Gévelot

ANNUAL REPORT

2020 financial year

200 years

1820 - 2020

This is a free translation into English of the 2020 Annual Report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with French law and professional auditing standards applicable in France. In case of discrepancy the French version prevails.

BICENTENARY OF THE GEVELOT GROUP

1820 – 2020

Two centuries of family and industrial history

Proud of our industrial past that goes back to the nineteenth century, grateful to the pioneers of the different businesses explored in the twentieth century, present today in the twenty-first century in the innovative field of fluid transfer, I wanted this document to relate the glorious and also the more difficult experiences of this long family and industrial history.

My gratitude goes to our founders, our customers, our partners and the different teams who, over the years, have made us what we are today: a dynamic and innovative industrial group serving its customers across the globe.

We currently operate on the global food, industrial and oil & gas markets. Our presence is ensured by a multicultural team of over 38 different nationalities on 4 continents, in 30 legal entities operating in over 100 countries.

In this financial statement for financial year 2020, we report on our business and results which were impacted by the Covid 19 health and economic crisis.

Our solid fundamentals, our ability to adapt and the support of the public authorities in many countries have helped limit the negative impact of these various unprecedented crises.

Our Group, which has overcome so many hurdles in its long history, has once more shown its resilience. The faultless commitment of all its employees has once again been observed.

Annual General Meeting of 17 June 2021

Gevelot Group

2020 Accounts

Société Anonyme (public limited company) with a registered capital of 26 932 500 euros
Head Office, Direction and Administration:
6, boulevard Bineau
92300 Levallois-Perret
562 088 542 R.C.S. Nanterre – SIRET N° 562 088 542 00369

www.gevelot-sa.fr

Financial year 2020

Administration of Gévelot S.A.

Board of Directors

Chairman & Managing Director	Mario MARTIGNONI
Directors	Roselyne MARTIGNONI
	Claudine BIENAIMÉ ✞ (until August 2020)
	Armelle CAUMONT-CAIMI
	Charles BIENAIMÉ
	Pascal HUBERTY
	Jacques FAY

Management

Managing Director	Mario MARTIGNONI
Deputy Managing Director	Philippe BARBELANE

Auditors

Permanent	PricewaterhouseCoopers Audit (PwC) represented by Jean-Romain BARDOZ
	RSM PARIS represented by Régine STEPHAN

Listing Sponsor

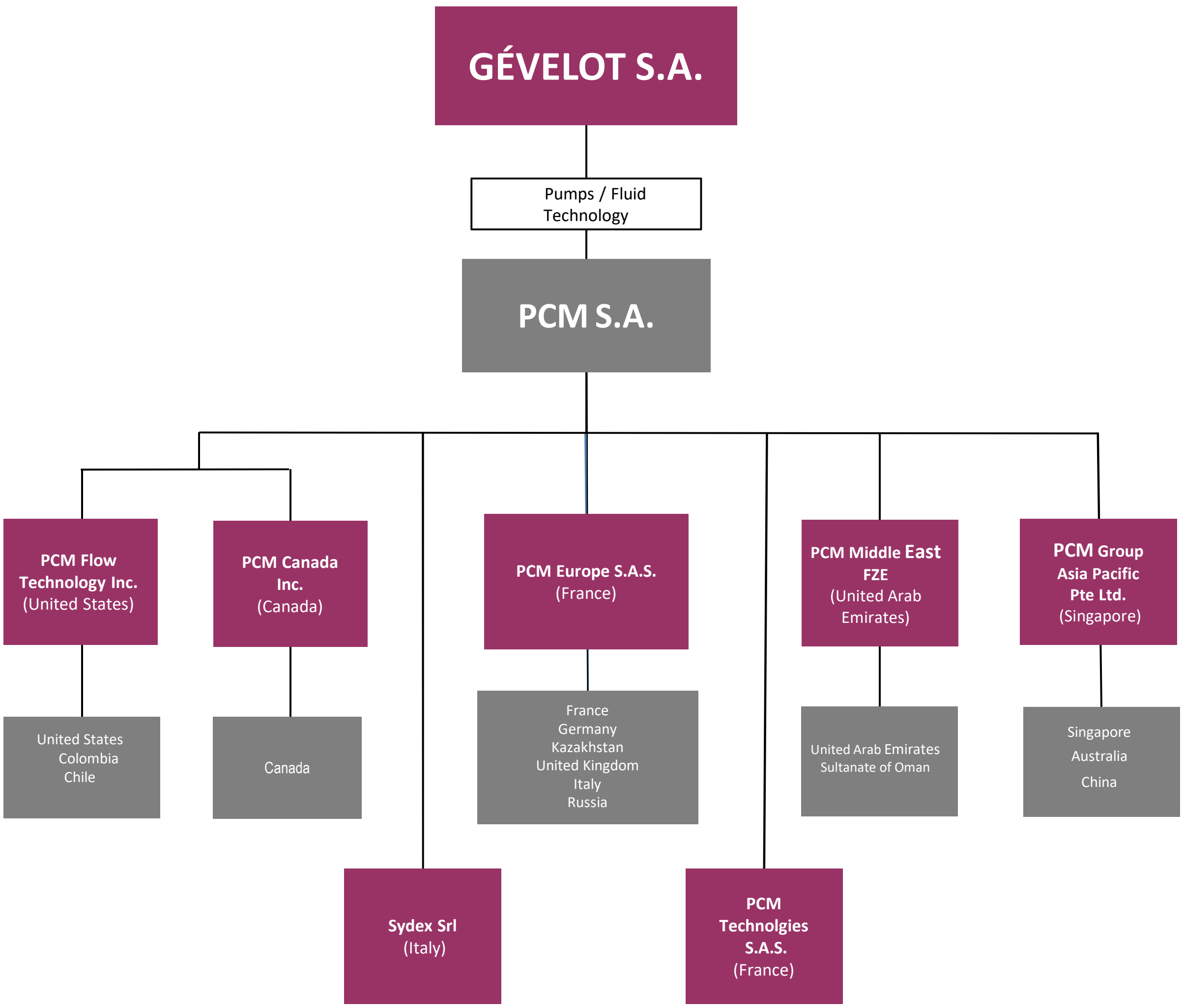
Permanent	Société de Bourse Gilbert DUPONT represented by Jérôme GUYOT

Managers of subsidiaries

PUMPS Sector

Chairman and Managing Director	Mario MARTIGNONI
Deputy Managing Director	Frédéric GARDE

GROUP COMPANIES



Agenda

of the Annual General Meeting of 17 June 2021

- Management Report from the Board of Directors on the progress of the Company during the fiscal year 2020,
- Report from the Statutory Auditors on Corporate Financial Statements and Consolidated Accounts of the fiscal year 2020,
- Approval of the Corporate Financial Statements for the fiscal year ended 31 December 2020,
- Approval of the Consolidated Accounts for the fiscal year ended 31 December 2020,
- Approval of the Agreements mentioned in Article L.225-38 of the French Commercial Code,
- Allocation of net income of the fiscal year 2020,
- Discharge of Directors,
- Directors,
- Powers,
- Questions

Overview of Gévelot Group

Annual key figures

(in thousands of euros)

	2020	2019	2020/2019 Percentage change	2018
Group				
Turnover	**89 529**	103 730	[1] *(13.7)*	94 225
Turnover originating outside France	*68 136*	*80 429*	*(15.3)*	*72 670*
EBITDA *	5 522	7 986	-	6 553
Current operating income	**4 068**	8 551	-	7 373
Non-current operating income and (expenses)[2]	(731)	(145)	-	(31)
Operating income	**3 337**	8 406	-	7 342
Financial income	(929)	2 145	-	593
Current income before tax	**2 408**	10 551	-	7 935
Net income for the consolidated group	**1 205**	8 937	-	6 180
Net income attributable to non-controlling interest	229	283	-	199
Profit attributable to parent company	**976**	8 654	-	5 981
Net income per share attributable to parent company (in euros)	1.27	11.25	-	7.62
Cash flow from operating activities	[3] 15 954	[3] 13 937	-	9 222
Equity	**197 074**	199 225	*(1.1)*	191 793
Debt / Equity (in %)	*4.3*	*6.2*	-	*5.5*
Headcount	*696*	*711*	*(2.1)*	*623*

* EBITDA : gross operating surplus

	2020	2019	2018
[1] at constant scope and exchange rates -13,5 %			
[2] including asset valuation Canada	(579)	-	-
[3] including IFRS 16 impact	2 349	2 060	-

Gévelot S.A.	2020	2019	2020/2019 Percentage change	2018
Turnover excluding tax	**773**	798	*(3.1)*	565
Operating income	(874)	(706)	-	(800)
Financial income	1 738	3 107	-	3 254
Current income before tax	864	2 401	*(64.0)*	2 454
Exceptional income [4]	(43)	107	-	701
Net income	**1 396**	3 142	-	3 214
Cash flow from operations	1 475	3 093	-	2 707
Net dividend per share (in euros)	1.60	1.80	-	1.80
Headcount	*5*	*5*	-	*5*

	2020	2019	2018
[4] including the disposal of Gévelot Extrusion	-	-	800

Accounts 2020

Management and Corporate Governance Report

Ladies and Gentlemen,

According to the Law and our By-Laws, we have convened this General Meeting to report to you on the activity of our Company and its subsidiaries during the financial year and submit for your approval the Annual Accounts and the Consolidated Financial Statements on 31 December 2020 and also provide you with information about the Corporate Governance of our Company (Articles 225-37 al.6; L. 225-68 al.6 ; L. 226-10-1 of the French Commercial Code).

Pursuant to Article L. 225-102-1 of the French Commercial Code and the effect of the transposition of the European Directive on non-financial reporting, we will publish a Non-financial performance statement for FY 2020 in a report appended to this Management Report. This will be checked by an independent third-party organisation.

Group activities and results

The scope consists mainly of the Pumps Sector held through its subsidiary PCM SA, the other sector being the Holding company's real estate activity.

Consolidated turnover for FY 2020 amounted to € 89.5 million against € 103.7 million in 2019, down 13.7%. On a like-for-like basis in terms of exchange rates and scope, the reduction is 13.5%.

In August 2020, the Group's subsidiary PCM Artificial Lift Solutions Inc. completed the acquisition in Canada of certain assets of Halliburton Energy Services Inc., known as Europump Systems Inc. and exclusively consisting of stocks and assets.

The 2020 financial year was marked by the oil and health-related Covid-19 crises which led to a severe global economic and financial downturn. The Group's markets have all been affected to varying degrees depending on their particular geographical area. If the spare parts business sectors of the Food and Industry maintained a certain pace of growth, the other activities in these markets declined significantly. The Oil & Gas markets were strongly hit by the collapse in oil prices in Spring 2020, although the Canadian zone marked some resilience, bolstered by the acquisition of Europump.

The Consolidated turnover from other activities amounted to € 0.2 million, stable compared to 2019.

Detailed comments on the consolidated results

The **Group's consolidated operating income in 2020 amounted to a profit of € 4.1 million against € 8.6 million in 2019, i.e. a** decrease of € 4.5 million.

The Pumps Sector's contribution declined but remained positive for € 4.8 million (€ 9.1 million in 2019).

The decline in activity related to the oil and health crises explains this deterioration. The various governmental support schemes received both in France and abroad, totalling € 2.7 million, only partially made up for the loss.

The contribution of the real estate activity of the Holding was negative at € 0.7 million.

Operating income for 2020 was positive at € 3.3 million against € 8.4 million in 2019, down € 5.1 million.
This included € 2.0 million of income related to the accounting processing of the acquisition, of the assets of Europump Systems Inc., as well as € 2.6 million in net charges consecutive to the depreciation of the value of certain assets of Cougar Wellhead Services Inc. and Cougar Machine Ltd. companies.

The Consolidated financial income was negative at € 0.9 million against a positive € 2.1 million the previous year, i.e. down € 3 million, mainly due to lower income (€ 0.7 million) and negative net currency effects in 2020 (€ 1.2 million) against positive effects in 2019 (€ 0. 9 million).

In **2020, net charges of consolidated tax totalled € 1.2 million against € 1.6 million in 2019**.

Consolidated net income for FY 2020 of integrated companies was € 1.2 million against € 8.9 million in profit in 2019, down by € 7.7 million.

The share of income attributable to non-controlling interest was positive in 2020 at € 0.2 million against a positive € 0.3 million in 2019.

Ultimately, the Group share of Consolidated net income for 2020 activities amounted to a positive € 1.0 million against a positive € 8.6 million in 2019.

The cash flow from operations, remained positive, € 16.0 million against € 13.9 million in 2019.

The contribution of different activities to overall consolidated results sectors is developed in the Appendix of the Consolidated Financial Statements (Note 18).

Group investments

Investments in 2020 mainly in the Pumps Sector totalled € 2.4 million (including € 0.8 million in intangible assets) against € 4.3 million (including € 0.7 million in intangible assets) in 2019.
No investments were made during the year that would bring the Group to hold a significant stake in a company having its registered office in French territory.

Jobs

The Group's headcount on 31 December 2020, excluding temporary staff, totalled 667 people, including 323 outside France, against 711 people, including 339 outside France in late December 2019.

Structure of the consolidated balance sheet

The consolidated balance sheet in 2020 amounted to € 279.4 million against € 296.4 million in late 2019, i.e. a decrease of € 16.6 million.

Non-current assets at € 41.3 million were down by € 11.6 million. This decrease was mainly due to the depreciation of goodwill observed in 2019 in Wellhead Services Inc. Cougar and Cougar Machine Ltd. (- € 7.9 million) and other net changes for the year (- € 3.7 million).

Current assets at € 238.5 million were down by € 5 million (net).

This net change was due partly to the change in bank deposits at more than three months for +€ 23.9 million, the increase in trade receivables (+ € 2.4 million) and current tax debt (+€ 0.3 million), minus the decrease in other receivables (- € 0.8 million) of stocks (- € 0.6 million) and in cash (- 30.2 million).
Excluding the change in bank deposits at three months, cash decreased by € 6.3 million.

Shareholders' equity at € 197.1 million was down € 2.1 million, corresponding to: +€ 1.2 million in consolidated results in 2020, -€ 1.2 million in dividends, - € 2.0 million in translation adjustment and € 0.1 million of miscellaneous.

Provisions for risks and charges at € 3.9 million were up sharply by € 0.6 million after including the endowment of pension provisions (+ € 0.3 million).

Debts at € 78.8 million decreased by € 15.1 million due to the following declines: financial liabilities (-€ 4.0 million including -€ 1.1 million related to the application of IFRS 16 and - € 2.8 million of net change in borrowings), payables (€ - 6 million, including contract liabilities (€ -2.0 million) and suppliers (€ -3.6 million), and other creditors (-€5.5 million earn-out).

Consolidated financial structure

The consolidated net financial structure (current financial assets and cash and cash equivalents minus loans taken out with banks and miscellaneous financial debts) is positive and amounted to € 146.0 million, a decrease of € 2.3 million compared to 2019 due to the € 30.2 million decline in net cash offset by the increase in current financial assets for € 23.9 million (variation in bank deposits at over three months) and the € 4.0 million reduction in financial debt.

In total, current assets amounted to € 238.5 million largely covering all debts to third parties within one year, amounting to € 72.7 million.

To summarise, the "debt / equity" ratio was 4.3% against 6.2% at the end of 2019.

The "debt / turnover" ratio amounted to 9.4% against 11.9% at the end of 2019.

The total financial cost of the debt stood at the end of 2020 at € 271 K (0.3% of turnover) against € 212 K at the end of 2019 (0.2% of turnover).

Parent company's activity

The turnover of Gévelot SA, the Parent Company, was € 773 K in 2020 against € 798 K in 2019.

Leases at € 230 K were down € 24 K on the previous year.

They correspond to the leases of office spaces located in Levallois-Perret to a subsidiary and third party companies.

Services invoiced at € 543 K were stable.

Other products and miscellaneous at € 82 K were down.

Overall, operating revenue amounted to € 855 K against € 898 K, a decrease of € 43 K.

Operating expenses at € 1,729 K against € 1,604 K in 2019 increased by € 125 K.

Purchases and external expenses € 610 K were up € 87 K, due to higher expenses related to the Holding company's activities (fees and commissions).

Taxes amounted to € 121 K, a slight increase.

Payroll costs at € 875 K increased by € 46 K.

Depreciation and amortisation expenses were stable at € 56 K.

Other expenses at € 67 K fell by € 15 K.

The year's operating income amounted to a negative € 874 K against a negative € 706 K in 2019.

The financial income remained positive and amounted to € 1,738 K against € 3,107 K in 2019.
It consisted mainly of a dividend of € 1.502 K received in 2020 from PCM SA (€ 2,254 K in 2019), net foreign exchange charges of € 249 K (compared to a net income of € 238 K in 2019) and income from cash of € 485 K (€ 615 K in 2019).

The pre-tax result spring showed a profit of € 864 K against € 2,401 K in 2019.

Extraordinary income was negative by € 43 K compared to a negative € 46 K in 2019 (not included in general allocated funds/reversal of provisions after tax related to previous tax audits).

In the absence of its own tax, and after € 572 K of tax savings related to the tax integration scheme, **Gévelot S.A.'s net corporate income in 2020 stood at € 1.396 K compared to a positive € 3,142 K in 2019.**

Activity of the Subsidiary (PCM SA)

The main information about PCM SA presented below is extracted from Financial statements prepared in accordance with local rules.

Financial data (in millions of euros)

Subsidiary	Turnover	Operating income	Financial income	Extraordinary income
PCM SA	1.1	0.7	5.1	- 0.1

Subsidiary	Net income	Self-financing capacity	Industrial investments	Financial investments
PCM SA	4.3	4.7	0.2	7.1

Headcount on 31 December 2000

Subsidiary (excluding temporary s	Total
PCM SA	3

Group research and development activities

For the entire Group, research and development spending for the Pumps sector amounted in 2020 to over 2% of turnover, including € 1.9 million that are eligible for Research tax credits, and generated tax credits amounting to € 0.5 million.

In terms of research and development, if 2020 is marked by a slowdown of "agile" projects, the sale of products in the process of catalogue listing proved how close R&D activity is to sales and customers: DX Duplex, MSH Easyfeed, HYVA as well as high flow pumps in the Oil & Gas sector. Finally, inroads into connected technology products have resulted in commissioning, troubleshooting and auditing services implemented remotely.

Group outlook for 2021

Parent company

Gévelot SA turnover will again consist of leases and services.

