



HALF-YEAR FINANCIAL REPORT 2022

GAZTRANSPORT & TECHNIGAZ

A *société anonyme* (joint stock limited liability company) with a Board of Directors with share capital of **370,783.57 euros**.

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DECLARATION BY THE PERSON RESPONSIBLE

"I certify, to the best of my knowledge, that the financial information prepared in accordance with IFRS for the past half-year has been prepared in accordance with the applicable accounting standards and gives a true and fair view of the Group's assets, financial position and results, and that the accompanying half-year activity report presents a true and fair view of the significant events that occurred during the first six months of the financial year, their impact on the financial statements, the main related-party transactions as well as a description of the main risks and uncertainties for the remaining six months of the financial year."

July 28, 2022

Philippe Berterottière, Chairman and CEO.

HALF-YEAR ACTIVITY REPORT

HIGHLIGHTS OF THE FIRST-HALF

1/ Business activity

On January 1, 2022, GTT's order book excluding LNG as fuel comprised 161 units, and subsequently changed as follows:

- Deliveries completed: 15 LNG carriers, 4 ethane carriers, 1 FLNG
- Orders received: 88 LNG carriers

At June 30, 2022, the order book excluding LNG as fuel stood at 229 units, breaking down as follows:

- 210 LNG carriers
- 2 ethane carriers
- 2 FSUs
- 3 GBSs
- 12 onshore storage tanks

Regarding LNG as fuel, with the deliveries of two ultra-large container ships and orders for 38 container ships, the number of vessels in the order book stood at 68 units at June 30, 2022..

- Record order intake for LNG carriers

In the first half of 2022, GTT booked 88 orders for LNG carriers, continuing the excellent sales momentum achieved in Q1 2022. Delivery is scheduled between Q3 2024 and Q2 2027. It should be noted that orders for projects in Qatar amounted to 24 vessels in the first half of the year.

- New record for fitting LNG-powered vessels

Following the record number of orders received in 2021 (27 vessels), GTT received 38 orders for LNG-powered vessels in the first half of 2022, confirming another record year in this segment. These orders were received from various Chinese and Korean shipyards on behalf of several major global ship-owners. Delivery of the vessels is scheduled between Q1 2024 and Q1 2026.

- Smart Shipping: flagship contract signed

GTT has signed a contract with a major player in the liquefied gas transport industry for GTT Digital to fit over 30 vessels with Smart Shipping solutions. The contract includes the installation and activation of sensors, automatic data collection systems and smart software to manage and optimise the vessels' energy and environmental performance. It also provides for the regular intervention of GTT Digital experts to carry out customised data analysis and produce dedicated operational reporting.

- Elogen reaches new key milestones in its development

Three key partnerships have been signed to facilitate Elogen's international development:

- Exclusive collaborative agreement with HIFraser Group to market and supply electrolysers in Australia and New Zealand for the production of green hydrogen. HIFraser will locally assemble

the BOP¹ for Elogen's electrolyzers and adapt them to Australian standards and local customer requirements.

- Collaboration agreement between Elogen and Valmax Technology Corporation for the supply of electrolyzers in South Korea. Valmax will locally assemble the BOP¹ for Elogen's electrolyzers and will work with local certification bodies, such as the Korea Gas Safety Corporation, in order to obtain approval and install the electrolyzers.
- Non-binding letter of intent with Charbone Hydrogen Corporation (Charbone) to enter into a long-term framework supply agreement no later than November 30, 2022. Under the terms of the agreement, Elogen will supply Charbone with PEM² electrolyzers for a capacity of up to 100 megawatts over a four-year period (2023-2026) for Charbone's green hydrogen projects in North America.

On July 15, 2022, Elogen's "gigafactory" and R&D reinforcement project was selected by the European Commission to form part of the Hydrogen IPCEI³. As a reminder, the Elogen "gigafactory" will start production in 2025 with a production capacity of 1 GW.

Finally, in July, Elogen was selected by Symbio to supply an electrolyser with an initial capacity of 2.5 MW for Symbio's new fuel cell plant. This new contract represents an important milestone for Elogen, as it highlights the company's ability to deploy its technologies on multi-megawatt capacities for large industrial projects.

- Development of new technologies - GTT once again leading the way in number of patents filed

In 2021, for the third year in a row, GTT ranked first in the list of medium-sized companies filing patents published by the INPI. This ranking highlights GTT's outstanding innovative momentum.

In the first half of 2022, GTT received numerous approvals from classification bodies:

- In March and April 2022, GTT received several approvals in principle in the field of LNG as fuel, including from Bureau Veritas for a new LNG conversion concept for very large container ships, from ClassNK for a new design of LNG fuel tank with 2 bar gauge pressure applicable to Ro-Ro vessels (PCTC)⁴ as well as LNG-powered cruise ships fitted with a Mark III membrane tank, and lastly from DNV for an innovative design for an LNG-powered PCTC Ro-Ro vessel.
- In the second quarter, GTT received further approvals in principle, including from Lloyd's Register for its future NEXT1 containment system and from Bureau Veritas for Shear-Water, a ballast-free bunker vessel concept for LNG bunkering and refuelling vessels.
- Finally, late July 2022 GTT obtained approvals in principle from DNV for the containment system for the transport of liquid hydrogen and for the concept of a "hydrogen carrier" vessel. These approvals in principle were obtained in the framework of the partnership with Shell announced early 2022 and reflect the success of this project.

¹ Balance of Plant: electrical, piping and other mechanical installations.

² Proton Exchange Membrane.

³ Important Project of Common European Interest.

⁴ PCTC: Pure Car and Truck Carriers

2/ Combined Shareholders' Meeting

The combined shareholders' annual general meeting (AGM) of GTT (Gaztransport & Technigaz) met on 31 May 2022, under the chairmanship of Philippe Berterottière, Chairman and CEO of GTT.

All resolutions submitted to the Annual General Meeting (AGM) were approved.

The shareholders approved in particular the financial statements for the fiscal year 2021 and the payment of a dividend of 3.10 euros per share, it being specified that an interim dividend amounting to 1.35 euro was paid on November 5, 2021.

The AGM ratified the co-option of Ms. Catherine Ronge and Ms. Florence Fouquet as Directors and approved the nomination of Mr. Pascal Macioce as Director. It also approved the renewal of the term of office of Mr. Philippe Berterottière.

The AGM approved the information stipulated in Article L. 22-10-9, I. of the French Commercial Code provided in the report of corporate governance. It also approved the elements of the compensation paid or allocated to the Chairman and Chief Executive Officer for the year ended, as well as the policy on compensation of the Chairman and Chief Executive Officer and of the members of the Board of Directors for the year 2022.

Finally, the AGM approved several financial authorisations given to the Board of directors.

In addition, following this General Meeting, the Board of directors met and reappointed Mr. Philippe Berterottière as Chairman and Chief Executive Officer for a period of two years, at the end of which the Board will separate the functions of Chairman and Chief Executive Officer.

On May 20, 2022, the Board of Directors also co-opted Ms. Carolle Foissaud as a Director, effective May 31, 2022, prior to the General Meeting, to replace Ms. Isabelle Boccon Gibod, who resigned. This appointment (for the remainder of the term of office, i.e. until the 2024 General Meeting) will be submitted to the shareholders for ratification at the next General Meeting (in 2023).

The Board of directors is composed of 9 Directors, of which 4 are women (i.e. 44.5%), and 5 are independent (i.e. 55.5%):

- Philippe Berterottière, Chairman of the Board
- Carolle Foissaud, Independent Director
- Florence Fouquet, Director
- Christian Germa, Independent Director
- Pierre Guiollot, Director
- Pascal Macioce, Independent Director
- Sandra Roche-Vu Quang, Director
- Catherine Ronge, Independent Director
- Antoine Rostand, Independent Director

In addition, Mr. Benoît Mignard, non-voting member, has resigned with effect from May 31, 2022.

The Board of Directors is thus in accordance with the recommendations of the AFEP-MEDEF Code at the date of the General Meeting.

