Where energies make tomorrow

We are a leading Engineering and Technology company for the energy transition

2023 Half-Year Report

T.EN TECHNIP ENERGIES

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1 2023 INTERIM MANAGEMENT REPORT

References to the "Technip Energies Group", "Technip Energies", "the Group" or "the Company" refers to Technip Energies N.V. and all the companies included in the scope of consolidation except where the context provides otherwise. "Technip Energies N.V." refers only to the parent company of the Group. Likewise, the words "we", "us" and "our" may also be used to refer to these entities or their employees. The entities in which Technip Energies N.V. directly or indirectly owns a shareholding are separate and independent legal entities.

1.1. BUSINESS OUTLOOK

Following the signing during the third quarter of 2022 of an exit framework agreement relating to the Arctic LNG 2 project, Technip Energies completed during the second quarter of 2023 its orderly exit from the project without any negative net financial exposure.

The award of the North Field South project in Qatar and sustained commercial strength in the Technology, Products and Services ("**TPS**") business segment have driven the Company's order backlog to nearly €19 billion – a record high for Technip Energies – equivalent to more than three times revenues booked in 2022, thereby providing clear multi-year visibility.

The TPS business segment benefited from a surge in order intake during 2022 with awards in ethylene and renewable fuels complemented by strong front-end engagement and services activity across a range of energy transition domains. Technip Energies benefited from a limited number of larger TPS awards in the first half of 2023, though strong underlying order momentum has pushed backlog to new highs. This is driving growth in revenues year-over-year and underpins the Company's belief that it will be able to reach over the medium-term annualized revenues for its TPS business segment of €2 billion – a near-doubling of revenues compared to 2020. This further confirms the strength of the Company's hybrid model which combines world class execution with its long cycle Project Delivery business alongside its short-cycle, margin accretive TPS business, providing Technip Energies with the ability to deliver strong financial performance across energy cycles.

Looking at the Company's markets, Technip Energies expects global gas and liquid natural gas ("**LNG**") markets to remain strong during the remaining half of 2023 and beyond, supported by further demand growth in Europe and recovering demand from China. During the second quarter of 2023, the Company announced the award of the North Field South project, a major contract for the delivery of two mega LNG trains each with a capacity of eight million tons per annum that will boost Qatar's LNG production capacity to 126 million tons per annum. This award demonstrates the Company's continued leadership in the LNG market. Together with other projects in the Company's portfolio, Technip Energies is executing 35% of total LNG capacity currently under construction worldwide. LNG market fundamentals remain strong and the Company is actively engaged on multiple prospects in the Americas, Africa and other parts of the Middle East. The Company believes that it will secure additional awards over the coming two-to-three year period, applying in the process its disciplined and selective approach to secure the right prospects.

The Company is also strengthening its leadership positions through the development of mid-scale offerings, including SnapLNG, which combines a compact modular design concept for mid-scale LNG trains with standardized components and technology, and a modularized solution under development with Baker Hughes for the onshore market. These are anticipated to enable accelerated time-to-market and decarbonized production and should demonstrate their relevance in light of the Company's expectation that mid-scale facilities will account for up to 30-40% of the LNG market in the future.

There have been some recent investment announcements in downstream markets for integrated refining and petrochemical projects in China, India, the Middle East, Europe and North America. While new greenfield project activity remains limited for now, ethylene market momentum remains strong, as evidenced by Technip Energies' order intake in ethylene over the last 18 months, the majority of which has been for technology licensing and proprietary equipment, benefiting the Company's TPS business segment. This includes an award during the first half of 2023 for QatarEnergy and CPChem's Ras Laffan petrochemicals complex in Qatar. While the pace of final investment decisions for new capacity additions may not be as strong in the coming periods, the Company expects to see a solid outlook with potential for additional awards in 2024 and beyond.

The Company has made progress on its ethylene of the future concept by signing contracts that provide for the deployment of the Company's eFurnace by T.EN™ (which uses electricity in furnaces to provide the heat of reaction instead of firing fuel) with leading customers in the US which should help prove the relevance of the technology at industrial scale. This new offering should help contribute to customers fulfilling their decarbonization objectives and could also drive incremental brownfield project opportunities over the medium-to-long term for Technip Energies.

In support of TPS growth, Technip Energies enhanced its ability to develop proprietary technologies in sustainable chemicals through the acquisition of Processium, a process technology development company with laboratory facilities that complement its existing R&D footprint in the US and Germany. The Company also extended its digital offering by acquiring SEED Energy, a startup specializing in digital services for multi-technology renewable energy systems.

Beyond its traditional markets, Technip Energies is implementing its energy transition growth strategy and building its future core. Achieving the world's net zero targets will require significant investment to develop and scale decarbonization solutions. Emerging stimulus packages (the Inflation Reduction Act in the U.S. and RePowerEU in the EU) are anticipated to contribute to breaking the initial cost barriers. Although alignment across the energy and industrial ecosystem is taking time, global ambitions demand that affordable solutions and sustainable products for industries and consumers be developed.

Technip Energies is playing a key role in the journey towards a low-carbon society and is strategically positioned in Carbon Capture Utilization and Sequestration ("**CCUS**"). Overall, studies and projects carried out by Technip Energies seek to capture approximately 30 million tons per annum of CO_2.

The Company launched Capture.Now™, a platform which consolidates the company's diverse portfolio of CCUS solutions. With coverage across markets and end-to-end integrated offerings across the value chain, the Company is designing and supporting its clients' decarbonization ambitions and removing complexity. Technip Energies offers solutions for both pre-combustion and post combustion emitters. Technip Energies also provides midstream solutions, notably with its proprietary CO_2 loading arms and early-stage support for major Hubs development, as well as emerging solutions for carbon management and valorisation – notably eFuels which are produced using CO_2 and green hydrogen obtained from sustainable electricity sources such as wind and solar.

As part of its Capture.Now platform, in the first half of 2023 the Company recently deployed Canopy by T.EN, the Company's new range of integrated post-combustion solutions for any emitter. By combining Shell's CANSOLV, a leading and proven carbon capture technology, with optimized modular architecture and a demonstrated integration track record, Canopy by T.EN will enable clients to capture CO_2 efficiently and affordably, regardless of scale, industry or location. The Company believes that this will be particularly important for smaller industrial emitters - those emitting less than 1 million tonnes per annum of CO_2 which are estimated to represent 80% of all emissions in the US and Europe - as Canopy by T.EN is designed to significantly de-risk project execution, improve schedule certainty and minimize operational downtime by offering standardized solutions which are delivered at site, designed for optimum plant integration and ready for CO_2 capture. Canopy also extends bespoke solutions for large scale-emitters. With CO_2 recovery rates in excess of 95%, Canopy by T.EN is compatible with all types of industrial facilities – both new-builds and retrofits.

Green hydrogen and power-to-X (the conversion of renewable electricity, which is intermittent in nature, into another storable and transportable energy carrier such as green hydrogen, green ammonia or other sustainable fuels) are also highly promising markets which could ultimately deliver decarbonization across many industries including traditional downstream industries, steel and other hard-to-abate industries, as well as for transport and power storage and production.

In the first half of 2023, Technip Energies announced the creation of Rely, a new company which is being set up to accelerate industrialization in the emerging market for green hydrogen and its derivatives such as green ammonia and e-fuels. Rely will establish a highly complementary partnership between Technip Energies and John Cockerill, the leading provider of pressurized alkaline electrolyzer technology and equipment. This combination will create a technology and project delivery company providing integrated green hydrogen and power-to-X solutions. A key differentiator will be a combined R&D platform that is being set up to deliver technology enhancements, develop new products and accelerate improvement in economics for green hydrogen projects. Closing of the transaction is expected to occur in the second half of 2023.

The Company is strengthening its positioning in a growing sustainable chemistry market where it anticipates positive trends in renewable fuel markets, both renewable diesel and sustainable aviation fuel ("**SAF**", the production of which is anticipated to increase threefold by 2030), as well as second generation ethanol production. In clean fuels Technip Energies was awarded several front-end studies, including an award from Lanzatech for what would be the U.K.'s largest SAF production facility. The plant will utilize the Company's proprietary Hummingbird technology, a vital technology brick in the production of SAF. For blue hydrogen, Technip Energies announced a partnership with Casale to jointly license its steam reforming through Auto-Thermal Reforming technology, as well as for providing front-end services, proprietary equipment, and entire plants. With a potential carbon capture rate of up to 99%, this technology complements Technip Energies' proprietary steam methane reforming based solutions and should give the Company the most comprehensive suite of blue hydrogen solutions in the market today.

Technip Energies experienced strong business momentum in the first half of 2023, which puts Technip Energies on a positive trajectory for the full year 2023 and beyond. While Technip Energies does not control the investment decisions of its customers and though it has seen in some awards being delayed, the Company's order backlog is currently at record levels, with continued active early engagement and bid prospects. The Company's focus remains in securing prospects that meet the Company's selectivity criteria and ensures the continued quality of the Company's backlog. The Company is deploying its strategy to sustain its leadership in its core market, grow TPS and build the Company's future core.

1.2. 2023 HALF-YEAR RESULTS

- Raising adj. rec. EBIT margin outlook from 6.7% - 7.2% to 7.0% - 7.5% supported by robust first half profitability
- Adjusted order intake of €9.0bn driven by major LNG award and TPS momentum; record adjusted backlog of ~€19bn
- Exit from Arctic LNG 2 project completed
- Active deployment of strategy: Canopy by T.EN™ for CCUS, ethylene eFurnace pilot, and acquisition of Processium

Paris, Thursday, July 27, 2023. Technip Energies (the "Company"), a leading Engineering & Technology company for the energy transition, today announces its unaudited financial results for the first half of 2023.

Arnaud Pieton, Chief Executive Officer of Technip Energies, commented:

*"Over the second quarter, we continued to deploy our strategy to sustain leadership in LNG, support growth in TPS, and build our future core. While having successfully completed our planned exit from the Arctic LNG 2 project, we remained resolutely focused on execution, as evidenced by the strength in operating margins. As a result, we are **raising full year margin guidance by 30 basis points**. For revenues, we anticipate sequential improvement in the second half and we confirm our full year guidance."*

*"We achieved notable commercial success with the **North Field South project in Qatar - a major award** that cements our position on the world's largest LNG development with a design integrating significant carbon capture facilities. Together with other projects in backlog, Technip Energies is currently executing approximately 35% of global LNG capacity under construction."*

*"The NFS award and continued order momentum for TPS have delivered robust order intake of €9 billion year-to-date, leading to a **backlog of €19 billion, our highest level since the Company's inception**. This provides excellent multi-year visibility, equivalent to approximately three times our annual revenues."*

*"We have reinforced our growth outlook through strategic developments in our core markets. This includes strong progress on low-carbon ethylene through the **deployment of eFurnace by T.EN™ with leading customers in the US**. This new product will contribute to customers fulfilling their decarbonization objectives."*

*"The development of our future core progressed well with organic and inorganic initiatives announced in the period. In carbon capture, we launched **Canopy by T.EN™ - a modular, configurable, and integrated suite of post-combustion carbon capture solutions** for any type of emitter. In addition, we enhanced our ability to develop proprietary technologies in sustainable chemicals through the **acquisition of Processium, a process technology development company with lab facilities** that complement our existing R&D footprint in the US and Germany. We also extended our digital offering by acquiring SEED Energy, a startup that specializes in digital services for innovative, multi-technology renewable energy systems."*

"I want to thank our teams for their dedication to execution excellence and the implementation of our strategy, as well as our customers and shareholders for their continued trust in T.EN."

Key financials – adjusted IFRS

(In € millions, except EPS and %)	H1 2023	H1 2022
Revenue	2,838.7	3,267.0
Recurring EBIT	207.7	204.4
Recurring EBIT margin %	7.3%	6.3%
Net profit	125.3	131.5
Diluted earnings per share(1)	€0.70	€0.74
Order intake	8,959.6	1,608.5
Backlog	18,892.3	13,439.8

Financial information is presented under adjusted IFRS (see Appendix 8.0 for complete definition). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.

(1) H1 2023 and H1 2022 diluted earnings per share have been calculated using the weighted average number of outstanding shares of 179,325,740 and 178,514,257 respectively.

Key financials – IFRS

(In € millions, except EPS)	H1 2023	H1 2022
Revenue	2,830.3	3,216.7
Net profit	127.2	119.3
Diluted earnings per share(1)	€0.71	€0.67

(1) H1 2023 and H1 2022 diluted earnings per share have been calculated using the weighted average number of outstanding shares of 179,325,740 and 178,514,257 respectively.

2023 full company guidance – adjusted IFRS

Revenue	**€5.7 – 6.2 billion**
Recurring EBIT margin	**7.0% – 7.5%** (prior guidance: 6.7% – 7.2%)
Effective tax rate	**26% – 30%**

Financial information is presented under adjusted IFRS (see Appendix 8.0 for complete definition). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.

Operational and financial review

Order intake, backlog and backlog scheduling

Adjusted order intake for H1 2023 amounted to €8,960 million, equivalent to a book-to-bill of 3.2. Adjusted order intake in the second quarter amounted to €8,247 million, which included a major LNG contract for the North Field South Project by QatarEnergy, a carbon capture FEED for Vestforbrænding's waste-to-energy plant in Denmark, a pre-FEED carbon capture study for RWE's Stallingborough CCGT plant in the UK, a PMC contract with Aramco for the master planning of Ras Al Khair, a new industrial city in Saudi Arabia, a PMC for the National Bank of Kazakhstan, as well as other studies, services contracts and smaller projects.

The first quarter included a significant ethylene proprietary equipment contract for QatarEnergy and CPChem's Ras Laffan petrochemicals complex in Qatar, a significant contract for the electric-driven Xi'An LNG project in China, a FEED for Calpine's carbon capture project in Texas, US, a FEED for the world's largest low-carbon hydrogen project at ExxonMobil's Baytown facility in Texas, US, as well as other studies, services contracts and smaller projects.

