HALF-YEAR FINANCIAL REPORT

FOR THE SIX MONTHS TO 30 JUNE

2021

GETLINK SE

CONTENTS *

Accounting standards applied and presentation of the consolidated results

Pursuant to EC Regulation 1606/2002 of 19 July 2002 on the application of international accounting standards, the consolidated financial statements of Getlink SE for the six-month period 1st January to 30 June 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Group has applied IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" to its maritime segment since the cessation of MyFerryLink's operations in the second half of 2015. Accordingly, this activity's net results for the current and previous periods are presented as a single line in the income statement called "Net result from discontinued operations". More information on these transactions is given in note C.2 to the summary consolidated half-year financial statements.

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* *English translation of Getlink SE's "rapport financier semestriel" for information purposes only.*

HALF-YEAR ACTIVITY REPORT AT 30 JUNE 2021

PREPARATION OF THE HALF-YEAR FINANCIAL REPORT IN THE CONTEXT OF THE COVID-19 PANDEMIC

The Covid-19 pandemic led to the introduction of numerous restrictive measures in various countries during 2020 and this situation has continued throughout the first half of 2021.

As indicated in this section and in notes A.1 and D.6 to the summary consolidated financial statements for the six months ended 30 June 2021, the extension of the traffic restrictions and containment measures imposed by the French and UK governments since March 2020 continue to have a significant impact on the Group's traffic and revenues, particularly those of Eurotunnel.

The general containment measures imposed in France and the UK, as well as the tighter border crossing and quarantine restrictions for international travellers, have had a significant impact on Passenger Shuttle and Eurostar train activities in the first six months of the year.

The Truck Shuttle business, albeit affected to a lesser extent by the public health crisis, was nevertheless impacted in the first few months of 2021 by the implementation of Brexit on 1 January 2021 and the need for its customers to adapt to the new administrative rules for crossing the border for flows entering the European Union.

In contrast to the Group's cross-Channel activities, the Europorte segment's activity returned to its pre-crisis level in the first half of 2021.

Against this backdrop, the Group has continued in the first half of 2021 the measures designed to protect the health and safety of its customers and staff, while ensuring the continued movement of goods and people and protect its profitability and liquidity. In particular, the Group has continued to take action to protect its cash flow by maintaining short-time working arrangements for some of its staff in France and the United Kingdom, as well as its cost reduction plan aimed at limiting its expenses to the strict minimum. The Group continues to adapt its Shuttle capacity and operating plans to respond to the decline in traffic while implementing specific measures to ensure the health and safety of its customers and maintain the quality of its service. As in 2020, it has postponed a significant part of its capital expenditure that had been planned for the first half of 2021, while ensuring that it maintains the expenditure necessary for safety and continuity of operations. All of these measures remain in place at the end of the reporting period.

The reduced activity since the beginning of the pandemic has impacted the Group's results and cash flow. Nevertheless, the Group has significant liquidity with net cash available at 30 June 2021 of €549 million enabling it to cover its debt service over the remainder of 2021 and 2022 and to finance its activities.

ANALYSIS OF CONSOLIDATED INCOME STATEMENT

To enable a better comparison between the two periods, the consolidated income statement for the first half of 2020 presented in this half-year activity report has been recalculated at the exchange rate used for the 2021 half-year income statement of £1=€1.157.

The Group's consolidated revenue continues to be severely impacted by the effects of the pandemic, with the entire first half of the year affected in 2021 compared to 3½ months in the first half of 2020; the Group's consolidated revenue in the first half of 2021 amounted to €326 million, a decrease of €44 million (-12%) compared to 2020. Faced with the reduction in traffic from mid-March 2020, the Group implemented measures to limit the impact on its profitability and its cash flow, such as partial activity in France and a job retention scheme in the UK, as well as the postponement of certain projects. These measures are still in force and have had full effect in the first half of 2021: operating costs, which totalled €230 million, decreased by €17 million (7%) compared to 2020. EBITDA reduced by €23 million (19%) to €100 million and at €6 million, the operating profit for the first six months of 2021 was down by €26 million compared to 2020. After taking into account an increase of €15 million in net finance costs (mainly due to the impact of higher inflation rates on the index-linked tranche of the debt), the pre-tax result for the Group's continuing operations for the first half of 2021 was a loss of €126 million, a deterioration of €41 million compared to 2020.

After taking into account tax income of €3 million, the Group's consolidated net result for the first six months of 2021 was a loss of €123 million compared to a loss of €79 million in 2020.

€ million Improvement/(deterioration) of result	1st half 2021	1st half 2020 *recalculated	Change €M	Change %	1st half 2020 reported
Exchange rate €/£	1.157	1.157			1.146
Eurotunnel	260	312	(52)	-17%	311
Getlink	–	–	–	–	–
Europorte	66	58	8	+14%	58
Revenue	**326**	**370**	**(44)**	**-12%**	**369**
Other income	4	–	4	–	–
Total turnover	**330**	**370**	**(40)**	**-11%**	**369**
Eurotunnel	(172)	(192)	20	+10%	(191)
Getlink	(6)	(7)	1	+14%	(7)
Europorte	(52)	(48)	(4)	-8%	(48)
ElecLink	–	–	–	–	–
Operating costs	**(230)**	**(247)**	**17**	**+7%**	**(246)**
Operating margin (EBITDA)	**100**	**123**	**(23)**	**-19%**	**123**
Depreciation	(92)	(91)	(1)	-1%	(91)
Trading profit	**8**	**32**	**(24)**	**-75%**	**32**
Other net operating charges	(2)	–	(2)		(1)
Operating profit (EBIT)	**6**	**32**	**(26)**	**-81%**	**31**
Net finance costs	(133)	(119)	(14)	-12%	(118)
Net other financial income	1	2	(1)		2
Pre-tax loss from continuing operations	**(126)**	**(85)**	**(41)**		**(85)**
Income tax income/(expense)	3	(3)	6		(3)
Net loss from continuing operations	**(123)**	**(88)**	**(35)**		**(88)**
Net profit from discontinued operations	–	9	(9)		9
Net consolidated loss for the period	**(123)**	**(79)**	**(44)**		**(79)**
EBITDA (excluding other income) / revenue	*29.4%*	*33.2%*	*-4 pts*		*33.3%*

* *Restated at the rate of exchange used for the 2021 half-year income statement (£1=€1.157).*

1 EUROTUNNEL SEGMENT

The Group's core business is the Eurotunnel segment which operates and directly markets its Shuttle Services and also provides access, on payment of a toll, for the circulation of High-Speed Passenger Trains (Eurostar) and the Train Operators' Rail Freight Trains through its Railway Network.

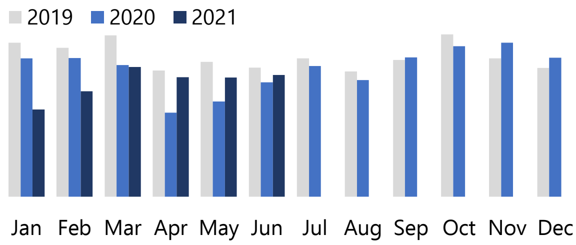
€ million Improvement/(deterioration) of result	1st half 2021*	1st half 2020**	Change €M	Change %
Exchange rate €/£	1.157	1.157		
Shuttle Services	189	213	(24)	-11%
Railway Network	66	96	(30)	-31%
Other revenue	5	3	2	+67%
Revenue	**260**	**312**	**(52)**	**-17%**
External operating costs	(89)	(104)	15	+14%
Employee benefits expense	(83)	(88)	5	+6%
Operating costs	**(172)**	**(192)**	**20**	**+10%**
Operating margin (EBITDA)	**88**	**120**	**(32)**	**-27%**
EBITDA/revenue	*35%*	*39%*	*-4 pt*	

* *Excluding other income of €4 million relating to the 2019 financial year.*
** *Restated at the rate of exchange used for the 2021 half-year income statement (£1=€1.157).*

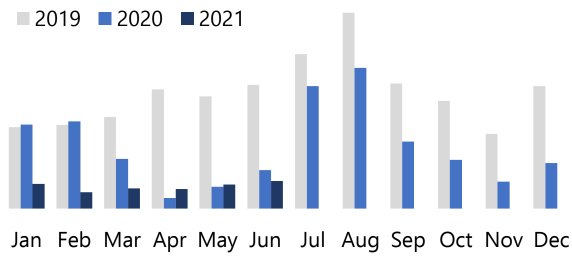
The health crisis and the strict lockdown measures taken by governments have heavily impacted traffic and the organisation of Eurotunnel's activities since mid-March 2020. Passenger Shuttle and Eurostar traffic remained severely affected by the effects of the pandemic during the first half of 2021. Truck Shuttle traffic was also impacted in the first months of 2021 by the consequences of Brexit which occurred on 1 January 2021.

The following graphs illustrate the monthly evolution in traffic volumes over the period January 2019 to June 2021:

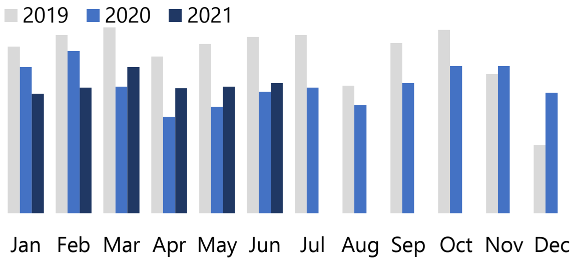
Truck Shuttle volumes



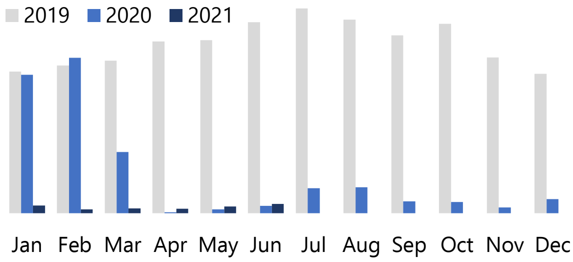
Passenger Shuttle car and coach volumes



Railfreight trains



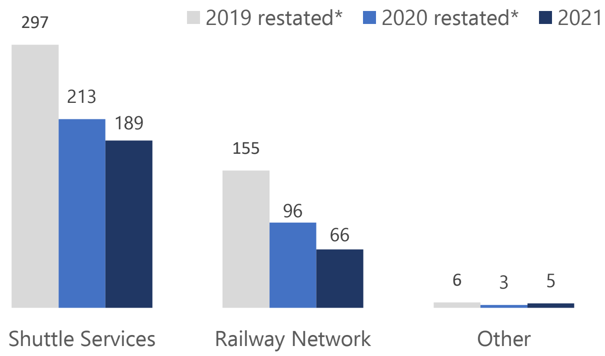
Eurostar passengers



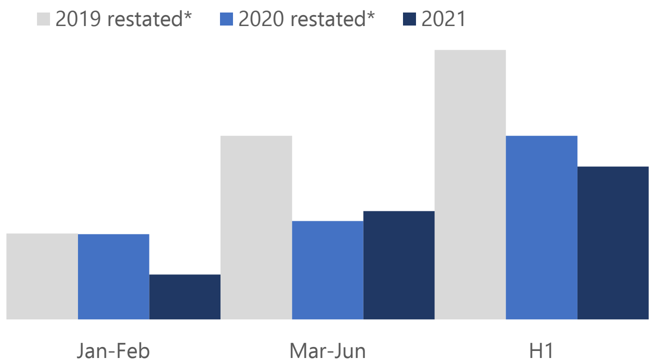
1.1 EUROTUNNEL SEGMENT REVENUE

Revenue generated by this segment, which in the first six months of 2021 represented 80% of the Group's total revenue, amounted to €260 million, fell by 17% compared to 2020.

