HALF-YEAR FINANCIAL REPORT
JUNE 30, 2021

Share capital: 1,798,274.59 euros
Technip Energies N.V. is a company with corporate seat in Amsterdam, the Netherlands (Dutch Chamber of Commerce number 76122654), and principal place of business at 2126, boulevard de la Défense, CS 10266, 92741 Nanterre Cedex, France
(RCS Nanterre 879 464 584)

Contents

1 2021 INTERIM MANAGEMENT REPORT

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

1.1 BUSINESS OUTLOOK

As recovery from COVID-19 gather momentum the operational impacts of the health pandemic (which for the Company has included supply chain disruptions, productivity declines and logistics constraints) have been easing as regional restrictions are removed.
The price of crude oil has increased very substantially since the lows of early 2020, with a rally of circa 50% during the first half of 2021 for oil (and circa 40% for gas) following the resumption of global economic activity, as new oil and gas projects are delayed due to uncertainty on short term funding and the clear trend to shift investment to Energy Transition or low-carbon intensive projects which are yet to reach financial investment decision in many cases.

Long term market outlook for LNG, though still challenging, should remain positive in light of an anticipated supply gap by 2035. This is a market in which the Company has confirmed its leadership positions with the signing with its joint venture partner Chiyoda Corporation of a major Engineering, Procurement, Construction and Commissioning contract with Qatar Petroleum for the onshore facilities of the North Field East Project. The Company continues to believe that the long-term fundamentals for natural gas - LNG in particular - remain strong given its critical role as a transition fuel, in particular through the design of low-to-zero carbon LNG infrastructure. New projects expected in Qatar, Russia, Mozambique, Senegal & Papua New Guinea should offset a challenging US LNG market. Growth in associated gas and cleaner oil and gas production - which could bring mid-size FLNG opportunities for the Company - is more a mid-term perspective.
Floating offshore wind, though still in the pilot farm stage, is anticipated in the Company’s view to grow exponentially in the coming years. Fixed offshore wind capacity installation is expected to slow down after 2030.
As relates to the refining and petrochemical markets, where there have been some investment decisions announcements in integrated refining and petrochemical projects in China and India investments, new greenfield projects remain limited. The Company will seek to capitalize on its positions in energy transition in revamp opportunities (involving CO_2 reduction, energy efficiency, plastic recycling, as well as refining/ petrochemical integration).
The Company will be seeking to reinforce its positioning in a growing sustainable chemistry market (exemplified by the recent exclusive collaboration with Agilyx to jointly develop a process to purify Styrene Oil to high purity styrene). Trends in biofuels (with production set to triple by 2030) and second generation ethanol production and hydrotreated vegetable oil technologies with double-digit growth exemplify a dynamic though fragmented market. Plastic recycling is also a significant circular economy market.
The Company is also positioning itself in a very dynamic hydrogen landscape (which is gaining traction beyond Europe and Australia with the US, Russia and Middle East all looking to include hydrogen in energy transition plans) with intense competition on small scale green hydrogen project (with limited large-scale project to date) and the launch of major studies in blue hydrogen, and the announcement of numerous electrolyzer giga factories.

1.2 2021 HALF-YEAR RESULTS

TECHNIP ENERGIES H1 2021 FINANCIAL RESULTS

- **First half Adjusted Revenue growth of 8% year-over-year**
- **Adjusted Recurring EBIT Margin of 6.3%; margin guidance raised to 5.8% - 6.2%**
- **Adjusted Order Intake of €7.9 billion year-to-date; Adjusted Backlog of €17.5 billion**
- **Successful €600 million inaugural senior unsecured notes offering due 2028**

Paris, Thursday 22, July 2021 – Technip Energies (the "Company"), a leading Engineering & Technology company for the Energy Transition, today announces its first half unaudited 2021 financial results.

Arnaud Pieton, CEO of Technip Energies, on H1 2021 results and FY 2021 outlook:

"We are committed to delivering consistent and predictable operational and financial performance. Buoyed by double digit year-over-year growth in the second quarter, our first half revenue performance reinforces our revenue outlook for the full-year. Operational execution across our portfolio of projects continues to be strong and we have made good progress in reducing indirect costs. This is evidenced by first half margins exceeding the top-end of the guided range for 2021 – as a result, we are raising full year margin guidance."

"Year to date Order Intake of €7.9 billion has largely consisted of Energy Transition related work, including LNG. This has driven a substantial improvement in backlog and provides us with excellent, multi-year visibility. The new projects pipeline continues to be strong, giving us potential for selective additions to our backlog in the coming quarters. We see continued book-to-bill momentum in Technology, Products & Services - consistent with our strategy to deliver growth from this segment."

"We are shaping our future across the Energy Transition – both Decarbonization and Carbon-free solutions. We launched Blue H_2 by T.EN™, a leading suite of cost-efficient, low-carbon hydrogen solutions – with strong customer interest. In addition, we secured promising work in the related areas of blue ammonia and green hydrogen. We strengthened our offshore wind positioning with Inocean floater technology and the creation of a dedicated business unit. Finally, in Sustainable Chemistry, we received notable technology and services awards in the growing domain of sustainable aviation fuel."

"ESG enthusiasm is resonating throughout the Company with significant engagement with our people and external stakeholders to frame our priorities. This represents a key milestone in our sustainability roadmap, to be delivered early 2022".

Key financials – Adjusted IFRS

(In € millions)	H1 2021	H1 2020
Revenue	3,243.2	3,011.1
Recurring EBIT	204.5	164.2
Recurring EBIT Margin	6.3%	5.5%
Net profit[1]	100.3	128.0
Diluted earnings per share[2]	0.55	0.71
Order Intake	7,863.4	1,162.1
Backlog	17,473.4	13,214.4

Financial information is presented under an adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see Appendix 9.0), and excludes restructuring expenses, merger and integration costs, and litigation costs. Reconciliation of IFRS to non-IFRS financial measures are provided in Appendix 1.0, 2.0, 3.0.

[1] Net profit attributable to Technip Energies Group. H1 2020 Net profit benefited from favourable litigation settlement of €102.9 million.

[2] H1 2021 diluted earnings per share has been calculated using the weighted average number of outstanding shares of 181,908,563.

Key financials - IFRS

(In € millions)	H1 2021	H1 2020
Revenue	3,118.1	2,829.4
Net profit[1]	112.4	110.3
Diluted earnings per share[2]	0.62	0.61

[1] Net profit attributable to Technip Energies Group.

[2] H1 2021 diluted earnings per share has been calculated using the weighted average number of outstanding shares of 181,908,563.

FY2021 Guidance

Revenue	**€6.5 – 7.0 billion**
Recurring EBIT margin	**5.8% – 6.2%** *(prior guidance: 5.5% - 6.0%)* (excl. one-off separation cost of €30 million)
Effective tax rate	**30 – 35%**

Financial information is presented under an adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see Appendix 9.0), and excludes restructuring expenses, merger and integration costs, and litigation costs. Reconciliation of IFRS to non-IFRS financial measures are provided in Appendix 1.0, 2.0, 3.0.

Conference call information

Technip Energies will host its H1 2021 results conference call and webcast on Thursday 22, July 2021, at 13:00 CET. Dial-in details:

France:	+33 1 76 70 07 94
United Kingdom:	+44 (0) 2071 928000
United States:	+1 631 510 74 95
Conference Code:	7337979

The event will be webcast simultaneously and can be accessed at:
https://edge.media-server.com/mmc/p/a4pmdoto

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About Technip Energies

Technip Energies is a leading Engineering & Technology company for the Energy Transition, with leadership positions in LNG, hydrogen and ethylene as well as growing market positions in blue and green hydrogen, sustainable chemistry and CO_2 management. The Company benefits from its robust project delivery model supported by an extensive technology, products and services offering.

Operating in 34 countries, our 15,000 people are fully committed to bringing our clients' innovative projects to life, breaking boundaries to accelerate the energy transition for a better tomorrow.

Technip Energies shares are listed on Euronext Paris. In addition, Technip Energies has a Level 1 sponsored American Depositary Receipts ("ADR") program, with its ADRs trading over-the-counter.

Operational and financial review

Backlog, Order Intake and Backlog Scheduling

Adjusted Order Intake for H1 2021 of €7,863.4million (Q2 2021: €1,392.7 million), equating to a book-to-bill of 2.4, was mostly driven by a large petrochemical contract by Indian Oil Corporation and two contracts for Neste for development of its Rotterdam Renewables Production Platform in the second quarter, as well as the major award for the Qatar North Field Expansion in the first quarter. Also, in the second quarter, the Company benefited from additional opportunities materializing on existing projects. Trailing 12-months book-to-bill was 1.8.

Adjusted backlog increased 32% year-on-year to €17,473.4 million, equivalent to 2.9x 2020 Adjusted Revenue.

(In € millions)	H1 2021	H1 2020
Adjusted Order Intake	**7,863.4**	**1,162.1**
Project Delivery	7,196.1	516.9
Technology, Products & Services	667.3	645.2
Adjusted Backlog	**17,473.4**	**13,214.4**
Project Delivery	16,273.1	12,084.6
Technology, Products & Services	1,200.3	1,129.8

Reconciliation of IFRS to non-IFRS financial measures are provided in Appendix 6.0 and 7.0.

Adjusted Backlog at H1 2021 benefited from a foreign exchange impact of €154.5 million.

The table below provides estimated backlog scheduling as of June 30, 2021.