Adjusted backlog increased by 41% year-over-year to €18,892 million, equivalent to 2.9x 2022 full year revenue.

(In € millions)	H1 2023	H1 2022
Adjusted order intake	**8,959.6**	**1,608.5**
Project Delivery	8,048.0	1,033.9
Technology, Products & Services	911.5	574.6
Adjusted backlog	**18,892.3**	**13,439.8**
Project Delivery	16,815.3	12,275.5
Technology, Products & Services	2,076.9	1,164.2

Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.
Adjusted backlog at June 30, 2023, has been impacted by foreign exchange of €(199.5) million.

The table below provides estimated backlog scheduling as of June 30, 2023.

(In € millions)	2023 (6M)	FY 2024	FY 2025+
Adjusted backlog	**2,940.3**	**4,551.1**	**11,400.8**

Company financial performance

Adjusted statement of income

(In € millions, except %)	H1 2023	H1 2022	% Change
Adjusted revenue	**2,838.7**	**3,267.0**	**(13)%**
Adjusted EBITDA	**255.3**	**255.3**	**—%**
Adjusted recurring EBIT	**207.7**	**204.4**	**2%**
Non-recurring items	(33.9)	(1.9)	N/A
EBIT	173.8	202.5	(14)%
Financial income (expense), net	37.1	(9.7)	N/A
Profit (loss) before income tax	**210.9**	**192.8**	**9%**
Income tax (expense) profit	(68.8)	(59.2)	16%
Net profit (loss)	**142.1**	**133.6**	**6%**
Net (profit) loss attributable to non-controlling interests	(16.8)	(2.1)	N/A
Net profit (loss) attributable to Technip Energies Group	**125.3**	**131.5**	**(5)%**

Business highlights

Project Delivery – adjusted IFRS

(In € millions, except % and bps)	H1 2023	H1 2022	% Change
Revenue	1,907.6	2,623.9	(27)%
Recurring EBIT	149.2	167.2	(11)%
Recurring EBIT margin %	7.8%	6.4%	140 bps

Financial information is presented under adjusted IFRS (see Appendix 8.0 for complete definition).

H1 2023 Adjusted revenue decreased by 27% year-over-year to €1,907.6 million. The continued ramp-up of activity on Qatar NFE and strong volumes in downstream projects, including ethylene, were more than offset by significantly lower revenue contribution from LNG projects in Russia following the completion of the warranty phase on Yamal LNG in 2022 and the close out activities on Arctic LNG 2.

H1 2023 Adjusted recurring EBIT decreased by 11% year-over-year to €149.2 million. **H1 2023 Adjusted recurring EBIT margin** increased year-over-year by 140 bps to 7.8%, due to the positive impact from LNG projects under execution, and strong contributions from late stage LNG and downstream projects, as well as other project close outs.

Q2 2023 Key operational milestones

(Please refer to Q1 2023 press release for first quarter highlights)

Arctic LNG2 (Russia)

- Exit from the project completed.

Qatar Energy North Field Expansion (Qatar)

- On-going delivery and installation of main equipment including compressors; site activities ramping up.

Sempra Infrastructure's Energía Costa Azul LNG (Mexico)

- Heavy-lifting campaign completed. 5 million manhours without LTI achieved.

HURL Barauni and Sindri Ammonia/Urea projects (India)

- Sustained Load Test (SLT) successfully completed. Care and custody of the plant transferred to the owner.

MIDOR Refinery Expansion (Egypt)

- 24 million manhours without LTI and Ready for Start-up of new Crude Distillation Unit / Vacuum Distillation Unit achieved.

Long Son Olefins plant (Vietnam)

- 32 million manhours without LTI. Pre-commissioning works for Olefins plant on-going.

Q2 2023 Key commercial highlights

(Please refer to Q1 2023 press release for first quarter highlights)

Qatar Energy North Field South (Qatar)

- Technip Energies awarded a major[1] LNG contract for the North Field South (NFS) Project by QatarEnergy. Technip Energies will lead a joint venture in partnership with Consolidated Contractors Company (CCC) for an Engineering, Procurement, Construction and Commissioning (EPCC) contract for the onshore facilities of NFS. This award will cover the delivery of two mega trains, each with capacity of 8 Mtpa of LNG. It will include a large CO_2 capture and sequestration facility of 1.5 Mtpa, leading to 25%+ reduction of greenhouse gas emissions when compared to similar LNG facilities. The expansion project will produce approximately 16 Mtpa of additional LNG, increasing Qatar's total production from 110 to 126 Mtpa.

[1] *A "major" award for Technip Energies is a contract award representing revenue above €1 billion.*

Technology, Products & Services (TPS) – adjusted IFRS

(In € millions, except % and bps)	H1 2023	H1 2022	Change
Revenue	931.1	643.0	45%
Recurring EBIT	89.2	60.0	49%
Recurring EBIT margin %	9.6%	9.3%	30 bps

Financial information is presented under adjusted IFRS (see Appendix 8.0 for complete definition).

H1 2023 Adjusted revenue increased year-over-year by 45% to €931.1 million, resulting from strong order intake and backlog growth achieved in prior periods. This commercial success has driven higher technology and product related volumes, notably proprietary equipment for ethylene projects, as well as robust year-over-year growth in services activity for renewable fuels projects. In addition, engineering services activity remained strong, including a marked increase in pre-FEED and FEED work across various energy transition domains.

H1 2023 Adjusted recurring EBIT increased year-over-year by 49% to €89.2 million. **H1 2023 Adjusted recurring EBIT margin** increased year-over-year by 30 bps to 9.6%, benefiting from the strong growth in Process Technology licensing and proprietary equipment, as well as the high volume of reimbursable services activity and front-end engagement.

Q2 2023 Key operational milestones

(Please refer to Q1 2023 press release for first quarter highlights)

Northern Lights CO_2 Transport and Storage Project (Norway)

- Liquified CO_2 loading arms arrived in Norway ahead of installation.

ExxonMobil LaBarge CCS Expansion (USA)

- Engineering nearing completion. All equipment, electrical and instrumentation purchase orders placed. Construction partner mobilized to Wyoming.

Shell Chemicals Park Moerdijk Ethylene Furnace Revamp EPF (Netherlands)

- On site ceremony with client to mark the highest elevation in the construction.

Neste Renewable Fuels Expansion (Singapore)

- Plant started up and in production; inauguration ceremony held in May.

Q2 2023 Key commercial and strategic highlights

(Please refer to Q1 2023 press release for first quarter highlights)

Aramco master plan for new industrial city of Ras Al Khair Project Management Consultancy (Saudi Arabia)

- Technip Energies selected by Aramco for the Project Management Consultancy (PMC) contract to develop the master plan for Ras Al Khair, a new industrial city in the Eastern Province of Saudi Arabia. The city is set to house an unprecedented collection of low-carbon investments as part of Saudi Arabia's Vision 2030, for which Aramco is a strategic partner. Additionally, the contract includes a number of PMC studies for the execution of the Liquid-to-Chemical Program, an initiative by the Kingdom to transform a significant portion of its oil and gas production into valuable chemical products.

National Bank of Kazakhstan Project Management Consultancy (Kazakhstan)

- Technip Energies awarded a contract by the National Bank of Kazakhstan for PMC services. As part of this contract, Technip Energies will provide PMC services for the construction of an infrastructure project.

Carbon capture FEED for Vestforbrænding's waste-to-energy plant (Denmark)

- Technip Energies awarded a FEED contract by VF Carbon Capture A/S for a CO_2 capture plant to be connected to I/S Vestforbrænding's existing waste-to-energy facility in Glostrup, Denmark. The agreement between the two companies provides for a mechanism to allow a transition of the contract to an EPC contract. This plant will capture at least 450,000 tons of CO_2 per year that will then be permanently sequestrated. Technip Energies will leverage its long-standing alliance with Shell Catalysts & Technologies by integrating the CANSOLV® CO_2 Capture System into optimized plant design to guarantee the best achievable energy efficiency and performance.

Pre-FEED carbon capture study for RWE's Stallingborough CCGT plant (UK)

- Technip Energies selected with its partner GE Gas Power by RWE Generation UK plc to perform a pre-FEED study for a new, decarbonized Combined Cycle Gas Turbine (CCGT) plant with a fully integrated carbon capture facility. The carbon capture CCGT will maintain security of supply whilst supporting the energy industry's transition to net zero. It is sited near Stallingborough, Lincolnshire and is a capture partner of Viking CCS.

Juhua’s Greenfield Chemical Complex (China)

- Technip Energies awarded a contract by Ningbo Juhua Chemical & Science Co., Ltd. (Juhua) for a 1.3-propanediol (PDO) plant with a capacity of 72 kta and a 150 kta polytrimethylene terephthalate (PTT) plant in Ningbo, Zhejiang, China. These two products are based on Technip Energies’ proprietary Zimmer® PDO and PTT technologies to strengthen and expand Juhua’s petrochemical new materials business while improving its competitiveness. Technip Energies will provide the licenses, Basic Design Packages and proprietary equipment for both technologies, as well as Detail Design services.

Launch of Capture.Now™ to transform carbon into opportunities

- Technip Energies announces the launch of Capture.Now, a strategic platform that brings under one umbrella all its Carbon Capture, Utilization and Storage (CCUS) technologies and solutions needed to support customers on their decarbonization journey.

Launch of Canopy by T.EN™, Making Carbon Capture Accessible for Every Emitter

- As part of Capture.Now, Technip Energies introduces Canopy by T.EN™ an integrated suite of flexible and modular post-combustion carbon capture solutions, powered by Shell CANSOLV ® CO_2 Capture System. Canopy by T.EN™ is an integrated range of configurable, modular post-combustion carbon capture solutions. These solutions are adapted to emitters of all sizes, with capacity ranging from pilots to large installations across industries and locations, allowing them to capture carbon with confidence and meet their emission-reduction targets efficiently and affordably.

Collaboration between Technip Energies, LyondellBasell and Chevron Phillips Chemical for Electric Cracking Ethylene Furnace

- Technip Energies, LyondellBasell and Chevron Phillips Chemical (CPChem) announced the signing of a MOU for the design, construction and operation of a demonstration unit for Technip Energies’ electric steam cracking furnace technology (eFurnace by T.EN™) to produce olefins. The demonstration unit will be located at LyondellBasell’s site in Channelview, Texas, USA, and is designed to prove the technology at industrial scale.

Acquisition of the Research and Development Company Processium to Accelerate on Technology Development for a Net Zero Trajectory

- Technip Energies announces the acquisition of Processium, an expert company in process development, equipped with laboratory and piloting facilities located in Lyon, France. Processium is an industrial development partner designing and developing next-generation processes to support the energy transition and enhance manufacturing competitiveness in the field of sustainable chemicals. Technip Energies will strengthen its R&D portfolio and enlarge its services offer, taking benefit from the highly skilled workforce of Processium with specific competencies in reactor design and scale-up, as well as downstream purification and processing know-how.

Acquisition of SEED Energy, an energy transition digital services startup

- Technip Energies announces the acquisition of SEED Energy, a startup that specializes in digital services for innovative, multi-technology renewable energy systems. This acquisition reinforces Technip Energies’ digital portfolio and fits with its energy transition ambition. It is part of the company’s strategy to broaden its digital services offering to cover the entire project life cycle and position it as a leading player in designing and delivering integrated digital solutions for the decarbonized energy sector.

Corporate and other items

Corporate costs, excluding non-recurring items, were €30.7 million for the first half of 2023, higher than the run-rate in the first half of 2022 due to incremental costs associated with strategic projects and pre-development initiatives. Corporate costs for the full year 2023 are anticipated to be higher than in 2022 because of these investments as well as costs associated with the employee share offering ("ESOP 2023") announced on April 18, 2023.

Non-recurring expense amounted to €33.9 million, relating to two main factors: the settlement with the French Parquet National Financier (PNF) announced on June 27, 2023, and the non-cash impact of the cumulative translation adjustment (CTA) as part of the deconsolidation of our main Russian operating entity.

Net financial income of €37.1 million benefited from higher rates of interest income generated from cash on deposit, partially offset by interest expenses associated with the senior unsecured notes and the mark-to-market valuation impact of investments in traded securities.

Effective tax rate on an adjusted IFRS basis was 32.6% for the first half 2023, slightly above the 2023 guidance range of 26% - 30%. The higher than anticipated tax rate in the first half is primarily due to the PNF settlement, which is non-deductible for tax purposes. Excluding the impact of the PNF settlement, the underlying tax rate for the period is 28.6%.

Depreciation and amortization expense was €47.6 million, of which €33.0 million is related to IFRS 16.

Adjusted net cash at June 30, 2023 was €2.7 billion, which compares to €3.1 billion at December 31, 2022.

Adjusted free cash flow was €(24.2) million for the first half 2023. Adjusted free cash flow, excluding the working capital variance of €(202.9) million, was €178.7 million benefiting from strong operational performance and consistently high conversion from Adjusted recurring EBIT. Free cash flow is stated after capital expenditures of €22.2 million. **Adjusted operating cash flow** was €(2.0) million.

Liquidity

Adjusted liquidity of €4.1 billion at June 30, 2023 comprised of €3.4 billion of cash and €750 million of liquidity provided by the Company's undrawn revolving credit facility, offset by €80 million of outstanding commercial paper. The Company's revolving credit facility is available for general use and serves as a backstop for the Company's commercial paper program.

AGM and Dividend

At the company's AGM on May 10, 2023, all resolutions submitted to the shareholders for approval at the 2023 Annual General Meeting of Shareholders ("AGM") were adopted.

All resolutions on the Agenda received a majority of votes in favor including shareholder approval for the 2022 financial statements and the proposed dividend of €0.52 per outstanding common share for the 2022 financial year. The voting results are available at https://investors.technipenergies.com/news-events/agm.

Payment for the cash dividend took place on May 24, 2023.

