Global Ports Holding Plc

Financial results for the fifteen months ended 31 March 2021

Global Ports Holding Plc ("GPH" or "Group"), the world's largest independent cruise port operator, today announces its audited results for the fifteen months ended 31 March 2021.

Financial Summary	15 months ended Mar 2021	12 months ended Dec 2019 Restated[10]
Total Revenue ($m) [1]	**79.4**	**70.4**
Adjusted Revenue ($m) [2]	26.8	70.4
Cruise Revenue Ex IFRIC 12 ($m)[3]	*17.5*	*63.0*
Commercial Revenue ($m)	*9.3*	*7.4*
Segmental EBITDA ($m) [4]	**1.2**	**46.1**
Cruise EBITDA ($m) [5]	*(1.7)*	*44.4*
Commercial EBITDA ($m)	*2.9*	*1.7*
Adjusted EBITDA ($m)[6]	**(6.7)**	**39.7**
Operating Profit ($m)	(72.4)	1.9
Profit/(Loss) before tax ($m)	(122.7)	(24.5)
Loss from continuing operations	**(107.6)**	**(25.1)**
Profit from discontinued operations	12.9	9.9
Profit/(Loss) after tax ($m)	**(94.7)**	**(15.2)**
Underlying (loss)/profit for the period ($m) [7]	**(11.1)**	**27.3**
EPS (c)	(148.4)	(45.3)
Adjusted EPS (c) [8]	(17.6)	43.5
DPS (c)	n/a	19.9
Net Debt	378.3	389.1
Net Debt excluding IFRS 16 Finance Lease	**312.4**	**324.3**
Cash and cash equivalents	170.6	63.8
KPIs		
Passengers (m PAX) [9]	1.3	5.3
General & Bulk Cargo ('000 tons)	166.9	154.2
Container Throughput ('000 TEU)	60.4	48.2

Emre Sayin, Chief Executive Officer, said:

"The Covid-19 crisis has caused unprecedented disruption to both, global economies and the global travel sector. The cruise industry effectively shut down for the first time in its history. However, GPH's flexible business model and our decisive actions to reduce costs early in the crisis means we have successfully navigated through this crisis.

Cruise volumes remain low versus historical standards, however activity levels are increasing. In May 2021 there were just 48 cruise ships in service, in August 2021, this is expected to accelerate to 190 cruise ships. GPH currently expects a steady increase in cruise ship calls and passenger volumes over the remainder of the year.

Looking further out, passenger demand remains high and I am delighted that our recently completed financing agreement with Sixth Street provides us with the financial flexibility to grow our cruise port network as the industry emerges from the crisis."

Financial highlights

- Total consolidated revenues were $79.4m in the period. Under IFRIC-12 the expenditure for certain construction activities in Nassau is recognised as operating expenses and added with a margin to the Group's revenue. Excluding the impact of IFRIC-12 construction revenue, which has no impact on cash generation, adjusted revenue was $26.8m. Management believe adjusted revenue is a better indicator of the performance of the business.

- Segmental EBITDA was $1.2m and Adjusted EBITDA was -$6.7m. This relatively small loss at the Adjusted EBITDA level, despite the near complete shutdown of our cruise ports for most of the period, reflects the inherent flexibility of our business model and the swift and decisive actions taken to reduce costs.
- Excluding IFRIC-12 construction revenue, Cruise revenue was $17.5m, compared to $63m during 2019 (where no IFRIC-12 construction revenue was reported), reflecting the global shutdown of the global cruise industry in response to the pandemic.
- With the performance of Port Akdeniz reported as a discontinued operation, commercial port operations consist of Port of Adria only. Handling TEU Throughput of 60.4 thousand tonnes and general cargo of 166.9 thousand tonnes, Commercial revenue was $9.3m and Commercial EBITDA was $2.9m in the reporting period.
- The operating loss of $72.4m in the period primarily reflects the impact of Covid-19 on Adjusted EBITDA as well Specific adjusting items. The operating loss is Adjusted EBITDA after depreciation and amortisation of $34.2m, of which $25.1m is amortisation of Port operating rights, and $31.0m of Specific adjusting items.
- Loss from continuing operations was $122.7m, after a tax income principally due to a recognition of deferred tax assets, the loss from continuing operations was $107.6m. Profit from discontinued operations was $12.9m
- Pre-IFRS 16 net debt was $312.4m at 31 March 2021 compared to $324.3m at 31 December 2019. Pre-IFRS 16 net debt is composed of $483.0m gross debt ($388.2m as of 31.12.2019) less Cash & cash equivalents of $170.6m ($63.8m)

Operating highlights

- The unprecedented disruption to the global travel sector caused by Covid-19 meant that the cruise industry and our cruise ports effectively shut down in Q2 2020. While some ports and regions reopened in the summer of 2020 it is only now in the summer of 2021 that the industry is starting to meaningfully reopen. We welcomed just 1.3m passengers to our consolidated and managed ports in the reporting period. The majority of these passengers arrived in Q1 2020. Following the declaration of Covid-19 as a pandemic, passenger volumes for the period 1 April 2020 to 31 March 2021 were only 69 thousand across the portfolio.
- In January 2021, we announced the sale of Port Akdeniz to QTerminals W.L.L. for an enterprise value of $140m, effectively creating a pure play cruise operator. As a result, our financial results for the 15-month reporting period and comparative period, is reported excluding the impact of Port Akdeniz from the consolidation. The performance of Port Akdeniz is shown as a discontinued operation
- After the end of the reporting period GPH entered into a five-year, senior secured loan agreement for up to $261.3m with the leading global investment firm Sixth Street. The loan agreement provides for two term loan facilities, an initial five-year term facility of $186.3m and an additional five-year growth facility of up to $75.0m, which will be used to provide flexible growth capital for GPH to pursue expansion opportunities at a dynamic juncture in the global cruise industry.
- After the signing of the new loan agreement, the net proceeds of the initial facility, together with existing cash resources, were used to repay early the full outstanding amount of the 8.125% senior unsecured Eurobond, due November 2021, issued by GPH's wholly owned subsidiary Global Liman Isletmeleri A.S.

Outlook & current trading

By the end of the reporting period, only a small number of cruise lines were operational, sailing limited itineraries in a small number of geographic regions, including Asia and Europe. However, there has been a significant increase in activity since the end of the reporting period.

In May 2021, the CDC updated its policy on cruising, laying the foundations for a return to cruising from US ports before the end of June 2021. This was a watershed moment for the important North American and Caribbean cruise markets. With cruise lines requiring a 90-day lead time to get ships crewed and ready, the pick-up in cruises from mainland US ports is expected to occur in August and September.

This pick-up in activity can be seen in the planned itineraries of the major cruise lines. According to Cruise Industry News, in May 2021 there was just 48 cruise ships with a combined capacity of just 51,070 passengers in service. In August 2021, this is expected to accelerate to 190 cruise ships with a combined passenger capacity of 276,336, marginally below 50% of the global fleet and a 150% increase from June.

Perhaps more importantly, demand for cruising remains strong, with the major cruise lines continuing to report strong levels of demand. From a GPH perspective, we continue to see new reservations coming across most of our network and we are encouraged by the current cruise line reservation trends for 2022.

Taranto is already expected to have a record year and the pipeline of potential new cruise port opportunities is very encouraging. The effective creation of a pure-play cruise port operator and the signing a five-year loan agreement with growth funding, means we look to the future with renewed optimism and excitement.

Global Ports Holding will hold a capital markets presentation in Q4 2021 in which it will present on the outlook for the business, including financial expectations for the reporting period to end March 2023.

Notes - For full definitions and explanations of each Alternative Performance measures in this statement please refer to the section at the end of this document.

1. All $ refers to United States Dollar unless otherwise stated
2. Adjusted Revenue is calculated as total revenue excluding IFRIC-12 revenue for Nassau Cruise Port
3. Cruise Revenue is the sum of revenues of consolidated and managed portfolio excluding IFRIC-12 revenue for Nassau Cruise Port
4. Segmental EBITDA is calculated as income/(loss) before tax after adding back: interest; depreciation; amortisation; unallocated expenses; and specific adjusting items
5. EBITDA allocated to the Cruise segment is the sum of EBITDA of consolidated cruise ports and pro-rata Net Profit of equity accounted associates La Goulette, Lisbon, Singapore, Venice and Pelican Peak, and the contribution from management agreements
6. Adjusted EBITDA calculated as Segmental EBITDA less unallocated (holding company) expenses
7. 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
8. Adjusted earnings per share is calculated as underlying profit divided by weighted average number of shares
9. Passenger numbers refer to consolidated and managed portfolio consolidation perimeter, hence it excludes equity accounted associate ports La Goulette, Lisbon Singapore and Venice.
10. Comparative information has been re-presented due to a discontinued operation.

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

Business Review

As the Covid-19 crisis that began in Asia during the first quarter of the reporting period started to spread, we reacted quickly. The Board and Senior Management took several significant actions to protect the balance sheet, preserve cash, and secure the long-term future of the Group.

Actions taken included employment measures such as work week, salary and benefit reductions, where possible. A small redundancy programme was also carried out. During the Reporting Period, the Group benefited from various incentive and support schemes announced by the governments in our countries of operation to help alleviate the negative effects of the Covid-19 outbreak.

These schemes included programs such as partial payment of employee costs and related tax liabilities by the government. We also applied for short-term work allowances and took advantage of opportunities such as postponing payments for social security costs.

Flexible cost base

The seasonal nature of the cruise industry means that our cruise ports have always contended with daily, weekly and monthly changes in their resourcing needs. Therefore, our cost base has been structured to be inherently flexible, with third parties and contractors used to manage much of the volume related work across our cruise and commercial ports. This means that most of our costs rise and fall with volume, with third parties and contractors utilised to best match each ports' resourcing needs day-to-day.

This outsourced model means that a high percentage of our costs automatically expand and contract in line with activity levels. The flexibility of this model played a pivotal role in protecting the business and preserving cash during the Covid-19 crisis.

Our Cost of Sales, excluding depreciation and adjusted for the change in cruise port perimeter (Antigua and Nassau only partially accounted for in 2019) and excluding the impact of the discontinued operations, contracted 47% – which compares to a revenue contraction on the same basis of 73% compared to 2019. The extent of the decline demonstrates the flexibility of our business model and cost base.

Waivers and deferrals

In response to the shutdown of the cruise industry, we engaged with our banking partners across the Group regarding our current financial liabilities and covenant compliance, ultimately agreeing on deferrals and waivers where needed.

Our banking and financing partners understood the unique nature of Covid-19 and its impact on our business and demonstrated trust in the long-term sustainability of the GPH cruise port business. Some of the project finance facilities of the Group contain maintenance covenants, and where required banks agreed to waive covenant compliance at no cost to the Group. For some of the bank loans at OpCo level our financing partners agreed to reduce the debt service by allowing payment of interest in kind or the deferral of debt service.

We also engaged with our port authority and local government partners regarding our concession fee liabilities, agreeing on several deferrals or waivers of concession fees.

Capital expenditure

All but essential capital expenditure was suspended across our portfolio during the period, with only committed CAPEX at our new ports in the Caribbean continuing. We invested $16.0m in Antigua, funded through the drawdown of a bank loan from a syndicate of regional lenders.

In Antigua, the initial investment phase was completed in the period, the port infrastructure has been expanded and the port now has five berths, up from four. The new fifth pier means that once planned dredging is complete, Antigua Cruise Port will be able to a handle the largest cruise ships in the world.

In Nassau, we commenced the construction phase of the project during the period, investing $60.8m during the period. This investment was funded by the $124.5m proceeds of the bond offering in June 2020. The marine works in Nassau are expected to be completed by the end of calendar year 2021 and work recently commenced on the second phase of the program, the landside works.

The committed investments in Nassau Cruise Port are progressing as planned. The financing of the remaining works will be provided by additional debt and equity capital, to be raised as needed. As a first step in June 2021, Nassau Cruise Port raised $40m additional non-recourse financing from an institutional US-based investor, with a final maturity of 20 years.

Sale of Port Akdeniz

In January 2021, we completed the sale of Port Akdeniz to QTerminals W.L.L. for an enterprise value of $140m. After deducting the net debt and debt-like items of Port Akdeniz, the equity value was $115m before transaction-related costs and expenses, with QTerminals withholding $11.5m which is expected to be released in Q4-2021. The net cash inflow in the reporting period for the Group after deducting expenses and costs related to the sale, and net of cash disposed of was $99.9m.

The disposal meant that GPH effectively became effectively a pure-play global cruise port operator. The board is currently considering its options regarding Port of Adria, the Group's remaining commercial port, including a potential disposal.

New loan agreement and Eurobond refinancing

On 7 April 2021, the Company launched a tender offer for the Eurobond notes, paying an average price of $899.4 for each $1,000 principal of the notes, and spending $44.7m in total, reducing the outstanding nominal amount of the Eurobond to $200.3m at the time.

On 14 May 2021, the Company entered a five-year, senior secured loan agreement for up to $261.3m with the leading global investment firm, Sixth Street. The loan agreement provides for two-term loan facilities, an initial five-year term facility of $186.3m and an additional five-year growth facility of up to $75m.

In July 2021, the net proceeds of the initial facility, together with existing cash resources, were used to redeem the outstanding amount of the 8.125% Eurobond in full.

As part of the financing arrangement with Sixth Street and following a General Meeting on 9 June 2021, the Company issued warrants to Sixth Street representing 9.0% of GPH's fully-diluted share capital exercisable for a subscription price equal to the nominal value per share. The utilisation of the $75m growth facility will result in the issuing of warrants representing up to an additional 3.75% on a fully diluted basis. The warrants will become exercisable by Sixth Street upon certain specific events, including the acceleration, repayment in full or termination of the loan, de-listing of GPH or a change of control.

The additional five-year growth facility of up to $75m provides the financial flexibility to support our ambitions to be the cruise port operator of choice for leading cruise port stakeholders all over the world. We look forward to using this capital to continue to expand the business and take advantage of the current significant pipeline of growth opportunities.

Cruise – Review

	15 months ended Mar 2021	**12 months ended Dec 2019**
Cruise Revenue ($m)	70.1	63.0
Ex-IFRIC-12 Cruise Revenue ($m)	17.5	63.0
Cruise Segmental EBITDA ($m)	**(1.7)**	**44.4**
Total Passengers (m)	1.3	5.3
Creuers (Barcelona and Malaga)		
Cruise Revenue ($m)	1.9	31.3
Cruise Segmental EBITDA ($m)	(2.7)	20.5
Nassau Cruise Port		
Cruise Revenue ($m)	58.8	2.5
Ex-IFRIC 12 Cruise Revenue ($m)	6.2	2.5
Cruise Segmental EBITDA ($m)	0.4	1.8
Valletta Cruise Port		
Cruise Revenue ($m)	4.2	13.9
Cruise Segmental EBITDA ($m)	2.1	8.0
Ege Port		
Cruise Revenue ($m)	0.9	6.5
Cruise Segmental EBITDA ($m)	(0.4)	4.6
Antigua Cruise Port		
Cruise Revenue ($m)	2.8	1.8
Cruise Segmental EBITDA ($m)	0.6	1.2
Other Cruise		
Cruise Revenue ($m)	1.5	7.1
Cruise Segmental EBITDA ($m)	(1.7)	8.3

- We welcomed 1.3m passengers to our consolidated and managed portfolio ports in the reporting period. The majority of this passenger volume was generated in Q1-2020 prior to the emergence of Covid-19 as a global pandemic. Q1 of the calendar year is part of the high season for our Caribbean ports in Nassau and Antigua, which joined the Group towards the end of 2019. After Covid-19 was declared a pandemic, total traffic for the period 1 April 2020 to 31 March 2021 was only 69 thousand passengers across the portfolio.
- Cruise revenue was $70.1m, due to the application of IFRIC-12 for Nassau Cruise Port the CAPEX incurred for this project is accounted for as operating expenses and revenue. In the reporting period IFRIC-12 construction revenue increased Cruise revenue by $52.6m. The expenditure for the construction activities is recognised as operating expenses. IFRIC-12 has no impact on cash generation. Excluding the impact of IFRIC-12 construction revenue Cruise revenue was $17.5m, reflecting global shutdown of the global cruise industry in response to the pandemic.
- Revenue during the first quarter 2020 was $11.0m – despite the near complete shut-down of the cruise traffic during the remainder of the Reporting Period, the Group still generated $6.5m of Cruise revenues.
- Cruise EBITDA was -$1.7m, this relatively modest EBITDA loss reflects the flexible cost base inherent in the business model and the actions taken to reduce costs.

- Successful bid for a 20-year concession for Taranto Cruise Port, Italy. Shortly after the period end the concession agreement was signed and operations started.
- Our joint venture partner, Baleària Group was selected for a 35-year concession for Valencia port, Spain, with GPH to manage the cruise port operations. The final concession agreement for this port is expected to be signed before the end of the current period.
- Despite the impact of Covid-19, our significant investment plans for our new Caribbean ports continued. In June 2020, GPH raised $124.5m through a bond offering to invest in Nassau Cruise Port and $60.8m was invested into Nassau Cruise Port in the period, with the focus on the marine works, which will increase the port's berthing capacity. In Antigua $16.0m was invested to complete the fifth pier of the 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 two will see the completion of the landside works, including the new arrivals terminal 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.

Commercial – Review

Commercial	15 months ended Mar 2021	12 months ended Dec 2019
Commercial Revenue ($m)	9.3	7.4
Commercial Segmental EBITDA ($m)	**2.9**	**1.7**
General Cargo ('000 tonnes)	166.9	154.2
Throughput ('000 TEU)	60.4	48.2

- With the performance of Port Akdeniz reported as a discontinued operation, commercial port operations consist of Port of Adria only.
- TEU Throughout 60.4 thousand tonnes and general cargo of 166.9 thousand tonnes
- Commercial revenue was $9.3m in the reporting period
- Commercial EBITDA of $2.9m. compared to USD 1.7 million in 2019. Covid 19 also impacted commercial volumes at Port of Adria, not all growth plans could be realised. Nevertheless, Port of Adria showed a solid performance with 34% growth in EBITDA compared to 2019 (adjusted for the different length of the two reporting periods).
- As a result of the sale of Port Akdeniz and the effective creation of a pure-play cruise port operator, the Board of Global Ports Holding is considering its options in regard to Port of Adria, including its potential sale.