In terms of financial revenue, a stable dividend or even an increase in 2021 should be seen in our subsidiary.

The outlook for 2021 remains uncertain. Our resources, namely from leases and service, and the operating result should, however, be stable.

In addition, our financial income should remain profitable and continue to grow and ultimately the net profit of the holding company should progress.

The study of acquisition opportunities for new properties in the Greater Paris Area continues.

Pumps sector

The trend in the first quarter shows encouraging signs even though medium- to long-term prospects remain uncertain in the specific context of the ongoing Covid-19 health crisis.

In this context, all efforts are concentrated on full business continuity, satisfying customer needs, employee safety and continued rationalisation and cost control in its various markets.

Risk Management

As part of the description of the main risks facing the Group, the following points are to be noted:

General Risks

1. Market risks

The specific activity of Oil pumps is closely dependent on oil prices (Brent Crude, WTI Crude), where producers generally maintain or increase production when oil prices are above their marginal cost. 2020 saw an unprecedented collapse in oil prices, but in 2021, for the time being, a recovery path coinciding with an increase in demand and crude oil prices is observed. The level of oil pumps business will improve if well activations are confirmed.

The sales performance in other areas of the Pumps Sector (Food and Industry markets) is usually linked to economic activity in France and abroad.

2. Country risks

The Group is exposed to Country risks for part of its business, mainly in the oil-related sector, due in particular to its presence in areas with significant geopolitical risks (Middle East, Africa, Latin America).

Financial risks

Through its activities, the Group is exposed to various types of financial risks. These risks are related to the Group's business activities, its financing needs as well as its investment policy especially internationally. These mainly involve risks of exchange and interest rate fluctuations.

1. Financial risks related to industrial and commercial activities

- Operational exchange risks

The Gévelot Group is exposed in its business activities to financial risks from variations in the exchange rates of some currencies due to the location of its main production site in the euro zone and its sales areas worldwide involving foreign currency invoicing, mainly in US or Canadian Dollars.

Currency risk management in Pumps and Fluid Technology is based on the principle of invoicing by the Group's production entities to sales entities in the latter's local currency. This intercompany invoicing is subject to forward exchange hedging of their payment if the amounts are significant.

The same principle is applied to sales outside the Group for customer invoicing in foreign currency. Forward exchange hedging is set up when a significant sales transaction in foreign currency occurs.

The Group does not engage in forward exchange hedging on its future sales. The operating margin is therefore subject in the future to variations depending on the evolution of exchange rates.

- Exchange risks - Cash and cash equivalents

The evolution of the exchange rates between North American currencies has been closely monitored and resulted in guaranteed capital investments with first rate banks.

- Price variation risks

The Group is sensitive to changes in the prices of its raw materials and logistics costs. An increase in these prices, including steel, has been observed and will significantly impact the operating margin in 2021. The Group, in an attempt to limit the impact, continues to develop its multiple sources, including internationally.

- Credit risk

The Group pays particular attention to the security of payments of the goods and services it delivers to its customers.

European Customers show no significant individual risks and receivables are usually collected by specialised companies. Major Export Customers positioned in areas of major geopolitical risks are specifically monitored.

2. Financial risks linked to financing activities

The Group mainly self-finances its industrial and commercial activities, particularly due to its solid financial structure and rarely appeals to the banking sector for its international investments.

- Changes in rate variations

When necessary, the Group sets up interest rate change hedging instruments for long-term borrowing at variable rates and in large amounts. For this, the Group's cash service analyses the portfolio and suggests the appropriate tools for subsidiaries (interest rate swaps) to limit future risks within appropriate costs and controlled limits.

3. Financial risks related to investment transactions made abroad

- Country risks

The Group holds assets in countries where the political and economic stability is not guaranteed. However, these assets represent an insignificant share of the Group's assets. Specific insurance covering investments present in the country has been taken, out in each case.

- Exchange risks

The Group holds investments abroad and outside the euro area, whose net assets are exposed to the risk of currency translation. These net assets located in the USA, China and the Near and Middle East, are not hedged in any specific way.

4. Financial risks linked to cash management

The Group's investment securities portfolio consists mainly of monetary investments. The Group has some marketable securities (12.4% of cash) based on indices and whose capital is not guaranteed, but with protective barriers. Remuneration rates are close to market rates.

Information on payment terms

(Invoices received and issued, not settled)

Pursuant to Article D441-6 of the French Commercial Code, we present in the following table the breakdown of due payables and receivables.

Invoices received and not settled at the date of the close of the financial year whose due date has expired (Commercial Code - Article -6 D.441, I. - 1)						
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1d & more)
(A) Bands of late payment						
Number of invoices affected	0					2
Total amount (including taxes) of invoices concerned			€ 0 K			€ 0 K
% of total amount of purchases including tax for the year			0.03%			0.03%
% of turnover (including taxes) for the financial year						
(B) Invoices excluded from (A) relating to disputed or unrecorded debts and receivables						
Number of invoices excluded						
Total amount of excluded invoices						
(C) Reference payment terms used (contractual or statutory term - Article L.441-6 or Article L.443-1 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Contractual deadlines consistent with the Terms and Conditions of Purchase					

Invoices issued and not settled at the date of the close of the financial year whose due date has expired (French Commercial Code - Article D.441- 6 I- 2)						
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1d & more)
(A) Bands of late payment						
Number of invoices affected	2					1
Total amount (including taxes) of invoices concerned	€ 11 K		€ 7 K			€ 7 K
% of total amount of purchases including tax for the year						
Turnover (including taxes) for the financial year	1.06%		0.71%			0.71%
(B) Invoices excluded from (A) relating to disputed or unrecorded debts and receivables						
Number of invoices excluded						
Total amount of excluded invoices						
(C) Reference Payment terms used (contractual or statutory period - article L. 441-10 I and L.441-11 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Contractual deadlines consistent with the Terms and Conditions of Sale					

Allocation of earnings:

The following allocation of earnings will be proposed to the next General Meeting:

Profit for the year.. € 1,395,921.00

Previous retained earnings of €16,701,477.82

Total to allocate .... € 18,097,398.82

. Dividend: .... - € 1,539,000.00

. Retained earnings
after allocation: €16,558,398.82

The total dividend amounts to € 2 per share for 769,500 shares, i.e. € 1,539,000.00 and will be available for distribution from 24 June 2021.

In accordance with Article 243 of the French Tax Code, it is specified that the entire dividend proposed is eligible for the 40% rebate claimable by individuals residing fiscally in France under section 158-3, 2 of the French Tax Code.

This rebate is applicable in the case of an express, irrevocable and general option for a sliding scale of income tax when the beneficiary files their annual income tax return.

In the absence of such an option, the dividend to be paid to these individuals fiscally resident in France falls within the scope of application of the single standard deduction (PFU) without the application of this 40% rebate.

Before the payment, the dividend is subject to social contributions and, unless an exemption is duly requested by the taxpayer, to the statutory levy of 12.8% provided for in Article 117 "quater" of the French Tax Code, as an instalment of income tax.

It is recalled that the following dividends were distributed over the last three years. These dividends are fully eligible for the 40% rebate mentioned in Article 158.3.2 of the French Tax Code:

Financial year	Net	Tax credits	Number of shares served	in total
2017	1.80	For info	769,500	820,500
2018	1.80	For info	769,500	769,500
2019	1.60	For info	769,500	769,500

Stock market

In 2020, the share price on Euronext Paris Growth was as follows:

	Euros
Price at end of 2019	199.00
Lowest price	140.00
Highest price	202.00
Price at end of 2020	163.00
2020 trading volume	38,547
2019 trading volume	17,915

On 31 March 2021, the share price was €189 with a trading volume recorded since the beginning of the year of 24,061 securities.

Shareholding

On 31 December 2020, Gévelot was controlled by up to more than two thirds of capital primarily through:

- the Sopofam SA company, more than a third,
- the Rosclodan SA company, more than one twentieth.

On 25 January 2021, a collective undertaking to retain shares for a two-year period was signed by a group of shareholders covering 59.18% of Gévelot shares .

Mario Martignoni informed Gévelot on 1 April 2021 that he had exceeded, in the context of its direct and indirect holding through the Sopofam SA company that he controls, the ownership threshold of 50% of voting rights in extraordinary meetings (50.42%), the rate being 49.28% in ordinary meetings.

This threshold crossing was the subject of an exemption decision by the AMF on 3 March 2021 from the requirement to file a mandatory takeover bid for the shares of Gévelot.

None of the Companies controlled by Gévelot holds any shares in this Company.

To our knowledge, the capital of the Company is not subject to any detention by the Group's personnel, whatever the context and origin.

Events after the end of the financial year

Holding

Gévelot SA will continue to lease its property in Levallois Perret, managing the impacts due to the health crisis as best as possible.

Pumps sector

In late March, the Pumps Sector witnessed an encouraging trend on its various activities. The outlook remains uncertain, however, in the specific context of the Covid-19 related health crisis.
The measures taken to optimise the organisation of the Sector and its costs will be extended, while maintaining its strong commitment to customers.
The acquisition strategy will continue, especially internationally.

Corporate Governance

MiddleNext

In terms of governance, Gévelot SA has followed the recommendations of the "Middlenext" Corporate Governance Code since April 2014 (Code revised in September 2016).

Methods of exercising General Management

Since the choice of one-tier system by the Board of Directors in October 2002, the Chairman of the Board also assumes the General Management.

Since then, a Deputy General Manager has been appointed by the Board of Directors on the proposal of the Chairman and CEO .

Functioning of Corporate Bodies

The Board of Directors has six members including two women and four men.

The Board of Directors met twice in 2020.

Company officers

Ms Claudine Bienaimé passed away in the summer of 2020. A Director of the Company for nearly fifty years, the second largest shareholder of the Group, her constant commitment and her strong contribution to strategic decisions actively participated in the Group's evolution and developments.

The renewal of the mandates of Mr. Charles Bienaimé and Pascal Huberty as members of the board will be submitted to the General Meeting.

Mandates and functions exercised by each corporate officer

Pursuant to the provisions of Article L 225-102-1 of the French Commercial Code, below we report the functions performed by each of the Corporate Officers of Gévelot during the year.

Mario Martignoni, CEO and Director,

exercises the following functions within the Group:
- CEO and Director of PCM SA
- Director and Chairman of the Board of Directors of PCM Group Italia Srl (Italy)
- Director of PCM Kazakhstan LLP (Kazakhstan)
- Director of PCM Muscat LLC (Oman)
- Director of PCM Middle East FZE (UAE)
- Director of PCM Flow Technology Inc. (United States)
- Director of PCM Group Asia Pacific Pte. Ltd. (Singapore)
- Director of PCM Artificial Lift Solutions Inc. (Canada)
- Director of PCM Canada Inc. (Canada)
- Director of Cougar Machine Ltd (Canada)
- Director of Cougar Wellhead Services Inc (Canada)
- Director of PCM Trading Shanghai Co. Ltd. (China)
- Director of PCM Suzhou Co Ltd. (China)
- Director of Sydex Srl (Italy)

Functions outside the Group:
- CEO of Sopafam SA
- Sole Director of Martignoni 1518 Srl (Italy)*

** Position held since 28/02/2020*

Mr Philippe Barbelane, Deputy Managing Director

exercises the following functions within the Group:
- Director of PCM SA

Functions outside the Group: none

Claudine Bienaimé✞, Director,

exercised the following functions within the Group(*):
- Director of PCM SA

Functions outside the Group:
- CEO of Société Immobilière du Boisdormant SA
- Director and Deputy Managing Director of Rosclodan SA
- Director and Deputy Managing Director of Sopafam SA
- Manager of SCI Presbourg Etoile
- Auditor with the Audit Committee of Publicis Groupe SA

(*) Functions exercised until 04.08.2020

Ms Roselyne Martignoni, Director,

exercises the following functions within the Group:
- Director of PCM SA

Functions outside the Group:
- Director of Sopofam SA
- Director of Rosclodan SA

Mr. Charles Bienaimé, Director,

does not hold any other function within the Group

Functions outside the Group:
- Member of the Board of Directors of Financière Meeschaert
- Deputy Managing Director of SEGFM (Société d'Etudes et de Gestion Financière Meeschaert)
- CEO of Rosclodan SA
- Director and Deputy Managing Director of Société Boisdormant SA

Mr. Jacques Fay, Director,

exercises the following functions within the Group:
- Director of PCM SA

Functions outside the Group: none

Mr Pascal Huberty, Director,

does not hold any other function within the Group

Functions outside the Group:
- Business Development Manager Division Groupe Coveris
- Manager of SCI Les Blés

Ms Armelle Caumont-Caimi, Director,

exercises the following functions within the Group:
- Director of PCM SA

Functions outside the Group: none

Agreements with corporate officers

(Art. L.225-37-4, 2 of the French Commercial Code)

There is no agreement made directly or through an intermediary, between, on the one hand, one of the officers or a shareholder holding a fraction of the voting rights greater than 10% of a company and, on the other hand, another company controlled by the former within the meaning of article L.233-3 (directly or indirectly holds a fraction of the higher voting rights to 40% and no other partner or shareholder directly holds, directly or indirectly, a fraction greater than theirs) (unless in the case of current agreements concluded under normal conditions).

Valid delegations for capital increases

None.

Other valid delegations

None.

Other legal and tax information

Non-deductible expenses

(Articles 39-4 and 223 "quater" of the French Tax Code)

For Gévelot SA, reinstatements of overheads in taxable income in the 2020 financial year amounted to € 50,143 against € 34,996 in 2019. No tax has been paid due to the tax loss carry-forward.

This report shall be filed with the Registry of the Commercial Court in accordance with the Law.

The Board of Directors

Consolidated Financial Statements at 31 December 2020

Consolidated balance sheet at 31 December 2020

I.F.R.S. accounting basis **ASSETS** *(in thousands of euros)*		Net amount at 31.12.2020	Net amount at 31.12.2019
Goodwill	*Note 4*	1 759	10 062
Intangible assets	*Note 4*	1 977	1 502
Tangible fixed assets	*Note 4*	29 531	32 195
Right of use assets	*Note 4*	7 191	8 254
Financial assets	*Note 5*	385	486
Deferred tax assets	*Note 14*	333	287
Interests in associated companies		91	77
TOTAL NON-CURRENT ASSETS (I)		**41 267**	**52 863**
Inventories	*Note 6*	32 608	33 162
Trade receivables	*Note 7*	48 285	45 898
Other receivables	*Note 8*	2 428	3 283
Matured tax claim	*Note 14*	747	435
Current financial assets	*Note 5*	58 700	34 753
Cash and cash equivalents	*Note 9*	95 727	125 973
TOTAL CURRENT ASSETS (II)		**238 495**	**243 504**
GRAND TOTAL (I + II)		**279 762**	**296 367**

I.F.R.S. accounting basis **LIABILITIES** *(in thousands of euros)*		Net amount at 31.12.2020	Net amount at 31.12.2019
Equity attributable to consolidating company		194 893	197 255
Equity attributable to non-controlling interest		2 181	1 970
TOTAL EQUITY (I)		**197 074**	**199 225**
Non-current provisions	*Note 11*	3 380	3 067
Non-current financial liabilities	*Note 13*	627	2 677
Non-current lease liabilities	*Note 13*	3 837	5 031
Deferred tax liability	*Note 14*	1 629	1 626
Other accounts payable	*Note 10*	-	5 530
TOTAL NON-CURRENT LIABILITIES (II)		**9 473**	**17 931**
Trade payables		8 364	12 094
Accounts payable to asset suppliers		159	-
Current provisions	*Note 11*	530	233
Lease liabilities	*Note 15*	51 119	53 140
Other accounts payable	*Note 10*	8 830	8 917
Matured tax liability	*Note 14*	264	152
Current financial liabilities	*Note 13*	1 911	2 690
Current lease liabilities	*Note 13*	2 038	1 985
TOTAL CURRENT LIABILITIES (III)		**73 215**	**79 211**
TOTAL LIABILITIES (II+III)		**82 688**	**97 142**
GRAND TOTAL (I + II + III)		**279 762**	**296 367**

Note 1 to 26 form an integral part of the consolidated financial statements.

Consolidated income statement at 31 December 2020

I.F.R.S. accounting basis INCOME STATEMENT (in thousands of euros)		Period 2020	Period 2019
Turnover	*Note 18*	**89 529**	**103 730**
Other income from operating activities		6 199	5 606
Current operating income	*Note 15*	**95 728**	**109 336**
Current operating expenses	*Note 16*	(91 660)	(100 785)
CURRENT OPERATING INCOME	*Note 18*	**4 068**	**8 551**
Other operating income	*Note 18*	7 655	17
Other operating expenses	*Note 18*	(8 386)	(162)
OPERATING INCOME	*Note 18*	**3 337**	**8 406**
Income from cash and cash equivalents		666	1 528
Cost of financial debt		(271)	(212)
Cost of net financial debt		**395**	**1 316**
Other financial income		4 069	4 771
Other financial expenses		(5 393)	(3 942)
FINANCIAL INCOME (LOSS)	*Note 17*	**(929)**	**2 145**
CURRENT INCOME BEFORE TAX CONSOLIDATED COMPANIES	*Note 18*	**2 408**	**10 551**
Income tax expense	*Note 14*	(1 221)	(1 617)
NET INCOME FROM FULLY CONSOLIDATED COMPANIES		**1 187**	**8 934**
Share of income from equity method companies		18	3
NET INCOME FROM CONSOLIDATED COMPANIES	*Note 18*	**1 205**	**8 937**
NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST		**229**	**283**
NET INCOME ATTRIBUTABLE TO THE PARENT COMPANY		**976**	**8 654**
EARNINGS PER SHARE		1,27 €	11,25 €

Earnings per share is calculated by dividing net income attributable to shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the ordinary shares bought by the Group or held as treasury stock. There are no potential dilutive shares.

769,500 is the number of shares on which earnings per share is calculated for FY 2020 and FY 2019 (see Note 3 - Share capital).

Notes 1 to 26 form an integral part of the consolidated financial statements.

