Gévelot

ANNUAL REPORT

2021 financial year

This is a free translation into English of the 2021 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 2022

Contents

Gévelot Group

2021 Accounts

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

www.gevelot-sa.fr

Financial Year 2021

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

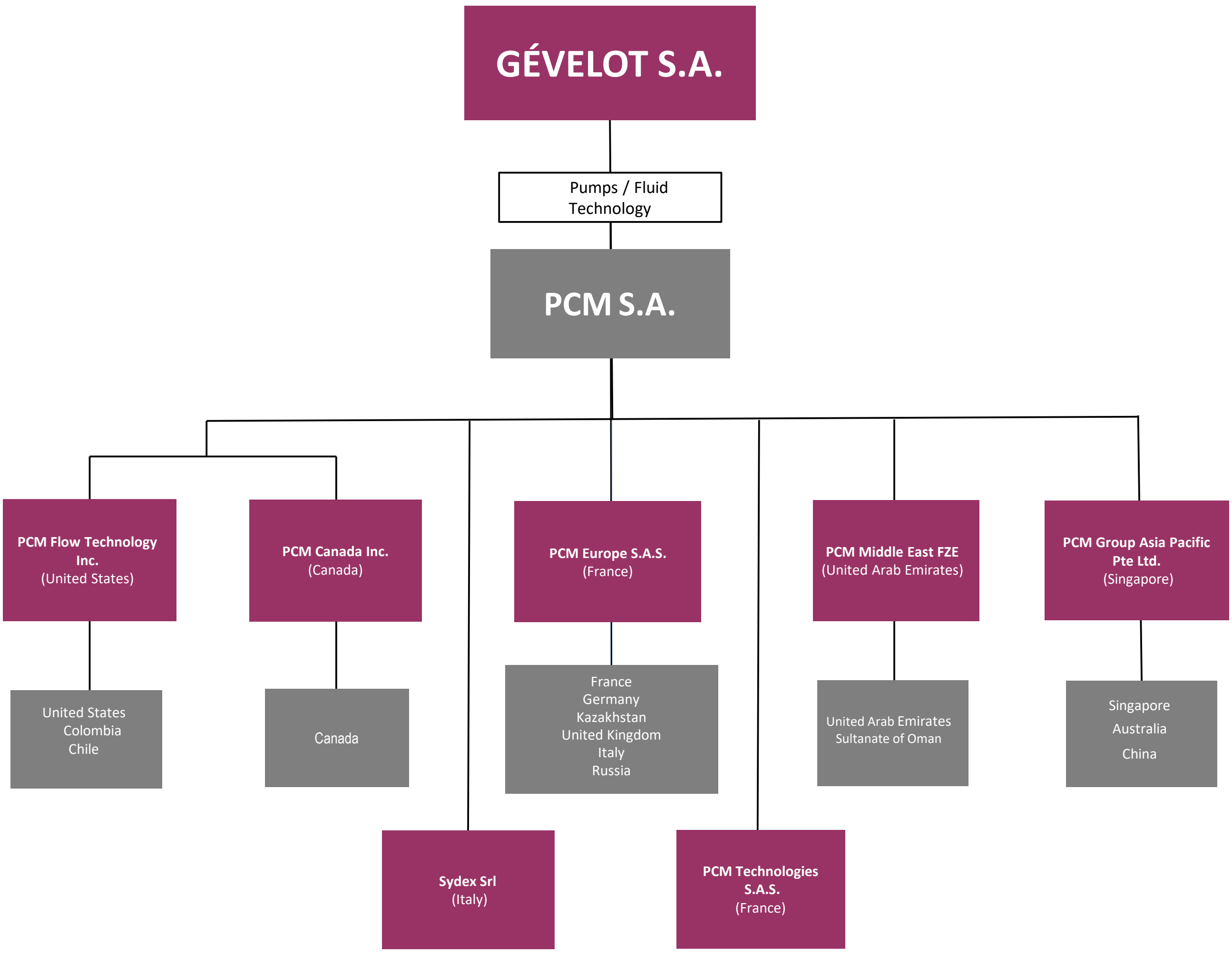
Permanent	Société de Bourse Gilbert Dupont represented by Audrey NODIN

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 2022

Within the competence of the Annual General Meeting

- Management Report from the Board of Directors on the progress of the Company during the financial year 2021,
- Auditors' Reports on the period's Individual and Consolidated Financial statements,
- Approval of the Individual Financial Statements for period ending 31 December 2021,
- Approval of the Consolidated Financial Statements for period ending 31 December 2021,
- Approval of the Conventions referred to in Article L.225-38 of the Commercial Code,
- Appropriation of earnings for financial year 2021,
- Discharge of Directors,
- Directors,
- Authorisation of a share buyback program with a view to cancellation,
- Powers,
- Questions.

Within the competence of the Extraordinary General Meeting

- Authorisation given to the Board of Directors to cancel the shares that the company could have bought back under the share buyback program,
- Modification of the Purpose of the Company (Article 2 of the Articles of Association),
- Modification of Article 12 bis of the Articles of Association related to the threshold crossing,
- Bringing the Articles of Association into line with legislative developments.

Overview of Gévelot Group

Annual key figures

(in thousands of euros)

Group	2021	2020	Percentage change 2021/2020	2019
Turnover	**101 267**	89 529	(1) 13.1	103 730
Turnover generated outside France	*78 594*	*68 136*	15.3	*80 429*
EBITDA *	6 793	5 522	-	7 986
Current operating income	**5 846**	4 068	-	8 551
Non-current operating income and (expenses) (2)	1 214	(731)	-	(145)
Operating income	**7 060**	3 337	-	8 406
Financial income	949	(929)	-	2 145
Pre-tax income	**8 009**	2 408	-	10 551
Net consolidated income	**7 607**	1 205	-	8 937
Income attributable to non-controlling interests	370	229	-	283
Income attributable to consolidating company	**7 237**	976	-	8 654
Net income per share attributable to consolidating company (in euros)	9.40	1.27	-	11.25
Cash flow from operations	12 146	15 954	-	13 937
Equity	**207 355**	197 406	5.0	199 225
Debt / Equity (in %)	*2.3*	*4.3*	-	*6.2*
Headcount	*668*	*667*	0.1	*711*

* EBITDA : gross operating surplus

	2021	2020	2019
(1) at constant scope and exchange rates + 12,9 %			
(2) including capital gain on the sale of the building in Houston	1 126	-	-
(2) including Canadian assets valuation	-	(579)	-

Gévelot S.A.	2021	2020	Percentage change 2021/2020	2019
Turnover	**792**	773	2.5	798
Operating income	(960)	(874)	-	(706)
Financial income	2 394	1 738	-	3 107
Pre-tax income	1 434	864	66.0	2 401
Unusual items	(19)	(43)	-	107
Net income	**1 754**	1 396	-	3 142
Cash flow from operations	1 846	1 475	-	3 093
Net dividend per share (in euros)	2.00	1.60	-	1.80
Headcount	*5*	*5*	-	*5*

2021 Accounts

Management and Corporate Governance Report

Ladies and Gentlemen,

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 2021 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 2021 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 2021 amounted to € 101.3 million against € 89.5 million in 2020, up 13.1%. On a like-for-like basis in terms of exchange rates and scope, the increase is 12.9%.

FY 2021 was characterised by strong growth in Oil & Gas in the America zone, as well as significant recovery in Food & Industry on the European market.

The Consolidated turnover from other activities amounted to € 0.2 million, stable compared to 2020.

Detailed comments on the consolidated results

The Group's consolidated operating income in 2021 amounted to a profit of € 5.8 million against € 4.1 million in 2020, up € 1.7 million.

The Pumps Sector's contribution increased, amounting to € 6.6 million (€ 4.8 million in 2020). 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 (steel and chemicals in particular) as well as a major increase in their supply times. This increase was however limited in 2021 thanks to previous security supplies.

The contribution of the real estate activity of the Holding was negative at € 0.8 million.

Operating income for 2021 was positive at € 7.1 million against € 3.3 million in 2020, up € 3.8 million.

It includes € 1.1 million property capital gains following the sale of a building in Houston (USA) and in 2020 had been negatively impacted by € 0.6 million in net charges on Canadian assets.

The 2021 Consolidated financial result was positive at € 0.9 million against a negative € 0.9 million the previous year, i.e. up € 1.8 million, mainly due to the increase in cash income (€ 0.9 million) and positive net currency effects in 2021 (€ 0.3 million) against negative effects in 2020 (€ 1.2 million).

In 2021, net charges of consolidated tax totalled € 0.4 million against € 1.2 million in 2020.

Consolidated net income for FY 2021 of integrated companies was € 7.6 million against € 1.2 million in profit in 2020, up by € 6.4 million.

The proportion of income attributable to minority interests amounted in 2021 to a profit of € 0.4 million against € 0.2 million in 2020.

Ultimately, the Group share of Consolidated net income for 2021 activities amounted to a positive € 7.2 million against a positive € 1.0 million in 2020.

The cash flow from operations, remained positive: € 12.1 million against € 16.0 million in 2020. FY 2020 had been positively impacted by € 7.3 million of non-current income related to recent acquisitions in Canada.

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

Group investments

Investments in 2021 mainly in the Pumps Sector totalled € 12.7 million (including € 9.3 million in real estate assets) against € 2.4 million (including € 0.9 million in intangible assets) in 2020.

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 2021, excluding temporary staff, totalled 668 people, including 343 outside France, against 667 people, including 323 outside France in late December 2020.

Structure of the consolidated balance sheet

The consolidated balance sheet at the end of 2021 amounted to € 293.3 million against € 279.8 million at the end of 2020, i.e. an increase of € 13.5 million.

Non-current assets of € 46.7 million were up € 5.4 million. This net variation is mainly due to real estate investments made in Canada and the United States (€ 9.3 million) minus the net impact of the sale of a building in Houston (USA) for € 3.2 million, as well as other negative net variations of the year for € 0.7 million.

Current assets at € 246.6 million were up by € 8.1 million.

This net variation is due to stock variation for +€ 3.9 million, an increase in trade receivables (+ €10.8 million), other debtors (+€ 0.5 million) and cash (+ €15.6 million) minus bank deposits over three months (- € 22.7 million).

General cash is down € 7.1 million.

€ 207.4 million in equity was up by € 9.9 million, corresponding to: +€ 7.6 million in consolidated results in 2021, -€ 3.7 million in translation differences, +€ 0.2 million in miscellaneous and -€ 1.6 million in dividends.

Provisions for risks and charges at € 3.3 million down up sharply by € 0.2 million after including the reversal of pension provisions (-€ 0.2 million). These were restated following the decision of the IFRS IC in May 2021.

Debts at € 82.7 million increased by € 3.8 million due to the increase in operating liabilities (+€ 7.3 million, including liabilities on contracts (+€ 1.0 million) and suppliers (+€ 6.3 million)) and deferred tax liabilities (+€ 0.3 million) offset by the reduction in financial payables (-€ 3.7 million of which -€ 1.8 million linked to the application of the IFRS 16 standard and -€ 1.9 million in net loan variation) and liabilities related to fixed assets (-€ 0.1 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 € 142.6 million, a decrease of € 3.4 million compared to 2020 due to the € 22.7 million decline in current financial assets (variation in bank deposits at over three months) and the € 3.7 million reduction in financial debt, offset by a net cash increase of € 15.6 million.

In total, current assets amounted to € 246.6 million largely covering all debts to third parties within one year, amounting to € 77.6 million.

To summarise, the "debt / equity" ratio was 2.3% against 4.3% at the end of 2020.

The "debt / turnover" ratio amounted to 4.7% against 9.4% at the end of 2020.

The total financial cost of the debt stood at the end of 2021 at € 187 K (0.2% of turnover) against € 271 K at the end of 2020 (0.3% of turnover).

Activity of the Parent Company

The turnover of Gévelot SA, the Parent Company, was € 792 K in 2021 against € 773 K in 2020.

Rent at € 267 K was up € 37 K on the previous year, when an increase of rental income had already been observed on one floor of the premises at 6, Boulevard Bineau at Levallois-Perret.

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

Services were invoiced at € 525 K, down € 18 K.

Other income and miscellaneous were stable at € 85 K.

Overall, operating income amounted to € 877 K against € 855 K, an increase of € 22 K.

Operating expenses at € 1,837 K against € 1,729 K in 2020 were up € 108 K.Purchases and external expenses € 732 K were up € 122 K, due to higher expenses related to the Holding company's activities (fees and commissions).

Taxes amounted to € 112 K, a slight decrease.

Staff costs were stable at € 872 K.

Depreciation and amortisation expenses were stable at € 54 K.

Other costs remain unchanged at € 67 K.

The year's operating income amounted to a negative € 960 K against a negative € 874 K in 2020.

