



# oponeo

Results of the OPONEO.PL  
Capital Group for 2018

Investor presentation

# Management Board

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CEO

**Dariusz Topolewski**



Management Board  
Member

**Michał Butkiewicz**

Accounting department  
logistics



Management Board  
Member

**Maciej Karpusiewicz**

IT/WEB department



Management  
Board Member

**Ernest Pujso**

sales department  
customer service department  
purchasing and research  
department  
wheel rim/service  
department



Management Board  
Member

**Wojciech Topolewski**

marketing  
department





**437**

employees

**3,3<sub>mln</sub>**

tires sold in 2018

**6,3<sub>k</sub>**

partner service stations offering tire mounting in 14 countries in Europe and the US (California)

market capitalization of

**PLN 286<sub>mln</sub>**

dividends paid to shareholders thus far total

**PLN 13.8<sub>mln</sub>**

**38<sub>k</sub>**

square metres of space in the new logistics center

**10<sub>mln</sub>**

unique users on Oponeo.pl in 2018

**2.2<sub>pct</sub>**

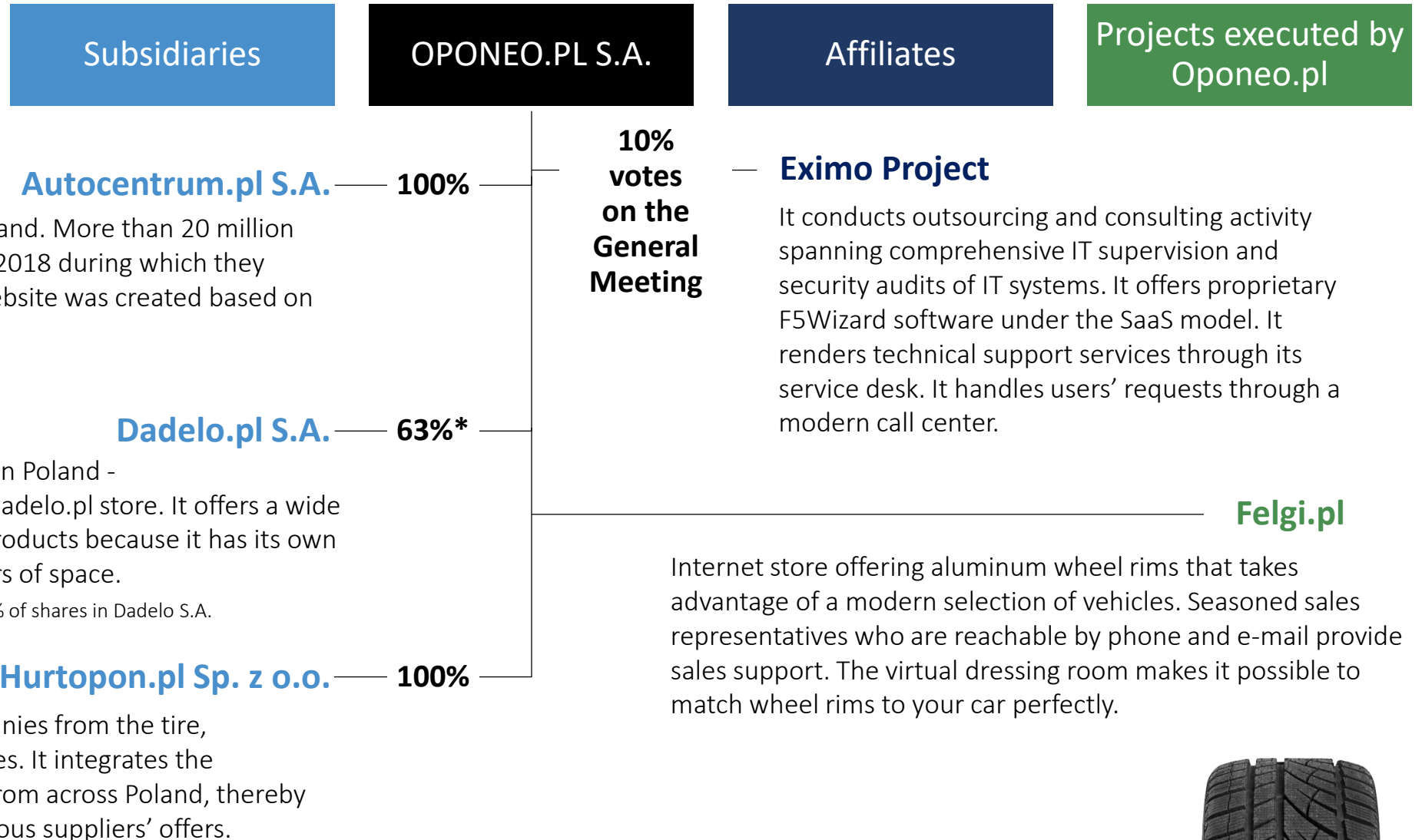
conversion rate in 2018

**879<sub>PLN</sub>**

the average gross value of the shopping basket in 2018







# Effective business model

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## SUPPLIERS / MANUFACTURERS

