3% compared to the corresponding period of the previous year and was EUR 22.9 million (21.3). External revenue increased by 40.3% and was EUR 22.4 million (15.9). The number of cars sold increased by 149, or 13.6% compared to the first quarter of the previous year and was 1,248 (1,099). Revenue growth was driven by the opening of new showrooms and sales growth of like-for-like showrooms. Higher average prices for sold cars had a positive impact on revenue growth. Sales of financing services progressed well and revenue from integrated services increased to EUR 0.5 million (0.2), or 2.4% (1.3) of external revenue. Operating loss decreased compared to the corresponding period of the previous year and was EUR -0.5 million (-1.0), or -2.1% (-4.5) of total revenue. The COVID-19 pandemic had an impact on showroom visits, following the 2G rule for retail imposed by the German Government in December 2021.

Consolidated balance sheet and financial position

As of March 31, 2022, the consolidated balance sheet total was EUR 238.4 million (218.9), of which total equity amounted to EUR 110.0 million (99.1). Net debt amounted to EUR 85.4 million (75.5). Non-current bank loans amounted to EUR 16.6 million (14.0).

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 first quarter, EUR 14.0 million of the term loan and EUR 2.6 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 2022, Kamux Corporation issued a commercial paper totaling EUR 15.0 million. The commercial paper matures in October 2022. The funds acquired through the commercial paper are used to fund working capital.

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

Net working capital amounted to EUR 122.1 million (99.5) as of March 31, 2022. The value of the inventory was EUR 146.2 million (122.4).

Kamux's cash flow from operating activities for January–March was EUR -11.3 million (-13.2). Cash and cash equivalents at the end of the period amounted to EUR 1.8 million (0.4).

Equity ratio at the end of the review period was 46.4% (45.4). Return on investment (ROI) was 11.2% (16.5) and return on equity (ROE) was 19.5% (26.5).

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 amounted to EUR 1.4 million (1.2), and it consisted mainly of investments in IT systems, the Oulu showroom and processing center and ordinary maintenance in the showrooms. 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 amounted to 875 (795) in terms of full-time employees. Recruitment of new personnel will be continued to support Kamux's growth.

Average number of employees by segment

	1–3/2022	1–3/2021	1–12/2021
Finland	579	536	562
Sweden	218	178	206
Germany	78	81	80
Total	875	795	848

Kamux's share and shareholders

Kamux's largest shareholders as of March 31, 2022 were Juha Kalliokoski, including both the shares owned by Juha Kalliokoski and by an investment company controlled by persons closely associated to Juha Kalliokoski (14.6%), Elo Mutual Pension Insurance Company (5.3%), and Jussi Mäkinen (3.4%).

During January–March, 9,534,520 (8,720,672) Kamux shares were traded on Nasdaq Helsinki Ltd. The highest share price was EUR 11.91 (15.78) and the lowest price was EUR 9.53 (12.48). On the last trading day of the reporting period, March 31, 2022, the closing share price was EUR 11.23 (13.08). Kamux's volume-weighted average share price during January–March was EUR 10.73 (13.71). Market capitalization, excluding treasury shares, measured at the reporting period's closing price was EUR 449.4 million (522.9).

At the end of March 2022, Kamux's share capital amounted to EUR 80,000 and the number of shares was 40,017,420. In January 2022, a total of 612 shares were returned to the Company without consideration due to the termination of employment of a person covered by the share-based incentive plan. At the end of the reporting period, the Company held 37,114 treasury shares, representing 0.09% of all shares.

Management and Corporate Governance

Management Team

In January, Kamux announced that it would renew and strengthen the composition and responsibilities of the Group Management Team to support the implementation of the updated strategy announced in March 2021. According to the Company, the growth target and internationalization in line with the strategy require a new type of composition and expertise in the Group Management Team.

The work of the Group Management Team was reorganized and three new members were appointed to the Management Team. At the same time, Kamux appointed Martin Verrelli as Country Manager for Germany and Juha Saarinen as Group Purchasing Director.

