



Q1–Q3 2021 results

November 23rd 2021

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1. About the Group



Management Board of the Group



Aleksander Górecki

President of the Management Board/Founder



Andrzej Manowski

Vice President of the Management Board



Piotr Janta

Vice President of the Management Board

Auto Partner Group at a glance

ca. 9-10%

share in the Polish market of spare parts distribution

ca. 250,000

references available

15.5m

parts stored in warehouses throughout Poland

Over 350

suppliers globally

30

sale markets

62%

online orders

GlobalOne

international GPO membership

Key developments in Q1–Q3 2021

- Further strengthening of foreign expansion (+46.0% y/y)
- Strong profitability maintained, with exponential growth in the scale of business
- Expansion of the existing distribution network (11 new branches opened in January to September)

Albania	Czech Republic	Lithuania	Romania
Austria	Denmark	Luxembourg	Serbia
Belgium	Estonia	Latvia	Slovakia
Bosnia and Herzegovina	Finland	Macedonia	Slovenia
Croatia	France	Germany	Ukraine
Montenegro	Spain	Poland	Hungary
	Netherlands	Portugal	United Kingdom
	Ireland	Russia	Italy



Well-developed distribution network

- IT-supported logistics – just-in-time deliveries to geographically dispersed customers at a frequency of **3-5** times per day, subject to Covid-19 spread prevention measures
- **Total warehousing space** at the Group (held under leases) – **over 100,000 sq m:**
 - Distribution centre in Bierań (43,000 sq m)
 - Warehouse in Pruszków (8,500 sq m) – extension plan
 - Warehouse in Prague (Czech Republic – 600 sq m)
 - Local storage facilities within the branch network (total of 48,000 sq m)
 - Plan to set up a warehouse in Poznań (over 14,000 sq m)
- Domestic and export sales handled from the central warehouse in Bierań and the Pruszków hub
- **103 branch offices** covering all regions of Poland
- Subsidiary and warehouse in the Czech Republic



Well-developed distribution network



Launch of **11** new branches in January to September 2021.

The network currently comprises **103** branches covering all regions of Poland.

Market environment – September/October 2021

POLAND

- Number of cars in Poland: over 24.3m (according to ACEA)
- 12.9% growth in new passenger car registrations in 10M 2021, by 378.5 thousand (according to ACEA)
- Average age of imported passenger car: over 12 years (according to IBRM Samar)
- Unemployment rate at end of September 2021: 5.6% (according to Statistics Poland)
- GDP growth in Q3 2021: 5.1% y/y (according to Statistics Poland)

EUROPE (European Union)

- Approximately 243m passenger cars in Europe (according to ACEA) – as at October 30th 2021
- ACEA: 2.2% growth in passenger car registrations in 10M 2021, by 8.19m
- Average age of passenger cars: 11,5 years (according to ACEA) – as at October 30th 2021
- EU unemployment rate at end of September 2021: 6.7% (according to Eurostat)
- EU GDP growth: +2.1% y/y (according to Eurostat)

