TECHNIP ENERGIES FIRST NINE MONTHS 2023 FINANCIAL RESULTS – TRANSCRIPT

Technip Energies N.V. Corporate Participants :

- **Arnaud Pieton** Technip Energies N.V. – Chief Executive Officer & Non-Independent Executive Director
- **Bruno Vibert** Technip Energies N.V. – Chief Financial Officer
- **Phillip Lindsay** Technip Energies N.V. – Vice President of Investor Relations

Paris, Thursday, November 2, 2023, 1:00pm CET.

Operator's Introduction

Operator

Good afternoon. This is the conference operator. Welcome, everyone, to Technip Energies first nine months of 2023 Financial Results and Conference Call.

Now I would like to turn the conference over to Mr. Phillip Lindsay, Head of Investor Relations of Technip Energies. Please go ahead, sir.

Welcome and Disclaimer

Phillip Lindsay

Thank you, Allycia. Hello, and welcome to Technip Energies' financial results for the first nine months of 2023. On the call today, our CEO, Arnaud Pieton, and our CFO, Bruno Vibert will first present our Business and Financial highlights and this will be followed by the Outlook.

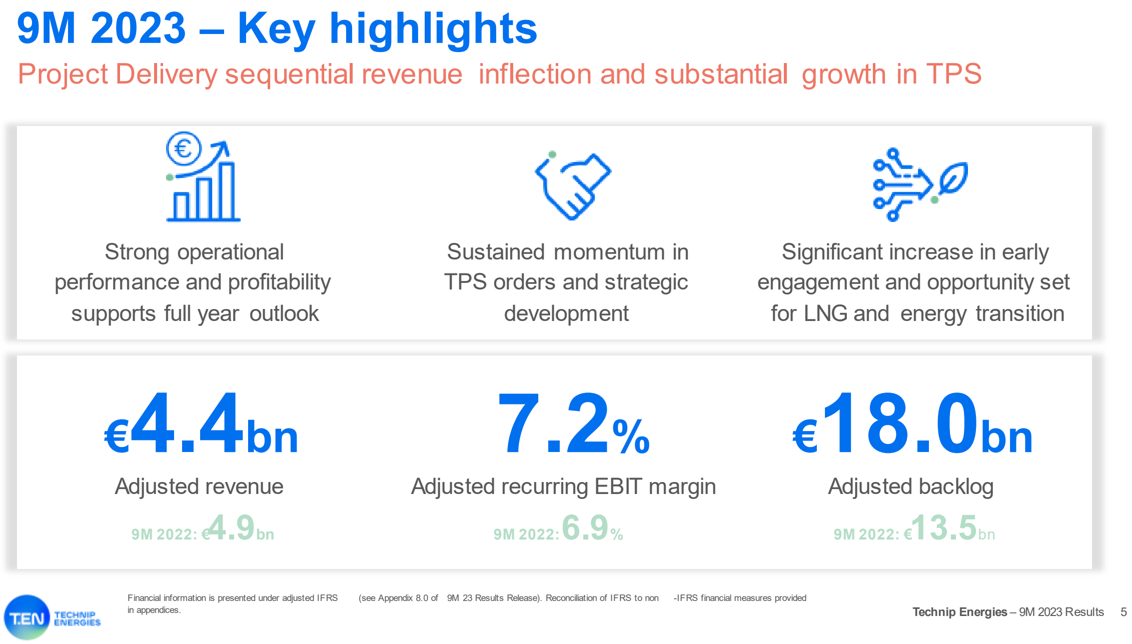
This will be followed by Q&A.

Before we start, I would encourage you to take note of the forward-looking statements on slide 2.

I will now pass the call over to Arnaud.

Business Highlights

Arnaud Pieton



Thank you, Phil, and welcome to our financial results presentation for the first nine months of 2023.

Our solid results year-to-date reflect our teams' relentless focus on execution and we reaffirm our full year outlook. While the year-over-year revenue comparison is impacted by the Arctic LNG 2 project exit, notwithstanding, we achieved 30 basis points of Recurring EBIT margin accretion on revenues of €4.4 billion.

Looking at the segments, the third quarter marks an inflection point for Project Delivery as revenues improved sequentially and margins remained high. And, as a result of our strategic focus, the TPS segment is delivering outstanding revenue and EBIT growth. After nine months, TPS revenue and EBIT have exceeded that of full year 2022.

Commercial momentum was sustained in TPS with orders keeping pace with a significantly improved topline, supporting the long-term growth trajectory of the segment.

Finally, our business outlook remains strong, and, as I will discuss later, our early engagement and tendering levels, notably in LNG and Energy Transition markets, enables us to selectively add to backlog, which closed the quarter at €18bn, up approximately 30% vs last year.

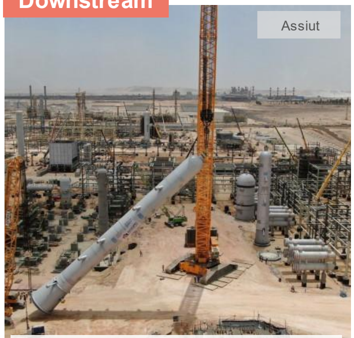
Key operational highlights

Maintaining strong execution across the portfolio

LNG

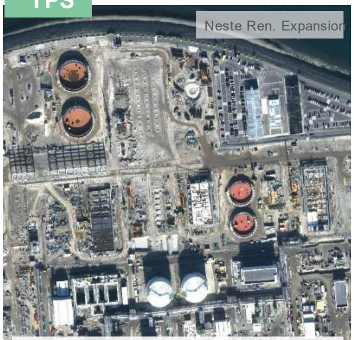
- **Eni Coral FLNG:** Provisional Acceptance Certificate received.
- **Qatar Energy North Field South:** Detail design started; first equipment purchased.

Downstream



- **Assiut Hydrocracking Complex:** Heavy lifting of the first and second stage reactors completed.
- **Long Son Olefins:** Plant Commissioning works ongoing.

TPS



- **Neste Ren. Expansion Rotterdam:** Civil works progressing and piping prefabrication started.
- **ExxonMobil LaBarge CCS:** Mechanical equipment and modules delivery to site started. Site civil works are in progress.

Turning to operational highlights for the third quarter, where the execution of our world-class portfolio of LNG and downstream projects as well as TPS activities are yielding strong financial results.

This includes the Provisional Acceptance Certificate on Coral FLNG.

In addition, while not on the slide, we also received the practical completion certificate on the gas FPSO for the Karish project.

Overall solid progress which reflects our teams' resolute focus on delivery and effective customer engagement.

Positioning for sustained long-term growth

Continued TPS commercial momentum and strategic progress

Commercial

bp Kwinana Biofinery

- EPF for H_2 production unit in support of planned project to produce SAF / biodiesel.

Galp Sines Refinery

- EPsCm awards for advanced biofuels unit (RD & SAF) and green H_2 unit.

Canopy by T.EN™

- Secured studies[1] in 2023 with aggregate capture potential of 12Mtpa+ of CO_2

Technology collaboration

Lanzajet collaboration strengthened

- Integrating complementary technologies and global capabilities to deliver SAF projects.

Versalis technological platform

- Integrating pyrolysis / purification technology for advanced chemical recycling of plastic waste.

rPET pilot plant groundbreaking

- Solving for hard-to-recycle PET polyester garments otherwise lost to the waste stream.

