

GTT

# Q3 2023 Activity update

TECHNOLOGY FOR A SUSTAINABLE WORLD

25 October 2023

# Disclaimer

*This presentation does not contain or constitute an offer of securities for sale or an invitation or inducement to invest in securities in France, the United States or any other jurisdiction.*

*It includes only summary information and does not purport to be comprehensive. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the accuracy, completeness or correctness of the information or opinions contained in this presentation. None of GTT or any of its affiliates, directors, officers and employees shall bear any liability (in negligence or otherwise) for any loss arising from any use of this presentation or its contents. GTT is under no obligation to update the information contained in this presentation.*

*The market data and certain industry forecasts included in this presentation were obtained from internal surveys, estimates, reports and studies, where appropriate, as well as external market research, including Poten & Partners, Wood Mackenzie and Clarkson Research Services Limited, publicly available information and industry publications. GTT, its affiliates, shareholders, directors, officers, advisors and employees have not independently verified the accuracy of any such market data and industry forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only.*

*Any forward-looking statements contained herein are based on current GTT's expectations, beliefs, objectives, assumptions and projections regarding present and future business strategies and the distribution environment in which GTT operates, and any other matters that are not historical fact. Forward-looking statements are not guarantees of future performances and are subject to various risks, uncertainties and other factors, many of which are difficult to predict and generally beyond the control of GTT and its shareholders. Actual results, performance or achievements, or industry results or other events, could materially differ from those expressed in, or implied or projected by, these forward-looking statements. For a detailed description of these risks and uncertainties, please refer to the section "Risk Factors" of the Document d'Enregistrement Universel ("Universal Registration Document") registered by GTT with the Autorité des Marchés Financiers ("AMF") on April 27, 2023 and the half-yearly financial report released on July 27, 2023, which are available on the AMF's website at [www.amf-france.org](http://www.amf-france.org) and on GTT's website at [www.gtt.fr](http://www.gtt.fr). GTT does not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this document, unless required by law or any applicable regulation.*

*The forward-looking statements contained in this presentation are made as at the date of this presentation, unless another time is specified in relation to them. GTT disclaims any intent or obligation to update any forward-looking statements contained in this presentation. By attending this presentation and/or accepting this document you agree to be bound by the foregoing limitations.*

# 9M 2023 Key Highlights: very dynamic activity and strong visibility

## Key figures

- **Core business – 53 new orders in 9M 2023 (+10 in Q3 2023)**
- **LNG as a fuel – 15 new orders in 9M 2023 (+15 in Q3 2023)**
- **9M 2023 revenues: €300.0 m / +35.1%**
- **Q3 2023 revenues: €122 m / +57.0%**

## Market

- New liquefaction facilities sanctioned year to date for a total amount of 56 Mtpa (incl. Qatar NFS)
- Numerous LNGCs still to be ordered to absorb the requirements of plants already under construction

