



FINANCIAL RESULTS

AUTO PARTNER GROUP
Q1 2022

May 24th 2022

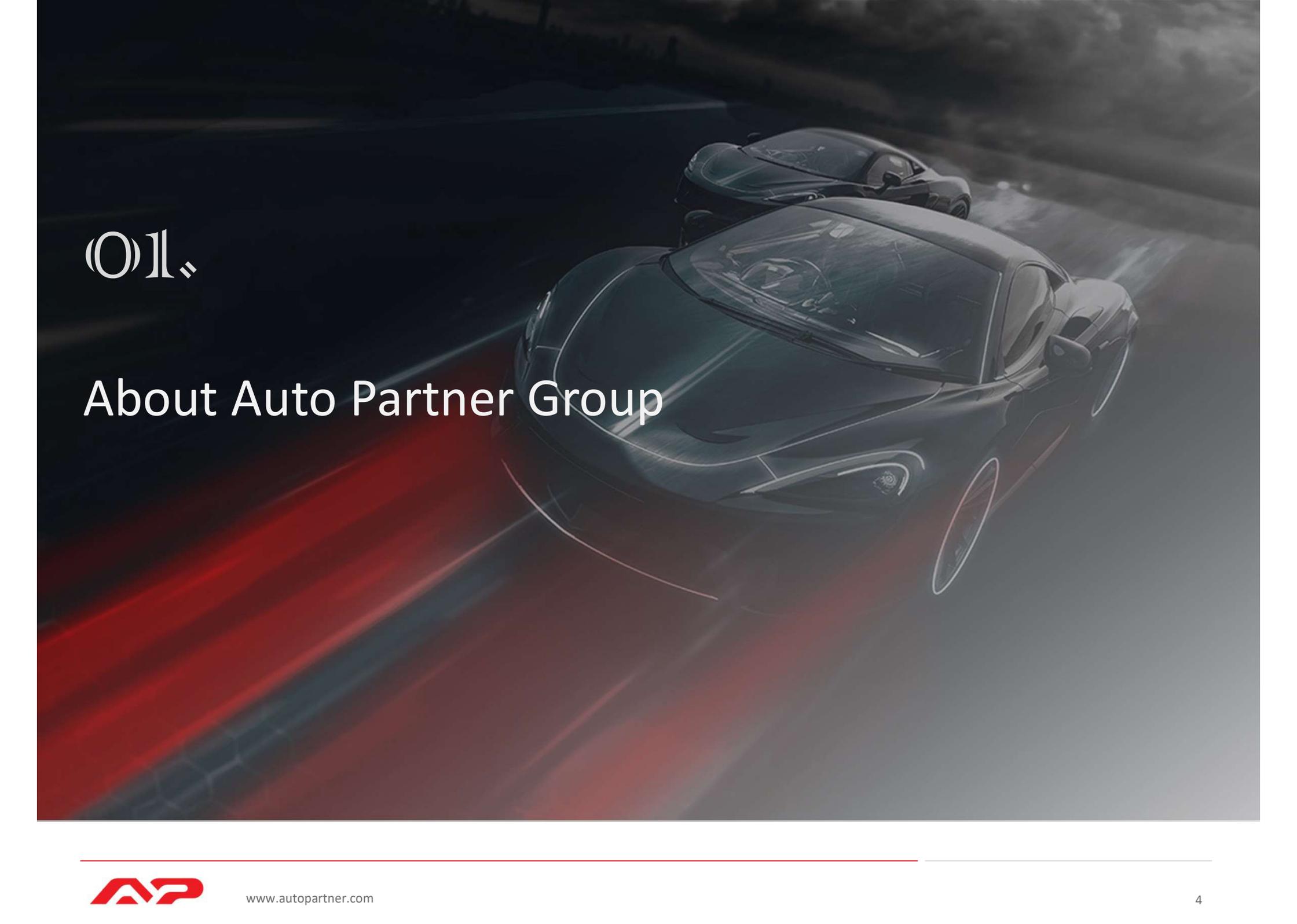
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Agenda

1. About Auto Partner Group
2. Market environment
3. Financial results
4. Summary





01.

About Auto Partner Group



Management Board of the Group



Aleksander Górecki

President of the Management Board/Founder

Involved in the automotive industry since 1993, when he founded Auto Partner. Major shareholder in the company. Since Auto Partner's inception, responsible for its development, relations with key suppliers and business partners.



Andrzej Manowski

Vice President of the Management Board

With Auto Partner since 1994, serving as Vice President of its Management Board since 2007. Responsible for the company's geographical expansion, including export growth, he also oversees IT projects.



Piotr Janta

Vice President of the Management Board

Joined Auto Partner in 2009 as Sales Director and since December 2015 has also served as Member of its Management Board. His remit covers the sales network development and marketing communication. His career in the industry goes back to 2005.