SUBSIDIARIES' ACTIVITY

Cryovision, a GTT subsidiary created in 2012, offers innovative services to ship-owners and vessel operators. Cryovision' markets Non-Destructive Tests of Cryogenic Containment Systems with GTT membranes, in particular by thermal camera (TAMI) during commercial vessel operations and by Acoustic Emission method in repair shipyards. Since 2021, Cryovision has also conducted tightness testing on vessels using NO96 technology (Global Test). During the first half of 2022, although subject to increased competition, Cryovision's activity was supported with TAMI inspections carried out on 36 tanks, acoustic emission tests carried out on nine tanks, secondary barrier tightness (SBTT) carried out on seven tanks, global tests carried out on four tanks.

GTT North America, created in 2013, continues its business development activities in the Americas. In the first half of the year, it signed contracts for engineering studies of refilling vessels (FSRUs), some of which are critical to the energy security of some European countries and maintenance services of LNG carriers.

GTT Training Ltd, a subsidiary created in 2014, continues to offer all training services, including simulator courses "online". In first semester 2022, a major order for the installation of a simulator, the development of new models and training services was received from a major cruise ship operator.

GTT South East Asia (GTT SEA), a GTT subsidiary established in Singapore since 2015, carries out commercial development activities on behalf of the Group in the Asia-Pacific region.

GTT's presence in Singapore enables better collaboration with key players in countries such as Singapore, Indonesia, Malaysia and Japan, where the LNG bunkering markets and small-scale LNG chains are promising. In addition, the Singapore office extended its geographic coverage to South Korea in early 2021.

Ascenz has historically been recognised as a leading operator for the transparency, traceability and reliability of ship bunkering and fuelling operations. Since the acquisition by GTT, Ascenz offers dedicated solutions to LNG carriers to manage LNG sloshing and LNG evaporation (BOG) in the tanks. Ascenz has its own brand of Flowmet™ mass flow meters.

Marorka designs travel management, operational reporting and energy performance optimisation systems for vessels, thereby saving money and reducing their environmental footprint. The solution addresses all sources of inefficiencies such as speed, trim, hull condition, engine balance, etc. The company also offers managed services to proactively provide continuous performance analysis and real-time performance improvement advice.

Activity in the first half of the year was notably marked by the signing of a sizeable contract with a major liquified gas transport player for a fleet of more than thirty vessels.

OSE, the GTT Group's centre of expertise in digital intelligence, continues to grow in maritime transport sector and particularly in services for smart shipping.

Moreover, OSE has considerably developed its know-how and its customer portfolio on autonomous systems and decision support solutions for the management of complex energy systems. OSE's customers include some of the biggest names in the shipbuilding and automotive industries

Elogen, a GTT subsidiary since October 2020, is the French leader in PEM (proton exchange membrane) electrolysis. Elogen designs and manufactures electrolyzers for the production of green hydrogen. During the first half of 2022, Elogen continued to ramp up its innovation with the creation of new R&D laboratories at its Ulis site. The "gigafactory" project and the strengthening of its R&D was selected by the European Commission as part of the Hydrogen Important Project of Common European Interest (PIIEC). New orders were received, in particular that of Storengy, the 2023 delivery of a 1 MW electrolyser for the Lescar project. Collaboration agreements for the marketing of green hydrogen solutions were signed with Valmax Technology Corporation in Korea and HiFraser Group in Australia and New Zealand. Lastly, Elogen signed a non-binding letter of intent with Corporation Charbone Hydrogène (Charbone) to supply PEM electrolyzers, for a total capacity of up to 100 megawatts over a period of four years (2023-2026), intended for Charbone's green hydrogen projects in North America.

ANALYSIS OF THE CONSOLIDATED RESULTS FOR THE FIRST HALF OF 2022

<i>In thousands of euros</i>	30/06/2022	30/06/2021	%
Revenues from operating activities	144,223	165,286	-12.7%
Other operating income	735	368	99.8%
Total operating income	144,958	165,654	-12.5%
Costs of sales	(5,957)	(4,762)	25.1%
External expenses	(28,757)	(30,566)	-5.9%
Personnel expenses	(34,590)	(33,319)	3.8%
Tax and duties	(1,925)	(2,354)	-18.2%
Depreciation, amortisations and provisions	(838)	(4,298)	-80.5%
Other operating expenses	3,046	2,496	22.0%
Operating income (EBIT)	75,937	92,851	-18.2%
EBIT margin on revenues (%)	52.7%	56.2%	
Financial income	330	61	438.9%
Share of profit (loss) of associates	-	-	
Profit before tax	76,267	92,912	-17.9%
Income tax	(12,575)	(16,348)	-23.1%
Net income	63,692	76,564	-16.8%
Net margin on revenues (%)	44.2%	46.3%	
Basic earnings per share (in euros)	1.73	2.07	-16.6%
<i>Calculated indicator</i>			
EBITDA	79,706	96,478	-17.4%
EBITDA margin on revenues (%)	55.3%	58.4%	
EBIT	75,937	92,851	-18.2%
EBITDA margin or EBITDA as a ratio of revenues	52.7%	56.2%	

Operating income before depreciation, amortisation and impairment of assets (EBITDA) reached 79.7 million euros in the first half of 2022, down 17.4% compared to the first half of 2021. The EBITDA margin on revenue increased from 58.4% in the first half of 2021 to 55.3% in the first half of 2022.

Operating income amounted to 75.9 million euros in the first half of 2022 compared to 92.9 million euros in the first half of 2021, a decrease of 18.2%.

Net income decreased from 76.6 million euros in the first half of 2021 to 63.7 million euros in the first half of 2022, and the net margin decreased from 46.3% to 44.2%.

The decrease in net income is mainly due to the 12.7% decrease in revenues over the period.

Change and distribution of revenues (see “Operating activities” in the income statement)

<i>In thousands of euros</i>	30/06/2022	30/06/2021	Change	%
Revenues	144,223	165,286	(21,063)	-12.7%
<i>Of which vessels under construction</i>	130,656	153,885	(23,229)	-15.1%
<i>LNG carriers/Ethane carriers</i>	112,704	132,542	(19,838)	-15.0%
<i>FSU</i>	10,202	5,851	4,351	74.4%
<i>FSRUs</i>	0	6,958	(6,958)	-100.0%
<i>FLNGs</i>	1,218	1,460	(242)	-16.6%
<i>Onshore storage tanks</i>	3,116	611	2,505	410.0%
<i>GBS</i>	2,292	1,719	573	33.3%
<i>Vessels fuelled by LNG</i>	1,124	4,745	(3,621)	-76.3%
Hydrogen	1,723	2,466	(743)	-30.1%
<i>From services</i>	11,844	8,935	2,909	32.6%
<i>Vessels in operation</i>	3,617	3,788	-171	-4.5%
<i>Digital Activity</i>	3,540	2,199	1,341	61.0%
<i>Accreditation</i>	1,238	1,738	(500)	-28.8%
<i>Studies</i>	3,168	856	2,312	270.1%
<i>Training</i>	281	354	(73)	-20.6%

Revenues increased from 165,286 thousand euros in the first half of 2021 to 144,223 thousand euros in the first half of 2022, i.e. a decrease of 12.7% over the period.

Revenues from vessels under construction amounted to 130,656 thousand euros:

- LNG/ethane tanker revenues (nearly 80% of total Group revenues) is down by 15.1% and decreased to 112,704 thousand euros, related to the decrease in the volume of vessels under construction.
- Revenues from FSU (Floating Storage Unit) orders amounted to 10,202 thousand euros in the first half of 2022.
- Revenues from FSRU orders (Floating Storage and Regasification Unit) is zero due to the delivery of vessels in 2021.
- Revenues from FLNG orders (Floating LNG) amounted to 1,218 thousand euros in the first half of 2022.
- Revenues from Onshore Storage Tanks amounted to 3,116 thousand euros in the first half of 2022.
- Revenues from GBS (Gravity Based Structure) amounted to 2,292 thousand euros in the first half of 2022.
- Revenues from the LNG fuel activity amounted to 1,124 thousand euros in the first half of 2022.

Revenues from Elogen’s electrolyzers activity amounted to 1,723 thousand euros in the first half of 2022.