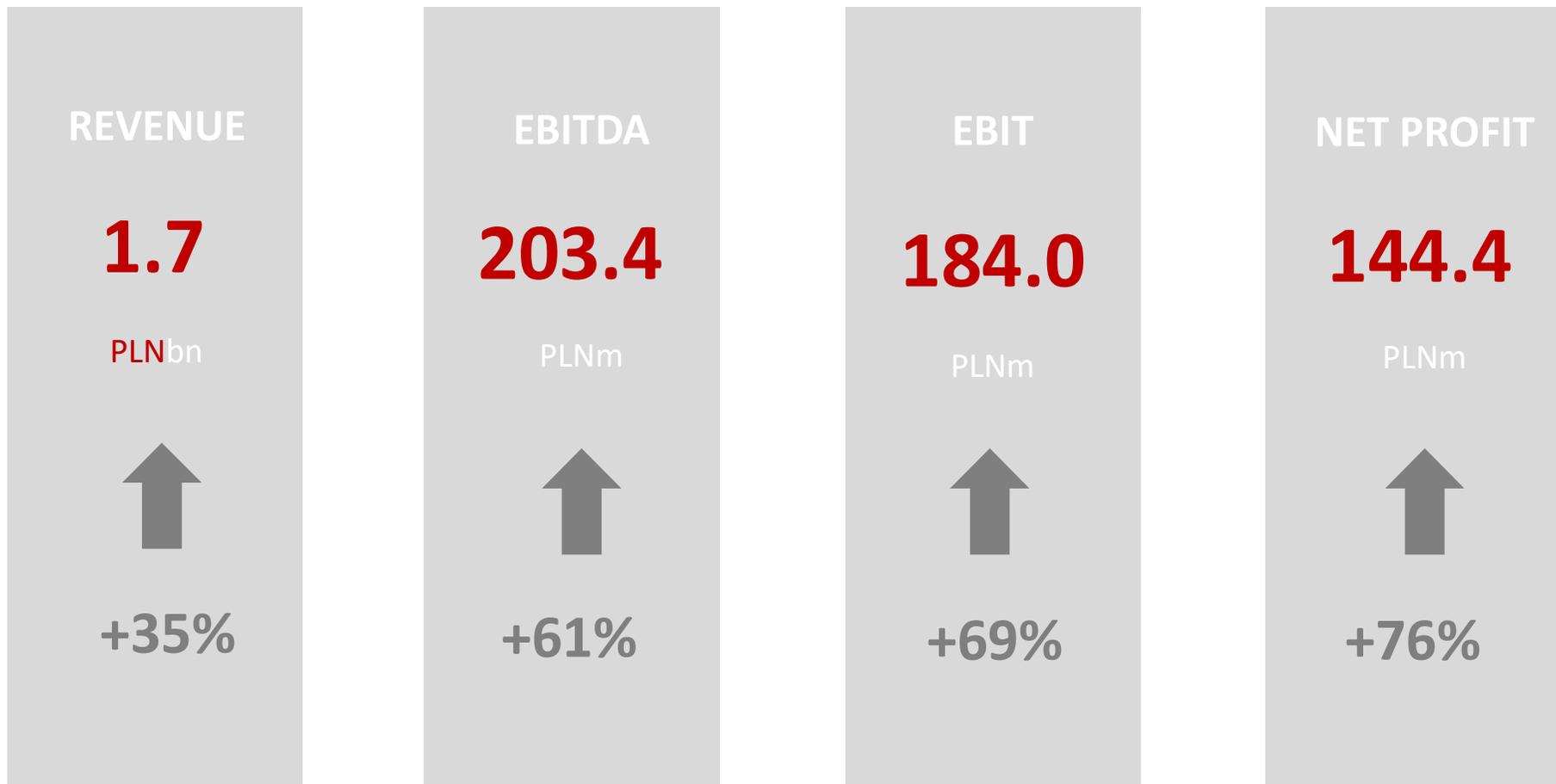




3. Financial results

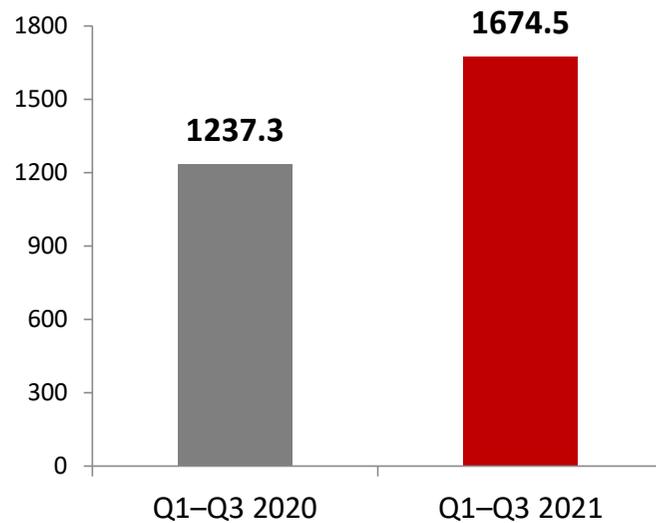


Q1-Q3 2021 highlights



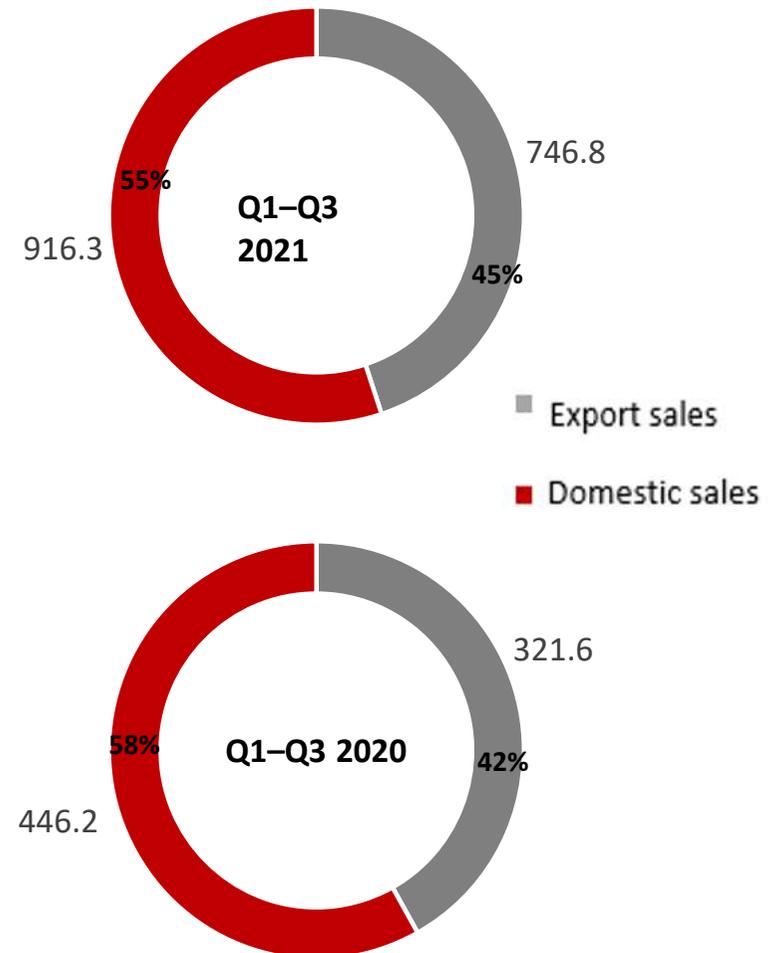
Q1-Q3 2021 sales

Q1-Q3 2021 sales [PLNm]

