Global Ports Holding PLC (GPH)
Interim Results 2020

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Global Ports Holding Plc

Interim results for the six months ended 30 June 2020

Global Ports Holding Plc ("GPH" or "Group"), the world's largest independent cruise port operator, today announces its unaudited results for the six months ended 30 June 2020.

Financial Summary	H1 2020		H1 2020 CCY[6]	H1 2019	YoY Growth (%)	YoY CCY Growth (%)
Total Revenue ($m) [1]	**54.2**		**54.4**	**54.6**	**-0.8%**	**-0.3%**
Cruise Revenue ($m) [8]	33.9		34.0	23.9	41.9%	42.5%
Ex IFRIC 12 Cruise Revenue ($m)[10]	*11.9*			*23.9*	*-50.1%*	
Commercial Revenue ($m)	20.3		20.4	30.8	-33.9%	-33.6%
Segmental EBITDA ($m) [2]	**16.8**		**16.9**	**39.1**	**-56.9%**	**-56.8%**
Cruise EBITDA ($m) [9]	3.9		3.9	16.8	-76.9%	-76.7%
Commercial EBITDA ($m)	12.9		13.0	22.3	-41.9%	-41.8%
Adjusted EBITDA ($m)	**13.5**		**13.5**	**34.8**	**-61.2%**	**-61.1%**
Segmental EBITDA Margin	31.1%		31.0%	71.6%		
Cruise Margin	11.5%		11.5%	70.5%		
Commercial Margin	63.6%		63.5%	72.4%		
Adjusted EBITDA Margin[3]	24.9%		24.9%	63.7%		
Operating Profit ($m)	(19.6)			1.3	-1622%	
Profit/(Loss) before tax ($m)	(42.0)			(13.8)	203.4%	
Profit/(Loss) after tax ($m)	**(34.9)**			**(15.8)**	**121.3%**	
Underlying profit for the period ($m) [4]	**(3.5)**			**6.0**	**-158.8%**	
Adjusted EPS (c) [5]	(5.6)			9.5	-158.8%	
DPS (c)	n/a			19.9		
Net Debt	436.9			351.1	24.4%	
Net Debt excluding IFRS 16 Finance Lease	372.6			286.8	29.9%	
Cash and cash equivalents	122.3			58.9	107.6%	
KPIs						
Passengers (m PAX) [7]	1.3			2.0	-35.7%	
General & Bulk Cargo ('000 tons)	583			458	27.3%	
Container Throughput ('000 TEU)	91			106	-13.8%	

Emre Sayin, Chief Executive Officer, said:

"With the Covid-19 crisis continuing to cause unprecedented disruption to both global economies and the global travel sector, cash preservation remains the key focus of the Group. Our flexible business model and our decisive actions to reduce costs early in the crisis means that the Group is well positioned to navigate through it.

While cruise volumes remain very low versus historical standards, we currently expect a steady increase in cruise ship calls and passenger volumes over the remainder of the year. And it is encouraging to note that our cruise line partners continue to report strong bookings for 2021. In the meantime, we continue to work closely with all relevant partners and health authorities on the safe return to cruising across our portfolio.

When the cruise industry begins to exit this crisis in a meaningful way, we expect significant new cruise port opportunities will present themselves. As the world's largest cruise port operator, with a proven and flexible business model, an ability to bring global best practice to ports and destinations, including leading health and safety standards, as well as the ability to combine the raising of financing for new projects with a flexible approach to cruise port concession and management, Global Ports Holding remains in a strong position to play a leading role as new opportunities arise."

Overview

- The Covid-19 crisis has caused unprecedented disruption to global economies and the global travel sector, and has had a significant, negative impact on the business. The global cruise industry effectively shut down in Q2 2020, for the first time in its history and as a result our cruise ports have experienced a sharp fall in revenues. While our Commercial ports are exposed to global economic growth and macro-economic factors which have been impacted by Covid-19, trading at these ports in Q2 has been broadly in line with Q1 trading.
- Total consolidated revenues were $54.2m in the period down 0.8% yoy (-0.3% ccy). Cruise Revenue grew 41.9% reflecting the impact of IFRIC-12 on Nassau Cruise Port. IFRIC-12 results in $22.0m of construction revenue being recognised in respect of construction services provided at Nassau Cruise Port. IFRIC-12 has no impact on cash generation. Excluding this impact Cruise Revenue fell 50.1%. Commercial Revenue fell 33.9% in the period, primarily driven by the impact of the previously disclosed oil services contract in H1 2019, excluding this impact Commercial Revenue fell 19.1%.
- Segmental EBITDA fell 56.9% (56.8% ccy) to $16.8m. With Cruise EBITDA falling 76.9% (76.7% ccy) to $3.9m, excluding the IFRIC-12 impact on Nassau Cruise Port, Cruise EBITDA fell 79.5%. Commercial EBITDA fell 41.9% (41.8% ccy) to $12.9m, excluding the impact of the 2019 oil services contract, Commercial EBITDA fell by 25.9%. Despite the onset of the Covid-19 crisis, Q2 Commercial EBITDA was stable at -0.6% QoQ.
- H1 Adjusted EBITDA fell 61.2% (61.1% ccy) to $13.5m, down from to $34.8m in H1 2019. Central costs were reduced by 22.1% in the period, reflecting the prompt actions taken in Q2. The cost reduction program has reduced costs by about two thirds compared to Q1 2020, the full impact of which will be visible during H2-2020.

- The operating loss of $19.6m in the period compared to a H1 2019 operating profit of $1.3m, is largely driven by the $21.3m fall in Adjusted EBITDA yoy. The operating loss is Adjusted EBITDA after port operating rights amortisation expense of $21.0m (H1 2019: $16.9m), amortisation of $6.0m (H1 2019: $6.4m) and one off adjustments and non-operating expenses of $5.4m (H1 2019: $6.9m).
- Loss after tax for the period of $34.9 million (H1 2019: $15.8m) is driven by an increase in net finance costs to $23.0m (H1 2019: $18.4m), a fall in in income from equity accounted associates to $0.7m (H1 2019: $3.3m), while there was a tax credit of $7.1m in the period, compared to a tax expense of $1.9m in H1 2019. The increased net finance costs are due to non-cash loss when revaluing the Eurobond debt, along with non-cash revaluation losses on Turkish entities foreign currency dominated liabilities and the increase in net interest expenses increased to $13.9m (H1 2019: $14.3m). The tax credit reflects the impact of the loss before tax in the period.
- Underlying profit for the period of -$3.5m reflects the loss after tax adjusted for port operating rights amortisation expense of $21.0m (H1 2019: $16.9m).
- Net debt of $436.9m (31 December 2019: $389.2m) increased due to additional financial indebtedness incurred in relation to the Caribbean growth projects for Nassau Cruise Port ($150m unsecured 20-year bond completed in May 2020) and further drawdowns under the Capex facility at Antigua Cruise Port, partially offset by scheduled repayments in other indebtedness and an increase in cash. The leverage ratio as per GPH's Eurobond continues to exceed at 30 June 2020 the incurrence covenant of 5.0x with a value of 6.70x (31 December 2019: 4.65x).
- In light of the significant impact of the Covid-19 outbreak on the Group the board has elected to suspend the dividend until the cruise industry recovers.

Covid-19 crisis management and actions

As previously disclosed on the 14 April 2020 and 10 June 2020, in light of the exceptional circumstances that have engulfed the cruise industry, the board and management took several significant actions to protect the balance sheet and long term future of the business.

On the 14 April 2020 the board stated that the actions taken meant that even under a severe downside scenario the Group would have sufficient cash resources to remain in operation at the end of April 2021. This severe downside scenario included a number of key assumptions, two of which were, an assumption of no cruise calls for the remainder of 2020 and extending into 2021 for certain ports, and for marble container throughput volumes to fall by 75% compared to management expectations over the period from May to September 2020.

While the board and management remain focussed on controlling costs and preserving cash, it is notable that recently some of our cruise ports have started to plan for the first cruise calls following the Covid-19 related suspension of activities and that marble volumes for April to June 2020 are above those achieved in Q12020 and significantly ahead of the key assumption in the severe downside scenario.

Flexible cost base

GPH's cruise port business model is inherently flexible. Outsourced service providers are extensively used across our cruise ports. This means that a high percentage of costs automatically expands and contracts in line with cruise traffic.

The flexibility of this model has helped protect the business and preserve cash during the Covid-19 crisis. With this evident in a Q2 EBITDA loss of just $1.8m in Cruise, despite almost zero cruise calls in the period and underlying Cruise revenue (i.e. excluding Nassau's IFRIC-12 revenue related to construction activity) of only $0.9m.

In addition, trading at our commercial ports has remained positive despite the macroeconomic issues arising in context of Covid-19. Thanks to diversification of GPH's income sources a positive Adjusted EBITDA of $3.2m at the Group level in Q2 2020 was achieved.

Looking ahead, when cruise calls increase and passengers begin to return to our cruise ports, the structure of our business model is such that the majority of the costs wil rise or fall depending on the volume. This means that each cruise call at any of our ports should have a positive impact on EBITDA.

In terms of the costs that are not directly driven by cruise calls, as cruise demand recovers, these costs will naturally return. However, we will only allow them to rise in a meaningful way when the demand has reached levels which can be considered sustainable. Investment related costs such as new port project expenses and capex, with the exception of capex in Nassau and Antigua, are expected to remain low for at least the next 12 months.

New Port Capital Commitments

Since the global outbreak of Covid-19 all but essential maintenance capex has been suspended across our portfolio. However, the capex at our new ports in the Caribbean has continued as planned.

In Antigua, the Group has contributed all required equity at closing of the transaction in October 2019. The balance of the necessary investment, required to complete the new pier, will be fully funded through a committed bank loan from a syndicate of lenders.

In Nassau, the construction phase has now begun, with an expected completion date of April 2022. The scheduled capex for the marine component of the construction has been fully financed by the recent issue of a 20-year $150m 8.0% coupon bond by Nassau Cruise Port. Further funding at Nassau Cruise Port will not be required until the second half of 2021.

While new cruise port project expenses have effectively been suspended, the board believes that despite and partly due to Covid-19 there is still considerable scope for future expansion of the business over the medium to long term. While there continues to be a strong appetite to finance investment in cruise port infrastructure, as evidenced by the successful Nassau Cruise Port bond issuance, not all new port projects require up-front investment from GPH.

For example, in Spain GPH recently partnered with Balearia Group in their tender submission for a 35-year concession for the port of Valencia. While the plans include an investment of $37m into the infrastructure, including a new environmentally friendly passenger terminal in the port of Valencia, GPH will not be investing in the infrastructure and will focus solely on managing the cruise port operations. The outcome of this tender is expected to be announced before the year end.

While the Covid-19 crisis has clearly impacted the plans of many current cruise port owners or and local authorities, it will have also impacted the plans of would-be investors in cruise ports. With a proven ability to bring global best practice and leading health and safety protocols to ports as well as the ability to raise financing for new projects even in the most challenging of times, Global Ports Holding is well positioned to play an active role as new opportunities arise.

Strategic Review and Eurobond

On 11 March 2020 GPH announced that following a competitive sales process it had entered exclusive negotiations with a potential buyer of Port Akdeniz. Negotiations continue to progress positively but a final outcome on the sale process has not yet been reached. There can be no certainty as to the timing of the sale or that the terms of a sale will be agreed. A further announcement will be made when it is appropriate to do so. After this process has ended the Group will decide on the most appropriate refinancing structure for its $250m 2021 Eurobond.

The Group's $250m 2021 Eurobond has a covenant of five times Gross Debt to EBITDA for the bond issuer Global Liman, a 100% subsidiary of Global Ports Holding, and its consolidated subsidiaries. As at 30 June 2020, Gross Debt to EBITDA was 6.7x. As an incurrence covenant, the impact is that incurrence of additional debt at Global Liman and its subsidiaries and dividend distributions from Global Liman are restricted until such time as the Gross Debt to EBITDA leverage falls below five times.

Cruise - Significant impact from Covid-19

- Cruise EBITDA fell 76.9% (76.7% ccy) to $3.9m in the period, with Cruise Revenue, excluding the impact of IFRIC-12, falling by 50.1% (49.7% ccy) to $11.9m.
- The onset of the global Covid-19 crisis and the suspension of nearly all global tourism, clearly hit our Cruise ports hard in Q2. However, it is testament to the strength and flexibility of GPH's business model that despite only $0.9m of revenue across our cruise ports in Q2 excluding Nassau's IRIC-12 revenue, our Cruise business made and EBITDA loss of just $1.8m in Q2.
- Due to the application of IFRIC-12 for Nassau Cruise Port the capex incurred for this project is accounted for as revenue including a gross profit margin of 2%. In Q2 2020, IFRIC-12 increased reported revenue by $22.0m. The expenditure for the construction activities is recognised as operating expenses. IFRIC-12 has no impact on cash generation.

- Passenger volumes fell 35.7% yoy, with just 1.3m PAX handled in the period.
- The health and safety of our staff, local communities, passengers and crew has always been our first priority. A range of new measures, including universal testing of pre-embarkation testing of passengers, have been put in place across our ports, meeting and often exceeding local and regional regulatory requirements.
- The World Travel and Tourism Council has already endorsed the measures taken in a number of our ports, and has so far provided a "safe travel" stamp for Antigua, Barcelona, Bodrum, Ege Port, Malaga, Valletta, and Zadar.
- While there remains considerable uncertainty over when cruising will meaningfully start its path back to a new normal, GPH is ready to welcome the safe return of passengers across our portfolio.

