Gévelot

ANNUAL REPORT

2022 financial year

This is a free translation into English of the 2022 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.

Combined Annual and Extraordinary General Meeting of 15 June 2023

Contents

Gévelot Group

2022 Accounts

Société Anonyme (public limited company) with a registered capital of 26 586 350 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 2022

Administration of Gévelot S.A.

Board of Directors

Chairman & Managing Director	Mario MARTIGNONI
Directors	Roselyne MARTIGNONI
	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

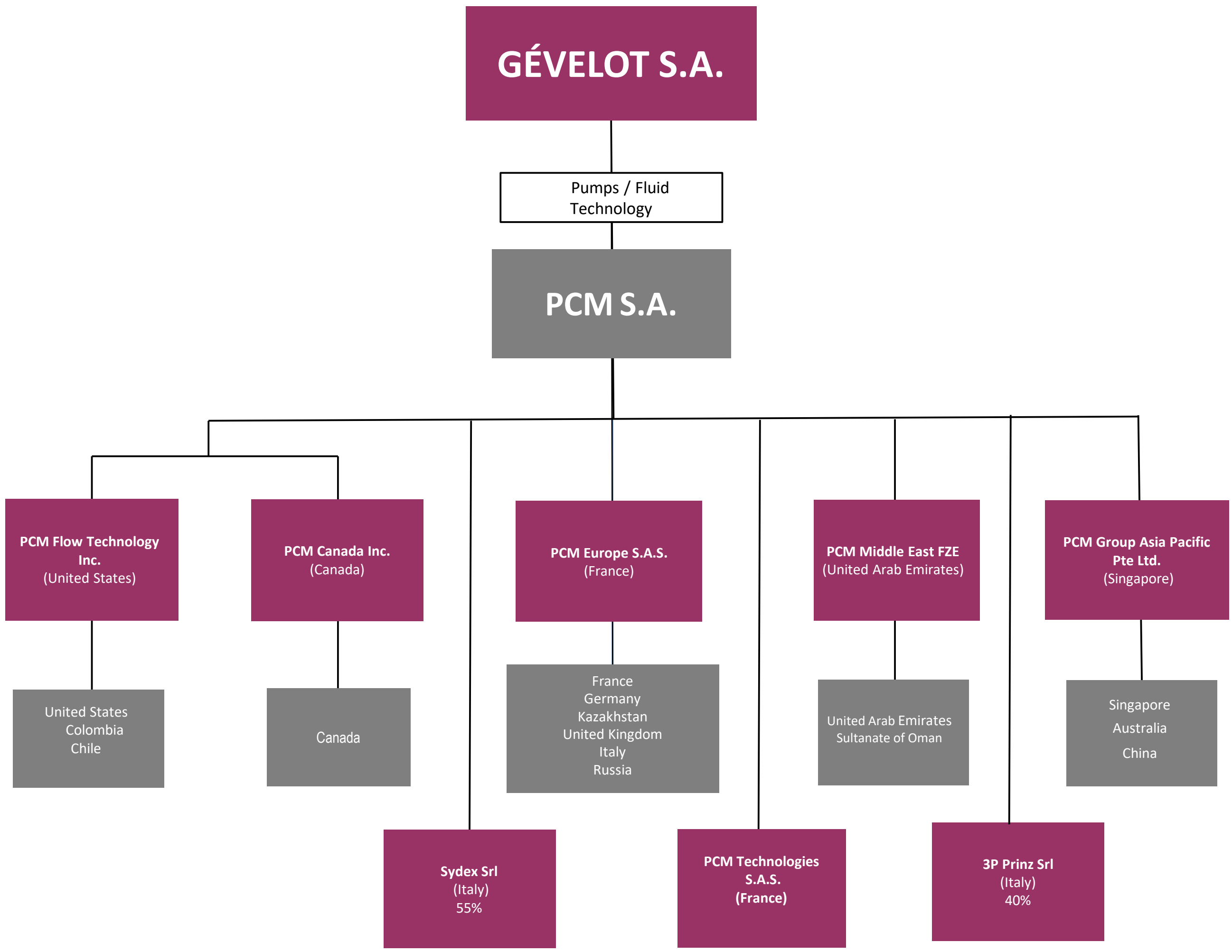
Permanent	Société de Bourse Gilbert Dupont represented by Audrey NODIN

Managers of subsidiaries

Pumps Sector

Chairman and Managing Director	Mario MARTIGNONI
Deputy Managing Director	Frédéric GARDE

GROUP COMPANIES



Agenda

of the Combined Annual and Extraordinary General Meeting of 15 June 2023

Within the competence of the Ordinary Annual General Meeting

- Management Report from the Board of Directors on the progress of the Company during the fiscal year 2022,
- Report from the Statutory Auditors on Corporate Financial Statements and Consolidated Accounts for the fiscal year 2022,
- Approval of the Corporate Financial Statements for the fiscal year ended 31 December 2022,
- Approval of the Consolidated Accounts for the fiscal year ended 31 December 2022,
- Approval of the Agreements mentioned in Article L.225-38 of the Commercial Law,
- Allocation of net income of the fiscal year 2022,
- Discharge to Directors,
- Designation of Directors,
- Amendment of the amount of the compensation allocated to Directors for their activity on the Board of Directors
- Renewal of the Statutory Auditors’ mandate,
- Powers
- Questions.

Within the competence of the Extraordinary General Meeting

- Board of Directors' report on extraordinary resolutions,
- Reports of the Merger Auditor on the contribution values and the part of the exchange ratio,
- Report of the Statutory Auditors on the causes and conditions of the capital reduction,
- Examination and approval of the merger by way of absorption of the ROSCLODAN company by the GEVELOT company and the resulting capital increase of €2,194,500,
- Capital reduction of €2,194,500 by cancellation of 62,700 Gévelot shares received in the merger as covered in the previous resolution,
- Amendment of Article 6 of the Articles of Association (Share Capital) as a result of the two previous resolutions,
- Amendment of Article 14 of the Articles of Association.

Overview of Gévelot Group

Annual key figures

(in thousands of euros)

Group	2022	2021	Percentage change 2022/2021	2020
Turnover	**135 386**	101 267	(1) 33.7	89 529
Turnover generated outside France	*111 811*	*78 594*	42.3	*68 136*
EBITDA *	13 585	6 793	-	5 522
Current operating income	**12 053**	5 846	-	4 068
Non-current operating income and (expenses)(2)	(186)	1 214	-	(731)
Operating income	**11 867**	7 060	-	3 337
Financial income	(2 244)	949	-	(929)
Pre-tax income	**9 623**	8 009	-	2 408
Taxes	**(1 279)**	(412)	-	(1 221)
Share of income from equity-method companies	**172**	10	-	18
Net consolidated income	**8 516**	7 607	-	1 205
Income attributable to non-controlling interests	468	370	-	229
Income attributable to consolidating company	**8 048**	7 237	-	976
Net income per share attributable to consolidating company (in euros)	10,50	9,40	-	1,27
Cash flow from operations	13 254	12 146	-	15 954
Equity	**212 713**	207 355	2.6	197 406
Debt / Equity (in %)	*3.1*	*2.3*	-	*4.3*
Headcount	*724*	*665*	8.9	*667*

* EBITDA : gross operating margin

(1) at constant scope and exchange rates + 28.0 %				
(2) including capital gain on the sale of the building in Houston	-	1 126		-
(2) including Canadian assets valuation	-	-		(579)

Gévelot S.A.	2022	2021	Percentage change 2022/2021	2020
Turnover	**966**	792	22.0	773
Operating income	(980)	(960)	-	(874)
Financial income	(234)	2 394	-	1 738
Pre-tax income	(1 214)	1 434		864
Unusual items	(19)	(19)	-	(43)
Net income	**(558)**	1 754	-	1 396
Cash flow from operations	(469)	1 827	-	1 475
Net dividend per share (in euros)	3.00	2.00	-	1.60
Headcount	*5*	*5*	-	*5*

2022 Accounts

Management and Corporate Governance Report

Dear Shareholders,

According to the Law and our Articles of Association, 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 2022 and also provide you with information about the Corporate Governance of our Company (Articles 225-37 al.6; L. 225-68 and L. al.6 226-10-1 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 2022 in a Report appended to this Management Report, together with a verification performed 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 2022 amounted to €135.4 million against €101.3 million in 2021, up 33.7%.
On a like-for-like basis, the increase is 28.0%

FY 2022 was characterised by continued strong growth in Oil & Gas in the America zone, as well as stability in Food & Industry.

Consolidated turnover from other activities amounted to €0.3 million, compared to 0.2 million in 2021.

Detailed comments on the consolidated results

The Group's consolidated operating income in 2022 amounted to a profit of €12.1 million against €5.8 million in 2021, up €6.3 million.

The Pumps Sector's contribution increased, amounting to €12.9 million (€6.7 million in 2021). Like last year, it included €5.4 million of fees in a licensing contract that will end in June 2024.

The growth in activity explains this performance despite any impact due to the increase in the price of materials, procurement, logistics and energy costs as well as a rise in payroll expenses.

The contribution of the real estate activity of the Holding was negative for €0.8 million at the same level as last year.

Operating income for 2022 was positive at €11.9 million against €7.1 million in 2021, up €4.8 million. It included €1.1 million in property capital gains in Canada in 2021.

The consolidated financial result 2022 was negative at €2.3 million compared to positive at €0.9 million the previous year, due to valuations of bond fund investments leading to a depreciation of €2.1 million, negative net currency effects of €0.7 million and other positive net financial income amounting to €0.5 million.

In 2022, net charges of consolidated tax totalled €1.3 million against €0.4 million in 2021.

Consolidated net income for FY 2022 of integrated companies was €8.3 million against €7.6 million in profit in 2021, up by €0.6 million.

The share of income from equity-method companies was positive at €0.2 million. This mainly concerns the participation in the results of the Italian Company, 3P Prinz, for the holding period in 2022.

The proportion of income attributable to minority interests amounted in 2022 to a profit of €0.5 million against €0.4 million in 2021.

Ultimately, the Group share of Consolidated net income for 2022 activities amounted to a positive €8.0 million against a positive €7.2 million in 2021.

The cash flow from operations, remained positive: €13.3 million against €12.1 million in 2021.

The contribution of different activities to overall consolidated results sectors is developed in the Appendix of the Consolidated Financial Statements (Note 19).

Group investments

2022 investments amounted to €9.8 million (including €6.8 million in property investments and €3.0 million in industrial investments) compared to €12.7 million (including €9.3 million in property investments) in 2021.

A minority shareholding of 40% for an amount of €1.2 million, supplemented by a financial advance of €0.6 million, and a framework cooperation agreement were concluded with the Italian company, 3P Prinz SRL. This company manufactures positive displacement pumps in fields of activity complementary to ours.

Finally, no investments were made during the year, bringing the Group to hold a significant stake in a company having its registered office in French territory.

Jobs

The Group's workforce on 31 December 2022, excluding temporary staff, totalled 724 people, including 408 outside France, against 665 people, including 343 outside France in late December 2021.

Structure of the consolidated balance sheet

The consolidated balance sheet at the end of 2022 amounted to €308.5 million against €293.3 million at the end of 2021, i.e. a decrease of €15.2 million.

Non-current assets of €56.0 million were up €9.3 million. This net variation is mainly due to net investments of €7.2 million (including property investments in France of €6.8 million) and financial investments of +€2.1 million.

Current assets at €252.5 million were up by €5.9 million.

This net variation is due to stock variation for +€10.9 million, an increase in trade receivables (+ €12.2 million), other debtors (+€1.6 million), bank deposits over three months cash (+ €51.3 million) offset by the decrease in cash (- €69.8 million).
General cash is down €18.5 million.

€212,7 million in equity was up by €5.3 million, corresponding to: +€8.5 million in consolidated results in 2022, + €0.5 million in translation differences, + €0.4 million in miscellaneous and - €1.8 million in share capital in October 2022 and €-2.3 million in dividends.

Provisions for risks and charges, at €2.8 million, were down sharply by €0.5 million.

Debts of €93.0 million were up €10.3 million due to higher operating debts + €5.7 million (including suppliers +€5.7 million, prepaid income of -€1.1 million, other debts +€1.1 million), advances and down payments +€3.5 million, financial debts +€1.8 million (including €1.4 million related to the application of IFRS 16 and €0.4 million net variation in borrowings) and debts on fixed asset suppliers +€0.1 million, offset by lower deferred tax liabilities -€0.8 million.

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 €122.4 million, a decrease of €20.2 million compared to the previous year due to the €69.8 million decline in net cash offset and the €1.7 million increase in financial debt offset by the increase in current financial assets for €51.3 million (variation in bank deposits at over three months).

In total, current assets amounted to €252.5 million largely covering all debts to third parties within one year, amounting to €87.6 million.

To summarise, the "debt / equity" ratio was 3.1% against 2.3% at the end of 2021.

The "debt / turnover" ratio amounted to 4.8% against 4.7% at the end of 2021.

The total financial cost of the debt stood at the end of 2022 at €197 K (0.1% of turnover) against €187 K at the end of 2021 (0.2% of turnover).

Activity of the Parent Company

The turnover of Gévelot SA, the Parent Company, was €966 K in 2022 against €792 K in 2021.

Rents at €298K increased by €31K over the past year, mainly due to the rental yield of the new Levallois-Perret office space acquired in November 2022.

They correspond to the leases of Levallois-Perret office space made available to a subsidiary and third party companies.

Services were invoiced at €668 K, up €143 K.

Other income and miscellaneous slightly increased at €118 K.

Overall, operating income amounted to €1,084K against €877 K, an increase of €207 K.

Operating expenses at €2,064 K against €1,837 K in 2021 were up €227 K.

Purchases and external expenses of €887 K were up €155 K, due to higher expenses related to the Holding company's activities (fees and commissions) and co-ownership expenses on the Levallois buildings.

Taxes amounted to €117 K and are stable.

Payroll costs at €909 K increased by €37 K.

Depreciation and amortisation expenses slightly increased at €69 K.

Other expenses at €82 K rose by €15 K.

The year's operating income amounted to a negative €980 K against a negative €960 K in 2021.