## Innovation

- New AiPs for key technologies

## Services

- Digital services activity intensifies: signing of new major contracts

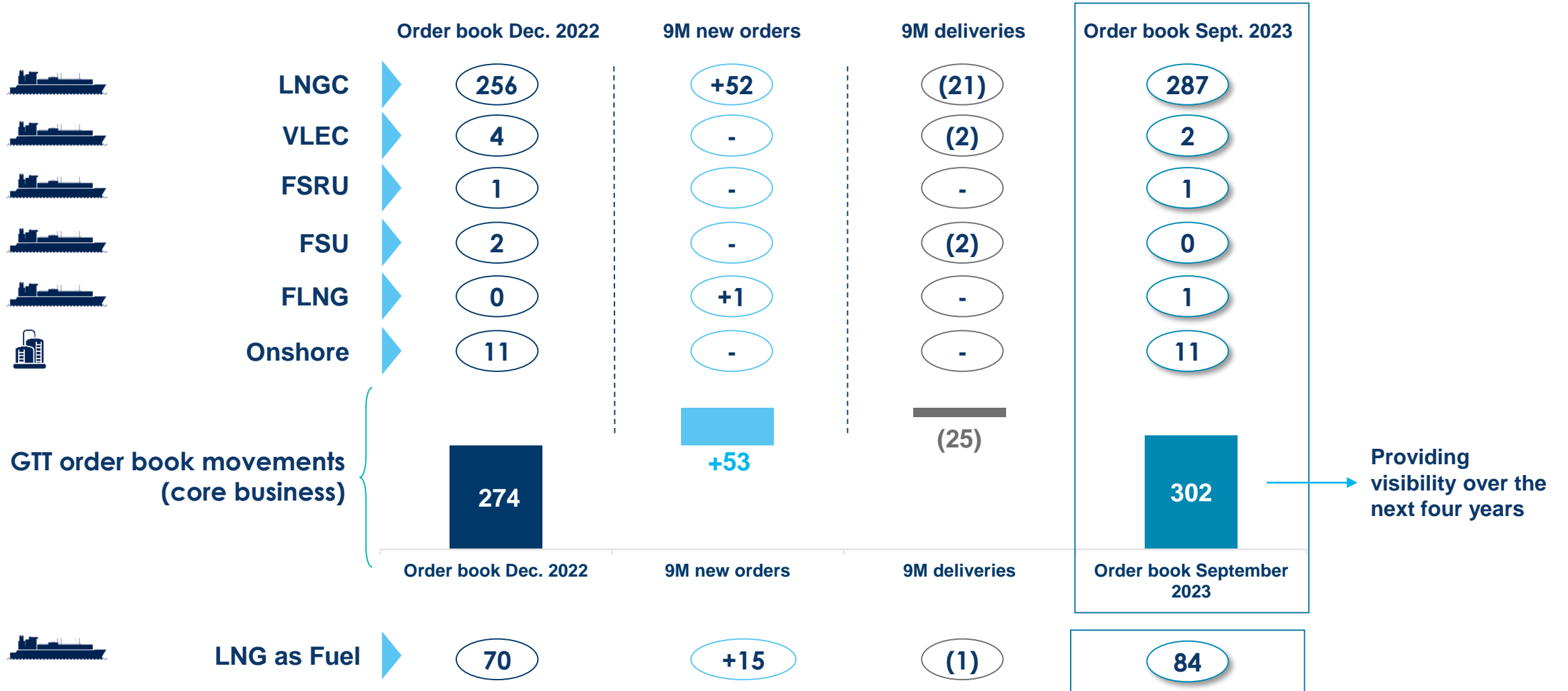
## Elogen

- Winning partnership with Valmax: award of a second 2.5 MW contract
- Confirmation of the revenue growth acceleration: **€6.7 m for the first 9M 2023 / +124.5%**

## Guidance

- Enhanced visibility for the year-end: ranges for 2023 consolidated **revenue and EBITDA objectives narrowed to the upper half**
- 2023 dividend payout ratio of at least 80% of consolidated net income **confirmed**

# 9M 2023 orderbook: **strong commercial momentum continues**



**Order book at record level**

# Dynamic LNG Carrier demand driven by a combination of growth drivers

Growth  
drivers



### Natural Gas



**Increase of the energy demand**

**Coal-to-gas switch** (environment)

**Complementarity to renewables** (natural gas is a remedy for intermittency)

### LNG



**Pipe-to-LNG switch:** flexibility, security of supply and reduced dependency

**New markets for LNG** (e.g. in shipping with LNG as fuel)

### LNG Carriers



**Longer routes** from US to Asia

Replacement market: **switch from old to new vessels** driven by an ageing fleet and increasingly stringent environmental regulations

# Numerous US projects in line for FID

	PROJECT	COUNTRY	OPERATOR	VOLUME (Mtpa)	Contracted (SPA)	Comments
FIDs / sanctioned in 2023 (end of September)	Plaquemines Phase 2	US	Venture Global	7	C.56 Mtpa	FID in Q1 23
	Port Arthur	US	Sempra	13		FID in Q1 23
	Gabon FLNG	Gabon	Perenco	0.7		FID in Q1 23
	Altamira FLNG	US	NFE	1.4		FID in Q2 23
	Rio Grande	US	Next Decade	17.6		FID in Q3 23
	Northfield South expansion	Qatar	Qatar	16		EPC contract awarded and construction officially started
Most likely FIDs in 2023-24	CP2	US	Venture Global	20	50%	FERC permitting expected by year end
	Saguaro Energía Trains 1&2	Mexico	Mexico Pacific	9.4	100%	
	Woodfibre	W Canada	Pacific O&G	2.1	100%	
	FLNGs (Leviathan, Coral 2, Delfin, Fast LNG,...)					
Other possible FIDs in coming years	Cameron Phase 2	US	Sempra	7		
	Freeport T4	US	Freeport	5		
	Saguaro Energía Train 3	Mexico	Mexico Pacific	4.7	30%	
	PNG expansion	PNG	Total/Exxon	8		
	Tortue Phase 2	Senegal / Mauritania	BP	2.4		
	Corpus Christi Midscale Trains 8&9	US	Cheniere	2.8	100%	Permitting expected H2 2024
	Sabine Pass Stage 5	US	Cheniere	20	20%	1 new SPA signed in Q3
Lake Charles	US	Energy Transfer	16	50%	Extension denied by US DOE, new application ongoing	

# Requirements for under construction plants: numerous LNGCs still to be ordered

According GTT's analysis, market still requires at least 85 more LNGCs for contracted supply of LNG plants under construction