1.3. PRINCIPAL RISKS AND UNCERTAINTIES

BACKLOG CONCENTRATION

On May 16, 2023, Technip Energies announced that a joint venture (T.ENCCC JV) led by the Company in partnership with Consolidated Contractors Company (CCC), had won a major Engineering, Procurement, Construction and Commissioning (EPCC) contract awarded by QatarEnergy for the onshore facilities of the North Field South Project (NFS). The award of this project in conjunction with the ongoing North Field East (NFE) project already under execution creates a concentration of backlog in Qatar.

While larger contracts which are included in the Company's backlog may give prominence to a limited number of countries in any given year, the Company's backlog is being constantly replenished and geographic concentration will therefore vary considerably from year to year. In the medium to long-term the growth of the Company's TPS businesses as well as the development of carbon free activities is going to expand the Company's portfolio by inclusion of a larger number of contracts and clients which are expected to be more diverse.

FINANCE RISK

Please refer to Note 22. Financial instruments for a description of the derivative instruments the Company enters into to hedge financial risk and to Note 24. Market-related exposure for a discussion of certain financial risks the Company may be subject to.

LEGAL PROCEEDINGS

Please refer to Note 25.2. Contingent liabilities associated with legal matters of the condensed consolidated financial statements for the half-year ended June 30, 2023, for a description of the material proceedings to which the Company is subject.

OTHER RISKS

Please also refer to Chapter 4. Risk and Risk Management, to Section 3.5.1. ESG Risk Management and to Section 2.3. Operating and Financial Review of the Company's 2022 Annual Report for a description of other risks the Group could be facing in the second half of 2023.

Please carefully consider the specific risks and uncertainties set forth above and the other information contained within this Interim Management Report as these are important factors that could cause the Company's actual results, performance or achievements to differ materially from the Company's expected or historical results.

1.4. RELATED PARTY TRANSACTIONS

Related party transactions are identified and described in Note 23. Related party transactions of the condensed consolidated financial statements for the half-year ended June 30, 2023.

1.5. FORWARD LOOKING STATEMENTS

This Interim Management Report contains forward-looking statements that reflect the Company's intentions, beliefs, current expectations and projections about the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates.

Forward-looking statements are often identified by the words “believe”, “expect”, “anticipate”, “plan”, “intend”, “foresee”, “should”, “would”, “could”, “may”, “estimate”, “outlook”, and similar expressions, including the negative thereof. The absence of these words, however, does not mean that the statements are not forward-looking.

While the Company believes that these forward-looking statements are reasonable as and when made, there can be no assurance that future developments affecting Technip Energies will be those that the Company anticipates.

All of the Company's forward-looking statements involve risks and uncertainties (some of which are significant or beyond the Company's control) and assumptions that could cause actual results to differ materially from the Company's historical experience and the Company's present expectations or projections.

Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those set forth in the forward-looking statements.

Some of these factors are discussed in this Interim Management Report and in particular in Section 1.3. Other factors are discussed in the Company’s 2022 Annual Report including in chapter 4. Risk and Risk Management and in sections 3.5. ESG Risks and Opportunities and 2.3. Operating and Financial Review where the Company's material risks are discussed. These provide a discussion of the factors that could affect the Company's future performance and the markets in which the Company operates. Additional risks currently not known to the Company or that the Company has not considered material as of the date of this Interim Management Report could also cause the forward-looking events discussed in this Interim Management Report not to occur.

Forward-looking statements involve inherent risks and uncertainties and speak only as of the date they are made. The Company undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE FIRST HALF OF 2023 FINANCIAL REPORT

On behalf of the Board of Directors, I hereby declare that to the best of our knowledge:

- The condensed consolidated financial statements for the half-year ended June 30, 2023 have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and results of Technip Energies and of the entities included in the consolidation; and
- The 2023 interim management report describes the material events that occurred in the first six months of the year and their impact on accounts, together with the main related-party transactions and a description of the main risks and uncertainties for the remaining six months of the year.

Nanterre, July 27, 2023

Arnaud Pieton

Chief Executive Officer

3 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3.1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED JUNE 30, 2023

3.1.1. CONDENSED CONSOLIDATED STATEMENT OF INCOME (UNAUDITED)

(In millions of €)	Note	June 30, 2023	June 30, 2022
Revenue	6	**2,830.3**	**3,216.7**
Costs and expenses			
Cost of sales		(2,413.3)	(2,774.2)
Selling, general and administrative expense		(178.8)	(160.0)
Research and development expense		(23.7)	(22.1)
Impairment, restructuring and other expense	7	(33.9)	(1.9)
Other operating income (expense), net	8	(7.0)	1.0
Operating profit (loss)		**173.5**	**259.5**
Share of profit (loss) of equity-accounted investees	10	15.8	10.1
Profit (loss) before financial expense, net and income tax		**189.3**	**269.6**
Financial income	11	51.1	8.6
Financial expense	11	(26.8)	(94.0)
Profit (loss) before income tax		**213.6**	**184.2**
Income tax (expense)/profit	12	(69.6)	(62.8)
Net profit (loss)		**144.0**	**121.4**
Net (profit) loss attributable to non-controlling interests		(16.8)	(2.1)
NET PROFIT (LOSS) ATTRIBUTABLE TO TECHNIP ENERGIES GROUP		**127.2**	**119.3**

EARNINGS (LOSS) PER SHARE ATTRIBUTABLE TO TECHNIP ENERGIES[(1)]		
Basic	€0.73	€0.68
Diluted	€0.71	€0.67

(1) For June 30, 2023 and 2022, basic earnings per share have been calculated using the weighted average number of outstanding shares of 174,948,858 and 175,916,438 respectively. Diluted earnings per share have been calculated using the weighted average number of 179,325,740 and 178,514,257 respectively.

3.1.2. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

(In millions of €)	June 30, 2023	June 30, 2022
Net profit (loss)	**144.0**	**121.4**
Foreign currency translation differences	(30.1)	53.8
Reclassification adjustment for net gains included in net profit (loss)	6.8	0.4
Cash-flow hedge	12.3	(53.0)
Income tax effect	(2.3)	5.8
Other comprehensive income (loss) to be reclassified to statement of income in subsequent years	**(13.3)**	**7.0**
Actuarial gains (losses) on defined benefit plans	—	0.1
Income tax effect	—	—
Other comprehensive income (loss) not being reclassified to statement of income in subsequent years	**—**	**0.1**
Other comprehensive income (loss), net of tax	**(13.3)**	**7.1**
Comprehensive income (loss)	**130.7**	**128.5**
Comprehensive (income) loss attributable to non-controlling interest	(16.8)	0.1
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO TECHNIP ENERGIES GROUP	**113.9**	**128.6**

3.1.3. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

(In millions of €)	Note	June 30, 2023	December 31, 2022
ASSETS			
Goodwill	13	2,086.9	2,096.4
Intangible assets, net	13	117.3	108.2
Property, plant and equipment, net	14	100.3	102.8
Right-of-use assets	15	220.9	221.7
Equity accounted investees	10	70.2	106.3
Deferred income taxes	12	135.8	140.6
Other non-current financial assets	16	102.9	101.6
Total non-current assets		**2,834.2**	**2,877.6**
Trade receivables, net		1,340.6	1,287.4
Contract assets	6	451.5	343.2
Income taxes receivable		95.6	101.8
Advances paid to suppliers		252.2	267.3
Other current assets	16	416.5	337.6
Cash and cash equivalents	17	3,187.7	3,477.4
Total current assets		**5,744.1**	**5,814.7**
TOTAL ASSETS		**8,578.3**	**8,692.3**
EQUITY AND LIABILITIES			
Issued capital		1.8	1.8
Additional paid-in capital		941.6	941.6
Invested equity and retained earnings		920.2	886.1
Accumulated other comprehensive income (loss)		(71.9)	(58.6)
Treasury shares		(53.4)	(64.2)
Equity attributable to Technip Energies Group		**1,738.3**	**1,706.7**
Non-controlling interests		19.6	29.7
Total equity	**20**	**1,757.9**	**1,736.4**
Long-term debt, less current portion	19	595.7	595.3
Lease liability – non-current	15, 19	186.4	195.1
Deferred income taxes – liabilities	12	27.6	22.7
Accrued pension and other post-retirement benefits, less current portion		98.8	100.9
Non-current provisions	21	56.0	56.0
Other non-current financial liabilities	18	38.5	50.3
Total non-current liabilities		**1,003.0**	**1,020.3**
Short-term debt	19	130.7	123.7
Lease liability – current	15, 19	72.6	72.1
Accounts payable, trade		1,286.0	1,662.7
Contract liabilities	6	3,573.0	3,154.8
Accrued payroll		198.8	261.0
Income taxes payable		68.7	68.4
Current provisions	21	96.9	126.3
Other current liabilities	18	390.7	466.6
Total current liabilities		**5,817.4**	**5,935.6**
Total liabilities		**6,820.4**	**6,955.9**
TOTAL EQUITY AND LIABILITIES		**8,578.3**	**8,692.3**

3.1.4. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

(In millions of €)	Note	June 30, 2023	June 30, 2022
CASH PROVIDED (REQUIRED) BY OPERATING ACTIVITIES			
Net profit (loss)		144.0	121.4
Adjustments to reconcile net profit to cash provided (required) by operating activities			
Depreciation and amortization		47.2	69.2
Employee benefit plan and share-based compensation	9, 21	14.5	7.3
Tax expense	12	69.6	62.8
Financial (income), expense, net	11	(24.3)	85.4
Impairments	7	—	5.8
Share of profit (loss) of equity-accounted investees, net of dividends received	10	35.4	8.1
Income tax paid		(47.2)	(87.9)
Interest received (paid)		38.0	(9.9)
Other		(28.5)	11.0
Changes in operating assets and liabilities			
Trade receivables, net		(77.8)	(99.8)
Contract assets	6	(139.3)	(93.4)
Inventories, net		(1.6)	(3.1)
Accounts payable, trade		(209.3)	113.3
Contract liabilities	6	365.7	78.3
Other current assets and liabilities, net	16, 18	(115.6)	(72.7)
Change in working capital		**(177.9)**	**(77.4)**
Other non-current assets and liabilities, net	16, 18	(6.2)	(6.1)
Cash provided by operating activities		**64.6**	**189.7**
CASH PROVIDED (REQUIRED) BY INVESTING ACTIVITIES			
Acquisition of property, plant, equipment and intangible assets		(22.2)	(17.4)
Acquisition of financial assets		(25.0)	(8.0)
Proceeds from disposal of financial assets		—	0.1
Proceeds from disposals of subsidiaries, net of cash disposed		(30.5)	—
Other		0.1	—
Cash required by investing activities		**(77.6)**	**(25.3)**
CASH PROVIDED (REQUIRED) BY FINANCING ACTIVITIES			
Net increase (repayment) in long-term and short-term debt	19	11.8	22.0
Net decrease in commercial paper	19	—	(10.0)
Payments for the principal portion of lease liabilities		(38.0)	(37.1)
Purchase of treasury stock	20	—	(40.4)
Liquidity contract	20	—	(0.3)
Dividends paid to shareholders	20.2	(91.2)	(79.0)
Dividends paid to non-controlling interests		(26.6)	(11.4)
Settlements of mandatorily redeemable financial liability	18	(80.3)	(120.2)
Cash provided (required) by financing activities		**(224.3)**	**(276.4)**
Effect of changes in foreign exchange rates on cash and cash equivalents		(52.4)	142.3
(Decrease) Increase in cash and cash equivalents		**(289.7)**	**30.3**
Cash and cash equivalents, beginning of period		**3,477.4**	**3,638.6**
CASH AND CASH EQUIVALENTS, END OF PERIOD		**3,187.7**	**3,668.9**

3.1.5. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

(In millions of €)	Issued capital	Additional paid-in capital	Invested equity and retained earnings	Accumulated other comprehensive income (loss)	Treasury shares	Equity attributable to Technip Energies	Non-controlling interests	Total equity
Balance as of December 31, 2021	**1.8**	**941.6**	**655.1**	**(99.8)**	**(22.5)**	**1,476.2**	**30.2**	**1,506.4**
Net profit (loss)	—	—	119.3	—	—	119.3	2.1	121.4
Other comprehensive income (loss)	—	—	—	9.3	—	9.3	(2.2)	7.1
Net (distributions to) / contributions from TechnipFMC	—	—	(79.0)	—	—	(79.0)	(11.4)	(90.4)
Share-based compensation	—	—	8.1	—	—	8.1	—	8.1
Treasury shares	—	—	(7.2)	—	(33.1)	(40.3)	—	(40.3)
Other	—	—	1.0	—	—	1.0	(0.6)	0.4
BALANCE AS OF JUNE 30, 2022	**1.8**	**941.6**	**697.3**	**(90.5)**	**(55.6)**	**1,494.6**	**18.1**	**1,512.7**

(In millions of €)	Issued capital	Additional paid-in capital	Invested equity and retained earnings	Accumulated other comprehensive income (loss)	Treasury shares	Equity attributable to Technip Energies	Non-controlling interests	Total equity
Balance as of December 31, 2022	**1.8**	**941.6**	**886.1**	**(58.6)**	**(64.2)**	**1,706.7**	**29.7**	**1,736.4**
Net profit (loss)	—	—	127.2	—	—	127.2	16.8	144.0
Other comprehensive income (loss)	—	—	—	(13.3)	—	(13.3)	—	(13.3)
Dividends	—	—	(91.2)	—	—	(91.2)	(26.7)	(117.9)
Share-based compensation	—	—	8.2	—	—	8.2	—	8.2
Treasury shares	—	—	(10.8)	—	10.8	—	—	—
Other	—	—	0.7	—	—	0.7	(0.2)	0.5
BALANCE AS OF JUNE 30, 2023	**1.8**	**941.6**	**920.2**	**(71.9)**	**(53.4)**	**1,738.3**	**19.6**	**1,757.9**

3.1.6. NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

The accompanying notes are an integral part of the condensed consolidated financial statements.