Auto Partner Group at a glance



Nearly **10% share in domestic market** of spare parts



Approximately **250,000 references** available



Sales in more than **30 countries**



15.5m parts warehoused throughout Poland



About **62%** of orders placed online



Member of **GlobalOne GPO**

Key developments in Q1 2022



Sales up by 35% to nearly **PLN 640bn**



Continued foreign expansion – exports accounting for 50% of revenue; for the first time on record foreign sales exceeded domestic sales



Strong profitability maintained, with steep growth in the scale of business: gross margin of **29.6%**



Record-breaking financial performance – net profit at **PLN 50.3m**



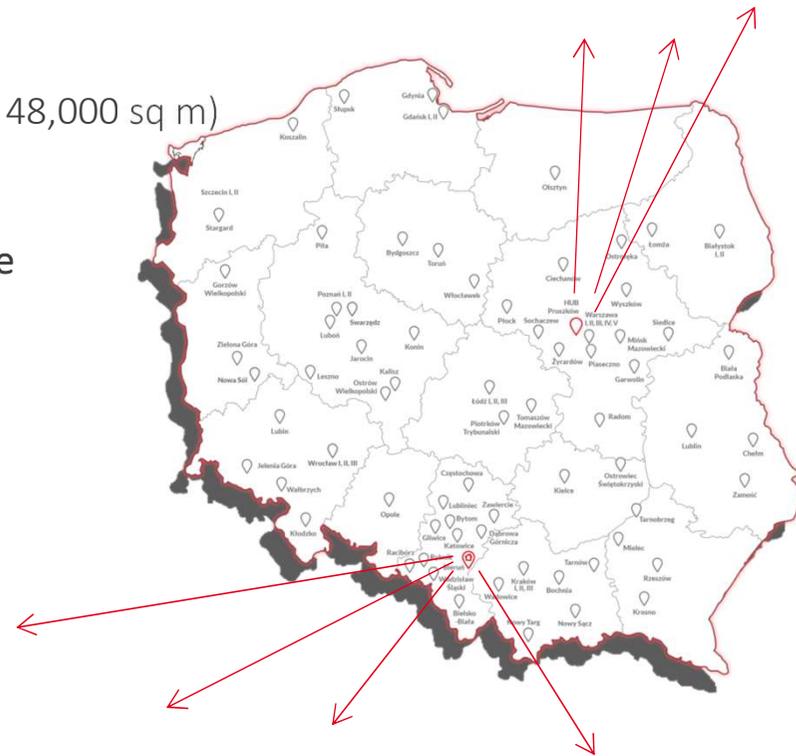
Further development of the distribution network – **more new branches opened**



Recommendation to pay dividend of **PLN 19.6m (PLN 0.15 per share)**

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 Białystok (43,000 sq m)
 - Warehouse in Pruszków (13,500 sq m)
 - 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 Białystok and the Pruszków hub
- 110 branch offices covering all regions of Poland
- Subsidiary and warehouse in the Czech Republic



New Auto Partner branches opened in Q1 2022

NEW AP BRANCHES

GRUDZIĄDZ

OTWOCK

2 new branches
opened in Q1 2022

Existing network:

110 branches
throughout Poland

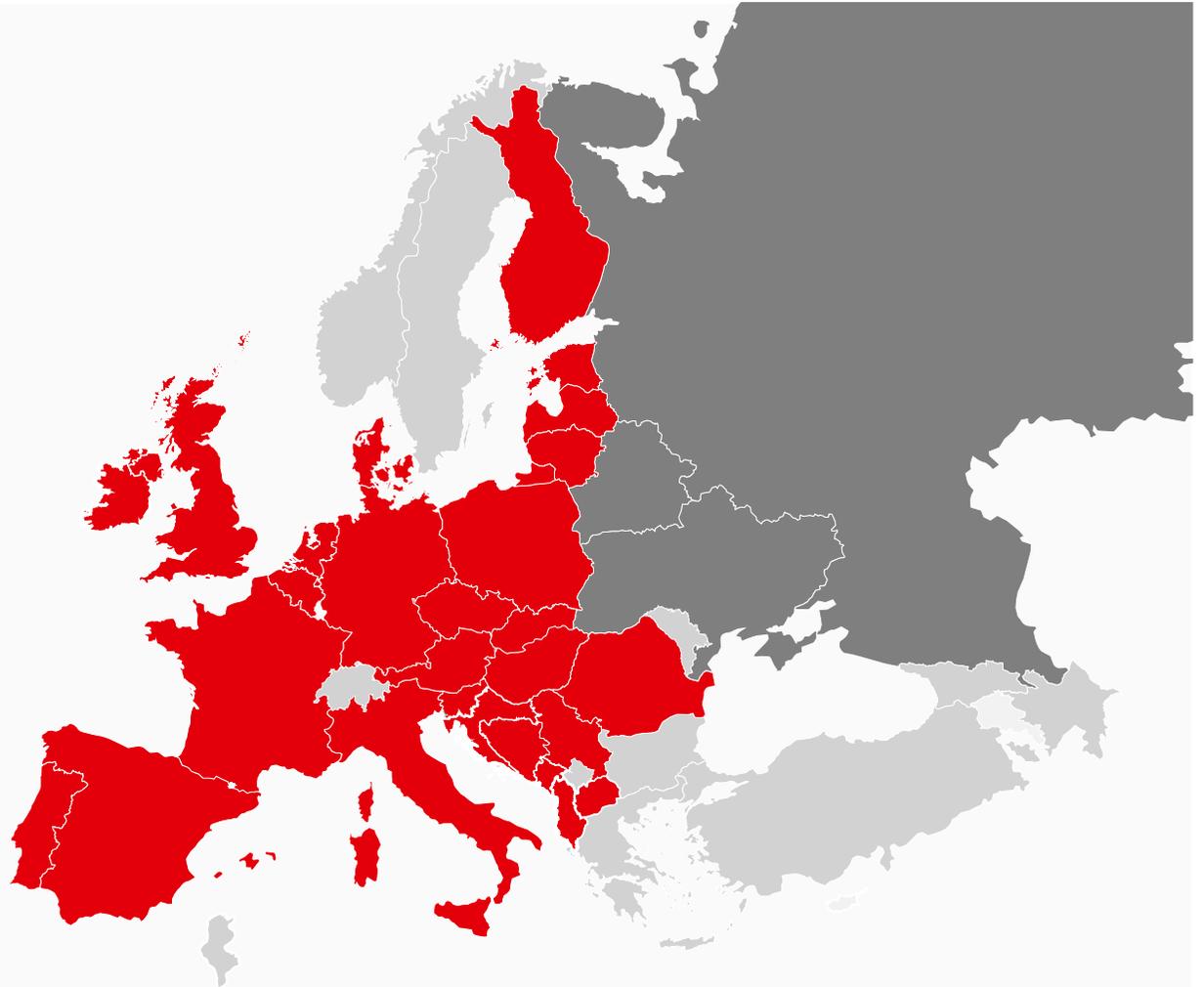
Well-developed foreign sales network

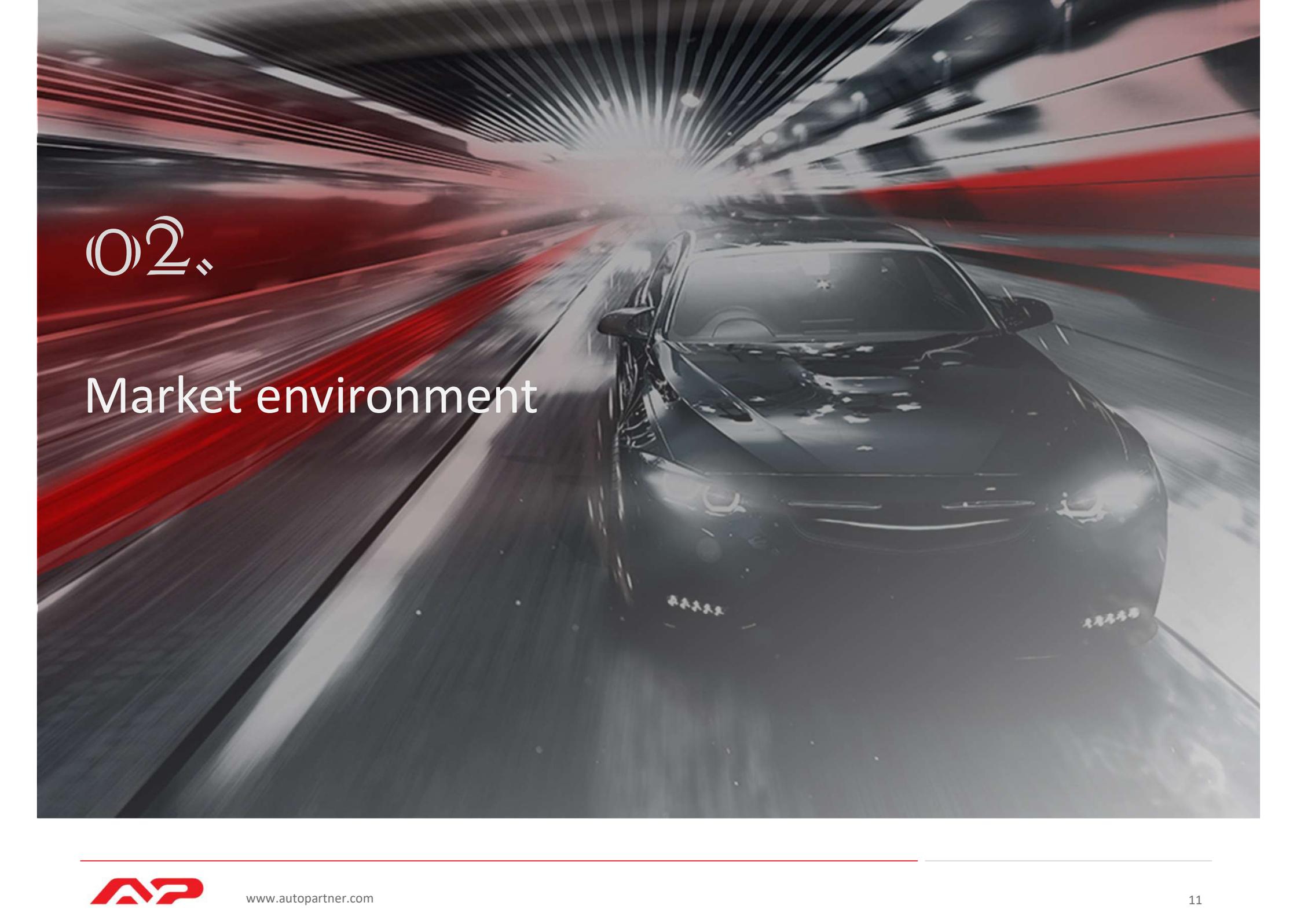
Albania
Austria
Belgium
Belarus
Bosnia and Herzegovina
Croatia
Montenegro
Czech Republic
Denmark
Estonia
Finland

Germany
Poland
Portugal
Russia
Romania
Serbia
Slovakia
Slovenia
Ukraine
Hungary
United Kingdom
Italy

France
Spain
Netherlands
Ireland
Lithuania
Luxembourg
Latvia
Macedonia

Sales in more than
30 countries





02

Market environment

Market environment

POLAND

- In Q1 2022, the number of registrations fell year on year by **13.4%** in the case of new passenger cars and by **12.3%** in the case of light commercial vehicles (according to KPMG and PZPM);
- In March 2022, the median prices of pre-owned cars rose by PLN **500** relative to the previous month, to PLN 24 thousand (AAAAuto);
- **Average age of imported passenger car:** over **12.6** years (according to IBRM Samar);
- **Unemployment rate** at the end of March 2022: **5.4%** (according to Statistics Poland);
- **GDP growth in Q1 2022:** **+8.5% year on year** (according to Statistics Poland).