Financial Overview

Total consolidated revenues were $79.4m in the period. Excluding the impact of IFRIC-12 construction revenue, which has no impact on cash generation, adjusted revenue was $26.8m. Management believe adjusted revenue is a better indicator of the performance of the business.

Segmental EBITDA was $1.2m and Adjusted EBITDA was -$6.7m. This relatively small loss at the Adjusted EBITDA level, despite the near complete shutdown of our cruise ports for most of the period, reflects the inherent flexibility of our business model and the swift and decisive actions taken to reduce costs.

Cruise revenue was $70.1m, excluding IFRIC-12 construction revenue, Cruise revenue was $17.5m, compared to $63m during 2019, reflecting the impact of the global shutdown of the global cruise industry in response to the pandemic.

With the performance of Port Akdeniz reported as a discontinued operation, commercial port operations consist of Port of Adria only. Commercial revenue was $9.3m and Commercial EBITDA was $2.9m in the reporting period.

Unallocated expenses

Unallocated expenses, which consist of Holding Company costs, were $7.9m for the Reporting Period compared to $6.4m for the shorter Reporting Period for the year to end December 2019. In addition, during 2019 the unallocated EBITDA included income from management contracts.

Adjusted for the difference in months and excluding the impact from management contracts, the Unallocated expenses declined 26% reflecting the saving measures taken by management starting Q2-2020 partially offset by higher consulting expenses including audit fees.

Operating loss

The operating loss of $72.4m primarily reflects the impact of Covid-19 on Adjusted EBITDA as well as increased Specific adjusting items. The operating loss is Adjusted EBITDA after depreciation and amortisation of $34.2m, of which $25.1m is amortisation of port operating rights, and $31.0m of specific adjusting items.

Specific adjusting items in operating loss

Specific adjusting items primarily reflects $12.0m of impairment losses related to Port of Adria and Venice Cruise Port, $11.1m of project expenses, which comprised of expenses for the Eurobond refinancing including the proposed Scheme of Arrangement and expenses for a major Caribbean project incurred mainly during the early part of the Reporting Period and $8.5m of provisions.

Finance Costs

The Group's net finance charge in the Reporting Period was $50.8m compared to $31.9m in 2019. In addition to the impact of the longer reporting period, the increase was driven primarily by an increase in non-cash foreign exchange losses. The Finance charge of $80.8m primarily comprised of a $39.0m impact from TL fluctuation against other currencies, which resulted in significant non-cash losses, when revaluing the Eurobond debt as this was issued by a Turkish Lira denominated, 100% owned subsidiary, along with non-cash revaluations on Turkish entities foreign currency dominated liabilities of $1.2m and interest expense on loans and borrowings of $30.3m.

Finance income of $30.0m compromised comprised a $29.4m impact of non-cash revaluations on Turkish entities foreign currency dominated assets. Interest expenses of $35.3m compares to $28.5m in 2019 an increase primarily driven by additional borrowing at Nassau in form of the bond raised in June 2020 and Antigua project finance loan drawdowns, offset by scheduled repayment of other borrowings and the impact of discontinued operations.

Taxation

The Group's effective tax rate was 13.2% for the Reporting Period compared to 26.3% in 2019. Global Ports Holding is a multinational group and is liable for taxation in multiple jurisdictions worldwide. As a result of the loss before tax of $122.1m, the Group generates a tax income of $15.1m, mainly driven by a non-cash Deferred tax benefit, compared to a tax expense of $0.6m in 2019. The Group pays corporate tax due to specific components being profitable; however, due to group tax relief restrictions, losses created on other components cannot necessarily be utilised at the consolidated level. On a cash basis, the Group's income taxes paid amounted to $0.4m compared to $3.8m in 2019.

Underlying loss for the period

Underlying loss for the period was $11.1m primarily reflecting the loss after tax adjusted for port operating rights amortisation expense of $25.1m, unhedged portion of investment hedging on Global Liman $39.0m, impairment losses of $12.0m and non-cash provisional expenses $9.5m.

Earnings per share

The Group's Basic earnings per share from continuing operations was a loss of -141.2c (FY 2019: 45.3c), this decrease is in line with the decreases in loss/profit for the year attributable to owners of the company to -$80.3m. Underlying earnings per share is underlying loss/profit divided by weighted average number of shares. Adjusted earnings per share of was -17.6c.

Cash flow and investment

The group generated an Adjusted EBITDA $-6.7m in the Reporting Period. Change in working capital in the period generated a cash inflow of $24.5m, offset by other operating outflows of $7.8m which mainly comprised of cash portion of Project Expenses included in Specific adjusting items, contributing to a positive Operating cash flow of $9.9m.

Net interest expense of $31.4m, reflects the cash costs of the outstanding gross debt mainly driven by the Eurobond of Global Liman. Net capital expenditure including advances, primarily reflects the continued investment into Antigua Cruise Port, $16.0m and Nassau Cruise Port, $56.8m.

The change in Gross Debt due to cashflows of $104.9m is mainly due to successful issuance of the Nassau bond of $124.5m during the reporting period, offset by repayment of existing debt outstanding in Nassau at the time. With respect to other outstanding debt of the Group, the only other borrowing which has shown a material increase during the reporting period is the Antigua bank financing funding CAPEX in Antigua. Other borrowings were repaid in line with their respective repayment profile.

Major positive cash contribution was derived from the sale of Port Akdeniz (net inflow of $99.9m excluding the deferred compensation) and the positive cash flow generated from this port until the sale closed of $24.4m.

Cash flow ($m)	15 months end Mar 2021
Operating (loss) / Profit	**(72.4)**
Depreciation and Amortisation	34.2
Specific Adjusting Items	31.0
Share of (loss) / profit of equity-accounted investees	0.5
Adjusted EBITDA	**(6.7)**
Working capital	24.5
Other	(7.8)
Operating Cash flow	**9.9**
Net interest expense	(31.4)
Tax paid	(0.4)
Net capital expenditure incl. advances	(93.7)
Free cash flow	**(115.7)**
Investments	(2.9)
Change in Gross Debt	104.9
Dividends	1.4
Disposals	99.9
Cash flow from discontinued operations	24.4
Net Cash flow	**112.1**

Debt

Gross debt at 31 March 2021 was $548.9m compared to $453.0m at 31 December 2019. Excluding IFRS-16 finance leases gross debt at 31 March 2021 was $483.0m compared to $388.2m at 31 December 2019. The increase in the gross debt pre IFRS-16 finance lease liabilities was primarily driven by the $124.5m new bond issued in Nassau for investment into the port and the drawdown on the banking facility for invent investment into Antigua Cruise Port, partially offset by scheduled repayment of other borrowings and the sale of Port Akdeniz, which had $34.3m of borrowings outstanding as of 31 December 2019.

Pre-IFRS 16 net debt was $312.4m at 31 March 2021 compared to $324.3m at 31 December 2019. This decrease was driven by the movement in gross debt described above, more than offset by the net proceeds from the sale of Port Akdeniz in the reporting period. After period end, GPH refinanced the $250m Eurobond due in November 2021, through a combination of proceeds from Port Akdeniz sale and a new five-year, senior secured loan agreement for up to $261.3m with the leading global investment firm Sixth Street. The loan agreement provides for two term loan facilities, an initial five-year term facility of $186.3m and an additional five-year growth facility of up to $75.0m, which remains undrawn as of today.

Dividend

In light of the significant impact of the Covid-19 outbreak on the Group the board elected to suspend the dividend in March 2020. Although the outlook is improving there continues to be significant uncertainty, therefore the board will not be recommending the payment of a final dividend for 2021 at the Company's forthcoming AGM.

	Note	15 Month period ended 31 March 2021 (USD '000)	Year ended 31 December 2019 (USD '000) Restated*
Revenue	*5*	79,399	70,398
Cost of sales	*6*	(98,090)	(48,152)
Gross (loss) / profit		**(18,691)**	**22,246**
Other income	*8*	2,878	1,663
Selling and marketing expenses		(1,622)	(2,054)
Administrative expenses	*7*	(20,211)	(13,063)
Impairment loss on trade receivables and contract assets		(1,339)	(300)
Other expenses	*8*	(33,369)	(6,632)
Operating (loss) / profit		**(72,354)**	**1,860**
Finance income	*9*	30,047	7,274
Finance costs	*9*	(80,814)	(39,223)
Net finance costs		**(50,767)**	**(31,949)**
Share of (loss) / profit of equity-accounted investees	*12*	465	5,580
Loss before tax		**(122,656)**	**(24,509)**
Tax income / (expense)		15,061	(588)
Loss from continuing operations		**(107,595)**	**(25,097)**
Profit from discontinued operations	*4*	12,906	9,878
Loss for the period / year		**(94,689)**	**(15,219)**
(Loss) / Profit for the period / year attributable to:			
Owners of the Company		(80,313)	(18,558)
Non-controlling interests		(14,376)	3,339
		(94,689)	**(15,219)**

* Comparative information has been re-presented due to a discontinued operation.

The accompanying notes form part of these financial statements.

Global Ports Holding PLC and its Subsidiaries

Consolidated statement of profit or loss
and other comprehensive income
For the 15-month period ended 31 March 2021 and year ended 31 December 2019

	Note	15 month period ended 31 March 2021 (USD '000)	Year ended 31 December 2019 (USD '000)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of defined benefit liability		(156)	(40)
Income tax relating to items that will not be reclassified subsequently to profit or loss		39	9
		(117)	**(31)**
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences		65,014	14,774
Cash flow hedges - effective portion of changes in fair value		469	335
Cash flow hedges – realized amounts transferred to income statement		(244)	(246)
Equity accounted investees – share of OCI		(872)	--
Losses on a hedge of a net investment		(45,209)	(24,725)
		19,158	**(9,862)**
Other comprehensive income / (loss) for the period year, net of income tax		**19,041**	**(9,893)**
Total comprehensive income / (loss) for the period / year		**(75,648)**	**(25,112)**
Total comprehensive income / (loss) attributable to:			
Owners of the Company		(64,987)	(26,757)
Non-controlling interests		(10,661)	1,645
		(75,648)	**(25,112)**
Basic and diluted earnings / (loss) per share (cents per share)	*16*	**(127.8)**	**(29.5)**
Basic and diluted earnings / (loss) per share (cents per share) – continuing operations	*16*	**(148.4)**	**(45.3)**

The accompanying notes form part of these financial statements.

Global Ports Holding PLC and its Subsidiaries

Consolidated Statement of financial position
As at 31 March 2021 and 31 December 2019

	Note	As at 31 March 2021 (USD '000)	As at 31 December 2019 (USD '000)
Non-current assets			
Property and equipment	*10*	126,858	130,511
Intangible assets	*10*	331,910	424,618
Right of use assets	*18*	87,469	81,123
Investment property	*19*	2,198	2,139
Goodwill		13,485	13,485
Equity-accounted investments	*12*	18,776	26,637
Due from related parties	*20*	8,125	6,811
Deferred tax assets		11,137	2,179
Other non-current assets		2,638	4,577
		602,596	**692,080**
Current assets			
Trade and other receivables		26,162	31,022
Due from related parties	*20*	324	771
Other investments		63	71
Other current assets		12,371	3,916
Inventories		903	1,393
Prepaid taxes		238	1,846
Cash and cash equivalents	*13*	170,599	63,780
		210,660	**102,799**
Total assets		**813,256**	**794,879**
Current liabilities			
Loans and borrowings	*15*	295,200	62,691
Other financial liabilities		2,925	4,536
Trade and other payables		39,236	21,367
Due to related parties	*20*	1,253	1,317
Current tax liabilities		157	2,725
Provisions		7,640	2,043
		346,411	**94,679**
Non-current liabilities			
Loans and borrowings	*15*	253,734	390,299
Other financial liabilities		55,249	50,394
Trade and other payables		12	--
Deferred tax liabilities		49,323	84,715
Provisions		21,221	18,175
Employee benefits		344	869
Derivative financial liabilities		399	485
		380,282	**544,937**
Total liabilities		**726,693**	**639,616**
Net assets		**86,563**	**155,263**
Equity			
Share capital	*14*	811	811
Legal reserves	*14*	6,014	13,144
Share based payment reserves	*14*	239	239
Hedging reserves	*14*	(41,951)	(220,029)
Translation reserves	*14*	58,779	213,715
Retained earnings		(12,151)	61,053
Equity attributable to equity holders of the Company		**11,741**	**68,933**
Non-controlling interests		**74,822**	**86,330**
Total equity		**86,563**	**155,263**

The accompanying notes form part of these financial statements.

Global Ports Holding PLC and its Subsidiaries

Consolidated statement of changes in equity

For the 15-month period ended 31 March 2021 and year ended 31 December 2019

(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		**811**	**13,144**	**239**	**(220,029)**	**213,715**	**61,053**	**68,933**	**86,330**	**155,263**
(Loss) / income for the period		--	--	--	--	--	(80,313)	**(80,313)**	(14,376)	**(94,689)**
Other comprehensive (loss) / income for the period		--	--	--	(45,856)	61,299	(117)	**15,326**	3,715	**19,041**
Total comprehensive (loss) / income for the period		**--**	**--**	**--**	**(45,856)**	**61,299**	**(80,430)**	**(64,987)**	**(10,661)**	**(75,648)**
Transactions with owners of the Company										
Contribution and distributions										
Transfer to legal reserves	*14(b)*	--	(1,276)	--	--	--	1,276	--	--	--
Dividends	*14(c)*	--	--	--	--	--	--	**--**	(237)	**(237)**
Total contributions and distributions		**--**	**(1,276)**	**--**	**--**	**--**	**1,276**	**--**	**(237)**	**(237)**
Changes in ownership interest										
Equity injection	*3(ii)*	--	--	--	--	--	--	**--**	483	**483**
Acquisition of minority shareholding	*3(i)*	--	--	--	--	--	96	**96**	(1,801)	**(1,705)**
Acquisition of subsidiary with non-controlling intere		--	--	--	--	--	--	**--**	708	**708**
Disposal of subsidiary	*4*	--	(5,854)	--	223,934	(216,235)	5,854	**7,699**	--	**7,699**
Total changes in ownership interest		**--**	**(5,854)**	**--**	**223,934**	**(216,235)**	**5,950**	**7,795**	**(610)**	**7,185**
Total transactions with owners of the Company		**--**	**(7,130)**	**--**	**223,934**	**(216,235)**	**7,226**	**7,795**	**(847)**	**6,948**
Balance at 31 March 2021		**811**	**6,014**	**239**	**(41,951)**	**58,779**	**(12,151)**	**11,741**	**74,822**	**86,563**

The accompanying notes form part of these financial statements.

Global Ports Holding PLC and its Subsidiaries

Consolidated statement of changes in equity

For the 15-month period ended 31 March 2021 and year ended 31 December 2019

(USD '000)	***Notes***	**Share capital**	**Legal reserves**	**Share based payment reserves**	**Hedging reserves**	**Translation reserves**	**Retained earnings**	**Total**	**Non-controllin g interests**	**Total equity**
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	*14 (b) i*	--	114	--	--	--	(114)	--	--	--
Equity settled share-based payment expenses		--	--	239	--	--	--	**239**	--	**239**
Dividends	*14 (c)*	--	--	--	--	--	(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 accompanying notes form part of these financial statements.

Global Ports Holding PLC and its Subsidiaries

Consolidated cash flow statement

For the 15-month period ended 31 March 2021 and year ended 31 December 2019

	Note	15 month Period ended 31 March 2021 (USD '000)	Year ended 31 December 2019 (USD '000) Restated *
Cash flows from operating activities			
Loss for the period / year		(94,689)	(15,219)
Adjustments for:			
Depreciation of PPE, and RoU assets, and amortization expense	*10, 11, 18, 19*	34,209	25,906
Impairment losses on intangible / tangible assets	*11*	3,941	--
Impairment losses on investments	*12*	8,410	--
Share of profit of equity-accounted investees, net of tax	*12*	(465)	(5,580)
Gain on sale of discontinued operation, net of tax	*4*	(9,071)	--
Gain on disposal of property plant and equipment		--	(17)
Finance costs (excluding foreign exchange differences)		36,867	23,645
Finance income (excluding foreign exchange differences)		(626)	(225)
Foreign exchange differences on finance costs and income, net		14,526	6,006
Income tax (benefit) / expense		(15,417)	588
Employment termination indemnity reserve		50	33
Equity settled share-based payment expenses		--	239
Provision charges		7,739	544
Operating cash flow before changes in operating assets and liabilities		**(14,526)**	**35,920**
Changes in:			
- trade and other receivables		5,922	(11,106)
- other current assets		3,480	(1,011)
- related party receivables		(397)	(6,619)
- other non-current assets		2,508	280
- trade and other payables		14,386	(10,645)
- related party payables		(65)	591
- Post-employment benefits paid		(32)	(22)
- provisions		(1,350)	8,585
Cash generated by operations before benefit and tax payments		**9,926**	**15,973**
Income taxes paid		(442)	(3,781)
Net cash generated from operating activities		**9,484**	**12,192**
Cash inflows from operating activities on discontinued operations		**27,163**	**24,927**
Investing activities			
Acquisition of property and equipment	*10*	(27,913)	(12,757)
Acquisition of intangible assets	*11*	(56,557)	(8,110)
Acquisition of a lease asset		--	(21,000)
Proceeds from sale of property and equipment		392	33
Disposal of discontinued operation, net of cash disposed of	*4*	99,943	--
Bank interest received		153	147
Dividends from equity accounted investees		1,647	2,849
Proceeds from sale of other investments in FVTPL instruments		--	13,184
Investment in equity accounted investee		(570)	(61)
Acquisition of subsidiary, net of cash acquired		(2,816)	(5)
Advances given for fixed assets		(9,668)	--
Net cash (used in)/from investing activities		**4,611**	**(25,720)**
Cash used in investing activities of discontinued operations		**(1,560)**	**(3,287)**
Financing activities			
Equity injection by minorities to subsidiaries		482	7
Dividends paid to equity owners	*14(c)*	--	(29,225)
Dividends paid to NCIs	*14(c)*	(237)	(5,062)
Interest paid		(31,545)	(26,164)
Proceeds from loans and borrowings		161,096	42,021
Repayment of borrowings		(52,318)	(16,864)
Payment of lease liabilities		(3,922)	(2,720)
Net cash from / (used in) financing activities		**73,556**	**(38,007)**
Cash used in financing activities of discontinued operations		**(1,167)**	**17,242**
Net increase / (decrease in cash and cash equivalents		**112,087**	**(12,653)**
Effect of foreign exchange rate changes on cash and cash equivalents		(5,268)	(3,396)
Cash and cash equivalents at beginning of year	*13*	**63,780**	79,829
Cash and cash equivalents at end of 15-month period / year	*13*	**170,599**	**63,780**

* Comparative information has been re-presented due to a discontinued operation.