(In € millions)	2021 (6M)	FY 2022	FY 2023+
Adjusted Backlog	3,523.4	5,933.2	8,016.8

Company Financial Performance

Adjusted Statement of Income

(In € millions)	H1 2021	H1 2020	% Change
Adjusted Revenue	**3,243.2**	**3,011.1**	**8%**
Adjusted EBITDA	**260.5**	**216.3**	**20%**
Adjusted Recurring EBIT	**204.5**	**164.2**	**25%**
Non-recurring-items	(30.6)	34.6	(188%)
EBIT	173.9	198.8	(13%)
Financial income (expense), net	(12.0)	(0.8)	1400%
Profit (loss) before income taxes	**161.9**	**198.1**	**(18%)**
Provision (benefit) for income taxes	(54.6)	(65.4)	(17%)
Net profit (loss)	**107.3**	**132.7**	**(19%)**
Net (profit) loss attributable to non-controlling interests	(7.0)	(4.7)	49%
Net profit (loss) attributable to Technip Energies Group	**100.3**	**128.0**	**(22%)**

Business highlights

Projects Delivery – Adjusted IFRS

(In € millions)	H1 2021	H1 2020	Change
Revenue	2,622.8	2,452.4	7%
Recurring EBIT	167.5	182.0	(8%)
Recurring EBIT Margin	6.4%	7.4%	(100bps)

Financial information is presented under adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see Appendix 9), and excludes restructuring expenses, merger and integration costs, and litigation costs.

H1 2021 Adjusted Revenue increased year-on-year by 7% to €2.6 billion. The continued ramp-up of Arctic LNG 2, combined with progress on FLNG work and the initial contributions from recently awarded LNG projects, was partially offset by a reduction in North American and Middle East downstream projects.

H1 2021 Adjusted Recurring EBIT decreased year-on-year by 8% to €167.5 million. **Adjusted Recurring EBIT margin** declined by 100 basis points to 6.4% largely due to project mix and early project phasing, as well as corporate costs that have been more fully allocated to the operating segment, while the prior year period benefited from projects in the completion phase. A reduction in indirect cost partially offset the decline in margins.

Q2 2021 Key operational milestones

(Reference Q1 2021 press release for first quarter milestones)

Arctic LNG 2 Project (Russian Federation)

- Completion of first modules in China.

Bapco Refinery expansion (Bahrain)

- Project reached more than 70% completion, and successful implementation of several safety campaigns contributed to 40 million manhours reached without a Lost Time Injury (LTI).

ENI Coral FLNG (Mozambique)

- Topsides and offshore preparation activities ongoing. On track for sail-away from Samsung Heavy Industries yard in South Korea by the end of the year.

ExxonMobil Beaumont refinery expansion project (United States)

- Significant milestone reached with delivery of 17,000 tons of fabricated modules from Asia to the refinery in Texas.

Long Son olefins plant (Vietnam)

- 90% progress (in tons) on mechanical works associated with the furnaces.

Petronas Kasawari WHP (Malaysia)

- Wellhead platform jacket and topsides fabrication completed and loaded out for installation.

Sempra LNG, IEnova and TotalEnergies, Energía Costa Azul (Mexico)

- Two thirds of process equipment ordered. Site mobilization started.

Q2 2021 Key commercial highlights

Indian Oil Corporation contract (India)

- Large* Engineering, Procurement, Construction and Commissioning (EPCC) contract by Indian Oil Corporation Limited (IOCL) for its Para Xylene (PX) and Purified Terephthalic Acid (PTA) complex project, on the East Coast of India.
- The contract covers the delivery of a new 1.2 MMTPA PTA plant and associated facilities.

*A "large" award for Technip Energies is a contract representing between €250 million and €500 million of revenue.

Technology, Products & Services (TPS) – Adjusted IFRS

(In € millions)	H1 2021	H1 2020	Change
Revenue	620.5	558.7	11%
Recurring EBIT	54.7	43.8	25%
Recurring EBIT Margin	8.8%	7.8%	100bps

Financial information is presented under adjusted IFRS framework, which records Technip Energies' proportionate share of equity affiliates and restates the share related to non-controlling interests (see Appendix 9), and excludes restructuring expenses, merger and integration costs, and litigation costs.

H1 2021 Adjusted Revenue increased year-on-year by 11% to €620.5 million, driven by growth in services, as well as Loading Systems which has benefited from a sustained period of strong order intake.

H1 2021 Adjusted Recurring EBIT increased year-on-year by 25% to €54.7 million. **Adjusted Recurring EBIT margin** increased year-on-year by 100 basis points to 8.8%, benefiting from the revenue increase and strong contributions from Project Management Consultancy and Loading Systems.

Q2 2021 Key operational milestones

(Reference Q1 2021 press release for first quarter milestones)

Ynsect Project (France)

- Foundation stone laying ceremony at Ynfarm with representatives of the French Government.

Hong Kong offshore LNG project (Hong Kong)

- Loading Systems shipped 12 loading arms.

Neste Singapore expansion project (Singapore)

- Engineering and Procurement near completion. Advanced progress in civil works and steel structure erection.

Bora LyondellBasell Petrochemical Co. Ltd.'s ethylene plant (China)

- Successful completion of performance test on a 1,000 kta ethylene plant, which Technip Energies provided the proprietary technology and process design.

Q2 2021 Key commercial highlights

Two contracts* for Neste's Rotterdam Renewables Production Platform (the Netherlands)

- The first contract covers Engineering, Procurement services and Construction management (EPsCm) to enable production of Sustainable Aviation Fuel (SAF).
- The second contract covers the Front-End Engineering and Design (FEED) for Neste's next possible world-scale renewable products refinery in Rotterdam.

*The sum of these two contracts is worth between €50 million and €250 million.

Northern Lights CCS - Loading Systems award for liquefied CO_2 equipment (Norway)

- Contract for the world's first liquefied CO_2 marine loading arms.

Project Management Consultancy for offshore wind farm (France)

- Provision of services to Vulcain Engineering relating to the development and the operation of an Iberdrola-operated offshore windfarm in France.

First Hummingbird® catalyst supply agreement with LanzaJet Inc (US)

- The ethanol-to-ethylene catalyst will be used in LanzaJet's first commercial demonstration scale integrated biorefinery at its Freedom Pines Fuels site in Georgia.

Commercial launch of BlueH_2 by T.EN™

- A full suite of deeply-decarbonized and affordable solutions for hydrogen production.
- This includes reducing the carbon footprint by up to 99% compared to traditional hydrogen processes, and maximizing hydrogen yield while minimizing energy demand.

Corporate and Other items

Corporate costs in the first half, excluding non-recurring items, were €17.6 million, benefiting from a fuller allocation to the operating segments. This compares to €61.6 million in the prior year period. H1 2020 combined statement of income was also impacted by foreign exchange impact allocated to Technip Energies. Foreign exchange for H1 2021 was a negative impact of €1.3 million.

Net financial expense was €12 million, impacted by the mark-to-market valuation of investments in traded securities and, to a lesser extent, higher interest expense associated with the bridge facility, partially offset by interest income from cash on deposit.

Effective tax rate for the first half was 33.7%.

Non-recurring expenses in the first half amounted to €30.6 million, primarily relating to separation costs, which were largely incurred in the first quarter. H1 2020 had a positive contribution from non-recurring items mainly resulting from a favourable €102.9 million litigation settlement, partially offset by direct COVID-19 related expenses of €26 million.

Depreciation and amortization expense was €56.1 million, of which €40.3 million is related to IFRS16.

Adjusted net cash at June 30, 2021 was €2.5 billion. This compares to Adjusted net cash at December 31, 2020, after the impact of the Separation and Distribution Agreement, of €2.2 billion.

Total invested equity at June 30, 2021 was €1.3 billion in Adjusted IFRS. This compares to total invested equity at December 31, 2020 of €1.2 billion, after giving effect to the provisions of the Separation and Distribution Agreement. The Separation and Distribution Agreement was detailed in section 3, Balance Sheet information, of Technip Energies "Update on FY 2020 Financial Results" released on February 26, 2021.

Adjusted Operating cash flow for the first half reached of €354.6 million, benefiting from a strong operational performance and working capital inflows associated with new project advances and milestone payments.

With limited capital expenditure of €15.4 million, **free cash flow** generation was €339.2 million in the first half.

Liquidity and credit rating information

Total liquidity of €3.8 billion at June 30, 2021 comprised of €3.2 billion of cash and €750 million of liquidity provided by the Company's undrawn revolving credit facility, which is available for general use and serves as a backstop for the Company's commercial paper program, offset by €80 million of outstanding commercial paper.

On May 20, 2021, the Company announced the **successful pricing of its inaugural offering of €600,000,000 aggregate principal amount of 1.125% senior unsecured notes due 2028** (the "Notes"). The offering was more than 3x oversubscribed among a large European investor base.

On May 28, 2021, Technip Energies issued the Notes, the proceeds of which available for general corporate purposes, including the refinancing (which occurred on May 31, 2021) of the €620 million bridge amount drawn under the bridge facility made available to Technip Energies in connection with the spin-off of Technip Energies from

TechnipFMC plc. The Notes were admitted to trading on the regulated market of Euronext Paris and rated BBB by S&P Global.

Technip Energies retains its **'BBB/A-2' investment grade rating**, as confirmed by S&P Global following the Spin-off from TechnipFMC.

Post H1 2021 Items of Note

Share liquidity management agreement implemented

Technip Energies announced the implementation of a liquidity agreement to enhance the liquidity of Technip Energies' shares admitted to trading on Euronext Paris.

The liquidity contract seeks to enhance the liquidity of Technip Energies' shares admitted to trading on Euronext Paris by maintaining a reasonable average daily turnover, reducing bid-ask spread, and monitoring volatility.

1.3 PRINCIPAL RISKS AND UNCERTAINTIES

The main risks the Group could be facing in the second half of 2021 are presented in Note 26 of the combined financial statements for the years ended December 31, 2020, 2019 and 2018.
Notes 22 of the condensed consolidated financial statements of this 2021 half-year financial report describes the new proceedings and developments in existing litigations that have occurred since the publication of the combined financial statements for the years ended December 31, 2020, 2019 and 2018.

1.4 RELATED PARTY TRANSACTIONS

Related party transactions are identified and described in the 2021 Condensed Consolidated Financial Statements, Note 20 of this Half-Year Report.