EUROPA (European Union)

- **560 cars per 1,000 inhabitants** of the European Union (according to ACEA);
- ACEA: In March 2022, the number of registrations of passenger cars in the EU fell by **20.5%**;
- In April 2022, sales of passenger cars in the EU shrank by **more than one fifth**, marking the worst sales result for that month on record (with the exception of April 2020 during the pandemic lockdown) (according to the *Rzeczpospolita* daily);
- Average age of passenger cars: **11.8** years (according to ACEA);
- **Prices of pre-owned cars up by nearly 20%** in 2021 (according to AutoScout24);
- EU **unemployment rate** at the end of March 2022: **6.2%** (according to Eurostat);
- **EU GDP growth in Q1 2022:** **+5.1% year on year** (according to Eurostat).

A dark, futuristic car is shown in a dark tunnel. The car is illuminated by blue and red lights, creating a dramatic effect. The car is positioned in the center-right of the frame, facing left. The tunnel walls are dark, and there are several small lights visible in the distance.

Q3

Financial results

Record-breaking performance figures for 2021

REVENUE

639.6

PLNm



+35%

EBITDA

74.0

PLNm



+35%

EBIT

66.6

PLNm



+37%

NET PROFIT

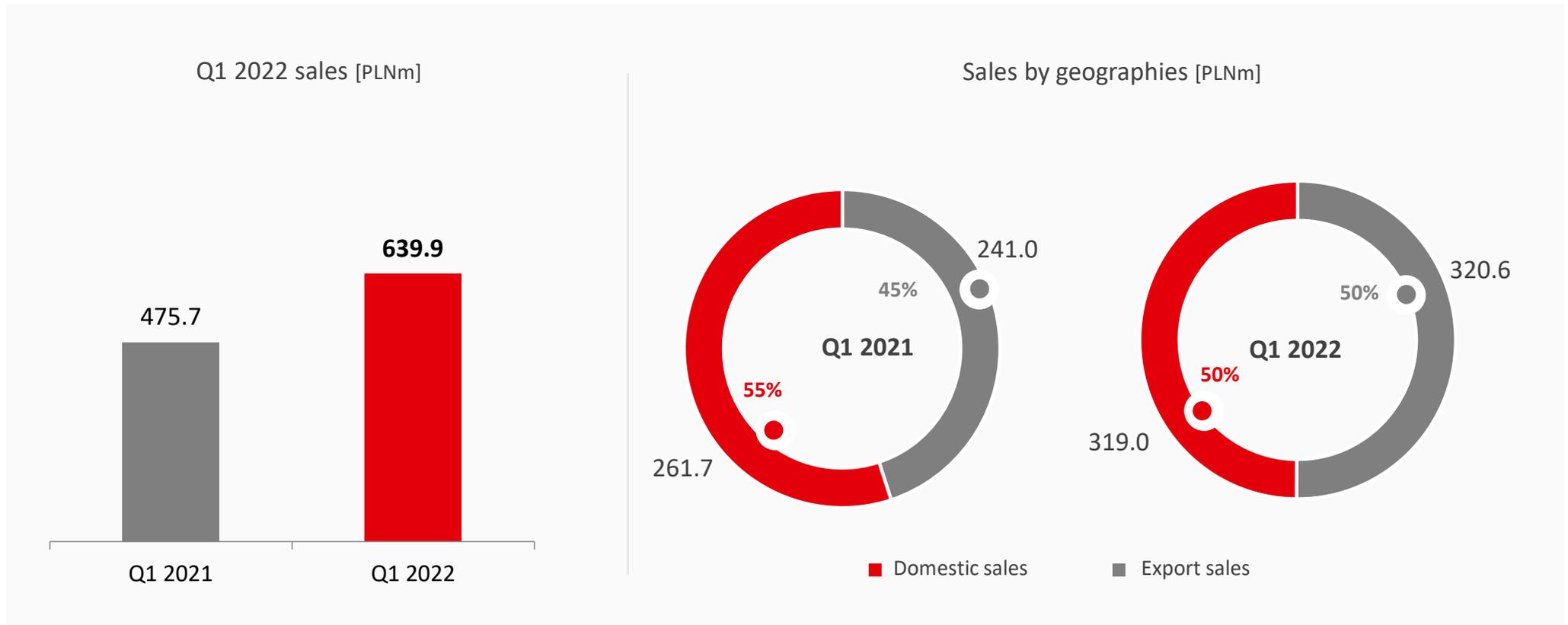
50.3

PLNm



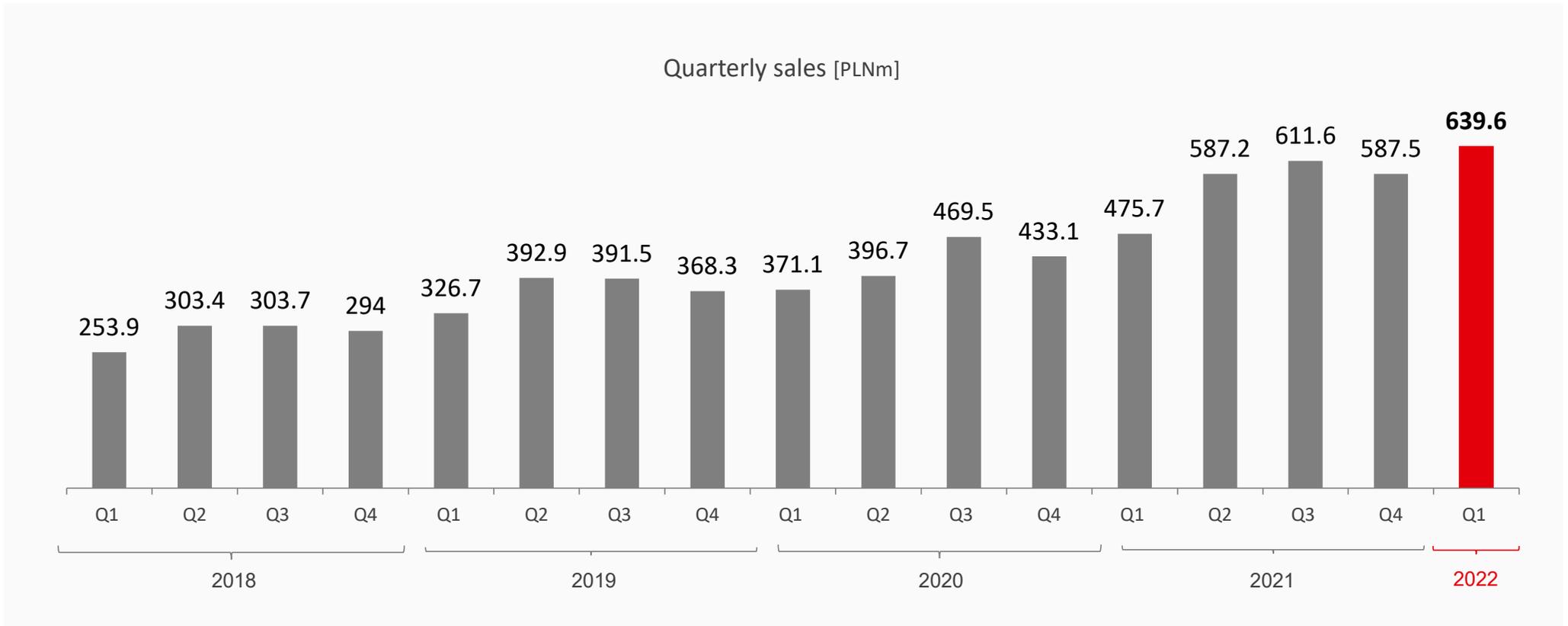
+33%

2021 sales at all-time record level



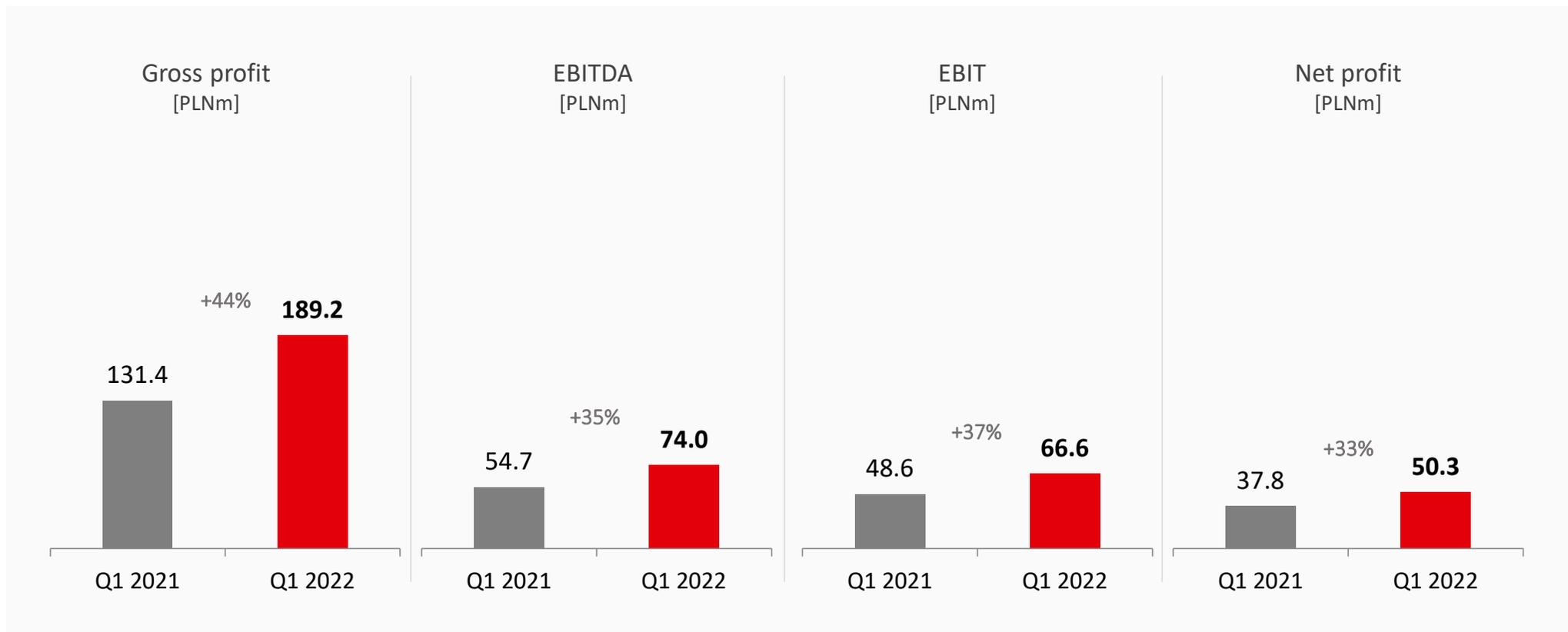
- **+34.5%** y/y increase in revenue
- Strong growth in export sales: **+48.9%** y/y
- Growing share of foreign sales in revenue – for the first time on record foreign sales higher than domestic
- Robust sales in Poland: **+21.9%** y/y

