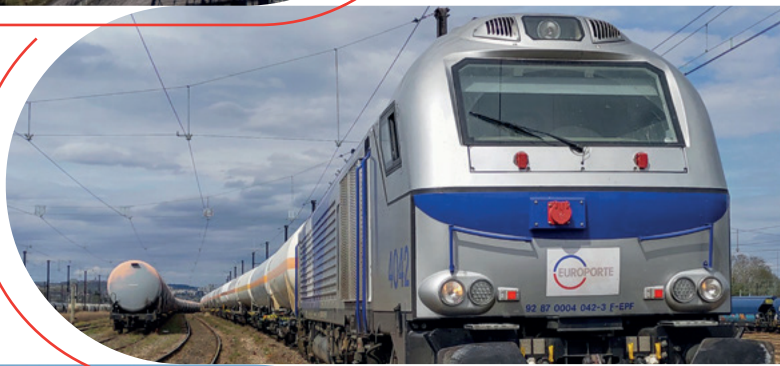
HALF-YEAR FINANCIAL REPORT

FOR THE SIX MONTHS TO 30 JUNE 2022



2022

GETLINK SE

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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 2022 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 this is given in note C.2 to the consolidated financial statements as at 31 December 2021 contained in section 2.2.1 of the 2021 Universal Registration Document.

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

HALF-YEAR ACTIVITY REPORT AT 30 JUNE 2022

CONTEXT OF THE PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The progressive lifting during the first half of 2022 by the UK and French governments of the Covid-19-related border crossing and quarantine restrictions for international travellers has significantly improved the Group's results compared to the same period in 2021 (when significant restrictions remained in place). The Group's operating margin (EBITDA) in H1 2022 was above pre-pandemic 2019 levels at an equivalent exchange rate, despite traffic levels remaining below 2019 particularly for Passenger Shuttles and Eurostar. This was achieved through the effective application of the Group's yield management strategy and to the measures put in place by the Group to adapt its capacity to changes in traffic demand, control its costs and protect its cash flow.

The Group's prudent management of its cash resources, despite the difficulties of the last two years, provides it with strong liquidity, with net cash available at 30 June 2022 of €597 million, which should enable it to service its debt over the remainder of 2022 and in 2023 and to finance its activities.

Following the implementation of the new Brexit-related border controls for entry into the European Union at the beginning of 2021, the implementation of the new border control arrangements for entry into the United Kingdom have been partially in place at the border since 1 January 2022. Customers are now becoming accustomed to these new rules, and the forward planning by the Group to develop new systems and services to accompany this major change in procedures for international trade has played a significant part in this.

The geopolitical impact of the situation in Ukraine since February 2022, compounded during the first half of 2022 by the strict zero-covid strategy and related lockdowns in China, have begun to have significant impacts on the world economy in terms of higher inflation and energy costs as well as on supply-chain delays and shortages. To date, the principal direct impact on the Group has been to increase certain costs, especially traction energy costs for both Eurotunnel and Europorte, and to increase financial charges on the tranches of the Eurotunnel Term Loan that are index-linked to inflation.

During the first half of 2022, the Group successfully refinanced the C2A tranche of Eurotunnel's Term Loan as part of its ongoing optimisation of its financing structure, thereby avoiding a significant step-up in financial charges that would have taken effect in the second half of the year.

On 25 May 2022, the Group's subsidiary ElecLink began commercial operations of its 1 GW electricity interconnector, transporting electricity between Great Britain and France.

Further details on the recent evolution of the Group's results and on the impact of the Covid pandemic on Eurotunnel's activities are given in the sections below and in notes A and D.7 to the summary half-year financial statements as at 30 June 2022.

ANALYSIS OF CONSOLIDATED INCOME STATEMENT

To enable a better comparison between the two periods, the consolidated income statement for the first half of 2021 presented in this half-year activity report has been recalculated at the exchange rate used for the 2022 half-year income statement of £1=€1.182.

Thanks to the progressive lifting of international travel restrictions and to the start of ElecLink's commercial operation during the first half of 2022, the Group's consolidated revenue in the period of €577 million was up by €249 million (76%) compared to the first half of 2021, of which €35 million was generated by ElecLink between 25 May and 30 June 2022 in an exceptional market context. Excluding ElecLink's contribution, revenues for the first half of 2022 exceeded 2019 levels by €12 million. Operating costs, which totalled €268 million, increased by €37 million (16%) compared to 2021 reflecting Eurotunnel's increased traffic levels and higher energy costs. EBITDA improved by €208 million to €309 million and was €49 million above the first half of 2019 (including €34 million from the contribution of ElecLink in the first half of 2022 reflecting the exceptional market conditions). At €222 million, the operating profit for the first six months of 2022 was up by €215 million compared to 2021. After taking into account an increase in net finance costs of €43 million due mainly to the impact of significantly increased 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 2022 was a profit of €45 million, an improvement of €172 million compared to 2021.

After taking into account tax income of €7 million, the Group's consolidated net result for the first six months of 2022 was a profit of €52 million compared to a loss of €124 million in the first half of 2021, an improvement of €176 million.

€ million Improvement/(deterioration) of result	1st half 2022	1st half 2021 *recalculated	Change €M	Change %	1st half 2021 reported
Exchange rate €/£	1.182	1.182			1.157
Eurotunnel	474	262	212	+81%	260
Europorte	68	66	2	+3%	66
ElecLink	35	–	35	–	–
Revenue	**577**	**328**	**249**	**+76%**	**326**
Other income**	–	4	(4)	-100%	4
Total turnover	**577**	**332**	**245**	**+74%**	**330**
Eurotunnel	(214)	(179)	(35)	-20%	(178)
Europorte	(53)	(52)	(1)	-2%	(52)
ElecLink	(1)	–	(1)	–	–
Operating costs	**(268)**	**(231)**	**(37)**	**-16%**	**(230)**
Operating margin (EBITDA)	**309**	**101**	**208**	**+206%**	**100**
Depreciation	(95)	(92)	(3)	-3%	(92)
Trading profit	**214**	**9**	**205**	**–**	**8**
Other net operating charges	8	(2)	10	–	(2)
Operating profit (EBIT)	**222**	**7**	**215**	**–**	**6**
Net finance costs	(197)	(135)	(62)	-46%	(133)
Net other financial income	20	1	19		1
Pre-tax profit/(loss) from continuing operations	**45**	**(127)**	**172**		**(126)**
Income tax income/(expense)	7	3	4		3
Net profit/(loss) from continuing operations	**52**	**(124)**	**176**		**(123)**
Net profit from discontinued operations	–	–	–		–
Net consolidated profit/(loss) for the period	**52**	**(124)**	**176**		**(123)**
EBITDA (excluding other income) / revenue	*53.6%*	*29.6%*	*24 pts*		*29.4%*

* *Restated at the rate of exchange used for the 2022 half-year income statement (£1=€1.182).*

** *In the first half of 2021, the Group recognised income of €4 million relating to compensation for disruptions caused by the industrial action by customs officers in 2019 as part of an agreement with the French State.*

1 EUROTUNNEL SEGMENT

This segment includes the activities of the Eurotunnel sub-group companies, as well as those of the Group's holding company, Getlink SE and its other direct subsidiaries excluding Europorte and ElecLink. Eurotunnel, which represents the Group's core business, operates and directly markets its Shuttle Services and also provides access, on payment of a toll, for the circulation of the Railway Companies' High-Speed Passenger Trains (Eurostar) and Rail Freight Services through its Railway Network.

€ million Improvement/(deterioration) of result	1st half 2022	1st half 2021*	Change €M	Change %
Exchange rate €/£	1.182	1.182		
Shuttle Services	335	190	145	+76%
Railway Network	129	67	62	+93%
Other revenue	10	5	5	+100%
Revenue	**474**	**262**	**212**	**+81%**
External operating costs	(123)	(91)	(32)	-35%
Employee benefits expense	(91)	(88)	(3)	-3%
Operating costs	**(214)**	**(179)**	**(35)**	**-20%**
Operating margin (EBITDA)	**260**	**83**	**177**	**+213%**
EBITDA (excluding other income)/revenue	*55%*	*32%*	*23 pts*	
Other income **	–	4	(4)	-100%
EBITDA Eurotunnel	260	87	173	+199%

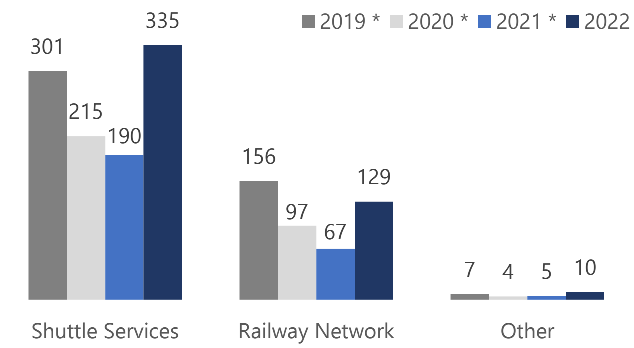
* *Restated at the rate of exchange used for the 2022 half-year income statement (£1=€1.182).*

** *Other income received in 2021 relating to the 2019 financial year.*

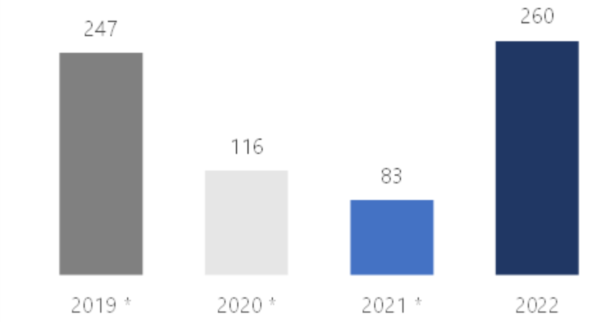
The health crisis and the strict lockdown measures taken by governments have heavily impacted traffic and the organisation of Eurotunnel's activities since mid-March 2020. Passenger Shuttle and Eurostar traffic remained affected by the effects of the pandemic during the first half of 2022 albeit to a lesser extent than in 2021.

The following graphs illustrate the evolution since 2019 of the Eurotunnel segment's revenue and EBITDA in the first half-years:

Eurotunnel revenue by activity (€m)



Eurotunnel's EBITDA (€m)
excl. other income in 2019



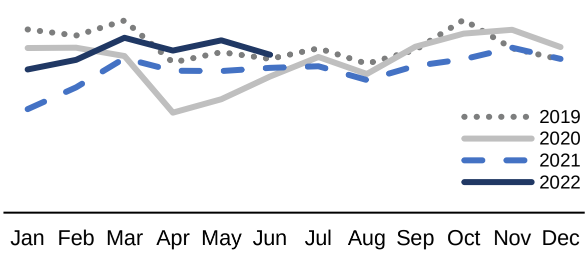
* *Restated at the rate of exchange used for the 2022 half-year income statement (£1=€1.182).*

1.1 EUROTUNNEL SEGMENT REVENUE

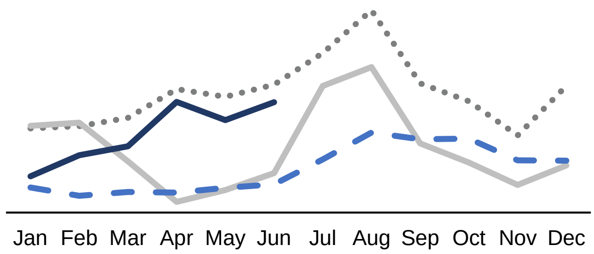
Revenue generated by this segment, which in the first six months of 2022 represented 82% of the Group's total revenue, amounted to €474 million, rose by 81% compared to 2021.