The financial income was negative and amounted to €234 K compared to a positive €2,394 K in 2021.
In 2022, a dividend of €1,502 K was received from PCM SA (unchanged compared to 2021), financial income for €317 K, net foreign exchange gains for €3K. At the end of 2022, as part of an unrealised loss on our bond investments due to the unpredictable and very strong rise in Central Banks' key interest rates, a net depreciation of €2,056 K had to be established.

The pre-tax result showed a deficit of €1,214 K €against a positive €1,434 K in 2021.

The extraordinary pre-tax result was negative: -€19 K, identical to 2021.

In the absence of own taxes, and after €675 K of tax savings related to the tax integration scheme, **Gévelot S.A.'s net income was negative in 2022 and amounted to €558 K compared to a positive €1,754 K in 2021.**

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 result	Financial result	Extraordinary result
PCM SA	1.1	-1.0	6.9	- 0.1

Subsidiary	Net income	Self-financing capacity	Industrial investments	Financial investments
PCM SA	5.8	6.9	0.3	5.5

Staffing on 31 December 2022

Subsidiary (excluding temporary staff)	Total
PCM SA	4

Group's research and development activities

For the entire Group, Research and Development spending for the Pumps sector amounted in 2022 to 0.8% of turnover, including €1.1 million that are eligible for Research tax credits, and generated tax credits amounting to €0.3 million.

2022 was a strong year for Research and Development activities with two new patents in the fields of ALS & hygienic design, reinforcing our position as a technological leader.

For the Food & Industry business, the first connected pumps and the first pumps with the In-Place Maintenance system were installed at our customers' premises. Our sales catalogue has been enriched with more hygienic products and/or greater capacities such as HyFeed, "large volume "Dosymix , the new aseptic DACC doser, or products to develop new markets such as EcoMoineau TM LX to pump Lithium.

For Oil & Gas, PCM's leadership in metal additive manufacturing has enabled us to develop, sell & deliver the first 500A6, the largest pump in our range. The supply of pumps on the Artificial Lift market has been significantly enriched with new models of elastomeric hydraulics, Vulcain™, new bearings and accessories.

Finally, PCM has launched a study to quantify the carbon footprint of its products, from the supply phase to the use of pumps, in order to identify projects to be carried out in the future to enable our customers to reduce their own carbon footprint.

Group outlook for 2023

Parent company

Gévelot SA turnover will again consist of leases and services.

In terms of financial products, a higher dividend should be received by our subsidiary for 2023.

Our resources, namely from leases and service, and the operating result should be stable.

In the end, the net income of the holding company should improve.

After the transaction completed in late November 2022, the study of acquisition opportunities for new properties in the Greater Paris Area continues.

Pumps sector

2023 should be a year of consolidation in terms of activity after the growth in all markets, including Oil & Gas, observed over the past year.

However, international geopolitical tensions (Russia-China-USA) call for the utmost caution. These weigh both on the availability of raw materials and therefore on their delivered cost, but also on the effective completion of certain projects.. The climate of confidence of economic players is therefore uncertain for the coming year.

This situation forces the Group to take care to ensure that customer relations remain excellent while pursuing a policy to save on all expenses and optimise production costs.

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. Since 2021, a path to recovery has been observed which coincides with strong increase in demand and in crude oil prices. The level of activity of the Oil Pumps increased very strongly last year and should continue its development if geopolitical conditions allow.

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 remains 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 euros. This intercompany invoicing is subject to forward exchange hedging of their payment if the amounts are significant.

The same principle applies to sales outside the Group for foreign currency billing of Customers. 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. A price increase, in particular steel, and chemicals, was observed from FY 2021 and significantly impacted the operating margin in 2022. 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 their receivables are covered by a dedicated collection process. Major Export Customers positioned in areas of major geopolitical risks are specifically monitored.

- **Climate risks**

Faced with the climate emergency characterised by pollution and the gradual disappearance of species and resources, as well as regulatory changes in environmental matters, the Group has embarked on a voluntary CSR approach.

In particular, it is committed to reducing the environmental impact of its activities by, for example, optimising waste management and promoting eco-responsible initiatives while ensuring compliance with regulations.

At this stage, the Group has not identified any impact either on the valuation of its assets or on the future development of its activities.

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 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 Financial Division analyses the portfolio and makes recommendations to subsidiaries on the suitable tools (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, Canada; the Near and Middle East and Russia are not hedged in any specific way.

4. Financial risks linked to cash management

The Group has some marketable securities (14.8% of cash) based on indices and whose capital is not guaranteed but secured with protective barriers.

Since the end of 2021 and the beginning of 2022, bond funds and hedge funds have been taken out (11.5% of cash) under favourable conditions. However, at the end of 2022, given a market reversal in this category of investment and more particularly the unpredictable and very rapid increase in the key rates of the Central Banks, depreciations had to be noted.

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 (French 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	4					5
Total amount of invoices (including taxes)	€9 k	€3 k	€1 k			€4 k
% of total amount of purchases including tax for the year	0.11%	0.03%	0.02%			0.05%
% of the year's turnover (including taxes)						
(B) Invoices excluded from (A) relating to disputed or unrecorded debts and payables						
Number of invoices excluded						
Total amount of excluded invoices						
(C) Reference payment deadlines used (contractual or legal deadline - article L. 441-10 I or article L. 441-11 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	3					1
Total amount of invoices (including taxes)	€44 k				€1 k	€1 k
% of total amount of purchases including tax for the year						
Turnover (including taxes) for the financial year	3.42%				0.06%	0.06%
(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:

Result for the fiscal year .... - €558,141.38

Previous retained earnings of....................... €16,003,981.67

Total to allocate €15,445,840.29

. Dividend:.....................................- €3,038,440.00

. Balance carried forward
after allocation: €12,407,400.29

The total dividend amounts to €4 per share for 759,610 shares, or €3,038,440.00 and will be available for distribution from 30 June 2023.

In compliance with article 243 bis of the French General Tax Code, it is specified that the whole proposed dividend is eligible for a 40% rebate benefiting natural persons domiciled for tax purposes in France, as provided for in article 158-3 -2° of the French General 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 have been distributed over the past three years as these dividends were fully eligible for the 40% rebate mentioned in Article 158.3.2° of the French General Tax Code:

Financial year	Net	Number of shares served in total	
2019	1.60	769,500	769,500
2020	2.00	769,500	769,500
2021	3.00	769,500	769,500

Financial Markets

In 2022, the share price on Euronext Paris Growth was as follows:

	Euros
Price at end of 2021	163.00
Lowest price	163.00
Highest price	195.00
Price at end of 2022	185.00
The number of exchanged securities in 2022*	39,703
The number of exchanged securities in 2021	51,453

*including 10,382 under the share repurchase program

On 30 March 2023, the share price was €195 with a trading volume recorded since the beginning of the year of 3,695 including 113 securities under the share repurchase program.

Shareholding

Mario Martignoni informed the AMF and the Company on 15 June 2022 that he had exceeded, within the framework of his direct and indirect ownership via the Sopofam SA company that he controls, the ownership threshold of 50% of voting rights in extraordinary meetings (222C1481 posted on 15 June on the AMF website).

This excess followed a decision to waive the obligation to file a draft public offer, posted on the AMF website on 10 May 2022 under the reference D&I 222C1053.

On 31 December 2022, the capital of the Gévelot company amounted to 759,610 shares of €35, distributed as follows:

Shareholders	Actions	% of capital	% of Voting Rights
Sopofam [1]	374,856	49 .35%	49 .35%
Mr. Mario Martignoni	18,527	2.44%	2.44%
Total Mr. Mario Martignoni	393,383	51.79%	51.79%
Rosclodan	62,192	8.19%	8.19%
Other	304,035	40.02%	40.02%
Total	759,610	100.00%	100.00%

[1] *La Société de Portefeuille Familial - Sopofam is controlled by Mr. Mario Martignoni*

Gévelot has been informed that:

- On 08 December 2022, Mr Mario Martignoni, the Sopofam company, the Rosclodan company and members of the Bienaimé family made a collective undertaking to retain 469,472 shares of the Gévelot company, representing, on the day of the event, 61.8% of Gévelot shares and of voting rights connected to Gévelot shares, pursuant to article 787B of the French General Tax Code.
- on 13 December 2022, Mr Mario Martignoni, the Sopofam company and a group of shareholders made another collective undertaking to retain 407,969 shares of the Gévelot company, representing, on the day of the event, 53.7% of Gévelot shares and of voting rights connected to Gévelot shares, pursuant to article 787B of the French General Tax Code, for a duration of two years.

It is envisaged to proceed with a merger of Rosclodan SA, which holds 8.2% of the capital of our Company in the accounts of Gévelot SA. A Merger Commissioner was appointed by the Registry of the Commercial Court of Nanterre on 7 March. This merger with effect from 1 January 2023 should be operational next June after approval by the competent decision-making bodies of the two entities.

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

The conflict triggered by Russia's invasion of Ukraine in February 2022 is not expected to have any significant direct or indirect consequences on the accounts for 2023. Nevertheless, our Group remains attentive to the evolution of this conflict. Our activities in this area of Eastern Europe are almost totally suspended and in any case in full compliance with the regulations in force.

Holding

Gévelot SA will continue its rental offer at its Levallois Perret property.

Pumps sector

The trend in the various activities of the Pumps Sector, in particular Oil & Gas, remains encouraging. However, the overall outlook remains uncertain.
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

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 CEO role.
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 3 times in 2022.

Directors and Corporate Officers

The renewal of the term of office of Ms. Roselyne Martignoni, Mr. Mario Martignoni and Mr. Jacques Fay as Director and the appointment of Mr. Philippe Barbelane as Director will be submitted at this AGM.

AUDITORS

The renewal of the missions of the PricewaterhouseCoopers Audit and RSM Paris, Statutory Auditors, will also be proposed at the next AGM.

Mandates and functions exercised

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:

Chairman & 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)
President 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 PCM Trading Shanghai Co. Ltd. (China)
Director of PCM Suzhou Co Ltd. (China)
Director of Sydex Srl (Italy)

Director of 3P Prinz (Italy)

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

Mr Philippe Barbelane, Deputy General Manager

exercises the following functions within the Group:

Director of PCM SA

Functions outside the Group: none

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
CEO of Rosclodan SA
Director and Deputy General Manager 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:
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

Regulated agreements

(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 unless in the case of current agreements concluded under normal conditions.

Valid delegations for capital increases

None.

Share repurchase program

As part of the adoption on 15 June 2022 of the Seventh Resolution of the Combined General Meeting of the same day, the Board of Directors received a delegation to implement a share repurchase program with a view to cancellation (authorised repurchase of up to 10% of the shares comprising the Share Capital for a maximum total amount of €4 million) (expiry date of the delegation: 15 December 2023)

The Company was thus able to acquire a first band of 9,890 shares for an overall price of €1,751,651.50, i.e. an average price of €177.11 per share from June 2022 to September 2022.

Total number of shares purchased during the year: 10,382
Average purchase price in 177.43

Trading fees: €2,762.91 ex. VAT

Number of shares registered in the name of the company at the end of the financial year and their value measured at the purchase price, as well as their nominal value: 492 shares / 90,384.50 / 17,220.00.

The eighth Resolution adopted at the Combined General Meeting of 15 June 2022 delegated the Board of Directors to cancel any shares redeemed (date of expiry of the delegation: 15 June 2024)

The Board of Directors at its meeting decided on 13 October 2022 to cancel its 9,890 Gévelot SA shares. Also, the Share Capital was reduced by €346,150.00. It is now set at €26,586,350 divided into 759,610 Shares of €35 each, fully paid up and all of the same class.

Other legal and tax information

Extravagant expenses and non-tax-deductible expenses

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

For Gévelot SA, reinstatements of extravagant expenses in taxable income in the 2022 financial year amounted to €22,698 against €23,528 in 2021. No tax has been paid due to the tax loss carry-forward.

This Report will be filed with the clerk's office at the Commercial Court in accordance with the Law.

The Board of Directors

Management and Corporate Governance Report (addendum)

The Board will propose the following two additional changes to the next Annual General Meeting:

- Amendment of Article 14 of the Articles of Association: «Directors shares »
- Corporate officers

Proposed amendments to the Articles of Association

A proposal will be made to reduce from 100 to 10 the minimum number of shares that must be held by each Director during the term of office and to amend Article 14 of the Articles of Association accordingly. This is an extraordinary resolution.

Directors' compensation

At this same Meeting, it will be proposed to increase the total amount of compensation allocated to directors for their activity on the Board of Directors from €80 K to €120 K (previous amount unchanged since 2014). This resolution is an ordinary resolution.

The Board of Directors

Consolidated Financial Statements at 31 December 2022

Consolidated balance sheet at 31 December 2022

I.F.R.S. accounting basis **ASSETS** *(in thousands of euros)*		Net amount at 31.12.2022	Net amount at 31.12.2021
Goodwill	*Note 4*	1 771	1 821
Intangible assets	*Note 4*	1 450	1 728
Tangible assets	*Note 4*	35 396	36 294
Investment properties	*Note 4*	6 674	-
Right-of-use	*Note 4*	7 528	5 745
Non-current financial assets	*Note 6*	1 132	406
Deferred tax assets	*Note 15*	616	594
Interests in associated companies		1 460	94
TOTAL NON-CURRENT ASSETS (I)		**56 027**	**46 682**
Inventories	*Note 7*	47 424	36 552
Accounts receivable	*Note 8*	71 372	59 119
Other receivables	*Note 9*	4 446	2 854
Matured tax claim	*Note 15*	366	740
Current financial assets	*Note 6*	87 335	36 027
Cash and cash equivalents	*Note 10*	41 556	111 348
TOTAL CURRENT ASSETS (II)		**252 499**	**246 640**
GRAND TOTAL (I + II)		**308 526**	**293 322**

I.F.R.S.accounting basis **LIABILITIES** *(in thousands of euros)*		Net amount at 31.12.2022	Net amount at 31.12.2021
Equity attributable to consolidating company		209 770	204 875
Equity attributable to non-controlling interests		2 943	2 480
TOTAL EQUITY (I)		**212 713**	**207 355**
Non-current provisions	*Note 12*	2 136	2 652
Non-current financial liabilities	*Note 14*	512	524
Non-current lease liabilities	*Note 14*	3 638	2 544
Deferred tax liabilities	*Note 15*	1 261	2 020
TOTAL NON-CURRENT LIABILITIES (II)		**7 547**	**7 740**
Accounts payable		20 396	14 699
Payables to fixed asset suppliers		127	55
Current provisions	*Note 12*	660	641
Contract liabilities	*Note 16*	54 590	52 142
Other payables	*Note 11*	9 363	8 706
Matured tax liability	*Note 15*	747	310
Current financial liabilities	*Note 14*	583	127
Current lease liabilities	*Note 14*	1 800	1 547
TOTAL CURRENT LIABILITIES (III)		**88 266**	**78 227**
TOTAL LIABILITIES (II+III)		**95 813**	**85 967**
GRAND TOTAL (I + II + III)		**308 526**	**293 322**

Notes 1 to 27 form an integral part of the consolidated financial statements.