At the end of the reporting period, Kamux's Management Team comprised the following persons:

- Juha Kalliokoski, CEO
- Marko Lehtonen, CFO, Risks, IR & Communications and Law
- Jani Koivu, Country Director for Finland
- Kerim Nielsen, Country Manager for Sweden
- Martin Verrelli, Country Manager for Germany (as of July 1, 2022 at the latest)
- Mikki Inkeroinen, Marketing, Digitalization, Customer Channels and IT (until May 15, 2022)
- Marjo Nurmi, People, Culture and Responsibility
- Juha Saarinen, Purchasing, Logistics and HUB
- Vesa Uotila, Strategy, Innovations, Data and Analytics

After May 15, 2022, Mikki Inkeroinen will pursue career opportunities outside the Company.

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 entire plan is accounted for as an equity-settled payment with net settlement features. 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 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. During January–March 2022, the total effect of the share-based plans on the consolidated income for the financial year was EUR -0.1 million (-0.1).

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 review period on Wednesday, April 20, 2022. The Meeting approved the Annual Accounts for the financial year 2021 and discharged the members of the Board of Directors and the 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 0.20 per share was approved. The dividend will be paid in two instalments. The shareholders did not demand the distribution of a minority dividend. The record date for the first dividend instalment, EUR 0.08, was April 22, 2022, and the dividend was paid on April 29, 2022. The record date for the second dividend instalment, EUR 0.12, is October 21, 2022, and the dividend will be paid on October 28, 2022. The Board of Directors was authorized, if necessary, to decide on a new

dividend payment record date and pay date for the second instalment 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 seven members. In accordance with the proposal of the Shareholders' Nomination Board, Ms. Reija Laaksonen, Mr. Antti Mäkelä, Mr. Tapio Pajuharju, Mr. Harri Sivula, and Mr. Tuomo Vähäpassi were re-elected as members of the Board of Directors and Mr. Terho Kalliokoski and Ms. Jaana Viertola-Truini were elected as new members of the Board of Directors. In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting elected Mr. Harri Sivula as the Chairperson of the Board and Mr. Tuomo Vähäpassi as the Vice Chairperson of the Board.

In accordance with the proposal of the Shareholders' Nomination Board, the Annual General Meeting resolved that an annual compensation of EUR 65,000 be paid to the Chairperson of the Board and EUR 30,000 to the Board Members, and an additional compensation of EUR 5,000 per year to the Chairperson of the Audit Committee and EUR 2,500 to each member of the Audit Committee. It was resolved that 40% of the annual fee of the Chairperson and the members of the Board of Directors are 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 after the publication of the interim report for the period January 1, 2022 to March 31, 2022. 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 are 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 Audit Committee. Travel expenses are 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 the shareholders' pre-emptive right (directed issue). The authorization cancels the previous authorization regarding share issue given to the Board of Directors by the Annual General Meeting on April 20, 2021. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2023.

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 own shares of the Company using the unrestricted equity of the Company, representing about 5% of all the shares in the Company. The authorization also 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 authorization includes the Board's right to resolve on a directed repurchase or the acceptance of 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 or redeem 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% 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, 2021. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than until June 30, 2023.

Amendment of the Rules of Procedure for the Shareholders' Nomination Board

The Annual General Meeting resolved to amend the rules of procedure for the Shareholders' Nomination Board in accordance with the proposal of the Nomination Board.

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. Tuomo Vähäpassi (Chairperson), Mr. Tapio Pajuharju and Ms. Jaana Viertola-Truini as members of the Audit Committee. Additionally, the Board resolved to establish a Personnel and Remuneration Committee and appointed Ms. Reija Laaksonen (Chairperson), Mr. Antti Mäkelä and Mr. Terho Kalliokoski as members.

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, 2022.

The Company's Corporate Governance Statement 2021 and Remuneration Report 2021 were published on March 23, 2022 as part of the Company's Annual Report. The reports are available on the Company's website at kamux.com.

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 has placed the issue before the Administrative Court and applied for a rectification of the Adjustment Board's ruling.

Short-term risks and uncertainties

According to the Company's assessment, there were changes in the short-term risks and uncertainties during the first quarter.

