DP WORLD ANNOUNCES RESILIENT FINANCIAL RESULTS
Revenues grow by 18% in First Half of 2020

Dubai, United Arab Emirates, 19 August 2020. DP World Limited today announces resilient financial results for the six months to 30 June 2020 with like-for-like adjusted EBITDA[6] growing 1% year-on-year.

Results before separately disclosed items[1] unless otherwise stated	1H2020	1H2019	As reported % change	Like-for-like at constant currency % change[2]
Gross throughput[3](TEU '000)	33,897	35,811	-5.3%	-3.9%
Consolidated throughput [4](TEU '000)	19,970	19,495	2.4%	-5.4%
Revenue	4,076	3,463	17.7%	-11.6%
Revenue (excluding Emaar land sale)	4,076	3,163	28.9%	-3.4%
Share of profit from equity-accounted investees	55	86	-36.7%	-14.8%
Adjusted EBITDA[5]	1,534	1,611	-4.8%	+1.1%[6]
Adjusted EBITDA margin[7]	37.6%	46.5%	-	43.9%[7]
Profit for the period	333	753	-55.7%	-46.5%

Results Highlights

- **Revenue of $4,076 million (Revenue growth of 17.7% on reported basis)**
  - Revenue growth of 17.7% supported by acquisitions.
  - Like-for-like revenue decreased by 11.6% and down 3.4% excluding Emaar land sale in 2019.

- **Adjusted EBITDA of $1,534 million and adjusted EBITDA margin of 37.6%**
  - Adjusted EBITDA declined 4.8%, and EBITDA margin for the half-year stood at 37.6%. Like-for-like adjusted EBITDA margin of 43.9%.
  - Adjusted EBITDA excluding Emaar land sale in 2019 increased 1.1% year-on-year on a like-for-like basis displaying resilience of the wider portfolio.
  - EBITDA margin declined due to a change in mix with the consolidation of lower margin Logistics businesses.

1 Before separately disclosed items (BSDI) primarily excludes non-recurring items. DP World reported separately disclosed items of a $2.3 million loss.
2 Like-for-like at constant currency is without the new additions at KRIL (India), Posorja (Ecuador), Topaz (UAE) Fraser Surrey Docks (Canada), Ferries & Ferry Masters (UK), Feedertech (Singapore), Puertos y Logistica (Chile); the discontinuation of Surabaya (Indonesia) and Tianjin (China); consolidation of DPWA (Australia) and Caucedo (Dominican Republic)

3 Gross throughput is throughput from all consolidated terminals plus equity-accounted investees.

4 Consolidated throughput is throughput from all terminals where the Group has control as per IFRS.

5 Adjusted EBITDA is Earnings before Interest, Tax, Depreciation & Amortisation including share of profit from equity-accounted investees before separately disclosed items.

6 Like-for-like adjusted EBITDA growth has been further adjusted for Emaar land sale in 1H2019

7 The adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenue, including our share of profit from equity-accounted investees.

- **Profit for the period attributable to owners of the Company decreased to $313 million**
  - Profit attributable to owners of the Company before separately disclosed items decreased 58.5% on reported basis and 34.5% excluding Emaar land sale in 2019.

- **Robust Cash Generation**
  - Cash from operating activities remains strong at $1,124 million in 1H2020 compared to $1,046 million in 1H2019.
  - Leverage (Net debt to annualised adjusted EBITDA) increased to 3.7 times (Pre-IFRS16) from 3.4 times at FY2019. On a post-IFRS16 basis, net leverage stands at 4.3 times compared to 3.9 times at FY2019.
  - DP World credit rating remains investment grade at BBB- with Stable Outlook by Fitch and Baa3 with Stable Outlook by Moody's.

- **DP World De-lists from Equity Market**
  - Port and Free Zone World (PFZW), parent of DP World, acquired shares not already owned (19.55%) for $2.7 billion.
  - 96% of shareholders vote in favour of the transaction.
  - PFZW borrowed $7.9 billion as at 30 June 2020, which reduced to $6.4 billion post half year guaranteed by DP World.
  - DP World to continue to focus on strategy to deliver infrastructure led supply chain solutions to cargo owners.