### Vehicles:

- Delivery
- Passenger
- 4x4
- Trucks
- Motorcycles
- Quads

**4,5k models of tires  
and wheel rims in its  
offering**

## LOGISTICS

- Modern proprietary warehouse located in Bydgoszcz (28 thousand square meters, 40k tires dispatched on a daily basis)
- Logistics center in Siechnice used (10k square meters, 15k tires dispatched on a daily basis)
- Dropshipping – 30% of the Group's shipping

## OPONEO.PL

### Online platform:

- Intuition search engine
- Client and expert opinions (the largest base in Europe)
- High quality photos

### Distribution channels:

- SEO
- Performance
- Media (TV, radio, prasa)
- Social media
- TrustPilot, ReviewCenter, Opineo
- Newsletter

## CALL CENTER

- Located in Bydgoszcz and Lublin
- Professional consulting
- In multiple languages

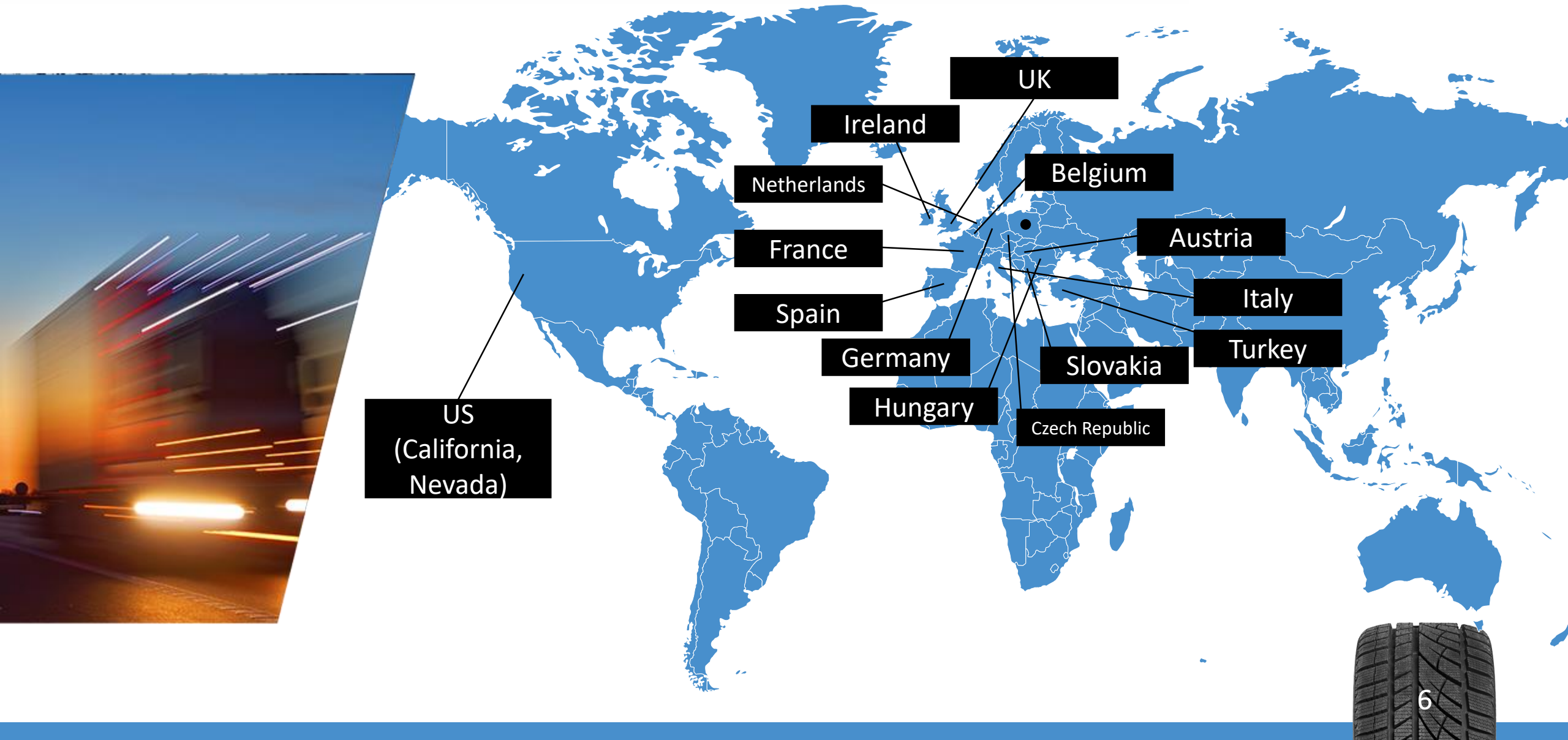
## DIRECTLY TO RETAIL CLIENTS

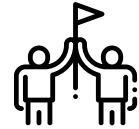
- Free delivery
- Delivery within 24h in Poland
- Installment purchases
- Option to buy tire insurance

## DELIVERY TO 6,3k PARTNER SERVICES

- 1,1k in Poland
- 5,2k abroad



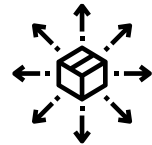




Strengthening its position as the leader of the websales of tires in Poland and sales growth through the internet stores operating on foreign markets



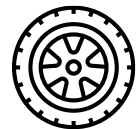
Developing the project to sell bicycles and bicycle parts and accessories through Dadelo S.A.



