

**DELTI COM** 

# Europe's leading online tyre retailer

Munich Capital Market Conference 2024

OpenAI ChatGPT 2024 / Prompt:  
„produce a picture with impressive tyres on the road“



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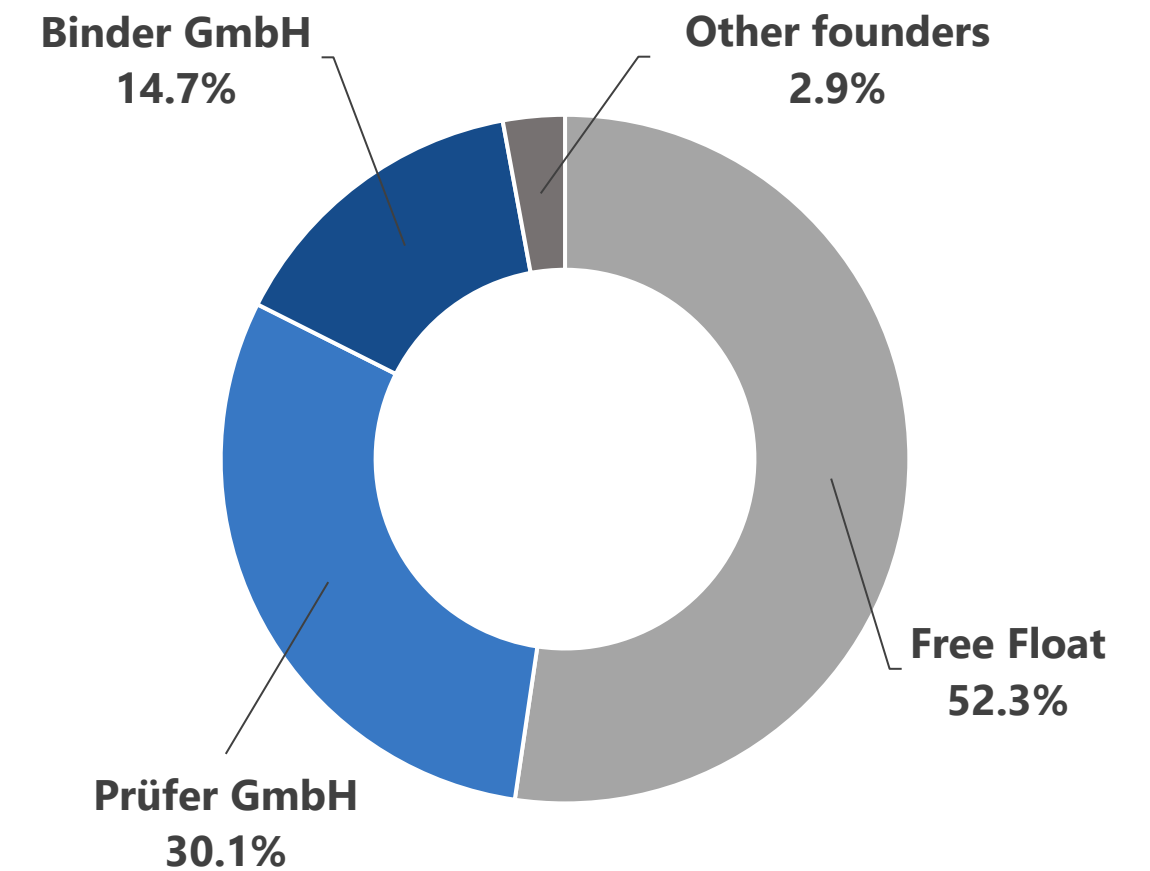
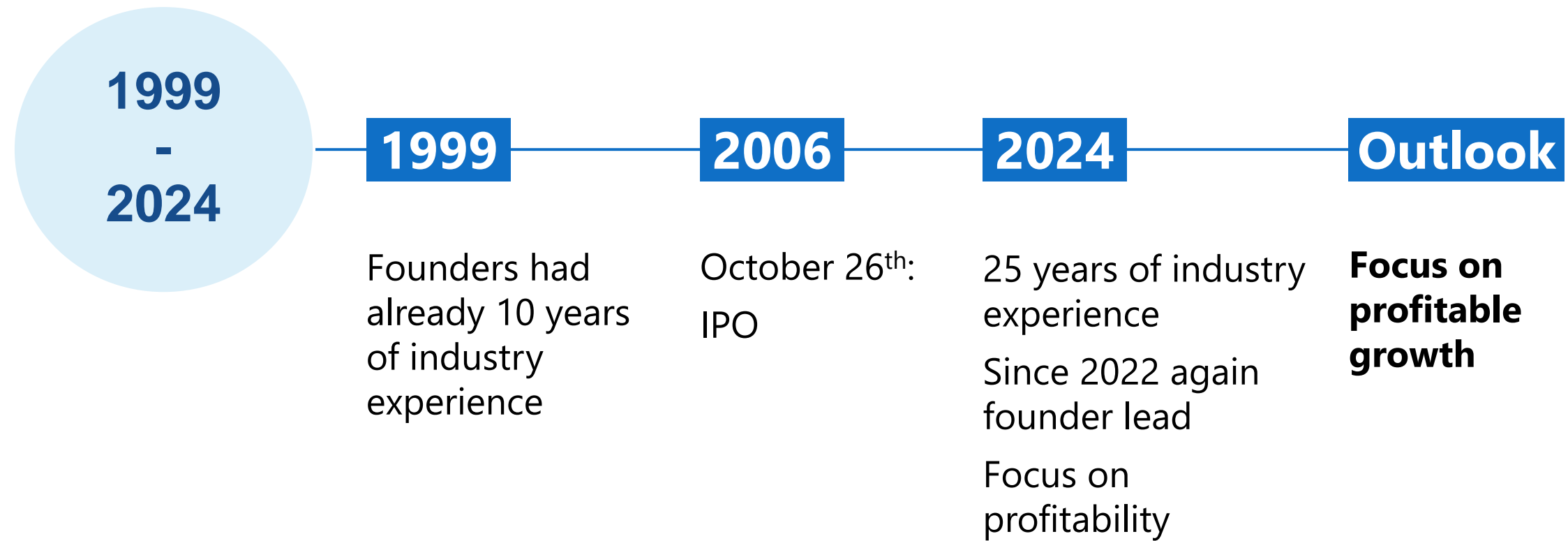
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# COMPANY OVERVIEW