Revenues from the Services activity (8% of the Group's revenues) increased by 32.6%, from 8,935 thousand euros in the first half of 2021 to 11,844 thousand euros in the first half of 2022. This increase is due to the momentum of the maintenance, studies and digital subsidiaries.

Composition of GTT's operating income

External expenses

<i>In thousands of euros</i>	30/06/2022	30/06/2021	%
Tests and studies	4,028	6,246	-35.5%
Sub-contracting	8,676	8,198	5.8%
Fees	4,781	6,061	-21.1%
Leasing, maintenance and insurance	3,252	3,778	-13.9%
Transport, travel and reception expenses	4,231	3,035	39.4%
Others	3,788	3,248	16.6%
EXTERNAL EXPENSES	28,757	30,566	-5.9%
% of revenues from operating activities	19.9%	18.5%	

The Group's external expenses decreased compared to last year, from 30,566 thousand euros in the first half of 2021 to 28,757 thousand euros in the first half of 2022. The decrease in tests and studies and fees of 2,218 thousand euros and 1,280 thousand euros, respectively made it possible to offset the increase in subcontracting and transport, travel and reception costs.

Personnel expenses

<i>In thousands of euros</i>	30/06/2022	30/06/2021	%
Wages, salaries and payroll taxes	29,598	28,033	5.6%
Share-based payments	1,189	918	29.5%
Profit-sharing and incentives scheme	3,803	4,368	-12.9%
PERSONNEL EXPENSES	34,590	33,319	3.8%
% of revenues from operating activities	24.0%	20.2%	

Personnel expenses were up by 1,271 thousand euros compared to last year. This increase is due to the increase in the subsidiaries's headcount.

Depreciation, amortisation and provisions

<i>In thousands of euros</i>	30/06/2022	30/06/2021	%
Allocations for depreciation of fixed assets	3,768	3,627	3.9%
Allocations (reversals) to provisions	(1,467)	671	-318.8%
Allocations (reversals) for impairments of fixed assets	(1,463)	-	N/A
ALLOCATIONS TO DEPRECIATION, AMORTISATION AND PROVISIONS	838	4,298	

Net allocations to depreciation, amortisation and provisions dropped by 3,460 thousand euros. This decrease is mainly due to the reversal of provisions for 2,138 thousand euros and the reversal of

impairment on fully impaired intangible assets and disposed of during the first half of 2022 for 1,463 thousand euros. Allocations for depreciation of fixed assets increased slightly over the period (3.9%).

Other operating income and expenses

<i>In thousands of euros</i>	30/06/2022	30/06/2021	%
Research tax credit	3,099	2,496	24.2%
Other operating income (expenses)	(53)		N/A
OTHER OPERATING INCOME AND EXPENSES	3,046	2,496	

Other operating income and expenses mainly comprise the research tax credit, whose recognised amount of 3,099 thousand euros is an estimate of the expense for the current year, to which adjustments from previous years are added. The estimate is based on projects considered eligible according to the research tax credit criteria.

Change in operating profit (EBIT) and EBITDA

<i>In thousands of euros</i>	30/06/2022	30/06/2021	%
EBITDA	79,706	96,478	-17.4%
EBITDA margin (%) – EBITDA as a ratio of revenues	55.3%	58.4%	
EBIT/Operating income	75,937	92,851	-18.2%
EBIT margin (%) – EBIT or operating income as a ratio of revenues	52.7%	56.2%	

The Group's EBIT dropped from 92,851 thousand euros in the first half of 2021 to 75,937 thousand euros in the first half of 2022, a decrease of 18.2%. The change in EBITDA (-17.4%) is in line with that of EBIT over the same period, dropping from 96,478 thousand euros in the first half of 2021 to 79,706 thousand euros in the first half of 2022.

The EBIT margin and the EBITDA margin were 52.7% and 55.3% respectively, down compared to the previous period, mainly due to the decrease in royalty revenues.

Composition of GTT's net income and earnings per share

<i>In €</i>	30/06/2022	30/06/2021
Net income (in euros)	63,691,754	76,564,082
Weighted average number of shares outstanding (excluding treasury shares)	36,887,043	36,960,391
Number of diluted shares	37,076,410	37,158,941
BASIC EARNINGS PER SHARE (IN EUROS)	1.73	2.07
DILUTED EARNINGS PER SHARE (IN EUROS)	1.72	2.06

The Group's net income decreased from 76,564 thousand euros in the first half of 2021 to 63,692 thousand euros in the first half of 2022, taking into account the items presented above.

In the first half of 2022, earnings per share were calculated based on share capital made up of 36,887,043 shares, which corresponds to the weighted average number of ordinary shares outstanding excluding treasury shares during the period.

Therefore, earnings per share decreased from 2.07 euros to 1.73 euros over the period.

Diluted earnings per share are calculated by taking into account the free share allocations decided by the Group. Diluted earnings per share decreased from 2.06 euros in the first half of 2021 to 1.72 euros in the first half of 2022.

GTT BALANCE SHEET ANALYSIS

Non-current assets

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Intangible assets	13,703	10,404
Goodwill	15,365	15,365
Property, plant and equipment	31,936	30,830
Non-current financial assets	4,685	4,912
Deferred tax assets	2,612	3,799
NON-CURRENT ASSETS	68,301	65,310

The change in non-current assets between December 31, 2021 and June 30, 2022 of 2,990 thousand euros mainly results from (i) the increase in intangible assets of 3,298 thousand euros and (ii) an increase in property, plant and equipment of 1,106 thousand euros.

Current assets

<i>In thousands of euros</i>	30/06/2022	31/12/2021	Change	%
Inventories	11,718	9,602	2,116	22.0%
Customers	80,871	41,708	39,162	93.9%
Trade receivables – Contract assets	23,375	29,055	(5,680)	19.5%
Current tax receivable	33,131	44,543	(11,412)	25.6%
Other current assets	20,824	18,821	2,004	10.6%
Current financial assets	44	41	3	8.3%
Cash and cash equivalents	168,242	203,804	(35,563)	17.4%
CURRENT ASSETS	338,205	347,574	(9,369)	-2.7%

Current assets decreased by 9,369 thousand euros between December 31, 2021 and June 30, 2022.

This change is mainly due to the decrease in cash of 35,563 thousand euros and tax receivables of 11,412 thousand euros offset by the increase in trade receivables and contract assets of 33,482 thousand euros.

Total equity

<i>In thousands of euros</i>	30/06/2022	31/12/2021	Change
Share capital	371	371	-
Share premium	2,932	2,932	-
Treasury shares	(13,565)	(13,559)	(6)
Reserves	196,603	124,412	72,191
Revenue	63,667	134,074	(70,408)
Total equity – Group share	250,007	248,230	1,777
Total equity – share attributable to non-controlling interests	32	8	25
Total equity	250,040	248,238	1,801

Shareholders' equity was stable (+0.7%) between December 31, 2021 (248,238 thousand euros) and June 30, 2022 (250,040 thousand euros). The payment of the final 2021 dividend of 64,553 thousand euros was offset by the results of the first half of 2022.

Non-current liabilities

<i>In thousands of euros</i>	30/06/2022	31/12/2021	%
Non-current provisions	13,732	14,903	-7.9%
Financial liabilities – non-current part	3,818	3,954	-3.4%
Deferred tax liabilities	179	106	68.6%
NON-CURRENT LIABILITIES	17,728	18,963	-6.5%

Provisions at June 30, 2022 mainly consist of:

- a provision corresponding to a risk on a construction project for 2,411 thousand euros;
- a provision of 9,521 million euros for the administrative fine as part of the KFTC (Korea Fair Trade Commission) investigation;
- a provision for retirement benefits of 1,625 thousand euros.

Financial liabilities – non-current part mainly consist of:

- residual liabilities for past acquisitions linked to earn-outs conditional on the achievement of pre-defined objectives;
- a debt of 798 thousand euros related to the IFRS 16 treatment of real estate contracts

Current liabilities

<i>In thousands of euros</i>	30/06/2022	31/12/2021	Change
Current provisions	4,314	7,364	-41.4%
Suppliers	19,360	21,554	-10.2%
Current tax debts	5,410	2,173	149.0%
Current financial liabilities	341	588	-42.0%
Other current non-financial liabilities	109,314	114,004	-4.1%
Current liabilities	138,739	145,683	-4.8%

This balance sheet item decreased from 145,683 thousand euros at December 31, 2021 to 138,739 thousand euros at June 30, 2022.