Developing the logistics center and perfecting logistics processes



Actively searching for opportunities to penetrate more e-commerce trade markets



Taking measures to extend the array of products offered on-line



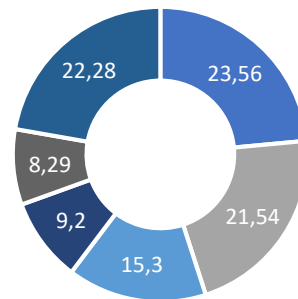


P/E  
11,37

P/BV  
1,75

DY  
1,7%

## Shareholder



■ Ryszard Zawieruszyński ■ Dariusz Topolewski ■ Rockbridge TFI  
■ Generali PTE ■ Aegon OFE ■ Others

- OPONEO.PL's GROUP is steadily developing by implementing acquisitions and effectively pursuing international expansion. The company's stock has shot up by more than 200% from the time it executed its first deal. The company's shareholders are benefiting from the company's growth as they receive profit distributions in the form of a dividend and dividends have been paid annually since 2011.
- The company's largest shareholders are Ryszard Zawieruszyński and Dariusz Topolewski who taken together control more than 40% of OPONEO.PL's equity.





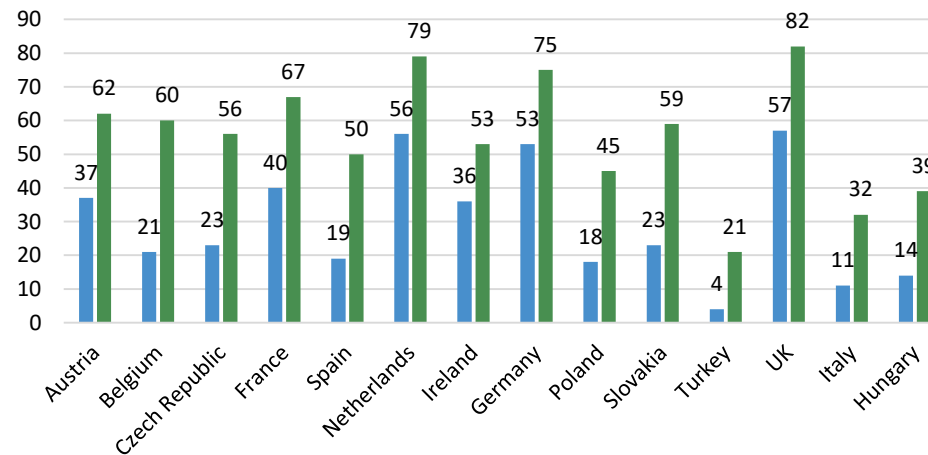
# E-commerce and its prospects

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- Forecasts suggest that the number of people conducting online purchases and the value of e-commerce will grow globally.
- The trends being observed exert a positive effect on OPONEO.PL's business. The percentage of people doing on-line shopping is on the rise in all the markets where the company has a presence.