Consolidated income statement at 31 December 2022

I.F.R.S. accounting basis **INCOME STATEMENT** (in thousands of euros)		Period 2022	Period 2021
Turnover	*Note 19*	**135 386**	**101 267**
Other income from operating activities		6 080	6 077
Income from operating activities	*Note 16*	**141 466**	**107 344**
Current operating expenses	*Note 17*	(129 413)	(101 498)
CURRENT OPERATING INCOME	*Note 19*	**12 053**	**5 846**
Other operating income	*Note 19*	655	5 895
Other operating expenses	*Note 19*	(841)	(4 681)
OPERATING INCOME	*Note 19*	**11 867**	**7 060**
Income from cash and cash equivalents		(1 394)	943
Cost of financial debt		(197)	(187)
Cost of net financial debt		**(1 591)**	**756**
Other financial income		2 459	1 963
Other financial expenses		(3 112)	(1 770)
FINANCIAL INCOME	*Note 18*	**(2 244)**	**949**
PRE-TAX INCOME OF CONSOLIDATED COMPANIES	*Note 19*	**9 623**	**8 009**
Income tax expense	*Note 15*	(1 279)	(412)
NET INCOME OF CONSOLIDATED COMPANIES		**8 344**	**7 597**
Share of income from equity-method companies		172	10
NET CONSOLIDATED INCOME	*Note 19*	**8 516**	**7 607**
INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**468**	**370**
INCOME ATTRIBUTABLE TO CONSOLIDATING COMPANY		**8 048**	**7 237**
EARNINGS PER SHARE		10,50 €	9,40 €

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.

766,138 is the number of shares on which earnings per share is calculated for period 2022 and 769,500 for period 2021 (see Note 3 - share capital).

Notes 1 to 27 form an integral part of the consolidated financial statements.

Comprehensive income 2022

I.F.R.S. Referential (in thousands of euros)			Period 2022	Period 2021
CONSOLIDATED NET INCOME			8 516	7 607
Other comprehensive income:	Gross amount	Tax income/expenses		
A) Amounts to be potentially reclassified				
. Translation adjustments	523	-	523	3 686
B) Amounts not to be reclassified				
. Actuarial gains / (losses)	628	(157)	471	266
Other comprehensive income net of tax			994	3 952
TOTAL COMPREHENSIVE INCOME			9 510	11 559

Statement of changes in equity

(in thousands of euros)	Capital (see Note 3)	Treasury stock (see Note 3)	Translation adjustments	Actuarial gains / (losses)	Consolidated reserves	Equity attributable to owners of the parent	Attributable to non-controlling interests	Total equity
POSITION AT 31.12.2020	26 933	-	(663)	(619)	169 574	195 225	2 181	197 406
Distribution (€ 2.00 € per share of € 35)	-	-	-	-	(1 540)	**(1 540)**	(70)	**(1 610)**
2021 Comprehensive income	-	-	3 687	266	7 237	**11 190**	369	**11 559**
POSITION AT 31.12.2021	26 933	-	3 024	(353)	175 271	204 875	2 480	207 355
Distribution (€ 3.00 € per share of € 35)	-	-	-	-	(2 310)	**(2 310)**	-	**(2 310)**
Transactions on own shares	(347)	(90)	-	-	(1 405)	**(1 842)**	-	**(1 842)**
2022 Comprehensive income	-	-	528	471	8 048	**9 047**	463	**9 510**
POSITION AT 31.12.2022	26 586	(90)	3 552	118	179 604	209 770	2 943	212 713

Statement of consolidated cash flow 2022

CONSOLIDATED CASH FLOW (in thousands of euros)		31.12.2022	31.12.2021
OPERATING ACTIVITIES			
Net income from consolidated companies		**8 344**	**7 597**
Elimination of expenses and income not affecting cash flow or related to activities:			
- Amortisation and provisions		5 604	5 601
- Changes in deferred tax	*Note 15*	(885)	(60)
- Capital gains (losses) on disposal, net of tax		191	(992)
Cash flow from operations of consolidated companies (1) (2)		**13 254**	**12 146**
- Changes in inventories		(11 254)	(2 638)
- Changes in accounts receivable		(12 375)	(10 219)
- Changes in other operating receivables		(872)	(189)
- Changes in accounts payable		5 830	6 104
- Changes in other operating payables		3 524	742
Changes in working capital requirement		**(15 146)**	**(6 200)**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**(1 892)**	**5 946**
INVESTING ACTIVITIES			
- Acquisitions of intangible and tangible assets	*Note 4*	(9 782)	(12 664)
- Increases in financial assets		(52 152)	(116)
Total		**(61 934)**	**(12 780)**
- Disposals of intangible and tangible assets net of tax		588	5 629
- Decreases in financial assets		120	22 775
Total		**708**	**28 404**
Changes in working capital requirement and sundry		71	(106)
Impact of changes in scope		**(1 200)**	**-**
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(62 355)**	**15 518**
FINANCING ACTIVITIES			
- Dividends allocated to parent company shareholders		(2 310)	(1 610)
- Share buybacks		(1 842)	-
Total		**(4 152)**	**(1 610)**
- Initiation of borrowings and financial debts	*Note 14*	539	21
- Repayment of borrowings and financial debts (3)	*Note 14*	(2 397)	(5 139)
Changes in borrowings and financial debts		**(1 858)**	**(5 118)**
Sundry		-	-
NET CASH FLOW FROM FINANCING ACTIVITIES		**(6 010)**	**(6 728)**
Impact of reclassification of discontinued activities		-	-
NET CASH FLOWS		**(70 258)**	**14 736**
Cash position at beginning of period		111 347	95 723
Cash position at end of period	*Note 10*	41 506	111 347
Foreign exchange gains/(losses) on cash		(417)	(888)
		(70 258)	**14 736**

(1) Taxes paid (net of refunds) during the year are mentioned in note 15.

(2) including € 624 K of disbursements under lease contracts during the year.

(3) including € 2 271 K of disbursements under lease contracts during the year (note 14).

Notes to the Consolidated Financial Statements at 31 December 2022

Notes to the consolidated financial statements at 31 December 2022

Note 1: Accounting rules and methods – Selected financial data

As of 14 April 2023, the Board of Directors closed the accounts and approved the disclosure of its consolidated financial statements on 31 December 2022.

Notes 1 to 27 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 16 – Proceeds before intended use,

- IFRS 3 – Updating references to the conceptual framework,

- Amendments to IAS 37 – Onerous contracts: Cost of fulfilling a contract,

- Annual improvements - 2018-2020 cycle.

These texts and other texts published by the IASB and adopted by the European Union coming into force on 1 January 2022 had no impact on the Gévelot Group.

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 IFRS IC 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 2023 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:

- 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)] 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)

1.1.3 Transactions in foreign currencies

Transactions 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 transaction.

NB: 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 recorded as Assets (IAS 38) as soon as 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 company.

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.

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

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

1.2.3 Tangible assets

Tangible assets, primarily comprising property, plant and equipment, are carried at acquisition cost less accumulated depreciation and impairment, in accordance with IAS16.

Cost price of assets

The gross tax amount of acquisition costs directly attributable to 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.

Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation.

At the time of their acquisition, investment properties are recorded on the balance sheet at their acquisition cost, including fees and rights.

The Group uses the amortised cost model to value its investment properties.

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 an asset (representative of the right to use the leased asset for the term of the contract) and a liability (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 exception,
- 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 tangible 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 use 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 for 3 to 5 years. Beyond which flows are extrapolated indefinetely 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).

The discount rate corresponds to the weighted average cost of capital, in which the cost of debt and the cost of equity after tax are weighted according to the relative weight of debt and equity in the relevant sector. It is calculated for the Group and increased, for certain cash-generating units, by a market risk and/or specific risk premium.

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 (« SPI » 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 « SPI" 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 focuses 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 classified as « Current financial assets ». These investments consist of fixed-term bank deposits, investment fund monetary securities 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.

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 applies the method of allocating benefit entitlements to its defined benefit schemes, which leads to the commitment being spread only from the date on which each year of service counts towards the acquisition of benefit entitlements, i.e. over the period preceding retirement age to reach the cap.

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, an 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 and 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 éléments 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 in the process of being sold,
- 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 Entreprise (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 0.75% of added value. CET is capped at 2% 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.

<u>Research Tax Credits</u>
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

At the end of April 2022, PCM SA entered into an agreement for a 40% stake through a capital contribution from the Italian pump manufacturer, 3P Prinz Srl.
This capital injection will support 3P Prinz's strong development in R&D, manufacturing and market penetration. In addition to a minority stake, PCM and 3P Prinz have entered into a framework agreement allowing for greater product distribution and collaboration between the two companies.

The accounts of 3P Prinz Srl have been consolidated by equity method in view of the significant influence exerted by the Group.

In November 2022, Gévelot SA acquired 596 m² of office space in a building located in Levallois-Perret for €6.7 million. These premises are leased to third party companies.

Gévelot S.A. has repurchased 10,382 of its own shares for a total amount of €1,842 K in FY 2022.
The Board of Directors meeting on 13 October 2022 decided to reduce the capital by cancelling 9,890 treasury shares (1.3%). As a result, Gévelot's new capital amounts to €26,586,350 or 759,610 shares at a nominal value.

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 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 13. 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. CLIMATE CHANGE

Faced with the climate emergency characterised by pollution and the gradual disappearance of species and resources, as well as regulatory changes in environmental matters, the Group has embarked on a voluntary CSR approach.

In particular, it is committed to reducing the environmental impact of its activities by, for example, optimising waste management and promoting eco-responsible initiatives while ensuring compliance with regulations.
At this stage, the Group has not identified any impact either on the valuation of its assets or on the future development of its activities.

F. POST CLOSING EVENTS

Gévelot SA has taken steps to merge its accounts with the accounts of Rosclodan SA, which holds 8.2% of the company's capital, by way of absorption of the latter. The transaction is expected to be completed in June 2023.

Note 2: Information on consolidation scope

Gévelot S.A., a public limited company with a capital of 26 586 350 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 2022

The following companies are fully consolidated:

COMPANIES	HEAD OFFICE		N° SIREN N° SIRET	% controlled at 31.12.2022	 at 31.12.2021	% interests at 31.12.2022
HOLDING						
Gévelot S.A.	6, boulevard Bineau		562088542			
	92300 Levallois-Perret (France)		56208854200369			
PUMPS / FLUID TECHNOLOGY						
PCM S.A.	6, boulevard Bineau		572180198	99,99	99,99	99,94
	92300 Levallois-Perret (France)		57218019800184			
PCM Technologies S.A.S.	6, boulevard Bineau		802419960	99,99	99,99	99,94
	92300 Levallois-Perret (France)		80241996000017			
PCM Europe S.A.S.	6, boulevard Bineau		803933472	99,99	99,99	99,94
	92300 Levallois-Perret (France)		80393347200018			
PCM Manufacturing France S.A.S.	6, boulevard Bineau		803933399	99,99	99,99	99,94
	92300 Levallois-Perret (France)		80393339900013			
PCM Deutschland GmbH	Wilhelm Theodor Römheld-Straße 28			99,99	99,99	99,94
	55130 Mainz (Germany)					
PCM Group UK Ltd.	Pilot Road - Phoenix Parkway			99,99	99,99	99,94
	Corby, Northamptonshire NN17 5YF (United Kingdom)					
PCM Group Italia Srl	Via Rutilia 10/8 sc. B			99,99	99,99	99,94
	20141 Milano (Italy)					
Sydex Srl	Via Lord Baden Powell 24			54,99	54,99	54,97
	36045 Lonigo (Italy)					
Sydex Singapore Ltd	158 Kallang Way	} 90 % owned				
	#02-16 Performance Building	} by Sydex Srl				
	Singapore (349245) (Singapore)	}				
Sydex USA LLC	9302 Deer Run Road	} 62 % owned				
	Waxhax, NC 28173 (United States)	} by Sydex Srl				
Sydex Flow Ltda	Praceta Vale da Romeira, nº 12	} 60 % owned				
	2840 - 449 Seixal (Portugal)	} by Sydex Srl				
PCM Kazakhstan LLP	Office 23, Business Center "Nur Plaza", 29A microdistrict			99,99	99,99	99,94
	130000 Aktau (Kazakhstan)					
PCM Rus LLC	Voronezhskaya ulitsa 96, business center " Na Ligovskom", Office 171-179			99,99	99,99	99,94
	192007 Saint Petersburg (Russia)					
PCM Flow Technology Inc.	2711 Centerville Road, Suite 400, Lynn CanneLongo			99,99	99,99	99,94
	Wilmington, Delaware 19808 (United States)					
PCM Trading International Inc.	211 E. 7th Street Suite 620	} wholly owned				
	Austin, Texas 78701 (United States)	} by PCM Flow Technology Inc.				
PCM USA Inc.	26106 Clay Road	} wholly owned				
	Katy, Texas 77493 (United States)	} by PCM Flow Technology Inc.				
PCM Artificial Lift Solutions USA LLC	6000 Schirra Court Suite C	} wholly owned				
	Bakersfield, Californie 93313 (United States)	} by PCM USA Inc.				
PCM Colombia SAS	Carrera 11A No 94A-56, Oficina 302	} wholly owned				
	Bogota (Colombia)	} by PCM Flow Technology Inc.				
PCM Chile SpA	Compania de Jesus # 1068, oficina 201	} wholly owned				
	Providencia, Santiago (Chile)	} by PCM Flow Technology Inc.				
PCM Canada Inc.	101-5618 54th Avenue			99,99	99,99	99,94
	Bonnyville AB T9N 2N3 (Canada)					
PCM Artificial Lift Solutions Inc.	4206 59 Avenue	}				
	Lloydminster AB T9V 2V4 (Canada)	} wholly owned				
Cougar Machine Ltd.	3712-56 Avenue	} by				
	Edmonton, AB T6B 3R8 (Canada)	} PCM Canada Inc.				
PCM Group Asia Pacific Pte. Ltd.	7500A Beach Road #08-308, The Plaza			99,99	99,99	99,94
	Singapore 199591 (Singapore)					
PCM Trading (Shanghaï) Co. Ltd.	Room 10A01, Shanghai Mart No. 2299			99,99	99,99	99,94
	West Yan'an Road, Changning District					
	200336 Shanghaï (China)					
PCM (Suzhou) Co. Ltd.	Plant 11, 12 & 13, Zhonglu Ecological Park			99,99	99,99	99,94
	Ping Wang Town, Jiangsu Province					
	215221 Wujiang City (China)					
PCM Group Australia Pty Ltd	Level 6, 200 Adelaide Street			99,99	99,99	99,94
	Brisbane, QLD 4000 (Australia)					
PCM Middle East FZE	Dubai Airport Free Zone, Office 741, 5 East Wing			99,99	99,99	99,94
	P.O. Box 293527, Dubai (United Arab Emirates)					
PCM Muscat LLC	Al Zubair Building, Building 8, Office 801			99,99	99,99	99,94
	P.O. Box 167, PC 103, Muscat (Sultanate of Oman)					

