



H1 2021 results
September 16th 2021

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Agenda



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





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

global suppliers

30

sale markets

62%

online orders

GlobalOne

international GPO membership

Key developments in H1 2021



- Further strengthening of foreign expansion (+49.9% y/y, 30 countries)
- Strong profitability maintained, with exponential growth in the scale of business
- Expansion of the existing distribution network (nine new branches opened in January to June)

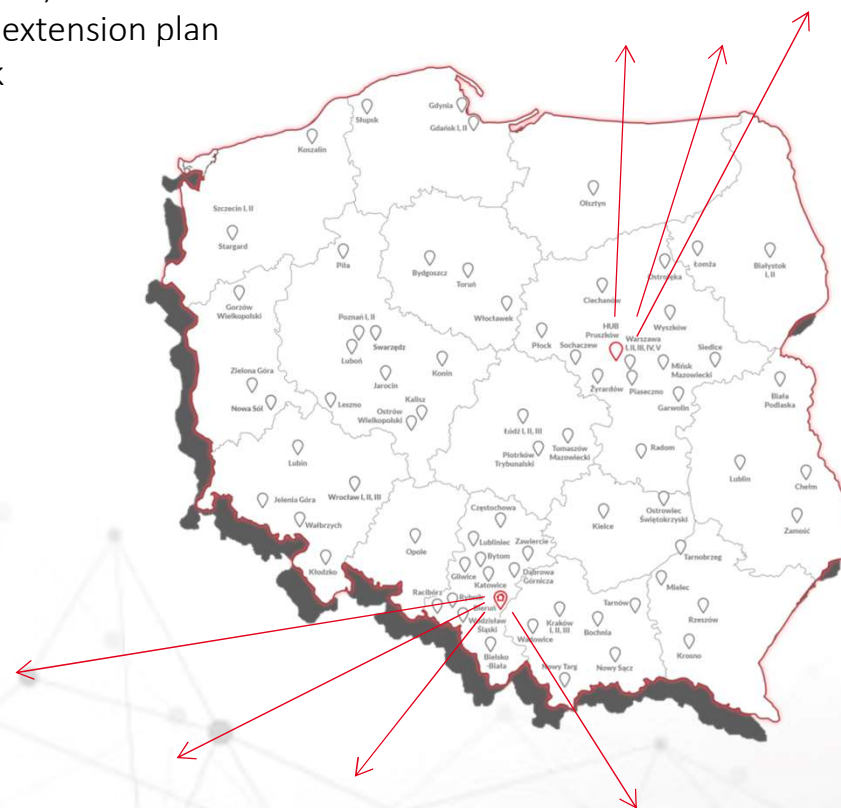
Albania	Czech Republic	Lithuania	Romania
Austria	Denmark	Luxembourg	Serbia
Belgium	Estonia	Latvia	Slovakia
Bosnia and Herzegovina	Finland	Macedonia	Slovenia
Croatia	France	Germany	Ukraine
Montenegro	Spain	Poland	Hungary
	Netherlands	Portugal	United Kingdom
	Ireland	Russia	Italy



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 Bieruń (41,000 square metres)
 - Warehouse in Pruszków (8,500 square metres) – extension plan
 - Local storage facilities within the branch network (over 48,000 square metres)
- Domestic and export sales handled from the central warehouse in Bieruń and the Pruszków hub
- **101 branch offices** covering all regions of Poland
- Subsidiary and warehouse in the Czech Republic



Well-developed distribution network



Launch of **10** new branches in January to September 2021.

The network currently comprises **101** branches covering all regions of Poland.



2. Market environment

POLAND

- Number of cars in Poland: ca. 24.3m (ACEA data)
- 34.6% year-on-year growth in passenger car registrations, to 242.1 thousand (Polish Automotive Industry Association (PZPM)).
- Average age of passenger car is over 12 years (IBRM Samar)
- Unemployment rate at the end of June 2021: 5.9% (according to Statistics Poland); 3.6% (according to Eurostat)
- Poland's GDP growth (qoq): +2.1% (Statistics Poland)

EUR

- Approximately 280m passenger cars in Europe (according to ACEA)
- 25.2% growth in passenger car registrations, to 5.36m, in H1 2021 (ACEA)
- Average age of passenger cars: 11.5 years (according to ACEA)
- EU unemployment rate at the end of June 2021: 7.1% (according to Eurostat)
- EU GDP growth (qoq): +2.1% (Eurostat)





