

1 April 2025

Delticom AG

Rating Buy (Buy)
Share price (EUR) 2.22
Target price (EUR) 4.10 (4.70)

Bloomberg DEX GY
Sector Retail

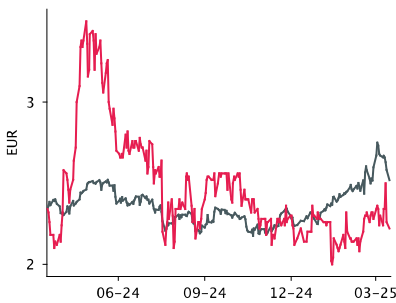
Share data

Shares out (m) 14.8
Daily volume shs (m) 0.0
Free float (%) 51.40
Market cap (EUR m) 33
EV (EUR m) 104
DPS (EUR) 0.12
Dividend yield (%) 4.8
Payout ratio (%) 40.0

Performance

ytd (%) 3.7
12 months (%) -1.3
12 months rel. (%) -7.9
Index SDAX

Share price performance



— Delticom AG
 — Price rel. to SDAX - Price Index

Source: Bloomberg

Next triggers

14 May: Q1 results
 9 July: AGM

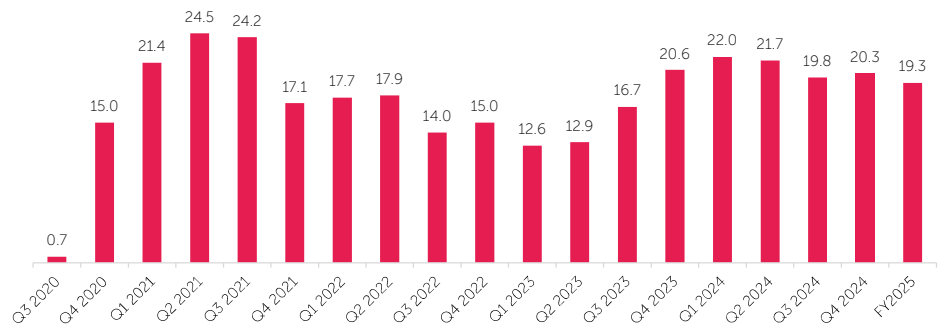
Analysts

Daniel Kukalj – Financial Analyst
 T +49 (0) 69 2475049-28
 daniel.kukalj@quirinprivatbank.de

Dividend payout finally back

Delticom generated revenues of EUR 481.6m in FY 2024, an increase of 1.3% yoy. The total gross merchandise volume (GMV) for 2024 amounted to EUR 597.0m (2023: EUR 586.4, +1.8% yoy). In Q4 2024, revenue amounted to EUR 162.7, a decrease of 9.8% yoy, this decline is primarily due to the strong performance in the final quarter of the previous year. The gross merchandise volume for Q4 amounted to EUR 208.3m, which was 7.6% yoy lower. 2024 EBITDA fell by 1.7% to EUR 20.3m, the value in the TTM comparison shows a stable development. EBIT for 2024 amounted to EUR 10.2m, resulting in an EBIT margin of 2.1% (2023: 2.4%). It is worth noting that the Q4 margin was 5.5%, one of the highest values of the last Q4 quarters and shows the potential if the recessionary phase in the DACH region were to end. At EUR 4.0m or EUR 0.27 per share, consolidated net income was lower than in the previous year (EUR 8.0m or EUR 0.54 per share). Nevertheless, the Management Board and Supervisory Board of Delticom AG will propose to the Annual General Meeting on 9th July a dividend payout of EUR 0.12 per share which represents an attractive dividend yield of ~4.8%. The outlook for the current financial year looks realistic given the generally unfavourable environment – the Management expects revenues between EUR 470-490m and an operating EBITDA in the range between EUR 19-21m. Applying our ROE/COE valuation approach, we derive a new fair value of 4.10 (4.70), therefore we confirm our BUY rating.

