

Delticom publishes Q3 business development: Increase in operating EBITDA by 43.0 %

Hanover, November 9, 2023 – Delticom AG (German Securities Code (WKN) 514680, ISIN DE0005146807, stock market symbol DEX), Europe's leading online retailer for tyres and complete wheels, publishes the key points of its business trends in the first nine months 2023 with this interim announcement.

- **Gross merchandise value (GMV) 9M amounted to € 361.1 million (9M 2022: € 390.9 million)**
- **Revenues 9M totalled € 295.4 million (9M 2022: € 338.3 million)**
- **Operating EBITDA 9M increased by 43.0 %**
- **Net income 9M four times higher at € 1.3 million (9M 2022: € 0.3 million)**
- **Full-year guidance confirmed**

In the first nine months of the current fiscal year, Delticom AG continued to focus on profitability and increased its operating EBITDA from € 7.1 million to € 10.2 million.

In September, both the end customer business and the business with commercial customers were affected by the persistently warm weather. As a result, there was no early start to the winter tyre business at the end of the third quarter. Initial market indicators for Germany suggest that consumer demand for winter car tyres in September was around 40 % lower than in the same month last year. This means that overall car tyre sales in September were 15 % down on the same month last year. In view of the weak end customer demand, retail stockpiling was also weaker in September. According to initial market estimates, retailer demand for car tyres in Germany fell by 10 % in September. German online trade was also unable to escape the general inflation-induced reluctance of private end customers. According to the German E-Commerce and Distance Selling Trade Association (bevh), e-commerce revenues in the third quarter of 2023 fell by 13.9 % to € 17.05 billion compared to the same period in the previous year. Cumulative revenues for the first nine months of 2023 are therefore 13.7 % down on the previous year.

In this challenging market environment, the Delticom Group generated revenues of € 295.4 million in the first nine months of the current fiscal year, compared to € 338.3 million in the previous year. Revenues for the third quarter totalled € 97.7 million (Q3 2022: € 118.6 million). In addition to the weaker business performance, this development is largely due to a reclassification of revenues. In the current year, the previous shop business was supplemented by platform business. The company provides the technical infrastructure and its sales and process know-how to enable external third parties to sell goods online to Delticom's private and commercial end customers. This results in a partial shift of the shop business to distribution platforms. The company realises corresponding commission income for the shifted share of revenues.

The gross margin (gross margin excluding other operating income) increased from 21.4 % to 22.6 % in the first nine months of the current year. This is mainly the result of a change in the sales mix. Demand for low-priced quality tyres from Asian manufacturers remained comparatively high in the third quarter.

At € 2.6 million, EBITDA in the third quarter was significantly higher than in the previous year (Q3 2022: € -1.2 million). EBITDA for the 9M reporting period increased from € 7.7 million to € 9.4 million. After the first nine months of 2023, operating EBITDA totalled € 10.2 million (9M 2022: € 7.1 million).

The management confirms the full-year forecast for revenues in the range of € 470 million to € 504 million, which was adjusted in August due to the anticipated effect from the platform business. The forecast for operating EBITDA for the full year of between € 14 million and € 18.9 million continues to be confirmed.

Delticom Group – Key Figures

		9M/23	9M/22	-/+ (% , %p)
GMV	€m	361.1	390.9	-7.6
Revenues	€m	295.4	338.3	-12.7
Revenues EU	€m	246.7	278.4	-11.4
Revenues Non-EU	€m	48.7	59.9	-18.8

Total income	€m	318.5	361.6	-11.9
Gross margin	%	22.6	21.4	+1.2
Gross profit	€m	89.8	95.5	-6.0
EBITDA	€m	9.4	7.7	+22.9
Operating EBITDA	€m	10.2	7.1	+43.0
EBITDA margin	%	3.2	2.3	+0.9
EBIT	€m	3.4	1.0	>100
Net income for the period	€m	1.3	0.3	>100
Earnings per share	€	0.09	0.02	>100
Total assets	€m	252.4	257.2	-1.9
Inventories	€m	94.7	98.0	-3.3
Liabilities from trade payables	€m	116.4	130.7	-10.9
Equity	€m	41.1	37.0	+10.9
Equity ratio	%	16.3	14.4	+1.9
Return on equity	%	3.2	0.8	+2.4
Number of employees	€m	167	193	-13.5

<End of disclosure>

About Delticom:

With its brand Reifendirekt, Delticom AG is the leading company in Europe for the online distribution of tyres and complete wheels.

The product portfolio for private and business customers comprises an unparalleled range of more than 600 brands and over 40,000 tyre models for cars and motorcycles. Complete wheels and rims complete the product range. The company operates 348 online shops and online distribution platforms in 67 countries, serving around 19 million customers. In the online shop Reifendirekt.de, sustainable and resource-saving tyres are labelled accordingly and awarded a sustainability seal.

As part of the service, the ordered products can be sent to one of Delticom's around 30,000 partner garages in Europe for mounting at the customer's request.

Based in Hanover, Germany, the company operates primarily in Europe and has extensive expertise in the development and operation of online shops, internet customer acquisition, internet marketing and the establishment of partner networks.

Since its foundation in 1999, Delticom has built up comprehensive expertise in designing efficient and fully integrated ordering and logistics processes. The company's own warehouses are among its most important assets.

In fiscal year 2022, Delticom AG generated revenues of around 509 million euros. At the end of last quarter, the company employed 167 people.

Delticom AG shares have been listed in the Prime Standard of Deutsche Börse since October 2006 (ISIN DE0005146807).

On the internet at: www.delti.com

Contact:

Delticom AG
Investor Relations
Melanie Becker
Brühlstraße 11
30169 Hannover
Phone: +49 (0)511-93634-8903
Fax: +49 (0)511-8798-9138
Email: melanie.becker@delti.com