The following graphs illustrate the monthly evolution in traffic volumes over the period January 2019 to June 2022:

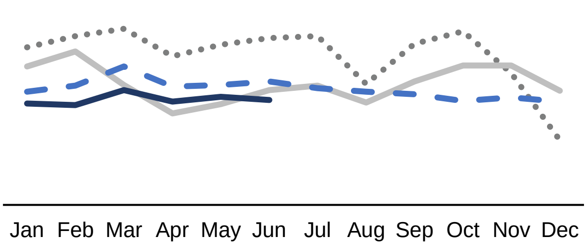
Truck Shuttle volumes



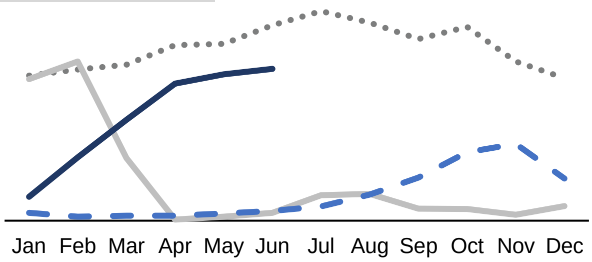
Passenger Shuttle car and coach volumes



Railfreight trains



Eurostar passengers



1.1.1 Shuttle Services

Traffic (number of vehicles)	1st half 2022	1st half 2021	Change
Truck Shuttle	766,833	646,372	19%
Passenger Shuttle:			
Cars *	862,671	247,957	248%
Coaches	9,788	3,411	187%

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

At €335 million for the first half of 2022, Shuttle Services' rose by 76% compared to 2021.

Truck Shuttle

Truck Shuttle traffic in the first half of 2022, compared to the same period in 2021, benefited from a positive base effect due to the impact of the consequences of Brexit that occurred on 1 January 2021 as well as the interruption of P&O ferry traffic on 17 March and its gradual resumption from 26 April 2022 which disrupted the Short Straits market during this period. The market grew by 6% in the first half of 2022 and the Truck Shuttle service's market share increased to 43.6% (38.9% in the first half of 2021). With 766,833 trucks carried, Eurotunnel's traffic is up 19% compared to the first half of 2021 but was still 5% below 2019.

Passenger Shuttle

The progressive lifting of travel restrictions generated a rebound in the Short Straits market in the first half of 2022, up 288% on the first half of 2021 and Eurotunnel's car traffic, boosted by the transfer of P&O traffic during the period, increased by 248%. Impacted in the early part of the period by the continued implementation of travel restrictions, Eurotunnel's car traffic in the first half of 2022 remained 24% lower than the same period in 2019. Having gained from safety benefits during the public health crisis, Eurotunnel's car traffic market share is down 9 points year-on-year to 69.6% but remains nevertheless above pre-public health crisis levels.

In a market that grew by 266%, Eurotunnel's coach traffic grew by 187% in the first half of 2022. The market share of the Passenger Shuttle service’s coaches for the first half of 2022 is down 16 points compared to the previous year at 59.4% (75.6% in the first half of 2021) but remains above pre-Covid levels.

1.1.2 Railway Network

Traffic	1st half 2022	1st half 2021	Change
High-Speed Passenger Trains (Eurostar)			
Passengers *	3,302,935	202,022	>x16
Train Operators' Rail Freight Services **:			
Number of trains	754	873	-14%

* *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, RailAdventure and Europorte) using the Tunnel.*

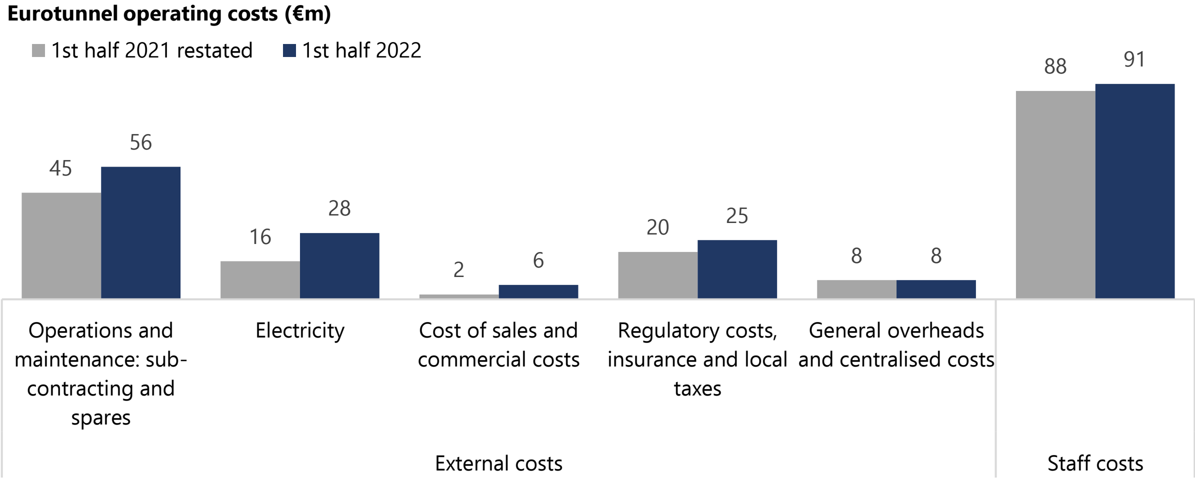
In the first half of 2022, revenues of €129 million were generated from the use of the Tunnel’s Railway Network by Eurostar’s high-speed passenger trains and by the cross-Channel rail freight trains, up 93% compared to 2021 driven by the gradual recovery in passenger traffic between the various countries served by Eurostar.

In the first half of 2022, 3,302,935 Eurostar passengers used the Tunnel, more than 16 times above the same period in 2021 and reaching 62% of the levels seen in 2019 before the public health crisis. The launch in April of a third daily direct service between London and Amsterdam and Rotterdam contributed to this increase.

Despite the development of significant traffic by CAT Group for Toyota in the first half of 2022, cross-Channel rail freight remains affected by the disruption to international supply chains, particularly those related to semi-conductors, with traffic down 14% compared to the first half of 2021.

1.2 EUROTUNNEL SEGMENT OPERATING COSTS

At €214 million in the first half of 2022, operating expenses were up 20% compared to 2021. This increase of €35 million is mainly due to the recovery in activity compared to the first half of 2021 as well as an increase of €12 million in energy costs, of which €9 million is due to increased energy prices.



2 EUROPORTE SEGMENT

The Europorte segment, which covers the entire rail freight transport logistics chain in France as well as cross-border flows to Belgium and Germany, includes most notably Europorte France and Socorail.

€ million Improvement/(deterioration) of result	1st half 2022	1st half 2021	Change €M
Revenue	68	66	2
External operating costs	(26)	(26)	–
Employee benefits expense	(27)	(26)	(1)
Operating costs	(53)	(52)	(1)
Operating margin (EBITDA)	**15**	**14**	**1**

In the first half of 2022, Europorte recorded an increase of €2 million in revenue and an increase of €1 million in EBITDA. This growth is mainly the result of new services, in particular the new international service between Sète (France) and Cologne (Germany).

3 ELECLINK SEGMENT

In the first half of 2022, the ElecLink project, started in 2016, was completed with the 1 GW interconnector between France and Great Britain becoming operational on 25 May 2022.

Costs directly attributable to the project amounting to €938 million as at 30 June 2022, of which €52 million was in the first half of 2022, were put into service as of 25 May 2022.

Between the start of commercial operations at the end of May and 30 June 2022, ElecLink generated revenues of €35 million and an EBITDA of €34 million. These revenues come mainly from sales of interconnector capacity.

€ million Improvement/(deterioration) of result	1st half 2022	1st half 2021	Change €M
Revenue	35	–	35
External operating costs	–	–	–
Employee benefits expense	(1)	–	(1)
Operating costs	(1)	–	(1)
Operating margin (EBITDA)	**34**	**–**	**34**

4 OPERATING MARGIN (EBITDA)

EBITDA by business segment evolved as follows:

€ million	Eurotunnel	Europorte	ElecLink	Total Group
EBITDA 1st half 2021 restated *	87	14	–	**101**
Improvement/(deterioration):				
Revenue	212	2	35	**249**
Other income	(4)	–	–	**(4)**
Operating costs	(35)	(1)	(1)	**(37)**
Total changes	**173**	**1**	**34**	**208**
EBITDA 1st half 2022	**260**	**15**	**34**	**309**

* *Restated at the rate of exchange used for the 2022 income statement (£1=€1.182).*

Thanks to the impact on Eurotunnel's traffic of the gradual lifting of cross-border travel restrictions and the first contribution of ElecLink following its start-up on 25 May 2022, the Group's consolidated operating margin (EBITDA) has more than tripled compared to 2021 (206%) and amounts to €309 million in the first half of 2022. EBITDA in the first half of 2022 is €49 million higher than in 2019, the reference year before the public health crisis.

5 OPERATING PROFIT (EBIT)

At €95 million, depreciation charges increased by €3 million compared to the first half of 2021 mainly as a result of the entry into service of ElecLink on 25 May.

The trading profit in the first half of 2022 was €214 million, up by €205 million compared to 2021.

The operating profit for the first six months of 2022 was up by €215 million compared to 2021, to €222 million.

6 NET FINANCIAL CHARGES

At €197 million for the first half of 2022, net finance costs increased by €62 million compared to 2021 at a constant exchange rate. This increase was mainly as a result of the impact of significantly higher inflation rates in the UK and France on the index-linked tranches of the debt (+€57 million) as well as the discontinuation of the capitalisation of the ElecLink interest when the interconnector became operational at the end of May (€2 million).

Other net financial income of €20 million in the first half of 2022 include interest income on the G2 bonds held by the Group (€11 million, up by €6 million due to the increase in inflation rates), the discount realised on the partial termination of the hedging contracts in the context of the refinancing of the C2A tranche of the Term Loan for an amount of €4 million (see note A.3 to the summary half-year financial statements at 30 June 2022), a positive change in the ineffective portion of hedging instruments of €5 million and net foreign exchange gains of €2 million (2021 : losses of €2 million).