2 STATEMENT OF THE PERSON RESPONSIBLE FOR THE FIRST HALF OF 2021 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 first half of 2021 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 entities included in the consolidation; and
- the first half 2021 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.

Paris, July 26, 2021

Arnaud Pieton

Chief Executive Officer

3 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2021

The condensed consolidated financial statements included in this half year report have not been subject to an external audit by the external auditor.

3.1 CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

		Six Months Ended June 30,	
(In millions, except per share data)	**Note**	**2021**	**2020**
Revenue	6	€ 3,118.1	€ 2,829.4
Costs and expenses:			
Cost of sales		(2,665.4)	(2,290.8)
Selling, general and administrative expense		(149.2)	(205.0)
Research and development expense		(17.4)	(20.4)
Impairment, restructuring and other expense	7	(30.6)	(35.8)
Total costs and expenses		(2,862.6)	(2,552.0)
Other income (expense), net	8	4.5	(23.8)
Income (loss) from equity affiliates	10	3.9	5.0
Profit (loss) before financial expense, net and income taxes		263.9	258.6
Financial income	11	12.5	13.5
Financial expense	11	(96.3)	(88.6)
Profit (loss) before income taxes		180.1	183.5
Income tax (expense) profit	12	(60.7)	(68.5)
Net profit (loss)		119.4	115.0
Net (profit) loss attributable to non-controlling interests		(7.0)	(4.7)
Net profit (loss) attributable to Technip Energies Group		**€ 112.4**	**€ 110.3**
Earnings (loss) per share attributable to Technip Energies [(1)]			
Basic		*€ 0.63*	*€ 0.61*
Diluted		*€ 0.62*	*€ 0.61*

[(1)] For June 30, 2021, basic earnings per share has been calculated using the weighted average number of outstanding shares of 179,245,810 and diluted earnings per share has been calculated using the weighted average number of 181,908,563.

For June 30, 2020, calculated using 179,813,880, shares which was the number of shares outstanding on February 16, 2021, the day on which 50.1% of the shares of the Group were distributed to the shareholders of TechnipFMC. The Group was previously wholly owned by TechnipFMC.

3.2 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In millions)	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Net profit (loss)	**€ 119.4**	**€ 115.0**
Exchange differences on translating entities operating in foreign currency	20.7	24.8
Reclassification adjustment for net gains included in net profit (loss)	-	0.4
Cash-flow hedging	(28.0)	(15.6)
Income tax effect	4.6	5.2
Other comprehensive income (loss) to be reclassified to statement of income in subsequent years	**(2.7)**	**14.8**
Actuarial gains (losses) on defined benefit plans	0.1	(0.1)
Income tax effect	-	0.1
Other comprehensive income (loss) not being reclassified to statement of income in subsequent years	**0,1**	**-**
Other comprehensive income (loss), net of tax	(2.6)	14.8
Comprehensive income (loss)	**116.8**	**129.8**
Comprehensive (income) loss attributable to non-controlling interest	(7.8)	(3.5)
Comprehensive income (loss) attributable to Technip Energies Group	**€ 109.0**	**€ 126.3**

3.3 CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

(In millions)	Note	June 30, 2021	December 31, 2020
Assets			
Investments in equity affiliates	10	€ 40.1	€ 39.8
Property, plant and equipment, net		107.0	95.5
Right-of-use		279.8	184.5
Goodwill	13	2,057.7	2,047.8
Intangible assets, net	13	99.7	105.8
Deferred income taxes		156.2	150.8
Derivative financial instruments	19	2.1	5.5
Other non-current Assets	14	50.5	60.2
Total non-current assets		**2,793.1**	**2,689.9**
Cash and cash equivalents	15	3,162.1	3,189.7
Trade receivables, net		1,311.3	1,059.1
Contract assets	6	268.1	271.8
Derivative financial instruments	19	6.5	26.6
Income taxes receivable		60.6	69.5
Advances paid to suppliers		75.3	87.5
Due from TechnipFMC	20	-	121.8
Other current assets	14	311.1	358.0
Total current assets		**5,195.0**	**5,184.0**
Total assets		**€ 7,988.1**	**€ 7,873.9**
Equity and liabilities			
Issued capital		€ 1.8	€ -
Additional paid-in capital		952.1	-
Treasury shares		(20.0)	-
Invested equity and retained earnings		600.5	1,993.9
Accumulated other comprehensive income (loss)		(191.6)	(184.1)
Equity attributable to owners of the Technip Energies Group		1,342.8	1,809.8
Non-controlling interests		25.0	16.0
Total equity	5 - 18	**1,367.8**	**1,825.8**
Long-term debt, less current portion	17	594.2	-
Lease liability - non-current	17	265.1	202.3
Deferred income taxes		25.3	24.0
Accrued pension and other post-retirement benefits, less current portion		127.6	124.2
Derivative financial instruments	19	5.3	3.6
Non-current provisions		55.6	26.1
Other non-current liabilities	16	51.2	113.8
Total non-current liabilities		**1,124.3**	**494.0**
Short-term debt	17	85.5	402.4
Lease liability - current	17	60.8	42.0
Trade payables		1,457.8	1,259.4
Contract liabilities	6	3,107.1	3,025.4
Accrued payroll		189.5	189.1
Derivative financial instruments	19	15.3	7.9
Income taxes payables		42.0	35.8
Current provisions		97.6	120.6
Due to TechnipFMC	20	-	77.2
Other current liabilities	16	440.4	394.3
Total current liabilities		**5,496.0**	**5,554.1**
Total equity and liabilities		**€ 7,988.1**	**€ 7,873.9**

3.4 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In millions)	Six Months Ended June 30, 2021	Six Months Ended June 30, 2020
Cash provided (required) by operating activities:		
Net (loss) profit	€ 119.4	€ 115.0
Adjustments to reconcile net profit to cash provided (required) by operating activities		
Depreciation and amortization	59.8	62.1
Corporate allocation [(1)]	-	140.2
Employee benefit plan and share-based compensations costs	14.6	7.0
Deferred income tax expense / profit, net	0.4	18.1
Unrealized loss on derivative instruments and foreign exchange	1.1	8.5
Income from equity affiliates, net of dividends received	(3.9)	(1.0)
Other	75.3	92.6
Changes in operating assets and liabilities		
Trade receivables, net and contract assets	(156.1)	105.7
Inventories, net	(1.0)	(1.7)
Accounts payable, trade	101.6	28.8
Contract liabilities	66.1	96.0
Income taxes payable (receivable), net	16.7	11.4
Trade receivable due from TechnipFMC	-	36.5
Other current other assets and liabilities, net	77.6	(240.0)
Other non-current assets and liabilities, net	(23.6)	(5.9)
Cash provided by operating activities	**348.0**	**473.3**
Cash provided (required) by investing activities		
Capital expenditures	(15.3)	(12.8)
Acquisition costs of consolidated companies, net of cash acquired	(2.0)	-
Proceeds from sale of assets	-	0.4
Other financial assets	(1.6)	(8.0)
Cash required by investing activities	**(18.9)**	**(20.4)**
Cash provided (required) by financing activities		
Net increase (repayment) in long and short-term debt	587.2	(2.2)
Net decrease in commercial paper	(313.0)	(67.0)
Purchase of treasury stock	(20.0)	-
Dividends paid	-	(0.1)
Settlements of mandatorily redeemable financial liability	(129.0)	(122.9)
Payments for the principal portion of lease liabilities	(40.9)	(36.4)
Net proceeds from (repayment of) loans from TechnipFMC	54.5	41.8
Net (distributions to)/ contributions from TechnipFMC	(532.9)	(161.3)
Cash provided (required) by financing activities:	**(394.1)**	**(348.1)**
Effect of changes in foreign exchange rates on cash and cash equivalents	37.3	3.8
(Decrease) Increase in cash and cash equivalents	(27.6)	108.6
Cash and cash equivalents, beginning of period	**3,189.7**	**3,563.6**
Cash and cash equivalents, end of period	**€ 3,162.1**	**€ 3,672.2**
Supplemental disclosures of cash flow information		
Cash paid for interest.	€ (5.5)	€ (6.8)
Cash paid for income taxes (net of refunds received)	€ 17.1	€ (74.8)

(1) The corporate allocation related to general and administrative expenses, which are included in the condensed combined financial statements, are not indicative of the actual expense as an independent Group for June 30, 2021.

3.5 CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

(In millions)	Invested Equity And Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interest	Total Invested Equity
Balance as of December 31, 2019	€ 1,857.0	€ (62.6)	€ (10.0)	€ 1,784.4
Net profit (loss)	110.3	-	4.7	115.0
Other comprehensive income (loss)	-	16.0	(1.2)	14.8
Net contribution from/ (distribution to) TechnipFMC	67.7	7.2	14.5	89.4
Share-based compensation	14.3	-	-	14.3
Other	-	-	(0.3)	(0.3)
Balance as of June 30, 2020	**€ 2,049.3**	**€ (39.4)**	**€ 7.7**	**€ 2,017.6**

(In millions)	Issued Capital	Additional Paid-in Capital	Treasury Shares	Invested Equity and Retained earnings	Accumulated Other Comprehensive Income (Loss)	Equity Attributable to Technip Energies	Non-Controlling Interest	Total Equity
Balance as of December 31, 2020	€ -	€ -	€ -	€ 1,993.9	€ (184.1)	**€ 1,809.8**	€ 16.0	**€1,825.8**
Net profit (loss)	-	-	-	112.4	-	**112.4**	7.0	**119.4**
Other comprehensive income (loss)	-	-	-	-	(3.4)	**(3.4)**	0.8	**(2.6)**
Net contribution from/ (distribution to) TechnipFMC	1.8	952.1	-	(1,513.6)	(4.1)	**(563.8)**	1.8	**(562.0)**
Share-based compensation	-	-	-	8.8	-	**8.8**	-	**8.8**
Treasury stocks transaction	-	-	(20.0)	-	-	**(20.0)**	-	**(20.0)**
Other	-	-	-	(1.0)	-	**(1.0)**	(0.6)	**(1.6)**
Balance as of June 30, 2021	**€ 1.8**	**€ 952.1**	**€ (20.0)**	**€ 600.5**	**€ (191.6)**	**€ 1,342.8**	**€ 25.0**	**€ 1,367.8**

3.6 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” or the “Group” 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.