The financial income remained positive and amounted to € 2,394 K against € 1,738 K in 2020.

It consisted mainly of a dividend of € 1.502 K received in 2021 from PCM SA (no change on 2020), net foreign exchange products of € 151 K (compared to a net loss of € 249 K in 2020) and financial income of € 760 K (€ 485 K in 2020).

The pre-tax result spring showed a profit of € 1,434 K against € 864 K in 2020.

The extraordinary pre-tax result was a negative € 19 K against a negative € 43 K in 2020.

In the absence of its own tax, and after € 339 K of tax savings related to the tax integration scheme, **Gévelot S.A.'s net corporate income in 2021 stood at € 1,754 K compared to a positive € 1,396 K in 2020.**

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	-0.7	8.4	- 0.1

Subsidiary	Net income	Self-financing capacity	Industrial investments	Financial investments
PCM SA	7.6	7.9	0.1	-

Staffing on 31 December 2021

Subsidiary (excluding temporary staff)	Total
PCM SA	3

Group's research and development activities

For the entire Group, Research and Development spending for the Pumps sector amounted in 2021 to 1.4% of turnover, including € 1.4 million that are eligible for Research tax credits, and generated tax credits amounting to € 0.4 million.

2021 was an eventful year for Research and Development with the inclusion in the catalogue of new DX peristaltic pumps, ranges with feed screws for Industry, new bearings as well as an extension of the Vulcain range to Oil & Gas. Finally, our R&D teams signed several partnership agreements with customers which we hope will produce future collaborations.

Group outlook for 2022

Parent company

Gévelot SA turnover will again consist of leases and services.

In terms of financial products, a stable dividend should be received by our subsidiary for 2022.

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

In addition, our financial result should remain profitable and ultimately the net profit of the holding company should be stable.

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

Pumps sector

The positive outlook for growth in all markets, particularly in the Oil & Gas sector, which would be confirmed by the confirmed trend of high crude oil prices, however, needs to be qualified.

The risks linked to current or future geopolitical crises as well as major tensions regarding availability and the cost of raw materials encourage a level of medium-term caution.

In this context, which seems tense and uncertain, priorities remain focused on satisfying customer needs as well as rationalising costs and organisations in all markets where the Group is present.

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 Oil Pumps business will develop if well activations of new wells are confirmed.

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

2. Country risks

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

Financial risks

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

1. Financial risks related to industrial and commercial activities

- **Operational exchange risks**

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

Currency risk management in Pumps and Fluid Technology is based on the principle of invoicing by the Group's production entities to sales entities in 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. An increase in prices, in particular steel, and chemicals, was observed in FY 2021 and could significantly impact 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 international investments.

- Changes in rate variations

When necessary, the Group sets up interest rate change hedging instruments for long-term borrowing at variable rates and in large amounts. For this, the Group's 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's investment securities portfolio consists mainly of monetary investments. The Group has some marketable securities (10.4% of cash) based on indices and whose capital is not guaranteed, but with protective barriers. Remuneration rates are close to market rates.

Information on payment terms

(Invoices received and issued, not settled)

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

Invoices received and not settled at the date of the close of the financial year whose due date has expired (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	0					12
Total amount of invoices (including taxes)		€ 6 k	€ 0 K			€ 7 K
% of total amount of purchases including tax for the year		0.75%	0.03%			0.78%
% of the year's turnover (including taxes)						
(B) Invoices excluded from (A) relating to disputed or non-entered payables and debts						
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						
Total amount (including taxes) of invoices concerned						
% of total amount of purchases including tax for the year						
Turnover (including taxes) for the financial year						
(B) Invoices excluded from (A) relating to disputed or non-entered payables and debts						
Number of invoices excluded						
Total amount of excluded invoices						
(C) Reference Payment terms used (contractual or statutory period - article L. 441-10 I and L.441-11 of the French Commercial Code)						
Payment deadlines used to calculate late payments	Contractual deadlines consistent with the Terms and Conditions of Sale					

Allocation of earnings:

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

Profit for the fiscal year ....€ 1,754,082.85

Previous retained earnings of ....€ 16,558,398.82

Total to allocate.. € 18,312,481.67

. Dividend: .... - € 2,308,500.00

. Balance carried forward
after allocation:...€ 16,003,981.67

The total dividend amounts to € 3 per share for 769,500 shares, or € 2,308,500.00 and will be available for distribution from 20 June 2022.

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
2018	1.80	769,500	769,500
2019	1.60	769,500	769,500
2020	2.00	769,500	769,500

Financial Markets

In 2021, the share price on Euronext Paris Growth was as follows:

	Euros
Price at end of 2020	163.00
Lowest price	160.00
Highest price	206.00
Price at end of 2021	163.00
The number of exchanged securities in 2021	51,453
The number of exchanged securities in 2020	38,547

On 31 March 2022, the share price was € 192 with a trading volume recorded since the beginning of the year of 11,096 securities.

Shareholding

On 31 December 2021, Gévelot was controlled by up to more than two thirds of capital primarily through:

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

On 25 January 2021, a collective undertaking to retain shares for a two-year period was signed by a group of shareholders covering 59.18% of Gévelot shares .
Mario Martignoni informed the company on 1 April 2021 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 (50.42%), the rate being 49.28% in ordinary meetings.

This threshold crossing was the subject of an exemption decision by the AMF on 3 March 2021 from the requirement to file a mandatory takeover bid for the shares of Gévelot.None of the Companies controlled by Gévelot hold any shares in this Company.

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

Draft amendments concerning Share Capital

Authorisation to set up a share buyback programme with a view to cancelling such shares

In order to enable the Board of Directors to possibly set up a share buyback programme with a view to cancelling such shares, two Resolutions, one of an ordinary nature (seventh) and one of an extraordinary nature (eighth), will be proposed at the next Combined General Meeting.

Authorisation to be able to set up a Share Buyback Programme with a view to cancelling such shares

An ordinary Resolution shall be proposed to authorise the Board of Directors, for a new maximum period of 18 months, to have the Company buy a number of shares representing a maximum 2.5% of its Capital decided on the date of this Meeting, which corresponds to 19,230 shares, for a maximum € 4 million.

Authorisation to cancel shares, where applicable, acquired by the Company

An extraordinary Resolution will be proposed to authorise the Board of Directors to cancel the Shares bought by the Company to renew the share buyback programme, within the limit of 10% of the Capital per period of 24 months, in one or several purchases.

This authorisation is conditioned by the approval of the new share buyback programme.

The Board of Directors shall inform Shareholders at the Annual General Meeting of all operations conducted in the event of the approval of these Resolutions.

Draft amendments to the articles of association

In order to update the Articles of Association as to their corporate purpose, to review the wording of Article 12bis Threshold Crossing and finally to bring the Articles of Association into conformity following the latest legislative and regulatory developments, three extraordinary resolutions will be proposed at the next Combined Assembly (ninth to eleventh).

Events after the end of the financial year

The Group is closely monitoring the situation in Russia and Ukraine. The safety of our employees and their families is, as always, our priority.
The Group is a global player operating in many countries, including Russia. However, it has a strong financial position and its local exposure is currently limited.
The Group is therefore confident in its ability to limit the effects of this crisis in the medium and long term.

Holding

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

Pumps sector

At the end of March 2022, the encouraging trend observed since 2021 in the various activities of the Pumps Sector, in particular Oil & Gas, is confirmed. The outlook however remains uncertain, in the specific context of the Russo-Ukrainian crisis.
The measures taken to optimise the organisation of the Sector and its costs will be extended, while maintaining its strong commitment to customers.
The acquisition strategy will continue, especially internationally.

Corporate Governance

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 twice in 2021.

Directors and Company officers

The renewal of the mandates of Ms Armelle Caumont-Caimi as member of the board will be submitted to the General Meeting.

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.

Mr 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 Cougar Wellhead Services Inc (Canada)
- Director of PCM Trading Shanghai Co. Ltd. (China)
- Director of PCM Suzhou Co Ltd. (China)
- Director of Sydex Srl (Italy)

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

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:
- Business Development Manager Division Groupe Coveris
- Manager of SCI Les Blés

Ms Armelle Caumont-Caimi, Director,
exercises the following functions within the Group:

- Director of PCM SA

Functions outside the Group: none

Agreements with corporate officers

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

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

Valid delegations for capital increases

None.

Other valid delegations

None.

Other legal and tax information

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 2021 financial year amounted to € 23,528 against € 22,939 in 2020. 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

Consolidated Financial Statements at 31 December 2021

Consolidated balance sheet at 31 December 2021

I.F.R.S. accounting basis **ASSETS** *(in thousands of euros)*		Net amount at 31.12.2021	Net amount at 31.12.2020 Restated
Goodwill	*Note 4*	1 821	1 759
Intangible assets	*Note 4*	1 728	1 977
Tangible assets	*Note 4*	36 294	29 531
Right-of-use	*Note 4*	5 745	7 191
Non-current financial assets	*Note 5*	406	385
Deferred tax assets	*Note 14*	594	333
Interests in associated companies		94	91
TOTAL NON-CURRENT ASSETS (I)		**46 682**	**41 267**
Inventories	*Note 6*	36 552	32 608
Accounts receivable	*Note 7*	59 119	48 285
Other receivables	*Note 8*	2 854	2 428
Matured tax claim	*Note 14*	740	747
Current financial assets	*Note 5*	36 027	58 700
Cash and cash equivalents	*Note 9*	111 348	95 727
TOTAL CURRENT ASSETS (II)		**246 640**	**238 495**
GRAND TOTAL (I + II)		**293 322**	**279 762**

I.F.R.S. accounting basis **LIABILITIES** *(in thousands of euros)*		Net amount at 31.12.2021	Net amount at 31.12.2020 Restated
Equity attributable to consolidating company		204 875	195 225
Equity attributable to non-controlling interests		2 480	2 181
TOTAL EQUITY (I)		**207 355**	**197 406**
Non-current provisions	*Note 11*	2 652	2 936
Non-current financial liabilities	*Note 13*	524	627
Non-current lease liabilities	*Note 13*	2 544	3 837
Deferred tax liabilities	*Note 14*	2 020	1 741
TOTAL NON-CURRENT LIABILITIES (II)		**7 740**	**9 141**
Accounts payable		14 699	8 364
Payables to fixed asset suppliers		55	159
Current provisions	*Note 11*	641	530
Contract liabilities	*Note 15*	52 142	51 119
Other payables	*Note 10*	8 706	8 830
Matured tax liability	*Note 14*	310	264
Current financial liabilities	*Note 13*	127	1 911
Current lease liabilities	*Note 13*	1 547	2 038
TOTAL CURRENT LIABILITIES (III)		**78 227**	**73 215**
TOTAL LIABILITIES (II+III)		**85 967**	**82 356**
GRAND TOTAL (I + II + III)		**293 322**	**279 762**

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

Consolidated income statement at 31 December 2021

I.F.R.S. accounting basis **INCOME STATEMENT** (in thousands of euros)		Period 2021	Period 2020
Turnover	*Note 18*	**101 267**	**89 529**
Other income from operating activities		6 077	6 199
Income from operating activities	*Note 15*	**107 344**	**95 728**
Current operating expenses	*Note 16*	(101 498)	(91 660)
CURRENT OPERATING INCOME	*Note 18*	**5 846**	**4 068**
Other operating income	*Note 18*	5 895	7 655
Other operating expenses	*Note 18*	(4 681)	(8 386)
OPERATING INCOME	*Note 18*	**7 060**	**3 337**
Income from cash and cash equivalents		943	666
Cost of financial debt		(187)	(271)
Cost of net financial debt		**756**	**395**
Other financial income		1 963	4 069
Other financial expenses		(1 770)	(5 393)
FINANCIAL INCOME (LOSS)	*Note 17*	**949**	**(929)**
PRE-TAX INCOME OF CONSOLIDATED COMPANIES	*Note 18*	**8 009**	**2 408**
Income tax expense	*Note 14*	(412)	(1 221)
NET INCOME OF CONSOLIDATED COMPANIES		**7 597**	**1 187**
Share of income from equity-method companies		10	18
NET CONSOLIDATED INCOME	*Note 18*	**7 607**	**1 205**
INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		**370**	**229**
INCOME ATTRIBUTABLE TO CONSOLIDATING COMPANY		**7 237**	**976**
EARNINGS PER SHARE		€ 9.40	€ 1.27

Earnings per share is calculated by dividing net income attributable to shareholders by the weighted average number of ordinary shares outstanding during the year, excluding the ordinary shares bought by the Group or held as treasury stock. There are no potential dilutive shares. 769,500 is the number of shares on which earnings per share is calculated for periods 2021 and 2020 (see Note 3 - share capital)