Development and forecast of reported TTM EBITDA (in EURm)



Source: Company data; Quirin Privatbank estimates

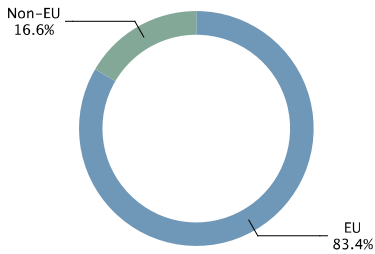
Key figures		2023	2024	2025e	2026e	2027e
Sales	EUR m	476	482	472	486	501
EBITDA	EUR m	21	20	19	22	25
EBIT	EUR m	12	10	9	12	14
EPS	EUR	0.54	0.27	0.30	0.42	0.51
Sales growth	%	-6.6	1.3	-2.0	3.0	3.0
EBIT growth	%	172.7	-11.4	-9.3	26.1	20.2
EPS growth	%	185.3	-49.7	10.9	38.3	23.2
EBITDA margin	%	4.3	4.2	4.1	4.5	4.9
EBIT margin	%	2.4	2.1	2.0	2.4	2.8
Net margin	%	1.7	0.8	0.9	1.3	1.5
EV/Sales	ratio	0.17	0.23	0.22	0.21	0.20
EV/EBITDA	ratio	3.8	5.4	5.4	4.7	4.0
EV/EBIT	ratio	6.9	10.8	11.3	8.8	7.0
P/E	ratio	3.8	9.1	7.3	5.3	4.3
P/BV	ratio	0.6	0.7	0.6	0.6	0.5
Dividend yield	%	0.0	4.8	5.4	7.5	9.3

Source: Bloomberg, Company data, Quirin Privatbank estimates

Company description

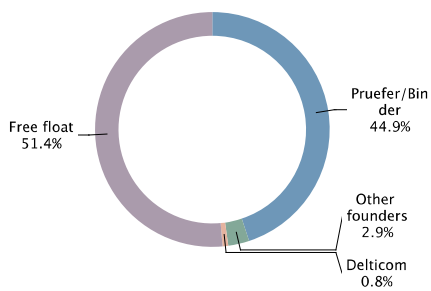
With the brand Reifendirekt, Delticom AG is the leading company in Europe for the online distribution of tyres and complete wheels. The product portfolio for private and business customers comprises an unparalleled range of around 600 brands and nearly 80,000 tyre models for cars and motorcycles. Complete wheels and rims complete the product range. The company operates 348 online shops and online distribution platforms in 70 countries, serving approximately 20 million customers.

Revenues by region 2024



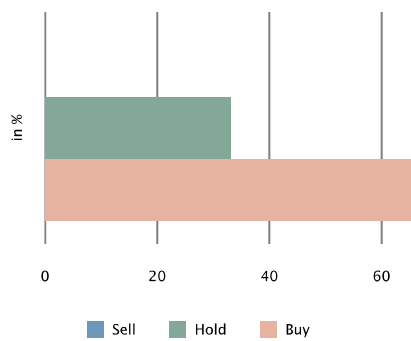
Source: Company data

Shareholder structure



Source: Company data

Recommendation Overview



Source: Bloomberg

Company guidance 2025

Sales EUR 470-490m; operating EBITDA EUR 19-21m

Profit & loss statement

Profit & loss statement (EUR m)	2023	YOY	2024	YOY	2025e	YOY	2026e	YOY	2027e	YOY
Sales	475.7	-6.6 %	481.6	1.3 %	472.0	-2.0 %	486.2	3.0 %	500.8	3.0 %
Unfinished Goods	0.0		0.0		0.0		0.0		0.0	
Other own work capitalized	0.0		0.0		0.0		0.0		0.0	
Other operating earnings	27.1		25.4		23.1		23.8		24.5	
Cost of goods	-359.5		-358.7		-356.4		-365.6		-375.6	
Gross profit	116.1		122.9		115.6		120.6		125.2	
Personnel expenses	-14.0		-13.5		-14.2		-14.6		-15.0	
Depreciation	0.0		0.0		0.0		0.0		0.0	
Other operating expenses	-106.5		-111.3		-105.4		-107.9		-110.2	
EBITDA	20.6	37.6 %	20.3	-1.7 %	19.3	-5.1 %	21.9	13.6 %	24.5	12.2 %
EBITDA margin (%)	4.34		4.21		4.08		4.50		4.90	
EBIT	11.5	172.7 %	10.2	-11.4 %	9.3	-9.3 %	11.7	26.1 %	14.0	20.2 %
EBIT margin (%)	2.42		2.12		1.96		2.40		2.80	
Net interest	-1.4		-2.6		-2.4		-2.4		-2.5	
Income from Participations	0.0		0.0		1.0		2.0		3.0	
Net financial result	-1.4		-2.6		-2.4		-2.4		-2.5	
Exceptional items	-2.2		-3.3		0.0		0.0		0.0	
Pretax profit	10.1	218.7 %	7.6	-24.8 %	6.9	-9.6 %	9.2	34.0 %	11.5	24.7 %
Pretax margin (%)	2.13		1.58		1.46		1.90		2.30	
Taxes	-2.1		-3.6		-2.4		-3.0		-3.9	
Tax rate (%)	20.87		47.10		35.05		32.99		33.79	
Earnings after taxes	8.0		4.0		4.5		6.2		7.6	
Minorities	0.0		0.0		0.0		0.0		0.0	
Group attributable income	8.0	185.3 %	4.0	-49.7 %	4.5	10.9 %	6.2	38.3 %	7.6	23.2 %
No. of shares (m)	14.8		14.8		14.8		14.8		14.8	
Earnings per share (EUR)	0.54	185.3 %	0.27	-49.7 %	0.30	10.9 %	0.42	38.3 %	0.51	23.2 %