- **Perpetual Hybrid[8] Bonds Issued to provide Balance Sheet Flexibility**
  - Raised $1.5bn through the issuance of Perpetual hybrid bond[8]
  - Hybrid proceeds used to pre-pay PFZW debt post half year.
  - DP World is committed to a strong investment grade rating in the medium term.

- **Disciplined Investment Across the Portfolio**
  - Ports & Terminals closed transaction of Fraser Surrey Docks (Canada).
  - Logistics & Maritime investment include acquisition of UNICO[8], the multimodal transport specialist.
  - Capital expenditure of $552 million invested across the existing portfolio during the first half of the year.
  - Capital expenditure guidance for 2020 is for approximately $1.0 billion with investments planned into UAE, London Gateway (UK), Berbera (Somaliland), Sokhna (Egypt) and Caucedo (Dominican Republic).

- **1H2020 Performance Ahead of Expectations but Outlook is Uncertain**
  - Portfolio has delivered better than expected performance in 1H2020 given Covid-19 pandemic.
  - Outlook remains uncertain but trade is expected to recover when economies re-open.
  - Looking ahead, we remain focused on delivering integrated supply chain solutions to cargo owners to drive growth and returns.

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[8] Post 30 June 2020

DP World Group Chairman and CEO, Sultan Ahmed Bin Sulayem, commented:

"The Covid-19 outbreak has undoubtedly resulted in one of the most challenging periods in the history of our industry. Our gross volumes have declined by 3.9% in 1H2020 which compares favourably against an estimated industry decline of 10%[9]. However, our like-for-like EBITDA[6], excluding land sale in the prior period, has grown by 1.1% during this period which demonstrates that we have managed costs efficiently. This outperformance once again demonstrates that we are in the right locations and a focus on origin and destination cargo will continue to deliver the right balance between growth and resilience.

"Despite the challenges, we have continued to make progress on our strategy to deliver an integrated supply chain solution to cargo owners. We have focused our efforts on digitizing logistics and developed solutions for several verticals including the Automotive, Oil & Gas and FMCG industries. We are pleased to state that cargo owners have responded positively, and we are now delivering efficient solutions to our customers, which bodes well for the future.

"In 2020, DP World de-listed its equity from the stock exchange and returned to private ownership. The strength and resilience that our business continually demonstrates throughout the cycles is due to the investment the Group has made over the years in response to changes in our industry. Our ability to adapt and change has been the key to our success, and we must continue to evolve for continued growth. We believe this long-term approach to business is not aligned with the short term thinking of equity markets and consequently the next stage of DP World's development will take place as a private company.

"Looking ahead, our focus is on the safety of our employees, integration of our recent acquisitions to drive synergies, containing costs to protect profitability and managing growth capex to preserve cashflow.

"Overall, we are encouraged that our business has performed better than expected given the Covid-19 pandemic and, while the outlook is still uncertain, we remain positive on the medium to long-term fundamentals of the industry."

- END –

[9] Drewry, Sea-Intel estimates

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19th August 12:00pm UAE, 9:00am UK Call with Video Conference

1) Conference call for analysts and investors hosted by Redwan Ahmed.

2) A playback of the call will be available after the conference call concludes. For the dial in details and playback details please contact investor.relations@dpworld.com.

The presentation accompanying the conference call will be available on DP World's website within the investor centre under Financial Results on http://web.dpworld.com/investor-centre/financial-results/ from approximately 9am UAE time.

Forward-Looking Statements

This document contains certain "forward-looking" statements reflecting, among other things, current views on our markets, activities and prospects. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that may or may not occur and which may be beyond DP World's ability to control or predict (such as changing political, economic or market circumstances). Actual outcomes and results may differ materially from any outcomes or results expressed or implied by such forward-looking statements. Any forward-looking statements made by or on behalf of DP World speak only as of the date they are made and no representation or warranty is given in relation to them, including as to their completeness or accuracy or the basis on which they were prepared. Except to the extent required by law, DP World does not undertake to update or revise forward-looking statements to reflect any changes in DP World's expectations with regard thereto or any changes in information, events, conditions or circumstances on which any such statement is based.

Group Chairman and CEO Statement

2020 – Challenges and Opportunities

Container volumes are forecast to decline by between 8-10%[9] in 2020, which will be the second time ever, we have witnessed a volume decline. The first decline occurred in 2009 post the global financial crises, and this itself demonstrates resilience of the industry as it typically takes something unprecedented to see any negative growth.