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

Comprehensive income and equity

Comprehensive income 2021

(in thousands of euros)			Period 2021	Period 2020
CONSOLIDATED NET INCOME			7 607	1 205
Other comprehensive income	Gross amount	Tax income/expenses		
A) Amounts to be potentially reclassified				
. Translation adjustments	3 686	-	3 686	(2 052)
B) Amounts not to be reclassified				
. Actuarial gains and losses	356	(90)	266	(71)
Other comprehensive income net of tax			3 952	(2 123)
TOTAL COMPREHENSIVE INCOME (LOSS)			11 559	(918)

Statement of changes in equity

(in thousands of euros)	Capital (see Note 3)	Treasury stock (see Note 3)	Translation adjustments	Actuarial gain / loss	Retained earnings	Equity attributable to owners of the parent	Attributable to non-controlling interests	Total equity
POSITION AT 31.12.2019	26 933	-	1 371	(548)	169 831	197 587	1 970	199 557
Distributions (€1.60 per share of € 35)	-	-	-	-	(1 233)	**(1 233)**	-	**(1 233)**
2020 Comprehensive income	-	-	(2 034)	(71)	976	**(1 129)**	211	**(918)**
POSITION AT 31.12.2020	26 933	-	(663)	(619)	169 574	195 225	2 181	197 406
Distributions (€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

Statement of consolidated cash flow 2021

CONSOLIDATED CASH FLOW

(in thousands of euros)		31.12.2021	31.12.2020
OPERATING ACTIVITIES			
Net income from consolidated companies		**7 597**	**1 187**
Elimination of expenses and income not affecting cash flow or related to activities:			
- Amortisation and provisions		5 601	14 345
- Changes in deferred tax	*Note 14*	(60)	261
- Capital gains (losses) on disposal, net of tax		(992)	161
Cash flow from operations of consolidated companies (1) (2)		**12 146**	**15 954**
- Change in inventories		(2 638)	(606)
- Change in accounts receivable		(10 219)	(2 924)
- Change in other operating receivables		(189)	855
- Change in accounts payable		6 104	(3 531)
- Change in other operating payables		742	(7 321)
Changes in working capital requirement		**(6 200)**	**(13 527)**
NET CASH FLOWS FROM OPERATING ACTIVITIES		**5 946**	**2 427**
INVESTING ACTIVITIES			
- Acquisitions of intangible and tangible assets	*Note 4*	(12 664)	(2 429)
- Increases in financial assets		(116)	(24 006)
Total		**(12 780)**	**(26 435)**
- Disposals of intangible and tangible assets net of tax		5 629	318
- Decreases in financial assets		22 775	147
Total		**28 404**	**465**
Changes in working capital requirement and sundry		(106)	159
NET CASH FLOWS FROM INVESTING ACTIVITIES		**15 518**	**(25 811)**
FINANCING ACTIVITIES			
- Dividends allocated to parent company shareholders		(1 610)	(1 233)
- Share buyback		-	-
Total		**(1 610)**	**(1 233)**
- Initiation of borrowings and financial debts	*Note 13*	21	174
- Repayment of borrowings and financial debts (3)	*Note 13*	(5 139)	(5 761)
Changes in borrowings and financial debts		**(5 118)**	**(5 587)**
Sundry		-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		**(6 728)**	**(6 820)**
Impact of reclassification of discontinued activities		-	-
NET CASH FLOWS		**14 736**	**(30 204)**
Cash position at the beginning of period		95 723	125 973
Cash position at end of period	*Note 9*	111 347	95 723
Impact of exchange rates on cash and cash equivalents		(888)	46
		14 736	**(30 204)**

(1) Taxes paid (net of refunds) during the year are mentioned in note 14.

(2) including € 380 K of disbursements under leases contracts during the year.

(3) including € 3,231 K of disbursements under leases contracts during the year (note 13).

Notes to the Consolidated Financial Statements at 31 December 2021

Notes to the consolidated financial statements at 31 December 2021

Note 1: Accounting rules and methods – Selected financial data

As of 6 April 2022, the Board of Directors closed the accounts of Gévelot SA and approved the disclosure of its consolidated financial statements on 31 December 2021.

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

- IFRS 9 Amendments – Financial Instruments; IAS 39 – Financial Instruments: Recognition and Measurement; IFRS 7 – Financial Instruments: Disclosure; IFRS 4 – Insurance Contracts; IFRS 16 – Leases: Reform of reference interest rates (phase 2);

- IFRS 4 Amendments– Insurance contracts: provisional exemption from the application of IFRS 9;

- IFRS 16 Amendments – Leases: Covid-19 rent relief.

These texts and other texts published by the IASB and adopted by the European Union coming into force on 1 January 2021 had no impact on the Gévelot Group.

In March 2021, IFRS IC issued a decision on accounting for the costs of implementing Software-as-a-Service solutions.
The application of this decision had no significant impact on the Gévelot Group (see note 8).

In May 2021, IFRS IC issued a decision designed to clarify the funding period for end-of career benefits in the case of programmes in which:
- compensation is due to the employee if the latter is present in the company at the time of retirement,
- the compensation is calculated according to the number of years spent by the employee in the entity but is capped at a certain number of months' salary.
The decision clarifies that in this case and in application of IAS 19, the cost of these benefits should be attributed to the last years of service necessary for their acquisition before retirement age (and not recognise the benefit spread over the employee's entire career).
To reflect this change in accounting policy, the amount of the provision for vested rights has been changed in the 2021 accounts and the 2020 accounts have been restated (see note no. 1 D).

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 2022 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.

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

The translation adjustments included in consolidated equity thus result from:

- the difference in opening equity between the prior period's closing rates and those of the current period,

- the difference between the average exchange rate and the closing rate, for the period's income or loss and for other changes in equity.

1.1.3 Transactions in foreign currencies

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

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 (IAS38) 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.

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

The impairment testing methods adopted by the Group are described under heading « Impairment of 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.

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 exceptions,
- Computer hardware: 3 to 5 years.

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

1.2.4 Impairment of 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 indefinitely by applying a constant or diminishing growth rate.

The Group has defined its cash generating units as follows:

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

This discount rate 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 « SPPI » criterion if its amount represents the outstanding principal and interest thereon.

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

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

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

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

The Group has not opted for the fair value method.

Trade and other receivables

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

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

Cash management

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

Investments maturing in more than three months are not recognised as cash and are 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 elements in the contracts.

1.3.2. Current operating income and Operating income

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

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

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

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

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

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

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

1.3.3 Financial income and expenses

1.3.3.1 Cost of net financial debt

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

1.3.3.2 Other financial income and expenses

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

1.4 Segment reporting

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

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

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

- Pumps / Fluid Technologies.

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

B. SIGNIFICANT EVENTS

The health, economic and financial crisis related to Covid-19 had no significant impact on the 2021 financial year.
To support companies during the crisis, the governments of several countries have granted aid under certain conditions, from which the Group was able to benefit.
For the entire Group, aid amounting to € 1.3 million, primarily linked to maintaining jobs, was entered under payroll expenses.

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 12. The Group considers that the actuarial assumptions used are appropriate and justified in current conditions. However, these liabilities might evolve in the event of change in assumptions.

D. CHANGES TO FINANCIAL STATEMENTS PREVIOUSLY PUBLISHED

In order to reflect the IFRS IC decision issued in May 2021 to clarify the provisioning period for end-of-career benefits, the amount of the provision for vested rights has been amended and the 2020 accounts have been restated.
The impact of these changes is presented in note no. 26.

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. EVENTS AFTER THE END OF THE FINANCIAL YEAR

The Group is closely monitoring the situation in Russia and Ukraine. The safety of our employees and their families is, as always, our priority.
The Group is a global player operating in many countries, including Russia. However, it has a strong financial position and its local exposure is currently limited. The financial data relating to our subsidiary in Russia is presented in note 27.
The Group is therefore confident in its ability to limit the effects of this crisis in the medium and long term.

Note 2: Information on consolidation scope

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

2.1. Consolidation scope at 31 December 2021

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

COMPANIES	HEAD OFFICE	N° SIREN N° SIRET	% controlled at 31.12.2021	 at 31.12.2020	% interests at 31.12.2021
HOLDING					
Gévelot S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	562088542 56208854200369			
PUMPS / FLUID TECHNOLOGY					
PCM S.A.	6, boulevard Bineau 92300 Levallois-Perret (France)	572180198 57218019800184	99,99	99,99	99,94
PCM Technologies S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	802419960 80241996000017	99,99	99,99	99,94
PCM Europe S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	803933472 80393347200018	99,99	99,99	99,94
PCM Manufacturing France S.A.S.	6, boulevard Bineau 92300 Levallois-Perret (France)	803933399 80393339900013	99,99	99,99	99,94
PCM Deutschland GmbH	Wilhelm Theodor Römheld-Straße 28 55130 Mainz (Germany)		99,99	99,99	99,94
PCM Group UK Ltd.	Pilot Road - Phoenix Parkway Corby, Northamptonshire NN17 5YF (United Kingdom)		99,99	99,99	99,94
PCM Group Italia Srl	Via Rutilia 10/8 sc. B 20141 Milano (Italy)		99,99	99,99	99,94
Sydex Srl	Via Lord Baden Powell 24 36045 Lonigo (Italy)		54,99	54,99	54,97
Sydex Singapore Ltd	158 Kallang Way #02-16 Performance Building Singapore (349245) (Singapore)	} 90 % owned } by Sydex Srl }			
Sydex USA LLC	9302 Deer Run Road Waxhax, NC 28173 (United States)	} 62 % owned } by Sydex Srl			
Sydex Flow Ltda	Praceta Vale da Romeira, nº 12 2840 - 449 Seixal (Portugal)	} 60 % owned } by Sydex Srl			
Torqueflow - Sydex Ltd	Unit 2CB Deer Park Farm Industrial Estate Knowle Lane Eastleigh, Hampshire SO50 7PZ (United Kingdom)	} 40 % owned } by Sydex Srl }			
PCM Kazakhstan LLP	Office 23, Business Center "Nur Plaza", 29A microdistrict 130000 Aktau (Kazakhstan)		99,99	99,99	99,94
PCM Rus LLC	Voronezhskaya ulitsa 96, business center “ Na Ligovskom”, Office 171-179 192007 Saint Petersburg (Russia)		99,99	99,99	99,94
PCM Flow Technology Inc.	2711 Centerville Road, Suite 400, Lynn CanneLongo Wilmington, Delaware 19808 (United States)		99,99	99,99	99,94
PCM USA Inc.	26106 Clay Road Katy, Texas 77493 (United States)	} } wholly owned			
PCM Colombia SAS	Carrera 11A No 94A-56, Oficina 302 Bogota (Colombia)	} by } PCM Flow Technology Inc.			
PCM Chile SpA	Compania de Jesus # 1068, oficina 201 Providencia, Santiago (Chile)	} }			
PCM Canada Inc.	101-5618 54th Avenue Bonnyville AB T9N 2N3 (Canada)		99,99	99,99	99,94
PCM Artificial Lift Solutions Inc.	4206 59 Avenue Lloydminster AB T9V 2V4 (Canada)	} } wholly owned			
Cougar Wellhead Services inc.	3712-56 Avenue Edmonton AB T6B 3R8 (Canada)	} by } PCM Canada Inc.			
Cougar Machine Ltd.	3712-56 Avenue Edmonton AB T6B 3R8 (Canada)	} }			
PCM Group Asia Pacific Pte. Ltd.	47, Kallang Pudding Road, #08-10 Singapore 349318 (Singapore)		99,99	99,99	99,94
PCM Trading (Shanghaï) Co. Ltd.	Room 10A01, Shanghai Mart No. 2299 West Yan'an Road, Changning District 200336 Shanghaï (China)		99,99	99,99	99,94
PCM (Suzhou) Co. Ltd.	Plant 11, 12 & 13, Zhonglu Ecological Park Ping Wang Town, Jiangsu Province 215221 Wujiang City (China)		99,99	99,99	99,94
PCM Group Australia Pty Ltd	Level 6, 200 Adelaide Street Brisbane, QLD 4000 (Australia)		99,99	99,99	99,94
PCM Middle East FZE	Dubai Airport Free Zone, Office 741, 5 East Wing P.O. Box 293527, Dubai (United Arab Emirates)		99,99	99,99	99,94
PCM Muscat LLC	Al Zubair Building, Building 8, Office 801 P.O. Box 167, PC 103, Muscat (Sultanate of Oman)		99,99	99,99	99,94

2.2. Comments on the scope of consolidation and controlling interests

- There was no change in the scope of consolidation in 2021.

