



# FINANCIAL RESULTS OF THE AUTO PARTNER GROUP

2022

April 27th 2023

# Disclaimer

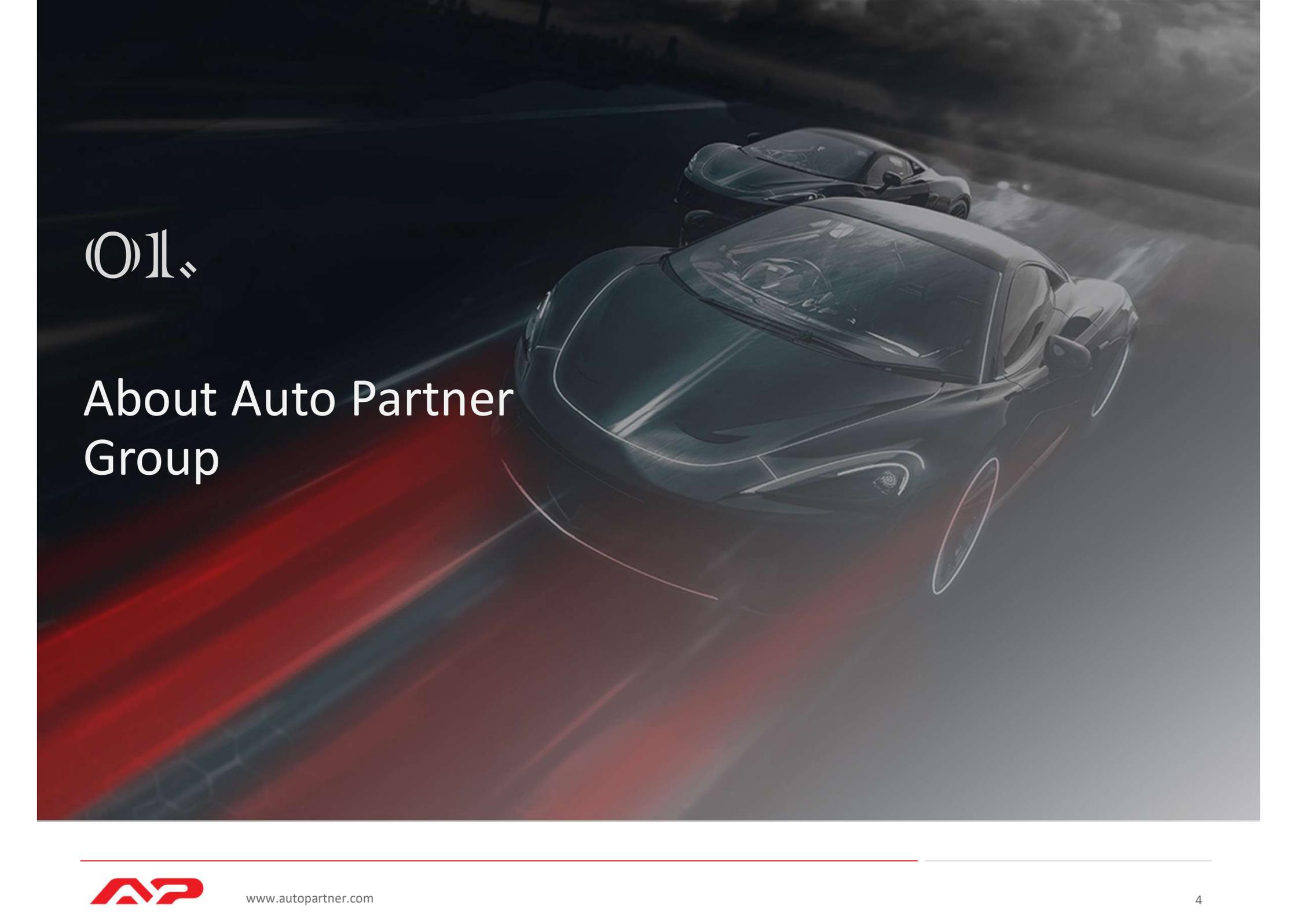
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# Agenda

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. Main 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.



**Tomasz Werbiński**  
Member of the  
Management Board

Since 2019, he has served as the company's Chief Financial Officer, and since December 2022 – also as Member of the Management Board. Responsible for managing the company's finances.

# Auto Partner Group at a glance



One of the largest distributors of automotive parts in Poland with a nearly **10% market share**