The DP World portfolio has been built with a focus on diversity, faster growing markets and origin & destination cargo. The portfolio is geared to outperform in both good and bad times and our 1H2020 performance once again highlights that we have the right model as our business has delivered a resilient performance in these very challenging times.

Furthermore, we are proud to state that during these difficult months, all our ports remained operational to handle essential and critical cargo. Our early investment in digital technology such as Dubai Trade and terminal automation ensured we faced minimal disruption at our locations.

This focus on innovation continues, as we invest to build an intelligent platform that allows cargo owners to trade directly. We are committed to digitising logistics through AI and blockchain technology to reduce inefficiencies and improve transparency. Our Searates.com product already delivers an easy interface for cargo owners to move products end-to-end.

We are closer to launching the intelligent High Bay Storage (HBS) system that aims to deliver the capacity of a conventional terminal in a third of the surface area. The patented design and rack structure of the system creates unique advantages and will change the way future ports are built.

Integrated Supply Chain Solutions

We continued to make progress in our end-to-end solutions platform. We rolled-out the asset-light Unifeeder model to the Asia region as we acquired Feedertech and Perma which operates an independent feedering and regional short-sea network that connects the fast-growing trade route of Asia- Middle-East via the Indian Subcontinent.

In Europe, we continue to build a compelling product offering for cargo owners through efficient connectivity from hubs to end markets via sea and land. While P&O Ferries and Ferrymasters have faced a particularly challenging time due to Covid-19, we continue to invest in the business as we believe it will emerge stronger from this crisis. P&O Ferries provides critical landside connectivity and complements our significant short sea connectivity through Unifeeder.

Unifeeder Group plays a critical role as a facilitator of integrated supply chains, by providing efficient and sustainable transport solutions. Unifeeder now has full-scale capability to offer feedering and regional trade connectivity in Northern Europe, Mediterranean, Northern Africa, Middle East, Indian Subcontinent and Asia.

P&O Maritime Logistics

Following the acquisition of Topaz Marine and Energy (Topaz) which is a marine logistics solutions provider, we integrated Topaz with our existing business of P&O Maritime services to launch P&O

Maritime logistics (POML). The enlarged business manages over 400 vessels and will focus on providing solutions to the oil & gas and renewable sector. POML has long-term contracts with visible revenue streams and the acquisition of Topaz has aided DP World to deliver relatively resilient financials in 1H2020.

Group Chief Financial Officer's Review

Despite the challenging markets, DP World delivered a relatively resilient set of financial results in 1H2020 and continued solid cash generation. Our adjusted EBITDA of $1,534 million, is up 1.1% on a like-for-like basis excluding the land sale to Emaar in the prior period, while our adjusted EBITDA margin was diluted to 37.6% due to a change in mix effect as lower margin businesses have now been consolidated into our portfolio. Reported revenue grew by 17.7% to $4,076 million, aided by acquisitions.

Leverage has risen post delisting but we expect this to be temporary as we are confident of de-leveraging and we remain committed to a strong investment grade rating in the medium term. The business continued to generate high levels of cash flow and combined with more disciplined investment and potential capital recycling, we have enough flexibility to maintain a strong balance sheet. In July of this year, we issued a $1.5bn perpetual hybrid instrument, which was one of the first steps in our de-leveraging plan. Importantly, DP Worlds credit rating remains investment grade at BBB- with Stable Outlook by Fitch and Baa3 with Stable Outlook by Moody's.

Overall, the balance sheet and cash generation remains robust and our partnerships with Caisse de dépôt et placement du Québec (CDPQ) and the National Investment and Infrastructure Fund (NIIF) of India give us further financial flexibility.

Middle East, Europe and Africa

Results before separately disclosed items USD million	1H2020	1H2019	% change	Like-for-like at constant currency % change
Consolidated throughput (TEU '000)	11,181	11,662	-4.1%	-4.1%
Revenue	2,938	2,508	17.1%	-12.9%
Share of profit from equity-accounted investees	10	9	12.5%	9.7%
Adjusted EBITDA	1,265	1,362	-7.1%	-15.9%
Adjusted EBITDA margin	43.1%	54.3%	-11.2%	52.6%[7]

Consolidated volumes of -4.1% in EMEA region for the first half 2020 is a relatively resilient performance with Africa delivering robust volumes. In Europe, volumes have reflected the severity of the local lockdowns. Performance in the UAE was soft due to the loss of lower margin cargo as expected and the impact on trade given the emergence of Covid-19.