Investing for the future

1% R&D spend as % of revenue[2]

90% Proportion of R&D spend on low carbon solutions & energy transition[3]

Develop differentiated solutions for sustainable energy value chains

- Low carbon and carbon free solutions
- Sustainable chemistry
- CO_2 management
- Digital capabilities

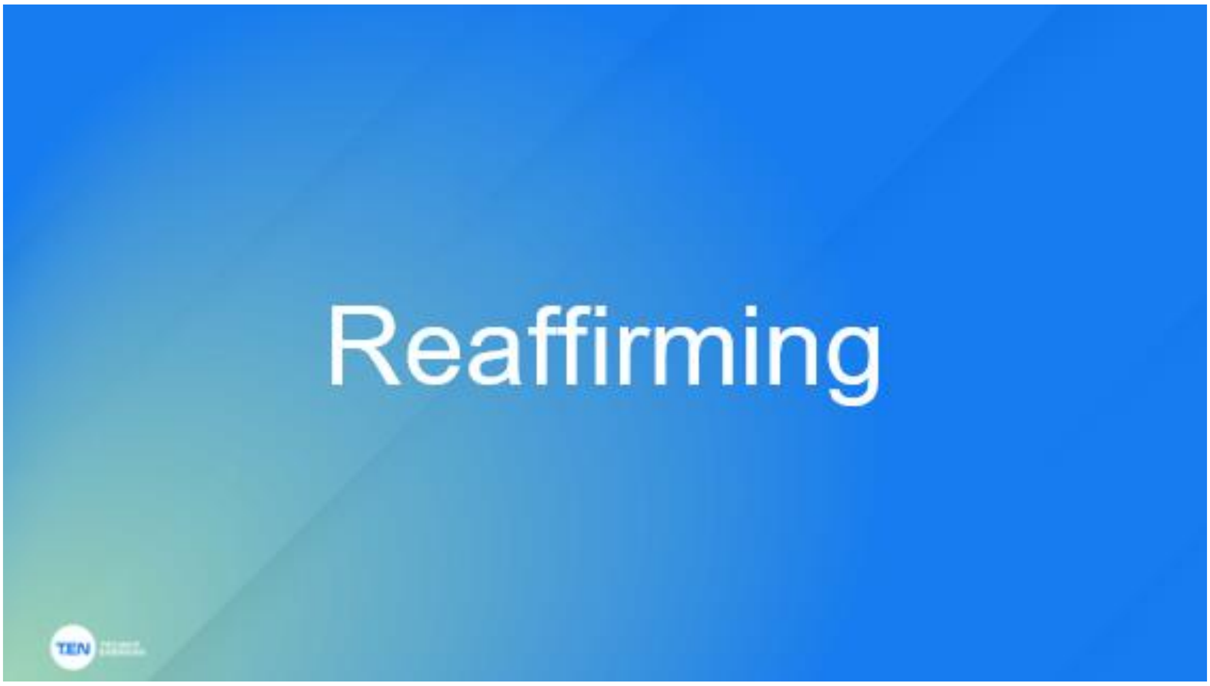
[1] includes feasibility studies, pre-FEED and FEED studies.
[2] Percentage of estimated 2023 research and development expressed as a percentage of company revenues. Actual R&D spend for 2023 is estimated to grow by 30% vs 2022. This excludes expenditures on pilot plants and R&D spend within projects.
[3] The proportion of total estimated R&D spend in 2023. This metric is consistent with T.EN's ESG roadmap which target's 100% R&D spend allocated for energy transition in 2025.

Turning to commercial successes and strategic highlights. We secured several new orders in energy transition markets, including a hydrogen production unit integrating our proprietary SMR technology for BP's Kwinana biorefinery in Australia. This will be executed under an EPF commercial model, encompassing engineering, procurement and modular fabrication.

In addition, notable services awards were received in sustainable fuels and green hydrogen and we secured multiple studies for Canopy by T.EN, our modular carbon capture solution, that, in aggregate, represent more than 12Mtpa of CO2 capture potential.

Technip Energies is a firm believer in the power of collaboration in achieving the world's climate ambitions. In the quarter, we strengthened our global alliance with LanzaJet to integrate our Hummingbird technology in their Alcohol-to-Jet process to produce sustainable aviation fuel. The world's first commercial plant, at Freedom Pines in the US, is soon to be commissioned, and should lead to LanzaJet and T.EN working together on many future SAF projects. We also recently broke ground on a pilot plant for recycled polyethylene (rPET) with our partners IBM and Under Armour. The plant, which is scheduled to come on stream in 2024, will serve to validate the technology in view of its commercialization at an industrial scale.

Separately, in addition to these partner initiatives, we are investing in R&D with expenditure expected to grow this year by 30% vs 2022 to a level equivalent to 1% of company revenues.



Before passing over to Bruno, I want to make a few comments about a recent article published in the French media regarding our involvement in the Arctic LNG 2 project. First, in executing an orderly exit from the Arctic LNG2 project in H1 2023, Technip Energies complied with, in order of priority, international sanctions and its contractual obligations.

Second, a contract creates rights and obligations between parties and for as long as the Arctic LNG2 contract remained in force, Technip Energies was obligated to carry out all contractual activities that were not prohibited by the sanctions.

Third, by withdrawing completely from Russia and exiting from the Arctic LNG2 project in an orderly manner, we have in fact gone beyond the strict application of sanctions, halting all activities in Russia, not merely those covered by sanctions.

Finally, I would point out that throughout the project, Technip Energies has worked with external advisors and the relevant authorities to ensure strict compliance with sanctions that were introduced progressively by the EU, US, and UK.

So, in summary, I want to reiterate that:

- *Technip Energies has ceased all activities in Russia;*
- *Technip Energies completed its orderly exit from the Arctic LNG2 project in H1 2023;*
- *And, contrary to the misleading statements that appeared recently in the press, Technip Energies has, at all times, fully complied with the applicable sanctions.*

I will now pass the call over to Bruno.

Financial Highlights

Bruno Vibert

9M 2023 performance underpins FY outlook

€4.4bn	7.2%	€1.15
Adjusted revenue	Adjusted recurring EBIT	Adjusted diluted EPS
9M 2022: €4.9bn	9M 2022: 6.9%	9M 2022: €1.25

9M 2023 financial highlights

€9.5bn	€18.0bn	BBB
Adjusted order intake	Backlog	S&P credit rating [1]
9M 2022: €2.7bn	9M 2022: €13.5bn	Prior: BBB-

Financial information is presented under adjusted IFRS (see Appendix 8.0 of 9M 2023 Results Release). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.
[1] Rating evaluation of S&P Global: BBB, Outlook Stable & A-2 short-term rating, as of September 26, 2023.

Thanks Arnaud, good afternoon everyone.

Turning to the highlights of our financial performance for the first nine months of the year. Adjusted revenues of €4.4 billion compared to €4.9bn in the prior year with the continued ramp-up on Qatar NFE and very strong TPS growth only partly offset the impact of our exit from the Arctic LNG 2 contract.

Adjusted recurring EBIT margin increased by 30 basis points to 7.2% benefiting from strong project execution in LNG & downstream as well as growth in TPS volumes and margins. Adjusted diluted EPS reduced by 8% year-over-year, impacted by a modest reduction in EBIT and non-recurring items, partially offset by higher interest income.

Adjusted order intake for the first nine months is strong at €9.5 billion, equivalent to a book-to-bill of 2.2 and benefiting from the major NFS award in Q2 and well supported by strong contribution in TPS as well.

Finally, in recognition of our differentiated hybrid model and the quality of both our balance sheet and backlog, our credit rating was upgraded to 'BBB' investment grade by S&P in September.

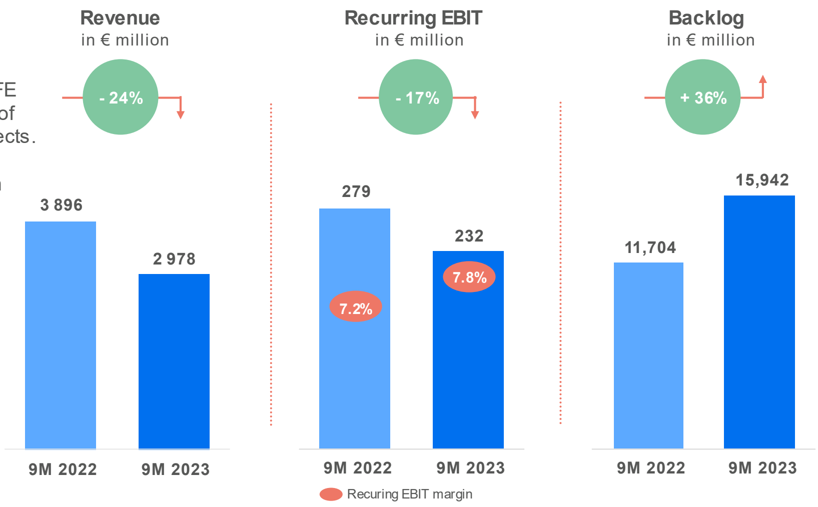
In summary, our people continue to drive forward and execute well, underpinning 2023 guidance, which we reaffirm today.