Commercial - steady underlying performance continues

- Commercial EBITDA fell 41.9% (-41.8% ccy) to $12.9m in the period, with Commercial Revenue falling 33.9% (-33.6% ccy) to $20.3m. Excluding the previous disclosed impact of the oil services contract in H1 2019 at Port Akdeniz, Commercial EBITDA fell 25.9% in the period.
- Despite the onset of the Covid-19 crisis towards the end of Q1, it is important to note that underlying Q2 Commercial EBITDA was broadly stable in Q2 (-0.6% QoQ).
- General & Bulk Cargo volumes grew 27.3% yoy in H1 2020, while TEU throughput fell 13.8% yoy in H1 2020. Importantly, despite the Covid-19 crisis, Q2 General & Bulk Cargo volumes rose 3.5% QoQ and Q2 TEU Throughput fell just 10.6% QoQ.

Outlook & current trading

Looking into the remainder of 2020, the near term outlook for Cruise remains highly uncertain. A number of cruise lines have recently commenced sailings and more are planning to do so over the remainder of 2020. Understandably, there remains considerable uncertainty over these sailings. All of our ports have worked hard and continue to work hard to ensure they play their part in helping the industry set sail once again and that cruise passengers, health authorities and cruise lines are reassured by the new health and safety measures at our ports.

Looking into 2021 and beyond, it is very encouraging to see strong booking trends across all regions. While on-board distancing measures will mean cruise ship occupancy levels are likely to be down in 2021, the level of continued consumer demand is encouraging. Despite these signs, no material revenue and hence no material improvement compared to Q2 2020 is expected in the Cruise segment for the remainder of the year.

Our commercial ports have continued to show stable performance albeit not being fully immune against the major disruptions caused by Covid-19. Over the remainder of the year, we expect our Commercial ports to improve compared to H1 2020.

Notes- For full definitions and explanations of each Alternative Performance measures in this statement please refer to Note 2f

1. All $ refers to United States Dollar unless otherwise stated
2. Segmental EBITDA is calculated as income/(loss) before tax after adding back: interest; depreciation; amortisation; unallocated expenses; and specific adjusting items
3. Adjusted EBITDA calculated as Segmental EBITDA less unallocated (holding company) expenses
4. Underlying Profit is calculated as profit / (loss) for the year after adding back: amortisation expense in relation to Port Operation Rights, non-cash provisional income and expenses, non-cash foreign exchange transactions and specific non-recurring expenses and income. Adjusted earnings per share is calculated as underlying profit divided by weighted average number of shares
5. Adjusted earnings per share is calculated as underlying profit divided by weighted average number of shares
6. Performance at constant currency is calculated by translating foreign currency earnings from our consolidated cruise ports, management agreements and associated ports for the current period into $ at the average exchange rates used over the same period in the prior year.
7. Passenger numbers refer to consolidated and managed portfolio consolidation perimeter, hence it excludes equity accounted associate ports La Goulette, Lisbon Singapore and Venice.
8. Revenue allocated to the Cruise segment is the sum of revenues of consolidated and managed portfolio
9. EBITDA allocated to the Cruise segment is the sum of EBITDA of consolidated cruise ports and pro-rata Net Profit of equity accounted associate ports La Goulette, Lisbon, Singapore and the contribution from management agreements
10. Revenue Ex IFRIC 12 and Ex IFRIC 12 Segmental EBITDA refers to Nassau Cruise Port Revenue and EBITDA excluding the impact of IFRIC 12.

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A copy of this report will be available on our website www.globalportsholding.com today from 0700hrs (BST).

Investor Call

An analyst and investor call will be held today at 3.00pm (BST).

Please email martinb@globalportsholding.com for dial in details

Group performance review

With the Covid-19 outbreak leading to an effective global shutdown of leisure travel, including the suspension of cruising in the second quarter, the first half of 2020 has proven to be the most difficult period in the company's history. Group revenue was down just 0.8% (-0.3% ccy) to $54.2m, however, this figure is heavily influenced by the impact of IFRIC-12 on the Nassau Cruise Port concession. Due to the concession agreement granting the Group the right to operate Nassau Cruise Port falling within the scope of IFRIC-12 "Service Concession Arrangements", the Group recognises revenue and operating expenditure as construction takes place to improve the port infrastructure. This revenue does not represent amounts that will be paid directly to the Group by either the local port authority or the ports customers. As a result, we have

also presented analysis of the Group's results excluding this revenue and the related expense. This revenue is referred to as 'IFRIC-12' throughout the performance review. Excluding this impact Group revenue fell by 41%.

Adjusted EBITDA fell 61.2% (-61.1% ccy) to $13.5m (H1 2019: $34.8m) in the period. An underlying loss of $3.5m was reported for the period, compared to an underlying profit of $6.0m for the same period last year and loss after tax of $34.9m compared to a $15.8m loss after tax for the same period last year.

2020 was the year that the strategy we set at the IPO in 2017 really started to deliver operational and financial results. Our successful expansion into the Caribbean drove a step change in our Cruise operations in Q1. Unfortunately, the subsequent Covid-19 crisis had a materially negative impact on the business, delaying but not cancelling the impact of our successful expansion in the Caribbean.

In the first half of the year, cruise passenger volumes fell 35.7% to 1.3m (H1 2019: 2.1m, FY 2019: 5.3m). This is in sharp contrast to the reported growth in cruise passenger volumes in Q1 of 146% yoy, which was driven by the first time contribution from the new Caribbean cruise ports in The Bahamas and Antigua. At all ports, including equity accounted associate ports La Goulette, Lisbon, Singapore and Venice, we welcomed 1.6m passengers (H1 2019: 3.3m, FY 2019: 9.3m).

Cruise Revenue in the first half increased by 41.9% to $33.9m (H1 2019: $23.9m, FY 2019: $63.0m), while Cruise EBITDA fell by 76.9% to $3.9m. However, these figures, particularly revenue, are heavily influenced by the application of accounting standard IFRIC 12 on Nassau Cruise Port concession. This increased revenue at Nassau Cruise Port by $22.0m in the period and EBITDA by $0.4m.

With the global shutdown of the cruise industry in Q2, the vast majority of Cruise activity took place in Q1. Excluding IFRIC-12, H2 Cruise revenue and EBITDA was $11.9m and $3.5m respectively, reflecting the global cruise industry shutdown, Q2 Cruise revenue and EBITDA was $0.9m and $-2.2m. Most of the revenue generated in Q2 2020 was Ancillary Revenue such as rental income from retail facilities. On a constant currency basis, first half cruise revenue was $34.0m and Cruise EBITDA was $3.0m.

In the context of a global crisis the underlying performance of our Commercial Port operations was positive in the period. While Commercial revenues fell by 33.6% to $20.3m in the period (H1 2019: $30.8m, FY 2019: $54.8m), excluding the impact of the oil services contract at Port Akdeniz in H1 2019, Commercial revenue fell 19.1%. While Commercial Revenue was stable in Q2, falling by just 4.6%, a strong performance in light of the prevailing crisis.

Revenues from Port Akdeniz fell by 36.5% in H1 2020, while Port Adria's revenue fell by 18.7%. Port Akdeniz's revenue decline reflects the impact of the 2019 Oil services contract, excluding this impact, Port Akdeniz revenue fell 19.3%.

Commercial EBITDA fell by 41.9% to $12.9m, with both ports reporting a decline. Port Akdeniz delivered a decline in EBITDA of 42.6% to $11.9m, however excluding the impact of the 2019 Oil services contract, EBITDA declined 25.9%.

This better underlying performance at Port Akdeniz is reflected in the cargo volumes. In H1 2020, General & Bulk cargo volumes rose 65.7% (Q1 2020: 86.0%), while Container volumes fell -20.7% (Q1 2020: -20.3%).

Port of Adria reported an EBITDA decline of 30.4% to $1.1m. General & Bulk cargo volumes fell 77.5% (Q1 2020: -64.8%), while Container volumes fell rose 7.2% (Q1 2020: -9.3%).

Central costs were reduced by 22.1% in the period, reflecting the prompt action taken in Q2 to control costs and conserve cash as the Covid-19 crisis started to have a significant impact on the global cruise industry. The cost reduction program has reduced costs by about two thirds compared to Q1 2020, the full impact of which will be visible during H2 2020.

Loss after tax for the period of $34.9 million (H1 2019: $15.8m) results primarily from the $21.3m fall in Adjusted EBITDA, the net finance costs increase to $23.0m (H1 2019: $18.4m) and decrease in income from equity accounted associates to $0.7m (H1 2019: $3.3m), largely offset by a tax credit of $7.1m, which compares to a tax expense of $1.9m in H1 2019. The increased net finance costs are due to non-cash loss when revaluing the Eurobond debt, along with non-cash revaluation losses on Turkish entities foreign currency dominated liabilities and the increase in net interest expenses increased to $13.9m (H1 2019: $14.3m). The tax credit reflects the impact of the loss before tax in the period.

Cruise Ports Business Review

As stated above, 2020 was the year that the strategy we set at the IPO was expected to start to really deliver operational and financial results. By the end of Q1, this expectation was becoming reality, with cruise passenger volumes up 146% yoy and Cruise EBITDA up 61% at the end of March 2020. Unfortunately, the global outbreak of Covid-19 and the subsequent unprecedented disruption to both global economies and the global travel sector put the cruise sector into hibernation.

As of today, there have been only a few signs of cruising returning to our porst, with a small number of cruise ships now sailing very restricted itineraries. However, while there are plans for further ships to set sail over the remainder of 2020, the short term outlook remains uncertain.

However, looking into 2021 and beyond, it is very encouraging to see such strong booking trends across the cruise industry and across all regions. The major cruise lines have stated that booking trends for 2021 are strong and while the industry has seen some early retirement of older ships and small delays to new ship orders, the long term outlook for the cruise ship fleet remains positive.

It should come as no surprise to see our Cruise port operations so badly affected by the global shutdown in 2020. However, it is testament to our business model and our speed of response to the crisis that at the EBITDA level of our Cruise port business lost only $1.8m in Q2 2020, generating a H1 2020 EBITDA of $3.9m.

Cruise Port Operations	H1 2020	H1 2020 CCY[6]	H1 2020	YoY Growth (%)	YoY CCY Growth (%)
Revenue ($m)	**33.9**	**34.0**	**23.9**	**41.9%**	**42.5%**
Ex IFRIC 12 Cruise Revenue ($m)[10]	*11.9*		*23.9*	*-50.1%*	
Segmental EBITDA ($m)	**3.9**	**3.9**	**16.8**	**-76.9%**	**-76.7%**
Ex IFRIC Segmental EBITDA ($m)[10]	*3.5*		*16.8*	*-79.5%*	
Segmental EBITDA Margin	11.5%	11.5%	70.5%	-83.7%	-83.6%
Passengers (m PAX)	1.3		2.0	-35.7%	-35.7%
Creuers (Barcelona and Malaga)					
Revenue ($m)	**1.5**	**1.5**	**12.5**	**-88.1%**	**-87.8%**
Segmental EBITDA ($m)	**(0.8)**	**(0.8)**	**7.7**	**-110.2%**	**-110.5%**
Segmental EBITDA Margin	-53%	-53%	62%	-185.9%	-185.9%
Passengers (m PAX)	0.1		1.0	-86.7%	-86.7%

Valletta Cruise Port					
Revenue ($m)	**1.75**	**1.80**	**6.25**	**-72.0%**	**-71.3%**
Segmental EBITDA ($m)	**0.68**	**0.70**	**3.72**	**-81.7%**	**-81.3%**
Segmental EBITDA Margin	38.8%	38.8%	59.6%	-34.9%	-34.9%
Passengers (m PAX)	0.04		0.39	-89.8%	-89.8%
Ege Port					
Revenue ($m)	**0.47**	**0.47**	**2.30**	**-79.7%**	**-79.7%**
Segmental EBITDA ($m)	**(0.16)**	**(0.16)**	**1.36**	**-111.9%**	**-111.9%**
Segmental EBITDA Margin	-34.6%	-34.6%	59.0%	-158.6%	-158.6%
Passengers (m PAX)	0.01		0.06	-90.0%	190.2%
Nassau Cruise Port					
Revenue ($m)	**27.4**	**27.4**	**n/a**		
Ex IFRIC 12 Revenue ($m)[10]	*5.5*		*n/a*		
Segmental EBITDA ($m)	**2.8**	**2.8**	**n/a**		
Ex IFRIC 12 Segmental EBITDA ($m)[10]	*2.3*		*n/a*		
Segmental EBITDA Margin	10.2%	10.2%	**n/a**		
Passengers (m PAX)	0.84		n/a		
Other Cruise					
Revenue ($m)	**3.6**	**3.7**	**4.5**	-18.7%	-16.6%
Segmental EBITDA ($m)	**1.1**	**1.1**	**1.6**	-32.0%	-30.4%
Passengers (m PAX)	0.27		0.51	-46.8%	-46.8%

Overall in H1 2020 we welcomed 1.3m Cruise passengers, a 36% decline compared to the same period last year. With the strong first time contribution from our new ports in the Caribbean in Q1 2020 helping to offset the impact of the shutdown of the cruise industry in Q2 2020. At all ports including equity accounted associate ports La Goulette, Lisbon, Singapore and Venice we welcomed 1.6m passengers (H1 2019: 3.3m, FY 2019: 9.3m).

In the first half Cruise Revenue increased 41.9% to $33.9m vs H1 2019 $23.9m and Cruise Segmental EBITDA fell 76.9% to $3.9m (H1 2019: $16.8m). However, Cruise revenue was inflated by the accounting standard IFRIC-12, which resulted in $22.0m of capital expenditure at Nassau Cruise Port in Q2 having to be recognised as revenue. Excluding this impact Cruise Revenue in H1 2020 was $11.9m and Cruise Segmental EBITDA was $3.5m.

The most significant contributor to Cruise Segmental EBITDA was the first time underlying contribution of Nassau, which reported EBITDA of $2.8m in H1 2020. Elsewhere, with almost no passenger volumes in Q2 2020, Valletta and Ege performed better than most other ports in the period as a result of their non-passenger related retai revenue such as waterfront restaurants.