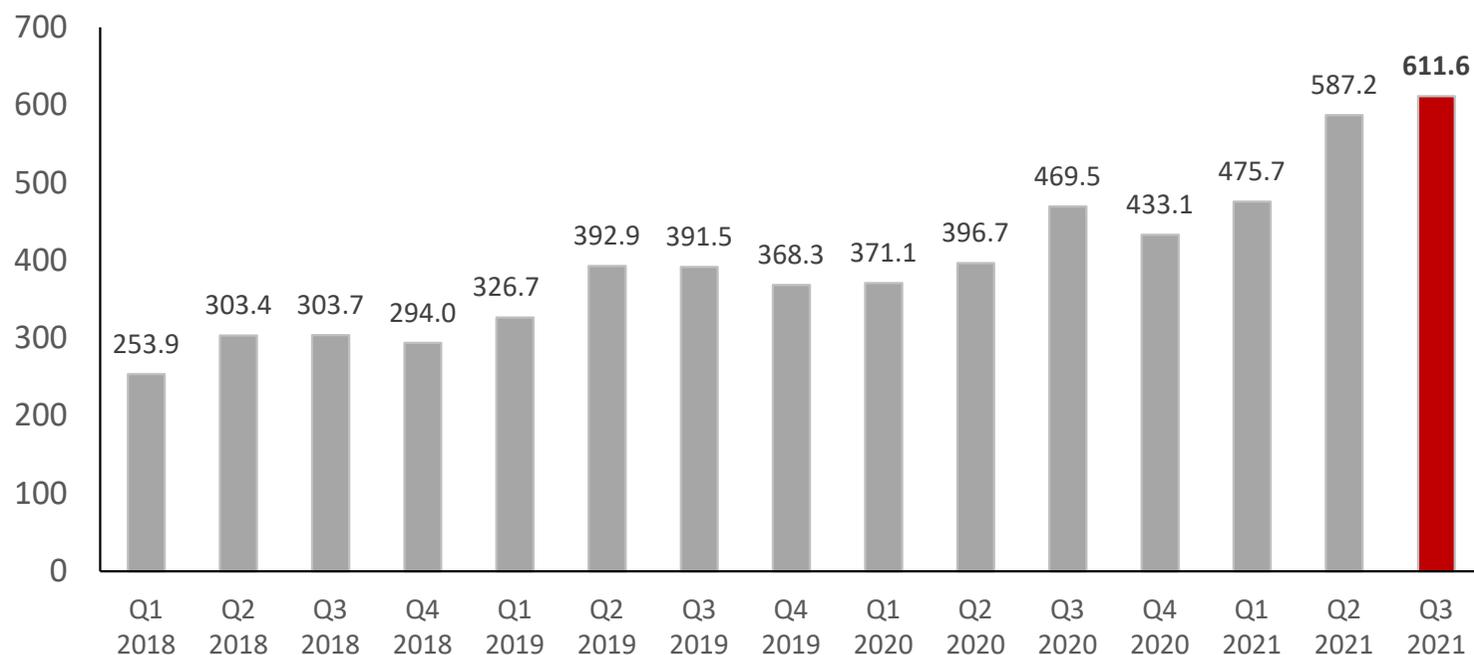


- **+35% y/y** increase in revenue
- Q1-Q3 2021 sales equal to 2020 revenue
- Strong growth in export sales: **+46% y/y**
- Robust sales in Poland: **+28% y/y**