Comprehensive income and equity

Comprehensive income 2020

I.F.R.S. accounting basis (in thousands of euros)			Period 2020	Period 2019
CONSOLIDATED NET INCOME			**1 205**	**8 937**
Other comprehensive income from continuing operations	Gross amount	Tax income/expenses		
A) Recyclable income (loss)				
. Translation adjustments	(2 052)		(2 052)	818
B) Non recyclable income (loss)				
. Actuarial gains and losses	(96)	25	(71)	(127)
Other comprehensive income net of tax			**(2 123)**	**691**
TOTAL COMPREHENSIVE INCOME (LOSS)			**(918)**	**9 628**

Statement of changes in equity

(in thousands of euros)	Capital (see Note 3)	Treasury shares (see Note 3)	Translation adjustments	Acturial gains/(losses)	Consolidated reserves	Equity Group share	Attributable to non-controlling interest	Total equity
POSITION AT 31.12.2018	**26 933**	**-**	**700**	**(421)**	**162 368**	**189 580**	**2 213**	**191 793**
Distribution (1,80 € per share of 35 €)	-	-	-	-	(1 523)	**(1 523)**	-	**(1 523)**
Change in scope	-	-	-	-		**0**	(673)	**(673)**
Comprehensive income 2019	-	-	671	(127)	8 654	**9 198**	430	**9 628**
POSITION AT 31.12.2019	**26 933**	**-**	**1 371**	**(548)**	**169 499**	**197 255**	**1 970**	**199 225**
Distribution (1,80 € per share of 35 €)	-	-	-	-	(1 233)	**(1 233)**	-	**(1 233)**
Comprehensive income 2020	-	-	(2 034)	(71)	976	**(1 129)**	211	**(918)**
POSITION AT 31.12.2020	**26 933**	**-**	**(663)**	**(619)**	**169 242**	**194 893**	**2 181**	**197 074**

Statement of consolidated cash flow 2020

CONSOLIDATED CASH FLOW (in thousands of euros)		31.12.2020	31.12.2019
OPERATING ACTIVITIES			
Net earnings from consolidated companies		**1 187**	**8 934**
Elimination of expenses and income not affecting cash flow or related to activities :			
- Amortisation and provisions		14 345	5 183
- Capitalisation of financial assets and liabilities		-	-
- Change in deferred tax	*Note 14*	261	(189)
- Capital gains (losses) on disposal, net of tax		161	9
Cash flow from operations of consolidated companies (1) (2)		**15 954**	**13 937**
Dividends received from equity-method companies		**-**	**-**
- Change in inventories		(606)	(4 875)
- Change in trade receivables		(2 924)	(5 853)
- Change in other operating receivables		855	1 368
- Change in trade payables		(3 531)	(1 008)
- Change in other operating payables		(7 321)	824
Change in working capital requirement		**(13 527)**	**(9 544)**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**2 427**	**4 393**
INVESTING ACTIVITIES			
- Acquisition of intangible and tangible capital assets	*Note 4*	(2 429)	(4 315)
- Increases in financial assets		(24 006)	(106)
Total		**(26 435)**	**(4 421)**
- Disposals of intangible and tangible capital assets net of tax		318	17
- Decreases in financial assets		147	50 661
Total		**465**	**50 678**
Change in working capital requirement and sundry		159	1
Acquisition of canadian entities		**-**	**(7 577)**
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(25 811)**	**38 681**
FINANCING ACTIVITIES			
- Dividends allocated to parent company shareholders		(1 233)	(1 523)
- Repurchase of treasury shares		-	-
Total		**(1 233)**	**(1 523)**
- Initiation of borrowings and financial debts	*Note 13*	174	640
- Repayment of borrowings and financial debts (3)	*Note 13*	(5 761)	(4 859)
Change in borrowings and financial debts		**(5 587)**	**(4 219)**
Sundry		-	-
Transactions with minority shareholders		**-**	**(673)**
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(6 820)**	**(6 415)**
Impact of reclassification of discontinued activities		-	-
NET CASH FLOWS		**(30 204)**	**36 659**
Cash position at opening		125 973	89 178
Cash position at closing	*Note 9*	95 723	125 973
Foreign exchange profits / (losses) from cash flows		46	(136)
		(30 204)	**36 659**

(1) Taxes disbursed (net of refunds) during the financial year are mentioned under Note 14.

(2) including € 468 K disbursements under leases of low-value assets / short-term leases during the financial year.

(3) including € 2 764 K disbursements under leases during the financial year.

Notes to the consolidated financial statements at 31 December 2020

Note 1: Accounting rules and methods – Selected financial data

As of 13 April 2021, the Board of Directors closed the accounts of Gévelot SA and approved the disclosure of its consolidated financial statements at 31 December 2020.

Notes 1 to 26 form an integral part of the consolidated financial statements. Unless otherwise specified, all amounts are stated in thousands of euros.

A. ACCOUNTING RULES AND METHODS

The Gévelot Group's consolidated financial statements were prepared in accordance with international principles and standards governing the measurement and presentation of financial information, namely IFRS [1] (International Financial Reporting Standards), as adopted by the European Union.

The consolidated financial statements are stated in thousands of euros, the Euro being the Group's operating and reporting currency.

The accounting methods set out below were consistently applied to all periods presented in the consolidated financial statements, unless otherwise specified.

New mandatory application texts

- Amendments to IAS 1 and IAS 8 "Definition of material";

- Change in references of the conceptual framework in IFRS;

- Amendments to IFRS 9, IAS 39 and IFRS 7 "Reform of reference rates - Phase 1";

- Amendments to IFRS 3 "Definition of a business";

- Amendment to IFRS 16 "Reductions of leases relating to Covid-19".

These texts and other texts published by the IASB and adopted by the European Union coming into force on 1 January 2020 had no impact on the Gévelot Group.

The amendment to IFRS 16 "Reductions of leases related to the Covid-19 pandemic " was approved by the European Union on 12 October 2020 with an effective application date on 1 June 2020. The text provides an optional exemption for tenants that allows recognition of lease reductions obtained through the conclusion of relief agreements with lessors. This applies to rental payments originally due on 30 June 2021 or before that date. Tenants may choose to apply the provisions of non-amended IFRS 16 which consists of a detailed analysis of relief agreements and processes them as contract amendments if necessary. The Group has not applied the amendment to IFRS 16 in the financial statements on 31 December 2020. The relief enjoyed by the Group has made no significant impact.

New texts applied in advance

The Group applied no amendment and no standard or interpretation in advance.

New texts not yet adopted by the European Union

The potential impact of main texts published by the IASB or IFRIC but having not yet been the subject of an adoption by the European Union to the closing date, is being analysed. However, the Group does not expect that other potentially applicable texts to accounting years beginning on 1 January 2021 have a significant impact on the Group's accounts.

No application in advance is envisaged at this stage.

Presentation of the consolidated financial statements

The balance sheet is presented in current then non-current format. Are considered as current, all assets and liabilities directly relating to the operating cycle, the duration of which cannot exceed twelve months. Financial assets and liabilities are by definition classified as non-current items except for their short-term portions (under one year) which are classified as current.

The consolidated statement of income is presented as expenses and income.

1.1. Accounting Principles specific to Consolidation

1.1.1 Scope of consolidation

The Consolidated financial statements fully consolidate the accounts of Gévelot SA and the subsidiaries over which it has sole direct or indirect control. The date on which it took or relinquished control determines that on which the company is included or excluded from the scope of full consolidation.

Companies not exclusively controlled by Gévelot SA are recognised by the equity method if it has significant influence in them.

1.1.2 Conversion of accounts stated in foreign currencies

The financial statements of foreign subsidiaries are converted into euros in the following manner:

[1] IFRS as adopted by the European Union is available on the website of the European Commission (https://ec.europa.eu/info/law/international-accounting-standards-regulation-ec-no-1606-2002/amending-and-supplementary-acts/acts-adopted-basis-regulatory-procedure-scrutiny-rps_fr)

- balance sheet items are converted at the exchange rate applying on the date of closing,
- income statement items are converted at the average rate,
- cash flows are converted at the average rate.

The translation adjustments included in consolidated equity thus result from:

- the difference in opening equity between the prior period's closing rates and those of the current period,
- the difference between the average exchange rate and the closing rate, for the period's income or loss and for other changes in equity.

1.1.3 Transactions in foreign currencies

Transaction in foreign currencies are converted into euros using the rate of exchange applying on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted at the rate applying at closing, and the resulting differences are recognised in the income statement as exchange gains or losses. Non-monetary assets and liabilities denominated in foreign currencies are recognised at the historical rate applying on the date of the transaction.

Nota: the applicable rates are stated in Note 2.

1.2 Accounting Principles specific to the Balance Sheet

1.2.1 Business combinations

Business combinations are recognised using the acquisition method in accordance with IFRS 3.

On the date of acquisition, goodwill is measured as being the aggregate of the cost of the business combination and the acquirer's proportionate interest in the net worth of the acquiree's identifiable assets, liabilities and any acquired liabilities.

Goodwill is not amortised. It is subjected to an impairment test annually or more frequently if events or changes in circumstances indicate that their value has decreased.

Any recognised depreciation is irreversible.

The impairment tests used by the Group are described under heading « Impairment of non-financial assets » in Note 1.2.4.

1.2.2 Intangible assets

Intangible assets acquired separately are recognised in the balance sheet at their historical cost and amortised over their useful life using the straight-line method.

Intangible assets acquired as part of business combinations are recognised in the balance sheet at their fair value on the date of acquisition.

Research expenses are expensed in the period in which they are incurred, as are non-capitalised development costs that do not meet IAS 38 capitalisation criteria.

So, development costs must be capitalised (IAS 38) if the company can demonstrate that :

- the project is clearly identified and the costs of the asset thus capitalised are clearly separable and can be reliably measured, and that intends and has the technical and financial capacity to see the project through to completion,
- it is probable that the future economic benefits that are attributable to asset will flow to the enterprise.

Intangible assets are amortised using the straight-line method over the estimated useful live for each category of assets.

Useful life:

Development costs: the life of the underlying projects, generally between 3 and 15 years.

Software: estimated useful live of between 2 and 15 years.

Others (patents, etc.): the estimated useful live, limited to 20 years.

The impairment testing methods adopted by the Group are described under heading « Impairment of fixed assets » in Note 1.2.4.

1.2.3 Tangible fixed assets

Tangible fixed assets, primarily comprising property, plant and equipment, are carried at cost less accumulated depreciation and impairment, in accordance with IAS 16.

Cost price of fixed assets

The gross tax amount of acquisition costs directly attributable to fixed assets is incorporated into their acquisition cost.

According to the standard treatment described in IAS 23 prior to effective application of its revision, borrowing costs are charged to expenses in the period they are incurred.

Rights of use

Group property acquired through finance leasing is treated in the consolidated balance sheet and income statement as if it was acquired by borrowing.

Consequently, for all leases (excluding contracts for low value assets and contracts lasting less than 12 months), the Group records assets (representative of the right to use the leased asset for the term of the contract) and a debt (under the obligation to pay rent) on the balance sheet.

Leasing repayments are eliminated and replaced with:

- an amortisation expense corresponding to the assets concerned,
- a financial expense on the loan.

Properties under direct financing leases are amortised using the straight-line method over their estimated useful life in the same way as other similar assets, or over the duration of the contract of the latter if shorter and if the Company is not certain to become owner thereof on maturity.

Amortisation

Amortisation is calculated using the straight-line method for asset components having distinct useful lives which are generally as follows:

- Land: not amortised,
- Buildings (structural work, conversion work, facade rendering and cleaning, weatherproofing): 10 to 40 years,
- Plant and equipment: 3 to 40 years, barring exceptions,
- Computer hardware: 3 to 5 years.

The residual values and useful lives of assets recognised at their historical costs are reviewed on each closing. Losses or gains on asset disposals are measured by comparing the revenue from the disposal with the carrying amount of the sold asset. They are recognised in the income statement under «Other operating income and expenses ».

1.2.4 Impairment of fixed assets

Assets with an indefinite useful life and goodwill are not amortised and are subject to a depreciation test at least once every year and whenever there is an indication of a loss of value. Other redeemable assets are tested for depreciation when due to particular events or circumstances, the recoverable value might be less than the book value.

A non-exhaustive list of external or internal indicators used in this estimate is provided below:

- External indices:

  - greater than usual decline in market value,
  - major changes in the technical, economic and legal environment having a negative impact on the company,
  - an increase in interest rate,

- Internal indices:

  - obsolescence or physical degradation not provided for under depreciation,
  - below-forecast economic performances,
  - material changes in the manner in which this asset is used.

The depreciation included in the accounts corresponds to the surplus between the book value and the recoverable value. The depreciation test is performed where required at the level of individual assets or at the level of CGUs (Cash Generating Units) when assets cannot be valued individually. For the purposes of depreciation tests, goodwill that cannot be tested individually are grouped together within the group of CGUs that is expected to benefit from the synergies of business combinations.

The recoverable value of an asset (a CGU or a group of CGUs) is the higher of its costs to sell (or net selling price) and its value in use.

The net selling price is the amount obtainable from the sale of an asset in a bargained transaction between knowledgeable, willing parties, less derecognition costs.

Value in used is the discounted present value of estimated future cash flows expected to arise from the continuing use of an asset on the basis of plans or budgets established over a maximum period of 3 years. Beyond which flows are extrapolated indefinitely by applying a constant or diminishing growth rate.

The Group has defined its cash generating units as follows:

- Each Company is deemed an independent CGU,
- a specific discount rate has been determined for each business segment (see Note 4).

This discount rate equals the rate of return on risk-free investments adjusted by a « share » market risk premium and risks specific to the business segment.

1.2.5 Financial assets

Financial assets consist mainly of loans, receivables and investments as part of cash management (see below).

They are initially recognised at the cost of their fair value of the price paid plus acquisition costs. Then they are measured at amortised cost using the effective interest method.

Impairment is recognised to cover expected credit losses and actual risk of non-recovery of receivables. The amount of impairment is determined statistically for credit risk and separately on an individual basis for the non-recovery risk.

The Group assesses whether contractual cash flows are solely repayments of principal and interest payments on the principal amount outstanding (« SPPI » criterion).

For the purposes of this evaluation, the term « principal » means the fair value of the assets at their initial recognition. "Interest » means consideration for the time value of money, the credit risk associated with the principal amount outstanding for a given period of time and the other risks and expenses that relate to a basic loan, as well as a margin.

In determining whether the contractual cash flows are solely payments of principal and interest payments on the principal amount outstanding, the Group considers the contractual terms of the financial instrument. In particular it needs to assess whether the financial asset has a contractual term liable to change the timing or the amount of the contractual cash flows so that it no longer satisfies this condition. During this assessment, the Group takes into account the following:

- contingencies that could change the amount or schedule of cash flows,

- conditions likely to adjust the contractual coupon rate, including the characteristics of the variable rate,

- the early payment and extension clauses and

- conditions limiting the Group's possibility of using the cash flows of specific assets.

An early repayment clause may be consistent with the « SPPI » criterion if its amount represents the outstanding principal and interest thereon.

The Group defines its management intention and economic model it attends to apply to the financial assets owned. The information taken into account is as follows:

- the methods and objectives defined for the portfolio and their implementation. The aim is to know if the Management's strategy is focused on obtaining products of contractual interest, maintaining the specific interest rate profile, matching the ownership period of financial assets with that of the liabilities financing them or of expected cash flow or to create cash flow by selling those assets,

- the way performance of the portfolio is assessed and communicated to the Group's Management,

- risks that have an impact on the performance of the economic model (and of financial assets whose ownership is part of that economic model) and the way those risks are managed and,

- the frequency, value and distribution over time of sales of financial assets in previous periods, the reasons behind those sales and expectations with respect to future sales.

The Group has not opted for the fair value method.

Trade and other receivables

Receivables are initially recognised at their fair value (generally equal to the amount invoiced) then measured at their write-down cost using the effective interest rate method, after deduction of impairment provisions.

Trade receivables are written off when they are settled, or when almost all risks and benefits are transferred to a third party in the event of a sale.

Cash management

Cash and cash equivalents include cash and short-term investments (under three months) without realisable impairment risk and for which the risk of change in value is negligible. The investment options used are those offered by the leading financial institutions and comprise either bank term deposits or investment fund monetary securities without any special identified risks.

Investments maturing in more than three months are not recognised as cash and are reclassified as « Current financial assets ». These investments consist of fixed-term bank deposits or structured products that offer capital guarantees or protection barriers.

1.2.6 Inventories and work in progress

Under IAS 2 « Inventories », the cost of inventories must include all purchase costs, conversion costs and other costs incurred in bringing the inventories to their present location and condition; commercial rebates, discounts and other similar items are deducted to measure the cost of acquisition.

Inventories are measured using the average weighted price or cost method.

Inventories are required to be stated at the lower of cost and net realisable value.

The net realisable value is equal to the estimated selling price less the costs remaining to be incurred for the completion of the products and the realization of the sale.

Inventories do not include the borrowing cost.

Raw materials, goods and other supplies are measured using one of the following methods, depending on the site: last known purchase price, weighted average unit price.

Manufactured products (in-process and finished products) are valued at their production cost including:

- the cost of consumables,
- direct production costs,
- indirect production costs if they can reasonably be linked to the production of the goods.

If the net realisable value falls below the carrying amount, a provision for the difference is funded.

1.2.7 Equity

The Group strives to maintain an adequate level of return on its capital while continuing to make safe management decisions. The consolidating company has not resorted to delegation with regard to equity instruments. The Group is not subject to any particular external restrictions with regard to the capital of its entities.

All treasury shares held by the Group are recognised at acquisition cost and subtracted from equity. Income from any sale of treasury shares is subtracted immediately from the increase in equity, so that any capital gains or losses will not affect net income on the year.

1.2.8 Provisions

Defined and similar benefit plans

There are various retirement benefit plans for certain employees in the Group based on national legislations and practices.

Retirement benefit plans, the related severance benefits and other fringe benefits are analysed as defined benefit plans (plans whereby the Group undertakes to guarantee a particular amount or level of defined benefit). They are recognised in the balance sheet on the basis of actuarial estimates of the benefits on the date of closing using the Projected Unit Credit Method, less the fair value of the Plan's related assets. Contributions paid into the Plans, which are analysed as Defined Benefit Plans, that is, when the Group's only obligation is to pay the contributions, are charged to the period's expenses.

In France, the Group has taken out benefit plans for its employees. The provision stated in the consolidated financial statements is measured in accordance with IAS 19 and includes the related welfare expenses.

The Group books a provision equal to liabilities, net of the fair value of financial assets of the regime.

The actuarial gains or losses are the effects of differences between the assumptions used and what has actually occurred or changes in the assumptions used to calculate the benefits and the assets covering them:

- staff turnover,
- pay rises,
- discount rate,
- mortality rate,
- rate of return of assets.