NOTE 1. DESCRIPTION OF BUSINESS

1.1 Background

Technip Energies N.V. is a public limited liability company (*naamloze vennootschap*) incorporated and operating under the laws of the Netherlands. Technip Energies N.V. was formed on October 16, 2019, as a direct wholly owned subsidiary of TechnipFMC. TechnipFMC's entire Technip Energies business segment (including Genesis), Loading Systems and Cybernetix, were subsequently contributed to Technip Energies. On February 16, 2021, TechnipFMC distributed by way of a special dividend 50.1% of Technip Energies N.V. shares (the “Shares”), held by TechnipFMC to the shareholders of TechnipFMC, with TechnipFMC retaining 49.9% of Technip Energies’ Shares (the “Spin-off”). Technip Energies N.V. encompasses the former Technip Energies business segment of TechnipFMC (including Genesis), Loading Systems, and Cybernetix.

Technip Energies has prepared combined financial statements for the financial year 2020, with combined financial statements 2018 and 2019 financial years as comparatives.
The historical financial information in Technip Energies’ combined financial statements represents the Technip Energies business under the control of TechnipFMC and provides general purpose historical information of the Technip Energies business. Therefore, the combined financial statements presented only the historical financial information of those entities and business activities that are part of Technip Energies.

1.2 Business description

As one of the largest engineering and technology (“E&T”) companies by revenue, the Technip Energies Group offers what it characterizes as a full range of design and project development services to its customers spanning the downstream value chain, from early engagement technical consulting through final acceptance testing. 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.

The Group's 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. 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 technologies from its own proprietary technologies or through alliance partners. Technip Energies seeks to integrate and develop advanced technologies and reinforce the Group's project execution capabilities.
The Group also provides support services to other critical industries, such as life sciences, renewables, mining and metal and nuclear.

The Technip Energies Group believes that it is differentiated from its competitors by its ability to offer clients a comprehensive portfolio of technologies, products, projects, 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 supports gas monetization, ethylene, hydrogen, refining, petrochemicals and polymers, fertilizers, and other activities. 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 in oil and gas 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.

The Condensed Consolidated Financial Statements ("condensed consolidated financial statements") comprise Condensed Consolidated Statements of Income, Condensed Consolidated Statements of Comprehensive Income, Condensed Consolidated Statements of Financial Position, Condensed Consolidated Statements of Cash Flows, Condensed Consolidated Statements of Changes in Equity and Notes to Condensed Consolidated Financial Statements for the six months ended June 30, 2021 and include comparative information (for the year 2020) from Technip Energies' Combined financial statements.

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 20, 2021.

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.

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, 2021 and 2020 are in conformity with those we applied and detailed in the combined financial statements for the year ended December 31, 2020, except for specific requirements listed below:

a) Employee benefits

The amount of the obligation corresponding to post-employment benefits and other long-term benefits as of June 30, 2021, is calculated by projecting the prior year obligation over one half-year, taking into account the benefits paid out.

b) Income taxes

For condensed consolidated financial statements, income tax (current and deferred) is generally 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

a) Use of critical accounting estimates, judgments and assumptions

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 1.6 "Use of critical accounting estimates, judgments and assumptions" in the Technip Energies Group combined financial statements for the year ended December 31, 2020, for a discussion of critical accounting estimates, judgments and assumptions. During the six months ended June 30, 2021, there were no changes to identified critical accounting estimates, judgments and assumptions.

b) Separation and Distribution Agreement

Technip Energies N.V. and TechnipFMC entered into a Separation and Distribution Agreement on January 7, 2021. Pursuant to the Separation and Distribution Agreement, certain transactions have been carried out in the execution of the Spin-off resulting notably in cash transfers between Technip Energies and TechnipFMC as well as some contributions.

In connection with the Separation and Distribution Agreement, Technip Energies N.V. entered on February 10, 2021, into a €1.4 billion senior unsecured Bridge and Revolving Facilities Agreement (the "Facilities Agreement") between Technip Energies N.V. and Technip Eurocash S.N.C. ("Technip Eurocash") with Credit Agricole Corporate and Investment Bank, as Agent and ESG Coordinator, BNP PARIBAS acting as Coordinator and Documentation Agent and the lenders party thereto. On May 28, 2021, Technip Energies N.V. issued €600 million aggregate principal amount of 1.125% senior unsecured notes due 2028 (the "Notes") the proceeds of which have been used for general corporate purposes, including the refinancing (which occurred on May 31, 2021) of the €620 million bridge amount drawn under the Facilities Agreement. The Notes were admitted to trading on the regulated market of Euronext Paris. See Note 17.

Impacts of the Spin-off on Equity and Cash and Cash equivalents are presented below:

(In millions)		
Total Invested equity as reported as of December 31, 2020	€	1,826
Cash contribution		(533)
Receivables and other net asset contributions		(29)
Total Equity attributable to owners of the Technip Energies Group after impact of the Separation and Distribution Agreement	**€**	**1,264**

(In millions)		
Cash and cash equivalents as reported as of December 31, 2020	€	3,190
Cash contribution		(533)
Net cash proceeds from the Facilities Agreement		355
Other net cash impacts from intercompany settlements		27
Cash and cash equivalents after impact of the Separation and Distribution Agreement	**€**	**3,039**

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. SEGMENT INFORMATION

In the periods presented here, the Chief Executive Officer reviewed and evaluated the Technip Energies Group operating performance to make decisions about resource to be allocated and has been identified as the Chief Operating Decision Maker ("CODM"). Utilizing the internal reporting information provided to the CODM, the Technip Energies Group has changed, in 2021, the structure of its internal organization and defined two segments designated as Project Delivery and Technology, Products and Services.

The corresponding definitions are disclosed as follows:

- Project Delivery:

The Project Delivery segment provides comprehensive engineering, procurement and construction delivery capability globally. The Group's key capabilities leverage its operational and technical excellence as a global provider of engineering, procurement and construction ("EPC") services for onshore oil and gas; liquid natural gas ("LNG") and gas to liquids ("GTL"); oil refining; ethylene: petrochemicals; chemicals; fertilizers; offshore oil and gas (shallow-water, deep-water) with floating solutions (floating production units ("FPUs"), Floating production storage and offloading ("FPSO"), floating liquefied natural gas ("FLNG") and floating storage and regasification unit "FSRU")).

- Technology, Products and Services:

The activities within the Group's Technology, Products and Services businesses are more versatile, combining proprietary technologies with associated licensing fees and equipment such as LNG Loading Arms and associated knowledge-based services into a global business for ethylene, refining, petrochemicals, inorganic and specialty chemicals as well as gas monetization. From technology definition, early engagement through scope definition, advanced technologies and project lifecycle support, Technip Energies works closely with customers to provide the optimal approach to maximize their return on investment. Consulting and services may be provided under the Group's specialist consulting brands, Genesis, or through the Group's project management consulting or engineering services business lines.

- Corporate / non allocable:

The Corporate / non allocable corresponds to the unallocated items in the two segments above.

The assessment of the operating segment's performance is based on the Group's adjusted non-IFRS financial information. The accounting policies used differ from those described in Note 2 Summary of significant accounting policies as follows:

- The measure of Adjusted Revenue includes the proportionate share of the joint venture revenue in construction projects carried out in joint arrangements to reflect line-by-line for their respective share of incorporated construction project entities that are not fully owned by the Group,
- The measure of the Adjusted Recurring EBIT includes the profit before financial expense, net and income taxes recorded under IFRS as adjusted to reflect line-by-line for their respective share of incorporated construction project entities that are not fully owned by the Group and adjusted for the following items which are considered as non-recurring:
  (i) restructuring expenses,
  (ii) separation costs associated with the Spin-off transaction, and
  (iii) significant litigation costs that have arisen outside of the ordinary course of business.

Statements of income by segment are as follows:

	Six Months Ended June 30, 2021			
(In millions)	**Project Delivery**	**Technology, Products & Services**	**Corporate / non allocable**	**Total**
Revenue	€ 2,497.6	€ 620.5	€ -	€ 3,118.1
Proportionate share of joint venture project entities	125.1	-	-	125.1
Adjusted Revenue	**€ 2,622.7**	**€ 620.5**	**€ -**	**€ 3,243.2**
EBIT (Profit (loss) before financial expense, net and income taxes)	**€ 252.3**	**€ 54.0**	**€ (42.4)**	**€ 263.9**
Proportionate share of joint venture project entities	(86.9)	-	(3.1)	(90.0)
Non-recurring items	2.1	0.7	27.8	30.6
Adjusted Recurring EBIT	**€ 167.5**	**€ 54.7**	**€ (17.7)**	**€ 204.5**

(In millions)	Six Months Ended June 30, 2020 Project Delivery	Technology, Products & Services	Corporate / non allocable	Total
Revenue	€ 2,270.7	€ 558.7	€ -	€ 2,829.4
Proportionate share of joint venture project entities	181.7	-	-	181.7
Adjusted Revenue	**€ 2,452.4**	**€ 558.7**	**€ -**	**€ 3,011.1**
EBIT (Profit (loss) before financial expense, net and income taxes)	**€ 309.5**	**€ 35.0**	**€ (85.9)**	**€ 258.6**
Proportionate share of joint venture project entities	(54.6)	-	(5.2)	(59.8)
Non-recurring items	(72.9)	8.8	29.5	(34.6)
Adjusted Recurring EBIT	**€ 182.0**	**€ 43.8**	**€ (61.6)**	**€ 164.2**

Statements of financial position by segment are as follows. Adjusted financial position are presented according to the method described above.