Approximately **250,000 references** available



Foreign markets accounting for approximately **50% of sales**



Over **15.5m parts** warehoused throughout Poland



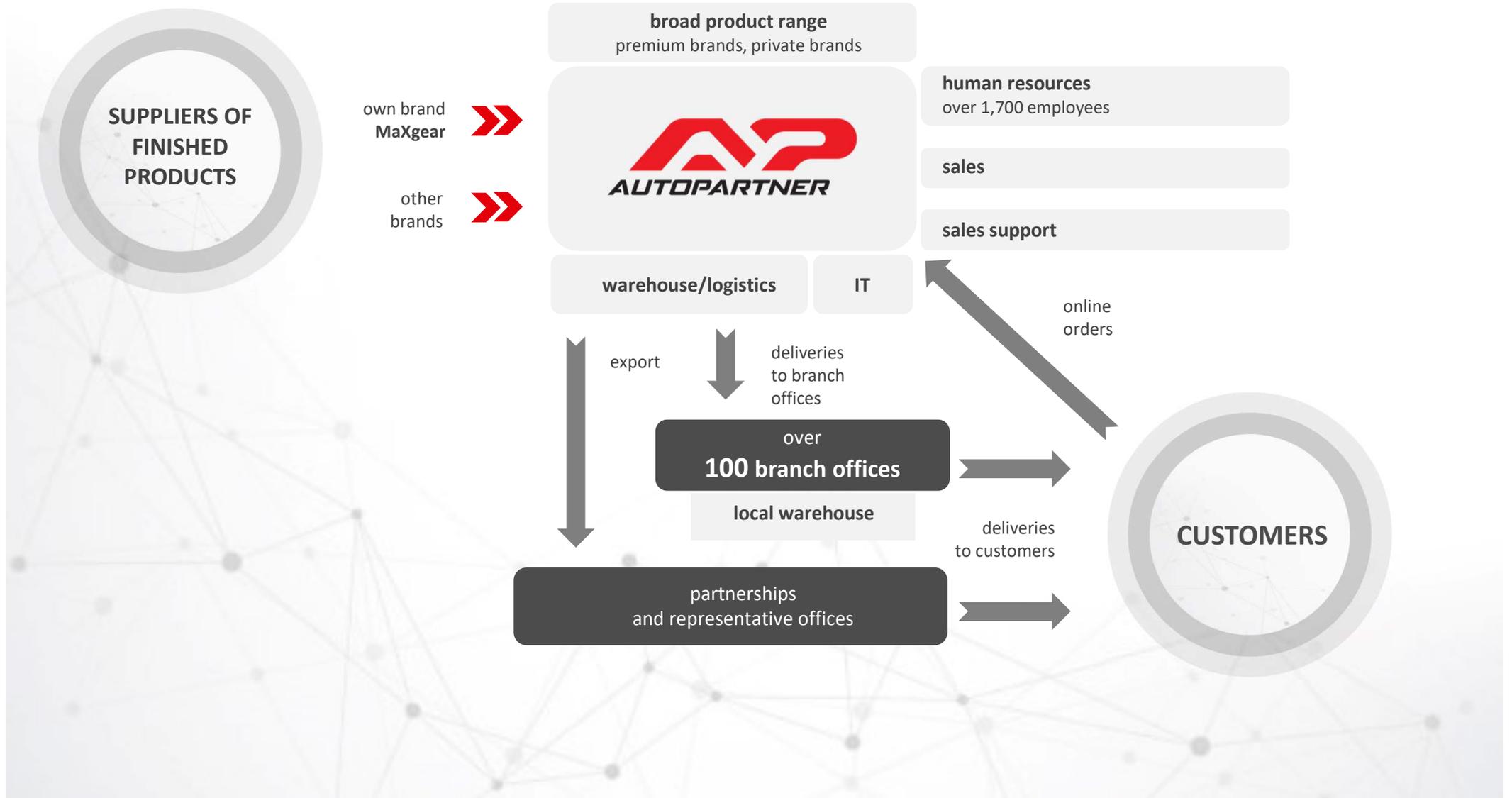
About **62%** of orders placed online



Member of **GlobalOne GPO**



# Business model



# Key developments in 2022



Record-high revenue: up 25% to nearly **PLN 2.9bn**



Continued foreign expansion – exports accounting for **50%** of revenue



Strong profitability maintained, with steep growth in the scale of business: gross margin at **29.9%**



Record net profit: **PLN 207.3m**, up 11.4%



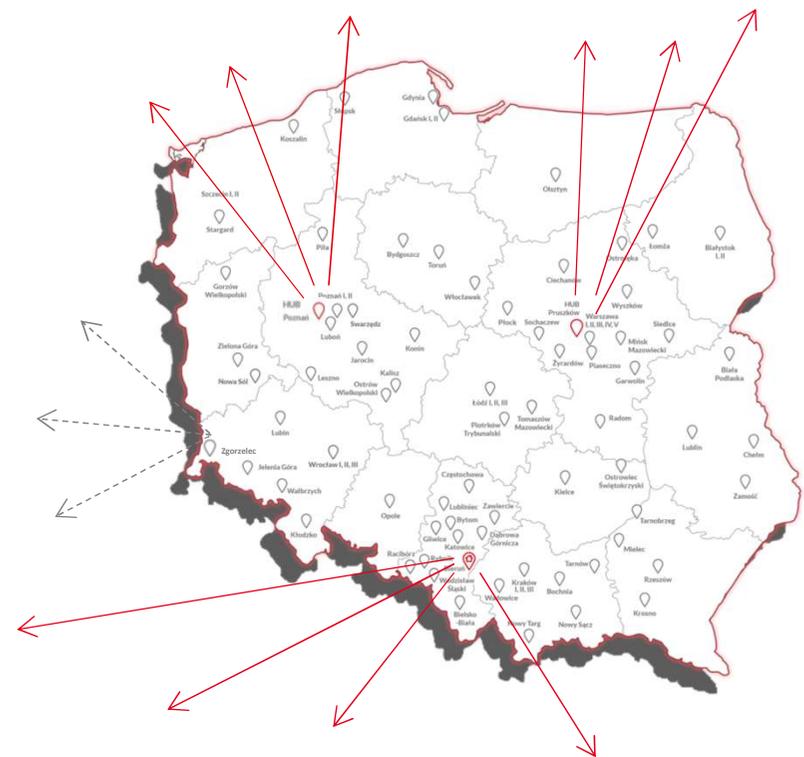
Further development of the distribution network – **opening of the Poznań HUB and eight new branch offices**



Agreement to open a distribution centre in Zgorzelec signed – **opening planned for the end of 2024/beginning of 2025**

# Well-developed distribution network

- IT-supported logistics – just-in-time deliveries to geographically dispersed customers at a frequency of **3-5** times per day
- Total warehousing space at the Group (leases) – **almost 140,000 sq m:**
  - Distribution centre in Bierań (43,000 sq m)
  - Warehouse in Pruszków (13,500 sq m)
  - Warehouse in Mysłowice (12,000 square metres)
  - Warehouse in Prague, Czech Republic (600 sq m)
  - Poznań HUB (nearly 15,000 sq m)
  - Local storage facilities within the branch network (total of approximately 55,000 sq m)
- Domestic and export sales handled from the central warehouse in Bierań, distribution centre in Pruszków and the Poznań HUB
- **114 branch offices** covering all regions of Poland
- Subsidiary and warehouse in the Czech Republic
- Planned opening of the distribution centre in Zgorzelec in late 2024/early 2025 (30,000 sq m)



