



2021 HALF-YEAR FINANCIAL REPORT

GAZTRANSPORT & TECHNIGAZ

A joint stock limited liability company (*Société Anonyme*) with a Board of Directors and share capital of **370,783.57** euros

Registered office: 1 Route de Versailles – 78470 Saint-Rémy-lès-Chevreuse, France

Versailles Trade and Companies Register: 662 001 403

Table of contents

STATEMENT OF THE PERSON RESPONSIBLE.....	3
FIRST HALF MANAGEMENT REPORT	4
1. KEY BUSINESS HIGHLIGHTS FOR THE FIRST HALF	4
2. SUBSIDIARIES' ACTIVITIES	7
3. ANALYSIS OF THE CONSOLIDATED RESULTS FOR THE FIRST HALF-YEAR 2021.....	9
4. GTT BALANCE SHEET ANALYSIS	14
5. OUTLOOK	16
6. INTERIM DIVIDEND.....	16
7. RELATED-PARTY TRANSACTIONS	16
RISK FACTORS	17
SUMMARIES OF THE HALF-YEAR FINANCIAL STATEMENTS	18
STATUTORY AUDITORS' REPORT ON THE HALF-YEAR FINANCIAL INFORMATION.....	40

STATEMENT OF THE PERSON RESPONSIBLE

“I certify that, to the best of my knowledge, the condensed financial statements for the first half year have been prepared in accordance with the applicable accounting standards (IFRS), and give a true and fair view of the assets and liabilities, the financial position and results of the Group, and that the half-year management report attached provides a fair view of the main events of the first six months of the year, their impact on the condensed financial statements, the significant transactions with related parties, and a description of the main risks and uncertainties for the next six months of this financial year”.

July 28, 2021

Philippe Berterottière, Chairman and CEO

FIRST HALF MANAGEMENT REPORT

KEY BUSINESS HIGHLIGHTS FOR THE FIRST HALF

1/ Business activity

On January 1, 2021, GTT's order book excluding LNG as fuel comprised 147 units, and subsequently changed as follows:

- Deliveries completed: 30 LNG carriers, five ethane carriers, one FSRU;
- Orders received: 18 LNG carriers, two ethane carriers, six onshore storage tanks.

At June 30, 2021 the order book excluding LNG as fuel, stood at 136 units, split as follows:

- 110 LNG carriers;
- 6 ethane carriers;
- 2 FSRUs¹;
- 2 FSUs;
- 1 FLNG;
- 3 GBS;
- 12 onshore storage tanks.

Regarding LNG as fuel, with the deliveries of six ultra large container ships (five for CMA CGM and one for Hapag Lloyd) and the orders received for 12 container ships by CMA CGM and for five container ships by Seaspan, the number of vessels in the order book stood at 25 units at June 30, 2021.

- Strong order intake for LNG carriers and ethane carriers

In the first half of 2021, GTT's business activity was marked by multiple successes, particularly in the field of LNG carriers. With 18 new orders recorded for LNG carriers in the first half of 2021, GTT's core business posted very satisfactory sales results. On top of this, nine new orders for LNG carriers arrived in July. All of the LNG carriers will be equipped with GTT's recent technologies (Mark III Flex+, Mark III Flex and NO96 GW). Delivery is scheduled between the first quarter of 2023 and the third quarter of 2025.

In April 2021, GTT also received an order from Hyundai Heavy Industries (HHI) for the design of the tanks of two very large ethane carriers (VLEC), with total cargo capacity of 98,000 m³, on behalf of an Asian ship-owner. The tanks will integrate GTT's Mark III membrane containment system. Delivery of the vessels is scheduled for the fourth quarter of 2022 and the first quarter of 2023.

- Six orders for onshore storage tanks

On May 24, 2021, GTT announced that it had received an order from China Huanqiu Contracting & Engineering Co. Ltd. (HQC) for the design of four large integral membrane onshore LNG storage tanks, and then on June 3, 2021, a second order from China Chengda Engineering Co., Ltd. (Chengda) for the design of two additional large tanks.

GTT will design these membrane storage tanks with a total capacity of 220,000 m³ using the latest generation GST[®] technology. These orders are part of the new cooperation agreement signed in March 2021 between BGG and GTT for the Tianjin Nangang LNG terminal.

¹ Following the cancellation of an FSRU ordered in June 2020

- New orders in LNG as fuel

GTT received orders to equip 17 vessels with LNG as fuel in the first half of 2021. The first order received from the Chinese shipyards Hudong-Zhonghua Shipbuilding (Group) Co. Ltd. and Jiangnan Shipyard (Group) Co, on behalf of CMA CGM, includes the equipment of 12 ultra large container vessels fuelled by LNG. A second order received at the end of June from Samsung Heavy Industries, includes the equipment of five very large container vessels of the Asian ship-owner Seaspans, a subsidiary of Atlas Corp and of the Israeli charterer ZIM. The vessels will be equipped with a Mark III membrane tank, adapted in order to be compatible with ammonia.

- Smart Shipping: an innovative solution to improve the bunkering process

Ascenz, GTT's Singapore-based Smart Shipping company, announced on 23 July 2021 that it has launched the Electronic Bunker Delivery Note (eBDN) solution to improve the efficiency and transparency of the bunkering process. Ascenz's solution contributed to the success of the world's first live bunker delivery financing pilot. The operation was led by DBS Bank, in partnership with Trafigura Group's marine fuels supply and procurement joint venture TFG Marine, Ocean Network Express (ONE) and Ascenz, with the support of the Maritime and Port Authority of Singapore (MPA).

- An iconic contract for Elogen

On April 12, 2021, Elogen announced the signing of a contract with German energy company E.ON, as part of its major SmartQuart project. Elogen will supply E.ON with a 1MW containerized electrolyser with a production capacity of 200 m³ of hydrogen per hour. The electrolyser will be equipped with a transformer and a compression unit. The integration of this equipment will allow the electrolyser to produce hydrogen for multiple uses. The electrolyser will be delivered to the Kaisersesch site in Germany and commissioned in the second half of 2022. The partnership also provides for the development by Elogen of a hydrogen purification unit. Designed by Elogen's teams in Les Ulis, France, this innovative equipment will be installed in the electrolyser delivered by Elogen to E.ON. It will achieve a purity level of 99.999%.

This order reflects Elogen's determination to lead the way in hydrogen system R&D.

In the first half of 2021, Elogen's revenue reached 2.5 million euros and orders reached 4.6 million euros.

- Development of new technologies - GTT champion in terms of the number of patents published

For the second year in a row, in 2020 GTT ranked first in the list of medium-sized companies filing patents published by the INPI. This ranking confirms GTT's strong innovation capacity. Innovation is at the heart of the Group's strategy, in all its activities, to help customers address decarbonisation issues.

In the first half of 2021, GTT received many approvals from classification societies, thereby enabling it to enter a new phase to meet its customers' needs.

- In early 2021, GTT received approvals in principle from the classification societies Bureau Veritas and DNV for the application of its NO96 containment system on the tanks of large-capacity container ships.
- On February 15, 2021, GTT obtained two approvals in principle from Bureau Veritas. The first relates to the "NH₃ Ready" (compatible with ammonia) classification of Mark III membrane tanks. The second approval relates to the design pressure raised to "1 barg" for LNG fuel applications such as large-capacity container ships. This approval gives greater flexibility to ship-owners in all their operations.