(In millions)	June 30, 2021 Project Delivery	Technology, Products & Services	Corporate / non allocable	Total
Total Assets	**€ 2,991.9**	**€ 895.5**	**€ 4,100.7**	**€ 7,988.1**
Proportionate share of joint venture project entities	102.9	-	(34.4)	68.5
Adjusted total Assets	**€ 3,094.8**	**€ 895.5**	**€ 4,066.3**	**€ 8,056.6**

(In millions)	December 31, 2020 Project Delivery	Technology, Products & Services	Corporate / non allocable	Total
Total Assets	**€ 2,813.4**	**€ 920.3**	**€ 4,140.2**	**€ 7,873.9**
Proportionate share of joint venture project entities	89.3	-	(157.7)	(68.4)
Adjusted total Assets	**€ 2,902.7**	**€ 920.3**	**€ 3,982.5**	**€ 7,805.5**

NOTE 5. CHANGE IN THE SCOPE OF CONSOLIDATION

On April 27, 2021, the Technip Energies Group’s equity participation in Inocean AS increased by acquiring the remaining 49% of Inocean AS that it did not already own for €2.0 million. Inocean AS was already fully consolidated. The Group did not have any significant acquisitions and divestitures during the six months ended June 30, 2021.

NOTE 6. REVENUE

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 exploration and production of crude oil and natural gas.

6.1 Disaggregation of Revenue

The Technip Energies Group disaggregates revenue by geographic location as follows:

	Six Months Ended June 30			
(In millions)	**2021**		**2020**	
Europe & Russia	€	1,810.4	€	1,141.1
Africa & Middle East		579.7		622.7
Asia Pacific		456.8		494.9
Americas		271.2		570.7
Total Revenue	**€**	**3,118.1**	**€**	**2,829.4**

6.2 Contract Balances

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

Contract Assets - Previously disclosed as costs and estimated earnings in excess of billings on uncompleted contracts, Contracts 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 the customer, and right to payment is not just subject to the passage of time. Amounts may not exceed their net realizable value. Costs and estimated earnings in excess of billings on uncompleted contracts 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, 2021, and December 31, 2020:

(In millions)	June 30, 2021	December 31, 2020	Change	% change
Contract assets	€ 268.1	€ 271.8	€ (3.7)	(1)%
Contract liabilities	(3,107.1)	(3,025.4)	(81.7)	3%
Net liabilities	**€ (2,839.0)**	**€ (2,753.6)**	**€ (85.4)**	**3%**

The decrease in our contract assets from December 31, 2020, to June 30, 2021, 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.

In order 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 months ended June 30, 2021 and 2020 that were included in the contract liabilities balance at December 31, 2020 and 2019 was €1,565.2 million and €1,183.7 million, respectively.

Net revenue recognized for the six months ended June 30, 2021 and 2020 from the Technip Energies Group's performance obligations satisfied in previous periods had a favorable impact of €171.0 million and of €157.8 million, respectively. This primarily relates to changes in the estimate of the stage of completion that impacted revenue.

6.3 Transaction price allocated to the remaining unsatisfied performance obligations

Remaining unsatisfied performance obligations ("RUPO" or "order 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 order backlog includes the base transaction price, variable consideration, and changes in transaction price. The order 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 order backlog related to unfilled, confirmed customer orders is estimated at each reporting date. As of June 30, 2021, the aggregate amount of the transaction price allocated to order backlog was €16,667.4 million.

The following table details the order backlog as of June 30, 2021:

(In millions)	2021	2022	2023+
Total remaining unsatisfied performance obligations	€ 3,281.0	€ 5,652.2	€ 7,734.2

NOTE 7. IMPAIRMENT, RESTRUCTURING AND OTHER EXPENSE

Impairment, restructuring and other expense is detailed as follows:

	Six Months Ended June 30,	
(In millions)	**2021**	**2020**
Impairment costs	€ -	€ 0.2
Restructuring costs	(2.8)	2.4
Separation costs	(27.8)	(12.2)
Other	-	(26.2)
Total impairment, restructuring and other expense	**€ (30.6)**	**€ (35.8)**

Goodwill and property, plant and equipment impairments

During the first six months ended June 30, 2021, no significant events occurred which might have caused to impair the carrying amount of goodwill or other intangible assets and property, plant and equipment. Therefore, no impairment was recorded as of June 30, 2021.

Restructuring costs

During the six months ended June 30, 2021, amongst restructuring costs, €(1.9) million are related to severance provisions and €(0.9) million to facility costs (mainly early lease termination and relocation).

Separation costs

Separation costs related expenses represent unplanned, one-off, incremental and non-recoverable costs incurred solely as a result of €(27.8) million as of June 30, 2021, and €(12.2) million as of June 30, 2020.

Other

As of June 30, 2020, €(26.2) million were related to the COVID19 related expense that were recorded into a dedicated account.

NOTE 8. OTHER INCOME AND EXPENSE (NET)

Total other income and expense, net is as following:

	Six Months Ended June 30,	
(In millions)	**2021**	**2020**
Foreign currency (loss) gain	€ 1.3	€ (5.5)
Reinsurance income (expense)	0.9	1.3
Net gain (loss) from disposal of property, plant and equipment and intangible assets	-	0.1
Other	2.3	(19.7)
Total other income and expense, net	**€ 4.5**	**€ (23.8)**

As of June 30, 2020, Other is mainly composed of €(14.4) million related to the variation of MHB quoted investment fair value. Since January 1st, 2021, variation of the fair value on financial assets is presented within the financial result (see Note 11).

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, is recorded in the consolidated statements income for €(8.8) and €(14.3) million as of June 30, 2021 and 2020 respectively.

9.1 Performance and restricted Shares

a) 2021 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 22, 2021, established the terms and conditions of the 2021 Performance Shares program (the "2021 Program") under and pursuant to the terms of the Technip Energies N.V. Incentive Award Plan (the "Plan"). The 2021 Program provides for the allocation of Performance Shares granted in either the form of performance stock units ("PSUs") or restricted stock units ("RSUs"). The 2021 Program (and the RSUs and PSUs granted thereunder) are administered under, and in accordance with the terms of, the Plan.

In addition, on February 22, 2021, the Compensation Committee delegated to the Chief Executive Officer the decision to implement the granting of Performance Shares under the 2021 Program. Performance Shares were allocated by the Chief Executive Officer under the 2021 Program pursuant to his decision dated April 15, 2021.

Under the 2021 Program, 1,778,154 Shares were authorized for awards. As of June 30, 2021, 166,601 Shares were available for future grants under the 2021 Program.

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.

The Compensation Committee of the Board of Directors has granted certain employees, senior executives and Directors or Officers PSUs that vest subject to achieving satisfactory performances and/or RSUs that vest subject to continuous presence within the Group. Performance is based on total shareholder return ("TSR") of Technip Energies against the TSRs of a peer group of companies.

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

b) Amendment to plans

In fiscal years 2020, 2019 and 2018, Technip Energies Group employees participated in TechnipFMC's share-based payment programs.

In connection with the Spin-off and pursuant to the terms of the Employee Matters Agreement entered into between Technip Energies and TechnipFMC (the "Employee Matters Agreement"):

- The rules of the TechnipFMC PSUs and TechnipFMC RSUs granted in June 2018 and November 2018 were amended. The modifications were related to their vesting date which was accelerated to February 2, 2021. The TechnipFMC PSUs were vested at 25% of target value, based on actual 2018-2020 performance and the RSUs were vested in full.
- It was resolved to grant Technip Energies employees RSUs to replace the value of unvested TechnipFMC RSUs and PSUs. The number of RSUs with respect to Technip Energies Shares was determined by multiplying the number of TechnipFMC shares subject to the award (for PSUs, based on the target number of shares) by an adjustment ratio. Vesting dates for the new grants are the same as the original grants, and PSUs are replaced with Technip Energies RSUs.

9.2 Stock options

Amendment to plans

In fiscal years 2019 and 2018 Technip Energies Group employees were granted TechnipFMC stock options.

In connection with the Spin-off and pursuant to the terms of the Employee Matters Agreement it was resolved to grant Technip Energies employees stock options to replace the value of unvested TechnipFMC stock options. The number of options with respect to Technip Energies Shares was determined by multiplying the number of TechnipFMC shares subject to the award by an adjustment ratio. Vesting dates for the new grants are the same as the original grants.

NOTE 10. INVESTMENT IN EQUITY AFFILIATES, JOINT VENTURES AND OTHER PROJECTS CONSTRUCTION ENTITIES (YAMAL)

10.1 Investment 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 €40.1 million and €39.8 million as of June 30, 2021, and December 31, 2020, respectively.

Main equity investments were as follows as of June 30, 2021, and December 31, 2020:

	June 30, 2021		December 31, 2020	
(In millions)	Percentage Owned	Carrying Value	Percentage Owned	Carrying Value
ENI Coral FLNG	50%	€ 12.9	50%	€ 2.5
BAPCO Sitra Refinery	36%	-	36%	-
Novarctic	33.3%	-	33.3%	-
NFE	50%	-	N/A	-
Other		27.2		37.3
Total		**€ 40.1**		**€ 39.8**

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 Start-up of the Coral South FLNG facility. The 50% investment has been accounted using the equity method.

Bapco Sitra Refinery is an affiliated company in the form of a joint venture between Technip Energies and Samsung Engineering and Tecnicas 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. The 36% investment has been accounted using the equity method.

Novarctic is 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% investment has been accounted using the equity method.

With our partner Chiyoda Corporation, Technip Energies was 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 using the equity method.

The Technip Energies Group's total net profit from equity affiliates and joint ventures was €3.9 million and €5.0 million as of June 30, 2021, and June 30, 2020, respectively.