Overall the pro-rata net income contribution from our equity accounted associate ports to Other Cruise EBITDA was $0.7m (H1 2019: $3.3m) during the period.

With the onset of the Covid-19 outbreak, the focus of our cruise operations quickly became cost cutting and cash preservation. GPH's business model is inherently flexible ir its Cruise ports. The extensive use of outsourced serviced providers means that a high percentage of costs automatically expand and contract in line with cruise traffic.

Fixed costs were reduced through a range of measures including a significant reduction in employee costs through a reduced working week, salary deferrals, and suspension of board members' salaries and fees until 2021. Marketing costs, new port project costs and consultancy fees were significantly reduced. In addition, at a number of ports minimum concession fees have either been discounted or deferred. With the exception of the ports in Nassau and Antigua, all but essential maintenance capita expenditure has been suspended, yielding a significant saving.

The flexibility of this model has helped protect the business and preserve cash during the Covid-19 crisis and the reporting of $3.9m of Cruise Segmental EBITDA in H1 2020 and an EBITDA loss of just $1.8m in Q2 2020 is testament to the flexibility and strength of the business model in the face of a never seen before crisis.

While most of our cruise ports have been very quiet in Q2 2020, in the Caribbean, work has continued in transforming Nassau Cruise Port and Antigua Cruise Port. So far ir 2020, $28.9m has been invested into Nassau Cruise Port and $9.1m has been invested into Antigua Cruise Port.

Phase two of the Nassau Cruise Port project is now underway, this phase will involve completing the marine works, which includes material purchases, an expansion of the berthing capacity of the port, and upgrades to existing infrastructure. In 2021, phase three will see the completion of the landside works, including the new arrivals termina and plaza, Junkanoo Museum, retail Market Place, amphitheatre, and other food and beverage and entertainment spaces. The project will also see the port integrated into Bay Street with the expectation that it will serve as a catalyst for the wider development of downtown Nassau. Transforming not just Nassau Cruise Port into one of the iconic cruise destinations in the world but also transforming the experience for cruise passengers, locals and the cruise lines, while generating local jobs and driving economic growth.

In May 2020, Nassau Cruise Port successfully issued a 8.0% coupon $150m 2040 bond through a private offering. The success of this issue, underpins the strength and attractions not only of this project but of the continued long term attractions of the global cruise industry.

In Antigua, significant progress has been made in the period on the work to complete the new pier. Once complete the pier will be capable of berthing the largest cruise ships in the world, acting as a key enabler of passenger volume growth over the medium term. Completion of the new pier is targeted for Q42020.

In addition to the continued investment in the Caribbean in H1 2020, the footprint of GPH's cruise port portfolio increased when its joint venture with MSC Cruises S.A., announced it had completed the acquisition of Goulette Shipping Cruise, the company that operates the cruise terminal in La Goulette, Tunisia. The concession to operate the cruise port was awarded to Goulette Shipping Cruise in 2006 on a 30-year basis, with a right to extend the term for an additional 20 years.

In addition, GPH increased its effective ownership of Malaga Cruise Port to 62% from 49.6%, when Creuers Del Port de Barcelona SA ("Creuers") completed the purchase of Autoridad Portuaria de Malagas's (Malaga Port Authority) 20.0% holding in the Malaga cruise port concession for €1.5m. This transaction is in line with GPH's strategy to buy out, at fair value, minority shareholdings where possible and appropriate to do so.

Commercial Ports Business Review

Our Commercial ports business has proven to be resilient in the first half of 2020, despite the turmoil caused to the global economy from the Covid-19 crisis. While our commercial ports are never immune to macro-economic factors, the performance has nevertheless been pleasing given the prevalent conditions.

The performance from Port Akdeniz has been far stronger than the severe downside scenario outlined at the time of the full year results on the 14 April 2020. A key element of this scenario was marble volumes at Port Akdeniz falling by 75% between May to September 2020 when compared to management expectations. In Q2 2020 Container Throughput volumes actually rose 1.5% QoQ, while marble volumes were up QoQ, performing significantly better than the severe downside assumption, albeit below our original expectations at the beginning of the year.

Commercial	H1 2020	H1 2020 CCY[6]	H1 2019	YoY Growth (%)	YoY CCY Growth (%)
Revenue ($m)	**20.3**	**20.4**	**30.8**	**-33.9%**	**-33.6%**
Segmental EBITDA ($m)	**12.9**	**13.0**	**22.3**	**-41.9%**	**-41.8%**
Segmental EBITDA Margin	63.6%	63.5%	74.9%		
General & Bulk Cargo ('000)	583.0		458.0	27.3%	
Throughput ('000 TEU)	90.9		105.6	-13.8%	
Yield (USD, Revenue per tonnes)	5.4		7.5	-27.8%	
Yield (USD, Revenue per TEU)	168.1		163.0	-3.0%	

Our Commercial port operations delivered a decline in revenue of 33.9% to $20.3m (H1 2019: $30.8m). While Commercial EBITDA fell by 41.9% to $12.9m (H1 2019: $22.3m). Excluding the impact of the oil services contract in 2019, Commercial revenue and EBITDA fell 19.1% and 25.9% respectively.

Overall Container Throughout volumes declined by 13.8% in H1 2020, with Q2 volumes actually delivering growth of 10.6% QoQ, despite the onset of the Covid-19 crisis. While General & Bulk Cargo volumes were strong, rising by 27.3% in the period. This growth was driven by the continued impact of a new volume focussed pricing structure at Port Akdeniz.

In terms of yields, total throughput container yields were down 3.0%, while cargo yields were down 27.8%. With this drop in cargo yields primarily the result of the volume related pricing initiative at Port Akdeniz in the period.

Port Akdeniz	H1 2020	H1 2020 CCY[6]	H1 2019	YoY Growth (%)	YoY CCY Growth (%)
Revenue ($m)	**16.7**	**16.7**	**26.3**	**-36.5%**	**-36.5%**
Segmental EBITDA ($m)	**11.9**	**11.9**	**20.7**	**-42.6%**	**-42.6%**
Segmental EBITDA Margin	71.1%	78.7%	78.7%		
General & Bulk Cargo ('000)	555.4		335.3	65.7%	
Throughput ('000 TEU)	63.2		79.7	-20.7%	
Yield (USD, Revenue per tonnes)	186.6		188.1	-0.8%	
Yield (USD, Revenue per TEU)	4.7		6.4	-27.3%	

Port Akdeniz, our largest commercial port, reported a revenue decline of 36.5% to $16.7m (H1 2019: $26.3m), with EBITDA declining 42.6% to $11.9m (H1 2019: $20.7m), with the EBITDA margin falling to 71.1%. Excluding the impact of the oil services contract in 2019, Port Akdeniz Revenue fell 19.3% and EBITDA fell 25.3%.

The success of the new pricing strategy led to General & Bulk Cargo volumes rising strongly, increasing by 65.7%, with the increase in Q2 moderating from the 86.0% increase in Q1. Throughput container volumes fell by 20.7% in H1 2020, with Q2 volumes following a similar trend to Q1. Container Throughout yields were broadly unchanged, while General & Bulk cargo yields reduced as part of our volume based pricing strategy.

Looking into H2 2020, despite the Covid-19 crisis, we expect our Commercial ports to improve compared to H1 2020.

On 11 March 2020 GPH announced that following a competitive sales process it had entered exclusive negotiations with a potential buyer of Port Akdeniz. Negotiations continue to progress positively but a final outcome on the sale process has not yet been achieved. There can be no certainty as to the timing or that the terms of a sale wil be agreed. A further announcement will be made when it is appropriate to do so.

Port Adria	H1 2020	H1 2020 CCY[6]	H1 2019	YoY Growth (%)	YoY CCY Growth (%)
Revenue ($m)	**3.6**	**3.7**	**4.5**	**-18.7%**	**-16.6%**
Segmental EBITDA ($m)	**1.1**	**1.1**	**1.6**	**-32.0%**	**-30.4%**
Segmental EBITDA Margin	29.3%	29.3%	35.0%		
General & Bulk Cargo ('000)	27.6		122.7	-77.5%	
Throughput ('000 TEU)	27.7		25.9	7.2%	
Yield (USD, Revenue per tonnes)	109.5		106.6	2.7%	
Yield (USD, Revenue per TEU)	17.9		9.1	96.8%	

At Port of Adria, Revenue fell 18.7% to $3.6m (H1 2019: $4.5m), while EBITDA fell $0.5m or 32.0% to $1.1m (H1 2019: $1.6m). General & Bulk Cargo volumes fell 77.5% in the period, driven primarily by a sharp drop in steel coils volumes. While Throughput container volumes rose 7.2%. We continue to work on growing the volumes at this port and remain in talks with a number of parties, both importers and exporters about introducing new cargos at the port.

Financial Overview

Loss after tax for the period of $34.9 million (H1 2019: $15.8m) is driven by an increase in net finance costs to $23.0m (H1 2019: $18.4m), lower contribution from equity accounted associates of $0.7m (H1 2019: $3.3m), while there was a tax credit of $7.1m compared to a tax expense of $1.9m in H1 2019.

The increased net finance costs are primarily due to non-cash loss when revaluing the Eurobond debt, along with non-cash revaluation losses on Turkish entities foreign currency dominated liabilities. Net interest expenses increased to $15.5m (H1 2019: $12.7m). The tax credit reflects reflect the impact of the loss before tax in the period.

The tax credit reflects the impact of reporting an operating loss, driven by the significantly lower taxable profit contribution from cruise operations and lower taxable profits from commercial ports.

Specific Adjusting Items in Operating Profit

As of 30 June 2020, specific adjusting items totalled $5.4m (H1 2019: $6.5m), comprising project expenses amounting to $4.5m (H1 2019: $4.7m) which were mostly incurred in the first four months of the year, provisions $0.1m (H1 2019: $1.2m) and other specific adjustment items $0.8m (H1 2019: $0.6m) Please see note 2 (f) in the interim condensed consolidated financial statements for more details.

Finance Costs

The Group's net finance charge in the period was $23.9m, an increase on the $18.4m charge in H1 2019. This increase was due to the Turkish Lira depreciation against $ in the year, which creates a foreign exchange charge and gain on liabilities and assets respectively.

This occurs for two reasons. Firstly, the group's Eurobond is issued by Global Liman, a 100% owned entity within the group with a functional currency of Turkish Lira. Wher the Turkish Lira depreciates against the $ a non-cash foreign exchange loss occurs when revaluing the Eurobond debt, while a non-cash foreign exchange gain should occu if the Turkish Lira appreciates against the $. Secondly, although all our Turkish ports charge in $, they must legally keep the accounting books in Turkish Lira, so when the Turkish Lira depreciates against the $ this results in non-cash foreign exchange losses on revaluing the Turkish entities' foreign currency denominated liabilities and non-cash foreign exchange gains on revaluing the Turkish entities foreign currency assets.

During the period net finance expenses increased to $34.9m (H1 2019: $28.9m), primarily due to non-cash foreign exchange loss of $17.2m (H1 2019: $13.1m), interest expenses on loans and borrowings increased slightly to $13.4m (H1 2019: $12.7m) and interest expenses on lease obligations increased to $2.2m (H1 2019: $1.7m).

Finance income increased to $11.0m (H1 2019: $10.5m), primarily as a result in an increase in in the non-cash foreign exchange gains on Turkish entities' Turkish Lira costs base to $16.2m (H1 2019: $16.2m).

Taxation

Global Ports Holding is a multinational group and as such is liable for taxation in multiple jurisdictions around the world. The Group's incurred a tax credit for the period of $7.1m, compared to a tax expense of $1.9m in H1 2019.

The tax credit compared with prior years is primarily the result of reporting an operating loss in the period, driven by the significantly lower taxable profit contribution from cruise operations and lower taxable profits from commercial ports.

Earnings Per Share

The Group's basic earnings per share was -46.2.5c (H1 2019: -26.0c), this decrease is in line with the decline in profit for the year attributable to owners of the company -$29.1m (H1 2019: -$16.3m). Adjusted earnings per share of -5.6c (H1 2019: 9.5c), reflects the decline in the underlying profit measure, which is calculated as (loss)/profit for the period after removing the impact of the amortisation of port operating rights and depreciation of right of use assets, non-cash provisional income and expenses, non-cash foreign exchange transactions and specific non-recurring expenses and income.

Cash Flow and Investment

Operating cash flow was $16.6m (H1 2019: -$1.3m). The improvement in operating cash flow was driven by a working capital movement that resulted in a positive cash flow of $8.8m in the period, primarily as a result of the unwind in trade and other receivables in the absence of cruise calls in Q2 2020 and following the peak cruise season in the Caribbean.

Capital expenditure during the period was $43.9m, a significant increase on the $5.7m incurred in H1 2019. $38.0m was spent on the Caribbean ports in Antigua and Nassau. $3.4m was spent across the rest of the cruise portfolio, with $1.9m spent in Barcelona on terminal improvements and $1.4m in Valletta on investment into the waterfront infrastructure. While $2.5m was spent on the Commercial ports, with the vast majority spent at Port Akdeniz.

Balance Sheet

Gross debt at period end was $559.2m (31st December 2019: $410.0m), with this increase driven largely by the issuing of the $150m Nassau Cruise Port bond in the period. At 30th June 2019 net debt was $436.9m (31st December 2019: $389.2m). The Group's Net Debt/Adjusted EBITDA ratio was 7.8x times as at 30th June 2020 (31st December 2019: 4.3x). Excluding IFRS 16 impact net debt was $372.6m (31st December 2019: $324.3m) and the Net Debt/Adjusted EBITDA ratio was 6.7x.

The Leverage Ratio as per GPH's Eurobond was 6.7x at 30th June 2020 (31st December 2019: 4.2x), vs an incurrence covenant of 5.0x, the leverage ratio excludes the IFRS 16 impact, in line with the bond terms.

