



Q1-Q3  
2023

# FINANCIAL RESULTS OF THE AUTO PARTNER GROUP

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# Agenda

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



A dark, artistic photograph of a car at night. The car is the central focus, with its headlights and taillights glowing. The background is a dark, hazy landscape with mountains. The image is overlaid with white geometric lines and red and yellow light trails, creating a sense of motion and technology.

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**



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



Approximately **250,000 references** available



Growing distribution network – approx. **160,000 sq m** of warehouse space



Strong private label brand **maXgear** generating approximately 21% of sales



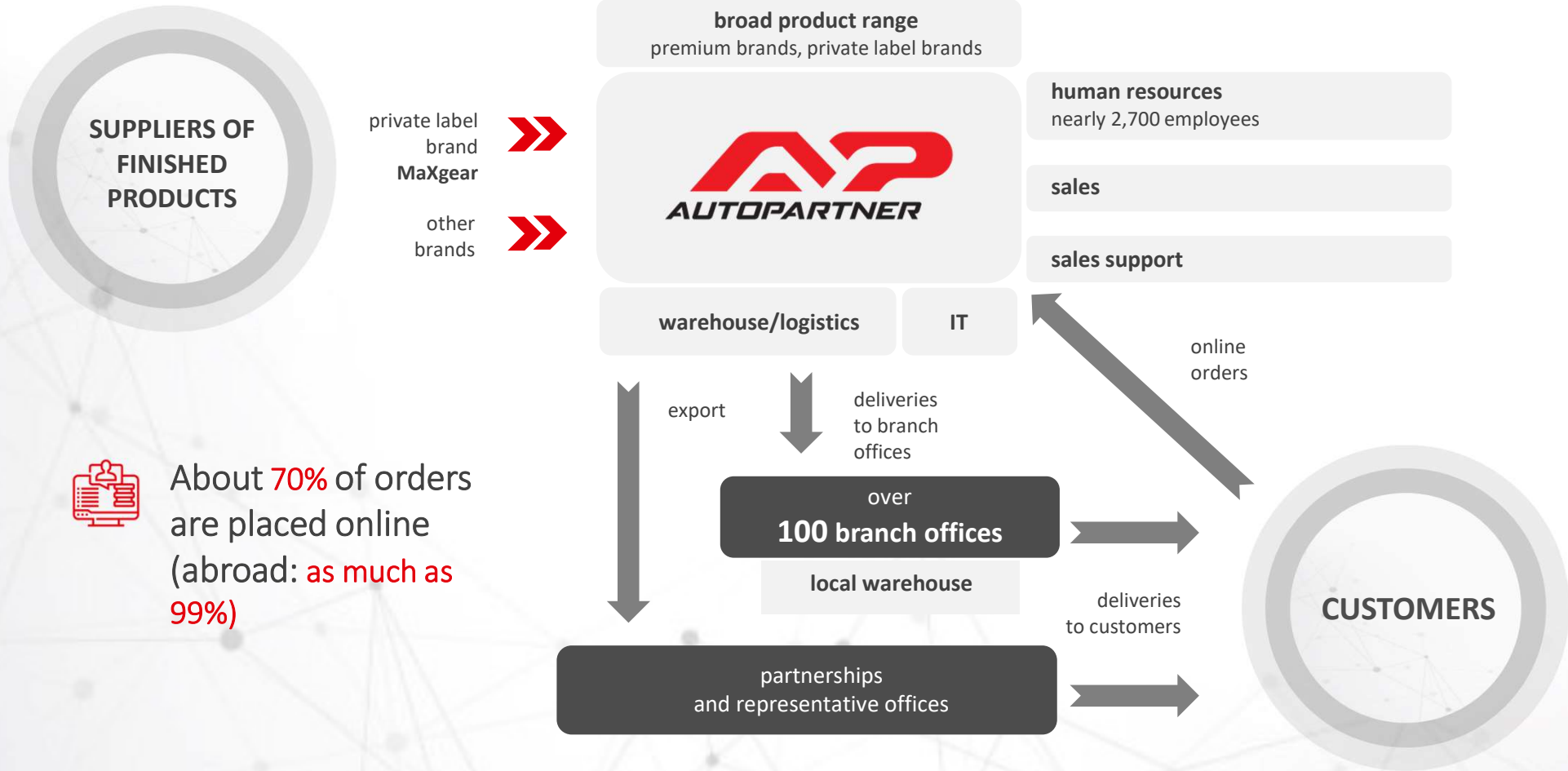
Network of **MaXserwis** associated workshops



Member of **GlobalOne GPO**



# Effective business model



About **70%** of orders are placed online (abroad: **as much as 99%**)



# Diversified customer base

## POLAND



Repair workshops

**63%**



Specialised stores

**27%**



Non-specialised  
repairers and retailers

**10%**

## EXPORT

Stores, wholesalers and  
distributors



**100%**

data as at December 31st 2022



# Key developments in Q1–Q3 2023



**Record financial performance:** in the third quarter of 2023 sales went up 27.3% to over PLN 956m, and net profit went up 22% to PLN 65.6m



**After the first nine months of 2023** sales went up 30% to over PLN 2.7bn, and net profit went up 10% to PLN 172.8m



**High profitability sustained** with a dynamically growing business scale and despite market headwinds: gross margin of 28.3% in the third quarter of 2023 – a clear improvement on the first half of 2023