The 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 equity investments:

	Total for all JVs and associates		Bapco, Coral and Novarctic only	
(In millions)	**June 30, 2021**	**December 31, 2020**	**June 30, 2021**	**December 31, 2020**
Data at 100%				
Cash and cash equivalents	€ 1,170.0	€ 1,164.5	€ 1,025.3	€ 1,023.1
Other current assets	503.3	468.7	439.8	361.5
Total current assets	1,673.3	1,633.2	1,465.1	1,384.6
Non-current assets	59.4	56.6	29.9	23.3
Total assets	€ 1,732.7	€ 1,689.8	€ 1,495.0	€ 1,407.9
Total equity	107.0	149.3	12.7	(0.9)
Total non-current liabilities	21.8	21.5	6.8	5.8
Total current liabilities	1,603.9	1,519.0	1,475.5	1,403.0
Total equity and liabilities	€ 1,732.7	€ 1,689.8	€ 1,495.0	€ 1,407.9

Summarized statements of total comprehensive income (at 100%) are presented below:

	Total for all JVs and associates		Bapco, Coral and Novarctic only	
(In millions)	**June 30, 2021**	**June 30, 2020**	**June 30, 2021**	**June 30, 2020**
Data at 100%				
Revenue	€ 696.1	€ 740.3	€ 653.1	€ 722.8
Interest income	10.9	13.7	9.5	11.7
Depreciation and amortization	(1.9)	(2.0)	(1.5)	(1.7)
Interest expense	(16.4)	(23.4)	(15.3)	(23.3)
Income tax expense (benefit)	1.2	1.4	1.7	1.4
Profit for the period	5.4	13.7	8.6	11.6
Other comprehensive income	4.7	(3.1)	(0.1)	(0.3)
Total comprehensive income	**€ 10.1**	**€ 10.6**	**€ 8.5**	**€ 11.3**

10.2 Other projects construction entities: Yamal

Various contract entities were established with our partners to execute the design, engineering and construction of the Yamal LNG project. Yamal entities total assets, liabilities and equity related to these entities were consolidated in the consolidated statement of financial position and results of operations of Technip Energies.

Yamal LNG contribution to the Consolidated revenue is presented below:

(In millions)	**June 30, 2021**	**June 30, 2020**
Revenue	€ 192.2	€ 149.3

NOTE 11. FINANCIAL INCOME (EXPENSE)

Total financial income is as follows for the six months ended June 30, 2021 and 2020:

	Six Months Ended June 30,	
(In millions)	2021	2020
Interest income	€ 4.8	€ 13.5
Other financial income	7.7	-
Total financial income	**€ 12.5**	**€ 13.5**

Other financial income includes fair value through profit and loss of quoted equity instruments for €2.6 million.

Total financial expense is as follows for the six months ended June 30, 2021 and 2020:

	Six Months Ended June 30,	
(In millions)	2021	2020
Interest expense	€ (9.2)	€ (7.5)
Financial expenses related to long-term employee benefit plan	(0.5)	(0.7)
Redeemable financial liability fair value measurement	(71.8)	(78.4)
Other	(14.8)	(2.0)
Total financial expense	**€ (96.3)**	**€ (88.6)**

Total financial expense is mainly composed of €(71.8) million as of June 30, 2021, and €(78.4) million as of June 30, 2020, related to the Yamal redeemable financial liability fair value measurement (Note 19).
As of June 30, 2021, Other includes fair value through profit and loss of quoted equity instruments for €(8.3) million.

NOTE 12. INCOME TAXES

Technip Energies N.V. is incorporated in the Netherlands. However, for income tax purposes Technip Energies N.V. is resident in France. Therefore, Technip Energies N.V. earnings are subject to tax at the French statutory tax rate of 28.41% (vs 32.02% in 2020).

Technip Energies Group income taxes for the six months ended June 30, 2021 and 2020 reflected effective tax rates of 33.7% and 37.3% respectively. The year over year decrease in the effective tax rate is primarily due to the decrease in the French income tax standard rate (from 32.02% to 28.41%) and a favorable mix of forecasted earnings.

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

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

(In millions)	Goodwill	Licenses, Patents and Trademarks	Software	Other	Total
Net book value as of December 31, 2020	€ 2,047.8	€ 42.1	€ 18.7	€ 45.0	€ 2,153.6
Costs	2,172.7	105.3	98.7	96.4	2,473.1
Accumulated amortization	(115.0)	(65.0)	(83.3)	(52.4)	(315.7)
Net book value as of June 30, 2021	**€ 2,057.7**	**€ 40.3**	**€ 15.4**	**€ 44.0**	**€ 2,157.4**

Reallocation of the goodwill contributed by TechnipFMC by operating segment as of January 1st, 2021:
The goodwill contributed by TechnipFMC has been reallocated to the operating segments. Goodwill impairment testing has been carried out at the level used to monitor goodwill for internal management purposes, which corresponds to the Technip Energies operating segments. The changes in segment reporting and the reallocation of goodwill did not give rise to any goodwill impairment.

As of June 30, 2021, no significant events occurred which might have caused to impair the carrying amount of goodwill or other intangible assets. Therefore, no impairment was recorded as of June 30, 2021.

NOTE 14. OTHER ASSETS (CURRENT AND NON-CURRENT)

The non-current assets are as follows:

(In millions)	June 30, 2021	December 31, 2020
Non-current financial assets at amortized cost, gross	€ 25.2	€ 28.5
Impairment allowance	(1.7)	(2.6)
Non-current financial assets at amortized cost, net	**23.5**	**25.9**
Quoted equity instruments at FVTPL	27.1	34.3
Impairment allowance	(1.4)	-
Non-current financial assets at FVTPL	25.7	34.3
Other	1.3	-
Total other non-current assets	**€ 50.5**	**€ 60.2**

The current assets are as follows:

(In millions)	June 30, 2021	December 31, 2020
Value added and other tax receivables	€ 186.4	€ 187.7
Other receivables	36.4	109.8
Prepaid expenses	53.1	27.4
Other	35.2	33.1
Total other current assets	**€ 311.1**	**€ 358.0**

NOTE 15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

(In millions)	**June 30, 2021**	**December 31, 2020**
Cash at bank and in hand	€ 1,891.0	€ 1,867.3
Cash equivalents	1,271.1	1,322.4
Total cash and cash equivalents	**€ 3,162.1**	**€ 3,189.7**
Euro	1,376.4	1,305.4
US dollar	1,250.5	1,231.5
Chinese Yuan	222.9	299.9
Malaysian ringgit	94.7	93.2
Azerbaijani manat	36.1	32.6
Russian ruble	32.1	30.7
Pound sterling	23.5	43.0
Japanese yen	22.3	28.8
Trinidad and Tobago dollar	14.6	14.3
Australian dollar	10.4	21.7
Singapore dollar	10.3	3.8
Norwegian krone	6.5	15.0
Vietnamese dong	4.6	20.3
Other (less than €10 million individually)	57.2	49.5
Total cash and cash equivalents by currency	**€ 3,162.1**	**€ 3,189.7**

A substantial portion of cash and securities are recorded or invested in either Euro or US 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 in order 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 16. OTHER LIABILITIES (NON-CURRENT AND CURRENT)

The following table provides a breakdown of other non-current liabilities:

(In millions)	June 30, 2021	December 31, 2020
Redeemable financial liabilities	€ 12.4	€ 85.3
Non-current financial liabilities at FVTPL, total	**12.4**	**85.3**
Subsidies	3.4	3.6
Other	35.4	24.9
Other non-current liabilities, total	**38.8**	**28.5**
Total other non-current liabilities	**€ 51.2**	**€ 113.8**

The following table provides a breakdown of other current liabilities:

(In millions)	June 30, 2021	December 31, 2020
Redeemable financial liabilities	€ 136.6	€ 115.7
Current financial liabilities at FVTPL, total	**136.6**	**115.7**
Accruals on completed contracts	96.1	53.3
Other taxes payable	100.8	105.1
Social security liability	38.8	33.4
Payables on litigation settlement	-	42.0
Other	68.1	44.8
Other current liabilities, total	**303.8**	**278.6**
Total other current liabilities	**€ 440.4**	**€ 394.3**

NOTE 17. DEBT (LONG AND SHORT-TERM)

Long and short-term debt consisted of the following:

(In millions)	June 30, 2021 Carrying Amount	June 30, 2021 Fair Value	December 31, 2020 Carrying Amount	December 31, 2020 Fair Value
Bonds	€ 594.2	€ 600.5	€ -	€ -
Commercial papers	80.0	80.0	393.0	393.0
Bank borrowings and other	5.5	5.5	9.4	9.4
Financial Debts	**679.7**	**686.0**	**402.4**	**402.4**
Lease Liability	325.9	325.9	244.3	244.3
Financial Debts & Lease Liability	**€ 1,005.6**	**€ 1,011.9**	**€ 646.7**	**€ 646.7**

The split by maturity is as follow:

(In millions)	Maturity	<1 year	Within 2 years	Within 3 years	Thereafter
Bonds		€ -	€ -	€ -	€ 594.2
Commercial papers		80.0	-	-	-
Bank borrowings and other		5.5	-	-	-
Financial Debts		**85.5**	**-**	**-**	**594.2**
Lease Liability		60.8	59.5	54.9	150.7
Financial Debts & Lease Liability		**€ 146.3**	**€ 59.5**	**€ 54.9**	**€ 744.9**

The movements over the period December 31, 2020, to June 30, 2021, are as follows:

(In millions)	Bonds	Commercial Papers	Bank Borrowing and others	Lease Liability	Total
Value as of December 31, 2020	€ -	€ 393.0	€ 9.4	€ 244,3	€ 646.7
Increase - Issuance	594.2	-	621.0	186.3	1,401.5
Decrease - Reimbursement	-	(313.0)	(628.6)	(48.4)	(990.0)
Change in scope of consolidation	-	-	-	(0.5)	(0.5)
FX adjustments	-	-	0.5	2.9	3.4
Other	-	-	3.2	(58.7)	(55.5)
Value as of June 30, 2021	**€ 594.2**	**€ 80.0**	**€ 5.5**	**€ 325.9**	**€ 1,005.6**

Commercial paper - Under the Commercial Paper program, the Technip Energies Group through its treasury center company Technip Eurocash has the ability to access €750 million of short-term financing through commercial paper dealers. As of June 30, 2021, the Technip Energies Group's Euro based commercial paper borrowings had a weighted average interest rate of (0.3725)%.