Source: Company data, Quirin Privatbank estimates

Balance sheet

Balance sheet (EUR m)	2023	YOY	2024	YOY	2025e	YOY	2026e	YOY	2027e	YOY
Assets										
Cash and cash equivalents	7.3		5.4		3.7		1.9		2.6	
Accounts receivables	17.2		19.5		19.8		20.0		20.2	
Inventories	41.2		66.1		64.1		65.4		66.7	
Other current assets	16.9		21.3		21.3		21.3		21.3	
Tax claims	0.1		0.3		0.3		0.3		0.3	
Total current assets	82.6	9.4 %	112.5	36.1 %	109.1	-3.0 %	108.8	-0.3 %	111.1	2.1 %
Fixed assets	10.8		15.1		14.6		14.9		15.1	
Goodwill	0.0		0.0		0.0		0.0		0.0	
Other intangible assets	37.3		36.9		31.1		25.6		19.8	
Financial assets	4.1		4.1		4.1		4.1		4.1	
Deferred taxes	10.7		7.4		7.4		7.4		7.4	
Other fixed assets	46.1		60.7		60.7		60.7		60.7	
Total fixed assets	108.9	-9.0 %	124.2	14.0 %	118.0	-5.0 %	112.6	-4.5 %	107.1	-4.9 %
Total assets	191.6	-1.9 %	236.7	23.6 %	227.1	-4.1 %	221.4	-2.5 %	218.2	-1.5 %
Equity & Liabilities										
Subscribed capital	14.8		14.7		14.7		14.7		14.7	
Reserves & other	18.9		19.3		19.3		19.3		19.3	
Revenue reserves	13.9		17.9		20.6		25.0		30.2	
Accumulated other comprehensive	0.0		0.0		0.0		0.0		0.0	
Shareholder's equity	47.6	20.1 %	52.0	9.2 %	54.7	5.2 %	59.1	8.0 %	64.3	8.7 %
Minorities	0.0		0.0		0.0		0.0		0.0	
Shareholder's equity incl. minorities	47.6	20.1 %	52.0	9.2 %	54.7	5.2 %	59.1	8.0 %	64.3	8.7 %
Long-term liabilities										
Pension provisions	0.0		0.0		0.0		0.0		0.0	
Financial liabilities	46.1		59.1		56.1		53.3		50.6	
Tax liabilities	0.0		0.0		0.0		0.0		0.0	
Other liabilities	0.0		0.0		0.0		0.0		0.0	
Total long-term debt	46.1	-19.2 %	59.1	28.1 %	56.1	-5.0 %	53.3	-5.0 %	50.7	-5.0 %
Short-term debt										
Other provisions	4.9		3.3		3.3		3.3		3.3	
Trade payables	61.5		76.2		74.6		73.1		71.7	
Financial debt	9.4		20.1		19.1		18.1		17.2	
Other liabilities	22.0		26.0		19.2		14.4		11.0	
Total short-term debt	97.8	-0.7 %	125.6	28.5 %	116.2	-7.5 %	109.0	-6.2 %	103.3	-5.3 %
Total equity & liabilities	191.6	-1.9 %	236.7	23.6 %	227.1	-4.1 %	221.4	-2.5 %	218.2	-1.5 %

