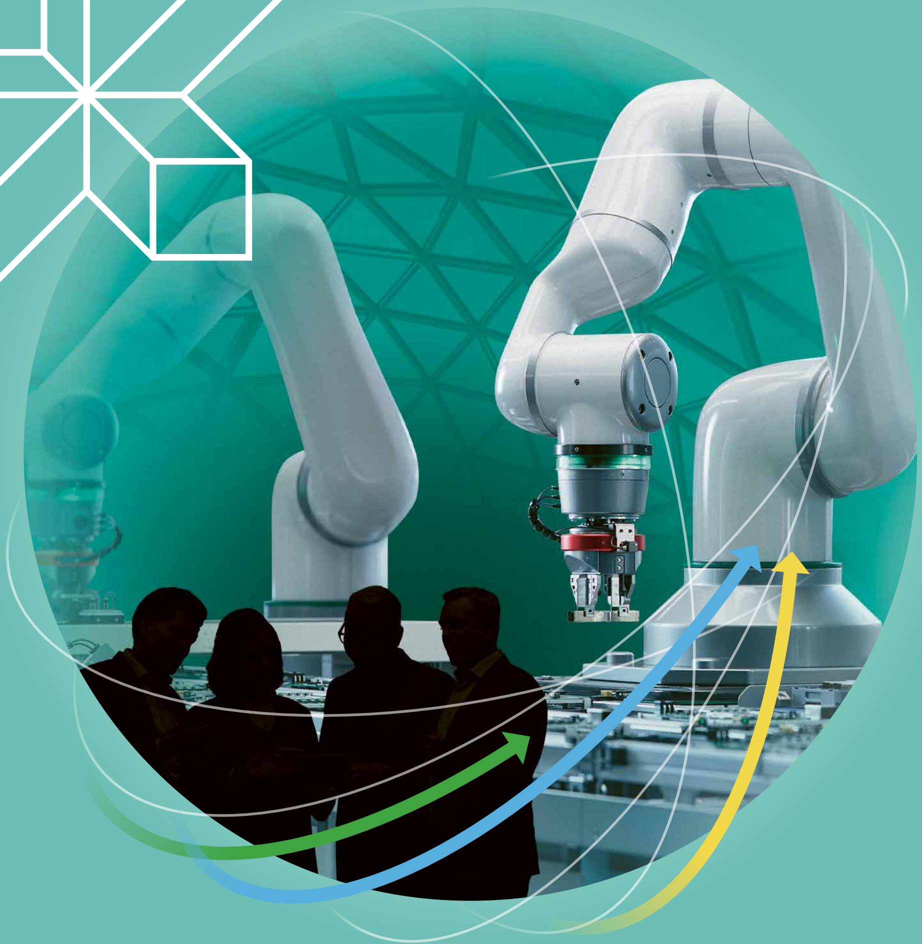
GESCO SE
Half-year interim report
1 January to 30 June 2024



Q2
2024

The strategy of GESCO SE

Medium-sized, entrepreneurial, sustainable

Acquiring, holding and developing healthy, industrial SMEs – that is the strategy of GESCO SE. Under the umbrella of a lean holding company, the companies operate independently but benefit from the support of the SE. The goal: a strong industrial group of market and technology leaders.

The aim is to future-proof GESCO Group, increase added value at all levels and strive for above-average sales growth, margins and cash flow.

Portfolio architecture: In addition to the Doerrenberg Group, we want to establish two further companies with sales of more than 100 million €. We are focusing on organic growth and strategic add-on acquisitions in order to further develop existing companies. We are also planning targeted acquisitions in order to broaden our Group and make it more resilient, thereby securing relevant contributions to sales and earnings.

Hidden champions: We develop the Group's companies systematically and sustainably. With the knowledge and established programmes of the holding company, we promote operational excellence, optimise market presence and product portfolio and sharpen leadership skills and corporate culture. The aim is for all companies to be hidden champions, or at least recognisably on the way to becoming one.