2.1. Consolidation scope at 31 December 2022 (continued)

The following companies are consolidated by the equity method:

COMPANIES	HEAD OFFICE	N° SIREN / N° SIRET	% controlled at 31.12.2022	% controlled at 31.12.2021	% interests at 31.12.2022
PUMPS / FLUID TECHNOLOGY					
3P Prinz Srl	Via di Coselli 13/15 55012 Coselli, Capannori, Lucca (Italiy)		39,99	-	39,98
Torqueflow - Sydex Ltd	Unit 2CB Deer Park Farm Industrial Estate Knowle Lane Eastleigh, Hampshire SO50 7PZ (United Kingdom)		39,99	39,99	21,98

2.2. Comments on the scope of consolidation and controlling interests

- Cougar Wellhead Services Inc. was acquired by Cougar Machine Ltd. at the end of March 2022. This merger has no effect on the Group's consolidated financial statements.

- At the end of April 2022, PCM SA entered into an agreement for a 40% stake through a capital contribution from the Italian pump manufacturer, 3P Prinz Srl.
This capital injection will support 3P Prinz's strong development in R&D, manufacturing and market penetration. In addition to a minority stake, PCM and 3P Prinz have entered into a framework agreement allowing for greater product distribution and collaboration between the two companies.
The accounts of 3P Prinz Srl have been consolidated by equity method in view of the significant influence exerted by the Group.

- There was no other change in the scope of consolidation in 2022.
- 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 for financial statements prepared in foreign currencies

The companies' balance sheet items were translated at the closing exchange rate on 31 December 2022 and their expense and income account items were translated at the average exchange rate using the following rates:

	Closing rate		Average rate	
Currency	31/12/2022	31/12/2021	FY 2022	FY 2021
1 US dollar	€0.9376	€0.88290	€0.94890	€0.84500
1 GB pound	€1.12750	€1.19010	€1.17290	€1.16280
1 Chinese yuan	€0.13590	€0.13900	€0.14120	€0.13100
1 Canadian dollar	€0.69250	€0.69480	€0.72980	€0.67410
1 Chilean peso	€0.00110	€0.00100	€0,00110	0.00110
1 Colombian peso	€0.00019	€0.00022	€0.00022	€0.00022
1 Australian dollar	€0.63720	€0.64040	€0.65900	€0.63500
1 Omani rial	€2.44020	€2.28680	€2.47650	€2.20260
1 United Arab Emirates dirham	€0.25510	€0.23950	€0.25880	€0.23080
1 Russian ruble	€0.01280	€0.01170	€0.01330	€0.01150
1 Kazakhstani tenge	€0.00200	€0.00200	€0.00210	€0.00200

Note 3: Share capital

(in euros)	At 31/12/2021			FY 2022	At 31/12/2022		
	Ordinary	Treasury	Total	Cancelled	Ordinary	Treasury	Total
Ordinary shares							
Number	769 500	-	769 500	(9 890)	759 118	492	759 610
Par value	35	-	35	35	35	35	35
Total	**26 932 500**	**-**	**26 932 500**	**(346 150)**	**26 569 130**	**17 220**	**26 586 350**

Composition of share capital:

As of 31 December 2022, authorized share capital totalled 26,586 thousand euros, comprising 759,610 ordinary shares with a par value of 35 euros each, issued and fully paid up.

As part of the adoption on 15 June 2022 of the seventh Resolution of the Combined General Meeting, the Board of Directors received delegation for the implementation of a share buyback programme for cancellation.

The weighted average number of ordinary shares outstanding during the 2022 financial year thus stands at 766,138.

The Board of Directors of 13 October 2022 decided to reduce the capital through cancellation of 9,890 treasury shares, valued at €1 752 K.

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 senior managers.

Note 4: Goodwill, intangible and tangible assets

4.1. Goodwill and intangible asssets

31.12.2022	Goodwill	Development costs	Software and other	In progress	Advances and down payments	Intangible assets
Gross value						
At the beginning of period	14 289	2 468	6 263	17	22	8 770
Acquisitions and increases	-	7	50	23	-	80
Disposals	-	-	(26)	(17)	-	(43)
Transfers	-	-	(3)	3	(23)	(23)
Translation adjustments	(91)	(1)	6	-	1	6
At the end of period	14 198	2 474	6 290	26	-	8 790
Amortisation and impairment						
At the beginning of period	(12 468)	(2 420)	(4 622)	-	-	(7 042)
Amortisation	-	(35)	(282)	-	-	(317)
Disposals	-	-	26	-	-	26
Translation adjustments	41	-	(7)	-	-	(7)
At the end of period	(12 427)	(2 455)	(4 885)	-	-	(7 340)
Net value at the beginning of period	1 821	48	1 641	17	22	1 728
Net value at the end of period	1 771	19	1 405	26	-	1 450

31.12.2021	Goodwill	Development costs	Software and other	In progress	Advances and down payments	Intangible assets
Gross value						
At the beginning of period	13 240	2 468	6 353	7	22	8 850
Acquisitions and increases	-	-	71	17	-	88
Disposals	-	-	(180)	(2)	-	(182)
Transfers	-	-	(9)	(5)	-	(14)
Translation adjustments	1 049	-	28	-	-	28
At the end of period	14 289	2 468	6 263	17	22	8 770
Amortisation and impairment						
At the beginning of period	(11 481)	(2 384)	(4 489)	-	-	(6 873)
Amortisation	-	(36)	(293)	-	-	(329)
Disposals	-	-	179	-	-	179
Translation adjustments	(987)	-	(19)	-	-	(19)
At the end of period	(12 468)	(2 420)	(4 622)	-	-	(7 042)
Net value at the beginning of period	1 759	84	1 864	7	22	1 977
Net value at the end of period	1 821	48	1 641	17	22	1 728

4.2. Tangible assets owned

	31.12.2022						
	Land	Buildings	Plant and machinery	Other	In progress	Advances and down payments	Tangible assets
Gross value							
At the beginning of period	**2 142**	**24 789**	**37 262**	**5 301**	**683**	**-**	**70 177**
Acquisitions and increases	15	124	1 211	613	579	484	3 026
Disposals	(164)	(9)	(2 057)	(442)	(160)	-	(2 832)
Transfers	-	394	(34)	142	(710)	208	-
Translation adjustments	-	13	239	20	1	-	273
At the end of period	**1 993**	**25 311**	**36 621**	**5 634**	**393**	**692**	**70 644**
Amortisation and impairment							
At the beginning of period	**-**	**(4 133)**	**(26 209)**	**(3 541)**	**-**	**-**	**(33 883)**
Amortisation	-	(807)	(2 163)	(426)	-	-	(3 396)
Disposals	-	8	1 716	413	-	-	2 137
Transfers	-	(5)	52	(47)	-	-	-
Translation adjustments	-	35	(145)	4	-	-	(106)
At the end of period	**-**	**(4 902)**	**(26 749)**	**(3 597)**	**-**	**-**	**(35 248)**
Net value at the beginning of period	2 142	20 656	11 053	1 760	683	-	36 294
Net value at the end of period	**1 993**	**20 409**	**9 872**	**2 037**	**393**	**692**	**35 396**

	31.12.2021						
	Land	Buildings	Plant and machinery	Other	In progress	Advances and down payments	Tangible assets
Gross value							
At the beginning of period	**2 342**	**18 549**	**36 077**	**4 901**	**451**	**6**	**62 326**
Acquisitions and increases	138	9 293	1 615	862	668	-	12 576
Disposals	(363)	(3 777)	(1 934)	(413)	(1)	-	(6 488)
Transfers	-	117	452	(114)	(435)	(6)	14
Translation adjustments	25	607	1 052	65	-	-	1 749
At the end of period	**2 142**	**24 789**	**37 262**	**5 301**	**683**	**-**	**70 177**
Amortisation and impairment							
At the beginning of period	**-**	**(4 322)**	**(24 925)**	**(3 548)**	**-**	**-**	**(32 795)**
Amortisation	-	(643)	(2 258)	(371)	-	-	(3 272)
Disposals	-	900	1 646	393	-	-	2 939
Transfers	-	(10)	(8)	18	-	-	-
Translation adjustments	-	(58)	(664)	(33)	-	-	(755)
At the end of period	**-**	**(4 133)**	**(26 209)**	**(3 541)**	**-**	**-**	**(33 883)**
Net value at the beginning of period	2 342	14 227	11 152	1 353	451	6	29 531
Net value at the end of period	**2 142**	**20 656**	**11 053**	**1 760**	**683**	**-**	**36 294**

4.3. Right-of-use

31.12.2022	Land	Buildings	Plant and machinery	Other	In progress	Total
Gross value						
At the beginning of period	820	4 938	4 669	1 370	-	11 797
Acquisitions and increases	-	2 238	210	1 207	-	3 655
Disposals and decreases	-	(285)	(10)	(278)	-	(573)
Transfers	-	-	133	(133)	-	-
Translation adjustments	-	(25)	(14)	(39)	-	(78)
At the end of period	820	6 866	4 988	2 127	-	14 801
Amortisation and impairment						
At the beginning of period	-	(1 931)	(3 402)	(719)	-	(6 052)
Amortisation and increases	-	(1 018)	(287)	(456)	-	(1 761)
Disposals and decreases	-	227	8	271	-	506
Transfers	-	-	(52)	52	-	-
Translation adjustments	-	18	13	3	-	34
At the end of period	-	(2 704)	(3 720)	(849)	-	(7 273)
Net value at the beginning of period	820	3 007	1 267	651	-	5 745
Net value at the end of period	820	4 162	1 268	1 278	-	7 528

31.12.2021	Land	Buildings	Plant and machinery	Other	In progress	Total
Gross value						
At the beginning of period	820	6 224	4 479	1 161	-	12 684
Acquisitions and increases	-	814	79	326	-	1 219
Disposals and decreases	-	(2 411)	-	(162)	-	(2 573)
Translation adjustments	-	311	111	45	-	467
At the end of period	820	4 938	4 669	1 370	-	11 797
Amortisation and impairment						
At the beginning of period	-	(2 164)	(2 821)	(508)	-	(5 493)
Amortisation and increases	-	(946)	(535)	(344)	-	(1 825)
Disposals and decreases	-	1 332	-	156	-	1 488
Translation adjustments	-	(153)	(46)	(23)	-	(222)
At the end of period	-	(1 931)	(3 402)	(719)	-	(6 052)
Net value at the beginning of period	820	4 060	1 658	653	-	7 191
Net value at the end of period	820	3 007	1 267	651	-	5 745

4.4. Investment properties

	31.12.2022		
	Land	Buildings	Investment properties
Gross value			
At the beginning of period	-	-	-
Acquisitions and increases	1 710	4 966	6 676
At the end of period	1 710	4 966	6 676
Amortisation and depreciation			
At the beginning of period	-	-	-
Amortisation	-	(2)	(2)
At the end of period	-	(2)	(2)
Net value at the beginning of period	-	-	-
Net value at the end of period	1 710	4 964	6 674

The fair value of investment properties is equivalent to the acquisition price due to the date of acquisition close to the closing date.

4.5. Impairment

In accordance with the principle stated in Note 1.2.4, the Group carried out on 31 December 2022, 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).

Value in use is defined as the sum of future discounted cash flows estimated on the basis of four-year activity and investment plans. The growth rates used to extrapolate forecasted cash flows beyond four years are 2% (1% in 2021).

The discount rates applied are 11.3 % for the United Kingdom and 12,2 % for Italy (6.9 % for the tests carried out at the end of 2021) and correspond to the average cost of the capital after tax, taking each segment's specific market rates and risk premiums into account.

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

The new tests as of 31 December did not lead to the recognition of impairment.

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

				Impact on the difference in value		
	Goodwill	CGU carrying amount	Difference in value between the Test and Accounts	Discount rate	Indefinite growth rate	Change in cash flow
Change				+0,5 %	-0,5 %	-10 %
Pumps sector						
PCM Group UK Ltd.	0,9 M€	1,5 M€	+3,2 M€	-0,2 M€	-0,2 M€	-0,5 M€
Sydex Srl	0,9 M€	4,4 M€	+5,6 M€	-0,4 M€	-0,3 M€	-1,0 M€

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

Note 5: Interests in associated companies

Equity accounted interests relate to:

(in thousands of euros)	31.12.2021	Changes in scope	Period income or loss	Dividends	Translation adjustments	31.12.2022
3P Prinz Srl	-	1 200	170	-	-	1 370
Torqueflow - Sydex Ltd	94	-	2	-	(6)	90
Total	94	1 200	172	-	(6)	1 460

PCM SA acquired a 40% stake in the company 3P Prinz Srl at the end of April 2022. Eight months of this company's activity were consolidated by the equity method in the Group's accounts as of December 31, 2022.

