MITUXA

BEYOND THE OBVIOUS

GTT

Exceptional margins.
A cyclical earnings stream.

Gaztransport & Technigaz

Investment Research / 9 September 2026

Investment snapshot

Decision	Reference	Valuation
WATCH	€219.00 per share	€189–230 base range
3–5 year horizon	Medium-high risk	€209 central value
Moderate valuation conviction	Reassess near €175–185	Subject to an intact thesis

Business quality is attractive. The base case offers insufficient price protection.

Reference quote: Investing.com, 9 Sep 2026. Intraday reference, not an official close.

The problem GTT solves

Cargo containment

GTT designs membrane systems for liquefied gas transport and storage.

Customer support

Licensing includes engineering knowledge and technical assistance.

Economic value

MITUXA view: reliable containment can matter far more than the licence fee.

Sources: GTT business model presentation and company history.

How the business earns revenue

Shipyard contracts

Customers license GTT technology for vessel construction.

Revenue timing

Engineering and construction progress determine the revenue profile.

Investment implication

Royalties linked to new vessels remain exposed to future order activity.

A strong technology franchise can still produce cyclical earnings.

Source: GTT historical business model presentation. Current tariffs are not assumed.

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History and leadership

1994	Gaztransport and Technigaz merged, combining decades of experience.
January 2026	François Michel became CEO on 5 January 2026.
Management test	MITUXA view: protect core returns and demonstrate discipline in acquisitions.

Sources: GTT history and 2026 notice of meeting.

The investment tension

The attractive case

Proprietary technology
High operating profitability
A large forward order book

The valuation challenge

Earnings lag the order cycle
A backlog eventually runs down
High margins may already be priced in

The key estimate is sustainable earnings through the cycle.

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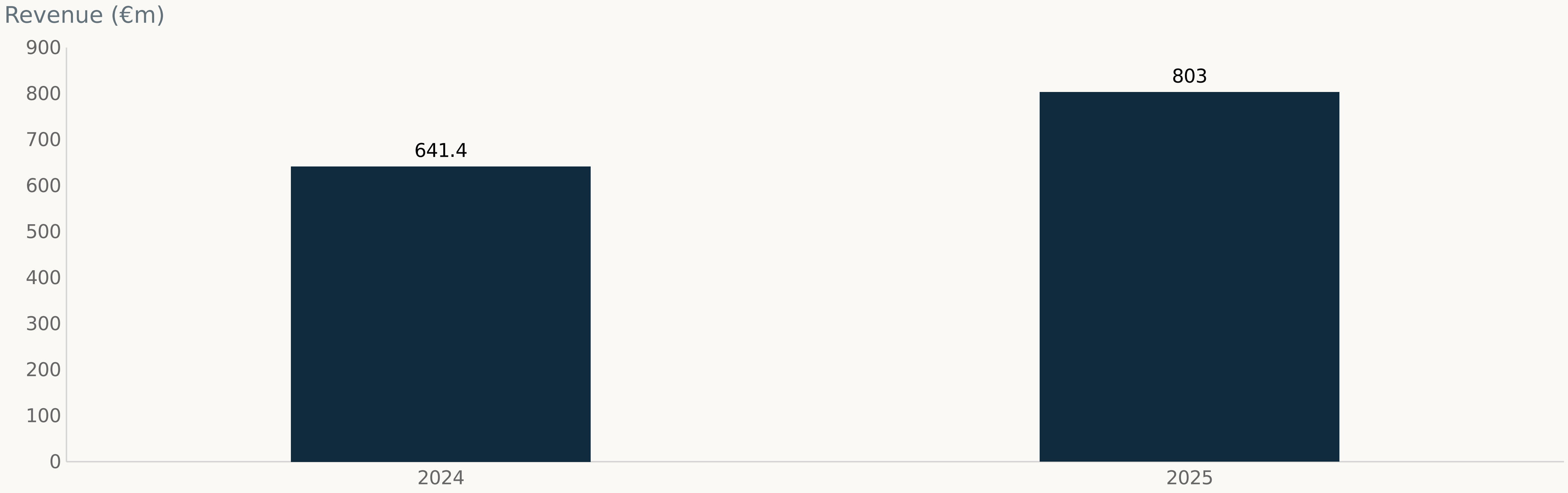
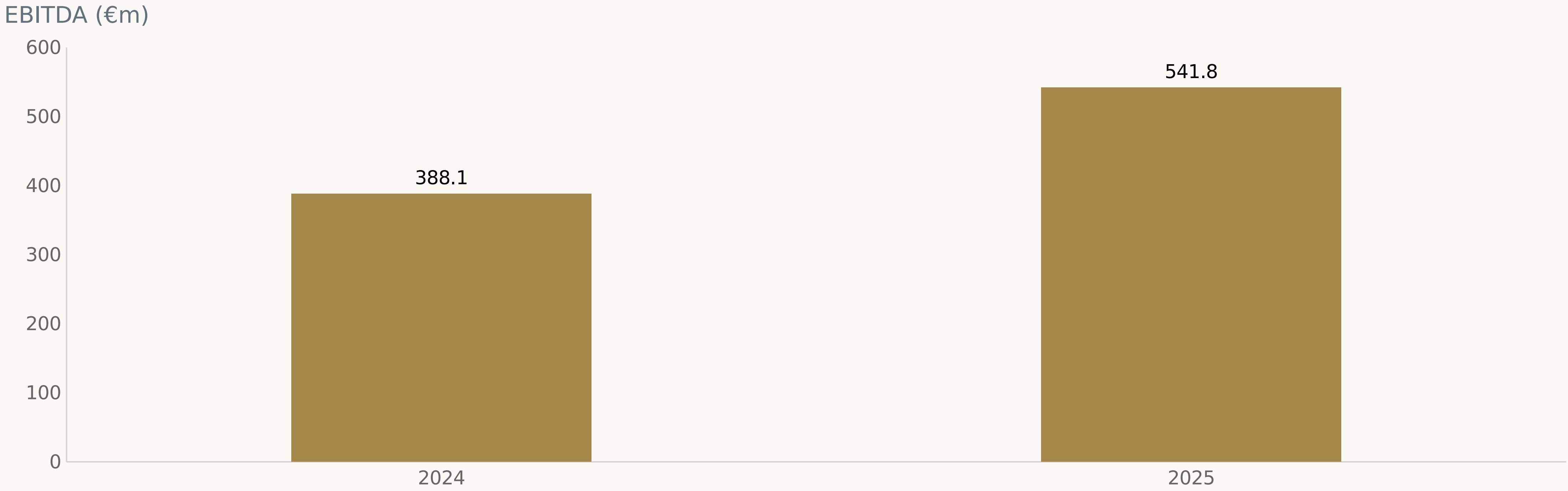
Revenue expanded sharply in 2025



