



DELTA COM 

Europe's leading online tyre retailer

HIT 2023

AGENDA

Company Overview

1

Financial Highlights

2

Operational Highlights

3

Key Growth Initiatives

4

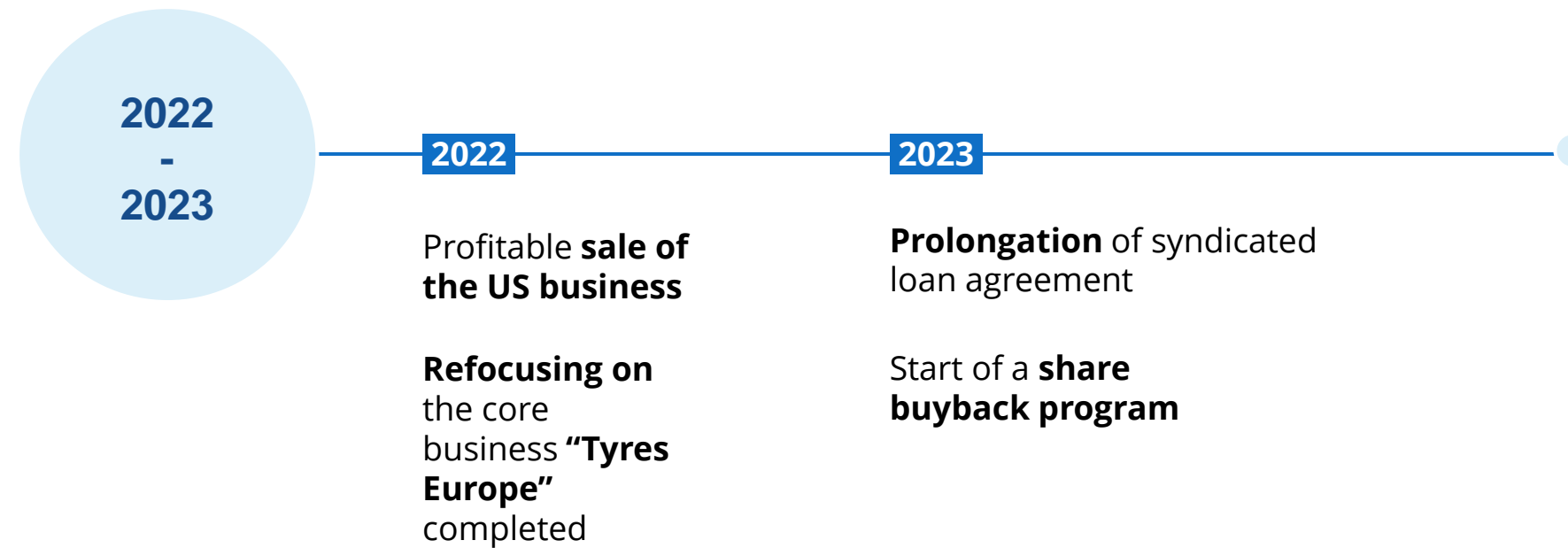
Challenges & Opportunities

5

Outlook

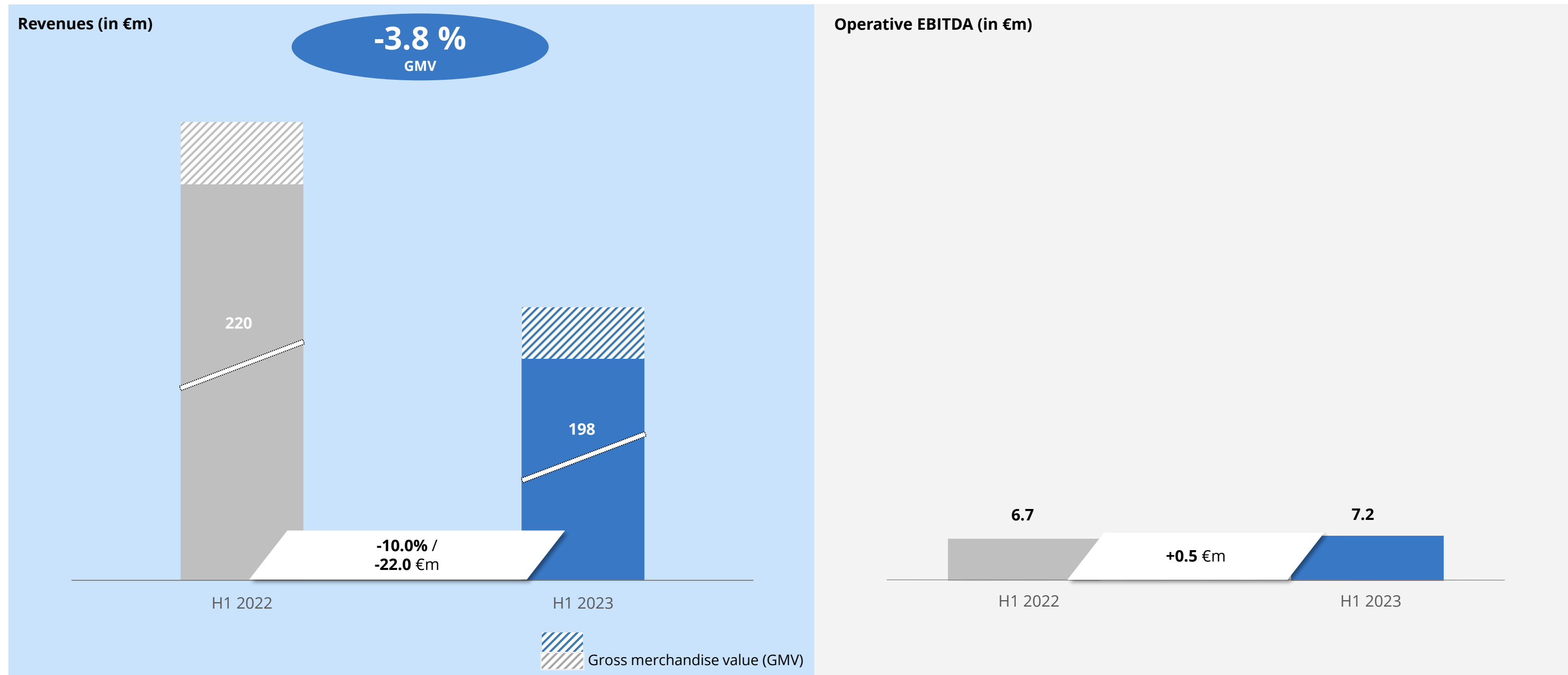
6

COMPANY OVERVIEW



- ▶ **Founded in 1999**, Delticom has **emerged from First Mover to Europe's leading online tyre retailer**
- ▶ **Mission:** To ensure a seamless and efficient online buying experience for tyres
- ▶ **Market Presence:** Operating in **67 countries** with a **strong presence in Europe**

FINANCIAL HIGHLIGHTS (1/2)



FINANCIAL HIGHLIGHTS (2/2)

Cashflow from operating activities



- ▶ Improved operating cash flow **mainly driven by changes in stockpiling**

Cashflow from investing activities



- ▶ **Cash inflow of € 6.4 million** from the sale of the US business **recognised in H1 2022**
- ▶ US cash inflow is used TY for **investment in warehouse equipment (Roverlog)**

Free Cashflow



- ▶ Thanks to **positive development in operating cash flow**

OPERATIONAL HIGHLIGHTS

- ▶ Continuous driving of **25 A/B tests** simultaneously with a **focus on Return on Advertising Spend (ROAS)**
- ▶ **Cost savings through reduction of personnel** at Delticom, Operations Center and consultants
- ▶ **Established a group of 9 as Executive Leadership Team** for Marketing, Sales, Pricing, Finance, Logistics, IT, Purchasing, Operations and Projects
- ▶ **Optimisation of warehouses** for capacity per square meter increase of more than 15 %

KEY GROWTH INITIATIVES

- ▶ Development of the **"Identityre"** **Ident[Tyre]** system for **automatic tyre recognition**