Project Delivery

Strong margins on lower revenue; backlog supports return to growth

- Revenue: Continued ramp-up on Qatar NFE drives Q/Q growth; Y/Y impacted by loss of revenue associated to Russia LNG projects.
- Margin: +60bps Y/Y; growing contribution from LNG and downstream projects in execution.
- Backlog: +36% Y/Y; material benefit from Qatar NFS award in Q2.

2.1
Book-to-bill, TTM[1]



Financial information is presented under adjusted IFRS (see Appendix 8.0 of 9M 2023 Results Release). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.
[1] Trailing 12 months.

Turning to our segment reporting and starting with Project Delivery, while the year-over-year picture sees materially reduced revenues, principally due to the exit from Arctic LNG 2. As I told you last quarter, H1 revenues were expected to reflect the trough for Project Delivery and I am pleased to report sequential growth in the third quarter versus the second and the continued ramp-up of NFE in Qatar and early-stage contributions from NFS will support this trajectory.

Execution has remained very strong, evidenced by notable strength in margins at 7.8%, up 60 basis points year-over-year. Due to recent contract wins and expected awards in the coming periods, the mix will trend towards a more balanced blend of early and later stage projects, bringing margins to a more normalized level.

Backlog is up over 35% year over year, equivalent to more than three times 2022 segment revenues. This provides excellent forward visibility and supports future revenue growth. And, we expect to reinforce this outlook through selective additions to backlog given the positive market backdrop, which Arnaud will address later on.

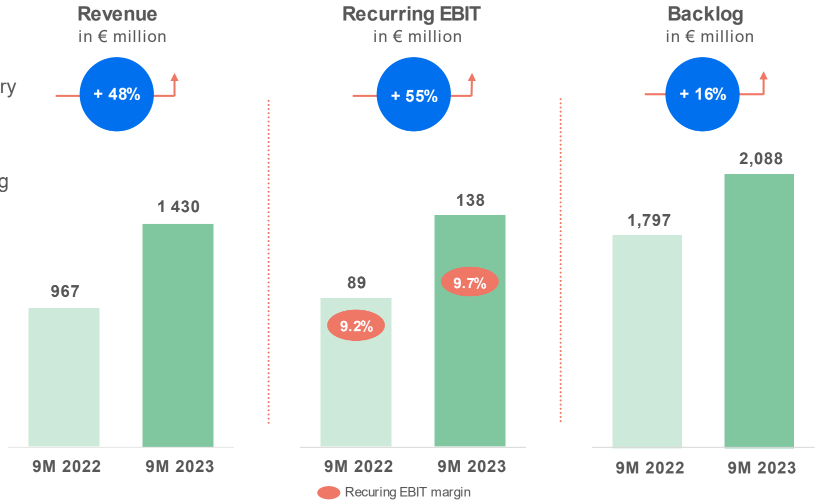
As a reminder, we have set a medium-term framework for 2025 and beyond for Project Delivery to be at €5 – 6 billion of revenue. We reaffirm this outlook. Given the ramp-up of NFS and likely contribution from future awards, we expect, from the current run-rates of close to 4bn, a somewhat steady growth profile through 2024 with stronger growth materializing in 2025 and then 2026.

Technology, Products & Services

Substantial growth in segment financials

- Revenue: Driven by technology, proprietary equipment, and services and studies in sustainable fuels and energy transition.
- Margin: +50bps Y/Y benefiting from strong growth in Process Technology licensing, products and consulting activities.
- Backlog: Strong order momentum in hydrogen, ethylene, CO_2 capture, sustainable fuels and PMC.

1.1
Book-to-bill, TTM[1]



Financial information is presented under adjusted IFRS (see Appendix 8.0 of 9M 2023 Results Release). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.
[1] Trailing 12 months.

Turning to Technology, Products & Services, momentum remains strong with revenue growth of close to 50% year-over-year, boosted by the strong order momentum we achieved in the last 18 months. Driving this impressive growth is our commercial success across several areas including technology and proprietary equipment, notably for ethylene where we have a leading market position; o high services volumes, particularly in sustainable fuels markets; and very high front-end engagement, consulting and studies across energy transition markets

As a result of these higher volumes and the mix benefit from higher technology and product revenues, margins have improved by 50 basis points year-over-year to 9.7%, and close to our medium-term target to reach double digit. Consequently, adjusted recuring EBIT for the segment has increased by 55% year-over-year.

Turning to orders and backlog, we are particularly pleased that order intake has more than kept pace with the fast growth in revenues and our book-to-bill on a trailing 12-month basis remains above 1.

In summary, our strategic focus to drive top-line and margin accretion in TPS is yielding strong results, giving us confidence in our ability to reach and sustain our medium-term targets of €2 billion-plus of revenue and more than 10% margin.

Other key metrics and balance sheet

Income Statement

Corporate costs	€ 51.2 million	Higher Y/Y due to ESOP and incremental costs associated to strategic and pre-development initiatives.
Net financial income	€ 60.2 million	Improved interest rates on cash & cash equivalents.
Effective tax rate	30.1%	Consistent with upper-end of 2023 guidance range; underlying tax rate, excluding PNF impact, is 27.7%.

Balance Sheet

Gross debt	€ 0.7 billion	Stable with 81% long-term, maturing in 2028.
Gross cash	€ 3.5 billion	Resilient despite working capital outflows and ALNG 2 project exit.
Net contract liability	€ 2.9 billion	Reflects order intake and backlog flow ytd.

Financial information is presented under adjusted IFRS (see Appendix 8.0 of 9M 2023 Results Release). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.

Turning to other key performance items, beginning with the income statement. Corporate costs of €51 million are in line with our projected full-year outturn of €60 – 65 million. The main item of note impacting the 3rd quarter was costs close to €10m associated with the employee share offering, ESOP, which was a resounding success as Arnaud will address later. These costs are specific to Q3 and will not be repeated in the 4th quarter.

Higher global interest rates are benefiting our net financial income, which at €60 million for the first nine months, is providing a tailwind to earnings.

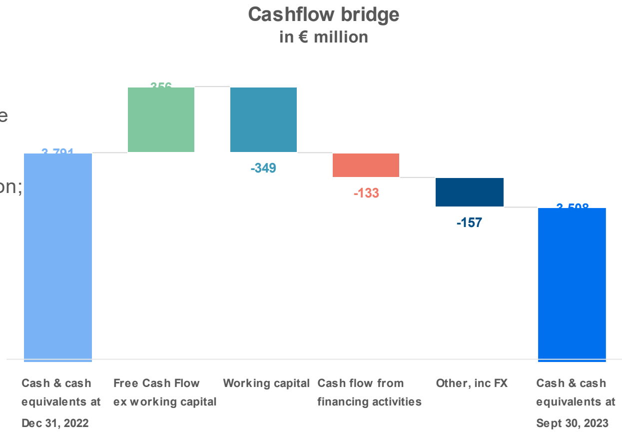
Lastly on the P&L, effective tax rate was 30.1% and consistent with the top-end of the 2023 guidance range. The tax rate in the first nine months is impacted by the PNF settlement. Excluding this, the underlying tax rate for the period is 27.7%.