7 NET CONSOLIDATED RESULT

The Group's pre-tax result for continuing operations for the first six months of 2022 was a profit of €45 million, an improvement of €172 million compared to 2021 at a constant exchange rate. The evolution of the pre-tax result from continuing operations by segment compared to 2021 is presented below:

€ million	Eurotunnel	Europorte	ElecLink	Total continuing activities
Pre-tax result from continuing activities for the 1st half of 2021*	**(119)**	**3**	**(11)**	**(127)**
Improvement/(deterioration) of result:				
Revenue	+212	+2	+35	+249
Other income	-4	-	-	-4
Operating expenses	-35	-1	-1	-37
EBITDA	**+173**	**+1**	**+34**	**+208**
Depreciation	-	-	-4	-4
Trading result	**+173**	**+1**	**+30**	**+204**
Other net operating income/charges	+10	-	-	+10
Operating result (EBIT)	**+183**	**+1**	**+30**	**+214**
Net financial costs	-54	-	+11	-43
Total changes	**+129**	**+1**	**+41**	**+171**
Pre-tax result from continuing operations for the 1st half of 2022	**10**	**4**	**30**	**44**

* *Restated at the rate of exchange used for the 2022 income statement (£1=€1.182).*

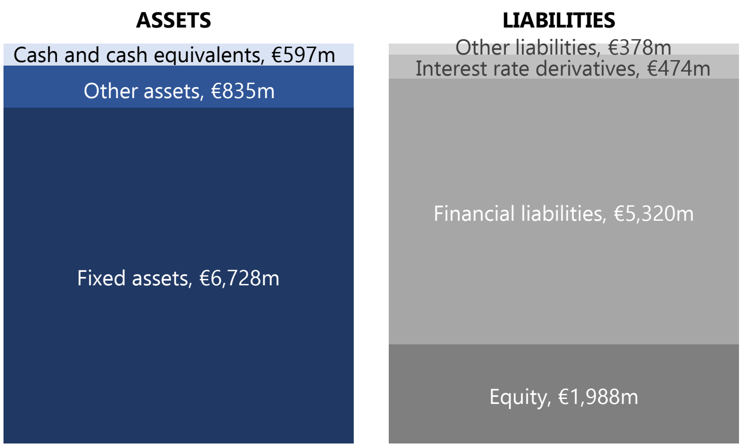
After taking into account a net deferred tax income of €7 million, the Group's net consolidated result for the first half of the 2022 financial year was a profit of €52 million compared to a loss of €124 million at an equivalent exchange rate for the same period in 2021, an increase of €176 million.

ANALYSIS OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ million	30 June 2022	31 December 2021
Exchange rate €/£	1.165	1.190
Fixed assets	6,728	6,718
Other non-current assets	617	592
Total non-current assets	**7,345**	**7,310**
Trade and other receivables	142	76
Other current assets	76	47
Cash and cash equivalents	597	718
Total current assets	**815**	**841**
Total assets	**8,160**	**8,151**
Total equity	1,988	1,319
Financial liabilities	5,320	5,334
Interest rate derivatives	474	1,101
Other liabilities	378	397
Total equity and liabilities	**8,160**	**8,151**

The table above summarises the Group's consolidated statement of financial position as at 30 June 2022 and 31 December 2021. 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 2022



- At 30 June 2022, "**Fixed assets**" include property, plant and equipment and intangible assets amounting to €5,657 million for the Eurotunnel segment, €958 million for the ElecLink segment and €113 million for the Europorte segment. Between 31 December 2021 and 30 June 2022 the investments of €52 million in the ElecLink segment is mainly due to expenses capitalised in connection with the project.
- **Other non-current assets** at 30 June 2022 include the G2 inflation-linked notes held by the Group amounting to €344 million and a deferred tax asset of €221 million.
- At 30 June 2022, "**Cash and cash equivalents**" amounted to €597 million after net capital expenditure of €88 million and €135 million in debt service costs (interest, repayments and fees).
- **Equity** increased by €669 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 €556 million, the recognition of an actuarial gain on employee benefits of €85 million, the impact of net result for the period (profit of €52 million) and by the impact of the change in the exchange rate on the translation adjustment (€33 million). This increase was partially offset by payment of €54 million in dividends.
- **Financial liabilities** decreased by €14 million compared to 31 December 2021 due to the impact of the change in exchange rate on the sterling-denominated debt (€50 million),contractual debt repayments of €32 million and a decrease of €9 million in the liability relating to lease contracts. These decreases have been partially offset by an increase of €76 million arising from the effect of inflation on the index-linked debt tranches of the Term Loan (€79 million) and the impact of the amortisation of debt issuance costs.
- The liability in respect of the fair value of the **interest rate derivatives** decreased by €627 million due to the impact of higher long term rates on the market value of the financial instruments.
- **Other liabilities** include €360 million of trade and other payables, provisions, deferred income and other liabilities, as well as retirement liabilities of €18 million.

ANALYSIS OF CONSOLIDATED CASH FLOWS

Consolidated cash flows

€ million	1st half 2022	1st half 2021
Exchange rate €/£	1.165	1.165
Net cash inflow from trading	288	110
Other operating cash flows and taxation	(5)	15
Net cash inflow from operating activities	**283**	**125**
Net cash outflow from investing activities	(88)	(55)
Net cash outflow from financing activities	(190)	(159)
Net cash outflow from financing operations	(120)	–
Net cash outflow from discontinued activities *	–	(2)
Total decrease in cash in the period	**(115)**	**(91)**

* *MyFerryLink maritime segment (see note C.2 to the consolidated financial statements as at 31 December 2021 contained in section 2.2.1 of the 2021 Universal Registration Document).*

At €288 million, net cash generated from trading by continuing operations in the first half of 2022 increased by €178 million compared to the first half of 2021. This change is explained mainly by the significant impact on Eurotunnel's activities of the progressive lifting of cross-border travel restrictions during the period :

- net cash flow from Eurotunnel's activities which increased by €183 million to €281 million (first half 2021: €98 million). The first half of 2021 included a receipt of €4 million in respect of an indemnity under an agreement with the French State;
- net cash flow from Europorte's operations which decreased by €6 million to €7 million (first half 2021: €13 million); and
- ElecLink's net operating cash flow for the first half of 2022 was neutral as a result of the start of commercial operations being at the end of the period.

Other operating and taxation cash outflows of €5 million in the first half of 2022 are mainly related to the first effects of the voluntary departure programme concerning Eurotunnel segment employees launched in 2021 as described in note A.2 to the consolidated summary half-year financial statements as at 30 June 2022. In the first half of 2021, the Group received 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).

In the first half of 2022, net cash flows from investing activities of €88 million comprised mainly:

- net payments of €57 million relating to the Eurotunnel segment (first half of 2021: €23 million including a receipt of €11 million in respect of the partial reimbursement by the French State for Brexit-related investments under an agreement reached in March 2021). The main expenditure during the period comprised €31 million on rolling stock and €18 million on infrastructure projects; and
- net payments of €28 million relating to the last stages of the ElecLink project (€30 million in the first half of 2021).

Net financing payments in the first half of 2022 amounted to €190 million compared to €159 million in the first half of 2021. During 2022, cash flow from financing comprised:

- €56 million paid in respect of capital transactions consisting mainly of €54 million paid in dividends in respect of the 2021 financial year (€27 million in 2021);
- €135 million of net debt service costs including:
  - €98 million of interest paid on the Term Loan and on other borrowings (€96 million in the first half of 2021);
  - €32 million paid in respect of the scheduled repayments on the Term Loan and other borrowings (€29 million in the first half of 2021);
  - €3 million of cash received from the scheduled repayment of the G2 notes held by the Group and €4 million of interest received thereon; and
  - €9 million paid in relation to leasing contracts (€10 million in the first half of 2021) presented in cash flows related to financing activities in accordance with IFRS 16.

In the first half of 2022, the Group refinanced the €425 million C2A tranche of the Term Loan and partially terminated the corresponding hedging contracts (see notes A.3 and G.1 to the summary consolidated half-year financial statements at 30 June 2022). €118 million was paid for the partial termination of the hedging contracts and other transaction-related costs amounted to €5 million.

OTHER FINANCIAL INDICATORS

Free Cash Flow

The Group's Free Cash Flow, as defined in section 2.1.4.a of the 2021 Universal Registration Document, shows the cash flows generated by the Group's current activities.

€ million	1st half 2022	1st half 2021
Exchange rate €/£	1.165	1.165
Net cash inflow from operating activities	283	125
Net cash outflow from investing activities	(59)	(24)
Debt service costs (interest paid, fees and repayments)	(135)	(129)
Interest received and other receipts	1	–
Free Cash Flow from continuing operations	**90**	**(28)**
Free Cash Flow from discontinued operations	–	(2)
Free Cash Flow	**90**	**(30)**
Dividend paid	(54)	(27)
Purchase of treasury shares and net movement on liquidity contract	(2)	(3)
Refinancing operations	(120)	–
ElecLink project-related capital expenditure	(28)	(30)
Régionéo project	(1)	(1)
Use of Free Cash Flow	**(205)**	**(61)**
Decrease in cash in the period	**(115)**	**(91)**

At €90 million in the first half of 2022, Free Cash Flow for continuing activities has decreased by €118 million compared to the same period in 2021 for the reasons set out in the previous sections.

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 2021 Universal Registration Document was 2.54 at 30 June 2022 (30 June 2021 restated: 0.87).

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 2021, the ratio was 14.8.

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 2021 Universal Registration Document.

In October 2021, in the context of the health crisis and as a precautionary measure, the Group extended to the end of 2022 the waiver agreement that was put in place in 2020 under its main financial covenant (see note A.1 to the consolidated financial statements in section 2.2.1 of the 2021 Universal Registration Document). For the period ending 30 June 2022, the Group exercised the option not to use this waiver.

For the 12 months to 30 June 2022, 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 complied with these ratios as of 30 June 2022. For more information, see notes A.4 and G.1.1 to the consolidated financial statements in section 2.2.1 of the 2021 Universal Registration Document.

OUTLOOK

As indicated in this half-year activity report and in notes A.1 and D.7 to the summary half-year consolidated financial statements as at 30 June 2022, the Group's results and financial position in the first half of 2022, and in particular those of the **Eurotunnel** segment, have begun to recover from the unfavourable effects on its activities of the strict measures taken by the French and UK governments in relation to the Covid-19 pandemic. The Group's EBITDA for the first half of 2022 was above pre-pandemic levels in the same period of 2019, even excluding the contribution of ElecLink which entered into service in May 2022.

Whilst during the first half of 2022, passenger traffic for both the Passenger Shuttle service and Eurostar traffic levels remain slightly below pre-pandemic levels, they are expected to continue to recover in the coming months in the absence of any further travel restrictions or other market disruptions. The Passenger Shuttle service's abnormally high market share due to its perceived health-safety advantages during the pandemic is returning to more normal levels.

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 UK government announced on 28 April 2022 that the remaining controls on the importation of EU sanitary and phytosanitary (SPS) goods, which were to have been introduced from July 2022, would no longer be introduced this year.

The Group is actively preparing for the entry into force of the European Union entry/exit system (EES), which is scheduled for mid-2023. This involves additional checks, particularly biometric checks, to be carried out at each Schengen border crossing for third country nationals (into which category the British fall since Brexit) after an initial registration of the passenger file in the central EES database (valid for three years). In collaboration with the French Ministère de l'Intérieur, Getlink has worked on a project to create a pre-registration data system upstream of the French border authoritiy's (PAF) control booths in order to meet the challenges of fluidity and traffic flow management linked to the implementation of the EES regulation. This work has enabled the French Ministère de l'Intérieur to draw up specifications adapted to the Eurotunnel context with passenger vehicles.

The ETIAS travel authorisation system will in a second step be implemented at Schengen borders. Similar to the North American ESTA system, proof of EU travel authorisation will be required at the time of booking for non-visa nationals (such as UK nationals). This travel authorisation, valid for three years, will be issued to the passenger on request through the ETIAS system.

The Group continues to closely monitor the competitive environment of the cross-Channel market following the arrival of the new entrant, Irish Ferries, at the end of 2021 and the significantly increased capacity offered by the ferry operators on the Short Straits market and P&O's difficulties.

Despite the still 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.

As regards Railway Network traffic, the European Commission's approval on 28 March 2022 of the merger between Eurostar and Thalys is a positive sign for the medium-term growth in cross-Channel passenger traffic. The launch in April of a third daily direct service between London and Amsterdam and Rotterdam and the confirmation of a fourth from September 2022 mark a further step in the development of this high growth potential market for a fast and environmentally friendly rail link. In February, Getlink and CAT Group announced the launch of a new 6-year cross-Channel rail freight service on behalf of Toyota between the United Kingdom and the Czech Republic via France; this new traffic alone represents a 15% growth in cross-Channel freight, on a like-for-like basis, compared to 2021. During the first half of 2022, agreements were signed with Eurostar, DB Cargo and GBRf favouring their cross-Channel traffic by not duplicating their safety certification.