- ▶ **Established in 1999**, Delticom is still **owner-driven with skin in the game and 48 % equity**
- ▶ **Perspective: Founder lead** and long-term orientated
- ▶ **Long-term:** Focus on profitable long-term growth

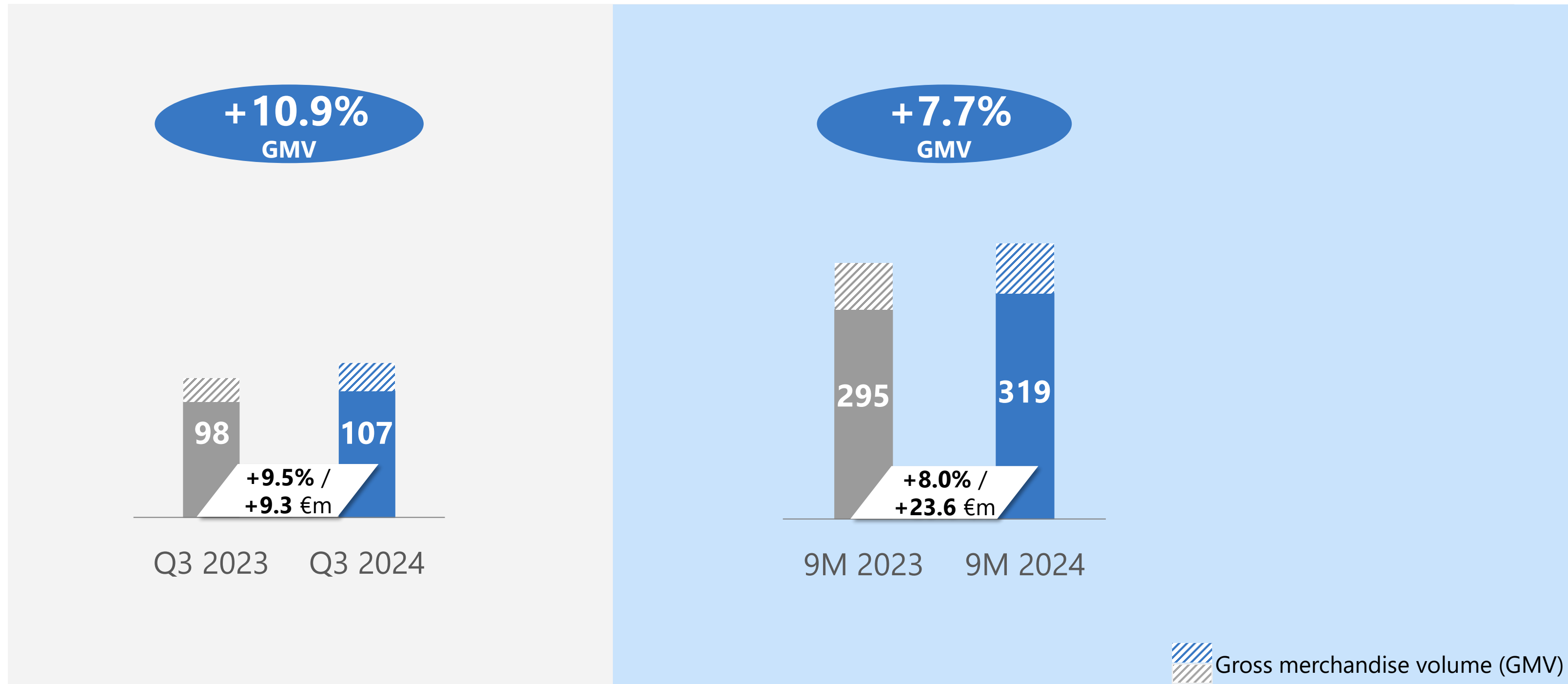
# 9M 2024: MARKET ENVIRONMENT

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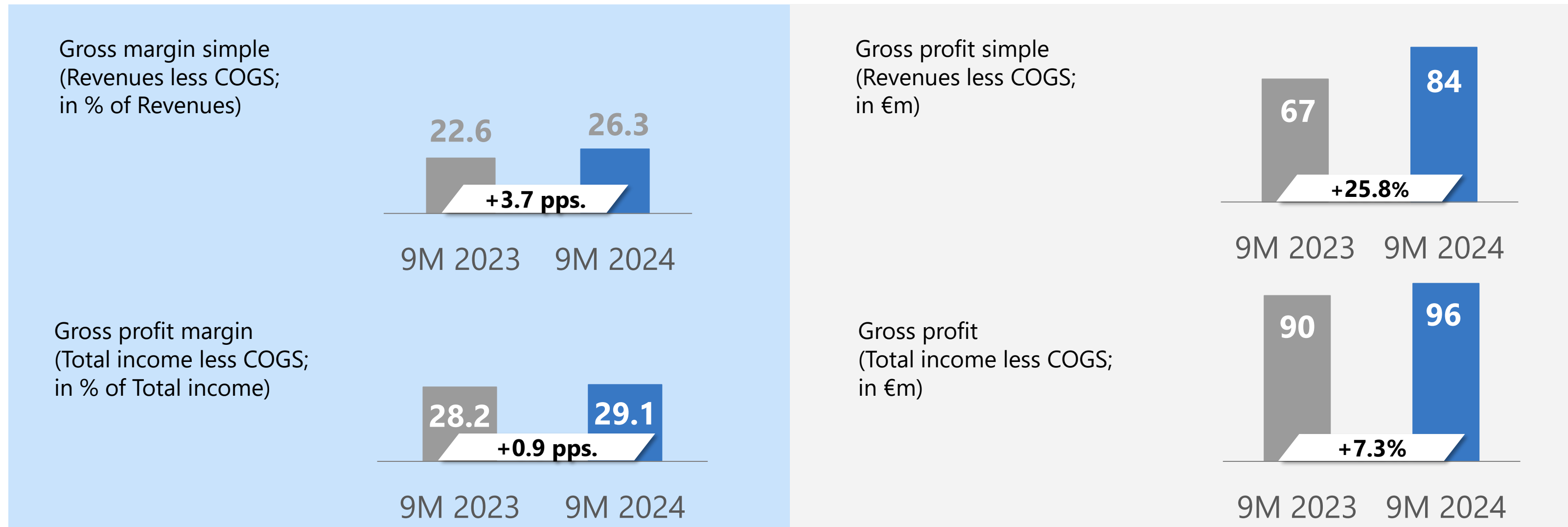
- ▶ According to ETRMA, **European tyre industry** saw volume **increase of 3 %** in 9M 2024 in the **consumer tyre segment** (car, SUV and light truck tyres; summer: -3 %, all-season: +15 %, winter: +2 %)