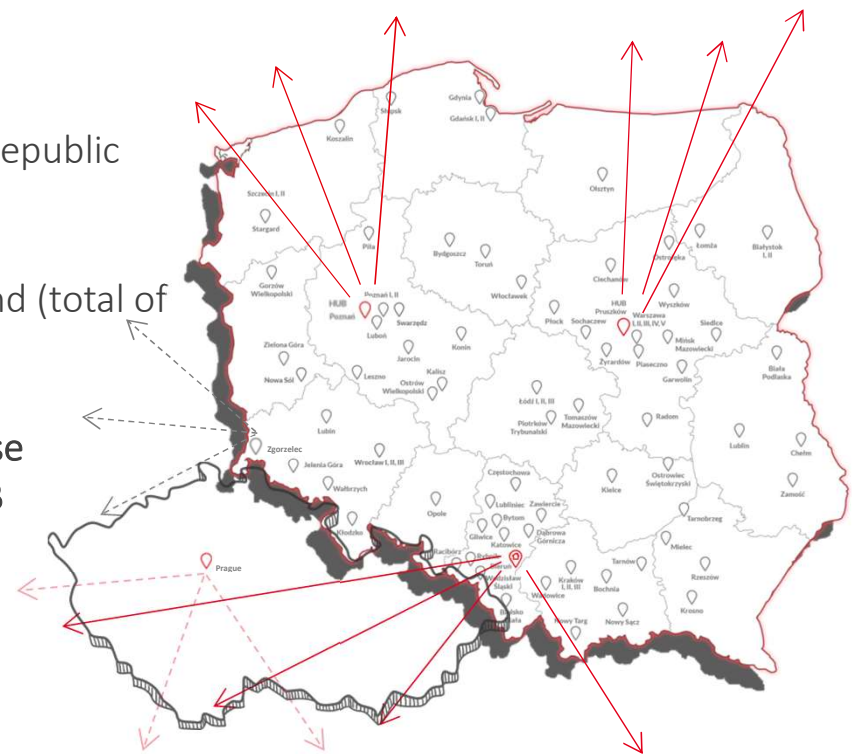
**Continued foreign expansion** – exports accounted for nearly 50% of revenue



**Plan to open a new distribution centre in Zgorzelec – in 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) – **approximately 160,000 sq m:**
  - Distribution centre in Bieruń (approx. 52,000 sq m)
  - Warehouse in Pruszków (approx. 12,500 sq m)
  - Warehouse in Mysłowice (approx. 24,000 sq m)
  - Local storage facilities in two branches in Prague, Czech Republic (approx. 1000 sq m)
  - Poznań HUB (approx. 13,500 sq m)
  - Local storage facilities within the branch network in Poland (total of approx. 57,000 sq m)
- Domestic and export sales handled from the central warehouse in Bieruń, distribution centre in Pruszków and the Poznań HUB
- 114 branch offices covering all regions of Poland
- Subsidiary and warehouse in the Czech Republic
- Plan to open a distribution centre in Zgorzelec in 2025 (30,000 sq m)



Satisfactory share of the private label brand in revenue, with rapidly growing sales

**maxgear**<sup>®</sup>

over **35,000**  
references available

**16**  
years of experience

**80**  
product groups

**21%**  
contribution to revenue



**Suspension  
and  
steering**



**Brakes**



**Filtres**



**Drivetrain**



**Automotive  
chemicals and  
care products**



**Motorcycle  
parts and  
accessories**



**Cooling  
system**



**Air  
conditioning**



**Engine**



**Hydraulic  
parts**



**Electrical  
parts**



**Accessories**



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# Market environment

# Market environment – favourable economic conditions in the industry

## POLAND

- In the first three quarters of 2023, **the number of new passenger car registrations rose** by **10.6%** year on year and by **2.9%** in the case of light commercial vehicles (KPMG/PZPM);
- In October 2023, the **median price of pre-owned cars grew** by **PLN 600** relative to the previous month, to **PLN 33.5 thousand** (AAAAuto);
- **Average age of imported passenger car** in 2023: **13** years (IBRM Samar);
- **Unemployment rate** at the end of September 2023: **5%** (STATISTICS POLAND);
- **GDP growth in Q3 2023: +0.4% y/y** (Statistics Poland).

## EUROPA (European Union)

- **567 cars per 1,000 inhabitants** of the European Union (ACEA);
- ACEA: in September 2023, **new passenger car registrations rose by 9.2%**;
- **Average age of passenger cars: 12** years (ACEA);
- **EU unemployment rate** at end of September 2023: **6%** (Eurostat);
- **EU GDP growth in Q3 2023: +0.1% y/y** (Eurostat).