As used herein, “Technip Energies Group”, “Technip Energies”, “the Group” or “the Company” refers to Technip Energies N.V. and all the companies included in the scope of consolidation. “Technip Energies N.V.” refers only to the parent company of the Group.

The condensed consolidated financial statements are presented in millions of euros, unless otherwise specified.

These condensed consolidated financial statements were prepared under the responsibility of and approved by the Board of Directors on July 27, 2023.

Technip Energies N.V. is a company with corporate seat in Amsterdam, the Netherlands, and principal place of business at 2126, boulevard de la Défense, CS 10266, 92741 Nanterre Cedex, France.

Contents of notes

Note 1. Description of business

As one of the largest engineering and technology ("E&T") companies by revenue, the Technip Energies Group offers a full range of design and project development services to its customers in the energy industry, from early engagement technical consulting through final acceptance.

The Group's core purpose is to combine its E&T capabilities to bring forth new energy solutions and provide applications for the world's energy transition, helping its client reach their net zero trajectory.

Technip Energies' business focuses both on project delivery and on technology, products and services. Its activities cover in particular the study, engineering, procurement, construction and project management of the entire range of onshore and offshore liquefaction infrastructures as well as low-carbon natural gas facilities, sustainable fuels and chemicals, blue and green hydrogen, carbon capture and circular economy. Technip Energies conducts large-scale, complex and challenging projects often in environments with extreme climatic conditions. The Group relies on early engagement and front-end design as well as technological know-how for process design and engineering, either through the integration of proprietary technologies or through alliances with partners. Technip Energies seeks to integrate and develop advanced technologies and reinforce the Group's project execution capabilities.

The Technip Energies Group believes that it is differentiated from its competitors by its ability to offer clients an excellence in project execution combined with a comprehensive portfolio of technologies, products and services. The Group's capabilities span from feasibility studies, consulting services, process technology know-how, proprietary equipment, and project management to full engineering and construction. The Group's expertise in integrating process technologies, either proprietary or from third-party licensors, fosters early project engagement, with a significant impact on project economics.

The Group partners with some of the world's most well-known players for technologies, equipment and construction worldwide. Additionally, the Group's project management consulting services leverage its expertise in the management of complex projects to the benefit of its clients.

Note 2. Summary of significant accounting policies

2.1. Basis of preparation

The condensed consolidated financial statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and endorsed by the European Union ("UE"), in particular, for interim financial information according to IAS 34, Interim Financial Reporting ("IAS 34").

The consolidation principles and accounting policies applied in the condensed financial statements for the six-month period ended June 30, 2023 and 2022 are in conformity with those we applied and detailed in the consolidated financial statements for the year ended December 31, 2022, except for specific requirements listed below:

- **Employee benefits**

The amount of obligation corresponding to post-employment benefits and other long-term benefits as of June 30, 2023, is calculated by projecting the prior year obligation over one half-year, taking into account the benefits paid out.
The impacts of the French pension reform have been assessed by the Group and are not significant.

- **Income tax**

Income tax (current and deferred) is calculated by applying the estimated annual average tax rate for the current year, for each entity or tax group, to the consolidated Group's profit before tax. Income tax on any material non-recurring items for the period is measured at the actual income tax rate applicable to the items concerned.

2.2. Changes in accounting policies

The preparation of condensed consolidated financial statements requires management to make certain estimates and assumptions, either at the balance sheet date or during the period that affects the reported amounts of assets and liabilities as well as expenses.

Refer to Note 1.7. "Key judgments and estimates" and Note 1.8 "Other sources of estimation uncertainty", in the Technip

Energies Group consolidated financial statements for the year ended December 31, 2022, for a discussion of critical accounting estimates, judgments and assumptions. During the six-month period ended June 30, 2023, there were no changes to identified critical accounting estimates, judgments and assumptions.

2.3. IFRS standards, amendments and interpretations effective as of January 1, 2023

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures that are more useful by:

- Replacing the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose their "material" accounting policies and,
- Adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12

The amendments introduced a temporary exception to the requirements to recognize and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and targeted disclosure requirements for affected entities.

The amendments will be applicable after the corresponding European Union endorsement.

As of June 30, 2023, the Group has started the assessment of the Pillar Two Model Rules and does not anticipate any material impacts.

IFRIC decisions 2023

The IFRS Interpretation committee has reached the following decisions:

- Definition of a Lease—Substitution Rights (IFRS 16 Leases).

The above-mentioned new standard, interpretations and amendments effective on January 1, 2023, did not have a significant impact on the Company's condensed consolidated financial statements.

2.4. Published IFRS standards, amendments and interpretations not yet effective or early adopted by the Group

New standards, interpretations or amendments effective on January 1, 2024 were not early adopted by Technip Energies. The Group does not currently anticipate any material impacts to result from these new standards, amendments and interpretations.

Note 3. Seasonality

Technip Energies' operations may be affected by variations from normal weather patterns, such as cooler or warmer summers and winters. Adverse weather conditions, such as hurricanes or extreme winter conditions, may interrupt or curtail the Group's operations, or its customers' operations, cause supply disruptions or loss of productivity and may result in a loss of revenue or damage to equipment and facilities. This information is provided to allow for a better understanding of the results, however, management has concluded that this is not "highly seasonal" in accordance with IAS 34.

Note 4. Changes in the scope of consolidation

Half-year ended June 30, 2023

During the six months ended June 30, 2023, the Group did not have any significant acquisitions.

As part of the Exit Framework Agreement signed in relation to the Arctic LNG 2 project in the third quarter of 2022, the Group has disposed of its interest held in the entities Gydan LNG SARL and Novarctic SARL on May 4, 2023. Gydan LNG SARL was held at 84.0% and fully consolidated, Novarctic SARL was accounted for as equity method affiliate and held at 33.33%. The sale result accounted for in the Group condensed consolidated financial statements as of June 30, 2023, is €1.7 million and presented under "Impairment, restructuring and other expense".

In addition, the Group also sold its main Russian operating entity, JSC Technip Energies Rus, during the first quarter of 2023. The entity was held at 100% and fully consolidated. The sale result mostly relating to the non-cash impact of the cumulative translation adjustment ("**CTA**") amounted to €(10.9) million, and is presented under "Impairment, restructuring and other expense".

Half-year ended June 30, 2022

The Group did not have any significant acquisitions or divestitures during the six months ended June 30, 2022.

Note 5. Segment information

In the periods presented here, the Chief Executive Officer reviewed and evaluated the Technip Energies Group operating performance to make decisions about resources to be allocated and has been identified as the CODM. Utilizing the internal reporting information provided to the CODM, the Technip Energies Group has defined two segments designated as Project Delivery and Technology, Products & Services. The assessment of the operating segment's performance is based on the Group's EBIT. Statement of income information by segment is shown below:

	June 30, 2023			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
Revenue	1,904.7	925.6	—	2,830.3
EBIT (Profit (loss) before financial expense, net and income tax)	161.8	89.1	(61.6)	189.3

	June 30, 2022			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
Revenue	2,574.8	641.9	—	3,216.7
EBIT (Profit (loss) before financial expense, net and income tax)	233.5	59.4	(23.3)	269.6

During the six months ended June 30, 2023, revenue from North Field East (NFE) project exceeded 10% of Technip Energies' consolidated revenue. During the six months ended June 30, 2022 revenue from NFE and Arctic projects exceeded 10% of Technip Energies' consolidated revenue.

Statement of financial position information by segment is shown below:

	June 30, 2023			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
TOTAL ASSETS	2,957.5	1,524.9	4,095.9	8,578.3

	December 31, 2022			
(In millions of €)	Project Delivery	Technology, Products & Services	Corporate/non allocable	Total
TOTAL ASSETS	2,956.8	1,364.1	4,371.4	8,692.3

Note 6. Revenue

6.1. Principal revenue generating activities

The Group's offering to its clients consists of Project Delivery, and Technology, Products & Services. Technip Energies Group business focuses on the study, engineering, procurement, construction, and project management of the entire range of onshore and offshore facilities related to gas monetization, refining, and chemical processing from biofuels and hydrocarbons.

The majority of the Technip Energies Group revenue is from long-term contracts associated with designing and manufacturing products and systems and providing services to customers involved in the energy sector.

Many of these contracts provide a combination of engineering, procurement, construction, project management and installation services, which may last several years. Management has determined that contracts of this nature have generally one performance obligation. In these contracts, the final product is highly customized to the specifications of the field and the customer's requirements. Therefore, the customer obtains control of the asset over time, and thus revenue is recognized over time.

These customized products do not have an alternative use for Technip Energies Group. The Group has an enforceable right to payment plus reasonable profit for performance completed to date.

6.2. Disaggregation of revenue

The Technip Energies Group disaggregates revenue from external customers as follows:

	June 30, 2023			June 30, 2022		
(In millions of €)	Project Delivery	Technology, Products & Services	TOTAL	Project Delivery	Technology, Products & Services	TOTAL
Europe & Russia	147.4	408.2	555.6	1,101.0	291.8	1,392.8
Africa & Middle East	1,236.2	163.9	1,400.1	1,012.6	112.8	1,125.4
Asia Pacific	346.9	180.8	527.7	262.5	139.5	402.1
Americas	174.2	172.7	346.9	198.6	97.8	296.4
TOTAL REVENUE	**1,904.7**	**925.6**	**2,830.3**	**2,574.7**	**641.9**	**3,216.7**

6.3. Contract balances

The timing of revenue recognition, billings and cash collections results in billed accounts receivable, revenues in excess of billings on uncompleted contracts (contract assets), and billings in excess of revenues on uncompleted contracts (contract liabilities) on the condensed consolidated statement of financial position.

Contract assets – Contract assets include unbilled amounts typically resulting from sales under long-term contracts when revenue is recognized over time and revenue recognized exceeds the amount billed to a customer, and right to payment is not just subject to the passage of time. Amounts may not exceed their net realizable value. Contract assets are generally classified as current.

Contract liabilities – The Group often receives advances or deposits from its customers before revenue is recognized, resulting in contract liabilities.

The following table provides information about net contract assets (liabilities) as of June 30, 2023 and December 31, 2022:

(In millions of €)	June 30, 2023	December 31, 2022	Change	% change
Contract assets	451.5	343.2	108.3	32%
Contract (liabilities)	(3,573.0)	(3,154.8)	(418.2)	13%
NET LIABILITIES	**(3,121.5)**	**(2,811.6)**	**(309.9)**	**11%**

The increase in contract assets from December 31, 2022, to June 30, 2023 was primarily due to the timing of milestones. The increase in contract liabilities was primarily due to additional cash received, excluding amounts recognized as revenue during the period. To determine revenue recognized in the period from contract liabilities, the Group allocates revenue to the individual contract liability balance outstanding at the beginning of the period until the revenue exceeds that balance. Revenue recognized for the six-month periods ended June 30, 2023 and 2022 that were included in the contract liabilities balance at December 31, 2022 and 2021 was €1,313.6 million and €1,873.5 million, respectively.

6.4. Transaction price allocated to the remaining unsatisfied performance obligations

Remaining unsatisfied performance obligations ("backlog") represent the transaction price for products and services for which we have an enforceable right but work has not been performed. Transaction price of the backlog includes the base transaction price, variable consideration, and changes in transaction price. The backlog table does not include contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

The transaction price of backlog related to unfilled, confirmed customer orders is estimated at each reporting date. As of June 30, 2023 and December 31, 2022, the aggregate amount of the transaction price allocated to backlog was €18,775.9 million and €12,494.2 million, respectively.

The following table details the backlog as of June 30, 2023:

(In millions)	December 31, 2023	December 31, 2024	December 31, 2025+
Total remaining unsatisfied performance obligations	**2,924.3**	**4,455.0**	**11,396.6**

The following table details the backlog as of December 31, 2022:

(In millions)	December 31, 2023	December 31, 2024	December 31, 2025+
Total remaining unsatisfied performance obligations	**5,345.7**	**4,009.9**	**3,138.6**

Note 7. Impairment, restructuring and other expense

Impairment, restructuring and other expense is detailed as follows:

(In millions of €)	June 30, 2023	June 30, 2022
Impairment losses	—	(5.8)
Restructuring and non-recurring income (expense)	(13.1)	3.9
Legal matters settlement	(17.5)	—
Other	(3.3)	—
TOTAL IMPAIRMENT, RESTRUCTURING AND OTHER EXPENSE	**(33.9)**	**(1.9)**

Impairment losses

As of June 30, 2023, the Group has not recognized any impairment losses.

Restructuring and non-recurring income (expense)

As of June 30, 2023, Restructuring and non-recurring income (expense) included the sale result recorded by the Group relating to the disposal of its main Russian operating entity and the exit of Arctic LNG 2 (for further detail, please refer to Note 4. Changes in the scope of consolidation) as well as severance costs.

Legal matters settlement

This mostly relates to the resolution of the Group outstanding matters with the French Parquet National Financier further detailed in Note 25. Commitments and contingent liabilities. This is partially offset by release of provisions for which risks expired.

Note 8. Other operating income (expense), net

Total other operating income and expense, net is as follows:

(In millions of €)	June 30, 2023	June 30, 2022
Foreign currency gain (loss)	(5.9)	0.7
Reinsurance income (expense)	0.3	1.2
Net gain (loss) from disposal of property, plant and equipment and intangible assets	0.6	0.1
Other	(2.0)	(1.0)
TOTAL OTHER OPERATING INCOME (EXPENSE), NET	**(7.0)**	**1.0**

Note 9. Share-based compensation

The expense related to compensation based on performance shares (“**Performance Shares**”) and stock options granted to employees and board members was recorded in the condensed consolidated statement of income for €8.2 million and €8.0 million as of June 30, 2023, and 2022 respectively.

9.1. Performance and restricted shares

a. 2023 Performance shares program under the Technip Energies N.V. Incentive Award Plan

The Compensation Committee of the Board of Directors, at its meeting of February 27, 2023, has approved the terms of the 2023 Long-Term Incentive Program, and the LTI performance metrics. Under this program, certain Employees, Senior Executives, Executive Committee members or Officers benefit from performance stock units (“**PSUs**”) that vest subject to achieving satisfactory performance indicators and/or from restricted stock units (“**RSUs**”) that vest subject to continuous presence within the Group.