Other social benefits

A provision is funded for bonuses awarded on the occasion of national work medal awards or under company agreements. It is measured according to the probability of employees reaching the qualifying seniority for each grade and is discounted to present value.

Other provisions

A provision is recognised when the Group has a current obligation (legal or constructive) as a result of past events and a reliable estimate of the expected cost can be made, and extinguishment of which should consist in an outlay of resources representing economic benefits for the Group without at least an equivalent amount in return. Provisions correspond to risks and specifically identified expenses.

Other long-term provisions are discounted to present value if their effect is significant.

Any liabilities correspond to potential obligations resulting from past events the existence of which will only be confirmed by the occurrence of future uncertain events beyond the entity's control or current obligations for which an outlay of resources is unlikely. These liabilities are not recognised in the balance sheet, except for those corresponding to business combinations. They are disclosed in information on off-balance sheet liabilities.

1.2.9 Financial liabilities

Financial liabilities are recognised at amortised cost. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any profit or loss related to derecognition is recorded in profit or loss.

Shares premiums and costs and call premiums are stated as deductions to loans and are taken into account in determining the effective interest rate.

The fair value of current financial liabilities is close to their balance sheet value given the stability of interest rates. The difference is not significant. The fair value is determined using level 1 (fair value based on quoted prices in an active market).

1.2.10 Deferred tax

In accordance with IAS 12 « Income taxes », deferred taxes are recognised for all taxable temporary differences between the carrying amounts of the assets and liabilities and their taxable values by applying the current rates of tax and tax rules in force on that date or those that will apply when the temporary difference is absorbed.

Future tax relief resulting from the carryover of tax deficits is only recognised when realisation thereof is probable.

Deferred tax assets and liabilities, whatever their maturity, were offset if they concern the same taxable entity and if the latter intends either to settle the net amount or realise the asset and settle the liability simultaneously.

In accordance with IAS 12, deferred tax assets and liabilities are not discounted.

1.3 Accounting Principles specific to the Income Statement

1.3.1 Revenue from Contracts with Customers

In accordance with IFRS 15 « Revenue from Contracts with Customers » sales of goods less any discounts granted are recognised as turnover on the date the seller has transferred the control of goods to the buyer. Generally, this takes place on delivery of goods.

Most of the Group's sales are accounted at a point in time. For some specific pumps for which the Group has a right to partial payment, the revenue is recognized over time. Furthermore, the Group provides services for very short periods and recognises the corresponding revenue over the time.

There are no significant variable elements in the contracts.

1.3.2. Current operating Income and Operating Income

Standard IAS 1 requires a minimum number of items to be included in the income statement:

- Operating income,
- Finance costs,
- Share of the profit or loss of equity-method companies,
- Profit or loss of discontinued operations or disposals,
- Tax expense,
- Profit or loss (broken down into Group share and interests not conferring control).

Therefore, Operating Income can be defined as the difference between all income and expenses not resulting from financial activities, equity-method companies, discontinued activities or disposals and tax.

Operating income includes the Contribution Economique Territoriale (CET). CET has two components : the Contribution Foncière des Entreprises (CFE) and the Cotisation sur la Valeur Ajoutée des Entreprises (CVAE). CFE is based on the rental value of goods subject to property tax. CVAE is equal to 1.5% of added value. CET is capped at 3% of added value. If the added value of the Group's French activities is far higher than the taxable income on these same activities, the Group considers CET as an operating expense rather than an income tax, hence its recognition under operating income.

Research Tax Credits
Research Tax Credits of the French companies of the Group are recorded as operating income in the item « Operating subsidies ».

The Gévelot Group has opted to present a Current Operating Income, which is defined as the difference between Operating Income as defined above and « Other operating income and expenses » which include unusual and infrequent events. The latter are very limited in scope but cannot be presented as exceptional or extraordinary items. They primarily include the profit or loss from asset disposals, losses in value on non-current assets, restructuring costs and the cost of litigation settlements.

The Current Operating Income is a notional balance provided for a better understanding of the company's performance.

1.3.3 Financial income and expenses

1.3.3.1 Cost of net financial debt

The net cost of financial debt comprises all the results produced by items making up net financial debt during the period (bank borrowings and investments, gains or losses from transactions in short-term investments).

1.3.3.2 Other financial income and expenses

The other financial income and expenses mainly include the results of currency hedging transactions.

1.4 Segment reporting

In accordance with IFRS 8, the segment reporting is presented by business segments defined by internal organizational systems and the Group's management structure.

The main Group's operating decision maker is the Board of Directors.

A single business segment has been defined for the Gévelot Group:

- Pumps / Fluid Technologies.

Gévelot S.A. items, that cannot be assigned directly to the operating sector such as defined above are included under « other activities ».

B. SIGNIFICANT EVENTS

PCM Artificial Lift Solutions Inc. completed the takeover beginning in August 2020 for 1.5 MCAD (€ 1 million) of certain assets of Halliburton Energy Services Inc., known as Europump Systems Inc.

This acquisition is part of PCM's investment strategy in the Artificial Lift sector and in the growth in the Canadian market.

The analysis of this acquisition under IFRS 3 led to consider this transaction as a business combination. Therefore all the elements acquired were recorded at fair value. The difference between the fair value and the purchase price is a revenue and is included in the income statement as other operating revenues for € 2.0 million.

C. SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of consolidated accounts in compliance with IFRS standards requires taking into account assumptions and estimates that affect the amounts of assets and liabilities shown in the balance sheet, the contingent liabilities mentioned in the appendix, and the expenses and income shown in the income statement. These estimates and assumptions are made by the Management based on its past experience and various other factors deemed to be reasonable. However, the current economic and financial environment makes it difficult to get an understanding of business prospects. It is possible that actual amounts will subsequently differ from estimates and assumptions made initially. These assumptions and estimates concern mainly:

a) Values used for impairment tests

Assumptions and estimates that are made to determine the recoverable value of goodwill, intangible and tangible fixed assets, relate in particular to market prospects required for the evaluation of cash flows and the applied discount rates. Any change in these assumptions could have a significant effect on the recoverable amount of those assets. The main assumptions used by the Group are described in Note 4.4.

b) Valuation of pension obligations

The Group participates in defined-contribution or defined benefit pension plans. The liabilities related to the latter are calculated on the basis of actuarial calculations based on assumptions such as the discount rate, future salary increases, the staff turnover rate, the rate of mortality and the rate of return on assets. The valuation procedure is described in Note 1.2.8 and the assumptions used in Note 12. The Group considers that the actuarial assumptions used are appropriate and justified in current conditions. However, these liabilities might evolve in the event of change in assumptions.

D. CHANGES TO FINANCIAL STATEMENTS PREVIOUSLY PUBLISHED

None.

E. POST BALANCE SHEET EVENTS

None.

Note 2: Information on consolidation scope

Gévelot S.A., a public limited company with a capital of 26 932 500 euros, is the parent company of the Gévelot Group. It is listed on Euronext Growth and registered in France under the number 562088542 RCS Nanterre.

2.1. Consolidation scope at 31 December 2020

The following companies are fully consolidated (excluding Torqueflow - Sydex Ltd consolidated by equity method) :

COMPANIES	HEAD OFFICE	SIREN N° SIRET N°	% controlled at 31.12.2020	 at 31.12.2019	% interests at 31.12.2020
HOLDING					
Gévelot S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	562088542 56208854200369			
PUMPS / FLUID TECHNOLOGY					
PCM S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	572180198 57218019800184	99,99	99,99	99,94
PCM Technologies S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	802419960 80241996000017	99,99	99,99	99,94
PCM Europe S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	803433972 80343397200018	99,99	99,99	99,94
PCM Manufacturing France S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	803933399 80393339900013	99,99	99,99	99,94
PCM Deutschland GmbH	Wilhelm-Theodor-Römheld-Strasse 28 55130 Mainz (Germany)		99,99	99,99	99,94
PCM Group UK Ltd.	Pilot Road - Phoenix Parkway Corby, Northamptonshire NN17 5YF (United Kingdom)		99,99	99,99	99,94
PCM Group Italia Srl	Via Rutilia 10/8 sc. B 20141 Milano (Italy)		99,99	99,99	99,94
Sydex Srl	Via Lord Baden Powell 24 36045 Lonigo (Italy)		54,99	54,99	54,97
Sydex Singapore Ltd	158 Kallang Way #02-16 Performance Building Singapore (349245) (Singapore)	} 90% owned } by Sydex Srl }			
Sydex USA LLC	9302 Deer Run Road Waxhax, NC 28173 (United States)	} 62 % owned } by Sydex Srl			
Sydex Flow Ltda	Praceta Vale da Romeira, nº 12 2840 - 449 Seixal (Portugal)	} 60 % owned } by Sydex Srl			
Torqueflow - Sydex Ltd	Unit 2CB Deer Park Farm Industrial Estate Knowle Lane Eastleigh, Hampshire SO50 7PZ (United Kingdom)	} 40 % owned } by Sydex Srl }			
PCM Kazakhstan LLP	Office 46, Business Center "Grand Nur Plaza", 29A microregion 130000 Aktau (Kazakhstan)		99,99	99,99	99,94
PCM Rus LLC	Voronezhskaya ulitsa 96, business center “ Na Ligovskom”, Office 171-179 192007 Saint Petersburg (Russia)		99,99	99,99	99,94
PCM Flow Technology Inc.	2711 Centerville Road, Suite 400 Lynn CanneLongo Wilmington Wilmington, Delaware 19808 (United States)		99,99	99,99	99,94
PCM USA Inc.	11940 Brittmoore Park Drive Houston Texas 77041 (United States)	} } wholly owned			
PCM Colombia SAS	Carrera 11A No 94A-56, Oficina 302 Bogota (Colombia)	} by } PCM Flow Technology Inc.			
PCM Chile SpA	Compania de Jesus # 1068, oficina 201 Providencia, Santiago (Chile)	} }			
PCM Canada Inc.	101,5618 54th Avenue Bonnyville Alberta (Canada)		99,99	99,99	99,94
PCM Artificial Lift Solutions Inc.	4206-59 Avenue Lloydminister, AB T9V 2V4 (Canada)	} } wholly owned			
Cougar Wellhead Services inc.	3712-56 Avenue Edmonton, AB T6B 3R8 (Canada)	} by } PCM Canada Inc.			
Cougar Machine Ltd.	3712-56 Avenue Edmonton, AB T6B 3R8 (Canada)	} }			
PCM Group Asia Pacific Pte. Ltd.	47, Kallang Pudding Road, #08-10 Singapore 349318 (Singapore)		99,99	99,99	99,94
PCM Trading (Shanghaï) Co. Ltd.	Room 10A01, Shanghai Mart No. 2299 West Yan'an Road, Changning District 200336 Shanghaï (China)		99,99	99,99	99,94
PCM (Suzhou) Co. Ltd.	Plant 12&13, Zhonglu Ecological Park Ping Wang Town, Jiangsu Province 215221 Wujiang City (China)		99,99	99,99	99,94
PCM Group Australia Pty Ltd	113/45 Gilby Road, Mount Waverley Victoria, Vic 3149 (Australia)		99,99	99,99	99,94
PCM Middle East FZE	Dubai Airport Free Zone, Office 741, 5 East Wing P.O. Box 293527, Dubai (United Arab Emirates)		99,99	99,99	99,94
PCM Muscat LLC	Al Zubair Building, Building 8, Office 801 P.O. Box 167, PC 103, Muscat (Sultanate of Oman)		99,99	99,99	99,94

2.2. Comments on the scope of consolidation and controlling interests

- There was no change in the scope of consolidation in 2020.

- To our knowledge, there are no significant restrictions on subsidiaries transferring funds to the parent company, Gévelot S.A., in the form of cash dividends or repayments of loans or advances.

2.3. Exchange rates used for financial statements prepared in foreign currencies

The companies' balance sheet items were translated at the closing exchange rate on 31 December 2020 and their expense and income account items were translated using the following rates:

	Closing rate		Average rate	
Currency	31/12/2020	31/12/2019	FY 2020	FY 2019
1 US dollar	€0.81490	€0.89020	€0.87620	€0.89320
1 GB pound	€1.11230	€1.17540	€1.12460	€1.13990
1 Chinese yuan	€0.12460	€0.12790	€0.12710	€0.12930
1 Canadian dollar	€0.63970	€0.68500	€0.65390	€0.67310
1 Chilean peso	€0.00120	€0.00120	€0.00110	€0.00130
1 Colombian peso	€0.00024	€0.00027	€0.00023	€0.00027
1 Australian dollar	€0.62910	€0.62520	€0.60410	€0.62090
1 Omani rial	€2.12630	€2.31640	€2.26400	€2.32230
1 United Arab Emirates dirham	€0.22290	€0.24280	€0.23730	€0.24340
1 Russian ruble	€0.01090	€0.01430	€0.01210	€0.01380
1 Kazakhstani tenge	€0.00190	€0.00230	€0.00210	€0.00230

Note 3 : Share capital

(in euros)	At 31/12/2019			FY 2020	At 31/12/2020		
	Ordinary	Treasury	Total	Cancelled	Ordinary	Treasury	Total
Ordinary shares							
Number	769 500	-	769 500	-	769 500	-	769 500
Par value	35	-	35	-	35	-	35
Total	**26 932 500**	**-**	**26 932 500**	**-**	**26 932 500**	**-**	**26 932 500**

Composition of share capital:

At 31 December 2020, authorized share capital totalled 26,933 thousand euros, comprising 769,500 ordinary shares with a par value of 35 euros each, issued and fully paid up.

At 31 December 2020, the Group does not hold any of its own shares.

The Group does not have any stock option plans (purchase and/or subscription) under which options on Company shares are awarded to certain employees and sernior managers.

Note 4: Goodwill, intangible and tangible capital assets

4.1. Goodwill and intangible assets

	31.12.2020					
	Goodwill	Development costs	Software and other	In progress	Advances and down payments	Intangible assets
Gross value						
At the beginning of period	14 102	2 468	5 314	340	22	8 144
Acquisitions and increases	-	-	750	7	3	760
Disposals	-	-	(31)	-	-	(31)
Transfers	-	-	342	(339)	(3)	-
Translation adjustments	(862)	-	(22)	(1)	-	(23)
At the end of period	13 240	2 468	6 353	7	22	8 850
Amortisation and depreciation						
At the beginning of period	(4 040)	(2 349)	(4 293)	-	-	(6 642)
Depreciation	-	(35)	(245)	-	-	(280)
Impairment	(7 878)	-	-	-	-	-
Disposals	-	-	31	-	-	31
Transfers	-	-		-	-	-
Translation adjustments	437	-	18	-	-	18
At the end of period	(11 481)	(2 384)	(4 489)	-	-	(6 873)
Net value at the beginning of period	10 062	119	1 021	340	22	1 502
Net value at the end of period	1 759	84	1 864	7	22	1 977

	31.12.2019					
	Goodwill	Development costs	Software and other	In progress	Advances and down payments	Intangible assets
Gross value						
At the beginning of period	5 591	2 467	5 043	-	-	7 510
Acquisitions and increases	7 720	1	304	330	22	657
Disposals	-	-	(50)	-	-	(50)
Transfers	-	-	9	10	-	19
Translation adjustments	791	-	8	-	-	8
At the end of period	14 102	2 468	5 314	340	22	8 144
Amortisation and depreciation						
At the beginning of period	(3 803)	(2 307)	(4 105)	-	-	(6 412)
Depreciation	-	(42)	(218)	-	-	(260)
Impairment	-	-	-	-	-	-
Disposals	-	-	40	-	-	40
Transfers	-	-	(4)	-	-	(4)
Translation adjustments	(237)	-	(6)	-	-	(6)
At the end of period	(4 040)	(2 349)	(4 293)	-	-	(6 642)
Net value at the beginning of period	1 788	160	938	-	-	1 098
Net value at the end of period	10 062	119	1 021	340	22	1 502

4.2. Tangible assets owned

31.12.2020	Land	Buildings	Plant and machinery	Other	In progress	Advances and down payments	Tangible assets
Gross value							
At the beginning of period	**2 381**	**18 871**	**37 409**	**5 034**	**650**	**3**	**64 348**
Acquisitions and increases	-	110	864	321	368	6	1 669
Disposals	-	(3)	(1 660)	(342)	(41)	-	(2 046)
Transfers	-	48	484	(66)	(526)	(3)	(63)
Translation adjustments	(39)	(477)	(1 020)	(46)	-		(1 582)
At the end of period	**2 342**	**18 549**	**36 077**	**4 901**	**451**	**6**	**62 326**
Amortisation and depreciation							
At the beginning of period	**-**	**(3 910)**	**(24 725)**	**(3 518)**	**-**	**-**	**(32 153)**
Depreciation	-	(502)	(2 450)	(361)	-	-	(3 313)
Impairment	-	-	-	-	-	-	-
Disposals	-	3	1 569	338	-	-	1 910
Transfers	-	-	68	(29)	-	-	39
Translation adjustments	-	87	613	22	-	-	722
At the end of period	**-**	**(4 322)**	**(24 925)**	**(3 548)**	**-**	**-**	**(32 795)**
Net value at the beginning of period	2 381	14 961	12 684	1 516	650	3	32 195
Net value at the end of period	**2 342**	**14 227**	**11 152**	**1 353**	**451**	**6**	**29 531**

31.12.2019	Land	Buildings	Plant and machinery	Other	In progress	Advances and down payments	Tangible assets
Gross value							
At the beginning of period	**3 188**	**18 645**	**34 292**	**4 912**	**661**	**-**	**61 698**
Reclassification of finance leases	(820)	(1 690)	(2 538)	-	(403)	-	(5 451)
At 1 January 2019	**2 368**	**16 955**	**31 754**	**4 912**	**258**	**-**	**56 247**
Acquisitions and increases	-	1 777	981	333	564	3	3 658
Disposals	(1)	(32)	(291)	(361)	(2)	-	(687)
Change in scope	-	-	4 238	161	-	-	4 399
Transfers	-	36	163	(41)	(170)	-	(12)
Translation adjustments	14	135	564	30	-		743
At the end of period	**2 381**	**18 871**	**37 409**	**5 034**	**650**	**3**	**64 348**
Amortisation and depreciation							
At the beginning of period	**-**	**(3 441)**	**(22 222)**	**(3 423)**	**-**	**-**	**(29 086)**
Reclassification of finance leases	-	32	1 431	-	-	-	1 463
At 1 January 2019	**-**	**(3 409)**	**(20 791)**	**(3 423)**	**-**	**-**	**(27 623)**
Depreciation	-	(515)	(1 915)	(372)	-	-	(2 802)
Impairment	-	-	-	-	-	-	-
Disposals	-	32	285	354	-	-	671
Change in scope	-	-	(1 984)	(78)	-	-	(2 062)
Transfers	**-**	**0**	**(10)**	**14**	**-**	**-**	**4**
Translation adjustments	-	(18)	(310)	(13)	-	-	(341)
At the end of period	**-**	**(3 910)**	**(24 725)**	**(3 518)**	**-**	**-**	**(32 153)**
Net value at 1 January 2019	2 368	13 546	10 963	1 489	258	-	28 624
Net value at the end of period	**2 381**	**14 961**	**12 684**	**1 516**	**650**	**3**	**32 195**