Provisions – current portion consist of provisions for litigation and provisions for losses on completion, which decreased by 3,050 thousand euros over the period.

The Group recognises this type of provision when the estimated margin on a given project is judged to be negative.

Trade payables decreased by 2,193 thousand euros.

Current financial liabilities mainly correspond to the classification at less than one year of a debt of 245 thousand euros related to the IFRS 16 treatment of real estate contracts.

Other current non-financial liabilities decreased by 4,690 thousand euros mainly due to the decrease in contract liabilities (1,691 thousand euros) and a decrease in tax and social security liabilities (3,680 thousand euros) offset by the increase in advances and down payments received for 644 thousand euros.

UPDATE ON RUSSIAN EXPOSURE

Work on projects in which the Group is involved in Russia is currently continuing, in compliance with the applicable sanction regimes.

In Russia, the Group is involved in tank design for 15 ice-breaker LNG carriers currently being built at the Zvezda Shipbuilding Complex (Zvezda), as well as in the design of 3 GBSs currently under construction at Saren B.V. At July 1, 2022, €78 million of revenues has yet to be recognised in respect of the ice-breaker LNG carriers by 2025, including €11 million in 2022, while €13 million of revenues has yet to be recognised in respect of the GBSs by 2026, including €3 million in 2022.

Given the increasing impact of international sanctions on LNG liquefaction projects in Russia, the continuation and successful execution of these contracts are exposed to risks of postponement or cancellation. In particular, the Group notes that sanctions are affecting Russian imports of certain products and equipment used in current projects, including the Zvezda project. Furthermore, GTT was notified in July by Saren B.V. of its intention to terminate the contract between them. In this context,

GTT is investigating solutions to ensure the proper implementation and integrity of its technology, in strict compliance with applicable international sanctions.

As a reminder, other orders in progress in Asian shipyards for six ice-breaker LNG carriers and two FSUs are specifically intended for Russian Arctic projects. These projects are currently proceeding according to plan. At July 1, 2022, for GTT these orders represent a total of €38 million in revenues to be recognised by 2023, including €17 million in 2022.

Finally, eight conventional LNG carriers ordered by international ship-owners, under construction in Asian shipyards, are intended for the Arctic LNG2 project, but can operate in all types of conditions.

OUTLOOK FOR 2022

In its 2021 annual results press release dated February 17, 2022, the Group issued the following targets for 2022, assuming no significant order deferrals or cancellations:

- consolidated revenues between €290 million and €320 million,
- consolidated EBITDA between €140 million and €170 million,
- a dividend amount for the 2022 financial year at least equivalent to the 2021 dividend.

Given the first half delays in some shipbuilding schedules, the Group now expects these figures to reach the lower half of the ranges of revenues and EBITDA announced in February.

The crisis has also highlighted the global scale of gas demand, the need for European countries to achieve energy independence in respect of Russia and, more specifically, the strategic importance of maritime transport of LNG, GTT's core business.

In the longer term, the Group should benefit from the current strong order momentum and expects to achieve significantly higher revenues and earnings from 2023 onwards versus 2022.

INTERIM DIVIDEND

On July 28, 2022, the Board of Directors decided on the distribution of an interim dividend of €1.55 per share for the 2022 financial year, to be paid in cash according to the following schedule:

- December 13, 2022: Ex-dividend date;
- December 15, 2022: Payment date.

RELATED-PARTY TRANSACTIONS

During the first half of 2022, there were no related-party transactions that could have a material impact on the Group's financial position or results; similarly, no change in related-party transactions likely to have a material impact on the financial position or results the Group did not occur during this period.

RISK FACTORS

The Group's activities are exposed to certain macroeconomic and sectoral, operational, market, industrial, environmental and legal risk factors. The main risk factors that the Group may face are detailed in the "Risk factors" section of the 2021 Universal Registration Document, filed with the AMF on April 25, 2022.

RUSSIA

Update of the following paragraph:

2.2.2.2 Economic environment

2.2.2.2.1 Risks related to economic or political factors (***)

The Group is involved in several projects in Russia, on behalf of Russian customers, whether direct shipyard customers, or indirect customers, ship-owners, charterers or gas companies. As of the date of this Half-Year Financial Report, GTT has 6 employees seconded to Russia. The Group is involved in the design of tanks for 15 icebreaker LNG carriers under construction by the Zvezda Shipbuilding Complex (Zvezda), as well as three GBS being built by Saren BV. At July 1, 2022, 78 million euros in revenue remained to be recognised for the icebreaker LNG carriers by 2025, including 11 million euros in 2022, and 13 million euros in revenue to be recognised for the GBS by 2026, including 3 million euros in 2022.

Other orders in progress in Asian shipyards and specifically dedicated to Russian Arctic projects include six ice-breaker LNG carriers and two FSUs. These projects are currently proceeding according to plan. At July 1, 2022, these represented a total of 38 million euros in revenue for GTT to be recognised by 2023, including 17 million euros in 2022.

Lastly, eight conventional LNG carriers ordered by international ship-owners, currently being built in Asian shipyards, are intended for Arctic LNG 2 projects but are able to operate in all types of conditions.

Since July 2014, then from February 2022, numerous sanctions targeting Russia have been adopted by the European Union, the United States of America and other jurisdictions. GTT closely monitors the evolution of sanctions and their potential consequences, direct and indirect, on projects in Russia. GTT continues its activities there in accordance with the applicable sanctions regimes.

The Group notes that existing international sanctions are increasingly affecting LNG liquefaction projects in Russia and that the continuation and successful performance of these contracts are exposed to risks of postponement or cancellation. In particular, the Group notes that the sanctions have an impact on the importation into Russia of certain products or equipment used as part of ongoing projects, particularly on Zvezda shipyard. Furthermore, GTT was notified in July by Saren B.V. of its intention to terminate the contract between them. In this context, GTT is investigating solutions to ensure the proper implementation and integrity of its technology, in strict compliance with applicable international sanctions.

Although at the date of this document, the Group is not in a position to assess the risks of postponement or cancellation of the Russian projects in which it is involved, it considers there is a high probability they may be cancelled or postponed and this would have a medium negative impact.

CONDENSED HALF-YEAR FINANCIAL STATEMENTS

BALANCE SHEET

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Intangible assets	13,703	10,404
Goodwill	15,365	15,365
Property, plant and equipment	31,936	30,830
Non-current financial assets	4,685	4,912
Deferred tax assets	2,612	3,799
Non-current assets	68,301	65,310
Inventories	11,718	9,602
Customers	104,246	70,763
Current tax receivable	33,131	44,543
Other current assets	20,824	18,821
Current financial assets	44	41
Cash and cash equivalents	168,242	203,804
Current assets	338,205	347,574
TOTAL ASSETS	406,507	412,884

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Share capital	371	371
Share premium	2,932	2,932
Treasury shares	(13,565)	(13,559)
Reserves	196,603	124,412
Net income	63,667	134,074
Total equity – Group share	250,007	248,230
Total equity – share attributable to non-controlling interests	32	8
Total equity	250,040	248,238
Non-current provisions	13,732	14,903
Financial liabilities – non-current part	3,818	3,954
Deferred tax liabilities	179	106
Non-current liabilities	17,728	18,963
Current provisions	4,314	7,364
Suppliers	19,360	21,554
Current tax debts	5,410	2,173
Current financial liabilities	341	588
Other current liabilities	109,314	114,004
Current liabilities	138,739	145,683
TOTAL EQUITY AND LIABILITIES	406,507	412,884

COMPREHENSIVE INCOME

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Revenue from operating activities	144,223	165,286
Other operating income	735	368
Total operating income	144,958	165,654
Costs of sales	(5,957)	(4,762)
External expenses	(28,757)	(30,566)
Personnel expenses	(34,590)	(33,319)
Tax and duties	(1,925)	(2,354)
Depreciations, amortisations and provisions	(838)	(4,298)
Other operating income and expenses	3,046	2,496
Impairment following value tests	-	-
Operating profit	75,937	92,851
Financial income	330	61
Profit before tax	76,267	92,912
Income tax	(12,575)	(16,348)
Net income	63,692	76,564
Basic earnings per share (in euros)	1.73	2.07