Eurotunnel revenue by activity (€m)



Eurotunnel revenue by period



* *Restated at the rate of exchange used for the 2021 half-year income statement (£1=€1.157).*

1.1.1 Shuttle Services

Traffic (number of vehicles)	1st half 2021	1st half 2020	Change
Truck Shuttle	646,372	665,348	-3%
Passenger Shuttle:			
Cars *	247,957	545,215	-55%
Coaches	3,411	9,362	-64%

* *Includes motorcycles, vehicles with trailers, caravans and motor homes.*

At €189 million for the first half of 2021, Shuttle Services' revenue fell by 11% compared to 2020.

Truck Shuttle

For the Short Straits market and cross-Channel logistics chains, the beginning of 2021 was marked by the need to adapt to the new post-Brexit administrative rules as well as by the obligation, introduced at the end of 2020, to present negative PCR tests of less than 72 hours carried out on British soil for trucks entering France. Although the last few months have seen some recovery in traffic, it still remains below 2019 levels. In a Short Straits cross-Channel truck market that contracted by 2.0% in the first half of 2021, the Truck Shuttle Service's market share was stable at 38.9% (39.2 % in the first half of 2020) with 646,372 trucks carried by Eurotunnel, down 3% compared to the first half of 2020.

Passenger Shuttle

Measures put in place by governments to limit the spread of the pandemic since mid-March 2020 have included closing international borders for non-essential travel and as a consequence, the level of tourist traffic on the Passenger Shuttle Service has dropped dramatically since that date. In the first half of 2021, the Short Straits cross-Channel car market contracted by 61.7% compared to the first half of 2020, whilst Eurotunnel's car traffic decreased by only 55% thanks to a market share improvement of 13 points compared to the previous year, to 78.8%.

In a market that contracted by 75.6% and with Eurotunnel's coach traffic declining by 64%, the Passenger Shuttle's coach market share for the first half of 2021 is up 25 points compared to the previous year, at 75.6% (50.7% in the first half of 2020).

1.1.2 Railway Network

Traffic	1st half 2021	1st half 2020	Change
High-Speed Passenger Trains (Eurostar)			
Passengers *	202,022	1,993,210	-90%
Train Operators' Rail Freight Services **:			
Number of trains	873	857	2%

* *Only passengers travelling through the Channel Tunnel are included in this table, excluding those who travel between continental stations (such as Brussels-Calais, Brussels-Lille, Brussels-Amsterdam, etc.).*

** *Rail freight services by train operators (DB Cargo for BRB, SNCF and its subsidiaries, GB Railfreight, Rail Operations Group, RailAdventure and Europorte) using the Tunnel.*

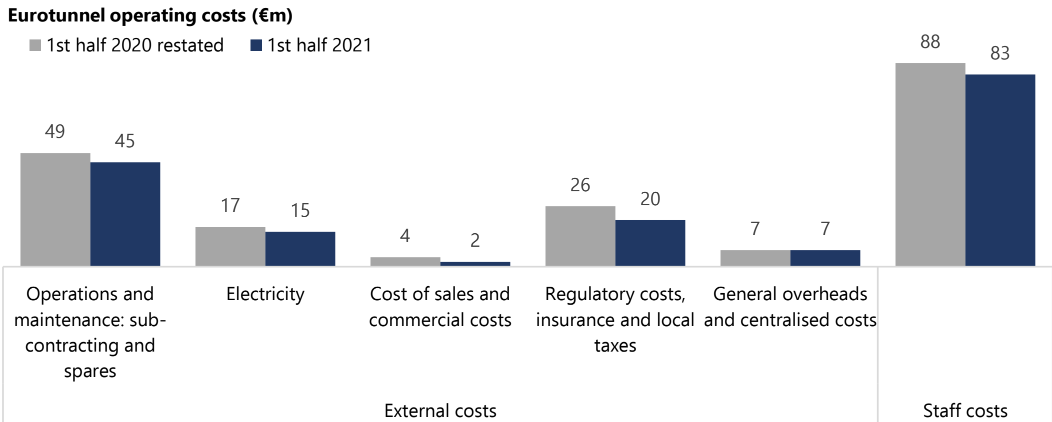
In the first half of 2021, revenues of €66 million were generated from the use of the Tunnel's Railway Network by Eurostar's high-speed passenger trains and by the cross-Channel rail freight trains, down 31% compared to 2020 due to the impact of the public health crisis and the closure of borders to non-essential travel.

The significant impact of the pandemic on Eurostar traffic, which began in March 2020, continued throughout 2020 and the first half of 2021. In the first half of 2021, 202,022 Eurostar passengers used the Tunnel, down 90% compared to the same period in 2020 and down 96% compared to the same period in 2019.

In the first half of 2021, cross-Channel rail freight continued to be affected by the loss of steel flows as well as a weakness in automobile flows, but nevertheless recorded a growth of 2% in the number of trains compared to the same period in 2020.

1.2 EUROTUNNEL SEGMENT OPERATING COSTS

At €172 million in the first half of 2021, operating expenses were down 10% compared to 2020. This decrease of €20 million was mainly generated by the favourable impact of the continued implementation throughout the first half of 2021 of cost saving measures such as partial activity in France and the Job Retention Scheme in the UK as well as other measures to adjust expenses to lower traffic levels and to review the phasing of some projects in order to preserve the Group's cash flow. In 2020, these measures were progressively implemented during the second quarter of the year.



2 GETLINK SEGMENT

The Getlink segment includes the activities of the Group's holding company, Getlink SE, as well as its direct subsidiaries including the railway training centre CIFFCO.

For the first half of 2021, the Getlink segment's operating charges amounted to €6 million, down €1 million compared to 2020.

3 EUROPORTE SEGMENT

The Europorte segment covers the entire rail freight transport logistics chain mainly in France and includes Europorte France and Socorail.

€ million Improvement/(deterioration) of result	1st half 2021	1st half 2020	Change €M
Revenue	66	58	8
External operating costs	(26)	(23)	(3)
Employee benefits expense	(26)	(25)	(1)
Operating costs	(52)	(48)	(4)
Operating margin (EBITDA)	**14**	**10**	**4**

Europorte saw a return to normal order volume in 2021 after a first half of 2020 impacted by the public health crisis, as well as an acceleration in the development of cross-border flows with Belgium and Germany with the launch of the Flex Express service. In the first half of 2021, Europorte recorded an increase of €8 million in revenue and an increase of €4 million in EBITDA.

4 ELECLINK SEGMENT

ElecLink's activity is the construction and operation of a 1 GW electricity interconnector between the UK and France. Construction works began in 2016 and the cable installation was completed during the first half of 2021. As a result, the interconnector is expected to be in commercial operation mid-2022.

Costs directly attributable to the project are capitalised as assets under construction. During the first half of 2021, investment in the project amounted to €53 million.

5 OTHER INCOME

In the first half of 2021, the Group recognised income of €4 million relating to compensation for disruptions caused by industrial action by Customs officers in 2019, as part of an agreement with the French State (see note A.3 of the summary consolidated financial statements at 30 June 2021).

6 OPERATING MARGIN (EBITDA)

EBITDA by business segment evolved as follows:

€ million	Eurotunnel	Getlink	Europorte	ElecLink	Total Group
EBITDA 1st half 2020 restated *	120	(7)	10	–	**123**
Improvement/(deterioration):					
Revenue	(52)	–	8	–	**(44)**
Other income	4	–	–	–	**4**
Operating costs	20	1	(4)	–	**17**
Total changes	**(28)**	**1**	**4**	**–**	**(23)**
EBITDA 1st half 2021	**92**	**(6)**	**14**	**–**	**100**

* *Restated at the rate of exchange used for the 2021 income statement (£1=€1.157).*

Despite the continuation of the measures put in place to limit its effects, the decline in traffic since March 2020 resulting from the Covid-19 pandemic continues to have a very significant impact on the Group's consolidated operating margin (EBITDA), which at €100 million in the first half of 2021 is down by 19% compared to 2020.

7 OPERATING PROFIT (EBIT)

At €92 million, depreciation charges increased by €1 million compared to the first half of 2020 as a result of the capital investment projects completed in 2020.

The trading profit in the first half of 2021 was €8 million, down by €24 million (75%) compared to 2020.

The operating profit for the first six months of 2021 was down by €26 million (81%) compared to 2020, to €6 million.

8 NET FINANCIAL CHARGES

At €133 million for the first half of 2021, net finance costs increased by €14 million compared to 2020 at a constant exchange rate. This increase was mainly as a result of the impact of higher inflation rates in the UK and France on the index-linked tranches of the debt (€15 million).

9 NET CONSOLIDATED RESULT

The Group's pre-tax result for continuing operations for the first six months of 2021 was a loss of €126 million, a deterioration of €41 million compared to 2020 at a constant exchange rate. The evolution of the pre-tax result from continuing operations by segment compared to 2020 is presented below:

€ million	**Eurotunnel**	**Getlink**	**Europorte**	**ElecLink**	**Total continuing activities**
Pre-tax result from continuing activities for the 1st half of 2020*	**(44)**	**(49)**	**(1)**	**9**	**(85)**
Improvement/(deterioration) of result:					
Revenue	-52	-	+8	-	-44
Other income	+4	-	-	-	+4
Operating expenses	+20	+1	-4	-	+17
EBITDA	**-28**	**+1**	**+4**	**-**	**-23**
Depreciation	-1	-	-	-	-1
Trading result	**-29**	**+1**	**+4**	**-**	**-24**
Other net operating income/charges	-	-2	-	-	-2
Operating result (EBIT)	**-29**	**-1**	**+4**	**-**	**-26**
Net financial costs and other	-78	+83	-	-20	-15
Total changes	**-107**	**+82**	**+4**	**-20**	**-41**
Pre-tax result from continuing operations for the 1st half of 2021	**(151)**	**33**	**3**	**(11)**	**(126)**

* *Restated at the rate of exchange used for the 2021 income statement (£1=€1.157).*

** *Included in the Getlink segment's financing line is €32 million of unrealised intra-Group exchange gains in the first half of 2021 compared to €46 million of unrealised intra-Group exchange losses in the first half of 2020.*

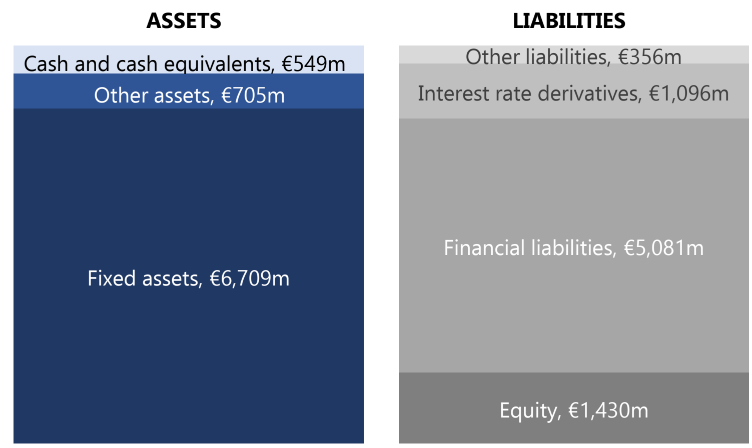
After taking into account a net deferred tax income of €3 million, the Group's net consolidated result for the first half of the 2021 financial year was a loss of €123 million compared to a loss of €79 million at an equivalent exchange rate for the same period in 2020.

ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ million	30 June 2021	31 December 2020
Exchange rate €/£	1.165	1.112
Fixed assets	6,709	6,730
Other non-current assets	570	560
Total non-current assets	**7,279**	**7,290**
Trade and other receivables	73	77
Other current assets	62	62
Cash and cash equivalents	549	629
Total current assets	**684**	**768**
Total assets	**7,963**	**8,058**
Total equity	1,430	1,372
Financial liabilities	5,081	4,990
Interest rate derivatives	1,096	1,306
Other liabilities	356	390
Total equity and liabilities	**7,963**	**8,058**

The table above summarises the Group's consolidated statement of financial position as at 30 June 2021 and 31 December 2020. The main elements and changes between the two dates, presented at the exchange rate for each period, are as follows:

Statement of financial position at 30 June 2021



- At 30 June 2021, "Fixed assets" include property, plant and equipment and intangible assets amounting to €5,726 million for the Eurotunnel segment, €873 million for the ElecLink segment and €104 million for the Europorte segment. Between 31 December 2020 and 30 June 2021 the investments of €53 million in the ElecLink segment is mainly due to expenses capitalised in connection with the project.
- Other non-current assets at 30 June 2021 include the G2 inflation-linked notes held by the Group amounting to €335 million and a deferred tax asset of €190 million.
- At 30 June 2021, "Cash and cash equivalents" amounted to €549 million after net capital expenditure of €55 million and €129 million in debt service costs (interest, repayments and fees).
- Equity increased by €58 million as a result of the impact of the recycling of the fair value of value of partially terminated hedging contracts and the change in the fair value of the financial instruments totalling €229 million and the recognition of an actuarial gain on employee benefits of €53 million. This increase was partially offset by the impact of net result for the period (loss of €123 million), payment of €27 million in dividends and by the impact of the change in the exchange rate on the translation adjustment (€75 million).
- Financial liabilities increased by €91 million compared to 31 December 2020 due to the impact of the change in exchange rate on the sterling-denominated debt (€105 million) and an increase of €24 million arising from the impact of the amortisation of debt issuance costs and from the effect of inflation on the index-linked debt tranches of the Term Loan. These increases have been partially offset by contractual debt repayments of €29 million and a decrease of €10 million in the liability relating to lease contracts.
- The liability in respect of the fair value of the interest rate derivatives decreased by €210 million due to the impact of an increase in the long term rates on the market value of the financial instruments.
- Other liabilities include €252 million of trade and other payables, provisions, deferred income and other liabilities, as well as retirement liabilities of €104 million.

ANALYSIS OF CONSOLIDATED CASH FLOWS

Consolidated cash flows

€ million	1st half 2021	1st half 2020
Exchange rate €/£	1.165	1.096
Net cash inflow from trading	110	158
Other operating cash flows and taxation	15	14
Net cash inflow from operating activities	**125**	**172**
Net cash outflow from investing activities	(55)	(36)
Net cash outflow from financing activities	(159)	(129)
Net cash outflow from discontinued activities *	(2)	(6)
Total (decrease)/increase in cash in the period	**(91)**	**1**

* *MyFerryLink maritime segment, see note C.2 to the consolidated financial statements at 30 June 2021.*

At €110 million, net cash generated from trading by continuing operations in the first half of 2021 reduced by €48 million compared to the first half of 2020. This change is explained mainly by the impact of the Covid-19 pandemic on Eurotunnel's activities:

- net cash flow from Eurotunnel and Getlink activities which decreased by €53 million to €98 million (first half 2020: €151 million). This includes the receipt of €4 million in respect of an indemnity under an agreement with the French State (see note A.3 to the summary half-year financial statements at 30 June 2021);
- net cash flows from Europorte's operations which increased by €5 million to €13 million (first half 2020: €8 million); and
- ElecLink's operating expenses which remained relatively stable at around €1 million.

Other operating and taxation cash flows of €15 million are mainly related to the receipt of the final payment of £11 million in respect of the settlement agreement between the British Secretary of State for Transport and Eurotunnel reached in 2019 (the last of three annual instalments).

As explained above, the Group took the decision to postpone a significant portion of its capital expenditure that had been planned for the first half of 2021 as a result of the Covid-19 crisis. In the first half of 2021, net cash flows from investing activities of €55 million, comprised mainly:

- a net amount of €23 million relating to the Eurotunnel and Getlink segments (first half of 2020: €38 million), including a receipt of €18 million in respect of the partial reimbursement by the French State for Brexit-related investments under an agreement reached in March 2021 (see note A.3 to the summary half-year financial statements at 30 June 2021). The main expenditure during the period comprised €13 million for facilities for Brexit and other infrastructure projects and €21 million on rolling stock; and
- net payments of €30 million relating to the construction works for the ElecLink project (net receipts of €2 million in the first half of 2020 due to the return of a deposit held by RTE).

Net financing payments in the first half of 2021 amounted to €159 million compared to €129 million in the first half of 2020. During 2021, cash flow from financing comprised:

- €30 million paid in respect of capital transactions:
  - €27 million paid in dividends (€0 million in the first half of 2020); and
  - €3 million net payments on the liquidity contract (€4 million net receipts in the first half of 2020).
- €129 million of net debt service costs:
  - €96 million of interest paid on the Term Loan and on other borrowings (€91 million in the first half of 2020);
  - €29 million paid in respect of the scheduled repayments on the Term Loan and other borrowings (€26 million in the first half of 2020);
  - €3 million of cash received from the scheduled repayment of the G2 notes held by the Group and €3 million of interest received thereon; and
  - €10 million paid in relation to leasing contracts (€10 million in the first half of 2020) presented in cash flows related to financing activities in accordance with IFRS 16.

OTHER FINANCIAL INDICATORS

Free Cash Flow

The Group's Free Cash Flow, as defined in section 2.1.4.a of the 2020 Universal Registration Document, shows the cash flows generated by the Group's current activities.

€ million	1st half 2021	1st half 2020
Exchange rate €/£	1.165	1.096
Net cash inflow from operating activities	125	172
Net cash outflow from investing activities	(24)	(38)
Debt service costs (interest paid, fees and repayments)	(129)	(124)
Interest received and other receipts	–	1
Free Cash Flow from continuing operations	**(28)**	**11**
Free Cash Flow from discontinuing operations	(2)	(6)
Free Cash Flow	**(30)**	**5**
Dividend paid	(27)	–
Purchase of treasury shares and net movement on liquidity contract	(3)	(6)
ElecLink project	(30)	2
Régionéo project	(1)	–
Use of Free Cash Flow	**(61)**	**(4)**
(Decrease)/increase in cash in the period	**(91)**	**1**

At -€28 million in the first half of 2021, Free Cash Flow for continuing activities has decreased by €39 million compared to the same period in 2020 for the reasons set out in the previous section.

EBITDA to finance cost ratio

The ratio of the Group's consolidated EBITDA to its finance costs (excluding interest received and indexation) as defined in section 2.1.4.b of the 2020 Universal Registration Document was 0.88 at 30 June 2021 (30 June 2020 restated: 1.07).

Net debt to EBITDA ratio

The Group defines its net debt to EBITDA ratio as the ratio between financial liabilities less the indexed nominal value of the G2 notes held by the Group and cash and cash equivalents, and consolidated EBITDA. The Group does not consider it appropriate to publish this ratio when calculated based on the activity of a six-month period. At 31 December 2020, the ratio was 12.6.

COVENANTS RELATING TO THE GROUP'S DEBT

Eurotunnel

The debt service cover ratio and the synthetic service cover ratio on the Term Loan apply to the Eurotunnel Holding SAS sub-group. These ratios are described in note G.1.2.b to the consolidated financial statements contained in section 2.2.1 of the 2020 Universal Registration Document.

In the context of the public health crisis and as a precautionary measure, on 17 October 2020, the Group agreed a waiver with its creditors on its principal covenant, the senior debt coverage ratio (see note A.1 to the consolidated financial statements in section 2.2.1 of the 2020 Universal Registration Document). For the period ending 30 June 2021, the Group has exercised the option not to use it.

For the 12 months to 30 June 2021, Eurotunnel has respected its financial covenants under the Term Loan.

Getlink

The conditions attached to the 2025 Green Bonds issued by Getlink SE include financial ratios, or incurrence covenants, the non-compliance with which may prevent the completion of certain transactions such as the payment of dividends or the raising of additional financing, without however giving rise to an event of default. The Group did not comply with these ratios as of 30 June 2021; however, the refinancing transaction concluded by Getlink in October 2020 increased the Group's flexibility to raise new financing (up to €400 million) and its ability to pay dividends (€150 million per year up to €300 million) without having to comply with these ratios. For more information, see notes A.4 and G.1.1 to the consolidated financial statements in section 2.2.1 of the 2020 Universal Registration Document.

OUTLOOK

As indicated in this half-year activity report and in notes A.1 and D.6 to the summary half-year consolidated financial statements as at 30 June 2021, the Group's results and financial position in the first half of 2021, and in particular those of the **Eurotunnel** segment, continued to be strongly impacted by the effects of the strict measures taken by the French and UK governments in relation to the Covid-19 pandemic.

The general containment measures in place in the UK since the end of 2020 and reintroduced in France in April 2021, as well as the tightening of border crossing and quarantine restrictions for international travellers since the beginning of the year, have resulted in a further decline in Passenger Shuttle and Eurostar train traffic in the first six months of 2021.

Despite the progress made in terms of vaccination of the population and the progressive easing of containment measures in the UK and in Europe over the last few weeks, the cross-Channel passenger market is still affected by the uncertainties linked to the Covid-19 crisis, particularly with regard to the evolution of the variants and international transport restrictions: the flow of travellers between the UK and continental Europe fluctuates according to the health situation in the countries and the vaccination status of travellers. The recent decisions of the British government to maintain quarantine measures for travellers arriving from France, even if they have been doubly vaccinated, and of the French government to impose the "health pass" in certain public places, may delay the resumption of traffic over the next few weeks. However, the Group, while recognising that the situation remains uncertain and could change further, is confident that its Passenger Shuttle traffic will rebound once travel restrictions are relaxed, as was the case in the summer of 2020. The Passenger Shuttle service continues to benefit from its position as an extremely safe mode of transport in the health context, with a market share in the first half of 2021 approaching 80%.

Truck Shuttle traffic, impacted at the beginning of 2021 by the need for its customers to adapt to the new administrative rules for crossing the border for flows entering the European Union following the implementation of Brexit on 1 January, gradually recovered during the period. The Group is actively preparing for the entry into force, (expected by early 2022), of the new arrangements for border controls on entry to the UK. The impact of Brexit on the Truck Shuttle business in the medium term will depend on the development of the cross-Channel market and the regulatory arrangements for trade between the UK and the EU.

The Group is closely monitoring the announced changes in the competitive environment in the Short Straits market, in particular the arrival of a new entrant in the Short Straits market and the announcement of a cooperation agreement between the main ferry operators.

Despite the difficult short-term environment, the Group is pursuing its commercial strategy focused on the quality of its Shuttle services and on optimised yield management for both cars and trucks, with a view to sustainable growth. The reintroduction of duty-free sales at the Folkestone terminal from the beginning of 2021 and at the Coquelles terminal in the second half of 2021 will further strengthen the commercial offer of the Shuttle services.

The Group continues to invest in technological solutions to facilitate the border crossing of its customers in the new health and regulatory context, with the introduction in the first half of 2021 of additional assistance services, the "Eurotunnel Border Pass" for its Truck Shuttle customers and the "Passenger Wallet" for its Passenger Shuttle customers.

Eurostar traffic, still penalised by travel restrictions between the UK and continental Europe resulting from the public health crisis, remained at a very low level in the first half of 2021, and, following recent announcements, is likely to remain so over the coming weeks. The launch at the end of 2020 of the direct service between Amsterdam and London strengthens Eurostar's offer in the medium term. In addition, the Group notes the refinancing deal concluded by Eurostar in the first half of 2021.