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

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

The companies' balance sheet items were translated at the closing exchange rate on 31 December 2021 and their expense and income account items were translated at the average exchange rate using the following rates:

	Closing rate		Average rate	
Currency	31/12/2021	31/12/2020	FY 2021	FY 2020
1 US dollar	€0.88290	€0.81490	€0.84500	€0.87620
1 GB pound	€1.19010	€1.11230	€1.16280	€1.12460
1 Chinese yuan	€0.13900	€0.12460	€0.13100	€0.12710
1 Canadian dollar	€0.69480	€0.63970	€0.67410	€0.65390
1 Chilean peso	€0.00100	€0.00120	€0.00110	€0.00110
1 Colombian peso	€0.00022	€0.00024	€0.00022	€0.00023
1 Australian dollar	€0.64040	€0.62910	€0.63500	€0.60410
1 Omani rial	€2.28680	€2.12630	€2.20260	€2.26400
1 United Arab Emirates dirham	€0.23950	€0.22290	€0.23080	€0.23730
1 Russian ruble	€0.01170	€0.01090	€0.01150	€0.01210
1 Kazakhstani tenge	€0.00200	€0.00190	€0.00200	€0.00210

Note 3: Share Capital

(in euros)	At 31/12/2020			FY 2021	At 31/12/2021		
	Ordinary	Treasury	Total	Cancelled	Ordinary	Treasury	Total
Ordinary shares							
Number	769 500	-	769 500	-	769 500	-	769 500
Par value	35	-	35	-	35	-	35
Total	**26 932 500**	**-**	**26 932 500**	**-**	**26 932 500**	**-**	**26 932 500**

Composition of Share Capital:

At 31 December 2021, authorized share capital totalled 26,933 thousand euros, comprising 769,000 ordinary shares with a par value of 35 euros each, issued and fully paid up.

At 31 December 2021, the Group does not hold any of its own shares.

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

Note 4: Goodwill, intangible and tangible assets

4.1. Goodwill, intangible and tangible assets

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 depreciation						
At the beginning of period	(11 481)	(2 384)	(4 489)	-	-	(6 873)
Amortisation	-	(36)	(293)	-	-	(329)
Impairment		-	-	-	-	-
Disposals	-	-	179	-	-	179
Transfers	-	-	-	-	-	-
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

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

4.2. Tangible assets owned

	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 depreciation							
At the beginning of period	**-**	**(4 322)**	**(24 925)**	**(3 548)**	**-**	**-**	**(32 795)**
Amortisation	-	(643)	(2 258)	(371)	-	-	(3 272)
Impairment	-	-	-	-	-	-	-
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**

Acquisitions mainly concern buildings in Canada (€ 8.1 M) and in the United States (€ 1.2 M).

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

4.3. Right-of-use

	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 depreciation						
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

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

4.4. Impairment

In accordance with the principle stated in Note 1.2.4, the Group carried out on 31 December 2021, 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 1% (same 2020).

The discount rates applied are 6.9 % for the Pumps sector (7.3 % for the tests carried out at the end of 2020) 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:

	Goodwill	CGU carrying amount	Difference in value between the Test and Accounts	Impact on the difference in value		
				Discount rate	Indefinite growth rate	Change in cash flow
Change				+0,5 %	-0,5 %	-10 %
Pumps sector						
PCM Group UK Ltd.	€0.9 M	€1.4 M	+€3.3 M	-€0.4 M	-€0.3 M	-€0.5 M
Sydex Srl	€0.9 M	€4.2 M	+€7.0 M	-€0.8 M	-€0.7 M	-€1.1 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: Financial assets

	2021	2020
Non-current		
Loans	111	131
Other	295	254
Total non-current financial assets	**406**	**385**
Current		
Loans	20	19
Other	-	-
Bank term deposits over three months	36 007	58 681
Total current financial assets	**36 027**	**58 700**
Total financial assets	**36 433**	**59 085**

Financial assets are recognised at amortised cost.
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 6: Inventories

	2021	2020
Gross amount	38 725	33 447
Depreciation	(2 173)	(839)
Total	**36 552**	**32 608**

Note 7: Accounts receivable

	2021	2020
Gross amount	60 922	50 225
Depreciation	(1 803)	(1 940)
Total	**59 119**	**48 285**

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

The Group pays special attention to the security of payments for goods and services delivered to its customers.
European Customers do not present significant risks and are generally subject, 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:

	2021	2020
Not due	48 503	39 484
Due for less than a month	6 386	4 834
Due for more than a month but less than three months	2 105	2 264
Due for more than three months	3 928	3 643
Gross amount	**60 922**	**50 225**

Note 8: Other accounts receivable

	2021	2020
Advances and down payments on orders	237	123
Central and local government excluding corporate income tax	1 108	1 194
Personnel	124	131
Debit supplier balances	89	46
Other debtors	214	218
Prepaid expenses	1 082 (*)	716
Total	**2 854**	**2 428**

(*) including € 107 K for the costs of implementing Software-as-a-Service solutions in 2021 in application of the IFRS IC decision of March 2021.

Note 9: Cash and cash equivalents

	2021	2020
Cash	80 986	48 383
Bank term deposits	30 362	47 344
SICAV and monetary mutual funds	-	-
Cash and cash equivalents	**111 348**	**95 727**

Cash and cash equivalents mature in the short term.
Bank term deposits rates range from 0.10% to 0.25%.
€ 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 :

		2021	2020
Cash and cash equivalents		111 348	95 727
Bank overdrafts	Note 13	(1)	(4)
Cash position at closing		**111 347**	**95 723**

Note 10: Other accounts payable

	2021	2020
Tax debts excluding corporate income tax, personnel and welfare agencies	7 899	7 844
Other creditors	807	986
Total	**8 706**	**8 830**

Note 11 : Provisions

	01.01.2021		Provisions	Reversals provision used	Reversals provision not used	Translations	31.12.2021 Total	31.12.2021 Under one year	31.12.2021 Over one year
Contingency provisions									
Other contingency provisions	498		119	(139)	(124)	8	362	240	122
Total	**498**		**119**	**(139)**	**(124)**	**8**	**362**	**240**	**122**
Loss provisions									
. Other loss provisions	482	(*)	218	(73)	-	-	627	401	226
. Retirement provisions (Note 12)	2 317		180	-	(356)	-	2 141	-	2 141
. Long-service awards provisions	169		-	(6)	-	-	163	-	163
Total	**2 968**		**398**	**(79)**	**(356)**	**-**	**2 931**	**401**	**2 530**
Total provisions	**3 466**		**517**	**(218)**	**(480)**	**8**	**3 293**	**641**	**2 652**

(*) Other loss provisions include :		
- provisions for operating expenses	141	309
- provisions for personnel expenses	341	318
	482	627

Note 12: Employee benefits

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

Retirement benefits

	2021	2020(*)
Provision in the balance sheet		
Discounted value of obligations covered	2 475	2 649
Fair value of the plan's assets	(334)	(332)
Provision recognised in the balance sheet	**2 141**	**2 317**
Discounted value of obligations covered		
At the beginning of period	2 649	2 332
Cost of services rendered	216	210
Financial cost	11	24
Benefits paid	(46)	(14)
Actuarial gain / loss of period	(355)	97
Discounted value of obligations covered	**2 475**	**2 649**
Fair value of the plan's assets		
At the beginning of period	332	328
Interest income	1	3
Contributions	-	-
Benefits paid	-	-
Actuarial gain / loss of period	1	1
Fair value of the plan's assets	**334**	**332**
Change in provisions		
At the beginning of period	2 317	2 004
Period's expenses / income	180	217
Disbursements	-	-
Actuarial gain / loss of period	(356)	96
Changes in scope	-	-
Change in provisions	**2 141**	**2 317**
Total expense recognised in income statement		
Cost of services rendered	216	210
Financial cost	10	21
Benefits paid	(46)	(14)
Reduction / liquidation of plan	-	-
Expense / income recognised in income statement	**180**	**217**

(*)The data for 2020 has been restated following the decision of the IFRS IC of May 2021 specifying the period for spreading the rights acquired under retirement commitments.

Main actuarial assumptions

- Discount rate	0,90%	0,40%
- Rate of pay rises	2,00%	2,00%
- Retirement age	63 (non managerial), 65 (man)	63 (non managerial), 65 (man)

The turnover table is at 0% after 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 11).

Note 13: Financial liabilities and lease obligations

13.1. Financial liabilities

	2021	2020
Non-current		
Bank loans	153	258
Other borrowing and financial debt	371	369
Total non-current financial liabilities	**524**	**627**
Current		
Bank loans	126	1 907
Other borrowing and financial debt	-	-
Derivatives	-	-
Bank overdrafts	1	4
Total current financial liabilities	**127**	**1 911**
Total financial liabilities	**651**	**2 538**

13.2. Changes in financial liabilities

	01.01.2021	New loans	Repayments	Translation adjustments	31.12.2021
Bank loans	2 165	21	(1 907)		279
Other borrowing and financial debt	369		(1)	3	371
Financial liabilities (excluding bank overdrafts)	**2 534**	**21**	**(1 908)**	**3**	**650**
Bank overdrafts	4	1	(4)	-	1
Total	**2 538**	**22**	**(1 912)**	**3**	**651**

13.3. Breakdown of financial liabilities by date of maturity

	Less 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total
Bank loans	126	77	34	27	15 -		279
Other borrowing and financial debt	-	-	-	-	-	371	371
Total	**126**	**77**	**34**	**27**	**15**	**371**	**650**

13.4. Breakdown of financial liabilities by main currencies

	Total		Euros		US Dollars		Other currencies	
	2021	2020	2021	2020	2021	2020	2021	2020
Bank loans	279	2 165	277	2 165	-	-	2	-
Other borrowing and financial debt	371	369	211	212	-	-	160	157
Bank overdrafts	1	4	1	4	-	-	-	-
Total	**651**	**2 538**	**489**	**2 381**	**-**	**-**	**162**	**157**

13.5. Breakdown of financial liabilities by type of rate

	2021	2020
Non-covered variable rates	-	1 000
Fixed rates	650	1 534
Interest	-	-
Bank overdrafts	1	4
Total	**651**	**2 538**

The interest rates for fixed rate loans are between 0% and 2.50%.

13.6. Lease liabilities

	2021	2020
Non-current lease liabilities	2 544	3 837
Current lease liabilities	1 547	2 038
Total	4 091	5 875

13.7. Changes in lease liabilities

	01.01.2021	New loans	Repayments	Translation adjustments	31.12.2021
Lease liabilities	5 875	1 219	(3 231)	228	4 091
Total	5 875	1 219	(3 231)	228	4 091

13.8. 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	1 547	1 099	469	274	163	539	4 091
Total	1 547	1 099	469	274	163	539	4 091

13.9. Breakdown of lease liabilities by main currencies

	Total		Euros		US Dollars		Other currencies	
	2021	2020	2021	2020	2021	2020	2021	2020
Lease liabilities	4 091	5 875	2 120	2 688	-	3	1 971	3 184
Total	4 091	5 875	2 120	2 688	-	3	1 971	3 184

Note 14: Taxes

14.1. Payable taxes

	01.01.2021	Payments	Down payments	Research tax credit	Period expense	31.12.2021
Asset	(747)	621	(754)	(422)	562	(740)
Liability	264	334	(198)	-	(90)	310
Total					472	

14.2. Deferred taxes

		Movements				
	01.01.2021	Income	Other operating results	Changes in scope	Other (incl. Translation adjustments)	31.12.2021
Deferred tax assets	(1 765)	107	90	-	(69)	(1 637)
Deferred tax liabilities	3 173	(167)	-	-	57	3 063
Total	1 408	(60)	90	-	(12)	1 426

Deferred tax assets mainly result from provisions for pensions and other employee benefits (€ 0.5 M), tax timing differences (€ 0.4 M) and elimination of margins on inventories (€ 0.2 M).

Deferred tax liabilities mainly arise from differentials in the valuation and depreciation of fixed assets (€ 0.8 M) and regulated provisions (€ 1.7 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 € 1,426 K at the end of 2021 are broken down between € 2,020 K in liabilities and € 594 K in assets.

