



Turnover of €95.9m in Q1 2024 down -8.7% compared with 2023

The Q1 2024 turnover of Delta Plus Group, a major player in the Personal Protective Equipment (PPE) market, declined by -10.7% (-11.4m) to reach €95.9m.

Adjusting the 2023 turnover to take into account a €2.3m reduction linked to activities in Argentina, detailed below, the decline in turnover was limited to -8.7%, or -€9.1m for the same period.

As expected, the Group began 2024 with a decline in business due to a combination of factors:

- . An unfavourable base effect compared with the Q1 2023, which was marked by strong growth (+10.6% on a like-for-like basis and at constant exchange rates);
 - . A negative currency effect, in line with the last few months of 2023. It amounted to -€7.0m in the first quarter, representing a -6.5% impact on the change in turnover.
- It is worth noting the significant weight of the depreciation of the Argentine Peso against the Euro, which alone contributed to a negative exchange rate effect of -€5.8m over the first quarter of the year.
- . It amounted to -€7.0m in the first quarter, representing a -6.5% impact on the change in turnover.
 - . A general sluggishness in business, affecting all geographical regions.

In addition, the Group did not benefit from any scope effect in Q1 2024.

On a constant scope and exchange rate basis, organic growth in consolidated turnover amounted to -4.2% in Q1 2022 (-€4.5m).

Consolidated turnover <i>In millions of euros</i>	2024	2023	Evolution	Evolution Constant scope and exchange rate (1)
Q1 Group turnover	95.9	107.3	-10.7%	-4.2%
Europe turnover	50.0	54.3	-7.8%	-8.2%
Turnover - Outside Europe	45.9	53.0	-13.6%	-0.1%

(1) In Q1 2024, there was no change in Group structure and the currency effect was -6.5% (-€7.0m).

Summary of the impact of the economic situation in Argentina on consolidated turnover in 2023

In this context, it should also be noted that following the sharp devaluation of the Argentine Peso by more than 50% on 13 December 2023, Delta Plus Group updated the calculation of the contribution of its Argentinian subsidiary, Eslingar, in Euros, to the consolidated turnover for 2023 at the end of the year.

As a result of the sharp devaluation of the Argentinian Peso at the very end of 2023, the forecast contribution of the Argentine subsidiary to the Group's consolidated turnover is automatically reduced, from 5.5% of consolidated revenue (€22.7m) to 3.5% (€14.5m).

This technical adjustment of €8.2m was fully recognised in the 4th quarter of 2023.

The Group has indicated that this adjustment of €8.2m in December 2023 could be spread over the four quarters of the 2023 financial year as follows:

- . A negative restatement of -€2.3m on the turnover for the first quarter of 2023
- . A negative restatement of -€2.5m on the turnover for the second quarter of 2023
- . A negative restatement of -€1.7m on the turnover for the third quarter of 2023
- . A negative restatement of -€1.7m on the turnover for the fourth quarter of 2023 by replacing the negative impact of -€8.2m.

In order to give a better visibility on the consolidated turnover for 2024 restated for these impacts linked to the situation in Argentina, the table below shows the quarterly evolution of the Group's 2024 quarterly turnover:

- By restating for the negative exchange rate impact of the Argentine Peso's devaluation to include it in the organic growth in turnover generated in Argentina. This exchange rate effect can be seen as having a positive counterpart in the impact of hyperinflation. The -€5.8m negative currency effect has been deducted from the €3.1m organic growth achieved in Argentina in Q1 2024.
- Including the -€2.3m impact mentioned above on the turnover for Q1 2023.

Consolidated turnover <i>In millions of euros</i>	2024	2023	Evolution	Evolution Constant scope and exchange rate (1)
Q1 Group turnover	95.9	105.0	-8.7%	-7.6%
Europe turnover	50.0	54.3	-7.8%	-8.2%
Turnover - Outside Europe	45.9	50.7	-9.6%	-7.0%

(1) Over 2024, there was no change in the scope of consolidation and the effect of exchange rates excluding the Argentinian peso was -1.1% (-€1.1m).

On a like-for-like basis, restated organic growth in consolidated turnover came to -7.6%. There was no effect from changes in Group structure, and the restated effect of exchange rates was -1.1% (-€1.1m).

Europe

In Europe, turnover for Q1 2024 (€50.0m) was down -7.8% on 2023 (-€4.2m).

The currency effect (+€0.2m) was slightly positive during the quarter (+0.4%), concentrated on the evolution of the parity between the Euro and Polish Zloty (PLN).

As there was no scope effect in this region in 2024, organic growth therefore stood at -8.2% for the quarter.

The main European countries experienced a uniform fall in activity at the start of the year.

Outside Europe

Turnover outside Europe in Q1 2024 came to €45.8m, down-€7.2m (-13.6%) on 2023.

Adjusted for the impact of €2.3m in 2023 relating to Argentina, mentioned above, the fall in sales was only -€4.9m, or -9.6%.

The fluctuations of the Euro against the Argentine Peso (ARS) have been very pronounced in recent months, thus, the Group recorded a negative exchange rate effect of -€7.2m on the turnover realised Outside Europe (-13.5%) in Q1 2024, of which - €4.7m was attributable to the Argentine currency.

Adjusted for exchange rate effects, organic growth in turnover was -0.1% in Q1 2024.

Positive trends in South America and the Middle East offset a decline in Asia and North America.

Outlook for 2024

- **Maintain a positive organic growth in turnover in 2024**
- **Confirm the level of operating profitability achieved in 2023**
- **Strengthen the Group's financial structure during this period of uncertainty**

Over the last few years, Delta Plus Group has proven its ability to limit the impact of successive crises and at the same time pursue a proactive acquisition policy, confirming its strategy of deployment in areas with strong growth potential and high value-added businesses.

The Group, which posted record turnover of €420.6m in 2023, has confirmed its objective of further organic turnover growth in 2024, despite a macro-economic and geopolitical environment that remains highly uncertain, and an unfavourable base effect in the first half of the year, as indicated by the first-quarter figures.

At this stage, we do not anticipate any changes in the scope of consolidation in 2024, despite the Group's intention to continue investing in acquisitions.

2024 continues to be marked by events that make the short-term profitability level uncertain: war in Ukraine and the middle-east, persistent significant inflationary pressures, uncertainties over the changes in the exchange rates of the world's main currencies.

Against this backdrop, the Group is continuing to implement all measures designed to limit the impact of these significant events on the level of operating profitability, with the ambition of maintaining the level achieved in 2023.

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 the 2nd quarter of 2024
Wednesday, 24 July 2024, after market close

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

The adjusted scope effects, for newly consolidated entities (acquisitions), consist 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 1st 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 adjusted scope effects, for deconsolidated entities (disposals), consist 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