



3rd quarter 2021 revenues €80.7 million (+12.0%) Cumulative growth over the first nine months of 2021 at +18.4%

Sales of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, increased over the first nine months of 2021 by +18.4% (+€38.5 million) to €247.5 million.

The Group confirmed sustained organic growth since the beginning of the year (+5.4%) and benefited from a positive scope effect linked to the consolidation of ERB Industries (USA), acquired in December 2020, and Alsolu (France) and Artex (Germany) acquired in early 2021.

On a constant scope and exchange rate basis, consolidated revenues increased over the first nine months of 2021 by +5.4% (+€11.3 million). As expected, organic growth declined slightly in the third quarter of 2021 due to a negative base effect linked to the strong upturn in business recorded at the same time last year.

The positive scope effect (+16.7%) represents an impact of +€34.9 million on the 2021 revenues.

A unfavourable exchange rate effect (-€7.7 million), since the beginning of the year, had an impact of -3.7% on the revenues. The negative exchange rate effect was limited to -€0.6 million in the third quarter of 2021.

Consolidated revenues <i>In millions of Euros</i>	2021	2020	Evolution 2021/2020	Evolution Constant scope and exchange rate (1)
Revenue Group - 9 months	247.5	209.0	+18.4%	+5.4%
1 st quarter	81.5	67.7	+20.3%	+9.6%
2 nd quarter	85.3	69.3	+23.3%	+9.7%
3 rd quarter	80.7	72.0	+12.0%	-2.8%
Revenue Europe - 9 months	117.6	101.6	+15.8%	-0.1%
1 st quarter	41.4	36.0	+15.1%	+0.3%
2 nd quarter	39.6	31.6	+25.4%	+8.8%
3 rd quarter	36.6	34.0	+7.7%	-8.8%
Revenue Outside Europe - 9 months	129.9	107.4	+20.9%	+10.6%
1 st quarter	40.1	31.7	+26.2%	+20.2%
2 nd quarter	45.7	37.7	+21.5%	+10.5%
3 rd quarter	44.1	38.0	+15.7%	+2.6%

(1) Over the first nine months of 2021, the scope effect amounted to +16.7% (+€34.9 million) and exchange rate effect amounted to -3.7% (-€7.7 million)

The first half of 2020 was marked by the Coronavirus (Covid-19) epidemic, which struck China, followed by a large part of Europe and America, and which began to impact the Group's operations from the month of February 2020.

This exceptional health and economic context last year resulted in a major slowdown in the sales of most personal protective equipment products sold by the Group, with the exception of masks, disposable overalls and some protective gloves and eyewear, whose sales had been very high in most of our subsidiaries throughout 2020, since these products were being used for protection against the virus.

For many of these product references, these sales had also led to shortages of stocks and difficulties in sustainable replenishment.

Given the exceptional elements that marked the year 2020, and the return to more usual activity in 2021, the Group's growth logically benefited this year from a strong recovery in products, which had particularly suffered from the economic slowdown in 2020.

The negative base effect on the "Covid-19" products weighed on the 2021 organic growth in the opposite direction.

The table below sums up the organic growth details for the first nine months of 2021, by distinguishing the contribution (in relation to the consolidated revenues) of "Covid-19" products from that of other products families:

Details of organic growth <i>As contribution to consolidated organic growth</i>	"Covid" products	Other products	Total
Organic growth Group - 9 months	-8.6%	+14.0%	+5.4%
1st quarter	-4.8%	+14.4%	+9.6%
2 nd quarter	-13.1%	+22.8%	+9.7%
3 rd quarter	-8.0%	+5.3%	-2.8%
Organic growth Europe - 9 months	-10.3%	+10.2%	-0.1%
1 st quarter	-3.8%	+4.1%	+0.3%
2 nd quarter	-16.7%	+25.5%	+8.8%
3 rd quarter	-11.3%	+2.5%	-8.8%
Organic growth outside Europe - 9 months	-7.0%	+17.6%	+10.6%
1 st quarter	-5.8%	+26.0%	+20.2%
2 nd quarter	-10.0%	+20.5%	+10.5%
3 rd quarter	-5.1%	+7.7%	+2.6%

The table below sums up the organic growth details for the first nine months of 2021 in terms of value, by distinguishing the evolution of "Covid-19" products from that of other products families:

Details of organic growth <i>In terms of value</i>	2021 (1)	2020	Evolution (in millions of Euros)	Evolution (in %)
Group revenue	220.3	209.0	+11.3	+5.4%
"Covid-19" products	21.9	39.9	-18.0	-45.1%
Other products	198.4	169.1	+29.3	+17.3%

(1) Revenue excluding scope effect (+€34.9 million) and exchange rate effect (-€7.7 million): €247.5 million - €34.9 million + €7.7 million = €220.3 million

Revenue from Covid-19 products was down (-45.1%) in 2021, while revenue from other products was up (+17.3%).

The relative weight of "Covid-19" products represents a normative and recurring level of 10% of the consolidated revenue in 2021, against an atypical level of 19% last year.