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## Financial results

# Results for Q1–Q3 2023

REVENUE

**PLN**

**2,731.5**  
million



**+30%**

EBITDA

**PLN**

**268.6**  
million



**+14%**

EBIT

**PLN**

**237.0**  
million



**+12%**

NET PROFIT

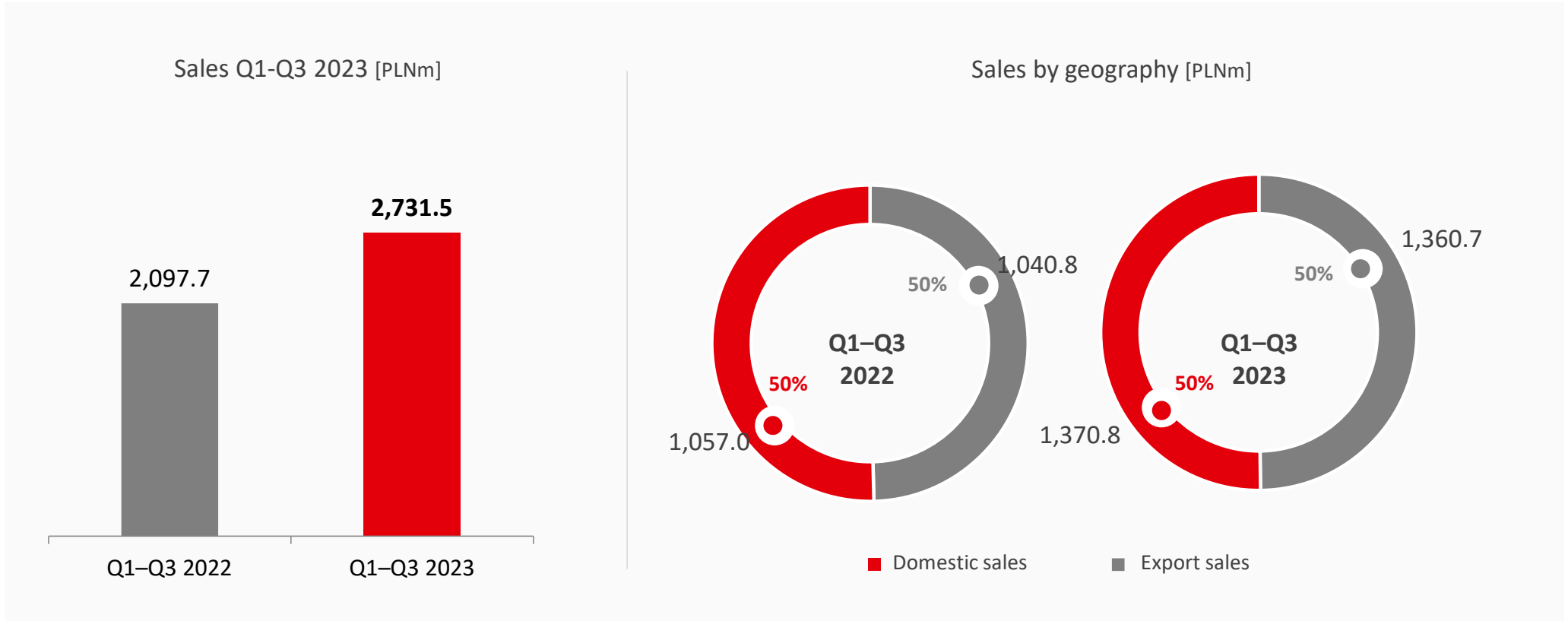
**PLN**

**172.8**  
million



**+10%**

# Strong sales growth in Q1-Q3 2023

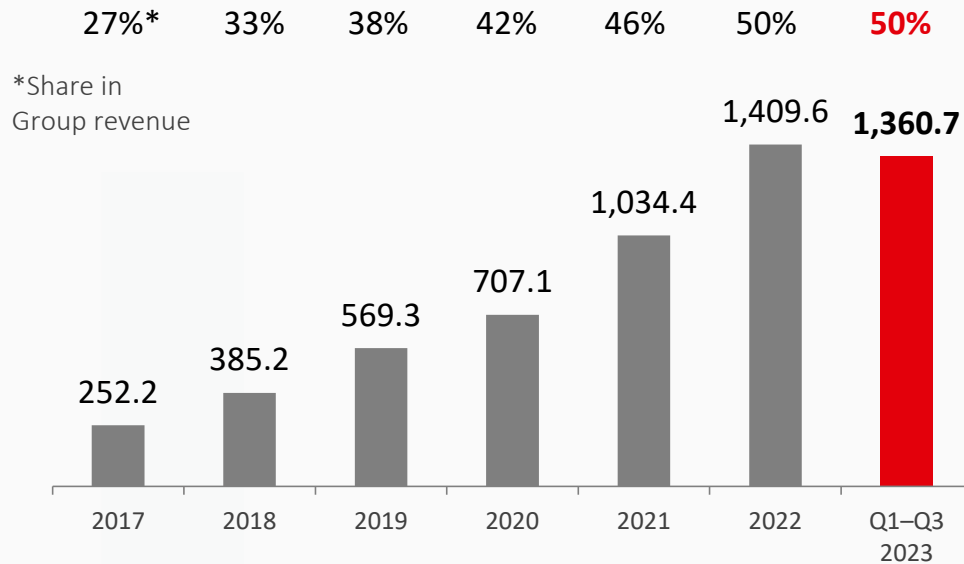