14.3. Income tax expenses

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

	2021	2020
Payable taxes	472	960
Deferred taxes [(a)]	(60)	261
Total	**412**	**1 221**

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

- Income/expenses from net provisions for/reversals of intangible and tangible capital asset depreciation	80	10
- Expenses on reversed regulated provisions and other taxes	(107)	(115)
- Other income and expenses	(43)	39
- Carry-forward deficits	(64)	73
- Timing difference	74	254
Total deferred tax expense / (income)	**(60)**	**261**

Reconciliation of the theoretical and the recognised income tax expense:

		2021
Current operating income of consolidated companies		**8 009**
Theoretical tax calculated at the legal tax rate in France	(2 122)	
Net impact of non-deductible or non-taxable expenses and income	(5)	
Impact of non-recognised losses	768	
Impact of rate differentials	947	
Effective income tax expense on current operations		(412)
Net income of consolidated companies		**7 597**

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

Rate of corporate income tax

Rate of corporate income tax	2021	2022 and beyond
France	26,50%	25,00%

Rate of corporate income tax	2021	2022 and beyond		2021	2022 and beyond
Germany	31,23%	31,23%	Kazakhstan	20,00%	20,00%
Australia	30,00%	30,00%	Oman	15,00%	15,00%
Canada	25,00%	25,00%	United Kingdom	19,00%	19,00%
China	25,00%	25,00%	Russia	20,00%	20,00%
United States	21,00%	21,00%	Singapore	17,00%	17,00%
Italy	27,90%	27,90%			

Note 15: Income from operating activities

15.1. Income from operating activities

	2021	2020
Sale of goods	101 267	89 529
Other income	5 366	5 366
Revenue from contracts with customers	**106 633**	**94 895**
Other income from operating activities		
Operating grants	537	568
Other income	174	265
Total income from operating activities	**107 344**	**95 728**

"Operating grants" mainly consist in Research Tax Credits.

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

	2021	2020
Revenue transferred at a point in time	69 201	65 991
Revenue and services over time	37 432	28 904
Revenue from contracts with customers	**106 633**	**94 895**

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

15.2. Balance of contracts

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

	31/12/2021	31/12/2020
Accounts receivable	59 119	48 285
Contract liabilities	(52 142)	(51 119)

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

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

As allowed by IFRS 15, no disclosure is provided regarding the remaining performance obligations at 31 December 2021 for contracts with an expected initial term of one year or less.

Note 16: Current operating expenses

			2021	2020
Production stored			(27)	405
Capitalised production			(74)	(454)
Purchase of goods			17 843	12 480
Changes in goods inventory			(830)	2 172
Purchase of raw materials and other supplies			18 661	16 448
Changes in inventories of raw materials and other supplies			(985)	(814)
Other purchases and external charges (*)			20 152	16 354
Payroll expenses			38 899	36 392
Taxes and comparable payments			1 372	1 592
Amortisation and depreciation:				
. On capital assets	- amortisation	Note 4	3 601	3 593
. On rights of use	- amortisation	Note 4	1 825	2 349
. On current assets	- depreciation		533	498
. Contingency	- provisions		(87)	28
Other expenses			615	617
Total current operating expenses			**101 498**	**91 660**

(*) including € 205 K for leases of less than 12 months and € 11 K for those of low value in 2021.

Note 17: Financial income / loss

	2021	2020
Interest generated by cash and cash equivalents	893	492
Net earnings from sales of short-term investments	50	174
Income from cash and cash equivalents	**943**	**666**
Interest charges on financing transactions	23	26
Interest charges on lease liabilities	164	245
Gross cost of financial indebtedness	**187**	**271**
Net cost of financial indebtedness	**756**	**395**
Income from non-consolidated securities	-	-
Discounted financial income	-	-
Exchange gains	1 868	3 933
Other financial income	95	136
Total other financial income	**1 963**	**4 069**
Discounted financial expenses	-	-
Exchange losses	1 552	5 157
Other financial expenses	218	236
Total other financial expenses	**1 770**	**5 393**
Income (loss) from other financial income and expenses	**193**	**(1 324)**
Financial income (loss)	**949**	**(929)**

Note 18: Segment information

18.1. Breakdown of fixed assets by business segment

	At 31.12.2021			At 31.12.2020		
	Pumps	Other business	Total	Pumps	Other business	Total
Goodwill [1]	**14 289**	**-**	**14 289**	**13 240**	**-**	**13 240**
Intangibles subtotal	**8 770**		**8 770**	**8 830**	**20**	**8 850**
Land	1 109	1 853	**2 962**	1 309	1 853	**3 162**
Buildings	26 623	3 104	**29 727**	21 716	3 057	**24 773**
Industrial plant and other	48 368	234	**48 602**	46 384	234	**46 618**
Work in progress	683	-	**683**	451	-	**451**
Advances and down payments	-	-	**-**	-	6	**6**
Tangibles subtotal	**76 783**	**5 191**	**81 974**	**69 860**	**5 150**	**75 010**
Gross values	**99 842**	**5 191**	**105 033**	**91 930**	**5 170**	**97 100**
Accumulated amortisation / impairment	58 955	490	**59 445**	56 189	453	**56 642**
Net values	**40 887**	**4 701**	**45 588**	**35 741**	**4 717**	**40 458**
Period's expenses	5 369	57	**5 426**	13 762	58	**13 820**
Total balance sheet by business segment	207 534	92 264		194 274	91 879	

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

Land and buildings, owned by Gévelot S.A., and put at the disposal of subsidiaries, were allocated to the Pumps sector for € 1.0 M.

Total capital expenditure on intangibles and tangibles in 2021 amounted to:

Pumps / Fluid Technology:	€ 12 627 K
Other business:	€ 37 K
	€ 12 664 K

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

Pumps / Fluid Technology:	€ 2 417 K
Other business:	€ 12 K
	€ 2 429 K

18.2. Change in financial liabilities by business segment

	01.01.2021	Repayments	New loans	Translation and reclassification	31.12.2021
Loans and debt with lending institutions (incl. lease liabilities)					
Pumps / Fluid Technology	7 141	(5 028)	1 236	228	3 577
Other business	899	(110)	4	-	793
Subtotal	**8 040**	**(5 138)**	**1 240**	**228**	**4 370**
Other loans and financial debts					
Pumps / Fluid Technology	297	-	-	3	300
Other business	72	(1)	-	-	71
Subtotal	**369**	**(1)**	**-**	**3**	**371**
Bank overdrafts					
Pumps / Fluid Technology	3	(3)	-	-	-
Other business	1	(1)	1	-	1
Subtotal	**4**	**(4)**	**1**	**-**	**1**
Total	**8 413**	**(5 143)**	**1 241**	**231**	**4 742**

18.3. Consolidated turnover by business segment

	2021			2020		
	Outside Group	Intra Group	Total	Outside Group	Intra Group	Total
Pumps / Fluid Technology	101 069	34	101 103	89 367	29	89 396
Other business	198	594	792	162	611	773
Eliminations and reconciliations	-	(628)	(628)	-	(640)	(640)
Total	**101 267**	**-**	**101 267**	**89 529**	**-**	**89 529**

18.4. Results by business segment

Current operating income

	2021			2020		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	7 261	(591)	6 670	5 410	(601)	4 809
Other business	(1 415)	591	(824)	(1 342)	601	(741)
Total	**5 846**	**-**	**5 846**	**4 068**	**-**	**4 068**

Transition from current operating income to operating income	Pumps	Other business	Total 2021	Total 2020
Current operating income	**6 670**	**(824)**	**5 846**	**4 068**
Asset revaluation	-	-	-	2 020
Debt cancellation	-	-	-	5 279
Other operating income	5 895	-	5 895	356
Litigation	-	-	-	(7)
Impairment losses on non-current assets	-	-	-	(7 878)
Other operating expenses	(4 681)		(4 681)	(501)
Operating income	**7 884**	**(824)**	**7 060**	**3 337**

As of 31 December 2021, other operating income and expenses mainly concern the sale of fixed assets, including € 1.1 M in property gains following the sale of a building in Houston (United States).

Operating income

	2021			2020		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	8 475	(591)	7 884	4 699	(601)	4 098
Other business	(1 415)	591	(824)	(1 362)	601	(761)
Total	**7 060**	**-**	**7 060**	**3 337**	**-**	**3 337**

Pre-tax current income of consolidated companies

	2021			2020		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	8 441	(591)	7 850	3 569	(601)	2 968
Other business	(432)	591	159	(1 161)	601	(560)
Total	**8 009**	**-**	**8 009**	**2 408**	**-**	**2 408**

Consolidated net income

	2021			2020		
	Outside Group	Intra-Group	Total	Outside Group	Intra-Group	Total
Pumps / Fluid Technology	7 599	(434)	7 165	1 663	(433)	1 230
Other business	8	434	442	(458)	433	(25)
Total	**7 607**	**-**	**7 607**	**1 205**	**-**	**1 205**

18.5. Breakdown of fixed assets by geographical segment

	At 31.12.2021				At 31.12.2020			
	France	America	Other countries	Total	France	America	Other countries	Total
Goodwill (1)	**-**	**12 444**	**1 845**	**14 289**	**-**	**11 457**	**1 783**	**13 240**
Intangibles subtotal	**8 283**	**234**	**253**	**8 770**	**8 371**	**230**	**249**	**8 850**
Land	2 179	142	641	**2 962**	2 179	350	633	**3 162**
Buildings	13 551	11 844	4 332	**29 727**	13 300	7 902	3 571	**24 773**
Industrial plant and other	30 008	14 779	3 815	**48 602**	29 135	13 595	3 888	**46 618**
Work in progress	97	-	586	**683**	451	-	-	**451**
Advances and down payments	-	-	-	**-**	6	-	-	**6**
Tangibles subtotal	**45 835**	**26 765**	**9 374**	**81 974**	**45 071**	**21 847**	**8 092**	**75 010**
Gross values	**54 118**	**39 443**	**11 472**	**105 033**	**53 442**	**33 534**	**10 124**	**97 100**
Accumulated amortisation / impairment	32 830	22 186	4 429	**59 445**	31 006	21 480	4 156	**56 642**
Net values	**21 288**	**17 257**	**7 043**	**45 588**	**22 436**	**12 054**	**5 968**	**40 458**
Period's expenses	2 396	1 846	1 184	**5 426**	2 568	10 174	1 078	**13 820**

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

18.6. Consolidated turnover by geographical segment

		2021			2020	
France		22 673	*22.4%*		21 393	*23.9%*
. Other European Union countries	12 128			12 745		
. Other European countries	5 911			2 567		
. America	34 043			22 094		
. Africa	9 621			14 569		
. Asia	14 049			12 985		
. Other areas	2 842			3 176		
Foreign countries		78 594	*77.6%*		68 136	*76.1%*
Total		**101 267**	***100.0%***		**89 529**	***100.0%***

Note 19: Research and development

For the Group as a whole, research and development expenses eligible for Research Tax Credits amounted to € 1.410 K.

Note 20: Financial instruments

		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 5	406	406	406	-	-
- Accounts receivable	Note 7	59 119	59 119	59 119	-	-
- Current financial assets	Note 5	36 027	36 027	22 684	13 343	-
- Cash and cash equivalents	Note 9	111 348	111 348	30 362	80 986	-
Assets		**206 900**	**206 900**	**112 571**	**94 329**	**-**
- Non-current financial liabilities	Note 13	3 068	3 068	3 068	-	-
- Accounts payable		14 699	14 699	14 699	-	-
- Current financial liabilities	Note 13	1 674	1 674	1 674	-	-
Liabilities		**19 441**	**19 441**	**19 441**	**-**	**-**

		31.12.2020		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 5	385	385	385	-	-
- Accounts receivable	Note 7	48 285	48 285	48 285	-	-
- Current financial assets	Note 5	58 700	58 700	58 700	-	-
- Cash and cash equivalents	Note 9	95 727	95 727	47 344	48 383	-
Assets		**203 097**	**203 097**	**154 714**	**48 383**	**-**
- Non-current financial liabilities	Note 13	4 464	4 464	4 464	-	-
- Accounts payable		8 364	8 364	8 364	-	-
- Current financial liabilities	Note 13	3 949	3 949	3 949	-	-
Liabilities		**16 777**	**16 777**	**16 777**	**-**	**-**

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

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

Managing financial risk

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

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

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

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

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

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

In the context of liquidity risk management and in order to finance development projects, the Group pursues a proactive refinancing and prudent cash management policy. At 31 December 2021, the net financial structure was positive and amounted to € 142,633 K.