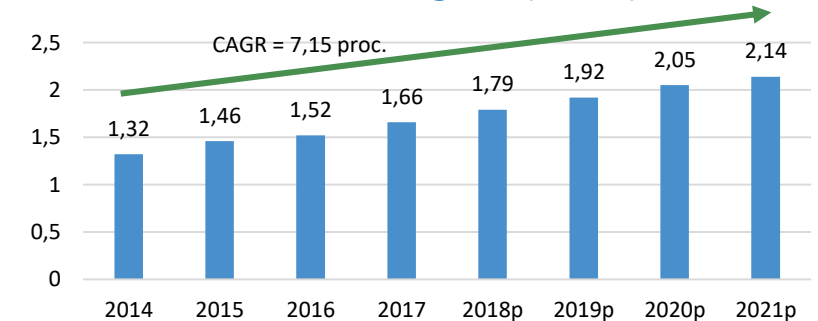
## On-line shopping



- the percentage of people who have made an on-line purchase in the last twelve months in 2008 (%)
- the percentage of people who have made an on-line purchase in the last twelve months in 2017 (%)

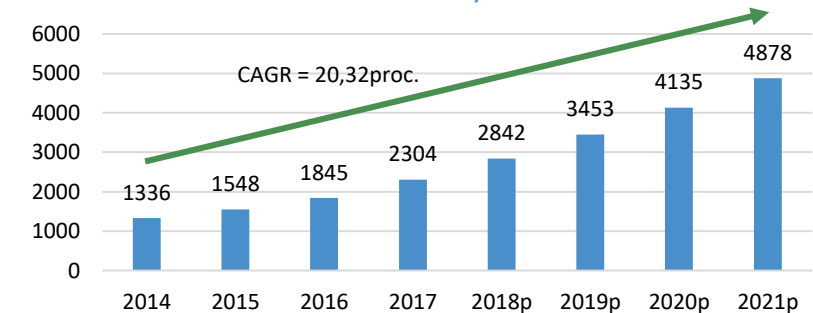
Source: Eurostat

## The number of people shopping on-line around the globe (billion)



Source: Statista

## E-commerce global retail sales (PLN billion)



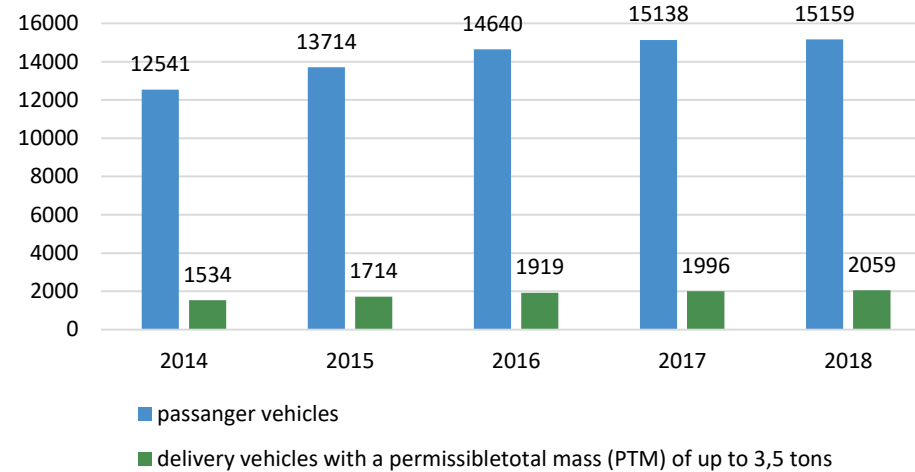
Source: Statista



# The automotive market and its prospects

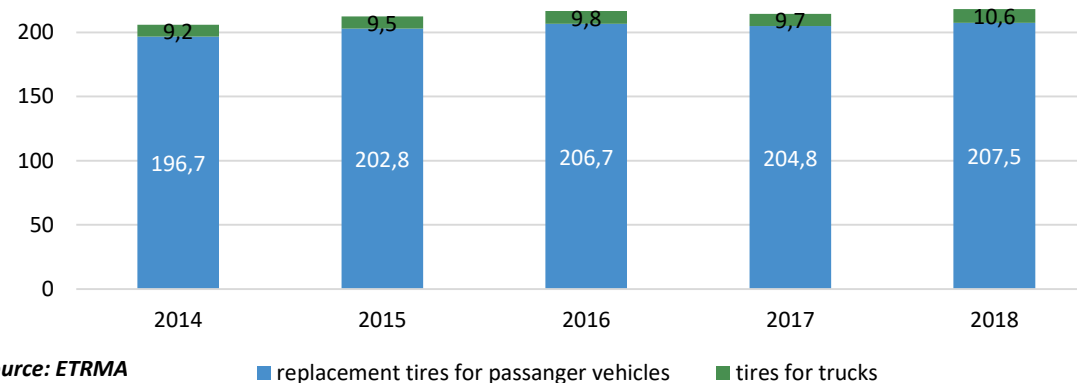


Registration of new vehicles in the EU  
(in thousands of units)