Sales by geographies [PLNm]



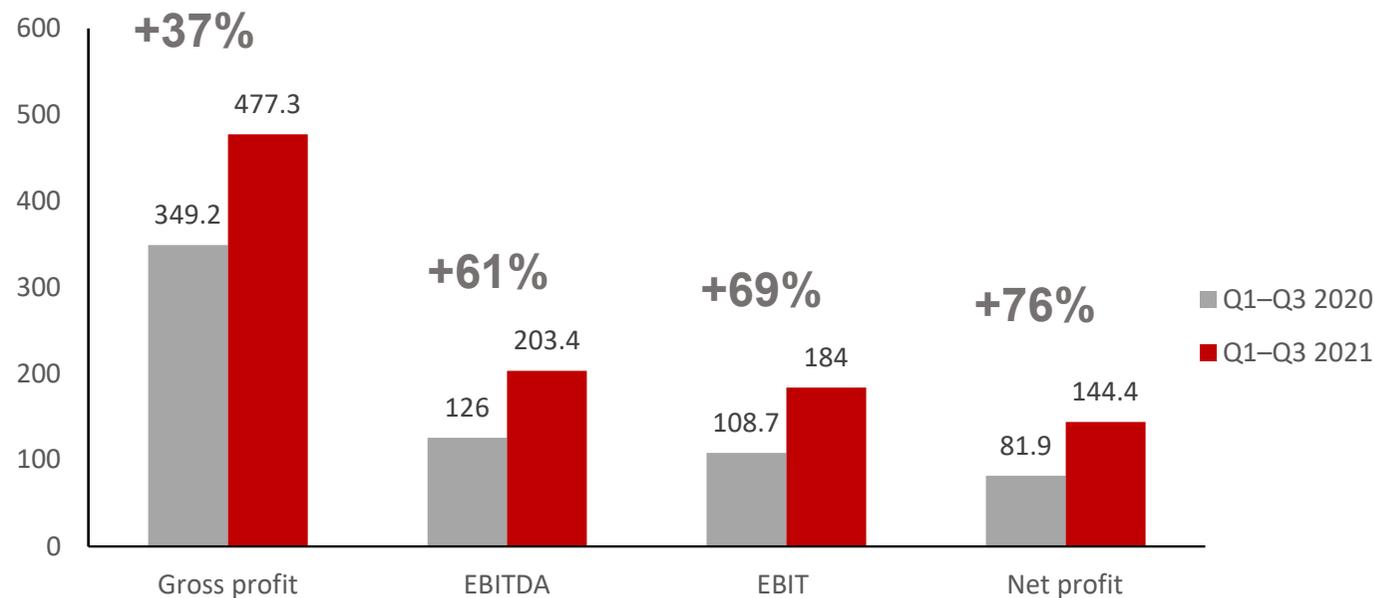
Quarterly sales [PLNm]



- Strong two-digit growth in sales (+30% y/y) continued on the back of efforts to strengthen position on foreign markets and in Poland
- Revenue from exports (40%), domestic sales (+23%)
- Major sales drivers: foreign expansion, distribution network rollout, capitalising on favourable economic conditions
- Continued diversification of the product mix