The accompanying notes form part of these financial statements.

1 Basis of preparation

Global Ports Holding PLC is a public company 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 W1K 5DN, United Kingdom. Global Ports Holding PLC is the parent company of Global Liman Isletmeleri A.S. and its subsidiaries (the "Existing Group"). The majority shareholder of the Company is Global Yatırım Holding.

The financial information for 15 month period ended 31 March 2021 contained in this News Release was approved by the Board on 23 August 2021. These condensed Financial Statements for 15 month period ended 31 March 2021 have been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority. They have been prepared in accordance with EU endorsed International Financial Reporting Standards ("IFRSs") but do not comply with the full disclosure requirements of these standards. The financial information set out above does not constitute the company's statutory accounts for 15 month period ended 31 March 2021 or for the year ended 31 December 2019.

Statutory financial statements for 15 month period ended 31 March 2021, which have been prepared on a going concern basis, will be delivered to the Registrar of Companies in due course. The auditor has reported on those financial statements. Their report was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

Accounting policies

With the exception of those changes described below the accounting policies adopted of these Condensed Financial Statements are consistent with those described on pages 140 – 160 of the Annual Report and Financial Statements for the year ended 31 December 2019.

In 15 month period ended 31 March 2021, the Group has implemented the decisions taken by IASB, published on May 2020, easing to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021, but period was extended by IASB since the effects of the COVID-19 pandemic are ongoing and significant. The Group has applied this interpretation in the financial period started at 1 January 2020. The impact of that application is limited and caused the Group to recognise an additional USD 682 thousand of other income.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Commercial and Cruise business models on pages 10 to 13. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the financial review on pages 35 to 41. In addition, Notes 3 and 37 to the financial statements include the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk.

The Group's portfolio consists of investments in or management of 19 cruise ports and one commercial port in 12 countries which diversifies economic and political risks. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully because of the benefits of diversification.

The principal events and conditions identified by the Group that have the most significant impact on the going concern of the Group are:

(a) the passenger levels that will be observed during the Going Concern assessment period of not less than 12 months from the date of approval of these Annual Report and Accounts in view of the COVID-19 situation and the associated effect on Group revenues and cash position;

(b) the stability of commercial operations and cargo/container volumes at Port of Adria related to macro-economic factors such as trade tariffs and their associated impact on global economies, and

(c) maintaining liquidity based on current debt facilities along with covenant compliance on those facilities.

The Covid-19 outbreak that spread across the globe and preventive actions that have been taken into place to respond to the outbreak causes disruptions to business activities in all countries and affect the economic conditions adversely, both locally and globally. As a result of this outbreak, Group has faced significant amount of cancellation in cruise calls throughout the reporting period in its Cruise business. Management has taken major actions such as cancellation of dividend payments, postponement of wages of Board of Directors, reduction in consultancies, cessation of marketing activities and travels unless necessary, and stopping new port investments expect those required.

The Group has benefited from various incentives and exceptions announced by the governments of the operating countries, to eliminate the negative effects of the Covid-19 outbreak. These incentives and exceptions are supportive programs such as paying a certain part of the personnel salaries and related tax liabilities by the government and delaying the debts to the public or banks. Group applied for short-term work allowances and took advantage of opportunities such as postponing payments for social security cuts. In this way, personnel expenses were reduced, and the cash flow balance was maintained through the deferral of payments, including tax payments, regarding personnel salaries.

The Group has successfully addressed the refinancing of the Group's USD 250 million Eurobond issued by Global Liman with a maturity of 14 November 2021. In May 2021, the Group has entered a new five-year, senior secured loan agreement for up to USD 261.3 million with the leading global investment firm Sixth Street to refinance the remaining Eurobond in full. The Sixth Street loan agreement reached financial close and the Eurobond has been refinanced in full at the end of July 2021. Under the terms of the Facility Agreement, the Company will have the ability to select from a range of interest payment options including an all-cash interest rate, a cash interest rate of LIBOR +5.25% plus PIK rate, or a PIK only rate of LIBOR +8.5% up until December 2022. The loan repayment is repaid with a bullet payment at final maturity in year 2026. Accordingly, the Group, at its discretion, will not be required to make any debt service (principal or interest) until year-end 2022 for this loan facility.

Additionally, management has contacted to the banks related to its current financial liabilities, and covenant compliance for Port of Adria has been waived and postponed until early 2022, and covenants compliance for Valletta Cruise Port and Barcelona Port Investment has been waived until 2021 year-end.

As of the date of this report, Cruise operations have restarted again since the closing of cruise operations in March 2020. The expectation of the sector, underpinned by agreement on health protocols with relevant authorities to contain the risk of spread of Covid-19, is a gradual revamp of cruise operations all over the world until a return to operation of the all cruise ships by the end of the year 2021. The Group, in conjunction with the leading companies of the cruise industry, has carried out a detailed traffic study which concluded that the Group's cruise ports will recover in 2022, adhering to the initial forecast with a slow acceleration after the restart of operation late 2020 in Europe and in the second quarter of 2021 in the Caribbean.

The Group believes it is well placed to manage its business risks successfully despite the fact that there is still a material impact of Covid-19 on current operations. The recovery of the cruise sector is supported by the positive economic outlook, increasing vaccination rates which together with other measures have led to a sharp decrease in Covid-19 cases in the key cruise source markets and the established of adequate health and safety protocols for cruise operations.

In view of the above the Directors have prepared cash flow forecasts for the period to 31 December 2022. In order to stress test the financial position of the Group, management has considered a plausible but severe downside scenario. The following key, severe but plausible, assumptions were used in preparing this analysis:

- A severe but plausible low case in the number of cruise passengers arriving at all ports in the GPH portfolio for a period to 31 December 2022 with a corresponding impact on passenger revenues and ports' variable expenses being a 20% reduction of the base case. The base case assumes a moderate return over 2021 to pre COVID-19 pandemic levels through 2022.

- A severe but plausible low case for the Port of Adria commercial port which is that the trading levels experienced in 2021 do not improve throughout the forecast period.

The Directors have also been mindful of an even more severe scenario, considered implausible, of a fall to zero in the number of cruise passengers arriving at all ports in the GPH portfolio for a six-month period to 31 March 2022 with a corresponding impact on passenger revenues and ports' variable expenses.

The conclusion from these scenarios, even the identified implausible scenario, is that the Group will continue to have sufficient cash resources for the period of assessment. However, as described above, certain of the Group's non-recourse financial liabilities (with a total nominal outstanding amount of USD 29.3 million as of 31 March 2021) have covenants associated with them that will be tested within the next 12 months. In the base case and implausible scenario these covenants may not be met, and future waivers of forecast covenant breaches have not yet been requested and thus not yet received. The Group does not foresee any issues to receive further waivers, if and when needed, with the relevant banks regarding covenant compliance based on its past experience of receiving such waivers as mentioned above and the long track record of working together with these banks.

In view of this uncertainty surrounding future waivers of potential covenant breaches the Group has received written indication from the parent company Global Yatirim Holding (GIH) that it would provide financial and other support to the Group, including not seeking repayment of amounts currently made available, for at least the next twelve months from the date of approval of this Annual Report should it be necessary to enable the Group to meet the aforementioned financial liabilities in case waivers are not received and such financial liabilities cannot be refinanced if that happens, and continue to trade. The Directors, having considered the information described herein have a reasonable expectation that the Group and the Parent company have adequate resources to continue in operational existence. Thus they believe that it remains appropriate to prepare the consolidated and parent company financial statements on a going concern basis.

2 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 two main segments, commercial and cruise businesses. Under each main segment, Group had presented its operations on port basis as an operating segment, as each port represents a set of activities which generates revenue and the financial information of each port is reviewed by the Group's chief operating decision-maker in deciding how to allocate resources and assess performance. Spanish Ports are aggregated due to the Group's operational structure. 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. Following the disposal of Port Akdeniz, the only port within the commercial segment is Port Adria.

The CEO evaluates segmental performance on the basis of earnings before interest, tax, depreciation and amortisation 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 investments which are fully integrated into 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 Group 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.

2 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-Kuşadası"), Bodrum Liman ("Bodrum Cruise Port"), Ortadoğu Liman (Cruise port operations) (sold in January 2021; see note 4), 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"), La Spezia Cruise Facility Srl. ("La Spezia"), Balearic Handling SLA ("Balearic"), and Shore Handling SLA ("Shore") which fall under the Group's cruise port operations.
- Port of Adria ("Port of Adria-Bar") and Ortadoğu Liman (Commercial port operations) ("Port Akdeniz-Antalya") (sold in January 2021; see note 4) 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, Antigua Cruise Port, Port of Adria (Commercial port operations) and Ortadoğu Liman (Commercial port operations).

Bodrum Cruise Port, Italian Ports, Port of Adria (Cruise Operations), Ortadoğu Liman (Cruise operations), Shore, Balearic and Equity accounted investees are not exceeding the quantitative threshold, have been included in Other Cruise Ports.

Global Liman, BPI, Global BV, GP Melita, POH, GP Netherlands, Global Depolama, GP Med, GPH Americas, and GPH Bahamas do 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.

Global Ports Holding PLC and its Subsidiaries

Notes to the consolidated financial statements (continued)

2 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	Antigua Cruise Port	Other Cruise Ports	*Total Cruise*	Ortadoğu Liman (**)	Port of Adria	*Total Commercial*	Elimination of Discontinued operations	Total
15 month ended 31 March 2021												
Revenue	1,886	4,217	905	58,746	2,781	1,546	*70,081*	33,465	9,318	*42,783*	(33,465)	79,399
Segmental EBITDA	(2,740)	2,054	(391)	432	627	(1,680)	*(1,698)*	22,833	2,852	*25,685*	(22,833)	1,154
Unallocated expenses												(7,879)
Adjusted EBITDA												(6,725)
Reconciliation to profit before tax												
Depreciation and amortisation expenses												(34,209)
Specific adjusting items (*)												(30,955)
Finance income												30,047
Finance costs												(80,814)
Profit before income tax												**(122,656)**
Year ended 31 December 2019												
Revenue	31,278	13,872	6,549	2,492	1,753	7,102	*63,046*	47,486	7,352	*54,838*	--	117,884
Segmental EBITDA	20,461	8,027	4,590	1,808	1,169	8,309	*44,364*	37,369	1,708	*39,077*	--	83,441
Unallocated expenses												(6,426)
Adjusted EBITDA												77,015
Reconciliation to profit before tax												
Depreciation and amortisation expenses												(47,737)
Specific adjusting items (*)												(8,391)
Finance income												8,082
Finance costs												(42,333)
Profit before income tax												**(13,364)**

(*) Please refer to glossary of alternative performance measures (APM).

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

2 Segment reporting *(continued)*

b) Reportable segments *(continued)*

(ii) Segment assets and liabilities

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

USD '000	**BPI**	**VCP**	**Ege Liman**	**Nassau Cruise Port**	**Antigua Cruise Port**	**Other Cruise Ports**	***Total Cruise***	**Ortadoğu Liman**	**Port of Adria**	***Total Commercial***	**Total**
31 March 2021											
Segment assets	134,164	121,511	37,024	198,831	52,436	11,159	*555,125*	--	67,587	*67,587*	622,712
Equity-accounted investees	--	--	--	--	--	18,776	*18,776*	--	--	--	18,776
Unallocated assets											175,251
Total assets											**816,736**
Segment liabilities	63,260	64,194	7,767	206,314	54,572	11,522	*407,629*	--	42,535	*42,535*	450,164
Unallocated liabilities											276,529
Total liabilities											**726,693**
31 December 2019											
Segment assets	151,938	117,434	46,283	79,794	30,283	14,711	*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	29,777	12,153	*260,452*	72,367	38,474	*110,841*	371,293
Unallocated liabilities											268,323
Total liabilities											**639,616**

Global Ports Holding PLC and its Subsidiaries

Notes to the consolidated financial statements (continued)

2 Segment reporting *(continued)*

b) Reportable segments *(continued)*

(iii) Other segment information

The following table details other segment information for the years ended:

USD '000	BPI	VCP	Ege Liman	Nassau Cruise Port	Antigua Cruise Port	Other Cruise Ports	*Total Cruise*	Ortadoğu Liman	Port of Adria	*Total Commercial*	Unallocated	Total
15 months ended 31 March 2021												
Depreciation and amortisation expenses	(15,313)	(3,881)	(3,511)	(2,945)	(1,557)	(2,563)	*(29,769)*	--	(4,060)	*(4,060)*	(380)	(34,209)
Additions to non-current assets (*)												
- Capital expenditures	2,111	1,820	75	56,817	15,998	150	76,971	1,734	79	*1,813*	5,686	84,470
Total additions to non-current assets (*)	**2,111**	**1,820**	**75**	**56,817**	**15,998**	**150**	**76,971**	**1,734**	**79**	***1,813***	**5,686**	**84,470**
12 months ended 31 December 2019												
Depreciation and amortisation expenses	(11,696)	(3,102)	(2,857)	(1,027)	(204)	(3,501)	(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	7,681	222	*18,985*	3,311	1,596	4,907	76	23,968
Total additions to non-current assets (*)	**1,571**	**1,615**	**46**	**7,850**	**7,681**	**222**	***18,985***	**3,311**	**1,596**	**4,907**	**76**	**23,968**

(*) Non-current assets exclude those relating to deferred tax assets and financial instruments (including equity-accounted investees).

2 Segment reporting *(continued)*

b) Reportable segments *(continued)*

(iv) Geographical information

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	**15 month-period ended 31 March 2021 (USD '000)**	**Year ended 31 December 2019 (USD '000) * Restated**
Turkey	1,479	9,535
Montenegro	9,318	7,380
Malta	4,217	13,872
Spain	1,981	31,278
Bahamas	58,746	2,492
Antigua & Barbuda	2,781	1,753
Italy	468	3,838
Croatia	409	250
	79,399	**70,398**

* Comparative information has been re-presented due to a discontinued operation.

Non-current assets	**As at 31 March 2021 (USD '000)**	**As at 31 December 2019 (USD '000)**
Turkey	44,518	222,615
Spain	123,714	129,114
Malta	118,985	115,467
Montenegro	65,267	70,080
Bahamas	5,123	69,213
Antigua & Barbuda	138,376	40,494
Italy	65,355	5,863
UK	8,509	7,474
Croatia	2,833	2,944
Unallocated	29,916	28,816
	602,596	**692,080**

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

(v) Information about major customers

IFRIC 12 construction revenue relates entirely to ongoing construction at Nassau Cruise Port. Excluding IFRIC 12 revenue, the Group did not have a single customer that accounted for more than 10% of the Group's consolidated revenue in any of the periods presented.

3 Transactions with owners of the company

(i) Changes in ownership interest

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

The Group has taken over all shares of Ravenna Passenger Terminal at 5 July 2020. Ravenna Passenger Terminal's equity was negative after the year end 2019 accounts. Accordingly, a raise on equity was compulsory for regulatory reasons. None of the minority shareholders accepted to inject equity to the Company, and current equity of EUR 50 thousand (USD 57 thousand) offset against retained earning losses. The Group decided to keep the company operative, so accepted to inject new equity of EUR 20 thousand (USD 23 thousand) and offset remaining losses of EUR 57 thousand (USD 64 thousand). As a result of this transaction, the Group become only shareholder of Ravenna Passenger Terminal. Minority interest provided for 46% shares of the Port as of 31 December 2019 was USD 52 thousand losses, resulting a decrease in equity attributable to owners of the company amounting to USD 50 thousand and translation reserves by USD 2 thousand.

(ii) Contributions and distributions

The Group's subsidiary Bodrum Cruise Port, the directors decided to increase paid in capital of the Company by TRY 7,924 thousand (USD 1,208 thousand) from TRY 18,000 thousand (USD 12,726 thousand) to TRY 25,924 thousand (USD 13,933 thousand). Minority shareholders paid USD 483 thousand of total share capital increase.

4 Discontinued operation

Following a strategic review the Group has announced in July 2019 that is will focus on cruise operations and has launched a disposal process for certain assets. As a result of such disposal process, the Group has, following a period of exclusive negotiations, entered into a conditional sale and purchase agreement ("SPA") on 21 October 2020 to sell Ortadoğu Antalya Liman Işletmeleri ("Port Akdeniz") to QTerminals W.L.L. ("QTerminals" or "Purchaser"), a Qatari commercial port operating company, for an enterprise value of USD 140 million. After the approval of QTerminals' application by the Competition Authority, fulfilment of all prerequisites for the sale transaction and obtaining the necessary legal approvals, the sale was completed on January 25, 2021.

As a result of the adjustments made according to the net debt position of Port Akdeniz and debt-like items, the equity value sales price was realized as USD 115,159 thousand. Q Terminals has paid USD 103,643 thousand of the total amount in cash, and the balance amounting to USD 11,516 thousand has been withheld by the Purchaser will be paid in the fourth quarter 2021. In case any claims would arise under this agreement, the Group may cover those claims related to the sales transaction, after the full sales price is obtained on the last quarter of 2021, if applicable.

Port Akdeniz is classified as a discontinued operation because it represents a separate major line of business and geographic area of operations. Port Akdeniz was not previously classified as held-for-sale or as a discontinued operation. The comparative consolidated statement of profit or loss has been restated to show the discontinued operation separately from continuing operations.