Impact of Foreign Currency Movements

All of GPH's European and Adriatic cruise ports operate in Euros, with the majority of costs being in Euros at our non-Turkish cruise ports. Our Commercial port, Port of Adria receives revenues in Euros and the majority of its costs are incurred in Euros. The translation of profits from these port operating entities are not hedged and as a result, the movement of the US dollar and Euro exchange rates directly affects the Group's reported results.

The vast majority of our revenues at our Turkish cruise ports are in US Dollars, while the majority of costs are in Turkish Lira. Our Commercial port, Port of Antalya, receives revenues in US Dollars and c70% of its costs are incurred in Turkish Lira. The group does not hedge this exposure as a result, the movement of the US dollar exchange rates to the Turkish Lira directly affects the Group's reported results.

In the first half of 2019, the group was impacted by unfavourable movements against the prior year in respect of the US Dollar against Euro and a favourable movement in respect of the US Dollar against the Turkish Lira. The details of the foreign exchange rates used in the period can be found in Note 2 e) of the consolidated financia statements.

Dividend

On the 14 April the board announced that in light of the unprecedented level of disruption to global trade and the cruise industry and the associated uncertainty, the Board of GPH decided that it was prudent and in the best interests of all stakeholders to temporarily suspend the dividend for full year 2019, until the situation becomes clearer.

Clearly significant uncertainty remains and the group has experienced a significant drop in trading since the onset of the Covid-19 crisis. It is therefore in the best interests of all stakeholders that the dividend remains suspended for at least financial year 2020.

Global Ports Holding PLC

Interim condensed consolidated financial statements

For the six months ended 30 June 2020

Contents

Responsibility Statement

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU,
- the interim management report includes a fair review of the information required by:

  a. DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  b. DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the Board,

Mehmet KUTMAN
Chairman
19 August 2020

(USD '000)	*Notes*	Six months ended 30 June 2020 (Unaudited)	Six months ended 30 June 2019 (Unaudited)	Year ended 31 December 2019 (Audited)
Revenue	*6*	54,194	54,609	117,884
Cost of sales		(59,769)	(38,593)	(79,884)
Gross profit		**(5,575)**	**16,016**	**38,000**
Other income		925	1,132	3,501
Selling and marketing expenses		(859)	(1,744)	(2,109)
Administrative expenses		(8,979)	(7,801)	(15,505)
Other expenses		(5,120)	(6,315)	(8,580)
Operating profit		**(19,608)**	**1,288**	**15,307**
Finance income	*7*	10,997	10,526	8,082
Finance costs	*7*	(34,878)	(28,963)	(42,333)
Net finance costs		**(23,881)**	**(18,437)**	**(34,251)**
Share of profit of equity-accounted investees		653	3,320	5,580
(Loss) / Profit before tax		**(42,836)**	**(13,829)**	**(13,364)**
Tax expense		7,739	(1,931)	(1,855)
(Loss) / Profit for the period / year		**(35,097)**	**(15,760)**	**(15,219)**
(Loss) / Profit for the period / year attributable to:				
Owners of the Company		(29,911)	(16,317)	(18,558)
Non-controlling interests		(5,186)	557	3,339
		(35,097)	**(15,760)**	**(15,219)**

(USD '000)	*Notes*	Six months ended 30 June 2020 (Unaudited)	Six months ended 30 June 2019 (Unaudited)	Year ended 31 December 2019 (Audited)
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit liability		(88)	(5)	(31)
		(88)	**(5)**	**(31)**
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences		35,001	17,225	14,774
Cash flow hedges - effective portion of changes in fair value		67	77	335
Cash flow hedges - realized amounts transferred to income statement		(13)	(119)	(246)
Losses on a hedge of a net investment		(28,136)	(18,183)	(24,725)
		6,919	**(1,000)**	**(9,862)**
Other comprehensive loss for the year, net of income tax		**6,831**	**(1,005)**	**(9,893)**
Total comprehensive loss for the year		**(28,266)**	**(16,765)**	**(25,112)**
Total comprehensive loss attributable to:				
Owners of the Company		(23,307)	(16,861)	(26,757)
Non-controlling interests		(4,959)	96	1,645
		(28,266)	**(16,765)**	**(25,112)**
Basic and diluted (loss) / earnings per share (cents per share)	*12*	**(46.2)**	**(26.0)**	**(29.5)**

The notes on pages 23 to 46 are an integral part of these condensed consolidated interim financial statements

	Notes	As at 30 June 2020 (USD '000) (Unaudited)	As at 31 December 2019 (USD '000) (Audited)	As at 30 June 2019 (USD '000) (Unaudited)
Non-current assets				
Property and equipment		139,304	130,511	128,150
Intangible assets		435,341	424,618	374,759
Right of Use Assets		80,252	81,123	59,658
Investment property		2,127	2,139	--
Goodwill		13,485	13,485	13,485
Equity-accounted investees		27,195	26,637	26,524
Due from related parties	*14*	7,338	6,811	--
Other investments		3	4	12,617
Deferred tax assets		3,223	2,179	2,635
Other non-current assets		4,253	4,573	4,591
		712,521	**692,080**	**622,419**
Current assets				
Trade and other receivables	*8*	17,596	31,022	42,916
Due from related parties	*14*	372	771	1,057
Other investments		54	71	72
Other current assets		9,120	3,916	4,315
Inventory		1,376	1,393	1,468
Prepaid taxes		1,937	1,846	24
Cash and cash equivalents		122,264	63,780	58,795
		152,719	**102,799**	**108,647**
Total assets		**865,240**	**794,879**	**731,066**
Current liabilities				
Loans and borrowings	*10*	78,950	62,691	58,295
Other financial liabilities		2,098	4,536	--
Trade and other payables		23,535	21,367	17,785
Due to related parties	*14*	662	1,317	504
Dividends payable	*9*	--	--	16,821
Current tax liabilities		2,715	2,725	2,911
Provisions	*11*	6,829	2,043	1,974
		114,789	**94,679**	**98,290**
Non-current liabilities				
Loans and borrowings	*10*	480,247	390,299	351,654
Other financial liabilities		50,287	50,394	2,088
Derivative financial liabilities	*15*	415	485	669
Deferred tax liabilities		78,090	84,715	89,582
Provisions	*11*	15,306	18,175	7,388
Employee benefits		911	869	836
		625,256	**544,937**	**452,217**
Total liabilities		**740,045**	**639,616**	**550,507**
Net assets		**125,195**	**155,263**	**180,559**
Equity				
Share capital		811	811	811
Legal reserves		11,806	13,144	13,038
Share based payment reserves		239	239	275
Hedging reserves		(248,112)	(220,029)	(213,618)
Translation reserves		248,490	213,715	214,918
Retained earnings		32,538	61,053	75,845
Equity attributable to equity holders of the Company		**45,772**	**68,933**	**91,269**
Non-controlling interests		**79,423**	**86,330**	**89,290**
Total equity		**125,195**	**155,263**	**180,559**

The notes on pages 23 to 46 are an integral part of these condensed consolidated interim financial statements

(USD '000)	Notes	Share capital	Legal reserves	Share based payment reserves	Hedging reserves	Translation reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2020 (Audited)		**811**	**13,144**	**239**	**(220,029)**	**213,715**	**61,053**	**68,933**	**86,330**	**155,263**
Loss for the year		--	--	--	--	--	(29,911)	**(29,911)**	(5,186)	**(35,097)**
Other comprehensive (loss) / income for the year		--	--	--	(28,083)	34,775	(88)	**6,604**	227	**6,831**
Total comprehensive (loss) / income for the year		**--**	**--**	**--**	**(28,083)**	**34,775**	**(29,999)**	**(23,307)**	**(4,959)**	**(28,266)**
Transactions with owners of the Company										
Transactions with non-controlling interest	*4 (b)*	--	--	**--**	--	--	--	**--**	142	**142**
Transfer to legal reserves		--	(1,338)	**--**	--	--	1,338	--	--	--
Dividends	*9*	--	--	**--**	--	--	--	**--**	(237)	**(237)**
Total contributions and distributions		**--**	**(1,338)**	**--**	**--**	**--**	**1,338**	**--**	**(95)**	**(95)**
Changes in ownership interest										
Acquisition of minority shareholding	***4 (a)***	**--**	**--**	**--**	**--**	**--**	146	**146**	(1,853)	**(1,707)**
Total changes in ownership interest		**--**	**--**	**--**	**--**	**--**	**146**	**146**	**(1,853)**	**(1,707)**
Total transactions with owners of the Company		**--**	**(1,338)**	**--**	**(28,083)**	**34,775**	**(28,515)**	**(23,161)**	**(6,907)**	**(30,068)**
Balance at 30 June 2020 (Unaudited)		**811**	**11,806**	**239**	**(248,112)**	**248,490**	**32,538**	**45,772**	**79,423**	**125,195**

The notes on pages 23 to 46 are an integral part of these condensed consolidated interim financial statements

(USD '000)	*Notes*	Share capital	Legal reserves	Share based payment reserves	Hedging reserves	Translation reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2019 (Audited)		**811**	**13,030**	**--**	**(195,393)**	**197,247**	**108,981**	**124,676**	**91,045**	**215,721**
Adjustment on initial application of IFRS 16 (net of tax) (*)		**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Adjusted balance at 1 January 2019		**811**	**13,030**	**--**	**(195,393)**	**197,247**	**108,981**	**124,676**	**91,045**	**215,721**
Loss for the year		--	--	--	--	--	(16,317)	**(16,317)**	557	**(15,760)**
Other comprehensive (loss) / income for the year		--	--	--	(18,225)	17,671	10	**(544)**	(461)	**(1,005)**
Total comprehensive (loss) / income for the year		**--**	**--**	**--**	**(18,225)**	**17,671**	**(16,307)**	**(16,861)**	**96**	**(16,765)**
Transactions with owners of the Company										
Transactions with non-controlling interest		--	--	--	--	--	--	**--**	--	--
Transfer to legal reserves		--	8	--	--	--	(8)	--	--	--
Equity settled share-based payment expenses		--	--	275	--	--	--	**275**	--	**275**
Dividends		--	--	--	--	--	(16,821)	**(16,821)**	(1,851)	**(18,672)**
Total contributions and distributions		**--**	**8**	**275**	**--**	**--**	**(16,829)**	**(16,546)**	**(1,851)**	**(18,397)**
Total transactions with owners of the Company		**--**	**8**	**275**	**(18,225)**	**17,671**	**(33,136)**	**(33,407)**	**(1,755)**	**(35,162)**
Balance at 30 June 2019 (Unaudited)		**811**	**13,038**	**275**	**(213,618)**	**214,918**	**75,845**	**91,269**	**89,290**	**180,559**

The notes on pages 23 to 46 are an integral part of these condensed consolidated interim financial statements

(USD '000)	*Notes*	Share capital	Legal reserves	Share based payment reserves	Hedging reserves	Translation reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2019		**811**	**13,030**	**--**	**(195,393)**	**197,247**	**108,981**	**124,676**	**91,045**	**215,721**
Adjustment on initial application of IFRS 16 (net of tax) (*)		**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Adjusted balance at 1 January 2019		**811**	**13,030**	**--**	**(195,393)**	**197,247**	**108,981**	**124,676**	**91,045**	**215,721**
(Loss) / income for the year		--	--	--	--	--	(18,558)	**(18,558)**	3,339	**(15,219)**
Other comprehensive (loss) / income for the year		--	--	--	(24,636)	16,468	(31)	**(8,199)**	(1,694)	**(9,893)**
Total comprehensive (loss) / income for the year		**--**	**--**	**--**	**(24,636)**	**16,468**	**(18,589)**	**(26,757)**	**1,645**	**(25,112)**
Transactions with owners of the Company										
Transactions with non-controlling interest		--	--	--	--	--	--	**--**	6	**6**
Transfer to legal reserves		--	114	--	--	--	(114)	--	--	--
Equity settled share-based payment expenses		--	--	239	--	--	--	**239**	--	**239**
Dividends	*9*	--	--	--	--	--	(29,225)	**(29,225)**	(6,366)	**(35,591)**
Total contributions and distributions		**--**	**114**	**239**	**--**	**--**	**(29,339)**	**(28,986)**	**(6,360)**	**(35,346)**
Total transactions with owners of the Company		**--**	**114**	**239**	**(24,636)**	**16,468**	**(47,928)**	**(55,743)**	**(4,715)**	**(60,458)**
Balance at 31 December 2019		**811**	**13,144**	**239**	**(220,029)**	**213,715**	**61,053**	**68,933**	**86,330**	**155,263**

(*) The Group has initially applied IFRS 16 at 1 January 2019, using the modified retrospective approach. Under this approach, comparative information is not restated and the cumulative effect of initially applying IFRS 16 (if any) is recognized in retained earnings at the date of initial application.