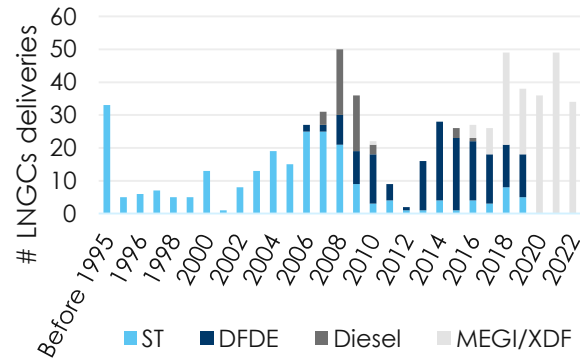
Expected additional FIDs and fleet replacement could increase that number

Project	Location	Startup date	Contracted capacity (Mtpa)	LNGC requirements
Tangguh Phase 2	Indonesia	2023	3,8	1
TortueFLNG	Senegal/Mauritania	2024	2,4	2
Altamira FLNG	Mexico	2023	1,4	1
Plaquemines Ph1	US East	2024	13,3	10
Golden Pass	US East	2024	18,1	15
Costa Azul	Mexico West	2025	2,5	2
LNG Canada	Canada	2026	14	10
Corpus Christi Stage III	US East	2025	10,4	10
Qatar NFE (Ph1)	Qatar	2026	32	25
Qatar NFS (Ph2)	Qatar	2027	16	12
Gabon FLNG	Gabon	2027	0	0
Pluto Train 2	Australia	2026	4,3	3
Marine XII FLNG	Congo	2026	2,4	2
NLNG T7+expansion	Nigeria	2026	8	6
Plaquemines Ph2	US East	2026	6,7	5
Rio Grande	US East	2028	16,2	12
Port Arthur	US East	2027	10,5	8
ZLNG	Malaysia	2027	2	1
<b>TOTAL</b>				<b>c.275</b>

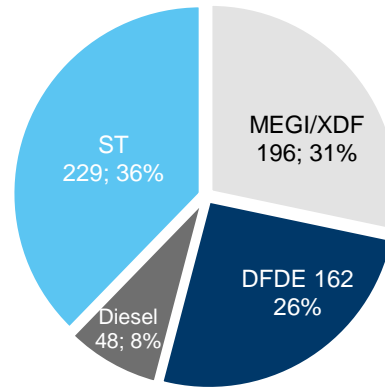
<i>Already secured</i>	160
<b>Remaining to secure</b>	<b>115</b>
<i>Unchartered modern fleet</i>	30
<b>Remaining to order</b>	<b>85-115</b>

# Three drivers accelerating replacement: ageing fleet, economics, environmental regulation

## AN AGING FLEET OF LNGC...

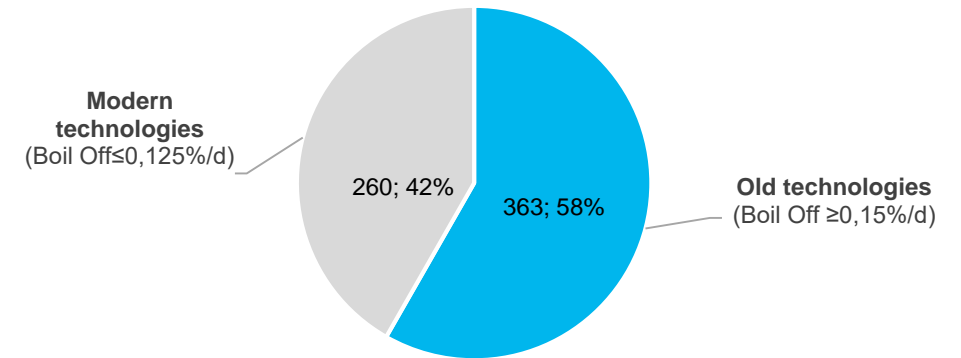


## ...MAINLY EQUIPPED WITH OLDER ENGINE TECHNOLOGIES...



Source: Wood Mackenzie, October 2023, GTT

## ... LESS PERFORMING BOIL OFF...



## ...AND SOON TO BE EXPOSED TO IMO AND EU MORE AND MORE STRINGENT REGULATIONS

### IMO CII

- Carbon intensity index
- Carbon emissions reduction targets
- In force since January 2023 / Ship Energy Efficiency Management Plan to be set for vessels rated E for 1y or D for 3y
- Ship-owners worldwide

### EU ETS

- Taxation of GHG emissions
- Tax increases fuel cost by c.30%, strongly penalising the most consuming old vessels
- In force in 2024
- Tax to be payed for all voyages to and from the EU