The geopolitical events of the first half of 2022 are beginning to have a significant economic impact both in the United Kingdom and in Europe, with considerably increased energy costs and inflation rates higher than they have been for many years. The resulting pressure on the purchasing power of individuals and businesses as well as higher interest rates, further exacerbated by shortages of certain raw materials and production and supply chain issues is also feeding into the inflationary cycle.

The Group's financial charges have already increased due to the impact of high inflation on the index-linked tranche of Eurotunnel's Term Loan, although the cash impact is not immediate. Whilst the impact of increased energy prices to date has been limited due to the fact that a large part of electricity usage was purchased in advance, substantially increased electricity spot prices since the beginning of the year are impacting Eurotunnel's operating costs. To mitigate the impact of increased energy costs on its margins, Eurotunnel introduced an Electricity Value Adjustment (EVA) for its truck customers from 1 April 2022. This mechanism is similar to the BAF (Bunker Adjustment Factor) charge which has been used for some time by the ferries to mitigate the impact of increased fossil fuel prices. Europorte also has in place mechanisms to alleviate the impact of higher energy costs as most of their contracts with their customers include clauses that enable it to recover some or all of increased fuel costs.

Half-year activity report

Reservations and yields for the Passenger Shuttle Service for the key summer period are currently looking strong. However, the re-introduction of international travel restrictions resulting from a further resurgence of Covid or the emergence of significant concerns regarding the economic situation may have an impact on the Group's revenues in the second half of the year.

The Group continues to apply many of the actions implemented in 2020 and 2021 to limit its costs and preserve cash, in particular the dynamic adjustment of capacity and operating plans of its Shuttles in line with traffic levels and by using the French partial activity scheme for its staff. During the first half of 2022, Eurotunnel restarted some of the major renewal programmes that had been deferred over the last few years and continues to focus its investments on strengthening the quality of service and modernising its equipment and infrastructure.

Europorte continues to pursue its strategy of controlled growth and to develop is cross-border services between France, Germany and the Benelux countries.

Following validation of its safety dossier by the Intergovernmental Commission in February 2022, **ElecLink** was able to complete all the final works and commissioning on its electricity interconnector prior to the launch of commercial operation on 25 May 2022, slightly ahead of schedule. ElecLink boosts transmission capacity between France and the United Kingdom by 1GW, bringing the total to 4GW. Commercially, the new interconnector has been well received by customers with good results achieved in the auctions to date and technically, it has been performing as expected. Revenue of €35 million was earned for the period 25 May to 30 June 2022. As at 30 June 2022, revenue of approximately €122 million had already been contracted for the second half of the year via periodic auctions carried out to that date, subject to the effective delivery of the capacity sold.

The exemption under Article 17 of the European Union Electricity Regulation granted to ElecLink by the national regulators and the European Commission in 2014 includes a profit sharing mechanism which allows ElecLink to operate as a merchant interconnector while making significant contributions to social welfare in France and the UK. This profit sharing mechanism triggers when return on investment of the project reaches 13%. Detailed application of this mechanism is to be discussed with the regulators in 2022/2023.

Objectives

When announcing its 2021 results in February 2022 and in the absence of clear visibility on the evolution of the health situation and the geopolitical and economic context, the Group decided not to communicate a financial objective for 2022.

Despite the resumption of Eurotunnel's traffic in the first half of 2022 and the successful start-up of ElecLink on 25 May, the recent resurgence of Covid-19 with the risk of further border restrictions, as well as the growing impact of the Ukrainian crisis on economic conditions in Europe and the UK, and in particular on energy markets and inflation rates, mean that the Group's situation and outlook in the second half of 2022 still remain uncertain.

In this context, the Group has decided not to announce a financial trajectory for the year 2022.

The unsettled general context does not affect the solidity or the long-term competitive advantages, including environmental ones, of the Group or those of its various activities, nor their medium and long-term growth potential.

The Group confirms its determination to continue to improve its financial, operational and environmental performance by capturing the opportunities offered by constantly changing markets.

Cash position and financial ratios

Despite the unfavourable environment of the last few years, the various measures taken by the Group since 2020 have enabled it to comply with the covenants relating to the Eurotunnel Term Loan and to strengthen its liquidity position.

As at 30 June 2022, the Group held cash of €597 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 2022 and 2023, as well as the financing of its activities.

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 2021 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 to the competitive environment and the geopolitical and economic context. 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 2022, 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 2022	1st half 2021	Full year 2021
Revenue	D.2	577,372	326,157	774,352
Other income	D.3	–	3,959	3,959
Total turnover	D.1	**577,372**	**330,116**	**778,311**
Operating expenses	D.4	(149,851)	(115,938)	(244,004)
Employee benefits expense	E	(118,461)	(114,187)	(236,952)
Operating margin (EBITDA)	D.1	**309,060**	**99,991**	**297,355**
Depreciation	F	(95,276)	(92,196)	(189,466)
Trading profit		**213,784**	**7,795**	**107,889**
Other operating income	D.5	13,352	411	2,966
Other operating expenses	D.5	(4,504)	(2,080)	(49,340)
Operating profit		**222,632**	**6,126**	**61,515**
Share of result of equity-accounted companies		(625)	(587)	(931)
Operating profit after share of result of equity-accounted companies		**222,007**	**5,539**	**60,584**
Finance income	G.6	939	232	573
Finance costs	G.6	(197,640)	(133,265)	(308,672)
Net finance costs		(196,701)	(133,033)	(308,099)
Other financial income	G.7	34,552	30,625	58,687
Other financial charges	G.7	(14,578)	(29,691)	(47,924)
Pre-tax profit/(loss) from continuing operations		**45,280**	**(126,560)**	**(236,752)**
Income tax income/(expense) of continuing operations	I.1	6,310	3,528	7,691
Net profit/(loss) from continuing operations		**51,590**	**(123,032)**	**(229,061)**
Net loss from discontinued operations		(25)	(50)	(115)
Net profit/(loss) for the period		**51,565**	**(123,082)**	**(229,176)**
Net profit attributable to:				
Group share		51,565	(123,082)	(229,176)
Minority interest share		–	–	–
Earnings per share (€):	H.3			
Basic earnings per share: Group share		0.10	(0.23)	(0.43)
Diluted earnings per share: Group share		0.10	(0.23)	(0.42)
Basic earnings per share from continuing operations		0.10	(0.23)	(0.43)
Diluted earnings per share from continuing operations		0.10	(0.23)	(0.42)

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

€'000	Note	1st half 2022	1st half 2021	Full year 2021
Items that will never be reclassified to the income statement:				
Actuarial gains and losses on employee benefits	E.2	88,783	55,768	46,116
Related tax	I	(3,504)	(3,200)	(2,539)
Items that are or may be reclassified to the income statement:				
Foreign exchange translation differences		32,771	(75,233)	(109,794)
Hedging contracts: movement in market value and recycling of the fair value on the partially terminated contracts	G.2	530,592	233,027	252,044
Tax related to hedging contracts	I	24,940	(3,646)	(5,119)
Net income/(expense) recognised directly in equity		**673,582**	**206,716**	**180,708**
Profit/(loss) for the period – Group share		51,565	(123,082)	(229,176)
Total comprehensive income/(expense) – Group share		**725,147**	**83,634**	**(48,468)**
Total comprehensive income/(expense) – minority interest share		–	–	–
Total comprehensive income/(expense) for the period		**725,147**	**83,634**	**(48,468)**

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 2022	31 December 2021
ASSETS					
Goodwill ElecLink			F	20,392	20,392
Intangible assets ElecLink			F	119,437	119,955
Right-of-use assets (IFRS 16)				48,624	57,426
Total intangible assets			F	**188,453**	**197,773**
Concession property, plant and equipment				5,645,885	5,676,290
Other property, plant and equipment				893,783	843,412
	Of which	*ElecLink*		*816,973*	*769,009*
		Europorte		*69,321*	*69,005*
Total property, plant and equipment				**6,539,668**	**6,519,702**
Equity accounted companies				868	47
Deferred tax asset			I.2	220,824	193,477
Other financial assets			G.3	395,195	398,655
Total non-current assets				**7,345,008**	**7,309,654**
Inventories				3,186	3,064
Trade receivables				141,822	75,721
Other receivables				72,057	44,478
Other financial assets			G.3	222	214
Cash and cash equivalents				597,456	718,112
Total current assets				**814,743**	**841,589**
Total assets				**8,159,751**	**8,151,243**
EQUITY AND LIABILITIES					
Issued share capital			H.1	220,000	220,000
Share premium account				1,711,821	1,711,821
Other reserves			H.4	(230,683)	(585,972)
Profit for the period				51,565	(229,176)
Cumulative translation reserve				235,327	202,556
Equity				**1,988,030**	**1,319,229**
Minority interest share				–	–
Total equity				**1,988,030**	**1,319,229**
Retirement benefit obligations			E.2	18,028	107,448
Financial liabilities			G.1	5,166,578	5,176,264
Other financial liabilities			G.4	61,504	70,095
Interest rate derivatives			G.2	474,309	1,100,909
Total non-current liabilities				**5,720,419**	**6,454,716**
Provisions			D.6	38,298	50,664
Financial liabilities			G.1	75,339	69,270
Other financial liabilities			G.4	16,777	18,615
Trade payables				218,473	172,134
Other payables				102,415	66,615
Total current liabilities				**451,302**	**377,298**
Total equity and liabilities				**8,159,751**	**8,151,243**

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 2021	220,000	1,711,796	(759,732)	(112,704)	312,350	**1,371,710**	–	**1,371,710**
Adjustment to retirement liability IAS 19	–	–	12,883	–	–	**12,883**	–	**12,883**
Transfer to consolidated reserves	–	–	(112,704)	112,704	–	**–**	–	**–**
Payment of dividend	–	–	(26,953)	–	–	**(26,953)**	–	**(26,953)**
Share based payments	–	–	7,659	–	–	**7,659**	–	**7,659**
Acquisition/sale of treasury shares	–	–	2,398	–	–	**2,398**	–	**2,398**
Result for the year	–	–	–	(229,176)	–	**(229,176)**	–	**(229,176)**
Merger of ETM companies	–	25	(25)	–	–	**–**	–	**–**
Minority interests	–	–	–	–	–	**–**	–	**–**
Profit/(loss) recorded directly in other comprehensive income:								
▪ Actuarial gains and losses on employee benefits	–	–	46,116	–	–	**46,116**	–	**46,116**
▪ Related tax	–	–	(2,539)	–	–	**(2,539)**	–	**(2,539)**
▪ Movement in fair value of hedging contracts	–	–	194,795	–	–	**194,795**	–	**194,795**
▪ Recycling of the fair value on the partially terminated hedging contracts	–	–	57,249	–	–	**57,249**	–	**57,249**
▪ Related tax	–	–	(5,119)	–	–	**(5,119)**	–	**(5,119)**
▪ Foreign exchange translation differences	–	–	–	–	(109,794)	**(109,794)**	–	**(109,794)**
31 December 2021	**220,000**	**1,711,821**	**(585,972)**	**(229,176)**	**202,556**	**1,319,229**	**–**	**1,319,229**
Transfer to consolidated reserves	–	–	(229,176)	229,176	–	**–**	–	**–**
Payment of dividend	–	–	(54,057)	–	–	**(54,057)**	–	**(54,057)**
Share based payments **	–	–	(412)	–	–	**(412)**	–	**(412)**
Acquisition/sale of treasury shares	–	–	(1,877)	–	–	**(1,877)**	–	**(1,877)**
Result for the period	–	–	–	51,565	–	**51,565**	–	**51,565**
Minority interests	–	–	–	–	–	**–**	–	**–**
Profit/(loss) recorded directly in other comprehensive income:								
▪ Actuarial gains and losses on employee benefits (E.2)	–	–	88,783	–	–	**88,783**	–	**88,783**
▪ Related tax	–	–	(3,504)	–	–	**(3,504)**	–	**(3,504)**
▪ Movement in fair value of hedging contracts (G.2)	–	–	502,124	–	–	**502,124**	–	**502,124**
▪ Recycling of the fair value on the partially terminated hedging contracts (G.2)	–	–	28,468	–	–	**28,468**	–	**28,468**
▪ Tax related to hedging contracts	–	–	24,940	–	–	**24,940**	–	**24,940**
▪ Foreign exchange translation differences	–	–	–	–	32,771	**32,771**	–	**32,771**
30 June 2022	**220,000**	**1,711,821**	**(230,683)**	**51,565**	**235,327**	**1,988,030**	**–**	**1,988,030**