Revenue grew 25.2%. This is a historical result, not a growth assumption.

Source: GTT FY2025 results. Revenue in € millions.

Profitability strengthened



EBITDA margin rose from 60.5% to 67.5%.

Source: GTT FY2025 results. EBITDA in € millions.

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2026 profit growth needs context

H1 metric	2026	Year-on-year
Revenue	€387.3m	−0.4%
EBITDA	€263.6m	−0.3%
EBIT	€248.2m	−3.4%
Net income	€210.4m	+16.9%

The net profit comparison benefits from exceptional charges in H1 2025.

Source: GTT H1 2026 results. Year-on-year changes.

Guidance implies a pause

2026 objective	Management range	Midpoint vs 2025
Revenue	€740–780m	€760m / −5.4%
EBITDA	€490–530m	€510m / −5.9%

The base case should allow for normalisation after a strong 2025.

Sources: FY2025 results and H1 2026 confirmation. Changes calculated by MITUXA.

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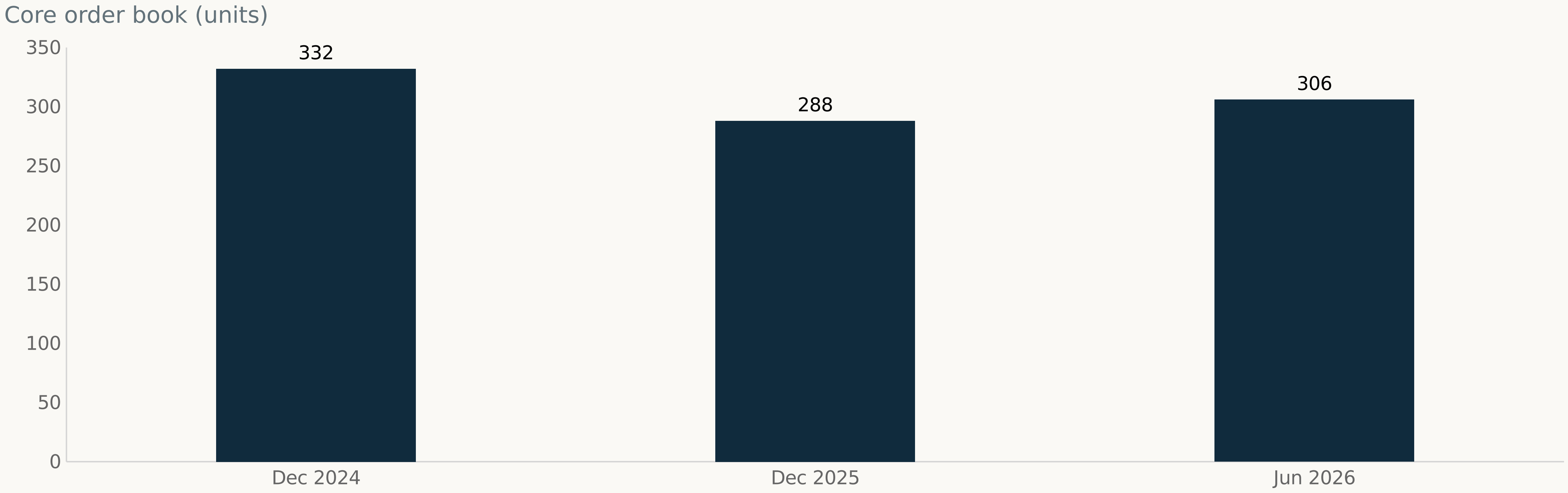
Order replenishment drives visibility