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Net income	63,692	76,564
Items that will not be reclassified to profit or loss		
Actuarial gains and losses		
Gross amount	1,403	234
Deferred tax	(140)	(24)
Total amount, net of tax	1,263	210
Items that may be reclassified subsequently to profit or loss		
Conversion differences	0	10
Other items of comprehensive income	1,263	220
COMPREHENSIVE INCOME	64,955	76,784

CASH FLOW STATEMENT

<i>In thousands of euros</i>	30/06/2022	30/06/2021	Change
Company profit for the year	63,692	76,564	(12,872)
Removal of income and expenses with no cash impact			
Allocation (Reversal) of amortisation, depreciation, provisions and impairments	1,019	4,292	(3,273)
Proceeds on disposal of assets	53	-	53
Financial expense (income)	(330)	(61)	(269)
Tax expense (income) for the financial year	12,575	16,348	(3,773)
Free shares	1,409	918	491
Other income and expenses			-
Cash flow	78,418	98,061	(19,643)
Tax paid out in the financial year	3,190	194	2,995
Change in working capital requirement:			
- Inventories and works in progress	(2,116)	999	(3,116)
- Trade and other receivables	(33,241)	7,806	(41,047)
- Trade and other payables	(2,147)	(1,593)	(554)
- Other operating assets and liabilities	(7,054)	7,391	(14,445)
Net cash flow generated by the business (total I)	37,050	112,859	(75,809)
Investment operations			
Acquisition of non-current assets	(8,340)	(6,115)	(2,225)
Disposal of non-current assets	-	-	-
Control acquired on subsidiaries net of cash and cash equivalents acquired	(0)	(0)	(0)
Control lost on subsidiaries net of cash and cash equivalents sold	-	(56)	56
Financial investments	(2,135)	(47)	(2,088)
Disposal of financial assets	-	409	(409)
Treasury shares	26	(17,595)	17,621
Change in other fixed financial assets	2,147	3	2,144
Net cash flow from investment operations (total II)	(8,302)	(23,401)	15,099
Financing operations			
Dividends paid to shareholders	(64,553)	(65,951)	1,398
Capital increase	(32)	0	(32)
Repayment of financial liabilities	(343)	(1,671)	1,328
Increase of financial liabilities	34	542	(508)
Interest paid	19	(8)	27
Interest received	36	61	(25)
Change in bank overdrafts	-	-	-
Net cash flow from financing operations (total III)	(64,839)	(67,027)	2,188
Impact of changes in foreign exchange rates (IV)	529	35	494
Change in cash (I+II+III+IV)	(35,563)	22,466	(58,028)
Opening cash	203,804	141,744	62,061
Closing cash	168,242	164,209	4,032
Cash change	(35,563)	22,466	(58,028)

STATEMENT OF CHANGES IN EQUITY

<i>In thousands of euros</i>	Number of shares	Share capital	Share premium	Treasury shares	Reserves	Revenue	Conversion differences	Equity – Group Share	Minority interests	Total equity
As at January 1, 2021	37,071,013	371	2,932	(110)	42,252	198,878	-	244,323	(7)	244,317
Profit for the period						134,074		134,074	26	134,101
Other items of comprehensive income					591		83	674		674
Allocation of the profit from the previous financial year					198,878	(198,878)	-	-	-	-
(Purchases)/sales of treasury shares				(13,449)	(49)			(13,498)		(13,498)
Delivery of treasury shares to the beneficiaries				-	(3,734)			(3,734)		(3,734)
Share-based payments					2,117			2,117		2,117
Distribution of dividends					(115,744)			(115,744)		(115,744)
Others					17			17	(11)	6
Scope effects								-	-	-
As at December 31, 2021	36,927,632	371	2,932	(13,559)	124,328	134,074	83	248,230	8	248,238
Profit for the period						63,667		63,667	24	63,691
Other items of comprehensive income					1,263		0	1,263		1,263
Allocation of the profit from the previous financial year					134,074	(134,074)		-		-
(Purchases)/sales of treasury shares				(6)	29			23		23
Delivery of treasury shares to the beneficiaries				-	-			-		-
Share-based payments					1,409			1,409		1,409
Distribution of dividends					(64,553)			(64,553)		(64,553)
Others					(33)			(33)	1	(32)
Scope effects								-	-	-
As at June 30, 2022	36,887,043	371	2,932	(13,565)	196,517	63,667	83	250,006	33	250,039

NOTES TO THE FINANCIAL STATEMENTS

Note 1. GENERAL INFORMATION

Gaztransport & Technigaz – GTT is a Group whose parent company, Gaztransport & Technigaz SA, is a société anonyme (joint stock limited liability company) under French law, whose registered office is domiciled in France, at 1, route de Versailles, 78,470 Saint-Rémy-lès-Chevreuse.

GTT is an engineering group specialising in membrane containment systems used to transport and store liquefied gas, and in particular LNG (Liquefied Natural Gas). It offers engineering services, technical assistance and patent licenses for the construction of LNG tanks installed mainly on LNG carriers. The Group operates mainly with shipyards in Asia.

The Group presents its consolidated financial statements since December 31, 2017. These include the accounts of the parent company as well as those of its 21 subsidiaries: Cryovision, which offers maintenance services for vessels equipped with GTT membranes, GTT Training in charge of the Group's training activities, GTT North America, GTT South East Asia responsible for business development activities in their respective geographical areas, the Ascenz group comprising 11 entities specialising in the design of vessel performance optimisation systems, Marorka a company specialising in Smart Shipping, OSE Engineering specialising in artificial intelligence applied to transport, GTT Russia and GTT China in charge of operations services and Elogen, which includes two entities specialising in the design and manufacture of electrolyzers.

These financial statements are presented for the period beginning on January 1, 2022, and ending on June 30, 2022.

Note 2. ACCOUNTING RULES AND METHODS

2.1. Basis of preparation of the financial statements

The condensed half-year consolidated financial statements, for the six months to June 30, 2022, are presented and have been prepared on the basis of the provisions of IAS 34 "Interim Financial Reporting".

As these are interim financial statements, they do not include all the information required by IFRS for the preparation of financial statements. These notes must therefore be supplemented by GTT's financial statements published for the financial year ended December 31, 2021.

The financial statements are presented in thousands of euros, rounded to the nearest thousand euros, unless otherwise indicated.

The condensed financial statements have been prepared in accordance with the accounting principles and methods applied by the Group to the financial statements for the 2021 financial year (described in note 2 to the IFRS financial statements as at December 31, 2021) and supplemented by the following standards and amendments applicable from January 1, 2022:

Standard no.	Name
Amendments to IFRS 3	reference to the conceptual framework
Amendments to IAS 16	Property, plant and equipment: product prior to intended use
Amendments to IAS 37	Loss-making contracts - cost of performing a contract
Annual improvement of IFRS	Cycle 2018-2020

These standards, amendments and interpretations mandatory as of January 1, 2022 have no impact on financial statement of the Group.

The Group does not apply standards, amendments and interpretations published by the IASB but not yet adopted by the European Union.

Standard no.	Name
IFRS 17	Insurance contracts (including amendments)
Amendment to IAS 1	Presentation of the financial statements - Liabilities classification between current and non current
Amendment to IAS 1	Financial statement presentation - and practical application guide to materiality: "Disclosure initiative – Accounting policies"
Amendment to IAS 8	Accounting policies, changes in accounting estimates and errors: definition of accounting estimates.

2.2. Use of judgments and estimates

In preparing these financial statements in accordance with IFRS, Management has made judgments, estimates and assumptions that affect the carrying amount of assets and liabilities, income and expenses, and the information mentioned in some of the notes.

The financial statements and information subject to significant estimates mainly concern income from advances related to options, deferred tax assets, provisions for risks and retirement obligations.