- On April 6, 2021, GTT has obtained approval in principle from Bureau Veritas related to the use of a digital solution for sloshing² activity assessment in order to optimise the LNG membrane tank maintenance frequency. Combined with an appropriate risk analysis, this solution can support Alternative Survey Plans aiming at optimising the tank maintenance while complying with strict safety standards. This will translate into increased operational flexibility and substantial cost saving for the ship-owners.
- On July 1, 2021, GTT announced that it had received the final approvals from three classification societies for its NO96 Super+ technology, an evolution in the cargo containment system. With this innovation, GTT delivers a solution to reduce cargo evaporation, NO96 Super+ guaranteeing ship-owners a daily boil-off rate (BOR) of 0.085% for standard LNG carriers.
- On July 8, 2021, GTT announced that it had received, in partnership with the Hudong Zhonghua Shipbuilding Group Co. (HZ) shipyard, a dual approval in principle from the classification societies China Classification Society (CCS) and DNV, for the design of a ballast-free LNG bunker and refuelling vessel. The granting of such approvals recognises the compliance of this technology innovation with the rules and codes for sea-going vessels, their construction and equipment. The ballast-free design, equipped with GTT's membrane system, enables to build vessels that are more energy efficient and more respectful of the environment.

2/ Combined Shareholders' Meeting

The GTT (Gaztransport & Technigaz) Combined Shareholders' Meeting took place on May 27, 2021, chaired by Philippe Berterrotière, Chairman and Chief Executive Officer. In view of the declaration of health emergency, this meeting was exceptionally held in camera, without the presence of the shareholders.

All the resolutions submitted to the vote of the Shareholders' Meeting were adopted.

The shareholders notably approved the financial statements for the 2020 financial year and voted a dividend of 4.29 euros per share, it being stipulated that an interim dividend of 2.50 euros per share had already been paid on November 5, 2020.

The Shareholders' Meeting ratified the co-optation of Sandra Roche-Vu as a director and renewed her term of office. It also renewed the term of office of Andrew Jamieson as a director.

The Meeting approved the information stipulated in Article L. 22-10-9, I. of the French Commercial Code, which is included in the corporate governance report. It also approved the elements of compensation paid or allocated to the Chairman and Chief Executive Officer for the year ended, as well as the compensation policy covering the Chairman and Chief Executive Officer and the members of the Board of Directors for the 2021 financial year.

Lastly, the Meeting authorised various financial delegations for the Board of Directors.

²Liquid sloshing in tanks

SUBSIDIARIES' ACTIVITIES

Cryovision, a GTT subsidiary created in 2012, offers innovative services to ship-owners and vessel operators. Cryovision's offer consists in marketing Non-Destructive Testing of GTT's cryogenic membrane containment systems, in particular by thermal camera (TAMI) during the commercial operations of vessels, and by the Acoustic Emission method in repair yards. Since 2021, Cryovision has also carried out gas-tightness testing on vessels using NO96 technology (Global Tests). During the first half of 2021, despite the long-lasting Covid-19 health crisis, Cryovision's business was maintained with TAMI inspections carried out on 20 tanks, acoustic emission tests carried out on 12 tanks, secondary barrier tightness tests (SBTTs³) at sea carried out on eight tanks and global tests carried out on four tanks.

GTT North America, created in 2013, continued its business development on the American continent. In the first half of the year, it signed contracts for engineering studies and services agreements for the maintenance of LNG carriers and FSRUs. GTT North America is also continuing the execution of a contract with the United States Department of Defense and has signed two amendments to this contract for additional studies. GTT North America also commercialised a training contract carried out by GTT Training.

GTT Training Ltd, a subsidiary created in 2014, took two new orders for its simulation software (G-Sim). All training services, including simulator based courses, were changed to be delivered in 'online' formats allowing the continued delivery of the training services despite the restrictions imposed by the pandemic. New orders were also received for the development of new models for ferries fuelled by LNG.

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

The presence of GTT in Singapore enables better collaboration with key players, particularly in countries such as Singapore, Indonesia, Malaysia and Japan, where LNG bunkering markets and small-scale LNG chains are showing great promise. In addition, the Singapore office extended its geographic reach to South Korea in early 2021.

GTT's training network was expanded in mid-2020 with the signing of a partnership with Wavelink Maritime Institute, which will provide training in LNG transport and bunkering operations in the region.

In the FSRU market, the Jawa Satu FSRU, built by SHI, was delivered to the customer in 2021 and was commissioned on site in Indonesia.

Ascenz is a supplier of turnkey integrated digital solutions for the shipping sector. With 13 years of experience and an indisputable reputation in Asia, Ascenz develops intuitive and modular systems as well as tailored services for control vessels, merchant vessels, bunkering vessels, both for the conventional fuel segment and the LNG segment. Ascenz aims to be a leader in the fast-moving and crucial digitisation of the maritime sector. With an active strategy of technological and strategic partnerships, Ascenz is bringing together an alternative global digital ecosystem around its own vision to support maritime operators in their digitisation projects. Thanks to the collaboration with Marorka, the products offered benefit from the best technologies.

³Secondary Barrier Tightness Test

Marorka, a GTT subsidiary based in Iceland and specialised in Smart Shipping, designs operational reporting and energy performance improvement systems aimed at reducing the environmental footprint of vessels. More than 600 vessels are now equipped with a Marorka system.

OSE, a subsidiary which specialises in artificial intelligence applied to transport, complements the Group's expertise in complex system modelling, which enables to optimise engineering processes and reduce emissions. Its customers include leading names in the shipping, automotive and aerospace industries.

Elogen, a subsidiary of GTT since October 2020, is the French leader in PEM (proton exchange membrane) electrolysis. Elogen designs and manufactures electrolysers for the production of green hydrogen. During the first half of 2021, after unveiling its new identity, Elogen set up its new organisation focused on technological innovation and project delivery. New orders were received, in particular from EOn for the delivery in 2022 of a 1 MW electrolyser for the SmartQuart project.

ANALYSIS OF THE CONSOLIDATED RESULTS FOR THE FIRST HALF-YEAR 2021

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	%
Revenues from operating activities	165,286	203,767	-18.9%
Costs of sales	(4,762)	(2,823)	68.7%
External expenses	(30,566)	(30,700)	-0.4%
Personnel expenses	(33,319)	(33,107)	0.6%
Tax and duties	(2,354)	(3,438)	-31.5%
Depreciation, amortisations and provisions	(4,298)	(3,019)	42.4%
Other operating income and expenses	2,864	3,190	-10.2%
Operating income (EBIT)	92,851	133,870	-30.6%
EBIT margin on revenues (%)	56.2%	65.7%	
Financial income	61	(87)	-170.7%
Share in the income of associated entities	-	35	
Profit before tax	92,912	133,818	-30.6%
Income tax	(16,348)	(18,292)	-10.6%
Net income	76,564	115,527	-33.7%
Net margin on revenues (%)	46.3%	56.7%	
Basic earnings per share (in euros)	2.07	3.12	
<i>Calculated indicator</i>			
EBITDA	96,478	136,553	-29.3%
EBITDA margin on revenues (%)	58.4%	67.0%	

Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) reached 96.5 million euros during the first half of 2021, down 29.3% compared to the first half of 2020. The EBITDA margin on revenues went down from 67% in the first half of 2020 to 58.4% in the first half of 2021.

Operating income totalled 92.9 million euros for the first half of 2021 versus 133.9 million euros for the first half of 2020, equivalent to a 30.6% decrease.

