



## **Delta Plus Group's semi-annual results for 2021 indicate growth**

**Increase in revenues of +21.8% to €166.8 million**

**Current operating profitability up 14.2% to €22.9 million (13.8% of revenues)**

**Strengthening the financial structure**

On September 3, 2021, the Board of Directors of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, approved the Group's consolidated financial statements for the first half of fiscal 2021.

These accounts have been subject to a limited review by the regulated auditors.

The results for the first semester of 2021 confirm the levels of profitability mentioned at the time of the publication of the semi-annual turnover last July.

DELTA PLUS GROUP sales increased by +21.8% over the first six months of 2021 (+9.7% on a constant scope and exchange rate basis) to €166.8 million.

This growth, combined with good margins and cost control, will enable current operating income to increase significantly compared with last year (€22.9 million in 2021 compared with €20.1 million in 2020 and €16.0 million in 2019). It amounts to 13.8% of revenues, compared with 14.7% in 2020 and 13.0% in 2019.

Net income, at €14.7 million, is also up (+10.2% compared to 2020), thanks in particular to the increase in operating income.

The balance sheet structure will be strengthened in the first half of 2021, driven by cash flow and an improvement in working capital. The Group's debt ratios remain at levels close to those at the end of 2020.

### **Recall on the 2021 semi-annual revenues**

- Revenues of €166.8 million, up 21.8%
- Dynamic growth on a constant scope and exchange rate basis: +9.7%
- Organic growth marked by a return to normal in the contribution of "Covid-19" products and by the recovery recorded in other products families
- A positive scope effect (+ €23.7 million or +17.3%) thanks to the impact of acquisitions finalized at the end of 2020 (ERB Industries - USA) and beginning of 2021 (Alsolu - France and Artex - Germany)
- An unfavorable exchange rate effect (- €7.1 million or -5.2%) linked to the evolution of the parity between the Euro and certain currencies, in particular those of South American countries (Brazil and Argentina)

## Consolidated income statement

- Current operating income up 14.2% in the first half of 2021 (€22.9 million)
- Current operating profitability of 13.8% of revenues compared with 14.7% in 2020 and 13.0% in 2019
- Consolidated net income up 10.2% compared to 2020 (€14.7 million)

in millions of Euros	30/06/2021	30/06/2020	30/06/2019	Variation 2021 vs 2020 (€ million)	Variation 2021 vs 2020 (%)
<b>Revenues</b>	<b>166,8</b>	<b>137,0</b>	<b>122,7</b>	<b>+29,8</b>	<b>+21,8%</b>
Turnover	-79,6	-65,0	-59,1	-14,6	+22,5%
Variable expenses	-14,1	-10,4	-9,5	-3,7	+35,4%
Personnel costs	-31,8	-24,4	-22,5	-7,4	+30,4%
Fixed expenses	-18,6	-17,6	-15,7	-1,0	+5,7%
Other operating income and expenses	0,2	0,5	0,1	-0,3	-60,8%
<b>Current operating income</b>	<b>22,9</b>	<b>20,1</b>	<b>16,0</b>	<b>+2,8</b>	<b>+14,2%</b>
<i>as % of revenues</i>	<i>13,8%</i>	<i>14,7%</i>	<i>13,0%</i>		
Non-current operating income	-	0,6	0,5	-0,6	
Non-current operating expenses	-1,7	-0,5	-0,2	-1,2	
<b>Operating income</b>	<b>21,2</b>	<b>20,2</b>	<b>16,3</b>	<b>+1,0</b>	<b>+5,0%</b>
Cost of financial debts	-1,0	-1,0	-1,2	-	
Other financial items	-0,2	-1,4	0,6	+1,2	
<b>Pre-tax income</b>	<b>20,0</b>	<b>17,8</b>	<b>15,7</b>	<b>+2,2</b>	<b>+12,4%</b>
Income taxes	-5,3	-4,5	-4,0	-0,8	+18,9%
<b>Net income from continuing operations</b>	<b>14,7</b>	<b>13,3</b>	<b>11,7</b>	<b>+1,4</b>	<b>+10,2%</b>
Income from assets classified as held for sales	-	-	-	-	
<b>Net income from the consolidated group</b>	<b>14,7</b>	<b>13,3</b>	<b>11,7</b>	<b>+1,4</b>	<b>+10,2%</b>
including Group portion	14,5	13,3	11,7	+1,2	+9,0%

Thanks to the increase in its revenues, the good performance of its margins and the control of its structural costs, Delta Plus Group posted an increase in its half-year operating profitability in the first half of 2021, which reached a level of 13.8% of revenues as of June 30, 2021, up 0.8 points compared to the level before the health crisis (13.0% as of June 30, 2019).

Non-current elements (- €1.7 million) include in particular the acquisition costs incurred by the Group in the context of its M&A activity.

The cost of financing is stable compared to 2020, while other financial items are little impacted in H1 2021 by negative exchange rate differences (- €0.2 million), contrary to 2020 (- €1.4 million).

The effective tax rate, which amounted to 27% in the first half of 2021, is in line with last year's rate (25%).

Including these various elements, consolidated net income increased by 10.2% to €14.7 million on June 30, 2021, compared with €13.3 million for the first six months of the previous year.

The Group's portion of consolidated net income amounted to €14.5 million on June 30, 2021.