The change in contract liabilities includes a more accurate estimation of additional discounts applied to a series of vessels based on future option orders (increase in revenue of € 5.5 million over the half year).

Note 3. EVENTS AFTER THE REPORTING PERIOD

GTT was notified in July by Saren B.V. of its intention to terminate the contract between them. In this context, GTT is investigating solutions to ensure the proper implementation and integrity of its technology, in strict compliance with applicable international sanctions.

There are no other significant events to report.

Note 4. Principal subsidiaries

Name	Activity	Country	30/06/2022	31/12/2021	30/06/2022	31/12/2021
Cryovision	Maintenance services	France	100.0	100.0	FC	FC
GTT Training	Training services	United Kingdom	100.0	100.0	FC	FC
GTT North America	Commercial office	United States of America	100.0	100.0	FC	FC
GTT SEA	Commercial office	Singapore	100.0	100.0	FC	FC
Ascenz	Holding	Singapore	100.0	100.0	FC	FC
Ascenz Solutions	On-board services	Singapore	100.0	100.0	FC	FC
Ascenz Solutions O&G	On-board services	Malaysia	100.0	100.0	FC	FC
Flowmet Pte Ltd.	Distribution of equipment	Singapore	70.0	70.0	FC	FC
Shinsei Co, Ltd.	Commercial office	Japan	51.0	51.0	FC	FC
Ascenz Solutions GmbH	Commercial office	Germany	100.0	100.0	FC	FC
Ascenz Taiwan Co. Ltd.	On-board services	Taiwan	100.0	100.0	FC	FC
Ascenz Korea Co. Ltd.	Commercial office	Korea	49.0	49.0	EM	EM
Ascenz Indonesia Pte Ltd.	On-board services	Singapore	50.0	50.0	EM	EM
Ascenz Myanmar Co. Ltd.	On-board services	Myanmar	99.99	99.99	FC	FC
Ascenz HK Co. Ltd.	Commercial office	Hong Kong	60.00	60.00	FC	FC
Marorka	On-board services	Iceland	100.00	100.0	FC	FC
OSE ENGINEERING	Engineering	France	100.00	100.0	FC	FC
GTT Russia	Services operations	Russia	100.00	100.0	FC	FC
GTT China	Commercial office	China	100.00	-	FC	-
Elogen France	Design, manufacture of electrolyzers	France	100.00	99.78	FC	FC
Areva H2Gen GmbH	Commercial office	Germany	100.00	99.78	FC	FC

INFORMATION RELATING TO THE INCOME STATEMENT

Note 5. OPERATING PROFIT

5.1. Personnel expenses

The amount of personnel expenses breaks down as follows:

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Wages, salaries and payroll taxes	29,598	28,033
Share-based payments	1,189	918
Profit-sharing and incentives scheme	3,803	4,368
PERSONNEL EXPENSES	34,590	33,319
% of revenues from operating activities	24.0%	20.2%

5.2. External expenses

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Tests and studies	4,028	6,246
Sub-contracting	8,676	8,198
Fees	4,781	6,061
Leasing, maintenance and insurance	3,252	3,778
Transport, travel and reception expenses	4,231	3,035
Others	3,788	3,248
EXTERNAL EXPENSES	28,757	30,566
% of revenues from operating activities	19.9%	18.5%

5.3. Depreciation, amortisation and provisions

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Allocations for depreciation of fixed assets	3,768	3,627
Allocations (reversals) to provisions	(1,467)	671
Allocations (reversals) for impairments of fixed assets	(1,463)	-
ALLOCATIONS TO DEPRECIATION, AMORTISATION AND PROVISIONS	838	4,298

Net allocations to depreciation, amortisation and provisions dropped by 3,460 thousand euros. This decrease is mainly due to the reversal of provisions for 2,138 thousand euros and the reversal of impairment on fully impaired intangible assets and disposed of during the first half of 2022 for 1,463 thousand euros.

Allocations for depreciation of fixed assets increased slightly over the period (3.9%).

Allocations/reversals to provisions mainly correspond to changes in provisions for employee litigation and provisions for losses on completion.

5.4. Other operating income and expenses

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Research tax credit	3,099	2,496
Other operating income (expenses)	(53)	
OTHER OPERATING INCOME AND EXPENSES	3,046	2,496

Other operating income and expenses" mainly consist of the Research Tax Credit for 3,099 thousand euros.

INFORMATION RELATING TO THE BALANCE SHEET

Note 6. FIXED ASSETS

6.1. Intangible assets

<i>In thousands of euros</i>	Software	Assets in progress	Others	Net value
Values as at 31/12/2020	1,180	700	3,012	4,891
Acquisitions/allocations	(249)	5,509	195	5,455
Disposals/reversals	-	-	-	-
Reclassifications	179	(179)	-	-
Other variations	1	13	45	58
Values as at 31/12/2021	1,110	6,042	3,252	10,404
Acquisitions/allocations	88	3,007	227	3,322
Disposals/reversals	-	(53)	-	(53)
Reclassifications	87	(222)	98	(37)
Other variations	0	14	52	66
Values as at 30/06/2022	1,285	8,788	3,629	13,703

The change in intangible assets in the first half-year corresponds to to the capitalisation of development costs that meet the capitalisation criteria of IAS 38 (paragraph 57).

6.2. Property, plant and equipment

<i>In thousands of euros</i>	Land and buildings	Technical installations	Assets in progress	Fixed assets under finance leases (IFRS 16)	Others (*)	Total
Gross value as at 31/12/2020	10,545	22,127	9,978	6,171	30,111	78,933
Acquisitions	-	1,429	5,498	706	1,776	9,409
Disposals	-	(1,239)	-	-	(50)	(1,289)
Reclassifications	-	3,239	(6,768)	-	3,518	(11)
Other variations	26	1	-	13	(0)	39
Gross value as at 31/12/2021	10,571	25,557	8,708	6,890	35,354	87,081
Acquisitions	-	598	2,340	-	1,194	4,132
Disposals	-	-	-	-	(75)	(75)
Reclassifications	-	835	(1,347)	-	512	-
Other variations	31	1	-	15	42	89
Gross value as at 30/06/2022	10,602	26,991	9,701	6,906	37,027	91,227
Accumulated depreciation as at 31/12/2020	(2,886)	(18,006)	-	(4,069)	(24,802)	(49,763)
Allocation	(406)	(1,744)	-	(1,362)	(2,991)	(6,503)
Reversal	-	12	-	-	32	44
Reclassifications	-	(390)	-	-	401	11
Other variations	(4)	(1)	-	(7)	(27)	(40)
Accumulated depreciation as at 31/12/2021	(3,297)	(20,129)	-	(5,438)	(27,387)	(56,251)
Allocation	(202)	(956)	-	(482)	(1,420)	(3,060)
Reversal	-	-	-	-	75	75
Reclassifications	-	-	-	-	-	-
Other variations	(5)	(1)	-	(11)	(38)	(55)
Accumulated depreciation as at 30/06/2022	(3,504)	(21,086)	-	(5,930)	(28,770)	(59,291)
Net value as at 31/12/2020	7,660	4,121	9,978	2,102	5,309	29,170
Net value as at 31/12/2021	7,275	5,428	8,708	1,452	7,967	30,830
NET VALUE AS AT 30/06/2022	7,098	5,905	9,701	975	8,257	31,936

(*) The "Others" category includes general installations and fittings and fixtures, furniture, office and IT equipment.

In the absence of external debt related to the construction of property, plant and equipment, no interest expense was capitalised in accordance with IAS 23 – Borrowing Costs.

The change in property, plant and equipment in the first half of the year is mainly due to investments in goods and equipment (plant, equipment and technical tooling) for 4,132 thousand euros, offset by allocations to depreciation and amortisation for 3,060 thousand euros.