# Growing importance of own brand

# maxgear®

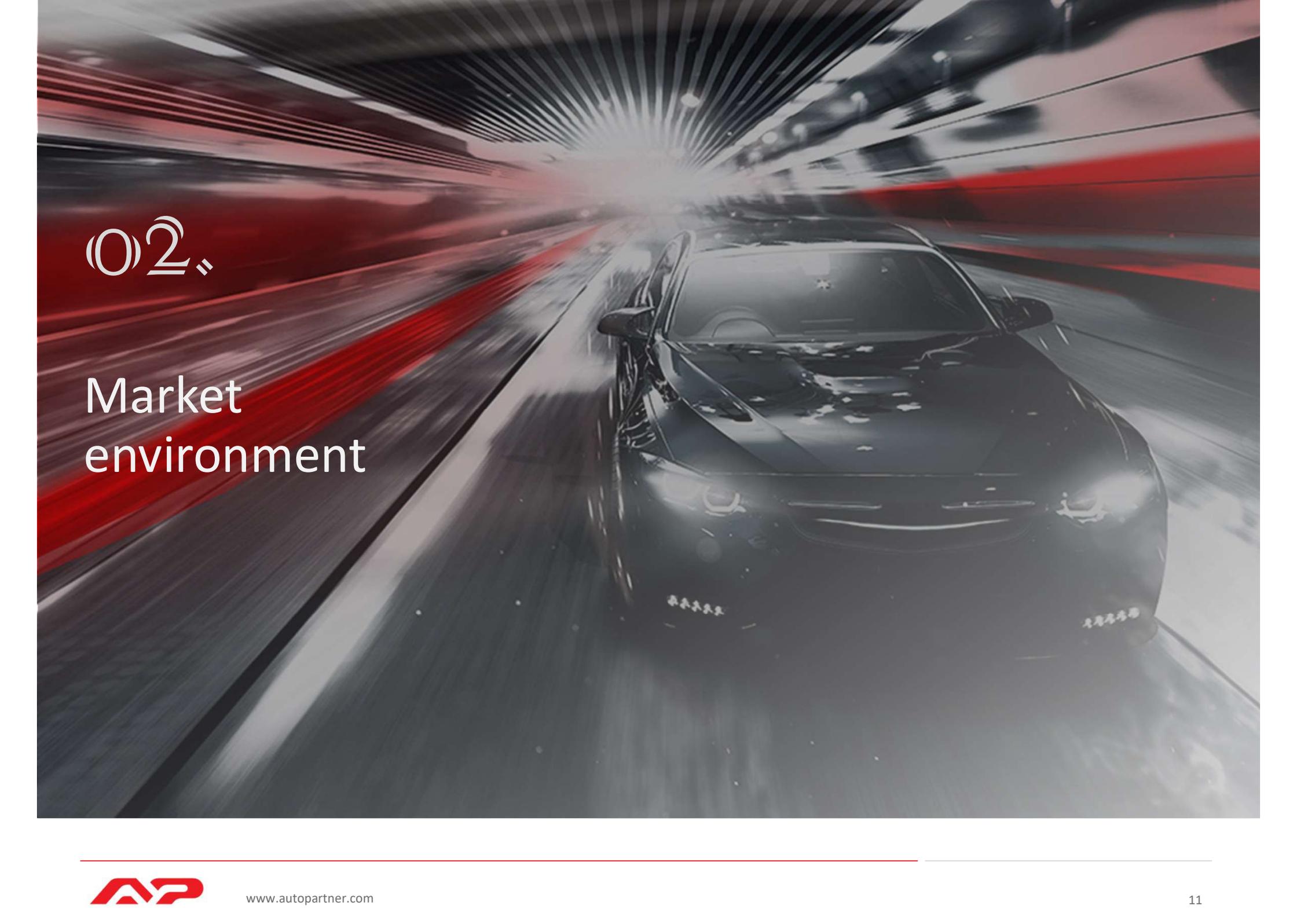
over **35,000**  
references available

**16**  
years of experience

**80**  
product groups

**21%**  
contribution to revenue





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# Market environment

# Market environment

## POLAND

- In 2022, the number of registrations fell by **6%** year on year in the case of new passenger cars and by **15.8%** in the case of light commercial vehicles (according to KPMG/PZPM).
- In March 2023, the median price of pre-owned cars dropped by **PLN 600** relative to the previous month, to **PLN 30.9 thousand** (according to AAAAuto).
- Average age of imported passenger car in 2022: **13.1** years (according to IBRM Samar).
- Unemployment rate at end of February 2023: **5.5%** (according to Statistics Poland).
- GDP growth in 2022: **+4.9% y/y** (according to Statistics Poland).

## EUROPE (European Union)

- **567** cars per 1,000 inhabitants of the European Union (according to ACEA).
- ACEA: in 2022, new passenger car registrations fell by **4.6%**.
- Average age of passenger cars: **11.8** years (according to ACEA).
- EU unemployment rate at end of February 2023: **6%** (according to Eurostat).
- EU GDP growth in 2022: **+3.5% y/y** (according to Eurostat).