Net income decreased from 115.5 million euros for the first half of 2020 to 76.6 million euros for the first half of 2021 and the net margin fell from 56.7% to 46.3%.

The decrease in net income is mainly due to the drop in revenue during the period (18.9%). External and personnel expenses were stable compared to the previous half-year. It should be noted that the purchases consumed related to the GTT and Elogen construction contracts increased by 1.9 million euros.

Breakdown and change in revenues (“Revenues from operating activities” in the income statement)

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	Change	%
Revenues	165,286	203,767	-38,481	-18.9%
Of which vessels under construction	153,885	197,739	-43,854	-22.2%
<i>LNG carriers/Ethane carriers</i>	132,542	176,203	-43,661	-24.8%
<i>FSU</i>	5,851	0	5,851	N/A
<i>FSRUs</i>	6,958	14,254	-7,296	-51.2%
<i>FLNGs</i>	1,460	2,530	-1,070	-42.3%
<i>Onshore storage tanks</i>	611	0	611	N/A
<i>GBS</i>	1,719	1,020	699	68.5%
<i>Vessels fuelled by LNG</i>	4,745	3,733	1,012	ns
From Hydrogen	2,466	0	2,466	N/A
From services	8,935	6,027	2,907	48.2%
<i>Vessels in operation</i>	5,987	4,169	1,818	43.6%
<i>Accreditation</i>	1,738	1,317	421	32.0%
<i>Studies</i>	856	322	534	165.7%
<i>Training</i>	354	148	205	138.4%
<i>Other</i>	0	71	-71	-100.0%

Revenues went from 203,767 thousand euros for the first half of 2020 to 165,286 thousand euros for the first half of 2021, a decrease of 18.9% over the period.

Revenues relating to vessels under construction came to 153,885 thousand euros:

- Revenues for LNG and Ethane carriers (80% of the Group's total revenues) were down by 24.8% and decreased to 132,542 thousand euros;
- Revenues related to FSU (Floating Storage Unit) orders amounted to 5,851 thousand euros in the first half of 2021;
- Revenues from FSRUs (Floating Storage and Regasification Units) are down 51.2% in the first half of 2021;
- Revenues related to orders for FLNG (floating LNG) totalled 1,460 thousand euros in the first half of 2021;
- Revenues from GBSs (Gravity Based Structures) were 1,719 thousand euros in the first half of 2021;
- Revenues from LNG as fuel stood at 4,745 thousand euros in the first half of 2021.

Revenue related to Elogen’s Electrolyser Business totalled 2,466 thousand euros in the first half of 2021.

Revenues from the Services business (5% of Group revenues) were up by 48.2%, from 6,027 thousand euros in the first half of 2020 to 8,935 thousand euros in the first half of 2021. This increase is due to the integration of Ose Engineering subsidiary, as well as good momentum in the maintenance and design activity.

Composition of GTT operating income

External expenses

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	%
Tests and studies	6,246	7,426	-15.9%
Sub-contracting	8,198	10,131	-19.1%
Fees	6,061	4,227	43.4%
Leasing, maintenance and insurance	3,778	2,786	35.6%
Transport, travel and reception expenses	3,035	3,497	-13.2%
Other	3,248	2,633	23.3%
EXTERNAL EXPENSES	30,566	30,700	-0.4%
% of revenues from operating activities	18.5%	15.1%	

The Group's external expenses were down compared to the previous year, from 30,700 thousand euros in the first half of 2020 to 30,566 thousand euros in the first half of 2021. The decrease in testing and subcontracting of 3,113 thousand euros and in travel expenses offset the increase in fees and rental expenses. The increase in leasing, maintenance and insurance is mainly due to the integration of subsidiaries.

Personnel expenses

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	%
Wages, salaries and payroll taxes	28,033	26,130	7.3%
Share-based payments	918	1,419	-35.3%
Profit-sharing and incentives scheme	4,368	5,558	-21.4%
PERSONNEL EXPENSES	33,319	33,107	0.6%
% of revenues from operating activities	20.2%	16.2%	

Personnel expenses were stable compared to last year, as the decrease in GTT SA's personnel expenses made it possible to absorb Elogen and Ose Engineering's personnel expenses.

Depreciation and provisions

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	%
Allocations for depreciation of fixed assets	3,627	2,648	37.0%
Provisions (reversals)	671	336	99.6%
Impairment following value tests	-	35	N/A
AMORTISATION AND PROVISIONS (REVERSAL)	4,298	3,019	42.4%

Net depreciation, amortisation and provisions increased from 3,019 thousand euros in the first half of 2020 to 4,298 thousand euros in the first half of 2021. The increase in depreciation of fixed assets is related to investments made in technical facilities, equipment and tools.

Other operating income and expenses

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	%
Research tax credit	2,496	3,029	-17.6%
Other operating income/expense	368	161	128.8%
OTHER OPERATING INCOME AND EXPENSES	2,864	3,190	-10.2%

Other operating income and expenses essentially consist of the research tax credit, for which the recorded amount of 2,496 thousand euros is calculated as an estimate of the expense for the current year, plus adjustments from previous years. Estimates are based on projects considered eligible according to the criteria of the research tax credit.

Change in operating income (EBIT) and EBITDA

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020	%
EBITDA	96,478	136,553	-29.3%
EBITDA margin (%) – EBITDA as a ratio of revenues	58.4%	67.0%	
Operating income (EBIT)	92,851	133,870	-30.6%
EBIT margin (%) – EBIT or operating income as a ratio of revenues	56.2%	65.7%	

Group EBIT fell from 133,870 thousand euros in the first half of 2020 to 92,851 thousand euros in the first half of 2021, down 30.6%. The evolution of EBITDA (-29.3%) is in line with that of EBIT over the same period, decreasing from 136,553 thousand euros in the first half of 2020 to 96,478 thousand euros in the first half of 2021.

The EBIT margin and the EBITDA margin were at 56.2% and 58.4% respectively, down compared to the previous period, mainly due to the decrease in revenue from royalties.

Composition of net income and earnings per share

	June 30, 2021	June 30, 2020
Net income in euros	76,564,082	115,526,637
Weighted average number of shares outstanding (excluding treasury shares)	36,960,391	37,064,997
Number of diluted shares	37,158,941	37,235,018
BASIC EARNINGS PER SHARE (IN EUROS)	2.07	3.12
DILUTED EARNINGS PER SHARE (IN EUROS)	2.06	3.10

The Group's net income went from 115,527 thousand euros in the first half of 2020 to 76,564 thousand euros in the first half of 2021, taking into account the items presented above.

In the first half of 2021, basic earnings per share were calculated based on share capital made up of 36,960,391 shares, which corresponds to the weighted average number of ordinary shares outstanding during the period (excluding treasury shares).

On this basis, basic earnings per share decreased from 3.12 euro to 2.07 euro during the period.

Diluted earnings per share are calculated by taking into account the allocations of free shares decided by the Group. Diluted earnings per share decreased from 3.10 euros in the first half of 2020 to 2.06 euros in the first half of 2021.

GTT BALANCE SHEET ANALYSIS

Non-current assets

<i>(in thousands of euros)</i>	June 30, 2021	December 31, 2020	%
Intangible assets	6,247	4,891	27.7%
Goodwill	15,365	15,365	0.0%
Property, plant and equipment	30,259	29,170	3.7%
Non-current financial assets	4,518	4,833	-6.5%
Deferred tax assets	3,474	3,485	-0.3%
NON-CURRENT ASSETS	59,863	57,744	3.7%

The change in non-current assets between December 31, 2020 and June 30, 2021 of 2,119 thousand euros is mainly due to (i) the increase in intangible assets of 1,356 thousand euros and (ii) an increase in property, plant and equipment of 1,089 thousand euros.

