



Record turnover of €344.2m up +19.2% (+€55.5m)
Strong contribution of acquisitions realised in 2021 (€47.2m)
Organic growth of +5.4% on the historic scope

The 2021 sales of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, increased by +19.2% (+€55.5m) to €344.2m. The Group confirmed its sustained organic growth prospects in 2021 (+5.4%) and also benefited from a significant positive scope effect linked to the consolidation of ERB Industries (USA), acquired in December 2020, and Alsolu (France) and Artex (Germany) acquired in early 2021.

On a like-for-like basis, the consolidated turnover for 2021 increased by +5.4% (+€15.6m). As anticipated, organic growth was less dynamic in the second half of 2021 (+1.6% vs. +9.7% in the first half) due to the unfavourable base effect linked to the linked to the strong business recovery recorded in the second half of 2020.

The positive scope effect (+16.3%) represents an impact of +€47.2m on the 2021 turnover.

Negative currency effects at -€7.3m over the year, had an impact of -2.5% on the turnover, concentrated in the first half (-€7.1m).

Consolidated turnover <i>In millions of euros</i>	2021	2020	Evolution 2021/2020	Evolution Constant scope and exchange rate (1)
Group turnover	344.2	288.7	+19.2%	+5.4%
1 st quarter	81.5	67.7	+20.3%	+9.6%
2 nd quarter	85.3	69.3	+23.3%	+9.7%
3 rd quarter	80.7	72.0	+12.0%	-2.8%
4 th quarter	96.7	79.7	+21.3%	+5.5%
Europe turnover	166.4	143.0	+16.4%	+1.2%
1 st quarter	41.4	36.0	+15.1%	+0.3%
2 nd quarter	39.6	31.6	+25.4%	+8.8%
3 rd quarter	36.6	34.0	+7.7%	-8.8%
4 th quarter	48.8	41.4	+17.9%	+4.3%
Turnover - Outside Europe	177.8	145.7	+22.0%	+9.6%
1 st quarter	40.1	31.7	+26.2%	+20.2%
2 nd quarter	45.7	37.7	+21.5%	+10.5%
3 rd quarter	44.1	38.0	+15.7%	+2.6%
4 th quarter	47.9	38.3	+25.1%	+6.8%

(1) For the year 2021, the scope effect amounted to +16.3% (+€47.2m) and currency effect amounted to -2.5% (-€7.3m)

The year 2020 was marked by the Coronavirus (Covid-19) epidemic, which began to impact the Group's activities from February 2020.

This exceptional health and economic context resulted in a major slowdown in the sales of most personal protective equipment products sold by the Group, with the exception of masks, disposable overalls and some protective gloves and eyewear, whose sales had been very high in most of our subsidiaries throughout 2020, since these products were being used for protection against the virus.

Given the exceptional elements that marked the year 2020, and the return to more usual activity in 2021, the Group's growth logically benefited this year from a strong recovery in products, which had particularly suffered from the economic slowdown in 2020.

The negative base effect on the "Covid-19" products weighed on the 2021 organic growth in the opposite direction.

The table below sums up the organic growth details for 2021, by distinguishing the contribution (in relation to the consolidated turnover) of "Covid-19" products from that of other products families:

Details of organic growth <i>As contribution to consolidated organic growth</i>	"Covid" products	Other products	Total
Organic growth - Group	-7.9%	+13.3%	+5.4%
1st quarter	-4.8%	+14.4%	+9.6%
2 nd quarter	-13.1%	+22.8%	+9.7%
3 rd quarter	-8.0%	+5.3%	-2.8%
4 th quarter	-5.8%	+11.3%	+5.5%
Organic growth - Europe	-9,5%	+10.7%	+1.2%
1 st quarter	-3.8%	+4.1%	+0.3%
2 nd quarter	-16.7%	+25.5%	+8.8%
3 rd quarter	-11.3%	+2.5%	-8.8%
4 th quarter	-7.4%	+11.8%	+4.3%
Organic growth - Outside Europe	-6.3%	+15.8%	+9.6%
1 st quarter	-5.8%	+26.0%	+20.2%
2 nd quarter	-10.0%	+20.5%	+10.5%
3 rd quarter	-5.1%	+7.7%	+2.6%
4 th quarter	-4.1%	+10.9%	+6.8%

The table below sums up the organic growth details for 2021 in terms of value, by distinguishing the evolution of "Covid-19" products from that of other products families:

Details of organic growth <i>In terms of value</i>	2021 (1)	2020	Evolution (in millions of Euros)	Evolution (in %)
Group turnover	304.3	288.7	+15.6	+5.4%
"Covid-19" products	27.1	49.8	-22.7	-45.5%
Other products	277.2	238.9	+38.3	+16.0%

(1) Turnover excluding scope effect (+€47.2m) and currency effect (-€7.3m): €344.2m - €47.2m + €7.3m = €304.3m

Turnover from Covid-19 products was down -45.5% in 2021, while turnover from other products was up +16.0%.