Q3

## Financial results

# Record results for 2022

REVENUE

**2,834.7**

PLNm



**+25%**

EBITDA

**314.2**

PLNm



**+18%**

EBIT

**281.4**

PLNm



**+18%**

NET PROFIT

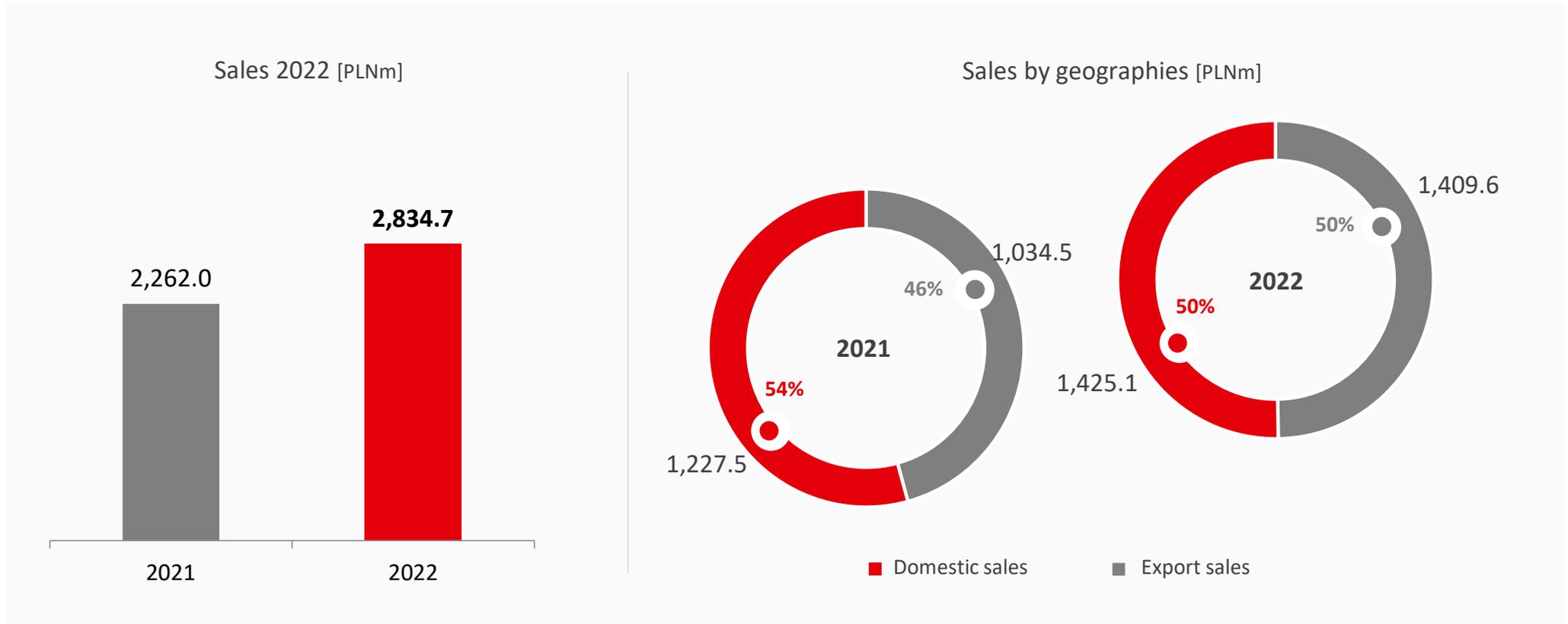
**207.3**

PLNm



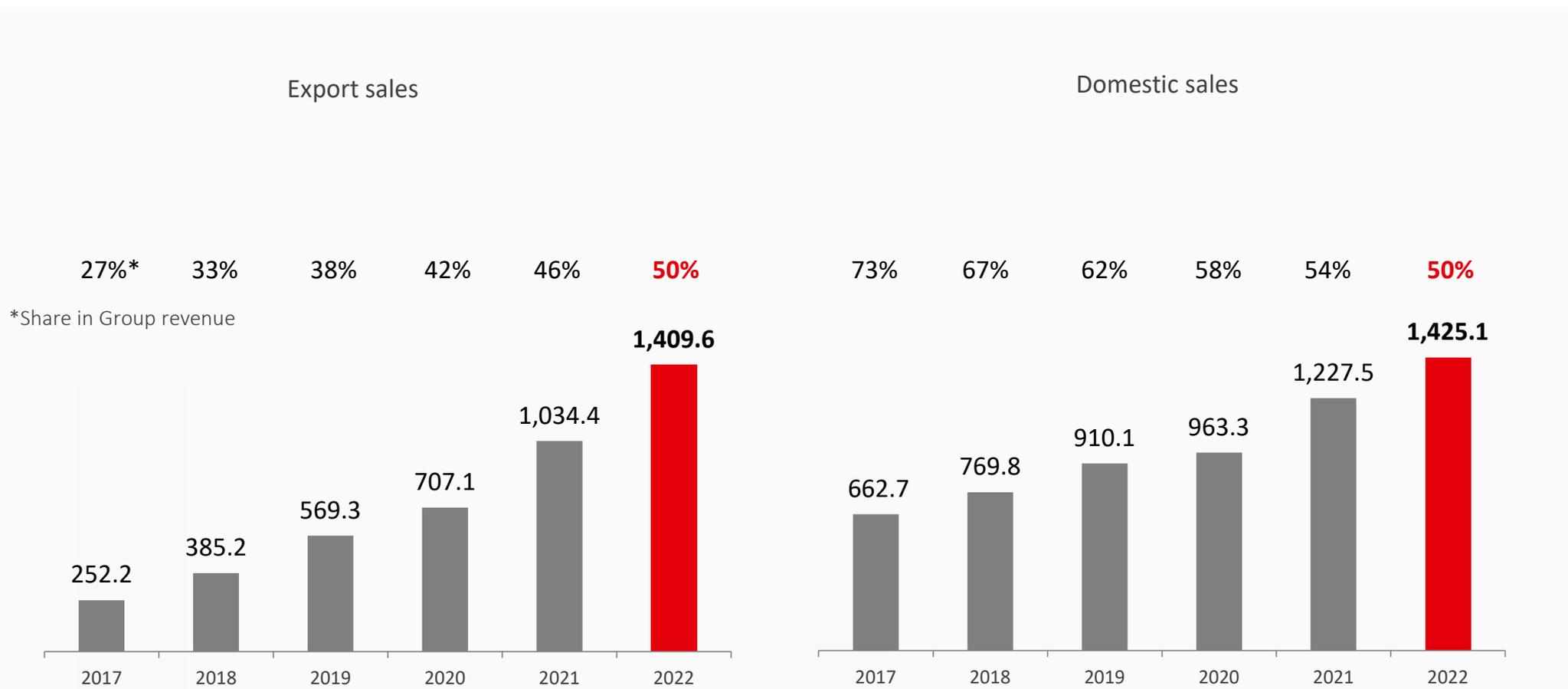
**+11%**

# 2022 sales at all-time record level



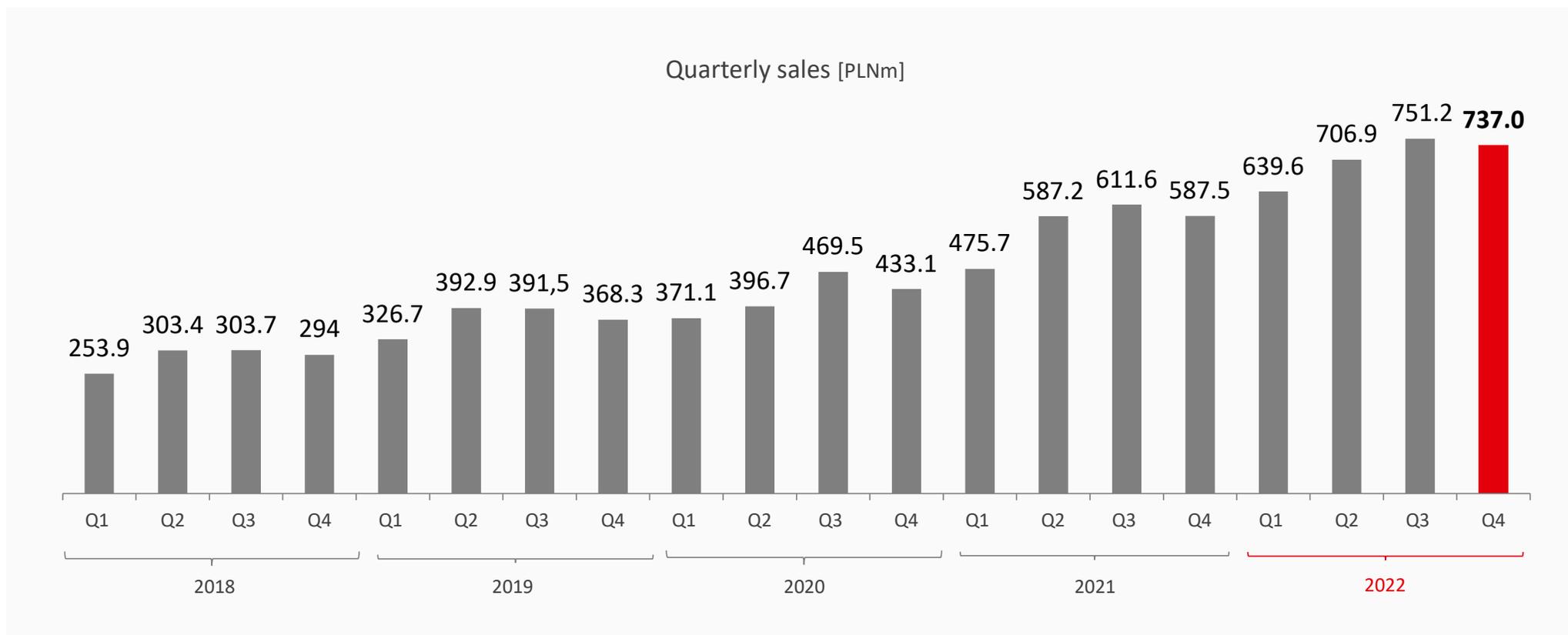
- Revenue up **+25.3%** y/y
- Growing share of foreign sales in revenue – for the first time on record export sales exceeded PLN 1.4bn