Moving to balance sheet, where the picture is broadly unchanged from the half-year view. The continuous strength of this balance sheet was one of the contributors to our recent credit rating upgrade.

As I mentioned in previous earnings calls, the structure of this balance sheet is sustainable. Existing projects in backlog as well as future awards will indeed continue to contribute to this differentiated capital structure. In a period when liquidity, deleveraging or refinancing can be a concern for some, Technip Energies is very much immune to these and on the contrary can leverage on this strength to continue to implement a long term and balanced capital allocation strategy.

Solid underlying free cash flow

- Operating cash flow €40 million; Free cash flow[1] €7 million, impacted by €349 million working capital outflow:
  - Project Delivery portfolio maturity and ALNG2 project close out activities.
- Free cash flow, excluding working capital impact, of €356 million; Free cash conversion from adjusted recurring EBIT > 100%.
- Other items of note:
  - €30m capital increase associated with ESOP.
  - €91m dividend paid to shareholders in Q2.
  - Deconsolidation of cash from ALNG 2 Project entities.



Financial information is presented under adjusted IFRS (see Appendix 8.0 of 9M 2023 Results Release). Reconciliation of IFRS to non-IFRS financial measures are provided in appendices.
[1] Free cash flow is calculated as cash provided by operating activities of €39.5 million less capital expenditures of €33.0 million.

Before passing back to Arnaud, let's consider our cash flows. Free cash flow on an underlying basis or excluding working capital was €356 million and consistently strong as we executed across our portfolio. Cash conversion from EBIT, on the same ex working capital basis, is high at more than 100% and trending above what we would consider a normalized conversion owing to the positive impact of interest income.

The working capital outflow year-to-date reflects the balance of the portfolio with several projects in their latter stages as well as the cash deconsolidation and transfer relating to our exit from the Arctic LNG 2 project. Working capital trends are likely to improve over the next 12 – 18 months based on the expected contribution from future awards and milestone payments on recently secured projects.

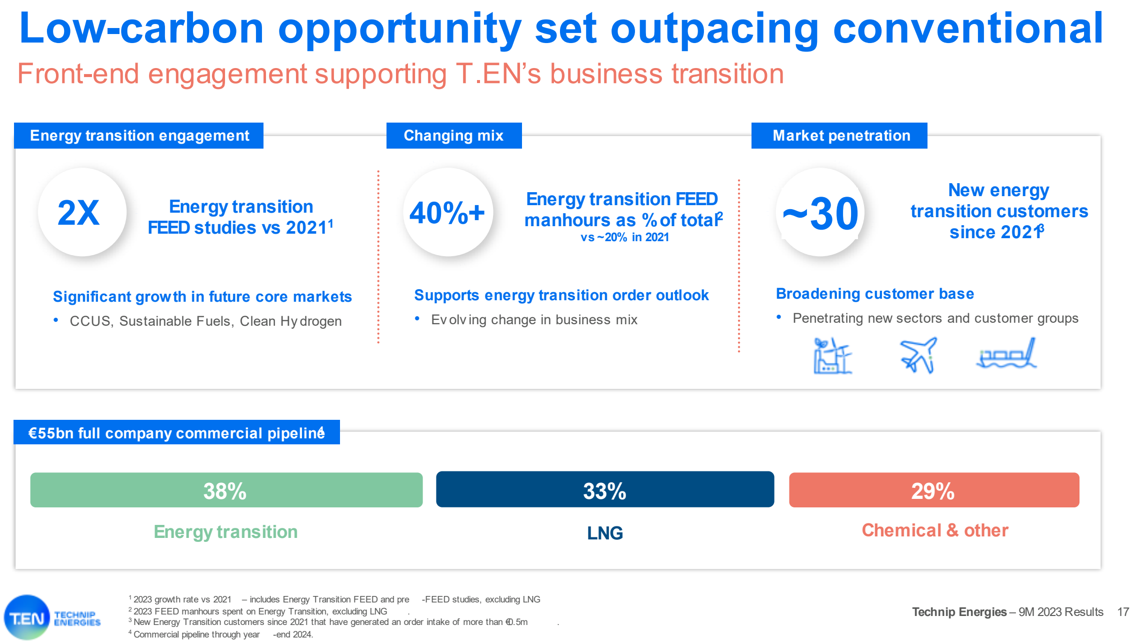
Other items of note include the €30 million capital increase associated with ESOP.

We end the period with more than €3.5 billion of cash and cash equivalents.

I'll now turn the call back to Arnaud for the outlook.

Outlook

Arnaud Pieton



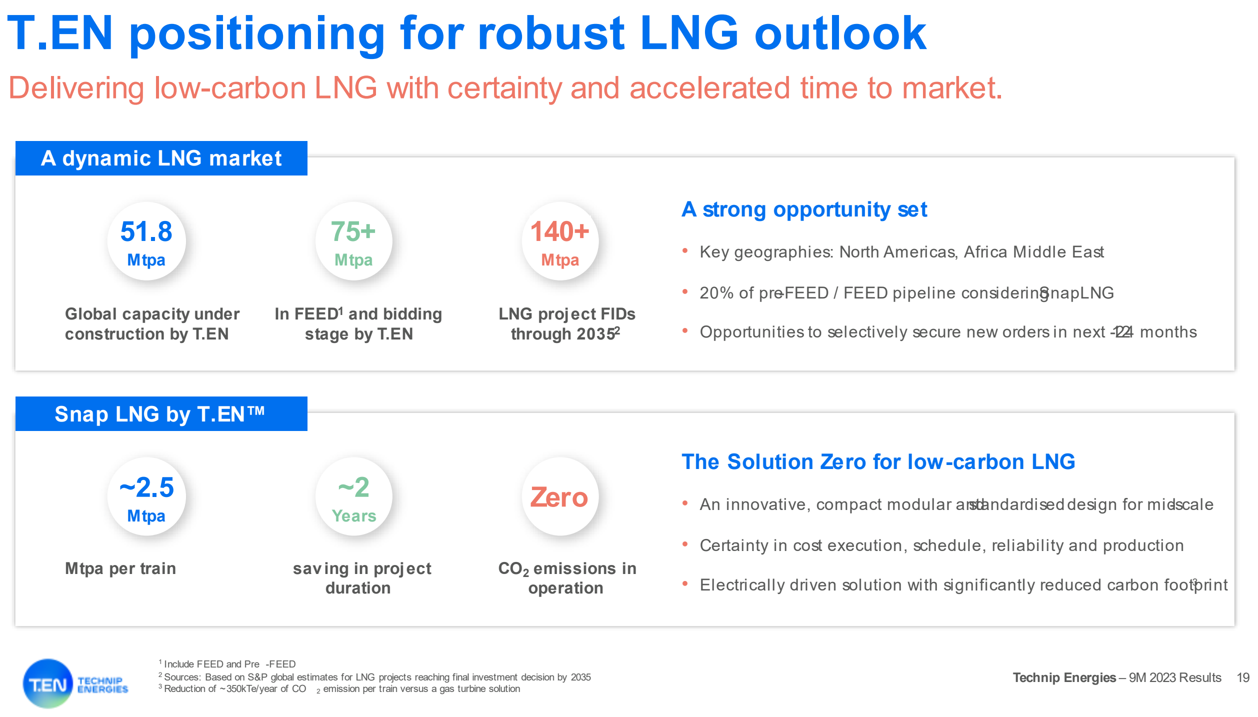
Thanks Bruno

With our strategy taking hold and low-carbon energy markets maturing, we have seen a positive shift in early engagement and commercial pipeline. Compared to 2021, the volume of FEED and pre-FEED studies relating to energy transition has doubled while the proportion of manhours dedicated to these themes is more than 40% compared to 20% two years ago.

Our skills and capabilities are increasingly being recognized across industries. This is evidenced by new customers in industries such as power, aviation, biochemicals and hydrogen. As these prospects reach final investment decision, this can represent a material diversification and In the long-term, our company will be even more resilient because of this broader customer base.