* *See note H.4 below.*
** *Of which €2,328,000 is in respect of free shares and €-2,740,000 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 2022	1st half 2021	Full year 2021
Operating margin (EBITDA) from continuing operations	D.1	309,060	99,991	297,355
Operating margin (EBITDA) from discontinued operations		(24)	(53)	(133)
Exchange adjustment	*	(2,305)	263	3,021
Increase in inventories		(122)	(62)	(328)
(Increase)/decrease in trade and other receivables		(78,350)	5,875	4,844
Increase in trade and other payables		59,643	4,085	33,390
Net cash inflow from trading		**287,902**	**110,099**	**338,149**
Other operating cash flows		(4,705)	11,794	11,514
Taxation (paid)/received		(184)	1,282	1,818
Net cash inflow from operating activities		**283,013**	**123,175**	**351,481**
Payments to acquire property, plant and equipment		(87,377)	(54,350)	(133,516)
Change in loans and advances		(817)	(1,256)	(1,256)
Net cash outflow from investing activities		**(88,194)**	**(55,606)**	**(134,772)**
Capital transactions:				
Dividend paid		(54,057)	(26,953)	(26,953)
Exercise of stock options		567	86	677
Liquidity contract (net)		(2,372)	(2,927)	1,650
Financial transactions:				
Fees paid for partial termination of hedging contracts		(117,566)	–	–
Early repayment of loans		(425,000)	–	–
Fees paid on loans		(4,548)	–	(1,280)
Issue of new loans		427,170	–	153,000
Payment into 2025 Green Bonds debt service reserve account		–	–	(5,250)
Net debt service cost:				
Fees paid on loans		(1,680)	(995)	(4,328)
Interest paid on loans		(98,020)	(95,566)	(193,293)
Scheduled repayment of loans		(32,330)	(28,802)	(60,555)
Cash received from scheduled repayment of G2 notes		3,447	3,408	6,337
Interest paid on leasing and repayment of leasing obligations		(9,251)	(10,351)	(21,713)
Interest received on cash and cash equivalents		250	188	301
Interest received on other financial assets		3,662	2,965	7,044
Net cash outflow from financing activities		**(309,728)**	**(158,947)**	**(144,363)**
(Decrease)/increase in cash in the period		**(114,909)**	**(91,378)**	**72,346**

* *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 2022	1st half 2021	Full year 2021
Cash and cash equivalents at 1 January	718,112	628,905	628,905
Effect of movement in exchange rate	(5,746)	11,449	16,859
Increase/(decrease) in cash in the period	(114,909)	(91,378)	72,346
Decrease in interest receivable in the period	(1)	1	2
Cash and cash equivalents at the period end	**597,456**	**548,977**	**718,112**

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 (which began on 25 May 2022) of the 1 GW electricity interconnector in the Tunnel by ElecLink. The maritime activity was discontinued in 2015.

The summary half-year consolidated financial statements for 2022 were approved by the Board of Directors at its meeting held on 20 July 2022.

A. Important events

A.1 Activity in the first half of 2022

A.1.1 Significant upturn in Eurotunnel's activity

During the first half of 2022, the containment and population movement restriction measures put in place in 2020 by the French and British governments in the context of the Covid-19 pandemic were gradually lifted. This has resulted in a significant improvement in the Group's results during the period compared to the same period in 2021. Whilst passenger traffic levels for both the Shuttle and Eurostar businesses remain below 2019 pre-pandemic levels, the effective application of Eurotunnel's yield management strategy for Shuttle traffic and the continuation of measures put in place by the Group to protect its cash flows have meant that the Group's consolidated EBITDA for the first half of 2022 has exceeded that of the same period in 2019, despite significantly higher energy costs. The impact of the health crisis on the Group's results between 2020 and 2022 is detailed in note D.7 below.

Despite the unfavourable environment over the last two years, the recovery of traffic during the first half of 2022 along with the continued effect of the various measures taken by the Group since the beginning of the pandemic have enabled it to comply with the financial covenants relating to the Eurotunnel Term Loan at 30 June 2022 and to strengthen its liquidity position. At 30 June 2022, the Group's cash and cash equivalents amounted to €597 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 European Union were implemented on 1 January 2021 and Truck Shuttle traffic was impacted throughout 2021, and in particular in the first few months of the year, by the adaptation of its customers to these new administrative rules for crossing the border.

During 2021, the UK Government delayed the full implementation of the new border control provisions on entry to the UK. These controls have been partially in place at the border since 1 January 2022, but on 28 April 2022 the UK Government announced that the introduction of the remaining import controls on EU goods, planned for mid 2022, would be postponed until late 2023.

A.1.3 Completion and commercial launch of the ElecLink interconnector

Following validation of its safety dossier by the Intergovernmental Commission in February 2022, ElecLink completed all the remaining works and commissioning procedures on its electricity interconnector prior to the launch of commercial operation on 25 May 2022, slightly ahead of schedule.

Investment in the project during the first half of 2022 amounted to €52 million (including capitalised expenses). The amount recorded in the Group's balance sheet as at 30 June 2022 was €938 million, of which €817 million is in tangible assets and €121 million in intangible assets.

Commercially, the new interconnector has achieved good results in the capacity auctions held to date and its technical performance has been in line with expectations. Revenues of €35 million were earned for the period 25 May to 30 June 2022.

A.1.4 Impact of the Ukrainian crisis

The indirect consequences for Eurotunnel of the Ukrainian crisis of increasing energy costs result in an increase in its operating costs in the period of approximately €9 million. In addition, the financial charges on the tranches of its Term Loan that are index-linked to inflation have also been indirectly affected.

A.2 Voluntary departure plans in France and the United Kingdom

As part of its action plan to address the dual impact of the Covid-19 crisis and Brexit on Eurotunnel's business, and with the aim of better adapting its organisation to the new economic reality, the Group launched a voluntary departure programme for all employees of the Eurotunnel segment in October 2021 with an objective of reducing Eurotunnel's workforce by approximately 200 people. The Group recognised a provision of €29 million in its consolidated financial statements at 31 December 2021 relating to the implementation of this voluntary departure programme (see note D.5 below).

The first departures under the voluntary redundancy programme for Eurotunnel's UK staff took place before the end of 2021 and continued into the first half of 2022, and should be completed during the second half of the year. In France, a Collective Bargaining Agreement (Rupture conventionnelle collective) was concluded with the trade unions in 2021. The first departures took place in the first half of 2022 and will continue in the second half of 2022 and into 2023. The costs incurred under this plan in the first half of 2022 were approximately €4 million.

The Group has adjusted as at 30 June 2022 the amount of the provision made in relation to the voluntary departure plans resulting in an additional release of this provision in the first half of 2022 of approximately €8 million as shown in note D.6 below. €16 million of the provision remains on the Group's balance sheet as at 30 June 2022.

A.3 Refinancing of tranche C2A of the Term Loan

On 12 May 2022, the Group completed the refinancing of the €425 million C2A tranche of Eurotunnel's Term Loan. The operation permitted the Group to avoid a 4% contractual margin step-up from June 2022, thereby saving an estimated €17 million in annual financing costs over the next nine years. In addition, the partial termination of the hedging contracts results in a cash saving of some €15 million per annum over the same period, partially offset by the cost of this partial termination of €118 million.

The operation comprised the refinancing of the C2A tranche of the Term Loan by the issue of one new tranche of debt, the C2E tranche, at a fixed rate of interest of 3,531% for the initial nine-year period and thereafter switching back to variable rate with a margin step-up, as well as the partial termination of the corresponding hedging contracts.

The operation and its treatment in the half-year consolidated financial statements are presented in detail in note G below.

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 2022. 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 2021.

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 2021.

The average and closing exchange rates used in the preparation of the 2022 and 2021 half-year accounts and the 2021 annual accounts are as follows:

€/£	30 June 2022	30 June 2021	31 December 2021
Closing rate	1.165	1.165	1.190
Average rate	1.182	1.157	1.167

B.3 Changes in accounting standards as at 30 June 2022

The standards and interpretations used and described in the annual financial statements as at 31 December 2021 have been supplemented by the standards, amendments and interpretations whose application is mandatory for financial years beginning on or after 1 January 2022.

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

The following texts, concerning accounting rules and methods specifically applied by the Group, have been approved by the European Union:

- amendments to IFRS 3 - references to the conceptual framework;
- amendments to IAS 16 - proceeds before intended use; and
- amendments to IAS 37 - onerous contracts – cost of fulfilling a contract.

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

B.3.2 Texts adopted by the European Union but not yet compulsory

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

- amendments to IAS 1 and Practice Statement 2 - disclosures about accounting policies;
- amendments to IAS 8 - definition of estimates; and
- amendments to IAS 12 - deferred tax related to assets and liabilities arising from a single transaction.

B.3.3 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 IAS 1 - classification of liabilities as current or non-current; and
- amendments to IFRS 17 - initial application of IFRS 17 and IFRS 9 - comparative information.

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 2022 have been established in the current economic and geopolitical context described in note A above. Depending on the evolution of these assumptions, actual results may differ from current estimates.

The use of estimations concerns mainly 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

The scope of consolidation at 30 June 2022 is the same as that at 31 December 2021.

D. Operating data

D.1 Segment information

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

- the "Eurotunnel" segment, includes the activities of the Eurotunnel sub-group companies, as well as those of the Group's parent company, Getlink SE and its other direct subsidiaries excluding Europorte and ElecLink,
- the "Europorte" segment, the main activity of which is that of rail freight operator, and
- the "ElecLink" segment, whose activity is the construction and operation of a 1 GW electricity interconnector running through the Channel Tunnel.