Financial instruments - fair value hierarchy

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

Note 21: Managers' remuneration

	2021	2020
Short-term benefits (excluding social security charges)	660	725
Social security charges	260	265
Total	**920**	**990**

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 22: Average headcount

	2021	2020
Manager and executive	239	247
Supervisory, clerical and blue-collar	435	449
Total	**674**	**696**
Temporary workers	14	9

Note 23: Off-balance sheet commitments

Contractual obligations

	2021	2020
Pledges, bonds and guarantees	568	1 386
Total	**568**	**1 386**

Commitments received

	2021	2020
Pledges, bonds and guarantees	18	17
Total	**18**	**17**

Note 24: Affiliates

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

Note 25: Fees of Auditors

(in euros)	PRICEWATERHOUSECOOPERS AUDIT 2021 Amount	%	2020 Amount	%	RSM PARIS 2021 Amount	%	2020 Amount	%
Audit								
Auditing, certification, review of individual and consolidated financial statements	86 435	87%	84 730	87%	35 650	100%	34 950	100%
Issuer	*40 500*	*41%*	*39 700*	*41%*	*35 650*	*100%*	*34 950*	*100%*
Fully consolidated subsidiaries	*45 935*	*46%*	*45 030*	*46%*	*-*	*0%*	*-*	*0%*
Services other than certification of accounts	13 200	13%	13 200	13%	-	-	-	-
Issuer	*13 200*	*13%*	*13 200*	*13%*	*-*	*-*	*-*	*-*
Fully consolidated subsidiaries	*-*	*0%*	*-*	*0%*	*-*	*-*	*-*	*-*
Total	**99 635**	**100%**	**97 930**	**100%**	**35 650**	**100%**	**34 950**	**100%**

Note 26: Restatement of accounts

The impacts on the 2020 financial statements of restatements linked to the IFRS IC decision published in May 2021 relating to the determination of the vesting period of rights taken into account in the valuation of the provision for retirement benefits are presented in the tables below:

I.F.R.S. accounting basis ASSET *(in thousands of euros)*	31.12.2020 published in April 2021	31.12.2020 restated and published in Avril 2022	Impact 2020
TOTAL NON-CURRENT ASSET (I)	41 267	41 267	-
TOTAL CURRENT ASSET (II)	238 495	238 495	-
GRAND TOTAL (I + II)	279 762	279 762	-

I.F.R.S. accounting basis LIABILITY *(in thousands of euros)*	31.12.2020 published in April 2021	31.12.2020 restated and published in avril 2022	Impact 2020
TOTAL EQUITY (I)	197 074	197 406	332
TOTAL NON-CURRENT LIABILITY (II)	9 473	9 141	(332)
Including:			
Non-current provisions	*3 380*	*2 936*	*(444)*
Deferred tax liability	*1 629*	*1 741*	*112*
TOTAL CURRENT LIABILITY (III)	73 215	73 215	-
GRAND TOTAL (I + II + III)	279 762	279 762	-

These changes have no impact on the income statement and the cash flow statement for the 2020 financial year.

Note 27: Financial information about PCM Rus LLC (Russia)

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

	in KRUB 31.12.2021	31.12.2020	in K€ 31.12.2021	31.12.2020
Equity	55 265	45 668	647	498
Cash Flow	35 524	30 446	416	332
Total balance sheet	70 025	69 224	819	755
Turnover	167 276	138 035	1 924	1 670
Operating income	13 852	9 303	159	113
Current income before tax	11 945	14 477	137	175
Net income	9 597	11 120	110	135

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 2021)

GEVELOT SA
6, boulevard Bineau
92300 LEVALLOIS PERRET

A l'Assemblée Générale de la société GEVELOT SA

Opinion

En exécution de la mission qui nous a été confiée par votre assemblée générale, nous avons effectué l'audit des comptes consolidés de la société GEVELOT SA relatifs à l'exercice clos le 31 décembre 2021, 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 2021 à la date d'émission de notre rapport.

Observation

Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur le point exposé dans les notes 1A, 1D et 26 de l'annexe aux comptes consolidés concernant le changement de méthode comptable lié à la décision de l'IFRS IC relative au calcul des engagements de fins de carrières.

Justification des appréciations

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

C'est dans ce contexte complexe et évolutif que, en application des dispositions des articles L.823-9 et R.823-7 du code de commerce relatives à la justification de nos appréciations, nous vous informons que les appréciations les plus importantes auxquelles nous avons procédé, selon notre jugement professionnel, ont portées 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 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 26 avril 2022
Les Commissaires aux Comptes

PricewaterhouseCoopers Audit	RSM Paris
Jean-Romain Bardoz	Régine Stéphan

Individual Financial Statements at 31 December 2021

Balance sheet at 31 December 2021

ASSETS (in thousands of euros)	Gross amount at 31.12.2021	Amortisation or Depreciation	Net amount at 31.12.2021	Net amount at 31.12.2020
CAPITAL ASSETS (I)				
Intangible assets (A)				
Concessions, patents, licences, trademarks, processes, rights and comparable items	-	-	-	-
Intangible assets in progress	59	-	59	-
Total A	**59**	**-**	**59**	**-**
Tangible assets (B)				
Land	1 333	-	1 333	1 333
Buildings	3 219	1 607	1 612	1 615
Other	123	83	40	48
Tangible assets in progress	-	-	-	-
Advances and down payments	-	-	-	6
Total B	**4 675**	**1 690**	**2 985**	**3 002**
Financial assets (C) (1)				
Equity investments	6 515	-	6 515	6 515
Receivables from equity investments	-	-	-	-
Loans	131	-	131	150
Other (3)	7	-	7	7
Total C	**6 653**	**-**	**6 653**	**6 672**
Total Capital assets (I) (A + B + C)	**11 387**	**1 690**	**9 697**	**9 674**
CIRCULATING ASSETS (II)				
Advances and down payments paid on orders	-	-	-	-
Receivables (2)				
Accounts receivable	181	-	181	119
Other	556	-	556	773
Short-term investments	25 362	19	25 343	29 132
Cash	55 382	-	55 382	51 425
ACCRUALS				
Prepaid expenses (2)	42	-	42	37
Total circulating assets (II)	**81 523**	**19**	**81 504**	**81 486**
Currency translation adjustments (III)	**-**	**-**	**-**	**-**
Grand total (I + II + III)	**92 910**	**1 709**	**91 201**	**91 160**

(1) < 1 year	20	19
(2) > 1 year	46	47
(3) Including treasury shares	-	-

s

LIABILITIES (in thousands of euros)	Before allocation		After allocation	
	Net amount at 31.12.2021	Net amount at 31.12.2020	Net amount at 31.12.2021 (a)	Net amount at 31.12.2020 (b)
EQUITY (I)				
Capital	26 933	26 933	26 933	26 933
Paid-in capital	-	-	-	-
Revaluation adjustments	-	-	-	-
Reserves :				
. Legal reserve	2 693	2 693	2 693	2 693
. Other	41 311	41 311	41 311	41 311
Retained earnings	16 558	16 702	16 004	16 559
Net income (loss) of period	1 754	1 396	-	-
Subtotal: net position	**89 249**	**89 035**	**86 941**	**87 496**
Investment grant	-	-	-	-
Regulated provisions	1 223	1 204	1 223	1 204
Total Equity (I)	**90 472**	**90 239**	**88 164**	**88 700**
PROVISIONS (II)				
Contingency provisions	-	-	-	-
Loss provisions	-	-	-	-
Total Provisions (II)	**-**	**-**	**-**	**-**
LIABILITIES (III) (1)				
Loans and liabilities with lending institutions (2)	1	1	1	1
Other borrowing and financial debt	88	89	88	89
Advances and down payments received on current orders	-	-	-	-
Accounts payable	61	55	61	55
Tax and welfare liabilities	146	143	146	143
Payables to fixed asset suppliers	5	-	5	-
Other liabilities	387	593	2 695	2 132
Prepaid income	41	40	41	40
Total Liabilities (III)	**729**	**921**	**3 037**	**2 460**
Currency translation adjustments (IV)	**-**	**-**	**-**	**-**
Grand Total (I + II + III +IV)	**91 201**	**91 160**	**91 201**	**91 160**
(1) including over 1 year	89	89	89	89
including under 1 year	641	832	2 949	2 371
(2) including cash credits and bank credit balances	1	1	1	1

a) After appropriation submitted to the Combinet Annual and Extraordinary General Meeting of 15 June 2022

b) After appropriation decided by the Annual General Meeting of 17 June 2021

Income statement 2021

INCOME STATEMENT (in thousands of euros)	2021	2020
OPERATING INCOME (I)		
Rendering of services	792	773
Net turnover	**792**	**773**
Reversals of provisions and expense transfers	-	-
Other income	85	82
Total operating income (I) [1]	**877**	**855**
OPERATING EXPENSES (II)		
Other purchases and external charges	732	610
Taxes	112	121
Wages and salaries	611	611
Social security charges	261	264
Amortisation expenses on fixed assets	54	56
Depreciation expenses on fixed assets	-	-
Other charges	67	67
Total operating expenses (II) [2]	**1 837**	**1 729**
1 - OPERATING INCOME (LOSS) (I - II)	**(960)**	**(874)**
FINANCIAL INCOME (III)		
From equity investments (3)	1 502	1 502
Other interests and comparable income (3)	760	485
Reversals of provisions and expense transfers	-	-
Foreign exchange gains	151	-
Net income from sales of marketable securities	-	-
Total financial income (III)	**2 413**	**1 987**
FINANCIAL EXPENSES (IV)		
Amortisation and depreciation expenses	19	-
Interest expense (4)	-	-
Foreign exchange losses	-	249
Total financial expenses (IV)	**19**	**249**
2 - FINANCIAL INCOME (LOSS) (III - IV)	**2 394**	**1 738**
3 - PRE-TAX INCOME (LOSS) (I - II) + (III - IV)	**1 434**	**864**
UNUSUAL GAINS (V)		
Unusual gains in operations	-	-
Proceeds of tangible and intangible assets sold	-	-
Provision reversals and expense transfers	19	21
Total unusual gains (V)	**19**	**21**
UNUSUAL EXPENSES (VI)		
Unusual expenses in operations	-	20
Book value of tangible and intangible assets	-	-
Unusual amortisation and provision expenses	38	44
Total unusual expenses (VI)	**38**	**64**
4 - UNUSUAL ITEMS (V - VI)	**(19)**	**(43)**
Income tax (VII)	**(339)**	**(575)**
Total income (I + III + V)	**3 309**	**2 863**
Total expenses (II + IV + VI + VII)	**1 555**	**1 467**
5 - NET INCOME	**1 754**	**1 396**

[1] Including operating income relating to prior periods	(4)	(8)
[2] Including operating expenses relating to prior periods	(6)	(2)
[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 2021

Notes to the Individual Financial Statements at 31 December 2021

These notes supplement and comment on the balance sheet prior to appropriation for period ending 31 December 2021, totalling 91,201,036.47 euros and the period's income statement, presented in report form, which totals 3,309,726.38 euros and shows a profit of 1,754,082.85-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 2021 to 31 December 2021.

These annual financial statements were drawn up by the Board of Directors on 6 April 2022.

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) No. 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.:
- licenses 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.

The market value of short-term investments on 31 December 2021, comprising contract capitalisation, structured products and investments in mutual funds, totals € 25.3 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 € 339 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

The health, economic and financial crisis caused by Covid-19 coronavirus has not had a significant impact on Gévelot SA's accounts.

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) Events after the end of the financial year

Gévelot SA is closely monitoring the situation in Russia and Ukraine.
Gévelot SA, through its PCM subsidiary, operates in many countries, including Russia. However, the company has a strong financial position and its current exposure is limited.
Gévelot SA is therefore confident in its ability to limit the effects of this crisis in the medium and long term.