3. Financial results

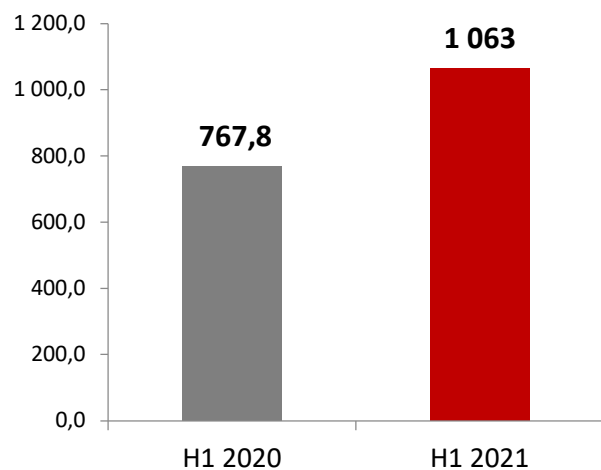
H1 2021 highlights



H1 2021 sales

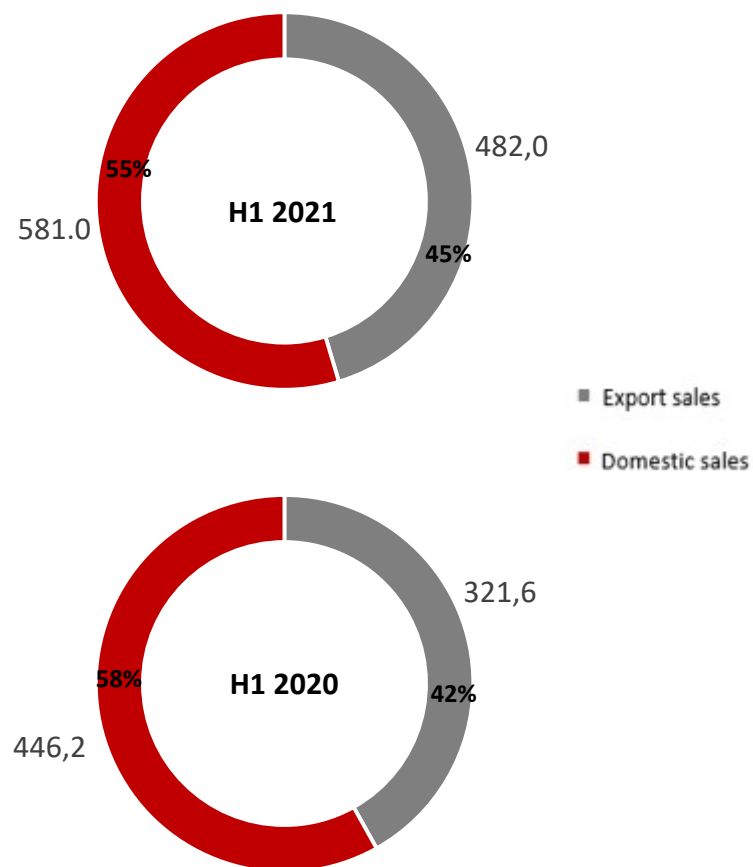


Q1 2021 sales [PLNm]



- **+38% y/y** increase in revenue
- Strongest growth – export sales up +50% y/y
- Sales in Poland up +30% y/y