The performance indicators that rule performance criteria of the PSUs are similar to the ones ruling the 2022 program:

- The Total Shareholder Return (“TSR”) represents 37.5% of performance conditions mix. The TSR peer group to assess Technip Energies is composed of 10 reference companies;
- Earnings Per Share (“EPS”) has been set as a second financial indicator for 37.5% of performance conditions mix;
- E.S.G. performance metric, combining 3 Key Performance Indicators evenly weighted, has been determined as the third indicator and represents 25% of PSUs performance conditions.

The fair value of such PSUs is estimated using both a Monte Carlo simulation model and closing stock price at the grant date whereas RSUs fair value is based on the closing stock price at the grant date.

Under the 2023 Program, €17.5 million were authorized for awards. A first grant of 804,980 shares (477,233 PSUs and 327,747 RSUs), representing €16.6 million at €20.68 (closing stock price at the grant date) was made on March 23, 2023.

Performance Shares generally vest after three years of service.

Share-based compensation expense is recognized ratably over the vesting period. Exceptions to the service period are the death or disability of the employee upon which vesting accelerates.

b. Vesting of March 9, 2020 and September 15, 2021 Long-Term Incentive programs

March 9, 2020 program

In connection with the separation of Technip Energies from TechnipFMC, the outstanding rights to receive ordinary shares of TechnipFMC pursuant to Restricted Stock Units and Performance Stock Units awarded on March 9, 2020 were converted as RSUs on the same terms and conditions under Technip Energies' Long Term Incentive programs.

Out of the 1,036,268 Performance Shares granted to certain Employees, Senior Executives, Executive Committee members or Officers:

- 961,239 shares were vested on March 9, 2023, at an acquisition price of €20.84 per share (Technip Energies' stock price on the vesting date, i.e.: the opening of the Paris stock exchange market on March 9, 2023), for grantees having fulfilled the presence condition for PSUs and RSUs (3 years of service) and with the performance indicators of PSUs achieved at 100%;
- 74,677 shares were forfeited due to the unfulfillment of presence condition from grantees, according to the requirement of program terms and conditions;
- 352 shares were vested on February 16, 2022 at an acquisition price of €14.08 per share due to case of beneficiary's death.

September 15, 2021 program - Executive Committee (1st Tranche Vesting)

The Compensation Committee awarded a special grant of shares to an Executive Committee member at the time such Executive Committee member joined the Company. The grant had been made under the "Rules of the 2021 Performance Shares Program" constituted under the Incentive Award Plan adopted on 15 February 2021.

The Compensation Committee by written resolution on February 27, 2023 approved the financial performance of the TSR (Total Shareholder Return) at 100% for the period concerning the first vesting tranche of PSU's, in accordance with the terms of the "2021 - Technip Energies N.V. Incentive Award Plan / Special Grant".

Out of the 8,971 Performance Shares granted to Executive Committee member:

- 8,971 shares were vested on March 15, 2023, at an acquisition price of €19.88 per share (Technip Energies' stock price on the vesting date, i.e.: the opening of the Paris stock exchange market on March 15, 2023), the grantee having fulfilled the presence conditions for PSUs and RSUs (3 years of service) and after having applied 100% performance conditions for PSUs;
- No shares were forfeited due to the unfulfillment of presence condition from the grantee, according to the requirement of program terms and conditions.

c. Employee share offering ESOP 2023

On April 18, 2023, Technip Energies launched ESOP 2023, an employee share offering proposed to circa 12,000 eligible employees in 19 countries.

The offer is proposed as part of Technip Energies' Group Savings Plan (PEG) and International Group Savings Plan (PEGI). It will be conducted via a share capital increase, up to the maximum of 1.5% of the share capital, within the limit of the total subscription amount of €30 million.

9.2. Stock options

During the six-month periods ended June 30, 2023 and 2022 there were no movements regarding stock options.

Note 10. Investments in equity affiliates and joint ventures

The carrying amounts of the Technip Energies Group's equity affiliates and joint ventures accounted for under the equity method amounted to €70.2 million and €106.3 million as of June 30, 2023 and December 31, 2022, respectively.

Main investments in equity affiliates and joint ventures were as follows as of June 30, 2023, and December 31, 2022:

		June 30, 2023		December 31, 2022	
(In millions of €, except %)	**Place of business/ incorporation**	**Percentage owned**	**Carrying value**	**Percentage owned**	**Carrying value**
ENI Coral FLNG	Mozambique, France	50.0%	19.5	50,0 %	48.2
BAPCO Sitra Refinery	Bahrain	36.0%	—	36,0 %	—
Novarctic	France, Russian Federation	—%	—	33,3 %	9.0
NFE	Qatar, France, Japan	50.0%	19.7	50,0 %	19.2
Others		N/A	31.0	N/A	29.9
TOTAL			**70.2**		**106.3**

ENI Coral FLNG is an affiliated company in the form of a joint venture between Technip Energies, JGC Corporation, Samsung Heavy Industries and TechnipFMC, all partners in the TJS Consortium. ENI Coral FLNG was formed in 2017 when awarded a contract for the Engineering, Procurement, Construction, Installation, Commissioning and Startup of the Coral South FLNG facility.

BAPCO Sitra Refinery is an affiliated company in the form of a joint venture between Technip Energies and Samsung Engineering and Técnicas Reunidas. BAPCO Sitra Refinery was formed in 2018 when awarded a contract from Bahrain Petroleum Company for the BAPCO Modernization Program (BMP) for the expansion of the capacity of the existing Sitra oil refinery in Bahrain's Eastern coast.

Novarctic was an affiliated company in the form of a joint venture between Technip Energies, Saipem and Nipigas. The entity was formed in 2019 when awarded a contract from Novatek for three liquefied natural gas (LNG) trains to manage the construction located in the Gydan peninsula in West Siberia, Russia. The 33.3% investment has been accounted for using the equity method until its disposal by the Group on May 4, 2023 (please refer to Note 4. Changes in the scope of consolidation).

With our partner Chiyoda Corporation, we have been awarded a contract from Qatar Petroleum for the onshore facilities of the North Field East Project for four liquefied natural gas (LNG) trains and associated utility facilities (NFE Project). To carry out our performance obligation under the contract, various legal companies and arrangements have been established, some of which qualify as joint operations according to IFRS 11 and are accounted at our proportionate share of such operations and others are joint ventures which are accounted for using the equity method.

The share of profit of equity accounted affiliates and joint ventures was €15.8 million and €10.1 million as of June 30, 2023 and 2022 respectively.

The Technip Energies Group's dividends received from equity affiliates and joint ventures was €51.1 million as of June 30, 2023 and was €52.8 million as of December 31, 2022.

Summarized financial information (at 100%) of these investments in joint ventures and associates is presented below for all entities as well as separately for the three major joint ventures:

Summarized statement of financial position:

	Total for all JVs and associates		Bapco, Coral and Novarctic only (1)	
(In millions of €)	**June 30, 2023**	**December 31, 2022**	**June 30, 2023**	**December 31, 2022**
DATA AT 100%				
Non-current assets	37.1	38.4	1.5	4.2
Other current assets	457.0	684.4	54.3	362.5
Cash and cash equivalents	784.5	1,204.2	560.3	928.9
Total current assets	1,241.5	1,888.6	614.6	1,291.4
Total non-current liabilities	24.6	34.8	2.7	9.2
Total current liabilities	1,077.1	1,640.2	581.4	1,176.7
Net assets at 100%	**176.9**	**252.0**	**32.0**	**109.7**
Net assets attributable to Technip Energies Group	52.2	86.4	17.0	52.2
Negative investments reclassification	18.0	19.9	2.5	5.0
Investments in equity affiliates	**70.2**	**106.3**	**19.5**	**57.2**

(1) For Novarctic, for the year ended December 31, 2022 only.

Summarized statement of total comprehensive income:

	Total for all JVs and associates		Bapco, Coral and Novarctic only	
(In millions of €)	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
DATA AT 100%				
Revenue	**982.9**	**1,248.5**	**293.7**	**845.8**
Depreciation and amortization	(2.0)	(1.5)	(1.0)	(1.0)
Financial income	16.8	26.2	11.0	21.2
Financial expense	(0.5)	(26.3)	—	(22.6)
Income tax (expense)/profit	(0.3)	(11.4)	0.1	(11.4)
Net profit (loss)	**33.2**	**7.4**	**10.0**	**(1.5)**
Other comprehensive income	(3.7)	6.2	(0.2)	(1.4)
TOTAL COMPREHENSIVE INCOME (LOSS)	**29.5**	**13.6**	**9.8**	**(2.9)**

Note 11. Financial income (expense)

Total financial income was as follows for the six months ended June 30, 2023 and 2022:

(In millions of €)	June 30, 2023	June 30, 2022
Interest income	50.1	8.4
Dividends from non-consolidated investments	0.5	—
Other financial income	0.5	0.2
TOTAL FINANCIAL INCOME	**51.1**	**8.6**

Interest income reached €50.1 million and €8.4 million as of June 30, 2023 and 2022 respectively. The variation was mainly caused by the increase of the average deposit amount and the rise of the interest rate during the half-year 2023.

Total financial expense was as follows for the six months ended June 30, 2023 and 2022:

(In millions of €)	June 30, 2023	June 30, 2022
Interest expense	(9.2)	(7.8)
Financial expense related to long-term employee benefit plan	(2.0)	(0.7)
Redeemable financial liability fair value measurement	(8.4)	(75.9)
Other financial expense	(7.2)	(9.6)
TOTAL FINANCIAL EXPENSE	**(26.8)**	**(94.0)**

Total financial expense was composed of €8.4 million and €75.9 million as of June 30, 2023 and 2022 respectively, related to the Yamal redeemable financial liability fair value measurement (Note 22.).

Interest expense included lease interest for €2.3 million as of June 30, 2023. Lease interest remains at the same level as 2022.

Other financial expense included fair value through profit and loss of quoted equity instruments for €5.8 million and €5.6 million as of June 30, 2023 and 2022 respectively.

Note 12. Income tax

Technip Energies N.V. is incorporated in the Netherlands. However, for income tax purposes Technip Energies N.V. is resident in France where its effective place of management is located and where some of its main entities operate. Therefore, Technip Energies N.V. earnings are subject to tax at the French statutory tax rate of 25.83%.

Technip Energies Group income taxes for the six months ended June 30, 2023 and 2022 reflected effective tax rates of 32.60% and 34.11% respectively.

The Technip Energies Group effective tax rate can fluctuate depending on its country mix of earnings since the Technip Energies Group foreign earnings are generally subject to tax rates different than the one applicable in France.

Note 13. Goodwill and intangible assets, net

The goodwill and intangible assets' costs and accumulated amortization are presented in the following table:

(In millions of €)	Goodwill	Licenses, patents and trademarks	Software	Other	Total
Net book value as of December 31, 2021	**2,074.4**	**34.2**	**17.3**	**46.3**	**2,172.2**
Costs	2,096.4	115.8	115.9	125.4	**2,453.5**
Accumulated amortization	—	(71.9)	(93.5)	(83.5)	**(248.9)**
Net book value as of December 31, 2022	**2,096.4**	**43.9**	**22.4**	**41.9**	**2,204.6**
Costs	2,086.9	113.5	113.4	69.4	**2,383.2**
Accumulated amortization	—	(71.7)	(90.0)	(17.3)	**(179.0)**
NET BOOK VALUE AS OF JUNE 30, 2023	**2,086.9**	**41.8**	**23.4**	**52.1**	**2,204.2**

13.1. Goodwill and intangible assets, net

The changes in goodwill and intangible assets are presented in the following table:

(In millions of €)	Goodwill	Licenses, patents and trademarks	Software	Other	Total
Net book value as of December 31, 2021	**2,074.4**	**34.2**	**17.3**	**46.3**	**2,172.2**
Additions – acquisitions – internal developments	—	11.4	(2.2)	34.8	**44.0**
Depreciation expense for the year	—	(3.3)	(12.2)	(20.8)	**(36.3)**
Net foreign exchange differences	22.0	1.6	0.2	1.5	**25.3**
Other	—	—	19.3	(19.9)	**(0.6)**
Net book value as of December 31, 2022	**2,096.4**	**43.9**	**22.4**	**41.9**	**2,204.6**
Additions – acquisitions – internal developments	—	—	3.0	10.9	**13.9**
Depreciation expense for the year	—	(1.4)	(4.3)	(0.6)	**(6.3)**
Net foreign exchange differences	(9.5)	(0.7)	—	(0.1)	**(10.3)**
Other	—	—	2.3	—	**2.3**
NET BOOK VALUE AS OF JUNE 30, 2023	**2,086.9**	**41.8**	**23.4**	**52.1**	**2,204.2**

13.2. Goodwill per operating segment

For impairment testing purposes, goodwill is tested at the level it is monitored for internal management purposes, which corresponds to the Technip Energies operating segments, Project Delivery or Technologies, Products & Services (for further information on Technip Energies' operating segments, refer to Note 5. Segment information). The goodwill allocated based on those CGUs' enterprise value is split as shown below:

(In millions of €)	June 30, 2023	December 31, 2022
Project Delivery	1,556.5	1,546.6
Technology, Products & Services	530.4	549.8
TOTAL	**2,086.9**	**2,096.4**

Note 14. Property, plant and equipment

Location of property, plant and equipment, net by country is the following:

(In millions of €)	June 30, 2023	December 31, 2022
France	54.0	54.5
India	13.6	13.9
Italy	13.5	14.1
United States	10.2	11.1
All other countries	9.0	9.2
TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	**100.3**	**102.8**

The following tables show the property, plant and equipment roll forward per category:

(In millions of €)	Land and buildings	IT equipment	Machinery and equipment	Office fixtures	Other	Total
Net book value as of December 31, 2021	**31.4**	**11.6**	**12.1**	**13.8**	**45.7**	**114.6**
Costs	106.6	67.8	38.0	56.7	56.6	325.7
Accumulated depreciation	(80.0)	(56.1)	(23.2)	(44.2)	(11.9)	(215.4)
Accumulated impairment	(0.5)	(3.6)	(3.4)	—	—	(7.5)
Net book value as of December 31, 2022	**26.1**	**8.1**	**11.4**	**12.5**	**44.7**	**102.8**
Costs	105.3	68.1	37.3	47.3	55.9	313.9
Accumulated depreciation	(82.5)	(53.8)	(23.0)	(35.2)	(11.5)	(206.0)
Accumulated impairment	(0.5)	(3.7)	(3.4)	—	—	(7.6)
NET BOOK VALUE AS OF JUNE 30, 2023	**22.3**	**10.6**	**10.9**	**12.1**	**44.4**	**100.3**

(In millions of €)	Land and buildings	IT equipment	Machinery and equipment	Office fixtures	Other [(1)]	Total
Net book value as of December 31, 2021	**31.4**	**11.6**	**12.1**	**13.8**	**45.7**	**114.6**
Additions	0.9	3.0	1.1	0.8	5.9	11.7
Disposals through divestitures	—	(0.4)	—	—	(0.3)	(0.7)
Disposals – write-off	—	(0.7)	(0.2)	(0.1)	—	(1.0)
Depreciation expense for the year	(8.1)	(5.8)	(2.1)	(2.6)	(3.2)	(21.8)
Impairment	(0.2)	—	—	—	—	(0.2)
Net foreign exchange differences	—	—	0.2	0.1	—	0.3
Other	2.1	0.4	0.3	0.5	(3.4)	(0.1)
Net book value as of December 31, 2022	**26.1**	**8.1**	**11.4**	**12.5**	**44.7**	**102.8**
Additions	0.1	3.7	0.5	0.4	4.0	8.7
Disposals through divestitures	(1.0)	(0.1)	—	(0.1)	—	(1.2)
Disposals – write-off	—	—	—	—	(0.1)	(0.1)
Depreciation expense for the six-month period	(3.4)	(2.1)	(1.0)	(1.4)	(1.5)	(9.4)
Net foreign exchange differences	(0.2)	(0.1)	(0.3)	0.2	—	(0.4)
Other	0.7	1.1	0.3	0.5	(2.7)	(0.1)
NET BOOK VALUE AS OF JUNE 30, 2023	**22.3**	**10.6**	**10.9**	**12.1**	**44.4**	**100.3**

(1) As of June 30, 2023, "Other" is mainly composed of building arrangements on the Group's headquarters.

Note 15. Leases

The following table is a summary of amounts recognized in the condensed consolidated statements of income for the six-month periods ended June 30, 2023 and 2022:

(In millions of €)	June 30, 2023	June 30, 2022
Depreciation of right-of-use assets	(31.5)	(32.3)
Interest expense on lease liabilities	(2.3)	(2.3)
Short-term lease costs	(2.4)	(1.8)
Sublease income	1.1	1.2

The table below shows the ending balance and depreciation of right-of-use assets by types of assets:

(In millions of €)	Real estate	Office furniture and IT equipment	Machinery and equipment	Total
Net book value as of December 31, 2021	**244.9**	**5.8**	**1.2**	**251.9**
Costs	373.2	33.8	1.9	408.9
Accumulated depreciation	(153.0)	(10.4)	(1.0)	(164.4)
Accumulated impairment	(22.8)	—	—	(22.8)
Net book value as of December 31, 2022	**197.4**	**23.4**	**0.9**	**221.7**
Costs	375.5	34.9	1.8	412.2
Accumulated depreciation	(152.4)	(15.1)	(1.0)	(168.5)
Accumulated impairment	(22.8)	—	—	(22.8)
NET BOOK VALUE AS OF JUNE 30, 2023	**200.3**	**19.8**	**0.8**	**220.9**

The following table shows the right-of-use roll forward per category:

(In millions of €)	Real estate	Office furniture and IT equipment	Machinery and equipment	Total
Net book value as of December 31, 2021	**244.9**	**5.8**	**1.2**	**251.9**
Additions	23.5	29.2	0.2	52.9
Disposals - write-off	(1.6)	(0.3)	(0.1)	(2.0)
Depreciation expense for the year	(57.5)	(11.3)	(0.4)	(69.2)
Impairment	(12.7)	—	—	(12.7)
Net foreign exchange differences	0.8	—	—	0.8
Net book value as of December 31, 2022	**197.4**	**23.4**	**0.9**	**221.7**
Additions	38.0	1.7	0.1	39.8
Disposals through divestitures	(1.4)	—	—	(1.4)
Disposals - write-off	(6.3)	(0.1)	—	(6.4)
Depreciation expense for the six-month period	(26.1)	(5.2)	(0.2)	(31.5)
Net foreign exchange differences	(1.3)	—	—	(1.3)
NET BOOK VALUE AS OF JUNE 30, 2023	**200.3**	**19.8**	**0.8**	**220.9**

As of December 2022, net book value of right-of-use assets was €221.7 million which compares to €220.9 million as of June 30, 2023.

As of June 30, 2023 the principal type of assets composing the net book value is real estate for €200.3 million which is mainly consisting of the group headquarters lease. Increase of the real estate is mainly related to the index effect of the group headquarters lease.

The table below shows the lease liability recorded as of June 30, 2023 and December 31, 2022 :

(In millions of €)	June 30, 2023	December 31, 2022
Lease liability – non-current	186.4	195.1
Lease liability – current	72.6	72.1
TOTAL LEASE LIABILITIES	**259.0**	**267.2**

Note 16. Other assets (non-current and current)

Other non-current assets are as follows:

(In millions of €)	June 30, 2023	December 31, 2022
Financial assets at amortized cost, gross	76.7	69.9
Impairment allowance	(1.3)	(1.5)
Non-current financial assets at amortized cost, net	**75.4**	**68.4**
Quoted equity instruments at FVTPL	24.4	24.4
Fair value adjustment	(5.0)	0.7
Non-current financial assets at FVTPL	**19.4**	**25.1**
Derivative assets	6.0	6.2
Other lease receivables	2.1	1.9
Other non-current assets, total	**8.1**	**8.1**
TOTAL OTHER NON-CURRENT ASSETS	**102.9**	**101.6**

Other current assets are as follows:

(In millions of €)	June 30, 2023	December 31, 2022
Value added and other tax receivables	204.6	158.7
Other receivables	105.0	88.5
Prepaid expenses	48.0	44.1
Derivative assets	23.6	19.9
Others (1)	35.3	26.4
TOTAL OTHER CURRENT ASSETS	**416.5**	**337.6**

(1) As of June 30, 2023, the PNF fine amount to be indemnified by TechnipFMC is included in “Others” for €24.7 million. For further details, please refer to Note 25.2. Contingent liabilities associated with legal matters.

Note 17. Cash and cash equivalents

Cash and cash equivalents were as follows:

(In millions of €)	June 30, 2023	December 31, 2022
Cash at bank and in hand	1,064.3	816.6
Cash equivalents	2,123.4	2,660.8
TOTAL CASH AND CASH EQUIVALENTS	**3,187.7**	**3,477.4**
Euro (EUR)	1,618.3	1,517.0
U.S. dollar (USD)	1,223.0	1,461.4
Chinese yuan renminbi (CNY)	156.6	280.3
Japanese yen (JPY)	33.7	49.2
Kuwaiti dinar (KWD)	26.9	6.2
Pound sterling (GBP)	15.2	12.3
Trinidad and Tobago dollar (TTD)	12.9	13.3
Azerbaijani manat (AZN)	11.2	10.8
Mexican peso (MXN)	10.4	5.0
Colombian peso (COP)	9.3	11.1
Rupiah (IDR)	9.1	5.0
Other (less than €9 million individually)	61.1	105.8
TOTAL CASH AND CASH EQUIVALENTS BY CURRENCY	**3,187.7**	**3,477.4**

A substantial portion of cash and securities are recorded or invested in either Euro or U.S. dollar which are frequently used by the Group within the framework of its commercial relationships. Cash and securities in other currencies correspond either to deposits retained by subsidiaries located in countries where such currencies are the national currencies to ensure their own liquidity, or to amounts received from customers prior to the payment of expenses in these same currencies or the payment of dividends. Short-term deposits are classified as cash equivalents along with other securities.

Note 18. Other liabilities (non-current and current)

Other non-current liabilities are as follows:

(In millions of €)	June 30, 2023	December 31, 2022
Subsidies	4.1	7.0
Derivative liabilities	0.4	5.3
Others	34.0	38.0
TOTAL OTHER NON-CURRENT LIABILITIES	**38.5**	**50.3**

Other current liabilities are as follows:

(In millions of €)	June 30, 2023	December 31, 2022
Redeemable financial liability	24.8	101.7
Current financial liability at FVTPL, total	**24.8**	**101.7**
Accruals on completed contracts	56.8	83.4
Other taxes payable	102.8	110.1
Social security liabilities	46.9	43.1
Derivative liabilities	17.9	20.3
Others (1)	141.5	108.0
Other current liabilities, total	**365.9**	**364.9**
TOTAL OTHER CURRENT LIABILITIES	**390.7**	**466.6**

(1) As of June 30, 2023, "Others" included the €54.1 million liability incurred in respect with the settlement reached on the outstanding matters with the French Parquet National Financier (for further details, please refer to Note 25.2), government grants for €23.2 million, a €26.7 million liability incurred by Technip Energies N.V. in relation to the Spin-off, €26.8 million of customer advance payment and other current liabilities as well as the short term portion of provisions for pensions and other employee benefits for €10.7 million. As of December 31, 2022, "Others" included government grants for €27.4 million, a €23.7 million liability incurred by Technip Energies N.V. in relation to the Spin-off, €24.6 million of customer advance payment and other current liabilities as well as the short-term portion of provisions for pensions and other employee benefits for €8.8 million.

Note 19. Debt (long and short-term)

Long and short-term debt consisted of the following:

	June 30, 2023		December 31, 2022	
(In millions of €)	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	596.3	513.4	599.3	486.7
Commercial papers	79.7	80.0	79.9	80.0
Bank borrowings and other	50.4	50.4	39.8	39.8
Financial debts	**726.4**	**643.8**	**719.0**	**606.5**
Lease liability	259.0	259.0	267.2	267.2
FINANCIAL DEBTS & LEASE LIABILITY	**985.4**	**902.8**	**986.2**	**873.7**

The split by maturity as of June 30, 2023 was as follows:

(In millions of €)	Maturity	< 1 year	Within 2 years	Within 3 years	Thereafter
Bonds	596.3	0.6	—	—	595.7
Commercial papers	79.7	79.7	—	—	—
Bank borrowings and other	50.4	50.4	—	—	—
Financial debts	**726.4**	**130.7**	**—**	**—**	**595.7**
Lease liability	259.0	72.6	44.2	37.6	104.6
FINANCIAL DEBTS & LEASE LIABILITY	**985.4**	**203.3**	**44.2**	**37.6**	**700.3**

The movements over the period December 31, 2022 to June 30, 2023, were as follows:

(In millions of €)	Bonds	Commercial papers	Bank borrowings and other	Lease liability	Total
Value as of December 31, 2022	**599.3**	**79.9**	**39.8**	**267.2**	**986.2**
Increase – issuance	3.8	45.0	137.0	41.3	227.1
Decrease – reimbursement	(6.8)	(45.2)	(125.9)	(46.2)	(224.1)
Foreign exchange	—	—	(0.4)	(1.8)	(2.2)
VALUE AS OF JUNE 30, 2023	**596.3**	**79.7**	**50.4**	**259.0**	**985.4**

Commercial paper

Under the commercial paper program, the Technip Energies Group through its treasury center company T.EN Eurocash SNC has the ability to access €750 million of short-term financing through commercial paper dealers. The program's rating by S&P Global was revised to ‘A-3’ from ‘A-2’ on March 11, 2022. As of June 30, 2023, the Technip Energies Group’s Euro based commercial paper borrowings had a weighted average interest rate of 3.49%.

Revolving Facility and Senior unsecured notes

On February 10, 2021, Technip Energies N.V. and T.EN Eurocash SNC entered into a Facilities Agreement with Crédit Agricole Corporate and Investment Bank, as Agent, and the lenders party thereto (the “**Facilities Agreement**”) .

The Facilities Agreement provides for the establishment of a bridge facility in an amount of up to €650 million (the “**Bridge Facility**”), to which Technip Energies N.V. was the sole borrower and a revolving facility in an amount of €750 million (the “**Revolving Facility**”) to which Technip Energies N.V. and T.EN Eurocash SNC are the Borrowers. Subject to certain conditions, borrowers may request the aggregate commitments under the Revolving Facility to be increased by up to €250 million to reach €1.0 billion.

The Bridge Facility was prepaid and cancelled in full on May 31, 2021, upon issuance of €600 million of 1.125% senior unsecured notes by Technip Energies N.V. on May 28, 2021. The notes have a 7-year maturity, are currently rated ‘BBB-’ by Standard & Poor’s and are listed on Euronext Paris.

The Revolving Facility provided for an initial three-year tenor as from the Initial Availability Date (February 15, 2021) and could be extended twice by one year each time. The first and the second extensions of the Revolving Facility were successfully completed on December 6, 2021, and December 16, 2022, respectively. Consequently, the termination date of the Revolving Facility is February 13, 2026.

The Revolving Facility is available in Euros only. The available capacity under the Revolving Facility is reduced by any outstanding commercial paper borrowings of T.EN Eurocash SNC.

The Revolving Facility contains usual and customary covenants, representations and warranties, mandatory prepayments and events of default for investment-grade credit facilities of this type. It also contains covenants restricting Technip Energies N.V.’s and certain of its subsidiaries’ ability to provide additional securities and incur additional indebtedness, enter into asset sales, or make certain investments. It does not include any financial covenant.