Note 7. CURRENT AND NON-CURRENT FINANCIAL ASSETS

7.1. Current financial assets

<i>In thousands of euros</i>	Loans and receivables	Total
Values as at 31/12/2020	43	43
Acquisitions	-	-
Disposals	(3)	(3)
Reclassification as current	-	-
Other variations	0	0
Values as at 31/12/2021	41	41
Acquisitions	4	4
Disposals	(1)	(1)
Reclassification as current	-	-
Other variations	0	0
Values as at 30/06/2022	44	44

7.2. Non-current financial assets

<i>In thousands of euros</i>	Loans and receivables	Financial assets at fair value through profit or loss	Total
Values as at 31/12/2020	162	4,670	4,832
Acquisitions	106	-	106
Disposals	(86)	(54)	(140)
Other variations	7	106	113
Values as at 31/12/2021	189	4,722	4,911
Acquisitions	2,125	-	2,125
Disposals	(2,146)	-	(2,146)
Reclassification as current	-	26	26
Other variations	6	(238)	(232)
Values as at 30/06/2022	174	4,510	4,684

Note 8. WORKING CAPITAL REQUIREMENT

8.1 Trade receivables and other current assets

Gross value (in thousands of euros)	30/06/2022	31/12/2021	Change
Inventories	11,766	9,678	2,088
Trade and other receivables	83,399	44,347	39,052
Trade receivables – Contract assets	23,375	29,055	(5,680)
Trade and other operating receivables	13,699	12,271	1,427
Tax and social security receivables	4,019	4,759	(739)
Prepaid expenses	3,148	1,830	1,318
Total other current assets	20,865	18,860	2,006
TOTAL	139,406	101,940	37,466

Impairment (in thousands of euros)	30/06/2022	31/12/2021	Change
Inventories	(48)	(76)	28
Trade and other receivables	(2,529)	(2,639)	110
Non-current assets	-	-	-
Trade and other operating receivables	(41)	(39)	(2)
Tax and social security receivables	-	-	-
Other receivables	-	-	-
Prepaid expenses	-	-	-
Total other current assets	(41)	(39)	(2)
TOTAL	(2,618)	(2,754)	136

Net value (in thousands of euros)	30/06/2022	31/12/2021	Change
Inventories	11,718	9,602	2,116
Trade and other receivables	80,871	41,708	39,162
Trade receivables – Contract assets	23,375	29,055	(5,680)
Trade and other operating receivables	13,657	12,233	1,425
Tax and social security receivables	4,019	4,759	(739)
Other receivables	-	-	-
Prepaid expenses	3,148	1,830	1,318
Total other current assets	20,824	18,821	2,004
TOTAL	136,788	99,186	37,602

Current assets increased between December 31, 2021 and June 30, 2022 by 37,602 thousand euros.

This change is mainly due to the increase in trade receivables and contract assets of 33,482 thousand euros, inventories of 2,116 thousand euros, trade and other operating receivables of 1,425 thousand euros and finally prepaid expenses of 1,318 thousand euros.

The carrying amount of trade receivables corresponds to a reasonable approximation of their fair value.

The balance of trade and other operating receivables at 30 June 2022 includes the provisioned fine paid to the KFTC of EUR 9.6 million

8.2 Trade payables and other current liabilities

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Trade and other payables	19,360	21,554
Prepayments received	2,366	1,702
Tax and social security payables	26,088	29,769
Other debts	308	291
Contract liabilities	80,552	82,243
Total other current liabilities	109,314	114,004
TOTAL	128,674	135,558

Note 9. CASH AND CAHS EQUIVALENTS

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Marketable securities	10,612	15,482
Cash and cash equivalents	157,630	188,322
Cash in balance sheet	168,242	203,804
Bank overdrafts and equivalent	-	-
NET CASH POSITION	168,242	203,804

Marketable securities mainly comprise term accounts and medium-term notes (MTN), measured at fair value and meeting the criteria for classification as cash equivalents.

Note 10. TOTAL EQUITY

10.1. Share capital

As at June 30, 2022, the share capital was composed of 37,078,357 shares with a nominal unit value of 0.01 euro.

10.2. Dividends

The Shareholders' Meeting held on May 31, 2022 approved the payment of an ordinary dividend of 3.10 euros per share for the financial year ended December 31, 2021 payable in cash.

As an interim dividend of 49,796,061 euros was paid on November 5, 2021, the balance of 64,553,511 euros was paid on June 8, 2022.

10.3. Share-based payments

Allocation of Free Shares (AFS)

Allocation date (*)	Plan no.	Vesting period	Minimum lock-up period	Shares originally allocated	Share price on date of allocation	Fair value of the share in IFRS accounting	Expired shares	Shares allocated at the end of the vesting period	Existing shares as at June 30, 2022
29/11/2019	AGA no. 10	3 years	variable	53,621	€80	€66	11,400	-	42,221
02/06/2020	AGA no. 11	3 years	variable	52,000	€74	€56	8,200	-	43,800
27/05/2021	AGA no. 12	3 years	variable	62,446	€69	€47	100	-	62,346
10/06/2022	AGA no. 13	3 years	variable	41,000	€120	€101	0	-	41,000

(*) The allocation date corresponds to the date of the Board of Directors' meeting that allocated these plans.

For these plans, the Board of Directors set the following vesting conditions:

- AGA no. 10
 - the employees being present at the end of the vesting period,
 - fulfilment of performance criteria during the financial year prior to the end of the vesting period. These criteria concern:
 - increase in revenues and consolidated net income,
 - the performance of GTT shares compared to market indices;
- AGA no. 11
 - the employees being present at the end of the vesting period,
 - fulfilment of performance criteria during the financial year prior to the end of the vesting period. These criteria concern:
 - increase in revenues and consolidated net income,
 - the performance of GTT shares compared to market indices;
- AGA no. 12
 - the employees being present at the end of the vesting period,
 - fulfilment of performance criteria during the financial year prior to the end of the vesting period. These criteria concern:
 - increase in revenues and consolidated net income,
 - the performance of GTT shares compared to market indices;
- AGA no. 13
 - the employees being present at the end of the vesting period,
 - fulfilment of performance criteria during the financial year prior to the end of the vesting period. These criteria concern:
 - Increase in consolidated net income,
 - Growth in “LNG as fuel” revenue,
 - Growth in “Smart Shipping” revenue,
 - Growth in “Elogen” revenue,
 - Improving the energy performance of GTT solutions sold on LNG carriers,
 - the performance of GTT shares compared to market indices.

Calculating the expense for the period

Pursuant to IFRS 2, an expense representative of the benefit granted to beneficiaries of these plans is recorded under “Personnel expenses” (Operating income) (Note 5.1).

For free share plans open to all employees, the unit value is based on the share price on the allocation date and takes into account the change in the beneficiary headcount.

For the other free share plans intended for members of the management committee, the unit value is based on the share price on the allocation date weighted by the reasonable estimate of attaining the share allocation criteria.

The expense is calculated by multiplying these unit values by the estimated number of shares to be allocated. It is spread over the rights vesting period following the date of the decision by the Board of Directors on each plan, and according to the probability of performance criteria fulfilment.

For the period from January 1, to June 30, 2022, the expense recognised for the free share allocation plans was 1,408 thousand euros (excluding specific contribution). It was 918 thousand euros at June 30, 2021.

10.4. Treasury shares

The Group entered into a new liquidity contract in December 2018 to replace the contract from November 10, 2014.

In accordance with IAS 32, the buyback of treasury shares is deducted from equity. Treasury shares held by the entity are not taken into account when calculating earnings per share.

As at June 30, 2022, the Group held 600 treasury shares acquired under the liquidity contract. It holds 190,636 shares outside the liquidity contract, including 185,392 shares acquired on May 25, 2021 as part of the disposal by Engie of 10% of its stake in GTT.

	30/06/2022	30/06/2021
Net income (in euros)	63,691,754	76,564,082
Weighted average number of shares outstanding (excluding treasury shares)	36,887,043	36,960,391
- AGA no. 9	-	43,583
- AGA no. 10	42,221	45,921
- AGA no. 11	43,800	46,600
- AGA no. 12	62,346	62,446
- AGA no. 13	41,000	-
Number of diluted shares	37,076,410	37,158,941
Basic net earnings per share (in euros)	1.73	2.07
Diluted earnings per share (in euros)	1.72	2.06

Net earnings per share at June 30, 2022 was calculated on the basis of a share capital of 36,887,043 shares, excluding treasury shares.