In 2021, the Group is continuing with the actions implemented in 2020 to limit its costs and preserve cash, in particular by dynamically adjusting the capacity and operating plans of its Shuttles in line with traffic levels and by using the partial activity scheme for its staff as required.

The Group also plans to limit the level of its capital expenditure in 2021 to a level similar to that of 2020, by deferring certain expenditure on major renewal programmes, while continuing to give priority to projects related to safety and service continuity. The postponement of this expenditure in the context of the public health crisis does not alter the Group's medium-term investment strategy, which is focused on strengthening the quality of service and modernising its equipment and infrastructure.

Europorte, which had a relatively limited impact from the public health crisis in 2020, returned to its pre-crisis traffic levels in the first half of 2021 and continues to pursue its strategy of controlled growth, with the launch in March of Flex Express, a new rail shuttle service between France, Germany and the Benelux countries.

As far as **ElecLink** is concerned, following the agreement obtained from the IGC on 10 December 2020, the installation work on the cable in the Tunnel was completed on 20 June 2021. A phase of in-depth tests and trials will be launched in the second half of 2021 before commercial operation, still planned for mid-2022. As part of the derogation granted in 2014, ElecLink obtained in the first half of 2021 the agreement of the national regulators and the European Commission on the extension of the deadline for the interconnector's commissioning to 15 August 2022.

Objectives

The lack of short-term visibility does not affect the Group's long-term strength and competitive advantages, including environmental, of its various businesses, nor their medium and long-term growth potential.

The Group confirms its commitment to improve its financial, operational and environmental performance.

Given the uncertainties regarding the cross-Channel border crossing imposed by the various governments, the Group is not in a position to give a financial trajectory for the 2021 financial year.

Cash position and financial ratios

Despite the unfavourable environment, the various measures taken by the Group throughout 2020 and the first half of 2021 have enabled it to comply with the covenants relating to the Eurotunnel Term Loan at 30 June 2021 and to strengthen its liquidity position.

At 30 June 2021, the Group's cash position was €549 million. On the basis of its forecasts, based on the information available to date and its best assessment of how the situation, particularly in terms of the public health crisis and the economy, could evolve in the short and medium term, the Group considers that it has sufficient liquidity to cover the servicing of its debt for the remainder of 2021 and 2022, as well as the financing of its activities.

In October 2020, the Group entered into a waiver agreement with its creditors on its main covenant at 31 December 2020 and on an option at 30 June 2021 and 31 December 2021.

RISKS

The principal risks and uncertainties that the Group may face in the remaining six months of the financial year are identified in chapter 3 "Risks and Controls" of the 2020 Universal Registration Document which includes a detailed description of the risk factors to which the Group is exposed, and in particular, those relating to the public health crisis, the consequences of Brexit and the competitive environment. However, other risks, not identified at the date of publication of this half-year financial report, may exist.

RELATED PARTIES

In the first half of 2021, the Group did not have any related parties transactions as defined by IAS 24.

SUMMARY HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

€'000	Note	1st half 2021	1st half 2020	Full year 2020
Revenue	D.1	326,157	369,480	815,923
Other income	D.2	3,959	–	–
Total turnover	D.1	**330,116**	**369,480**	**815,923**
Operating expenses	D.3	(115,938)	(128,687)	(252,344)
Employee benefits expense	E	(114,187)	(118,072)	(235,313)
Operating margin (EBITDA)	D.1	**99,991**	**122,721**	**328,266**
Depreciation	F	(92,196)	(91,133)	(186,431)
Trading profit		**7,795**	**31,588**	**141,835**
Other operating income	D.4	411	37	1,387
Other operating expenses	D.4	(2,080)	(491)	(7,957)
Operating profit		**6,126**	**31,134**	**135,265**
Share of result of equity-accounted companies	C.1	(587)	–	(991)
Operating profit after share of result of equity-accounted companies		**5,539**	**31,134**	**134,274**
Finance income	G.6	232	813	1,270
Finance costs	G.6	(133,265)	(118,499)	(241,590)
Net finance costs		(133,033)	(117,686)	(240,320)
Other financial income	G.7	30,625	42,549	46,966
Other financial charges	G.7	(29,691)	(40,733)	(61,992)
Pre-tax (loss)/profit from continuing operations		**(126,560)**	**(84,736)**	**(121,072)**
Income tax income/(expense) of continuing operations	I.1	3,528	(2,780)	(313)
Net (loss)/profit from continuing operations		**(123,032)**	**(87,516)**	**(121,385)**
Net profit/(loss) from discontinued operations	C.2	(50)	8,696	8,681
Net (loss)/profit for the period		**(123,082)**	**(78,820)**	**(112,704)**
Net profit attributable to:				
Group share		(123,082)	(78,820)	(112,704)
Minority interest share		–	–	–
Earnings per share (€):	H.3			
Basic earnings per share: Group share		(0.23)	(0.15)	(0.21)
Diluted earnings per share: Group share		(0.23)	(0.15)	(0.21)
Basic earnings per share from continuing operations		(0.23)	(0.16)	(0.23)
Diluted earnings per share from continuing operations		(0.23)	(0.16)	(0.23)

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

€'000	Note	1st half 2021	1st half 2020	Full year 2020
Items that will never be reclassified to the income statement:				
Actuarial gains and losses on employee benefits	E.2	55,768	(61,656)	(56,875)
Related tax	I	(3,200)	1,931	3,217
Items that are or may be reclassified to the income statement:				
Foreign exchange translation differences		(75,233)	115,114	89,347
Hedging contracts: movement in market value and recycling of the fair value on the partially terminated contracts	G.2	233,027	(233,771)	(185,081)
Related tax	I	(3,646)	(5,430)	(11,604)
Net income/(expense) recognised directly in equity		**206,716**	**(183,812)**	**(160,996)**
Loss for the period – Group share		(123,082)	(78,820)	(112,704)
Total comprehensive income/(expense) – Group share		**83,634**	**(262,632)**	**(273,700)**
Total comprehensive income/(expense) – minority interest share		–	–	–
Total comprehensive income/(expense) for the period		**83,634**	**(262,632)**	**(273,700)**

The accompanying notes form an integral part of these summary half-year consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 below.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€'000			Note	30 June 2021	31 December 2020
ASSETS					
Goodwill ElecLink			F	20,392	20,392
Intangible assets ElecLink			F	119,955	119,955
Right-of-use assets (IFRS 16)				37,267	47,065
Total intangible assets			F	**177,614**	**187,412**
Concession property, plant and equipment				5,723,912	5,785,347
Other property, plant and equipment				808,249	758,016
	Of which	*ElecLink*		*732,162*	*678,781*
		Europorte		*70,309*	*71,296*
Total property, plant and equipment				**6,532,161**	**6,543,363**
Equity accounted companies				65	60
Deferred tax asset			I.2	189,919	191,171
Other financial assets			G.3	379,805	368,570
Total non-current assets				**7,279,564**	**7,290,576**
Inventories				2,798	2,736
Trade receivables				73,115	77,367
Other receivables				58,847	58,611
Other financial assets			G.3	190	195
Cash and cash equivalents				548,977	628,905
Total current assets				**683,927**	**767,814**
Total assets				**7,963,491**	**8,058,390**
EQUITY AND LIABILITIES					
Issued share capital			H.1	220,000	220,000
Share premium account				1,711,796	1,711,796
Other reserves			H.4	(616,103)	(759,732)
Profit for the period				(123,082)	(112,704)
Cumulative translation reserve				237,117	312,350
Equity				**1,429,728**	**1,371,710**
Minority interest share				–	–
Total equity				**1,429,728**	**1,371,710**
Retirement benefit obligations			E.2	104,389	153,514
Financial liabilities			G.1	4,946,202	4,850,193
Other financial liabilities			G.4	51,063	57,674
Interest rate derivatives			G.2	1,095,757	1,306,194
Total non-current liabilities				**6,197,411**	**6,367,575**
Provisions			D.5	9,260	9,233
Financial liabilities			G.1	65,662	61,995
Other financial liabilities			G.4	17,910	20,208
Trade payables				176,756	175,035
Other payables				66,764	52,634
Total current liabilities				**336,352**	**319,105**
Total equity and liabilities				**7,963,491**	**8,058,390**

The accompanying notes form an integral part of these summary half-year consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 below.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€'000	Issued share capital	Share premium account	* Consolidated reserves	Result	Cumulative translation reserve	Group share	Minority interests	Total
1 January 2020	220,000	1,711,796	(675,092)	158,940	223,003	**1,638,647**	–	**1,638,647**
Transfer to consolidated reserves	–	–	158,940	(158,940)	–	**–**	–	**–**
Payment of dividend	–	–	–	–	–	**–**	–	**–**
Share based payments	–	–	9,726	–	–	**9,726**	–	**9,726**
Acquisition/sale of treasury shares	–	–	(2,963)	–	–	**(2,963)**	–	**(2,963)**
Result for the year	–	–	–	(112,704)	–	**(112,704)**	–	**(112,704)**
Minority interests	–	–	–	–	–	**–**	–	**–**
Profit/(loss) recorded directly in other comprehensive income:								
▪ Actuarial gains and losses on employee benefits	–	–	(56,875)	–	–	**(56,875)**	–	**(56,875)**
▪ Related tax	–	–	3,217	–	–	**3,217**	–	**3,217**
▪ Movement in fair value of hedging contracts	–	–	(241,777)	–	–	**(241,777)**	–	**(241,777)**
▪ Recycling of the fair value on the partially terminated hedging contracts	–	–	56,696	–	–	**56,696**	–	**56,696**
▪ Related tax	–	–	(11,604)	–	–	**(11,604)**	–	**(11,604)**
▪ Foreign exchange translation differences	–	–	–	–	89,347	**89,347**	–	**89,347**
31 December 2020	**220,000**	**1,711,796**	**(759,732)**	**(112,704)**	**312,350**	**1,371,710**	**–**	**1,371,710**
Transfer to consolidated reserves	–	–	(112,704)	112,704	–	**–**	–	**–**
Payment of dividend	–	–	(26,953)	–	–	**(26,953)**	–	**(26,953)**
Share based payments **	–	–	4,178	–	–	**4,178**	–	**4,178**
Acquisition/sale of treasury shares	–	–	(2,841)	–	–	**(2,841)**	–	**(2,841)**
Result for the period	–	–	–	(123,082)	–	**(123,082)**	–	**(123,082)**
Minority interests	–	–	–	–	–	**–**	–	**–**
Profit/(loss) recorded directly in other comprehensive income:								
▪ Actuarial gains and losses on employee benefits (E.2)	–	–	55,768	–	–	**55,768**	–	**55,768**
▪ Related tax	–	–	(3,200)	–	–	**(3,200)**	–	**(3,200)**
▪ Movement in fair value of hedging contracts (G.2)	–	–	204,471	–	–	**204,471**	–	**204,471**
▪ Recycling of the fair value on the partially terminated hedging contracts (G.2)	–	–	28,556	–	–	**28,556**	–	**28,556**
▪ Related tax	–	–	(3,646)	–	–	**(3,646)**	–	**(3,646)**
▪ Foreign exchange translation differences	–	–	–	–	(75,233)	**(75,233)**	–	**(75,233)**
30 June 2021	**220,000**	**1,711,796**	**(616,103)**	**(123,082)**	**237,117**	**1,429,728**	**–**	**1,429,728**

* *See note H.4 below.*
** *Of which €2,296,000 is in respect of free shares and €1,882,000 is in respect of preference shares.*

The accompanying notes form an integral part of these summary half-year consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 below.