Note 20. Shareholder's equity

20.1. Shareholder’s equity activity

As of June 30, 2023, Technip Energies N.V. had 179,827,459 common shares issued with a nominal value of €0.01 per share. After cancellation of 4,517,168 treasury shares, the number of shares outstanding is 175,310,291.

Changes in shares outstanding are as follows:

(In number of shares)	
Shares issued as of December 31, 2022	**179,827,459**
Movements of the period	—
Shares issued as of June 30, 2023	**179,827,459**
Treasury shares	(4,517,168)
SHARES OUTSTANDING AS OF JUNE 30, 2023	**175,310,291**

20.2. Dividends

(In millions of €)	2023
Final dividend for the year ended 31 December, 2022 of €0.52 per outstanding common share	91.2
Interim dividend for the six-month ended 30 June, 2023	N/A
TOTAL DIVIDENDS PROVIDED FOR OR PAID	**91.2**

Dividends paid in cash or satisfied by the issue of shares during the six-month period ended June 30, 2023	
Paid in cash	91.2
Satisfied by issue of shares	N/A
TOTAL DIVIDENDS PAID IN CASH OR SATISFIED BY ISSUE OF SHARES FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023	**91.2**

20.3. Share repurchase

In the first six months of the year 2023 no shares were repurchased.

The liquidity contract has been suspended as of November 22, 2022, pending renewal of the resolution of the general meeting of shareholders authorizing share repurchases. The amount allocated to the liquidity contract as of June 30, 2023 was €9.9 million and 8,900 shares.

As of June 30, 2023, treasury shares have been used by the Group to serve respectively March 2020 and September 2021 plans following the end of vesting period. For a detailed description, refer to Note 9. Share-based compensation.

As of June 30, 2023, treasury shares represent 4,517,168 shares. These treasury shares are deducted from consolidated equity for a total value of €53.4 million. Refer to Note 23. Shareholder's equity of Technip Energies Group consolidated financial statements for the year ended December 31, 2022.

Note 21. Provisions (non-current and current)

The principles used to evaluate the amounts and types of provisions for liabilities and charges are described in Note 1.6. “Summary of significant accounting policies” and Note 1.7. "Key judgments and estimates” in the Technip Energies Group consolidated financial statements for the year ended December 31, 2022.

Movements in provisions as of June 30, 2023 were as follows:

(In millions of €)	December 31, 2022	Increase	Used reversal	Unused reversal	Other	June 30, 2023
Litigation	26.5	3.1	—	—	—	29.6
Restructuring obligations	10.7	0.1	(0.3)	(0.8)	(3.4)	6.3
Provisions for claims	8.2	3.3	—	—	—	11.5
Other non-current provisions	10.6	0.2	—	—	(2.2)	8.6
Total non-current provisions	**56.0**	**6.7**	**(0.3)**	**(0.8)**	**(5.6)**	**56.0**
Contingencies related to contracts	46.0	6.3	(0.2)	(17.5)	(0.1)	34.5
Litigation	39.9	0.7	(0.6)	(0.5)	2.0	41.5
Restructuring obligations	13.8	4.1	(5.9)	(1.3)	3.5	14.2
Provisions for claims	0.2	1.2	(0.6)	(0.1)	—	0.7
Other current provisions	26.4	0.2	(1.2)	(20.8)	1.4	6.0
Total current provisions	**126.3**	**12.5**	**(8.5)**	**(40.2)**	**6.8**	**96.9**
TOTAL PROVISIONS	**182.3**	**19.2**	**(8.8)**	**(41.0)**	**1.2**	**152.9**

Movements in provisions as of June 30, 2022 were as follows:

(In millions of €)	December 31, 2021	Increase	Used reversal	Unused reversal	Other	June 30, 2022
Litigation	24.0	3.1	—	—	—	27.1
Restructuring obligations	16.2	1.8	(3.9)	(0.6)	3.3	16.8
Provisions for claims	7.9	2.7	—	—	—	10.6
Other non-current provisions	12.6	0.1	—	—	(10.7)	2.0
Total non-current provisions	**60.7**	**7.7**	**(3.9)**	**(0.6)**	**(7.4)**	**56.5**
Contingencies related to contracts	43.2	5.0	(0.1)	(2.6)	17.1	62.6
Litigation	28.5	4.5	(4.1)	(5.1)	2.5	26.3
Restructuring obligations	12.8	9.8	(3.9)	—	(1.1)	17.6
Provisions for claims	0.3	—	—	—	—	0.3
Other current provisions	5.7	1.4	—	(1.3)	6.8	12.6
Total current provisions	**90.5**	**20.7**	**(8.1)**	**(9.0)**	**25.3**	**119.4**
TOTAL PROVISIONS	**151.2**	**28.4**	**(12.0)**	**(9.6)**	**17.9**	**175.9**

Note 22. Financial instruments

22.1. Financial assets and liabilities by category

The Technip Energies Group holds the following financial assets and liabilities:

	June 30, 2023				
	Analysis by category of financial instruments				
(In millions of €)	Carrying amount	At fair value through profit or loss	At amortized cost	At fair value through OCI	Level
Other non-current financial assets (excl. derivatives)	94.8	19.4	75.4	—	Level 1
Derivative financial instruments (non-current and current)	29.6	0.5	—	29.1	Level 2
Trade receivables, net	1,340.6	—	1,340.6	—	N/A
Cash and cash equivalents	3,187.7	3,187.7	—	—	N/A
TOTAL FINANCIAL ASSETS	**4,652.7**	**3,207.6**	**1,416.0**	**29.1**	
Long-term debt, less current portion	595.7	—	595.7	—	N/A
Derivative financial instruments (non-current and current)	18.3	7.2	—	11.1	Level 2
Short-term debt	130.7	—	130.7	—	N/A
Accounts payable, trade	1,286.0	—	1,286.0	—	N/A
Other current liabilities (excl. derivatives)	24.8	24.8	—	—	Level 3
TOTAL FINANCIAL LIABILITIES	**2,055.5**	**32.0**	**2,012.4**	**11.1**	

	December 31, 2022				
	Analysis by category of financial instruments				
(In millions of €)	Carrying amount	At fair value through profit or loss	At amortized cost	At fair value through OCI	Level
Other non-current financial assets (excl. derivatives)	93.5	25.1	68.4	—	Level 1
Derivative financial instruments (non-current and current)	26.1	1.5	—	24.6	Level 2
Trade receivables, net	1,287.4	—	1,287.4	—	N/A
Cash and cash equivalents	3,477.4	3,477.4	—	—	N/A
TOTAL FINANCIAL ASSETS	**4,884.4**	**3,504.0**	**1,355.8**	**24.6**	
Long-term debt, less current portion	595.3	—	595.3	—	N/A
Derivative financial instruments (non-current and current)	25.6	0.8	—	24.8	Level 2
Short-term debt	123.7	—	123.7	—	N/A
Accounts payable, trade	1,662.7	—	1,662.7	—	N/A
Other current liabilities (excl. derivatives)	98.1	98.1	—	—	Level 3
TOTAL FINANCIAL LIABILITIES	**2,505.4**	**98.9**	**2,381.7**	**24.8**	

During the six-month period ended June 30, 2023 and the financial year 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of Level 3 fair value measurements.

Investments — The fair value measurement of quoted equity instruments is based on quoted prices that the Technip Energies Group has the ability to access in public markets.

Mandatorily redeemable financial liability — Management determined the fair value of the mandatorily redeemable financial liability using a discounted cash flow model. The key assumptions used in applying the income approach are the selected discount rates and the expected dividends to be distributed in the future to the non-controlling interest holders. Expected dividends to be distributed are based on the non-controlling interests' share of the expected profitability of the underlying contract, the selected discount rate, and the overall timing of completion of the project. The fair value measurement is based upon significant inputs not observable in the market and is consequently classified as a Level 3 fair value measurement.

Changes in the fair value of Level 3 mandatorily redeemable financial liability (Note 18. Other liabilities (non-current and current)) are presented in the below table. Over the periods presented, the Technip Energies Group consolidated the total results of the Yamal entities and recorded a mandatorily redeemable financial liability representing the Group's dividend obligation.

(In millions of €)	June 30, 2023	June 30, 2022
Balance at beginning of the period	**98.1**	**140.8**
Add: Expenses recognized in statement of income	8.4	75.9
Less: Settlements	(80.3)	(120.2)
Net foreign exchange differences	(1.4)	9.5
BALANCE AT END OF THE PERIOD	**24.8**	**106.0**

Fair value of debt — The fair values (based on Level 2 inputs) of the Technip Energies Group debt, carried at amortized cost, are presented in Note 19. Debt (long and short-term).

22.2. Derivative financial instruments

The management of the Technip Energies Group derivatives and hedge accounting was carried out centrally by Technip Energies as of June 30, 2023.

For purposes of mitigating the effect of changes in exchange rates, Technip Energies holds derivative financial instruments to hedge the risks of certain identifiable and anticipated transactions and recorded assets and liabilities in the condensed consolidated statement of financial position. The types of risks hedged are those relating to the variability of future earnings and cash flows caused by movements in foreign currency exchange rates. The Technip Energies Group's policy is to hold derivatives only for the purpose of hedging risks associated with anticipated foreign currency purchases and sales created in the normal course of business and not for trading purposes where the objective is solely or partially to generate profit.

Generally, Technip Energies enters into hedging relationships so that changes in the fair values or cash flows of the transactions being hedged are expected to be offset by corresponding changes in the fair value of the derivatives. For derivative instruments that qualify as a cash flow hedge, the effective portion of the gain or loss of the derivative, which does not include the time value component of a forward currency rate, is reported as a component of OCI and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. For derivative instruments not designated as hedging instruments, any change in the fair value of those instruments is reflected in earnings in the period such change occurs. For further information on foreign currency risk exposure and management, refer to Note 24. Market-related exposure.

Technip Energies used the following types of derivative instruments: foreign exchange rate forward contracts. In general embedded derivative instruments are separated from the host contract if the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to those of the host contract and the host contract is not marked-to-market at fair value. The purpose of these instruments is to hedge the risk of changes in future cash flows of highly probable purchase or sale commitments denominated in foreign currencies and recorded assets and liabilities in the condensed consolidated statement of financial position.

As of June 30, 2023, and December 31, 2022, the Group held the following material net positions:

	June 30, 2023		December 31, 2022	
	Net notional amount bought (sold)		Net notional amount bought (sold)	
(In millions of currency)	Local currency	Euro equivalent	Local currency	Euro equivalent
Australian dollar (AUD)	2.0	1.2	3.0	1.9
Canadian dollar (CAD)	1.0	0.7	2.0	1.4
Chinese yuan renminbi (CNY)	(16.5)	(2.1)	100.0	13.5
Euro (EUR)	(121.3)	(121.3)	99.4	99.4
Indian rupee (INR)	557.2	6.2	519.0	5.9
Japanese yen (JPY)	(462.1)	(3.0)	(1,342.1)	(9.5)
Kuwaiti dinar (KWD)	8.0	23.8	8.5	26.0
Malaysian ringgit (MYR)	35.0	6.9	34.1	7.3
Mexican peso (MXN)	189.6	10.1	486.4	23.4
Norwegian krone (NOK)	11.9	1.0	(23.2)	(2.2)
Pound sterling (GBP)	(60.4)	(70.2)	(54.4)	(61.3)
Qatari riyal (QAR)	(3.5)	(0.9)	(10.0)	(2.6)
Saudi riyal (SAR)	—	—	(10.0)	(2.5)
Singapore dollar (SGD)	39.0	26.5	20.0	14.0
U.A.E. dirham (AED)	—	—	30.0	7.7
U.S. dollar (USD)	(532.7)	(486.1)	(713.9)	(668.9)

Fair value amounts for all outstanding derivative instruments have been determined using available market information and commonly accepted valuation methodologies. Accordingly, the estimates presented may not be indicative of the amounts that Technip Energies would realize in a current market exchange and may not be indicative of the gains or losses Technip Energies may ultimately incur when these contracts are settled.

The following table presents the location of gains (losses) in the condensed consolidated statement of income related to derivative instruments designated as cash flow hedges:

	Gain (Loss) recognized in OCI (Effective Portion)	
(In millions of €)	June 30, 2023	June 30, 2022
Foreign exchange contracts		
Other comprehensive income/(loss)	10.4	(46.7)

The following table presents the location of cash flow hedge gain (loss) reclassified from accumulated other comprehensive income into profit (loss):

	Gain (Loss) reclassified from accumulated OCI into profit (loss) (Effective portion)	
(In millions of €)	June 30, 2023	June 30, 2022
Foreign exchange contracts		
Other income (expense), net	2.0	(3.9)

Note 23. Related party transactions

Receivables, payables, revenues and expenses which are included in the condensed consolidated financial statements as transactions with related parties, defined as entities related to Technip Energies' directors and Technip Energies' main Shareholders as well as direct and indirect affiliates of Technip Energies and the partners of the Technip Energies Group's joint ventures, were as follows:

Transactions with related parties and equity affiliates

Trade receivables consisted of receivables due from the following related parties:

(In millions of €)	June 30, 2023	December 31, 2022
CTEP France	51.8	63.6
Samsung Engineering Co Ltd	45.6	—
JGC Corporation	27.1	63.0
TPIT Dar & Engineering	8.4	5.3
TKJV LLP	5.4	5.7
TTSJV W.L.L.	3.7	7.5
Novarctic	—	0.7
Others	8.9	11.4
TOTAL TRADE RECEIVABLES	**150.9**	**157.2**

Trade payables consisted of payables due to the following related parties:

(In millions of €)	June 30, 2023	December 31, 2022
CTEP Japan	122.9	89.2
CTEP France	39.6	35.5
Chiyoda	7.1	8.4
TPIT Dar & Engineering	6.7	2.3
TTSJV W.L.L.	2.5	2.5
Others	7.1	2.4
TOTAL TRADE PAYABLES	**185.9**	**140.3**

Transactions with related parties also included loans to equity affiliates for an amount of €12.1 million as of June 30, 2023, and €27.1 million as of December 31, 2022.