# LNG as fuel: the only solution already available to reduce emissions

## LNG as a fuel is a must have

- To enable ship-owners to remain profitable on an increasingly competitive market: increase vessels energy performance
- To comply with more and more stringent environmental regulations

## For long, LNG is the only available fuel to meet both of these requirements

## GTT is laying the foundations for sustainable growth

- 60 years' experience in LNG
- A leading position in the maritime energy transition
- Proven experience in building innovative, low-carbon solutions with quick return on investment, compliant with an increasingly demanding environment



## 15 NEW ORDERS BOOKED IN Q3 23

- Total order book reaches **84 LNG fuel vessels**
- More favourable market momentum due to lower LNG spot prices
- Enlarged ship-owner customer base: Yang Ming is the first Chinese ship-owner to opt for LNG propulsion technology (5 units)



# Innovation: new AiPs and a JDP for alternative fuels

3 AIPS FROM ABS FOR ALTERNATIVE FUELS



- LNG dual-fuel Suezmax **tanker** concept
- LNG dual-fuel Very Large **Crude Carrier (VLCC)** concept
- Mark III LNG fuel tank **with a design pressure up to 1 bar gauge (barg) for LNG fuel application** concept

1 JDP WITH ABS AND DHT HOLDINGS INC. FOR VLCC DESIGN OPTIMISATION



Optimising VLCC design and total cost of operation thanks to the analysis of:

- the operating profile and fuel availability at frequently visited ports
- LNG fuel volume and tank size optimisation
- impact on regulatory measures such as Carbon Intensity Indicator (CII)

## SMART SHIPPING



**New contract to equip GasLog's 35 LNG carriers with Ascenz Marorka "Smart Shipping" solution**

Integration of high frequency sensor data and manually reported data as well as a comprehensive set of online applications

## WEATHER ROUTING



**New contract to equip with Ascenz Marorka Weather routing solution the entire fleet of Clean Products Tankers Alliance**

Allowing optimal shipping routes by integrating multiple operational, economic and environmental variables, while taking into account a wide range of operational and regulatory constraints.

## FLEET PERFORMANCE



**Service contract for the maintenance and operation of 49 LNG-powered CMA CGM container vessels**

Vessels will also be equipped with Ascenz Marorka's high frequency data collection systems to monitor and optimize their operational performance

**October 2023: launch of a unique Real Time Fleet Performance Monitoring Centre**

# ELOGEN - 2 x 2.5 MW electrolysers for mobility projects in Korea

- **First two contracts within collaboration agreement signed with Valmax**
- **Two 2.5 MW PEM electrolysers** with production capacity of up to 1t of H<sub>2</sub> per day and per electrolyser at 99.999% purity
- **Mobility projects**, respectively in the Gangwon and North Jeolla provinces, electrolysers to be installed in 2025
- Demonstrate the relevance of Elogen's strategy to develop **a strong network of local partners for assembly of BoP and maintenance** to support our commercial expansion internationally



# GTT Strategic Ventures: investing for a sustainable world

- 3 investments as of today:

Sept. 22



“Turning invisible gases into useful data”: **Norwegian specialist in multi-gas & emission analysers**

Dec. 22



A French technology company for energy transition that has designed **an energy recovery system**

Sept. 23



“A technology developer of **automated wind-assisted propulsion** systems (WAPS) for maritime transport” aimed at reducing fuel consumption and enabling a more sustainable and economically efficient shipping

## GTT Strategic Ventures in a nutshell

- Launched in the second half of 2022
- GTT’s vehicle to take minority ownerships in innovative start-ups, whose innovations have the potential to contribute to the Group's strategic roadmap to build a sustainable world
- Total amount to be invested at inception: **EUR 25 m**

### bound4blue innovative WAPS for maritime transport



# 9M 2023 Consolidated Revenues

## SUMMARY REVENUES

<i>in €m</i>	9M 2022	9M 2023	Change (%)
<b>Total Revenues</b>	<b>222.0</b>	<b>300.0</b>	<b>+35.1%</b>
<b>Newbuilds</b>	<b>200.4</b>	<b>272.6</b>	<b>+36.0%</b>
<i>% of revenues</i>	<b>90%</b>	<b>91%</b>	
LNG/Ethane carriers	174.7	246.9	+41.3%
FSU	13.6	2.4	-82.2%
FSRU	-	-	-
FLNG	1.2	-	-100.0%
Onshore & GBS tanks	8.0	3.4	-57.4%
LNG as Fuel	2.9	19.9	+595.6%
<b>Electrolysers</b>	<b>3.0</b>	<b>6.7</b>	<b>+124.5%</b>
<i>% of revenues</i>	<b>1%</b>	<b>2%</b>	
<b>Services</b>	<b>18.7</b>	<b>20.7</b>	<b>+10.8%</b>
<i>% of revenues</i>	<b>9%</b>	<b>7%</b>	