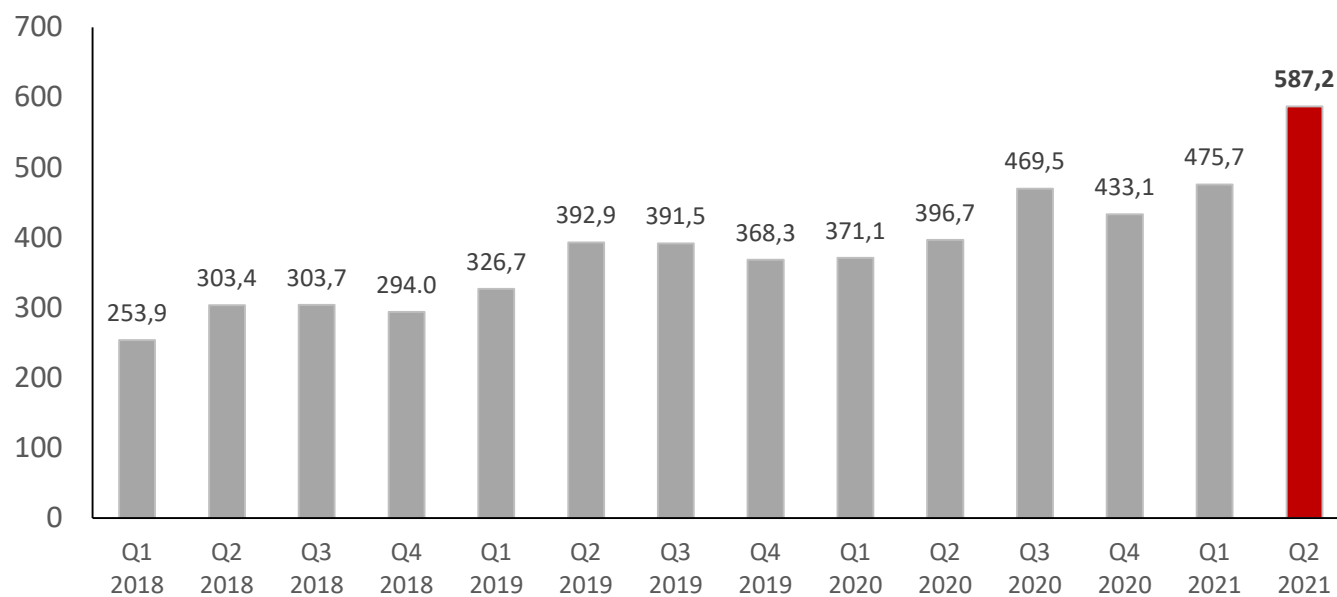
Sales by geographies [PLNm]



Quarterly sales



Quarterly sales [PLNm]

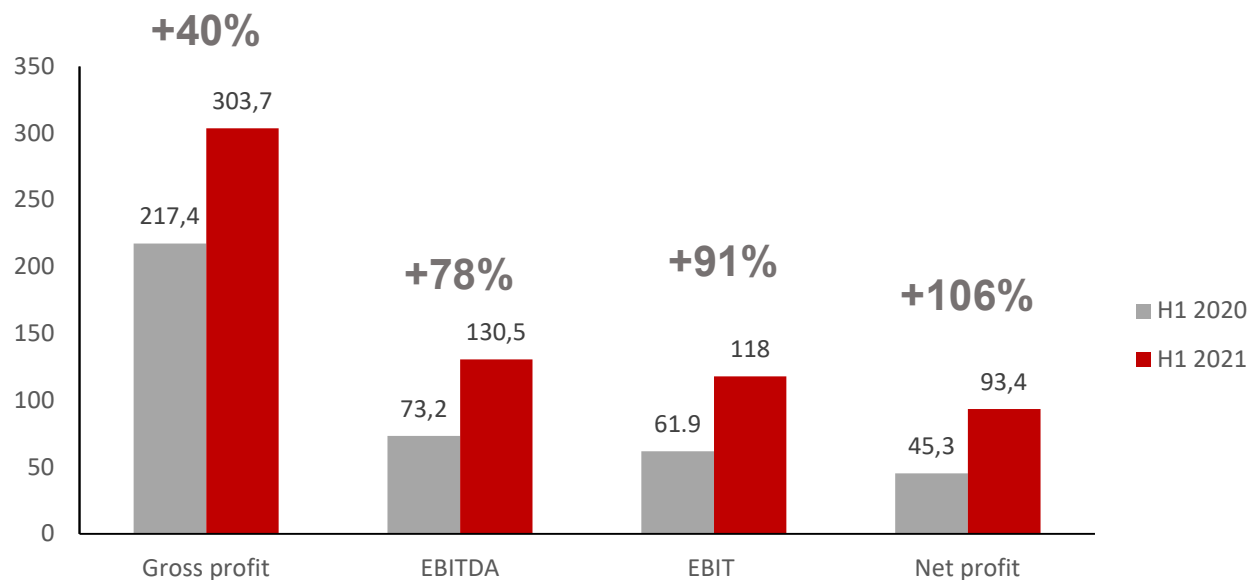


- Continued strong, double-digit growth in sales y/y
- Sharp revenue increase, by **48% y/y in Q2**
- Major sales drivers: foreign expansion, distribution network rollout, capitalising on favourable economic conditions
- Continued diversification of the product mix