The essentials at a glance

- **Subdued demand leads to decline in sales and earnings**
- **No recovery in demand expected in the second half of the year**
- **Increase in earnings expected in the second half of the year due to projects**

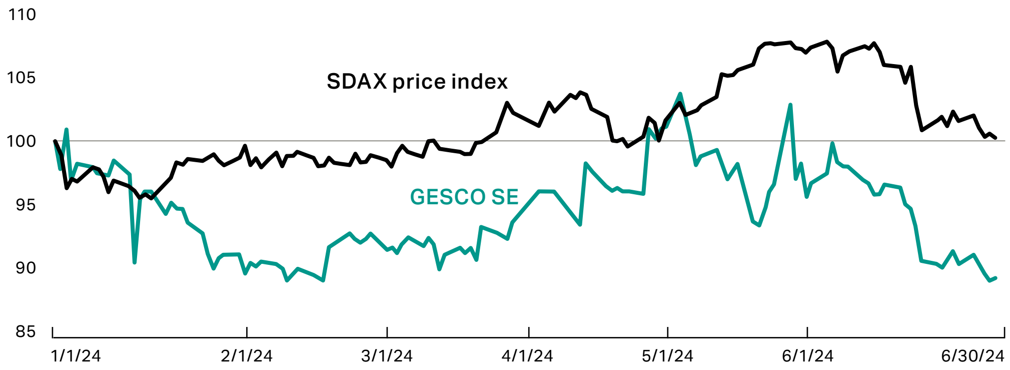
GESCO Group at a glance

Key figures

in T€	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023	Change (in %)
Incoming orders	275,500	288,785	– 4.6
Sales	252,845	292,135	– 13.4
EBITDA	15,678	31,688	– 50.5
EBIT	6,568	22,844	– 71.2
EBIT margin (in %)	2.6	7.8	– 522 bp
EBT	4,082	21,245	– 80.8
Group earnings[1]	2,019	14,303	– 85.9
Earnings per share (in €)	0.19	1.32	– 85.6
Closing price (in €)[2]	16.65	24.40	– 31.8
Employees[3]	1,869	1,889	– 1.1

[1] After minority interests. [2] XETRA closing price on the balance sheet date. [3] Number as at the balance sheet date.

Share price performance in the reporting period



Source: Onvista, share price trends indexed and in %.

Changes in the scope of consolidation

There were no changes in the scope of consolidation / business combinations in accordance with IFRS 3 in the first half of 2024.

Business performance, sales and earnings development in the Group

As announced by the Federal Statistical Office at the end of July, the German economy contracted in the second quarter. Gross domestic product fell by 0.1 % between April and June compared to the previous quarter. In particular, investments in equipment such as machinery and in buildings declined. This stalled economic development is further delaying the generally expected economic recovery. The recent deterioration in sentiment indicators and the renewed decline in incoming orders and production show a continuing weakness in German industry. The mechanical engineering sector is experiencing an even worse development. According to the industry association VDMA, global machinery sales will stagnate for the second year in a row in 2024; declines are once again expected in Europe. While a decline of 3 % is expected for the EU as a whole, the mechanical engineering sector in Germany is set to fall by as much as 4 %. GESCO Group was unable to escape this persistently weak economic development in Germany and Europe, with noticeably subdued demand, in the first half of the year.

€ 275.5 million
incoming orders

In view of the pronounced shortage of skilled labour in Germany, the gratifying loyalty of our employees and the excellent medium-term prospects of our subsidiaries, it is not advisable to make staffing adjustments that are effective in the short term but harmful in the long term. Nevertheless, we are countering the below-average capacity utilisation with a combination of various personnel measures, such as short-time working, time accounts, the use of temporary workers, etc.

As in the first quarter, incoming orders at GESCO Group exceeded sales in the second quarter and, for the first time in some time, were higher than in the same quarter of the previous year. Nevertheless, at € 275.5 million, incoming orders in the reporting period were down 4.6 % on the previous year (€ 288.8 million). This reflects our intensified marketing efforts in all subsidiaries and our increasing involvement in foreign markets.

Group sales fell by 13.4 % to € 252.8 million compared to the same period of the previous year (H1 2023: € 292.1 million). Despite the general reluctance to invest, the latest order intake shows signs of a gradual stabilisation in GESCO Group's economic development.

Material prices stabilised in the second quarter compared to the previous quarter, but are at a lower level than in 2023. A half-year comparison therefore shows a slightly lower cost of materials ratio of 59.1 % compared to 60.3 %. In the first quarter of 2024, it was still at 60.6 %.

Due to higher personnel costs, not least because of the unusually high wage increases and inflation compensation premiums paid, and taking into account around 13 % lower sales, the personnel expenses ratio rose significantly from 21.9 % to 26.4 %. However, this is 1 % point below the level of the first quarter of 2024.