4.3. Rights-of-use

31.12.2020	Land	Buildings	Plant and machinery	Other	In progress	Total
Gross value						
At the beginning of period	**820**	**5 731**	**4 567**	**816**	**-**	**11 934**
Acquisitions and increases	-	1 359	18	465	-	**1 842**
Disposals and decreases	-	(626)	-	(167)	-	**(793)**
Transfers	-	-	(16)	79	-	**63**
Translation adjustment	-	(240)	(90)	(32)	-	**(362)**
At the end of period	**820**	**6 224**	**4 479**	**1 161**	**-**	**12 684**
Amortisation and depreciation						
At the beginning of period	**-**	**(1 230)**	**(2 219)**	**(231)**	**-**	**(3 680)**
Depreciation and increases	-	(1 371)	(632)	(346)	-	**(2 349)**
Disposals and decreases	-	348	-	102	-	**450**
Transfers	-	-	7	(46)	-	**(39)**
Translation adjustment	-	89	23	13	-	**125**
At the end of period	**-**	**(2 164)**	**(2 821)**	**(508)**	**-**	**(5 493)**
Net value at 1 January 2019	820	4 501	2 348	585	-	**8 254**
Net value at the end of period	**820**	**4 060**	**1 658**	**653**	**-**	**7 191**

31.12.2019	Land	Buildings	Plant and machinery	Other	In progress	Total
Gross value						
Reclassification of finance leases	820	1 690	2 538	-	403	**5 451**
1st implementation of IFRS 16	-	1 411	16	441	-	**1 868**
At 1 January 2019	**820**	**3 101**	**2 554**	**441**	**403**	**7 319**
Acquisitions and increases	-	1 004	258	364	-	**1 626**
Disposals and decreases	-	(279)	-	(70)	-	**(349)**
Change in scope	-	1 785	1 271	72	-	**3 128**
Transfers	-	-	396	-	(403)	**(7)**
Translation adjustement	-	120	88	9	-	**217**
At the end of period	**820**	**5 731**	**4 567**	**816**	**-**	**11 934**
Amortisation and depreciation						
Reclassification of finance leases	-	(32)	(1 431)	-	-	**(1 463)**
At 1 January 2019	**-**	**(32)**	**(1 431)**	**-**	**-**	**(1 463)**
Acquisitions and increases	-	(1 207)	(576)	(277)	-	**(2 060)**
Disposals and decreases	-	279	-	70	-	**349**
Change in scope	-	(249)	(197)	(22)	-	**(468)**
Translation adjustement	-	(21)	(15)	(2)	-	**(38)**
At the end of period	**-**	**(1 230)**	**(2 219)**	**(231)**	**-**	**(3 680)**
Net value at 1 January 2019	820	3 069	1 123	441	403	**5 856**
Net value at the end of period	**820**	**4 501**	**2 348**	**585**	**-**	**8 254**

4.4. Depreciation

In accordance with the principle stated in Note 1.2.4 on 31 December 2020, the Group carried out a comparison of the net carrying amount of the assets and their value in use for the CGU incorporating goodwill (PCM Group UK Ltd., Sydex Srl, Cougar Wellhead Services Inc. et Cougar Machine Ltd).

Value in use is defined as the sum of future discounted cash flows estimated on the basis of three-year activity and investment plans. The growth rates used to extrapolate forecasted cash flows beyond three years are 2% in Canada and 1% in the other geographic areas (1% for the tests carried out at the end of 2019).

The discount rate applied is 8.6% in Canada and 7.3% in the other geographic areas for the Pumps sector (7% for the tests carried out at the end of 2019) and correspond to the average cost of the capital after tax, taking each segments specific market rates and risk premiums into account.

These approaches are based on the Group best estimates in an uncertain economic environment.

The new tests at December 31 led to the recognition of an overall depreciation of 12.0 MCAD (€ 7.9 million) on the companies Cougar Wellhead Services Inc. and Cougar Machine Ltd., fully charged to the goodwill of these companies.
This depreciation is due on the one hand to the reversal of the earn-out of 8.1 MCAD (€5.3 million) (see note 10), provisioned in 2019 and which should not be paid in 2021, and on the other hand to the revision of the various parameters for the balance.

The sensitivity of the value in use calculations to changes in the various assumptions is set out in the table below:

	Goodwill	CGU carrying amount	Difference in value between the Test and Accounts	Impact on the difference in value		
				Discount rate	Indefinite growth rate	Change in cash flow
Variation				+0,5 %	-0,5 %	-10 %
Pump/Fluid Technology						
PCM Group UK Ltd.	€0.9 M	€1.1 M	+€5.1 M	-€0,4 M	-€0,4 M	-€0,6 M
Sydex Srl	€0.9 M	€3.5 M	+€7.2 M	-€0,8 M	-€0,6 M	-€1,1 M

The Pumps Sector CGUs, other than the PCM Group UK, Sydex, Cougar Wellhead Services and Cougar Machine CGUs, in the absence of any indication of impairment in the Pumps Sector, did not give rise to impairment tests.

Note 5: Financial assets

	2020	2019
Non-current		
Loans	131	150
Other	254	336
Total non-current financial assets	**385**	**486**
Current		
Loans	19	18
Other	-	-
Bank term deposits over three months	58 681	34 735
Total current financial assets	**58 700**	**34 753**
Total financial assets	**59 085**	**35 239**

Financial assets are recognised at amortised cost.
Bank term deposits over three months consist mainly of investments maturing in more than three months and not recognised as cash.
These investments consist of fixed-term bank deposits or structured products that offer capital guarantees or protection barriers.
They were subjected to the economic model applied by the Group and comply with the "SPPI" criterion (see note n ° 1.2.5).

Note 6: Inventories

	2020	2019
Gross amount	33 447	33 646
Depreciation	(839)	(484)
Total	**32 608**	**33 162**

Note 7: Trade accounts receivable

	2020	2019
Gross amount	50 225	47 887
Depreciation	(1 940)	(1 989)
Total	**48 285**	**45 898**

Pursuant to IFRS 9, trade receivables are subject to impairment upon initial recognition, based on an assessment of expected credit losses at maturity. The impairment is then reviewed based on the worsening risk of non-recovery, if any. The indicators of impairment that lead the Group to reflect on this point are: existence of unresolved disputes, the age of the receivables or significant financial difficulties of the debtor.

The Group pays special attention to the security of payments for goods and services delivered to its customers.
European Customers do not present significant risks and are generally subject to collection systems by specialised companies. The major export customers positioned in areas with major geopolitical risks are subject to specific monitoring.

The anteriority of trade receivables at the closing date breaks down as follows:

	2020
Not due	39 484
Due for less than a month	4 834
Due for more than a month but less than three months	2 264
Due for more than three months	3 643
Gross amount	**50 225**

Note 8: Other accounts receivable

	2020	2019
Advances and down payments on orders	123	338
Central and local government excluding corporate income tax	1 194	1 404
Personnel	131	80
Debit supplier balances	46	32
Other debtors	218	712
Prepaid expenses	716	717
Total	**2 428**	**3 283**

Note 9: Cash and cash equivalents

	2020	2019
Cash	48 383	78 058
Bank deposits	47 344	26 255
SICAV and monetary mutual funds	-	21 660
Cash and cash equivalents	**95 727**	**125 973**

Cash and cash equivalents mature in the short term
Bank term deposits rates range from 0.10% to 0.30%.
€ 0.6 million of cash belonging to the Group's chinese entities is intented to finance their development.

In the consolidated cash flow statement, cash flows and bank overdrafts include:

		2020	2019
Cash and cash equivalents		95 727	125 973
Bank overdrafts	Note 13	(4)	-
Cash position at closing		**95 723**	**125 973**

Note 10: Other accounts payable

	2020	2019
Non-current		
Other creditors	-	5 530
Total non-current creditors	**-**	**5 530**
Current		
Tax debts excluding corporate income tax, personnel and welfare agencies	7 844	7 960
Other creditors	986	957
Total current creditors	**8 830**	**8 917**
Total creditors	**8 830**	**14 447**

Note 11: Provisions

	01.01.2020	Provisions	Reversals provision used	provision not used	Translations and changes in scope	31.12.2020 Total	Under one year	Over one year
Contingency provisions								
. Other contingency provisions	436	291	(218)	-	(11)	498	273	225
Total	**436**	**291**	**(218)**	**-**	**(11)**	**498**	**273**	**225**
Loss provisions								
. Other loss provisions	261 (*)	299	(78)	-	-	482 (*)	257	225
. Retirement provisions (Note 12)	2 448	313	-	-	-	2 761	-	2 761
. Work medal provisions	155	14	-	-	-	169	-	169
Total	**2 864**	**626**	**(78)**	**-**	**-**	**3 412**	**257**	**3 155**
Total provisions	**3 300**	**917**	**(296)**	**-**	**(11)**	**3 910**	**530**	**3 380**

(*) Other loss provisions include:

	01.01.2020	31.12.2020
- provisions for operating expenses	58	141
- provisions for personnel expenses	203	341
	261	482

Note 12: Employee Benefits

The Group grants post-employment benefits to its personnel employed in France. These expenses are recognised:
- as current operating income for the cost of services rendered, paid services and past services;
- as operating income for regime reductions / liquidations;
- as other financial income and expenses for the net financial charge;
- as other comprehensive income for the effects of revaluation.

Retirement benefits

	2020	2019
Provision in the balance sheet		
Discounted value of obligations covered	3 093	2 776
Fair value of the plan's assets	(332)	(328)
Provision recognised in the balance sheet	**2 761**	**2 448**
Discounted value of obligations covered		
At the beginning of period	2 776	2 466
Cost of services rendered	210	180
Financial cost	24	42
Benefits paid	(14)	(83)
Actuarial gain / loss of period	97	171
Discounted value of obligations covered	**3 093**	**2 776**
Fair value of the plan's assets		
At the beginning of period	328	322
Interest income	3	5
Contributions	-	-
Benefits paid	-	-
Actuarial gain/loss of period	1	1
Fair value of the plan's assets	**332**	**328**
Change in provisions		
At the beginning of period	2 448	2 144
Period's expenses/income	217	134
Disbursements	-	-
Actuarial gain/loss of period	96	170
Changes in scope	-	-
Change in provisions	**2 761**	**2 448**
Total expense recognised in income statement		
Cost of services rendered	210	180
Financial cost	21	37
Benefits paid	(14)	(83)
Reduction/liquidation of plan	-	-
Expense / income recognised in income statement	**217**	**134**

Main actuarial assumptions		
- Discount rate	0,40%	0,80%
- Rate of pay rises	2,00%	2,00%
- Retirement age	63 (non managerial), 65 (man)	63 (non managerial), 65 (man)

The turnover table is at 0% after 56.

Defined benefit plans are evaluated by independant actuaries.

Work medals paid out by the Group companies to their personnel are covered by a provision calculated by an independent actuary (see note 11).

Note 13: Financial liabilities and lease obligations

13.1. Financial liabilities

	2020	2019
Non-current		
Bank loans	258	2 410
Other borrowing and financial debt	369	267
Total non-current financial liabilities	**627**	**2 677**
Current		
Bank loans	1 907	2 690
Other borrowing and financial debt	-	-
Derivatives	-	-
Bank overdrafts	4	-
Total current financial liabilities	**1 911**	**2 690**
Total financial liabilities	**2 538**	**5 367**

13.2. Changes in financial liabilities

	01.01.2020	New loans	Repayments	Translation adjustments	31.12.2020
Bank loans	5 100	2	(2 924)	(13)	2 165
Other borrowing and financial debt	267	172	(73)	3	369
Financial liabilities (excluding overdrafts)	**5 367**	**174**	**(2 997)**	**(10)**	**2 534**
Bank overdrafts	-	4	-	-	4
Total	**5 367**	**178**	**(2 997)**	**(10)**	**2 538**

13.3. Breakdown of financial liabilities by date of maturity

	Less 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
Bank loans	1 907	105	77	34	27	15	2 165
Other borrowing and financial debt	-	-	-	-	-	369	369
Total	**1 907**	**105**	**77**	**34**	**27**	**384**	**2 534**

13.4. Breakdown of financial liabilities by main currencies

	Total		Euros		US Dollars		Other currencies	
	2020	2019	2020	2019	2020	2019	2020	2019
Bank loans	2 165	5 100	2 165	4 852	-	-	-	248
Other borrowing and financial debt	369	267	212	205	-	-	157	62
Bank overdrafts	4	-	4	-	-	-	-	-
Total	**2 538**	**5 367**	**2 381**	**5 057**	**-**	**-**	**157**	**310**

13.5. Breakdown of financial liabilities by type of rate

	2020	2019
Non-covered variable rates (*)	1 000	2 236
Fixed rates	1 534	3 131
Interest	-	-
Overdrafts	4	-
Total	**2 538**	**5 367**

(*) Non-covered variable rates mature in 2021.

Weighted average interest rate is Euribor 3M + 0.75 % for loans at non-covered variable rates.
For loans at fixed rates, interest rates varie between 0% and 2.50%.

13.6. Lease obligations

	2020	2019
Non-current lease obligations	3 837	5 031
Current lease obligations	2 038	1 985
Total	**5 875**	**7 016**

13.7. Changes in lease obligations

	01.01.2020	New loans	Repayments	Translation adjustments	31.12.2020
Lease obligations	7 016	1 842	(2 764)	(219)	5 875
Total	**7 016**	**1 842**	**(2 764)**	**(219)**	**5 875**

13.8. Breakdown of lease obligations by date of maturity

	Less 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
Lease obligations	2 038	1 425	1 192	294	229	697	5 875
Total	**2 038**	**1 425**	**1 192**	**294**	**229**	**697**	**5 875**

13.9. Breakdown of lease obligations by main currencies

	Total		Euros		US Dollars		Other	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Lease obligations	5 875	7 016	2 688	3 547	3	10	3 184	3 459
Total	**5 875**	**7 016**	**2 688**	**3 547**	**3**	**10**	**3 184**	**3 459**

Note 14: Taxes

14.1. Payable taxes

	01.01.2020	Payments	Down payments	Research tax credit	Period expense	31.12.2020
Asset	(435)	769	(899)	(533)	351	(747)
Liability	152	(151)	(346)	-	609	264
Total					**960**	

14.2. Deferred taxes

	01.01.2020	Income statement	Movements Other operating results	Changes in scope	Other (incl. Translation)	31.12.2020
Deferred tax assets	(1 674)	51	(25)	-	(229)	(1 877)
Deferred tax liabilities	3 013	210	-	-	(50)	3 173
Total	**1 339**	**261**	**(25)**	**-**	**(279)**	**1 296**

Deferred tax assets mainly result from provisions for pensions and other employee benefits (€ 0.7 million), tax timing differences (€ 0.7 million) and elimination of margins on inventories (€ 0.2 million).

Deferred tax liabilities mainly arise from differentials in the valuation and depreciation of fixed assets (€ 0.8 million) and regulated provisions (€ 1.8 million).

In accordance with Note 1.2.10, deferred tax assets and liabilities are offset if they concern the same taxable entity and appear on the balance sheet as assets or liabilities according to their net balance. Thus, the € 1,296 K at the end of 2020 are broken down between € 1,629 K in liabilities and € 333 K in assets.

14.3. Income tax expenses

The breakdown of tax in the income statement is as follows:

	2020	2019
Payable taxes	960	1 806
Deferred taxes [a]	261	(189)
Total	**1 221**	**1 617**

[a] Deferred tax expenses / income breaks down as follows:

	2020	2019
- Income / expenses on allocation / reversals of amortization of intangible assets	10	24
- Expenses on reversed regulated provisions and other taxes	(115)	(125)
- Other income and expenses	39	(115)
- Deficits carried forward	73	166
- Other timing differences	254	(139)
Total deferred tax expense / (income)	**261**	**(189)**

Reconciliation of the theoretical and the recognised income tax expense:

		2020
Current operating income of consolidated companies		**2 408**
Theoretical tax calculated at the legal tax rate specific to each country	(920)	
Net impact of non-deductible or non-taxable expenses and income	(535)	
Impact of non-recognised losses	(963)	
Impact of rate differentials	1 197	
Effective income tax expense / income on current operations		(1 221)
Net income of consolidated companies		**1 187**

The net impact of non-deductible or non-taxable expenses and income essentially includes permanent timing differences.

Rate of corporate income tax

Rate of corporate income tax	FY 2020	FY 2021	2022 and subsequent financial years
France	28.00%	26.50%	25.00%

Rate of corporate income tax	FY 2020	2021 and subsequent financial year		FY 2020	2021 and subsequent financial year
Germany	31.72%	31.72%	Kazakhstan	20.00%	20.00%
Australia	30.00%	30.00%	Oman	15.00%	15.00%
Canada	25.00%	25.00%	United Kingdom	19.00%	19.00%
China	25.00%	25.00%	Russia	20.00%	20.00%
United States	21.00%	21.00%	Singapore	17.00%	17.00%
Italy	27.90%	27.90%			

Note 15: Income from operating activities

15.1. Income from operating activities

	2020	2019
Turnover	89 529	103 730
Other income	5 366	4 900
Revenue from contracts with customers	**94 895**	**108 630**
Other income from operating activities		
Operating grants	568	431
Other income	265	275
Total income from operating activities	**95 728**	**109 336**

"Operating grants" mainly consist in Research Tax Credits.

The table below shows the breakdown of revenue from contracts with customers according to the time of recognition:

	2020	2019
Revenue transferred at a point in time	65 991	73 382
Revenue and services over time	28 904	35 248
Revenue from contracts with customers	**94 895**	**108 630**

The breakdown of turnover by business segment and geographic area is presented in Note 18.

15.2. Balance of contracts

The table below provides information regarding trade receivables and contract assets and liabilities arising from contracts with customers.