Source: Polish Automotive Industry Association (PZPM)

Tire sales in Europe (millions of units)



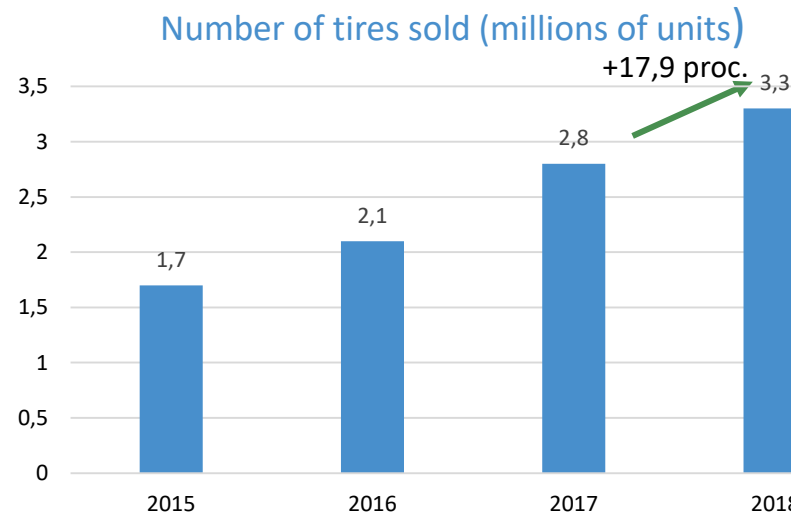
Source: ETRMA

- According to the data compiled by the Polish Automotive Industry Association (PZPM), the registration of new cars in the European Union has been growing steadily across the European Union in recent years. Equally conducive trends have been recorded in this area this year.
- Steady growth has been observed in tire sales in Europe from 2014-2016 in replacement tires for passenger vehicles and for trucks. An insignificant deterioration in market conditions was visible in 2017 and in the first half of 2018.