Other operating expenses fell by € 1.5 million to € 31.0 million, mainly due to lower expenses for personnel leasing, and were therefore slightly underproportionate to sales.

Lower sales, negative effects due to the low price level at Dörrenberg and higher personnel costs overall caused EBITDA to fall by half to € 15.7 million in the reporting period (H1 2023: € 31.7 million). Depreciation and amortisation increased moderately to € 9.1 million (H1 2023: € 8.8 million). At € 6.6 million, EBIT in the reporting period was significantly lower than in the same period of the previous year (H1 2023: € 22.8 million), as was consolidated net earnings after minority interests, which totalled just € 2.0 million (H1 2023: € 14.3 million).

As we do not see any significant migration to the competition, we expect catch-up effects when the economy picks up. All subsidiaries have introduced measures to safeguard earnings. In conjunction with the usual delivery of some mechanical engineering projects at the end of the second half of the year, we anticipate an increase in earnings in the second half of the year.

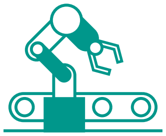
Earnings per share for the reporting period therefore totalled € 0.19 (H1 2023: € 1.32).

€ 252.8 million

sales

Development of the segments

All three segments reported weaker figures for the first half of 2024 than in the previous year. It should be noted here that economic conditions were still positive in the first half of 2023 and that the decline in economic growth and production output began primarily in the third and fourth quarters and continued into the second quarter of 2024. These adverse conditions can also be seen in the individual segments of GESCO Group.



In the **Process Technology segment,** incoming orders increased slightly from € 43.0 million in the same period of the previous year to € 44.2 million in the reporting period. However, this means that incoming orders are still slightly lower than sales, highlighting the continued restraint on the part of customers. At € 55.3 million, the order backlog is currently below the previous year’s level (H1 2023: € 62.5 million).

Segment sales fell by 12.4 % from € 52.4 million in the first six months of the previous year to € 45.9 million. EBIT totalled € 1.6 million in the reporting period after € 5.1 million in the same period of the previous year, which corresponds to an EBIT margin of 3.6 % (H1 2023: 9.8 %).

For the second half of the year, we expect an increase compared to the first half of the year, driven on the one hand by the still satisfactory order backlog and the usual seasonal pattern in this segment, where production of machines and systems is started in the first half of the year, which will only be completed later in the year and thus have an impact on sales and earnings.

The **Resource Technology segment** developed very heterogeneously in the reporting period. While the business development of Doerrenberg and PGW is currently being impaired by persistently weak demand, SVT is enjoying unabated demand for its loading technology. In addition, the low price level compared to the previous year is having a negative impact on sales and margins. Incoming orders totalled € 164.8 million (H1 2023: € 177.5 million) and therefore fell much less sharply than sales, which decreased to € 140.8 million (H1 2023: € 166.2 million). This results in a very solid book-to-bill ratio of 1.17 for the segment.

Segment EBIT totalled € 5.8 million after € 17.4 million in the same period of the previous year. The segment's EBIT margin fell accordingly from 10.5 % (H1 2023) to 4.1 %.

The subdued demand in the tool and strip steel area combined with low price levels compared to the same period of the previous year and an absolute increase in personnel costs have somewhat dampened the outlook in this segment. Due to the pleasing development at SVT, incoming orders are above the previous year's level of € 126.5 million (H1 2023: € 124.0 million).

The companies in the **Healthcare and Infrastructure Technology segment** recorded a weak first half-year compared to the previous year.

The companies AstroPlast and Franz Funke were able to stabilise at a lower level following the significant downturn in the previous year, while Setter and UMT are not yet exploiting their great market potential satisfactorily.

Overall, the segment recorded a significant drop in incoming orders, which led to a low order backlog and therefore inefficient utilisation of production capacity. A series of measures were therefore implemented over the course of last year, including personnel adjustments. This is also reflected in the 3.7 % reduction in the number of employees compared to the previous year.

Incoming orders in the segment fell by 2.7 % to € 66.4 million compared to the same period of the previous year. The decline primarily reflects the restraint in the construction and healthcare sectors. In this segment, orders are generally awarded as longer-term framework agreements and are therefore subject to market cyclicality. In line with the lower order intake, the order backlog also fell to € 32.8 million at the end of the reporting period (H1 2023: € 37.8 million).