Strong quarterly sales growth



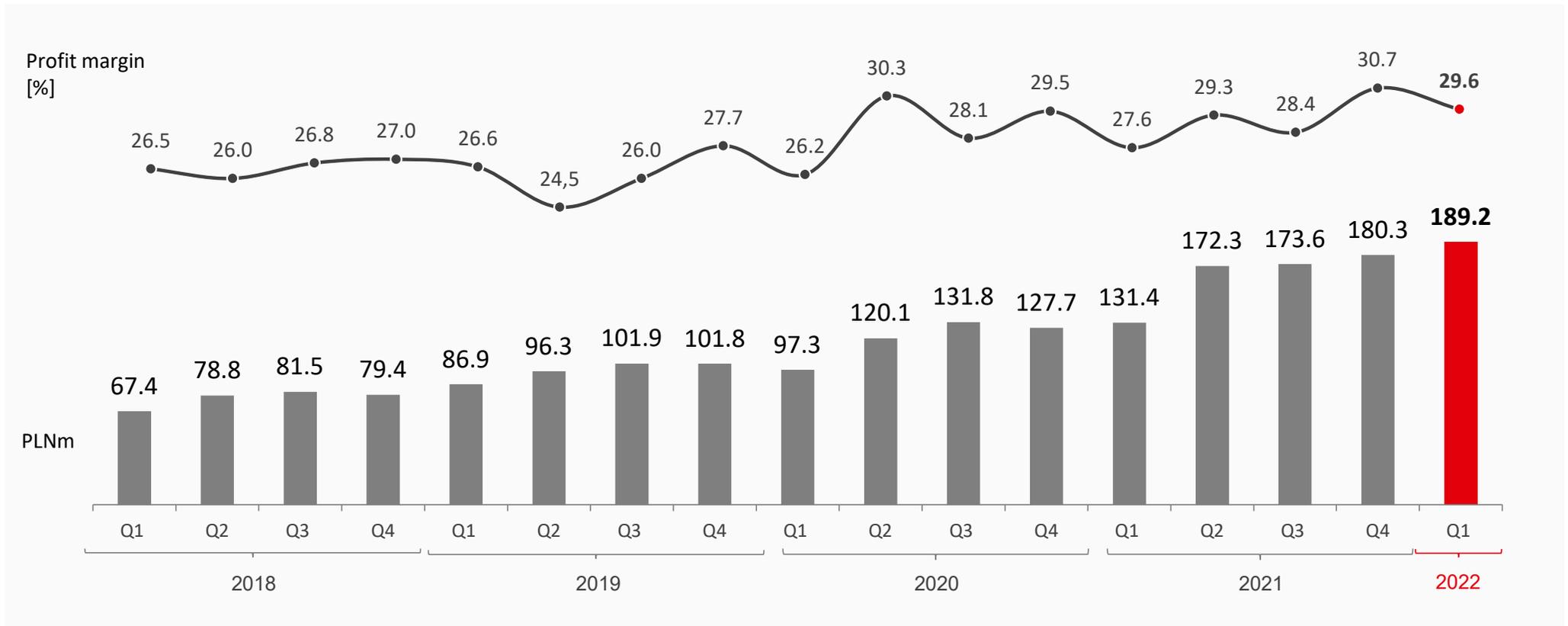
- Strong two-digit growth in sales (+35% y/y) continued on the back of efforts to strengthen position on foreign markets and in Poland
- Key drivers of sales:
 - More new branches opened in Poland and launch of new export directions and routes
 - Further expansion of the product mix and better aligning the mix with customer needs within different price segments
 - Steadily optimised and improved customer service
 - Product price increases in the first quarter in response to growing costs