CONSOLIDATED STATEMENT OF CASH FLOWS

€'000	Note	1st half 2021	1st half 2020	Full year 2020
Operating margin (EBITDA) from continuing operations	D.1	99,991	122,721	328,266
Operating margin (EBITDA) from discontinued operations	C.2	(53)	(41)	(161)
Exchange adjustment	*	263	(2,802)	(2,177)
Increase in inventories		(62)	(82)	(215)
Decrease/(increase) in trade and other receivables		5,875	(10,152)	4,874
Increase in trade and other payables		4,085	49,326	32,445
Net cash inflow from trading		**110,099**	**158,970**	**363,032**
Other operating cash flows		11,794	5,340	4,336
Taxation received/(paid)		1,282	1,833	1,833
Net cash inflow from operating activities		**123,175**	**166,143**	**369,201**
Payments to acquire property, plant and equipment		(54,350)	(36,049)	(117,563)
Change in loans and advances		(1,256)	–	–
Net cash outflow from investing activities		**(55,606)**	**(36,049)**	**(117,563)**
Capital transactions:				
Dividend paid		(26,953)	–	–
Exercise of stock options		86	774	1,127
Purchase of treasury shares		–	(1,970)	(1,970)
Liquidity contract (net)		(2,927)	(4,025)	(1,890)
Financial transactions:				
Issue of 2025 Green Bonds		–	–	700,000
Early repayment of 2023 Green Bonds		–	–	(550,000)
Fees paid on new loans		–	–	(19,776)
Payment into 2025 Green Bonds debt service reserve account		–	–	(5,313)
Cash received from the novation of hedging contracts		–	–	5,004
Net debt service cost:				
Fees paid on loans		(995)	(3,422)	(18,005)
Interest paid on loans		(95,566)	(90,872)	(183,322)
Scheduled repayment of loans		(28,802)	(25,565)	(53,538)
Cash received from scheduled repayment of G2 notes		3,408	2,584	5,402
Interest paid on leasing and repayment of leasing obligations		(10,351)	(10,413)	(21,454)
Interest received on cash and cash equivalents		188	770	1,208
Interest received on other financial assets		2,965	3,208	6,490
Net cash outflow from financing activities		**(158,947)**	**(128,931)**	**(136,037)**
(Decrease)/increase in cash in the period		**(91,378)**	**1,163**	**115,601**

* *The adjustment relates to the restatement of elements of the income statement at the exchange rate ruling at the period end.*

Movement during the period

€'000	1st half 2021	1st half 2020	Full year 2020
Cash and cash equivalents at 1 January	628,905	524,507	524,507
Effect of movement in exchange rate	11,449	(14,015)	(11,131)
Increase/(decrease) in cash in the period	(91,378)	1,163	115,601
Decrease in interest receivable in the period	1	(300)	(72)
Cash and cash equivalents at the period end	**548,977**	**511,355**	**628,905**

The accompanying notes form an integral part of these summary half-year consolidated financial statements. The exchange rates used for the preparation of these financial statements are set out in note B.2 below.

NOTES TO THE FINANCIAL STATEMENTS

Getlink SE is the Group's consolidating entity. Its registered office is at 3 rue La Boétie, 75008 Paris, France, and its shares are listed on Euronext Paris. The term "Getlink SE" refers to the holding company which is governed by French law. The term "Group" refers to Getlink SE and all its subsidiaries.

The main activities of the Group are the design, financing, construction and operation by the Eurotunnel segment of the Fixed Link's infrastructure and transport system in accordance with the terms of the Concession (which will expire in 2086), the rail freight activity of the Europorte segment as well as the construction and operation (expected mid-2022) of the 1 GW electricity interconnector in the Tunnel by ElecLink. The maritime activity was discontinued in 2015 (see note C.2 below).

The summary half-year consolidated financial statements for 2021 were approved by the Board of Directors at its meeting held on 21 July 2021.

A. Important events

A.1 Activity in the first half of 2021

A.1.1 Covid-19 pandemic

The strict population containment and movement restriction measures put in place in 2020 by the French and British governments in the context of the Covid-19 pandemic have been continued during the first half of 2021.

The public health crisis and the measures taken by the governments have had a very significant impact on the Group's traffic and its internal organisation, and more particularly on Eurotunnel's activities, which continued to experience a very sharp fall in traffic in the first half of 2021, particularly on Passenger Shuttles and in the number of Eurostar passengers.

Faced with this situation, the Group has maintained the various measures which it launched in 2020, aimed at enabling the movement of goods, while ensuring the safety of its customers and staff.

It has also continued to take action to preserve its cash flow by maintaining partial activity arrangements for some of its staff in France and in the United Kingdom. The Group also continued its cost reduction plan aimed at limiting its expenses to the strict minimum and postponing a significant portion of its capital expenditure that it had planned for the first half of 2021, while ensuring that it maintains the expenses necessary for safety and continuity of operations. All of these measures remain in place at the balance sheet date.

The impact of the public health crisis and the measures implemented by the Group on the Group's results and financial position in the first half of 2021 is detailed in note D.6 below.

Despite this unfavourable environment, the various measures taken by the Group during 2020 and the first half of 2021 have enabled it to comply with the covenants relating to the Eurotunnel Term Loan as at 30 June 2021, and to strengthen its liquidity position. At 30 June 2021, the Group's cash and cash equivalents amounted to €549 million.

In October 2020, the Group entered into a waiver agreement with its creditors on its main covenant as at 31 December 2020 and on an option as at 30 June 2021 and 31 December 2021. The Group has not made use of this waiver as at 30 June 2021. The waiver is subject to certain conditions including the holding of a minimum cash balance of approximately €200 million at the level of the Eurotunnel sub-group at the relevant dates. At 30 June 2021, the cash held by the Eurotunnel sub-group amounted to €276 million.

A.1.2 Brexit: the United Kingdom's exit from the European Union

Following the decision of the referendum on 23 June 2016 and the triggering of Article 50 by the UK Government at the end of March 2017, the transition period for the UK's official exit from the European Union ended on 31 December 2020. The new procedures for managing vehicle and goods controls on entry to the EU have been effective since 1 January 2021 at the Coquelles terminal. Truck Shuttle traffic was impacted in the first months of 2021 by the adaptation of its customers to these new administrative rules for crossing the border.

During the first half of 2021, the UK government announced the postponement of the application of the new provisions relating to border controls on entry to the UK. These controls, which will apply at the border from 1 January 2022, will be progressively implemented from 1 October 2021.

The Group has updated its budget forecasts for 2021 and subsequent years, based on the information available to date and its best assessment of how the situation, particularly health and regulatory issues, could evolve in the short to medium term. On the basis of these forecasts, the Group will have sufficient liquidity to cover the servicing of its debt over the remainder of 2021 and 2022 and the financing of its activities.

The Group has taken this context into account in determining the main estimates and assumptions made in the context of the preparation of its summary consolidated financial statements as at 30 June 2021 as set out in note B.4 below. The indication of impairment identified on the Concession assets led the Group to perform an impairment test on these assets at 30 June 2021, which did not result in the recognition of an impairment at that date (see note F below).

A.2 ElecLink project

Following IGC approval on 10 December 2020, the cable installation work, which started in January 2021, was completed on 20 June 2021. A phase of extensive testing and trials will be carried out in the second half of 2021 before commercial operation can begin, which is still planned for mid-2022.

Investment in the project during the first half of 2021 amounted to €53 million (including capitalised expenses). The amount recorded in the Group's balance sheet as at 30 June 2021 was €852 million, of which €732 million is in tangible assets and €120 million in intangible assets.

In addition, the exemption under Article 17 of the European Union Electricity Regulation granted to ElecLink by the national regulators and the European Commission in 2014 was conditional on the interconnector being commissioned before 31 July 2020. During 2020, and as part of the IGC agreement reached on 10 December 2020, the national regulators and the European Commission granted an extension until 30 June 2021 allowing the stakeholders to finalise an agreement on the final commissioning date. In the first half of 2021, ElecLink submitted a request for a final extension, bringing the deadline for commissioning the interconnector to 15 August 2022. The national regulators and the European Commission have confirmed their agreement to this request.

A.3 Transactional agreement with the French government

On 17 March 2021, the Group entered into a settlement agreement with the French government following a claim for compensation for part of the costs it had incurred in connection with the investments requested by the government for the construction of the works and facilities required to enable the new customs, sanitary and phytosanitary border controls made compulsory by the United Kingdom's exit from the European Union, and also for financial compensation following the industrial action by Customs officers in March 2019. Under the terms of this agreement, the Group received a settlement indemnity of €22 million during the first half of 2021. In the Group's half-year consolidated financial statements for the six months ended 30 June 2021, this indemnity was recognised for €18 million in respect of Brexit-related investments and for €4 million in other income in respect of compensation for disruption caused by the industrial action by Customs officers.

A.4 Duty Free

On 10 June 2021, the French government announced its decision to authorise the re-establishment of duty free at Eurotunnel's French terminal in Coquelles. This activity will start in the second half of the year in addition to the duty free activity already in place since the beginning of 2021 at the Folkestone terminal.

B. Principles of preparation, main accounting policies and methods

B.1 Statement of compliance

The summary half-year consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union and applicable on 30 June 2021. They have been prepared in accordance with IAS 34 and therefore do not contain all the information required for complete annual financial statements and must be read in conjunction with Getlink SE's consolidated financial statements for the year ended 31 December 2020.

B.2 Basis of preparation and presentation of the consolidated financial statements

The summary half-year consolidated financial statements for Getlink SE and its subsidiaries are prepared as at 30 June.

The summary half-year consolidated financial statements have been prepared using the principles of currency conversion as defined in the annual financial statements as at 31 December 2020.

The average and closing exchange rates used in the preparation of the 2021 and 2020 half-year accounts and the 2020 annual accounts are as follows:

€/£	30 June 2021	30 June 2020	31 December 2020
Closing rate	1.165	1.096	1.112
Average rate	1.157	1.146	1.126

B.3 Changes in accounting standards as at 30 June 2021

The standards and interpretations used and described in the annual financial statements as at 31 December 2020 have been supplemented by the standards, amendments and interpretations whose application is mandatory for financial years beginning on or after 1 January 2021.

B.3.1 Texts adopted by the European Union whose application is compulsory

Amendments to IFRS 9, IAS 39 and IFRS 7 - interest rate benchmark reform, phase 2

A reform of the main reference rates is underway with the replacement of Interbank Offered Rates (IBOR) with alternative risk free rates.

The Group has applied the provisions of the amendments to IFRS 9 Phase 2 and IFRS 7 as at 1 January 2021, which include a series of temporary provisions allowing hedging relationships to continue without interruption when there is a change in the reference rate affecting a hedged item and/or a hedging instrument.

For the Group, the main exposure is the sterling LIBOR associated with certain financial instruments (the C1a tranche of the Term Loan with a nominal value of £350 million) and the related hedging contract with a nominal value of £350 million and to a lesser extent certain commercial contracts (interest on arrears, etc.).

On 5 March 2021, the UK financial services regulator, the Financial Conduct Authority (FCA), announced that the provision of information by the panel banks for the purpose of determining, among other things, GBP LIBOR rates will cease on 31 December 2021. The Group expects to complete its work to update its contracts or implement fallback provisions in response to this reform by the end of 2021.

The transition of rates does not have any impact on the Group's summary half-year consolidated financial statements as at 30 June 2021.

B.3.2 Texts and amendments published by the IASB but not approved by the European Union

The following texts concerning accounting rules and methods specifically applied by the Group have not yet been approved by the European Union:

- amendments to IFRS 3 – references to the conceptual framework;
- amendments to IAS 37 – onerous contracts - contract performance costs; and
- amendments to IFRS 16 – lease arrangements beyond 30 June 2021.

The potential impact of these texts will be assessed by the Group in subsequent years.