	31/12/2020	31/12/2019
Trade accounts receivable	48 285	45 898
Contract liabilities	(51 119)	(53 140)

The Group has not identified significant assets in contracts as contracts are short-term and regular invoices are carried out during the manufacturing phase.

Contract liabilities correspond to advance payments received from customers, as well as prepaid income.

As allowed by IFRS 15, no disclosure is provided regarding the remaining performance obligations at 31 December 2020 for contracts with an expected initial term of one year or less.

Note 16: Current operating expenses

			2020	2019
Production stored			405	(1 124)
Capitalised production			(454)	(193)
Purchases of goods			12 480	14 695
Changes in goods inventory			2 172	596
Purchases of raw materials and other supplies			16 448	21 353
Changes in inventories of raw materials and other supplies			(814)	(939)
Other purchases and external charges (*)			16 354	22 094
Payroll expenses			36 392	37 347
Taxes and comparable payments			1 592	1 595
Depreciation and estimated expenses:				
. On capital assets	- depreciation expenses	Note 4	3 593	3 062
. On rights of use	- depreciation expenses	Note 4	2 349	2 060
. On current assets	- estimated expenses		498	(90)
. Contingency	- estimated expenses		28	(114)
Other expenses			617	443
Total current operating expenses			**91 660**	**100 785**

(*) including € 212K for leases of less than 12 months and € 11K for those of low value in 2020

Note 17: Financial income / loss

	2020	2019
Interest generated by cash and cash equivalents	492	620
Net earnings from sales of short-term investments	174	908
Income from cash and cash equivalents	**666**	**1 528**
Interest charges on financing transactions	26	60
Interest charges on lease obligations	245	152
Gross cost of financial indebtedness	**271**	**212**
Net cost of financial indebtedness	**395**	**1 316**
Income from non-consolidated securities	-	-
Discounted financial income	-	-
Exchange gains	3 933	4 635
Other financial income	136	136
Total other financial income	**4 069**	**4 771**
Discounted financial expenses	-	-
Exchange losses	5 157	3 731
Other financial expenses	236	211
Total other financial expenses	**5 393**	**3 942**
Income (loss) from other financial income and expenses	**(1 324)**	**829**
Financial income (loss)	**(929)**	**2 145**

Note 18: Segment information

18.1. Breakdown of fixed assets by business segment

	At 31.12.2020			At 31.12.2019		
	Pumps	Other business	Total	Pumps	Other business	Total
Goodwill (1)	**13 240**	**-**	**13 240**	**14 102**	**-**	**14 102**
Intangibles subtotal	**8 830**	**20**	**8 850**	**8 124**	**20**	**8 144**
Land	1 309	1 853	**3 162**	1 348	1 853	**3 201**
Buildings	21 716	3 057	**24 773**	21 554	3 048	**24 602**
Industrial plant and other	46 384	234	**46 618**	47 598	228	**47 826**
Construction work in progress	451	-	**451**	650	-	**650**
Advances and down payments	-	6	**6**	-	3	**3**
Tangibles subtotal	**69 860**	**5 150**	**75 010**	**71 150**	**5 132**	**76 282**
Gross values	**91 930**	**5 170**	**97 100**	**93 376**	**5 152**	**98 528**
Accumulated amortisation / depreciation	56 189	453	**56 642**	46 108	407	**46 515**
Net values	**35 741**	**4 717**	**40 458**	**47 268**	**4 745**	**52 013**
Period's expenses	13 762	58	**13 820**	5 069	53	**5 122**
Total balance sheet by business segment	**194 083**	**91 879**		**211 538**	**91 670**	

(1) concerns PCM Group UK Ltd., PCM Artificial Lift Solutions Inc., Sydex Srl, Cougar Wellhead Services Inc. and Cougar Machine Ltd.

Gévelot S.A.'s land and buildings put at the disposal of the subsidiarires, have been allocated to the Pumps sector for € 1.0 million.

Total capital expenditure on intangibles and tangibles in 2020 amounted to:

Pumps / Fluid Technology:	€ 2.417 K
Other business:	€ 12 K
	€ 2.429 K

Total capital expenditure on intangibles and tangibles in 2019 amounted to:

Pumps / Fluid Technology:	€ 4.252 K
Other business:	€ 63 K
	€ 4.315 K

18.2. Changes in financial liabilities by business segment

	01.01.2020	Repayments	New loans	Translations and reclassification	31.12.2020
Loans and debt with lending institutions (incl. Lease liabilities)					
Pumps / Fluid Technology	11 130	(5 583)	1 826	(232)	7 141
Other business	986	(105)	18	-	899
Subtotal	**12 116**	**(5 688)**	**1 844**	**(232)**	**8 040**
Other loans and financial debts	**267**	**(73)**	**172**	**3**	**369**
Bank overdrafts					
Pumps / Fluid Technology	-	-	-	-	-
Other business	-	-	4	-	4
Subtotal	**-**	**0**	**4**	**-**	**4**
Total	**12 383**	**(5 761)**	**2 020**	**(229)**	**8 413**

18.3. Consolidated turnover by business segment

	2020			2019		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	89 367	29	89 396	103 550	32	103 582
Other business	162	611	773	180	618	798
Eliminations and reconciliations	-	(640)	(640)	-	(650)	(650)
Total	**89 529**	**-**	**89 529**	**103 730**	**-**	**103 730**

18.4. Results by business segment

Current operating income

	2020			2019		
	Outside Group	Intra Group	Total	Outside Group	Intra Group	Total
Pumps / Fluid Technology	5 410	(601)	4 809	9 760	(622)	9 138
Other business	(1 342)	601	(741)	(1 209)	622	(587)
Total	**4 068**	**-**	**4 068**	**8 551**	**-**	**8 551**

Transition from current operating income to operating income	Pumps	Other business	Total 2020	Total 2019
Current operating income	**4 809**	**(741)**	**4 068**	**8 551**
Asset revaluation	2 020	-	2 020	-
Debt cancellation	5 279	-	5 279	-
Other operating income	356	-	356	17
Litigation	(7)	-	(7)	(110)
Impairment losses on non-current assets	(7 878)	-	(7 878)	-
Other operating expenses	(481)	(20)	(501)	(52)
Operating income	**4 098**	**(761)**	**3 337**	**8 406**

Operating income

	2020			2019		
	Outside Group	Intra Group	Total	Outside Group	Intra Group	Total
Pumps / Fluid Technology	4 699	(601)	4 098	9 614	(622)	8 992
Other business	(1 362)	601	(761)	(1 208)	622	(586)
Total	**3 337**	**-**	**3 337**	**8 406**	**-**	**8 406**

Current income before tax Consolidated Companies

	2020			2019		
	Outside Group	Intra Group	Total	Outside Group	Intra Group	Total
Pumps / Fluid Technology	3 569	(601)	2 968	10 944	(622)	10 322
Other business	(1 161)	601	(560)	(393)	622	229
Total	**2 408**	**-**	**2 408**	**10 551**	**-**	**10 551**

Net income from consolidated companies

	2020			2019		
	Outside Group	Intra Group	Total	Outside Group	Intra Group	Total
Pumps / Fluid Technology	1 663	(433)	1 230	8 397	(448)	7 949
Other business	(458)	433	(25)	540	448	988
Total	**1 205**	**-**	**1 205**	**8 937**	**-**	**8 937**

18.5. Breakdown of fixed assets by geographical segment

	At 31.12.2020				At 31.12.2019			
	France	America	Other countries	Total	France	America	Other countries	Total
Goodwill (1)	**-**	**11 457**	**1 783**	**13 240**	**-**	**12 269**	**1 833**	**14 102**
Intangibles subtotal	**8 371**	**230**	**249**	**8 850**	**7 631**	**250**	**263**	**8 144**
Land	2 179	350	633	**3 162**	2 179	383	639	**3 201**
Buildings	13 300	7 902	3 571	**24 773**	13 458	7 851	3 293	**24 602**
Industrial plant and other	29 135	13 595	3 888	**46 618**	29 441	14 685	3 700	**47 826**
Construction work in progress	451	-	-	**451**	650	-	-	**650**
Advances and down payments	6	-	-	**6**	3	-	-	**-**
Tangibles subtotal	**45 071**	**21 847**	**8 092**	**75 010**	**45 731**	**22 919**	**7 632**	**76 282**
Gross values	**53 442**	**33 534**	**10 124**	**97 100**	**53 362**	**35 438**	**9 728**	**98 528**
Accumulated amortisation / depreciation	31 006	21 480	4 156	**56 642**	29 879	13 048	3 588	**46 515**
Net values	**22 436**	**12 054**	**5 968**	**40 458**	**23 483**	**22 390**	**6 140**	**52 013**
Period's expenses	2 568	10 174	1 078	**13 820**	2 484	1 495	1 143	**5 122**

(1) concerns PCM Group UK Ltd., PCM Artificial Lift Solutions Inc., Sydex Srl, Cougar Wellhead Services Inc. and Cougar Machine Ltd.

18.6. Consolidated turnover by geographical segment

		2020			2019	
France		21 393	*23,9%*		23 301	*22,5%*
. Other European Union countries	12 745			15 111		
. Other European countries	2 567			7 970		
. America	22 094			22 627		
. Africa	14 569			17 336		
. Asia	12 985			14 353		
. Other areas	3 176			3 032		
Foreign countries		68 136	*76,1%*		80 429	*77,5%*
Total		**89 529**	***100,0%***		**103 730**	***100,0%***

Note 19: Research and development

For the Group as a whole, research and development expenses eligible for Research Tax Credits amounted to € 1.911 million.

Note 20: Financial instruments

		31.12.2020		Breakdown by category of instruments [1]		
		Value in balance sheet	Fair value	Receivables and payables at amortized cost	Fair value through profit/loss	Fair value through other comprehensive income
- Non-current financial assets	Note 5	385	385	385	-	-
- Trade accounts receivable	Note 7	48 285	48 285	48 285	-	-
- Current financial assets	Note 5	58 700	58 700	58 700	-	-
- Cash and cash equivalents	Note 9	95 727	95 727	47 344	48 383	-
Assets		**203 097**	**203 097**	**154 714**	**48 383**	**-**
- Non-current financial liabilities	Note 13	4 464	4 464	4 464	-	-
- Trade accounts payable		8 364	8 364	8 364	-	-
- Current financial liabilities	Note 13	3 949	3 949	3 949	-	-
Liabilities		**16 777**	**16 777**	**16 777**	**-**	**-**

		31.12.2019		Breakdown by category of instruments [1]		
		Value in balance sheet	Fair value	Receivables and payables at amortized cost	Fair value through profit/loss	Fair value through other comprehensive income
- Non-current financial assets	Note 5	486	486	486	-	-
- Trade accounts receivable	Note 7	45 898	45 898	45 898	-	-
- Current financial assets	Note 5	34 753	34 753	34 753	-	-
- Cash and cash equivalents	Note 9	125 973	125 973	26 255	99 718	-
Assets		**207 110**	**207 110**	**107 392**	**99 718**	**-**
- Non-current financial liabilities	Note 13	7 708	7 708	7 708	-	-
- Trade accounts payable		12 094	12 094	12 094	-	-
- Current financial liabilities	Note 13	4 675	4 675	4 675	-	-
Liabilities		**24 477**	**24 477**	**24 477**	**-**	**-**

(1) No reclassification between categories of financial instruments was carried out during the year.

Financial assets are measured at amortised cost as the two following conditions are met:
- their ownership is part of a business model whose objective is to hold assets in order to collect contractual cash flows and,

- their contractual terms give rise on specified dates to cash flows which correspond only to principal repayments and interest payments on the principal remaining due.

Financial liabilities are measured at amortised cost using the effective interest rate method. Interest expenses and foreign exchange gains and losses are recognised as income. Any profit or loss related to derecognition is recorded as income.

Financial assets and liabilities are offset and presented net in the balance sheet, if and only if, the Group has currently the legally enforceable right to offset the amounts and intends either to settle them for a net amount or to realize the assets and settle the liabilities simultaneously.

Trade receivables, financial assets and other accounts receivable, as well as trade payables and other accounts payable are classified as measured at amortised cost.

Current financial assets and cash and cash equivalents are classified as measured at amortised cost, except for funds in current bank accounts and SICAV and mutual funds that are classified at fair value through profit and loss.

Managing financial risk

Apart from its variable-rate loans, the Group has no significant market risks on its financial debt and receivables or its short-term investments. The Group's short-term investments portfolio primarily includes monetary investments. The Group owns some short-term investments based on indices whose capital is not guaranteed but have protection barriers. However, these investments represent less than 15% of the Group's cash position. The return on them is comparable to market rates.

The Group is exposed in its industrial and commercial activities to financial risks that could result from the variation of the exchange rates of certain currencies due to the location of its main production site in the Euro zone and its sales zones located all over the world and involving billing in foreign currencies, mainly American or Canadian dollars.

The management of currency risk is based on a principle of the Group's production entities invoicing commercial entities in the local currency of the latter. This inter-company invoicing is covered by foreign exchange forwarding of their settlement in the case of significant sums.

The same principle applies to sales outside the Group for foreign currency billing of Customers.

The Group does not perform firm exchange hedging on future sales; the operating margin is therefore subject in the future to variations depending on the evolution of exchange rates.

Furthermore, the Group hold investments abroad and outside the Euro zone, whose net assets are exposed to the risk of currency rate adjustment. Net assets in the USA, China and the Near and Middle East do not have a specific coverage today.

In the context of liquidity risk management and in order to finance development projects, the Group pursues a proactive refinancing and prudent cash management policy. At 31 December 2020, the net financial structure was positive and amounted to € 146 014 K.

Financial instruments - fair value hierarchy

Financial instruments measured at fair value are level 1 (market price).

Note 21: Managers' remuneration

	2020	2019
Short-term benefits (excluding social security charges)	725	703
Social security charges	265	267
Total	**990**	**970**

Managers include members of the Board of Directors and Gévelot S.A.'s Senior Management.
Remuneration includes gross salary, premiums, fringe benefits and directors' fees.
Corporate officers have no specific retirement plan.

Note 22: Average headcount

	2020	2019
Manager and executive	247	227
Supervisory, clerical and blue-collar	449	485
Total	**696**	**712**
Temporary workers	9	24

Note 23: Off-balance sheet commitments

Contractual obligations

	2020	2019
Pledges, bonds and guarantees	1 386	1 837
Total	**1 386**	**1 837**

Commitments received

	2020	2019
Pledges, bonds and guarantees	17	-
Total	**17**	**-**

Note 24: Affiliated companies

Transactions with affiliates who are natural persons (directors, corporate officers and their relatives) are insignificant.

Note 25: Fees of Auditors

	PRICEWATERHOUSECOOPERS				RSM PARIS			
(in euros)	2020		2019		2020		2019	
	Amount	%	Amount	%	Amount	%	Amount	%
Audit								
Auditing, certification, review of individual and consolidated financial statements	84 730	87%	92 230	87%	34 950	100%	37 100	100%
Issuer	*39 700*	*41%*	*42 200*	*40%*	*34 950*	*100%*	*37 100*	*100%*
Fully consolidated subsidiaries	*45 030*	*46%*	*50 030*	*47%*	-	*0%*	-	*0%*
Services other than certification of accounts	13 200	13%	13 200	13%	-	-	-	-
Issuer	*13 200*	*13%*	*13 200*	*13%*	-	-	-	-
Fully consolidated subsidiaries	-	*0%*	-	*0%*	-	-	-	-
Total	**97 930**	**100%**	**105 430**	**100%**	**34 950**	**100%**	**37 100**	**100%**

Note 26: Financial impacts linked to Covid-19

The health, economic and financial crisis related to Covid-19 has made a significant impact on the Group's activities. Various measures have been implemented to adapt to the situation and, in particular, the Group adopted a furlough scheme.

To support companies during the crisis, the governments of several countries have granted aid under certain conditions, from which the Group was able to benefit.

For the entire Group, aid amounting to € 2.7 million, primarily linked to maintaining jobs, was entered under payroll expenses.

Rapport des Commissaires aux Comptes sur les Comptes Consolidés

Exercice clos le 31 décembre 2020

GEVELOT SA
6 boulevard Bineau
92300 LEVALLOIS PERRET

A l'Assemblée Générale de la société GEVELOT SA

Opinion

En exécution de la mission qui nous a été confiée par votre assemblée générale, nous avons effectué l'audit des comptes consolidés de la société GEVELOT SA relatifs à l'exercice clos le 31 décembre 2020, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes consolidés sont, au regard du référentiel IFRS tel qu'adopté dans l'Union européenne, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine, à la fin de l'exercice, de l'ensemble constitué par les personnes et entités comprises dans la consolidation.

Fondement de l'opinion

Référentiel d'audit

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités des commissaires aux comptes relatives à l'audit des comptes consolidés » du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le code de commerce et par le code de déontologie de la profession de commissaire aux comptes sur la période du 1er janvier 2020 à la date d'émission de notre rapport.

Justification des appréciations

La crise mondiale liée à la pandémie de COVID-19 crée des conditions particulières pour la préparation et l'audit des comptes de cet exercice. En effet, cette crise et les mesures exceptionnelles prises dans le cadre de l'état d'urgence sanitaire induisent de multiples conséquences pour les entreprises, particulièrement sur leur activité et leur financement, ainsi que des incertitudes accrues sur leurs perspectives d'avenir.

Certaines de ces mesures, telles que les restrictions de déplacement et le travail à distance, ont également eu une incidence sur l'organisation interne des entreprises et sur les modalités de mise en œuvre des audits.

C'est dans ce contexte complexe et évolutif que, en application des dispositions des articles L.823-9 et R.823-7 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les appréciations suivantes, qui selon notre jugement professionnel, ont été les plus importantes pour l'audit des comptes consolidés de l'exercice

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes consolidés pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes consolidés pris isolément.

Le Groupe procède systématiquement, pour chaque clôture, à un test de dépréciation des écarts d'acquisition selon les modalités décrites dans la note 1.2.4 de l'annexe aux comptes consolidés. Nous avons examiné les modalités de mise en œuvre de ce test de dépréciation ainsi que les hypothèses utilisées et nous avons vérifié que la note 4.4 de l'annexe donne une information appropriée. Nous avons procédé à l'appréciation du caractère raisonnable de ces estimations.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires des informations relatives au groupe, données dans le rapport de gestion du conseil d'administration.

Nous n'avons pas d'observation à formuler sur leur sincérité et leur concordance avec les comptes consolidés.