## Consolidated balance sheet

- Improved working capital over the first six months of the year
- Shareholders' equity strengthened by first-half net income
- Financial debt ratios benefiting from cash generation in the first half

### ASSETS

in millions of Euros	30/06/2021	31/12/2020	Variation
Consolidated goodwill	150,2	129,1	+21,1
Intangible assets	1,7	1,9	-0,2
Property, plant and equipment	28,0	24,9	+3,1
Rights of use	26,3	24,5	+1,8
Other financial assets	2,2	2,1	+0,1
Deferred tax assets	4,4	4,6	-0,2
<b>Fixed assets</b>	<b>212,8</b>	<b>187,1</b>	<b>+25,7</b>
Inventories	81,0	72,6	+8,4
Trade accounts	53,1	49,6	+3,5
Other debit accounts	18,5	17,3	+1,2
Cash and cash equivalents	45,6	45,7	-0,1
<b>Current assets</b>	<b>198,2</b>	<b>185,2</b>	<b>+13,0</b>
<b>Total assets</b>	<b>411,0</b>	<b>372,3</b>	<b>+38,7</b>

### LIABILITIES

in millions of Euros	06/30/2021	12/31/2020	Variation
Capital	3,7	3,7	-
Treasury shares	-6,0	-5,9	-0,1
Consolidated reserves and income	173,3	159,5	+13,8
Minority equity interests	-0,5	-0,2	-0,3
<b>Shareholders' equity</b>	<b>170,5</b>	<b>157,1</b>	<b>+13,4</b>
Non-current financial liabilities	96,2	54,2	+42,0
Non-current lease liabilities	21,1	20,0	+1,1
Commitments given to employees	1,7	2,1	-0,4
Non-current provisions	1,8	1,6	+0,2
<b>Non-current liabilities</b>	<b>120,8</b>	<b>77,9</b>	<b>+42,9</b>
Accounts payable	36,7	31,9	+4,8
Tax and labor liabilities	19,7	15,8	+3,9
Other payables	9,3	9,4	-0,1
Current financial liabilities	48,3	75,2	-26,9
Current rental debts	5,7	5,0	+0,7
<b>Current liabilities</b>	<b>119,7</b>	<b>137,3</b>	<b>-17,6</b>
<b>Total liabilities</b>	<b>411,0</b>	<b>372,3</b>	<b>+38,7</b>

On the balance sheet front, the first half of 2021 enabled the Group to strengthen its financial structure. The operating working capital requirement has further improved compared with December 31, 2020 (103 days of revenues at June 30, 2021 compared with 109 days at December 31, 2020), thanks in particular to the reduction in the average time taken to pay customers during the first six months.

Debt ratios have remained at satisfactory levels despite the acquisitions made in recent months, all of which were financed by bank loans. Net bank debt (€98.3 million) represents 58% of shareholders' equity (compared with 53% six months ago) and 1.9 times EBITDA over the last twelve months (compared with 1.7 as of December 31, 2020).

The €42.0 million State Guaranteed Loan obtained by the Group in June 2020 was repaid for €28.0 million in June 2021.

Finally, shareholders' equity increased by €13.4 million over the half-year to €170.5 million. The impact of net income for the first six months of 2020 (+ €14.7 million) was partially offset by the dividend payment made in June 2021 (- €7.2 million). Shareholders' equity also benefited from positive exchange rate impacts in the first half of the year (+ €5.9 million).

## Outlook for 2021

- **Take advantage of the economic recovery expected in 2021**
- **Improve profitability to the level achieved before the health crisis**
- **Confirm the strength of the Group's financial structure during this period of uncertainty**
- **Successfully integrate recent acquisitions**

Throughout 2020 and the first half of 2021, Delta Plus Group has demonstrated its ability to limit the impact of the Covid-19 crisis on its business and, at the same time, to pursue a proactive acquisition policy, thus confirming its strategy of deploying in high-growth potential regions and in high value-added businesses.

In recent months, the Group has finalized the following acquisitions, which have only been included in Group revenues since January 1, 2021:

- December 2020: Acquisition of ERB Industries in the United States, a player offering head and body protection equipment in the American market
- January 2021: Acquisition of Alsolu in France in the collective protection and access to height sector
- January 2021: Acquisition of Artex, a major player in personal fall protection equipment in Germany

The Group's main objective for 2021 is to successfully integrate these new subsidiaries into the Group.

Another challenge for the Group in 2021 is to take advantage of the gradual return to normality expected in its historical markets, while meeting the demand that remains in 2021 for certain products designed to protect against Covid-19.

Delta Plus Group has a sound financial structure, and is expected to achieve further organic growth in revenues again this year despite an unfavorable base effect on Covid-19 product sales.

The Group also aims to achieve a level of current operating profitability higher than that of 2019, as 2020 cannot be used as a reference year due to its atypical nature.

## **Project to transfer the listing of Delta Plus Group shares on the Euronext Growth Paris market**

The Board of Directors of Delta Plus Group has decided on September 3, 2021 to submit to the General Shareholders' Meeting the project of transferring the listing of its shares from the regulated market Euronext Paris (Compartment B) to Euronext Growth Paris.

This project aims to enable Delta Plus Group to reduce its exposure to the regulatory constraints associated with the Euronext market and to be admitted to listing on a market offering simplified operation, more appropriate to the Group's current profile and needs.

The objective of Delta Plus Group is to continue to benefit from the attractiveness of the financial markets at a more reasonable cost, while maintaining a quality relationship with its shareholders and investors.

The Group will announce in the next few days the terms and conditions and the indicative timetable of this transfer.

Next publication: Q3 2021 revenues  
Monday, November 8, 2021 after market close

### **About DELTA PLUS**

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*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 compartment B of NYSE-EURONEXT (ISIN: FR0013283108 - Ticker: DLTA)*

More information: [www.deltaplusgroup.com](http://www.deltaplusgroup.com)

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