Current assets

<i>(in thousands of euros)</i>	June 30, 2021	December 31, 2020	%
Inventories	9,654	10,653	-9.4%
Customers	95,967	103,822	-7.6%
Current tax receivable	25,573	41,633	-38.6%
Other current assets	21,976	9,215	138.5%
Current financial assets	41	43	-4.2%
Cash and cash equivalents	164,209	141,744	15.8%
CURRENT ASSETS	317,419	307,110	3.4%

Current assets were up between December 31, 2020 and June 30, 2021 by 10,309 thousand euros.

This change is mainly due to the increase in cash and cash equivalents of 22,466 thousand euros and other current assets of 12,760 thousand euros (including the provisioned fine paid to the KFTC) offset by the decrease in trade receivables of 7,856 thousand euros, tax receivables of 16,060 thousand euros and finally the decrease in inventories of 999 thousand euros.

Total equity

<i>(in thousands of euros)</i>	June 30, 2021	December 31, 2020	%
Share capital	371	371	0.0%
Share premium	2,932	2,932	0.0%
Treasury shares	(17,009)	(110)	N/A
Reserves	175,634	42,253	N/A
Revenue	76,545	198,878	N/A
Total equity - Group share	238,472	244,324	-2.4%
Total equity - share attributable to non-controlling interests	(6)	(7)	ns
Total equity	238,467	244,317	-2.4%

The decrease in equity between December 31, 2020 (244,317 thousand euros) and June 30, 2021 (238,467 thousand euros) is mainly explained by the payment of the balance of the 2020 dividend and the acquisition of GTT shares, offset by the result for the first half of 2021 offset.

Non-current liabilities

<i>(in thousands of euros)</i>	June 30, 2021	December 31, 2020	%
Non-current provisions	15,167	15,167	0.0%
Financial liabilities - non-current part	4,193	5,229	-19.8%
Deferred tax liabilities	73	100	-27.0%
NON-CURRENT LIABILITIES	19,433	20,496	-5.2%

Provisions at June 30, 2021 mainly consist of:

- a provision corresponding to a risk on a construction project for 2,411 thousand euros;
- a provision of 9,521 thousand euros for the administrative fine as part of the KFTC (Korea Fair Trade Commission) investigation;
- a provision for severance benefits for 3,060 thousand euros.

Financial liabilities - the non-current part consists primarily:

- of residual debts from completed acquisitions in connection with earn-outs contingent on the achievement of pre-defined objectives;
- of a 865 thousand euros debt related to the treatment of IFRS 16 real estate contracts.

Current liabilities

<i>(in thousands of euros)</i>	June 30, 2021	December 31, 2020	Change
Current provisions	4,590	4,170	10.1%
Suppliers	14,834	18,160	-18.3%
Current tax debts	3,571	3,044	17.3%
Current financial liabilities	815	856	-4.7%
Other current non financial liabilities	95,565	73,813	29.5%
CURRENT LIABILITIES	119,376	100,042	19.3%

This balance sheet item increased from 100,042 thousand euros at December 31, 2020 to 119,376 thousand euros at June 30, 2021.

Current provisions consist of provisions for litigation and for loss upon completion and they changed by 420 thousand euros. The Group recognises this type of provision when the estimated margin on a given project is judged to be negative.

Trade payables decreased by 3,325 thousand euros.

Current financial liabilities correspond to the classification at less than one year of a debt of 787 thousand euros related to the treatment of IFRS 16 real estate contracts.

Other non-financial current liabilities increased by 21,752 thousand euros mainly due to the decrease in deferred income (29,418 thousand euros) and a decrease in social security payables (7,560 thousand euros).

OUTLOOK FOR 2021

The Group has good visibility on its royalty revenues⁴ from now to 2025 thanks in particular to a full order book for its core business at end of June 2021. This corresponds to revenues of 768 million euros over the 2021-2025⁵ period (273 million euros in 2021, 242 million euros in 2022, 175 million euros in 2023, 65 million euros in 2024 and 13 million euros in 2025).

In the absence of any significant order delays or cancellations, the Company confirms its targets for 2021, namely:

- 2021 consolidated revenues between 285 million euros and 315 million euros;
- 2021 consolidated EBITDA between 150 million euros and 170 million euros;
- a dividend amount, in respect of 2021, corresponding to a payout ratio of at least 80% of consolidated net income.

INTERIM DIVIDEND

The Board of Directors meeting of July 28, 2021 decided the distribution of an interim dividend of 1.35 euro per share for the 2021 financial year, to be paid in cash according to the following schedule:

- November 3, 2021: Ex-dividend date
- November 5, 2021: Payment date

CHANGES IN THE BOARD OF DIRECTORS

GTT takes note of the resignation of Michèle Azalbert and Cécile Prévieu, members of the Board of Directors appointed upon proposal of Engie. The Board will proceed without undue delay with the co-optation of a new independent director and a new director appointed on the proposal of Engie. The Board of Directors is thus expected to be composed of nine members, five of whom are independent and four of whom are women.

RELATED-PARTY TRANSACTIONS

During the first half of 2021, no third-party transactions likely to have a material impact on the Group's financial position or results took place. Similarly, no changes were made in third-party transactions likely to have a material impact on the Group's financial position or results during the period.

⁴ Royalties from core business, *i.e.* excluding LNG fuel and services.

⁵ Of which 149 million euros recognised for the first half of 2021.

RISK FACTORS

The Group's activities are exposed to certain macroeconomic and sector-specific, operational, market, industrial, environmental and legal risk factors. The main risk factors to which the Group could be exposed are given in detail in the section "Risk Factors" in the 2020 Universal Registration Document, filed with the AMF on April 27, 2021. There were no significant changes in these risk factors during the first half of 2021.

SUMMARIES OF THE HALF-YEAR FINANCIAL STATEMENTS

BALANCE SHEET

<i>In thousands of euros</i>	June 30, 2021	December 31, 2020
Intangible assets	6,247	4,891
Goodwill	15,365	15,365
Property, plant and equipment	30,259	29,170
Non-current financial assets	4,518	4,833
Deferred tax assets	3,474	3,485
Non-current assets	59,863	57,744
Inventories	9,654	10,653
Customers	95,967	103,822
Current tax receivable	25,573	41,633
Other current assets	21,976	9,215
Current financial assets	41	43
Cash and cash equivalents	164,209	141,744
Current assets	317,419	307,110
TOTAL ASSETS	377,283	364,854

<i>In thousands of euros</i>	June 30, 2021	December 31, 2020
Share capital	371	371
Share premium	2,932	2,932
Treasury shares	(17,009)	(110)
Reserves	175,634	42,253
Net income	76,552	198,878
Total equity - Group share	238,479	244,324
Total equity - share attributable to non-controlling interests	(6)	(7)
Total equity	238,474	244,317
Non-current provisions	15,167	15,167
Financial liabilities - non-current part	4,193	5,229
Deferred tax liabilities	73	100
Non-current liabilities	19,433	20,496
Current provisions	4,590	4,170
Suppliers	14,834	18,160
Current tax debts	3,571	3,044
Current financial liabilities	815	856
Other current liabilities	95,565	73,813
Current liabilities	119,376	100,042
TOTAL EQUITY AND LIABILITIES	377,283	364,854