Note 6: Financial assets

	2022	2021
Non-current		
Loans	91	111
Other	1 041	295
Total non-current financial assets	**1 132**	**406**
Current		
Loans	20	20
Bank term deposits over three months	87 315	36 007
Total current financial assets	**87 335**	**36 027**
Total financial assets	**88 467**	**36 433**

Financial assets are measured at amortised cost, except for mutual funds which are measured at fair value through profit or loss.

Bank term deposits over three months mainly correspond to investments with a maturity of more than three months and which are not recognized as Cash.
These investments consist of term deposits, mutual funds or structured products that offer capital guarantees or protective barriers.
They were subject to the economic model applied by the Group and comply with the "SPPI" criterion (see note 1.2.5).

Note 7: Inventories

	2022	2021
Gross amount	49 686	38 725
Depreciation	(2 262)	(2 173)
Total	**47 424**	**36 552**

Note 8: Accounts receivable

	2022	2021
Gross amount	73 109	60 922
Depreciation	(1 737)	(1 803)
Total	**71 372**	**59 119**

Pursuant to IFRS 9, accounts receivable are subject to impairment upon initial recognition, based on 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, as the major export customers positioned in areas with major geopolitical risks, to specific monitoring.

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

	2022	2021
Not due	56 633	48 503
Due for less than a month	7 656	6 386
Due for more than a month but less than three months	4 351	2 105
Due for more than three months	4 469	3 928
Gross amount	**73 109**	**60 922**

Note 9: Other accounts receivable

	2022	2021
Advances and down payments received on orders	674	237
Central and local government excluding corporate income tax	2 225	1 108
Personnel	132	124
Debit supplier balances	21	89
Other debtors	422	214
Prepaid expenses	972	1 082
Total	4 446	2 854

Note 10: Cash and cash equivalents

	2022	2021
Cash	31 556	80 986
Bank term deposits	10 000	30 362
Cash and cash equivalents	41 556	111 348

Cash and cash equivalents mature in the short term.
Bank term deposit rates are 0.80 %.
€ 0.7 M of cash belonging to the Group's chinese entities is intented to finance their activity.

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

		2022	2021
Cash and cash equivalents		41 556	111 348
Bank overdrafts	Note 14	(50)	(1)
Cash position at closing		41 506	111 347

Note 11: Other accounts payable

	2022	2021
Tax debts excluding corporate income tax, personnel and welfare agencies	7 737	7 899
Other creditors	1 626	807
Total	9 363	8 706

Note 12: Provisions

	01.01.2022	Provisions	Reversals provision used	Reversals provision not used	Translations	31.12.2022 Total	31.12.2022 Under one year	31.12.2022 Over one year
Contingency provisions								
. Other contingency provisions	362	168	(83)	(19)	3	431	348	83
Total	362	168	(83)	(19)	3	431	348	83
Loss provisions								
. Other loss provisions	627*	180	(58)	(179)	-	(57)*	312	(369)
. Retirement provisions (Note 13)	2 141	156	-	(628)	-	1 669	-	1 669
. Work medal provisions	163	-	(37)	-	-	126	-	126
Total	2 931	336	(95)	(807)	-	2 365	312	1 426
Total provisions	3 293	504	(178)	(826)	3	2 796	660	1 509

(*) Other loss provisions include:	01.01.2022	31.12.2022
- provisions for operating expenses	309	31
- provisions for personnel expenses	318	539
	627	570

Note 13: 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

	2022	2021
Provision in the balance sheet		
Discounted value of obligations covered	2 012	2 475
Fair value of the plan's assets	(343)	(334)
Provision recognised in the balance sheet	**1 669**	**2 141**
Discounted value of obligations covered		
At the beginning of period	2 475	2 649
Cost of services rendered	183	216
Financial cost	23	11
Benefits paid	(47)	(46)
Actuarial gains / losses for the period	(622)	(355)
Discounted value of obligations covered	**2 012**	**2 475**
Fair value of the plan's assets		
At the beginning of period	334	332
Interest income	3	1
Actuarial gains / losses for the period	6	1
Fair value of the plan's assets	**343**	**334**
Change in provisions		
At the beginning of period	2 141	2 317
Period's expenses / income	156	180
Actuarial gains / losses for the period	(628)	(356)
Change in provisions	**1 669**	**2 141**
Total expense recognised in income statement		
Cost of services rendered	183	216
Financial cost	20	10
Benefits paid	(47)	(46)
Total expense / (income) recognised in income statement	**156**	**180**

Main actuarial assumptions		
- Discount rate	3.70%	0.90%
- Rate of pay rises	2.50%	2.00%
- Retirement age	63 (non-managerial), 65 (man)	63 (non-managerial), 65 (man)
The turnover table is at 0% after 50.		

Defined benefit plans are evaluated by independant actuaries.

Long-service awards paid out by the Group companies to their personnel are covered by a provision calculated by an independant actuary (see note 12).

Note 14: Financial liabilities and lease liabilities

14.1. Financial liabilities

	2022	2021
Non-current		
Bank loans	76	153
Other borrowing and financial debt	436	371
Total non-current financial liabilities	**512**	**524**
Current		
Bank loans	533	126
Bank overdrafts	50	1
Total current financial liabilities	**583**	**127**
Total financial liabilities	**1 095**	**651**

14.2. Changes in financial liabilities

	01.01.2022	New loans	Repayment	Translation adjustments	31.12.2022
Bank loans	279	473	(126)	(17)	609
Other borrowing and financial debt	371	66	-	(1)	436
Financial liabilities (excluding bank overdrafts)	**650**	**539**	**(126)**	**(18)**	**1 045**
Bank overdrafts	1	50	(1)	-	50
Total	**651**	**589**	**(127)**	**(18)**	**1 095**

14.3. 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	533	34	27	15	-	-	609
Other borrowing and financial debt	-	-	-	-	-	436	436
Bank overdrafts	50	-	-	-	-	-	50
Total	**583**	**34**	**27**	**15**	**-**	**436**	**1 045**

14.4. Breakdown of financial liabilities by main currencies

	Total		Euros		US dollars		Other currencies	
	2022	2021	2022	2021	2022	2021	2022	2021
Bank loans	609	279	153	277	-	-	456	2
Other borrowing and financial debt	436	371	277	211	-	-	159	160
Bank overdrafts	50	1	50	1	-	-	-	-
Total	**1 095**	**651**	**480**	**489**	**-**	**-**	**615**	**162**

14.5. Breakdown of financial liabilities by type of rate

	2022	2021
Non-covered variable rates (*)	446	-
Fixed rates	599	650
Bank overdrafts	50	1
Total	**1 095**	**651**

(*) loans at non-covered variable rates mature in 2023.

Weighted average interest rates are at BBSY + 1.75 % for loans at non covered variable rates.
For fixed rate loans, the interest rates are between 0% and 2.50%.

14.6. Lease liabilities

	2022	2021
Non-current lease liabilities	3 638	2 544
Current lease liabilities	1 800	1 547
Total	5 438	4 091

14.7. Changes in lease liabilities

	01.01.2022	New loans	Repayments	Translation adjustments	31.12.2022
Lease liabilities	4 091	3 655	(2 271)	(37)	5 438
Total	4 091	3 655	(2 271)	(37)	5 438

14.8. Breakdown of lease 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
Lease liabilities	1 800	1 212	706	803	357	560	5 438
Total	1 800	1 212	706	803	357	560	5 438

14.9. Breakdown of lease liabilities by main currencies

	Total		Euros		UD Dollars		Other currencies	
	2022	2021	2022	2021	2022	2021	2022	2021
Lease liabilities	5 438	4 091	2 348	2 120	260	-	2 830	1 971
Total	5 438	4 091	2 348	2 120	260	-	2 830	1 971

Note 15: Taxes

15.1. Payable taxes

	01.01.2022	Payments	Down payments	Research tax credit	Reclassification	Period expense	31.12.2022
Asset	(740)	660	(1 129)	(337)	83	1 097	(366)
Liability	310	(299)	(331)	-	-	1 067	747
Total						2 164	

15.2. Deferred taxes

	01.01.2022	Income statement	Movements: Other operating results	Movements: Reclassification	Movements: Other (incl. Translation adjustments)	31.12.2022
Deferred tax assets	(1 637)	(681)	151	(83)	5	(2 245)
Deferred tax liabilities	3 063	(204)	6	-	25	2 890
Total	1 426	(885)	157	(83)	30	645

Deferred tax assets mainly result from provisions for pensions and other employee benefits (€ 0.4 M), tax timing differences (€ 0.5 M) and elimination of margins on inventories (€ 0.3 M) and carryforward deficits (€ 0.9 M).

Deferred tax liabilities mainly arise from differentials in the valuation and depreciation of fixed assets (€ 0.7 M) and regulated provisions (€ 1.6 M) and lease contracts activated (€ 0.3 M).

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 € 645 K at the end of 2022 are broken down between € 1 261 K in liabilities and € 616 K in assets.

15.3. Income tax expenses

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

	2022	2021
Payable taxes	2 164	472
Deferred taxes [a]	(885)	(60)
Total	**1 279**	**412**

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

	2022	2021
- Income / expenses from net provisions for/reversals of intangible and tangible capital asset depreciation	28	80
- Expenses on reversed regulated provisions and other taxes	(85)	(107)
- Other income and expenses	(80)	(43)
- Carry-forward deficits	(569)	(64)
- Other timing differences	(179)	74
Total deferred tax expense / (income)	**(885)**	**(60)**

Reconciliation of the theoretical and the recognised income tax expense:

		2022
Current operating income of consolidated companies		**9 623**
Theoretical tax calculated at the legal tax rate in France	(2 405)	
Net impact of non-deductible or non-taxable expenses and income	(610)	
Impact of non-recognised losses	344	
Impact of rate differentials	1 392	
Effective income tax expense on current operations		(1 279)
Net income of consolidated companies		**8 344**

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

Rate of corporate income tax	2022	2023 and subsequent
France	25.00%	25.00%

Rate of corporate income tax	2022	2023 and subsequent		2022	2023 and subsequent
Germany	26.68%	26.68%	Kazakhstan	20.00%	20.00%
Australia	30.00%	30.00%	Oman	15.00%	15.00%
Canada	23.00%	23.00%	United Kingdom	25.00%	25.00%
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 16: Income from operating activities

16.1. Income from operating activities

	2022	2021
Sale of goods	135 386	101 267
Other income	5 404	5 366
Revenue from contracts with customers	**140 790**	**106 633**
Other income from operating activities		
Operating grants	412	537
Other income	264	174
Total income from operating activities	**141 466**	**107 344**

"Operating grants" mainly consist in Research Tax Credits.
The breakdown of turnover by business segment and by geographic area is presented in Note 19.

16.2. Balance of contracts

The table below provides information regarding accounts receivable and contracts assets and liabilities arising from contracts with customers.

	31/12/2022	31/12/2021
Accounts receivable	71 372	59 119
Contract liabilities	(54 590)	(52 142)

The Group has not identified significant contract assets as the contracts are short-term and regular invoices are carried out during the manufacturing phase.
Contracts 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 2022 for contracts with an expected initial

Note 17: Current operating expenses

			2022	2021
Production stored			(1 281)	(27)
Capitalised production			(34)	(74)
Purchase of goods			12 285	17 843
Changes in goods inventory			51	(830)
Purchase of raw materials and other supplies			40 913	18 661
Changes in inventories of raw materials and other supplies			(3 430)	(985)
Other purchases and external charges (*)			29 483	20 152
Payroll expenses			42 706	38 899
Taxes and comparable payments			1 520	1 372
Amortisation and depreciation:				
. On capital assets	- amortisation	Note 4	3 715	3 601
. On right-of-use	- amortisation	Note 4	1 761	1 825
. On current assets	- depreciation		259	533
. Contingency	- provisions		147	(87)
Other expenses			1 318	615
Total current operating expenses			**129 413**	**101 498**

(*) including € 205 K for lease contracts of less than 12 months and € 11 K for those of low value in 2022.

Note 18: Financial income / loss

	2022	2021
Interest generated by cash and cash equivalents	476	893
Revaluation of short-term investments	(2 056)	-
Net earnings from sales of short-term investments	186	50
Income from cash and cash equivalents	**(1 394)**	**943**
Interest charges on financing transactions	33	23
Interest charges on lease liabilities	164	164
Gross cost of financial indebtedness	**197**	**187**
Net cost of financial indebtedness	**(1 591)**	**756**
Exchange gains	2 336	1 868
Other financial income	123	95
Total other financial income	**2 459**	**1 963**
Exchange losses	2 993	1 552
Other financial expenses	119	218
Total other financial expenses	**3 112**	**1 770**
Income (loss) from other financial income and expenses	**(653)**	**193**
Financial income (loss)	**(2 244)**	**949**

Note 19: Segment information

19.1. Breakdown of fixed assets by business segment

	Au 31.12.2022			Au 31.12.2021		
	Pumps	Other business	Total	Pumps	Other business	Total
Goodwill (1)	14 198	-	14 198	14 289	-	14 289
Intangibles subtotal	8 790	-	8 790	8 770	-	8 770
Land	960	3 563	**4 523**	1 109	1 853	**2 962**
Buildings	28 240	8 903	**37 143**	26 623	3 104	**29 727**
Industrial plant and other	49 149	221	**49 370**	48 368	234	**48 602**
Work in progress	385	8	**393**	683	-	**683**
Advances and down payments	692	-	**692**	-	-	**-**
Tangibles subtotal	79 426	12 695	92 121	76 783	5 191	81 974
Gross values	102 414	12 695	115 109	99 842	5 191	105 033
Accumulated amortisation / impairment	61 750	540	**62 290**	58 955	490	**59 445**
Net values	40 664	12 155	52 819	40 887	4 701	45 588
Period's expenses	5 416	60	**5 476**	5 369	57	**5 426**
Balance sheet total by business segment	226 602	88 554		207 534	92 264	

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

Land and buildings owned by Gévelot SA and put at the disposal of subsidiaries, were allocated to the Pumps sector for € 0.2 M.