Significant growth in profits and earnings



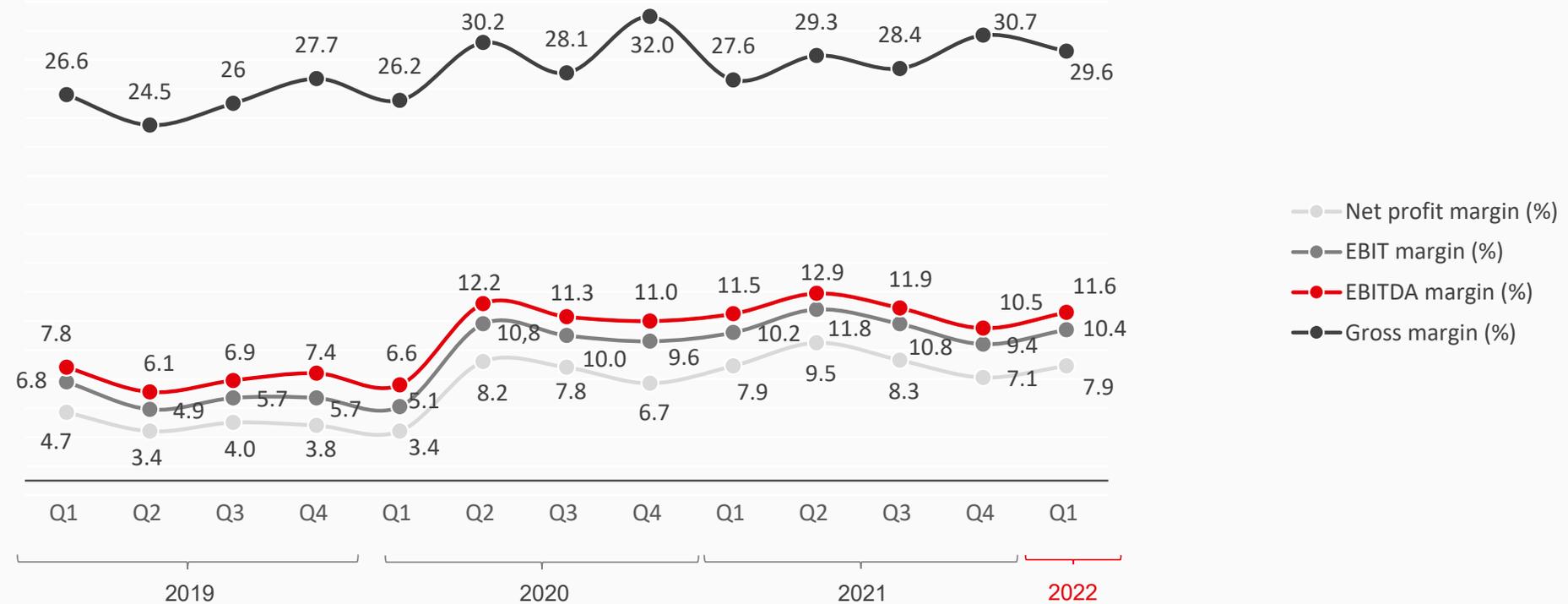
- Strong, double-digit growth across all P&L levels
- Strong cost discipline maintained from the onset of the pandemic and operating leverage exploited after pandemic-related restrictions were lifted
- Low debt maintained (net debt/ EBITDA=1.1x)

Gross profit



- Gross margin solid despite further increase in the share of export sales (which deliver lower gross margin but higher net margin)