Nous attestons que la déclaration consolidée de performance extra-financière prévue par l'article L.225-102-1 du code de commerce figure dans le rapport de gestion, étant précisé que, conformément aux dispositions de l'article L.823-10 de ce code, les informations contenues dans cette déclaration n'ont pas fait l'objet de notre part de vérifications de sincérité ou de concordance avec les comptes consolidés et doivent faire l'objet d'un rapport par un organisme tiers indépendant.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes consolidés

Il appartient à la direction d'établir des comptes consolidés présentant une image fidèle conformément au référentiel IFRS tel qu'adopté dans l'Union européenne ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes consolidés ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes consolidés, il incombe à la direction d'évaluer la capacité de la société à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider la société ou de cesser son activité.

Les comptes consolidés ont été arrêtés par le conseil d'administration.

Responsabilités des commissaires aux comptes relatives à l'audit des comptes consolidés

Il nous appartient d'établir un rapport sur les comptes consolidés. Notre objectif est d'obtenir l'assurance raisonnable que les comptes consolidés pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L.823-10-1 du code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre société.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit.
En outre :

- il identifie et évalue les risques que les comptes consolidés comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;
- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes consolidés ;
- il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de la société à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes consolidés au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;
- il apprécie la présentation d'ensemble des comptes consolidés et évalue si les comptes consolidés reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle ;
- concernant l'information financière des personnes ou entités comprises dans le périmètre de consolidation, il collecte des éléments qu'il estime suffisants et appropriés pour exprimer une opinion sur les comptes consolidés. Il est responsable de la direction, de la supervision et de la réalisation de l'audit des comptes consolidés ainsi que de l'opinion exprimée sur ces comptes.

Fait à Neuilly-sur-Seine et Paris, le 27 avril 2021

Les Commissaires aux Comptes

PricewaterhouseCoopers Audit	RSM Paris
Jean-Romain Bardoz	Régine Stéphan

Individual Financial Statements at 31 December 2020

LIABILITIES (in thousands of euros)	Before allocation Net amount at 31.12.2020	Net amoiunt at 31.12.2019	After allocation Net amount at 31.12.2020 (a)	Net amoiunt at 31.12.2019 (b)
EQUITY (I)				
Capital	26 933	26 933	26 933	26 933
Paid-in capital	-	-	-	-
Revaluation reserve	-	-	-	-
Reserves :				
. Legal reserve	2 693	2 693	2 693	2 693
. Other	41 311	41 311	41 311	41 311
Retained earnings	16 702	14 791	16 559	16 702
Net income (loss) of period	1 396	3 142	-	-
Subtotal: net position	**89 035**	**88 870**	**87 496**	**87 639**
Investment grant	-	-	-	-
Regulated provisions	1 204	1 182	1 204	1 182
Total Equity (I)	**90 239**	**90 052**	**88 700**	**88 821**
PROVISIONS (II)				
Contingency provisions	-	-	-	-
Loss provisions	-	-	-	-
Total Provisions (II)	**-**	**-**	**-**	**-**
LIABILITIES (III) (1)				
Loans and debt with lending institutions (2)	1	1	1	1
Other borrowing and financial debt	89	83	89	83
Advances and down payments received on current orders	-	-	-	-
Trade accounts payables	55	77	55	77
Tax and welfare liabilities	143	127	143	127
Liabilities on fixed assets and related accounts	-	-	-	-
Other liabilities	593	788	2 132	2 019
Prepaid income	40	66	40	66
Total Liabilities (III)	**921**	**1 142**	**2 460**	**2 373**
Unrealized foreign exchange gains (IV)	**-**	**-**	**-**	**-**
Grand total (I + II + III +IV)	**91 160**	**91 194**	**91 160**	**91 194**
(1) including over 1 year	89	83	89	83
including under 1 year	832	1 059	2 371	2 290
(2) including bank overdrafts and bank credit balances	1	1	1	1

a) After appropriation submitted to the Annual General Meeting of 17 June 2021

b) After appropriation decided to the Annual General Meeting of 11 June 2020

2020 income statement

INCOME STATEMENT (in thousands of euros)	2020	2019
OPERATING REVENUE (I)		
Rendering of services	773	798
Net turnover	**773**	**798**
Provision reversals and expense transfers	-	5
Other income	82	95
Total operating revenue (I) (1)	**855**	**898**
OPERATING EXPENSES (II)		
Other purchases and external charges	610	523
Taxes	121	112
Wages and salaries	611	577
Social security charges	264	252
Amortisation expenses on fixed assets	56	58
Depreciation expenses on fixed assets	-	-
Other charges	67	82
Total operating expenses (II) (2)	**1 729**	**1 604**
1 - OPERATING INCOME (LOSS) (I - II)	**(874)**	**(706)**
FINANCIAL INCOME (III)		
From equity investments (3)	1 502	2 254
Other interests and comparable income (3)	485	619
Provision reversals and expense transfers	-	-
Foreign exchange gains	-	252
Net gains from sales of short-term investments	-	-
Total financial income (III)	**1 987**	**3 125**
FINANCIAL EXPENSES (IV)		
Amortisation and depreciation expenses	-	-
Interest expense (4)	-	4
Foreign exchange losses	249	14
Total financial expenses (IV)	**249**	**18**
2 - RESULTS OF OPERATIONS (III - IV)	**1 738**	**3 107**
3 - CURRENT PRE-TAX INCOME (EXPENSE) (I - II) + (III - IV)	**864**	**2 401**
UNUSUAL GAINS (V)		
Unusual gains in operations	-	-
Unusual gains from sales of assets and other capital transactions	-	4
Provision reversals and expense transfers	21	171
Total unusual gains (V)	**21**	**175**
UNUSUAL EXPENSES (VI)		
Unusual expenses in operations	20	-
Unusual expenses from sales of assets and other capital transactions	-	3
Unusual amortization and provision expenses	44	65
Total unusual expenses (VI)	**64**	**68**
4 - UNUSUAL ITEMS (V - VI)	**(43)**	**107**
Income tax (VII)	**(575)**	**(634)**
Total income (I + III + V)	**2 863**	**4 198**
Total expenses (II + IV + VI + VII)	**1 467**	**1 056**
5 - PROFIT	**1 396**	**3 142**

(1) including operating revenue relating to prior periods	(8)	(7)
(2) including operating expenses relating to prior periods	(2)	(13)
(3) including income concerning affiliated companies	1 502	2 254
(4) including interest concerning affiliated companies	-	-

Cash flow statement 2020

CASH FLOWS (in thousands of euros)	2020	2019
OPERATING ACTIVITIES		
Net income (loss)	**1 396**	**3 142**
Elimination of expenses and income not affecting cash or relating to operations:		
- Amortisation and depreciation	57	58
- Provisions	22	(106)
- Capital gains, net of taxes	-	(1)
Cash flows from operations	**1 475**	**3 093**
- Change in inventories	-	-
- Change in clients	84	(54)
- Change in suppliers	(22)	(9)
- Other variations	84	641
Change in working capital requirement	**146**	**578**
NET CASH FLOWS FROM OPERATING ACTIVITIES	**1 621**	**3 671**
INVESTING ACTIVITIES		
- Acquisitions of intangible and tangible capital assets	(12)	(63)
- Acquisitions of and increases in long-term investments	-	-
Subtotal	**(12)**	**(63)**
- Disposals of intangible and tangible capital assets	-	4
- Sales of and reductions in financial assets	18	23
Subtotal	**18**	**27**
Net investments of period	**6**	**(36)**
Change in working capital requirement	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	**6**	**(36)**
FINANCING ACTIVITIES		
- Capital increases (reductions)	-	0
- Dividends allocated to the company's shareholders	(1 231)	(1 385)
- Other distributions	-	-
Total	**(1 231)**	**(1 385)**
- Changes in loans and financial liabilities	6	5
- Change in working capital requirement	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES	**(1 225)**	**(1 380)**
NET CHANGE IN CASH POSITION	**402**	**2 255**
Cash position on opening	80 154	77 899
Cash position on closing	80 556	80 154
	402	**2 255**

Notes to the Individual Financial Statements at 31 December 2020

Notes to the Individual Financial Statements at 31 December 2020

These notes supplement and comment on the balance sheet prior to appropriation for period ending 31 December 2020, totalling 91,159,831.84 euros and the period's income statement, presented in report form, which totals 2,863,962.79 euros and shows a profit of 1,395,921.00 euros.

Notes 1 to 20 hereafter form an integral part of the annual financial statements (unless otherwise specified, all amounts are stated in thousands of euros).

The financial year is 12 months long and runs from 1 January 2020 to 31 December 2020.

These annual financial statements were drawn up by the Board of Directors on 13 April 2021.

Note 1: Accounting principles and rules for establishing the annual financial statements

The financial statements were drawn up in accordance with the general principles of establishment and presentation of accounts defined by the French code of commerce and the ANC regulation n° 2016-07 of 04 November 2016 approved by Decree on 26 December 2016.

a) Main methods used

Intangible capital assets

Intangible capital assets comprise software which is amortised using the straight-line method over 3 to 15 years.

Tangible capital assets

Tangible capital assets are measured at their acquisition cost (purchase price plus costs excluding borrowing costs), except for assets acquired prior to 31 December 1976, which have been revalued in accordance with the law.

Since 1 January 2005, the company applied the regulations on assets with regard to the amortisation, depreciation (CRC regulation 2002-10) definition, measurement and recognition thereof (CRC regulation 2004-06).

Gévelot SA, by way of exception to the general retrospective principle, has thus adopted the approach known as « reallocation of net carrying amounts », in accordance with the first—time adoption provisions of the new rules.

Impairment amortisation is calculated by the straight-line method according to the expected estimated useful life: it is based on the acquisition amount less the estimated residual value at the end of estimated useful life.

Estimated useful lives:
- office space: straight-line, 40 years,
- other tangible capital assets: straight-line, 5 to 20 years.

Any components of the above and the methods applied are specified below:

- Buildings
  - Structural work: straight-line, 40 years,
  - Fit-outs and conversions: straight-line, 20 years,
  - Façade rendering: straight-line, 10 years,
  - Weatherproofing: straight-line, 20 years.

Impairment of assets

If there is any indication that an asset or group of assets has lost value, an impairment test is performed. An asset or group of assets is impaired if its net carrying amount exceeds its current value.

The current value of asset or group of assets is the higher of the value of its net selling price and that of the future economic benefits expected to be derived from use thereof.

Equity investments

Equity investments are recognised at acquisition cost or their contribution value, barring statutory revaluation.

The carrying amount is compared with the share of equity held in the company concerned.

If this share is lower than the carrying amount, an additional analysis is carried out to estimate the value in use of equity investments according to its rate of return and future prospects. If the value in use thus measured is lower than the carrying amount of the equity investments in question, the difference between these two values is written down.

Other asset components

On closing, the net carrying amount of asset components other than intangible and tangible capital assets is compared with their current value on the same date.

If this value is lower than the carrying amount, the difference is written down.

Short-term investments

These are measured at acquisition cost. If their liquidation or probable selling value on closing is lower, the difference is written down.

The market value of short-term investments at 31 December 2020, comprising bank term deposits and structured products, totals € 73.2 million.

Regulated provisions

The regulated provisions stated in the balance sheet are capital cost allowances on intangible and tangible capital assets. They are offset in the income statement as unusual expenses and gains.
Derogatory amortisations are mainly the result of a difference in duration.

Provisions

Provisions cover specifically identified contingencies and losses identified in accordance with the general chart of accounts.

b) Tax integration

Since 1 January 1995, Gévelot SA has opted for a group taxation system whereby it is liable for tax on the group's income. Under tax integration agreements entered into with consolidated companies, each Company recognizes the income tax expense as if there were no tax integration in place.

The Group comprises the Parent Company, Gévelot SA, « head of group » and French Subsidiaries: PCM SA, PCM Europe SAS, PCM Manufacturing France SAS and PCM Technologies SAS.

Its income net of tax of K€ 575 includes:

- tax credit (see Note 20) + K€ 3
- tax income relating to entities included in the Group's tax integration system + K€ 572

c) Pensions

When employees retire, they are paid conventional or contractual retirement benefits. Most of the corresponding obligations are covered by insurance. The residual portion that is not covered is not recognised and is therefore stated as an off-balance sheet commitment.

d) Significant events

Ultimately, the health, financial and economic crisis caused by Covid-19 had a limited impact on Gévelot SA financial statements (see Note 20).

e) Post-balance sheet events

None.

Note 2: Capital assets and amortisation

Headings and items	Capital assets					Amortisation and depreciation			
	Gross value at the start of FY 2020	Increases	Transfers	Reductions	Gross value at the end of FY 2020	Accumulated at the start of 2020	Increases	Reductions	Accumulated at the end of 2020
Intangible assets									
Concessions, patents, licences, trademarks, processes, rights and similar items	20	-	-	-	20	20	-	-	20
Total	**20**	**-**	**-**	**-**	**20**	**20**	**-**	**-**	**20**
Tangible fixed assets									
Land	1 333	-	-	-	1 333	-	-	-	-
Buildings	3 170	6	3	(3)	3 176	1 518	46	(3)	1 561
Other tangible fixed assets	131		-	(8)	123	72	11	(8)	75
Construction work in progress	-	-	-	-	-	-	-	-	-
Advances and down payments on tangible capital assets	3	6	(3)	-	6	-	-	-	-
Total	**4 637**	**12**	**-**	**(11)**	**4 638**	**1 590**	**57**	**(11)**	**1 636**
Long-term investments									
Equity investments	6 515	-	-	-	6 515	-	-	-	-
Receivables attached to equity investments	-	-	-	-	-	-	-	-	-
Loans	168	-	-	(18)	150	-	-	-	-
Other long-term investments	7	-	-		7	-	-	-	-
Total	**6 690**	**-**	**-**	**(18)**	**6 672**	**-**	**-**	**-**	**-**

Land and buildings correspond to buildings intended for the use of offices occupied by Gévelot SA or provided to its subsidiaries or third parties.

Note 3: Provisions

Headings and items		**Increases**	**Reductions**		
	Amount at the start of 2020		**Amount used during FY 2020**	**Amounts not used during FY 2020**	**Amount at the end of 2020**
Regulated provisions					
Capital cost allowances	1 182	43	(21)	-	1 204
Total	**1 182**	**43**	**(21)**	**-**	**1 204**
Contingency provisions					
Provisions for litigation	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**
Loss provisions					
Provision for taxes	-	-	-	-	-
Total		**-**		**-**	**-**

Note 4: Maturity of receivables and liabilities

Headings and items	Gross amount at 31.12.2020	Maturing in 1 year max	Maturing in over 1 year
Receivables			
Receivables on fixed assets			
Receivables from equity investments	-	-	-
Loans [1]	150	19	131
Other	7	-	7
Receivables from current assets			
Trade accounts receivable [2]	119	119	-
Other	773	738	35
Subscribed called-up capital not paid up	-	-	-
Prepaid expenses	37	25	12
Total	**1 086**	**901**	**185**
Liabilities			
Loans and debt with lending institutions [3] [4]	1	1	-
Other borrowing and financial debt [3] [5]	89	-	89
Trade payables [6]	55	55	-
Tax and welfare liabilities	143	143	-
Liabilities to fixed-asset suppliers [6]	-	-	-
Other liabilities [7]	593	593	-
Prepaid income	40	40	-
Total	**921**	**832**	**89**

[1] Loans granted in period	-
Loans recovered in period	18
[2] Including commercial paper	-
[3] Loans and financial liabilities taken out in period	40
Loans repaid and transferred in period	34
[4] including:	
- no more than two years initially	1
- over two years initially	-
[5] Liabilities maturing in over 5 years	89
[6] Including commercial paper	-
[7] Including to partners	-

Note 5: Items concerning affiliates

Items	Net amount at 31.12.2020	Net amount at 31.12.2019
Advances and down payments on fixed assets	-	-
Equity investments	6 515	6 515
Receivables from equity investments	-	-
Loans	-	-
Advances and down payments paid on orders (current assets)	-	-
Trade receivables	57	63
Other receivables	80	516
Subscribed called-up capital not paid up	-	-
Loans and debt with lending institutions	-	-
Other borrowing and financial debt	17	18
Advances and down payments received on current orders	-	-
Trade payables	17	19
Tax and welfare liabilities	-	-
Liabilities to fixed-asset suppliers	-	-
Other liabilities	586	788
Rendering of services	612	618
Other operating income	22	36
Other purchases and external charges	30	32
Other operating expenses	67	70
Income from equity investments	1 502	2 254
Other financial income	-	-
Finance costs	-	-

Affiliates: These are companies that are fully consolidated, controlled entities under joint control and notable influence and company managers and the companies they control as well as close family members.

Note 6: Revaluation

Items	Changes in revaluation reserve at 31.12.2020				
	Amount at the start of 2020	Reductions due to disposals	Other changes	Amount at the end of 2020	For the record differences incorporated into capital
Land	-	-	-	-	-
Equity investments	-	-	-	-	2 222
Revaluation reserve (1976)	-	-	-	-	(2 222)
Special revaluation reserve (1959)	-	-	-	-	(431)
Free revaluation adjustment	-	-	-	-	-
Other adjustments: Revaluation adjustments on capped assets	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	

Note 7: Accrued income

Amount of accrued income included in the following balance sheet items	Amount at 31.12.2020	Amount at 31.12.2019
Trade receivables	41	72
Other receivables	6	9
Short-term investments	53	48
Total	**100**	**129**

Note 8: Accrued liabilities

Amount of accrued liabilities included in the following balance sheet items	Amount at 31.12.2020	Amount at 31.12.2019
Trade payables	32	2
Tax and welfare liabilities	76	44
Other liabilities	7	11
Total	**115**	**57**

Note 9: Prepaid expenses and income

	Amount at 31.12.2020		Amount at 31.12.2019	
	Expenses	Income	Expenses	Income
Expenses / Operating revenue	37	40	39	66
Expenses / Financial income	-	-	-	-
Expenses / Unusual gains	-	-	-	-
Total	**37**	**40**	**39**	**66**

Note 10: Composition of the share capital

	Number	Par value
Shares making up the share capital at the start of financial year 2020	769 500	35.00
Shares issued during the period	-	-
Shares repaid during the period	-	-
Shares cancelled during the period	-	-
Change in par value through incorporation of reserves	-	-
Shares making up the share capital at the end of financial year 2020	769 500	35.00

Making a share capital of 26 932 500 euros

Note 11: Statement of changes in net worth

Equity in the closing balance sheet for period 2019 prior to income		86 910
Appropriation of 2019 income at net worth by the Annual General Meeting of 11 June 2020		1 911
. Income 2019	3 142	
. Dividends paid	(1 231)	
Equity on opening of period 2020		88 821
Changes in period:		22
. Changes in premiums, reserves, retained earnings	-	
. Changes in regulated provisions and investment grants	22	
Equity in the closing balance sheet for period 2020 prior to income		88 843

Note 12: Breakdown of net turnover

a) Breakdown by business segment

	Amount 2020	Amount 2019
Rents	230	254
Services	543	544
Total	**773**	**798**

b) Breakdown by geographical segment

	Amount 2020	Amount 2019
France	773	798
Total	**773**	**798**

Note 13: Unusual items

The main items included under this heading are:

Headings	Amount 2020	Amount 2019
Capital cost allowances	(22)	(47)
Exceptional depreciation	(1)	-
Capital gains (losses) on disposal of tangible assets	-	1
Provisions for taxes	-	153
Other items, net	(20)	-
Total	**(43)**	**107**

Note 14: Income tax

The itemization of tax on profits between those profits obtained before tax and the extraordinary items is the following:

Headings	Pre-tax income at 31.12.2020	Amount of income tax for 2020	Net income (loss) at 31.12.2020
Operating income	864	(137)	1 001
Unusual gains/losses	(43)	(6)	(37)
Impact of carried forward losses	-	143	(143)
Impact of tax credit (see Note 20)	-	(3)	3
Effect on consolidation for taxf purposes	-	(572)	572
Total	**821**	**(575)**	**1 396**

The tax rate is 28% for 2020, 26.5% for 2021 and 25% from 2022.