At € 66.2 million, sales in the reporting period were 10.0 % lower than in the same period of the previous year. However, sales increased slightly again in the second quarter of 2024 compared to the first quarter of 2024. EBIT decreased to € 4.1 million in the first half of the year (H1 2023: € 6.7 million); the segment's EBIT margin fell accordingly from 9.1 % to 6.2 %.

In addition to intensified market development, the personnel adjustments made have contributed to a significant stabilisation of sales and earnings at the two subsidiaries Franz Funke and AstroPlast, which had been particularly hard hit by the economic downturn, especially in the construction industry.

Setter and UMT are currently unable to fully utilise their strong market position. In addition, customers in South and Central America and Asia are experiencing delays in converting their production from micro plastics to paper. As a result, Setter's Mexico plant in particular is not being utilised to a satisfactory level. However, we assume that these delays are only temporary.

54.9 %

equity ratio

Financial position and net assets

At € 486.2 million, total assets on the balance sheet date were 3.7 % higher than the level at the beginning of the financial year of € 469.0 million. Non-current assets remained virtually unchanged, while current assets increased by around 7.4 % from € 281.4 million to € 302.3 million. Inventories increased by 5.3 % to € 172.3 million (H1 2023: € 163.6 million), primarily due to higher inventories of work in progress.

Trade receivables increased by 12.8 %. At € 36.9 million, cash and cash equivalents are slightly higher than at the same time in the previous year (€ 34.5 million).

The balance sheet ratios remain extremely robust and the debt ratio is low.

Equity decreased by € 10.8 million or 3.9 % compared to 31 December 2023. However, taking into account the dividend payment and the share buyback carried out in the first half of the year, around € 2 million more was returned to shareholders.

At the end of March 2024, the Executive Board of GESCO SE decided, with the approval of the Supervisory Board, to buy back up to 500,000 GESCO shares at a purchase price of € 17.80 per share by way of a voluntary public share buyback offer. The period for accepting the public buyback offer began on 11 April 2024 and ended two weeks later on 25 April 2024. 526,647 GESCO shares were offered to the Company as part of the share buyback offer, 5.1 % more than the purchase volume offered.

Including the shares already held before the share buyback offer, the Company now holds 511,304 treasury shares, which corresponds to 4.72 % of the share capital. The Company spent a total of around € 8.9 million on the buy-back. The dividend was € 0.40 per share and a total of around € 4.1 million was spent on this.

At 54.9 % as at the reporting date, the equity ratio was below the figure reported as at 31 December 2023 (59.2 %) due to the increase in total assets of around 4 % and the deduction of treasury shares. Non-current liabilities fell by 14.7 %. This is primarily due to the significant reduction in non-current liabilities to banks (€ – 7.5 million).

In contrast, current liabilities increased significantly by 29.1 % to € 165.4 million. This was mainly due to the increase in liabilities to banks (€ + 12.4 million), trade payables (€ + 15.9 million) and advance payments received on orders (€ + 8.9 million).

At € 13.1 million, free cash flow was clearly positive again in the first half of 2024, following a negative figure of € – 0.6 million in the same period of the previous year. This reflects the significantly higher cash flow from operating activities and a lower cash outflow from investing activities.

Workforce

As at the reporting date, GESCO Group employed a total of 1,869 people (30 June 2023: 1,889). Compared to the figure of 1,899 as at 31 December 2023, the Group workforce therefore fell by 1.6 % in the reporting period.

The workforce in the Healthcare and Infrastructure Technology and Process Technology segments was reduced slightly by 4 % and 5 % respectively in the reporting period, while the workforce in the Resource Technology segment increased by 3 %. While the moderate reduction in staff in the two aforementioned segments is a reaction to the subdued business development, the increase in the Resource Technology segment is primarily due to the increase in staff at SVT as a result of the excellent order situation.

1,869

employees

Opportunities and risks

The general comments on the opportunities and risks as well as the presentation of specific individual risks in the consolidated financial statements as at 31 December 2023 essentially apply and we therefore refer to the detailed presentation in the annual report for the 2023 financial year. The report can be accessed online at www.gesco.de/en/investor-relations/financial-reports.

The uncertainties due to the macroeconomic conditions in 2024 remain high.

The uncertainties include, in particular, the ongoing tense geopolitical situation and its potential impact on global trade flows. In addition, interest rates are still being raised to combat inflation rates. At present, both the global economy as a whole and Europe, and Germany in particular, are not developing very dynamically. An upturn is not expected before 2025. All of these factors have a major impact on the Group's business performance. The exact extent of the factors and the interactions between them can hardly be estimated, meaning that the resulting overall risk remains difficult to calculate.