B.4 Use of estimates and judgements

The preparation of the consolidated financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses for the period. The Group's management and Board of Directors periodically review its valuations and estimates based on their experience and various other factors considered relevant for the determination of reasonable and appropriate estimates of the assets' and liabilities' carrying value. In addition, the estimates underlying the preparation of these half-year consolidated financial statements to 30 June 2021 have been established in the context of the uncertainties concerning the Covid-19 pandemic and the implementation of Brexit. Depending on the evolution of these assumptions, actual results may differ from current estimates.

The use of estimations concerns mainly the valuation of intangible and tangible property, plant and equipment (see note F) in particular for the ElecLink project, the evaluation of the Group's deferred tax situation (note I), the valuation of the Group's retirement liabilities (note E) and certain elements of the valuation of financial assets and liabilities (note G.5) as well as the application of IFRS 16 "Leases" in particular for the definition of the lease and the estimation of the remaining term of each lease.

C. Scope of consolidation

C.1 Changes in the scope of consolidation

The scope of consolidation at 30 June 2021 is the same as that at 31 December 2020.

C.2 Assets held for sale and discontinued operations

Maritime segment MyFerryLink

The Group has applied IFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations" to its maritime segment since the ending of its maritime activity in the second half of 2015. In 2017, the Group sold its three ferries.

Income statement for the maritime segment

€'000	**1st half 2021**	**1st half 2020**	**Full year 2020**
Operating costs	(53)	(41)	(161)
Operating margin (EBITDA)	**(53)**	**(41)**	**(161)**
Other operating income/(charges)	4	11,968	12,072
Operating profit/(loss)	**(49)**	**11,927**	**11,911**
Net financial income/(charges)	(1)	(1)	–
Deferred tax	–	(3,230)	(3,230)
Net (loss)/profit	**(50)**	**8,696**	**8,681**
Earnings per share from discontinued activities (€):			
Basic	n/s	0.02	0.02
Diluted	n/s	0.02	0.02

In 2020, other operating income corresponded to the reversal of provisions previously set aside for litigation related to the maritime activity.

Cash flow statement for the maritime segment

€'000	**1st half 2021**	**1st half 2020**	**Full year 2020**
Net cash flow from operating activities	(2,207)	(6,229)	(6,250)
(Decrease)/increase in cash in period	**(2,207)**	**(6,229)**	**(6,250)**

D. Operating data

D.1 Segment information

The Group is organised around the following four sectors, which correspond to the internal information reviewed and used by the main operational decision makers (the Executive Committee):

- the "Eurotunnel" segment, which includes the Concessionaires' of the cross-Channel Fixed Link and their subsidiaries,
- the "Europorte" segment, the main activity of which is that of rail freight operator,
- the "ElecLink" segment, whose activity is the construction and operation of a 1 GW electricity interconnector running through the Channel Tunnel, and
- the "Getlink" segment which includes the Group's corporate services and the activities of the Group's holding company Getlink SE as well as its direct subsidiaries including the railway training centre CIFFCO.

Information by segment

€'000	Eurotunnel	* Getlink	Europorte	ElecLink	Total of continuing operations	Discontinued operations**	Total
30 June 2021							
Revenue	260,281	145	65,731	–	**326,157**	–	**326,157**
Other income	3,959	–	–	–	**3,959**	–	**3,959**
EBITDA	92,156	(5,807)	13,925	(283)	**99,991**	–	**99,991**
Trading profit/(loss)	12,037	(7,113)	3,482	(611)	**7,795**	–	**7,795**
Pre-tax result of continuing operations	(150,785)	32,570	2,919	(11,264)	**(126,560)**	–	**(126,560)**
Net consolidated result					**(123,032)**	(50)	**(123,082)**
Investment in property, plant and equipment	17,585	(1,561)	1,820	53,387	**71,231**	–	**71,231**
Property, plant and equipment (intangible and tangible)	5,726,447	6,322	104,227	872,779	**6,709,775**	–	**6,709,775**
External financial liabilities	4,310,284	690,953	10,627	–	**5,011,864**	–	**5,011,864**
At 30 June 2020							
Revenue	311,089	280	58,111	–	**369,480**	–	**369,480**
Other income	–	–	–	–	**–**	–	**–**
EBITDA	120,424	(7,152)	9,788	(339)	**122,721**	–	**122,721**
Trading profit/(loss)	41,009	(8,151)	(593)	(677)	**31,588**	–	**31,588**
Pre-tax result of continuing operations	(43,194)	(49,870)	(1,159)	9,487	**(84,736)**	–	**(84,736)**
Net consolidated result					**(87,516)**	8,696	**(78,820)**
Investment in property, plant and equipment	26,405	1,173	1,298	25,950	**54,826**	–	**54,826**
Property, plant and equipment (intangible and tangible)	5,822,519	9,694	96,211	771,701	**6,700,125**	–	**6,700,125**
External financial liabilities	4,192,269	536,016	11,559	–	**4,739,844**	–	**4,739,844**
At 31 December 2020							
Revenue	692,688	551	122,684	–	**815,923**	–	**815,923**
Other income	–	–	–	–	**–**	–	**–**
EBITDA	315,978	(14,440)	27,361	(633)	**328,266**	–	**328,266**
Trading profit/(loss)	154,414	(17,098)	5,821	(1,302)	**141,835**	–	**141,835**
Pre-tax result of continuing operations	(63,476)	(65,192)	2,717	4,879	**(121,072)**	–	**(121,072)**
Net consolidated result					**(121,385)**	8,681	**(112,704)**
Investment in property, plant and equipment	76,735	2,011	3,158	73,728	**155,632**	–	**155,632**
Property, plant and equipment (intangible and tangible)	5,788,960	9,243	112,851	819,721	**6,730,775**	–	**6,730,775**
External financial liabilities	4,211,186	689,909	11,093	–	**4,912,188**	–	**4,912,188**

* *The Getlink segment's pre-tax result includes unrealised exchange gains of €32 million in the first half of 2021 (1st half 2020: losses of €46 million, 2020 full year: losses of €36 million).*
** *See note C.2 above for details of discontinued operations.*

D.2 Other income

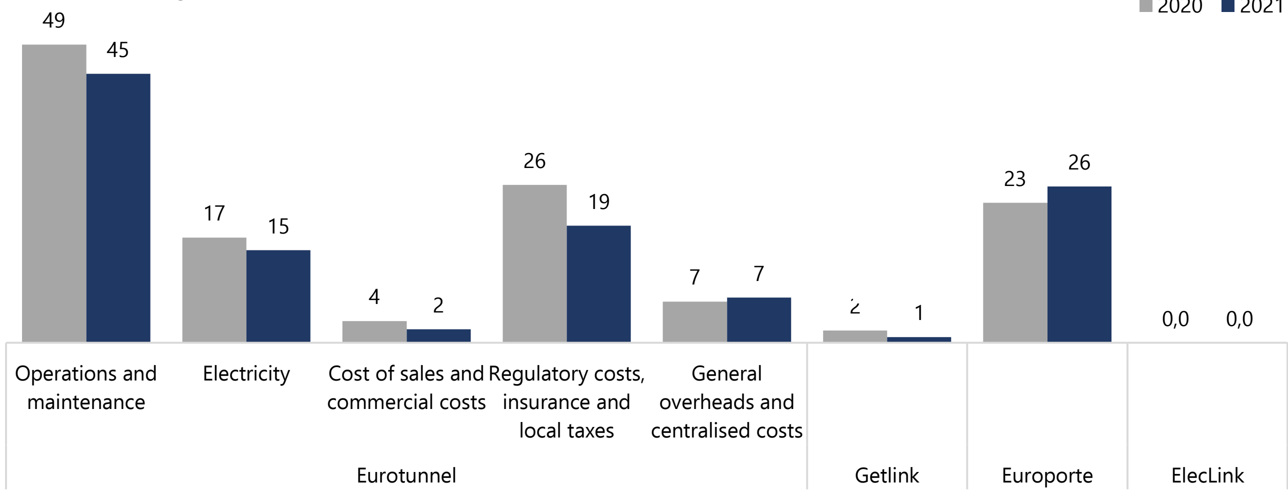
In the first half of 2021, the Group recognised income of €4 million relating to compensation for the disruption caused by the industrial action by Customs officers in 2019, as part of an agreement reached with the French State (see note A.3 above).

D.3 Operating costs

Operating costs are analysed as follows:

€'000	1st half 2021	1st half 2020	Full year 2020
Operations and maintenance: sub-contracting and spares	44,525	49,355	103,717
Electricity	15,335	17,434	32,799
Cost of sales and commercial costs	2,269	3,616	12,808
Regulatory costs, insurance and local taxes	19,385	26,145	42,742
General overheads and centralised costs	7,493	6,845	13,090
Sub-total Eurotunnel	**89,007**	**103,395**	**205,156**
Getlink	977	2,047	2,924
Europorte	25,912	23,202	44,125
ElecLink	42	43	139
Total	**115,938**	**128,687**	**252,344**

External operating costs (€ million)



D.4 Other operating income and (expenses)

€'000	1st half 2021	1st half 2020	Full year 2020
Other operating income	411	37	1,387
Sub-total other operating income	**411**	**37**	**1,387**
Net loss on disposal or write-off of assets	(1,810)	(138)	(4,988)
Other	(270)	(353)	(2,969)
Sub-total other operating expenses	**(2,080)**	**(491)**	**(7,957)**
Total	**(1,669)**	**(454)**	**(6,570)**

D.5 Provisions

€'000	1 January 2021	Charge to income statement	Release of unspent provisions	Provisions utilised	Exchange difference	30 June 2021
Continuing activities	9,233	339	–	(1,415)	156	**8,313**
Discontinued maritime activity	–	947	–	–	–	**947**
Total	**9,233**	**1,286**	**–**	**(1,415)**	**156**	**9,260**

D.6 Impact of the Covid-19 pandemic

As indicated in note A.1 above, the public health crisis related to the Covid-19 pandemic and the measures taken since March 2020 by the French and British governments concerning the confinement of the population and the movement of people within and between the two countries has had a significant impact on the Group's business and results, in particular on those of Eurotunnel, in the first half of both 2020 and 2021.

Eurotunnel

In the first two months of 2020, traffic across Eurotunnel's various businesses was at a similar level to 2019 but from mid-March 2020 onwards, traffic fell sharply due to the containment measures and travel restrictions put in place by governments in response to the first wave of the public health crisis.

In the first half of 2021, the general containment measures imposed in France and the UK, as well as the more stringent border crossing and quarantine restrictions for international travellers, continued to have a significant impact on the activities of Passenger Shuttles and Eurostar. For the months of January and February 2021, compared to the same period in 2020, Passenger Shuttle traffic was down 76% and Eurostar passenger numbers fell by 96%. For the four months of March to June, with travel restrictions in place in both years, 2021 Passenger Shuttle traffic was down by 24% and Eurostar passenger numbers were down by 65%.

The Truck Shuttle business was less affected by the public health crisis in the first half of 2021 than in 2020, in particular because of the exemption from the rules applicable to international travel for certain categories of workers, including lorry drivers. Truck Shuttle traffic in January and February 2021, impacted by the need for its customers to adapt to the new administrative rules for crossing the border for flows entering the European Union following the implementation of Brexit on 1 January 2021, was down by 31% compared to the same period in 2020 and cross-Channel rail freight train traffic was down by 20%. In contrast, for the four months from March to June, Truck Shuttle traffic was up by 15% and cross-Channel freight train traffic by 17%, but the level of traffic for these activities nevertheless remained below 2019 levels, by -11% and -23% respectively.