- Revenue up +30.2% y/y
- Growing contribution of exports to total revenue



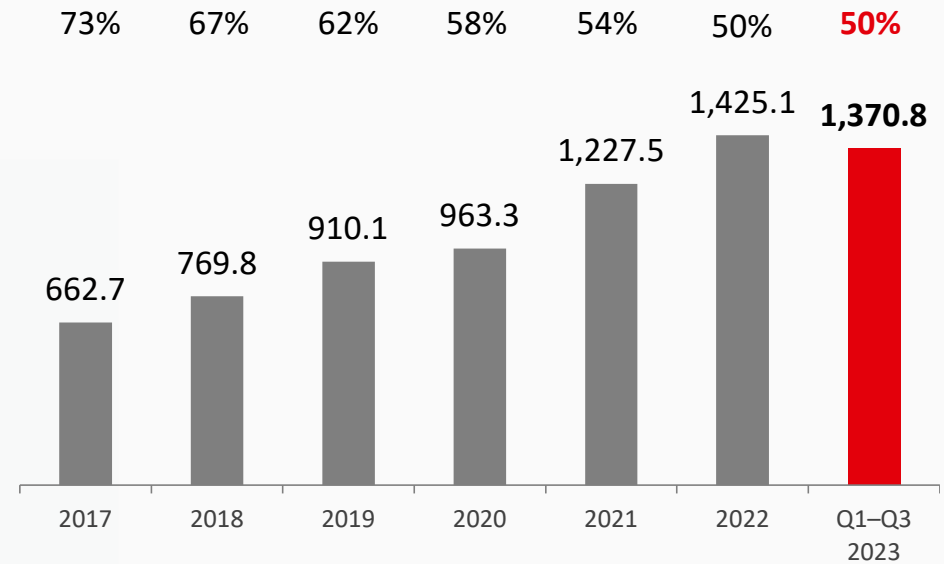
# Strong sales in Poland and growing share of exports in revenue

Export sales



\*Share in Group revenue

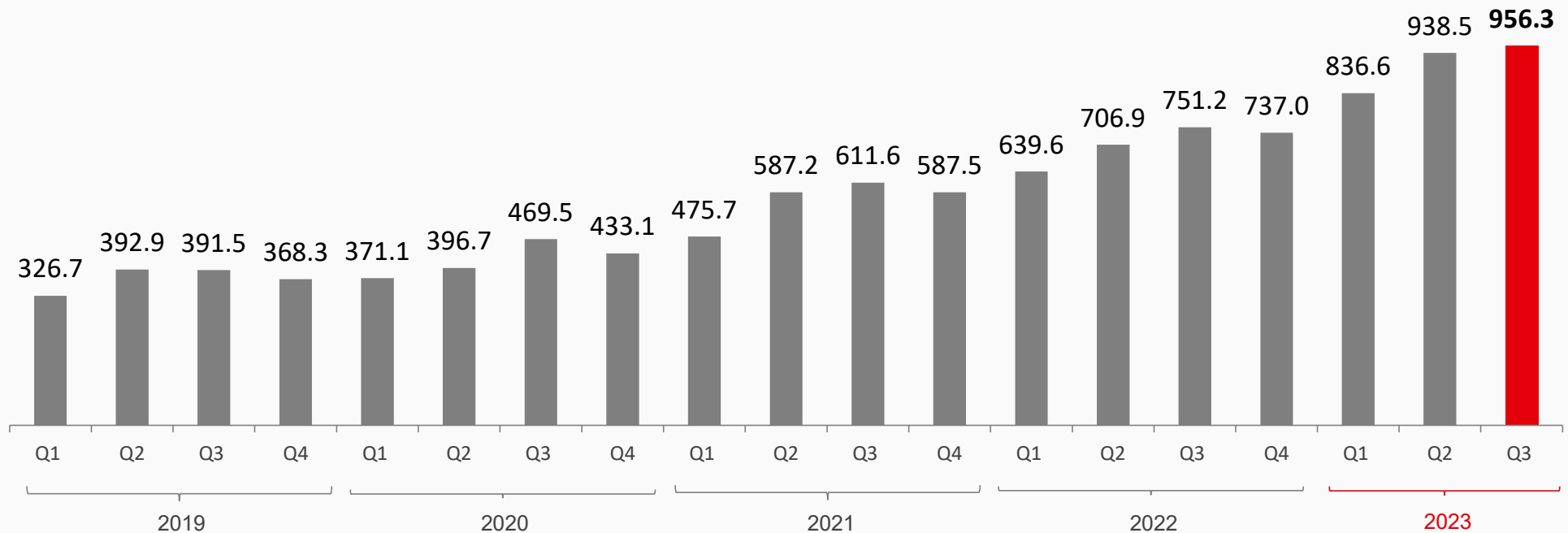
Domestic sales



- Higher export sales: up 30.7% in Q1–Q3 2023
- Higher sales in Poland: up 29.7% y/y