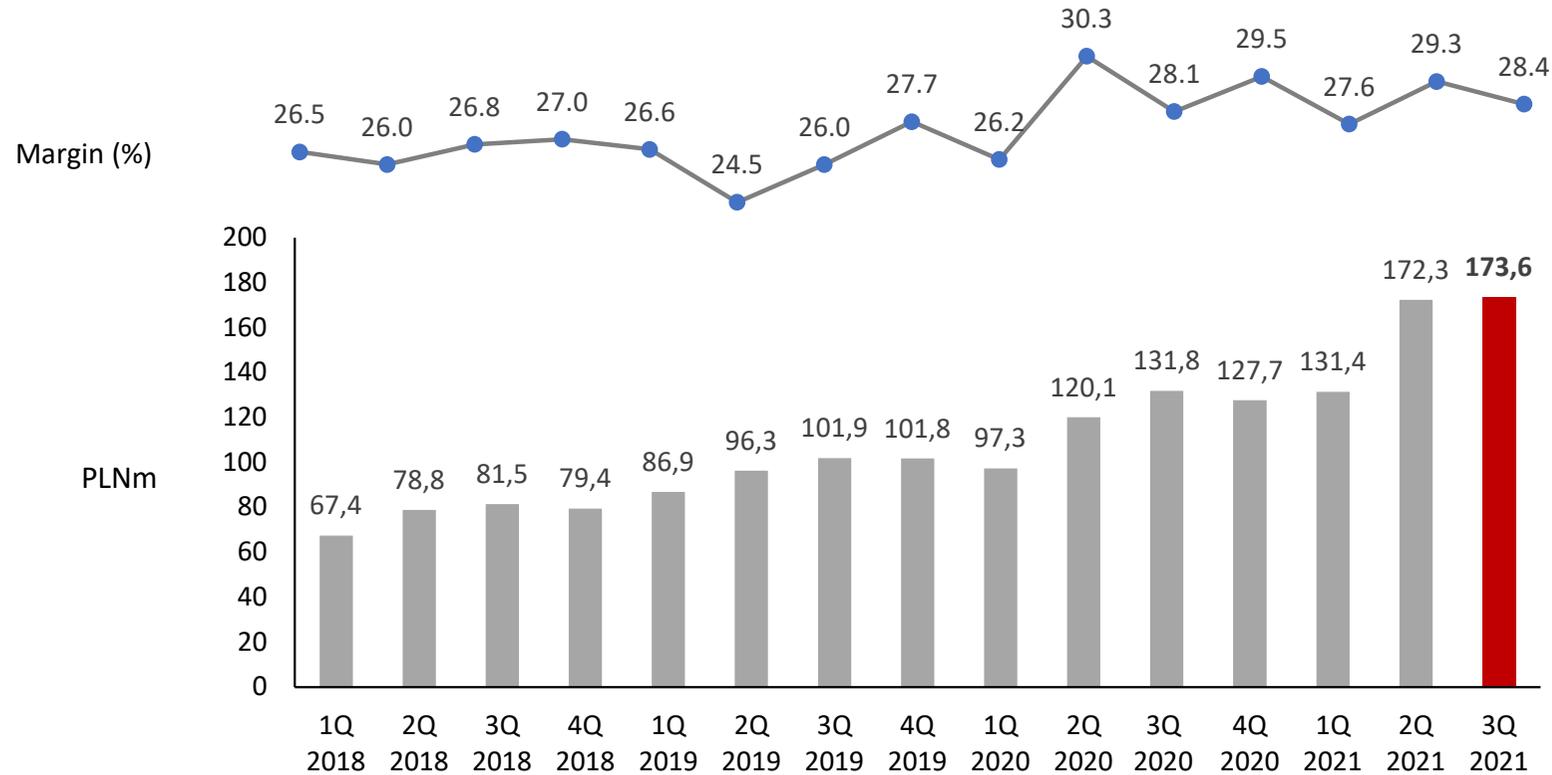
Significant growth in profits and earnings

Q1-Q3 2021 profit figures
[PLNm]