Looking at our opportunity set, the change is striking. While we continue to see LNG playing a prominent part of our positioning and tendering, Energy Transition markets, excluding LNG, have grown in volume and in value. Some of these new markets have taken longer-than-expected to shape up, but projects are maturing, and government policy and stimulus is helping. We now see energy transition projects of material size coming into view, by this, I mean those with potential value in excess of €500 million and even €1 billion-plus.

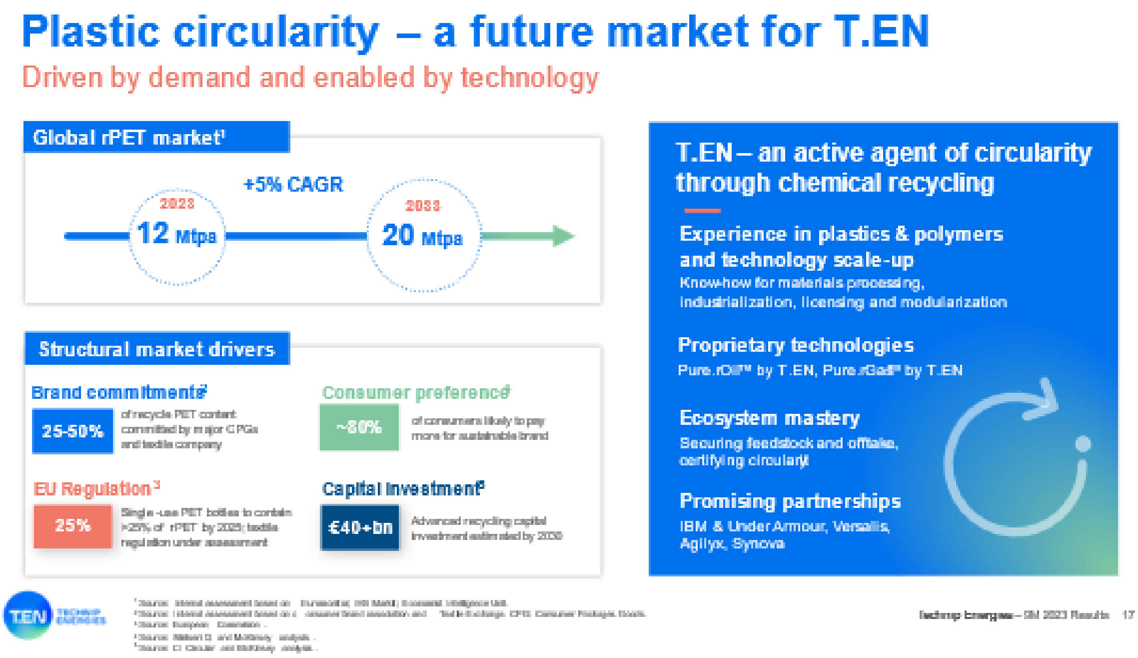
We are confident that we have the right capabilities, technologies and partnerships to capture these opportunities and deliver sustainable value for our clients, shareholders and society.



Turning now to LNG, where the near-term outlook remains particularly robust. Today, Technip Energies has more than 50Mtpa of LNG capacity under construction across three projects in the Middle East and the Americas. While we are clearly in a good position, industry trends towards more standardization, modularization and even replication will enable us to do more with the same resource base.

We have previously discussed our involvement in around 10 FEED studies and this remains the case, even after the award of North Field South in Qatar. In aggregate, this pipeline of opportunities equates to more than 75Mtpa of new LNG capacity in either FEED and / or tendering stage. This excludes any further expansion opportunities in Qatar, with the majority of activity centred in three key regions: North America, Africa and other parts of the Middle East. In addition, approximately 20% of this pipeline is considering SnapLNG by T.EN

In summary, the LNG market remains robust, particularly in the near-term, and as a leader, we are well positioned to selectively secure important contracts in the coming 12 – 24 months. And in the long-term, LNG will continue to provide T.EN with a solid revenue base.



Moving to plastic circularity, a market where we believe T.EN can build a truly differentiated position. Today, the world has a plastic waste problem as the volume of plastic recycled is a mere fraction of that produced. The issue is not simply due to single-use plastic bottles, but also because of apparel and textiles, where less than 1% of PET textiles waste is recycled today.

The global market for recycled PET or rPET is currently around 12Mtpa and largely based on mechanical recycling. This technology is mature, albeit with limitations, and focused primarily on plastic bottles, an overused and scarce commodity. Advanced chemical recycling is therefore needed to efficiently process harder-to-recycle PET such as garments and non-mechanically recyclable plastics. This is where we see the future growth potential.

The market drivers are clearly there with vast commitments from major players and consumer preferences for sustainable brands at acceptable prices. And while regulation is in place today for parts of the industry, notably single-use plastic bottles, it looks highly likely to materialize in other areas including textiles and other industries.

Technip Energies brings relevant expertise to become an active agent of circularity through advanced chemical recycling. We have extensive knowledge of materials processing for plastics and polymers; Technology will be important, and we know how to scale them up. However, this is only part of the story, to be successful in this space requires mastery of the whole ecosystem, securing feedstock, offtake and the ability to demonstrate and certify circularity.

And this is where we are now concentrating our efforts by teaming up with a diverse range of partners to develop and promote these ecosystems and deliver the promise of economical plastic and textile fibre recycling.

Impact-driven ESG yielding results

Improving recognition on our sustainability journey

ESOP[1] 2023: Sharing value with our people

- Successful 1st global share employee offering; 2X oversubscribed
- Proportion of employees as shareholders: 33% (vs 5% before ESOP)
- €30m capital increase; equivalent to 1% of shares outstanding
- Reflects engagement and confidence in T.EN's strategy and value creation

T.EN sustainability recognition

MSCI	Confirming leadership: AAA rating maintained
SUSTAINALYTICS	T.EN moves into top 10% within industry group[2]
ISS ESG	T.EN now in top 30% within industry group[3]
	T.EN HQ - Top 100 Iconic sustainable buildings by #G20

[1] ESOP: Employee Stock Ownership Plan.
[2] Sustainalytics rating improved to 27.5 (medium risk) from 33.3 (high risk).
[3] ISS ESG rating improved to Rating C (vs C -).

Before closing, let me touch on ESG. We are very pleased with the successful conclusion of our first global employee share ownership program: ESOP. The offering, which was two times oversubscribed, has led to a substantial increase in the number of employees that are now shareholders in Technip Energies, demonstrating the confidence of our people in our strategy and long-term value creation.

More broadly, our sustainability journey is increasingly being recognized by ESG rating agencies. This includes a triple A rating with MSCI, as well as notable improvements with other agencies, particularly Sustainalytics.

We have an ambitious roadmap and remain committed to continuous improvement on our sustainability path.

In closing, the strength of our results for the first nine months allows us to reaffirm our full year outlook. Momentum in TPS remains strong, commercially and strategically, reinforcing segment growth. And, we are focused on selectively winning the right projects from an attractive opportunity set to secure our outlook.

With that, lets open the line for questions

Question and Answer

Guilherme Levy - Morgan Stanley - Analyst

- *Hi. Good afternoon, everyone. I have two questions, please. The first one related to the Russian article. I was just wondering, what are the next steps now that shareholders should have in mind for the coming months? Are there any further steps that the company can take in order to provide more evidence to investors that it was in full compliance with the sanctions? And also, are you going after the newspaper and seeking any sort of compensation from them?*
- *And then, second question, if I may. In the past months, we saw a material outflow due to working capital consumption. So I was just wondering, what should we expect for the next quarters and how quickly can we see that coming back. Thank you very much.*

Arnaud Pieton

Thank you, Guillerme. All right let's start with Article LNG2 and I will start with the second part of your question. So, beyond the public letter that we have sent to Le Monde, what else can Technip Energies do to respond? Based on careful consideration and legal advice, we have issued a statement, followed by a public letter addressed to Le Monde, CEO. We have retained a leading media law expert in France, and as we should, we are reviewing our options. So, I will not comment beyond that at the moment.