Note 2: Capital assets and amortisation

Heading and items	Capital assets					Amortisation and depreciation			
	Gross value at the start of FY 2021	Increases	Transfers	Reductions	Gross value at the end of FY 2021	Accumulated at the start of 2021	Increases	Reductions	Accumulated at the end of 2021
Intangible assets									
Concessions, patents, licences, trademarks, processes, rights and similar items	20	-	-	(20)	-	20	-	(20)	-
Intangible assets in progress		59	-	-	59	-			
Total	20	59	-	(20)	59	20	-	(20)	-
Tangible assets									
Land	1 333	-	-	-	1 333	-	-	-	-
Buildings	3 176	37	6	-	3 219	1 561	46	-	1 607
Other	123	-	-	-	123	75	8	-	83
Tangible assets in progress	-	-	-	-	-	-	-	-	-
Advances and down payments	6	-	(6)	-	-	-	-	-	-
Total	4 638	37	-	-	4 675	1 636	54	-	1 690
Financial assets									
Equity investments	6 515	-	-	-	6 515	-	-	-	-
Receivables from equity investments	-	-	-	-	-	-	-	-	-
Loans	150	-	-	(19)	131	-	-	-	-
Other	7	-	-	-	7	-	-	-	-
Total	6 672	-	-	(19)	6 653	-	-	-	-

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

Note 3: Provisions

Headings and items	Amount at the start of 2021	Increases	Reductions: Amount used during FY 2021	Reductions: Amount not used during FY 2021	Amount at the end of 2021
Regulated provisions					
Capital cost allowances	1 204	38	(19)	-	1 223
Total	1 204	38	(19)	-	1 223
Contingency provisions					
Provisions for litigation	-	-	-	-	-
Total	-	-	-	-	-
Loss provisions					
Provision for taxes	-	-	-	-	-
Total	-	-	-	-	-

Note 4: Maturity of receivables and liabilities

Headings and items	Gross amount at 31.12.2021	Maturing in 1 year max	Maturing in over 1 year
Receivables			
Receivables on capital assets			
Receivables from equity investments	-	-	-
Loans (1)	131	20	111
Other	7	-	7
Receivables from current assets			
Accounts receivable (2)	181	181	-
Other	556	518	38
Subscribed called-up capital not paid up	-	-	-
Prepaid expenses	42	34	8
Total	**917**	**753**	**164**
Liabilities			
Loans and debt with lending institutions (3) (4)	1	1	-
Other borrowing and financial debt (3) (5)	88	-	88
Accounts payable (6)	61	61	-
Tax and welfare liabilities	146	146	-
Payables to fixed asset suppliers (6)	5	5	-
Other liabilities (7)	387	387	-
Prepaid income	41	41	-
Total	**729**	**641**	**88**

(1) Loans granted in period	-
Loans recovered in period	19
(2) Including commercial paper	-
(3) Loans and financial liabilities taken out in period	1
Loans repaid and transferred in period	2
(4) including:	
- no more than two years initially	1
- over two years initially	-
(5) Liabilities maturing in over 5 years	88
(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 31.12.2021				
	Amount at the start of 2021	Reductions due to disposals	Other changes	Amount at the end of 2021	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: Reveluations adjustments on capped assets	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	

Note 7: Accrued income

Amount of accrued income included in the following balance items:	Amount at 31.12.2021	Amount at 31.12.2020
Accounts receivable	30	41
Other receivables	7	6
Short-term investments	-	32
Cash and cash equivalents	15	21
Total	**52**	**100**

Note 8: Accrued liabilities

Amount of accrued liabilities included in the following balance sheet items	Amount at 31.12.2021	Amount at 31.12.2020
Accounts payable	30	32
Tax and welfare liabilities	83	76
Payables to fixed asset suppliers	1	-
Other liabilities	-	7
Total	**114**	**115**

Note 9: Prepaid expenses and income

	Amount at 31.12.2021		Amount at 31.12.2020	
	Expenses	Income	Expenses	Income
Operating expenses / income	42	41	37	40
Financial expenses / income	-	-	-	-
Unusual expenses / gains	-	-	-	-
Total	**42**	**41**	**37**	**40**

Note 10: Composition of the share capital

	Number		Par value
Shares making up the share capital at the beginning of financial year 2021	769 500		35,00
Shares issued during the period	-		-
Shares repaid during the period	-		-
Shares cancelled during the period	-		-
Change in par value through incorporation of reserves	-		-
Shares making up the share capital at the end of financial year 2021	769 500		35,00

Making a share capital of 26 932 500 euros

Note 11: Statement of changes in net worth

Equity in the closing balance sheet for period 2020 prior to income		88 843
Appropriation of 2020 income at net worth by the Annual General Meeting of 17 June 2021		(144)
. Income 2020	1 396	
. Dividends paid	(1 540)	
Equity on opening of period 2021		88 699
Changes in period :		19
. Changes in premiums, reserves, retained earnings	-	
. Changes in regulated provisions and investment grants	19	
Equity in the closing balance sheet for period 2021 prior to income		88 718

Note 12: Breakdown of net turnover

a) Breakdown by business segment

	Amount 2021	Amount 2020
Rents	267	230
Services	525	543
Total	792	773

b) Breakdown by geographical segment

	Amount 2021	Amount 2020
France	792	773
Total	792	773

Note 13: Unusual items

The main items included under this heading are:

Headings	Amount 2021	Amount 2020
Capital cost allowances	(19)	(22)
Exceptional depreciation	-	(1)
Other items, net	-	(20)
Total	(19)	(43)

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 31.12.2021	Amount of income tax for 2021	Net income (loss) at 31.12.2021
Pre-tax income	1 434	20	1 414
Unusual items	(19)	(5)	(14)
Impact of tax loss carryforward	-	(15)	15
Effect of tax integration	-	(339)	339
Total	1 415	(339)	1 754

The tax rate is 26.5% for 2021 and 25% from 2022.
Gévelot SA has a tax loss carryforward of € 510 K at the end of 2021.

The effect on the period's taxes of dispensatory tax assessments due to capital cost allowances is € 5 K (income).

Increase and decrease in the future tax debt

The future tax debt will be € 306 K higher due to the reversal of capital cost allowances for € 1,223 K.

Note 15: Off-balance sheet commitments

	Amount at 31.12.2021	Amount at 31.12.2020
Commitments given:		
Lease commitments	846	964
Retirement commitments	-	12
Total	**846**	**976**
Commitments received:		
Guarantees	18	17
Total	**18**	**17**

Lease commitments

Headings	Real estate property	Total at 31.12.2021
Original values before tax	**1 400**	**1 400**
Amortisations		
Cumulated previous years	-	-
Allowances of the period	-	-
Total	**-**	**-**
Fees paid before tax		
Cumulated previous years	934	934
For the period	117	117
Total	**1 051**	**1 051**
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	121	121
Total	**706**	**706**
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.

Following the updating of the aforementioned ANC Recommendation no. 2013-02, the company has 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.
It is a change in accounting regulations.
This change has led to a partial reversal of the existing off-balance-sheet commitment of € 11 K. The Company has adjusted its off-balance-sheet commitment to adapt to this regulatory change on 31 December 2021.

The main actuarial assumptions used to calculate the commitment at 31/12/2021 are: a discount rate of 0.90%, a salary increase rate of 2% and a retirement age of 63 for non-managers and 65 for managers.

There is no commitment as of December 31, 2021, the IFC social liabilities (€ 63 K) being fully covered by the value of the fund as of December 31, 2021 (€ 65 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

	2 021	2 020
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 2021

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	100 188	99,95%	6 515	6 515	-	-	1 147	7 586	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		2021	2020
Number of shares at 31 December		769 500	769 500
Accrual-based income	€K	1 754	1 396
	€	2.28	1.81
Changes in net worth excluding restructuring transactions	€K	19	22
	€	0.02	0.03
Proposed dividend	€K	2 308	1 539
	€	3.00	2.00

Statement of changes in net worth

(in thousands of euros)

Equity in the closing balance sheet of 2020 prior to income		**88 843**
Appropriation of 2020 income at net worth by the Annual General Meeting of 17 June 2021		(144)
. Income 2020	1 396	
. Dividends paid	(1 540)	
Equity on opening of period 2021		**88 699**
Changes in period:		19
. Changes in premiums, reserves, retained earnings	-	
. Changes in regulated provisions and investment grants	19	
Equity in the closing balance sheet of 2021 prior to income		**88 718**
Appropriation of 2021 income at net worth proposed by the Combined General Meeting of 15 June 2022		(554)
. Income 2021	1 754	
. Proposed dividends	(2 308)	
Equity after proposed appropriation		**88 164**

Financial income

The Company's financial income over the last five periods

(in euros)

Item	2021	2020	2019	2018	2017
I - CAPITAL AT END OF PERIOD				(**)	(*)
a) share capital	**26 932 500.00**	26 932 500.00	26 932 500.00	26 932 500.00	28 717 500.00
b) number of existing ordinary shares	**769 500**	769 500	769 500	769 500	820 500
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	**791 975.63**	773 216.32	797 643.17	564 739.50	2 155 208.49
b) Earnings before tax, employee profit sharing, amortisation and provisions	**1 507 121.99**	901 055.43	2 459 600.30	2 646 809.24	(26 506 414.95)
c) Income tax	**(339 491.00)**	(574 379.00)	(634 587.00)	(58 587.00)	(86 668.00)
d) Employee profit-sharing in period	**-**	-	-	-	-
e) Earnings after tax, employee profit-sharing, amortisation and provisions	**1 754 082.85**	1 395 921.00	3 141 790.45	3 214 422.18	(2 981 501.75)
f) Distributed earnings	**2 308 500.00**	1 539 000.00	1 231 200.00	1 385 100.00	1 385 100.00
III - EARNINGS PER SHARE					
a) Earnings after tax, employee profit-sharing, but before amortisation and provisions	**2.40**	1.92	4.02	3.52	(32.20)
b) Earnings after tax, employee profit-sharing, amortisation and provisions	**2.28**	1.81	4.08	4.18	(3.63)
c) Dividend allocated to each share	**3.00**	2.00	1.60	1.80	1.80
IV - PERSONNEL					
a) Average headcount of personnel employed during the period	**5**	5	5	5	5
b) Total payroll	**610 829.08**	610 704.26	576 915.95	463 755.95	555 744.14
c) Amounts paid out for the period's employee benefits (Social Security, community services, etc,)	**261 320.64**	264 031.84	252 046.97	189 181.97	249 393.27

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

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

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

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

RAPPORT DES COMMISSAIRES AUX COMPTES SUR LES COMPTES ANNUELS

(Exercice clos le 31 décembre 2021)

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 2021, 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 2021 à la date d'émission de notre rapport.

Observation

Sans remettre en cause l'opinion exprimée ci-dessus, nous attirons votre attention sur le changement de méthode comptable relatif aux engagements en matière d'indemnités de fin de carrière décrit dans les notes 1c et 15 de l'annexe aux comptes annuels.

Justification des appréciations

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

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

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

Vérifications spécifiques

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

Informations données dans le rapport de gestion et dans les autres documents sur la situation financière et les comptes annuels adressés aux actionnaires

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

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

Informations relatives au gouvernement d'entreprise

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

Autres informations

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

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

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

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

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

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

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

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

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

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

Fait à Neuilly-sur-Seine et Paris, le 26 avril 2022

Les Commissaires aux Comptes

PricewaterhouseCoopers Audit **Jean-Romain Bardoz**	**RSM Paris** **Régine Stéphan**

RAPPORT SPECIAL DES COMMISSAIRES AUX COMPTES SUR LES CONVENTIONS REGLEMENTEES

Exercice clos le 31 décembre 2021

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 déjà approuvées par l'assemblée générale

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 26 avril 2022

Les Commissaires aux Comptes

RSM Paris

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

Régine STEPHAN

Associée

PricewaterhouseCoopers Audit

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

Jean-Romain Bardoz

Associé

RAPPORT DES COMMISSAIRES AUX COMPTES SUR LA REDUCTION DU CAPITAL

Assemblée générale mixte du 15 juin 2022– résolution n°8

GEVELOT SA
6, boulevard Bineau
92300 Levallois-Perret

Aux actionnaires,

En notre qualité de commissaires aux comptes de votre société et en exécution de la mission prévue à l'article L. 22-10-62 du code de commerce en cas de réduction du capital par annulation d'actions achetées, nous avons établi le présent rapport destiné à vous faire connaître notre appréciation sur les causes et conditions de la réduction du capital envisagée.

Votre Conseil d'Administration vous propose de lui déléguer, pour une période de 24 mois à compter du jour de la présente assemblée, tous pouvoirs pour annuler, dans la limite de 10 % de son capital, par période de 24 mois, les actions achetées au titre de la mise en œuvre d'une autorisation d'achat par votre société de ses propres actions dans le cadre des dispositions de l'article précité.

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. Ces diligences conduisent à examiner si les causes et conditions de la réduction du capital envisagée, qui n'est pas de nature à porter atteinte à l'égalité des actionnaires, sont régulières.

Nous n'avons pas d'observation à formuler sur les causes et conditions de la réduction du capital envisagée.

Fait à Paris et à Neuilly-sur-Seine, le 26 avril 2022

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 2022

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 2021 Annual Individual Financial Statements, which show a net income of € 1,754 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 € 7,2 M for financial year 2021.

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 decide to allocate
the period's profit of ....€ 1,754,082.85

plus previous retained earnings of......................€ 16,558,398.82

forming the distributable profit of ....€ 18,312,481.67

as follows:

. Dividend ....€ 2,308,500.00

- € 2,308,500.00

Balance to retained earnings
after allocation ....€ 16,003,981.67

The global dividend is € 3.00 per share for 769 500 shares, i.e. € 2,308,500.00 and will be distributed from 20 June 2022.

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

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

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

Financial year	Net	Number of shares served	Number of shares total
2018	1.80	769,500	769,500
2019	1.60	769,500	769,500
2020	2.00	769,500	769,500

Fifth Resolution

The General Meeting discharges the Directors from their corporate duties for financial year 2021.

Sixth Resolution

Mrs Armelle CAUMONT CAIMI's directorship being expired, the General Meeting renews her mandate for a period of three years until the 2025 General Meeting that will be called to approve the accounts of financial year 2024.

Seventh Resolution

Authorisation of a € 4 million share buyback programme by the company in view of cancelling those shares within the limit of 2.5% of its share capital.

