



## Turnover of €67.7 million in the first quarter of 2020 Growth of + 14.0% compared to 2019

Sales of Delta Plus Group, a major player in the Personal Protective Equipment (P.P.E) market, increased by + 14.0% (+ €8.3 million) in the first quarter of 2020 and reached 67.7 million Euro.

From the trend seen in the financial year 2019, the Group began the year 2020 on a pace of sustained organic growth, and also benefited from a positive scope effect due to the integration of Odco, a company acquired at the end of last year, and the work boots business (Boots Company and Netco Safety) acquired at the beginning of January 2020.

At constant scope and exchange rates, the organic growth in consolidated turnover amounts to + 5.1% in the first quarter of 2020.

The scope effect represents a positive impact of + €6.2 million on turnover (+10.5%).

The negative currency effect amounts to €(0.9) million in the first quarter, i.e. an impact of -1.6% on the variation in turnover.

<b>Consolidated turnover</b> <i>In millions of Euro</i>	<b>2020</b>	<b>2019</b>	<b>Evolution</b>	<b>Evolution</b> Constant scope and exchange rates (1)
<b>1<sup>st</sup> quarter the Group turnover</b>	<b>67.7</b>	<b>59.4</b>	<b>+14.0%</b>	<b>+5.1%</b>
Turnover in Europe	36.0	29.2	+23.3%	+3.8%
Turnover outside Europe	31.7	30.2	+5.0%	+6.3%

(1) For the first quarter of 2020, the scope effect amounts to +10.5% (+€6.2 million) and the currency effect amounts to -1.6% (- €0.9 million)

This first quarter of the Group has also been flagged for the Coronavirus epidemic (Covid-19) that hit China, then much of Europe and North America, and which began to impact the Group's business since February 2020 in several ways:

- The business of our main production site, based in China, was severely disrupted from early February to mid-March due to containment measures introduced in the country. These disruptions resulted in a stable turnover in China compared to the first quarter of 2019.
- Sales of disposable masks and disposable suits (which represent about 5% of the Group's turnover), and to a lesser extent those of certain protective gloves and goggles, have been very high in most of our subsidiaries throughout the first quarter of 2020. For many of these product references, these sales led to stock-outs and difficulties in sustainable replenishment.

These sales of "Covid-19" products explain the dynamic organic growth recorded in the first quarter of 2020.

- Finally, since mid-March 2020, the demand slowed sharply in several European countries affected by the pandemic: particularly in Italy, Spain, France and Eastern Europe.

Overall, these different events nevertheless allowed the Group to maintain an organic growth rate similar to that of 2019, with additional sales of products related to Covid - 19 added to the decrease in business observed on the other product families from February in China and from mid-March in Europe.

## **Europe: a strong first quarter**

The Group's business in Europe remained positively oriented during the first quarter of 2020. Turnover amounts to €36.0 million, up +23.3% (+ €6.8 million) compared to 2019, boosted by the integration of Odco (+ €1.8 million) and work boots business acquired in January 2020 (+ €3.9 million). Organic growth, adjusted for scope and currency effects amounts to + 3.8% over the first three months of the year, particularly due to the continued dynamism of sales in the Benelux and the United Kingdom, countries little impacted by the Covid-19 crisis until the end of March 2020.

## **Outside Europe: dynamic organic growth**

In markets outside Europe, the dynamics also remained very positive in the first quarter, with an organic growth of + 6.3% compared to 2019.

China, impacted by the Covid-19 crisis as early as February, saw its revenue stagnate in the first quarter.

The growth of turnover in the non-European zone in the first quarter is mainly due to the dynamism of North America, South America and CIS areas.

Outside Europe, the Group also benefited from a slight scope effect of + €0.5 million in the first quarter of 2020 (Odco and Boots Company).

Finally, it should be noted that the strengthening of the Euro, particularly, in relation to most South American currencies, caused an unfavourable currency rate effect of €(0.9) million on consolidated turnover in the first quarter of 2020.

Expressed in Euro, the growth in the turnover outside Europe is +5.0% in the first quarter of 2020.

## **Outlook**

- **Limiting the effects of the Coronavirus epidemic crisis (Covid-19) on the Group's turnover and profitability**
- **Confirming the soundness of the Group's financial structure during this crisis period**
- **Achieving success in the integration of recent acquisitions**
- **Confirming development ambitions**

However, the good performance of the Group in the first quarter of 2020, in line with the trend of the year 2019, has been flagged by the first impacts of the Covid-19 crisis.

For example, exceptional sales of products related to Covid - 19 offset a significant decline in business on other product families, especially from mid-March in most European countries.

In this context, it is difficult today to predict and quantify the impact that this crisis will have on the consolidated turnover and the Group's performance for the whole year of 2020.

At this stage, it is likely that the second quarter will be negatively impacted, particularly in Europe and the American continent, as the April turnover suggests.

The Group is currently introducing all necessary measures to minimise the negative impact of this crisis on the growth and future development of its business.

Benefiting from a sound financial structure to address this period of crisis, Delta Plus Group, which has accelerated its development in recent months due to a proactive policy of acquisitions, confirms its will in the long term to continue its deployment in areas with high growth potential and on high value-added trades.

**Next publication:** Turnover of the 2<sup>nd</sup> quarter 2020  
Wednesday 29th July 2020, after stock market closes

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#### **About DELTA PLUS**

*Delta Plus Group designs, standardises, manufactures or produces and distributes a full range of Personal Protective Equipment (PPE).  
Delta Plus Group is listed on Compartment B of NYSE-EURONEXT (ISIN: FR0013283108-Mn mo: DLTA)*

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