



## **2019 Half year results:**

### **Continued profitable growth for Delta Plus Group**

**Increase in sales of +7.7% to € 122.7 M**

**Improvement in current operating profitability (13.0% of turnover)**

**Consolidated net profit up 27.7% to € 11.7 M**

The Board of Directors of Delta Plus Group, a major player in the personal protective equipment (PPE) market, approved the Group's consolidated accounts for the first half of 2019 on 06 September 2019. These accounts have been reviewed by the statutory auditors.

The turnover for the first half of 2019 confirmed the profitable growth dynamic in which the Group has been operating for several years.

Delta Plus Group sales increased by +7.7% over the first six months of 2019 (+4.9% at constant scope and exchange rates) to reach €122.7 M.

Following the same dynamic, current operating income also increased significantly (€16.0 M in 2019 compared to €14.7 M in 2018). Representing 13.0% of turnover, compared to 12.7% the previous year.

Net income, which amounted to €11.7 M, grew faster (+27.7% compared to 2018), thanks mainly to currency effects that had a positive impact on the financial result.

The balance sheet structure remains solid in the first half of 2019, as a result of the improvement in cash flow. The Group's debt ratios are stable compared to the end of 2018.

## **Recall of the quarterly in 2019**

- A turnover of €122.7 M with a growth of +7.7%
- A dynamic growth at constant scope and exchange rates: +4.9%
- A good first quarter in Europe, and a very dynamic growth outside Europe driven by China
- Positive scope effect (+€4.6 M or +4.0%) thanks to the impact of the acquisitions finalised at the end of 2018 (Canada and the Netherlands)
- A slightly unfavourable currency effect (€1.4 M or -1.2%) linked to the evolution of the parity between the Euro and certain currencies from emerging countries

## Consolidated income statement

- An increase in current operating income of +8.4% in the first half of 2019 (€16.0 M)
- Current operating profit margin of 13.0% of turnover compared to 12.7% on 30 June 2018.
- Net income is also up +27.7% compared to 2018 (€11.7 M)

| In millions of Euro                          | 30.06.2019   | 30.06.2018<br>(1) | 30.06.2018   | Variation  | %             |
|----------------------------------------------|--------------|-------------------|--------------|------------|---------------|
| <b>Turnover</b>                              | <b>122.7</b> | <b>113.9</b>      | <b>115.6</b> | <b>8.8</b> | <b>+7.7%</b>  |
| Cost of sales                                | -59.1        | -54.5             | -55.0        | -4.6       | +8.3%         |
| Variable expenses                            | -9.5         | -9.2              | -9.3         | -0.3       | +4.1%         |
| Personnel costs                              | -22.5        | -20.6             | -21.2        | -1.9       | +9.4%         |
| Fixed expenses                               | -15.7        | -15.2             | -15.7        | -0.5       | +3.1%         |
| Other income and operating expenses          | 0.1          | 0.3               | 0.3          | -0.2       | -70.5%        |
| <b>Current operating income</b>              | <b>16.0</b>  | <b>14.7</b>       | <b>14.7</b>  | <b>1.3</b> | <b>+8.4%</b>  |
| <i>In % of turnover</i>                      | <i>13.0%</i> | <i>12.9%</i>      | <i>12.7%</i> |            |               |
| Non-recurring operating income               | 0.5          | 0.1               | 0.1          | 0.4        |               |
| Non-recurring operating expenses             | -0.2         | -0.1              | -0.1         | -0.1       |               |
| <b>Operating income</b>                      | <b>16.3</b>  | <b>14.7</b>       | <b>14.7</b>  | <b>1.6</b> | <b>+10.5%</b> |
| Cost of financial debt                       | -1.2         | -1.0              | -0.9         | -0.2       |               |
| Other financial items                        | 0.6          | -2.0              | -2.0         | 2.6        |               |
| <b>Profit before tax</b>                     | <b>15.7</b>  | <b>11.7</b>       | <b>11.8</b>  | <b>4.0</b> | <b>+34.5%</b> |
| Income Taxes                                 | -4.0         | -2.6              | -2.6         | -1.4       | +53.8%        |
| <b>Net income from continuing operations</b> | <b>11.7</b>  | <b>9.1</b>        | <b>9.2</b>   | <b>2.6</b> | <b>+29.1%</b> |
| Business turnover intended for sale          | -            | 0.1               | -            | -0.1       |               |
| <b>Net income of the consolidated group</b>  | <b>11.7</b>  | <b>9.2</b>        | <b>9.2</b>   | <b>2.5</b> | <b>+27.7%</b> |
| of which Group share                         | 11.7         | 9.1               | 9.1          | 2.6        | +28.0%        |

