

Delignit expands cooperation with leading North American OEM and confirms substantial revenue growth in current fiscal year

Blomberg, 19 November 2021. Delignit AG (ISIN DE000A0MZ4B0), a leading manufacturer of ecological, hardwood-based products and system solutions based in Blomberg, is expanding its existing relationship with a leading North American OEM to provide cargo bay protection and cargo securing systems, thereby strengthening its position in the light commercial vehicles (LCV) class. In awarding this contract, the North American OEM commercial vehicle manufacturer is expanding the ongoing serial supply contract with Delignit AG for two vehicle models. The product developed by the Delignit Group combines a proven Delignit cargo securing component with lighting elements and is to be used as the series standard on the English market. Under the assumption the call-off quantities are progressing as planned, a potential increase in revenue of a mid-seven-figure amount is already anticipated for fiscal 2022. Parallel to this contract to expand the cooperation, the term of one of the two models has been extended until 2035.

Markus Büscher, CEO of Delignit AG, sees this contract as a further step in the diversification of the business model and thus the implementation of Delignit AG's growth strategy. "The new contract allows us to once again successfully expand our product range on the basis of an innovative product solution in the field of light commercial vehicles. The system solution is also suitable for other commercial vehicle manufacturers and consumer markets as well, which could lead to additional revenue potential in the medium term."

In addition to further growth in order backlog, the Group is reflecting a positive revenue development for full-year 2021. Despite a challenging market environment as a result of the most recent supply bottlenecks that are affecting the international semiconductor market, the Delignit Group still expects its revenue for the current fiscal year to increase to more than € 67 million (previous year: € 58.7 million). However, occasionally steep price rises for raw materials and availability issues on the procurement market are having an adverse effect. As such, the forecast profitability of an EBITDA margin of at least 9 % depends to a large extent on whether increases in raw material prices can be successfully passed on to customers.

About the Delignit Group:

The Delignit Group develops, produces and sells ecological materials and system solutions made of renewable raw materials under the brand name Delignit. As a recognised development, project and serial supplier of leading automotive groups, the Delignit Group is, among other things, world market leader for supplying the automotive industry with cargo bay protection and cargo securing systems for light commercial vehicles. With a variety of applications and a vertical integration that are unique in its industry, the Delignit Group serves numerous other technology sectors, for example as a worldwide system supplier of reputable rail vehicle manufacturers. Delignit solutions have exceptional technical properties and are also used, among other things, as trunk floors in passenger cars, interior equipment for motor caravans and special floors for factory and logistics buildings and to improve building security standards.

Delignit material is predominantly based on European hardwood, is CO₂ neutral in its life cycle and therefore ecologically superior to non-regenerative materials. The use of the Delignit material therefore improves the environmental performance of customer products and meets their increasing ecological requirements. The company was founded over 200 years ago. Delignit AG is listed in the Scale segment of the Frankfurt Stock Exchange.

Further information is available online at www.delignit.com.

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