2025: 45 orders / 89 deliveries. H1 2026: 65 orders / 47 deliveries.

Sources: GTT FY2025 presentation and H1 2026 financial report. Core units exclude LNG as fuel.

Beyond the Obvious

Backlog creates time.
Replenishment creates durability.

The strongest signal is a sequence of profitable new contracts that replaces delivered work. A large starting backlog can temporarily conceal weaker demand.

The cash measure matters

FY2025 cash bridge	€m
Operating cash flow	423.2
Less acquisition of non-current assets	(40.3)
Cash after investment in assets	382.9

Before business acquisitions and other financial investments. Uses 37.05m average shares.

€10.33 per average share, or 4.7% of the €219 reference price.

Source: GTT FY2025 cash flow statement. This measure differs from company-defined FCF.

The balance sheet and dividend

€294.7m	Net cash at June 2026, after the Danelec acquisition loan.
€8.94 per share	FY2025 dividend. Approximately 4.1% of the reference price, before tax.
Cash caution	H1 2026 cash flow benefited from unusually low cash tax payments.

The historical dividend yield is not a guaranteed future return.

Sources: GTT H1 2026 report and results. Dividend yield uses FY2025 dividend / €219.

Competitive advantage has boundaries

Why customers stay	Experience and execution knowledge may raise the cost of changing technology.
Where to be cautious	Competition differs across LNG carriers, LNG fuel systems and digital services.
Legal constraint	Korean shipyards can request separation of licensing and technical support. No request reported at the 2025 URD filing date.

Sources: GTT FY2025 URD, section 2.2.3.1, and FY2025 presentation.

Capital allocation deserves scrutiny

Danelec	Digital expansion broadens the business. Returns must justify acquisition capital.
Elogen	Restructuring shows that technology exposure alone does not ensure value creation.
Our test	Track incremental cash generation against total capital committed.

Acquisition returns matter as much as operating margins.

Source: GTT FY2025 presentation. Assessment framework is MITUXA analysis.

Valuation assumptions

Scenario	Normalised EPS	Assumed P/E	Indicative value
Adverse	€8–9	15–17×	€120–153
Base	€10.5–11.5	18–20×	€189–230
Favourable	€13–14	21–23×	€273–322

Base earnings imply roughly €389–426m of annual profit at 37.05m shares. Multiples reflect judgement about quality, cyclicality and growth.

Exploratory normalised earnings scenarios, not company guidance or analyst consensus.

Price sensitivity

EPS / P/E	17×	19×	21×
€10	€170	€190	€210
€11	€187	€209	€231
€12	€204	€228	€252

€11 × 19 = €209. A 15% discount implies an entry reference near €178.

Indicative equity values (€ per share). No probability weights or future dividends included.

What could break the thesis?

Risk	Early warning
A prolonged order downturn	Deliveries exceed new orders over several periods
Technology or pricing pressure	Repeated contract losses or weaker royalties
Poor capital allocation	Investment rises without matching cash returns
Technical or legal disruption	Loss of customer trust or adverse contract constraints

A weak quarter is manageable. Structural damage to contract economics is different.

Investment decision

WATCH

At €219, the base case does not offer enough margin of safety for a new long-term position.

Reassess near €175–185 if the thesis holds, or when evidence supports higher sustainable earnings. Monitor orders over 12 months, margins and cash after tax and investment.

Sources and valuation scope

Primary evidence

GTT FY2025 results and presentation
GTT H1 2026 results, presentation and financial report
GTT 2025 URD, company history and 2026 meeting documentation

Method

Normalised EPS × judgement-based P/E. Values refer to today’s assessment of earnings capacity for 2027–2029, not a dated future price target. No separate cash add-on.

Limits

No detailed DCF or validated consensus. Contract-risk status follows the 2025 URD filing date. Source links appear in the accompanying website text.

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