In terms of what the next steps may be, listen, I don't want to speculate on what will happen next. What I can reaffirm here is that we are very confident that we have - at all times - fully complied with the applicable sanctions, and we are basically now focusing on the business and delivering our plan for the benefit of our shareholders and stakeholders. I will reaffirm beyond the fact that we have complied at all times with the sanctions. I will reaffirm the fact that we are not and we have not been under any form of investigation - This is an important point for me to make - by any governmental authorities in respect to our compliance with the international sanctions. And I have stated in my prepared remarks, that we had at all times worked with the relevant authorities in this exit process.

So, we are extremely confident in our full compliance with the sanctions, wherever they were coming from US, UK or the EU. I'll now pass over to Bruno for your second question

Bruno Vibert

Thanks. Good afternoon, Guilherme. So, on the working capital evolutions this year, year-to-date, we have a slight negative which comes at the back of more positive in previous periods. This was to be expected given the later stage of projects. In Q3, we had no additional contribution from NFS. Again, that was something which was expected. So NFS and contributions from future awards, which will come in future periods, which we outlined, will help to some extent to reverse this trend.

And working capital should be in the coming quarters - it can always be lumpy as it is working capital - but should be more on a positive trend in the coming quarters versus where we are today.

Kate Somerville – JP Morgan - Analyst

- *Good afternoon. Thank you for taking the questions. First one is on your pipeline, you have almost 40% in energy transition, which is obviously really significant. Just trying to get an idea of when we're going to see these orders really get scale. I think a lot of the orders that we see announced tend to be 50 million or something like that. How big could this get and how quickly do you think that could be? And which of the technologies do you think is the most scalable?*
- *And then could we just get an update on what you're seeing in terms of the LNG pipeline, especially into next year? Which of the main projects are you looking to tender for and how is your confidence looking in terms of winning those? Thanks.*

Arnaud Pieton

Hi, good afternoon, and thanks for the question. So, indeed, we've observed an acceleration in quantity and value for energy transition prospects that will turn into projects eventually. And as you've pointed out, and as I expressed a bit earlier, we see an increase in the value those projects are likely to be in the half billion EUR or north of a billion EUR when they reach FID. Obviously, FID is not something we control at Technip Energies. We are here to work alongside clients in order to differentiate in a sense, so that they can reach an FID for those projects, and we can bring the projects or the prospect to a price point that is acceptable to the client.

The main domains where we will see acceleration at scale, and the space where is going to be at large scale first, we believe it's around blue hydrogen, there's one of them out there that is public - I have in mind obviously the Exxon Mobil Baytown blue hydrogen and ammonia in the US. There's further blue ammonia projects in the Middle East that are of very significant size.

Also of larger size than before are carbon capture projects. There's of course the BP Net Zero Teesside opportunity which we hope will reach FID in 2024. But again, this is not something we totally control but there are similar size carbon capture related projects in the US in particular.

The rest of the space where things are really taking off in a material manner are biofuels and biochemicals. I've spoken particularly about SAF - sustainable aviation fuels - where the regulation is now in place and the pilots are coming to a point where we will have more clarity with regards to the performance of the solutions, as we believe the pilots will perform. This will really open the path to a much larger volume of opportunity of projects. Those could be of a smaller size because if I remind you of it, the SAF is not so much a problem of the demand. The demand is here. Airlines will want the SAF, the SAF challenge is more about the feedstock and the feedstock will depend on the jurisdiction in which you are being from alcohol-to-jet or municipal waste. So, the infrastructure may be of a slightly smaller size but you will need many of them. So that's a very promising pipeline for Technip Energies regardless of the SAF pathways, therefore regardless of the feedstock to sustainable aviation fuels where there is definitely a high level of demand.

And lastly, we are observing some more meaningful acceleration in terms of the size of the project in green hydrogen and power to X. So really it's a very diverse pipeline of opportunities with a larger scale. And the largest size being with blue hydrogen and ammonia and carbon capture. But the rest really following with probably a much greater number of projects of a relatively smaller but still very meaningful size because we're not in the tens of millions per unit for SAF. We are obviously in the hundreds of millions, but with many of them to come.

In terms of LNG, it's a very rich pipeline as we indicated, of a really good quality. So, you will allow me to stay a little bit discreet with regards to what it is that we are actively pursuing. I think confidentiality in where our focus lies is always good in this matter. We like to act that way, but just want to reiterate that the areas where we are focusing our effort on are about diversification in geographies. So it's Africa. It's the US. It's also other parts of the Middle East, so outside of Qatar.

And we are concentrating on those projects where we can truly differentiate and which are more mature in terms of the solutions that they've selected towards a decarbonization or a low carbon LNG. So we are extremely active and concentrated on those prospects where the electrification is involved and powered by clean sources or zero carbon sources of electricity combined with pre-combustion carbon capture. So that's really where our focus is because we want Technip Energies to be part of the highest quality pipeline in terms also of the positive impact that LNG can have on climate in the sense that LNG is needed. So, let's focus our energy on those prospects where we can decarbonize upstream of the user, downstream of the well and upstream of the user. And that's where we are focusing at the moment.

Jean-Luc Romain - CIC Market Solutions, Research Division - Financial Analyst

- *Good morning. My question relates to your pipeline of LNG opportunities. Are some of them already the Snap LNG proposal that you launched recently?*
- *And I have a small question regarding minority interest just before the bottom line. Its kind of tripled compared to last year. What's in there, please?*

Arnaud Pieton

Hi good afternoon, Jean-Luc, and thank you. So, on the LNG pipeline, yes, as indicated, 20% of the pipeline that we are actively exploring is on the basis of our Snap LNG product and proprietary solution. Two of them are in the US. Another one is outside of the US. So, clearly, snap LNG is an investment by Technip Energies, to modularize the mid-scale LNG infrastructure.

And Snap LNG is also designed to be encompassing, like I said, carbon capture solution precombustion on the gas coming off the well. But Snap LNG is also electrified. So, it's a family of solutions with relatively larger modules when compared to other solutions out there, but it's a family of solutions for a low-carbon production of LNG. So, three active tenders on the matter. We'll see where it goes, but clearly very active within Technip Energies at the moment. Bruno, maybe to you for the second question.

Bruno Vibert

Yes, good afternoon. So, minority interest, we have a couple of companies, entities, where we have full control of, but we have minority partners. That's in the Americas, that's in Europe. That was also the case for our partners in the Arctic LNG2 project for the out-of-Russia scope. So, all of them would contribute to this line. And this year, we have more impact coming from the exit of Arctic LNG2 and our partner share in that. So that has partly contributed to the evolution, but all of the other companies are also to contributing to this trend.

Victoria McCulloch - RBC Capital Markets, Research Division – Analyst

- *Good afternoon. Thanks very much for taking questions. So, given the strong backlog you're currently working on and the sizable LNG pipeline, could you talk about how you balance these projects? And do you need to grow your engineering footprint materially, or should we assume that, that's some of the benefit of Snap LNG?*
- *As you mentioned before and apologies if this is slightly overlapping Kate's question, but in terms of the geographical split, in terms of the CCU studies that you talk about, the 12 million tons per annum, could you give us a bit of color? Are these CCUS independently, are they tied to other work? And roughly, geographically, what does this look like?*
- *And finally, can I just check you said growth in project delivery should be higher from 24 to 25 than it is from 23 to 24. Thanks very much.*

Bruno Vibert

Thank you. Arnaud will take your first two questions. I'll take the third. As I said today, the current run rate of project delivery is about €4 billion, just shy of €3 billion year-to-date to Q3. What we've given and provided as a financial framework for the medium term - so you can read 2025 and beyond - was €5 billion to €6 billion. So given the projects currently in backlog, that will ramp up like NFS, but it's a long duration project, plus other awards. What I said is, from the current levels and the run rate of close to €€4 billion, you would have a somewhat steady growth of top line up to the range we will reach in 2025, 2026.