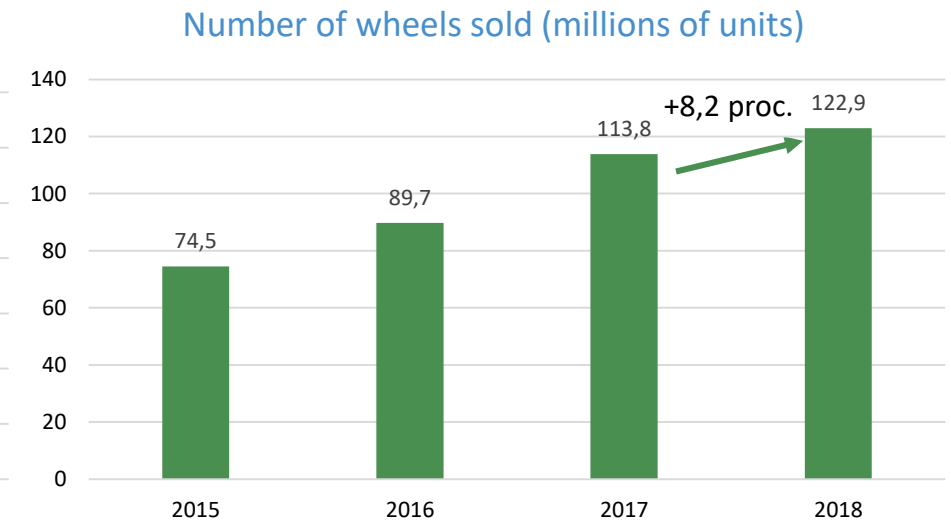


# Growing volumes of tires and wheel rims

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Source: Company

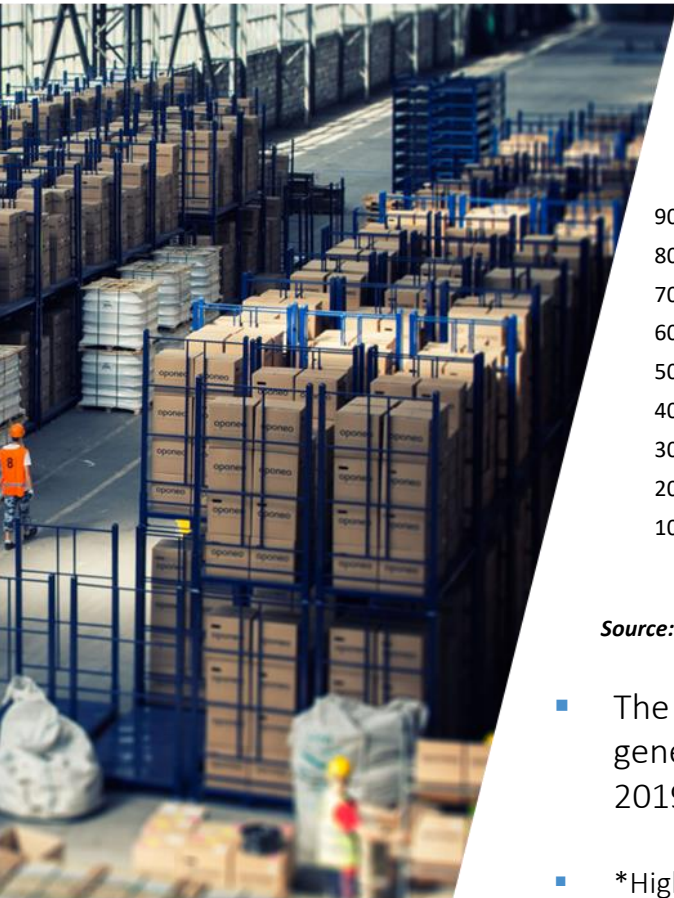


Source: Company

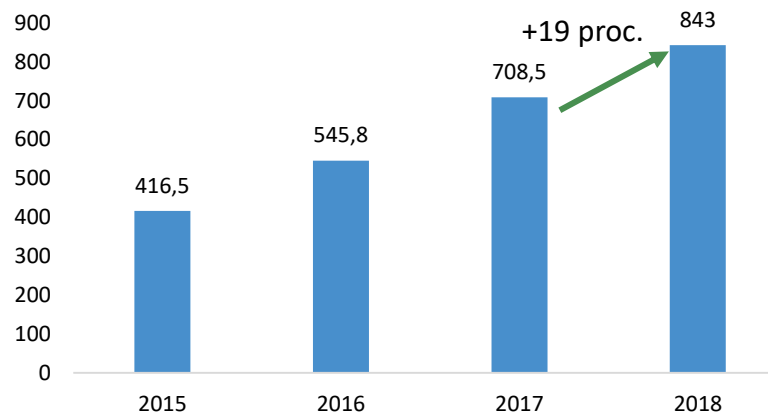
- OPONEO.PL's Group is steadily ratcheting up its business size as is evidenced in the growing numbers of tires and wheel rims sold.
- Last year was a record-breaking year in terms of the number of tires and wheel rims sold. The favorable trends seen in this area in 2018 allow one to posit with a high level of probability that the record will be broken again in 2019.



# Growing revenues and profits

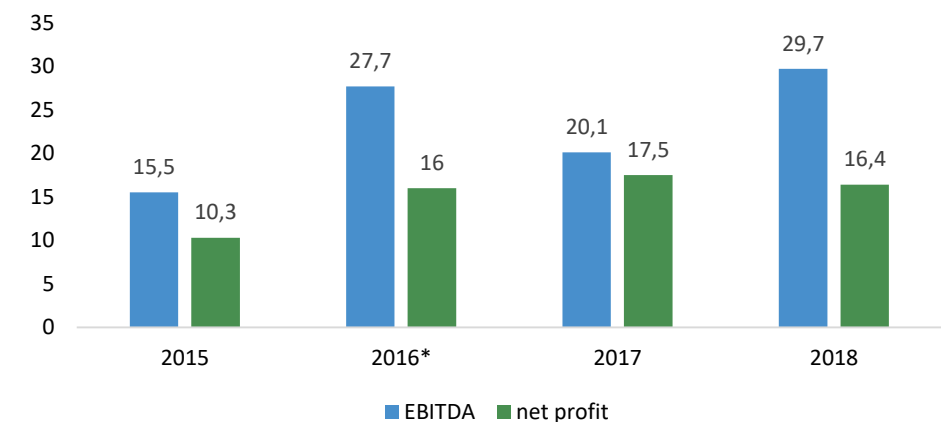


Sales revenues (PLN million)