The notes on pages 23 to 46 are an integral part of these condensed consolidated interim financial statements

	Notes	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Cash flows from operating activities				
Loss for the period / year		(35,097)	(15,760)	(15,219)
Adjustments for:				
Depreciation of PPE and RoU assets and amortization expense		27,043	23,302	47,737
Share of profit of equity-accounted investees, net of tax		(653)	(3,320)	(5,580)

Gain on disposal of property plant and equipment		--	(17)	(17)
Finance costs (excluding foreign exchange differences)	*7*	16,511	15,016	30,571
Finance income (excluding foreign exchange differences)	*7*	(82)	(871)	(2,017)
Foreign exchange differences on finance costs and income, net	*7*	7,452	4,294	5,697
Income tax expense		(7,738)	1,931	1,855
Employment termination indemnity reserve		107	72	139
Equity settled share-based payment expenses		--	275	239
(Charges to) / reversal of provision		239	1,316	1,676
Operating cash flow before changes in operating assets and liabilities		**7,782**	**26,238**	**65,081**
Changes in:				
- trade and other receivables		13,426	(22,917)	(11,023)
- other current assets		(5,276)	426	(1,003)
- related party receivables		(231)	(30)	(6,555)
- other non-current assets		320	128	346
- trade and other payables		(508)	(79)	(11,849)
- related party payables		(552)	(38)	775
- provisions		1,614	(1,821)	(31)
Post-employment benefits paid		(1)	(21)	8,573
Cash generated by operations before benefit and tax payments		**16,574**	**27,213**	**1,886**
Income taxes paid		(253)	(3,137)	(7,195)
Net cash generated from operating activities		**16,321**	**(1,251)**	**37,119**
Investing activities				
Acquisition of property and equipment		(14,811)	(5,589)	(15,813)
Acquisition of intangible assets		(29,121)	(69)	(8,155)
Acquisition of a lease asset		--	--	(21,000)
Proceeds from sale of property and equipment		--	22	35
Bond and short-term investment income		--	--	--
Bank interest received		82	140	251
Dividends from equity accounted investees		--	2,849	2,849
Proceeds from sale of other investments in FVTPL instruments		--	--	13,184
Investment in equity accounted investee		--	--	(61)
Acquisition / Incorporation of subsidiary	*4 (a)*	(1,707)	--	(5)
Other investment in FVTPL instruments		--	--	--
Advances given for tangible assets		--	(172)	(292)
Net cash used in investing activities		**(45,557)**	**(2,819)**	**(29,007)**
Financing activities				
Equity injection by minorities to subsidiaries	*4 (b)*	142	--	7
Dividends paid to equity owners	*9*	--	--	(29,225)
Dividends paid to NCIs	*9*	(237)	(538)	(5,062)
Interest paid		(14,779)	(12,574)	(26,388)
Proceeds from borrowings		130,683	19,250	74,918
Repayments of borrowings		(24,081)	(13,224)	(31,949)
Repayments of lese liabilities (2018: payment of finance lease liabilities)		(1,843)	(2,433)	(3,066)
Net cash used in financing activities		**89,885**	**(9,519)**	**(20,765)**
Net (decrease) / increase in cash and cash equivalents		**60,649**	**(13,589)**	**(12,653)**
Effect of foreign exchange rate changes on cash and cash equivalents		(2,165)	(7,445)	(3,396)
Cash and cash equivalents at beginning of year		63,780	79,829	79,829
Cash and cash equivalents at end of year		**122,264**	**58,795**	**63,780**

The notes on pages 23 to 46 are an integral part of these condensed consolidated interim financial statements

1. General information

Global Ports Holding PLC is a public limited company listed on the London Stock Exchange, and incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is 34 Brook Street 3rd Floor, London, England, W1K 5DN, United Kingdom. Global Ports Holding PLC is the ultimate holding company of Global Liman Isletmeleri A.S. and its subsidiaries (the "Group").

These unaudited condensed interim consolidated financial statements of Global Ports Holding PLC (the "Company", and together with its subsidiaries, the "Group") for the six months ended 30 June 2020 were authorised for issue in accordance with a resolution of the directors on 19 August 2019.

2. Accounting policies

a. Basis of preparation

This condensed set of consolidated financial statements included in this half-yearly financial report has been prepared in accordance with the International Accounting Standard 34 'Interim Financial Reporting', as adopted by the European Union and the requirements of the Disclosure and Transparency Rules ("DTR") of the FCA in the United Kingdom as applicable to interim financial reporting.

The interim condensed financial statements represent a 'condensed set of financial statements' as referred to in the DTR issued by the FCA. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2019 available on the Company website. Also, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The financial information contained in this report for the six months ended 30 June 2019 and 30 June 2020 is unaudited. These interim financial statements were authorised for issue by the Company's board of directors on 19 August 2020.

The comparative figures for the financial year ended 31 December 2019 are not the company's statutory accounts for that financial year. Those accounts have been reported on by the company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

b. Going concern

The Group operates 14 ports in 8 different countries and is focusing on increasing its number of Ports in different geographical locations to support its operations and diversify economic and political risks. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Management has produced forecasts that have stress tested to reflect plausible but, highly unlikely, severe downside scenario as a result of the COVID-19 pandemic and its impact on the global economy, which have been reviewed by the directors at the beginning of the financial year. The management analysis, inclusive of the downside scenario, reflects that the Group has adequate resources to continue to operate for the foreseeable future. The details of downside scenario was provided at the last annual consolidated financial statements as at and for the year ended 31 December 2019. The Group's performance for the first half of the year showed the Group is performing better than the downside scenario produced at the year end.

The directors believe that the Group is well placed to manage its financing and other business risks satisfactorily, and have a reasonable expectation that the Group will have adequate resources to continue in operation for at least 12 months from the signing date of these consolidated financial statements. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

The adoption of IFRS 16 does not impact the ability of the Group to comply with its Gross debt to EBITDA covenant.

2 Accounting Policies *(continued)*

c. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty, except as described below, were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2019.

Impairment review of cash generating units (CGUs)

IFRS requires management to perform impairment tests annually for goodwill and, for finite lived assets, if events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Impairment testing requires management to judge whether the carrying value of Assets and the associated goodwill of CGU can be supported by the net present value of future cash flows it generates. Calculating the net present value of the future cash flows requires estimates to be made in respect of highly uncertain matters including management's expectations of:

- Operational growth expectations including the forecast number of calls, passengers and container volumes,
- appropriate discount rates to reflect the risks involved

Management prepares formal forecast for Ege Liman, Bodrum Liman, Creuers, Malaga Port, VCP, Port of Adria and Ortado?u Liman operations for the remaining concession period, which are used to estimate their value in use. VIU calculations requires subjective judgements based on a wide range of variables at a point in time including future passenger numbers or commercial volumes. Any significant decrease in variables used for value in use calculation is assessed as an impairment indicator. If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount and an impairment loss is recognised in the income statement.

Management forecasted a recovery in following two years for number of passengers, and the cash flows for following seven years with the remaining concession term having minimal estimated growth or industry growth. The key assumptions used in the estimation of the recoverable amount are set out below.

		2019
Average pre-tax discount rate used		8.5%
Average annualized growth, year 3 - year 7 "Passengers"		14.3%
Average annualized growth, first 7 years "Container"		6.1%

The resulting ViU of each CGU gives a recoverable amount higher than the carrying value of Asset and associated goodwill of CGU.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Group's impairment evaluation and hence reported assets and profits or losses.

d. Change in / new accounting policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2019. The changes in accounting policies are also expected to be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2020.

2 Accounting Policies *(continued)*

e. Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of the Group entities by using the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies carried at historical cost should be retranslated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

The Group entities use United Stated Dollars ("USD"), Euro or Turkish Lira ("TL") as their functional currencies since these currencies represent the primary economic environment in which they operate. These currencies are used to a significant extent in, or have a significant impact on, the operations of the related Group entities and reflect the economic substance of the underlying events and circumstances relevant to these entities. Transactions and balances not already measured in the functional currency have been re-measured to the related functional currencies in accordance with the relevant provisions of IAS 21 *The Effect of Changes in Foreign Exchange Rates*.

For the purpose of the interim condensed consolidated financial statements, US Dollars has been chosen as the presentation currency by management to facilitate the investors' ability to evaluate the Group's performance and financial position in relation to similar companies domiciled in different jurisdictions, and to eliminate the depreciating effect of TL against hard currencies, considering all subsidiaries of the Company are earning revenues in hard currencies.

Assets and liabilities of those Group entities with a different functional currency than the presentation currency of the Group are translated into the presentation currency of the Group at the rate of exchange ruling at the reporting date. The income and expenses of the Group entities are translated into the presentation currency at the average exchange rates for the period. Equity items, except for net income, are translated using their historical costs. These foreign currency differences are recognised in "other comprehensive income" ("OCI"), within equity under "translation reserves".

Below are the foreign exchange rates used by the Group for the periods shown.

As at 30 June 2020, 31 December 2019 and 30 June 2019, foreign currency exchange rates of the Central Bank of the Turkish Republic were as follows:

	30 June 2020	**31 December 2019**	**30 June 2019**
TL/USD	0.1462	0.1683	0.1738
Euro/USD	1.1266	1.1196	1.1382

For the six months ended 30 June 2020, 30 June 2019 and for the year ended 31 December 2019, average foreign currency exchange rates of the Central Bank of the Turkish Republic were as follows:

	Six months ended 30 June 2020	Six months ended 30 June 2019	Year ended 31 December 2019
TL/USD	0.1548	0.1783	0.1763
Euro/USD	1.1023	1.1297	1.1194

2 Accounting Policies *(continued)*

f. Alternative performance measures

This interim condensed set of financial statements includes certain measures to assess the financial performance of the Group's business that are termed "non-IFRS measures" because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, or are calculated using financial measures that are not calculated in accordance with IFRS. In order to account for the impact of IFRS 16, which is applied in the Group financials using the modified retrospective approach, comparative information is not restated, and the impact has been presented as a separate reconciling item on computations. These non-GAAP measures comprise the following.

Segmental EBITDA

Segmental EBITDA calculated as income/(loss) before tax after adding back: interest; depreciation; amortisation; unallocated expenses; and specific adjusting items.

Management evaluates segmental performance based on Segmental EBITDA. This is done to reflect the fact that there is a variety of financing structures in place both at a port and Group-level, and the nature of the port operating right intangible assets vary by port depending on which concessions were acquired versus awarded, and which fall to be treated under IFRIC 12. As such, management considers monitoring performance in this way, using Segmental EBITDA, gives a more comparable basis for profitability between the portfolio of ports and a metric closer to net cash generation. Excluding project costs for acquisitions and one-off transactions such as unallocated expenses, gives a more comparable year-on-year measure of port-level trading performance.

Management uses Segmental EBITDA to evaluate each port and group-level performances on operational level.

Specific adjusting items

The Group presents specific adjusting items separately. For proper evaluation of individual ports financial performance and consolidated financial statements, Management considers disclosing specific adjusting items separately because of their size and nature. These expenses and income include project expenses; being the costs of specific M&A activities and the costs associated with appraising and securing new and potential future port agreements which should not be considered when assessing the underlying trading performance, the replacement provisions, being provision created for replacement of fixed assets which does not include regular maintenance, employee termination expenses, income from insurance repayments, income from scrap sales, gain/loss on sale of securities, other provision expenses, redundancy expenses and donations and grants.

Specific adjusting items comprised as following,

	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Project expenses	4,467	4,683	5,146
Employee termination expenses	150	419	215
Replacement provisions	470	256	673
Provisions / (reversal of provisions)	120	997	1,569
Other expenses	195	510	788
Specific adjusting items	**5,402**	**6,865**	**8,391**

2 Accounting Policies *(continued)*

f) Alternative performance measures *(continued)*

Adjusted EBITDA

Adjusted EBITDA calculated as Segmental EBITDA less unallocated (holding company) expenses.

Management uses an Adjusted EBITDA measure to evaluate Group's consolidated performance on an "as-is" basis with respect to the existing portfolio of ports. Notably excluded from Adjusted EBITDA, the costs of specific M&A activities and the costs associated with appraising and securing new and potential future port agreements. M&A and project development are key elements of the Group's strategy in the Cruise segment. Project lead times and upfront expenses for projects can be significant, however these expenses (as well as expenses related to raising financing such as acquisition financing) do not relate to the current portfolio of ports but to future EBITDA potential. Accordingly, these expenses would distort Adjusted EBITDA which management is using to monitor the existing portfolio's performance.

A full reconciliation for Segmental EBITDA and Adjusted EBITDA to profit before tax is provided in the Segment Reporting Note 3 to these financial statements.

Underlying Profit

Management uses this measure to evaluate the profitability of the Group normalised to exclude the specific non-recurring expenses and income, and adjusted for the non-cash port intangibles amortisation charge, giving a measure closer to actual net cash generation, which the directors' consider a key benchmark in making the dividend decision. Underlying Profit is also consistent with Consolidated Net Income (CNI), as defined in the Group's 2021 Eurobond, which is monitored to ensure covenant compliance.

Underlying Profit is calculated as profit/(loss) for the year after adding back: amortization expense in relation to Port Operation Rights, depreciation expense in relation to Right-of-use assets and specific non-recurring expenses and income.

Adjusted earnings per share
Adjusted earnings per share is calculated as underlying profit divided by weighted average per share.

Management uses these measures to evaluate the profitability of the Group normalised to exclude the specific non-recurring expenses and income and adjusted for the non-cash port intangibles amortisation charge, giving a measure closer to actual net cash generation, which the directors' consider a key benchmark in making the dividend decision.

Underlying profit and adjusted earnings per share computed as following;

	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
(Loss) / Profit for the Period	**(35,097)**	**(15,760)**	**(15,219)**
Amortisation of port operating rights / RoU asset / Investment Property	21,038	16,868	34,453

Gain on reversal of provisions	--	(52)	--
Non-cash provisional (income) / expenses	739	174	2,457
Unhedged portion of Investment hedging on Global Liman	6,436	3,841	5,222
(Gain) / loss on foreign currency translation on equity	3,376	893	414
Underlying Profit	**(3,508)**	**5,964**	**27,327**
Weighted average number of shares	62,826,963	62,826,963	62,826,963
Adjusted earnings per share (pence)	**(5.6)**	**9.5**	**43.5**

2 Accounting Policies *(continued)*

f) Alternative performance measures *(continued)*

Net debt

Net debt comprises total borrowings (bank loans, Eurobond and finance leases net of accrued tax) less cash, cash equivalents and short-term investments.

Management includes short term investments into the definition of Net Debt, because these short-term investments are comprised of marketable securities which can be quickly converted intc cash.