So that's why we do not see really coming to this range one year early or 18 months early. It was more the medium-term framework. And this is well supported by the backlog and the growth that will come as these projects start to be executed.

Arnaud Pieton

Victoria, about the pipeline of LNG opportunities and how we are focusing our effort and resources. We are trying to concentrate and to dedicate our resources on those opportunities, LNG prospects and opportunities that have the merit of being fully compliant, first of all, with our selectivity principles. Maybe a reminder of what they are: We must have done the FEED before for us to engage into any form of EPC contracting on LNG, but also other types of projects. So, have we done the FEED? Yes or no? Do we know or do we own the technology? Yes or no? Do we know the country? Yes or no? Do we have a known and reliable construction partner? Yes or no? So we are concentrating on those.

And also the fifth one, very importantly, I think this is also again, the reason why we've been able to exit Arctic LNG2 in the way we have, without any negative impact on the company. We will engage into those contracts when we can be cash flow positive at all times during the full cycle of the project. So those are the principles.

Then considering the richness of the pipeline as expressed to Kate a bit earlier, we are focusing our effort on those opportunities where LNG will be produced, in a cleaner manner. So that means with carbon capture pre-combustion plus electrification, that certainly has our priority. We're also prioritizing where the modular approach is favored by the client. And finally, where there is replication, because replication allows us to basically do more with less in terms of the resources.

So, in order to tackle a very rich LNG pipeline. The fact that the prospects on which we are engaged are for quite a number of them, embracing the modularized solution, is allowing us actually to consider doing a bit more with the same amount of resources and without having to tap into resources we don't have or to scramble for resources. So clearly those attributes of the prospect - so cleaner LNG through electrification plus carbon capture, the right attributes in terms of fitting our selectivity principle. Plus, modularization and replication, that's really prospects where we are prioritizing.

As I expressed a bit earlier, we are looking for diversification or geographical diversification as well. We are enjoying a very strong presence in Qatar and for the future ones, for 2024, it's about other geographies, to balance a little bit the level of our investment, involvement on those prospects.

About carbon capture, and I will insist the carbon capture, the number of 12 million tons per annum of potential quantities of carbon being captured. This is excluding everything we do on carbon capture on LNG plant. So when we deploy pre combustion carbon capture solutions on NFE and NFS in Qatar, it's a massive amount of CO2 being captured. But this doesn't fall into the 12 Mtpa number that I've communicated. So the carbon capture through LNG plants comes in addition to the 12 Mtpa. Very interestingly and we are deploying pilots at the moment around the world. They are in Europe, northern Europe and also in America. So the geographical spread for carbon capture is and where we see acceleration very clearly, North America and various parts of Europe.

Mick Pickup - Barclays – Analyst

- *Good afternoon, everyone. Obviously looking at your backlog, it's very healthy. I know you had a quiet quarter, but there's been some mega awards elsewhere to some of your competitors. I've never seen backlogs like it across the space. Can you just talk about what you're seeing in the supply chain? If there's any areas of concern with this volume of workload that's going through the system?*

Arnaud Pieton

Hi Mick, good afternoon. On supply chain. I would say that there are pockets, in particular on rotating equipment for example, long lead items where we might be sensing a bit of a bottleneck and I would say the lead times are not getting any shorter. That's a reality. For the rest, like on bulk or logistics, we've seen a fair level of normalization across the board.

So, we might not be totally back to pre-COVID, but we are actually trending towards a pre-pandemic situation. There are a few bottlenecks, but they are certainly not across the board at this moment. One point of attention, and I was mentioning this in my answer to Victoria, in a region like North America or the Middle East in particular, access to construction resources is an area of attention for us.

And this is why we're not running crazily after every single project. We are being selective. We are going after what we consider the good ones for Technip Energies and they have to demonstrate the attributes that I listed a bit earlier. I'll insist on the fact that for us to engage, you have seen that on the NFS project in Qatar, we have taken a construction company as a joint venture partner. There's a reason to being able to rely on a construction partner that has, the depth of resources that allows you to accelerate, mobilize more or de-mobilize depending on the needs for acceleration or not or keeping the pace of the workfront is crucial. And that is actually one of the most critical point of attention in selecting the what and the where and with whom as we are chasing some of those prospects.

Mick Pickup - Barclays – Analyst

- *Okay, thank you. Obviously, you're being selective, and I think all your peers are saying they're being selective at the moment. Do you think your clients have realized that the market is quite tight? What do you think you can get out of your clients, given the ball seems to be in your court at the moment?*

Arnaud Pieton

Mick, you've known us and you know the space so well. We need to maintain a bit of responsible behavior because the projects, they obviously do exist through our clients wanting to develop or engage into a development, but they also exist through the likes of us, making those projects viable, and find the right price point for our clients so that there's no hesitation on the final investment decision.

We need to act responsibly at all times. There is certainly a limit to - even when it's a bit less competitive and it's a more positive environment - there's always a limit to how far we can go. The important part for us is to be able to lower our cost base through differentiation and therefore enjoy a healthier margin while giving the opportunity or not endangering the viability of the project. What is interesting to observe at the moment is that it seems that we are in a situation where our clients are able to take investment decisions at a low breakeven or therefore a price point that is acceptable to them while allowing for the supply chain, the likes of us, and maybe our peers, to make a decent living. So, I would say a bit of a particularity of the space we've entered at the moment. Obviously, as far as Technip Energies is concerned, we hope it's going to last forever, but we must and we will continue to act responsibly because it's equally as important to be profitable than to allow for the projects to fly without FID, then no projects and therefore we won't have much revenue to report.

Kate O'Sullivan - Citi, Research Division – Analyst

- *Hi, thanks for taking my questions, I have just a couple. On downstream, I guess, we've seen chemical margins have been very weak this year. Could you provide some color on when you see this starting to turn and maybe pick up an activity? Any potential awards in downstream in your pipeline?*
- *And just a follow-up to the last question. You've said differently this time on North Field south that you have got a construction company as a JV partner and you have started purchasing your equipment. Is there any other ways that you're approaching this in a different way to previous LNG projects, particularly in the Middle East? Thanks.*

Arnaud Pieton

Hi Kate. Good afternoon. Starting with your question number two, so that we can continue on that topic. At the moment, very clearly, for all the prospects we are pursuing, we are considering ways to derisk the construction part of it, in the sense of securing access to construction resources. So, if you see us engage into a prospect, you must assume that we are doing so, while having secured the construction partner. Securing the construction partner is not something that we will worry about post-award, it is something that we worry about pre-award, and during the early engagement phase, and there I'm talking firm commitments. Another way to limit the risk around access to construction resources is to increase the amount of modularization that we can propose.

I mentioned the BP project for Kwinana in Australia, and though I want to stay away from the acronym, but when you will in the future read about EPF (Engineering Procurement and module Fabrication) at Technip energies, it means that the construction, the modularization, the erection of the modules, the fabrication of modules will take place away from its country of destination, where you might be facing scarcity of construction resources. In North America, the UK, parts of Europe, etc, and potentially the Middle East. When you look at the potential of the number of prospects in the Middle East between, of course, Qatar, but also UAE, the Kingdom of Saudi Arabia, etc. You're talking hundreds and thousands of workers and construction workers being needed. This obviously will have an impact on the ability to the likes of us and our peers to mobilize. This is why, the approach we're taking is always to have the construction resources secured pre-award or pre-FID. That's a condition for us to be involved in a prospect. If that means, bringing the construction partner, for as long as that partner has the financial strength and surface to sustain that, at the JV level, then why not? And that's what we've done with Qatar, and I think it's so far very successful. And we see that, when we press the pedal, the partner is responding really well. And to be able to stand on solid ground and to know that there is actually juice coming when we need to press on the pedal, it's one, reassuring, but two, absolutely necessary in order to be able to have this conversation with you guys on a quarterly basis and with our clients on the predictability, on the outcome and sustained progress in the projects which we are enjoying at the moment, in Qatar, for example.