- ▶ **Platform business** complements Delticom's online shops

- ▶ **Process automatisisation** project 24 months in Finance

- ▶ **Tyre Challenge**

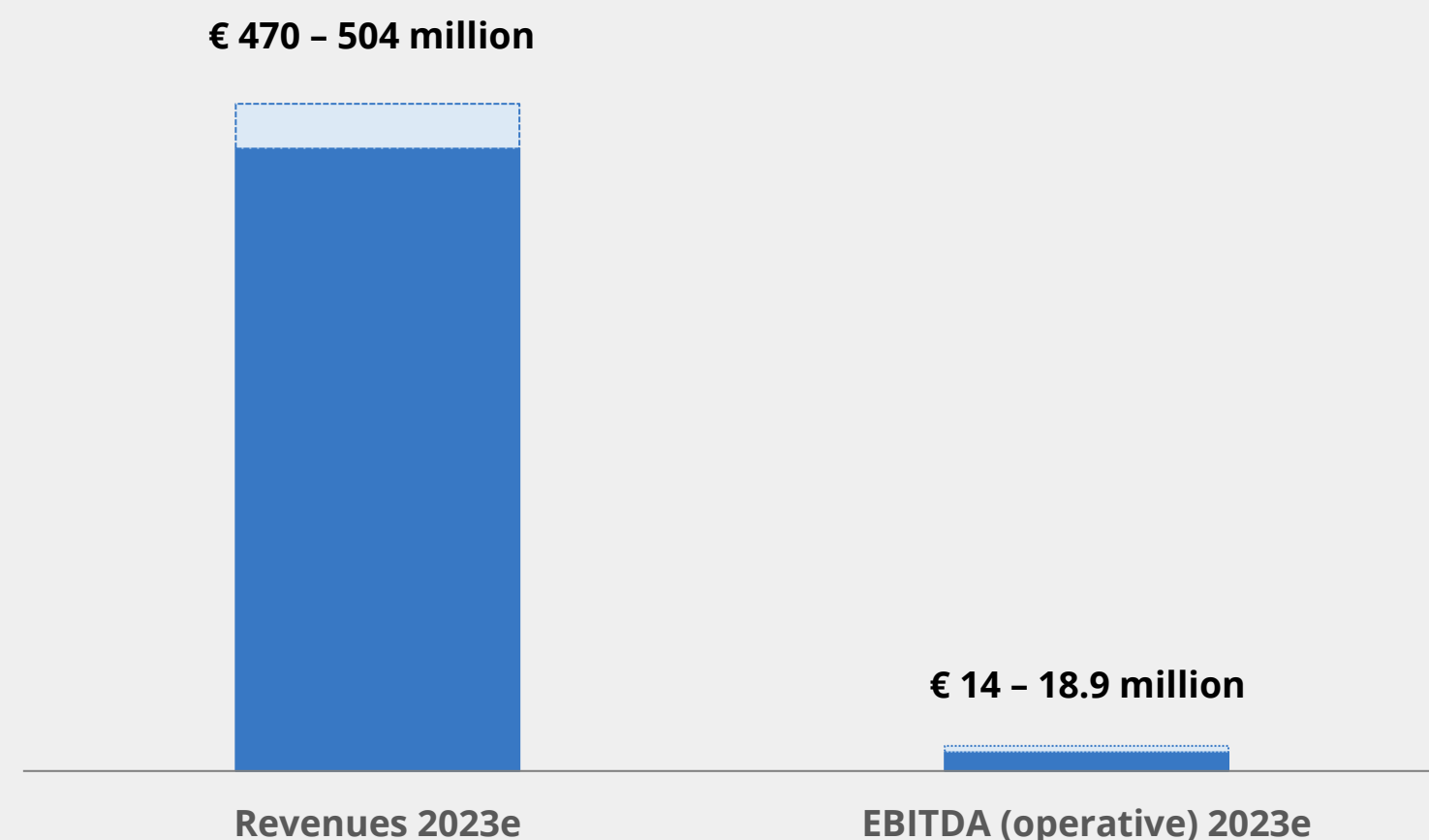


- ▶ **Roverlog**

CHALLENGES & OPPORTUNITIES

- ▶ **European tyre industry** saw volume **decrease of 12 %** in H1 2023 in the **consumer tyre segment** (summer: -11 %, all-season: 0 %, winter: -32 %); market participants are more cautious against the backdrop of consumer demand burdened by global economic insecurity and rising costs
- ▶ Against this backdrop, **more tyres from the budget segment were sold**
- ▶ **Price increases** are expected **in the following months**
- ▶ Delticom operates in **30 European countries** with a **strong position**

OUTLOOK



Positive Free Cashflow in the **mid single-digit million** range

- ▶ **Revenues forecast adjusted:** revenues of around € 30 million are expected to be shifted from the shops to platform
- ▶ Relocation of parts from shop revenues **will not have any negative impact on profitability**
- ▶ **Making it easier** for customers **to buy tyres from the internet**
- ▶ **Continuous focus on cost reduction** to compensate for inflation induced cost increases



DELTICOM 

Q&A Session

We welcome your questions



DELTICOM 

Thank you!

For further queries:

Delticom AG

Melanie Becker

Brühlstraße 11

30169 Hannover

Tel.: +49 (0) 511-93634-8903

Fax: +49 (0) 511-8798-9138

E-Mail: melanie.becker@delti.com

www.delti.com