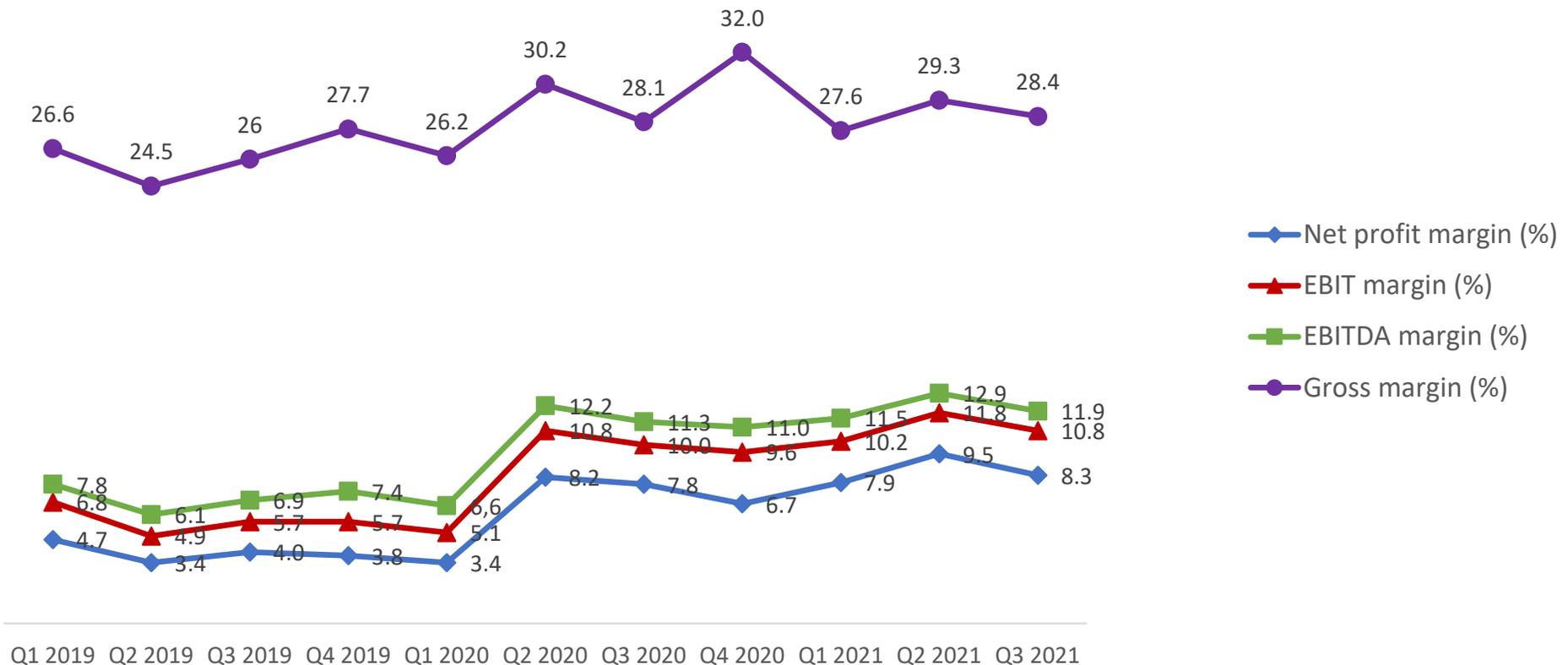
- Strong, double-digit growth across all P&L levels
- Improved performance also compared with the pre-pandemic period (2019)
- Low debt maintained (with net debt to EBITDA below 1.0x), which, combined with low interest rates, resulted in a 22% y/y decrease in interest expenses

Gross profit



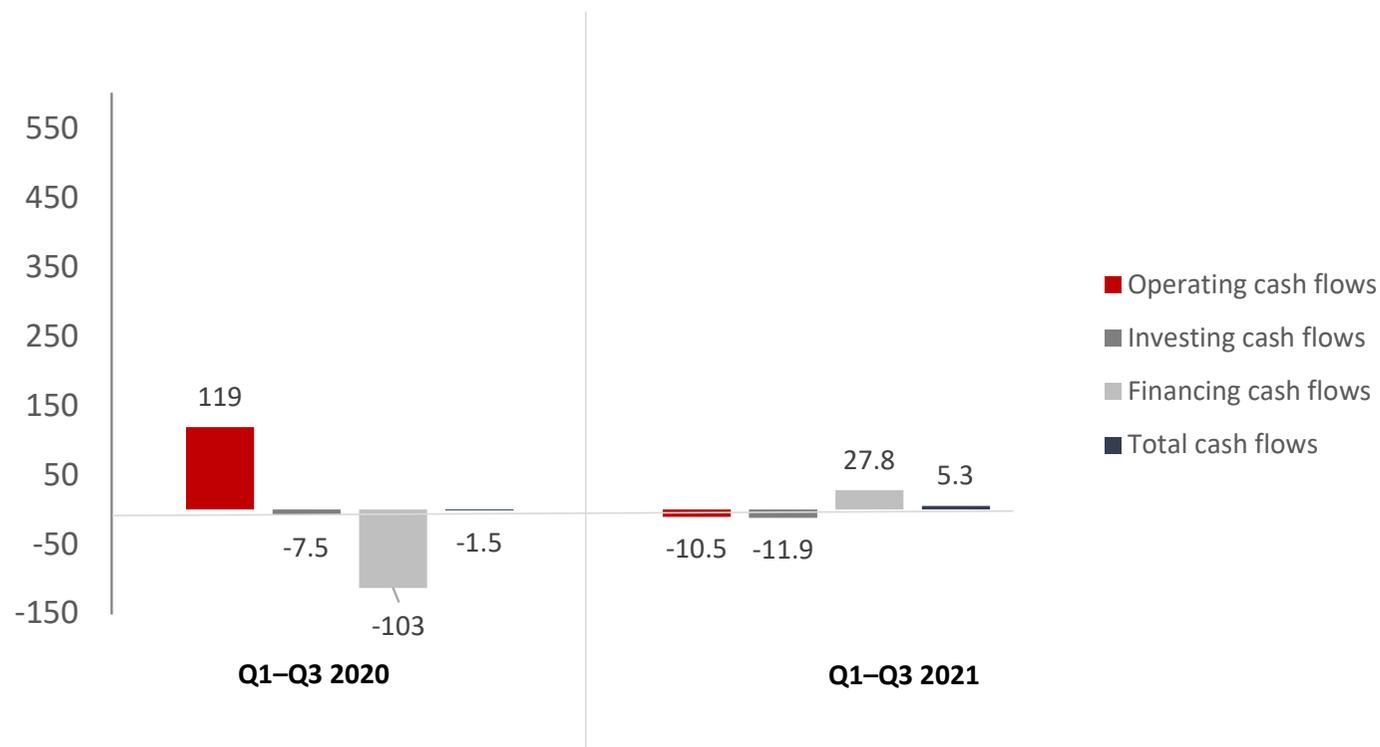
- Maintaining high gross margin, close to previous quarters' levels
- Gross margin still solid despite a surge in the share of export sales (which deliver lower gross margin but higher net margin)