Significant growth in profits and earnings

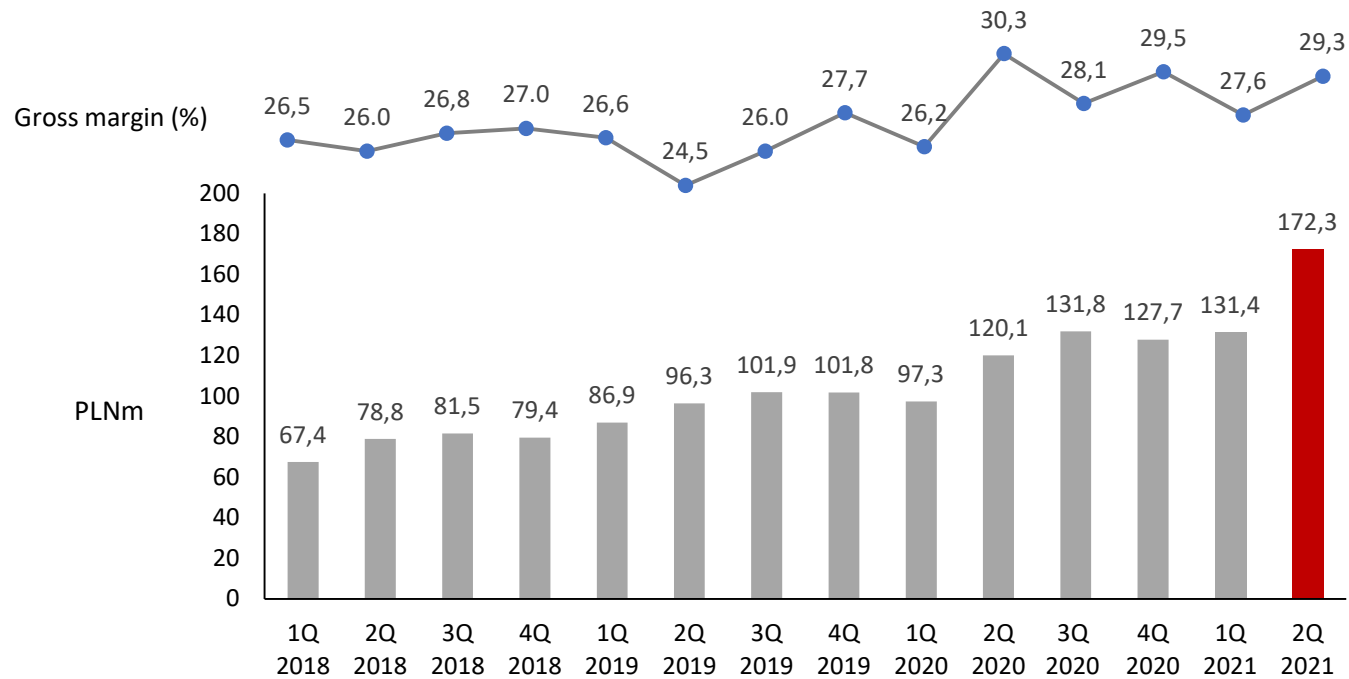


H1 2021 profit figures [PLNm]