## KEY HIGHLIGHTS

9M 2023 Revenue growth (+35.1% vs 9M 2022)

- Revenues from newbuilds (royalties):

- €272.6 million, **+36%** / **+€ 72.2 m** vs 9M 22
- Revenues from LNGC and Ethane carriers: +41.3%, due to the increase in the number of LNG carriers under construction in Q3 2023, generating additional revenues
- Revenues from LNG as fuel picking up, thanks to 2021 and 2022 strong order inflow

- 9M 2023 revenues from Elogen:

- €6.7 million (**+124.5%** vs 9M 22): sharp increase reflecting the strong increase of the order book in 2022

- 9M 2023 revenues from Services:

- €20.7 million, **+10.8%** vs 9M 22:
  - Increase in assistance services for vessels in operation and certification of materials more than compensating a decrease in pre-projects studies, for which demand is fluctuant by nature

# 2023 Outlook

On February 16, 2023, the Group published the following outlook for 2023:

## Revenue

2023 consolidated revenue estimated in a range of **€385M to €430M**

## EBITDA

2023 consolidated EBITDA estimated in a range of **€190M to €235M**

## Dividend Payment<sup>(1)</sup>

2023 dividend **payout of at least 80%** of consolidated net income

Taking into account the absence of significant delays in ships construction schedules during the first 9M of the year, the Group is **now targeting the upper half** of the outlook range in terms of both revenues and EBITDA.

Note: In the absence of any significant delays or cancellations in orders.

<sup>(1)</sup> Subject to approval of Shareholders' meeting. GTT by-laws provide that dividends may be paid in cash or in shares based on each shareholder's preference