Profit margins



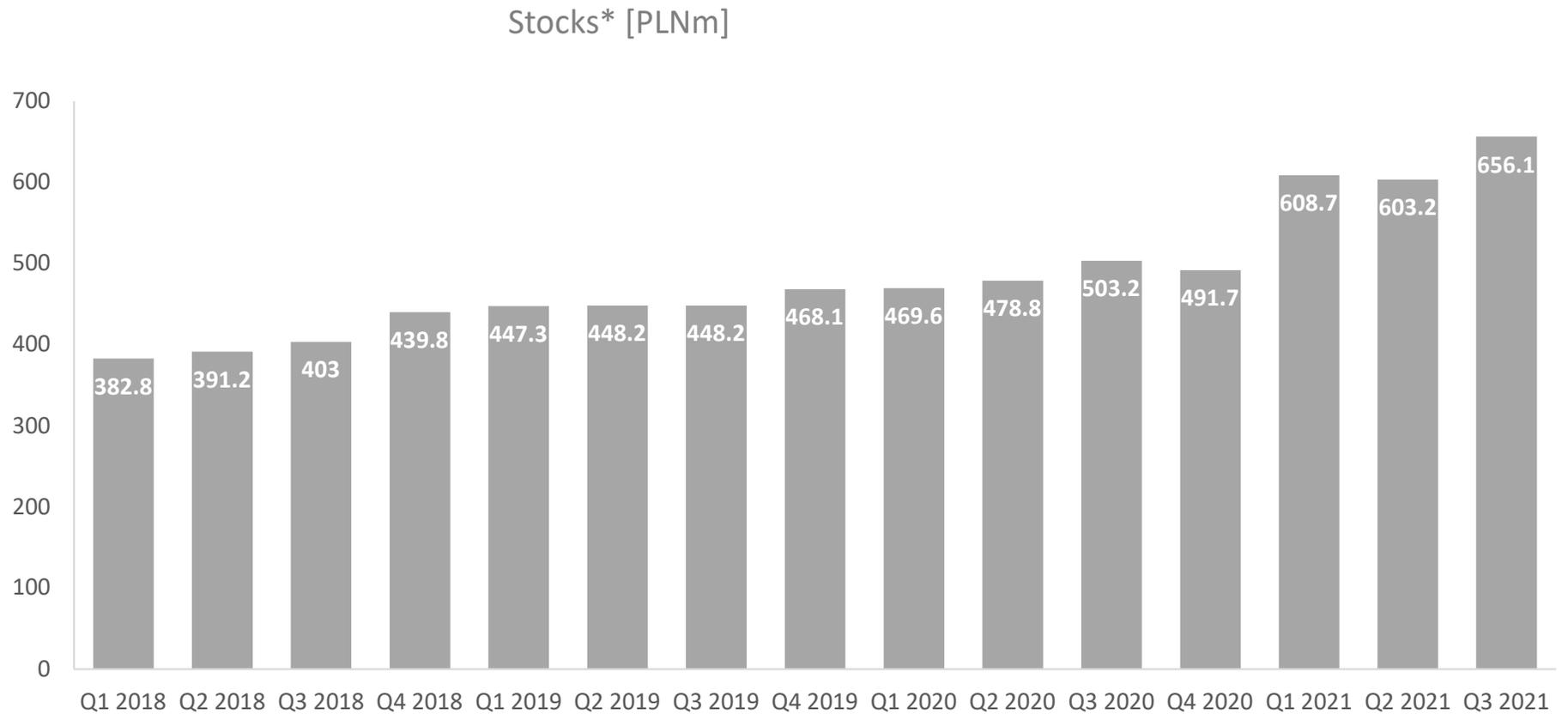
- **Maintaining high profitability**
- Delivery of one of the Group's strategic objectives (further profitability improvement)
- Positive impact of maintained cost discipline as well as of strong sales of proprietary brands and brands offered on an exclusive basis

