

PRESS RELEASE

FY 2024-25

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SMART SOLUTIONS FOR A SMART WORLD

GECI INTERNATIONAL DEMONSTRATES RESILIENCE, SUCCESSFULLY REFOCUSSES ON HIGH-PERFORMANCE COMPUTING WITH +25% GROWTH, AND STRENGTHENS PARTNERSHIPS WITH STRATEGIC INDUSTRY LEADERS

In a challenging economic and geopolitical environment, GECI International, a digital and technology specialist, reports half-year revenues of €9.6m, nearly stable on a like-for-like basis compared to the previous year. This performance highlights the Group's agility in adapting its business model and the resilience of its activities, reinforcing its commitment to sustainable growth.

FIRST-HALF KEY DEVELOPMENTS

GECI International has successfully transitioned to a stronger business model by focusing resources on its High-Performance Computing (HPC) activities in France and Smart City initiatives in Brazil, targeting significant growth in these strategic sectors. Engineering activities are now secondary, and the IT segment is being refocused toward key economic sectors, particularly industry and finance.

As a result, in the first half of 2024-25, GECI International reported consolidated revenues of €9.64m, down 1.4% from the previous year on a comparable basis and at constant exchange rates (-6% at current exchange rates). Organic growth in Smart City and HPC activities offset the reduction in financial IT and IT outsourcing, where adjustments were made to prioritize profitability and referencing. Since March 1, 2024, the deconsolidation of the telecom activity in France, following the sale of its business operations, has also impacted the half-year revenues figures.

As of September 30, 2024, consolidated revenues were split between Brazil (50.1%) and France (49.9%). It factors in a negative exchange effect in Brazil for €0.47m, representing 4.9% of revenues, due to the depreciation of the Brazilian real against the euro. At end-September 2024, the Group had a total of 558 employees, compared with 504 at end-September 2023 and 542 at end-March 2024, mainly due to expanded operations in Brazil.

During the first half of the year, particularly in the HPC sector, the Group continued moving forward with its strategic alliances and partnerships with technology leaders such as Nvidia, IBM, Hewlett Packard Enterprise, and Amazon Web Services (AWS), thereby enhancing its offerings and commercial presence.

CHANGE IN REVENUES FOR EACH BUSINESS LINE AND REGION

For a like-for-like comparison, the contribution of the telecom engineering business in France (€1.3 million in the first half of 2023-24) has been excluded.

(unaudited data)	Apr.24 to Sep.24 (6 months)		Apr.23 to Sep.23 (6 months) Like-for-like basis ¹		Change Like-for-like basis (%)	Apr.23 to Sep.23 (6 months) published	
	€M	%of rev	€M	% of rev			
<i>Business division</i>							
Technologies	4.97	51.6%	5.06	49.4%	-1.7%	6.38	55.1%
Digital	4.67	48.4%	5.19	44.9%	-10.1%	5.19	44.9%
Half-year revenues	9.64	100%	10.25	100%	-6.0%	11.57	100%
<i>Region</i>							
Brazil	4.82	50.1%	4.72	46.0%	+2.3%	4.72	40.8%
France	4.81	49.9%	5.53	54.0%	-13.0%	6.85	59.2%
Half-year revenues	9.64	100%	10.25	100%	-6.0%	11.57	100%

The Technology Division (€5.0m, representing 51.6% of half-year revenues) recorded a slight decline of 1.7% compared to the first half of the previous year. This performance was supported by continued growth at the Brazilian subsidiary (+12.2% at constant exchange rates on a high basis of comparison in the first half of the previous year) due to the launch of major telecom contracts. In France, telecom activities have been excluded from the Group's accounts since March 1, 2024.

The Digital Division (€4.7m, representing 48.4% of half-year revenues) saw strong increase in HPC activities, which remain central to GEI International's strategy, with significant growth of +25.4%. In contrast, IT outsourcing (-21.9%) and financial IT (-26%) activities declined as the Group shifted focus toward higher-margin offerings. Overall, the division's revenues were down by 10% compared to the same period last year.