TRAFFIC EUROTUNNEL	JAN. / FEB. (2 MONTHS)					MARCH TO JUNE (4 MONTHS)					1ST HALF				
Exchange rate: £1=€1.157	2021	2020	VAR	2019	VAR	2021	2020	VAR	2019	VAR	2021	2020	VAR	2019	VAR
Truck Shuttle*	182	262	-31%	287	-37%	464	403	15%	523	-11%	646	665	-3%	810	-20%
Passenger Shuttle*	78	325	-76%	314	-75%	174	229	-24%	852	-80%	251	555	-55%	1,166	-78%
Eurostar passengers*	62	1,592	-96%	1,569	-96%	140	401	-65%	3,730	-96%	202	1,993	-90%	5,299	-96%
Rail freight trains	277	348	-20%	389	-29%	596	509	17%	777	-23%	873	857	2%	1,166	-25%

** In thousands.*
2019 variance compared to 2021.

Eurotunnel's revenues decreased by €52 million in the first half of 2021 compared to the same period in 2020 at a constant exchange rate. This decrease was mainly concentrated in the first two months of the year where, in 2021, revenue was heavily impacted by the fall in Shuttle Services and Eurostar passenger traffic, whereas in 2020, prior to the onset of the Covid crisis, this traffic was at a relatively normal level. Eurotunnel's revenue for the months of March to June was up by €17 million in 2021 compared to 2020, reflecting the relative improvement in the Truck Shuttle and cross-Channel freight train businesses.

REVENUE (€M)	JAN. / FEB. (2 MONTHS)					MARCH TO JUNE (4 MONTHS)					1ST HALF				
Exchange rate: £1=€1.157	2021	2020	VAR	2019	VAR	2021	2020	VAR	2019	VAR	2021	2020	VAR	2019	VAR
Shuttle	54	95	(41)	97	(43)	135	118	17	200	(65)	189	213	(24)	297	(108)
Railway Network	21	49	(28)	47	(26)	45	47	(2)	108	(63)	66	96	(30)	155	(89)
Other	1	1	–	2	(1)	4	2	2	4	–	5	3	2	6	(1)
Eurotunnel	**76**	**145**	**(69)**	**146**	**(70)**	**184**	**167**	**17**	**312**	**(128)**	**260**	**312**	**(52)**	**458**	**(198)**

2019 variance compared to 2021.

Eurotunnel's operating and staff costs decreased by €20 million in the first half of 2021 compared to the same period in 2020 at a constant exchange rate. This decrease is mainly due to the savings generated by the actions implemented by the Group in its management of the public health crisis. In response to the fall in traffic since March 2020, the Group has revised its Shuttle capacity and operating plans downwards and, as part of the measures put in place by the French and British governments, has introduced partial activity measures for some of its staff in France and the United Kingdom. These measures remained in place throughout the first half of 2021.

Group

In the first half of 2021, the Group's EBITDA decreased by €23 million compared to the same period in 2020 at a constant exchange rate. This decrease only concerns the Eurotunnel segment and is concentrated in the first two months of the year. However, the period from March to June 2021 saw an improvement of €29 million (52%) compared to the same period in 2020 mainly due to the relative recovery in Truck Shuttle traffic. EBITDA for the first half of 2021 was down by €157 million (-61%) compared to the first half of 2019 (the base year, before the public health crisis).

EBITDA (€M)	**JAN. / FEB. (2 MONTHS)**					**MARCH TO JUNE (4 MONTHS)**					**1ST HALF**				
Exchange rate: £1=€1.157	**2021**	**2020**	**VAR**	**2019**	**VAR**	**2021**	**2020**	**VAR**	**2019**	**VAR**	**2021**	**2020**	**VAR**	**2019**	**VAR**
Eurotunnel and Getlink	12	64	(52)	66	(54)	74	49	25	179	(105)	86	113	(27)	245	(159)
Europorte	4	4	–	4	–	10	6	4	9	1	14	10	4	13	1
ElecLink	(1)	(1)	–	(1)	–	1	1	–	–	1	–	–	–	(1)	1
Total Group	**15**	**67**	**(52)**	**69**	**(54)**	**85**	**56**	**29**	**188**	**(103)**	**100**	**123**	**(23)**	**257**	**(157)**
			-78%		**-78%**			**52%**		**-55%**			**-19%**		**-61%**

2019 variance compared to 2021.

In accordance with the recommendations of regulators, the Group has not recognised any impact of the Covid-19 pandemic in the non-current items of its income statement.

E. Personnel expenses and benefits

E.1 Share-based payments

Free share plans with no performance conditions

Following the approval by the general meeting of shareholders on 28 April 2021 of the plan to issue existing free shares, Getlink SE's Board of Directors decided on 28 April 2021 to grant a total of 350,800 Getlink SE ordinary shares (100 shares per employee) to all employees of Getlink SE and its related companies with the exception of executive and corporate officers of Getlink SE. The vesting period for these shares is one year and is followed by a three-year lock-up period.

During the first half of 2021, 426,250 free shares issued in 2020 were acquired by employees.

Movements on the free share plans

Number of shares	**2021**	**2020**
In issue at 1 January	434,750	430,000
Granted during the period	350,800	448,875
Renounced during the period	(12,200)	(20,500)
Acquired during the period	(426,250)	(423,625)
In issue at the end of the period	**347,100**	**434,750**

Assumptions used for the fair value measurement on the grant date

Year of grant	**2021**
Fair value of free shares on grant date (€)	12.66
Share price on grant date (€)	13.32
Number of beneficiaries	3,508
Risk-free interest rate (based on government bonds):	
1 year	-0.75%
4 years	-0.63%

Charges to income statement

€'000	**1st half 2021**	**1st half 2020**	**Full year 2020**
Free shares with no performance conditions	2,289	2,648	4,997
Preference shares and free shares with performance conditions	1,794	2,457	4,466
Total	**4,083**	**5,105**	**9,463**

E.2 Retirement benefits

At 30 June 2021, the Group reviewed the main assumptions used in its actuarial calculations and updated the amount of its pension obligations in respect of its defined benefit pension scheme in the United Kingdom. On this basis, as at 30 June 2021, the UK pension liability was decreased by €56 million compared to 31 December 2020. The corresponding actuarial gain was recognised in the consolidated statement of comprehensive income as at 30 June 2021.

F. Intangible and tangible property, plant and equipment

Investments during the period

The €53 million investment in the ElecLink project between 31 December 2020 and 30 June 2021 is mainly explained by capitalised expenses relating to the project.

Indications of impairment and impairment tests

Concession property, plant and equipment

The significant decline in Eurotunnel revenues in the first half of 2021 (see note D.6 above) constitutes an indication of impairment under IAS 36. Consequently, the Group carried out a value-in-use test of the assets of this segment at 30 June 2021 to ensure that the recoverable amount of assets remains higher than their net book value.

The valuation test at 30 June 2021 is based on the latest financial estimates prepared by the Group and presented to Getlink's Board of Directors on 17 June 2021. It was based on a WACC of 5.87% (5.79% at 31 December 2020) and the Group's best estimates at that date of the likely evolution of the public health crisis, government measures and the economic situation in Europe and the United Kingdom over the short and medium term. In particular, the test includes the assumption of a gradual recovery in Shuttle and Railway Network traffic and revenues over the second half of 2021 and in 2022 and 2023 to return to pre-crisis levels, followed by revenue growth of approximately 2% per year thereafter. This test confirms that the recoverable amount of Eurotunnel's Concession assets is higher than their carrying amount at 30 June 2021.

The Group has also carried out sensitivity analyses on changes in its crisis exit projections and other key assumptions (discount rate, long-term revenue growth rate, sterling / euro exchange rate). These analyses did not reveal any probable scenario leading to an impairment of the Concession assets.

Europorte property, plant and equipment

As at 30 June 2021, the Group has not identified any impairment of Europorte's assets.

ElecLink property, plant and equipment

As indicated in note A.2, the cable installation work was completed on 20 June 2021, with the start of operations still scheduled for mid-2022. As a result, the Group has not identified any impairment of the ElecLink assets as at 30 June 2021.

G. Financing and financial instruments

G.1 Financial liabilities

The movements in financial liabilities during the period were as follows:

€'000	31 December 2020 published	31 December 2020 restated*	Reclass-ification	Repayment	Interest, indexation and fees	30 June 2021
Green Bonds	689,909	689,909	–	–	1,044	690,953
Term Loan	4,150,123	4,253,098	(30,108)	–	22,564	4,245,554
Europorte loan	10,161	10,161	(466)	–	–	9,695
Total non-current financial liabilities	**4,850,193**	**4,953,168**	**(30,574)**	**–**	**23,608**	**4,946,202**
Term Loan	56,131	57,600	30,108	(28,336)	320	59,692
Europorte loans	932	932	466	(466)	–	932
Accrued interest on loans:						
Green Bonds	–	–	–	–	–	–
Term Loan	4,932	5,056	–	–	(18)	5,038
Europorte loan	–	–	–	–	–	–
Total current financial liabilities	**61,995**	**63,588**	**30,574**	**(28,802)**	**302**	**65,662**
Total	**4,912,188**	**5,016,756**	**–**	**(28,802)**	**23,910**	**5,011,864**

* *The financial liabilities at 31 December 2020 (calculated at the year-end exchange rate of £1=€1.112) have been recalculated at the exchange rate at 30 June 2021 (£1=€1.165) in order to facilitate comparison.*

G.2 Hedging instruments

In 2007, the Group put in place hedging contracts to cover its floating rate loans (tranches C1 and C2) in the form of swaps for the same duration and for the same value (EURIBOR against a fixed rate of 4.90% and LIBOR against a fixed rate of 5.26%). The nominal value of hedging swap is €953 million and £350 million. These derivatives were partially terminated as part of the refinancing of tranche C in June 2017.

These derivatives have been measured at their fair value as a liability on the statement of financial position as follows:

€'000	31 December 2020	* Changes in market value	Exchange difference	30 June 2021
Contracts in euros	991,939	(162,528)	–	829,411
Contracts in sterling	314,255	(62,917)	15,008	266,346
Total	**1,306,194**	**(225,445)**	**15,008**	**1,095,757**

* *Recorded directly in equity.*

The amount of negative reserves for hedging instruments changed as follows:

€'000	31 December 2020	Recycling of partial termination June 2017	Change in the ineffective portion	Changes in market value	Exchange difference	30 June 2021
Contracts in euros	1,153,129	(20,797)	–	(162,528)	–	969,804
Contracts in sterling	440,366	(7,759)	–	(62,917)	20,974	390,664
Total	**1,593,495**	**(28,556)**	**–**	**(225,445)**	**20,974**	**1,360,468**

These derivatives generated a net charge to the income statement of €29 million for the first half of 2021 (charge of €30 million for the first half of 2020).

G.3 Other financial assets

€'000	30 June 2021	31 December 2020
G2 notes	335,437	322,223
Other*	44,368	46,347
Total non-current	**379,805**	**368,570**
Accrued interest on G2 notes	191	195
Total current	**191**	**195**
Total	**379,996**	**368,765**

* *Including €25,253,000 held in the DSRA in accordance with the terms of the Senior Secured Notes' Trust Deed and €17,098,000 in guarantees paid to the national networks National Grid and RTE in relation to the ElecLink project at 30 June 2021 (31 December 2020: €25,253,000 and €19,155,000 respectively).*

G.4 Other financial liabilities

€'000	30 June 2021	31 December 2020
Fees on financial operations	29,850	29,394
Lease obligations	21,213	28,280
Total non-current	**51,063**	**57,674**
Fees on financial operations	1,946	1,496
Lease obligations	15,964	18,712
Total current	**17,910**	**20,208**
Total	**68,973**	**77,882**

G.5 Matrix of class of financial instrument and recognition categories and fair value

The table below presents the carrying amount and fair value of financial assets and liabilities. The different levels of fair value are defined in note G.9 to the consolidated financial statements at 31 December 2020.