COMPREHENSIVE INCOME

<i>In thousands of euros</i>	June 30, 2021	June 30, 2020
Revenue from operating activities	165,286	203,767
Costs of sales	(4,762)	(2,823)
External expenses	(30,566)	(30,700)
Personnel expenses	(33,319)	(33,107)
Tax and duties	(2,354)	(3,438)
Depreciations, amortisations and provisions	(4,298)	(2,984)
Other operating income and expenses	2,864	3,190
Impairment following value tests	-	(35)
Operating profit	92,851	133,870
Financial income	61	(87)
Profit before tax	92,912	133,818
Income tax	(16,348)	(18,292)
Net income	76,564	115,527
Basic earnings per share (in euros)	2.07	3.12

<i>In thousands of euros</i>	June 30, 2021	June 30, 2020
Net income	76,564	115,527
Items that will not be reclassified to profit or loss		
Actuarial gains and losses		
Gross amount	234	139
Deferred tax	(24)	(14)
Total amount, net of tax	210	125
Items that may be reclassified subsequently to profit or loss		
Conversion differences	10	(57)
Other comprehensive income for the year, net of tax	220	68
COMPREHENSIVE INCOME	76,784	115,595

CASH FLOW STATEMENT

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020
Company profit for the year	76,564	115,527
Removal of income and expenses with no cash impact:		
Allocation (Reversal) of amortisation, depreciation, provisions and impairment	4,292	2,763
Proceeds on disposal of assets	-	-
Financial expense (income)	(61)	87
Tax expense (income) for the financial year	16,348	18,292
Free shares	918	1,419
Cash flow	98,061	138,087
Tax paid out in the financial year	194	(8,422)
Change in working capital requirement:		
Inventories and works in progress	999	(23)
Trade and other receivables	7,806	(6,371)
Trade and other payables	(1,593)	1,517
Other operating assets and liabilities	7,391	(21,131)
Net cash-flow generated by the business (Total I)	112,859	103,657
Investment operations		
Acquisition of non-current assets	(6,115)	(4,426)
Control acquired on subsidiaries net of cash and cash equivalents acquired	(0)	(2,568)
Control lost on subsidiaries net of cash and cash equivalents sold	(56)	-
Financial investments	(47)	(5)
Disposal of financial assets	409	804
Treasury shares	(17,595)	(2,189)
Change in other fixed financial assets	3	47
Net cash-flow from investment operations (Total II)	(23,401)	(8,338)
Financing operations		
Dividends paid to shareholders	(65,951)	(64,873)
Repayment of financial liabilities	(1,671)	(375)
Increase of financial liabilities	542	(11)
Interest paid	(8)	(18)
Interest received	61	115
Change in bank lending	-	-
Net cash-flow from financing operations (Total III)	(67,027)	(65,162)
Effect of changes in currency prices (IV)	35	(125)
Change in cash (I+II+III+IV)	22,466	30,033
Opening cash	141,744	169,016
Closing cash	164,209	199,049
Cash change	22,466	30,033

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 of January 1, 2020	37,069,480	371	2,932	(11)	55,463	143,377	151	202,283	(3)	202,280
Profit for the period						198,878		198,878	(16)	198,862
Other items of comprehensive income					(41)		(151)	(192)		(192)
Allocation of the profit from the previous financial period					143,377	(143,377)		-		-
(Purchases)/Sales of treasury shares				(1,386)	(165)			(1,551)		(1,551)
Delivery of treasury shares to the beneficiaries				1,287	(1,284)			3		3
Share-based payments					2,557			2,557		2,557
Distribution of dividends					(157,569)			(157,569)		(157,569)
Other					(86)			(86)		(86)
Scope effects								-	12	12
As at December 31, 2020	37,071,013	371	2,932	(110)	42,252	198,878	0	244,323	(7)	244,317
Profit for the period						76,552		76,552	12	76,564
Actuarial gains and losses					234			234		234
Conversion differences							10	10		10
Taxes related to other comprehensive income					(24)			(24)		(24)
Other items of comprehensive income					210		10	220		220
Allocation of the profit from the previous financial period					198,878	(198,878)		-		-
(Purchases)/Sales of treasury shares				(16,899)	(60)			(16,959)		(16,959)
Delivery of treasury shares to the beneficiaries				-	(633)			(633)		(633)
Share-based payments					918			918		918
Distribution of dividends					(65,951)			(65,951)		(65,951)
Other					9			9	(11)	(2)
Scope effects					-			-		-
As at June 30, 2021	36,960,391	371	2,932	(17,009)	175,623	76,552	10	238,479	(6)	238,473

NOTES TO THE FINANCIAL STATEMENTS

Note 1. GENERAL INFORMATION

Gaztransport et Technigaz - GTT is a Group whose mother company, Gaztransport et Technigaz SA, is a joint stock limited liability company (*société anonyme*) under French law, whose registered office is domiciled in France, at 1 route de Versailles, 78470 Saint-Rémy-lès-Chevreuse.

GTT is an engineering Group expert in containment systems with cryogenic membranes used to transport and store liquefied gas, in particular Liquefied Natural Gas (LNG). 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 financial statements of the parent company as well as those of its subsidiaries: Cryovision, offering maintenance services for vessels equipped with GTT membranes, Cryometrics, specialised in embedded systems, GTT Training, in charge of the training activities of the Group, GTT North America and GTT South East Asia, responsible for commercial development in their respective geographic areas, and Ascenz Group, specialised in designing operational reporting and optimisation systems for vessel performance.

These financial statements are presented for the period beginning on January 1, 2021 and ending on June 30, 2021.

Note 2. ACCOUNTING RULES AND METHODS

2.1. Basis of preparation of the financial statements

The summarised consolidated half-year financial statements, closed on June 30, 2021, are presented and have been prepared based on the provisions of IAS 34 "Interim Financial Information".

The IFRS standards are available on the European Commission's website: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

These interim financial statements do not include all the information required by IFRS for the preparation of financial statements. These notes should therefore be read in conjunction with the GTT financial statements established for the year ended December 31, 2020.

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

The summary financial statements are prepared in accordance with the accounting principles and methods applied by the Group to the financial statements for the financial year 2020 (described in Note 2 to the IFRS financial statements at December 31, 2020) and supplemented by:

The following standards and amendments are applicable from January 1, 2021:

Standard n°	Name
Amendments to IFRS 4 (insurance contracts)	« Prolongation de l'exemption temporaire de l'application d'IFRS 9 »
Amendments to IAS 39, IFRS 4, IFRS 7, IFRS 9 et IFRS 16	« Réforme des taux d'intérêt de référence-Phase 2 »

These standards, amendments and interpretations mandatory as of January 1, 2021 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 n°	Name
IFRS 17 and amendments to IFRS 17	Insurance contract
Amendment to IAS1 on liabilities classification between current and non current	Liabilities classification between current and non current
Amendment to IAS 1 and IFRS 2	Amendments to IAS 1 "Disclosure initiative – Accounting policies"
Amendment to IAS 8	Amendment to IAS 8 "Change in accounting policies and estimates"
Amendment to IFRS 16	Amendment to IFRS 16 : Covid – 19 – Related Rent Concessions
Amendment to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

2.2. Use of judgements and estimates

In preparing these interim financial statements in accordance with IFRS, management has made judgments, estimates and assumptions that affect the book value of assets and liabilities, income and expenses, and the information mentioned in the notes.