Despite the difficult macroeconomic and still volatile geopolitical conditions, the GESCO subsidiaries are well positioned not only to maintain their market positions, but also to further expand them.

Outlook

The current development of the business figures is characterised by a marked reluctance on the part of customers due to uncertainty regarding the further economic development in Germany and an escalating geopolitical situation. Based on the latest business figures, economic data and planning, the Executive Board adjusted its forecast for the current financial year on 30 July 2024 and lowered its sales and earnings expectations.

Consolidated sales of € 520 – 540 million (previously: € 570 – 590 million) and consolidated net earnings after minority interests of around € 8 – 12 million (previously: € 26 – 28 million) are now expected for 2024 as a whole. Due to the continued high level of uncertainty regarding economic development, the Executive Board has therefore also extended the forecast range for consolidated net earnings after minority interests.

The actual business performance of GESCO Group may deviate from current expectations due to the numerous uncertainties and the opportunities and risks described above. This forecast does not take into account planned transactions.

Events after the end of the reporting period

On 30 July 2024, the Executive Board published an adjusted forecast for the 2024 financial year.

No other significant events occurred after the end of the reporting period.

GESCO Consolidated Balance Sheet

in T€	06/30/2024	12/31/2023
Assets		
Tangible assets	106,893	109,328
Intangible assets	19,797	21,445
Goodwill	38,919	38,848
Other financial assets	9,930	9,949
Shares valued at equity	2,607	2,920
Deferred tax assets	5,742	5,030
Non-current assets	**183,888**	**187,520**
Inventories	172,339	163,639
Trade receivables	82,190	72,879
Receivables from income taxes	4,498	5,489
Other financial assets	6,303	4,971
Cash and cash equivalents	36,936	34,464
Current assets	**302,266**	**281,442**
Total assets	**486,154**	**468,962**

in T€	06/30/2024	12/31/2023
Equity and Liabilities		
Subscribed capital	10,328	10,828
Capital reserve	72,433	72,433
Other reserves	178,153	188,458
Shareholders' equity	**260,914**	**271,719**
Non-controlling interests	5,929	5,935
Total equity	**266,843**	**277,654**
Financial liabilities	25,245	32,754
Other provisions	475	682
Other financial liabilities	273	833
Leasing liabilities	12,985	14,272
Deferred tax liabilities	6,271	6,004
Provisions for pensions	8,687	8,656
Non-current liabilities	**53,936**	**63,201**
Trade payables	27,681	11,817
Financial liabilities	66,707	54,314
Leasing liabilities	3,738	3,735
Other provisions	6,521	7,052
Income tax liabilities	9,845	13,214
Other financial liabilities	50,883	37,975
Current liabilities	**165,375**	**128,107**
Total equity and liabilities	**486,154**	**468,962**

GESCO Consolidated Profit and Loss account for the first half year (1 January to 30 June)

in T€	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023
Sales revenues	**252,845**	**292,135**
Change in inventories of finished goods and work in progress	7,425	9,492
Other own work capitalised	340	218
Other operating income	2,123	2,614
Total output	**262,733**	**304,459**
Cost of materials	– 149,316	– 176,271
Personnel expenses	– 66,681	– 63,832
Other operating expenses	– 30,998	– 32,537
Impairment losses on financial assets	– 60	– 131
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**15,678**	**31,688**
Amortisation of intangible assets and tangible assets	– 9,110	– 8,844
Earnings before interest and taxes (EBIT)	**6,568**	**22,844**
Earnings from companies recognised at equity	– 190	149
Income from loans of financial assets	194	180
Other interest and similar income	18	37
Depreciation on financial assets	0	10
Interest and similar expenses	– 2,508	– 1,975
Financial result	**– 2,486**	**– 1,599**
Earnings before taxes (EBT)	**4,082**	**21,245**
Taxes on income and earnings	– 1,281	– 6,480
Earnings from continued operations	**2,801**	**14,765**
Group earnings	**2,801**	**14,765**
thereof		
Minority interests in companies	**782**	**462**
Attributable to GESCO shareholders	**2,019**	**14,303**
Earnings per share (€)	**0.19**	**1.32**