4 Discontinued operation *(continued)*

(a) Results of discontinued operation

	2021	2019
Revenue	33,465	47,486
Cost of sales	(31,192)	(31,731)
Gross profit	**2,273**	**15,755**
Other income	1,090	1,837
Selling and marketing expenses	(25)	(55)
Administrative expenses	(2,415)	(2,141)
Other expense	(2,763)	(1,948)
Operating profit	**(1,840)**	**13,448**
Finance income	11,830	1,283
Finance costs	(11,803)	(3,585)
Net finance costs	**27**	**(2,302)**
Share of profit of equity-accounted investees	--	--
Results from operating activities	**(1,813)**	**11,146**
Income tax benefit/ (expense)	5,648	(1,268)
Results from operating activities, net of tax	**3,835**	**9,878**
Gain on sale of discontinued operation	9,071	--
	12,906	**9,878**
Basic and diluted earnings per share (cents per share)	**20.5**	**15.7**

The profit from the discontinued operation of USD 12,906 thousand (2019: USD 9,878 thousand) is attributable entirely to the owners of the Company. Of the loss from continuing operations of USD 84,582 thousand (2019: USD 24,509 thousand), an amount of USD 71,208 thousand is attributable to the owners of the Company (2019: USD 28,436 thousand).

(b) Effect of disposal on the financial position of the Group

In thousands of USD	**As at Closing Date**
Property and equipment	(25,166)
Intangible assets	(127,719)
Other long-term assets	(13)
Inventories	(458)
Trade and other receivables	(1,969)
Related party receivables	(3,481)
Cash and cash equivalents	(3,700)
Loans and borrowings	28,172
Trade and other payables	7,107
Provisions	2,666
Deferred tax liabilities	25,782
Current tax liabilities	390
Net assets and liabilities	**(98,389)**
Sales price	115,159
Net asset value of disposal group	(98,389)
Hedge accounting disposal	(133,265)
Disposal of translation created on consolidation	125,566
Gain on sale of discontinued operation, net of tax	**9,071**
Consideration received, satisfied in cash	103,643
Cash and cash equivalents disposed of	(3,700)
Net cash inflows	**99,943**

Global Ports Holding PLC and its Subsidiaries

Notes to the consolidated financial statements (continued)

5 Revenue

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, revenue comprised the following:

(USD '000)	BPI 2021	BPI 2019	VCP 2021	VCP 2019	EP 2021	EP 2019	NCP 2021	NCP 2019	ACP 2021	ACP 2019
Point in time										
Container revenue	--	--	--	--	--	--	--	--	--	--
Landing fees	1,139	26,829	528	5,852	12	2,585	5,044	2,450	2,018	1,473
Port service revenue	210	1,733	894	1,093	82	2,071	27	18	--	--
Cargo revenue	--	--	--	--	--	--	--	--	--	--
Domestic water sales	22	406	--	--	8	47	215	--	--	--
Income from duty free operations	--	--	376	4,001	--	--	--	--	--	--
Other revenue	64	351	333	384	241	733	851	24	48	8
Over time										
Rental income	451	1,959	2,084	2,542	562	1,113	--	--	716	272
IFRIC 12 Construction revenue	--	--	--	--		--	52,609	--	--	--
Habana Management fee	--	--	--	--		--	--	--	--	--
Total Revenues as reported in note 2	**1,886**	**31,278**	**4,215**	**13,872**	**905**	**6,549**	**58,746**	**2,492**	**2,782**	**1,753**

(USD '000)	Others 2021	Others 2019	Cruise 2021	Cruise 2019	Port of Adria 2021	Port of Adria 2019	Commercial 2021	Commercial 2019 Restated *	Consolidated 2021	Consolidated 2019 Restated*
Point in time										
Container revenue	--	--	--	--	6,985	5,090	6,985	5,090	6,985	5,090
Landing fees	516	3,108	9,257	42,297	--	--	--	--	9,257	42,297
Port service revenue	500	570	1,713	5,485	324	229	324	229	2,037	5,714
Cargo revenue	--	--	--	--	1,441	1,505	1,441	1,505	1,441	1,505
Domestic water sales	2	20	247	473	70	15	70	15	317	488
Income from duty free operations	--	--	376	4,001	--	--	--	--	376	4,001
Other revenue	236	1,062	1,773	2,562	18	--	18	--	1,791	2,562
Over time										
Rental income	293	724	4,106	6,610	480	513	480	513	4,586	7,123
IFRIC 12 Construction revenue	--	--	52,609	--	--	--	--	--	52,609	--
Habana Management fee	--	1,618	--	1,618	--	--	--	--	--	1,618
Total Revenues as reported in note 2	**1,547**	**7,102**	**70,081**	**63,046**	**9,318**	**7,352**	**9,318**	**7,352**	**79,399**	**70,398**

* Comparative information has been re-presented due to a discontinued operation. See Note 4.

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

Revenue	**15 months period ended 31 March 2021 (USD '000)**	**Year ended 31 December 2019 Restated * (USD '000)**
Receivables, which are included in 'trade and other receivables'	5,129	15,212
Contract assets	839	1,172
Contract liabilities	(318)	(427)
	5,650	**15,957**

* Comparative information has been re-presented due to a discontinued operation. See Note 4.

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 management 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 services not yet been provided. 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 USD 967 thousand recognised in contract liabilities at the beginning of the period has been recognised as revenue for the period ended 31 March 2021.

The amount of revenue recognised in the period ended 31 March 2021 from performance obligations satisfied (or partially satisfied) in previous periods is USD 839 thousand. This is mainly due to the nature of operations.

No information is provided about remaining performance obligations at 31 March 2021 that have an original expected duration of one year or less, as allowed by IFRS 15.

6 Cost of sales

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, cost of sales comprised the following:

	2021 (USD '000)	2019 (USD '000) Restated*
IFRIC-12 Construction expenses	51,557	--
Depreciation and amortization expenses	30,783	23,980
Personnel expenses (**), (***)	7,675	10,853
Insurance expense	4,221	930
Repair and maintenance expenses	1,173	1,503
Security expenses	1,053	2,882
Commission fees to government authorities and pilotage expenses	(1,246)	1,781
Cost of inventories sold	247	2,884
Replacement provision	793	673
Other expenses	1,834	2,666
Total	**98,090**	**48,152**

* Comparative information has been re-presented due to a discontinued operation. See Note 4.

** 394 thousand USD (2019: 3,474 thousand USD) of total personnel expenses are related to outsourced personnel expenses.

*** The Group has benefited from various supportive programs on personnel salaries and related tax liabilities announced by the governments of the operating countries amounting to USD 1,495 thousand as a decrease from Groups salary expenses, to eliminate the negative effects of the Covid-19 outbreak. Group applied for short-term work allowances and took advantage of opportunities such as postponing payments for social security cuts.

7 Administrative expenses

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, administrative expenses comprised the following:

	2021 (USD '000)	2019 (USD '000) Restated*
Personnel expenses	9,544	6,091
Depreciation and amortization expenses	3,419	1,920
Consultancy expenses	3,969	2,008
Representation and travel expenses	363	502
Other expenses	2,916	2,542
Total	**20,211**	**13,063**

* Comparative information has been re-presented due to a discontinued operation.

8 Other income and other expenses

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, other income comprised the following:

	2021 USD'000	2019 USD'000 Restated*
IFRS 16 gain from concession fee waivers	682	--
Foreign currency income from operations	768	18
Insurance income	--	587
Gain on sale of fixed assets	--	17
Other	1,428	1,041
Total	**2,878**	**1,663**

* Comparative information has been re-presented due to a discontinued operation.

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, other expenses comprised the following:

	2021 USD'000	2019 USD'000 Restated*
Project expenses	11,098	5,146
Provisions **	7,111	71
Indemnity payments	549	--
Impairment loss on Equity Accounted investments	8,369	--
Impairment loss on intangible assets	3,587	
Impairment losses on other assets	41	262
Recovery from insurance	--	346
Other	2,614	807
Total	**33,369**	**6,632**

* Comparative information has been re-presented due to a discontinued operation.
** Provisions booked under Other expenses composed of Nassau Ancillary contribution provision, legal provision and other provisions.

9 Finance income and costs

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, finance income comprised the following:

Finance income	2021 (USD '000)	2019 (USD '000) Restated*
Other foreign exchange gains	29,422	5,362
Interest income on related parties	469	--
Interest income on banks and others	54	143
Interest income from housing loans	30	3
Interest income from debt instruments	72	1,766
Total	**30,047**	**7,274**

* Comparative information has been re-presented due to a discontinued operation.

The income from financial instruments within the category financial assets at amortized cost is USD 553 thousand (31 December 2019: USD 146 thousand). Income from financial instruments within the category fair value through profit and loss is 72 thousand (31 December 2019: 1,766 thousand).

For the 15 months ended 31 March 2021 and the year ended 31 December 2019, finance costs comprised the following:

Finance costs	2021 (USD '000)	2019 (USD '000) Restated*
Interest expense on loans and borrowings	30,339	24,914
Foreign exchange losses from Eurobond	39,038	5,222
Foreign exchange losses on other loans and borrowings	1,224	3,888
Interest expense on leases	4,912	2,405
Foreign exchange losses on equity translation **	1,238	414
Other foreign exchange losses	2,447	474
Loan commission expenses	933	960
Unwinding of provisions during the year	408	355
Letter of guarantee commission expenses	17	198
Other interest expenses	88	235
Other costs	170	158
Total	**80,814**	**39,223**

* Comparative information has been re-presented due to a discontinued operation.
** Ege Ports and Bodrum Cruise Port have functional currency of USD while their books are required to be kept as per Turkish Companies Law "VUK 213" article 215 in TL. All equity transactions are made in TL and transaction incurred during the year are being translated to USD resulting to foreign exchange differences on the profit or loss account.

The interest expense for financial liabilities not classified as fair value through profit or loss is USD 35,251 thousand (31 December 2019: USD 27,319 thousand).

Global Ports Holding PLC and its Subsidiaries

Notes to the consolidated financial statements (continued)

10 Property and equipment

Movements of property and equipment for the 15 months ended 31 March 2021 comprised the following:

USD '000

Cost	1 January 2020	Additions	Disposals	Transfers	Acquisition through business combination	Discontinued operation (*)	Currency translation differences	31 March 2021
Leasehold improvements	127,921	2,464	--	25,054	363	(23,212)	3,376	135,966
Machinery and equipment	56,080	1,302	(350)	1,295	229	(38,492)	938	**21,002**
Motor vehicles	17,896	291	--	345	--	(6,535)	14	**12,011**
Furniture and fixtures	11,337	1,646	(289)	8	--	(2,123)	213	**10,792**
Construction in progress	9,759	24,496	--	(27,282)	--	--	(139)	**6,834**
Land improvement	92	1	--	(6)	--	--	--	**87**
Total	**223,085**	**30,200**	**(639)**	**(586)**	**592**	**(70,362)**	**4,402**	**186,692**

Accumulated depreciation	1 January 2020	Depreciation expense	Disposals	Transfers	Acquisition through business combination	Discontinued operation	Currency translation differences	31 March 2021
Leasehold improvements	39,438	4,576	--	--	--	(8,238)	489	**36,265**
Machinery and equipment	34,570	1,645	(321)	--	--	(28,186)	301	**8,009**
Motor vehicles	11,431	1,447	--	--	--	(3,241)	(4)	**9,633**
Furniture and fixtures	7,093	853	(240)	--	--	(1,657)	(181)	**5,868**
Land improvement	42	16	--	--	--	--	1	**59**
Total	**92,574**	**8,537**	**(561)**	**--**	**--**	**(41,322)**	**606**	**59,834**
Net book value	**130,511**							**126,858**

(*) Refer to Note 4 "Discontinued operation".

Global Ports Holding PLC and its Subsidiaries

Notes to the consolidated financial statements (continued)

10 Property and equipment *(continued)*

Movements of property and equipment for the year ended 31 December 2019 comprised the following:

USD '000

Cost	**1 January 2019**	**Additions**	**Disposals**	**Transfers**	**Currency translation differences**	**31 December 2019**
Leasehold improvements	122,482	2,597	(2)	4,431	(1,587)	127,921
Machinery and equipment	55,159	1,147	(30)	227	(423)	56,080
Motor vehicles	17,858	126	(6)	--	(82)	17,896
Furniture and fixtures	9,666	1,931	(18)	--	(242)	11,337
Construction in progress	4,388	9,987	--	(4,658)	42	9,759
Land improvement	67	25	--	--	--	92
Total	**209,620**	**15,813**	**(56)**	**--**	**(2,292)**	**223,085**

Accumulated depreciation	**1 January 2019**	**Depreciation expense**	**Disposals**	**Transfers**	**Currency translation differences**	**31 December 2019**
Leasehold improvements	33,586	6,022	--	--	(170)	39,438
Machinery and equipment	30,326	4,385	(31)	(6)	(104)	34,570
Motor vehicles	10,041	1,386	--	6	(2)	11,431
Furniture and fixtures	6,278	859	(6)	--	(38)	7,093
Land improvement	38	4	--	--	--	42
Total	**80,269**	**12,656**	**(37)**	**--**	**(314)**	**92,574**
Net book value	**129,351**					**130,511**

10 Property and equipment *(continued)*

As at 31 March 2021, the net book value of machinery and equipment purchased through leasing amounts to USD 5 thousand (31 December 2019: USD 1,511 thousand), the net book value of motor vehicles purchased through leasing amounts to USD 2,993 thousand (31 December 2019: USD 6,810 thousand), and furniture and fixtures purchased through leasing totally depreciated (31 December 2019: USD 7 thousand). In 2021, no capital expenditure was made through finance leases (31 December 2019: nil).

As at 31 March 2021 and 31 December 2019, according to the "TOORA" and "BOT" tender agreements signed with the related Authorities, at the end of the agreement periods, real estate with their capital improvements will be returned as running, clean, free of any liability and free of charge. The details of the pledge or mortgage on property and equipment regarding the loans and borrowings are explained on Note 17.

For the 15 months ended 31 March 2021, borrowing costs amounting USD 2,286 thousand capitalised into property and equipment (31 December 2019: none).

As at 31 March 2021, the insured amount of property and equipment amounts to USD 288,261 thousand (31 December 2019: USD 295,721 thousand).

11 Intangible assets

Movements of intangible assets for the 15 months ended 31 March 2021 comprised the following:

USD '000

Cost	**1 January 2020**	**Additions**	**Disposal**	**Transfers**	**Acquisition through business combination**	**Discontinued operation ***	**Currency translation differences**	**31 March 2021**
Port operation rights	668,576	65,606	(919)	586	--	(304,993)	12,765	441,621
Customer relationships	3,937	--	--	--	1,446	--	99	5,482
Software	1,343	94	--	--	--	(803)	31	665
Other intangibles	706	427	(51)	--	--	--	151	1,233
Total	**674,562**	**66,127**	**(970)**	**586**	**1,446**	**(305,796)**	**13,046**	**449,001**

Accumulated amortisation	**1 January 2020**	**Amortisation expense ****	**Disposal**	**Transfers**	**Acquisition through business combination**	**Discontinued operation**	**Currency translation differences**	**31 March 2021**
Port operation rights	244,922	24,350	(249)	--	--	(160,794)	3,391	111,620
Customer relationships	3,693	400	--	--	--	--	2	4,095
Software	797	167	--	--	--	(633)	168	499
Other intangibles	532	321	(51)	--	--	--	75	877
Total	**249,944**	**25,238**	**(300)**	**--**	**--**	**(161,427)**	**3,636**	**117,091**
Net book value	**424,618**							**331,910**

* Refer to Note 4 "Discontinued operation"

** USD 3.587 thousand is impaired on Port of Adria Port operating rights. Details explained under recoverability of intangible assets.

11 Intangible assets *(continued)*

Movements of intangible assets for the year ended 31 December 2019 comprised the following:

USD '000

Cost	**1 January 2019**	**Additions**	**Disposals**	**Transfers**	**Currency translation differences**	**31 December 2019**
Port operation rights	605,115	70,028	(393)	--	(6,174)	668,576
Customer relationships	3,937	--	--	--	--	3,937
Software	1,268	88	--	--	(13)	1,343
Other intangibles	713	58	--	--	(65)	706
Total	**611,033**	**70,174**	**(393)**	**--**	**(6,252)**	**674,562**

Accumulated amortisation	**1 January 2019**	**Amortisation expense**	**Disposals**	**Transfers**	**Currency translation differences**	**31 December 2019**
Port operation rights	214,227	32,012	(79)	7	(1,245)	244,922
Customer relationships	3,365	328	--	--	--	3,693
Software	646	156	--	--	(5)	797
Other intangibles	434	144	--	(7)	(39)	532
Total	**218,672**	**32,640**	**(79)**	**--**	**(1,289)**	**249,944**
Net book value	**392,361**					**424,618**

Movements of intangible assets for the year ended 31 December 2019 comprised the following:

USD '000

Cost	**1 January 2019**	**Additions**	**Disposals**	**Transfers**	**Currency translation differences**	**31 December 2019**
Port operation rights	605,115	70,028	(393)	--	(6,174)	668,576
Customer relationships	3,937	--	--	--	--	3,937
Software	1,268	88	--	--	(13)	1,343
Other intangibles	713	58	--	--	(65)	706
Total	**611,033**	**70,174**	**(393)**	**--**	**(6,252)**	**674,562**

Accumulated amortisation	**1 January 2019**	**Amortisation expense**	**Disposals**	**Transfers**	**Currency translation differences**	**31 December 2019**
Port operation rights	214,227	32,012	(79)	7	(1,245)	244,922
Customer relationships	3,365	328	--	--	--	3,693
Software	646	156	--	--	(5)	797
Other intangibles	434	144	--	(7)	(39)	532
Total	**218,672**	**32,640**	**(79)**	**--**	**(1,289)**	**249,944**
Net book value	**392,361**					**424,618**

11 Intangible assets *(continued)*

The details of Port operation rights as at 31 March 2021 and 31 December 2019 are as follows:

	As at 31 March 2021		As at 31 December 2019	
USD '000	**Carrying Amount**	**Remaining Amortisation Period**	**Carrying Amount**	**Remaining Amortisation Period**
Creuers del Port de Barcelona	92,442	111 months	100,336	126 months
Cruceros Malaga	10,838	137 months	11,400	152 months
Valletta Cruise Port	62,561	548 months	61,299	563 months
Port of Adria	15,562	273 months	19,623	288 months
Port Akdeniz	--	--	144,198	104 months
Ege Ports	10,197	144 months	11,240	159 months
Bodrum Cruise Port	2,411	564 months	2,657	579 months
Nassau Cruise Port	132,112	317 months	68,488	332 months
Cagliari Cruise Port	1,897	69 months	2,201	84 months
Catania Cruise Port	1,981	81 months	2,173	96 months
Ravenna Cruise Port	--	--	39	12 months

All port operating rights have arisen as a result of IFRS 3 Business combinations, except Barcelona Port Investments, Ravenna Cruise Port, Catania Cruise Port and Nassau Cruise Port, which arose as a result of applying IFRIC 12. Each port represent a separate CGU as per IAS 36.