Overall, revenue in the region grew 17.1% to $2,938 million on a reported basis, benefitting from the acquisition of Topaz Energy and Marine and P&O Ferries. Adjusted EBITDA was $1,265 million, down 7.1% on a reported basis and down 15.9% on a like-for-like basis. Excluding the land sale to Emaar in 2019, like-for-like EBITDA is up 5.5%.

We invested $330 million in the region, mainly focused on capacity expansions in UAE, Sokhna (Egypt) and Berbera (Somaliland).

Asia Pacific and India

Results before separately disclosed items USD million	1H2020	1H2019	% change	Like-for-like at constant currency % change
Consolidated throughput (TEU '000)	4,284	4,685	-8.6%	-8.6%
Revenue	357	326	9.4%	-10.4%
Share of profit from equity-accounted investees	43	67	-36.2%	-16.5%
Adjusted EBITDA	162	183	-11.6%	-7.4%
Adjusted EBITDA margin	45.5%	56.2%	-10.8%	54.0%[7]

Markets conditions in Asia Pacific have been relatively robust with some terminals delivering year-on-year growth despite the challenging market conditions. India has been under a more severe Covid-19 related lockdown which has impacted volumes, but we do expect a faster recovery when the economy re-opens gradually. Reported revenue growth of 9.4% was aided by the acquisition of Feedertech. Share of profit from equity-accounted investees declined by 16.5% on like-for-like basis mainly due to a weaker performance in ATI (Philippines).

Adjusted EBITDA of $162 million declined by 7.4% on a like-for-like basis due to weaker volumes.

Capital expenditure in this region during the year was $65 million, mainly focused in Mumbai (India).

Australia and Americas

Results before separately disclosed items USD million	1H2020	1H2019	% change	Like-for-like at constant currency % change
Consolidated throughput (TEU '000)	4,505	3,148	43.1%	-5.2%
Revenue	782	629	24.3%	-7.8%
Share of profit from equity-accounted investees	1	10	-86.5%	-58.4%
Adjusted EBITDA	249	188	32.5%	-5.5%
Adjusted EBITDA margin	31.9%	29.9%	2.0%	33.6%[7]

In Americas, markets have been generally soft with the exception of Santos (Brazil) and Buenos Aires (Argentina) which have delivered volume growth due to new contract wins. In Australia, volumes have been weak with the cities of Sydney and Melbourne severely impacted by the Covid-19 related lockdown while Brisbane has been less impacted. Overall, the reported strong volume growth is due to the acquisitions of terminals in Chile, consolidation of Australia in 2019 and acquisition of Fraser Surrey Docks (Canada) and consolidation of Caucedo (Dominican Republic) in 2020.

Reported revenues rose 24.3% to $782 million and adjusted EBITDA increased by 32.5% to $249 million. On a like-for-like basis, adjusted EBITDA decreased 5.5%. Profit from equity-accounted investees dropped to $1 million due to consolidation of Caucedo (Dominican Republic).

We invested $83 million capital expenditure in this region mainly focused in Caucedo (Dominican Republic), Posorja (Ecuador), Vancouver (Canada).

Cash Flow and Balance Sheet

Adjusted gross debt stands at $15.9 billion compared to $15.8bn as of 31 Dec 2019. Lease and concession fee liabilities account for $3.0 billion with interest bearing debt of $13.0 billion as of 30 June 2020. Cash on balance sheet stood at $2.1 billion resulting in net debt of $13.8bn or $10.8bn (pre IFRS 16). Our net leverage (adjusted net debt to annualized adjusted EBITDA) stands at 4.3 times post IFRS16 and would be on a 3.7x pre-IFRS16 basis. Cash generation remained solid with cash from operations standing at $1,124 million in 1H2020. DP World is also guaranteeing $7.9 billion of Port & Free Zone World debt related to the de-listing of DP World, which has reduced to $6.4 billion as of 1 July 2020.

Capital Expenditure

Consolidated capital expenditure in the first half of 2020 was $552 million, with maintenance capital expenditure of $188 million. We expect the full year 2020 capital expenditure to be approximately $1.0 billion to be invested in UAE, Posorja (Ecuador), Berbera (Somaliland), Sokhna (Egypt), Caucedo (Dominican Republic).