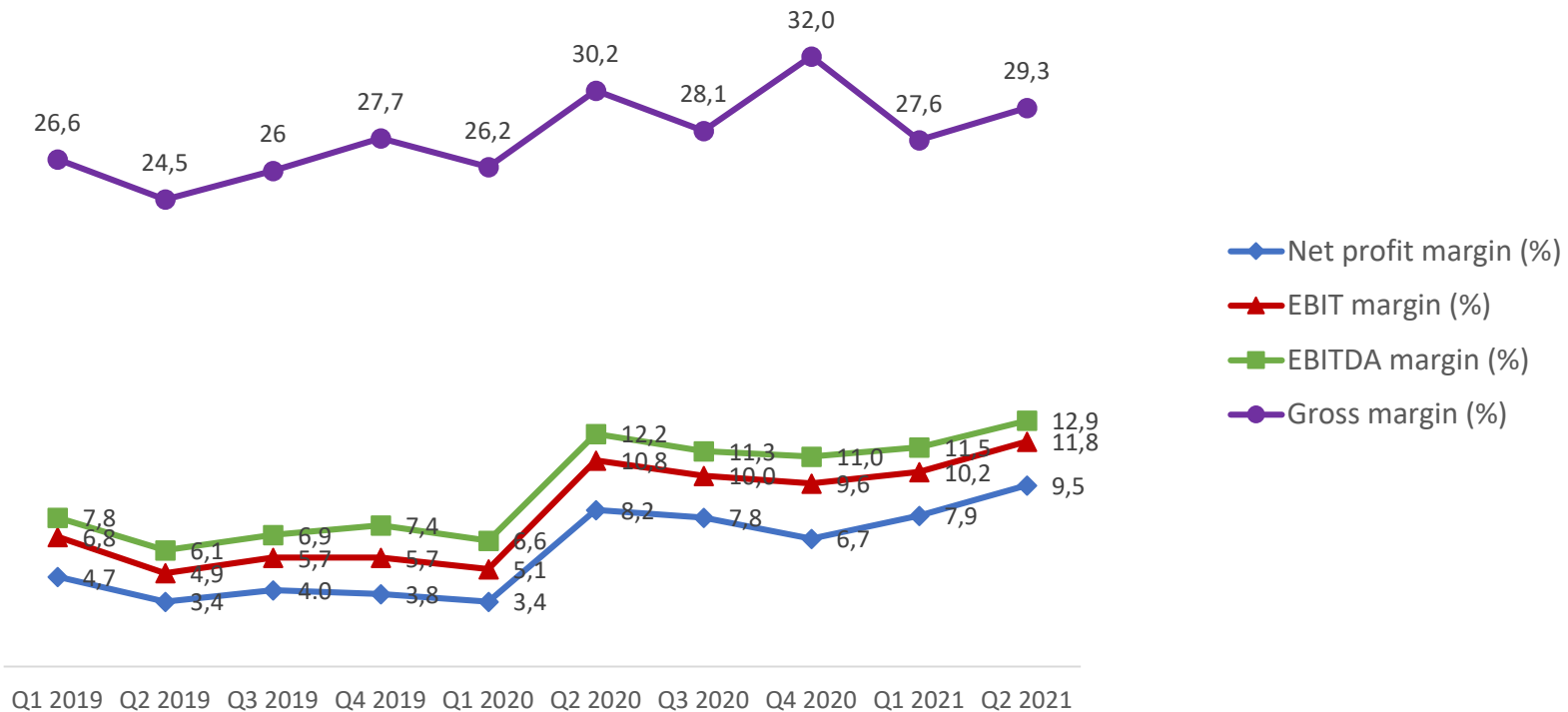
- Strong, double-digit growth across all P&L levels
- Improved performance also compared with the pre-pandemic period (2019)
- Lower finance costs due to debt reduction, lower interest rates on credit facilities loans, and foreign exchange gains on financing activities

Gross profit



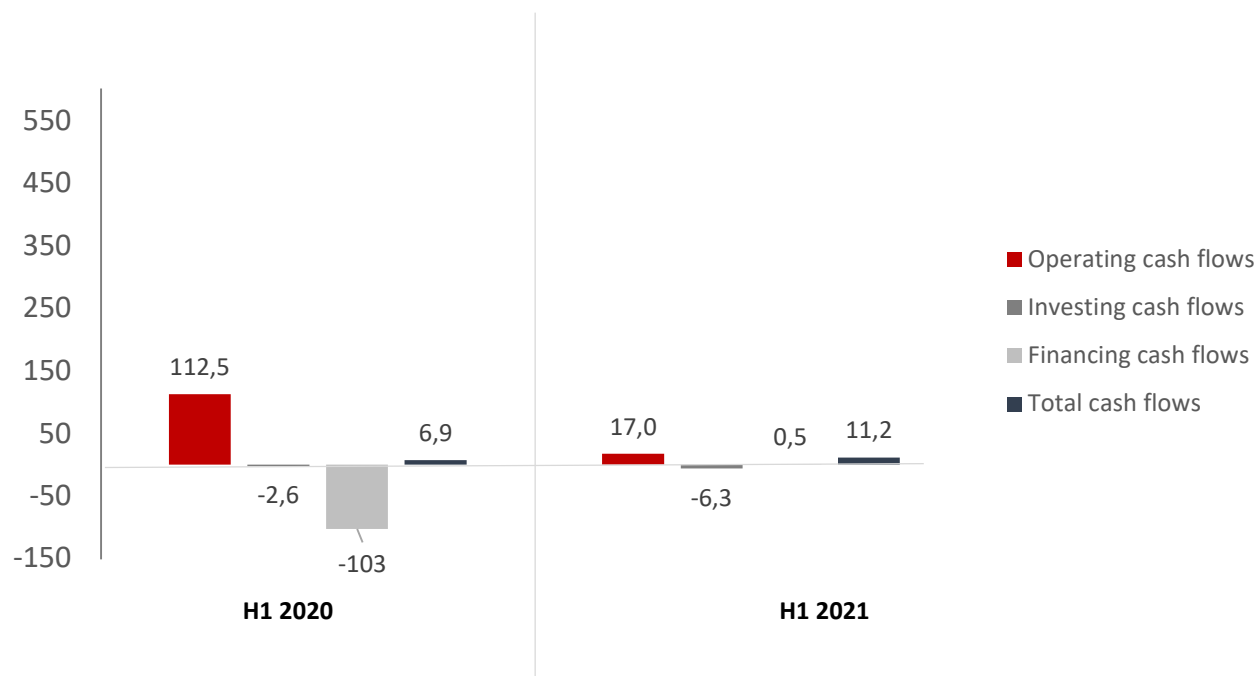
- Gross margin increase in absolute terms
- High gross margin (despite a slight y/y decrease in Q2), with sharp rise in export sales (leading to higher net margin)