GESCO Consolidated Profit and Loss account for the second quarter (1 April to 30 June)

in T€	04/01/2024 – 06/30/2024	04/01/2023 – 06/30/2023
Sales revenues	**128,548**	**144,865**
Change in inventories of finished goods and work in progress	488	– 1,397
Other own work capitalised	165	96
Other operating income	656	1,386
Total output	**129,857**	**144,950**
Cost of materials	– 73,994	– 81,437
Personnel expenses	– 32,598	– 30,968
Other operating expenses	– 16,127	– 16,582
Impairment losses on financial assets	– 15	– 99
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**7,123**	**15,864**
Amortisation of intangible assets and tangible assets	– 4,592	– 4,550
Earnings before interest and taxes (EBIT)	**2,531**	**11,314**
Earnings from companies recognised at equity	– 181	96
Income from loans of financial assets	85	90
Other interest and similar income	11	26
Depreciation on financial assets	0	10
Interest and similar expenses	– 1,265	– 1,010
Financial result	**– 1,350**	**– 788**
Earnings before taxes (EBT)	**1,181**	**10,526**
Taxes on income and earnings	– 425	– 2,972
Earnings from continued operations	**756**	**7,554**
Group earnings	**756**	**7,554**
thereof		
Minority interests in companies	**523**	**– 19**
Attributable to GESCO shareholders	**233**	**7,573**
Earnings per share (€)	**0.04**	**0.70**

GESCO Consolidated Statement of Comprehensive Income for the first half year (1 January to 30 June)

in T€	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023
Group earnings	**2,801**	**14,765**
Revaluation of defined benefit obligations not affecting net income	**0**	**332**
Items that cannot be reclassified to the Profit and Loss account	**0**	**332**
Currency conversion difference		
a) Reclassification to the Profit and Loss account	0	0
b) Change in value not affecting Profit or Loss	511	–445
Difference from currency conversion of companies valued at equity		
a) Reclassification to the Profit and Loss account	0	0
b) Change in value not affecting Profit or Loss	– 123	–507
Market valuation of hedging instruments		
a) Reclassification to the Profit and Loss account	0	0
b) Change in value not affecting Profit or Loss	– 160	15
Items that can be reclassified to the Profit and Loss account	**228**	**–937**
Other earnings	**228**	**–605**
Total earnings for the period	**3,029**	**14,160**
of which minority interests	804	461
of which attributable to GESCO shareholders	2,225	13,699

GESCO Consolidated Cash Flow Statement for the first half year (1 January to 30 June)

in T€	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023
Profit for the period (including minority interests in the profit of corporations)	**2,801**	**14,765**
Depreciation and amortisation of non-current and current assets	9,110	8,844
Impairment losses on non-current assets	0	– 10
Earnings from companies valued at equity	190	– 149
Decrease in non-current provisions	– 176	– 1,148
Other non-cash income / expenses	– 55	– 499
Cash flow for the period	**11,870**	**21,803**
Losses from the disposal of tangible / intangible assets	3	11
Gains from the disposal of tangible / intangible assets	– 62	– 62
Increase / Decrease in inventories, trade receivables, and other assets	– 19,045	– 28,098
Increase in trade payables and other liabilities	24,579	17,960
Cash flow from operating activities	**17,345**	**11,614**
Proceeds from disposals of tangible / intangible assets	135	451
Payments for investments in tangible assets	– 3,923	– 7,955
Payments for investments in intangible assets	– 408	– 446
Proceeds from disposals of financial assets	0	– 80
Payments for investments in financial assets	0	149
Payments for the acquisition of consolidated companies and other business units	0	– 4,343
Cash flow from investing activities	**– 4,196**	**– 12,224**
Payments to shareholders (dividend)	– 4,131	– 10,839
Payments for the purchase of own shares	– 8,899	0
Payments to minority interests	– 810	– 792
Payments for the acquisition of non-controlling interests	0	– 6,368
Proceeds from the taking up of (financial) loans	17,299	32,759
Payments for the redemption of (financial) loans	– 12,415	– 10,336
Payments for the redemption of lease liabilities	– 1,855	– 1,762
Cash flow from financing activities	**– 10,811**	**2,662**
Cash-effective change in cash and cash equivalents	**2,338**	**2,052**
Exchange rate-related changes in cash and cash equivalents	**134**	**0**
Cash and cash equivalents as at 01/01	34,464	36,251
Cash and cash equivalents as at 06/30	**36,936**	**38,303**