Net finance costs before separately disclosed items

Net finance cost for the six months was higher than the prior period at $436 million (1H2019: $318 million) mainly due to higher debt.

Taxation

DP World is not subject to income tax on its UAE operations. The tax expense relates to the tax payable on the profit earned by overseas subsidiaries, as adjusted in accordance with the taxation laws and regulations of the countries in which they operate. For the first six months 2020, DP World's income tax expense before separately disclosed items was $103 million (1H2019: $88 million).

Profit attributable to non-controlling interests (minority interest)

Profit attributable to non-controlling interests (minority interest) before separately disclosed items was $21 million against 1H2019 of $0.8 million mainly due to improved performance in Australia.

Sultan Ahmed Bin Sulayem **Group Chairman and Chief Executive Officer**	**Yuvraj Narayan** **Group Chief Financial, Strategy and Business Officer**

About DP World:

We are the leading provider of smart logistics solutions, enabling the flow of trade across the globe. Our comprehensive range of products and services covers every link of the integrated supply chain – from maritime and inland terminals to marine services and industrial parks as well as technology-driven customer solutions.

We deliver these services through an interconnected global network of 123 business units in 54 countries across seven continents, with a significant presence both in high-growth and mature markets. Wherever we operate, we integrate sustainability and responsible corporate citizenship into our activities, striving for a positive contribution to the economies and communities where we live and work.

Our dedicated, diverse and professional team of more than 56,000 employees from 134 countries are committed to delivering unrivalled value to our customers and partners. We do this by focussing on mutually beneficial relationships – with governments, shippers, traders, and other stakeholders along the global supply chain – relationships built on a foundation of mutual trust and enduring partnership.

We think ahead, anticipate change and deploy industry-leading technology to create the smartest, most efficient and innovative trade solutions, while ensuring a positive and sustainable impact on economies, societies and our planet.

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated interim financial statements

30 June 2020

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated interim financial statements
for the six months ended 30 June 2020

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Independent Auditors' report on review of condensed consolidated interim financial statements

The Shareholders
DP World Limited

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of DP World Limited ("the Company") and its subsidiaries ("the Group") at 30 June 2020, the condensed consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six month period then ended, and notes, comprising significant accounting policies and other explanatory information ("the condensed consolidated interim financial statements").

Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as at 30 June 2020 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG LLP
Richard Ackland
Dubai, United Arab Emirates

19 August 2020

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated statement of profit or loss (unaudited)

		Period ended 30 June 2020			Period ended 30 June 2019		
	Note	**Before separately disclosed items**	**Separately disclosed items (Note 9)**	**Total**	Before separately disclosed items	Separately disclosed items (Note 9)	Total
		USD'000	**USD'000**	**USD'000**	USD'000	USD'000	USD'000
Revenue	*6*	**4,076,417**	**-**	**4,076,417**	3,463,246	-	3,463,246
Cost of sales		**(2,668,784)**	**-**	**(2,668,784)**	(1,920,386)	-	(1,920,386)
Gross profit		**1,407,633**	**-**	**1,407,633**	1,542,860	-	1,542,860
General and administrative expenses		**(615,680)**	**(53,446)**	**(669,126)**	(487,076)	(12,561)	(499,637)
Other income		**26,224**	**-**	**26,224**	17,575	-	17,575
Profit/ (loss) on disposal and change in ownership of business		**-**	**114,092**	**114,092**	-	(55,622)	(55,622)
Share of profit/ (loss) from equity-accounted investees (net of tax)	*15*	**54,736**	**(38,914)**	**15,822**	86,490	-	86,490
Results from operating activities		**872,913**	**21,732**	**894,645**	1,159,849	(68,183)	1,091,666
Finance income	*7*	**59,026**	**4,535**	**63,561**	54,202	13,953	68,155
Finance costs	*7*	**(495,287)**	**(28,751)**	**(524,038)**	(372,627)	(18,975)	(391,602)
Net finance costs		**(436,261)**	**(24,216)**	**(460,477)**	(318,425)	(5,022)	(323,447)
Profit before tax		**436,652**	**(2,484)**	**434,168**	841,424	(73,205)	768,219
Income tax expense	*8*	**(103,225)**	**178**	**(103,047)**	(88,016)	-	(88,016)
Profit for the period		**333,427**	**(2,306)**	**331,121**	753,408	(73,205)	680,203
Profit attributable to:							
Owners of the Company		**312,524**	**2,562**	**315,086**	752,619	(71,477)	681,142
Non-controlling interests		**20,903**	**(4,868)**	**16,035**	789	(1,728)	(939)
		333,427	**(2,306)**	**331,121**	753,408	(73,205)	680,203