# Strong sales in Poland and growing share of exports in revenue



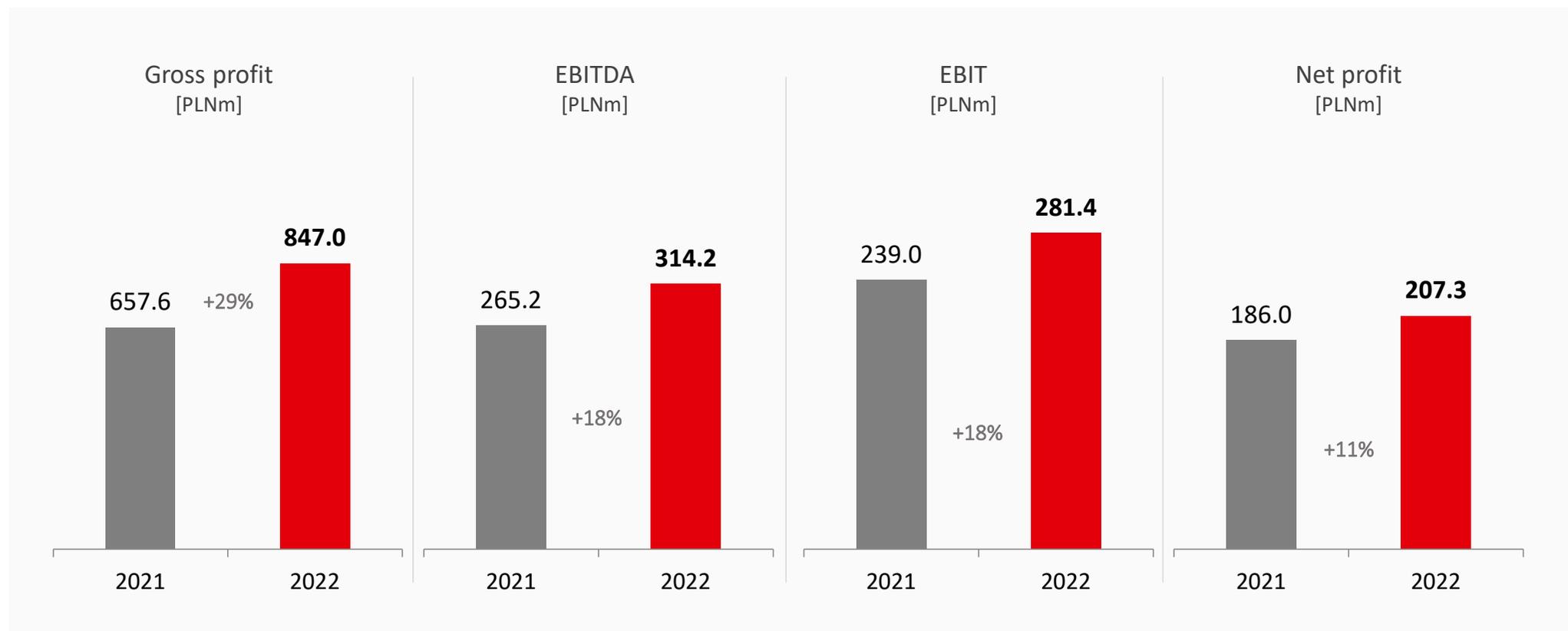
- Strong growth in export sales: **up 36.3%** in 2022
- Higher sales in Poland: **up 16.1%** y/y