Total capital expenditure on intangibles and tangibles in 2022 amounted to:		Total capital expenditure on intangibles and tangibles in 2021 amounted to:	
Pumps / Fluid Technology:	€ 3 023 K	Pumps / Fluid Technology:	€ 12 627 K
Other business:	€ 6 759 K	Other business:	€ 37 K
	€ 9 782 K		€ 12 664 K

19.2. Change in financial liabilities by business segment

	01.01.2022	Repayments	New loans	Translation and reclassification	31.12.2022
Loans and debt with lending institutions (incl. lease liabilities)					
Pumps / Fluid Technology	3 577	(2 285)	4 125	(54)	5 363
Other business	793	(112)	3	-	684
Subtotal	4 370	(2 397)	4 128	(54)	6 047
Other loans and financial debts					
Pumps / Fluid Technology	300	-	-	(1)	299
Other business	71	-	66	-	137
Subtotal	371	0	-	(1)	436
Bank overdrafts					
Pumps / Fluid Technology	-	-	-	-	-
Other business	1	(1)	50	-	50
Subtotal	1	(1)	50	-	50
Total	4 742	(2 398)	4 178	(55)	6 533

19.3. Consolidated turnover by business segment

	2022			2021		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	135 113	30	135 143	101 069	34	101 103
Other business	273	693	966	198	594	792
Eliminations and reconciliations	-	(723)	(723)	-	(628)	(628)
Total	135 386	-	135 386	101 267	-	101 267

19.4. Results by business segment

Current operating income

	2022			2021		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	13 598	(701)	12 897	7 261	(591)	6 670
Other business	(1 545)	701	(844)	(1 415)	591	(824)
Total	**12 053**	**-**	**12 053**	**5 846**	**-**	**5 846**

Transition from current operating income to operating income	Pumps	Other business	Total 2022	Total 2021
Current operating income	**12 897**	**(844)**	**12 053**	**5 846**
Other operating income	632	23	655	5 895
Other operating expenses	(821)	(20)	(841)	(4 681)
Operating income	**12 708**	**(841)**	**11 867**	**7 060**

As of 31 December 2022, other operating income and expenses mainly concern the sale of fixed assets.

Operating income

	2022			2021		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	13 409	(701)	12 708	8 475	(591)	7 884
Other business	(1 542)	701	(841)	(1 415)	591	(824)
Total	**11 867**	**-**	**11 867**	**7 060**	**-**	**7 060**

Current income before tax of consolidated companies

	2022			2021		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	12 720	(574)	12 146	8 441	(591)	7 850
Other business	(3 097)	574	(2 523)	(432)	591	159
Total	**9 623**	**-**	**9 623**	**8 009**	**-**	**8 009**

Net consolidated income

	2022			2021		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	10 217	(431)	9 786	7 599	(434)	7 165
Other business	(1 701)	431	(1 270)	8	434	442
Total	**8 516**	**-**	**8 516**	**7 607**	**-**	**7 607**

19.5. Breakdown of fixed assets by geographical segment

	At 31.12.2022				At 31.12.2021			
	France	America	Other countries	Total	France	America	Other countries	Total
Goodwill (1)	**-**	**12 403**	**1 795**	**14 198**	**-**	**12 444**	**1 845**	**14 289**
Intangibles subtotal	**8 309**	**249**	**232**	**8 790**	**8 283**	**234**	**253**	**8 770**
Land	3 889	-	634	**4 523**	2 179	142	641	**2 962**
Buildings	18 630	13 104	5 409	**37 143**	13 551	11 844	4 332	**29 727**
Industrial plant and other	29 402	15 843	4 125	**49 370**	30 008	14 779	3 815	**48 602**
Work in progress	389	-	4	**393**	97	-	586	**683**
Advances and down payments	437	-	255	**692**	-	-	-	**0**
Tangibles subtotal	**52 747**	**28 947**	**10 427**	**92 121**	**45 835**	**26 765**	**9 374**	**81 974**
Gross values	**61 056**	**41 599**	**12 454**	**115 109**	**54 118**	**39 443**	**11 472**	**105 033**
Accumulated amortisation / impairment	33 294	23 813	5 183	**62 290**	32 830	22 186	4 429	**59 445**
Net values	**27 762**	**17 786**	**7 271**	**52 819**	**21 288**	**17 257**	**7 043**	**45 588**
Period's expenses	2 151	2 141	1 184	**5 476**	2 396	1 846	1 184	**5 426**

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

19.6. Consolidated turnover by geographical segment

		2022			2021	
France		23 575	*17,4%*		22 673	*22,4%*
. Other countries of the European Union	14 683			12 128		
. Other European countries	3 960			5 911		
. America	53 445			34 043		
. Africa	18 214			9 621		
. Asia	16 548			14 049		
. Other areas	4 961			2 842		
Foreign countries		111 811	*82,6%*		78 594	*77,6%*
Total		**135 386**	***100,0%***		**101 267**	***100,0%***

Note 20: Research and development

For the Group as a whole, research and development expenses eligible for Research Tax Credits amounted to € 1 142 K.

Note 21: Financial instruments

		31.12.2022		Breakdown by category of instruments [1]		
		Value in balance sheet	Fair value	Receivables and payables at amortised cost	Fair value through profit/loss	Fair value through other comprehensive income
- Non-current financial assets	Note 6	1 132	1 132	1 132	-	-
- Accounts receivable	Note 8	71 372	71 372	71 372	-	-
- Current financial assets	Note 6	87 335	87 335	63 264	24 071	-
- Cash and cash equivalents	Note 10	41 556	41 556	10 000	31 556	-
Assets		**201 395**	**201 395**	**145 768**	**55 627**	**-**
- Non-current financial liabilities	Note 14	4 150	4 150	4 150	-	-
- Accounts payable		20 396	20 396	20 396	-	-
- Current financial liabilities	Note 14	2 383	2 383	2 383	-	-
Liabilities		**26 929**	**26 929**	**26 929**	**-**	**-**

		31.12.2021		Breakdown by category of instruments [1]		
		Value in balance sheet	Fair value	Receivables and payables at amortised cost	Fair value through profit/loss	Fair value through other comprehensive income
- Non-current financial assets	Note 6	406	406	406	-	-
- Accounts receivable	Note 8	59 119	59 119	59 119	-	-
- Current financial assets	Note 6	36 027	36 027	22 684	13 343	-
- Cash and cash equivalents	Note 10	111 348	111 348	30 362	80 986	-
Assets		**206 900**	**206 900**	**112 571**	**94 329**	**-**
- Non-current financial liabilities	Note 14	3 068	3 068	3 068	-	-
- Accounts payable		14 699	14 699	14 699	-	-
- Current financial liabilities	Note 14	1 674	1 674	1 674	-	-
Liabilities		**19 441**	**19 441**	**19 441**	**-**	**-**

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

Financial assets are measured at amortised cost, except for mutual fund shares which are classified at fair value through profit or loss, 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 net amount or to realize the assets and settle the liabilities simultaneously.

Trade receivables and financial assets, as well as trade payables are classified as measured at amortised cost.
Current financial assets and cash and cash equivalents are classsified 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 and mutual fund shares. However, these investments represent less than 30% 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 marging 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 2022, the net financial structure was positive and amounted to €122,358 K.

Financial instruments - fair value hierarchy

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

Note 22: Managers' remuneration

	2022	2021
Short-term benefits (excluding social security charges)	749	660
Social security charges	294	260
Total	**1 043**	**920**

Managers include members of the Board of Directors and senior management.
Remuneration includes gross salary, premiums, fringe benefits and directors' fees.
Corporate officers have no specific retirement plan.

Note 23: Average headcount

	2022	2021
Manager and executive	224	239
Supervisory, clerical and blue-collar	462	435
Total	**686**	**674**
Temporary workers	23	14

Note 24: Off-balance sheet commitments

Contractual obligations

	2022	2021
Pledges, bonds and guarantees	1 039	568
Commitments to subscribe to a private equity fund	1 403	-
Total	**2 442**	**568**

Commitments received

	2022	2021
Pledges, bonds and guarantees	19	18
Total	**19**	**18**

Note 25: Affiliates

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

Note 26: Fees of Auditors

	PRICEWATERHOUSECOOPERS AUDIT				RSM PARIS			
(in euros)	2022		2021		2022		2021	
	Amount	%	Amount	%	Amount	%	Amount	%
Audit								
Auditing, certification, review of individual and consolidated financial statements	92 480	87%	86 435	87%	171 122	100%	35 650	100%
Issuer	*43 335*	*41%*	*40 500*	*41%*	*38 145*	*22%*	*35 650*	*100%*
Fully consolidated subsidiaries	*49 145*	*46%*	*45 935*	*46%*	*132 977*	*78%*	-	-
Services other than certification of accounts	13 860	13%	13 200	13%	-	-	-	-
Issuer	*13 860*	*13%*	*13 200*	*13%*	-	-	-	-
Fully consolidated subsidiaries	- -		-	-	-	-	-	-
Total	**106 340**	**100%**	**99 635**	**100%**	**171 122**	**100%**	**35 650**	**100%**

Note 27: Financial information concerning the company PCM Rus LLC (Russia)

The main indicators concerning the company PCM Rus LLC are presented in the table below:

	in KRUB		in K€	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Equity	44 086	55 265	564	647
Cash flow	37 876	35 524	485	416
Total balance sheet	77 281	70 025	989	819
Turnover	66 855	167 276	889	1 924
Operating income	(11 991)	13 852	(159)	159
Current income before tax	(12 902)	11 945	(172)	137
Net income	(10 798)	9 597	(144)	110

These data are extracted from the individual accounts of the company PCM Rus LLC and before elimination of intercompany transactions.

Rapport des commissaires aux comptes sur les comptes consolidés

(Exercice clos le 31 décembre 2022)

GEVELOT SA
6, boulevard Bineau
92300 LEVALLOIS PERRET

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 2022, 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 2022 à la date d'émission de notre rapport.

Justification des appréciations

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 ainsi que sur la présentation d'ensemble des comptes.

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.

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 les informations relatives au groupe données 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 28 avril 2023

Les commissaires aux comptes

PricewaterhouseCoopers Audit
Jean-Romain BARDOZ

RSM Paris
Régine STEPHAN

Individual Financial Statements at 31 December 2022

Balance sheet at 31 Décember 2022

ASSETS (in thousands of euros)	Gross amount at 31.12.2022	Amortisation or Depreciation	Net amount at 31.12.2022	Net amount at 31.12.2021
CAPITAL ASSETS (I)				
Intangible assets (A)				
Development expenses	60	12	48	-
Concessions, patents, licences, trademarks, processes, rights and comparable items	-	-	-	-
Intangible assets in progress	-	-	-	59
Total A	**60**	12	**48**	**59**
Tangible assets (B)				
Land	3 043	-	3 043	1 333
Buildings	8 224	1 657	6 567	1 612
Other	124	75	49	40
Tangible assets in progress	8	-	8	-
Advances and down payments	-	-	-	-
Total B	**11 399**	**1 732**	**9 667**	**2 985**
Financial assets (C) (1)				
Equity investments	6 515	-	6 515	6 515
Receivables from equity investments	-	-	-	-
Loans	111	-	111	131
Other (3)	97	-	97	7
Total C	**6 723**	-	**6 723**	**6 653**
Total Capital assets (I) (A + B + C)	**18 182**	**1 744**	**16 438**	**9 697**
CIRCULATING ASSETS (II)				
Advances and down payments paid on orders	-	-	-	-
Receivables (2)				
Accounts receivable	181	-	181	181
Other	714	-	714	556
Short-term investments	50 642	2 075	48 567	25 343
Cash	44 898	-	44 898	55 382
ACCRUALS				
Prepaid expenses (2)	22	-	22	42
Total circulating assets (II)	**96 457**	**2 075**	**94 382**	**81 504**
Unrealized foreign exchange losses (III)	-	-	-	-
Grand total(I + II + III)	**114 639**	**3 819**	**110 820**	**91 201**

(1) < 1 year	111	20
(2) > 1 year	44	46
(3) Including treasury shares	90	-

LIABILITIES (in thousands of euros)	Before allocation Net amount at 31.12.2022	Net amount at 31.12.2021	After allocation Net amount at 31.12.2022 (a)	Net amount at 31.12.2021 (b)
EQUITY (I)				
Capital	26 586	26 933	26 586	26 933
Paid in capital	-	-	-	-
Revaluation adjustments	-	-	-	-
Reserves :				
. Legal reserve	2 659	2 693	2 659	2 693
. Other	39 940	41 311	39 940	41 311
Retained earnings	16 004	16 558	12 408	16 004
Net income (loss) of period	(558)	1 754	-	-
Subtotal: net position	**84 631**	**89 249**	**81 593**	**86 941**
Investment grant	-	-	-	-
Regulated provisions	1 245	1 223	1 245	1 223
Total Equity (I)	**85 876**	**90 472**	**82 838**	**88 164**
PROVISIONS (II)				
Contingency provisions	-	-	-	-
Loss provisions	-	-	-	-
Total Provisions (II)	**-**	**-**	**-**	**-**
LIABILITIES (III) (1)				
Loans and debt with lending institutions (2)	50	1	50	1
Other borrowing and financial debt	139	88	139	88
Advances and down payments received on current orders	-	-	-	-
Accounts payable	49	61	49	61
Tax and welfare liabilities	144	146	144	146
Payables to fixed asset suppliers	8	5	8	5
Other liabilities	24 489	387	27 527	2 695
Prepaid income	61	41	61	41
Total Liabilities (III)	**24 940**	**729**	**27 978**	**3 037**
Unrealized foreign exchange gains (IV)	**4**	**-**	**4**	**-**
Grand total (I + II + III +IV)	**110 820**	**91 201**	**110 820**	**91 201**