Revolving Facility and Bridge Facility

On February 10, 2021, Technip Energies N.V. entered into the Facilities Agreement between Technip Energies N.V and Technip Eurocash with Credit Agricole Corporate and Investment Bank, as Agent, and the lenders party thereto.

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. is the sole borrower and a revolving facility in an amount of €750 million (the "Revolving Facility") to which Technip Energies N.V. and Technip Eurocash are the Borrowers. Subject to certain conditions, Technip Energies N.V. may request the aggregate commitments under the Revolving Facility be increased by up to €250 million.

The Bridge Facility had an initial tenor of 12 months with two six-months extension options. On February 16, 2021, Technip Energies N.V. drew down €620 million from the Bridge Facility. The amount borrowed was applied to refinance existing indebtedness under Technip Energies group's commercial paper program, finance working capital purposes and finance the cash allocation between TechnipFMC and Technip Energies under the Separation and Distribution Agreement. The residual capacity of €30 million under the Bridge Facility expired on March 2, 2021. The Bridge Facility has been repaid in full on May 31, 2021, by way of issuance of the Notes in an amount of €600 million which was settled on May 28, 2021. The Notes have a 7-year maturity, are rated BBB by Standard & Poor's, and are listed on Euronext Paris.

The Revolving Facility has an initial three-year tenor as from the Initial Availability Date (February 15, 2021) and may be extended twice by one year each time.
The Revolving Facility is being made available in Euros only. The Borrowers do not intend to draw on the Revolving Facility. The available capacity under the Revolving Facility is reduced by any outstanding commercial paper borrowings of Technip Eurocash.

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

NOTE 18. SHAREHOLDERS' EQUITY

18.1 Shareholder's equity activity

As of June 30, 2021, Technip Energies N.V. had 179,827,459 common shares issued with a nominal value of €0.01 per share.

Changes in shares outstanding are as follows:

(In number of shares)	
Shares Issued as of December 31, 2020	**179,813,880**
Movement of the period	13,579
Shares Issued as of June 30, 2021	**179,827,459**
Treasury stocks transaction	(1,801,802)
Shares Outstanding as of June 30, 2021	**178,025,657**

18.2 Stock repurchase programs

On May 3, 2021, the Group acquired 1,801,802 shares in the share capital of the Company from TechnipFMC at €11.10 per share. As of June 30, 2021, these treasury shares are deducted from consolidated equity for a total value of €20.0 million.

18.3 Impact of hedging on Shareholder's equity

The following is the reconciliation of the cash flow hedge reserve in Other Comprehensive Income on shareholders' equity:

	Shareholder's equity cash flow hedge reserve Six Months Ended	
(In millions)	June 30, 2021	June 30, 2020
Balance at beginning of the year	€ 11.8	€ (10.2)
Effective portion of changes in fair value	(38.6)	(13.2)
Amount reclassified to profit or loss	9.6	(1.1)
Cash flow hedging	**(29.0)**	**(14.3)**
Tax effect	4.9	4.8
Net contribution from/ (distribution to) TechnipFMC	-	4.4
Balance at end of the year	**€ (12.3)**	**€ (15.3)**

NOTE 19. FINANCIAL INSTRUMENTS

19.1 Financial assets and liabilities by category

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

	June 30, 2021 Analysis by Category of Financial Instruments				
(In millions)	Carrying amount	At Fair Value through Profit or Loss	Assets/Liabilities at amortized cost	At Fair Value through OCI	Level
Trade receivables, net	€ 1,311.3	€ -	€ 1,311.3	€ -	
Other financial assets	50.5	25.7	24.8	-	Level 1
Derivative financial instruments	8.6	0.2	-	8.4	Level 2
Cash and cash equivalents	3,162.1	3,162.1	-	-	
Total financial assets	**€ 4,532.5**	**€ 3,188.0**	**€ 1,336.1**	**€ 8.4**	
Long-term debt, less current portion	€ 594.2	-	€ 594.2	-	
Other current financial liabilities	136.6	136.6	-	-	Level 3
Short-term debt and current portion of long-term debt	85.5	-	85.5	-	
Accounts payable, trade	1,457.8	-	1,457.8	-	
Derivative financial instruments	20.6	0.3	-	20.3	Level 2
Other non-current financial liabilities	12.4	12.4	-	-	Level 3
Total financial liabilities	**€ 2,307.1**	**€ 149.3**	**€ 2,137.5**	**€ 20.3**	

	December 31, 2020								
	Analysis by Category of Financial Instruments								
(In millions)	**Carrying amount**		**At Fair Value through Profit or Loss**		**Assets/Liabilities at amortized cost**		**At Fair Value through OCI**		**Level**
Trade receivables, net	€	1,059.1	€	-	€	1,059.1	€	-	
Other non-current assets		60.2		34.3		25.9		-	Level 1
Derivative financial instruments		32.1		6.2		-		25.9	Level 2
Cash and cash equivalents		3,189.7		3,189.7		-		-	
Due from TechnipFMC - Trade receivable		65.2		-		65.2		-	
Due from TechnipFMC - Loans		56.6		-		56.6		-	
Total financial assets	**€**	**4,462.9**	**€**	**3,230.2**	**€**	**1,206.8**	**€**	**25.9**	
Other current financial liabilities		115.7		115.7		-		-	Level 3
Short-term debt and current portion of long-term debt		402.4		-		402.4		-	
Accounts payable, trade		1,259.4		-		1,259.4		-	
Derivative financial instruments		11.5		1.0		-		10.6	Level 2
Other non-current financial liabilities		85.3		85.3		-		-	Level 3
Due to TechnipFMC - Trade payable		73.5		-		73.5		-	
Due to TechnipFMC - Loans		3.7		-		3.7		-	
Total financial liabilities	**€**	**1,951.5**	**€**	**202.0**	**€**	**1,739.0**	**€**	**10.6**	

Mandatorily redeemable financial liability — Management determined the fair value of the mandatorily redeemable financial liabilities using a discounted cash flow model. Refer to Note 20 of combined financial statements for the financial year 2020 for further information related to this liability. 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. A decrease of one percentage point in the discount rate would have increased the liability by €0.7 million as of June 30, 2021. 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 liabilities (Note 16) 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.

	Six Months Ended			
(In millions)	**June 30, 2021**		**June 30, 2020**	
Balance at beginning of the period	€	201.0	€	239.3
Add: Expenses recognized in the statements of income		71.8		78.4
Less: Settlements		(129.0)		(122.9)
Net foreign exchange differences		5.2		1.5
Balance at end of the period	**€**	**149.0**	**€**	**196.3**

19.2 Derivative financial instruments

The management of the Technip Energies Group derivatives and hedge accounting was carried out centrally by TechnipFMC as of June 30, 2020, and by Technip Energies as of June 30, 2021.

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 such 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 are reflected in earnings in the period such change occurs.

For further information on foreign currency risk exposure and management, refer to Note 21.

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, 2021, and December 31, 2020, The Group held the following material net positions:

	June 30, 2021		December 31, 2020	
	Net Notional Amount Bought (sold)		Net Notional Amount Bought (sold)	
(In millions)		**EURO Equivalent**		**EURO Equivalent**
Australian dollar	(4.7)	(3.0)	217.8	134.8
British pound	(54.3)	(63.2)	(175.0)	(193.2)
Canadian dollar	(0.5)	(0.3)	(8.0)	(5.1)
Chinese yuan	32.4	4.2	115.4	14.5
Euro	(93.3)	(93.3)	151.2	151.2
Indian rupee	177.8	2.0	423.8	4.7
Japanese yen	662.5	5.0	1,488.5	11.8
Kuwaiti dinar	4.9	13.6	1.3	3.6
Malaysian ringit	177.5	35.8	193.2	39.1
Mexican pesos	1 207.7	50.4	1,444.8	59.5
Norwegian krone	(43.6)	(4.3)	250.0	23.6
Quatarin riyal	(2.8)	(0.6)	5.0	1.1
Russian ruble	(413.4)	(4.8)	(561.9)	(6.2)
Saudi Arabian riyal	(0.2)	(0.1)	-	-
Singapore dollar	30.2	18.8	15.0	9.3
U.A.E dirham	-	-	(1.6)	(0.4)
U.S. dollar	(570.1)	(478.0)	(1,392.3)	(1,144.3)

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 Technip Energies Group recognized loss of €(1.5) million and €5.4 million for the six months ended June 30, 2021, and 2020, respectively, due to discontinuance of hedge accounting as it was probable that the original forecasted transaction would not occur. Cash flow hedges of forecasted transactions, net of tax, resulted in accumulated other comprehensive (loss)/income of €(12.3) million and (15.3) million at June 30, 2021, and 2020, respectively. The Technip Energies Group expects to transfer an approximately €(4.0) million loss from accumulated OCI to earnings during the next 12 months when the anticipated transactions actually occur. All anticipated transactions currently being hedged are expected to occur by the first quarter of 2025.

NOTE 20. 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.