Europe

In Europe, over the first nine months of 2021, revenue (€117.6 million) increased by +€16.0 million (+15.8%) thanks especially to the consolidation of Alsolu (France) and Artex (Germany), acquired in the beginning of 2021 (total of +€16.3 million, i.e. +16.1% of scope effect).

Over the period, the exchange rate effect in this region was slightly negative, at -€0.2 million (-0.2%), due to the change in the Polish Zloty.

The organic evolution, restated for scope and exchange rate effects, was therefore -0.1% since the start of the year, due in particular to a -63.0% drop in sales of "Covid-19" products" (i.e. a contribution of -10.3% to the revenue in this geographical area).

Operations in Europe benefited from a + 10.2% recovery in 2021 in other product families, despite a less favorable base effect in the third quarter in countries that benefited the most in 2020 from the strong recovery observed in summer, at the end of the lockdown measures and suspension of economic activity (Italy, Spain, France, Eastern Europe).

Outside Europe

In markets outside Europe, the earlier effects of the crisis had more impact in the beginning of 2020.

Thus, operations in China suffered from two months' slowdown in February and March 2020.

The catching up therefore had a favorable impact on the revenue in this region in 2021.

The Outside Europe revenue over the first nine months of the year 2021 amounted to €129.9 million, up +20.9% compared to 2020.

As the fluctuations of the Euro against most South American currencies were particularly marked in the first half of the year, the Outside Europe Group revenue recorded a negative exchange rate effect of -€7.5 million (-7.0%) in the first nine months of fiscal year 2021.

On the other hand, positive scope effects (+€18.6 million, i.e. +17.3%) thanks to the consolidation of ERB Industries (USA) and White Lake (Brazil), companies acquired towards the end of 2020.

Restated for scope and exchange rate effects, organic revenue growth stood at +10.6% (+€11.3 million) at the end of September 2021.

Sales of respiratory products related to the health crisis weighed negatively on this organic growth (-7.0%). The sale of these products declined (-32.5%), particularly in China and South America.

Sales in other product families, on the other hand, grew strongly in 2021 (+ 22.5%), thanks to a significant rebound in China, South America and all Export markets, countries that were particularly penalized in 2020. These products contributed +17.6% to the organic growth of this region at the end of September 2021.

Outlook for 2021

- Take advantage of the economic recovery expected in 2021
- Improve profitability to the level achieved before the health crisis
- Confirm the strength of the Group's financial structure during this period of uncertainty
- Successfully integrate recent acquisitions

Throughout 2020 and the first half of 2021, Delta Plus Group has demonstrated its ability to limit the impact of the Covid-19 crisis on its business and, at the same time, to pursue a proactive acquisition policy, thus confirming its strategy of deploying in high-growth potential regions and in high value-added businesses.

In recent months, the Group has finalized the following acquisitions, which have only been included in Group revenues since January 1, 2021:

- December 2020: Acquisition of ERB Industries in the United States, a player offering head and body protection equipment in the American market
- January 2021: Acquisition of Alsolu in France in the collective protection and access to height sector
- January 2021: Acquisition of Artex, a major player in personal fall protection equipment in Germany

The Group's main objective for 2021 is to successfully integrate these new subsidiaries into the Group.

Another challenge for the Group in 2021 is to take advantage of the gradual return to normality expected in its historical markets, while meeting the demand that remains in 2021 for certain products designed to protect against Covid-19.

Delta Plus Group has a sound financial structure and is expected to achieve further organic growth in revenues of close to 5% again this year despite an unfavorable base effect on Covid-19 product sales.

The Group also aims to achieve a level of current operating profitability higher than that of 2019, as 2020 cannot be used as a reference year due to its atypical nature.

Next publication: 2021 annual revenues
Thursday, February 10, 2022 after market close

About DELTA PLUS

Delta Plus Group designs, standardizes, manufactures, or has manufactured and distributes a complete range of Personal Protective Equipment (PPE). Delta Plus Group is listed on compartment B of NYSE-EURONEXT (ISIN: FR0013283108 - Ticker: DLTA)

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GLOSSARY

Definition of organic growth, or growth on a constant scope and exchange rate basis

Organic growth, or growth on a constant scope and exchange rate basis, is calculated by excluding the impacts of changes in exchange rates as well as scope effects (impact of acquisitions and disposals).

The restatement of exchange rate effect consists of calculating the aggregates for the current year at the exchange rate of the previous year.

The restatement of scope effects, for newly consolidated entities (acquisitions) consists of:

- For newly consolidated companies of the current year, subtract the contribution of aggregates for the current year from the acquisition
- For newly consolidated companies from the previous year, subtract the contribution of the acquisition of January 1 of the current year until the last day of the month of the current year in which the acquisition was made last year

The restatement of scope effects, for deconsolidated entities (disposals) consists of:

- For deconsolidated entities of the current year, subtract the contributions of the deconsolidated entity from the aggregates of the previous year from the 1st day of the month of disposal
- For deconsolidated entities from the previous year, subtract the contributions of the deconsolidated entity from the aggregates of the previous year