



Solid performance in 2020 under the Covid-19 pandemic

Turnover of €288.7M up by 9.6%

Organic growth of +7.3%

Delta Plus Group, a major player on the Personal Protective Equipment (PPE) market, is posting a **record consolidated turnover for 2020 of €288.7 million**, up 9.6% from 2019. The growth in constant scope revenue and constant exchange rates was +7.3%.

Throughout 2020, the Group demonstrated its capacity to resist the impact of the Covid-19 pandemic and to accelerate its development strategy, making six acquisitions between January 2020 and January 2021.

Delta Plus Group posted sustained organic growth of +7.3% in 2020, notably through the contribution of Covid-19 virus protection products.

The Group also benefited from a positive scope change, related to the integration of Odco, the company acquired in mid 2019, and the impact of the companies acquired in 2020 (Boots Company in Italy, Netco Safety in France and White Lake in Brazil). The scope change represents a positive impact of +€21M on turnover for 2020 (+8.0%).

Currency effects had a negative impact of (€14.9M) in 2020, i.e. -5.7% on turnover variation

Consolidated turnover <i>In millions of Euros</i>	2020	2019	Evolution 2020/2019	Evolution Constant scope and exchange rate (1)
Group turnover	288.7	263.3	+9.6%	+7.3%
1 st quarter	67.7	59.4	+14.0%	+5.1%
2 nd quarter	69.3	63.3	+9.3%	+7.5%
3 rd quarter	72.0	64.1	+12.5%	+14.7%
4 th quarter	79.7	76.5	+4.1%	+2.7%
Europe turnover	143.0	125.5	+13.9%	+0.8%
1 st quarter	36.0	29.2	+23.3%	+3.8%
2 nd quarter	31.6	28.4	+11.0%	-3.8%
3 rd quarter	34.0	29.7	+14.6%	+6.0%
4 th quarter	41.4	38.2	+8.2%	-1.9%
Outside Europe turnover	145.7	137.8	+5.8%	+13.2%
1 st quarter	31.7	30.2	+5.0%	+6.3%
2 nd quarter	37.7	34.9	+8.0%	+16.8%
3 rd quarter	38.0	34.4	+10.7%	+22.3%
4 th quarter	38.3	38.3	+0.0%	+7.3%

(1) For 2020, the scope change was +8.0% (+€21.0M) and currency effect was -5.7% (-€14.9M)

The year 2020 was marked by the Coronavirus (Covid-19) pandemic that hit China, then a large part of Europe and finally the American continent, and which began to impact the Group's activities from February 2020.

Sales of disposable masks and overalls and, to a lesser extent, sales of certain types of protective gloves and goggles, which usually contribute around 9% of Group revenue, accounted for more than 17% of revenue in 2020.

The growth in sales of these "Covid-19" products (+121% in 2020, to €50.1M) contributed 10.4 points to the 7.3% organic growth observed at Group level in 2020.

Excluding "Covid-19" products, demand slowed sharply in several countries affected by the pandemic (Europe, Middle East, South America and to a lesser extent North America) between March and May 2020. The strong recovery in June and at the beginning of the third quarter limited this impact to -3.1% of turnover.

The table below summarises, by quarter, the breakdown of organic growth for 2020, distinguishing the proportion of organic growth (in relation to consolidated sales) from "Covid-19" products from that coming from other product families:

Breakdown of organic growth <i>In contribution to consolidated organic growth</i>	"Covid-19" Products	Other Products	Total
Organic growth for Group	+10.4%	-3.1%	+7.3%
1 st quarter	+10.6%	-5.5%	+5.1%
2 nd quarter	+15.8%	-8.3%	+7.5%
3 rd quarter	+10.2%	+4.5%	+14.7%
4 th quarter	+6.0%	-3.3%	+2.7%
Organic growth for Europe	+9.0%	-8.2%	+0.8%
1 st quarter	+6.5%	-2.7%	+3.8%
2 nd quarter	+15.3%	-19.2%	-3.8%
3 rd quarter	+10.0%	-4.0%	+6.0%
4 th quarter	+5.5%	-7.4%	-1.9%
Organic growth outside Europe	+11.7%	+1.5%	+13.2%
1 st quarter	+14.5%	-8.2%	+6.3%
2 nd quarter	+16.3%	+0.5%	+16.8%
3 rd quarter	+10.5%	+11.8%	+22.3%
4 th quarter	+6.5%	+0.8%	+7.3%

In brief, this strong demand for certain products helped mitigate the impact of the pandemic on the Group's performance, with additional sales of Covid-19-related products offsetting the decline in activity observed in the other product families, directly linked to the economic slowdown.