For the 15 month period ended 31 March 2021, borrowing costs amounting USD 9,569 thousand capitalised into intangible assets (31 December 2019: none).

Project expenses directly attributable to the creation of the port right of USD 7,500 thousand (2019: USD 7,125 thousand) have also been capitalized as part of the port operating rights.

Recoverability of intangible assets

Management prepared formal forecasts for cruise port and commercial port operation for their remaining concession period, which are used to estimate their Value In Use ("VIU"). VIU calculations require 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. Due to the adverse impact of the Covid-19 pandemic on the Group's trade, an indicator of impairment has been identified for all cruise ports within the Group (2019: Port of Akdeniz was the only port with an indicator of impairment; no impairment was recognised). For Nassau Cruise Port, the Group estimates the recoverable amount using a fair value less costs to sell method, using a level 3 valuation technique based on forecast future cash flows. 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. Each port represents a separate CGU.

The Group uses the budget and long-range plan as approved by the board as the basis for the discounted cash flow models. The period over which cash flows have been projected is the length of the relevant concession agreement. The concession period has been used instead of 5 years (and a terminal value) as the concession length best represents the future use of the assets within the CGU. Management forecasted a recovery in following two years for number of passengers based on past experience on issues impacted Cruise industry (Costa Concordia case, 2008 global economic crisis), the publications made by Cruise Industry stakeholders, 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.

	2021
Post-tax discount rate used for Ports with Euro functional currency	4.33% - 7.64%
Post-tax discount rate used for Ports with USD functional currency	7.70% - 10.54%
Annualized growth, year 2 – year 7 "Passengers"	2.00% - 5.97%

For all of the cruise ports, the recoverable amount estimated was in excess of the carrying amount of that CGU and thus no impairment has been recognised (2019: no impairment recognised) as the recoverable amount is higher than the carrying value of the respective CGU.

11 Intangible assets *(continued)*

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.

In relation to a number of the smaller cruise ports in the Other Cruise segment there is sufficient uncertainty relating to the assumptions on which the cash flow projections that have been prepared such that there is a risk of an impairment to the carrying amount of the CGUs within the next financial year. The total carrying amount of these CGUs is $3.6m. When preparing the cash flow forecasts for these ports, it has been assumed that revenue in 2022 is higher than 2019 by between 10%-25%, reflecting booked cruise calls. It is then assumed that revenue will grow in line with historic growth rates for the remainder of the concessions. Due to the largely fixed cost base, EBITDA margins are also expected to grow for the remainder of the concession to a maximum of 50%. Due to the short length of the remaining concession period for these ports, a further extended 'no sail' period that could arise from further Covid-19 restrictions could lead to significant impairment of the carrying amounts.

In relation to Port of Adria, an indicator of impairment has been identified as, whilst the port has continued to operate through the period, the port has not grown as expected when acquired in 2013. As a result, long term growth assumptions have been revised and an impairment of USD 3.587 thousand (2019: no impairment recognised) has been recognised. The recoverable amount of the CGU has been estimated as USD 56.6 million (EUR 48.3 million) based on its value in use.

Assumption	**Approach to determining assumption**	**Assumption used**
Annual revenue growth 2021-2025	Bottom-up planning for key revenue items for the foreseeable period of 5 years	5.2% - 9.9%
Annual revenue growth 2026 to end of concession	In line with expected GDP growth	3.9%
EBITDA margin growth	Based on comparable container ports' margins	Growing up to 59% at the end of the concession from today's c. 28%
Discount rate	Based on comparable ports' cost of debt and cost of equity on area	7.00%

The following reasonable adverse changes to key assumptions will result the in the following impairment charge being recognised (if all other assumptions remain the same):

CGU	**Reduction in revenue growth of 1% (USD'000)**	**Reduction in EBITDA margin of 1% (USD'000)**	**1% increase to discount rate (USD'000)**
Port of Adria	1,470	1,470	6,000

12 Equity-accounted investments

The nature of the operations and the locations of the equity-accounted investees of the Company are listed below:

Equity-accounted investees	**Locations**	**Operations**
LCT - Lisbon Cruise Terminals, LDA ("LCT")	Portugal	Port operations
SATS – Creuers Cruise Services Pte. Ltd. ("Singapore Port")	Singapore	Port operations
Venezia Investimenti Srl. ("Venice Investment")	Italy	Port investments
Goulette Cruise Holding ("Goulette")	UK	Port investments
La Spezia Cruise Facility Srl. ("La Spezia")	Italy	Port operations
Pelican Peak Investments Inc ("Pelican Peak")	Canada	Ancillary services

Lisbon Cruise Terminals
The Group has entered into the concession agreement of Lisbon Cruise Port within the framework of a public-service concession on 18 July 2014 as a part of the consortium comprising Global Liman, RCCL, Creuers and Group Sousa – Investimentos SGPS, LDA. The operation right of Lisbon Cruise Port has been transferred by the Port Authority of Lisbon to LCT-Lisbon Cruise Terminals, LDA, which was established by the Consortium on 26 August 2014. The Group has a 46.2% effective interest in Lisbon Cruise Terminals as at 31 March 2021, hence the Group can only appoint a minority of Directors to the Board and therefore does not have control over the entity. Lisbon Cruise Terminals has been recognised as an equity-accounted investee in the consolidated financial report as at and for the periods ended 31 March 2021 and 2019.

12 Equity-accounted investments *(continued)*

Singapore Port
Barcelona Port Investments, S.L ("BPI") was established as a joint venture between the Group and Royal Caribbean Cruises Ltd. ("RCCL") on 26 July 2013 for the purpose of acquiring Creuers. Global Liman has 62% ownership in BPI. Creuers holds a 100% interest in the port operation rights for the Barcelona cruise port, as well as an 100% interest in the port operation rights for the Malaga cruise port and a 40% interest in the port operation rights for the Singapore cruise port. Singapore cruise port has a fiscal year starting from 1 April and ending on 31 March. The entity's financial results are aligned to the Group's fiscal year to account for under the scope of IAS 28. The effective interest held on Singapore cruise port is 24.8%. Singapore has been recognised as an equity-accounted investee in the consolidated financial report as at and for the periods ended 31 March 2021 and 31 December 2019.

Venice Investment
Venezia Investimenti Srl is an international consortium formed for investing in Venezia Terminal Passegeri S.p.A ("VTP"). The international consortium formed as a joint venture by GPH, Costa Crociere SpA, MSC Cruises SA and Royal Caribbean Cruises Ltd each having a 25% share of the Company.

Goulette Cruise Holding
Goulette Cruise Holding is a joint venture established 50%-50% between the Company and MSC Cruises S.A. ("MSC"), to acquire La Goulette Shipping Cruise, which operates the cruise terminal in La Goulette, Tunisia. The Company made a share capital contribution for its 50% shareholding amounting to €55 thousand and issued a loan of $6m in December 2019 to fund the acquisition of La Goulette Shipping Cruise proportionately to its share. The joint venture acquired the shares in La Goulette Shipping Cruise on 26 December 2019.

La Spezia
GPH purchased a minority interest of 28.5% through POH in La Spezia Cruise Facility Srl, which has the operating rights of La Spezia Cruise Port, Italy.

Pelican Peak
Group invested Pelican Peak, a company established in Canada and operating in the Caribbean region to provide ancillary services to cruise passengers. The investment in Pelican Peak shares were made as part of the Group's plans to integrate its services vertically and increase ancillary service opportunities of the Group.

Impairment analysis

Management prepared formal forecasts for Equity accounted investees for their remaining concession period, which are used to estimate their Value In Use ("VIU"). VIU calculations requires subjective judgements based on a wide range of variables at a point in time including future passenger numbers, growth forecast and discount rates. Due to the adverse impact of the Covid-19 pandemic on the Group's trade, an indicator of impairment has been identified for all investments within the Group.

The recoverable amount of each investment is estimated using a value in use (VIU) model. The Group uses the budget and long-range plan as approved by the boards of respective entities as the basis for the discounted cash flow models. The period over which cash flows have been projected is the length of the relevant concession agreement. The concession period has been used instead of 5 years (and a terminal value) as the concession length best represents the future use of the assets.

For the investments of Singapore, Lisbon, Goulette and Pelican Peak the recoverable amount estimated was significantly in excess of the carrying amount of that investment and thus no impairment has been recognised (2019: no impairment recognised).

In relation to Venezia Investimenti, an indicator of impairment has been identified as, whilst the port has continued to operate through the period, the port has not grown as expected since acquisition in 2016, and the concession period remaining decreased significantly. As a result, a detailed analysis for the investment has been made and taking into consideration the recent limitations and restrictions to cruise traffic in Venice, an impairment of $8.4 million (2019: no impairment recognised) has been recognised. The recoverable amount of the investment has been estimated as $2.5 million using a discount rate of 9.1% based on its value in use.

12 Equity-accounted investments *(continued)*

For the year ended 31 March 2021

At 31 March 2021, Venezia Investimenti, Lisbon Cruise Terminals, Goulette Cruise Holding, Singapore Port and Pelican Peak are equity-accounted investees in which the Group participates.

The following table summarises the financial information of Goulette Cruise Holding, Venezia Investimenti, Lisbon Cruise Terminals, Singapore Port and Pelican Peak as included in the consolidated financial statements as at 31 March 2021. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Lisbon Cruise Terminals and Singapore Port.

	Pelican Peak (USD'000)	**Goulette Cruise Holding (USD'000)**	**Venezia Investimenti (USD'000)**	**Lisbon Cruise Terminals (USD'000)**	**Singapore Port (USD'000)**
Percentage ownership interest	10.23%	50.00%	25.00%	50.00%	40.00%
Non-current assets	5,323	21,106	17,083	29,980	12,093
Current assets	3	2,350	3,513	3,259	24,275
Non-current liabilities	(300)	(20,201)	(10,751)	(14,189)	(7,620)
Current liabilities	(349)	(4,719)	(34)	(1,718)	(10,800)
Net assets (100%)	4,676	(1,464)	9,811	17,332	17,948
Group's share of net assets	478	(732)	2,453	8,666	7,179
Carrying amount of interest in equity-accounted investees	**478**	**-- (*)**	**2,453**	**8,666**	**7,179**
Revenue	--	--	861	2,674	22,331
Expenses	(1,112)	(1,593)	(231)	(4,908)	(18,327)
Profit and total comprehensive income for the year (100%)	(1,112)	(1,593)	631	(2,233)	4,004
Group's share of profit and total comprehensive income	**(114)**	**(64) (*)**	**158**	**(1,117)**	**1,602**

(*) Group has no obligation to fund the Goulette's operations or has made payments on behalf of the Goulette. The Group's interest on Goulette is reduced to zero, yearly result recognized is the balance nullifying the equity.

As at 31 March 2021, the amounts in the above table include the following:

USD '000	**Pelican Peak (USD'000)**	**Goulette Cruise Holding (USD'000)**	**Venezia Investimenti (USD'000)**	**Lisbon Cruise Terminals (USD'000)**	**Singapore Port (USD 000)**
Cash and cash equivalents	3	9	3,513	2,892	11,714
Non-current financial liabilities (excluding trade and other payables and provisions)	(265)	16,250	--	(13,816)	(7,174)
Current financial liabilities (excluding trade and other payables and provisions)	--	--	--	(561)	(617)
Interest income	--	873	--	--	--
Depreciation and amortisation	--	--	(2)	(1,751)	(3,322)
Interest expense	--	(795)	--	(542)	(336)
Income tax expense	--	--	--	594	(820)

For the 15 months ended 31 March 2021, the Group's share of profit and total comprehensive income is set out below:

	Net profit (USD '000)
Singapore Port	1,602
Venezia Investimenti	158
Pelican Peak	(114)
Goulette Cruise Holding	(64)
Lisbon Cruise Terminals	(1,117)
Group's share of profit and total comprehensive income	**465**

12 Equity-accounted investments *(continued)*

For the year ended 31 December 2019

At 31 December 2019, La Spezia, Venezia Investimenti, Lisbon Cruise Terminals and Singapore Port are equity-accounted investees in which the Group participates.

The following table summarises the financial information of La Spezia, Goulette Cruise Holding, Venezia Investimenti, Lisbon Cruise Terminals and Singapore Port as included in the consolidated financial statements as at 31 December 2019. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Lisbon Cruise Terminals and Singapore Port.

	La Spezia (USD'000)	Goulette Cruise Holding (USD'000)	Venezia Investimenti (USD'000)	Lisbon Cruise Terminals (USD'000)	Singapore Port (USD'000)
Percentage ownership interest	30.00%	50.00%	25.00%	50.00%	40.00%
Non-current assets	--	13,536	34,274	29,465	7,141
Current assets	24	246	5,020	6,484	19,272
Non-current liabilities	--	(13,659)	--	(13,569)	(2,846)
Current liabilities	--	--	(37)	(3,476)	(5,312)
Net assets (100%)	24	123	39,257	18,904	18,255
Group's share of net assets	7	62	9,814	9,452	7,302
Carrying amount of interest in equity-accounted investees	**7**	**62**	**9,814**	**9,452**	**7,302**
Revenue	--	--	3,053	7,832	28,490
Expenses	--	--	(925)	(6,340)	(17,735)
Profit and total comprehensive income for the year (100%)	--	--	2,128	1,492	10,755
Group's share of profit and total comprehensive income	--	--	**532**	**746**	**4,302**

As at 31 December 2019, the amounts in the above table include the following:

USD '000	La Spezia (USD'000)	Goulette Cruise Holding (USD'000)	Venezia Investimenti (USD'000)	Lisbon Cruise Terminals (USD'000)	Singapore Port (USD 000)
Cash and cash equivalents	24	246	5,000	3,193	2,763
Non-current financial liabilities (excluding trade and other payables and provisions)	--	13,659	--	(13,569)	(2,403)
Current financial liabilities (excluding trade and other payables and provisions)	--	--	--	(934)	(337)
Interest income	--	--	--	--	74
Depreciation and amortisation	--	--	(2)	(1,260)	(1,885)
Interest expense	--	--	--	(456)	--
Income tax expense	--	--	--	(444)	(2,615)

For the year ended 31 December 2019, the Group's share of profit and total comprehensive income is set out below:

	Net profit (USD '000)
Venezia Investimenti	532
Lisbon Cruise Terminals	746
Singapore Port	4,302
Group's share of profit and total comprehensive income	**5,580**

13 Cash and cash equivalents

As at 31 March 2021 and 31 December 2019, cash and cash equivalents comprised the following:

	2021 (USD '000)	**2019 (USD '000)**
Cash on hand	72	132
Cash at banks	164,232	*63,601*
- Demand deposits	*141,433*	*39,288*
- Time deposits	*22,799*	*17,815*
- Overnight deposits	--	*6,498*
Other cash and cash equivalents	6,295	47
Cash and cash equivalents	**170,599**	**63,780**

As at 31 March 2021 and 31 December 2019, maturities of time deposits comprised the following:

	2021 (USD '000)	**2019 (USD '000)**
Up to 1 month	21,706	23,248
1-3 months	1,093	1,065
Total	**22,799**	**24,313**

As at 31 March 2021 and 31 December 2019, the ranges of interest rates for time deposits are as follows:

	2020	**2019**
Interest rate for time deposit-TL (highest)	18.8%	9.0%
Interest rate for time deposit-TL (lowest)	18.0%	8.0%
Interest rate for time deposit-USD (highest)	--	1.9%
Interest rate for time deposit-USD (lowest)	--	1.3%
Interest rate for time deposit-EUR (highest)	0.05%	0.01%
Interest rate for time deposit-EUR (lowest)	0.35%	0.15%

As at 31 March 2021, cash at bank held at BPI, Nassau Cruise Port, Ege Port and Port of Adria amounting to USD 15,639 thousand (31 December 2019: USD 5,672 thousand) is restricted due to debt service reserve amounts regarding financing agreements and subscription guarantees (Note 15). Debt service reserve guarantees were given for the following period's interest and principal payment and can be used when requested for investment purposes.

14 Capital and reserves

a) Share capital

The Company's shares are ordinary voting shares. There are no preferential rights attached to any shares of the Company.

The details of paid up share capital as of 31 December are as follows:

	Number of shares '000	Share capital USD'000	Share Premium USD'000
Balance at 1 January 2018	62,827	811	--
Balance at 31 December 2018	62,827	811	--
Balance at 31 December 2019	62,827	811	**--**

14 Capital and reserves *(continued)*

b) Nature and purpose of reserves

(i) Translation reserves

The translation reserves amounting to USD 58,779 thousand (31 December 2019: USD 213,715 thousand) are recognised as a separate account under equity and comprises foreign exchange differences arising from the translation of the consolidated financial statements of subsidiaries and equity-accounted investees from their functional currencies (of Euro and TL) to the presentation currency USD.