Cash flow [PLNm]



- **Stable liquidity position** of the Group
- 22% y/y decrease in interest expenses

Stable stock levels



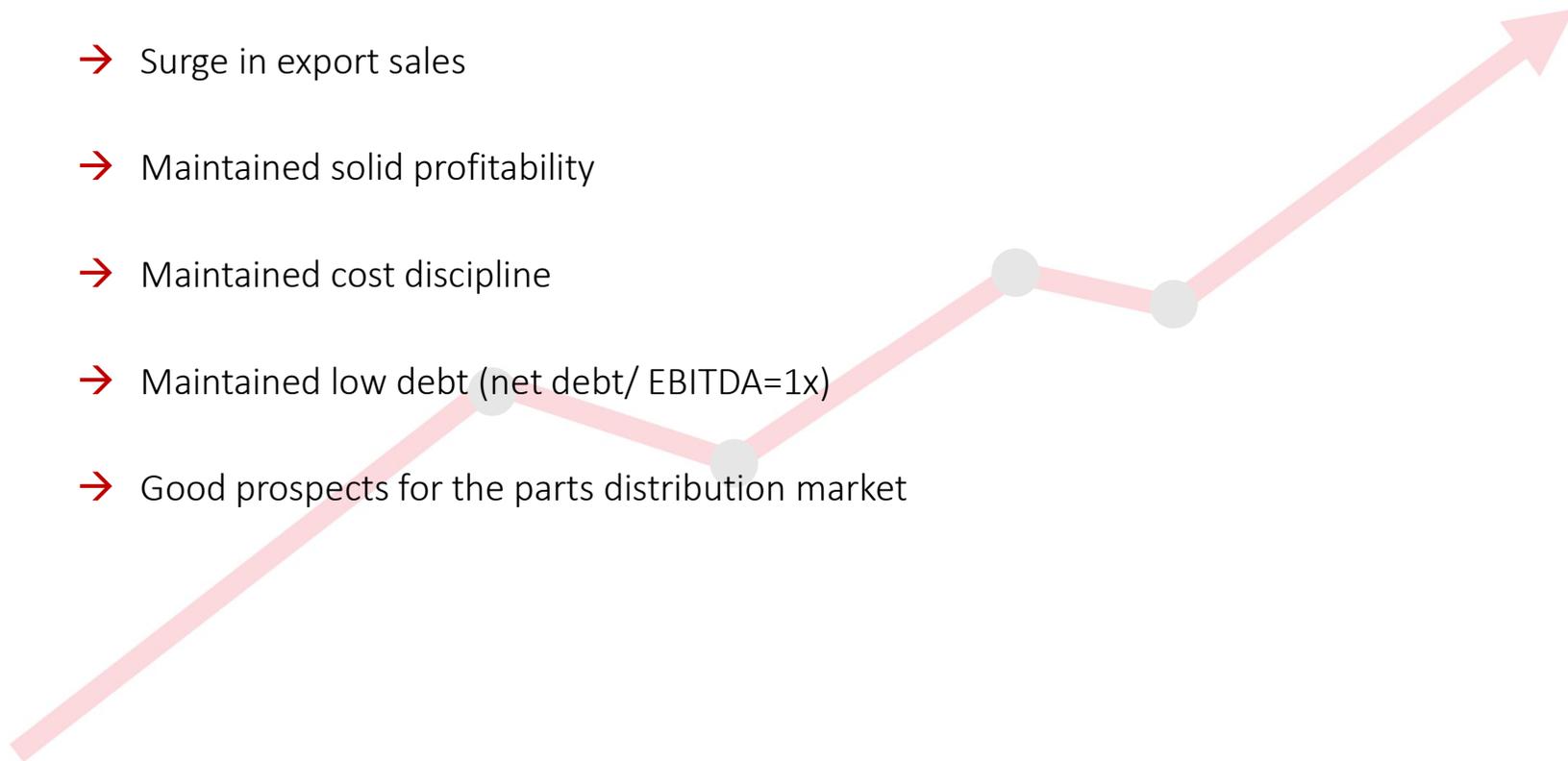
- Inventory turnover as at September 30th 2021: **130 days** vs 150 days the year before

* Inventories and right of return assets



Summary

- Further strong two-digit growth in sales
- Surge in export sales
- Maintained solid profitability
- Maintained cost discipline
- Maintained low debt (net debt/ EBITDA=1x)
- Good prospects for the parts distribution market



THANK YOU!



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