Information by segment

€'000	Eurotunnel	Europorte	ElecLink	Total of continuing operations	Discontinued operations*	Total
30 June 2022						
Revenue	475,144	67,556	34,672	**577,372**	–	**577,372**
Other income	–	–	–	**–**	–	**–**
EBITDA	260,308	14,692	34,060	**309,060**	–	**309,060**
Trading profit/(loss)	179,832	4,310	29,642	**213,784**	–	**213,784**
Pre-tax result of continuing operations	12,099	3,722	29,459	**45,280**	–	**45,280**
Net consolidated result				**51,590**	(25)	**51,565**
Investment in property, plant and equipment	52,489	3,070	51,554	**107,113**	–	**107,113**
Property, plant and equipment (intangible and tangible)	5,656,768	113,052	958,301	**6,728,121**	–	**6,728,121**
External financial liabilities	5,230,101	11,816	–	**5,241,917**	–	**5,241,917**
At 30 June 2021						
Revenue	260,426	65,731	–	**326,157**	–	**326,157**
Other income	3,959	–	–	**3,959**	–	**3,959**
EBITDA	86,349	13,925	(283)	**99,991**	–	**99,991**
Trading profit/(loss)	4,924	3,482	(611)	**7,795**	–	**7,795**
Pre-tax result of continuing operations	(118,215)	2,919	(11,264)	**(126,560)**	–	**(126,560)**
Net consolidated result				**(123,032)**	(50)	**(123,082)**
Investment in property, plant and equipment	16,024	1,820	53,387	**71,231**	–	**71,231**
Property, plant and equipment (intangible and tangible)	5,732,769	104,227	872,779	**6,709,775**	–	**6,709,775**
External financial liabilities	5,001,237	10,627	–	**5,011,864**	–	**5,011,864**
At 31 December 2021						
Revenue	644,149	130,203	–	**774,352**	–	**774,352**
Other income	3,959	–	–	**3,959**	–	**3,959**
EBITDA	269,975	27,911	(531)	**297,355**	–	**297,355**
Trading profit/(loss)	102,510	6,551	(1,172)	**107,889**	–	**107,889**
Pre-tax result of continuing operations	(212,752)	5,337	(29,337)	**(236,752)**	–	**(236,752)**
Net consolidated result				**(229,061)**	(115)	**(229,176)**
Investment in property, plant and equipment	59,247	3,361	90,238	**152,846**	–	**152,846**
Property, plant and equipment (intangible and tangible)	5,685,937	120,373	911,165	**6,717,475**	–	**6,717,475**
External financial liabilities	5,235,373	10,161	–	**5,245,534**	–	**5,245,534**

* *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 (see note C.2 to the consolidated financial statements as at 31 December 2021 contained in section 2.2.1 of the 2021 Universal Registration Document).*

D.2 Revenue

ACCOUNTING PRINCIPLES

ElecLink

Following start of commercial operations on 25 May 2022, ElecLink has recorded its first revenues during the first half of 2022. ElecLink's revenue includes:

- revenues from interconnector capacity sales and physical electricity transmission rights (or capacity sales); and
- other revenue relating to the value of participation in the British capacity market, French capacity market and other minor ancillary services (such as reactive power services).

Both of the above revenue streams fall within the scope of IFRS 15 "revenue from contracts with customers" and are recognised excluding taxes upon delivery of capacity.

Other revenues

During 2021, Eurotunnel concluded a contract with Colt Technologies for the installation and commercial operation of fibre optic cables in the Tunnel.

Revenues from this contract are accounted for in accordance with IFRS 15 based on the separate services identified.

Revenue is analysed as follows:

€'000	1st half 2022	1st half 2021	Full year 2021
Shuttle Services	335,069	188,858	476,573
Railway Network	129,683	65,993	155,462
Other revenues	10,392	5,575	12,114
Sub-total Eurotunnel	**475,144**	**260,426**	**644,149**
ElecLink	34,672	–	–
Europorte	67,556	65,731	130,203
Total	**577,372**	**326,157**	**774,352**

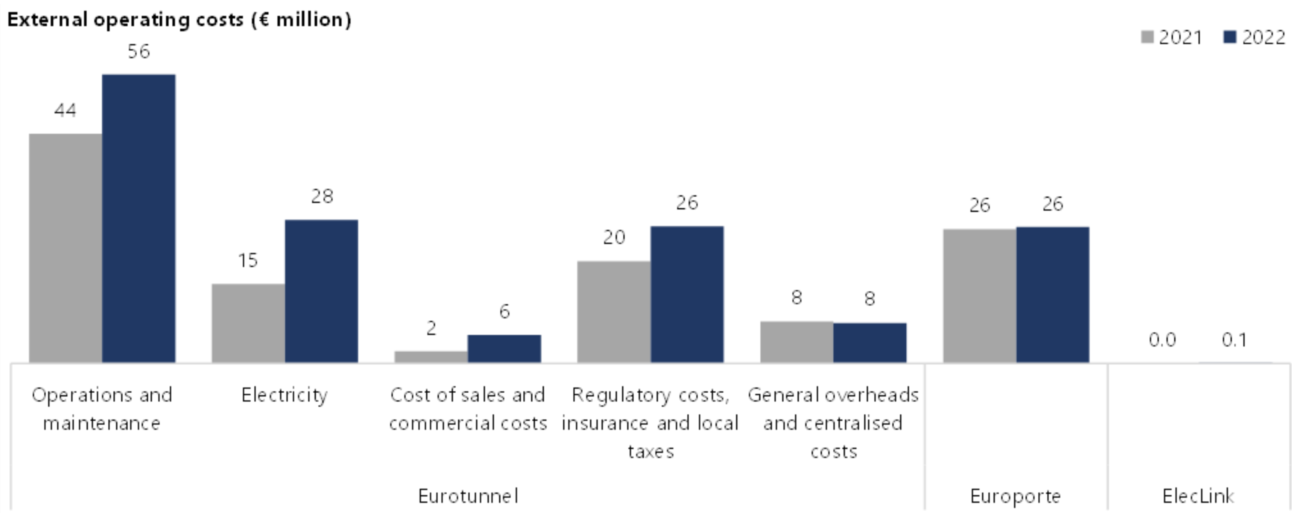
D.3 Other income

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.

D.4 Operating costs

Operating costs are analysed as follows:

€'000	1st half 2022	1st half 2021	Full year 2021
Operations and maintenance: sub-contracting and spares	55,847	44,395	98,190
Electricity	27,774	15,335	32,128
Cost of sales and commercial costs	5,526	2,351	9,456
Regulatory costs, insurance and local taxes	26,458	19,766	35,590
General overheads and centralised costs	7,818	8,137	17,512
Sub-total Eurotunnel	**123,423**	**89,984**	**192,876**
Europorte	26,321	25,912	51,009
ElecLink	107	42	119
Total	**149,851**	**115,938**	**244,004**



D.5 Other operating income and (expenses)

€'000	1st half 2022	1st half 2021	Full year 2021
Net profit on disposal or write-off of assets	416	–	–
Other operating income	12,936	411	2,966
Sub-total other operating income	**13,352**	**411**	**2,966**
Net loss on disposal or write-off of assets	–	(1,810)	(7,604)
Voluntary departure plans (see note A.2)	(4,360)	–	(28,818)
Other	(144)	(270)	(12,918)
Sub-total other operating expenses	**(4,504)**	**(2,080)**	**(49,340)**
Total	**8,848**	**(1,669)**	**(46,374)**

Included in other operating income above is an amount of €12,660,000 in respect of a partial release of the provision for the voluntary departure schemes (see note A.2 above).

D.6 Provisions

€'000	1 January 2022	Charge to income statement	Release of unspent provisions	Provisions utilised	Exchange difference	30 June 2022
Continuing activities	49,717	636	(8,300)	(4,513)	(189)	**37,351**
Discontinued maritime activity	947	–	–	–	–	**947**
Total	**50,664**	**636**	**(8,300)**	**(4,513)**	**(189)**	**38,298**

Included in the provisions for continuing activities above is an amount of €8,300,000 in respect of a partial release of the provision for the voluntary departure schemes (see note A.2 above).

D.7 Impact of the Covid-19 pandemic

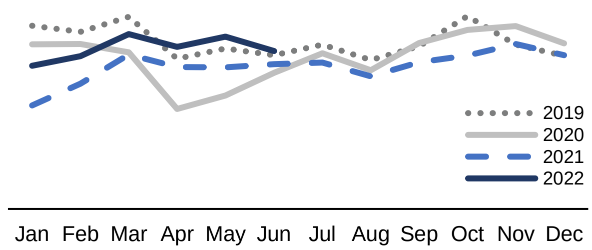
As indicated in note A.1 above, the public health crisis related to the Covid-19 pandemic and the measures taken since March 2020 by the French and British governments concerning the confinement of the population and the movement of people within and between the two countries has had a significant impact on the Group's business and results, in particular on those of Eurotunnel, throughout both 2020 and 2021. These restrictions were progressively lifted during the first half of 2022, and consequently, the Group's results for the first six months of 2022 are significantly above those of 2020 and 2021, and even surpassed those of the pre-pandemic first half of 2019.

Eurotunnel

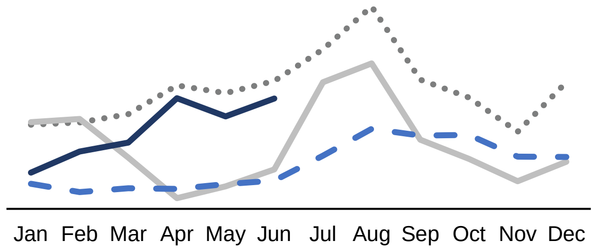
EUROTUNNEL TRAFFIC	1ST HALF			
Exchange rate: £1=€1.182	2019	2020	2021	2022
Truck Shuttle*	810	665	646	767
Passenger Shuttle*	1,166	555	251	872
Eurostar passengers*	5,299	1,993	202	3,303
Rail freight trains	1,166	857	873	754

* *In thousands.*

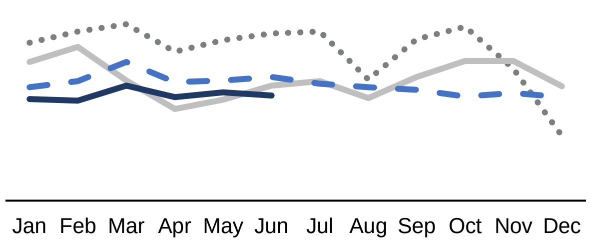
Truck Shuttle volumes



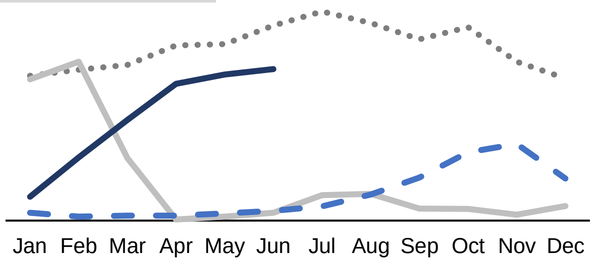
Passenger Shuttle car and coach volumes



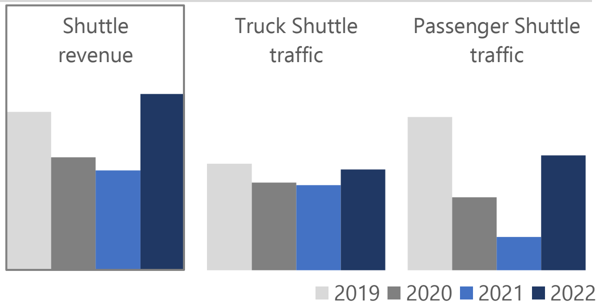
Railfreight trains



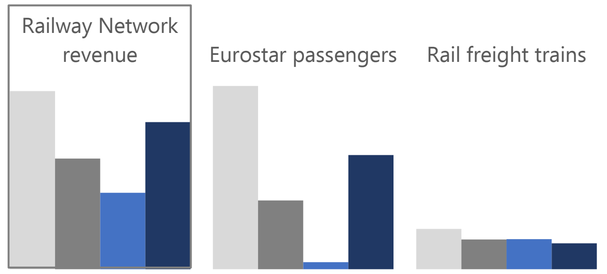
Eurostar passengers



Eurotunnel Shuttles: revenue and traffic



Eurotunnel Railway Network: revenue and traffic



Passenger Shuttle and Eurostar passenger traffic were the most impacted by the Covid-related restrictions in 2020 and 2021, although each time restrictions have been lifted, traffic levels have picked up. The most stringent travel restrictions were lifted in March 2022 and as a consequence, traffic levels during the first half of 2022, whilst being significantly above the same periods in 2020 and 2021, still remain below the first half of 2019. Traffic in the second quarter of 2022 is getting closer to pre-pandemic levels, although Passenger Shuttle traffic during April and May 2022 benefited to some extent from the temporary cessation of P&O traffic.