GESCO Consolidated Statement of Changes in Equity for the first half year (1 January to 30 June)

in T€	Subscribed capital	Capital reserves	Revenue earnings	Own shares	
As at 01/01/2023	**10,839**	**72,433**	**184,442**		
Dividends			– 10,839		
Acquisition of own shares					
Sale of own shares					
Changes in scope of consolidation			1,016		
Acquisition of shares in subsidiaries			– 3,371		
Sale of shares in subsidiaries					
Group net earnings for the period			14,303		
As at 06/30/2023	**10,839**	**72,433**	**185,551**		
As at 01/01/2024	**10,828**	**72,433**	**192,287**	**– 215**	
Dividends			– 4,131		
Acquisition of own shares	– 500			– 8,399	
Sale of own shares					
Changes in scope of consolidation					
Acquisition of shares in subsidiaries					
Divestment of shares in associated companies					
Group net earnings for the period			2,019		
As at 06/30/2024	**10,328**	**72,433**	**190,175**	**– 8,614**	

GESCO Group segment report for the first half year (1 January to 30 June)

in T€	Process Technology		Resource Technology		Healthcare and Infrastructure Technology		
	01/01/2024 – 06/30/2024	**01/01/2023 – 06/30/2023**	**01/01/2024 – 06/30/2024**	**01/01/2023 – 06/30/2023**	**01/01/2024 – 06/30/2024**	**01/01/2023 – 06/30/2023**	
Order backlog	55,253	62,512	126,464	124,028	32,794	37,817	
Incoming orders (consolidated)	44,235	43,001	164,845	177,540	66,420	68,243	
Sales revenues	45,905	52,376	140,835	166,207	66,235	73,560	
of which with other segments	0	0	63	9	42	0	
Depreciation and amortisation (annual accounts)	1,143	1,048	2,711	2,466	2,057	2,191	
EBIT	1,645	5,136	5,759	17,371	4,109	6,695	
Investments	1,098	2,937	2,575	3,555	624	1,883	
Employees (number / reporting date)	505	531	859	834	488	507	

	Currency adjustment item	Revaluation of pensions	Hedging instruments	Total	Minority interests in corporations	Equity
	– 1,107	**– 2,011**	**4**	**264,600**	**10,106**	**274,706**
				– 10,839	– 792	– 11,631
				1,016		1,016
				– 3,371	– 3,386	– 6,757
	– 941	323	15	13,700	461	14,161
	– 2,048	**– 1,688**	**19**	**265,106**	**6,389**	**271,495**
	– 2,117	**– 1,510**	**13**	**271,719**	**5,935**	**277,654**
				– 4,131	– 810	– 4,941
				– 8,899		– 8,899
	366	0	– 160	2,225	804	3,029
	– 1,751	**– 1,510**	**– 147**	**260,914**	**5,929**	**266,843**

	GESCO SE / other companies		Reconciliation		Group	
	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023	01/01/2024 – 06/30/2024	01/01/2023 – 06/30/2023
	0	0	0	0	214,511	224,357
	0	0	0	1	275,500	288,785
	1,273	1,272	– 1,403	– 1,280	252,845	292,135
	1,273	1,272	– 1,378	– 1,281	0	0
	27	41	3,172	3,098	9,110	8,844
	– 3,943	– 4,213	– 1,002	– 2,145	6,568	22,844
	34	0	530	644	4,861	9,019
	17	17	0	0	1,869	1,889

Explanatory notes

The report on the first half of financial year 2024 (1 January to 30 June 2024) of GESCO Group was prepared on the basis of the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB). It has been prepared in accordance with IAS 34.

Unless otherwise stated, the accounting and valuation principles applied correspond to those of the consolidated financial statements as at 31 December 2023. The preparation of the financial statements is influenced by recognition and valuation methods as well as assumptions and estimates that affect the amount and presentation of the assets, liabilities and contingent liabilities recognised as well as the income and expense items. Revenue-dependent items are recognised on an accrual basis during the year.

Application and effects of new and amended standards

The following new or amended standards are mandatory for the first time in the reporting year:

- IAS 7: Supplier Financing Arrangements (Amendment to IAS 7 and IFRS 7)
- IAS 1: Classification of liabilities as current or non-current; non-current liabilities with ancillary conditions (amendment to IAS 1)
- IFRS 16: Lease liability in a sale and leaseback transaction (amendment to IFRS 16)

The standards to be applied from 1 January 2024 have no material impact on the financial statements of GESCO. The other standards to be applied in the future are not expected to have a material impact on the Group's financial statements.

