



Turnover of €107.3m in Q1 2023 up +8.2% compared to 2022

The Q1 2023 sales of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, increased by +8.2% (+€8.1m) to €107.3m.

The Group started 2023 with a sustained rate of organic growth, due to a high level of activity in Argentina in the first quarter.

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 (+2.0%) represents an impact of +€2.0m on the turnover.

Negative currency effects in the last few months of 2022 amounted to -€4.4m in the first quarter, representing a -4.4% impact 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 -€4.7m over the first quarter of the year.

On a constant scope and exchange rate basis, organic growth in consolidated turnover amounted to +10.6% in the first quarter of 2022 (+€10.5m), of which €9.0m (+9.1%) came from the strong activity recorded in Argentina in the first quarter of the year.

Adjusted for the various impacts of the activity in Argentina, the consolidated turnover grew by +3.8% in the first quarter of 2023, thanks to a scope of consolidation effect of +2.0%, a positive exchange rate effect of +0.3% and organic growth of +1.5%.

Consolidated turnover <i>In millions of euros</i>	2022	2021	Evolution	Evolution Constant scope and exchange rate (1)
Q1 Group turnover	107.3	99.2	+8.2%	+10.6%
Europe turnover	54.3	54.2	+0.1%	+0.4%
Turnover - Outside Europe	53.0	45.0	+17.9%	+22.9%

(1) In the first quarter of 2023, scope effect was +2.0% (+€2.0m) and currency effect was -4.4% (-€4.4m)

Europe

In Europe, the turnover for the first quarter of 2023 (€54.3m) was stable as compared to the first quarter of 2022 (+€70K, which is an increase of +0.1%).

The currency effect (-€141K) was slightly negative during the quarter (-0.3%), concentrated on the evolution of the parity between the Euro and GBP/Zloty (PLN).

As there was no scope effect in this region in 2023, organic growth therefore stood at +0.4% for the quarter.

Outside Europe

Turnover outside Europe in the first quarter of 2023 amounted to €53.0m, up by €8.0m (+17.9%) compared to 2022.

The scope effect linked to the consolidation of Drypro (Mexico) amounted to €2.0m (i.e., a contribution of +4.4% to the growth of the Outside Europe area.

The fluctuations of the Euro against the Argentine Peso (ARS) have been very pronounced in recent months; thus, the Group recorded a negative exchange rate effect of -€4.3m on the turnover realized Outside Europe (-4.4%) in the first quarter of 2023, of which - €4.7m was attributable to the Argentine currency.

Adjusted to allow for scope and currency effects, organic turnover growth stood at +22.9% (+€10.3m) in the first quarter of 2023.

It is worth noting that the Group's subsidiary in Argentina experienced a strong turnover growth in the first quarter (+€9.0m or +433%), 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 in the first quarter. Adjusted to allow for currency effects, turnover growth in Argentina stood at +4.3m (+205%) in the first quarter of 2023.

The next few months should see a return to normal for this subsidiary.

Excluding Argentina, organic revenue growth outside Europe was +3.1% in the first quarter of 2023.

Outlook for 2023

- **Confirm positive organic growth in turnover in 2023,**
- **Finalize the integration of Maspica, Safety Link and Drypro, acquired in 2022,**
- **Return 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, through 9 acquisitions finalized since the beginning of 2020, its strategy of deploying in areas with strong growth potential and high value-added businesses.

In 2022, the Group recorded dynamic organic growth of nearly 3%, and began 2023 with organic growth of +10.6% in the first quarter, marked however by an exceptional situation in Argentina.

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

In 2023, a residual perimeter effect of around €4m, linked to the acquisition of Drypro (Mexico), will have a positive impact on the H1 turnover, which should represent a perimeter effect of around +2% over the first six months of the year.

Conversely, the recent strengthening of the euro against the Argentine Peso and most other currencies should result in a negative exchange rate effect of around -4% in the first half of 2023.

2023 continues to be marked by events that make the short-term profitability level uncertain: war in Ukraine, persistent significant inflationary pressures affecting commodity, transport and energy prices, significant 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 starts returning to levels similar to the period preceding the Covid-19 crisis.

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: Turnover for the 2nd quarter of 2023
Wednesday, 26 July 2023, 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)

More information: www.deltaplusgroup.com

CONTACT

Jérôme BENOIT
CEO

e-mail: relation.investisseur@deltaplus.eu

Tel: 04.90.74.20.33

Arnaud DANIEL
Administrative & Financial Director

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.