(1) IFRS 5 adjusted accounts (Assets held for sale: Sale of Nueva Sibol in Spain) and IFRS16

Thanks to the increase of its turnover and the control of its structural costs, Delta Plus Group displays in the first half of 2019 a progression of its operational profitability, which has for the first time reached 13.0% of turnover as of 30 June 2019.

As in 2018, non-current items are not significant in 2019.

The cost of financing is stable compared to 2018, while the other financial items are impacted in the first half of 2019 by positive exchange rate differences.

The effective tax rate, which stood at 25% in the first half of 2019, is in line with that recorded in the twelve months of the year 2018 (24%).

Including these various items, consolidated net income was up +27.7% on 30 June, 2019, to €11.7 M, compared to €9.2 M for the first six months of the previous financial year.

The consolidated net profit attributable to the Group amounted to €11.7 M as of 30 June 2019.

## Consolidated results

- A WCR controlled on the standard levels of recent years
- Financial debt ratios stabilising at 2018 levels
- Reinforced shareholders' equity due to the net income of the first-half

| <b>ASSETS</b><br>In millions of Euro | <b>30.06.2019</b> | <b>31.12.2018</b><br>(1) | <b>31.12.2018</b> | <b>6 months</b><br><b>Variation</b> |
|--------------------------------------|-------------------|--------------------------|-------------------|-------------------------------------|
| Goodwill                             | 91.4              | 91.5                     | 91.5              | -0.1                                |
| Intangible assets                    | 1.8               | 1.6                      | 1.6               | +0.2                                |
| Tangible assets                      | 20.5              | 18.9                     | 18.9              | +1.6                                |
| Usage rights (IFRS 16)               | 24.1              | 26.2                     | -                 | -2.1                                |
| Other financial assets               | 2.0               | 2.0                      | 2.0               | -                                   |
| Deferred tax assets                  | 3.4               | 3.0                      | 3.0               | +0.4                                |
| <b>Fixed assets</b>                  | <b>143.2</b>      | <b>143.2</b>             | <b>117.0</b>      | <b>-</b>                            |
| Stocks                               | 67.1              | 64.9                     | 64.9              | +2.2                                |
| Trade receivables                    | 47.8              | 48.1                     | 48.1              | -0.3                                |
| Other receivables                    | 13.7              | 11.1                     | 11.1              | +2.6                                |
| Availability                         | 14.0              | 17.0                     | 17.0              | -3.0                                |
| Assets held for sale                 | -                 | 1.8                      | 1.8               | -1.8                                |
| <b>Current assets</b>                | <b>142.6</b>      | <b>142.9</b>             | <b>142.9</b>      | <b>-0.2</b>                         |
| <b>Total Assets</b>                  | <b>285.8</b>      | <b>286.1</b>             | <b>259.9</b>      | <b>-0.3</b>                         |