# Strong quarterly sales growth



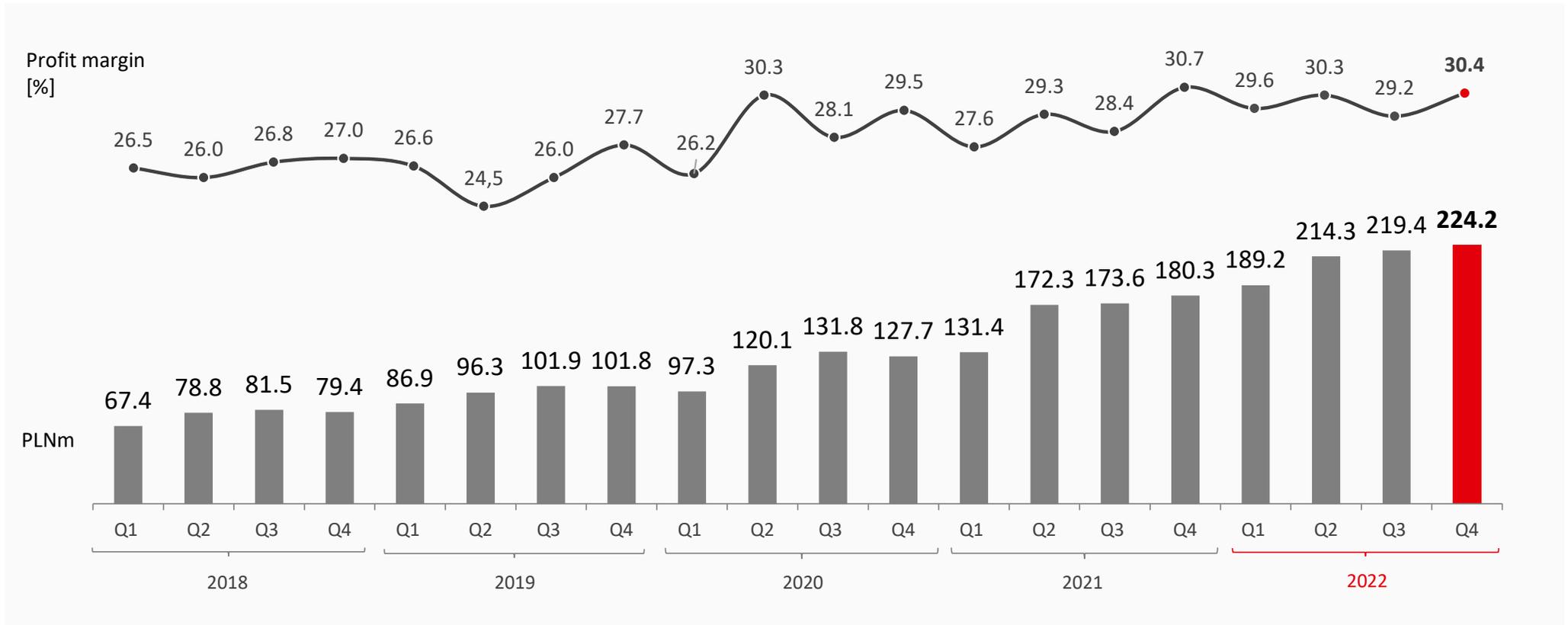
- Strong two-digit growth in sales (+25% y/y) continued on the back of efforts to strengthen position on foreign markets and in Poland
- Key drivers of sales:
  - more new branches opened in Poland and launch of new export directions and routes
  - product price increases in response to growing costs and exchange rate volatility
  - further expansion of the product mix and better aligning the mix with customer needs within different price segments
  - strong demand for automotive parts in Poland and abroad

# Significant growth in profits and earnings

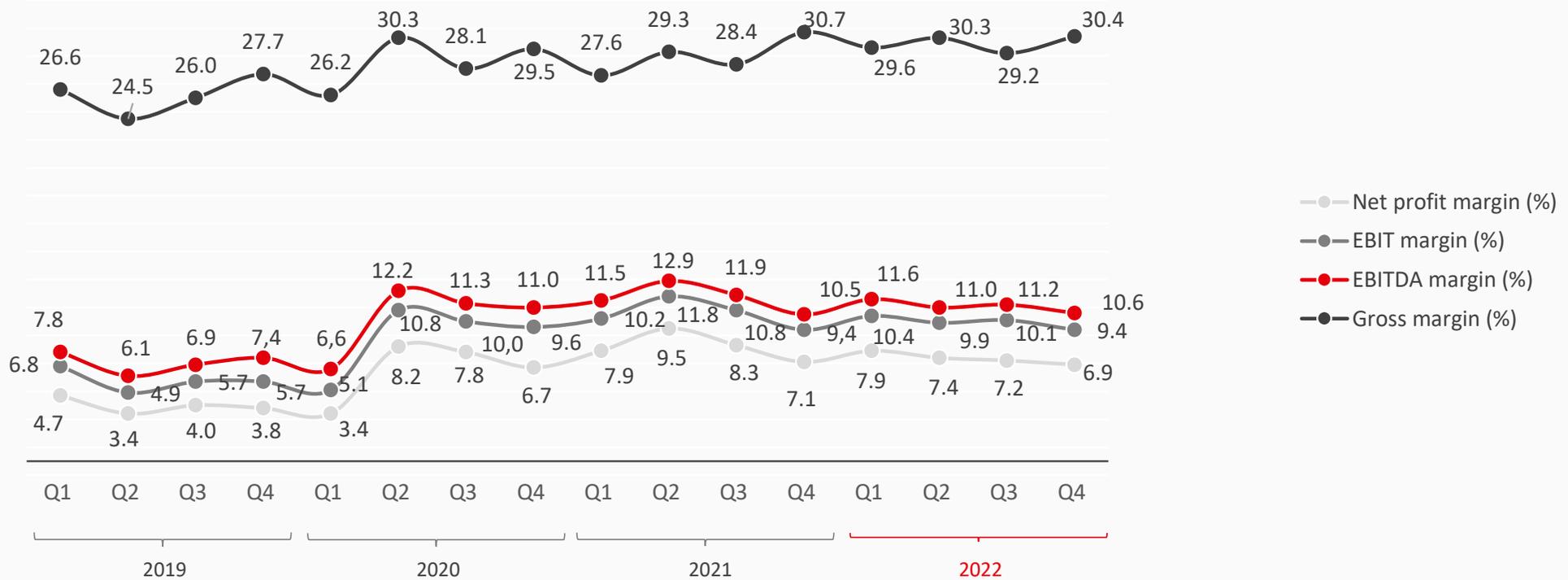


- Solid year-on-year growth across all P&L levels
- Pandemic-related subsidies received in the first half of 2021 led to lower operating and net profit growth year on year
- Low debt maintained (net debt/ EBITDA=1.4x)

