



Delta Plus Group announced the acquisition of Drypro, leader in the high-end work boots segment in Mexico

Delta Plus Group, a major player in the Personal Protective Equipment (P.P.E.) market, is continuing its policy of geographic expansion and strengthening its position in high value-added segments.

After the January 2020 acquisition of two significant players in the work boots sector in Europe, the Boots Company Group in Italy and the activities of Netco Safety in France, with the aim of accelerating its development in this product segment and becoming a reference player, Delta Plus Group announced the acquisition of 100% of the shares of the Hunter Manufactura S.A de C.V (Drypro) today, with the dual aim of consolidating the development of its "work boots" business, and initiating a geographical presence in Mexico, a country with strong growth potential.

Drypro

Established more than 10 years ago in Zapopan (State of Jalisco, Mexico), Drypro designs and manufactures a range of high-end PVC work boots, especially for the food industry.

In its last fiscal year ending 31 December 2021, the company achieved a turnover of 122 million Mexican Pesos (€6 million), a 14% growth compared to 2020.

It aims to achieve a turnover of about 150 million Pesos (€7.5 million) in 2022.

Its operating profitability is similar to that of Delta Plus Group.

Its production unit, made up of three injection machines, enables Drypro to produce 90% of the products sold by the company.

The company has 45 employees.

Hunter Manufactura S.A. de C.V., which markets more than 70% of its products under its brand (Drypro) has produced more than 670,000 pairs of boots in 2021.

Over the years, it has built a portfolio of around one hundred loyal customers, mainly comprising PPE distributors, but also hardware stores and industrial end users.

The company generates more than 90% of its sales in Mexico.

Drypro has established itself as the leader in the high-end segment of its market, capitalising on the quality of its products and innovation, while developing an in-depth knowledge of the market, distributors and end users.

The consolidation of Drypro into Delta Plus Group will provide the Group with a new platform for growth in the Americas, while contributing to the plan initiated in 2020 of becoming a leading player in the work boot market worldwide.

Close collaboration with local teams will allow Drypro to expand its product catalogue to offer a multi-family "PPE" reference on the Mexican market.

At the same time, the combined skills of Drypro and Delta Plus Group in the work boot sector will enable the company to accelerate its growth in its historical markets, and find important growth relays on the American continent through the existing network of Delta Plus subsidiaries.

Delta Plus Group

At the end of July 2022, Delta Plus Group announced a record half-year turnover of €204.9 million, up +22.8% compared to 2021, and more recently, on 5 September 2022, a current operating income of €24.8 million for the first six months of the year, up +7.9%.

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 9 acquisitions finalised since the beginning of 2020, its strategy of deploying in areas with strong growth potential and high value-added businesses.

The first few months of consolidation of the new subsidiaries acquired in 2022, Maspica and Safety Link (contribution to the turnover of close to €25 million in the first half of the year) are very satisfactory. Combined with the consolidation of Drypro's turnover as of the second half of 2022, this performance allows us to slightly increase the initial target for the scope of consolidation effect, which now stands at 14% for the full year.

Furthermore, for 2022, the Group expects continued organic growth in turnover, despite the highly uncertain macroeconomic and geopolitical environment. Indeed, the first half of the year was marked by events that make the short-term profitability level uncertain for the rest of 2022: war in Ukraine, strict lockdowns in China, persistent significant inflationary pressures affecting commodity and energy prices, and huge variations in the exchange rates of the world's main currencies.

In this context, the Group is taking all measures to limit the impact of these major events on the operating profitability level and defend a level of results that is in line with previous years. 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 3rd quarter 2022
Monday, 7 November 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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