(1) including over 1 year	95	88	95	88
including under 1 year	24 845	641	27 883	2 949
(2) including cash credits and bank credit balances	50	1	50	1

a) After appropriation submitted to the Combined Annual and Extraordinary General Meeting of 15 June 2023

b) After appropriation decided by the Combined Annual and Extraordinary General Meeting of 15 June 2022

Income statement 2022

INCOME STATEMENT (in thousands of euros)	2022	2021
OPERATING REVENUE (I)		
Rendering of services	966	792
Net turnover	**966**	**792**
Reversals of provisions and expense transfers	-	-
Other income	118	85
Total operating revenue (I) (1)	**1 084**	**877**
OPERATING EXPENSES (II)		
Other purchases and external charges	887	732
Taxes	117	112
Wages and salaries	640	611
Social security charges	269	261
Amortisation expenses on fixed assets	69	54
Depreciation expenses on fixed assets	-	-
Other charges	82	67
Total operating expenses (II) (2)	**2 064**	**1 837**
1 - OPERATING INCOME (LOSS) (I - II)	**(980)**	**(960)**
FINANCIAL INCOME (III)		
From equity investments (3)	1 502	1 502
Other interests and comparable income (3)	276	760
Reversals of provisions and expense transfers	2	-
Foreign exchange gains	7	151
Net income from sales of marketable securities	181	-
Total financial income (III)	**1 968**	**2 413**
FINANCIAL EXPENSES (IV)		
Amortisation and depreciation expenses	2 058	19
Interest expense (4)	128	-
Foreign exchange losses	4	-
Net expenses on the sales of marketable securities	12	-
Total financial expenses (IV)	**2 202**	**19**
2 - FINANCIAL INCOME /(EXPENSES) (III - IV)	**(234)**	**2 394**
3 - PRE-TAX INCOME / (LOSS) (I - II) + (III - IV)	**(1 214)**	**1 434**
UNUSUAL GAINS (V)		
Unusual gains in operations	-	-
Proceeds of tangible and intangible assets sold	23	-
Provisions reversals and expense transfers	27	19
Total unusual gains (V)	**50**	**19**
UNUSUAL EXPENSES (VI)		
Unusual expenses in operations	-	-
Book value of tangible and intangible assets	20	-
Unusual amortisation and provision expenses	49	38
Total unusual expenses (VI)	**69**	**38**
4 - UNUSUAL ITEMS (V - VI)	**(19)**	**(19)**
Income tax (VII)	**(675)**	**(339)**
Total income (I + III + V)	**3 102**	**3 309**
Total expenses (II + IV + VI + VII)	**3 660**	**1 555**
5 - NET INCOME	**(558)**	**1 754**

(1) Including operating revenue relating to prior periods	(4)	(4)
(2) Including operating expenses relating to prior periods	(2)	(6)
(3) Including income concerning affiliated companies	1 502	1 502
(4) Including interest concerning affiliated companies	-	-

Notes to the
Individual Financial Statements
at 31 December 2022

Notes to the Individual Financial Statements at 31 December 2022

These notes supplement and comment on the balance sheet prior to appropriation for period ending 31 December 2022, totalling 101,820,155.64 euros and the period's income statement, presented in report form, which totals 3,100,893.00 euros and shows a loss of 558,141.38 euros.

Notes 1 to 19 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 2022 to 31 December 2022.

These annual financial statements were drawn up by the Board of Directors on 14 April 2023.

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

The financial statements have been drawn up in accordance with the general principles of Regulation (ANC) N° 2014-03, updated to comply with the New Regulatory Provisions on the date of drawing up the accounts.

a) Main methods used

Intangible assets

Intangible fixed assets are valued at their acquisition cost (purchase price and incidental expenses) or at their production cost.

Depreciation is calculated on a straight-line basis over the expected life span, i.e.:
- licences for the use of software are depreciated over a period of use of 3 to 15 years,
-development costs are depreciated over a period of 5 years. They cover the costs of implementing Software-as-a-Service solutions.

Tangible assets

Tangible assets are measured at their acquisition cost (purchase price plus costs excluding borrowing costs).

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.

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 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 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.
A net depreciation of € 2.1 million was recognised over the period as part of the year-end valuation.
The market value of short-term investments on 31 December 2022, comprising contract capitalisation, structured products and investments in mutual funds, totals € 48.6 million.

Regulated provisions

The regulated provisions stated in the balance sheet are capital cost allowances on intangible and tangible 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 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 € 675 K correspond to the tax income relating to entities included in the Group's tax integration.

c) Pensions

Upon retirement, staff members receive collectively agreed or contractual benefits. The corresponding commitments are, to a large extent, covered by insurance. The uncovered residual quota is not entered into the accounts and is therefore shown as off-balance-sheet commitments.

Gévelot SA applies the method of allocating benefit entitlements to its defined benefit schemes, which leads to the commitment being spread only from the date on which each year of service counts towards the acquisition of benefit entitlements, i.e. over the period preceding the retirement age to reach the cap.

d) Significant events

In November 2022, Gévelot SA acquired 596 m² of office space in a building located in Levallois-Perret for €6.7 million. These premises are leased to third party companies.

Gévelot S.A. has repurchased 10,382 of its own shares for a total amount of €1,842 K in FY 2022.
The Board of Directors meeting on 13 October 2022 decided to reduce the capital by cancelling 9,890 treasury shares (1.3%). As a result, Gévelot's new capital amounts to €26,586,350 or 759,610 shares at a nominal value of €35.

e) Climate change

Faced with the climate emergency characterised by pollution and the gradual disappearance of species and resources, as well as regulatory changes in environmental matters, Gévelot SA, through its PCM subsidiary, has embarked on a voluntary CSR approach.
In particular, Gévelot SA is committed to reducing the environmental impact of its activities by, for example, optimising waste management and promoting eco-responsible initiatives while ensuring compliance with regulations.
At this stage, Gévelot SA has not identified any impact either on the valuation of its assets or on the future development of its activities.

f) Post closing events

Gévelot SA has taken steps to merge its accounts with the accounts of Rosclodan SA, which holds 8.2% of the company's capital, by way of absorption of the latter. The transaction is expected to be completed in June 2023.

Note 2: Capital assets and amortisation

Heading and items	Capital assets					Amortisation and depreciation			
	Gross value at the start of FY 2022	Increases	Transfers	Reductions	Gross value at the end of FY 2022	Accumulated at the start of 2022	Increases	Reductions	Accumulated at the end of 2022
Intangible assets									
Development costs	-	-	60	-	60	-	12	-	12
Concessions, patents, licences, trademarks, processes, rights and similar items	-	-	-	-	-	-	-	-	-
Intangible assets in progress	59	1	(60)	-	-	-	-	-	-
Total	**59**	**1**	**-**	**-**	**60**	**-**	**12**	**-**	**12**
Tangible assets									
Land	1 333	-	1 710	-	3 043	-	-	-	-
Buildings	3 219	-	5 005	-	8 224	1 607	50	-	1 657
Other tangible assets	123	36		(35)	124	83	7	(15)	75
Tangible assets in progress	-	6 723	(6 715)	-	8	-	-	-	-
Advances and down payments	-	-		-	-	-	-	-	-
Total	**4 675**	**6 759**	**-**	**(35)**	**11 399**	**1 690**	**57**	**(15)**	**1 732**
Financial assets									
Equity investments	6 515	-	-	-	6 515	-	-	-	-
Receivables from equity investments	-	-	-	-	-	-	-	-	-
Loans	131	-	-	(20)	111	-	-	-	-
Other financial assets	7	1 842	-	(1 752)	97	-	-	-	-
Total	**6 653**	**1 842**	**-**	**(1 772)**	**6 723**	**-**	**-**	**-**	**-**

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

In November 2022, Gévelot SA acquired 596 m² of office space in a building located in Levallois-Perret for €6.7 million. These premises are leased to third party companies.

Gévelot S.A. repurchased 10,382 of its own shares for a total amount of €1,842 K in FY 2022.

Under the authorisation granted by the Combined General Meeting of 15 June 2022, the Board of Directors meeting on 13 October 2022 proceeded to the cancellation of 9,890 treasury shares for a value of €1 752 K.

Note 3: Provisions

Headings and items	Amount at the start of 2022	Increases		Reductions			Amount at the end of 2022
				Amounts used during FY 2022		Amounts not used during FY 2022	
Regulated provisions							
Capital cost allowances	1 223	49		(27)		-	1 245
Total	**1 223**	**49**		**(27)**		**-**	**1 245**
Contingency provisons							
Provisions for litigation			-	-	-	-	-
Total			**-**	**-**	**-**	**-**	**-**
Loss provisions							
Provision for taxes			-	-	-	-	-
Total			**-**	**-**	**-**	**-**	**-**

Note 4: Maturity of receivables and liabilities

Headings and items	Gross amount at 31.12.2022	Maturing in 1 year max	Maturing in over 1 year
Receivables			
Receivables on capital assets			
Receivables from equity investments	-	-	-
Loans (1)	111	20	91
Other	97	90	7
Reveivables from current assets			
Accounts receivable (2)	181	181	-
Other	714	674	40
Subscribed called-up capital not paid up	-	-	-
Prepaid expenses	22	18	4
Total	**1 125**	**983**	**142**
Liabilities			
Loans and debt with lending institutions (3) (4)	50	50	-
Other borrowing and financial debt (3) (5)	139	44	95
Accounts payable (6)	49	49	-
Tax and welfare liabilities	144	144	-
Payables to fixed asset suppliers (6)	8	8	-
Other liabilities (7) (*)	24 489	24 489	-
Prepaid income	61	61	-
Total	**24 940**	**24 845**	**95**

(*) As part of the Group's cash management, Gévelot SA entered into a cash agreement in June 2022 with PCM SA in order to raise all or part of the funds available within PCM division and place them in various supports. at the level of Gévelot SA.
In this respect, €24.1 million were transferred from PCM SA to Gévelot SA during the financial year."

(1) Loans granted in period	-
Loans recovered in period	20
(2) Including commercial paper	-
(3) Loans and financial liabilities taken out in period	118
Loans repaid and transferred in period	19
(4) including :	
- no more than two years initially	50
- over two years initially	-
(5) Liabilities maturing in over 5 years	95
(6) Including commercial paper	-
(7) Including to partners	-

Note 5: Information about related parties

All transactions with related parties concern transactions carried out with subsidiaries wholly owned by Gévelot SA and are entered into under normal market conditions.

Note 6: Revaluation

Items	Changes in revaluation reserve at 31.12.2022				
	Amount at the start of 2022	Reductions due to disposals	Other changes	Amount at the end of 2022	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 31.12.2022	Amount at 31.12.2021
Accounts receivable	65	30
Other receivables	3	7
Short-term investments	102	-
Cash and cash equivalents	35	15
Total	**205**	**52**

Note 8: Accrued liabilities

Amount of accrued liabilities included in the following balance sheet items	Amount at 31.12.2022	Amount at 31.12.2021
Loans and debt with lending institutions	49	-
Accounts payable	-	30
Tax and welfare liabilities	71	83
Payables to fixed asset suppliers	-	1
Other liabilities	1	-
Total	**121**	**114**

Note 9: Prepaid expenses and income

	Amount at 31.12.2022		Amount at 31.12.2021	
	Expenses	Income	Expenses	Income
Operating expenses / income	22	61	42	41
Financial expenses / income	-	-	-	-
Unusual expenses / gains	-	-	-	-
Total	**22**	**61**	**42**	**41**

Note 10 : Composition of the share capital

	Number	Par value
Shares making up the share capital at the beginning of financial year 2022	769 500	35,00
Shares issued during the period	-	-
Shares repaid during the period	-	-
Shares cancelled during the period	(9 890)	-
Change in par value through incorporation of reserves	-	-
Shares making up the share capital at the end of financial year 2022	759 610	35,00

Making a share capital of 26 586 350 euros

Note 11: Statement of changes in net worth

Equity in the closing balance sheet for period 2021 prior to income		88 718
Appropriation of 2021 income at net worth by the Combined Annual and Extraordinary General Meeting of 15 June 2022		(554)
. 2021 Income	1 754	
. Dividends paid	(2 308)	
Equity on opening of period 2022		88 164
Changes in period:		(1 730)
. Cancellation of treasury shares	(1 752)	
. Changes in premiums, reserves, retained earnings	-	
. Changes in regulated provisions and investment grants	22	
Equity in the closing balance sheet for period 2022 prior to income		86 434

Note 12: Breakdown of net turnover

a) Breakdown by business segment

	Amount 2022	Amount 2021
Rents	298	267
Services	668	525
Total	**966**	**792**

b) Breakdown by geographical segment

	Amount 2022	Amount 2021
France	966	792
Total	**966**	**792**

Note 13: Unusual items

The main items included under this heading are:

Headings	Amount 2022	Amount 2021
Capital cost allowances	(22)	(19)
Gains / (losses) on sales of assets	3	-
Other items, net	-	-
Total	**(19)**	**(19)**

Note 14: Income tax

The breakdown of income tax between pre-tax income and unusual items is as follows:

Headings	Pre-tax income (loss) at 31.12.2022	Amount of income tax 2022	Net income (loss) at 31.12.2022
Pre-tax income	(1 214)	(642)	(572)
Unusual items	(19)	(5)	(14)
Impact of tax loss carryforward	-	647	(647)
Effect of tax integration	-	(675)	675
Total	**(1 233)**	**(675)**	**(558)**

The tax rate is 25%.
Gévelot SA has a tax loss carryforward of € 3.099 million at the end of 2022.

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 will be € 311 K higher due to the reversal of capital cost allowances for € 1.245 million.

Note 15: Off-balance sheet commitments

	Amount at 31.12.2022	Amount at 31.12.2021
Commitments given:		
Leasing commitments	729	846
Subscription commitments to a private equity fund	1 403	-
Retirement commitments	-	-
Total	**2 132**	**846**
Commitments received:		
Guarantees	19	18
Total	**19**	**18**

Leasing commitments:

Headings	Real estate property	Total at 31.12.2022
Original values before tax	**1 400**	**1 400**
Amortisations		
Cumulated previous years	-	-
Allowances of the period	-	-
Total	**-**	**-**
Fees paid before tax		
Cumulated previous years	1 051	1 051
For the period	117	117
Total	**1 168**	**1 168**
Fees remaining due before tax		
At one year max	117	117
At more than one year and 5 years max	468	468
At more than 5 years	4	4
Total	**589**	**589**
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, amended on 5 November 2021.