# Gross profit

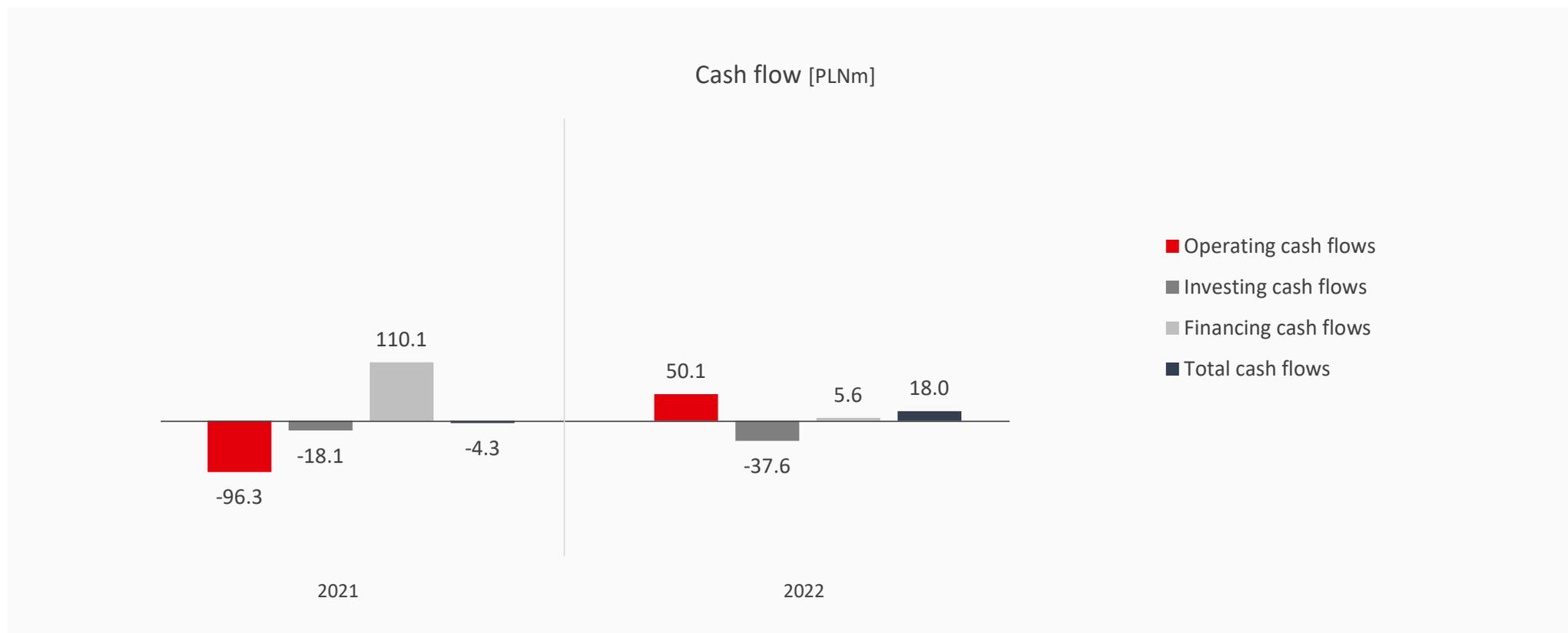


# Profit margin



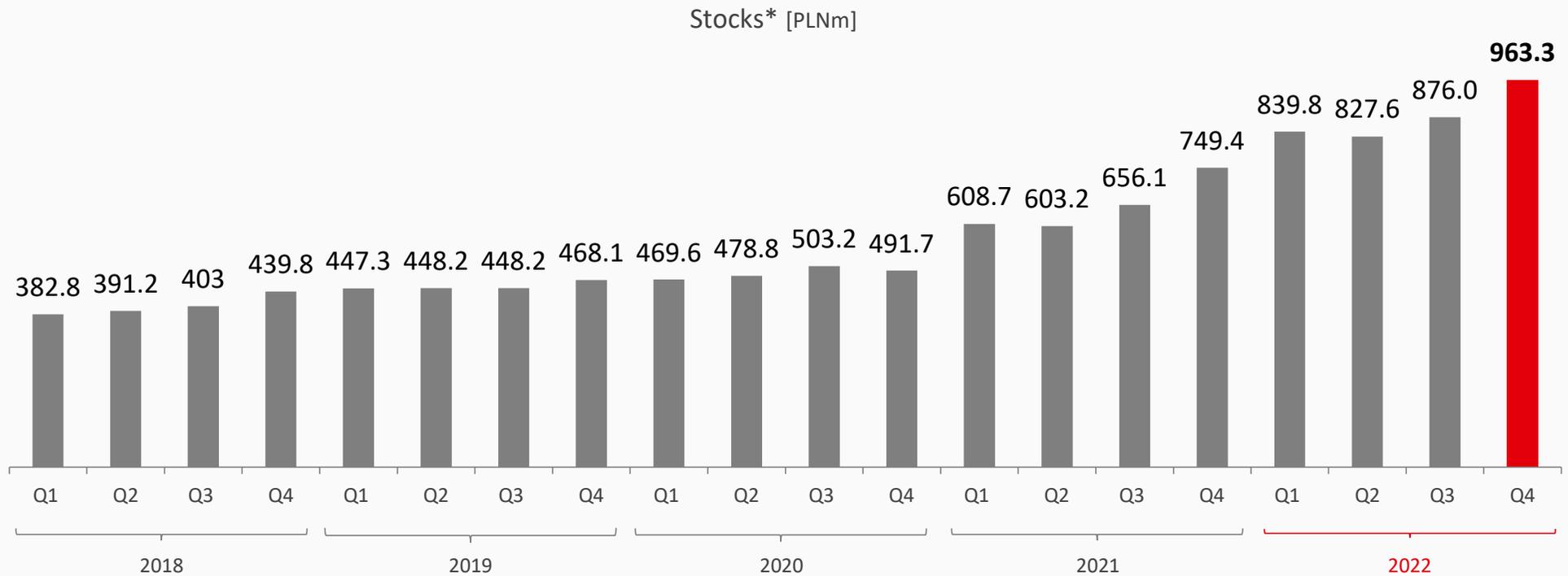
- High gross margin maintained with steady growth in business scale
- Positive effect of high-margin proprietary brands and brands offered on an exclusive basis
- Solid margins maintained despite a challenging market environment

