



2023 turnover of €420.6m up +0.1% compared to 2022

The 2023 sales of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, increased by +0.1% (+€0.4m) to reach €420.6m.

The Group recorded a positive organic growth of +14% in 2023, in line with previous publications. Excluding the impact of hyperinflation in Argentina, organic growth stood at +1.9% in 2023 (+€7.9m). 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 (+0.9%) represents an impact of +€3.6m on the turnover.

On the other hand, negative exchange rate effects continued to weigh on 2023 turnover (-14.7%). Excluding the impact of the Argentinian Peso (explained below), they amounted to -€11.2m in 2023, representing an impact of -2.7% on the change in turnover. It is worth noting the significant weight of the depreciation of the Chinese RMB against the Euro, which alone contributed to a negative exchange rate effect of -€4.1m.

Consolidated turnover <i>In millions of euros</i>	2023	2022	Evolution 2023/2022	Evolution Constant scope and exchange rate (1)
Group turnover	420.6	420.2	+0.1%	+14.0%
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%
4 th quarter	108.3	112.8	-4.0%	+27.2%
Europe turnover	210.0	216.0	-2.8%	-2.9%
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%
4 th quarter	58.5	60.6	-3.5%	-3.9%
Turnover - Outside Europe	210.6	204.2	+3.1%	+31.8%
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%
4 th quarter	49.8	52.2	-4.6%	+63.3%

(1) Over 2023, the scope effect was +0.9% (+€3.6m) and the exchange rate effect was -14.7% (-€61.9m).

Impact of the economic situation in Argentina on the consolidated turnover of 2023

The events that has a significant impact on the Argentine economy in 2023 had an impact on the presentation of the Group's turnover in the preceding table.

The accelerated rate of inflation in the country during the year led to a sharp increase in the Group's turnover expressed in Argentine Pesos. This positive impact on the organic growth is estimated at more than €50m in 2023.

On the other hand, the sharp devaluation of the Argentine currency against the euro in 2023 generated a negative exchange rate impact of -€50.7m over the year.

It should also be noted that following the sharp devaluation of the Argentine Peso by more than 50% on 13 December 2023, Delta Plus Group updated the calculation of the contribution of its Argentinian subsidiary, Eslingar, in Euros, to the consolidated turnover for 2023.

In accordance with IFRS, the Group has applied IAS 29 "Hyperinflation" to its operations in Argentina for several years. In its consolidated financial statements, the Group therefore translates all of its subsidiary's income statement (after application of the CPI index) at the Argentine Peso/ Euro exchange rate at 31 December, rather than at the average exchange rate for the year, as is usual for currencies not subject to hyperinflation.

As a result of the sharp devaluation of the Argentinian Peso at the very end of 2023, the forecast contribution of the Argentine subsidiary to the Group's consolidated turnover is automatically reduced, from 5.5% of consolidated revenue (€22.7m) to 3.5% (€14.5m).

This technical adjustment of €8.2m was fully recognised in the 4th quarter of 2023.

In order to give a better visibility on the consolidated turnover for 2023 restated for these impacts linked to the situation in Argentina, the table below shows the quarterly evolution of the Group's 2023 turnover:

- By restating for the negative exchange rate impact of the Argentine Peso's devaluation to include it in the organic growth in turnover generated in Argentina. This exchange rate effect can be seen as having a positive counterpart in the impact of hyperinflation. The negative currency effect of €50.7m has therefore been deducted from the organic growth of €51.4m achieved in Argentina in 2023.
- By deducting the €8.2 million December 2023 adjustments relating to the IAS29 adjustment described above over the four quarters of the 2023 financial year, i.e.:
 - . A negative restatement of -€2.3m on the turnover for the first quarter of 2023
 - . A negative restatement of -€2.5m on the turnover for the second quarter of 2023
 - . A negative restatement of -€1.7m on the turnover for the third quarter of 2023
 - . A negative restatement of -€1.7m on the turnover for the fourth quarter of 2023 by replacing the negative impact of -€8.2m.

Consolidated turnover <i>In millions of euros</i>	2023	2022	Evolution 2023/2022	Evolution Constant scope and exchange rate (1)
Group turnover	420.6	420.2	+0.1%	+1.9%
1 st quarter	105.0	99.2	+5.8%	+3.5%
2 nd quarter	103.1	105.7	-2.4%	-1.3%
3 rd quarter	97.6	102.5	-4.7%	+0.1%
4 th quarter	114.8	112.8	+1.8%	+5.0%
Europe turnover	210.0	216.0	-2.8%	-2.9%
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%
4 th quarter	58.5	60.6	-3.5%	-3.9%
Turnover - Outside Europe	210.6	204.2	+3.1%	+7.0%
1 st quarter	50.7	45.0	+12.7%	+7.3%
2 nd quarter	52.1	52.5	-0.8%	+1.7%
3 rd quarter	51.4	54.5	-5.7%	+3.7%
4 th quarter	56.3	52.2	+7.9%	+15.5%

(2) Over 2023, the scope effect was +0.9% (+€3.6m) and the exchange rate effect was -2.7% (-€11.2m).

On a like-for-like basis, restated organic growth in consolidated turnover came to +1.9%. Over 2023, the scope effect was +0.9% (+€3.6m) and restated exchange rate effect was -2.7% (-€11.2m).

Europe

In Europe, turnover for 2023 (€210.0m) was down by 2.8% compared with 2022 (-€6.0m).

The currency effect (+€0.2m) 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 the major Eastern European countries.

Outside Europe

Turnover outside Europe in 2023 will be €210.6m, an increase of €6.4m (+3.1%) compared to 2022.

The scope effect linked to the consolidation of Drypro (Mexico) amounted to €3.6m (i.e. a contribution of +1.8% to the growth of the Outside Europe area).

Once again, there were marked fluctuations in the euro against most other currencies (excluding Argentina) during the year. As a result, the Group recorded an unfavourable exchange rate effect of -€11.5m on sales generated outside Europe (-5.6%), of which -€4.1m was concentrated on the Chinese RMB.

Adjusted to allow for scope and currency effects, the organic turnover growth stood at +7.0% (+€14.3m) in 2023.

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

Outlook for 2024

- **Maintain a positive organic growth in turnover in 2024**

- **Confirm the return to pre-Covid levels in terms of operating profitability**
- **Strengthen 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.

In 2023, the Group was able to achieve further sales growth and set a new record despite the negative impact of exchange rates. Organic growth adjusted for the negative currency effect generated by the depreciation of the Argentine Peso against the Euro was +1.9%.

For 2024, the Group confirmed continued organic growth in turnover, despite the still highly uncertain macroeconomic and geopolitical environment.

At this stage, we do not anticipate any changes in the scope of consolidation in 2024, despite the Group's intention to continue investing in acquisitions.

2023 was 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 with the ambition of 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: Annual results 2023
Tuesday, 2 April 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