FINANCIAL POSITION

In the first half of 2024-25, the Group pursued its efforts to strengthen its financial position through:

- (i) revenue growth in its strategic HPC business, supported by a high value-added offering.
- (ii) new partnerships and clients, including Nvidia, Orange Business Services, Safran, and Air Liquide.
- (iii) the excellence of its services and high invoicing rates, particularly in HPC, with an increase in the average daily billing rate in France (+13.7% between April and September 2024).

At September 30, 2024, the Group's financial debt was reduced significantly over six months, standing at €1.8m (figures currently being audited), compared with €3.5m at end-March 2024. The breakdown is as follows: (i) financial debt of €0.47m (including overdrafts), compared with €0.52m at end-March 2024, (ii) factoring advance of €0.47m, compared with €1.57m at end-March 2024, (iii) net debt from OBSAs (bonds with warrants attached) of €0.63m, compared with €0.92m at end-March 2024, and (iv) the restatement of lease charges of €0.19m, compared with €0.48m at end-March 2024.

During the half-year, the Group raised €1.45m² gross following the exercise of the BSA₁ warrants issued and allocated as part of the bond issue carried out on April 4, 2024.

OUTLOOK

Backed by resilient revenues and an improved financial position, GEI International approaches the future with renewed confidence and a long-term vision. The Group's mission is to become a leading player in rapidly expanding, high-value markets such as High-Performance Computing (HPC), artificial intelligence, cloud services, and smart cities. Leveraging its solid expertise in managing complex technology projects, GEI International applies its knowledge to anticipate and meet its customers' evolving needs, offering robust, innovative solutions tailored to today's challenges.

GEI International has adopted an assertive strategy in HPC, targeting users, publishers, and manufacturers with a structured offering. In the short term, the Group provides in-depth audits of IT architectures, enabling

¹ Excluding the Telecom business in France, which has been deconsolidated since March 1, 2024.

² Exercise of 435,262 BSA₁ warrants resulting in the creation of 435,262 shares.

the optimization of existing infrastructures. In the medium term, it supports customers in enhancing their development processes to improve efficiency. Over the long term, the Group ensures high-quality operational maintenance to guarantee sustained performance. By focusing on margins and adapting its offerings to each customer's specific needs, GECI International aims to increase profitability and establish a leadership position in this strategic sector.

This ambition for leadership is supported by a network of strategic partnerships with global technology leaders. These alliances enhance the Group's technological capabilities, diversify its offerings, and allow it to present a more competitive and differentiated range of services. In both France and international markets, GECI International aims not only to maintain but to expand its position by developing new collaborations and adapting to the unique characteristics of local markets.

Driven by a vision of sustainable growth, the Group places performance, agility, and responsibility at the core of its strategy. GECI International intends to reinforce its leading position by combining technological innovation with positive impact, addressing today's pressing social and environmental challenges. This strategic and responsible approach assures the Group's partners and customers of financial stability and an enduring capability to meet future technological challenges, supported by expert teams and a strong commitment to harmonious and sustainable development.

NEXT DATE

2024-25 half-year earnings on December 18, 2024 after close of trading.

ABOUT GECI INTERNATIONAL

"Smart Solutions for a Smart World"

GECI International is a specialist Technology and Digital group. Since it was founded in 1980, the Group has innovated to design and develop smart solutions, products and services for the Research, Industry and Service sectors.

Building on its recognized expertise, its ecosystem of technological and business partnerships, and its highly qualified capabilities, GECI International is rolling out a dynamic new entrepreneurial approach through customized solutions focused on the digital transformation, IT consulting, smart cities and emerging technologies. As a strategic partner, GECI International supports businesses and organizations with their drive for competitiveness, efficiency and effectiveness.

GECI International is listed on the Euronext Growth Paris market. ISIN (shares): FR001400M1R1 – ALGEC.

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