(ii) Legal reserves

Under the Turkish Commercial Code, Turkish companies are required to set aside first and second level legal reserves out of their profits. First level legal reserves are set aside as up to 5% of the distributable income per the statutory accounts each year. The ceiling of the first level reserves is 20% of the paid-up share capital. The requirement to set aside ends when the 20% of the paid-up capital level has been reached. Second level legal reserves correspond to 10% of profit distributed after the deduction of the first legal reserves and the minimum obligatory dividend pay-out, but holding companies are not subject to this regulation. There is no ceiling for second level legal reserves and they are accumulated every year. First and second level legal reserves cannot be distributed until they exceed 50% of the capital, but the reserves can be used for offsetting the losses in case free reserves are unavailable. As at 31 March 2021, the legal reserves of the Group amounted to USD 6,014 (31 December 2019: USD 13,144 thousand).

(iii) Hedging reserves

Net investment hedge

In the year ended 31 March 2021, Global Liman has used its US Dollar Eurobond financing in a net investment hedge of the US Dollar net assets of Ege Port and Bodrum Cruise Port (31 December 2019: the Company has used its US Dollar Eurobond financing in a net investment hedge of the US Dollar net assets of Ege Port, Bodrum Cruise Port and Port Akdeniz). A foreign exchange loss recognised in other comprehensive income as a result of net investment hedging was USD 45,209 thousand (2019: loss USD 24,725 thousand).

The net investment hedge of the US Dollar net asset of Port Akdeniz has been eliminated with the disposal accounting. Total hedged amount on GLI (the group company held Port Akdeniz’ shares) accounts amounted to USD 223,934 thousand. Translation reserves created during elimination of Port Akdeniz equity (GLI, sub holding company, has TL functional currency, which resulted translation gains on the elimination of subsidiaries equity against its investments held in TL) created during PA consolidation was USD 216,235 thousand, leaving a loss of USD 7,699 thousand on the disposal transaction.

Cash flow hedge

The Group entered into an interest rate swap in order to hedge its position against changes in interest rates. The effective portion of the cash flow hedge that was recognised in other comprehensive income was USD 469 thousand loss (31 December 2019, USD 335 thousand loss). The amount that was reclassified from equity to profit and loss within the cash flow hedges – effective portion of changes in fair value line item for the year was USD 244 thousand (31 December 2019, USD 246 thousand) recognized at financial expenses on profit and loss statement.

14 Capital and reserves *(continued)*

b) Nature and purpose of reserves *(continued)*

The hedge instrument payments will be made in the periods shown below, at which time the amount deferred in equity will be reclassified to profit and loss:

	3 months or less	More than 3 months but less than 1 year	5 years or less but more than 1 year	More than 5 years
	(USD '000)	(USD '000)	(USD '000)	(USD '000)
Net cash outflows exposure				
Liabilities	110	89	145	--
At 31 March 2021	110	**89**	**145**	**--**
Net cash outflows exposure				
Liabilities	--	220	265	--
At 31 December 2019	--	**220**	**265**	**--**

(iv) Merger reserves

On 17 May 2017, Global Ports Holding PLC was listed on the Standard Listing segment of the Official List and trading on the Main Market of the London Stock Exchange. As part of a restructuring accompanying the Initial Public Offering ("IPO") of the Group on 17 May 2017, Global Ports Holding PLC replaced Global Liman Isletmeleri A.S. as the Group's parent company by way of a Share exchange agreement. Under IFRS 3 this has been accounted for as a Group reconstruction under merger accounting. These consolidated financial statements have been prepared as a continuation of the existing Group. Merger accounting principles for this combination have given rise to a merger reserve of USD 225 million. This has been transferred from the merger reserve to retained earnings subsequent to the share capital reduction, as it does not have any features distinct from retained earnings.

c) 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.

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, no dividend was decided and distributed during the reporting period ended 31 March 2021.

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 totalled USD 237 thousand in the reporting period (2019: USD 6,366 thousand) and comprised a distribution of USD 24 thousand (2019: USD 2,550 thousand) made to other shareholders by Valletta Cruise Port fully in cash, and a distribution of USD 213 thousand (2019: USD 3,751) made to other shareholders by Barcelona Port Investments fully paid in cash (2019: a distribution of USD 65 thousand made to other shareholders by Cagliari Cruise Port no cash settlement).

15 Loans and borrowings

As at 31 March 2021 and 31 December 2019, loans and borrowings comprised the following:

Current loans and borrowings	**2021 (USD '000)**	**2019 (USD '000)**
Current portion of bonds issued	272,437	18,554
Current bank loans	3,802	12,497
- TL	*2,529*	*3,632*
- Other currencies	*1,273*	*8,865*
Current portion of long-term bank loans	16,654	29,899
- TL	*3,877*	*822*
- Other currencies	*12,777*	*29,077*
Lease obligations	2,307	1,741
Finance leases	--	*622*
Lease obligations recognized under IFRS 16	*2,307*	*1,119*
Total	**295,200**	**62,691**

Non-current loans and borrowings	**2021 (USD '000)**	**2019 (USD '000)**
Non-current portion of bonds issued	113,734	232,436
Non-current bank loans	76,389	94,156
- TL	--	*7*
- Other currencies	*76,389*	*94,149*
Finance lease obligations	63,611	63,707
Finance leases	--	--
Lease obligations recognized under IFRS 16	*63,611*	*63,707*
Total	**253,734**	**390,299**

As at 31 March 2021 and 31 December 2019, the maturity profile of long-term bank loans comprised the following:

Year	**2021 (USD '000)**	**2019 (USD '000)**
Between 1-2 years	24,523	270,997
Between 2-3 years	22,052	11,463
Between 3-4 years	30,792	9,130
Over 4 years	112,756	35,002
Total	**190,123**	**326,592**

As at 31 March 2021 and 31 December 2019, the maturity profile of lease obligations comprised the following:

USD '000	**2021**			**2019**		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
Less than one year	5,118	(2,811)	2,307	3,646	(1,905)	1,741
Between one and five years	142,913	(79,302)	63,611	142,638	(78,931)	63,707
Total	**148,031**	**(82,113)**	**65,918**	**146,284**	**(80,836)**	**65,448**

15 Loans and borrowings *(continued)*

Details of the loans and borrowings as at 31 March 2021 are as follows:

						As at 31 March 2021	
Loans and borrowings type	**Company name**	**Currency**	**Maturity**	**Interest type**	**Interest rate %**	**Principal**	**Carrying value**
Loans used to finance investments and projects							
Unsecured Eurobonds (i)	Global Liman	USD	2021	Fixed	8.13	250,000	256,817
Unsecured Bond (vi)	Nassau Cruise Port	USD	2040	Fixed	8.00	124,470	129,355
Secured Loan (ii)	Barcelona Port Investments	EUR	2023	Floating	Euribor + 4.00	14,445	14,403
Secured Loan (iii)	Malaga Cruise Port	EUR	2025	Floating	Euribor 3m + 1.75	3,840	3,818
Secured Loan (iv)	Valetta Cruise Port	EUR	2035	Floating	Euribor + 2.80	12,063	10,906
Secured Loan	Cagliari Cruise Port	EUR	2026	Fixed	2.20 – 5.55	556	556
Secured Loan	Bodrum Cruise Port	TL	2021	Fixed	9.50 – 19.00	375	396
Secured Loan (v)	Port of Adria	EUR	2025	Floating	Euribor + 4.25	22,892	23,049
Secured Loan	Port of Adria	EUR	2022	Fixed	3.15 – 3.30	1,186	1,189
Secured Loan	Catania Cruise Port	EUR	2027	Fixed	2.20 – 5.55	30	30
Secured Loan	Balearic Handling	EUR	2025	Fixed	1.50	132	132
Secured Loan	Shore Handling	EUR	2028	Fixed	1.50	253	253
Secured Loan	Barcelona Cruise Port	EUR	2024	Floating	EURIBOR + 4.00	2,816	2,819
Secured Loan (vii)	Antigua Cruise Port	USD	2026	Floating	LIBOR + 5.75	33,283	33,283
						466,341	**477,006**
Loans used to finance working capital							
Unsecured Loan	Global Liman	TL	2021	Fixed	9.25 – 9.50	1,977	2,132
Unsecured Loan	Ege Liman	TL	2021	Fixed	30.60	3,576	3,878
						5,553	**6,010**
Finance lease obligations (incl. IFRS-16 Finance Lease)							
Leasing	Cagliari Cruise Port	EUR	2026	Fixed	4.84	26	26
Leasing	Global Ports PLC	GBP	2022	Fixed	3.5	406	406
Leasing	Barcelona Cruise Port	EUR	2029	Fixed	4.25	2,165	2,165
Leasing	Malaga Cruise Port	EUR	2041	Fixed	2.00	9,380	9,380
Leasing	Valetta Cruise Port	EUR	2066	Fixed	4.27	67,512	26,539
Leasing	Bodrum Cruise Port	TL	2067	Fixed	18.09	1,731	1,845
Leasing	Port of Adria	EUR	2043	Fixed	3.85	14,184	9,695
Leasing	Zadar	HRK	2038	Fixed	5.50	2,775	2,775
Leasing	Cagliari Cruise Port	EUR	2026	Fixed	4.84	378	318
Leasing	Nassau Cruise Port	USD	2047	Fixed	1.79	137	137
Leasing	Antigua Cruise Port	USD	2048	Fixed	7.65	32,387	12,632
						131,081	**65,918**
							548,934

Global Ports Holding PLC and its Subsidiaries

Notes to the consolidated financial statements (continued)

15 Loans and borrowings *(continued)*

Details of the loans and borrowings as at 31 December 2019 are as follows:

						As at 31 December 2019	
Loans and borrowings type	**Company name**	**Currency**	**Maturity**	**Interest type**	**Interest rate %**	**Principal**	**Carrying value**
Loans used to finance investments and projects							
Unsecured Eurobonds (i)	Global Liman	USD	2021	Fixed	8.13	250,000	250,989
Secured Loan (ii)	Barcelona Port Investments	EUR	2023	Floating	Euribor + 4.00	18,224	17,857
Secured Loan (iii)	Malaga Cruise Port	EUR	2025	Floating	Euribor 3m + 1.75	4,467	4,437
Secured Loan (iv)	Valetta Cruise Port	EUR	2026	Floating	Euribor + 2.80	10,295	9,162
Secured Loan	Global BV	EUR	2020	Floating	Euribor + 4.60	5,430	5,441
Secured Loan	Cagliari Cruise Port	EUR	2026	Fixed	2.20 – 6.20	564	564
Secured Loan	Bodrum Cruise Port	TL	2020	Fixed	17.0 – 27.5	513	594
Secured Loan (v)	Port of Adria	EUR	2025	Floating	Euribor + 4.25	22,392	22,551
Secured Loan	Port of Adria	EUR	2019	Fixed	3.85	840	842
Secured Loan	Ortadoğu Liman	TL	2020	Fixed	14.50	339	339
Secured Loan	Ortadoğu Liman	USD	2020	Fixed	3.60 – 6.60	1,401	1,401
Secured Loan	Ortadoğu Liman	EUR	2020	Fixed	3.40 – 6.00	533	535
Secured Loan	Barcelona Cruise Port	EUR	2024	Floating	EURIBOR + 4.00	2,686	2,651
Secured Loan (vi)	Nassau Cruise Port	USD	2021	Fixed	4.5	16,000	16,000
Secured Loan (vii)	Antigua Cruise Port	USD	2026	Floating	LIBOR + 5,75	16,104	15,197
						349,788	**348,560**
Loans used to finance working capital							
Unsecured Loan	Global Liman	TL	2020	Fixed	26.34	2,694	2,701
Unsecured Loan	Ege Liman	USD	2020	Fixed	4.95	1,500	1,511
Unsecured Loan	Ege Liman	EUR	2020	Fixed	3.54	2,377	2,437
Unsecured Loan	Ege Liman	TL	2020 – 2021	Fixed	15.84 – 30.6	534	509
Secured Loan	Ortadoğu Liman	EUR	2020	Fixed	3.80 – 8.75	20,849	21,025
Secured Loan	Ortadoğu Liman	USD	2020	Fixed	3.80 – 8.75	10,289	10,478
Secured Loan	Ortadoğu Liman	TL	2020	Fixed	26	320	321
						38,563	**38,982**
Finance lease obligations							
Leasing	Ortadoğu Liman	USD	2020	Fixed	7.35	186	186
Leasing	Cagliari Cruise Port	EUR	2021	Fixed	1.96	45	44
Leasing	Ege Liman	USD	2020	Fixed	7.75	1	1
Leasing	Ege Liman	EUR	2020	Fixed	5.5	385	385
Leasing	Global Ports PLC	GBP	2022	Fixed	3.5	690	648
Leasing	Barcelona Cruise Port	EUR	2020	Floating	3.9	3	4
Leasing	Barcelona Cruise Port	EUR	2030	Floating	4.0	2,424	2,424
Leasing	Malaga Cruise Port	EUR	2036	Floating	4.0	9,478	9,479
Leasing	Valetta Cruise Port	EUR	2066	Floating	4.27	25,386	25,001
Leasing	Bodrum Cruise Port	TL	2067	Fixed	8.3	2,441	2,474
Leasing	Port of Adria	EUR	2043	Floating	3.85	14,115	9,408
Leasing	Zadar	HRK	2038	Fixed	9.35	2,993	2,994
Leasing	Cagliari Cruise Port	EUR	2026	Fixed	4.5	328	328
Leasing	Antigua Cruise Port	USD	2048	Floating	7.65	12,072	12,072
						70,547	**65,448**
							452,990

15 Loans and borrowings *(continued)*

Detailed information relating to significant loans undertaken by the Group is as follows:

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

Eurobonds contain the following key 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 the Malaga Cruise Port (being Unrestricted Subsidiary as defined in the Eurobond). Nassau Cruise Port and GPH Antigua are subsidiaries of GPH PLC, therefore not included on the covenant computation of Global Liman 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 or Ege Ports ("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;
    - 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 in 2019.

(ii) On 30 September 2014, BPI and Creuers entered into a syndicated loan. Tranche A of this loan is paid semi-annually, at the end of June and December, with the last payment being in 2023. Tranche B already paid, Tranche C amounting to Euro 2.4 million has a bullet payment in 2024. The interest rate of this loan is Euribor 6m + 4.00%. The syndicated loan is subject to a number of financial ratios and restrictions, breach of which could lead to early repayment being requested. Under this loan, in the event of default, all the shares of BPI (a total of 3,170,500 shares each being €1) and Creuers (3,005,061shares each being €1) are pledged together with certain rights of these companies. The agreement includes terms about certain limitations on dividends payments, new investments, and change in the control of the companies, change of the business, new loans and disposal of assets.

(iii) On 12 January 2010, Cruceros Málaga, S.A. entered into a loan agreement with Unicaja regarding a Euro 9 million loan to finance the construction of the new terminal. This loan had an 18-month grace period. It is linked to Euribor and has a term of 180 months from the agreement execution date. Therefore, the maturity date of the loan is on 12 January 2025. A mortgage has been taken out on the administrative concession agreement to guarantee repayment of the loan principal and accrued interest thereon.

15 Loans and borrowings *(continued)*

(iv) Valletta Cruise Port's bank loans and overdraft facilities bear interest at Euribor + 3% (31 December 2019: + 3%) per annum and are secured by a mortgage over VCP's present and future assets, together with a mortgage over specific property within the concession site for a period of 65 years commencing on 21 November 2001.

(v) Port of Adria entered into a loan agreement with EBRD amounting to Euro 20 million in total on 26 February 2018 with a 6-year maturity, 2 years grace period and an interest rate of Euribor + 4.25%. Principal and interest will be payable quarterly, in January, April, July and November of each year. Under this loan agreement, in the event of default, all shares of Port of Adria (12.040.993 Shares having 0,5026 € nominal value per each and 30.683.933 Shares having 1,1485 € nominal value per each) are pledged to the bank in accordance with a share pledge agreement. In compliance with this agreement, the Company is also guarantor of Port of Adria, and as per agreement, the Company has to comply with the consolidated leverage ratio of 5.0 to 1, as it is presented on the Eurobond of Global Liman.

(vi) In June 2020, NCP has successfully completed a private bond offering. The 20-year unsecured bond will mature in 2040 and pay a semi-annual coupon of 8.0% p.a. starting in June 2021.

(vii) On 26 September 2019, GPH Antigua entered into a syndicated loan with 6 years maturity and 2 years grace period. Repayment will be made quarterly starting from 31 December 2021, at a principal rate of 2.0835%. Remaining amount (58.33%) will be paid at 31 December 2026. The interest rate of this loan will be Libor + 5.75% prior to New Pier completion date and Libor + 5.25% after completion of New pier construction. The syndicated loan is subject to a number of financial ratios and restrictions, breach of which could lead to early repayment being requested. The agreement includes terms about certain limitations on dividends payments, new investments, and change in the control of the companies, change of the business, new loans and disposal of assets.

Reconciliation of movements of liabilities to cash flows arising from financing activities

USD'000		***Liabilities***		***Equity***		
	Note	**Loans and Borrowings**	**Leases**	**Retained earnings**	**NCI**	**Total**
Balance at 1 January 2020		387,542	65,448	61,053	86,330	**600,373**
Changes from financing cash flows						
Proceeds from loans and borrowings		160,641	455	--	--	161,096
Repayment of borrowings / leases		(52,318)	(3,922)	--	--	(56,240)
Dividend paid	14 (c)	--	--	--	(237)	(237)
Total changes from financing cash flows		**108,323**	**(3,467)**	**--**	**(237)**	**104,619**
The effect of changes in foreign exchange rates		40,262	(450)	(224)	3,715	**43,303**
Other changes						
Liability-related						
Disposal		(29,469)	--	5,854	--	(23,615)
Interest expense		30,339	4,912	--	--	35,251
Interest paid		(17,569)	(2,803)	--	--	(20,372)
Total liability-related other changes		(36,412)	2,278	--	--	**(34,134)**
Total equity-related other changes		--	--	(78,834)	(14,986)	**(93,820)**
Balance at 31 March 2021		**483,016**	**65,918**	**(12,151)**	**74,822**	**611,605**

15 Loans and borrowings *(continued)*

USD'000	*Note*	*Liabilities*		*Equity*		
		Loans and Borrowings	**Leases**	**Retained earnings**	**NCI**	**Total**
Balance at 1 January 2019		345,146	1,905	108,981	91,045	**547,077**
Changes from financing cash flows						
Proceeds from loans and borrowings		74,918	--	--	--	74,918
Repayment of borrowings / leases		(31,949)	(3,066)	--	--	(35,015)
Dividend paid	14 (c)	--	--	(29,225)	(5,062)	(35,591)
Total changes from financing cash flows		**42,969**	**(3,066)**	**(29,225)**	**(5,062)**	**4,312**
The effect of changes in foreign exchange rates		4,782	(304)	29	--	**4,507**
Other changes						
Liability-related						
New leases / other financial liability		--	67,132	--	--	67,132
Interest expense		26,077	2,434	--	--	28,511
Interest paid		(26,388)	--	--	--	(26,388)
Total liability-related other changes		(5,044)	(2,653)	**--**	**--**	**(7,697)**
Total equity-related other changes		--	--	(18,732)	347	**(18,385)**
Balance at 31 December 2019		**387,542**	**65,448**	**61,053**	**86,330**	**600,373**

16 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 (please refer to the glossary of APMs). There are no other transactions that can result in dilution of the earnings per share or adjusted earnings per share (please refer to the glossary of APMs).