Certain financial accounting information has required significant estimations to be made: mainly deferred revenues from options, deferred tax assets, provisions for risks and retirement benefit plans.

Note 3. EVENTS AFTER THE REPORTING PERIOD

None

Note 4. PRINCIPAL SUBSIDIARIES

Nom	Activité	Pays	Interest %			Consolidation method		
			June 30, 2021	December 31, 2020	June 30, 2020		December 31, 2020	
Cryovision	Maintenance services	France	100.0	100.0	100.0	IG	IG	IG
Cryometrics	On-board services	France	0.0	0.0	100.0	-	-	IG
GTT Training	Training services	United Kingdom	100.0	100.0	100.0	IG	IG	IG
GTT North America	Commercial office	United States of America	100.0	100.0	100.0	IG	IG	IG
GTT SEA	Commercial office	Singapore	100.0	100.0	100.0	IG	IG	IG
Ascenz	Holding	Singapore	100.0	100.0	100.0	IG	IG	IG
Ascenz Solutions	On-board services	Singapore	100.0	100.0	100.0	IG	IG	IG
Ascenz Solutions O&G	On-board services	Malaysia	100.0	100.0	100.0	IG	IG	IG
Flowmet Pte Ltd	Distribution of equipment	Singapore	70.0	70.0	70.0	IG	IG	IG
Shinsei Co.,Ltd	Commercial office	Japan	51.0	51.0	51.0	IG	IG	IG
Ascenz Solutions GMBH	Commercial office	Germany	100.0	100.0	100.0	IG	IG	IG
Ascenz Taiwan Co. Ltd	On-board services	Taiwan	100.0	100.0	100.0	IG	IG	IG
Ascenz Korea Co. Ltd	Commercial office	Korea	49.0	49.0	49.0	EM	EM	EM
Ascenz Indonesia Pte Ltd	On-board services	Singapore	50.0	50.0	50.0	EM	EM	EM
Ascenz Myanmar Co. Ltd	On-board services	Myanmar	99.99	99.99	99.99	IG	IG	IG
Ascenz HK Co. Ltd	Commercial office	Hong Kong	60.00	60.0	60.00	IG	IG	IG
Marorka	On-board services	Iceland	100.00	100.0	100.00	IG	IG	IG
Ose Engineering	Engineering	France	100.00	100.0	-	IG	IG	-
GTT Russia	Services operations	Russia	100.00	100.0	-	IG	IG	-
Elogen France	Design, manufacture of electrolysers	France	100.00	99.78	-	IG	IG	-
Areva H2Gen GmbH	Commercial office	Germany	100.00	99.78	-	IG	IG	-
Hydep	Engineering firm	Italy	0.00	79.82	-	NC	IG	-

INFORMATION RELATING TO THE INCOME STATEMENT

Note 5. OPERATING PROFIT

5.1. Personnel expenses

The amount of personnel expenses for the period is detailed below:

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020
Wages, salaries and payroll taxes	28,033	26,130
Share-based payments	918	1,419
Profit-sharing and incentives scheme	4,368	5,558
PERSONNEL EXPENSES	33,319	33,107
% of revenues from operating activities	20.2%	16.2%

(1) The method used to calculate share-based payments is set out in note 10.3.

5.2. External expenses

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020
Tests and studies	6,246	7,426
Sub-contracting	8,198	10,131
Fees	6,061	4,227
Leasing, maintenance and insurance	3,778	2,786
Transport, travel and reception expenses	3,035	3,497
Other	3,248	2,633
EXTERNAL EXPENSES	30,566	30,700

5.3. Depreciation, amortisation and provisions

<i>(in thousands of euros)</i>	June 30, 2021	June 30, 2020
Allocations for depreciation of fixed assets	3,627	2,648
Provisions (reversals)	671	336
Impairment following value tests	-	35
AMORTISATION AND PROVISIONS (REVERSAL)	4,298	3,019

The increase in depreciation on fixed assets is linked to the increase in real estate and equipment investments for 980 thousand euros.

Provisions essentially correspond to the movement of provisions for employee litigation and retirement provision.

5.4. Other operating income and expenses

<i>In thousands of euros</i>	June 30, 2021	June 30, 2020
Research tax credit	2,496	3,029
Other	368	161
Other operating income and expenses	2,864	3,190

“Other operating income and expenses” mainly comprises the Research Tax Credit (2,496 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	Other	Net value
Values at 31.12.2019	721	1,316	720	2,757
Acquisitions/allocations	450	(208)	(236)	6
Disposals, reversals	-	-	-	-
Reclassifications	-	(375)	375	-
Other variations	9	(34)	2,153	2,129
Values at 31.12.2020	1,180	700	3,012	4,891
Acquisitions/allocations	(98)	1,560	(117)	1,346
Disposals, reversals	-	-	-	-
Reclassifications	90	(90)	-	-
Other variations	1	2	7	10
Values at 30.06.2021	1,173	2,172	2,902	6,247

The change in intangible assets in the first half of the year corresponds to investments in research and development and to the development and integration of new software.

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)	Other	Total
Gross value as at 31.12.2019	14,177	17,383	4,988	-	26,078	62,626
Acquisitions	-	1,988	5,219	2,586	2,593	12,386
Disposals	-	-	-	-	-	-
Reclassifications	(3,593)	453	(532)	3,593	(808)	(887)
Other variations	(39)	2,304	303	(8)	2,248	4,808
Gross value as at 31.12.2020	10,545	22,127	9,978	6,171	30,111	78,933
Acquisitions	-	473	2,167	706	801	4,147
Disposals	-	-	-	-	-	-
Reclassifications	-	1,633	(3,060)	-	1,427	-
Other variations	4	0	-	2	(33)	(26)
Gross value as at 30.06.2021	10,550	24,233	9,085	6,879	32,307	83,054
Accumulated depreciation as at 31.12.2019	(5,538)	(14,577)	-	-	(22,313)	(42,428)
Allocation	(408)	(1,203)	-	(1,018)	(2,162)	(4,791)
Reversal	-	-	-	-	-	-
Reclassifications	3,054	39	-	(3,054)	893	932
Other variations	6	(2,265)	-	3	(1,220)	(3,476)
Accumulated depreciation as at 31.12.2020	(2,886)	18,006	-	(4,069)	(24,802)	(49,763)
Allocation	(201)	(799)	-	(662)	(1,370)	(3,032)
Reversal	-	-	-	-	-	-
Reclassifications	-	(385)	-	-	385	-
Other variations	(1)	(0)	-	(1)	1	(1)
Accumulated depreciation as at 30.06.2021	(3,088)	(19,190)	-	(4,731)	(25,786)	(52,795)
Net value as at 31.12.2019	8,639	2,806	4,988	-	3,765	20,198
Net value as at 31.12.2020	7,660	4,121	9,978	2,102	5,309	29,170
NET VALUE AS AT 30.06.2021	7,462	5,043	9,085	2,148	6,521	30,259

In the absence of any external debt linked to the building of fixed assets, no interest costs are capitalised in compliance with IAS 23 - Borrowing costs.

The land and buildings mainly include a group of property assets acquired under a finance lease which is used since 2003 as the Group's registered office and headquarters.

For the first time application of IFRS, the historical cost of the building was determined using the price paid by GTT in January 2003 to the previous tenant in order to obtain the rights and obligations relative to the leasing contract of this building, increased by the outstanding capital element at the date of the lease transfer, to be amortised over the remaining term of the lease contract. GTT became the owner of this building at the end of contractual lease period in December 2005.