The Russian military actions in Ukraine in February have caused significant uncertainty across Europe. The geopolitical situation may be 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 have an impact on people's consumption behavior and purchasing power, which may also be reflected in used car sales.

The global COVID-19 pandemic and the restrictions and regulations related to it have caused significant changes in Kamux's operating environment. The exceptional circumstances still impact people's lives, health, mobility and financial situation as well as the business of companies. There are many uncertainties related to the situation and the spreading, new waves or duration of the pandemic that have already impacted Kamux's business, financial position, and results of operations negatively and may continue to do so in the future as well.

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.

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 12, 2022, a total of 1,401 treasury shares were returned to the Company without consideration in accordance with the terms and conditions of the Company's share-based incentive scheme due to the termination of employment of key persons. After the return, the Company holds a total of 11,994 treasury shares.

On April 21, 2022, the Company announced the plan to open its 24th store in Sweden in September 2022 in Kalmar.

In April 2022, as announced on March 22, 2022, the Company transferred a total of 26,521 treasury shares held by the Company without consideration in accordance with the terms and conditions of the Company's share-based incentive scheme.

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	1–3/2022	1–3/2021	1–12/2021
Operating profit (EBIT)	5.7	5.7	28.0
Legal processes	-	-	3.5
Taxes related to previous financial years	-	-	-0.1
Total adjustment items	-	-	3.4
Adjusted operating profit	5.7	5.7	31.4

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 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	=	$100 * \left(\frac{\text{Like-for-like showroom car sales}}{\text{Like-for-like showroom car sales in the previous year}} - 1 \right)$ <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>
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 2022

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 2021 as well as on the new and amended IFRS standards described in the financial statements for the year 2021. 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 2021. 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 2021.

The Interim Report is unaudited.

Consolidated statement of comprehensive income

EUR million	1–3/2022	1–3/2021	1–12/2021
Revenue	237.3	209.9	937.4
Other operating income	0.2	0.4	1.4
Materials and services	-213.2	-187.1	-837.5
Personnel costs	-11.7	-11.3	-47.6
Other operating expenses	-3.9	-3.2	-13.8
Depreciation and amortization	-3.0	-3.0	-11.9
Operating profit	5.7	5.7	28.0
Finance income and costs	-0.1	-1.1	-1.5
Profit before income tax	5.5	4.6	26.4
Income tax	-1.3	-1.2	-6.8
Profit for the period	4.2	3.4	19.6
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Translation differences	-0.0	-0.1	-0.1
Other comprehensive income for the period, net of tax	-0.0	-0.1	-0.1
Total comprehensive income for the period	4.2	3.4	19.6
Profit for the period attributable to owners of the Company	4.2	3.4	19.6
Total comprehensive income for the period attributable to owners of the Company	4.2	3.4	19.6
Earnings per share for profit attributable to owners of the Company			
Earnings per share, basic, EUR	0.11	0.09	0.49
Earnings per share, diluted, EUR	0.10	0.09	0.49

Consolidated balance sheet

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
ASSETS			
Non-current assets			
Intangible assets	6.3	5.6	6.4
Goodwill*	14.0	14.0	14.0
Property, plant and equipment	6.9	2.5	6.0
Lease assets	44.3	51.8	44.6
Other receivables	0.2	0.2	0.2
Deferred tax assets	1.4	1.4	1.4
Total non-current assets	73.0	75.4	72.6
Current assets			
Inventories**	146.2	122.4	132.8
Trade and other receivables***	17.0	20.6	18.1
Derivative financial instruments	0.2	-	-
Current income tax assets	0.3	0.2	0.0
Cash and cash equivalents	1.8	0.4	0.9
Total current assets	165.4	143.5	151.9
TOTAL ASSETS	238.4	218.9	224.5
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	0.0	0.0	0.0
Treasury shares	-0.0	-0.2	-0.0
Retained earnings	81.0	71.0	61.3
Profit for the period	4.2	3.4	19.6
Total equity attributable to owners of the Company	110.0	99.1	105.7
Non-current liabilities			
Borrowings	16.6	14.0	13.0
Lease liabilities	35.9	43.6	36.4
Other non-current liabilities	0.0	0.1	0.1
Provisions	0.4	0.4	0.4
Total non-current liabilities	52.9	58.0	49.8
Current liabilities			
Borrowings	24.9	9.2	12.5
Lease liabilities	9.6	9.1	9.5
Derivative financial instruments	-	0.3	0.1
Trade and other payables	37.8	40.2	41.9
Provisions	3.2	3.1	3.4
Current income tax liabilities	-	-	1.6
Total current liabilities	75.5	61.9	68.9
Total liabilities	128.4	119.9	118.8
TOTAL EQUITY AND LIABILITIES	238.4	218.9	224.5