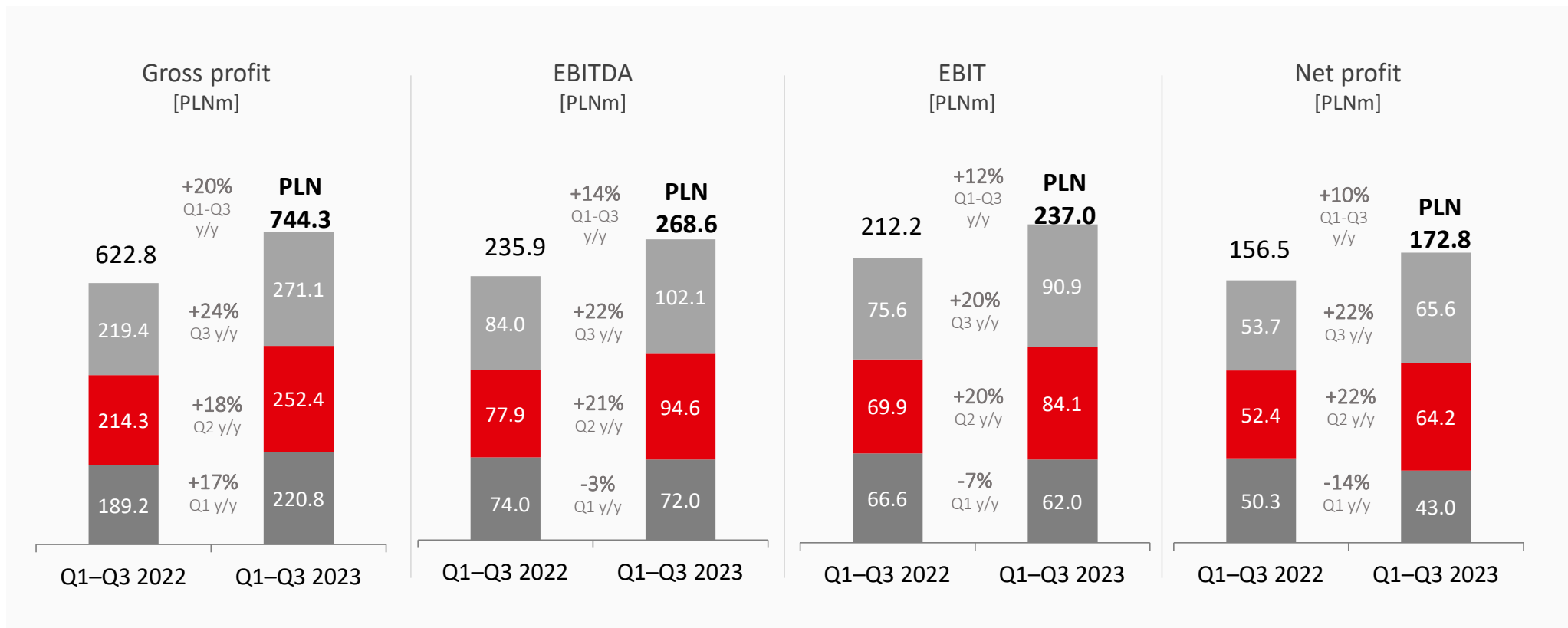
# Strong quarterly sales dynamics – nearly one billion złoty in Q3 2023

Quarterly sales [PLNm]



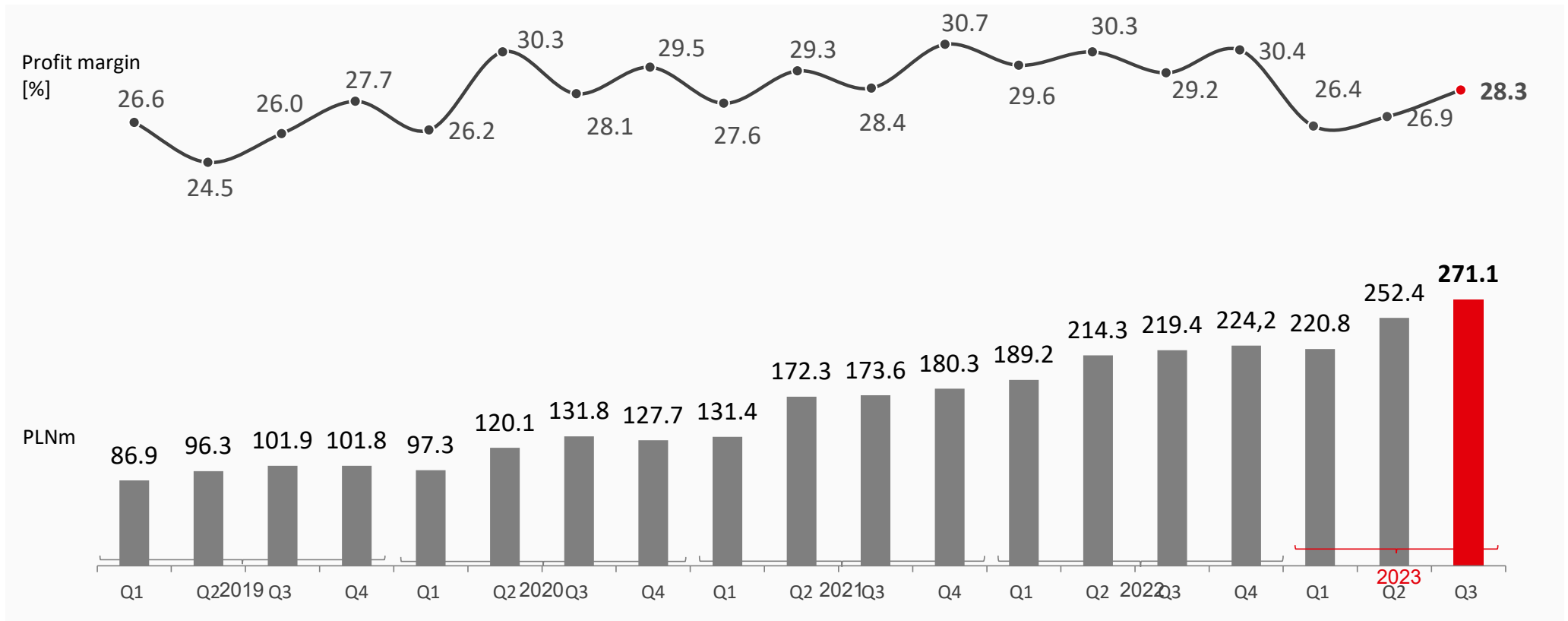
- Strong two-digit growth in sales (+27% y/y) continued on the back of efforts to strengthen position on foreign markets and in Poland
- Key drivers of sales:
  - new export destinations and routes
  - further expansion of the product mix and better aligning the mix with customer needs within different price segments
  - strong demand for automotive parts in Poland and abroad