The change in property, plant and equipment in the first half is mainly related to capex in goods and equipment (technical installations, equipment and tools) for an amount of 4,147 thousand of euros, offset by depreciation and amortisation in the amount of 3,032 thousand of euros.

Note 7. CURRENT AND NON-CURRENT FINANCIAL ASSETS

7.1. 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 31.12.2019	16	-	16
Acquisitions	-	-	-
Disposals	(11)	-	(11)
Reclassification as current	-	-	-
Other variations	37	-	37
Values at 31.12.2020	42	-	42
Acquisitions	-	-	-
Disposals	(2)	-	(2)
Reclassification as current	-	-	-
Other variations	0	-	0
Values at 30.06.2021	40	-	40

7.2 Non-current financial assets

<i>In thousands of euros</i>	Loans and receivables	Available-for- sale financial assets	Financial assets at fair value through profit or loss	Total
Values as at 31.12.2019	177	-	4,906	5,084
Acquisitions	5	-	-	5
Disposals	(13)	-	(179)	(192)
Other variations	(6)	-	(57)	(63)
Values at 31.12.2020	162	-	4,670	4,833
Acquisitions	47	-	15,962	16,009
Disposals	(1)	-	(16,374)	(16,375)
Other variations	0	-	51	52
Values at 30.06.2021	208	-	4,309	4,518

The decrease in “financial assets at fair value through P&L” corresponds to the additional contribution made to the liquidity contract.

Note 8. WORKING CAPITAL REQUIREMENT

8.1 Trade receivables and other current assets

Gross value (in thousands of euros)	June 30, 2021	December 31, 2020	Change
Inventories	9,730	10,653	(923)
Trade and other receivables	97,899	105,718	(7,819)
Trade and other operating receivables	11,241	553	10,689
Tax and social security receivables	8,056	5,642	2,414
Prepaid expenses	2,716	3,058	(342)
Total other current assets	22,013	9,252	12,760
TOTAL	129,642	125,624	4,018

Depreciation (in thousands of euros)	June 30, 2021	December 31, 2020	Change
Inventories	(76)	-	(76)
Trade and other receivables	(1,932)	(1,896)	(36)
Trade and other operating receivables	(37)	(37)	(0)
Tax and social security receivables	-	-	-
Other receivables	-	-	-
Prepaid expenses	-	-	-
Total other current assets	(37)	(37)	(0)
TOTAL	(2,046)	(1,933)	(113)

Net book value (in thousands of euros)	June 30, 2021	December 31, 2020	Change
Inventories	9,654	10,653	(999)
Trade and other receivables	95,967	103,822	(7,856)
Trade and other operating receivables	11,204	516	10,688
Tax and social security receivables	8,056	5,642	2,414
Other receivables	-	-	-
Prepaid expenses	2,716	3,058	(342)
Total other current assets	21,976	9,215	12,760
TOTAL	127,596	123,691	3,905

Current assets were up between December 31, 2020 and June 30, 2021 by 3,905 thousand euros.

This change is mainly due to the increase in other operating receivables of 10,688 thousand euros (including the provisioned fine paid to the KFTC) and social security and tax receivables of 2,414 thousand euros offset by the decrease in trade receivables of 7,856 thousand euros, and finally the decrease in inventories of 999 thousand euros.

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

8.2 Trade payables and other current liabilities

<i>In thousands of euros</i>	June 30, 2021	December 31, 2020
Trade and other payables	14,834	18,160
Prepayments received	185	14
Tax and social security payables	20,490	28,051
Other debts	185	462
Deferred income	74,704	45,286
Other current liabilities	95,565	73,813
TOTAL	110,399	91,972

Note 9. CASH AND CASH EQUIVALENTS

<i>In thousands of euros</i>	June 30, 2021	December 31, 2020
Marketable securities	15,476	15,473
Cash and cash equivalent	148,733	126,271
Cash in balance sheet	164,209	141,744
Bank overdrafts and equivalent	-	-
Net cash position	164,209	141,744

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

Note 10. TOTAL EQUITY

10.1. Share capital

As at June 30, 2021, the share capital comprised 37,078,357 shares with a nominal value of 0.01 euro.

10.2. Dividends

The Shareholders' Meeting held on May 27, 2021 approved the payment of an ordinary dividend of 4.29 euros per share for the year ended December 31, 2020 payable in cash.

As an interim dividend was paid on November 5, 2020 of 92,696,075 euros, the balance of 65,947,785 euros was paid on June 3, 2021.

10.3. Share-based payments

Allocation of Free Shares (AFS)

Date of allocation (*)	Plan no.	Vesting period	Minimum lock-up period	Shares originally allocated	Share price on date of allocation	Fair value of the share under IFRS	Expired shares	Shares allocated at the end of the vesting period	Existing shares as at June 30, 2021
April 12, 2018	AGA n° 8	3 years	1 year	9,200	€55	€44	1,900	7,300	-
October 25, 2018	AGA n° 9	3 years	variable (**)	59,000	€64	€51	10,417	5,000	43,583
November 29, 2019	AGA n° 10	3 years	variable	53,621	€80	€66	7,700	-	45,921
June 2, 2020	AGA n° 11	3 years	variable	52,000	€74	€56	5,400	-	46,600
May 27, 2021	AGA n° 12	3 years	variable	62,446	€69	€47	0	-	62,446

(*) The grant date corresponds to the date of the Board of Directors' meeting that granted the stock options and free shares

(**) The beneficiaries shall be obliged to hold between 3,000 shares and 25% of acquired shares until they leave the company.

⁽¹⁾ The allocation date corresponds to the date on which the Board of Directors approved these allocation plans.

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

- AFS Plan no. 8
 - o 20% of shares are subject to presence at the end of the vesting period;
 - o 80% of shares are allocated subject to the achievement of performance criteria measured at the end of the financial year preceding the end of the vesting period. These criteria concern:
 - Increases in revenues and the order book,
 - The performance of GTT shares on the Stoxx 600 Oil & Gas index (Price),
 - The ratio of net profit to revenues;
- AFS Plan no. 9
 - o the employees being present at the end of the vesting period;
 - o fulfilment of performance criteria during the financial year prior to the end of the vesting period. These criteria concern:
 - Increases in revenues and the order book,
 - The performance of GTT shares compared to market indices;
- AFS Plan no. 10
 - o the employees being present at the end of the vesting period;
 - o 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;

- AFS Plan 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;

- AFS Plan 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.

Calculating the charge 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 free share plans intended for other members of the Management Committee, the unit value is based on the share price on the allocation date weighted by the reasonable estimation 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, 2021, an expense of 918 thousand euros was recognised for the free share allocation plans. It amounted to 1,419 thousand euros at June 30, 2020.

10.4. Treasury shares

The Group took out a new liquidity contract in December 2018 to replace that of 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, 2021, the Group held 5,000 treasury shares acquired under the liquidity contract. It holds 234,219 shares excluding the liquidity contract, including 185,392 shares acquired on May 25, 2021 as part of the sale by Engie of 10% of its stake in GTT.