- ▶ According to ETRMA and WdK, in **Germany sales in the consumer tyre segment grew 8.0 %** in 9M 2024 vs. 9M 2023 (car, SUV, 4x4, offroad and light truck tyres; summer: -0.7 %, all-season: +15.2 %, winter: +10.7 %)
- ▶ According to bevh, revenues for the **German online retailing decreased by 0.4 %** in 9M 2024 but small increase in revenues of 1.5 % in Q3 2024 compared to Q3 2023 recorded

# 9M 2024: REVENUES DEVELOPMENT

Revenues (in €m)



# 9M 2024: GROSS MARGIN & GROSS PROFIT MARGIN



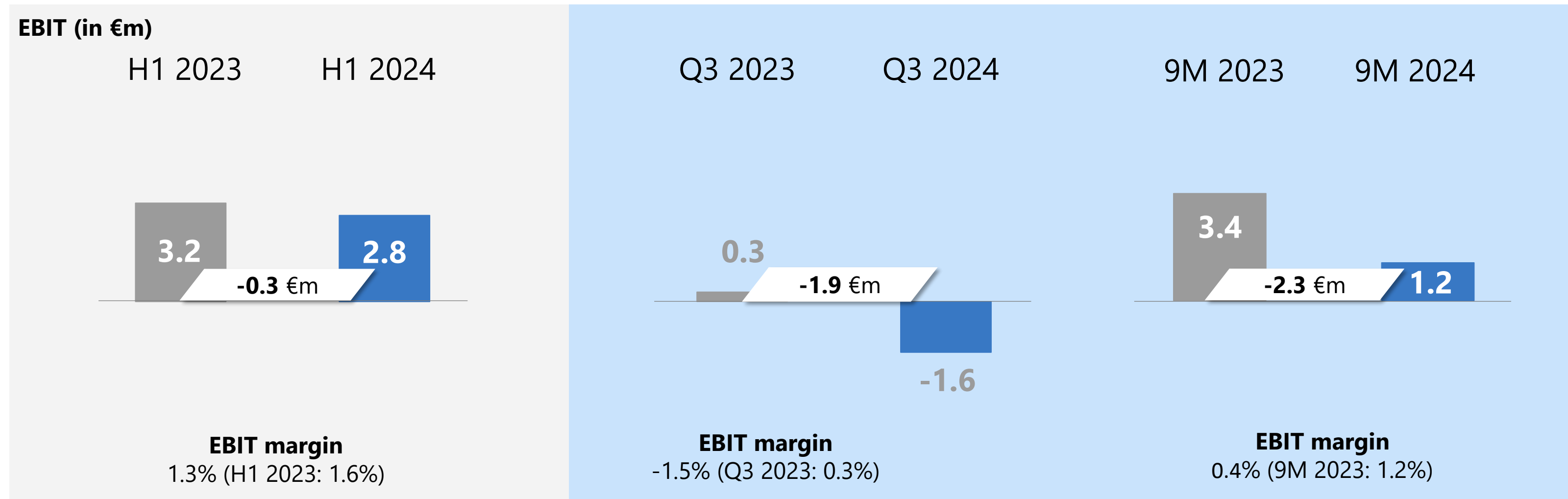
► **Increase in gross margin** mainly due to a **changed sales mix** and the new automated pricing system