To date, the Group has allocated 189,367 free shares included in the calculation of diluted earnings per share.

Note 11. PROVISIONS

11.1. Provisions for risks and charges

<i>In thousands of euros</i>	Total	Provisions for litigation	Provision for retirement compensation	Current	Non-current
Values as at 31/12/2020	19,337	16,277	3,060	4,170	15,167
Provisions	6,534	6,169	365	6,169	365
Reversal	(2,974)	(2,974)	-	(2,974)	-
Reversal – unused	-	-	-	-	-
Other variations	(629)	-	(629)	-	(629)
Transfer non-current – current	(1)	(1)	-	(1)	-
Values as at 31/12/2021	22,267	19,471	2,796	7,364	14,903
Provisions	324	106	218	106	218
Reversal	(3,156)	(3,156)	-	(3,156)	-
Reversal – unused	-	-	-	-	-
Other variations	(1,389)	-	(1,389)	-	(1,389)
Transfer non-current – current	-	-	-	-	-
Values as at 30/06/2022	18,046	16,421	1,625	4,314	13,732

Provisions at June 30, 2022 consist of:

- a provision of 2,411 thousand euros for a risk on a construction project;
- a provision of 9,521 million euros for the administrative fine as part of the KFTC (Korea Fair Trade Commission) investigation;
- a provision of 2,693 thousand euros for losses on completion, including 2,573 thousand euros for the design and manufacture of electrolyzers and 120 thousand euros for the construction of vessels and onshore storage tanks;
- a provision of 1,326 thousand euros for employee litigation;
- a guarantee provision of 295 million euros for electrolyzers;
- a provision of 1,625 thousand euros for retirement benefits, detailed in Note 11.2.

11.2. Defined benefit plan commitments

Provisions for retirement benefits are calculated as follows:

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Closing balance of the value of the commitments	(3,119)	(4,290)
Closing balance of the fair value of the assets	1,495	1,495
Financial plan assets	(1,625)	(2,796)
Cost of unrecognised past services		
PROVISIONS AND (PREPAID EXPENSES)	1,625	2,796

The change in value of the commitments and of the fair value of the retirement plan assets is as follows:

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Opening balance of the commitment value of assets	(2,796)	(3,060)
Normal cost	(218)	(440)
Interest income (expense)	(14)	(28)
Cost of past services	-	75
Actuarial (gains) and losses	1,403	658
CLOSING BALANCE OF THE VALUE OF THE COMMITMENTS NET OF ASSETS	(1,625)	(2,796)

Note 12. INCOME TAX

12.1. Income tax expense

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Current tax	(11,421)	(16,397)
Deferred tax	(1,164)	46
Adjustment of tax due on prior period profits	9	3
Net provisions for income tax disputes	-	-
Income tax on profit	(12,575)	(16,348)
Distribution tax	-	-
TOTAL INCOME TAX EXPENSE	(12,575)	(16,348)
Research tax credit	3,099	2,496
TOTAL TAX EXPENSE NET OF TAX CREDITS	(9,476)	(13,852)

As at June 30, 2022, the change in the tax expense is mainly due to the decrease in royalty revenues.

12.2. Reconciliation of income tax expense

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Net income	63,692	76,564
Income tax	12,575	16,348
Notional taxable income	76,267	92,912
Ordinary tax rate	10.00%	10.00%
Theoretical tax expense	7,627	9,291
Difference between the standard tax rate applicable for the parent company and the standard tax rate applicable in French and foreign jurisdictions	8	(555)
Permanent differences for the corporate financial statements	3	31
Permanent differences for the consolidated financial statements	(114)	29
Non-taxation of goodwill impairments	-	-
Result subject to tax at a reduced rate or not subject to tax	-	75
Tax savings/additional tax on income taxed abroad	1,492	3,128
Tax credits, other reductions	-	(1)
Flat-rate taxes, other additional taxes	292	413
Savings due to tax consolidation	(28)	(90)
Effect of changes in tax rate (incl. rate corrections)	-	-
Capping of DTA	3,576	4,270
Tax adjustment on prior period profits (excluding rate corrections)	-	1
Reversal or use of capping of DTA	-	-
Research tax credit – CICE	(280)	(244)
TOTAL INCOME TAX EXPENSE	12,575	16,348

12.3. Taxes and fees

In accordance with the application of IFRIC 21, property tax and the social solidarity contribution are recorded in full on January 1 of their year of payment.

12.4. Deferred tax assets and liabilities

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Deferred tax assets	2,612	3,799
On differences between the tax/carrying amounts of (in)tangible assets	-	-
On provisions for non-deductible risks (excluding IAS 19)	12	12
On retirement obligation	163	280
On financial lease		
On other temporary difference	2,437	3,451
On losses carried forward	-	56
On financial instruments	-	-
Deferred tax liabilities	179	106
On differences between the tax/carrying amounts of (in)tangible assets	135	70
On financial lease	44	35
On other temporary difference		-
On financial instruments	-	1

Note 13. Segment reporting

The Group does business in a single operational sector: the provision of services relating to the construction of liquefied gas storage and transportation facilities.

Assets and liabilities are located in France. Fees and services rendered are invoiced to companies predominantly based in Asia.

<i>In thousands of euros</i>	30/06/2022	30/06/2021	Change	%
Revenues	144,223	165,286	(21,063)	-12.7%
Of which vessels under construction	130,656	153,885	(23,229)	-15.1%
<i>LNG carriers/Ethane carriers</i>	112,704	132,542	(19,838)	-15.0%
<i>FSU</i>	10,202	5,851	4,351	74.4%
<i>FSRUs</i>	0	6,958	(6,958)	-100.0%
<i>FLNGs</i>	1,218	1,460	(242)	-16.6%
<i>Onshore storage tanks</i>	3,116	611	2,505	410.0%
<i>GBS</i>	2,292	1,719	573	33.3%
<i>Vessels fuelled by LNG</i>	1,124	4,745	(3,621)	-76.3%
Hydrogen	1,723	2,466	(743)	-30.1%
From services	11,844	8,935	2,909	32.6%
<i>Vessels in operation</i>	3,617	3,788	-171	-4.5%
<i>Digital Activity</i>	3,540	2,199	1,341	61.0%
<i>Accreditation</i>	1,238	1,738	(500)	-28.8%
<i>Studies</i>	3,168	856	2,312	270.1%
<i>Training</i>	281	354	(73)	-20.6%

- Information on geographical areas

Almost all customers are located in Asia. It is not relevant to present a distinction in this area.

Assets and liabilities are located in France.

- Information on order book

The order book as of June 30, 2022 corresponds to revenues of 1,251 million euros over the period 2022-2027, including 91 million euros from activities in Russia and 100 million euros from activities in South Korea for Russian projects.

Note 14. RELATED-PARTY TRANSACTIONS

14.1. Transactions with shareholders

GTT's financial statements are consolidated using the equity method in the consolidated financial statements prepared by ENGIE.

Transactions with shareholder companies are detailed below:

ENGIE

<i>In thousands of euros</i>	30/06/2022	31/12/2021
Suppliers	-	10
Customers	-	-

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Outsourced tests and studies (expenses)	64	44
Gas and electricity supply (expenses)	-	93

14.2. In thousands of euros

<i>In thousands of euros</i>	30/06/2022	30/06/2021
Wages and bonuses	594	564
Expenses for payments in shares (IFRS 2)	-	506
Other long-term benefits	32	76
Total	626	1,146

Note 15. OFF-BALANCE SHEET COMMITMENTS

The Group has credit lines of 50 million euros taken out in 2016 with three banking institutions.

Note 16. OTHER EVENTS

At the end of June, GTT SA received an audit notice from the Korean tax authorities.

The risks associated with this audit notice are currently being analysed.

STATUTORY AUDITORS 'REPORT ON THE INTERIM FINANCIAL INFORMATION

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meetings and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code ("code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of GTT, for the period from January 1 to June 30, 2022.
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris and Paris-La Défense July 28, 2022

The Statutory Auditors
French original signed by

CAILLIAU DEDOUIT ET ASSOCIES

Rémi Savournin

ERNST & YOUNG Audit

Stéphane Pédrón