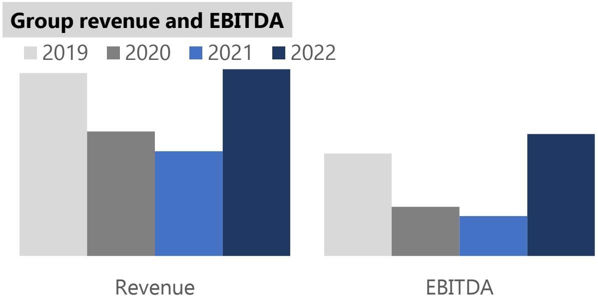
Eurotunnel's Truck Shuttle and cross-Channel rail freight business were less affected by the public health crisis although they continue to be impacted by the macro-economic situation, including the consequences of Brexit during the period.

Group

After a significant decrease in consolidated EBITDA in the first half of 2020 and 2021 compared to 2019, (€135 million and €159 million respectively), EBITDA in the first half of 2022 was €49 million above pre-pandemic 2019 levels. This was achieved through the effective application of Eurotunnel's yield management strategy, in particular for the Passenger Shuttle activity, and the continuing benefits arising from the measures put in place by the Group to adapt its capacity to changes in traffic demand, control its costs and protect its cash flow.

In millions	1ST HALF			
Exchange rate: £1=€1.182	2019	2020	2021	2022
Shuttle	301	215	190	335
Railway Network	156	97	67	129
Other*	7	4	9	10
Eurotunnel revenue*	**464**	**316**	**266**	**474**
Europorte	66	58	66	68
ElecLink	–	–	–	35
Group revenue	**530**	**374**	**332**	**577**
Operating costs	(270)	(249)	(231)	(268)
Group EBITDA	**260**	**125**	**101**	**309**
vs 2019	*–*	*(135)*	*(159)*	*49*

* *Including other income received in 2021 relating to the 2019 financial year (see note D.3 above).*



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

E.1.1 Free share plans with no performance conditions

Following the approval by the general meeting of shareholders on 27 April 2022 of the plan to issue existing free shares, Getlink SE's Board of Directors decided on 27 April 2022 to grant a total of 334,500 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 2022, 328,200 free shares issued in 2021 were acquired by employees.

Movements on the free share plans

Number of shares	2022	2021
In issue at 1 January	338,000	434,750
Granted during the period	334,500	350,800
Renounced during the period	(9,800)	(21,075)
Acquired during the period	(328,200)	(426,475)
In issue at the end of the period	**334,500**	**338,000**

Assumptions used for the fair value measurement on the grant date

Year of grant	2022
Fair value of free shares on grant date (€)	17.21
Share price on grant date (€)	17.99
Number of beneficiaries	3,345
Risk-free interest rate (based on government bonds):	
1 year	-0.32%
4 years	0.68%

E.1.2 Free share plan subject to performance conditions

On 27 April 2022, the general meeting of shareholders authorised the Board of Directors to grant free shares to executives and senior staff of Getlink SE and its subsidiaries, which may be acquired at the end of a three-year period subject to the achievement of performance conditions, up to a maximum total of 300,000 ordinary shares of a nominal value of €0.40 each. Under this scheme, the Board approved on 27 April 2022 the grant of 300,000 shares.

Movements on the free share plans

Number of shares	2022	2021
In issue at 1 January	542,500	260,000
Granted during the period	300,000	300,000
Renounced during the period	(11,958)	–
Cancelled during the period	–	(17,500)
In issue at the end of the period	**830,542**	**542,500**

Information on the free share plan subject to performance conditions

Date of grant / main staff concerned	Number of shares granted	Conditions for acquiring rights	Vesting period
Ordinary shares granted to key executives and senior staff on 27 April 2022	300,000	Staff must remain as employees of the Group. External performance condition (TSR) for 45% of the attributable volume, based on the relative performance of the TSR of the Getlink SE share compared to that of the GPR Getlink Index over a 3-year period. Internal performance condition for 30% of the attributable volume, based on the economic performance of the Group's rail operating businesses (the Shuttle and Europorte businesses) in 2024 assessed by reference to their ability to recover their operating costs from their annual revenues and measured by a ratio, the Working Ratio. Internal performance conditions for 25% of the attributable volume based on the achievement of CSR and climate objectives.	3 years

Assumptions used for the fair value measurement of free shares with performance conditions on the grant date

	2022 plan
Fair value on grant date (€)	13.39
Share price on grant date (€)	17.99
Number of beneficiaries	36
Risk-free interest rate (based on government bonds):	
1 year	0.16%
2 years	0.44%
3 years	0.71%

In addition, 558,923 preference shares with performance conditions granted in 2019 were acquired by the beneficiaries during the first half of 2022 and the remainder were cancelled due to the non-achievement of the performance conditions.

Charges to income statement

€'000	1st half 2022	1st half 2021	Full year 2021
Free shares with no performance conditions	2,331	2,289	4,400
Preference shares and free shares with performance conditions	(2,799)	1,794	3,116
Total	**(468)**	**4,083**	**7,516**

The non-achievement of certain performance conditions attached to the 2019 preference shares as referred to above resulted in a credit to the income statement during the first half of 2022 of €3.2 million.

E.2 Retirement benefits

At 30 June 2022, the Group reviewed the main assumptions used in its actuarial calculations and updated the amount of its pension obligations in respect of its main defined benefit pension scheme in the United Kingdom, The Channel Tunnel Group Pension Fund. On this basis, as at 30 June 2022, the UK pension liability was decreased by €89 million compared to 31 December 2021 mainly due to higher discount rates, partly offset by lower plan asset values. The corresponding actuarial gain was recognised in the consolidated statement of comprehensive income as at 30 June 2022.

During the first half of 2022 the Group completed the closure and winding up of its other UK defined benefit pension scheme, The Channel Tunnel Group Senior Executives' Pension Fund.

The Group also updated the assumptions underlying the valuation of its retirement obligations in France. The amount of these obligations remained stable as at 30 June 2022 compared to 31 December 2021.

F. Intangible and tangible property, plant and equipment

Investments during the period

The €52 million investment in the ElecLink project between 31 December 2021 and 30 June 2022 is mainly explained by capitalised expenses relating to the project.

Indications of impairment and impairment tests

As at 30 June 2022, the Group has not identified any impairment of the Concession assets nor of Europorte's assets.

As indicated in note A.1.3 above, ElecLink's electricity interconnector began commercial service on 25 May 2022. As at 30 June 2022, the Group has not identified any impairment of the ElecLink assets.

G. Financing and financial instruments

G.1 Financial liabilities

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

€'000	31 December 2021 published	31 December 2021 restated*	Reclass-ification	Drawdown	Repayment	Interest, indexation and fees	30 June 2022
Green Bonds	842,982	842,982	–	–	–	925	843,907
Term Loan	4,324,053	4,274,625	(32,403)	425,000	(425,000)	70,153	4,312,375
Europorte loan	9,229	9,229	(515)	1,582	–	–	10,296
Total non-current financial liabilities	**5,176,264**	**5,126,836**	**(32,918)**	**426,582**	**(425,000)**	**71,078**	**5,166,578**
Term Loan	63,232	62,976	32,403	–	(31,815)	3,335	66,899
Europorte loans	932	932	515	588	(515)	–	1,520
Accrued interest on loans:							
Green Bonds	–	–	–	–	–	–	–
Term Loan	5,106	5,048	–	–	–	1,872	6,920
Europorte loan	–	–	–	–	–	–	–
Total current financial liabilities	**69,270**	**68,956**	**32,918**	**588**	**(32,330)**	**5,207**	**75,339**
Total	**5,245,534**	**5,195,792**	**–**	**427,170**	**(457,330)**	**76,285**	**5,241,917**

* *The financial liabilities at 31 December 2021 (calculated at the year-end exchange rate of £1=€1.190) have been recalculated at the exchange rate at 30 June 2022 (£1=€1.165) in order to facilitate comparison.*

Refinancing of the C2A tranche of Eurotunnel's Term Loan

As indicated in note A.3 above, the Group completed the refinancing of the €425 million C2A tranche of Eurotunnel's Term Loan as well as the partial termination of the corresponding hedging contracts on 12 May 2022.

Refinancing of tranche C2A

Put in place in 2017 for a nominal value of €425 million, tranche C2A bore a fixed interest rate of 1.761% until June 2022. In the absence of a refinancing prior to this date, tranche C2A would have reverted to bearing a variable interest rate of EURIBOR +5.55% (being a margin of 1.55% plus a step-up of 4%) and would have been fully hedged by a fixed/floating interest rate swap for which the Group would have paid a fixed rate of 4.90% and would have received a floating rate (EURIBOR).

The new tranche, C2E. will bear interest at a fixed rate of 3.531% for nine years (until 20 June 2031) and thereafter will switch back to variable rate with a margin step-up of 4%. It retains the same contractual maturity (2050) and amortisation profile (2041 to 2050) as the previous C2A tranche.

In accordance with IFRS 9, the refinancing of the C2A tranche is accounted for as the extinguishment of the existing debt (C2A tranche) and the recognition of a new financial liability (C2E tranche).

Costs of the operation totalling €6 million are treated as follows in the consolidated accounts as at 30 June 2022:

- Costs directly related to the issuance of the new debt amounting to €5 million are recorded as an adjustment to the carrying amount of the new tranche and will be amortised using the effective interest rate over the initial fixed-rate period of nine years.
- Break costs on the C2A tranche of €846,000 have been charged to the income statement in "Other financial income".

In addition, the unamortised costs of the C2A tranche amounting to €87,000 were recognised in the income statement under "Other financial income".

Partial termination of the interest rate hedging contracts

As a result of the structure of the new tranche of the debt and in accordance with the stipulations of the Term Loan, the hedging contracts were amended to suspend their application for the duration of the initial fixed-rate periods of the new tranche C2E. The cost of the partial termination was €117.6 million, being €121.7 million corresponding to the market value of the contracts for the periods of their suspension less the discounts net of fees negotiated with the counterparties to the contracts.

The portion of the fair value of the partially terminated hedging instruments amounting to €121.7 million was recorded as a reduction in the liability of derivative instruments on the statement of financial position and, in accordance with IFRS 9, the corresponding amount accumulated in equity (OCI) will be recycled to the consolidated income statement over the period of partial termination of the contracts as an increase in financial charges.

The net profit from the discounts negotiated with the counterparties for the partial termination of the hedging contracts less the associated costs amounting to €4.1 million is recognised in the income statement in "Other financial income".

