Delfingen

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Press release

2026 Half-Year Results: Current Operating Margin of 9% and Net Income Up 42%

- **Revenue showed good resilience, down 1.9% at constant exchange rates and excluding the termination of non-contributory assembly contracts decided as part of the IMPULSE 26 plan**
- **Recurring operating income up 7.0%, bringing the recurring operating margin to 9.0% of revenue (+1.3 percentage points)**
- **Net income up 42.2%**
- **Net financial debt of €96.8 million, excluding IFRS 16, representing a debt-to-equity ratio of 2.08x**
- **Confirmation of the IMPULSE 2026 objectives**

ANTEUIL, September 14th, 2026 – The Delfingen Group, a global leader in wiring protection for the industrial and automotive sectors, has released its 2026 half-year results.

The half-year financial statements, which were subject to a limited review by the statutory auditors, were approved by the Board of Directors at its meeting on September 11th, 2026. The half-year financial report is available on the Company's website.

In millions of euros	S1 2025	S1 2026	VAR
Revenue	**215,2**	**197,2**	**-8,3%**
EBITDA	**29,5**	**30,0**	**+1,4%**
As a % of revenue	*13,7%*	*15,2%*	*+1,5 pts*
Recurring operating income	**16,6**	**17,8**	**+7,0%**
As a % of revenue	*7,7%*	*9,0%*	*+1,3 pt*
Non-recurring operating income and expenses	0,5	0,4	n/a
Operating income	17,1	18,2	+6,3%
Financial income	(5,8)	(3,2)	+62,9%
Taxes	(3,1)	(3,4)	-10,5%
Net income	**8,1**	**11,5**	**+42,2%**
As a % of revenue	*3,8%*	*5,9%*	*+2,1 pts*

Gérald Streit, Chairman and CEO of Delfingen, stated:

"The results for the first half of 2026 confirm the strength of the transformation Delfingen has undertaken. In a challenging environment, we have reached a new milestone by increasing our current operating margin to 9.0%, while continuing to reduce our debt. This performance validates the strategic

decisions made over the past two years and, above all, the ability of our teams to execute them with consistency and rigor. I would like to commend their commitment around the world.

Delfingen now has a more robust, selective, and diversified business model. We are particularly well-positioned to capitalize on opportunities arising from the acceleration of electrification. Our ambition is clear: to maintain this momentum, accelerate our growth in markets and regions with higher value-added, and set Delfingen on a sustainable path of profitable growth."

Business remained resilient: -1.9% excluding the termination of non-contributory contracts in the assembly business, as decided under the IMPULSE 26 plan

In the first half of 2026, the Group's revenue totaled €197.2 million, down 8.3%, including an unfavorable currency effect of 3.9% related to the €/$ exchange rate over the period. At constant exchange rates, revenue was down 4.5%.

Adjusted for the impact of the voluntary termination of unprofitable contracts in the technical tubing assembly business - a decision made as part of the IMPULSE 2026 strategic plan - revenue showed a limited decline of 1.9%, illustrating the resilience of the Group's core business.

The 2nd quarter marked a significant sequential improvement in business, with a 2.6% organic decline (-4.8% on a reported basis), following a 6.2% organic decline in the 1st quarter (-11.7% on a reported basis). This trend reflects both an improvement in the Automotive business and an acceleration in Industrial Markets

In the Automotive market, business confirmed a more favorable trend in the second quarter of 2026, with a 4.6% organic decline (-6.9% on a reported basis), following a sharper 8.2% organic decline in the first quarter of 2026.

Industrial Markets accelerated in the second quarter of 2026, with revenue growing by +5.1% on an organic basis (+3.6% on a reported basis) to €21.9 million, following a +2.2% organic increase in the first quarter of 2026. This momentum illustrates the progress of the diversification strategy toward higher-value-added markets, which are structurally supported in particular by electrification.

Current operating margin of 9% and net income up 42%

Despite the decline in revenue, Delfingen continues to improve its profitability, benefiting from the measures implemented as part of IMPULSE 2026: streamlining of less profitable activities, an improved product mix, cost discipline, and operational efficiency gains.