*Goodwill in the balance sheet is allocated to the operating segment Finland which is profitable. In accordance with the management's estimate, the COVID-19 pandemic has not caused any indication of impairment of goodwill.

****Inventory is measured at the lower of cost and estimated selling price of the car, i.e., net realizable value, which is determined based on the management's judgment, market information and historical data. If the estimated selling price of the car is lower than the cost, the inventory value for the car will be written down through profit or loss in the item Materials and services. In accordance with the management's estimate, the market situation caused by the COVID-19 pandemic has not given reason to recognize material exceptional inventory write-downs in the balance sheet as per March 31, 2022.**

*****Trade receivables consist mainly of receivables from finance companies. Receivables originate when there is a temporary time lag between the approved credit decision and a payment made by the finance company. During that time lag, Kamux has a temporary credit risk from finance companies. The Company mitigates the credit risk by dealing only with highly rated finance company counterparties. The trade receivables as per March 31, 2022 do not include material past due items and there was no need to recognize material impairment losses.**

Consolidated statement of changes in equity

EUR million	Share capital	Reserve for invested unrestricted equity	Translation differences	Treasury shares	Retained earnings	Total equity
Equity at 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 at Mar 31, 2022	0.1	24.7	0.0	-0.0	85.2	110.0
Equity at Jan 1, 2021	0.1	24.7	0.1	-0.2	71.0	95.7
Profit for the period					3.4	3.4
Other comprehensive income			-0.1			-0.1
Total comprehensive income			-0.1		3.4	3.4
Transactions with owners:						
Share-based payments					0.0	0.0
Equity at Mar 31, 2021	0.1	24.7	0.0	-0.2	74.4	99.1

Consolidated statement of cash flows

EUR million	1–3/2022	1–3/2021	1–12/2021
Cash flows from operating activities			
Profit for the period	4.2	3.4	19.6
Adjustments for:			
Depreciation and amortization	3.0	3.0	11.9
Finance income and costs	0.1	1.1	1.5
Change in provisions	-0.2	0.0	0.3
Write-down of inventories	0.2	-0.1	-0.2
Income taxes	1.3	1.2	6.8
Other non-cash items	0.1	0.0	-0.0
Changes in working capital:			
Change in trade receivables and other receivables	1.1	-4.1	-1.7
Change in trade payables and other payables	-3.9	13.3	15.1
Change in inventories	-13.7	-29.2	-39.6
Interests paid	-0.3	-0.3	-0.9
Other financial items, net	-0.0	-0.0	0.0
Income taxes paid	-3.1	-1.5	-5.5
Net cash inflow (outflow) from operating activities	-11.3	-13.2	7.3
Cash flows from investing activities			
Investments in property, plant and equipment	-1.0	-0.2	-4.3
Investments in intangible assets	-0.3	-1.0	-3.1
Net cash inflow (outflow) from investing activities	-1.4	-1.2	-7.4
Cash flows from financing activities			
Proceeds from bank loans	22.1	7.2	35.5
Repayments of bank loans	-6.0	-1.0	-27.0
Repayments of lease liabilities	-2.4	-2.1	-9.0
Dividends paid	-	-	-9.6
Other cash flows from financing activities	-0.1	-0.1	0.1
Net cash inflow (outflow) from financing activities	13.6	4.0	-9.9
Net decrease/increase in cash and cash equivalents	0.9	-10.5	-10.0
Cash and cash equivalents at the beginning of the period	0.9	11.2	11.2
Effects of exchange rate changes on cash and cash equivalents	-0.1	-0.3	-0.2
Cash and cash equivalents at the end of period	1.8	0.4	0.9