The partial termination of the hedging contracts, in connection with the change in the Group's exposure to interest rate risk on its debt, is in line with the interest rate risk management strategy put in place in 2007. As a result, these contracts continue to qualify as cash flow hedges in accordance with their designation as of the date of initial recognition.

Interest rate benchmarks 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 of 1 January 2021, which include a series of temporary provisions allowing hedging relationships to continue without interruption in the event of 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).

The Group is continuing to work on updating its contracts or implementing fallback provisions in response to this reform.

The transition of the rates has had no impact on the Group's consolidated financial statements as at 30 June 2022.

Europorte loan

On 31 May 2022, Europorte SAS took out a loan for €2.17m for a period of 2 years and 7 months (until 31 December 2024) in order to finance repairs to a locomotive.

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 of the Term Loan in June 2017 and of tranche C2A in May 2022.

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

€'000	31 December 2021	Partial terminations May 2022	* Changes in market value	Exchange difference	30 June 2022
Contracts in euros	822,561	(121,681)	(382,638)	–	318,242
Contracts in sterling	278,348	–	(116,468)	(5,813)	156,067
Total	**1,100,909**	**(121,681)**	**(499,106)**	**(5,813)**	**474,309**

* *Recorded directly in equity.*

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

€'000	31 December 2021	Recycling of partial terminations in 2017 and 2022	Change in the ineffective portion	Changes in market value	Exchange difference	30 June 2022
Contracts in euros	943,957	(20,541)	5,170	(382,638)	–	545,948
Contracts in sterling	397,494	(7,927)	–	(116,468)	(8,188)	264,911
Total	**1,341,451**	**(28,468)**	**5,170**	**(499,106)**	**(8,188)**	**810,859**

These derivatives generated a net charge to the income statement of €19 million for the first half of 2022 (charge of €29 million for the first half of 2021).

G.3 Other financial assets

€'000	30 June 2022	31 December 2021
G2 notes	343,602	347,480
Other*	51,593	51,175
Total non-current	**395,195**	**398,655**
Accrued interest on G2 notes	222	214
Total current	**222**	**214**
Total	**395,417**	**398,869**

* *Including €30,503,000 held in the DSRA in accordance with the terms of the Senior Secured Notes' Trust Deed and €19,069,000 in guarantees paid in relation to the ElecLink project at 30 June 2022 (31 December 2021: €30,503,000 and €18,674,000 respectively).*

G.4 Other financial liabilities

€'000	30 June 2022	31 December 2021
Fees on financial operations	27,835	29,440
IFRS 16 Lease obligations	33,669	40,655
Total non-current	**61,504**	**70,095**
Fees on financial operations	1,945	1,984
IFRS 16 Lease obligations	14,832	16,631
Total current	**16,777**	**18,615**
Total	**78,281**	**88,710**

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 2021.

At 30 June 2022

€'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 not measured at fair value											
Other current and non-current financial assets (note G.3)	–	–	395,417	–	–	–	**395,417**	51,587	–	310,442	**362,029**
Trade receivables	–	–	–	141,822	–	–	**141,822**	–	141,822	–	**141,822**
Cash and cash equivalents	597,456	–	–	–	–	–	**597,456**	597,456	–	–	**597,456**
Financial liabilities measured at fair value											
Interest rate derivatives (note G.2)	–	–	–	–	474,309	–	**474,309**	–	474,309	–	**474,309**
Financial liabilities not measured at fair value											
Financial liabilities (note G.1)	–	–	–	–	–	5,241,917	**5,241,917**	–	813,076	4,619,922	**5,432,998**
Other financial liabilities (note G.4)	–	–	–	–	–	78,281	**78,281**	–	78,281	–	**78,281**
Trade payables	–	–	–	–	–	218,473	**218,473**	–	218,473	–	**218,473**

At 30 June 2022, information relating to the fair value of the financial liabilities takes into account the evolution of the yield curves at 30 June 2022 and remains as described in note G.9 to the annual consolidated financial statements at 31 December 2021.

G.6 Net finance costs

€'000	1st half 2022	1st half 2021	Full year 2021
Finance income	939	232	573
Total finance income	**939**	**232**	**573**
Interest on loans before hedging: Term Loan and other	(86,321)	(82,735)	(167,031)
Amortisation of hedging costs related to partial termination	(28,468)	(28,556)	(57,246)
Interest on loans: Getlink	(14,875)	(12,250)	(25,346)
Interest on loans: Europorte	(132)	(138)	(270)
Capitalisation of interest on the ElecLink project	12,670	14,214	29,593
Effective rate adjustment	(4,560)	(4,711)	(9,409)
Sub-total	**(121,686)**	**(114,176)**	**(229,709)**
Inflation indexation of the nominal	(75,954)	(19,089)	(78,963)
Total finance costs	**(197,640)**	**(133,265)**	**(308,672)**
Total net finance costs	**(196,701)**	**(133,033)**	**(308,099)**

The inflation indexation of the loan principal estimated at 30 June 2022 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 2021.

G.7 Other financial income and (charges)

€'000	1st half 2022	1st half 2021	Full year 2021
Financial income arising from financial transactions:			
Discount realised on partial termination of the heding contracts**	4,415	–	–
Hedging instruments: change in the ineffective portion	5,169	–	1,976
Unrealised exchange gains *	11,829	21,603	32,050
Other exchange gains	2,489	4,829	8,819
Interest received on G2 notes owned by the Group	10,650	4,153	15,801
Other	–	40	41
Other financial income	**34,552**	**30,625**	**58,687**
Financial charges arising from financial transactions:			
Unamortised costs on C2A tranche**	(87)	–	–
Redemption premium on C2A tranche**	(846)	–	–
Other costs related to financial operations	(679)	(709)	(2,308)
Sub-total	**(1,612)**	**(709)**	**(2,308)**
Unrealised exchange losses *	(10,291)	(22,764)	(34,767)
Other exchange losses	(2,135)	(5,728)	(9,676)
Interest charges on IFRS 16 lease contracts	(516)	(479)	(1,145)
Other	(24)	(11)	(28)
Other financial charges	**(14,578)**	**(29,691)**	**(47,924)**
Total	**19,974**	**934**	**10,763**
Of which net unrealised exchange gains/(losses)	*1,538*	*(1,161)*	*(2,717)*

* *Mainly arising from the re-evaluation of intra-group debtors and creditors.*
** *See notes A.3 and G.1 above.*

H. Share capital and earnings per share

H.1 Changes in share capital

€	30 June 2022	31 December 2021
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 E fully paid-up preference shares each with a nominal value of €0.01	–	11.42
Total	**220,000,000.00**	**220,000,011.42**

During the first half of 2022, 1,142 category E preference shares issued under the 2019 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 2021.

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 2022	10,154,227	320,000	**10,474,227**
Shares transferred to staff (free share scheme)	(887,123)	–	**(887,123)**
Exercise of stock options	(82,102)	–	**(82,102)**
Net purchase/(sale) under liquidity contract	–	183,215	**183,215**
At 30 June 2022	**9,185,002**	**503,215**	**9,688,217**

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 2022	1st half 2021	Full year 2021
Weighted average number:			
– of issued ordinary shares	550,000,000	550,000,000	550,000,000
– of treasury shares	(10,314,475)	(11,702,527)	(11,170,952)
Number of shares used to calculate the result per share (A)	**539,685,525**	**538,297,473**	**538,829,048**
– effect of share options	20,868	90,250	58,755
– effect of free shares	485,271	571,925	598,071
– effect of preference shares	–	878,230	675,562
Potential number of ordinary shares (B)	**506,139**	**1,540,405**	**1,332,388**
Number of shares used to calculate the diluted result per share (A+B)	**540,191,664**	**539,837,878**	**540,161,436**

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 2022. The exercise of these options is conditional on the criteria described in note E.5.1 to the consolidated financial statements at 31 December 2021;
- on the assumption of the acquisition of all the free shares allocated to staff. During the first half of 2022, 328,200 of the free shares issued in 2021 were acquired by staff and 334,500 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 2021; and
- on the assumption of the acquisition of all the preference shares and still in issue at 30 June 2022. 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 2021.

H.3.2 Earnings per share

	1st half 2022	1st half 2021	Full year 2021
Group share: profit/(loss)			
Net result (€'000) (C)	51,565	(123,082)	(229,176)
Basic earnings per share (€) (C/A)	**0.10**	**(0.23)**	**(0.43)**
Diluted earnings per share (€) (C/(A+B))	**0.10**	**(0.23)**	**(0.42)**
Continuing operations: profit/(loss)			
Net result (€'000) (D)	51,590	(123,032)	(229,061)
Basic earnings per share (€) (D/A)	**0.10**	**(0.23)**	**(0.43)**
Diluted earnings per share (€) (D/(A+B))	**0.10**	**(0.23)**	**(0.42)**
Discontinued operations: profit/(loss)			
Net result (€'000) (E)	(25)	(50)	(115)
Basic earnings per share (€) (E/A)	**(0.00)**	**(0.00)**	**(0.00)**
Diluted earnings per share (€) (E/(A+B))	**(0.00)**	**(0.00)**	**(0.00)**

H.4 Detail of consolidated reserves by origin

€'000	30 June 2022	31 December 2021
Hedging contracts	(810,859)	(1,341,451)
Share options, free and preference shares and treasury shares	(71,000)	(68,711)
Retirement liability	38,507	(50,276)
Deferred tax	85,573	64,137
Retained earnings	527,096	810,329
Total	**(230,683)**	**(585,972)**

Dividend

On the 27 April 2022, the ordinary general meeting of Getlink SE decided on the payment of the dividend for the financial year 2021, for an amount of €0.10 per share. This dividend was paid in June 2022 for a total amount of €54 million.

I. Income tax expense

I.1 Tax accounted for through the income statement

€'000	1st half 2022	1st half 2021	Full year 2021
Current income tax	(1,010)	81	1,180
Deferred tax	7,320	3,447	6,511
Total	**6,310**	**3,528**	**7,691**

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 15 June 2022 and also takes into account changes in expected UK tax rates.

I.2 Changes to deferred tax during the period

€'000	At 31 December 2021 published	At 31 December 2021 restated	2022 impact on: income statement for continued activities	2022 impact on: income statement for discontinued activities	2022 impact on: other compre-hensive income	At 30 June 2022
Tax effects of temporary differences related to:						
Property, plant and equipment	(25,252)	(17,625)	(3,180)	–	–	**(20,805)**
ElecLink's intangible assets	(29,772)	(29,772)	99	–	–	**(29,673)**
Deferred taxation of restructuring profit	(352,353)	(352,353)	–	–	–	**(352,353)**
Hedging contracts	59,663	59,663	–	–	24,940	**84,603**
Other	13,504	13,385	(617)	–	(3,504)	**9,264**
Tax losses	527,687	518,770	11,018	–	–	**529,788**
Net tax assets/(liabilities)	**193,477**	**192,068**	**7,320**	**–**	**21,436**	**220,824**

J. Events after the reporting period

Nothing to report.

STATUTORY AUDITORS' REVIEW REPORT ON THE 2022 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 activity 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 SE, for the period from 1 January to 30 June 2022,
- the verification of the information presented in the half-year activity report.

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 IFRS 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 activity 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, 20 July 2022,

French original signed by

KPMG

Philippe Cherqui
Partner

Mazars

Eddy Bertelli
Partner

DECLARATION BY THE PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT AT 30 JUNE 2022

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
20 July 2022

GETLINK SE

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