Source: Company data, Quirin Privatbank estimates

Financial key ratios

Key ratios	2023	2024	2025e	2026e	2027e
Per share data (EUR)					
EPS	0.54	0.27	0.30	0.42	0.51
Book value per share	3.2	3.5	3.7	4.0	4.3
Free cash flow per share	1.9	-0.1	0.3	0.3	0.5
Dividend per share	0.00	0.12	0.12	0.17	0.21
Valuation ratios					
EV/Sales	0.17	0.22	0.22	0.21	0.20
EV/EBITDA	3.9	5.2	5.4	4.7	4.0
EV/EBIT	7.0	10.3	11.3	8.8	7.0
P/E	4.1	7.9	7.3	5.3	4.3
P/B	0.7	0.6	0.6	0.6	0.5
Dividend yield (%)	0.0	5.6	5.4	7.5	9.3
Growth					
Sales growth (%)	-6.6	1.3	-2.0	3.0	3.0
EBITDA growth (%)	37.6	-1.7	-5.1	13.6	12.2
EBIT growth (%)	172.7	-11.4	-9.3	26.1	20.2
EPS growth (%)	185.3	-49.7	10.9	38.3	23.2
Profitability ratios					
EBITDA margin (%)	4.3	4.2	4.1	4.5	4.9
EBIT margin (%)	2.4	2.1	2.0	2.4	2.8
Net margin (%)	1.7	0.8	0.9	1.3	1.5
ROCE (%)	12.0	8.1	7.3	9.1	10.8
Financial ratios					
Total equity (EUR m)	47.6	52.0	54.7	59.1	64.3
Equity ratio (%)	24.9	22.0	24.1	26.7	29.5
Net financial debt (EUR m)	48.3	73.8	71.5	69.6	65.3
Net debt/Equity	0.2	0.2	0.2	0.3	0.3
Interest cover	8.4	4.0	3.9	4.8	5.6
Net debt/EBITDA	2.3	3.6	3.7	3.2	2.7
Payout ratio (%)	0.0	44.0	40.0	40.0	40.0
Working Capital (EUR m)	-3.0	9.4	9.2	12.2	15.2
Working capital/Sales	-0.01	0.02	0.02	0.03	0.03

Source: Company data, Quirin Privatbank estimates

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The levels of change expressed in each rating categories are:

BUY > +10%

HOLD <=-10% and < = +10%

SELL > -10%.

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Price and Rating History (last 12 months)

Date	Price target-EUR	Rating	Initiation
01.04.2025	4.10	Buy	
18.11.2024	4.70	Buy	
29.08.2024	4.40	Buy	
25.04.2024	4.80	Buy	24.11.2020

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Competent supervisory authority

Bundesanstalt für Finanzdienstleistungsaufsicht - BaFin – (Federal Financial Supervisory Authority), Graurheindorfer Str. 108 , 53117 Bonn

Contact Quirin Privatbank AG Frankfurt am Main

Schillerhaus / Schillerstraße 20 / 60313 Frankfurt am Main

Management Board: Karl Matthäus Schmidt • Johannes Eismann •

Contact Details

Quirin Privatbank AG

Schillerhaus | Schillerstrasse 20 | 60313 Frankfurt am Main

Tel.: +49 69 2 47 50 49-0 | Fax: +49 69 2 47 50 49-44 | Institutional-Sales-FFM@quirinprivatbank.de

Equity Research	Tel.	Email
Klaus Soer	+49 (0) 69 2475049-27	klaus.soer@quirinprivatbank.de
Ralf Marinoni	+49 (0) 69 2475049-24	ralf.marinoni@quirinprivatbank.de
Sebastian Droste	+49 (0) 69 2475049-26	sebastian.droste@quirinprivatbank.de
Daniel Kukalj	+49 (0) 69 2475049-28	daniel.kukalj@quirinprivatbank.de

Equity Sales	Tel.	Email
Klaus Korzilius	+49 (0) 69 2475049-25	klaus.korzilius@quirinprivatbank.de
Klaus Messenzehl	+49 (0) 69 2475049-46	klaus.messenzehl@quirinprivatbank.de
Bruno de Lencquesaing	+49 (0) 69 2475049-81	bruno.delencquesaing@quirinprivatbank.de

Fixed Income Sales	Tel.	Email
Jürgen Raabe	+49 (0) 69 2475049-41	juergen.raabe@quirinprivatbank.de
Janine Kaiser	+49 (0) 69 24750 49-83	janine.kaiser@quirinprivatbank.de
Roman Piroutek	+49 (0) 69 2475049-47	roman.piroutek@quirinprivatbank.de

Equity Trading / Sales Trading	Tel.	Email
Jean-Marie Frémion	+49 (0) 69 2475049-90	jean-marie.fremion@quirinprivatbank.de
Peter Rumstich	+49 (0) 69 2475049-65	peter.rumstich@quirinprivatbank.de

Business Support	Tel.	Email
Suganya Sutharsan	+49 (0) 69 2475049-88	suganya.sutharsan@quirinprivatbank.de