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated statement of other comprehensive income (unaudited)

		30 June 2020	30 June 2019
	Note	**USD'000**	USD'000
Profit for the period		**331,121**	680,203
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign exchange translation differences – foreign operations*		**(350,914)**	(7,738)
Reclassification of foreign currency differences on disposal and change in ownership of business		**837**	38,277
Share of other comprehensive income of equity-accounted investees	*15*	**7,474**	(3,041)
Cash flow hedges – effective portion of changes in fair value		**(121,354)**	(20,427)
Cash flow hedges - reclassified to profit or loss		**5,476**	-
Related tax on changes in fair value of cash flow hedges		**9,196**	2,250
Items that will never be reclassified to profit or loss:			
Re-measurements of post-employment benefit obligations		**(37,996)**	(4,478)
Related tax		**(6)**	956
Other comprehensive income for the period, net of tax		**(487,287)**	5,799
Total comprehensive income for the period		**(156,166)**	686,002
Total comprehensive income attributable to:			
Owners of the Company		**(120,799)**	690,145
Non-controlling interests		**(35,367)**	(4,143)

A significant portion of this includes foreign exchange translation differences arising from the translation of goodwill and purchase price adjustments which are denominated in foreign currencies at the Group level. The translation differences arising on account of translation of the financial statements of foreign operations whose functional currencies are different from that of the Company's presentation currency are also reflected here. There are no differences on translation from functional to presentation currency as the Company's functional currency is pegged to the presentation currency.

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated statement of financial position

		30 June 2020 (Unaudited)	31 December 2019
	Note	**USD'000**	USD'000
Assets			
Non-current assets			
Property, plant and equipment	*11*	**12,469,127**	12,226,735
Right-of-use asset	*12*	**2,077,656**	2,080,908
Investment properties	*13*	**1,659,136**	1,672,911
Intangible assets and goodwill	*14*	**10,618,770**	10,054,701
Investment in equity-accounted investees	*15*	**2,072,513**	2,200,252
Other investments		**20,520**	20,009
Deferred tax assets		**14,473**	-
Accounts receivable and prepayments		**693,972**	675,845
Total non-current assets		**29,626,167**	28,931,361
Current assets			
Inventories		**172,977**	156,393
Property held for development and sale	16	**126,298**	194,612
Accounts receivable and prepayments		**1,929,221**	1,836,795
Cash and cash equivalents	*17*	**2,138,713**	2,943,359
Total current assets		**4,367,209**	5,131,159
Total assets		**33,993,376**	34,062,520
Equity			
Share capital	20	**1,660,000**	1,660,000
Share premium	*20*	**2,472,655**	2,472,655
Shareholders' reserve		**2,000,000**	2,000,000
Retained earnings		**8,161,400**	8,179,779
Translation reserve		**(2,220,492)**	(1,904,817)
Other reserves	*21*	**(712,661)**	(592,451)
Total equity attributable to owners of the Company		**11,360,902**	11,815,166
Non-controlling interests		**1,250,321**	1,032,052
Total equity		**12,611,223**	12,847,218
Liabilities			
Non-current liabilities			
Loans and borrowings	*22*	**12,458,015**	12,185,472
Lease and service concession liabilities	*23*	**2,724,187**	2,287,655
Loans from non-controlling shareholders	*24*	**752,824**	688,017
Accounts payable and accruals		**345,730**	379,271
Deferred tax liabilities		**967,185**	937,967
Employees' end of service benefits		**184,626**	176,227
Pension and post-employment benefits		**342,674**	347,406
Total non-current liabilities		**17,775,241**	17,002,015
Current liabilities			
Loans and borrowings	*22*	**497,240**	1,095,412
Lease and service concession liabilities	*23*	**228,853**	225,535
Loans from non-controlling shareholders	*24*	**1,000**	1,000
Accounts payable and accruals		**2,684,446**	2,663,660
Income tax liabilities		**85,040**	120,888
Pension and post-employment benefits		**110,333**	106,792
Total current liabilities		**3,606,912**	4,213,287
Total liabilities		**21,382,153**	21,215,302
Total equity and liabilities		**33,993,376**	34,062,520

The accompanying notes form an integral part of these condensed consolidated interim financial statements.
The condensed consolidated interim financial statements were authorised for issue on 19 August 2020.