20.1 Transactions with related parties and equity affiliates

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

(In millions)	As of June 30, 2021	As of December 31, 2020
CTEP France	€ 43.8	€ -
JGC Corporation	44.6	30.9
TTSJV WLL	10.2	12.1
TPIT Dar & Engineering	3.2	2.6
Nipigas	3.7	-
Novartic	1.4	7.0
Others	8.8	7.4
Total trade receivables	**€ 115.7**	**€ 60.0**

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

(In millions)	As of June 30, 2021	As of December 31, 2020
Chiyoda	€ 23.3	€ 11.6
CTEP France	19.4	-
Saipem	10.5	12.7
Suez Group S.A.*	-	6.1
JGC Corporation	1.3	1.5
Nipigas	0.7	1.4
Others	4.4	0.4
Total trade payables	**€ 59.6**	**€ 33.7**

*Prior to March 2020 MS Debon held various positions with Suez Group, the latest of which was Deputy Chief Executive Officer of the Suez Group. Following her departure from the Suez Group, the Suez Group is no longer a related party.

Chiyoda and JGC Corporation are joint venture partners on Yamal project. Saipem and Nipigas are joint venture partners on Arctic project.

Revenue consisted of amounts with the following related parties:

(In millions)	Six months ended June 30, 2021	Six months ended June 30, 2020
CTEP France	€ 36.5	€ -
JGC Corporation (Coral - JGC Group)	20.9	17.4
TTSJV WLL	15.6	25.6
Nipigas	13.9	-
Storengy	3.3	-
Others	5.1	6.3
Total revenue	**€ 95.3**	**€ 49.3**

Expenses consisted of amounts with the following related parties:

	Six months ended	
(In millions)	June 30, 2021	June 30, 2020
Chiyoda	€ 20.2	€ -
CTEP France	19.1	-
TTSJV WLL	3.5	-
Saipem	3.3	-
JGC Corporation (Coral - JGC Group)	-	0.3
Others	5.7	0.4
Total expenses	**€ 51.8**	**€ 0.7**

20.2 Transactions with TechnipFMC

On May 3, 2021, the Company acquired 1,801,802 shares in the share capital of the Company from TechnipFMC at €11.10 per share, the price per share negotiated by eligible institutional investors with TechnipFMC in an accelerated book building sell down. In acquiring the shares, the Group exercised its rights under the Separation and Distribution Agreement entered into with TechnipFMC on 7 January 2021.

As of June 30, 2021, TechnipFMC holds approximately 31% of Technip Energies shares and is considered a related party of Technip Energies.

Due from TechnipFMC consisted of:

	As of	
(In millions)	June 30, 2021	December 31, 2020
Trade receivable	€ 56.5	€ 65.2
Trade payable	(49.6)	(73.5)
Loans due from TechnipFMC	-	56.6
Loans due to TechnipFMC	(3.4)	(3.7)
Total financial assets due from TechnipFMC	**€ 3.5**	**€ 44.6**

Trade receivables and payables comprise items arising in the ordinary course of business. Loans due from / to TechnipFMC represent discrete loans separately negotiated between the TechnipFMC Group and affiliates of the Technip Energies Group for various business and financing reasons during the reporting periods.

Related party revenue and operating expenses with TechnipFMC in the condensed consolidated income statement consisted of:

	Six months ended	
(In millions)	June 30, 2021	June 30, 2020
Revenue	€ 24,6	€ 27.6
Expenses	€ 4,8	€ (19.2)

The Technip Energies Group's revenue and expenses comprise items arising in the ordinary course of business.

As of June 30, 2021, all transactions with TechnipFMC are ordinary course of business and are included in each corresponding line. As of December 31, 2020, these amounts were specifically presented on a dedicated line of the Balance Sheet (Due to/from TechnipFMC).

NOTE 21. MARKET RELATED EXPOSURE

21.1 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 Technip Eurocash. 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 Technip Eurocash, has the ability to access up to €750 million of financing through its commercial paper dealers. Technip Energies had respectively €80 million and €393 million of commercial paper issued under the facility as of June 30, 2021, and December 31, 2020. Refer to Note 17 for more details.

The following is a summary of the credit facility as of June 30, 2021:

(In millions)	Amount	Debt Outstanding	Commercial Paper Outstanding	Unused Capacity
Three-year revolving credit facility	€ 750	€ -	€ 80	€ 670

Technip Energies available capacity under the Revolving Facility is reduced by any outstanding commercial paper. As of June 30, 2021, all restrictive covenants were in compliance under the Revolving Facility.

21.2 Foreign currency exchange rate risk

Technip Energies conducts operations around the world in a number of 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 the use of 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.

21.3 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 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, 2021, the Technip Energies Group has material positions with exposure to interest rates in the United States, the United Kingdom, Singapore, the European Community and Norway.

21.4 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 22. COMMITMENTS AND CONTINGENT LIABILITIES

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. The majority 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)	**June 30, 2021**		**December 31, 2020**	
Financial guarantees (a)	€	83.2	€	167.3
Performance guarantees (b)		2,812.0		2,919.2
Maximum potential undiscounted payments	**€**	**2,895.2**	**€**	**3,086.5**

(a) 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.

(b) 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 nonfinancial agreement. Events that trigger payment are performance-related, such as failure to ship a product or provide a service.

Contingent liabilities associated with legal matters

The Group is involved in various pending or potential legal actions or disputes in the ordinary course of business. 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 consolidated financial position, results of operations or cash flows.

In late 2016, TechnipFMC was contacted by the DOJ regarding its investigation of offshore platform projects awarded between 2003 and 2007, performed in Brazil by a joint venture company in which a TechnipFMC was a minority participant. Subsequently TechnipFMC has also raised with the DOJ 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 and has also contacted and is cooperating with French authorities (the Parquet National Financier (the “PNF”)) with their investigation about these existing matters.

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 anti-corruption investigations of which $281.3 was related to the Technip Energies business. The last outstanding amount to be paid in accordance with the global resolution was paid by Technip Energies during the second quarter of 2021. TechnipFMC and Technip Energies were not required to have a compliance monitor and, instead, were to provide reports on their anti-corruption program to the authorities.

To date, the investigation by the PNF related to historical projects in Equatorial Guinea and Ghana has not reached resolution and is still ongoing. There is no certainty that a settlement with PNF will be reached. The PNF has a broad range of potential sanctions under anticorruption laws and regulations that it may seek to impose in appropriate circumstances including, but not limited to, fines, penalties, and modifications to business practices and compliance programs. Any of these measures, if applicable to the Company, as well as potential customer reaction to such measures, could have a material adverse impact on its financial position or profitability. If no resolution is reached with the PNF, Technip Energies subsidiaries could be subject to criminal proceedings in France, the outcome of which cannot be predicted. The financial consequences of this investigation are to be retained by TechnipFMC by way of an indemnity provided by TechnipFMC to the Company under the Separation and Distribution Agreement.

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, 2021, and 2020, 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 23. SUBSEQUENT EVENTS

The Group signed on July 9, 2021, a liquidity agreement for an amount of €9.0 million.

NOTE 24. ACCOUNTING POLICY NEWS

24.1 IFRS standards, amendments and interpretations effective as of January 1, 2021

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - *Interest Rate Benchmark Reform – Phase 2*

They state that in the event of modification of contractual terms as a direct consequence of the interest rate benchmark reform, and in application of paragraph B5.4.5 of IFRS 9, there is no immediate impact on profit and loss for the year.

- Amendments to IFRS 16 - *Covid-19-Related Rent Concessions beyond June 30, 2021*

These amendments concern the treatment by the lessee of relief granted by the lessor on a current lease as a direct result of the Covid-19 pandemic, in the form of "payment holidays" or temporary rent reductions (for payments up to 30 June 2021, at the latest). Provided there is no substantial modification of the terms of the lease, the lessee is allowed by these amendments not to re-estimate the lease liability using a revised discount rate, with a corresponding adjustment to the right-of-use asset, and not to defer the value of the relief through amortization of the right-of-use asset. The lessee can therefore opt to record the impact directly in profit and loss.

Above mentioned new standards, interpretations or amendments effective beginning on January 1, 2021, did not have a significant impact on the Company's condensed consolidated financial statements.

- Interpretation of IAS 19 Employee Benefits - Attributing Benefit to Periods of Service

IFRS IC published, in May, its final decision on the allocation of benefit entitlements to periods of service.

The Committee sheds practical light on IAS 19 application (§70-74) relating to the attachment of rights to benefits to periods of service. In the case of the defined benefit plan analyzed, employees are entitled to receive a lump sum upon reaching retirement age, subject to being present in the company on that date. The amount of post-employment benefits to which an employee is entitled then depends on the length of employment with the entity before reaching that age, but is capped at a certain number of consecutive years of service.

The Group is currently assessing potential impacts.

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

Norm	Effective date	Statement
Reference to the Conceptual Framework - Amendment to IFRS 3	Jan 1, 2022	The amendment adds an exception to the recognition principle of IFRS 3 to avoid the issue of potential “day 2” gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 and IFRIC 21 if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21 respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.
Property, Plant & Equipment: Proceeds before Intended Use – Amendments to IAS 16	Jan 1, 2022	The amendments prohibits entities from deducting from the cost of an item of PP&E, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing them in the income statement.
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	Jan 1, 2022	The amendment specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making: both incremental costs and an allocation of costs directly related to contract activities.
Classification of Liabilities as Current or Non-Current – Amendments to IAS 1	Jan 1, 2023	The amendment clarifies: • What is meant by a right to be a differ settlement, • That a right to defer must exist at the end of the reporting period, • That classification is unaffected by the likelihood that an entity will exercise its deferral right, • That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification.
Definition of Accounting Estimates – Amendments to IAS 8	Jan 1, 2023	The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. The effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior periods errors. The previous definition of a changes in accounting estimates may result from new information or developments. Therefore, such changes are not corrections of errors.
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	Jan 1, 2023	The amendments aim to help entities provide more useful accounting policy disclosures by replacing the requirement to disclose their “significant” accounting policies with their “material” accounting policies, and by adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

New standards, interpretations or amendments effective beginning on January 1, 2022 were not early adopted by the Company.