Gévelot SA generated a tax loss result of € 568 K at the end of 2020.

The effect on the period's taxes of dispensatory tax assessments due to capital cost allowances is € 6 K (income).

Increase and decrease in the future tax debt

The future tax debt is € 301 K higher due to the reversal of capital cost allowances for € 1,204 K.

Note 15: Off-balance sheet commitments

	Amount at 31.12.2020	Amount at 31.12.2019
Contractual obligations:		
Lease commitments	964	1 081
Retirement commitments	12	6
Total	**976**	**1 087**
Commitments received:		
Garantees	17	-
Total	**17**	**-**

Lease commitments:

Headings	Real estate property	Total at 31.12.2020
Original values before tax	**1 400**	**1 400**
Amortisations		
Cumulated previous years	-	-
Allowances of the period	-	-
Total	**-**	**-**
Fees paid before tax		
Cumulated previous years	817	817
For the period	117	117
Total	**934**	**934**
Fees remaining due before tax		
At one year max	117	117
At more than one year and 5 years max	469	469
At more than 5 years	238	238
Total	**824**	**824**
Residual values before tax		
At one year max	-	-
At more than one year and 5 years max	-	-
At more than 5 years	140	140
Total	**140**	**140**
Amount taken as expense in the period	117	117

Retirement commitments (I.F.C.)

Retirement commitments are calculated for each category of staff: clerical, executive, according to length of service and average salary, social security charges included, using the method called "projected benefit obligation", in accordance with CNC Recommendation 2013-02 dated 7 November 2013.

The main actuarial assumptions used to calculate the commitment at 31/12/2020 are: a discount rate of 0.40%, a salary increase rate of 2%, and a retirement age of 63 for non-managers and 65 for managers.

The figure retained, € 12 K, is equal to the IFC social liability (€ 76 K) minus the value of the fund at 31 December 2020 (€ 64 K) held by Axa France Vie under a contract to outsource part of these commitments.

Note 16: Managers' remuneration

The total remuneration of the management bodies is not provided as this would lead indirectly to giving individual compensation.

Note 17: Average headcount

	2020	2019
Managerial / executive staff	4	4
Supervisory, technical and clerical staff	1	1
Total	**5**	**5**

Note 18: Consolidating company

Gévelot S.A. is the consolidating company of the Gévelot Group.

Note 19: Subsidiaries and equity investments at 31 December 2020

Companies	Capital	Equity other than capital prior to income	Percentage of capital held[1]	Carrying amount of equity interests		Loans and advances granted by the company and not yet repaid	Guarantees and pledges given by the company	Turnover excluding tax of the last complete period	Profit or loss of the last complete period	Dividends received by the company during the period
				Gross	Net					
A - SUBSIDIARIES (at least 50 % of the capital held by the Company)										
PCM S.A. 6, boulevard Bineau 92300 Levallois-Perret	10 155	97 253	99,95%	6 515	6 515	-	-	1 124	4 314	1 502
B - EQUITY INVESTMENTS (10 to 50 % of the capital held by the Company)	-	-	-	-	-	-	-	-	-	-

[1] Including consumption loans

Note 20: Financial impacts linked to Covid-19

Gévelot SA, as part of its rental management, granted one of its tenants a rent discount in Q1 2020 and in November 2020.

The total amount of debt write-offs amounted to € 18,000 before tax and had an impact on turnover. In addition, Gévelot SA is eligible for the benefit of the tax credit for abandonment of rent introduced by Article 20 of the Finance Law n ° 2020-1721 of 29 December 2020 for 2021. In this respect, it noted a tax credit of € 3 K over 2020 which appears on the line "Income taxes ".

Income and net worth

Net income (loss) of period and statement of changes in net worth

Net income (loss) of period

Total in thousands of euros and in euros per share		2020	2019
Number of shares at 31 December		769 500	769 500
Accrual-based income	K€	**1 396**	**3 142**
	€	1,81	4,08
Changes in net worth excluding restructuring transactions	K€	22	47
	€	0,03	0,06
Proposed dividend	K€	**1 539**	**1 231**
	€	2,00	1,60

Statement of changes in net worth

(in thousands of euros)

Equity in the closing balance sheet of 2018 prior to income		**86 910**
Appropriation of 2018 income at net worth proposed by the Annual General Meeting of 19 June 2019		1 911
. 2018 income	3 142	
. Dividends paid	(1 231)	
Equity at the beginning of 2019		**88 821**
Period change:		22
. Changes in premiums, reserves, retained earnings	-	
. Changes in regulated provisions and investment grants	22	
Equity in the closing balance sheet of 2019 prior to income		**88 843**
Appropriation of 2019 income at net worth proposed by the Annual General Meeting of 11 June 2020		(143)
. 2019 income	1 396	
. Proposed dividends	(1 539)	
Equity after proposed appropriation		**88 700**

Financial income

The Company's financial income over the last five periods

(in euros)

Item	2020	2019	2018	2017	2016
I - CAPITAL AT END OF PERIOD			(**)	(*)	
a) share capital	**26 932 500,00**	**26 932 500,00**	**26 932 500,00**	**28 717 500,00**	31 262 245,00
b) number of exisrting ordinary shares	**769 500**	**769 500**	**769 500**	**820 500**	893 207
c) number of existing preferential dividend shares (without voting rights)	**-**	-	-	-	-
d) Maximum number of future shares to be created					
d.1 through bond conversion	**-**	-	-	-	-
d.2 by exercising subscription rights	**-**	-	-	-	-
II - PERIOD TRANSACTIONS AND INCOME (LOSS)					
a) Turnover excluding tax	**773 216,32**	**797 643,17**	**564 739,50**	**2 155 208,49**	2 284 881,26
b) Earnings before tax, employee profit-sharing, amortisation and provisions	**901 055,43**	**2 459 600,30**	**2 646 809,24**	**(26 506 414,95)**	7 672 545,77
c) Income tax	**(574 379,00)**	**(634 587,00)**	**(58 587,00)**	**(86 668,00)**	(2 283 981,00)
d) Employee profit-sharing in period	**-**	-	-	-	-
e) Earnings after tax, employee profit-sharing, amortisation and provisions	**1 395 921,00**	**3 141 790,45**	**3 214 422,18**	**(2 981 501,75)**	9 070 458,66
f) Distributed earnings	**1 539 000,00**	**1 231 200,00**	**1 385 100,00**	**1 385 100,00**	1 476 900,00
III - EARNINGS PER SHARE					
a) Earnings after tax, employee profit-sharing, but before amortisation and provisions	**1,92**	**4,02**	**3,52**	**(32,20)**	11,15
b) Earnings after tax, employee profit-sharing, amortisation and provisions	**1,81**	**4,08**	**4,18**	**(3,63)**	10,15
c) Dividend allocated to each share	**2,00**	**1,60**	**1,80**	**1,80**	1,80
IV - PERSONNEL					
a) Average headcount of personnel employed during the period	**5**	**5**	**5**	**5**	5
b) Total payroll	**610 704,26**	**576 915,95**	**463 755,95**	**555 744,14**	501 253,84
c) Amounts paid out for the period's employee benefits (social security, community services, etc.)	**264 031,84**	**252 046,97**	**189 181,97**	**249 393,27**	235 691,75

(*) In accordance with the decision of the Board of Directors of 13 April 2017, and under the authorisation given by the Combined General Meeting of 15 October 2015, a capital reduction of € 2,544,745 through cancellation of the 72,707 treasury shares held by Gévelot S.A..

At the end of 2017, the share capital thus stands at € 28,717,500 comprising 820,500 shares each with a par value of €35.

(**) In accordance with the decision of the Board of Directors of 20 June 2018, and under the authorisation given by the Combined General Meeting of 15 June 2017, a capital reduction of € 1,785,000 through cancellation of the 51,000 treasury shares held by Gévelot S.A..

At the end of 2018, the share capital thus stands at € 26,932,500 comprising 769,500 shares each with a par value of €35.

Rapport des Commissaires aux Comptes sur les Comptes Annuels

Exercice clos le 31 décembre 2020

GEVELOT SA
6, boulevard Bineau
92300 Levallois-Perret

A l'Assemblée Générale de la Société GEVELOT SA

Opinion

En exécution de la mission qui nous a été confiée par votre assemblée générale, nous avons effectué l'audit des comptes annuels de la société GEVELOT SA relatifs à l'exercice clos le 31 décembre 2020, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine de la société à la fin de cet exercice.

Fondement de l'opinion

Référentiel d'audit
Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités des commissaires aux comptes relatives à l'audit des comptes annuels » du présent rapport.

Indépendance
Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance prévues par le code de commerce et par le code de déontologie de la profession de commissaire aux comptes sur la période du 1er janvier 2020 à la date d'émission de notre rapport.

Justification des appréciations

La crise mondiale liée à la pandémie de COVID-19 crée des conditions particulières pour la préparation et l'audit des comptes de cet exercice. En effet, cette crise et les mesures exceptionnelles prises dans le cadre de l'état d'urgence sanitaire induisent de multiples conséquences pour les entreprises, particulièrement sur leur activité et leur financement, ainsi que des incertitudes accrues sur leurs perspectives d'avenir. Certaines de ces mesures, telles que les restrictions de déplacement et le travail à distance, ont également eu une incidence sur l'organisation interne des entreprises et sur les modalités de mise en œuvre des audits.

C'est dans ce contexte complexe et évolutif que, en application des dispositions des articles L.823-9 et R.823-7 du code de commerce relatives à la justification de nos appréciations, nous vous informons que les appréciations les plus importantes auxquelles nous avons procédé, selon notre jugement professionnel, ont porté sur le caractère approprié des principes comptables appliqués et sur le caractère raisonnable des estimations significatives retenues, notamment pour ce qui concerne l'évaluation des titres de participation à la date de clôture, ainsi que sur la présentation d'ensemble des comptes.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes annuels pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes annuels pris isolément.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires.

Informations données dans le rapport de gestion et dans les autres documents sur la situation financière et les comptes annuels adressés aux actionnaires
Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du conseil d'administration et dans les autres documents sur la situation financière et les comptes annuels adressés aux actionnaires.

Nous attestons de la sincérité et de la concordance avec les comptes annuels des informations relatives aux délais de paiement mentionnées à l'article D.441-6 du code de commerce.

Informations relatives au gouvernement d'entreprise

Nous attestons de l'existence, dans la section du rapport de gestion du conseil d'administration consacrée au gouvernement d'entreprise des informations requises par l'article L.225-37-4 du code de commerce.

Autres informations

En application de la loi, nous nous sommes assurés que les diverses informations relatives à l'identité des détenteurs du capital ou des droits de vote vous ont été communiquées dans le rapport de gestion.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes annuels

Il appartient à la direction d'établir des comptes annuels présentant une image fidèle conformément aux règles et principes comptables français ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à la direction d'évaluer la capacité de la société à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider la société ou de cesser son activité.

Les comptes annuels ont été arrêtés par le conseil d'administration.

Responsabilités des commissaires aux comptes relatives à l'audit des comptes annuels

Il nous appartient d'établir un rapport sur les comptes annuels. Notre objectif est d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L.823-10-1 du code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre société.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit. En outre :

- il identifie et évalue les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;
- il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes annuels ;
- il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de la société à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier ;
- il apprécie la présentation d'ensemble des comptes annuels et évalue si les comptes annuels reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle.

Fait à Neuilly-sur-Seine et Paris, le 27 avril 2021

Les Commissaires aux Comptes

PricewaterhouseCoopers Audit	RSM Paris
Jean-Romain Bardoz	Régine Stéphan

Rapport Spécial des Commissaires aux Comptes sur les Conventions Réglementées

Exercice clos le 31 décembre 2020

GEVELOT SA
6 boulevard Bineau
92300 LEVALLOIS PERRET

A l'Assemblée Générale de la société GEVELOT SA

En notre qualité de commissaires aux comptes de votre société, nous vous présentons notre rapport sur les conventions réglementées.

Il nous appartient de vous communiquer, sur la base des informations qui nous ont été données, les caractéristiques, les modalités essentielles ainsi que les motifs justifiant de l'intérêt pour la société des conventions dont nous avons été avisés ou que nous aurions découvertes à l'occasion de notre mission, sans avoir à nous prononcer sur leur utilité et leur bien-fondé ni à rechercher l'existence d'autres conventions. Il vous appartient, selon les termes de l'article R. 225-31 du code de commerce, d'apprécier l'intérêt qui s'attachait à la conclusion de ces conventions en vue de leur approbation.

Par ailleurs, il nous appartient, le cas échéant, de vous communiquer les informations prévues à l'article R.225-31 du code de commerce relatives à l'exécution, au cours de l'exercice écoulé, des conventions déjà approuvées par l'assemblée générale.

Nous avons mis en œuvre les diligences que nous avons estimé nécessaires au regard de la doctrine professionnelle de la Compagnie nationale des commissaires aux comptes relative à cette mission.

CONVENTIONS SOUMISES A L'APPROBATION DE L'ASSEMBLEE GENERALE

Nous vous informons qu'il ne nous a été donné avis d'aucune convention autorisée et conclue au cours de l'exercice écoulé à soumettre à l'approbation de l'assemblée générale en application des dispositions de l'article L. 225-38 du code de commerce.

CONVENTIONS DEJA APPROUVEES PAR L'ASSEMBLEE GENERALE

Nous vous informons qu'il ne nous a été donné avis d'aucune convention déjà approuvée par l'assemblée générale dont l'exécution se serait poursuivie au cours de l'exercice écoulé.

Neuilly-sur-Seine et Paris, le 27 avril 2021

Les Commissaires aux Comptes

PricewaterhouseCoopers Audit

Société de Commissariat aux Comptes
Membre de la Compagnie Régionale de Versailles

Jean-Romain Bardoz

Associé

RSM Paris

Société de Commissariat aux Comptes
Membre de la Compagnie Régionale de Paris

Régine STEPHAN

Associée

Resolutions

submitted to the Annual General Meeting of 17 June 2021

First Resolution

The General Meeting, having listened to the operating and financial review of the Board of Directors and to the Auditors' report, approves the said reports in their entirety, as well as the 2020 annual individual financial statements, which show a net income of € 1,395,921.00.

Second Resolution

The General Meeting, having listened to the operating and financial review of the Board of Directors and to the Auditors' report, approves the annual consolidated financial statements as presented, which show a Group share of net consolidated income of € 1.0 million for financial year 2020.

Third Resolution

The General Meeting takes due note of the Auditors' special report on the regulated Agreements and Commitments referred to in Article L.225-38 of the French Commercial Code and approves the said transactions.

Fourth Resolution

The General Meeting decides to allocate
the period's profit of .... € 1,395,921.00

plus previous retained earnings .... € 16,701,477.82

constituting the distributable profit of..... € 18,097,398.82

as follows:

. Dividend .... € 1,539,000.00

- € 1,539,000.00

Retained earnings balance
after allocation .... € 16,558,398.82

The global dividend is € 2.00 per share for 769 500 shares so € 1,539,000.00 and will be distributed from 24 June 2021.

In accordance with Article 243 bis of the French General Tax Code, it is stipulated that the totality of the proposed dividend is eligible for the 40% tax allowance benefiting to individuals domiciled in France according to Article 158-3, 2° of the General Tax Code. This allowance applies only in the case of an express, irrevocable and global option for taxation according to the progressive income tax schedule when filing the annual income statement of the beneficiary. In the absence of such an option, the dividend to be distributed to these individuals domiciled in France falls within the scope of the single flat-rate levy (PFU) without the application of this 40% tax allowance.

Prior to payment, the dividend is subject to social security contributions and to the 12.8% mandatory non-statutory levy written in Article 117 quater of the French General Tax Code, paid as an advance payment of income tax, except where the taxpayer has duly waived the exemption.

In application of Article 243 bis of the General Tax Code, it is reminded that the payment of the following dividends has been carried out in the last three accounting years, these dividends being fully eligible for the 40% tax allowance mentioned in Article 158.3.2° of the General Tax Code:

Period	Net	Number of shares	
		served	total
2017	1.80	769 500	820 500
2018	1.80	769 500	769 500
2019	1.60	769 500	769 500

Fifth Resolution

The General Meeting discharges the Directors from their corporate duties for financial year 2020.

Sixth Resolution

Mr Charles BIENAIME's directorship being expired, the General Meeting renews his mandate for a period of three years until the 2024 General Meeting that will be called to approve the accounts of financial year 2023.

Seventh Resolution

Mr Pascal HUBERTY's directorship being expired, the General Meeting renews his mandate for a period of three years until the 2024 General Meeting that will be called to approve the accounts of financial year 2023.

Eighth Resolution

To proceed with any publication and filing required by law, and generally to carry out any statutory formalities, all powers are vested in the holder of original or duplicated copies or excerpts of these resolutions.

Gévelot

6, boulevard Bineau
92300 Levallois-Perret

www.gevelot-sa.fr