# Appendices





# GTT's Strategic roadmap

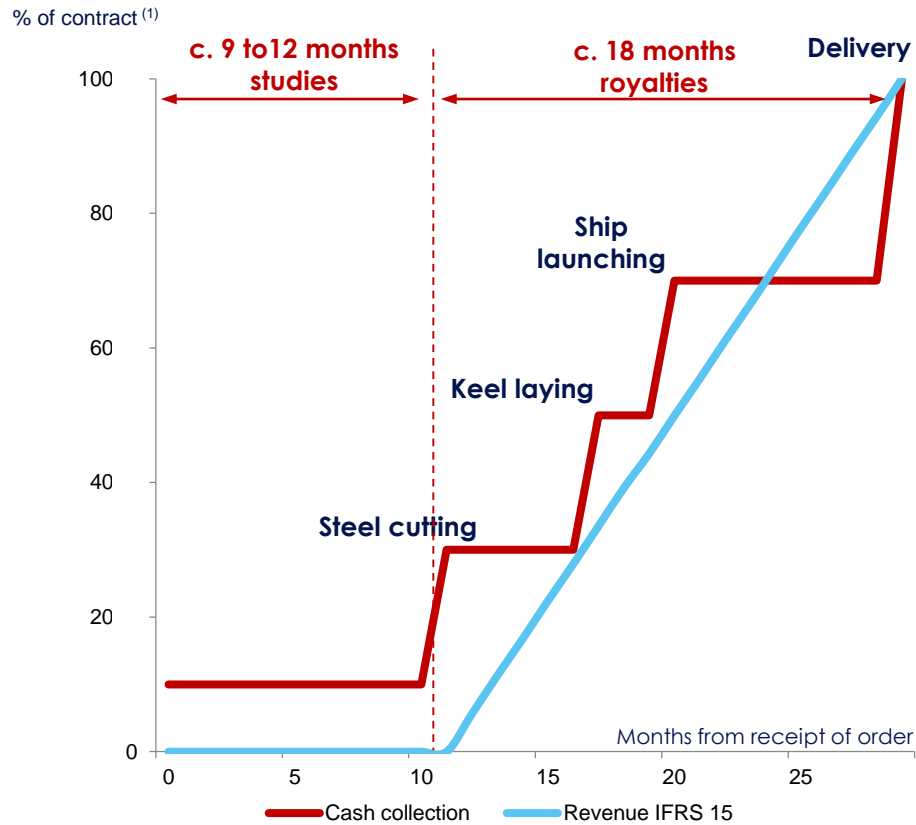
## TOWARDS A ZERO-CARBON FUTURE



# An attractive business model supporting high cash generation

## Invoicing and revenue recognition

## Business model supports high cash generation

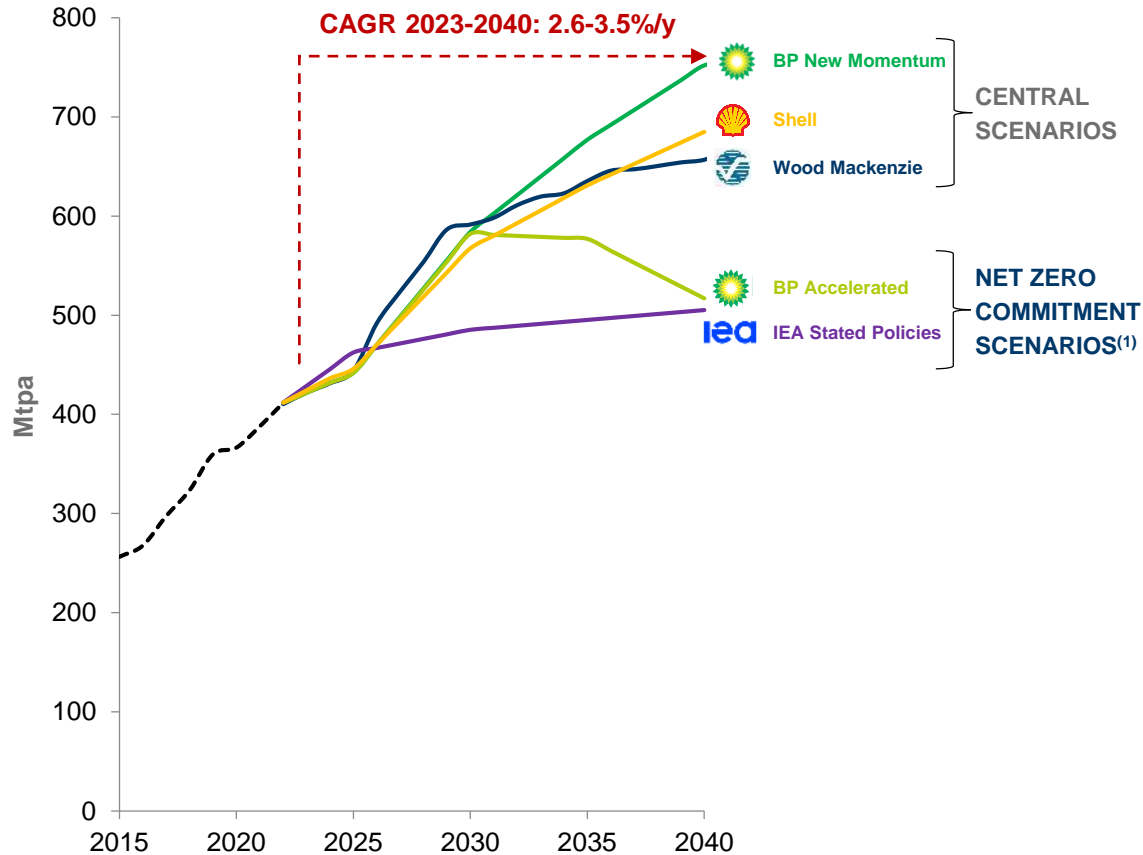


- Revenue is recognized pro-rata temporis between construction milestones
- Initial payment collected from shipyards at the effective date of order of a particular vessel (10%)
  - Steel cutting (20%)
  - Keel laying (20%)
  - Ship launching (20%)
  - Delivery (30%)