The General Meeting of Shareholders, acting under the conditions of quorum and majority required for Ordinary General Meetings, having taken note of the Report of the Board of Directors, authorises the Board of Directors, in accordance with the provisions of the French Commercial Code in Articles L. 22-10-62 et seq. of the French Commercial Code and European Regulation No.596/2014 of 16 April 2014, to have the Company purchase its own Shares.

This authorisation is given to allow the possible cancellation of vested Shares, subject to the adoption of the eighth Extraordinary Resolution on the agenda of this General Meeting.

The acquisition, transfer or assignment transactions described above may be carried out by any means compatible with the Law and the Regulations in force, including in the context of negotiated transactions.

These transactions may take place at any time, including during the period of a public offering or pre-offering on the shares of the company under the legal and regulatory conditions and in compliance in particular with Articles 231-38 and 231-40 of the General Regulations of the Autorité des marchés financiers.

The General Meeting fixes the maximum number of Shares that may be acquired under this Resolution at 2.5% of the Company's capital on the date of this Meeting, which corresponds to 19,230 shares, it being specified that in the context of the use of this authorisation, the number of Auto Shares held must be taken into account so that the Company remains permanently within the limit of a maximum number of treasury Shares held legally equal to 10% of the Share Capital. The General Meeting decides that the total amount spent on these acquisitions may not exceed €4 million.

The General Meeting delegates to the Board of Directors all powers necessary, as provided by law, in order to:
- decide on the implementation of this authorisation,
- place all stock exchange orders, conclude all agreements in accordance with the stock exchange regulations in force,
- make all declarations and complete all other formalities, in particular the keeping of records of purchases and sales of Shares and, in general, to proceed with all necessary steps.

The Board of Directors, in its annual report, shall keep the General Meeting informed of all transactions carried out pursuant to this authorisation.

This authorisation is granted for a period of 18 months starting from the date of this Meeting.

II - EXTRAORDINARY RESOLUTIONS

Eighth resolution

Authorisation given to the Board to cancel the shares that the company may have bought back under the share buyback programme.

The General Meeting of Shareholders, having considered the report of the Board of Directors and the special report of the Statutory Auditors and ruling under the conditions of quorum and majority required for Extraordinary General Meetings, authorises, within the limit of 10% of the capital per 24-month period, the Board of Directors to cancel, in one or more occasions, on its sole decision, all or part of the Shares that the Company holds or would hold within the framework of Article L. 22-10-62 of the French Commercial Code and correspondingly reduce the share capital.

The General Meeting confers all powers on the Board of Directors to carry out the capital reduction(s), charge the difference between the redemption value of the cancelled Shares and their nominal value against the available premiums and reserves of its choice, amend the articles of association, reallocate the portion of the legal reserve that has become available as a result of the capital reduction, make all declarations to the Autorité des Marchés Financiers and complete the required formalities.

This authorisation is granted for a period of 24 months from the date of this Meeting.

Ninth Resolution

Modification of the Company's Purpose (Article 2 of the Articles of Association)

The General Meeting of Shareholders, having taken note of the Report of the Board of Directors and acting under the quorum and majority conditions required for Extraordinary General Meetings, decides to amend Article 2 of the Articles of Association (Purpose) as follows:

Former wording:

1) the operation of any establishment or business of a commercial or industrial nature relating to the manufacture and sale of all products, machine tools, mechanical or other parts, raw materials and objects of any kind and in particular all products for turning, drawing, stamping, forging and extrusion. The acquisition, use, assignment, granting of all industrial property rights, such as patents, trademarks, licences, processes;

2) the taking of all interests, in all forms, in all Companies and Corporations, present or future, having a commercial purpose, including services, or industrial;

(3) the acquisition, construction, management, administration, operation by lease, rental or otherwise of any buildings or real estate property and rights;

4) and generally, all financial, industrial, commercial, securities and real estate transactions directly related to the corporate purpose above.

New wording:

1) the operation of any establishment or business of a commercial or industrial nature relating to the manufacture and sale of all products, machine tools, mechanical or other parts, raw materials and objects of any kind and in particular in the field of the transfer of fluids. The acquisition, use, assignment, granting of all industrial property rights, such as patents, trademarks, licences, processes;

2) the taking of all interests, in all forms, in all Companies and Corporations, present or future, having a commercial purpose, including services, or industrial;

(3) the acquisition, construction, management, administration, operation by lease, rental or otherwise of any buildings or real estate property and rights;

4) the investment and management of funds belonging to it, including in investment funds, as well as the granting of cash advances, securities, endorsements or guarantees that it will be considered useful to provide companies in which the Company holds a majority or non-majority interest,

5) and generally, all financial, industrial, commercial, securities and real estate transactions directly related to the corporate purpose above.

Tenth Resolution

Amendment to Article 12 bis of the Statutes (Threshold Crossing)

The General Meeting of Shareholders, having taken note of the Report of the Board of Directors and acting under the quorum and majority conditions required for Extraordinary General Meetings, decides to amend Article 12 bis of the Articles of Association as follows:

Former wording:

Article 12 bis Threshold crossing

Any natural or legal person who comes to own a number of shares corresponding to 2.5% of the share capital or voting rights and to all multiples of this percentage up to the threshold of one-third of the share capital or voting rights, is required, within fifteen days of the registration in the account of the securities allowing them to reach or exceed this threshold of 2.5% and of each of its multiples, to declare to the Company, by registered letter with acknowledgement of receipt, the total number of shares or voting rights that they possess.

This requirement applies in the same conditions and timing when the holding in the share capital or ownership of voting rights becomes inferior to a threshold percentage indicated above.

Threshold crossings subject to declaration shall be assessed taking into account the shares held by (i) more than 50% shareholder companies, directly or indirectly, of the Reporting Company (ii); Companies whose capital is held more than 50%, directly or indirectly, by the Reporting Company, as well as (iii) Companies whose capital is held more than 50%, directly or indirectly, by a Company itself holding, directly or indirectly, more than 50% of the capital of the Reporting Company.

Failure to comply with the foregoing provisions is punishable by the deprivation of voting rights for shares exceeding the undeclared fraction, for any Shareholders' Meeting which will be held until the expiry of a period of two years following the date of regularisation of the notification provided for above, provided that the application of this sanction is requested by one or more Shareholders holding at least 2.5% of the capital or voting rights of the Company and that this request is recorded in the minutes of the General Meeting

New wording:

Article 12 bis Threshold crossing

In addition to the threshold crossing reporting obligations provided for in the AMF's general regulations, any natural or legal person, acting alone or in concert, who comes to hold, directly or indirectly, in any way whatsoever, a number of shares representing 2.5% of the share capital or voting rights of the company and in all multiples of this percentage up to the threshold of one-third of the share capital or voting rights, is required, within fifteen trading days after this threshold crossing, to report to the Company, by registered letter with acknowledgement of receipt, the total number of shares or voting rights that they own.

This requirement applies in the same conditions and timing when the holding in the share capital or ownership of voting rights becomes inferior to a threshold percentage indicated above.

For the application of the two preceding paragraphs, the shares or voting rights held are assimilated to the shares or voting rights listed in Article L. 233-9, I of the French Commercial Code.

Failure to comply with the foregoing provisions is punishable by the deprivation of voting rights for shares exceeding the undeclared fraction, for any Shareholders' Meeting which will be held until the expiry of a period of two years following the date of regularisation of the notification provided for above, provided that the application of this sanction is requested by one or more Shareholders holding at least 2.5% of the capital or voting rights of the Company and that this request is recorded in the minutes of the General Meeting.

Eleventh Resolution

Bringing the Articles of Association into line with legislative developments

The General Meeting of Shareholders, having taken note of the Report of the Board of Directors and acting under the quorum and majority conditions required for Extraordinary General Meetings, decides to bring the Articles of Association into line with legislative developments as follows. Consequently:

- the third paragraph of **Article 9 of the Articles of Association (Forms of shares – Identification of holders of securities)** concerning the identification of holders of shares becomes as follows:

  "The company may request at any time, under the legal and regulatory conditions in force, that certain information be transmitted to it concerning the owners of its shares and securities conferring immediately or in the future the right to vote in its own Shareholders' Meetings. "

- **article 23 of the Articles of Association (Convening of General Meetings)** becomes as follows:

  "General meetings shall be convened in accordance with the conditions set out by law.

  "In order to allow the Shareholders to use the option referred to in Article 24 below to request the inclusion of draft resolutions on the agenda of a Meeting, the Company must publish in the Bulletin des Annonces Légales Obligatoires, at least thirty-five days before the beginning of the Meeting, a notice containing in particular the text of the draft resolutions to be presented to the Meeting by the Board of Directors as well as the indication of the places where the shares must be deposited under the conditions provided for in Article 24, and specifying that requests for the inclusion of draft resolutions must be made within ten days from the date of publication of the said notice.

  General Meetings are convened by notice inserted in a newspaper authorised to receive legal announcements in the department of the place of the Registered Office at least fifteen days before the date of the Meeting as well as in the Bulletin des Annonces Légales Obligatoires.

  However, if all the shares are registered, this insertion may be replaced by a notice sent, at the expense of the Company, by registered letter addressed to each Shareholder.

  Shareholders holding registered shares for at least one month when the notice to attend is published are also convened to any General Meeting by all means laid down by the French Commercial Code.

  When a Meeting has not been able to deliberate, due to a lack of the required quorum, the second Meeting and, where applicable, the second extended Meeting, is convened at least six full days in advance in the same form as the first. The notice and invitations to attend this second Meeting reproduce the first meeting's date and agenda".

- **article 25 of the Articles of Association (Access to Meetings - Proxy)** becomes as follows:

  "Any shareholder may, in accordance with the laws and regulations in force, personally attend the General Meetings, vote remotely or appoint a proxy.

  Any shareholder may also, if the Board of Directors so decides at the time of the convening of the Meeting, participate in the vote by video-conference or by any means of telecommunication and remote transmission including the Internet under the conditions provided for by the regulations *applicable at the time of its use. If necessary, this decision is communicated in the notice of meeting published in the Bulletin des Annonces Légales Obligatoires (BALO). In this case, the shareholders are deemed to be present for the calculation of the quorum and the majority, participating remotely in the debates and the vote in the meeting by using means of remote transmission under the conditions provided for by law and regulations.*

In order for the ballots to be counted, they must be received by the Company at least three days before the General Meeting is held, unless otherwise specified in the invitation to attend or mandatory provisions shortening this notice period.

Any shareholder may be represented by another shareholder, their spouse or by the partner with whom they have concluded a civil partnership, or any other person of their choice. "

- **article 27 of the Articles of Association (Voting - Number of Votes)** becomes as follows:

  "At Ordinary and Extraordinary General Meetings, a quorum shall be calculated based on all the shares bestowing the right to vote comprising the share capital, and at special meetings, on all the shares in the relevant class, after deduction of shares which may be deprived of the right to vote in application of legal provisions.

  Voting rights attached to shares are proportional to the share of capital they represent.

  Where the shares of the Company are owned by one or more companies under its direct or indirect control, the voting rights attached to such shares or such voting rights may not be exercised at the general meeting of the company. They shall not be taken into account when calculating the quorum.

  In the case of remote voting, the shares of the Shareholders who have sent their ballot within the required time participate in the vote when the Meeting is called to deliberate on resolutions on the agenda, but they do not take part in this vote if the Meeting is called to vote on an issue raised during the meeting. However, where the proposal put to the vote has as its object or effect to amend or render ineffective, in whole or in part, a resolution on the agenda, the said shares shall be considered as voting against the proposal, irrespective of the direction of the vote on the resolution. "

- the last paragraph of **Article 28 of the Articles of Association (Ordinary General Meeting)** concerning the calculation of majorities which becomes as follows:

  "It rules by a majority of votes of the Shareholders present or represented. The votes cast do not include those attached to shares for which the shareholder has not taken part in the vote, has abstained or has voted blank or spoiled the ballot".

- the third paragraph **Article 29 of the Articles of Association (Extraordinary General Meeting)** concerning the calculation of majorities which becomes as follows:

  "It rules by a two-thirds majority of votes of the Shareholders present or represented. The votes cast do not include those attached to shares for which the shareholder has not taken part in the vote, has abstained or has voted blank or spoiled the ballot".

- the third paragraph of **article 30 of the Articles of Association (Special Extraordinary General Meeting)** concerning the calculation of majorities becomes worded as follows:

  «The Special General Meeting shall only be valid if the Shareholders present or represented own at least one-third of the shares with voting rights on the first call and one-fifth on the second call. In the absence of the latter quorum, the second meeting may be postponed to a date no later than two months after the date on which it was convened. It rules by a two-thirds majority of the votes cast by the Shareholders present and represented».

III – ORDINARY RESOLUTION

Twelfth Resolution

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

6, boulevard Bineau
92300 Levallois-Perret

www.gevelot-sa.fr