Source: Company

EBITDA and net profit (PLN million)



Source: Company

- The growing volume of tires and wheel rims sold is translating into a positive impact on the financial results generated by OPONEO.PL's Group. Sales revenue is growing steadily while favorable trends are also visible in 2019.
- \*Higher profitability is accompanying the upswing in sales revenue. The above average EBITDA and net profit level generated in 2016 ensued from non-recurring events, i.e. the sale of the project entitled Elektroda.pl, the sales of the equity stake in Rotopino.pl and the disposal of treasury stock.



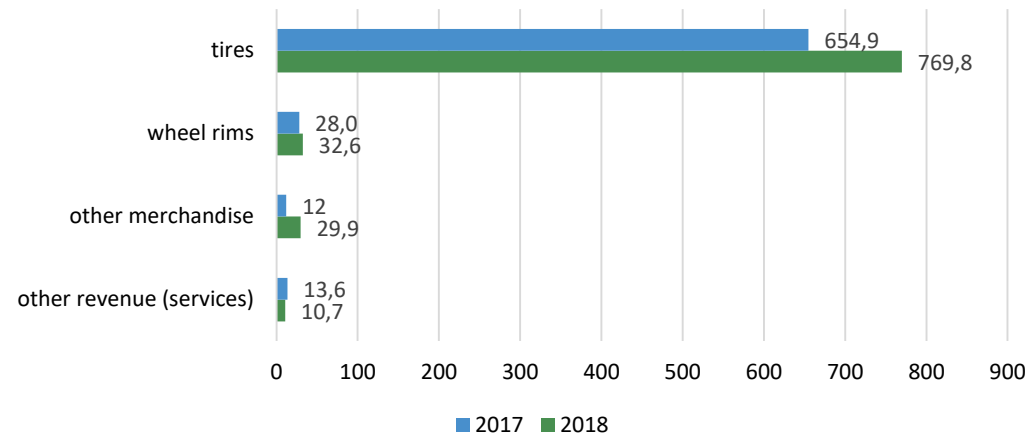


# Sales split

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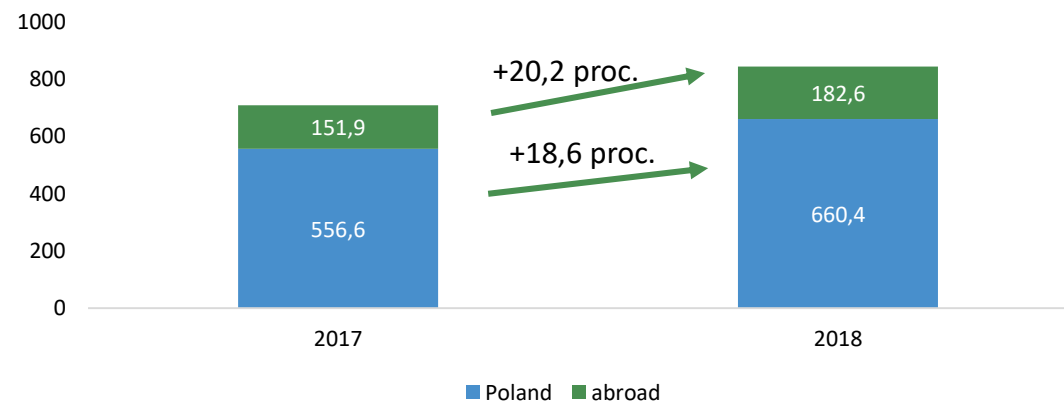


Product sales structure (PLN million)



Source: Company

Sales revenues divided into Poland and abroad (PLN million)