At 30 June 2021

€'000	Carrying amount							Fair value			
Class of financial instrument	**Assets at fair value through profit and loss**	**Financial assets at fair value through equity**	**Securities at amortised cost**	**Receivables at amortised cost**	**Hedging instruments**	**Liabilities at amortised cost**	**Total net carrying value**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets measured at fair value											
Other non-current financial assets	–	–	–	–	–	–	**–**	–	–	–	**–**
Financial assets not measured at fair value											
Other current and non-current financial assets (note G.3)	–	–	379,995	–	–	–	**379,995**	44,362	–	338,364	**382,726**
Trade receivables	–	–	–	73,115	–	–	**73,115**	–	–	–	**–**
Cash and cash equivalents	548,977	–	–	–	–	–	**548,977**	548,977	–	–	**548,977**
Financial liabilities measured at fair value											
Interest rate derivatives (note G.2)	–	–	–	–	1,095,757	–	**1,095,757**	–	1,095,757	–	**1,095,757**
Financial liabilities not measured at fair value											
Financial liabilities (note G.1)	–	–	–	–	–	5,011,864	**5,011,864**	–	727,944	5,256,726	**5,984,670**
Other financial liabilities (note G.4)	–	–	–	–	–	68,973	**68,973**	–	–	–	**–**
Trade payables	–	–	–	–	–	176,756	**176,756**	–	–	–	**–**

At 30 June 2021, information relating to the fair value of the financial liabilities takes into account the evolution of the yield curves at 30 June 2021 and remains as described in note G.9 to the annual consolidated financial statements at 31 December 2020.

G.6 Net finance costs

€'000	**1st half 2021**	**1st half 2020**	**Full year 2020**
Finance income	232	813	1,270
Total finance income	**232**	**813**	**1,270**
Interest on loans before hedging: Term Loan and other	(82,735)	(82,907)	(163,855)
Amortisation of hedging costs related to partial termination	(28,556)	(28,482)	(56,696)
Interest on loans: Getlink	(12,250)	(9,972)	(20,697)
Interest on loans: Europorte	(138)	(147)	(291)
Capitalisation of interest on the ElecLink project	14,214	12,500	25,402
Effective rate adjustment	(4,711)	(5,786)	(11,201)
Sub-total	**(114,176)**	**(114,794)**	**(227,338)**
Inflation indexation of the nominal	(19,089)	(3,705)	(14,252)
Total finance costs	**(133,265)**	**(118,499)**	**(241,590)**
Total net finance costs	**(133,033)**	**(117,686)**	**(240,320)**

The inflation indexation of the loan principal estimated at 30 June 2021 reflects the estimated effect of annual French and British inflation rates on the principal amount of the A tranches of the Term Loan as described in note G.1.2 of the annual consolidated financial statements at 31 December 2020.

G.7 Other financial income and (charges)

€'000	1st half 2021	1st half 2020	Full year 2020
Unrealised exchange gains *	21,603	34,386	28,769
Other exchange gains	4,829	6,537	8,724
Interest received on notes owned by the Group	4,153	1,626	4,822
Other	40	–	4,651
Other financial income	**30,625**	**42,549**	**46,966**
Financial charges arising from financial transactions:			
Costs on 2023 Green Bonds not yet amortised	–	–	(12,549)
Redemption premium on 2023 Green Bonds	–	–	(9,972)
Other costs related to financial operations	(709)	(6)	(1,868)
Sub-total	**(709)**	**(6)**	**(24,389)**
Unrealised exchange losses *	(22,764)	(34,310)	(28,651)
Other exchange losses	(5,728)	(3,991)	(6,395)
Interest charges on lease contracts	(479)	(468)	(921)
Hedging instruments: change in the ineffective portion	–	(1,942)	(1,599)
Other	(11)	(16)	(37)
Other financial charges	**(29,691)**	**(40,733)**	**(61,992)**
Total	**934**	**1,816**	**(15,026)**
Of which net unrealised exchange gains/(losses)	*(1,161)*	*76*	*118*

* *Mainly arising from the re-evaluation of intra-group debtors and creditors.*

H. Share capital and earnings per share

H.1 Changes in share capital

€	30 June 2021	31 December 2020
550,000,000 fully paid-up ordinary shares each with a nominal value of €0.40	220,000,000.00	220,000,000.00
Category D fully paid-up preference shares each with a nominal value of €0.01	–	11.27
Category E fully paid-up preference shares each with a nominal value of €0.01	11.42	11.42
Total	**220,000,011.42**	**220,000,022.69**

During the first half of 2021, 1,127 category D preference shares issued under the 2018 programme of preference shares convertible into ordinary shares were cancelled.

The programmes of preference shares convertible into ordinary shares are described in note E.5.3 to the consolidated financial statements at 31 December 2020.

H.2 Treasury shares

The movements in the number of own shares held during the period were as follows:

	Share buyback programme	Liquidity contract	Total
At 1 January 2021	11,595,861	381,499	**11,977,360**
Shares transferred to staff (free share scheme)	(1,334,556)	–	**(1,334,556)**
Exercise of stock options	(73,603)	–	**(73,603)**
Net purchase/(sale) under liquidity contract	–	244,512	**244,512**
At 30 June 2021	**10,187,702**	**626,011**	**10,813,713**

Treasury shares held as part of the share buyback programme approved by the general meetings of shareholders and implemented by decisions of the Board of Directors are allocated, in particular, to cover share option plans and the grant of free shares.

H.3 Earnings per share

H.3.1 Number of shares

	1st half 2021	1st half 2020	Full year 2020
Weighted average number:			
– of issued ordinary shares	550,000,000	550,000,000	550,000,000
– of treasury shares	(11,702,527)	(13,033,238)	(12,589,322)
Number of shares used to calculate the result per share (A)	**538,297,473**	**536,966,762**	**537,410,678**
– effect of share options	90,250	133,822	111,292
– effect of free shares	571,925	1,200,813	899,271
– effect of preference shares	878,230	2,962,333	1,904,133
Potential number of ordinary shares (B)	**1,540,405**	**4,296,968**	**2,914,696**
Number of shares used to calculate the diluted result per share (A+B)	**539,837,878**	**541,263,730**	**540,325,374**

The calculations were made on the following bases:

- on the assumption of the exercise of all the options issued and still in issue at 30 June 2021. The exercise of these options is conditional on the criteria described in note E.5.1 to the consolidated financial statements at 31 December 2020;
- on the assumption of the acquisition of all the free shares allocated to staff. During the first half of 2021, 426,250 of the free shares issued in 2019 were acquired by staff and 350,800 new free shares were granted (see note E.1 above). Details of free shares are given in note E.5.2 to the consolidated financial statements at 31 December 2020; and
- on the assumption of the acquisition of all the preference shares and still in issue at 30 June 2021. Conversion of these preference shares is subject to achieving certain targets and remaining in the Group's employment as described in note E.5.3 to the consolidated financial statements at 31 December 2020.

H.3.2 Earnings per share

	1st half 2021	1st half 2020	Full year 2020
Group share: profit/(loss)			
Net result (€'000) (C)	(123,082)	(78,820)	(112,704)
Basic earnings per share (€) (C/A)	**(0.23)**	**(0.15)**	**(0.21)**
Diluted earnings per share (€) (C/(A+B))	**(0.23)**	**(0.15)**	**(0.21)**
Continuing operations: profit/(loss)			
Net result (€'000) (D)	(123,032)	(87,516)	(121,385)
Basic earnings per share (€) (D/A)	**(0.23)**	**(0.16)**	**(0.23)**
Diluted earnings per share (€) (D/(A+B))	**(0.23)**	**(0.16)**	**(0.22)**
Discontinued operations: profit/(loss)			
Net result (€'000) (E)	(50)	8,696	8,681
Basic earnings per share (€) (E/A)	**(0.00)**	**0.02**	**0.02**
Diluted earnings per share (€) (E/(A+B))	**(0.00)**	**0.02**	**0.02**

H.4 Detail of consolidated reserves by origin

€'000	30 June 2021	31 December 2020
Hedging contracts	(1,360,468)	(1,593,495)
Share options, free and preference shares and treasury shares	(77,431)	(78,768)
Retirement liability	(43,205)	(98,973)
Deferred tax	64,949	71,795
Retained earnings	800,052	939,709
Total	**(616,103)**	**(759,732)**

I. Income tax expense

I.1 Tax accounted for through the income statement

€'000	1st half 2021	1st half 2020	Full year 2020
Current income tax	81	(168)	(223)
Deferred tax	3,447	(2,612)	(90)
Total	**3,528**	**(2,780)**	**(313)**

The tax charge is accounted for by integrating into the half year's result the estimated effective tax rate, based on internal forecasts, for the full year. The determination of deferred taxes was based on the latest business plan presented to the Board of Directors on 17 June 2021 and also takes into account changes in expected UK tax rates.

I.2 Changes to deferred tax during the period

			2021 impact on:			
€'000	At 31 December 2020 published	At 31 December 2020 restated	income statement for continued activities	income statement for discontinued activities	other compre-hensive income	At 30 June 2021
Tax effects of temporary differences related to:						
Property, plant and equipment	81,574	68,756	(5,670)	–	–	**63,086**
ElecLink goodwill	(20,392)	(20,392)	–	–	–	**(20,392)**
Deferred taxation of restructuring profit	(352,353)	(352,353)	–	–	–	**(352,353)**
Hedging contracts	64,782	64,782	–	–	(3,646)	**61,136**
Other	9,631	9,876	–	–	(3,200)	**6,676**
Tax losses	407,929	422,649	9,117	–	–	**431,766**
Net tax assets/(liabilities)	**191,171**	**193,318**	**3,447**	**–**	**(6,846)**	**189,919**

J. Events after the reporting period

The Group received notification on 12 July 2021 that the company Exploitation des Ports du Détroit had filed an appeal on 14 June 2021 against the decision rendered on 18 March 2021 by the Douai Court of Appeal in favour of the Group in the context of the dispute concerning the cost of berthing the Group's ferries during their occupation by SCOP SeaFrance staff in 2015.

STATUTORY AUDITORS' REVIEW REPORT ON THE 2021 HALF-YEAR FINANCIAL INFORMATION

This is a free translation into English of the statutory auditors' review report on the half-year financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-year management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders,

In compliance with the assignment entrusted to us by the general meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying summary half-year consolidated financial statements of Getlink S.E., for the period from 1 January to 30 June, 2021,
- the verification of the information presented in the half-year activity report.

Due to the global crisis related to the Covid-19 pandemic, the summary half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of our procedures.

These summary half-year consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

I - Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying summary half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II – Specific verification

We have also verified the information presented in the half-year management report on the summary half-year consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the summary half-year consolidated financial statements.

Statutory auditors, Paris La Défense, 21 July 2021,

KPMG Audit *A division of KPMG S.A.*	Mazars

French original signed by

Philippe Cherqui *Partner*	**Francisco Sanchez** *Partner*

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT AT 30 JUNE 2021

I declare that, to the best of my knowledge, these summary half-year consolidated financial statements have been prepared in accordance with applicable accounting standards and present fairly the assets, financial situation and results of Getlink SE and of all the companies included in the consolidation, and that this half-year financial report presents fairly the important events of the first six months of the financial year, their effect on the summary half-year consolidated financial statements, the main transactions between related parties, and a description of the main risks and uncertainties for the remaining six months of the financial year.

Yann Leriche
Chief Executive Officer of Getlink SE
21 July 2021

GETLINK

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