# Profitability at satisfactory levels



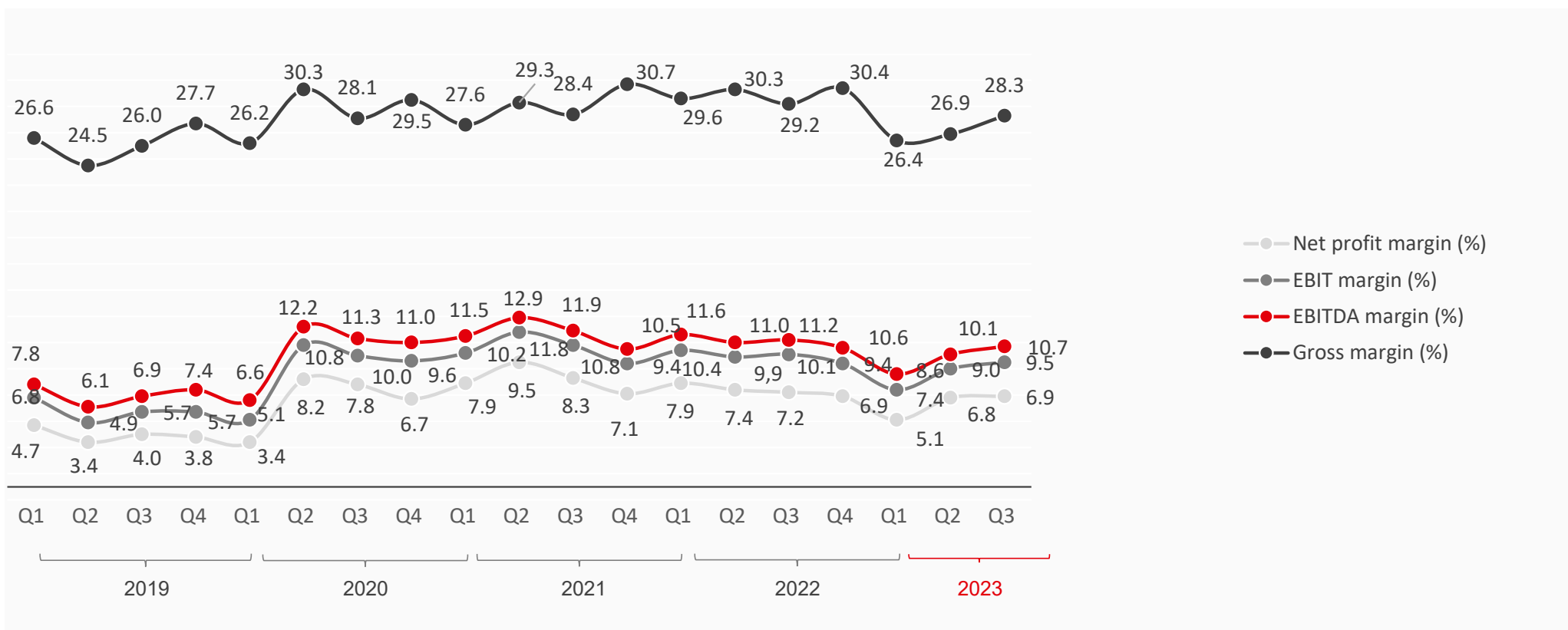
- Improved margins relative to the first half of 2023
- Margins at satisfactory levels despite wage pressure (inflation) and higher finance costs (high interest rates)
- Low debt maintained (net debt/ EBITDA = 0.8x)