# 9M 2024: EBITDA



► **Operative EBITDA increased** from € 10.2 million **to € 10.6 million** (after elimination of the costs in connection with the refinancing and one-off costs due to Hanover warehouse relocation)

# 9M 2024: EBIT



► **Increase in depreciation** by € 1.4 million



# 9M 2024: P&L

	Unit	9M 2023	9M 2024	
<b>Revenues</b>	€m	295.4	<b>318.9</b>	+8.0%
<b>Gross profit</b>	€m	89.8	<b>96.4</b>	+7.3%
Personnel expenses	€m	10.4	9.9	-5.2%
Other operating expenses	€m	70.0	78.0	+11.4%
<b>EBITDA</b>	€m	9.4	<b>8.6</b>	-8.9%
<b>Net result</b>	€m	1.3	<b>-1.5</b>	<-100%

Improved gross margin due to change in the sales mix and new pricing tool

Reduction in headcount mainly due to warehouse relocation

Increase of other operating expenses mainly driven by one-off costs (€ 1.3 million) in connection with the relocation of the Hanover warehouse location

Tax expenses relating to other periods in the amount of around € 1.1 million

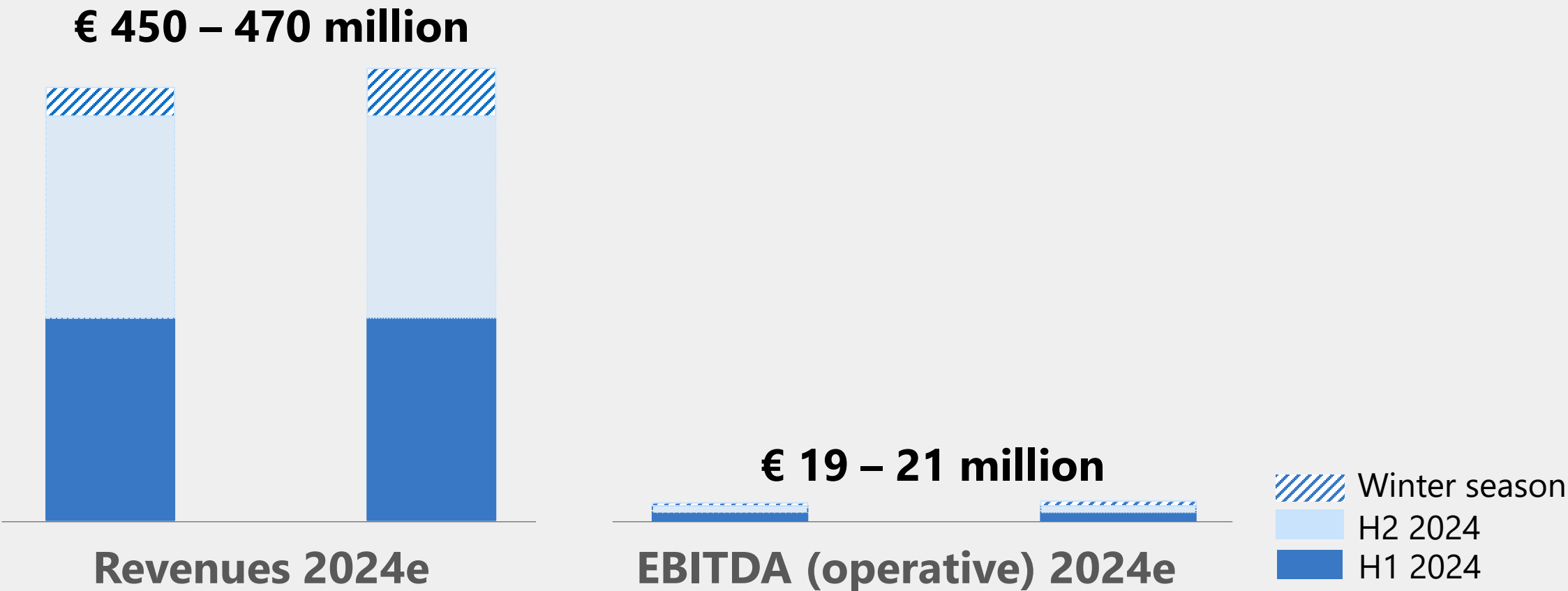
# 9M 2024: WORKING CAPITAL

	Unit	30.09.2023	31.12.2023	<b>30.09.2024</b>
Inventories	€m	94.7	41.2	<b>111.4</b>
Trade payables	€m	116.3	61.5	<b>132.9</b>
Trade receivables	€m	23.6	17.2	<b>36.9</b>

Early stock piling for the summer tyre business; securing additional capacity of tyres (approx. € 15 million) in preparation of the EU regulation on deforestation-free supply chains (EUDR), the implementation of which is now likely to be postponed by another year

► **Working Capital fluctuates** heavily from quarter to quarter due to seasonality

# OUTLOOK FY 2024: REVENUES AND EBITDA GUIDANCE



# OPERATIONAL HIGHLIGHTS – EFFECT 2025

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## Sales