Net debt comprised as following;

	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Current loans and borrowings	78,950	58,295	62,691
Non-current loans and borrowings	480,247	351,654	390,299
Lease liabilities recognized due to IFRS 16 application	(64,328)	(60,945)	(64,828)
Gross debt	**494,869**	**349,004**	**388,162**
Cash and bank balances	(122,264)	(58,795)	(63,780)
Short term financial investments	(54)	(72)	(71)
Net debt	**372,551**	**290,137**	**324,311**
Equity	125,195	180,559	155,263
Net debt to Equity ratio	**2.98**	**1.61**	**2.09**

Leverage ratio

Leverage ratio is used by management to monitor available credit capacity of the Group.

Leverage ratio is computed by dividing gross debt to Adjusted EBITDA.

Leverage ratio computation is made as follows;

	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Gross debt	559,198	409,949	452,990
Lease liabilities recognised due to IFRS 16 application	(64,329)	(60,945)	(64,828)
Gross debt, net of IFRS 16 impact	**494,869**	**349,004**	**388,162**
Adjusted EBITDA (annualized)	**55,706**	**82,445**	**73,811**
Leverage ratio	8.88x	4.23x	5.26x

CAPEX

CAPEX represents the recurring level of capital expenditure required by the Group excluding M&A related capital expenditure.

CAPEX computed as 'Acquisition of property and equipment' and 'Acquisition of intangible assets' per the cash flow statement.

	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Acquisition of property and equipment	14,811	5,589	15,813
Acquisition of intangible assets	29,121	69	8,155
CAPEX	**43,932**	**5,658**	**23,968**

2 Accounting Policies *(continued)*

f) Alternative performance measures *(continued)*

Cash conversion ratio

Cash conversion ratio represents a measure of cash generation after taking account of on-going capital expenditure required to maintain the existing portfolio of ports.

It is computed as Adjusted EBITDA less CAPEX divided by Adjusted EBITDA.

	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Adjusted EBITDA (annualized)	**55,706**	**82,445**	**73,811**
CAPEX	(43,932)	(5,658)	(23,968)
Cash converted after CAPEX	**11,774**	76,787	49,843
Cash conversion ratio	**21.1%**	**93.1%**	**67.5%**

Hard currency

Management uses the term hard currency to refer to those currencies that historically have been less susceptible to exchange rate volatility. For the period ended 30 June 2020 and 2019, anc for the year ended 31 December 2019, the relevant hard currencies for the Group are US Dollar, Euro and Singaporean Dollar.

3. Segment reporting

a. Products and services from which reportable segments derive their revenues

The Group operates various cruise and commercial ports and all revenue is generated from external customers such as cruise liners, ferries, yachts, individual passengers, container ships and bulk and general cargo ships.

b. Reportable segments

Operating segments are defined as components of an enterprise for which discrete financial information is available, that is evaluated regularly by the chief operating decision-maker, in deciding how to allocate resources and assessing performance.

The Group has identified ports in each country with same operations as an operating segment, separately, as each country represents a set of activities which generates revenue and the financial information of ports are reviewed by the Group's chief operating decision-maker in deciding how to allocate resources and assess performance. The Group's chief operating decision-maker is the Chief Executive Officer ("CEO"), who reviews the management reports of each port at least on a monthly basis.

The CEO evaluates segmental performance on the basis of earnings before interest, tax, depreciation and amortisation ("EBITDA") excluding the effects of specific adjusting income and expenses comprising project expenses, bargain purchase gains and reserves, board member leaving fees, employee termination payments, unallocated expenses, finance income, finance costs and including the share of equity-accounted investees which is fully integrated into the GPH cruise port network ("Adjusted EBITDA" or "Segmental EBITDA"). Adjusted EBITDA is considered by Group management to be the most appropriate profit measure for the review of the segment operations because it excludes items which the Company does not consider to represent the operating cash flows generated by underlying business performance. The share of equity-accounted investees has been included as it is considered to represent operating cash flows generated by the Group's operations that are structured in this manner.

3 Segment reporting (continued)

b) Reportable segments *(continued)*

The Group has the following operating segments under IFRS 8:

- BPI ("Creuers" or "Creuers (Barcelona and Málaga)"), VCP ("Valetta Cruise Port"), Ege Liman ("Ege Ports-Ku?adas?"), Bodrum Liman ("Bodrum Cruise Port"), Ortado?u Liman (Cruise port operations), POH, Nassau Cruise Port ("NCP"), Antigua Cruise Port ("GPH Antigua"), Lisbon Cruise Terminals, SATS - Creuers Cruise Services Pte. Ltd. ("Singapore Port"), Venezia Investimenti Srl. ("Venice Investment" or "Venice Cruise Port") and La Spezia Cruise Facility Srl. ("La Spezia") which fall under the Group's cruise port operations.
- Ortado?u Liman (Commercial port operations) ("Port Akdeniz-Antalya") and Port of Adria ("Port of Adria-Bar") which both fall under the Group's commercial port operations.

The Group's reportable segments under IFRS 8 are BPI, VCP, Ege Liman, Nassau Cruise Port, Ortado?u Liman (Commercial port operations) and Port of Adria (Commercial port operations).

Bodrum Cruise Port, Italian Ports, Ortado?u Liman (Cruise operations), Port of Adria (Cruise Operations), and GPH Antigua, [that just started its operations at the end of 2019] are not exceeding the quantitative threshold, have been included in Other Cruise Ports.

Global Depolama does not generate any revenues and therefore is presented as unallocated to reconcile to the consolidated financial statements results.

Assets, revenue and expenses directly attributable to segments are reported under each reportable segment.

Any items which are not attributable to segments have been disclosed as unallocated.

3 Segment reporting (continued)

b. Reportable segments *(continued)*

i. Segment revenues, results and reconciliation to profit before tax

The following is an analysis of the Group's revenue, results and reconciliation to profit before tax by reportable segment:

USD '000	BPI	VCP	Ege Liman	Nassau Cruise Port	Other Cruise Ports	*Total Cruise*	Ortado?u Liman	Port of Adria	*Total Commercial*	Tot Consolidate
Six months ended 30 June 2020 (Unaudited)										
Revenue	1,490	1,752	467	27,416	2,733	33,858	16,696	3,640	20,336	54,19
Segmental EBITDA	(790)	679	(162)	2,787	1,377	*3,891*	11,871	1,065	*12,936*	16,82
Unallocated expenses										(3,33
Adjusted EBITDA										13,49
Reconciliation to profit before tax										
Depreciation and amortisation expenses										(27,04
Specific adjusting items*										(5,40
Finance income										10,99
Finance costs										(34,87
(Loss) / profit before income tax										**(42,83**
Six months ended 30 June 2019 (Unaudited)										
Revenue	12,500	6,249	2,299	--	2,809	*23,857*	26,277	4,475	*30,752*	54,60
Segmental EBITDA	7,719	3,721	1,358	--	4,027	*16,825*	20,690	1,568	*22,258*	39,08
Unallocated expenses										(4,28
Adjusted EBITDA										34,80
Reconciliation to profit before tax										
Depreciation and amortisation expenses										(23,30
Specific adjusting items*										(6,89
Finance income										10,52
Finance costs										(28,96
(Loss) / profit before income tax										**(13,82**
Year ended 31 December 2019 (Audited)										
Revenue	31,278	13,872	6,549	2,492	8,855	*63,046*	47,486	7,352	*54,838*	117,88
Segmental EBITDA	20,461	8,027	4,590	1,808	9,478	*44,364*	37,369	1,708	*39,077*	83,44
Unallocated expenses										(6,42
Adjusted EBITDA										77,01
Reconciliation to profit before tax										
Depreciation and amortisation expenses										(47,73
Specific adjusting items*										(8,39
Finance income										8,08
Finance costs										(42,33
(Loss) / profit before income tax										**(13,36**

* Please refer to Note 2 (f) for alternative performance measures (APM) on pages 16 to 19.

3 Segment reporting *(continued)*

b. Reportable segments *(continued)*

The Group did not have inter-segment revenues in any of the periods shown above.

ii. Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

USD '000	BPI	VCP	Ege Liman	Nassau Cruise Port	Other Cruise Ports	*Total Cruise*	Ortado?u Liman	Port of Adria	*Total Commercial*	Total Consolidated
30 June 2020 (Unaudited)										
Segment assets	140,804	117,689	43,475	185,345	50,981	*538,294*	215,858	70,432	*286,290*	824,584
Equity-accounted investees										27,195
Unallocated assets										13,563
Total assets										**865,342**
Segment liabilities	65,283	61,445	9,472	187,575	48,915	*372,690*	64,021	37,060	*101,081*	473,771
Unallocated liabilities										266,378
Total liabilities										**740,149**
31 December 2019 (Audited)										
Segment assets	151,938	117,434	46,283	79,794	44,994	*440,443*	231,789	72,844	*304,633*	745,076
Equity-accounted investees	--	--	--	--	26,637	*26,637*	--	--	--	26,637
Unallocated assets										23,166
Total assets										**794,879**
Segment liabilities	68,591	60,430	9,918	79,583	41,930	*260,452*	72,367	38,474	*110,841*	371,293
Unallocated liabilities										268,323
Total liabilities										**639,616**
30 June 2019 (Unaudited)										
Segment assets	162,789	129,149	45,691	--	15,963	*353,592*	227,440	75,402	*302,842*	656,434
Equity-accounted investees	--	--	--	--	26,524	*26,524*	--	--	--	26,524
Unallocated assets										48,108
Total assets										**731,066**
Segment liabilities	74,241	71,014	11,573	--	12,186	*169,014*	59,312	38,788	*98,100*	267,114
Unallocated liabilities										283,393
Total liabilities										**550,507**

3 Segment reporting (continued)

b. Reportable segments *(continued)*

iii. Other segment information

The following table details other segment information:

USD '000	BPI	VCP	Ege Liman	Nassau Cruise Port	Other Cruise Ports	*Total Cruise*	Ortado?u Liman	Port of Adria	*Total Commercial*	Unallocated	Tota Consolidate
Six months ended 30 June 2020 (Unaudited)											
Depreciation and amortisation expenses	(5,785)	(1,452)	(1,410)	(3,962)	(1,745)	*(14,353)*	(10,932)	(1,596)	*(12,528)*	(162)	(27,043
Additions to non-current assets											
- Capital expenditures	1,885	1,401	61	28,848	9,204	*41,398*	2,474	44	*2,518*	16	43,93
Total additions to non-current assets	**1,885**	**1,401**	**61**	**28,848**	**9,204**	***41,398***	**2,474**	**44**	***2,518***	**16**	**43,93**
Six months ended 30 June 2019 (Unaudited)											
Depreciation and amortisation expenses	(5,873)	(1,613)	(1,427)	--	(1,746)	*(10,659)*	(10,882)	(1,607)	*(12,489)*	(154)	(23,302
Additions to non-current assets											
- Capital expenditures	948	826	36	--	102	*1,912*	2,608	1,109	*3,717*	29	5,65
Total additions to non-current assets	**948**	**826**	**36**	**--**	**102**	***1,912***	**2,608**	**1,109**	***3,717***	**29**	**5,65**
Year ended 31 December 2019 (Audited)											
Depreciation and amortisation expenses	(11,696)	(3,102)	(2,857)	(1,027)	(3,705)	(22,387)	(21,832)	(3,141)	(24,973)	(377)	(47,737
Additions to non-current assets											
- Capital expenditures	1,571	1,615	46	7,850	7,903	*18,985*	3,311	1,596	4,907	76	23,96
Total additions to non-current assets	**1,571**	**1,615**	**46**	**7,850**	**7,903**	***18,985***	**3,311**	**1,596**	**4,907**	**76**	**23,96**

3 Segment reporting (continued)

b) Reportable segments *(continued)*

4. *(iv) Geographical information*

5.

6. The Port operations of the Group are managed on a worldwide basis, but operational ports and management offices are primarily in Turkey, Montenegro, Malta, Spain, Bahamas, Antigua & Barbuda and Italy. The geographic information below analyses the Group's revenue and non-current assets by countries. In presenting the following information segment revenue has been based on the geographic location of port operations and segment non-current assets were based on the geographic location of the assets.

Revenue	Six months ended 30 June 2020 (USD '000) (Unaudited)	Six months ended 30 June 2019 (USD '000) (Unaudited)	Year ended 31 December 2019 (USD '000) (Audited)
Turkey	17,334	29,860	57,021
Bahamas	27,416	--	2,492
Montenegro	3,640	4,475	7,380
Antigua & Barbuda	2,431	--	1,753
Malta	1,752	6,249	13,872
Spain	1,490	12,500	31,278
Italy	7	1,514	3,838
Croatia	124	11	250
	54,193	**54,609**	**117,884**

Non-current assets	As at 30 June 2020 (USD '000) (Unaudited)	As at 31 December 2019 (USD '000) (Audited)	As at 30 June 2019 (USD '000) (Unaudited)
UK	7,889	7,474	13,363
Turkey	211,812	222,615	234,027

Spain	125,913	129,114	136,591
Malta	116,122	115,467	127,308
Montenegro	68,918	70,080	72,512
Bahamas	94,077	69,213	--
Antigua & Barbuda	49,032	40,494	--
Italy	5,500	5,863	6,412
Croatia	2,840	2,944	3,063
Unallocated	30,418	28,816	29,143
	712,521	**692,080**	**622,419**

Non-current assets relating to deferred tax assets and financial instruments (including equity-accounted investees) are presented as unallocated.

1. *(v) Information about major customers*The Group did not have a single customer that accounted for more than 10% of the Group's consolidated net revenues in any of the periods presented.

4. Transactions with owners of the company

a. Changes in ownership interest

The Group has acquired minority shares of Cruceros Malaga at 23 January 2020. 20% of total shares of Cruceros Malaga owned by Malaga Port Authority acquired by Creuers del Port de Barcelona. Total consideration paid for 20% shares amounted to Eur 1,540 thousand (USD 1,707 thousand). Minority provided for 20% shares of the Port as of 31 December 2019 was 1,853 thousand, which was reversed for finalization of acquisition accounting.

b. Contributions and distributions

The Group's subsidiary, Bodrum Cruise Port directors, decided to increase paid in capital of the Company by TRY 4,984 thousand (USD 814 thousand) from TRY 18,000 thousand (USD 12,726 thousand) to TRY 22,984 thousand (USD 13,540 thousand).