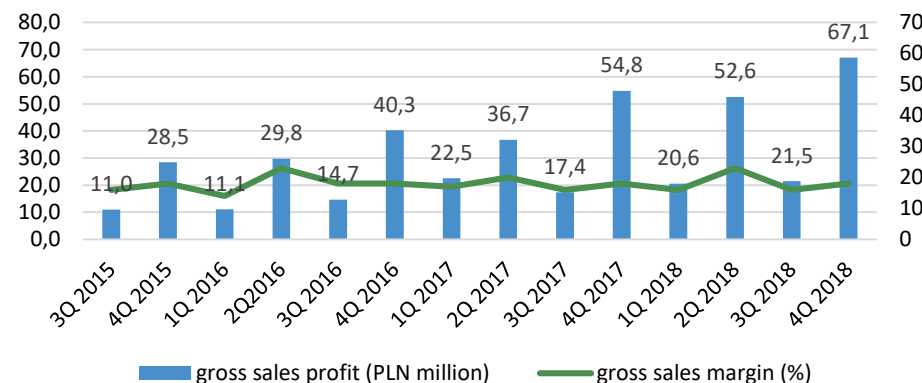
Source: Company

- OPONEO.PL's Group currently has a presence on 14 European markets: Austria, Belgium, Czech Republic, France, Spain, Holland, Ireland, Germany, Poland, Slovakia, Turkey, United Kingdom, Italy, Hungary and in the US state of California. At the end of 2018, foreign sales accounted for 22% of the sales structure.
- Tires and wheel rims play the prevalent role in the product structure (tires generated PLN 660,4 million in revenue in 2018 while wheel rims generated PLN 182,6 million in revenue in 2018).



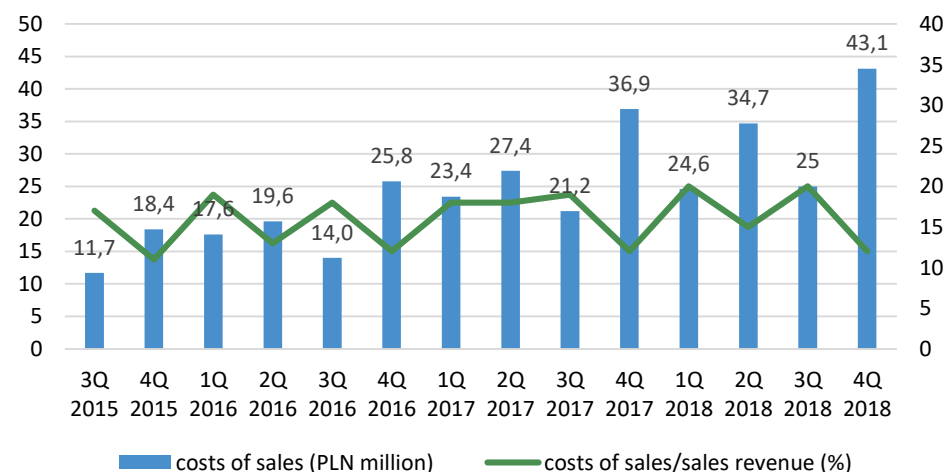


## Profit and gross sales margin



Source: Company

## Costs of sales (PLN million)



Source: Company

- OPONEO.PL's Group is steadily ratcheting up its business size while retaining a stable level of margins. For the purpose of enhancing its profitability the Company is striving to optimize its logistics and IT processes while continuing efforts to expand onto foreign markets.
- The rapid growth of its business operations involves higher costs of sales (employee costs, transport, shipping and warehousing costs, interchange fees on payments made using payment cards).





Profitability ratios %	2017	2018
EBIT margin as a % (EBIT / Sales revenue) x 100%	<b>2,2%</b>	<b>2,9%</b>
EBITDA margin as a % (EBITDA/Sales revenue) x 100%	<b>2,8%</b>	<b>3,5%</b>
Gross sales margin in % (Gross sales profit / Sales revenue) x 100%	<b>18,5%</b>	<b>19,2%</b>
Net profit margin (loss) stated as a % (Net profit / Sales revenue) x 100%	<b>2,5%</b>	<b>1,9%</b>
Return On Assets – ROA (Net profit / total assets) x 100%	<b>6,4%</b>	<b>5,4%</b>
Return On Assets – ROA (Net profit / total assets) x 100%	<b>11,6%</b>	<b>10,1%</b>

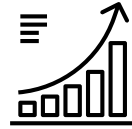
higher EBIT margin ▲ **+0,7 p.p.**

higher EBITDA margin ▲ **+0,7 p.p.**

higher gross sales margin ▲ **+0,7 p.p.**

Source: Company





Growing financial results



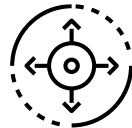
Dividend paid



Favorable market environment in e-commerce and automotive



Exposure to international markets



Business diversification to include new e-commerce projects



Plan to continue pursuing foreign expansion





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