Sultan Ahmed Bin Sulayem
Chairman and Chief Executive Officer

Yuvraj Narayan
Group Chief Financial, Strategy and Business Officer

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated statement of changes in equity (unaudited)

	Attributable to equity holders of the Company							
	Share capital and premium	**Shareholders' reserve**	**Retained earnings**	**Translation reserve**	**Other reserves**	**Total**	**Non-controlling interests**	**Total equity**
	USD'000	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**	**USD'000**
Balance as at 1 January 2019	4,132,655	2,000,000	7,712,784	(1,976,051)	(558,190)	11,311,198	687,720	11,998,918
Adjustment on initial application of IFRS 16, net of tax	-	-	(396,652)	-	-	(396,652)	(16,399)	(413,051)
Adjusted balance as at 1 January 2019	4,132,655	2,000,000	7,316,132	(1,976,051)	(558,190)	10,914,546	671,321	11,585,867
Profit for the period	-	-	681,142	-	-	681,142	(939)	680,203
Other comprehensive income, net of tax	-	-	-	30,264	(21,261)	9,003	(3,204)	5,799
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-
Dividends paid (refer to note 10)	-	-	(356,900)	-	-	(356,900)	-	(356,900)
Change in ownership of subsidiaries without loss of control	-	-	(460)	-	-	(460)	227,993	227,533
Transactions with non-controlling interests, recognised directly in equity								
Non-controlling interests created on acquisition of subsidiaries	-	-	-	-	-	-	3,469	3,469
Dividends paid	-	-	-	-	-	-	(17,881)	(17,881)
Balance as at 30 June 2019	4,132,655	2,000,000	7,639,914	(1,945,787)	(579,451)	11,247,331	880,759	12,128,090
Balance as at 1 January 2020	**4,132,655**	**2,000,000**	**8,179,779**	**(1,904,817)**	**(592,451)**	**11,815,166**	**1,032,052**	**12,847,218**
Profit for the period	-	-	**315,086**	-	-	**315,086**	**16,035**	**331,121**
Other comprehensive income, net of tax	-	-	-	**(315,675)**	**(120,210)**	**(435,885)**	**(51,402)**	**(487,287)**
Transactions with owners, recognised directly in equity								
Dividends paid (refer to note 10)	-	-	**(332,000)**	-	-	**(332,000)**	-	**(332,000)**
Change in ownership of subsidiaries without loss of control	-	-	**(1,465)**	-	-	**(1,465)**	**1,465**	**-**
Transactions with non-controlling interests, recognised directly in equity								
Dividends paid	-	-	-	-	-	-	**(33,055)**	**(33,055)**
Contribution by non-controlling interests	-	-	-	-	-	-	**23,239**	**23,239**
Non-controlling interests created on acquisition of subsidiaries (refer to note 27)	-	-	-	-	-	-	**261,987**	**261,987**
Balance as at 30 June 2020	**4,132,655**	**2,000,000**	**8,161,400**	**(2,220,492)**	**(712,661)**	**11,360,902**	**1,250,321**	**12,611,223**

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DP World Limited (formerly DP World PLC) and its subsidiaries

Condensed consolidated statement of cash flows (unaudited)