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

	2021 (USD '000)	**2019 (USD '000)**
Profit attributable to owners of the Company	(80,313)	(18,558)
Weighted average number of shares	62,826,963	62,826,963
Basic and diluted earnings / (loss) per share with par value of GBP 0.01 (cents per share)	(127.8)	(29.5)
Profit attributable to owners of the Company	(93,219)	(28.436)
Weighted average number of shares	62,826,963	62,826,963
Basic and diluted earnings / (loss) per share with par value of GBP 0.01 (cents per share)	(148.4)	(45.3)

17 Commitments and contingencies

a) Litigation

There are pending lawsuits that have been filed against or by the Group. Management of the Group assesses the possible results and financial effects of these lawsuits at the end of each period and as a result of these assessments, the required provisions are recognised for the possible expenses and liabilities. The total provision amount that has been recognised as at 31 March 2021 is USD 6,118 thousand (31 December 2019: USD 1,295 thousand).

The information related to the significant lawsuits that the Group is directly or indirectly a party to, is outlined below:

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. On May 17, 2021, the Supreme Court dismissed Port of Adria's case and confirmed and accepted the applicability of the conflicting articles of the collective bargaining agreement in terms of employees' lawsuits for employees.

As of 31 March 2021, the Group has allocated a provision expense of USD 3,067 thousand for this lawsuit in its consolidated financial statements.

On 24 July 2020, the Competition Authority initiated an investigation against Ortadoğu Liman, Metlog Lojistik Gemicilik Turizm A.Ş., and MSC Gemi Acenteliği A.Ş., due to an alleged breach of Article 4 and 6 of the Law on the Protection of Competition, Law No. 4054 ("Competition Law"). Port Akdeniz has engaged legal representation and submitted a full defence against all allegations on 14 September 2020. As a result of such defence, all allegations pertaining to the breach of Article 4 have been dropped by the Competition Authority, however, in the investigation report received on 2 August 2021, the Competition Authority has alleged that Ortadoğu Liman has alleged that Ortadoğu Liman has engaged in exclusionary abuse in breach of Article 6 of the Competition Law. 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).

At this stage, the claim has not matured, and it depends on the decision of the Competition Authority and based on the defence against the claims. The course of the process remains uncertain. The aforementioned investigation report refers a potential monetary fine ranging from 0.5% to 3.0% of Ortadoğu Liman's annual revenue in the year prior to the final decision. At this stage, a reasonable estimation cannot be made on the liability related to potential claims, accordingly no provision is recognised.

Ortadoğu Liman has been sued for a service given to a commercial ship. Following the local court's decision accepting the claims of the ship owner, Ortadoğu Liman has filed an appeal against such decision.

As of 31 March 2021, the Group has allocated a provision expense of USD 3,000 thousand for this lawsuit in its consolidated financial statements.

17 Commitments and contingencies *(continued)*

b) Guarantees

As at 31 March 2021 and 31 December 2019, the letters of guarantee given comprised the following:

Letters of guarantee	2021 (USD '000)	2019 (USD '000)
Given to seller for the call option on APVS shares (*)	5,168	5,457
Given to Privatisation Administration / Port Authority	2,562	2,947
Other governmental authorities	218	5,715
Others	115	402
Total letters of guarantee	**8,063**	**14,521**

(*) Venetto Sviluppo ("VS"), 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% to VS, which serves as a security of the full amount of the put option mentioned above.

Other collaterals are disclosed in Note 15.

c) Contractual obligations

Ege Liman

The details of the TOORA ("Transfer of Operational Rights Agreement") dated 2 July 2003, executed by and between Ege Liman and OIB together with TDI are stated below:

The agreement allows Ege Liman to operate Ege Ports-Kuşadası for a term of 30 years for a total consideration of USD 24.3 million which has already been paid. Ege Liman's operation rights extend to port facilities, infrastructure and facilities which are either owned by the State or were used by TDI for operating the port, as well as the duty-free stores leased by the TDI. Ege Liman is entitled to construct and operate new stores in the port area with the written consent of the TDI.

Ege Liman is able to determine tariffs for Ege Ports- Kuşadası's port services at its own discretion without TDI's approval (apart from the tariffs for services provided to Turkish military ships).

The TOORA requires that the foreign ownership or voting rights in Ege Liman do not exceed 49%. Pursuant to the terms of the TOORA, the TDI is entitled to hold one share in Ege Liman and to nominate one of Ege Ports – Kuşadası's board members. Global Liman appoints the remaining board members and otherwise controls all operational decisions associated with the port. Ege Ports-Kuşadası does not have the right to transfer its operating rights to a third party.

Ege Liman is liable for the maintenance of the Port together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Government at a specific condition, while the movable properties stay with Ege Liman.

Bodrum Liman

The details of the BOT Agreement dated 23 June 2004, executed by and between Bodrum Liman and the DLH are stated below:

Bodrum Liman had to construct the Bodrum Cruise Port in a period of 1 year and 4 months following the delivery of the land and thereafter, will operate the Bodrum Cruise Port for 12 years. The final acceptance of the construction was performed on 4 December 2007, and thus the operation period has commenced.

Bodrum Liman also executed an extension on prior Concession Agreement with the General Directorate of National Property on 15 November 2018 ("Bodrum Port Concession Agreement"). The BOT Agreement is attached to the Bodrum Port Concession Agreement and Bodrum Liman is entitled to use the Bodrum Cruise Port under these agreements for an extended period of 49 years starting from 31 December 2019. The BOT Agreement permits Bodrum Liman to determine tariffs for Bodrum Cruise Port's port services at its own discretion, provided that it complies with applicable legislation, such as applicable maritime laws and competition laws.

17 Commitments and contingencies *(continued)*

c) Contractual obligations *(continued)*

Bodrum Liman *(Continued)*
Bodrum Liman was required to pay the Directorate General for Infrastructure Investments a land utilisation fee. This fee increases by Turkish Consumer Price index each year. With the extension signed, this fee will be revised yearly as per the agreement between Company and Directorate General.

Bodrum Liman is liable for the maintenance of the Port together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Government at a specific condition, while the movable properties stay with Bodrum Liman.

Port of Adria
The details of the TOORA Contract dated 15 November 2013, executed by and between Global Liman and the Government of Montenegro and AD Port of Adria-Bar are stated below:

Global Liman will be performing services such as repair, financing, operation, maintenance in the Port of Adria for an operational period of 30 years (terminating in 2043).

Port of Adria has an obligation to pay to the Government of Montenegro (a) a fixed concession fee in the amount of Euro 500,000 per year; (b) a variable concession fee in the amount of Euro 5 per twenty-foot equivalent ("TEU") (full and empty) handled over the quay (ship-to-shore and shore-to-ship container handling), no fees are charged for the movement of the containers; (c) a variable concession fee in the amount of Euro 0.20 per ton of general cargo handled over the quay (ship-to-shore and shore-to-ship general cargo handling). However, pursuant to Montenegrin Law on Concessions, as an aid to the investor for investing in a port of national interest, the concession fee was set in the amount of Euro 1 for the period of three years starting from the effective date of the TOORA Contract. Tariffs for services are regulated pursuant to the terms of the concession agreement with the Montenegro port authority, where the maximum rates are subject to adjustments for inflation.

For the first three years of the agreement, Port of Adria had to implement certain investment and social programmes outlined in the agreement and had to commit Euro 13.6 million towards capital expenditure during that period. This included launching and investing Euro 6.5 million in certain social programmes at Port of Adria Bar such as retrenching employees, the establishment of a successful management trainee programme, and subsidising employees to attend training and acquire additional qualifications, as well as the provision of English lessons to employees. All the relevant investment requirements already performed by Port of Adria at the end of 2016.

Port of Adria is liable for the maintenance of the Port of Adria together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Government of Montenegro at a specific condition, while the movable properties stay with Port of Adria.

Barcelona Cruise Port

The details of the TOORA Contract dated 29 July 1999, executed by and between Creuers del Port de Barcelona and the Barcelona Port authority are stated below:

Creuers del Port de Barcelona, S.A. ("Creuers") will be performing the management of port services related to the traffic of tourist cruises at the Port of Barcelona, as well as the development of commercial complementary activities corresponding to a seaport, in Adossat Wharf in Barcelona for an operational period of 27 years. The port operation rights for Adossat Wharf (comprised of Terminals A and B) terminates in 2030. The Port concession period can be extended automatically for three years provided that (i) Creuers has complied with all the obligations set forth in the Port Concession; and (ii) Creuers remains rendering port services on tourist cruises until the expiry of the extended term. Therefore, the concession the concession period is considered to be 30 years.

Creuers is liable for the maintenance of Adossat Wharf Terminals A and B, as well as ensuring that port equipment is maintained in good repair and in operating condition throughout its concession period. For the detailed maintenance and investment requirements, explained in the concession agreement, replacement provision has provided in the financials of the Company. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Barcelona Port Authority.

17 Commitments and contingencies *(continued)*

c) Contractual obligations *(continued)*

Barcelona Cruise Port *(continued)*

The concession is subject to an annual payment, which consisted of the following fees: (i) a fee for the occupancy of the public land at the port, (ii) a fee for the operation of public land for commercial activities, and (iii) a general service fee.

The details of the TOORA Contract dated 26 July 2003, executed by and between Creuers and the Barcelona Port authority are stated below:

Creuers will be performing the management of port services related to the traffic of tourist cruises at the Port of Barcelona, as well as the development of commercial complementary activities corresponding to a seaport, in WTC Wharf in Barcelona for an operational period of 27 years. The port operation rights for the World Trade Centre Wharf (comprised of Terminals N and S) terminate in 2027. However, the Port concession period can be extended automatically for three years provided that (i) Creuers has complied with all the obligations set forth in the Port Concession; and (ii) Creuers remains rendering port services on tourist cruises until the expiry of the extended term. Therefore, the concession period is considered as 30 years. Creuers is liable for the maintenance of Adossat Wharf Terminals N and S together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Barcelona Port Authority.

Malaga Cruise Port

The details of the TOORA Contract dated 9 July 2008, executed by and between Cruceros Malaga and the Malaga Port authority are stated below:

Cruceros Málaga, S.A. obtained an administrative concession to occupy the Levante Terminal of the Malaga Port and its exploitation, for a 30-year period, terminating in 2038. The concession term can be extended for up to fifteen years, in two terms of 10 and 5 additional years (extending the total concession period to 45 years), due to an amendment to the Malaga Levante Agreement approved by the Malaga Port Authority in its resolution dated 28 October 2009. These extensions require (i) the approval by the Malaga Port Authority and (ii) Cruceros Malaga to comply with all of the obligations set forth in the concession. Cruceros will perform passenger services, terminal usage and luggage services, as well as undertake general maintenance of the Levante Terminal. Cruceros is responsible for ensuring that the port equipment is maintained in good repair and operating condition throughout the concession term.

The concession is subject to an annual payment, which consisted of the following fees: (i) a fee for the occupancy of the public land at the port, and (ii) a fee for the operation of public land for commercial activities.

The details of the TOORA Contract dated 11 December 2011, executed by and between Cruceros Malaga and the Malaga Port authority are stated below:

Cruceros Málaga, S.A. obtained an administrative concession to occupy El Palmeral Terminal of the Malaga Port and its exploitation, for a 30-year period, terminating in 2042. Cruceros will perform passenger services, terminal usage and luggage services, as well as undertake general maintenance of the El Palmeral Terminal. Cruceros is responsible for ensuring that the port equipment is maintained in good repair and operating condition throughout the concession term.

The concession is subject to an annual payment, which was Euro 154,897 in 2016, which consisted of the following fees: (i) a fee for the occupancy of the public land at the port, and (ii) a fee for the operation of public land for commercial activities.

17 Commitments and contingencies *(continued)*

c) Contractual obligations *(continued)*

Valletta Cruise Port

On 22 November 2001, VCP signed a deed with the Government of Malta by virtue of which the Government granted a 65-year concession over the buildings and lands situated in Floriana, which has an area of 46,197square metres ("sqm"). VCP will perform operation and management of a cruise liner passenger terminal and an international ferry passenger terminal together with complementary leisure facilities. The area transferred is used as follows: retail 6,854sqm, office 4,833sqm, terminal 21,145sqm and potential buildings 13,365sqm.

A ground rent is payable by Valletta Cruise Port to the Government of Malta. At the end of each 12 months period, VCP is required pay to the Government of Malta (a) 15% of all revenue deriving from the letting of any buildings or facilities on the concession site for that 12-month period, and (b) 10% of revenue deriving from passenger and cruise liner operations, subject to the deduction of direct costs and services from the revenue upon which 10% fee is payable.

Ravenna Passenger Terminal

On 19 December 2009, Ravenna Terminal Passeggeri S.r.l ("RTP") signed a deed with the Ravenna Port Authority by virtue of which the Port Authority granted a 10-year concession over the passenger terminal area situated within Ravenna Port. RTP will perform operation and management of a cruise passenger terminal in the area. As at the end of 2020, Port Authority extended the concession period by one year until December 2021.

A fixed rent is payable by RTP to the Port Authority in the sum of Euro 895,541.67 during the concession period. The repayment of the total amount is presented as Euro 3,000 for the year 2009, Euro 28,791.67 for the year 2010 and the remaining Euro 863,750 overall for the years 2011 to 2020.

Catania Cruise Terminal

On 18 October 2011, Catania Cruise Terminal SRL ("CCT") signed a deed with the Catania Port Authority by virtue of which the Port Authority granted a 15-year concession over the passenger terminal area situated on Catania City Center. CCT will perform operation and management of a cruise passenger terminal in the area.

A fixed rent is payable by CCT to the Port Authority in the sum of Euro 135,000.00 for each year during the concession period.

Cagliari Cruise Terminal

On 14 January 2013, Cagliari Cruise Port S.r.l ("CCP") signed a deed with the Cagliari Port Authority by virtue of which the Port Authority granted a 15-year concession over the passenger terminal area situated within Cagliari Port. CCT will perform operation and management of a cruise passenger terminal in the area.

A fixed rent is payable by CCP to the Port Authority in the sum of Euro 44,315.74 for each year during the concession period.

Nassau Cruise Port

On 28 August 2019, Nassau Cruise Port Ltd ("NCP") signed a port operation and lease agreement ("POLA") with the Government of The Bahamas by virtue of which the Government of The Bahamas granted a 25-year concession over the passenger terminal area situated within Nassau Cruise Port. The 25-year period will start from the completion of the redevelopment project. Effective from 9 October 20219, NCP manages and operates Nassau Cruise Port at Prince George Wharf, Nassau, The Bahamas. NCP will invest an amount of USD 250 million in expanding the capacity of the port. Investment amount also includes ancillary contributions 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.

The first phase of the construction has started in November 2020 and is anticipated to be completed within 20 months. The second phase of the construction is anticipated to start in the third quarter of 2021 and be finalized by the end of 2022. Once construction has been completed total revenues are expected to be in the range of USD 35-40 million per annum.

Pursuant to the POLA, variable fee payment based on the number of passengers is made to the Government of The Bahamas starting from 9 October 2019. Until the redevelopment project is completed, a minimum fixed fee will be payable to the Government of The Bahamas amounting to USD 2 million. The minimum variable fee will be increased to USD 2.5 million from construction end date until the end of concession per annum.

17 Commitments and contingencies *(continued)*

c) Contractual obligations *(continued)*

Antigua Cruise Port

On 31 January 2019, GPH (Antigua) Ltd signed a concession agreement with the Government of Antigua and Barbuda and Antigua and Barbuda Port Authority by virtue of which it is granted with a 30-year concession over the passenger terminal area situated within Antigua Cruise Port. Effective from 23 October 2019, GPH (Antigua) Ltd has assumed the operation and management of the cruise port in St John's, Antigua and Barbuda.

As part of its obligations under the concession agreement, GPH (Antigua) Ltd. has repaid the existing bond of USD 21 million and invested an additional of USD 22 million to complete the new pier and dredging works to accommodate the largest cruise ships in the world. All such investments have been partially financed through non-recourse project finance and the Group's cash equity contribution of 27.5% at financial close. A variable fee payment based on the number of passengers will be made to the contracting authority with a minimum fee guarantee. From the 21st year of the concession, GPH (Antigua) Ltd. will pay a share of its annual revenue to the contracting authorities.

18 Leases

Lease as lessee (IFRS 16)

The Group entered into various operating lease agreements. In the periods presented, the Group's main operating lease arrangements as lessee are the port rent agreement of Valletta Cruise Port until 2066, Port of Adria until 2043, Creuers until 2033, Cruceros until 2043, Zadar Cruise Port until 2039, Antigua Cruise Port until 2049 and Bodrum Liman until 2067. Part of the concession agreements of Creuers and Cruceros relating to the occupancy of the public land at the port and the operation of public land for commercial activities, which are out of scope of IFRIC 12, have been accounted for under IFRS 16 – Leases.

The Company has a leasing agreement to rent its office at third floor offices at 34 Brook Street London. This lease has no purchase options and escalation clauses.