EARNINGS PER SHARE

	June 30, 2021	June 30, 2020
Net income in euros	76,564,082	115,526,637
Average number of shares outstanding (excluding treasury shares)	36,960,391	37,064,997
AFS Plan no. 8:	-	8,400
AFS Plan no. 9:	43,583	49,000
AFS Plan no. 10:	45,921	53,621
AFS Plan no. 11:	46,600	59,000
AFS Plan no. 12:	62,446	
Number of diluted shares	37,158,941	37,235,018
Basic net earnings per share (in euros)	2.07	3.12
Diluted earnings per share (in euros)	2.06	3.10

Earnings per share as at June 30, 2021 was calculated on the basis of a share capital comprising 36,960,391 shares, excluding treasury shares.

To date, the Group has awarded 198,550 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 31.12.2019	6,584	3,994	2,590	1,583	5,001
Provisions	11,683	11,259	424	1,563	10,120
Reversal	(1,251)	(1,251)	-	(1,251)	-
Reversal – unused	-	-	-	-	-
Other variations	2,321	2,275	46	2,275	46
Transfer current – non-current	-	-	-	-	-
Values at 31.12.2020	19,337	16,277	3,060	4,170	15,167
Provisions	1,323	1,323	-	1,323	-
Reversal	(668)	(902)	234	(902)	234
Reversal – unused	-	-	-	-	-
Other variations	(234)	-	(234)	-	(234)
Transfer current – non-current	(1)	(1)	-	(1)	-
Values at 30.06.2021	19,757	16,697	3,060	4,590	15,167

Provisions at June 30, 2021 consist of:

- a provision corresponding to a risk on a construction project in the amount of 2,411 thousand euros;
- a provision of 9,521 thousand euros for the administrative fine as part of the KFTC (Korea Fair Trade Commission) investigation;
- a provision for loss on completion in the amount of 2,992 thousand euros;
- a provision for retirement benefits in the amount of 3,060 thousand euros detailed in Note 11.2.

11.2. Commitments under defined benefit plans

Provisions for retirement benefit plans are calculated as follows:

<i>In thousands of euros</i>	June 30, 2021	December 31, 2020
Closing balance of the value of the commitments	(4,554)	(4,554)
Closing balance of the fair value of the assets	1,495	1,495
Financial plan assets	(3,060)	(3,060)
Cost of unrecognised past services		
PROVISIONS AND (PREPAID EXPENSES)	3,060	3,060

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>	June 30, 2021	December 31, 2020
Opening balance of the commitment value	(3,060)	(2,591)
Normal cost	(220)	(400)
Interest expense	(14)	(23)
Cost of past services	-	-
Actuarial (gains) and losses	234	(47)
Asset repayments requested	-	-
CLOSING BALANCE OF THE VALUE OF THE COMMITMENTS	(3,060)	(3,060)

Note 12. INCOME TAX

12.1. Analysis of income tax

<i>In thousands of euros</i>	June 30, 2021	June 30, 2020
Current tax	(16,397)	18,054
Deferred tax	46	(229)
Adjustment of tax due on prior period income	3	(9)
Net provisions for income tax disputes	-	-
Income tax on profit	(16,348)	(18,292)
Distribution tax	-	-
Total income tax	(16,348)	(18,292)
Research tax credit	2,496	3,029
Other tax credit	-	-
TOTAL TAX EXPENSE NET OF TAX CREDITS	(13,852)	(15,263)

At June 30, 2021, the change in the tax expense was mainly due to the decrease in revenue from royalties.

12.2. Reconciliation of income tax expense

<i>In thousands of euros</i>	June 30, 2021	June 30, 2020
Net income	76,564	115,527
Income tax	16,348	18,292
Notional taxable income	92,912	133,818
Ordinary tax rate	10.00%	10.00%
Notional tax charge	9,291	13,382
Difference between parent company's standard rate / other standard rates	(555)	(20)
Permanent differences for the corporate financial statements	31	28
Permanent differences for the consolidated financial statements	29	-
Non taxation of goodwill impairments	-	-
Result subject to tax at a reduced rate or not subject to tax	75	48
Tax saving / supplement on income taxed abroad	3,128	608
Tax credits, other reductions	(1)	-
Flat-rate taxes, other tax supplements	413	554
Savings due to tax consolidation	(90)	11
Effect of changes in tax rate (incl. rate corrections)	-	-
Capping of DTA	4,270	4,018
Tax adjustment on prior period income (excluding rate corrections)	1	(30)
Reversal or use of capping of DTA	-	-
Research tax credit	(244)	(307)
TOTAL INCOME TAX EXPENSE	16,348	18,292

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 1 January of their year of payment.

12.4. Deferred tax assets and liabilities

<i>In thousands of euros</i>	June 30, 2021	December 31, 2020
Deferred tax assets	3,474	3,485
On differences between the tax/book values of (in)tangible assets	-	-
On provisions for non-deductible risks (excluding IAS 19)	-	15
On retirement obligation	306	306
On financial lease	-	-
On other temporary difference	2,619	2,527
On losses carried forward	549	637
On financial instruments	-	-
Deferred tax liabilities	73	100
On differences between the tax/book values of (in)tangible assets	69	71
On financial lease	3	27
On other temporary difference	-	-
On financial instruments	1	2

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>	June 30, 2021	June 30, 2020	Change	%
Revenues	165,286	203,767	-38,481	-18.9%
<i>Of which vessels under construction</i>	153,885	197,739	-43,854	-22.2%
<i>LNG carriers/Ethane carriers</i>	132,542	176,203	-43,661	-24.8%
<i>FSU</i>	5,851	0	5,851	N/A
<i>FSRUs</i>	6,958	14,254	-7,296	-51.2%
<i>FLNGs</i>	1,460	2,530	-1,070	-42.3%
<i>Onshore storage tanks</i>	611	0	611	N/A
<i>GBS</i>	1,719	1,020	699	68.5%
<i>Vessels fuelled by LNG</i>	4,745	3,733	1,012	ns
<i>From Hydrogen</i>	2,466	0	2,466	N/A
<i>From services</i>	8,935	6,027	2,907	48.2%
<i>Vessels in operation</i>	5,987	4,169	1,818	43.6%
<i>Accreditation</i>	1,738	1,317	421	32.0%
<i>Studies</i>	856	322	534	165.7%
<i>Training</i>	354	148	205	138.4%
<i>Other</i>	0	71	-71	-100.0%

- Information on geographical areas

Almost all customers are located in Asia. It is currently not considered relevant to make a distinction between countries in the region.

Assets and liabilities are located in France.

Note 14. RELATED-PARTY TRANSACTIONS

14.1. Transactions with shareholders

GTT's financial statements are fully consolidated from January 1, to May 31, 2021 and then under 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>	June 30, 2021	June 30, 2020
Suppliers	39	26
Customers	0	0

<i>In thousands of euros</i>	June 30, 2021	June 30, 2020
Supplies and maintenance (expenses)	0	55
Outsourced tests and studies (Expenses)	44	59
Electricity supply (Expenses)	93	69
Equipment rental (Expenses)	0	15

14.2. Compensation of executive directors

<i>In thousands of euros</i>	H1 2021	H1 2020
Wages and bonuses	564	474
Expenses for payments in shares (IFRS 2)	506	512
Other long-term benefits	76	80
Total	1,146	1,066

Note 15. OFF-BALANCE SHEET COMMITMENTS

The Group has agreements for credit lines totalling 50 million euros contracted in 2016 with three banking institutions.

Period from January 1 to June 30, 2021

Statutory auditors' review report on the half-yearly 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, 2021.
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

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, 2021

The Statutory Auditors

French original signed by

CAILLIAU DEDOUIT ET ASSOCIES

Rémi Savournin

ERNST & YOUNG Audit

Aymeric de La Morandière