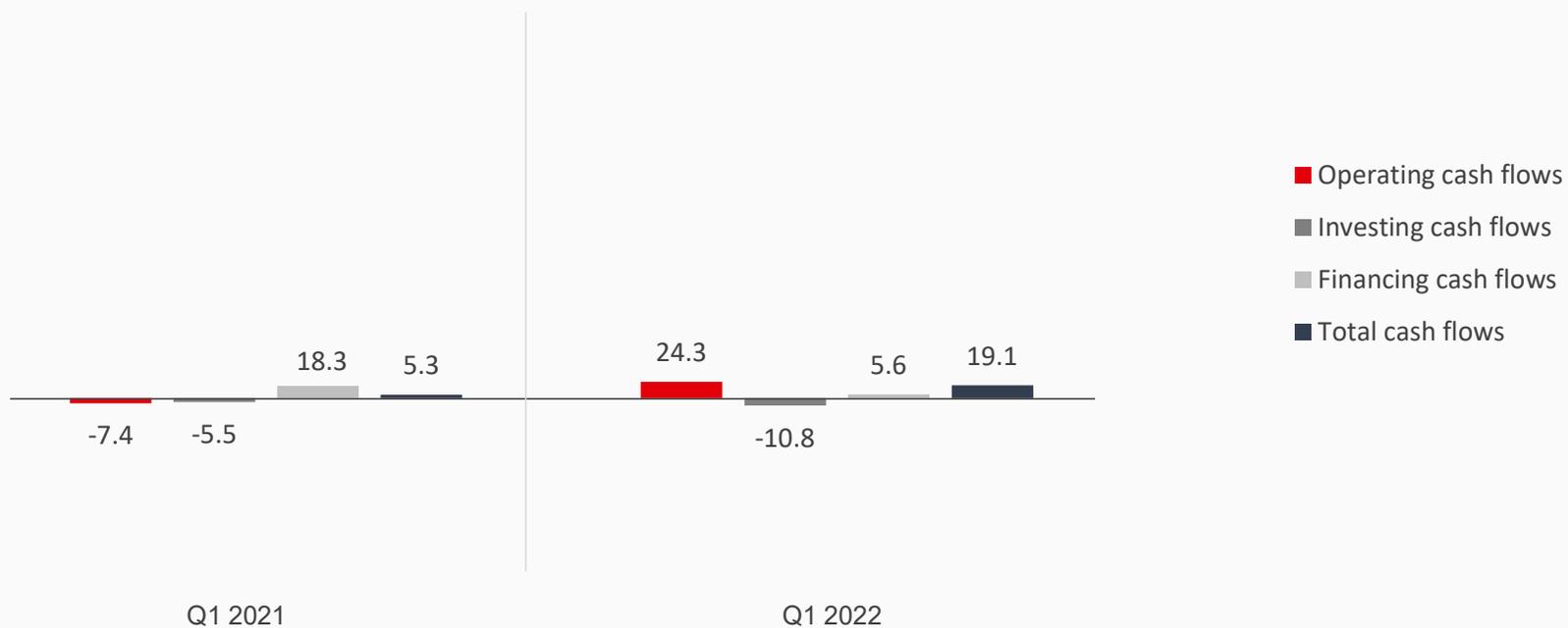
Profit margin



- Strong profitability maintained, with steep growth in the scale of business
- Positive effect of high-margin proprietary brands and brands offered on an exclusive basis

Cash flow

Cash flow [PLNm]



- Stable liquidity position of the Group

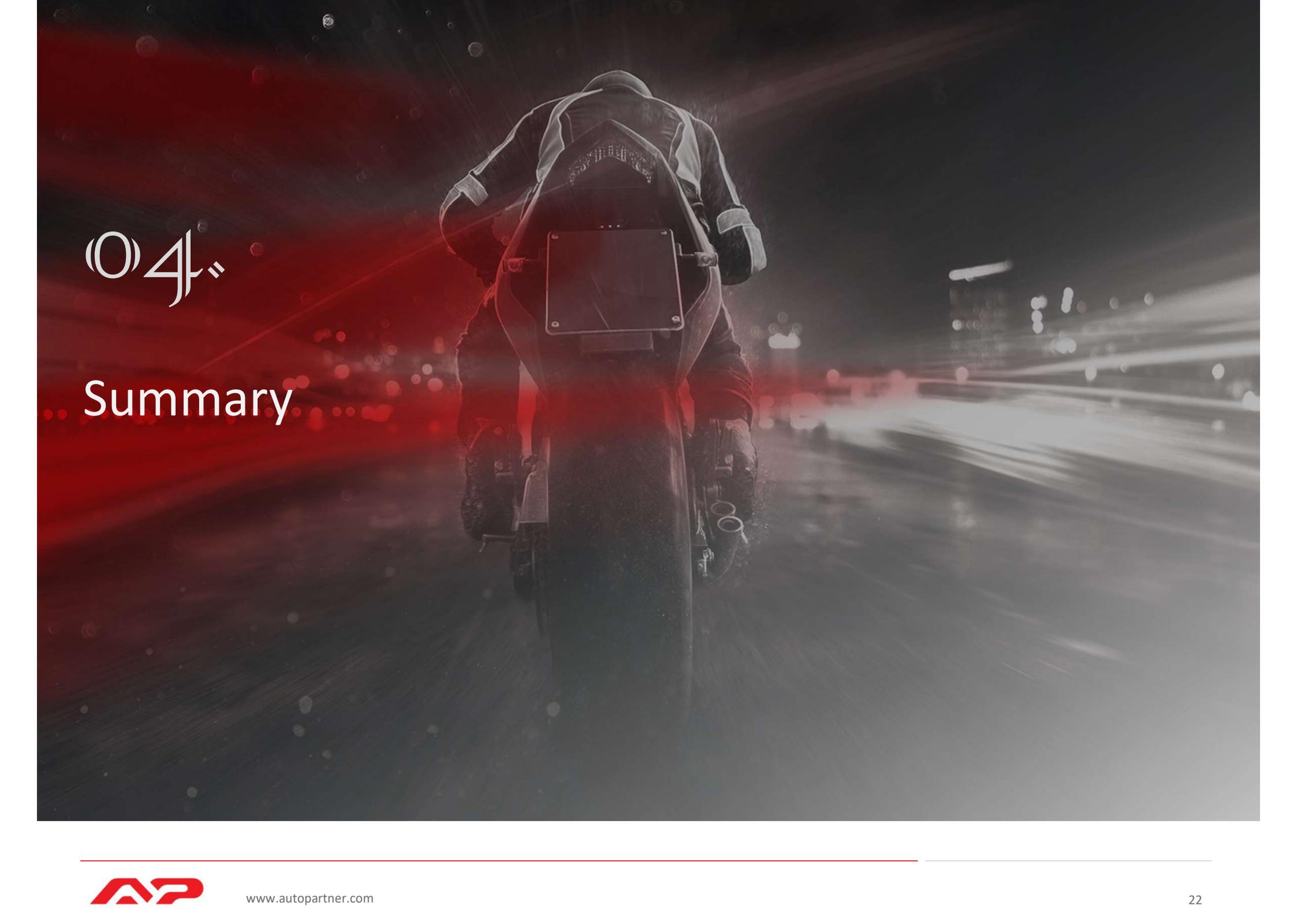
Stable stock levels

Stocks* [PLNm]



- Inventory turnover as at March 31st 2022: **159 days** vs 144 days the year before

* Inventories and right of return assets



04

Summary

Summary

- Record high sales and financial results
- Favourable market trends made the most of
- Steep growth in export sales – for the first time on record export sales exceeded domestic sales
- Solid profitability maintained
- Low debt maintained (net debt/ EBITDA=1.1x)
- Excellent prospects for the parts distribution market





THANK YOU!