



The Board of Directors meeting on 15 October 2024 approved the Company's financial statements and the Consolidated financial statements for the Mid-year 2024, according to the IFRS International Accounting Standards.

Half-Year Report

The turnover and consolidated results of the Gévelot Group for the first half of 2024 compared to the first half of 2023 according to the IFRS International Accounting Standards are as follows:

Consolidated Accounts <i>In millions of Euros</i>	1st half 2024	1st half 2023	Year 2023
Turnover	69.7	76.5	151.2
Current operating income	4.5	7.8	14.7
Operating income	4.3	7.6	12.7
Financial income	2.4	1.7	4
Current pre-tax income, integrated companies	6.7	9.3	16.7
Tax	-1.4	- 1.9	-3.2
Net income of consolidated companies	5.3	7.4	13.5
Share of income from equity-method companies	0.1	-	0.1
Net consolidated income	5.2	7.4	13.6
Equity attributable to interests not conferring control	0.3	0.2	0.4
Income attributable to the parent company	4.9	7.2	13.2

The Group's Consolidated turnover for the first half of 2024 amounted to € 69.7 M, decreasing of 8.9 % over the same period in 2023. At constant scope and exchange rates, this decrease would have been 9 %.

This decline in revenue is primarily concentrated in the Artificial Lift market within the Oil & Gas sector, with a significant reduction in billings in certain historical markets. The product mix is therefore negatively impacting our margins. However, it should be noted that several contracts are currently being renewed in response to recent tenders related to long-term projects, which should lead to an improvement in billing starting from the 2025 fiscal year.

The consolidated current operating profit of the Group is positive at €4.5 million, compared to €7.8 million at the end of June 2023, primarily due to the decrease in sales volumes in 2024, which has impacted our margins. It includes, as last year, €2.7 million in royalties from a licensing contract that expired in June 2024 and was not renewed thereafter. It is worth noting that for the year-end projection, the end of this contract will have a negative impact of €2.4 million on net income for the second half of 2024 compared to the same period in 2023.

Furthermore, **the operating profit also shows a decrease, falling from €7.2 million to €4.9 million** at the end of the first half of 2024.

The financial result is positive, reaching €2.4 million, compared to €1.7 million recorded in the first half of 2023. This performance is primarily due to the decline in interest rates, which has had a direct impact on certain products in our cash management portfolio, such as bond funds or directly held bonds, closely tied to these interest rate fluctuations. Regarding the majority of our cash reserves, it has been invested at fixed rates with a horizon of 12 to 24 months. This should continue to generate favorable returns on Gévelot's cash surplus over the next two years.

Given the aforementioned facts and after tax, the Net income for the first 2024 half-year (Group share) shows a benefit of € 4.8 M against a profit of € 7.8 M in the first 2023 half-year.

KEY HIGHLIGHTS DURING THE FIRST HALF OF 2024

At the beginning of 2024, the Group completed the definitive closure of its Chilean subsidiary.

Furthermore, in July 2024, the Group acquired Sydex Singapore, which was previously 90% owned by Sydex Italy and 55% by Gévelot. Following this acquisition, Sydex Singapore is now 100% owned by PCM Group Asia Pacific Ltd and 100% by Gévelot.

GROUP OUTLOOK FOR 2024

Pumps Sector

After a year of sustained growth in 2023, our Group anticipates a decline of revenue for the 2024 fiscal year.

At this stage, commercial indicators for the order book remain stable compared to 2023, while revenue is expected to decrease. The reduction in operating margin can be explained by several factors, including a less favorable product and geographical mix, the increase in certain costs, as well as the launch of large-scale industrial projects.

Overall Group

Gévelot SA's revenue, consisting of rental income and service provisions, is expected to remain stable.

The consolidated revenue is expected to decline compared to the 2023 fiscal year.

Barring any unforeseen exceptional items, the consolidated net profit for 2024 should be positive, favorably impacted by the Group's financial result.

We remain vigilant regarding the resurgence of tensions in the Middle East and Ukraine, which could potentially disrupt our activity in the future.

In this uncertain context, the Gévelot Group remains ready to adapt to necessary changes in order to continue ensuring the performance and stability of its operations. We remain committed to maintaining our dedication to our clients, partners, and shareholders by ensuring proactive and responsive management in the face of global challenges.