Changes in the scope of consolidation / business combinations in accordance with IFRS 3

There were no changes in the scope of consolidation / business combinations in accordance with IFRS 3 in the first half of 2024.

Transactions with related companies and persons

The Chairman of the Supervisory Board, Stefan Heimöller, maintains a small number of business relationships with Dörrenberg Edelstahl GmbH and SVT GmbH via his company Platestahl Umformtechnik GmbH. The business relationships are conducted at arm's length conditions.

Audit review

The condensed half-year financial statements as at 30 June 2024, the interim management report and the adjusted prior-year figures are neither audited in accordance with Section 317 HGB nor reviewed by an auditor.

Disclosures on financial instruments

in T€	Carrying amount 06/30/2024	Not within the scope of IFRS 9	Application of IFRS 9	Thereof at fair value	Thereof at amortised cost
Financial assets	12,509	2,607	9,902	156	9,746
Receivables	82,306	0	82,306	0	82,306
Other assets	8,608	4,742	3,866	0	3,866
Cash and cash equivalents	36,936	0	36,936	0	36,936
Financial assets	**140,359**	**7,349**	**133,010**	**156**	**132,854**
Liabilities to banks	91,952	0	91,952	0	91,952
Leasing liabilities	16,723	16,723	0	0	0
Liabilities from deliveries and services	27,681	0	27,681	0	27,681
Other liabilities	38,265	9,845	28,420	211	28,209
Financial debts	**174,621**	**26,568**	**148,053**	**211**	**147,842**

in T€	Carrying amount 12/31/2023	Not within the scope of IFRS 9	Application of IFRS 9	Thereof at fair value	Thereof at amortised cost
Financial assets	12,821	2,920	9,901	3	9,898
Receivables	73,080	0	73,080	0	73,080
Other assets	8,856	5,523	3,333	18	3,315
Cash and cash equivalents	34,464	0	34,464	0	34,464
Financial assets	**129,221**	**8,443**	**120,778**	**21**	**120,757**
Liabilities to banks	87,068	0	87,068	0	87,068
Leasing liabilities	18,007	18,007	0	0	0
Liabilities from deliveries and services	11,817	0	11,817	0	11,817
Other liabilities	38,229	13,214	25,015	0	25,015
Financial debts	**155,121**	**31,221**	**123,900**	**0**	**123,900**

Assignment of financial instruments to categories according to IFRS 9

in T€	Carrying amount		Net earnings in other comprehensive income		Net earnings in the income statement	
Category IFRS 9	**06/30/2024**	**12/31/2023**	**06/30/2024**	**12/31/2023**	**06/30/2024**	**12/31/2023**
Financial assets measured at fair value through profit or loss	156	174	0	0	0	0
Financial assets measured at fair value through other comprehensive income	0	18	0	0	0	0
Financial assets measured at cost	132,854	120,540	0	0	212	560
Financial assets	**133,010**	**120,732**	**0**	**0**	**212**	**560**
Financial liabilities measured at fair value through other comprehensive income	211	0	211	0	0	0
Financial liabilities measured at cost	147,842	123,901	0	0	– 2,502	– 4,385
Financial debts	**148,053**	**123,901**	**211**	**0**	**– 2,502**	**– 4,385**

Insurance of the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group. The interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

GESCO SE
The Executive Board

Wuppertal, August 2024

Financial calendar

13 August 2024
Publication of the
half-year financial report 2024

02 – 03 September 2024
Autumn conference
(Equity Forum) Frankfurt

23 – 26 September 2024
Baader Investment Conference
Munich

12 November 2024
Publication of
quarterly statement Q3 / 2023

15 – 16 November 2024
36th MKK – Munich
Capital Market Conference

25 – 27 November 2024
German Equity Forum
Frankfurt

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If you would like to receive regular information, please let us know by e-mail or telephone. Or use the order function on our website at: www.gesco.de/en/investor-relations/service-ir-contact.
We will gladly add you to our permanent mailing list.

Important note:

This half-year financial report contains forward-looking statements that are based on the current assumptions and forecasts of the Executive Board of GESCO SE. These statements are therefore subject to risks and uncertainties. The actual results and business development of GESCO SE and GESCO Group may differ materially from the estimates given in this interim statement. GESCO SE assumes no obligation to update such forward-looking statements or to conform them to future events or developments.

This 6-month report is also available in English; in the event of deviations, the German version of the 6-month report shall prevail.

www.gesco.de