Gross profit totaled €113.7 million, representing approximately 57.7% of revenue, an improvement of nearly 3.4 percentage points year-over-year. This increase was seen across all of the Group's markets, regions, and product families.

EBITDA rose by 1.4% to €30.0 million, resulting in an EBITDA margin of 15.2%, up 1.5 percentage points compared to the first half of 2025.

Recurring operating income rose by +7.0% to €17.8 million, bringing the recurring operating margin to 9.0%, compared with 7.7% in the first half of 2025 - an increase of 1.3 percentage points. This increase reflects, in particular, an improved business mix, continued gains in operational efficiency, and effective cost control.

Operating income reached €18.2 million, up 6.3%.

After recognizing a significantly improved financial result of -€3.2 million, compared to -€5.8 million in the first half of 2025, and a tax expense of €3.4 million, net income totaled €11.5 million, up 42.2%, representing a net margin of 5.9%, an increase of 2.1 percentage points compared to the first half of 2025.

Cash Generation and Continued Debt Reduction

Cash flow from operations before net financial expenses and taxes amounted to €30.1 million, representing 15.3% of revenue.

Free cash flow amounted to €4.1 million, and net cash flow was €1.1 million, illustrating the Group's ability to continue generating cash despite a sharp increase in working capital requirements of €11.5 million compared to the first half of 2025, attributable, on the one hand, to the sequential improvement in business activity between the end of 2025 and the second quarter of 2026 and, on the other hand, to the commitment to securing the *supply chain* amid geopolitical tensions.

On a like-for-like basis and excluding IFRS 16, net financial debt stood at €96.8 million, down €1.0 million compared to December 31, 2025, and down €15.6 million compared to June 30, 2025.

As of June 30, 2026, the *leverage* ratio (net debt/EBITDA), excluding IFRS 16 and derivative financial instruments, thus decreased from 2.12x as of December 31, 2025, to 2.08x as of June 30, 2026 - already below the Group's commitments under the IMPULSE 2026 plan. As a reminder, this ratio stood at 3.02x at the end of 2024, illustrating the Group's ability to rapidly reduce its debt thanks to its financial discipline. The *gearing* (net debt/equity) stood at 63.0%, compared with 67.2% as of December 31, 2025, and 79% as of June 30, 2025.

As of June 30, 2026, the Group had gross cash of €23.6 million (€25.2 million as of December 31, 2025, and €20.5 million as of June 30, 2025).

Outlook

The results for the first half of 2026 confirm the excellent execution of the IMPULSE 2026 plan, enabling Delfingen to move forward on a stronger foundation and pursue a strategy focused on higher-quality growth, prioritizing value over volume.

Delfingen thus intends to accelerate the development of its Industrial Markets, continue its business expansion in high-potential geographic regions, and strengthen its position in higher-value-added solutions. To achieve this, the Group will benefit from favorable structural trends, including the global acceleration of electrification and the increasing complexity of electrical architectures. It will continue to rely on its "local-to-local" organizational structure, which enables it to combine proximity to its customers with competitiveness and supply chain resilience.

This ambition will be pursued with a high degree of vigilance in a geopolitical and economic environment that remains uncertain. Visibility in the markets - particularly the automotive sector - remains limited, and fluctuations in oil and raw material prices are a particular focus for the Group, as a plastics processor. In this context, Delfingen will maintain strict discipline in the allocation of its resources, prioritizing the preservation of its margins, cash flow generation, and the strength of its financial structure.

Building on the progress made with its IMPULSE 2026 plan and the results recorded in the first half of the year, Delfingen confirms its objectives for fiscal year 2026:

- Revenue stability at constant exchange rates;
- Current operating margin above 7.5%;
- Debt-to-equity ratio below 2.25x.

About Delfingen

Delfingen is the world leader in electrical cable protection solutions in very restrictive environments for different types of industries (robotics, energy, automotive, etc.).

A family-owned company, the Group has 3,800 employees and a global presence that ensures proximity to its customers, with 40 offices in 20 countries on four continents: Americas, Europe, Africa and Asia.

Delfingen is at the heart of the strategic challenges facing its markets: electrification, connectivity, safety, and decarbonization.

Delfingen is listed on the Euronext Growth Paris market (FR0000054132 - ALDEL) and is a member of the MiddleNext association.

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