# Cash flow



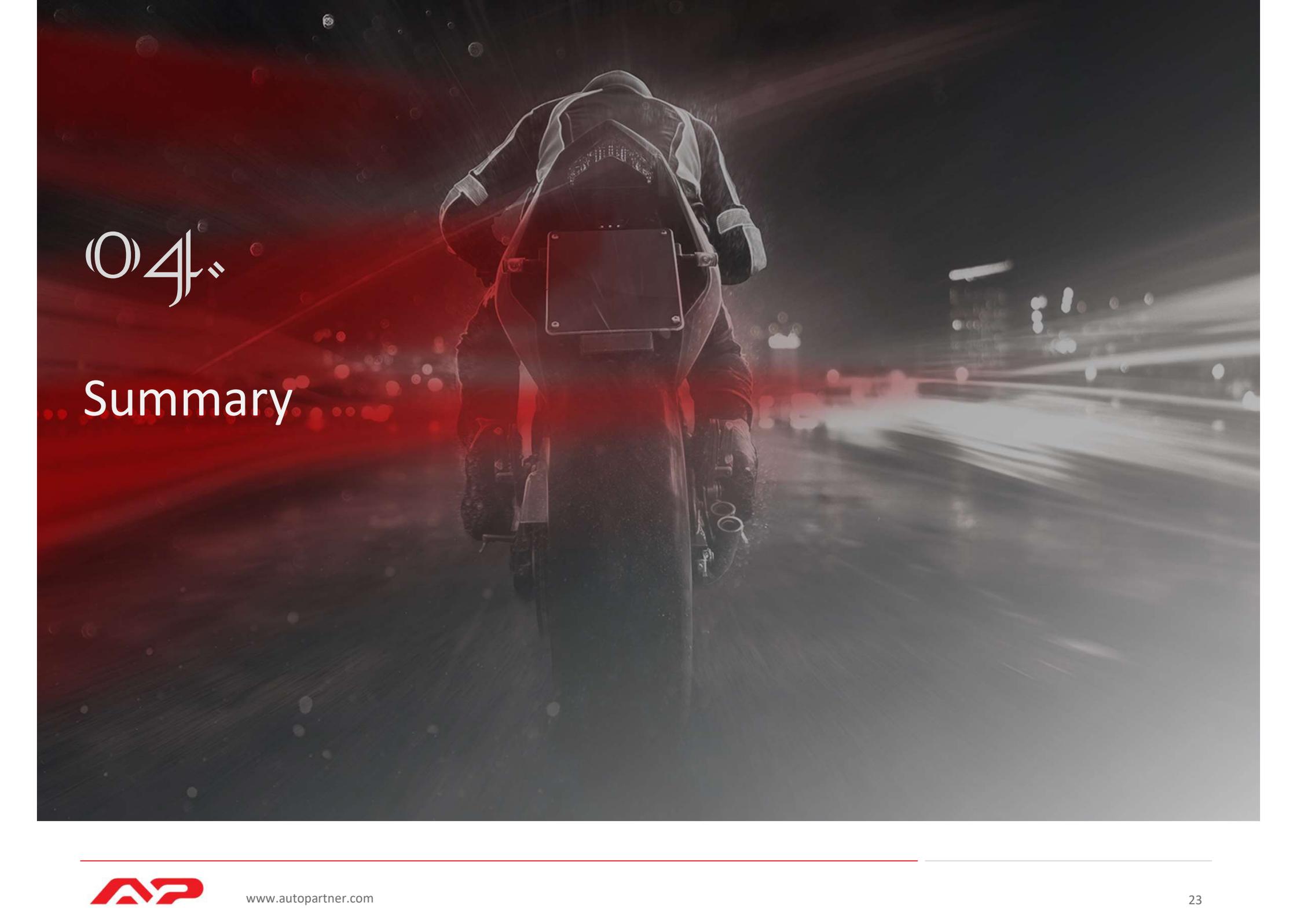
- Stable liquidity position of the Group

# Stable stock levels



- Inventory turnover as at December 31st 2022: **158 days** vs 141 days the year before

\* Inventories and right of return assets

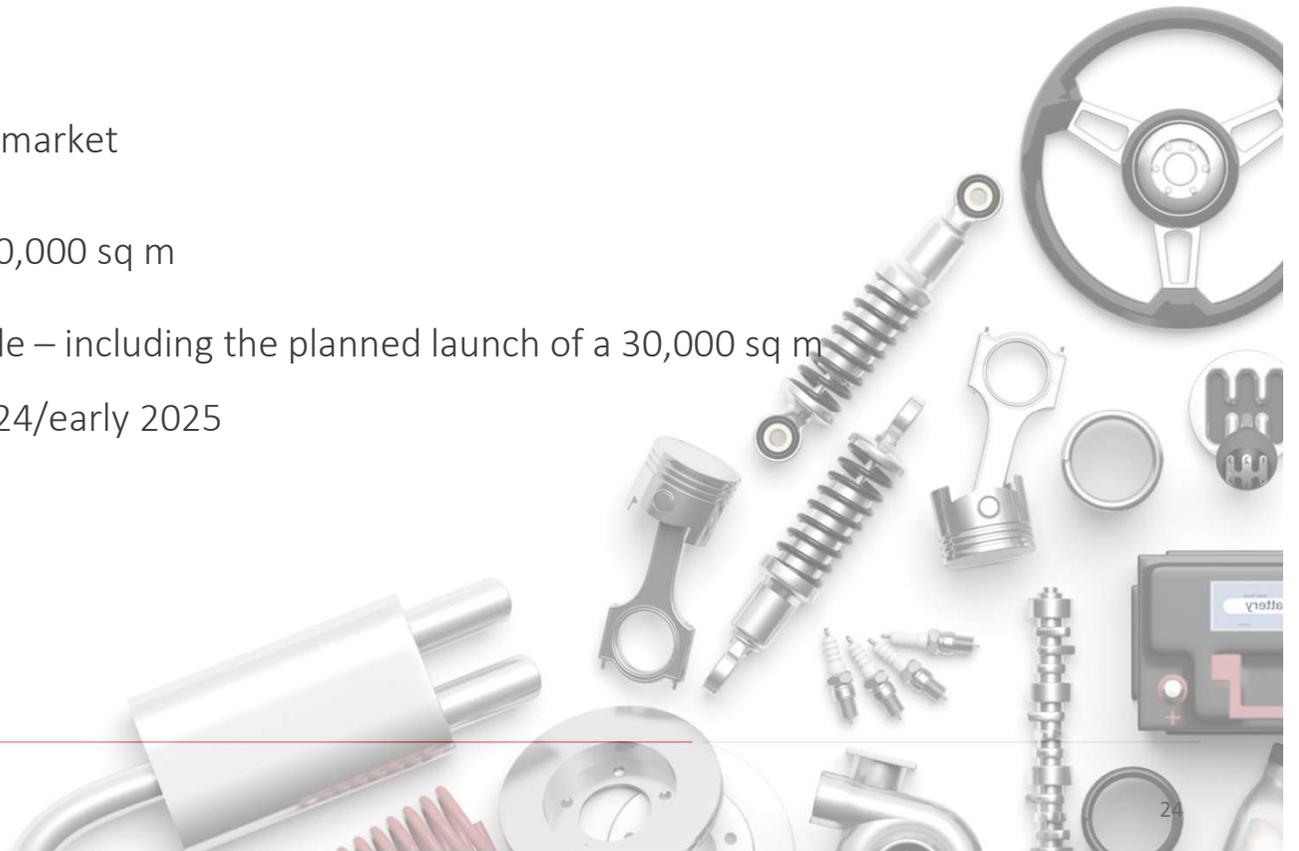


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## Summary

# Summary

- Record high sales and financial results
- Over 36% growth in export sales
- Solid margins maintained despite a challenging market environment
- Low debt maintained (net debt/ EBITDA = **1.4x**) – a major advantage given the rising borrowing costs
- Good prospects for the parts distribution market
- Increase in warehouse space to nearly 140,000 sq m
- Plans to further increase the business scale – including the planned launch of a 30,000 sq m distribution centre in Zgorzelec in late 2024/early 2025





THANK YOU!