# Rising gross profit



- Clear improvement in gross margin relative to the first half of 2023

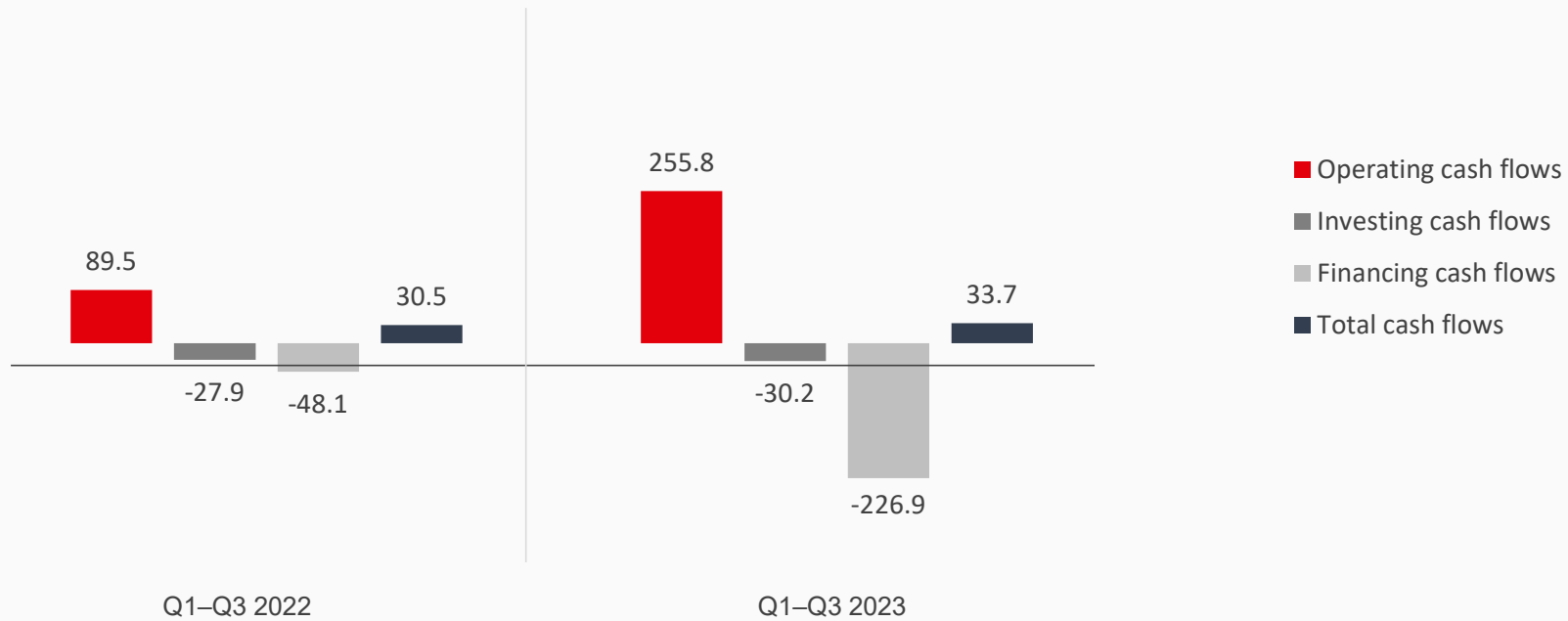
# Profit margin



- Solid margins maintained despite a challenging market environment
- Improved margins relative to the first half of 2023
- Reasons for the year-on-year decline in profitability in Q1-Q3 2023:
  - H1 2023 margins affected by sale of merchandise purchased in H2 2022 – a period of unprecedented depreciation of the Polish zloty and inflated transport costs
  - Inflation (including wage pressure) and business expansion as the main drivers of growing operating expenses
  - Significantly higher finance costs, due to interest rate hikes, affecting net margin