5. Seasonality of Revenue

Sales from the Cruise business are more heavily weighted towards the second half of the calendar year with, on average, approximately 58% of annual sales arising during the July to December period for the last three years. In 2019, 38% of the Group's full year revenue fell in the first six months, 45% in 2018 and 43% in 2017.

6. Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived mainly from cruise and commercial operations.

6 Revenue *(continued)*

For the six month period 30 June, revenue comprised the following:

	BPI		VCP		EP		NCP		other cruise ports		Total Cruise		Port Akdeniz		Port of Adria		Total Commercial		Total Consolidated	
(USD '000)	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Point in time																				
Container revenue	--	--	--	--	--	--	--	--	--	--	--	--	11,489	14,930	2,756	2,757	14,245	17,687	14,245	17,687
Landing fees	1,084	10,889	308	2,510	13	784	5,044	--	2,031	1,160	8,480	15,343	--	--	--	--	--	--	8,480	15,343
Port service revenue	128	753	243	483	30	757	23	--	51	181	475	2,174	1,729	8,448	103	104	1,832	8,552	2,307	10,726
Cargo revenue	--	--	--	--	--	--	--	--	--	--	--	--	2,694	2,151	590	1,055	3,284	3,206	3,284	3,206
Domestic water sales	17	164	--	--	--	20	215	--	--	4	232	188	23	19	5	9	28	28	260	216
Income from duty free operations	--	--	270	1,875	--	--	--	--	--	--	270	1,875	--	--	--	--	--	--	270	1,875
Other revenue	52	104	160	153	101	235	178	--	97	421	588	913	424	382	7	237	431	619	1,019	1,532
Over time																				
Rental income	209	590	771	1,228	323	503	--	--	553	230	1,856	2,551	337	347	179	313	516	660	2,372	3,211
Management fee	--	--	--	--	--	--	--	--	--	813	--	813	--	--	--	--	--	--	--	813
Construction revenue	--	--	--	--	--	--	21,957	--	--	--	21,957	--	--	--	--	--	--	--	21,957	--
Total	**1,490**	**12,500**	**1,752**	**6,249**	**467**	**2,299**	**27,417**	**--**	**2,732**	**2,809**	**33,858**	**23,857**	**16,696**	**26,277**	**3,640**	**4,475**	**20,336**	**30,752**	**54,194**	**54,609**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers;

Revenue	**Period ended 30 June 2020 (USD '000)**	**Period ended 30 June 2019 (USD '000)**	**Year ended 31 December 2019 (USD '000)**
Receivables, which are included in 'trade and other receivables'	17,430	19,865	19,195
Contract assets	1,765	3,084	1,765
Contract liabilities	(967)	(1,427)	(967)
	18,228	**21,522**	**19,993**

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on Commercial services provided to vessels and rental agreements. The contract assets are transferred to receivables when the rights become unconditional. This occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for providing services, for which revenue is recognised over time. These amounts will be recognised as revenue when the services has provided to customers and billed, which was based on the nature of the business less than one week period.

The amount of $967 thousand recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 30 June 2020.

The amount of revenue recognised in the period ended 30 June 2020 from performance obligations satisfied (or partially satisfied) in previous periods is $1,765 thousand. This is mainly due to the nature of operations.

No information is provided about remaining performance obligations at 30 June 2020 that have an original expected duration of one year or less, as allowed by IFRS 15.

7. Finance income and costs

Finance income comprised the following:

Finance income	**Six months ended 30 June 2020 (USD '000) (Unaudited)**	**Six months ended 30 June 2019 (USD '000) (Unaudited)**	**Year ended 31 December 2019 (USD '000) (Audited)**
Other foreign exchange gains (*)	10,915	9,653	6,065
Interest income on banks and others	46	725	248
Interest income from housing loans	12	5	3
Interest income from debt instruments	--	--	1,766

Other income	24	143	--
Total	**10,997**	**10,526**	**8,082**

(*) The Group's foreign exchange gains arise mainly through its operations in Turkey, depreciation of TL against the functional currencies of these entities results in a benefit as the cost base is significantly more weighted to TL than the revenues.

The income from financial instruments within the category financial assets at amortized costs is USD 82 thousand (30 June 2019: USD 873 thousand, 31 December 2019: USD 251 thousand).

Finance costs comprised the following:

Finance costs	**Six months ended 30 June 2020 (USD '000) (Unaudited)**	**Six months ended 30 June 2019 (USD '000) (Unaudited)**	**Year ended 31 December 2019 (USD '000) (Audited)**
Interest expense on loans and borrowings	13,372	12,671	26,077
Foreign exchange losses from Eurobond	6,388	3,841	5,222
Foreign exchange losses on loans and borrowings	10,883	9,227	3,956
Interest expense on lease obligations	2,191	1,655	2,434
Other foreign exchange losses	1,096	879	2,584
Other interest expenses	47	8	235
Letter of guarantee commission expenses	12	118	215
Loan commission expenses	619	365	1,097
Unwinding of discounts during the year	191	122	355
Other costs	79	77	158
Total	**34,878**	**28,963**	**42,333**

(*) The Group's foreign exchange losses arise mainly through its USD denominated borrowings held in a Turkish Lira functional currency entity.

The interest expense for financial liabilities not classified as fair value through profit or loss is USD 15,610 thousand (30 June 2019: USD 14,334 thousand, 31 December 2019: USD 28,355 thousand).

8. Trade and other receivables

	Six months ended 30 June 2020 (USD '000) (Unaudited)	**Year ended 31 December 2019 (USD '000) (Audited)**	**Six months ended 30 June 2019 (USD '000) (Unaudited)**
Trade receivables	9,838	20,960	22,950
Deposits and advances given	5,539	8,357	18,185
Other receivables	2,219	1,705	1,781
Total trade and other receivables	**17,596**	**31,022**	**42,916**

Venetto Sviluppo, the 51% shareholder of APVS, which in turn owns a 53% stake in Venezia Terminal Passegeri S.p.A (VTP), has a put option to sell its shares in APVS partially or completely (up to 51%) to Venezia Investimenti (VI). This option originally can be exercised between 15th May 2017 and 15th November 2018, extended until the end of November 2021. If VS exercises the put option completely, VI will own 99% of APVS and accordingly 71.51% of VTP. The Group has given a guarantee letter for its portion of 25% in VI, which in turn has given the full amount of call option as guarantee letter to VS.

9. Capital and reserves

Dividends

Dividend distribution declarations are made by the Company in GBP and paid in USD in accordance with its articles of association, after deducting taxes and setting aside the legal reserves as discussed above.

The Board of the Company has decided to temporarily suspend the dividend for full year 2019, until the situation related to spread of Covid-19 ("coronavirus") becomes clearer.

GPH PLC proposed and paid a 2019 interim dividend of GBP 0.155 per share to its shareholders, giving a distribution of GBP 9,738 thousand (USD 12,580 thousand).

GPH PLC declared 2018 final dividend of GBP 0.212 per share to its shareholders on 24 May 2019 and paid on 5 July 2019, giving a distribution of GBP 13,319 thousand (USD 16,645 thousand).

The total dividends in respect of the year ended 31 December 2019 were USD 29,225 thousand.

Dividends to non-controlling interests totaled USD 237 in 2020 (2019: USD 6,366 thousand) and comprised a distribution of USD 213 thousand (2019: USD 3,751, fully paid in cash) made to other shareholders by Barcelona Port Investments no cash settlement, a distribution of USD 25 thousand (2019: USD 2,550 thousand, USD 1,264 paid in cash) made to other shareholders by Valletta Cruise Port (2019: a distribution of USD 65 thousand made to other shareholders by Cagliari Cruise Port no cash settlement).

10. Loans and borrowings

Loans and borrowings comprised the following:

Short term loans and borrowings	**As at 30 June 2020 (USD '000) (Unaudited)**	**As at 31 December 2019 (USD '000) (Audited)**	**As at 30 June 2019 (USD '000) (Unaudited)**
Short term portion of bonds issued (i), (ii)	28,925	18,554	18,549
Short term bank loans	17,350	12,497	3,339
• *TL*	*3,509*	*3,632*	*3,259*
• *Other currencies*	*13,841*	*8,865*	*80*
Short term portion of long term bank loans	30,911	29,899	33,125
• *TL*	*5,327*	*822*	*834*
• *Other currencies*	*25,584*	*29,077*	*32,291*
Lease obligations	1,764	1,741	3,282
• *Finance leases*	*2*	*622*	*1,564*
• *Lease obligations recognized under IFRS 16*	*1,762*	*1,119*	*1,718*
Total	**78,950**	**62,691**	**58,295**

Long term loans and borrowings	As at 30 June 2020 (USD '000) (Unaudited)	As at 31 December 2019 (USD '000) (Audited)	As at 30 June 2019 (USD '000) (Unaudited)
~~Long term portion of bonds issued (i), (ii)~~	~~346,893~~	232,436	~~231,972~~
Long term bank loans	70,770	94,156	58,946
• *TL*	--	*7*	*25*
• *Other currencies*	*70,770*	*94,149*	*58,921*
Finance lease obligations	62,584	63,707	60,736
• *Finance leases*	--	--	*1,509*
• *Lease obligations recognized under IFRS 16*	*62,584*	*63,707*	*59,227*
Total	**480,247**	**390,299**	**351,654**

(i) The sales process of the Eurobond issuances amounting to USD 250 million with 7 years of maturity, and a 8.125% coupon rate based on 8.250% reoffer yield was completed on 14 November 2014. Coupon repayment are made semi-annually. The bonds are quoted on the Irish Stock Exchange.

Eurobonds contain the following key financial covenants:

If a concession termination event occurs at any time, Global Liman (the "Issuer") must offer to repurchase all of the notes pursuant to the terms set forth in the indenture (a "Concession Termination Event Offer"). In the Concession Termination Event Offer, the Issuer will offer a "Concession Termination Event Payment" in cash equal to 100% of the aggregate principal amount of notes repurchased, in addition to accrued and unpaid interest and additional amounts, if any, on the notes repurchased, to the date of purchase (the "Concession Termination Event Payment Date"), subject to the rights of holders of notes on the relevant record date to receive interest due on the relevant interest payment date.

According to the Eurobond issued by Global Liman, the consolidated leverage ratio may not exceed 5.0 to 1 (incurrence covenant). The consolidated leverage ratio as defined in the Eurobond includes Global Liman as the issuer and all of its consolidated subsidiaries excluding Nassau Cruise Port and Antigua Cruise Port (both being Unrestricted Subsidiaries as defined in the Eurobond). Irrespective of the consolidated leverage ratio, the issuer will be entitled to incur any or all of the following indebtedness:

- Indebtedness incurred by the Issuer, Ege Ports ("Guarantor") or Ortado?u Liman ("Guarantor") pursuant to one or more credit facilities in an aggregate principal amount outstanding at any time not exceeding USD 5 million;
- Purchase money indebtedness incurred to finance the acquisition by, the Issuer or a Restricted Subsidiary, of assets in the ordinary course of business in an aggregate principal amount which, when added together with the amount of indebtedness incurred and then outstanding, does not exceed USD 10 million; and

10 Loans and borrowings (continued)

- Any additional indebtedness of the Issuer or any Guarantor (other than and in addition to indebtedness permitted above) and Port of Adria indebtedness, provided, however, that the aggregate principal amount of Indebtedness outstanding at any time of this clause does not exceed USD 20 million; and provided further, that more than 50% in aggregate principal amount of any Port of Adria indebtedness incurred pursuant to this clause is borrowed from the International Finance Corporation and/or the European Bank for Reconstruction and Development.

Group debt covenants are calculated based on applicable IFRSs as of the time the lease obligations were initially recognised. Therefore, the group debt covenants as at period end have not been affected from the transition to IFRS 16. Management will assess in the future for any new transactions that will be entered into, depending on the nature of them, whether debt covenants calculations are affected.

(ii) Nassau Cruise Port has issued an unsecured bond with a total nominal volume of USD 150 million pursuant to the Bond Subscription Agreement dated 29 June 2020. The unsecured bonds have been sold to institutional investors at par across two tranches in local currency Bahamian Dollar and US-Dollar, which are pari-passu to each other, and with a fixed coupon of 8.0% across both tranches payable semi-annually starting 30 June 2021. Final maturity of the bond is 30 June 2040, principal repayment will occur in ten equal, annual installments, beginning in June 2031 and each year afterwards until final maturity. Bonds with a nominal value of USD 25 million will be issued later in H2-2020 based on firm and binding subscriptions from certain investors (delay draw).

The bonds are general obligation of Nassau Cruise Port and not secured by any specific collateral or guarantee. No other entity of the Group has provided any security or guarantee with respect to the Nassau Cruise Port bond. The bond contains a covenant that Nassau Cruise Port must maintain a minimum debt service coverage ratio of 1.30x prior to the distribution of any dividends to shareholders.

11. Provisions

For the period ended 30 June, the movements of the provisions as below:

	Replacement provisions for Creuers (*)	Italian Ports Concession fee provision (***)	Nassau Ancillary contribution provision (**)	Unused vacations	Legal	Other	Total
Balance at 1 January	**6,925**	**1,065**	**10,428**	**276**	**1,295**	**229**	**20,218**
Provisions created through p&l	314	--	156	81	--	20	571
Provisions created through reclassification	--	--	2,964	--	(1,277)	1,277	2,964
Paid in cash	--	--	(1,350)	--	--	--	(1,350)
Reversal of provisions	--	(104)	--	(10)	--	(218)	(332)
Unwinding of provisions	134	52	--	--	--	4	190
Currency translation difference	53	(4)	--	(28)	(2)	(145)	(126)
Balance at 30 June	**7,426**	**1,009**	**12,198**	**319**	**16**	**1,167**	**22,135**
Non-current	7,426	702	7,150	--	--	28	15,306
Current	--	307	5,048	319	16	1,139	6,829
	7,426	**1,009**	**12,198**	**319**	**16**	**1,167**	**22,135**

(*) As part of the concession agreement between Creuers and the Barcelona and Malaga Port Authorities entered in 2013, the Company has an obligation to maintain the port equipment in good operating condition throughout its operating period, and in addition return the port equipment to the Port Authorities in a specific condition at the end of the agreement.