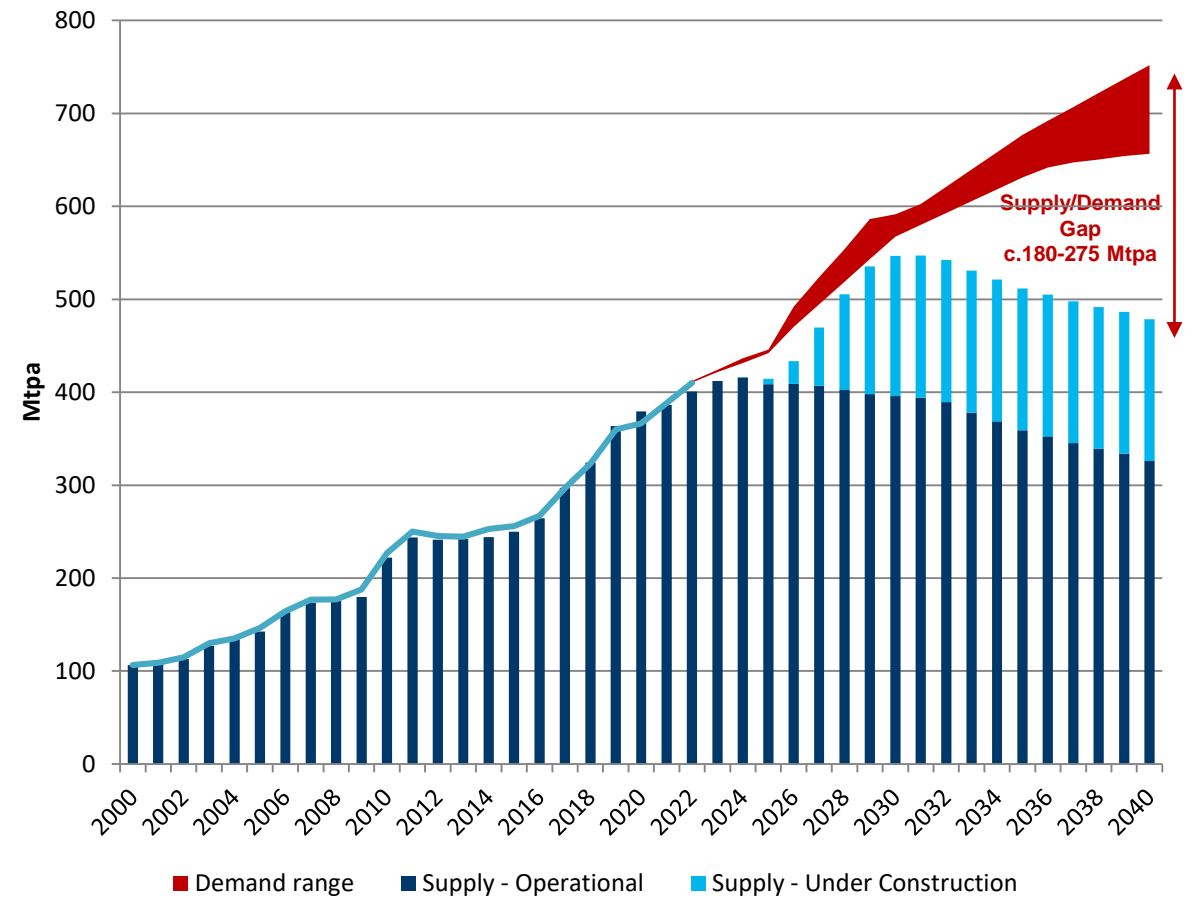
(1) Illustrative cycle for the first LNGC ordered by a particular customer, including engineering studies completed by GTT