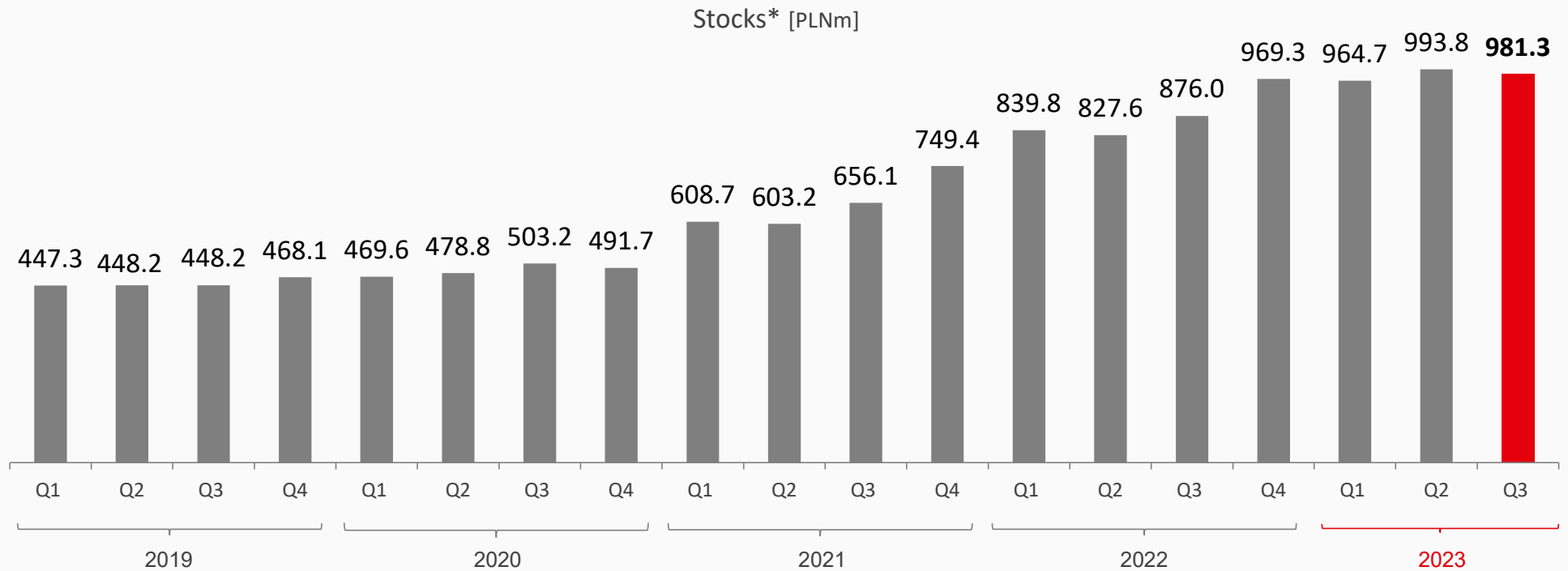
# Cash flow

Cash flow [PLNm]



- Stable liquidity position of the Group

# Stable stock levels



- Very good inventory turnover: **134 days** vs 150 days the year before (as at September 30th 2023)

\* Inventories and right of return assets



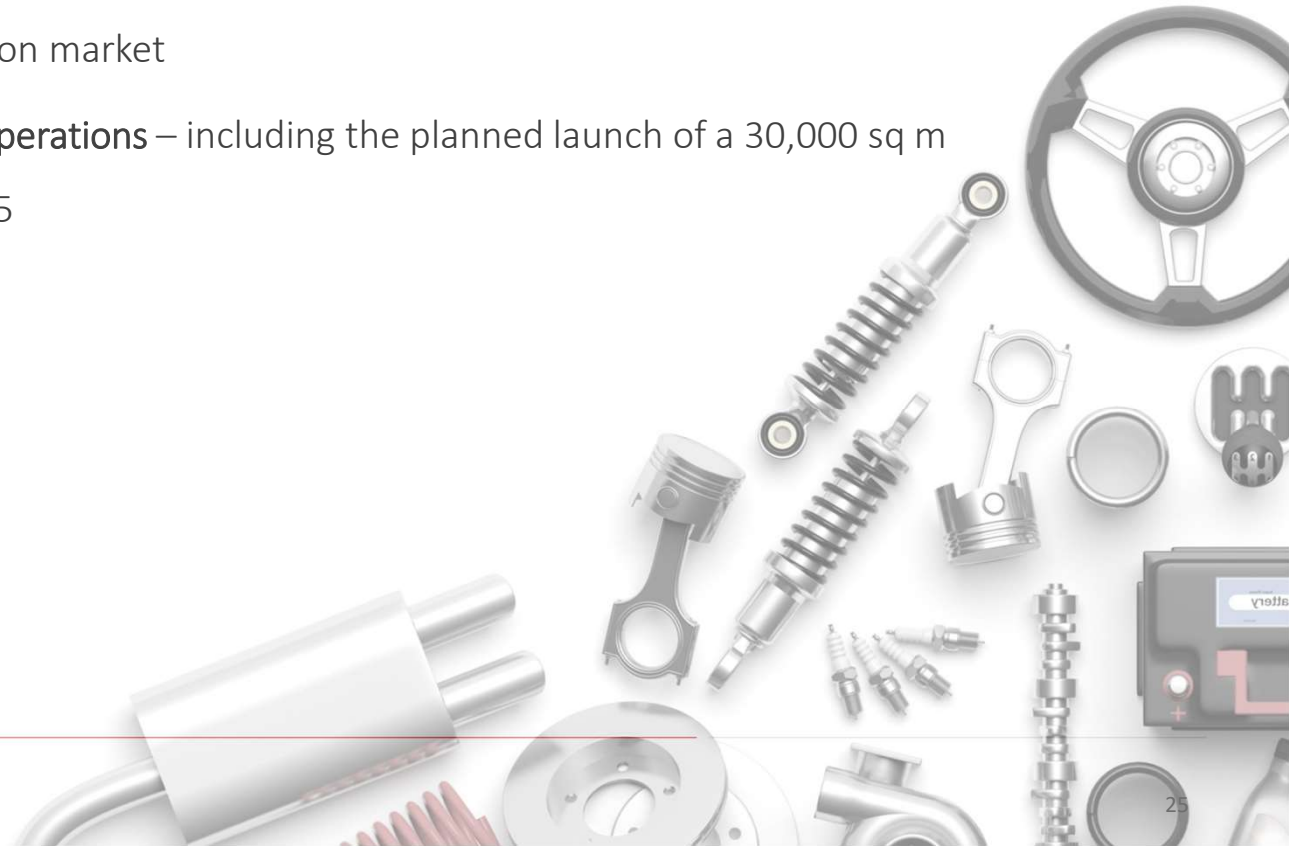
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# Summary



# Summary

- Record financial performance after the first three quarters of 2023
- Maintaining a strong growth rate in Poland and abroad – after October 2023 sales exceeded PLN 3bn for the first time in the Company's history
- Solid profit margins despite market challenges
- Low debt maintained (net debt/ EBITDA= **0.8x**)
- Good prospects for the parts distribution market
- Plans to further increase the scale of operations – including the planned launch of a 30,000 sq m distribution centre in Zgorzelec in 2025





THANK YOU!