(**) As part of agreement between NCP and Government of Bahamas entered in 2019 (see note 30(c)), ancillary contributions will be made to local community to increase the wealth of people of Bahamas. These payments will be made as grant and partly as interest free loan. Therefore, a provision is provided for ancillary contributions based on Management's best estimate of these payments.

11 Provisions *(continued)*

(***) On 16 December 2009, Ravenna Port Authority and Ravenna Passenger Terminal S.r.l. ("RTP") entered into an agreement regarding the operating concession for the Ravenna Passenger Terminal which terminates on 27 December 2019. RTP had an obligation to pay a concession fee to the Port Authority of Euro 86,375 per year until end of concession. The expense relating to this concession agreement is recognized on a straight-line basis over the concession period, giving rise to an accrual in the earlier years.

On 13 June 2011, Catania Port Authority and Catania Cruise Terminal S.r.l. ("CCT") entered into an agreement regarding the operating concession for the Catania Passenger Terminal which terminates on 12 June 2026. CCT had an obligation to pay a concession fee to the Catania Port Authority of Euro 135,000 per year until end of concession. The expense relating to this concession agreement is recognized on a straight-line basis over the concession period, giving rise to an accrual in the earlier years.

12. Earnings / (Loss) per share

The Group presents basic earnings per share ("basic EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, less own shares acquired.

During the year, the Group introduced share-based payments as part of its long-term incentive plan to directors and senior management. The shares to be granted to the participants of the scheme are only considered as potential shares when the market vesting conditions are satisfied at the reporting date. None of the market conditions are satisfied at the reporting date and

therefore there is no dilution of the earnings per share or adjusted earnings per share (Note 2f). There are no other transactions that can result in dilution of the earnings per share or adjusted earnings per share (Note 2f).

Earnings per share is calculated by dividing the profit attributable to ordinary shareholders, by the weighted average number of shares outstanding.

	As at 30 June 2020 (USD '000) (Unaudited)	As at 30 June 2019 (USD '000) (Unaudited)		As at 31 December 2019 (USD '000) (Audited)
(Loss) / Profit attributable to owners of the Company	(29,035)	(16,317)		(18,558)
Weighted average number of shares	62,826,963	62,826,963		62,826.963
Basic and diluted (loss) / earnings per share (cents per share)	(46.2)	(26.0)		(29.5)

13. Commitment and contingencies

Legal proceedings in relation to Ortado?u Antalya, Ege Liman and Bodrum Liman's applications for extension of their concession rights

On 6 June 2013, the Turkish Constitutional Court partially annulled a law that prevented operators of privatised facilities from applying to extend their operating term. The respective Group companies then applied to extend the concession terms of Port Akdeniz-Antalya, Ege Port-Ku?adas? and Bodrum Cruise Port to give each concession a total term of 49 years from original grant date. After these applications were rejected, the respective Group companies filed lawsuits with administrative courts challenging the decisions.

After going through legal proceedings, Bodrum Cruise Port's application for the extension of concession term is accepted by the relevant administrative authority. The extension agreement is executed on December 2018 which has extended the remaining concession period to 49 years. The original concession agreement was due to expire in December 2019 and following this new agreement the concession will now expire in December 2067.

13 Commitment and contingencies *(continued)*

Port Akdeniz-Antalya filed lawsuits against Privatization Administration and the General Directorate of Turkey Maritime Organization requesting cancellation with respect to rejection of the extension applications. The Court dismissed the case and the Group lawyers appealed the Court decision to the Council of State. The Counsel of State rejected the appeal of Port Akdeniz-Antalya and approved the decision of the Court. The Group lawyers have applied to the Council of State for reversal of this judgement and the case is still pending.

Ege Port-Ku?adas? filed lawsuits against Privatization Administration and General Directorate of Turkey Maritime Organization requesting cancellation with respect to rejection of the extension applications. The Court dismissed the case and the Group lawyers appealed the Court decision to the Council of State. The Counsel of State accepted the appeal and reversed the Court's judgement in favor of Ege Port-Ku?adas?. The Privatization Administration applied to the Council of State for reversal of this judgement and this time, the Council of State has changed its standpoint and approved the Court's decision against Ege Port-Ku?adas?. In this regard, Ege Port-Ku?adas? has submitted an individual application to the Constitutional Court. Constitutional Court has rendered its decision against Ege Port-Ku?adas? and the judicial process for the extension of the concession period has been concluded against Ege Port-Ku?adas?. Accordingly, upon expiration of the concession period in 2033, Ege Port-Ku?adas? will need to participate in the tender for new concession term.

Competition Authority Investigation

On 29 April 2019, the Competition Authority notified Port Akdeniz, that it has commenced an investigation into Port Akdeniz due to an alleged breach of Article 6 of the Law on the Protection of Competition, Law No. 4054 due to excessive pricing concerns on certain services. Port Akdeniz has engaged legal representation and submitted a full defence against all allegations on 28 May 2019. Subsequently, the investigation report issued by the Competition Authority is notified to Port Akdeniz on 15 April 2020. Whole process before the Competition Authority may take up to an additional 6 to 12 months (excluding the possibility to file an administrative lawsuit against a negative decision of the Competition Authority).

Other legal proceedings

The Port of Adria-Bar (Montenegro) is a party to the disputes arising from the collective labour agreement executed with the union by Luka Bar AD (former employer/company), which was applicable to Luka Bar AD employees transferred to Port of Adria-Bar. The collective labour agreement has expired in 2010, before the Port was acquired by the Group under the name of Port of Adria-Bar. However, a number of lawsuits have been brought in connection to this collective labour agreement seeking (i) unpaid wages for periods before the handover of the Port to the Group, and (ii) alleged underpaid wages as of the start of 2014. On March 2017, the Supreme Court of Montenegro adopted a Standpoint in which it is ruled that collective labour agreement cannot be applied on rights, duties and responsibilities for employees of Port of Adria-Bar after September 30th, 2010. Although the Standpoint has established a precedent that has applied to the claims for the period after September 30th, 2010; there are various cases pending for claims related to the period of October 1st, 2009 - September 30th, 2010. In respect of the foregoing period of one year, the Port of Adria-Bar has applied to the Constitutional Court to question the alignment of the collective labour agreement with the Constitution, Labor Law and general collective agreement. The Port of Adria-Bar is notified that the application for initiating the procedure for reviewing the legality of the Collective Agreement has been rejected due to a procedural reason, without evaluating the arguments submitted. In evaluation of the pending cases, the local courts have given decisions contradicting with the previous decisions which have enabled Port of Adria to appeal to higher court and request re-examination of the applicability of the disputed clauses of collective labour agreement. The decision of the higher court is pending.

13 Commitment and contingencies *(continued)*

Global Liman ??letmeleri A?, as the majority shareholder of one of its subsidiaries, has paid a share purchase amount of 1,500,000 USD to the shareholder of the relevant subsidiary, and the shareholder has not transferred its shares in the subsidiary to Global Liman. Global Liman has initiated an action of debt against the shareholder. It is expected that the case would resolve for the return of the share purchase amount or the completion of the share transfer.

One of Port Akdeniz' clients in the cement business has initiated a lawsuit against Port Akdeniz in relation to a commercial dispute on the fees payable by that client for its import and export transactions in 2018. Furthermore, a counter-claim has been initiated by Port Akdeniz for an amount due from this client in relation to loading services provided and extra fees incurred due to delays. During the initial court proceedings, Port Akdeniz and the client have executed a settlement agreement and withdrawn their respective claims at the competent court. The settlement agreement incorporates commercial terms in favour of both parties ensuring the continuity of the trade between the parties.

14. Related parties

There are no changes in the related parties of these interim financial statements compared to those used in the Group's consolidated financial statements as at and for the year ended 31 December 2019.

All related party transactions between the Company and its subsidiaries have been eliminated on consolidation and are therefore not disclosed in this note.

Due from related parties

Current and non-current receivables from related parties comprised the following:

Current receivables from related parties	As at 30 June 2020 (USD '000) (Unaudited)	As at 31 December 2019 (USD '000) (Audited)	As at 30 June 2019 (USD '000) (Unaudited)

Global Yat?r?m Holding	12	312	681
Adonia Shipping (*)	66	59	61
Naturel Gaz (*)	--	--	73
Straton Maden (*)	66	67	67
Global Menkul	--	--	--
IEG Global	--	56	57
Global Ports Holding BV	24	4	3
Lisbon Cruise Terminals lda	39	44	--
Mehmet Kutman	--	--	1
Ay?egül Bensel	--	--	--
Other Global Yat?r?m Holding Subsidiaries	165	229	114
Total	**372**	**771**	**1,057**

Non-current receivables from related parties	**As at 30 June 2020 (USD '000) (Unaudited)**	**As at 31 December 2019 (USD '000) (Audited)**	**As at 30 June 2019 (USD '000) (Unaudited)**
Goulette Cruise Holding (**)	7,338	6,811	--
Total	**7,338**	**6,811**	**--**

(*) These amounts are payments in advance for contracted work. These have an interest rate changed of 9.75% p.a. as at 30 June 2020 (31 December 2019: 11.75%, 30 June 2019: 9.75%).
(**) Company is financing its Joint venture for the payment of La Goultte Shipping Company acquisition price with a maturity of 5 years. Yearly interest of 4.5% is charged.

14 Related parties *(continued)*

Due to related parties

Current payables to related parties comprised the following:

Current payables to related parties	**As at 30 June 2020 (USD '000) (Unaudited)**	**As at 31 December 2019 (USD '000) (Audited)**	**As at 30 June 2019 (USD '000) (Unaudited)**
Mehmet Kutman	341	545	344
Global Sigorta (*)	184	527	41
Global Menkul (*)	--		--
Ay?egül Bensel	136	154	114
Other Global Yat?r?m Holding Subsidiaries	1	91	5
Total	**662**	**1,317**	**504**

(*) These amounts are related to professional services provided. These have an interest rate of 12.50% p.a. as at 30 June 2020 (31 December 2019: 12.50%, 30 June 2019: 19.50%).

Transactions with related parties

Transactions with other related parties comprised the following for the following periods:

(USD '000)	**Six months ended 30 June 2020 (Unaudited)**		**Six months ended 30 June 2019 (Unaudited)**		**Year ended 31 December 2019 (Audited)**	
	Interest received	**Other**	**Interest Received**	**Other**	**Interest received**	**Other**
Global Yat?r?m Holding	--	--	--	--	203	--
Global Menkul	--	--	--	--	--	--
Total	**--**	**--**	**--**	**--**	**203**	--
USD '000						
	Project Expenses	**Other**	**Project Expenses**	**Other**	**Project Expenses**	**Other**
Global Yat?r?m Holding	--	1	--	1	920	138
Global Menkul	--	--	--	--	--	1
Total	**--**	**1**	**--**	**1**	**920**	**139**

15. Financial Instruments' fair value disclosures

Fair value measurements

The information set out below provides information about how the Group determines fair values of various financial assets and liabilities.

Determination of the fair value of a financial instrument is based on market values when there are two counterparties willing to sell or buy, except under the conditions of events of default forced liquidation. The Group determines the fair values based on appropriate methods and market information and uses the following assumptions: the fair values of cash and cash equivalents, other monetary assets, which are short term, trade receivables and payables and long term foreign currency loans and borrowings with variable interest rates and negligible credit risk change due to borrowings close to year end are expected to approximate to the carrying amounts.

15 Financial Instruments' fair value disclosures *(continued)*

Fair value measurements (continued)

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

Except as detailed in the following table, the directors consider the carrying amounts of the Group's financial assets and financial liabilities were approximate to their fair values.

	Note	As at 30 June 2020 (Unaudited)		As at 31 December 2019 (Audited)		As at 30 June 2019 (Unaudited)	
(USD '000)		**Carrying**	**Fair**	**Carrying**	**Fair**	**Carrying**	**Fair**
Financial assets							
Other financial assets		54	54	71	71	12,613	12,613
Financial liabilities							
Loans and borrowings	10	494,850	481,754	387,542	381,373	345,931	342,377
Lease obligations		64,408	64,408	65,448	65,448	64,018	64,018

The Group's lease obligations fair value has been obtained using the discounted cash flow model.

All loans have been included in Level 2 of the fair value hierarchy as they have been valued using quotes available for similar liabilities in the active market. The valuation technique and inputs used to determine the fair value of the loans and borrowings is based on discounted future cash flows and discount rates.

The groups Eurobond liability has been included in level 1 of the fair value hierarchy as it has been valued using quotes available on its quoted market.

The fair value of loans and borrowings has been determined in accordance with the most significant inputs being discounted cash flow analysis and discount rates.

Financial instruments at fair value

The table below analyses the valuation method of the financial instruments carried at fair value. The different levels have been defined as follows:

(USD '000)

		Level 1	Level 2	Level 3	Total
As at 30 June 2020 (Unaudited)	Other financial assets	--	--	--	--
	Derivative financial liabilities	--	415	--	415
As at 31 December 2019 (Audited)	Other financial assets	--	--	--	--
	Derivative financial liabilities	--	485	--	485
As at 30 June 2019 (Unaudited)	Other financial assets	--	--	12,613	12,613
	Derivative financial liabilities	--	669	--	669

The valuation technique and inputs used to determine the fair value of the interest rate swap is based on future cash flows estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

16. Events after the reporting date

None.

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