Moving on to downstream, a bit of a slow year this year, after a very strong year on Ethylene last year. So the potential for Ethylene will again come in 2024. We have very strong building blocks through licensing, but also equipment and projects for more Ethylene prospects in 2024, and ammonia as well.

So clearly two topics to watch. But I think we have very strong building blocks for potential awards, at scale in 2024 on that front. And maybe, of smaller scale, but not lesser importance and I'm going to classify that as being downstream, is everything we will do in biofuels, SAFs, and biochemicals. Because clearly, we see the world needs it. The demand for SAF is there and we will see an acceleration, as the full scale pilots are coming to operation and completion. It will just validate the path forward on SAF. And that will fall, in a form of downstream in opposition to upstream part of the business. The potential there is vast.

Daniel Thomson – Exane BNPP, Research Division - Analyst

- *Hi, good afternoon. Maybe just a follow-up on the low-carbon opportunity set. Arnaud, I know you don't control the timing of your clients FID, but I was just wondering, are you seeing any significant delays from clients in the time from pre-FEED and FEED to FID on some of the projects in your low carbon pipeline? Because of higher interest rates or stress in certain areas of the supply chain? And could you remind us what the typical lead time is from FEED to FID on a larger sort of 500 million to 1 billion low carbon project, like you referenced. I'm just trying to understand when to expect some of these larger known FEED studies to turn into projects and if the macro environment has changed these timelines at all? Thank you.*

Arnaud Pieton

Thanks, Dan. I think I will categorize the opportunity set into two different ways. One, you will have some of the very mature players, our traditional customers, I won't name them, wanting to invest in order to decarbonize their asset base and to progress with their ESG roadmap and decarbonization agenda. Those guys, when they decide to engage into a FEED , pre-FEED and then a FEED, and typically - to answer your question - between the start of a FEED to FID, it's 18 to 24 months. It's a bit the same as for LNG, maybe a bit shorter because some of the projects might be a bit smaller. But you're still in the space of 18 to 24 months. So, when it is for an established player that is determined to deliver on his decarbonization and low carbon agenda or net zero trajectory, there are not that many delays. Once the FEED is launched, we don't have any indication at the moment to suggest that there would be delays to an FID with this breed of player. And that space actually provides a very vast opportunity set.

Blue hydrogen to decarbonize is needed in multiple geographies. Ammonia, which, as a reminder, is also fertilizers, is needed from the US to the Middle East to India at large scale. So, with the more mature players, once the FEED is awarded, usually the FID follows in the traditional time frame, 18 to 24 months. Now, if you are dealing with a player that is a bit new in the space, that is, if you take aviation or other type of industries where the molecule handling is not so much their core business, they might be doing more, maybe taking more time for pre-FEED and FEED, scout to scout and understand or use that in order to understand better the ecosystem and understand the cost of operation - the OPEX afterwards - the do's and don'ts and how to navigate the subsidies and the rest. And that's where we work with them and alongside them to assist them with maturing their understanding. There the dynamic is different because they would jump quicker into pre-FEED or FEED because they need to understand and scout, try to grow and mature their knowledge, if I may say so. Unlike the IOCs, who might hesitate a bit longer. But once the FEED is launched, then there's less uncertainty towards the FID with the other type of players that might jump quicker into pre-FEED in order to scout and to understand. And it might take a bit longer to reach FID because they need to grab or gather a more mature understanding of the do's and don'ts and the subsidies and the true cost and also how to operate the plant afterwards. So that's where we're here to assist.

Bertrand Hodee - Kepler Cheuvreux, Research Division - Head of Oil and Gas Sector Research

- *Thank you for taking my questions. Two, if I may. The first one is coming back on early remarks by Bruno on project delivery revenues phasing, given your backlog and opportunities, In my view you will likely get easily to the 5.5 billion euro in 2025. But when Bruno, you mentioned a steady growth in project delivery from the 4 billion euro run rate in 2023. Should we understand project delivery early guidance into 2024 at around 4.7 billion, 4.8 billion. That was my first question.*
- *My second question is the other way around. On TPS, 2 billion euro was your aspiration in 2025. You will get very close or even above 1.9 billion euro as early as in 2023. How should we think about 2025 or 2024 for TPS? Thank you.*

Bruno Vibert

Good afternoon Bertrand. I'll take the first one and end off to Arnold for the second question on the broader outlook.

It's a bit early for the 2024 guidance, although we've provided the financial framework for 2025 & beyond. I won't go into the details on when we would be looking at four or five million revenues for Project Delivery. If I take a step back, we expect, from the current run-rates of close to 4bn, a somewhat steady growth profile through 2024 with stronger growth materializing in 2025 and then 2026 with a range of five to six billion. We clearly see the venue there. That's a good growth profile from where we stand today to 2025, 2026.

Now how we get there will depend on some of the sequence. Arnaud was mentioning some of the long lead items, a few moving parts there, which is difficult, from where we stand today, to put an exact figure. But we are very confident on the growth profile for project from where we stand today. Very confident on T.EN' capacity to be sustainable in this five to six range from 2025. Now, how we get there, we'll see a few moving parts and we'll obviously provide more updates as we release the guidance early next year.

Arnaud Pieton

About your question related to TPS. So indeed, we are extremely pleased to see TPS accelerating the way it has and we're getting closer to the 2 billion EUR revenue mark that we had set for ourselves as part of the framework that we communicated some months ago. Yes, it looks like we are trending to the 2 billion mark a bit quicker than we had imagined, which is extremely good and which is a tribute to the organization and the team. We defined a strategy, we gave a direction to the organization, they are delivering.

Everyone is understanding and it takes quite a bit of effort to steer an organization that has a very strong project history and to demonstrate that with what we have as technical energies, there are multiple ways of making business and multiple business models possible. Project Delivery and others which are within TPS, but they are basically delivering. And that's extremely positive. And I think I just want to thank the teams here because really they're demonstrating that they are open minded and they are able to embrace and promote different type of solutions than the traditional lump sum EPC model.

So great so far, but the importance will be to sustain that revenue level at €2 billion, because we don't want it to be just a spike and then a crash. No, we want to sustain it there. So, that's the first objective - reach it and sustain it.

And then the acceleration beyond will be through the success that is yet to be proven on some of the new offerings that we've released. I shall remind you of what will populate TPS it's more technologies and more products as well, in addition to the consultancy or engineering.

This year, we have announced several new products or product solutions including the creation of Rely for green hydrogen and power-to-x markets – the joint R&D platform between T.EN and John Cockerill's will deliver technology enhancements and develop new products in order to accelerate improvement in economics for green hydrogen projects. We expect to develop technologies that we can license, and proprietary products we can sell - the technologies of the future – not simply the electrolyzer, but everything around it: the balance of plant, and the energy & molecule management system; and technologies around the derivatives required to transport and transform the green hydrogen to molecule.

We also launched Canopy for the carbon capture market. Canopy is our new range of integrated post-combustion solutions for any emitter. It utilizes a leading and proven carbon capture technology – CANSOLV - with optimized modular architecture and seamless integration,.

In more traditional markets – which are also decarbonizing -we have launched eFurnace by T.EN for ethylene. Pilot stage for now with leading customers and, if successful, can open up a significant brownfield opportunity as our customers look to future proof their existing infrastructure.

And there's more with Blue H2 by T.EN and productized solutions under development for SAF – sustainable aviation fuel. So developing the 'T' and the 'P' within TPS is a big part of our focus and strategy, and ultimately the longer-term success and growth pattern of TPS will be determined by our success in developing, commercializing, promoting and selling these offerings.

Phillip Anthony Lindsay

That concludes today's call. Please contact the IR team with any follow-up questions. Thank you, and goodbye.