



Turnover of €312.3 million over the first 9 months of 2023 up +1.6% compared to 2022

Sales of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, increased over the first nine months of 2023 by +1.6% (+€4.9 million) to €312.3 million.

The Group maintained a sustained organic growth rate, due, in particular, to the high level of activity in Argentina in the first half year, linked to the reopening of borders after several months of restrictions on imports into the country.

The Group also benefited from a positive scope effect linked to the consolidation of Drypro (Mexico), which was consolidated into the Group's scope on 1st July 2022.

The positive scope effect (+1.2%) represents an impact of +€3.6m on the turnover.

On the other hand, negative currency effects continue to weigh on 2023 turnover. They totalled -€26.7m since the start of the year (-€12.6m in the third quarter alone), representing an impact of -8.7% on the change in turnover. It is worth noting the significant weight of the depreciation of the Argentine Peso against the Euro, which alone contributed to a negative exchange rate effect of -€19.2m.

On a constant scope and exchange rate basis, organic growth in consolidated turnover amounted to +9.1% in the first half of 2023 (+€28.0m), which came from the strong activity recorded in Argentina in the first nine months of the year (+€27.8m).

Consolidated turnover <i>In millions of euros</i>	2023	2022	Evolution 2023/2022	Evolution Constant scope and exchange rate (1)
Turnover Group - 9 months	312.3	307.4	+1.6%	+9.1%
1 st quarter	107.3	99.2	+8.2%	+10.6%
2 nd quarter	105.7	105.7	0.0%	+7.6%
3 rd quarter	99.3	102.5	-3.1%	+9.2%
Turnover Europe - 9 months	151.5	155.4	-2.5%	-2.6%
1 st quarter	54.3	54.2	+0.1%	+0.4%
2 nd quarter	51.0	53.2	-4.0%	-4.2%
3 rd quarter	46.2	48.0	-3.7%	-4.0%
Turnover Outside Europe - 9 months	160.8	152.0	+5.8%	+21.0%
1 st quarter	53.0	45.0	+17.9%	+22.9%
2 nd quarter	54.7	52.5	+4.1%	+19.6%
3 rd quarter	53.1	54.5	-2.6%	+20.8%

(1) Over the first nine months of 2023, the scope effect amounted to +1.2% (+€3.6m) and the exchange rate effect amounted to -8.7% (-€26.7m)

Europe

In Europe, sales for the first nine months of 2023 (€151.5m) were down by 2.5% compared with 2022 (€155.4m).

The currency effect (+€0.1m) was marginally positive, due mainly to changes in the parity between the euro and the Polish zloty.

There is no scope effect observed in this zone in 2023.

The good performances recorded in South European countries were eclipsed by a cyclical downturn in business in France and Eastern Europe.

Outside Europe

The Outside Europe turnover over the first nine months of the year 2023 amounted to €160.8m, up +8.8m (+5.8%) compared to 2022.

The scope effect linked to the consolidation of Drypro (Mexico) amounted to €3.6m (i.e. a contribution of +2.4% to the growth of the Outside Europe area).

Fluctuations in the euro against the Argentinian peso (ARS) were again very marked over the period. Since the beginning of the year, the Group recorded a negative currency effect of -€26.8m on turnover generated outside Europe (-17.6%), of which -€19.2m was attributable to Argentina.

Adjusted to allow for scope and currency effects, the organic turnover growth stood at +21.0% (+€32.0m) in the first half of 2023.

It is worth noting that the Group's subsidiary in Argentina experienced a strong turnover growth in 2023 (+€30.5m or +288%), due to a catch-up effect linked to the lifting of administrative constraints on imports, but also due to very high inflation in the country. However, this growth should be put into perspective given the negative exchange rate effect of the Argentine Peso. Adjusted for exchange rate effects, sales growth in Argentina stood at €8.6m (+89%) for the first nine months of 2023.

The second half of the year saw a gradual return to normal for this subsidiary.

Excluding Argentina, organic growth in turnover outside Europe has been +2.9% since the start of the year.

In particular, momentum was positive in the Middle East and Asia-Pacific zones throughout the first nine months of the year.

Outlook for 2023

- **Confirm positive organic growth in turnover in 2023**
- **Finalise the integration of Maspica, Safety Link and Drypro, acquired in 2022**
- **Start getting back to levels similar to the period preceding the Covid-19 crisis**
- **Confirm the strength of the Group's financial structure during this period of uncertainty**

Since 2020, Delta Plus Group has proven its ability to limit the consequences of the successive crises that have marked the last three years and at the same time pursue a proactive acquisition policy, confirming, its strategy, over the last few years, of deploying in areas with strong growth potential and high value-added businesses.

By 2022, the Group had achieved dynamic organic growth of almost 3%. Over the first nine months of 2023, this figure was +9.1%, although it was marked by an exceptional situation in Argentina. Organic growth adjusted for the negative currency effect generated by the depreciation of the Argentine Peso against the Euro was +2.8%.

For 2023, the Group confirmed continued organic growth in turnover, despite the still highly uncertain macroeconomic and geopolitical environment.

A residual perimeter effect of €3.6m, linked to the acquisition of Drypro (Mexico), had a positive impact on the turnover (perimeter effect of +0.9% over the full year 2023).

Conversely, the recent strengthening of the euro against a number of currencies should result in a negative currency effect of around -2% to 3% in 2023 (excluding the impact of the Argentine peso).

2023 continues to be marked by events that make the short-term profitability level uncertain: war in Ukraine and the middle-east, persistent significant inflationary pressures, uncertainties over the changes in the exchange rates of the world's main currencies.

In this context, the Group continues to take all measures to limit the impact of these significant events on the operating profitability level and start getting back to levels similar to the period preceding the Covid-19 crisis (recurring operating income of 13.7% in 2019).

The results for the first half of 2023 (current operating income of 13.3%) confirm this target.

In addition, the Group aims to maintain a solid financial structure that will enable it to finance its development, particularly in the context of its strategy to move upmarket and strengthen its geographical position.

Next publication: 2023 annual turnover
Thursday, 8 February 2024, 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 Euronext Growth Paris (ISIN: FR0013283108 - Mnemo: ALDLT)

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

The adjusted scope effects, for newly consolidated entities (acquisitions), consist 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 1st January of the current year until the last day of the month of the current year in which the acquisition was made last year

The adjusted scope effects, for deconsolidated entities (disposals), consist 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