Chiyoda and JGC Corporation are joint venture partners on Yamal and Qatar NFE projects. Saipem and Nipigas are joint venture partners on the Arctic LNG 2 project. CTEP France and CTEP Japan are joint ventures established to carry out our performance obligation under the Qatar NFE project and are accounted for using the equity method.

Revenue consisted of amounts with the following related parties:

(In millions of €)	June 30, 2023	June 30, 2022
CTEP France	99.2	70.7
JGC Corporation	50.0	34.2
Novarctic	22.9	15.9
Samsung Engineering Co Ltd	16.3	—
TTSJV W.L.L.	9.8	9.9
CTEP Japan	7.1	0.5
Storengy	6.6	4.6
TKJV LLP	1.6	4.2
Chiyoda	—	3.8
Others	5.9	3.3
TOTAL REVENUES	**219.4**	**147.1**

Expenses consisted of amounts with the following related parties:

(In millions of €)	June 30, 2023	June 30, 2022
CTEP Japan	(233.6)	(135.0)
CTEP France	(105.6)	(51.5)
TPIT Dar & Engineering	(7.5)	—
Chiyoda	(7.4)	(5.3)
Arkema S.A.	(4.4)	—
TTSJV W.L.L.	(1.8)	(0.5)
Saipem	—	(0.9)
Others	(4.8)	(5.9)
TOTAL EXPENSES	**(365.1)**	**(199.1)**

Note 24. Market-related exposure

24.1. Liquidity risk

The primary objectives of liquidity management consist of meeting the continuing funding requirements of Technip Energies global operations with cash generated by such operations and Technip Energies existing commercial paper program.

Cash pooling and external financing are largely centralized at T.EN Eurocash SNC. Funds are provided to Technip Energies companies on the basis of an "in-house banking" solution.

The financing requirements of Technip Energies companies are determined on the basis of short and medium-term liquidity planning. The financing is controlled and implemented centrally on a forward-looking basis in accordance with the planned liquidity requirements or surplus. Relevant planning factors taken into consideration include operating cash flow, capital expenditures, divestments, margin payments and the maturities of financial liabilities.

Commercial paper program and credit facility

Under the commercial paper program, Technip Energies, through its treasury center T.EN Eurocash SNC, has the ability to access up to €750.0 million of financing through its commercial paper dealers. Technip Energies had respectively €79.7 million and €79.9 million of commercial paper issued under the facility as of June 30, 2023, and December 31, 2022. Refer to Note 19. Debt (long and short-term) for more details.

The following is a summary of the credit facility as of June 30, 2023:

(In millions of €)	Amount	Debt outstanding	Commercial paper outstanding	Unused capacity
Revolving credit facility	750.0	—	79.7	670.3

Technip Energies' available capacity under the Revolving Facility is reduced by any outstanding commercial paper. As of June 30, 2023, all restrictive covenants were complying under the Revolving Facility agreement.

24.2. Foreign currency exchange rate risk

Technip Energies conducts operations around the world in several different currencies. Many of the Technip Energies Group's significant foreign subsidiaries have designated the local currency as their functional currency. Earnings are therefore subject to change due to fluctuations in foreign currency exchange rates when the earnings in foreign currencies are translated into Euro. The Technip Energies Group does not hedge this translation impact on earnings.

When transactions are denominated in currencies other than the respective functional currencies of the applicable subsidiaries of the Technip Energies Group, the Group manages these exposures through derivative instruments. The Group primarily uses foreign currency forward contracts to hedge the foreign currency fluctuations associated with firmly committed and forecasted foreign currency denominated payments and receipts.

The derivative instruments associated with these anticipated transactions are usually designated and qualify as cash flow hedges, and as such the gains and losses associated with these instruments are recorded in other comprehensive income until such time that the underlying transactions are recognized. Unless these cash flow contracts are deemed to be ineffective or are not designated as cash flow hedges at inception, changes in the derivative fair value will not have an immediate impact on results of operations since the gains and losses associated with these instruments are recorded in other comprehensive income. When the anticipated transactions occur, these changes in value of derivative instrument positions will be offset against changes in the value of the underlying transaction.

When an anticipated transaction in a currency other than the functional currency of an entity is recognized as an asset or liability on the statement of financial position, we also hedge the foreign currency fluctuation of these assets and liabilities with derivative instruments after netting the Technip Energies Group's exposures worldwide. These derivative instruments do not qualify as cash flow hedges.

Occasionally, the Technip Energies Group enters into contracts or other arrangements containing terms and conditions that qualify as embedded derivative instruments and are subject to fluctuations in foreign exchange rates. In those situations, the Technip Energies Group enters into derivative foreign exchange contracts that hedge the price or cost fluctuations due to movements in the foreign exchange rates. These derivative instruments are not designated as cash flow hedges.

For certain committed and anticipated future cash flows and recognized assets and liabilities that are denominated in a foreign currency the Technip Energies Group may choose to manage risk against changes in the exchange rates, when compared against the functional currency, through the economic netting of exposures instead of derivative instruments.

Cash outflows or liabilities in a foreign currency are matched against cash inflows or assets in the same currency such that movements in exchange rates will result in offsetting gains or losses.

Due to the inherent unpredictability of the timing of cash flows, gains and losses in the current period may be economically offset by gains and losses in a future period. All gains and losses are recorded in the condensed consolidated statement of income in the period in which they are incurred. Gains and losses from the remeasurement of assets and liabilities are recognized in Other operating income (expense), net.

24.3. Interest rate risk

The Technip Energies Group is generally financed using the internal cash pooling system. Cash pooling balances earn and bear interest on normal market terms and conditions (rates of interest for specific maturities and currencies). Individual members of the Technip Energies Group that are not included in the internal cash pool due to legal restrictions arrange financing independently or with discrete intercompany loans at arm's length terms and conditions or deposit their excess liquidity with leading local banks.

The Technip Energies Group assesses the effectiveness of forward foreign currency contracts designated as cash flow hedges based on changes in fair value attributable to changes in spot rates. The Technip Energies Group excludes the impact attributable to changes in the difference between the spot rate and the forward rate for the assessment of hedge effectiveness and recognizes the change in fair value of this component immediately in earnings. Considering that the difference between the spot rate and the forward rate is proportional to the differences in the interest rates of the countries of the currencies being traded, the Technip Energies Group has exposure in the unrealized valuation of its forward foreign currency contracts to relative changes in interest rates between countries in its results of operations.

Based on the Technip Energies Group's portfolio as of June 30, 2023, the Technip Energies Group has material positions with exposure to interest rates in the United States of America and the European Union.

The Technip Energies Group's fixed-rate borrowings include commercial paper. There are no floating rate borrowings.

24.4. Credit risk

Valuations of derivative assets and liabilities reflect the value of the instruments, including the values associated with counterparty risk. These values must also take into account the Technip Energies Group's credit standing, thus including in the valuation of the derivative instrument the value of the net credit differential between the counterparties to the derivative contract. The methodology includes the impact of both counterparties and such entity's own credit standing. Adjustments to derivative assets and liabilities related to credit risk were not material for any period presented.

By their nature, financial instruments involve risk, including credit risk, for non-performance by counterparties. Financial instruments that potentially subject the Technip Energies Group to credit risk primarily consist of trade receivables, contract assets, contractual cash flows from debt instruments (primarily loans), cash equivalents and deposits with banks, as well as derivative contracts. The Technip Energies Group manages the credit risk on financial instruments by transacting only with what management believes are financially secure counterparties, requiring credit approvals and credit limits, and monitoring counterparties' financial condition. The maximum exposure to credit loss in the event of non-performance by the counterparty is limited to the amount drawn and outstanding on the financial instrument. The Technip Energies Group mitigates credit risk on derivative contracts by executing contracts only with counterparties that consent to a master netting agreement, which permits the net settlement of gross derivative assets against gross derivative liabilities.

The Group has applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Note 25. Commitments and contingent liabilities

25.1. Contingent liabilities associated with guarantees

In the ordinary course of business, the Technip Energies Group enters into standby letters of credit, performance bonds, surety bonds and other guarantees with financial institutions for the benefit of its customers, vendors and other parties.

Most of these financial instruments expire within five years. Management does not expect any of these financial instruments to result in losses that, if incurred, would have a material adverse effect on the Technip Energies Group's consolidated financial position, results of operations or cash flows.

Guarantees consisted of the following:

(In millions of €)	**June 30, 2023**	**December 31, 2022**
Financial guarantees (1)	233.7	202.4
Performance guarantees (2)	2,881.2	3,074.0
MAXIMUM POTENTIAL UNDISCOUNTED PAYMENTS	**3,114.9**	**3,276.4**

(1) Financial guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on changes in an underlying agreement that is related to an asset, a liability, or an equity security of the guaranteed party as primary obligor. These would be drawn down only if there is a failure to fulfill financial obligations by the primary obligor.

(2) Performance guarantees represent contracts that contingently require a guarantor to make payments to a guaranteed party based on another entity's failure to perform under a non-financial agreement. Events that trigger payment are performance-related, such as failure to ship a product or provide a service.

25.2. Contingent liabilities associated with legal matters

The Group is involved in various pending or potential legal actions, disputes and proceedings, whether initiated by the Company or by third parties (including governmental authorities) any of which could result in sanctions of a financial, administrative or criminal nature or proceedings. Management is unable to predict the ultimate outcome of these actions because of their inherent uncertainty. However, management believes that the most probable, ultimate resolution of these matters will not have a material adverse effect on the Technip Energies Group's financial position or profitability.

In late 2016, TechnipFMC was contacted by the United States Department of Justice (“**DOJ**”) regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which TechnipFMC was a minority participant. Subsequently TechnipFMC also raised the subject with the DOJ of certain other projects performed by TechnipFMC subsidiaries in Brazil between 2002 and 2013. The DOJ has also inquired about projects in Ghana and Equatorial Guinea that were awarded to TechnipFMC subsidiaries in 2008 and 2009, respectively. TechnipFMC cooperated with the DOJ in its investigation into the potential violations of the U.S. Foreign Corrupt Practices Act (the “**FCPA**”) in connection with these projects, and contacted and cooperated with the Brazilian authorities (the Federal Prosecution Service (the “**MPF**”), the Comptroller General of Brazil (the “**CGU**”) and the Attorney General of Brazil (the “**AGU**”)) as relates to their investigation concerning the projects in Brazil. Technip Energies was also the subject to an investigation by the French *Parquet National Financier* (“**PNF**”) related to the above referenced projects in Equatorial Guinea and Ghana. Technip Energies was later informed by the PNF that the PNF was also reviewing certain historical projects in Angola.

On June 25, 2019, TechnipFMC announced a global resolution to pay a total of $301.3 million to the DOJ, the SEC, the MPF, and the CGU/AGU to resolve these anti-corruption investigations, of which $281.3 million related to Technip Energies’ business. The final amount due in accordance with the global resolution was paid by Technip Energies during the second quarter of 2021. As part of this resolution, TechnipFMC entered into a three-year deferred prosecution agreement with the DOJ related to charges of conspiracy to violate the FCPA in relation to conduct in Brazil and other matters (“**DPA**”). In addition, Technip USA, Inc (since renamed Technip Energies USA, Inc.), a U.S. subsidiary, pled guilty to one count of conspiracy to violate the FCPA related to conduct in Brazil.

On June 27, 2023, Technip Energies announced that Technip Energies France, a subsidiary of Technip Energies N.V. had agreed to resolve its outstanding matters with the PNF. The resolution encompasses historical conduct that related to subsea projects undertaken by the former Technip S.A. group between 2008 and 2012.

This settlement, in the form of a *Convention Judiciaire d'Intérêt Public* (“**CJIP**”), was signed on June 22 2023, and was approved by the President of the *Tribunal Judiciaire de Paris* at a hearing on Wednesday June 28, 2023. Under the terms of the CJIP, Technip Energies France agreed to pay by October 23, 2023, a public interest fine of €54.1 million. €24.7 million of this amount is to be indemnified by TechnipFMC under the terms of the Separation and Distribution Agreement between TechnipFMC and Technip Energies, dated January 7, 2021.

Technip Energies France fully cooperated with the PNF and will continue to cooperate in accordance with its commitments under the CJIP. The CJIP does not involve any admission of liability or guilt.

In 2003, Petrobras B.V. ("**PNBV**") and FSTP, a Joint Venture between Keppel (75%) and Technip Brasil Engenharia (25%) signed a contract for construction of the P-52 offshore platform (the "**Project**"). In 2007 the Brazilian *Tribunal de Contas da União* ("**TCU**") contested the validity of an amendment to the contract which compensated FSTP for additional costs incurred in relation to the Project (the "**Contested Payments**"). To ensure project completion and avoid suspension of payments pending the outcome of proceedings initiated by the TCU to recover the Contested Payments, FSTP issued a USD 126M letter of credit in favor of PNBV, with the Company being responsible for 25%. Proceedings relating to the Contested Payments have been ongoing since 2007. Technip Energies and Keppel continue to contest TCU's efforts to have PNBV recover the Contested Payments.

Contingent liabilities associated with liquidated damages

Some of the Technip Energies Group's contracts contain provisions that require the relevant Technip Energies Group company to pay liquidated damages if the relevant company is responsible for the failure to meet specified contractual milestone dates and the applicable customer asserts a conforming claim under these provisions. These contracts define the conditions under which the customers of Technip Energies may make claims against it for liquidated damages. Based upon the evaluation of Technip Energies Group's performance and other commercial and legal analysis, management believes that the Group has appropriately recognized probable liquidated damages as of June 30, 2023, and December 31, 2022, and that the ultimate resolution of such matters will not materially affect its consolidated financial position, consolidated results of operations, or consolidated cash flows.

Note 26. Subsequent events

None.

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