



FINANCIAL PRESS RELEASE

dlsi[®]
Groupe

Friday, September 30, 2022 after market close

Half-year results as of June 30, 2022:

Revenue: €93.2 million

Operating profit: + 127%

Improved performance in the first half of the year:

EBITDA: €4.5 M (+62%)

Tripling of net income to €2.2 million

Reinforcing the financial structure

The Executive Board approved the financial statements for the first half of 2022 at its meeting on September 23, 2022. These financial statements were reviewed by the Supervisory Board:

Thousands of € IFRS standards	06/30/2022 (6 months)	06/30/2021 (6 months)
Revenues	93 239	93 877
Current operating income	4 960	2 861
EBITDA (*)	4 535	2 805
EBITDA/Sales ratio	4.86%	2.99%
Operating income	3 503	1 541
Income before tax (**)	3 334	1 363
Income tax expense	1 128	741
Total net income	2 206	622
Net income (Group share)	2 199	723
Shareholders' equity (A)	53 778	49 277
Financial debts (B) (***)	15 902	18 024
Cash and cash equivalents (C)	21 094	19 796
Net debt (B-C)	(5 192)	(1 772)
Gearing (B-C) / (A)	- 9.65 %	- 3.60%

(*) Operating income before depreciation, amortization, provisions and reversals

(**) The value added contribution (CVAE) following the reform of the business tax has been reclassified as income tax in accordance with IFRS

(***) Financial debts take into account the adjustment to IFRS 16 and the financial lease commitment

Consolidated revenues for the first six months of fiscal year 2022 amounted to €93,239 K, compared to €93,877 K at June 30, 2021 (- 0.7%).

Difficulties in sourcing raw materials and rising energy prices are weighing on the business of the smaller companies that make up the Group's customer base. In response to this situation, these entities have limited the use of external employment solutions.

In France, revenues from framework contracts, most often signed with larger accounts, increased by 3.1% compared with the first half of the previous year.

Revenues in France reached €59.6 M (+0.2%). International operations (36.1% of consolidated revenues) were down 2.1% compared with the first half of 2021.

This decrease is due to stricter sanitary restrictions having impacted several sites in Luxembourg, whose revenues are down to €978 K (-49% compared to HY1 of the previous fiscal year), while revenues from activities in Switzerland amount to €30.7 M, up 0.3% compared to HY1 2021 (-5.4% at constant scope and exchange rates). Business in Germany is up 7.1% compared to HY1 2021 and has attained €1.9 M.

The first half of 2022, compared to HY1 2021, also shows that:

- Nuclear activity (maintenance and renovation of nuclear power plants in France) amounted to €8 million, up 9.8%
- The placement activity (recruitment of personnel on behalf of companies) attained €1.4 M, i.e. + 12%.

Difficulties in recruiting temporary staff are added to those already mentioned concerning the supply of raw materials and the rise in energy prices.

The proximity that the Group maintains with its clients via its more than 70 agencies has helped stabilize activity in the first half of the year, with the goal of a rebound.

Investment and nuclear activities should continue to contribute to growth

Sharp rise in profitability indicators

The results for the first half of 2022 show a strong improvement. Thus, the current operating income increased by 2.1 million euros, to €4,960 K as compared to €2,861 K in the first half of 2021. It represented 5.32% of revenues as of June 30, 2022, compared with 3.05% as of June 30, 2021 and 0.05% as of June 30, 2020.

This demonstrates DLSI Group's resilience in the face of a year still affected by the health crisis and its excellent operational management.

The EBITDA margin is 4.86% of revenues, up significantly from 2.99% in 2021, and reflects operational efficiency and rigorous management of all costs.

Summary: robust financial structure

The financial statements show a total of €114.6 M as of June 30, 2022 (€111.7 M as of June 30, 2021), as well as an increase in total equity to €53.8 M (€49.3 M in the first half of the previous fiscal year).

Customer receivables amounted to €41.3 M in the first half of 2022 compared with €40.9 M in the first half of the previous year.

The Group's gearing ratio was negative at 9.65% at June 30, 2022, compared with -24.4% at December 31, 2021, as follows:

- Financial liabilities amount to €15.9 M (€12.7 M at December 31, 2021),
- Cash and cash equivalents at the end of the first half of 2022 were €21.1 million (€25.4 million at December 31, 2021),
- Total equity amounted to €53.8 M (€52.1 M at December 31, 2021), taking into account the dividend of €762 K voted at the General Meeting of June 17, 2022.

The application of IFRS 16 as of June 30, 2022 has increased fixed assets by €231 K and financial liabilities by the same amount. The increase in fixed assets and the corresponding financial debt resulting from the application of IFRS 16 was €1.9 M at June 30, 2021.

Perspectives

The DLSI Group has strong resilience characteristics. Although the current environment remains difficult, the DLSI Group remains confident in its business model and its ability to adapt to an uncertain international context.

DLSI Group continues to see a steady demand from its customers with an increased order backlog compared to June 30, 2021.

Upcoming:

Publication of Q3 2022 revenues on October 28, 2022 (after market close).

About DLSI :

The DLSI Group represents a network of over 70 agencies located throughout France, in Luxembourg, Germany and in Switzerland.

With a foothold in all industries, we offer all employment solutions, from indefinite-term contracts to fixed-term contracts and temporary employment.

Listed on the Euronext Growth market of Euronext Paris since 2006, the Group generated revenue of 194.9 million euros in 2021.



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