Europe

In Europe, turnover for 2020 (€143.0M) grew by +€17.5M (+13.9%) thanks to the integration of Odco and business from work boots (+€17.2M total, i.e. +13.7% scope change). The slightly unfavourable currency effect of -€0.9M (-0.6%), was concentrated on the Polish Zloty.

Organic growth was therefore +0.8% over 2020, thanks to the contribution of turnover generated on sales of respiratory and disposable products (contribution of +9.0%).

Sales of “Non-Covid” product families in Europe were strongly impacted by the pandemic starting in the second half of March.

Over the year, turnover from these products declined by -8.2%, despite an encouraging third quarter, marked by the recover observed in the countries most affected by lockdown measures and economic slowdowns between March and May 2020 (Italy, Spain, France) followed by gradual levelling from September onward.

Outside Europe

In markets outside Europe, the pandemic had a greater impact in the first quarter, with business then rebounding from April onwards, particularly in China.

Turnover generated outside Europe amounted to €145.7M, an increase of +5.8% compared with 2019.

As fluctuations in the Euro against most South American currencies have been much more pronounced in recent months, the Group has recorded an unfavourable currency effect of (€14M) on sales generated outside Europe (-10.2%).

Adjusted for currency effects and scope changes (€3.8M or +2.8%), turnover growth was +13.2%.

Sales of respiratory products related to the pandemic contributed 11.7% to this organic growth, concentrated in China in the first quarter and then in the American continent from the second quarter onward.

Sales of other product families also grew over the year (+1.5%), thanks to a significant rebound in the third quarter, which demonstrated the good performance of business in countries whose economies were less affected by lockdown measures (China, North America, CIS countries).

The Middle East, on the other hand, suffered a decline in activity, with the pandemic in this region compounded by the oil crisis.

Perspectives for 2021

- **Continue to meet the demand for Covid-19 protection products while limiting the negative effects of the pandemic on turnover of other product families**
- **Maintain the level of profitability achieved before the pandemic**
- **Confirm the solidity of the Group’s financial structure during this period of uncertainty**
- **Successful integration of recent acquisitions**

In 2020, Delta Plus Group demonstrated its ability to limit the impact of the Covid-19 pandemic on its business and, at the same time, to pursue a proactive acquisition policy, thereby confirming its strategy of deploying in areas with high growth potential and in high value-added businesses.

In particular, over recent weeks, the Group finalised the following operations, which will not be included in the Group's turnover until after 1 January 2021:

- December 2020: Acquisition of ERB Industries in the United States, offering head and body protection equipment on the American market
- January 2021: Acquisition of Alsolu in France in the collective protection and high access sector
- January 2021: Acquisition of Artex, key provider of personal fall protection equipment in Germany

In addition, the Group has taken all necessary measures to limit as far as possible the negative impact of this crisis on its profitability and on the future development of its business.

The Group is expected to announce a record level of operating profitability for 2020.

Delta Plus Group is therefore starting 2021 with a sound financial structure, and has set itself the objective of achieving further turnover growth this year, while remaining prudent and vigilant in view of the health and economic context, which remains very uncertain at the beginning of the year.

Next publication: 2020 yearly profits
Monday 12 April 2021, after close of trading

About DELTA PLUS

Delta Plus Group designs, standardises, manufactures or manages the manufacture of and distributes a full range of Personal Protective Equipment (PPE). Delta Plus Group is listed on NYSE-EURONEXT compartment B (ISIN: FR0013283108 - Mnemo: DLTA)

Further information available at: www.deltaplusgroup.com

CONTACT

Jérôme BENOIT
Chief Executive Officer
e-mail: relation.investisseur@deltaplus.eu
Tel: 04.90.74.20.33

Arnaud DANIEL
Administrative & Financial Director