The relative weight of "Covid-19" products was back to a recurrent historical level of around 9% of the turnover, compared to an atypical level of 17% in 2020.

Europe

In Europe, the turnover for 2021 (€166.4m) increased by +€23.4m (+16.4%) thanks especially to the consolidation of Alsolu (France) and Artex (Germany), acquired in the beginning of 2021 (total of +€21.9 million, i.e., +15.3% of the scope effect).

Over the year, the currency effect in this region was slightly negative, at -€0.1m (-0.1%), due to the change in the Polish Zloty.

The organic evolution, restated for scope and currency effects, was therefore +1.2% for the year, due in particular to a -64.0% drop in sales of "Covid-19" products (i.e., a contribution of -9.5% to the turnover in this geographical area).

Activity in other product families in Europe benefited from a strong recovery of +12.6% in 2021 (i.e., a +10.7% contribution to the turnover in this geographical area).

Outside Europe

In markets outside Europe, the earlier effects of the crisis had more impact in the beginning of 2020, especially in China.

The catching up therefore had a favourable impact on the turnover in this region in 2021.

Turnover outside Europe in 2021 amounted to €177.8m, an increase of 22.0% compared to 2020.

As the fluctuations of the Euro against most South American currencies were particularly marked in the first half of the year, the Outside Europe Group revenue recorded a negative currency effect of - €7.2m (-4.9%) in 2021.

On the other hand, positive scope effects (+€25.3m, i.e., +17.3%) thanks to the consolidation of ERB Industries (USA) and White Lake (Brazil), companies acquired towards the end of 2020.

Restated for scope and currency effects, organic turnover growth stood at +9.6% (+€13.9m) as of 31 December 2021.

Sales of respiratory products related to the health crisis weighed negatively on this organic growth (-6.3%). The sale of these products declined (-31.9%), particularly in China and South America.

Sales in other product families, on the other hand, grew strongly in 2021 (+19.7%), thanks to a significant recovery in China, South America and all Export markets, countries that were particularly penalised in 2020. These products contributed +15.8% to the organic growth of this region in 2021.

Outlook for 2022

- **Confirm positive organic growth in turnover in 2022**
- **Successfully consolidate Maspica, acquired in January 2022**
- **Maintain operating profitability at historical levels**
- **Confirm the strength of the Group's financial structure during this period of uncertainty**

Over the past two years, Delta Plus Group has proven its ability to limit the impact of the Covid-19 crisis on its business and at the same time pursue a proactive acquisition policy, confirming, through seven acquisitions finalised since the beginning of 2020, its strategy of deploying in areas with strong growth potential and high value-added businesses.

The Group achieved its main objective of 2021, which was successfully consolidating the new subsidiaries acquired at the beginning of the year within the Group: ERB Industries in the USA, Alsolu in France and Artex in Germany.

The contribution of close to €46m to the turnover in 2021 by these three subsidiaries, is in line with the most optimistic forecasts drawn up at the time of their acquisition.

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

Thus, Delta Plus Group recorded further organic growth in turnover of more than 5%, despite a negative base effect on Covid-19 product sales.

For 2022, the Group expects continued organic growth in turnover, despite the uncertain macroeconomic and geopolitical environment.

Thanks to the acquisition of Maspica in Italy, finalised in January 2022, Delta Plus Group also confirmed its desire to continue its development in the coming years in high value-added businesses and in regions with strong growth potential, enabling the Group to deploy its upmarket strategy.

In the short term, the consolidation of Maspica on 1^{er} January 2022 should generate a scope effect of over 10% for the Group.

In terms of profitability, at the end of 2021 the Group expects to achieve a current operating profitability level that is slightly higher than that of 2019, as 2020 cannot be used as a reference year given its atypical nature.

Given the strong inflationary pressures worldwide, the Group aims to stabilise its profitability at these historically high levels in 2022 and continue to strengthen its financial structure, in line with the trend of recent years.

Next publication: Annual results 2021
Monday, 4 April 2022, after trading

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 restatement of exchange rate effect consists of calculating the aggregates for the current year at the exchange rate of the previous year.

The restatement of scope effects, for newly consolidated entities (acquisitions) consists 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 1 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 restatement of scope effects, for deconsolidated entities (disposals) consists 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