- ▶ **Continuous shop improvement with**
  - > 100 AB-tests permanently in
  - > 300 sales generating shops
- ▶ **European SEO project**
- ▶ **Worldwide purchasing initiative**
- ▶ **Customer service AI technology**
- ▶ **New warehouse in Oldenburg with shorter delivery routes to Scandinavia**

## Cost reduction

- ▶ **Ongoing process automation**
- ▶ **Moderate personnel reduction 2024 effect from Oct. 2024**
- ▶ **OPC cost reduction due to AI support and go east**
- ▶ **Insourcing Accounting**
- ▶ **Transport and warehousing**
- ▶ **IT Infrastructure**



# KEY TECH INITIATIVES – FOR 2024 AND BEYOND

## Roverlog



**Automated, highly flexible warehouse for car tyres**

## Mondo



**Automated, scalable, omnichannel, EAA compliant<sup>\*)</sup>, customer care SaaS**

## IdentiTyre



**Automated, AI-based car tyre recognition on cars, in garages or warehouses**

**All available for third parties**

<sup>\*)</sup> EAA European Accessibility Act

# CHALLENGES & OPPORTUNITIES

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## Challenges

- ▶ **E-commerce and dealer – margins**
- ▶ **Economic situation in Europe, especially in Germany**
- ▶ **Start new warehouses in Bratislava and Oldenburg / close warehouse Hanover**

## Opportunities

- ▶ **All-season tyres, Electric Cars**
- ▶ **Huge amount of tyres on offer**
- ▶ **Country specific offers**
- ▶ **AI support**
- ▶ **AI inside Delticom Tech**
- ▶ **Cost savings**



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# Q&A Session

We welcome your questions

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Thank you!

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