  

| <b>LIABILITIES</b><br>In millions of Euro | <b>30.06.2019</b> | <b>31.12.2018</b><br>(1) | <b>31.12.2018</b> | <b>6 months</b><br><b>Variation</b> |
|-------------------------------------------|-------------------|--------------------------|-------------------|-------------------------------------|
| Capital                                   | 3.7               | 3.7                      | 3.7               | -                                   |
| Treasury shares                           | -5.9              | -6.1                     | -6.1              | +0.2                                |
| Reserves & consolidated income            | 138.2             | 130.2                    | 130.2             | +8.0                                |
| Non-controlling shares                    | 0.4               | 0.7                      | 0.7               | -0.3                                |
| <b>Equity</b>                             | <b>136.4</b>      | <b>128.5</b>             | <b>128.5</b>      | <b>+7.9</b>                         |
| Non-recurring financial liabilities       | 36.4              | 42.7                     | 42.7              | -6.3                                |
| Non-recurring rental debts (IFRS 16)      | 19.1              | 21.5                     | -                 | -2.4                                |
| Commitments given to employees            | 1.5               | 1.1                      | 1.1               | +0.4                                |
| Non-recurring provisions                  | 1.4               | 1.5                      | 1.5               | -0.1                                |
| <b>Non recurring liabilities</b>          | <b>58.4</b>       | <b>66.8</b>              | <b>45.3</b>       | <b>-8.4</b>                         |
| Trade payables                            | 25.1              | 26.6                     | 26.6              | -1.5                                |
| Tax and social security                   | 11.9              | 12.1                     | 12.1              | -0.2                                |
| Other liabilities                         | 7.5               | 9.1                      | 9.1               | -1.6                                |
| Current financial liabilities             | 41.5              | 37.3                     | 37.3              | +4.2                                |
| Current rental debts (IFRS 16)            | 5.0               | 4.7                      | -                 | +0.3                                |
| Liabilities for sale                      | -                 | 1.0                      | 1.0               | -1.0                                |
| <b>Current liabilities</b>                | <b>91.0</b>       | <b>90.8</b>              | <b>86.1</b>       | <b>+0.2</b>                         |
| <b>Total Liabilities</b>                  | <b>285.8</b>      | <b>286.1</b>             | <b>259.9</b>      | <b>-0.3</b>                         |

(1) IFRS5 Adjusted Accounts (Assets held for sale: sale of Nueva Sibol in Spain) and IFRS16

On the balance sheet, the first half of 2019 enabled the Group to consolidate the improvements implemented in recent years, particularly in terms of the working capital requirement. It has stabilised at its normal levels, reaching 126 days of turnover as of 30 June 2019.

The debt ratios also remain unchanged compared to 2018, with net bank debt (€61.0 M) representing 45% of equity and 1.7 times the EBITDA of the last twelve months.

Equity rose by €7.9 M over the first half, to €136.4 M, with net profit for the first six months of 2019 (+ €11.7 M) partially offset by the payment of dividends in June. (€-5.0 M).

Lastly, it should be noted that the first application of IFRS 16 led the Group to €24.1 M in usage rights in balance sheet assets and €24.1 M in liabilities.

## Perspectives

- Pursuit of organic revenue growth in 2019
- Confirm record operating profitability reached in 2018
- Confirm the strength of the Group's financial structure
- Accelerate development through targeted external growth operations

Confident after this first semester, Delta Plus Group's objective is to again this year record a new organic growth of its turnover, in a buoyant market. However, the Group remains vigilant in an uncertain geopolitical, macroeconomic and monetary context.

The Group's ambition this year is also to confirm the record level of operational profitability achieved in 2018.

Finally, Delta Plus Group, which strengthened at the end of 2018 thanks to new acquisitions, is now capitalising on a historic presence in many countries.

At the end of the integration period for the new subsidiaries, the Group confirms its commitment to pursue its strategy of strengthening its geographic coverage in areas with high potential, and also plans to continue to invest in high value-added businesses.

The strength of its financial structure, reaffirmed as a major objective in 2019, should allow the Group to confirm this model of profitable growth, shown in recent years.

Next publication: Turnover 3<sup>rd</sup> Quarter of 2019  
Monday 05 November 2019, after trading

### About DELTA PLUS:

*Delta Plus Group designs, standardises, manufactures, or produces and distributes, a complete range of Personal Protective Equipment (PPE). Delta Plus Group is listed on NYSE-EURONEXT Compartment B (ISIN: FR0012928612 - Mnemo: DLTA)*

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

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