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
- Lower interest expense y/y

Stable stock levels



- Inventory turnover as at June 30th 2021: **131 days** vs 157 days the year before

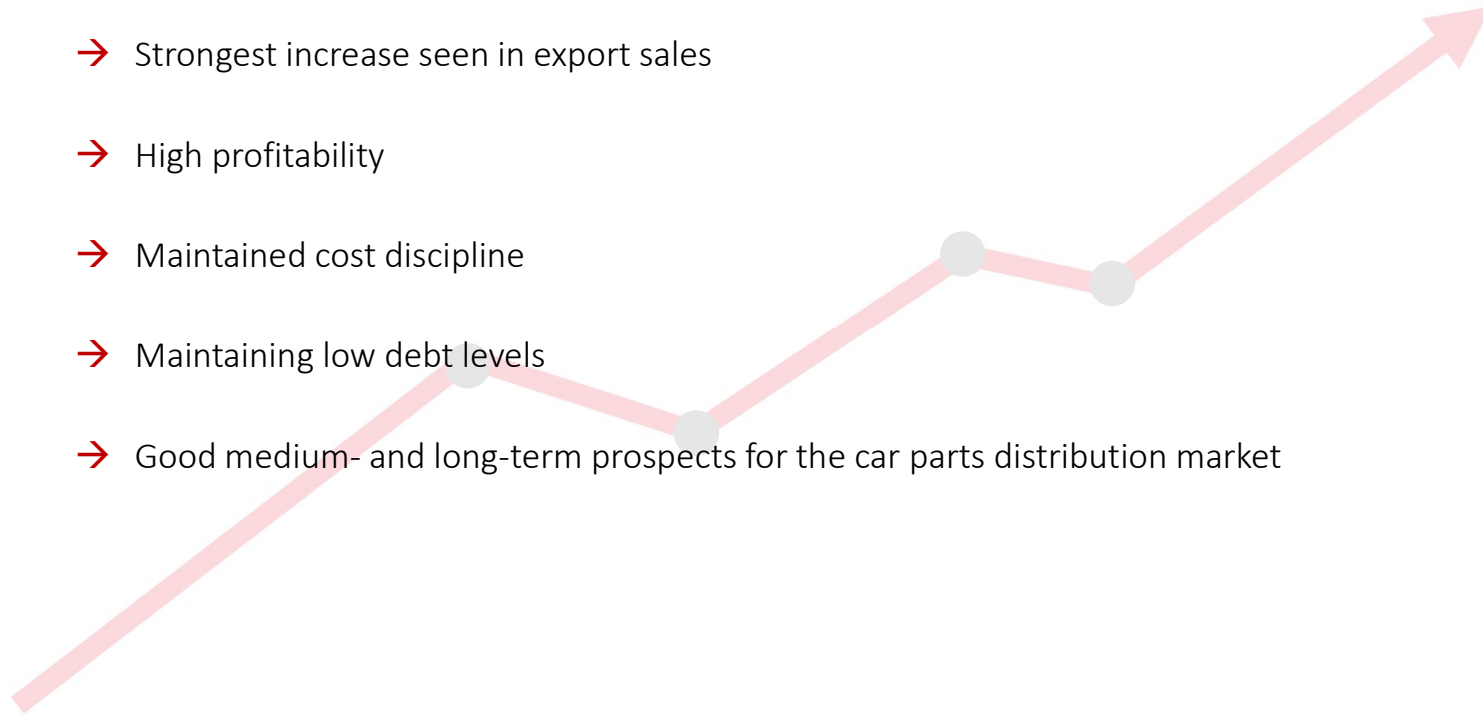
* Inventories and right of return assets



Summary



- Sharp sales growth
- Strongest increase seen in export sales
- High profitability
- Maintained cost discipline
- Maintaining low debt levels
- Good medium- and long-term prospects for the car parts distribution market



THANK YOU!



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