EUR million	Finland	Sweden	Germany	Segments total	Group functions	Eliminations	Group
1–12/2021							
Revenue	611.0	296.6	98.6	1,006.1		-68.7	937.4
internal	-0.0	57.9	10.8	68.7		-68.7	-0.0
external	611.0	238.7	87.7	937.4			937.4
sales of used cars	575.3	233.5	85.8	894.6			894.6
integrated services	35.6	5.2	2.0	42.8			42.8
Gross profit	79.6	19.0	2.6	101.3			101.3
EBITDA	45.7	4.2	-4.0	45.9	-6.0		39.9
Depreciation and amortization	-7.9	-2.9	-1.1	-11.9	-0.0		-11.9
Operating profit	37.8	1.3	-5.1	34.0	-6.1		28.0
Finance income and costs							-1.5
Profit before income tax							26.4

Net working capital

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Inventories	146.2	122.4	132.8
Trade and other receivables	17.0	20.6	18.1
Current income tax receivables	0.3	0.2	0.0
Trade and other payables	-37.8	-40.2	-41.9
Provisions	-3.5	-3.4	-3.7
Current income tax liabilities	-	-	-1.6
Net working capital	122.1	99.5	103.8

Net debt

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Non-current interest-bearing liabilities			
Bank loans	16.6	14.0	13.0
Lease liabilities	35.9	43.6	36.4
Total non-current interest-bearing liabilities	52.6	57.6	49.4
Current interest-bearing liabilities			
Bank loans	7.3	2.0	7.0
Bank overdrafts	2.6	7.2	5.5
Issued commercial papers	15.0	-	-
Lease liabilities	9.6	9.1	9.5
Total current interest-bearing liabilities	34.5	18.3	22.0
Total interest-bearing liabilities	87.1	75.9	71.3
Less cash and cash equivalents	-1.8	-0.4	-0.9
Net debt	85.4	75.5	70.4

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

Derivatives

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Foreign currency derivatives			
Fair value	0.2	-0.3	-0.1
Value of underlying instrument	14.2	35.3	14.7

Lease agreements and other commitments

Changes of lease agreements in the balance sheet

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

EUR million	Lease assets	Lease liabilities
Jan 1, 2021	46.9	47.7
Increases	7.7	7.6
Decreases	-0.1	-0.3
Depreciation	-2.3	-
Exchange rate differences and other changes	-0.4	-0.1
Interest expenses	-	-0.1
Repayments of lease liability	-	-2.0
Mar 31, 2021	51.8	52.8

Changes of lease agreements in the statement of comprehensive income

EUR million	1-3/2022	1-3/2021	1-12/2021
Depreciation of lease assets	-2.4	-2.3	-9.5
Interest cost from lease liabilities	-0.1	-0.1	-0.5
Costs from short-term leases	-0.0	-0.0	-0.0
Costs from service components included in lease agreements	-0.1	-0.1	-0.3
Total expense in the statement of comprehensive income	-2.6	-2.5	-10.3

Loans against which guarantees and mortgages have been given

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Loans	26.6	23.1	25.4
guarantees given against loans	110.0	104.0	104.0

Other commitments

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Rent and other payment guarantees	0.4	0.5	0.4

Related party transactions

EUR million	1–3/2022	1–3/2021	1–12/2021
Sales of used cars	-	-	0.1
Purchases of used cars	-	-0.0	-0.1

EUR million	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Lease liabilities	2.1	3.8	2.1

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 2022

Publication schedule for Kamux Corporation's financial reporting in 2022:

August 12, 2022: Kamux Corporation will publish its Half-Year Report for January–June 2022

November 18, 2022: Kamux Corporation will publish its Interim Report for January–September 2022

Hämeenlinna, May 12, 2022

Kamux Corporation
Board of Directors