# LNG demand: strong growth expected by 2040

## LNG DEMAND OUTLOOK



## LNG SUPPLY/DEMAND BALANCE

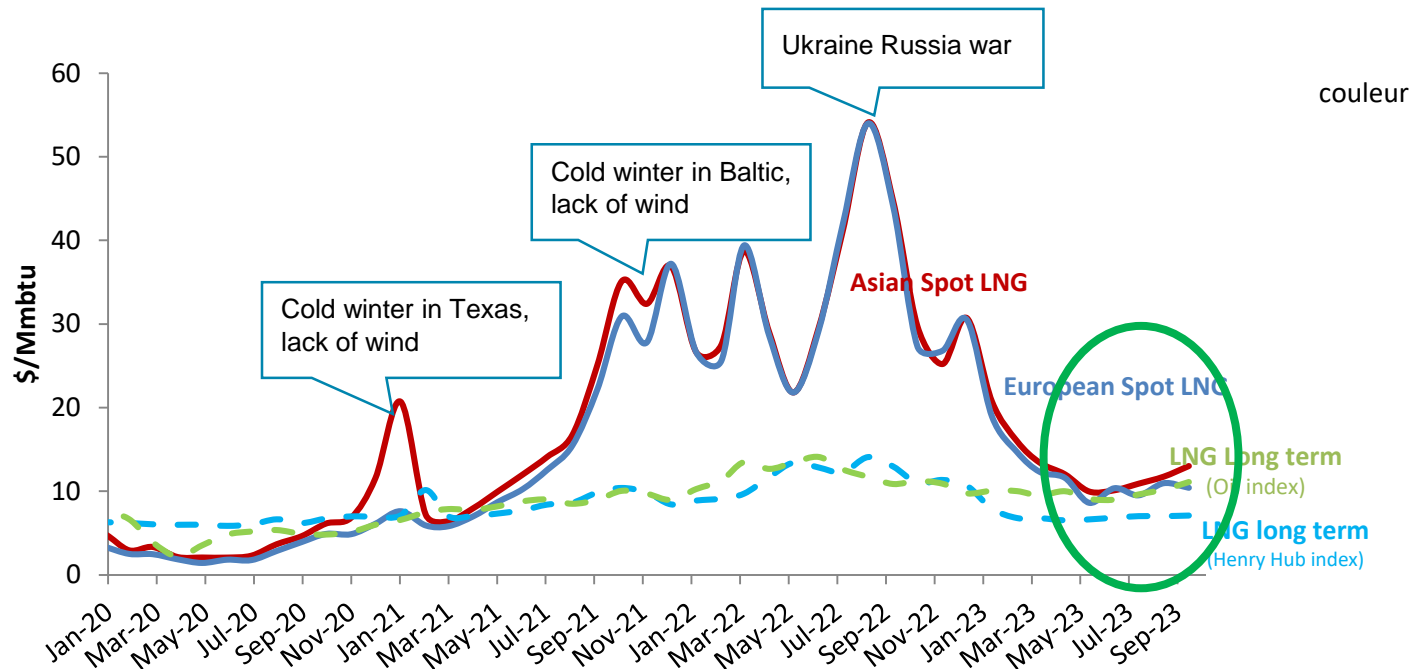


BP Q1 23, Shell Q1 23, Wood Mackenzie Q2 23, IEA Q1 23  
 (1) taking into account full commitment from EU, Japan, Korea by 2050 and China by 2060

Source: Wood Mackenzie (Q2 23), Shell (Q1 23), BP (Q1 23), GTT

# LNG prices softening

## SPOT LNG & GAS PRICES



### Spot LNG prices reach a two-year low

- Europe storage almost full
- Prices trading in the \$10-15/Mmbtu area
- High storage level, population behaviour, new FSRUs and increased LNG flows have enabled to avoid the price levels observed last year

### US gas price back to very low levels, strengthening US LNG competitiveness

- Henry Hub at \$2-3/Mmbtu corresponds to a price of US LNG delivered to Asia at around \$7/Mmbtu

**Lower prices will sustain LNG demand from price sensitive countries. Also positive for LNG as fuel orders**

# LNG fuel – A well established industry

	LNG fuel	Methanol fuel
Fleet in service	c.650 LNGC c.47 large containerships	30
First vessel in operation	1960	2015
Largest engine installed	96MW	24MW
# ports with bunker vessels	39 <i>in service</i> 13 <i>under construction</i>	0 <i>in service</i> 1 <i>under construction</i>
Total LNG/Methanol market size (tLSFOeq)	500 Mt <sub>LSFOeq</sub>	50 Mt <sub>LSFOeq</sub>
Current bunker market size (tLSFOeq)	7 Mt <sub>LSFOeq</sub>	0,15 Mt <sub>LSFOeq</sub>
Current Bio production (tLSFOeq)	>6 Mt <sub>LSFOeq</sub> (of biomethane)	0,1 Mt <sub>LSFOeq</sub>

source DNV, Clarksons, WoodMackenzie

1 ton methanol = 0,5ton LSFOeq

1 ton LNG= 1,25tonLSFOeq

NB: An Ultra Large containership engine requires around 70MW

NB2: Total shipping bunker market is approx 300Mt

# Glossary

The following abbreviations have been used throughout this document

<b>BOR</b>	Boil Off Rate	<b>FSU</b>	Floating Storage Unit	<b>MEGI</b>	M-type, Electronically Controlled Gas Injection
<b>APAC</b>	Asia-Pacific	<b>GBS</b>	Gravity Based Structure	<b>Mtpa</b>	Million tons per annum
<b>CAGR</b>	Compound Annual Growth Rate	<b>GHG</b>	Greenhouse Gases	<b>MW</b>	Megawatt
<b>DFDE</b>	Dual Fuel Diesel Electric	<b>GW</b>	Gigawatt	<b>NOx</b>	Nitrogen Oxide
<b>EBITDA</b>	Earnings Before Interest, Tax, Depreciation & Amortization	<b>HFO</b>	Heavy Fuel Oil	<b>O&amp;G</b>	Oil & Gas
<b>EEDI</b>	Energy Efficiency Design Index	<b>IMO</b>	International Maritime Organization	<b>PEM</b>	Polymer Electrolyte Membrane
<b>EEXI</b>	Energy Efficiency Existing Ship Index	<b>IT</b>	Information Technology	<b>R&amp;D</b>	Research & Development
<b>EJ</b>	Exajoule	<b>KFTC</b>	Korea Fair Trade Commission	<b>SOx</b>	Sulfur Oxide
<b>EPC</b>	Engineering, Procurement & Construction	<b>kW</b>	Kilowatt	<b>TEU</b>	Twenty-foot Equivalent Unit
<b>ESG</b>	Environmental, Social & Governance	<b>LNG</b>	Liquefied Natural Gas	<b>VLEC</b>	Very Large Ethane Carrier
<b>ETS</b>	Emissions Trading System	<b>LNGC</b>	LNG Carrier	<b>XFD</b>	Type of propulsion system
<b>FLNG</b>	Floating Liquefied Natural Gas	<b>LSFO</b>	Low Sulfur Fuel Oil		
<b>FSRU</b>	Floating Storage Regasification Unit	<b>LTI</b>	Long Term Incentives		