Right of use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented separately.

	As at 31 March 2021 (USD '000)	**As at 31 December 2019 (USD '000)**
Balance at the beginning of the year / from initial application of IFRS 16	81,123	58,983
Depreciation charge for the year	(3,963)	(2,382)
Additions to Right of Use assets	8,279	25,601
Disposal group	(49)	--
Currency translation differences	2,079	(1,079)
Balance at year-end	**87,469**	**81,123**

The Company has created right of use asset for Antigua Cruise Port after acquisition. A variable fee payment based on the number of passengers will be made to the Port Authority with a minimum fee guarantee. From the 21st year of the concession, ACP will pay a share of its annual revenue annually to the Port Authority. Company has repaid outstanding loan amounting to $21,000 thousand on the initial acquisition date. The Company has recognized the loan and the discounted future payments as right of use asset and recognised an equivalent lease liability.

Amounts recognized in profit or loss

	As at 31 March 2021 (USD'000)	**As at 31 December 2019 (USD '000)**
Interest on lease liabilities	(2,811)	(2,385)
Expenses relating to short-term leases	--	(75)

18 Leases (continued)

Right of use assets (continued)

Amounts recognized in statement of cash flows

	As at 31 March 2021 (USD'000)	As at 31 December 2019 (USD '000)
Total cash outflow for leases	(3,922)	(3,066)

Extension options

All concession agreements contain extension options exercisable by the Group. These options are exercisable with the submission of the extension request by the Group before expiry of current concession agreements. Extendable rights vary based on the country regulations, and current concession period. Extension options are evaluated by management on contract basis, and the decision is based on the Port's performance, and possible extension period. Extension options in concession agreements are being provided for the continuation of the port's operations. The extension options held are exercisable only by the Group and in some agreements subject to approval of the grantor. Accordingly, the Group includes only already signed contract periods for the concession life.
The Group has estimated that the potential future lease payments, should it exercise all extension options, would result in an increase in lease liability of USD 3,177 thousand (2019: USD 3,006 thousand).

Lease as lessor

The Group's main operating lease arrangements as lessor are various shopping centre rent agreements of Ege Port, Bodrum Cruise Port, Valletta Cruise Port, Barcelona Cruise Port, Malaga Cruise Port, Zadar Cruise Port, and Antigua Cruise Port. All leases are classified as operating leases from a lessor perspective.

The following table sets out a maturity analysis of lease receivables, showing the payments to be received after the reporting date.

	As at 31 March 2021 (USD '000)	As at 31 December 2019 (USD '000)
Less than one year	4,511	3,008
One to two years	1,381	2,075
Two to three years	1,226	1,843
Three to four years	824	1,432
Four to five years	506	1,175
More than five years	204	5,036
Total	**8,652**	**14,569**

During the 15 months ended 31 March 2021, USD 4,240 thousand (31 December 2019: USD 10,767 thousand) was recognised as rental income in the consolidated income statement and other comprehensive income.

19 Investment Property

Reconciliation of carrying amount

	As at 31 March 2021 (USD '000)	As at 31 December 2019 (USD '000)
Balance at the beginning of the year	2,139	--
Recognition of right-of-use asset on initial application of IFRS 16	--	2,250
Depreciation charge for the year	(58)	(59)
Currency translation differences	117	(52)
Balance at the end of the year	**2,198**	**2,139**

Investment property comprises Valletta Cruise Port's commercial property that is leased to third parties. Further information about these leases is included in Note 20.

20 Related parties

The related parties of the Group which are disclosed in this note comprised the following:

Related parties	Relationship
Mehmet Kutman	Chairman and ultimate controlling party
Ayşegül Bensel	Shareholder of Ultimate parent company
Global Yatırım Holding	Ultimate parent company
Global Ports Holding BV	Parent company
Global Sigorta Aracılık Hizmetleri A.Ş. (“Global Sigorta”)	Ultimate parent company’s subsidiary
IEG Kurumsal Finansal Danışmanlık A.Ş. (“IEG Global”)	Ultimate parent company’s subsidiary
Global Menkul Değerler A.Ş. (“Global Menkul”)	Ultimate parent company’s subsidiary
Adonia Shipping	Ultimate parent company’s subsidiary
Naturel Gaz	Ultimate parent company’s subsidiary
Straton Maden	Ultimate parent company’s subsidiary
Goulette Cruise Holding	Joint-Venture
LCT - Lisbon Cruise Terminals, LDA (“LCT”)	Equity accounted investee

The Company has suspended its pursuit of a Premium Listing on the London Stock Exchange and agreed to terminate the Relationship Deed with GIH on 13 July 2020. These decisions have been taken in order to strengthen the Company's ability to respond to challenges created by ongoing Covid-19 disruption to the global travel sector and the economies in which the Group operates and provide additional options and flexibility for intercompany support by ultimate parent company.

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
As at 31 March 2021 and 31 December 2019, current receivables from related parties comprised the following:

Current receivables from related parties	2021 (USD ‘000)	2019 (USD ‘000)
Global Yatırım Holding	--	312
Adonia Shipping (*)	6	59
Straton Maden (*)	66	67
IEG Global	--	56
Global Menkul	6	
Global Ports Holding BV	4	4
LCT	22	44
Other Global Yatırım Holding Subsidiaries	220	229
Total	**324**	**771**
Non-current receivables from related parties		
Goulette Cruise Holding (**)	8,125	6,811
	8,125	**6,811**

(*) These amounts are related with the work advances paid related with the services taken on utilities by Group Companies. The charged interest rate is 16.75% as at 31 March 2021 (31 December 2019: 11,75%).

(**) Company is financing its Joint venture for the payment of La Goulette Shipping Company acquisition price with a maturity of 5 years with bullet repayment at the end of term. Yearly interest up to 8% (2019: 4.5%) is accruing and paid at maturity.

20 Related parties (continued)

Due to related parties

As at 31 March 2021 and 31 December 2019, current payables to related parties comprised the following:

Current payables to related parties	2021 (USD '000)	2019 (USD '000)
Mehmet Kutman	827	545
Global Sigorta (*)	154	527
Global Yatırım Holding	129	--
Ayşegül Bensel	102	154
Other Global Yatırım Holding Subsidiaries	41	91
Total	**1,253**	**1,317**

(*) These amounts are related to professional services received. The charged interest rate is 17.50% as at 31 March 2021 (31 December 2019: 12,50%).

Transactions with related parties

For the years ended 31 March 2021 and 31 December 2019, transactions with other related parties comprised the following:

USD '000	2021			2019		
	Rent Income	Interest received	Other	Rent Income	Interest received	Other
Global Yatırım Holding	265	--	106	203	--	128
Total	**265**	**--**	**106**	**203**	**--**	**128**

USD '000	2021		2019	
	Project Expenses	Other	Project expenses	Other
Global Yatırım Holding	276	83	920	138
Global Menkul	--	1	--	1
Total	**276**	**84**	**920**	**139**

As one of steps to expand the operations of the Group, a Port Operating License Agreement "POLA" for Nassau Cruise Port was signed in 2019. During the period of the contract negotiation, the Group signed a contract with Turquoise Advisory Limited ("TAL"), which is a related party of the Group as it is owned by the General Manager and one of the Board members of NCP, being key management personnel. A contract was signed for the preparation of proposals for the port tender, negotiation of the POLA, realisation of the final partnership and financing structure, obtaining all the permits for the project, and taking an active role and providing assistance in all processes including project debt financing.

The scope of the agreement was created by the Group with the aim of achieving the successful execution of the NCP venture (including financial and construction processes), and a success premium of USD 7.500 thousand was envisaged as a fair value of the payment to TAL, considering the economic impact of the project, in return for the successful completion of the terms of the POLA. Due to the fact that the project finance and construction approval and permission processes had not been met as of the 31 December 2019, no success premium was accrued at that time. The success premium was paid in the year of 2020 after the completion of the construction permit and acceptance processes, which are the integral elements of the contract, and the successful completion of the construction and financing.

Apart from this agreement, the Group also signed a Consultancy agreement with TAL. Under this contract, TAL will help create new revenue streams for the various aspects of the project and for NCP during the lifetime of the POLA. The price of this contract was determined as 500 thousand USD annually. This contract was subsequently revised retrospectively to be effective as of May 2020, by mutual agreement of the parties.

Collaboration between the Group and the owners of TAL, as individuals providing inter alia strategic advisory services, has started several years prior to the signing date of the POLA. Following the Group obtaining clarification in 2019 as to the potential partnership options for the NCP project, the above-mentioned contracts were signed in recognition of services delivered by the parties to date and in the future.

20 Related parties (continued)

NCP issued bonds on 10 May 2020 for the financing of its construction works related to port development. The total value of the bonds issued at that date amounted to USD 125 million with an interest rate of 8% (for details see Note 15). The Yes Foundation, a 2% minority shareholder of NCP, has bought bonds amounting to USD 1.35 million at the issuance. As at 31 March 2021, these bonds were still held by the YES foundation.

Global Gemicilik was working as an ancillary service provider to Port Akdeniz. Inline with the sale of Port Akdeniz, this company was sold at book value to the parent company Global Yatırım Holding.

For the year ended 31 March 2021, GPH has not distributed any dividend to Global Yatırım Holding (31 December 2019: USD 17,318 thousand).

Transactions with key management personnel

Key management personnel comprised the members of the Board and GPH's senior management. For the 15 months ended 31 March 2021 and the year 31 December 2019, details of benefits to key management personnel comprised the following:

	2021 (USD ‘000)	2019 (USD ‘000)
Salaries	3,446	3,070
Attendance fees to Board of Directors	471	172
Bonus	9	361
Termination benefits	25	5
Total	**3,951**	**3,608**

21 Events after the reporting date

Cruise operations have restarted again late summer 2020 in the Mediterranean with low number of calls and passengers. Activity during the first part of the year 2021 remained slow. However as of the date of this report, cruise activity has restarted in almost all cruise ports of the Group and activity is building up with number of call, occupancy rations and passenger numbers increasing around the world.

Group has withdrawn the Scheme of Arrangement it had launched 18 February 2021, relating to the proposed refinancing of the $250,000,000 8.125% Senior Unsecured Notes due 2021 issued by Global Liman İsletmeleri A.S. as of the 6 April 2021.

Group launched a tender offer for up to $75.0 million of its $250,000,000 8.125% Senior Unsecured Notes due 2021 ("Notes") on 7 April 2021. Following the unmodified Dutch Auction procedure conducted in connection with the offer, the weighted average purchase price of the Notes validly tendered and accepted by Group was determined to be U.S.$899.4 for each U.S.$1,000 in principal amount of such Notes. The total amount of cash used in connection with the Offer is U.S.$44.7m excluding accrued interest on the Notes validly tendered and accepted. The settlement for Notes accepted for purchase by Group was made on 19 April 2021. Following the completion of the tender offer, Group’s total Eurobond issued outstanding amounts to U.S. $200.3m. At the end of July 2021, Group has concluded the early repayment of the $200.3 million outstanding amount, plus accrued interest, of the 8.125% senior unsecured Eurobond, due 14 November 2021, issued by Global Liman Isletmeleri.

21 Events after the reporting date (continued)

GPH has entered into a five-year, senior secured loan agreement for up to $261 million with the investment firm Sixth Street. The loan agreement provides for two term loan facilities, an initial five-year term facility of $186.3m and an additional five-year growth facility of up to $75.0m. The net proceeds of the initial facility will be used to refinance the outstanding amount of the 8.125% senior unsecured Eurobond, due 14 November 2021. The initial facility will also be used to pay related fees and expenses and general corporate purposes. The loan agreement contains customary financial and non-financial covenants, including restriction on dividend payments, maintaining minimum liquidity in the holding companies of the Group, and change of control clauses regarding maintaining ownership of GPH Plc and ownership at the Company's parent above a certain threshold. Under the terms of the loan agreement, GPH will have the ability to select from a range of interest payment options including an all-cash interest rate, a cash interest rate of LIBOR +5.25% plus PIK rate or a PIK-only rate of LIBOR +8.5% up until December 2022 that will be subject to LIBOR reform. The group expects that the interest rate benchmark for this loan will be changed to SOFR. As part of the financing arrangement, the Company has agreed to issue warrants to investor for a subscription price equal to the nominal value per share (the "Warrants") representing 9.0% of GPH's fully-diluted share capital (subject to customary adjustments). As and when the growth facility is utilised, GPH has agreed to issue further Warrants, pro-rata to the utilisation of the $75.0m growth facility, representing up to an additional 3.75% of the fully-diluted share capital. The Warrants will become exercisable upon certain specific events including the acceleration, repayment in full or termination of the loan, de-listing of GPH or a change of control.

Group has now signed a 20-year concession agreement with the Autorità di Sistema Portuale del Mar Ionio and taken over the management of the cruise terminal and cruise services in the Port of Taranto, Italy in May 2021.

After the reporting date, the Group has entered a USD 3 million financing arrangement at arm's-length terms with its parent GIH to fund certain infrastructure works in Antigua; the Group will derive considerable benefits from the timely completion of these infrastructure works. These funds have been offset against future payment obligation of GPH Antigua towards the Government of Antigua & Barbuda under the concession agreement.

GLOSSARY OF ALTERNATIVE PERFORMANCE MEASURES (APM)

These 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. 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 project specific development expenses as well as unallocated expenses, gives a more comparable year-on-year measure of port-level trading performance.

Management is using Segmental EBITDA for evaluating each port and group-level performances on operational level. As per management's view, some specific adjusting items included on the computation of Segmental EBITDA.

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 , the costs associated with appraising and securing new and potential future port agreements which should not be considered when assessing the underlying trading performance and the costs related to the refinancing of Group debts, the replacement provisions, being provision created for replacement of fixed assets which does not include regular maintenance, other provisions and reversals related to provisions provided, being related to unexpected non-operational transactions, impairment losses, construction accounting margin, being related to IFRIC 12 computation and main business of the Group is operating ports rather than construction, 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,

	15-month period ended 31 March 2021 (USD '000)	**Year ended 31 December 2019 (USD '000)**
Project expenses	11,098	5,146
Employee termination expenses	228	215
Replacement provisions	793	673
Provisions / (reversal of provisions) (*)	8,489	1,569
Impairment losses	11,997	--
Construction accounting margin	(1,052)	--
Other expenses	(598)	788
Specific adjusting items	**30,955**	**8,391**

(*) This figure composed of expected impairment losses on receivables, provision expenses excluding vacation pay and replacement provisions and impairment losses related to assets.

Adjusted EBITDA

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

Management uses 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 IPO or 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 2 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, non-cash foreign exchange transactions, 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, non-cash provisional income and expenses, non-cash foreign exchange transactions 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 gain on reversal of provisions, non-cash provisional income and expenses, gain or loss on foreign currency translation on equity, unhedged portion of investment hedging on Global Liman, adjusted for the non-cash port intangibles amortisation charge, and adjusted for change in accounting policies, 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. Management decided this year that in the light of a more meaningful presentation of the underlying profit, the unhedged portion of the investment hedge on Global Liman and any gain or loss on foreign currency translation on equity have been excluded.

Underlying profit and adjusted earnings per share computed as following;

	15-month period ended 31 March 2021 (USD '000)	**Year ended 31 December 2019 (USD '000)**
(Loss) / Profit for the Period, net of IFRS 16 impact	(94,689)	(13,597)
Impact of IFRS 16	(3,300)	(1,622)
(Loss) / Profit for the Period	**(97,989)**	**(15,219)**
Amortisation of port operating rights / RoU asset / Investment Property	25,126	34,453
Non-cash provisional (income) / expenses (*)	9,510	2,457
Impairment losses	11,997	--
Unhedged portion of Investment hedging on Global Liman	39,038	5,222
(Gain) / loss on foreign currency translation on equity	1,238	414
Underlying (Loss) / Profit	**(11,080)**	**27,327**
Weighted average number of shares	62,826,963	62,826,963
Adjusted earnings per share (pence)	**(17.61)**	**43.5**

(*) This figure composed of employee termination expense, replacement provision, and provisions / (reversal of provisions) under specific adjusting items.

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 into cash.

Net debt comprised as following;

	As at 31 March 2021 (USD '000)	**As at 31 December 2019 (USD '000)**
Current loans and borrowings	295,200	62,691
Non-current loans and borrowings	253,734	390,299
Gross debt	**548,934**	**452,990**
Lease liabilities recognized due to IFRS 16 application	(65,918)	(64,828)
Gross debt, net of IFRS 16 impact	**483,016**	**388,162**
Cash and bank balances	(170,599)	(63,780)
Short term financial investments	(63)	(71)
Net debt	**312,354**	**324,311**
Equity	86,563	155,263
Net debt to Equity ratio	**3.61**	**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;

	15-month period ended 31 March 2021 (USD '000)	**Year ended 31 December 2019 (USD '000)**
Gross debt	548,934	452,990
Lease liabilities recognised due to IFRS 16 application	(65,918)	(64,828)
Gross debt, net of IFRS 16 impact	**483,016**	**388,162**
Adjusted EBITDA	(6,725)	77,015
Impact of IFRS 16 on EBITDA	(6,592)	(3,204)
Adjusted EBITDA, net of IFRS 16 impact	**(13,317)**	**73,811**
Leverage ratio	NA	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.

	15-month period ended 31 March 2021 (USD '000)	**Year ended 31 December 2019 (USD '000)**
Acquisition of property and equipment	27,913	15,813
Acquisition of intangible assets	56,557	8,155
CAPEX	**84,470**	**23,968**

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.

	15-month period ended 31 March 2021 (USD '000)	**1 Year ended 31 December 2019 (USD '000)**
Adjusted EBITDA	(6,725)	77,015
Impact of IFRS 16 on EBITDA	(6,592)	(3,204)
Adjusted EBITDA, net of IFRS 16 impact	**(13,317)**	**73,811**
CAPEX	(84,470)	(23,968)
Cash converted after CAPEX	**(97,787)**	**49,843**
Cash conversion ratio	**NA**	**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 year ended 31 March 2021 and 2019, the relevant hard currencies for the Group are US Dollar, Euro and Singaporean Dollar.