The company had decided to adopt the method of allocating benefit entitlements to its defined benefit schemes, which leads to the commitment being spread only from the date on which each year of service counts towards the acquisition of benefit entitlements, i.e. over the period preceding the retirement age to reach the cap.

The main actuarial assumptions used to calculate the commitment at 31/12/2022 are: a discount rate of 3.70%, a salary increase rate of 2.5% and a retirement age of 63 for non-managers and 65 for managers.

There is no commitment as of December 31, 2022, the IFC social liabilities (€ 45 K) being fully covered by the value of the fund as of December 31, 2022 (€ 67 K) held by Axa France Vie as part of a contract enabling these commitments to be outsourced.

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

	2 022	2 021
Managerial / executive staff	4	4
Supervisory, technical and clerical staff	1	1
Total	**5**	**5**

Note 18: Consolidating company

Gévelot S.A., Siren n° 562088542 located at 6 boulevard Bineau 92300 Levallois-Perret, is the consolidating company of the Gévelot Group.

Note 19: Subsidiaries and equity investments at 31 December 2022

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	106 366	99,95%	6 515	6 515	-	-	1 136	6 476	1 502
B - EQUITY INVESTMENTS (10 to 50 % of the capital held by the Company)	-	-	-	-	-	-	-	-	-	-

[1] Including consumption loans

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		2022	2021
Number of shares at 31 december		759 610	769 500
Accrual-based income	€K	(558)	1 754
	€	(0.73)	2.28
Changes in net worth excluding restructuring transactions	€K	22	19
	€	0.03	0.02
Dividends proposed	€K	3 038	2 308
	€	4.00	3.00

Statement of changes in net worth

(in thousands of euros)

Equity in the closing balance sheet of 2021 prior to income		**88 718**
Appropriation of 2021 income at net worth by the Combined General Meeting of 15 June 2022		(554)
. Income 2021	1 754	
. Dividends paid	(2 308)	
Equity at the beginning of 2022		**88 164**
Changes in period:		(1 730)
. Cancellation of own shares	(1 752)	
. Changes in premiums, reserves, retained earnings	-	
. Changes in regulated provisions and investment grants	22	
Equity in the closing balance sheet of 2022 prior to income		**86 434**
Appropriation of 2022 income at net worth by the Combined General Meeting of 15 June 2023		(3 596)
. Income 2022	(558)	
. Dividends proposed	(3 038)	
Equity after proposed appropriation		**82 838**

Financial income

The Company's financial income over the last five periods

(in euros)

Item	2022	2021	2020	2019	2018
I - CAPITAL AT END OF PERIOD	(**)				(*)
a) share capital	**26 586 350.00**	26 932 500.00	26 932 500.00	26 932 500.00	26 932 500.00
b) number of existing ordinary shares	**759 610**	769 500	769 500	769 500	769 500
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	**965 969.61**	791 975.63	773 216.32	797 643.17	564 739.50
b) Earnings before tax, employee profit sharing, amortisation and provisions	**913 432.63**	1 507 121.99	901 055.43	2 459 600.30	2 646 809.24
c) Income tax	**(675 466.00)**	(339 491.00)	(574 379.00)	(634 587.00)	(58 587.00)
d) Employee profit-sharing in period	**-**	-	-	-	-
e) Earnings after tax, profit-sharing, amortisation and provisions	**(558 141.38)**	1 754 082.85	1 395 921.00	3 141 790.45	3 214 422.18
f) Distributed earnings	**3 038 440.00**	2 308 500.00	1 539 000.00	1 231 200.00	1 385 100.00
III - EARNINGS PER SHARE					
a) Earnings after tax, employee profit-sharing, but before amortisation and provisions	**2.09**	2.40	1.92	4.02	3.52
b) Earnings after tax, employee profit-sharing, amortisation and provisions	**(0.73)**	2.28	1.81	4.08	4.18
c) Dividend allocated to each share	**4.00**	3.00	2.00	1.60	1.80
IV - PERSONNEL					
a) Average headcount of personnel employed during the period	**5**	5	5	5	5
b) Total payroll	**639 922.52**	610 829.08	610 704.26	576 915.95	463 755.95
c) Amounts paid out for the period's employee benefits (Social security, community services, etc.)	**269 206.18**	261 320.64	264 031.84	252 046.97	189 181.97

(*) 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.

(**) In accordance with the decision of the Board of Directors of 13 October 2022, and under the authorisation given by the Combined General Meeting of 15 June 2022, a capital reduction of € 346,150 through cancellation of the 9,890 treasury shares held by Gévelot S.A..

At the end of 2022, the share capital thus stands at € 26,586,350 comprising 759,610 shares each with a par value of € 35.

RAPPORT DES COMMISSAIRES AUX COMPTES SUR LES COMPTES ANNUELS

(Exercice clos le 31 décembre 2022)

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 2022, 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 2022 à la date d'émission de notre rapport.

Justification des appréciations

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 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 28 avril 2023

Les commissaires aux comptes

PricewaterhouseCoopers Audit
Jean-Romain BARDOZ

RSM Paris
Régine STEPHAN

RAPPORT SPECIAL DES COMMISSAIRES AUX COMPTES SUR LES CONVENTIONS REGLEMENTEES

Exercice clos le 31 décembre 2022

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.

Fait à Paris et à Neuilly-sur-Seine, le 28 avril 2023

Les Commissaires aux Comptes

RSM Paris	**PricewaterhouseCoopers Audit**
Société de Commissariat aux Comptes Membre de la Compagnie Régionale de Paris	**Société de Commissariat aux Comptes Membre de la Compagnie Régionale de Versailles**
Régine STEPHAN	**Jean-Romain BARDOZ**
Associée	**Associé**

Resolutions

Submitted to the Combined Annual and Extraordinary General Meeting of 15 June 2023

I – ORDINARY RESOLUTIONS

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 2022 Annual Individual Financial Statements, which show a net loss of € 558 K.

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 € 8.0 M for financial year 2022.

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 deficit of..- € 558 141.38

plus previous retained earnings of ....€ 16 003 981.67

forming the distributable profit of ....€ 15 445 840.29

as follows:

. Dividend ....€ 3 038 440.00

- € 3 038 440.00

Balance to retained earnings
after allocation ....€ 12 407 400.29

The overall dividend therefore amounts to € 4.00 per share for 759 610 shares, i.e. € 3,038,440.00 and will be distributed from 30 June 2023.

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 the 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	Number of shares total
2019	1.60	769 500	769 500
2020	2.00	769 500	769 500
2021	3.00	769 500	769 500

Fifth Resolution

The General Meeting hereby discharges the Directors from their corporate duties for financial year 2022.

Sixth Resolution

Mrs Roselyne MARTIGNONI's directorship being expired, the General Meeting renews her mandate for a period of three years until the 2026 General Meeting that will be called to approve the accounts of financial year 2025.

Seventh Resolution

Mr Mario MARTIGNONI's directorship being expired, the General Meeting renews his mandate for a period of three years until the 2026 General Meeting that will be called to approve the accounts of financial year 2025.

Eighth Resolution

Mr Jacques FAY's directorship being expired, the General Meeting renews his mandate for a period of three years until the 2026 General Meeting that will be called to approve the accounts of financial year 2025.

Ninth Resolution

The General Meeting, on proposal of the Board of Directors, appoints as new Director of the Company, Mr. Philippe BARBELANE for a period of three years until the 2026 General Meeting that will be called to approve the accounts of financial year 2025.

Tenth Résolution

As the mission of PricewaterhouseCoopers Audit, the statutory auditors, has expired, the General Meeting renews its mission for six financial years, i.e. until the General Meeting in 2029 which shall decide on the accounts for financial year 2028.

Eleventh Resolution

As the mission of RSM, the statutory auditors, has expired, the General Meeting renews its mission for six financial years, i.e. until the General Meeting in 2029 which shall decide on the accounts for financial year 2028.

II – EXTRAORDINARY RESOLUTIONS

Twelfth Resolution

Examination and approval of the merger by way of absorption of the ROSCLODAN company by the GEVELOT company and the resulting capital increase of €2,194,500

The general meeting, ruling under required quorum and majority conditions for extraordinary general meetings, after taking note of:

- the report of the Board of Directors to the General Assembly
- reports from Sefico Audit, the merger commissioner, on the terms of the proposed merger and the value of the in-kind contributions and special benefits,
- the merger agreement dated 3 May 2023 under which Rosclodan, a public limited company with a capital of 40,260 euros, whose registered office is located at 121 avenue des Champs Elysées 75008 Paris, registered under number 552 152 670 R.C.S. Paris, transmits, through a merger, to Gévelot, all the assets, valued at €11,717,628.51, and liabilities valued at €109,095.52, i.e. net assets transferred of €11,608,532.99, subject to the allocation to the shareholders of the absorbed company, according to a parity of 95 Gévelot shares for 1 Rosclodan share, of 62,700 new shares of 35 euros nominal each to be issued by Gévelot as an increase in its share capital of €2,194,500,

1. approves the proposed merger, under the terms and conditions agreed in the merger agreement and especially its accounting and tax effective date on 1 January 2023, the valuation given to the assets and liabilities transferred, the agreed parity, and the resulting capital increase;

2. notes that the extraordinary general meeting of shareholders of Rosclodan is called to decide on the merger on 15 June 2023;

3. decides to increase the share capital of the Company by €2,194,500 from €26,586,350 to €28,780,850, by issuing 62,700 new Gévelot shares with a nominal value of €35 each, fully paid up, fully assimilated to the old shares and allocated to the shareholders of Rosclodan at the rate of 95 Gévelot shares for 1 Rosclodan share and notes that the difference between the net assets transmitted by Rosclodan, or, 11,608,532.99 euros, and the nominal value of the shares that will be issued by Gévelot under the aforementioned capital increase (i.e. 2,194,500 euros), accordingly to 9,414,032.99 euros, will constitute a merger premium and authorises the Board of Directors with the option of subdelegation to the Chairman and Chief Executive Officer to deduct from the amount of the merger premium the costs, duties, taxes and fees incurred by the merger, and to provide any provision or reserve to cover tax commitments made in the merger agreement. In the event of the dismemberment of existing ownership of certain Rosclodan shares, this will be, unless otherwise expressly decided by the bare owner and the usufructuary, postponed by application of the mechanism of real subrogation on the Gévelot shares which will be allocated in exchange for the shares of Rosclodan whose property would be dismembered.

4. notes the definitive completion of the merger and the dissolution without liquidation of the Rosclodan company;

5. gives all powers to Mr. Mario Martignoni, Chairman and Chief Executive Officer, with the right to delegate to any person of his choice, for the purpose of drawing up any confirmatory, complementary or amending acts related to the merger that may be necessary, to complete all necessary formalities for the completion of the merger, to fulfil all formalities, to make all declarations to the administrations as well as all notices and notifications to anyone related to the completion of the merger.

Thirteenth resolution

Capital reduction of €2,194,500 by cancellation of 62,700 Gévelot shares received in the merger as covered in the previous resolution

The General Meeting, acting under the conditions of quorum and majority required for extraordinary general meetings, read the report of the Board of Directors and the report of the Statutory Auditors on the reasons for and conditions of the capital reduction:

- decides to reduce its capital by €2,194,500 from €28,780,850 to €26,586,350 by cancelling 62,700 Gévelot shares with a nominal value of €35 received by the latter in the context of the merger subject to previous resolution;

- decides to charge the capital reduction fee of €9,412,294 corresponding to the difference between the nominal amount of the 62,700 cancelled shares (i.e. €2,194,500) and the value for which these shares will be transferred in the accounts of Gévelot (€11,606,794) to the "merger premium" account at the appropriate time.

Fourteenth resolution

Amendment of Article 6 of the articles of association as a result of the two previous resolutions

The General Meeting, acting under the conditions of quorum and majority required for extraordinary general meetings, has taken note of the Board of Directors' report, as a result of the adoption of the preceding resolutions, to amend Article 6 of the Articles of Association (Share Capital) by replacing its last paragraph with the following two paragraphs:

> *"Under the terms of the resolutions adopted on 15 June 2023 by the Combined General Meeting of Shareholders, the shareholders approved the merger by way of absorption of the Rosclodan limited company with a capital of 40,260 euros whose registered office was located at 121 avenue des Champs Elysées 75008 Paris, registered under number 552 152 670 R.C.S. Paris. As a result, Rosclodan has transferred to the Company, as a merger, all of its assets and liabilities, the real value of which has been valued at €11,608,532.99, including €9,414,032.99 as a merger premium. As compensation for this merger, the Company issued 62,700 shares with a nominal value of €35 issued as an increase in its capital from €26,586,350 to €28,780,850. The Company's capital was then reduced* by €2,194,500 from €28,780,850 to €26,586,350 by cancelling 62,700 *shares of the Company received from Rosclodan in connection with the merger by way of absorption of the latter".*
>
> *It is now set at €26,586,350 divided into 759,610 shares valued at €35 each, fully paid up and all of the same class."*

III – ORDINARY RESOLUTION

Fifteenth Resolution

Transferred to the eighteenth resolution.

IV – EXTRAORDINARY RESOLUTIONS (addendum)

Sixteenth Resolution

Amendment of the Article 14 of the articles of association (Directors shares)

The General Meeting, ruling under the quorum and majority conditions required for Extraordinary General Meetings, having considered the Report of the Board of Directors, decides to reduce the number of shares that each of the directors must own and to modify article 14 of the Articles of Association “Directors shares” which becomes worded as follows:

Old wording:

“Each Director must own, throughout his term of office, one hundred registered shares. »

New wording:

“Each Director must be the owner, for the duration of his term of office, of ten registered shares. »

V – ORDINARY RESOLUTIONS (addendum)

Seventeenth Resolution

(Modification of the remuneration allocated to Directors for their activity on the Board of Directors)

The General Meeting sets at 120,000.00 Euros the total amount per exercise of the remuneration allocated to the Directors. This decision is applicable from the current financial year and will be maintained until a new decision.

Eighteenth Resolution (Powers)

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