		30 June 2020	30 June 2019
	Note	**USD'000**	USD'000
Cash flows from operating activities			
Profit for the period		**331,121**	680,203
Adjustments for:			
Depreciation and amortisation	*5*	**661,439**	451,426
Impairment loss	*9*	**-**	7,000
Share of profit from equity-accounted investees (net of tax)		**(15,822)**	(86,490)
Finance costs		**524,038**	391,602
Gain on sale of property, plant and equipment	*11*	**(1,440)**	(491)
(Profit)/ loss on disposal and change in ownership of business	*9*	**(114,092)**	55,622
Finance income		**(63,561)**	(68,155)
Income tax expense		**103,047**	88,016
Gross cash flows from operations		**1,424,730**	1,518,733
Changes in:			
Inventories		**(17,236)**	(14,339)
Accounts receivable and prepayments		**14,458**	(370,411)
Accounts payable and accruals		**(166,468)**	(10,737)
Properties held for development and sale		**7,028**	(1,619)
Provisions, pensions and post-employment benefits		**(6,402)**	51,240
Cash generated from operating activities		**1,256,110**	1,172,867
Income taxes paid		**(132,552)**	(127,267)
Net cash from operating activities		**1,123,558**	1,045,600
Cash flows from investing activities			
Additions to property, plant and equipment	*11*	**(505,541)**	(556,284)
Additions to investment properties	*13*	**(35,846)**	(75,484)
Additions to port concession rights	*14*	**(11,046)**	(3,942)
Additions to equity-accounted investees		**(32,203)**	(52,500)
Proceeds from other investments		**-**	13,495
Proceeds from disposal of property, plant and equipment and other assets		**23,995**	15,006
Proceeds from disposal of stake in equity-accounted investee		**-**	41,337
Proceeds from disposal of stake in a subsidiary without change in control		**-**	227,533
Net cash paid on acquisition of subsidiaries		**(153,194)**	(646,026)
Interest received		**28,026**	34,210
Dividend received from equity-accounted investees	*15*	**30,202**	37,481
Net loans given to equity-accounted investees		**(4,129)**	-
Net cash used in investing activities		**(659,736)**	(965,174)
Cash flows from financing activities			
Repayment of loans and borrowings	*22*	**(2,074,856)**	(80,796)
Drawdown of loans and borrowings	*22*	**1,613,513**	34,025
Drawdown of loans from non-controlling shareholders		**73,796**	355,745
Payment of lease liabilities		**(176,638)**	(93,912)
Interest paid		**(316,014)**	(249,032)
Dividend paid to the owners of the Company	10	**(332,000)**	(356,900)
Contribution from non-controlling interests		**23,239**	-
Dividend paid to non-controlling interests		**(33,055)**	(17,881)
Redemption of sukuk	*22*	**-**	(232,014)
Net cash used in financing activities		**(1,222,015)**	(640,765)
Net (decrease)/ increase in cash and cash equivalents		**(758,193)**	(560,339)
Cash and cash equivalents as at 1 January		**2,943,359**	2,614,710
Effect of exchange rate fluctuations on cash held		**(46,453)**	(4,565)
Cash and cash equivalents as at 30 June	*17*	**2,138,713**	2,049,806

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

1. Corporate information

DP World Limited ("the Company") was incorporated on 9 August 2006 as a Company Limited by Shares with the Registrar of Companies of the Dubai International Financial Centre ("DIFC") under the Companies Law, DIFC Law No. 3 of 2006 and was converted to a Private Company under the Companies Law, DIFC Law No.5 of 2018 on 5 July 2020. These financial statements comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interests in equity-accounted investees. The Group is engaged in the business of development and management of international marine and inland terminal operations, maritime services, maritime transport, industrial parks, economic zones, logistics services, associated land development and investment in innovative technology-driven trade solutions.

Port & Free Zone World FZE ("the Parent Company"), which originally held 100% of the Company's issued and outstanding share capital, made an initial public offering of 19.55% of its share capital to the public and the Company was listed on the Nasdaq Dubai with effect from 26 November 2007. The Company was further admitted to trade on the London Stock Exchange with effect from 1 June 2011 and voluntarily delisted from the London Stock Exchange on 21 January 2015.

On 23 March 2020, the Company published a scheme circular in connection with the recommended cash offer by Port & Free Zone World FZE for the entire issued and to be issued ordinary share capital of the Company, other than the Company shares already owned by or on behalf of the Parent Company to be implemented by means of a scheme of arrangement. On 22 June 2020, the scheme became effective and DP World Limited was delisted from Nasdaq Dubai on 23 June 2020. DP World Limited is 100% owned by Port & Free Zone World FZE.

Port & Free Zone World FZE is a wholly owned subsidiary of Dubai World Corporation ("the Ultimate Parent Company").

The Company's registered office address is P.O. Box 17000, Dubai, United Arab Emirates.

2. Basis for preparation of the condensed consolidated interim financial statements

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. These condensed consolidated interim financial statements do not include all of the information required for full annual consolidated financial statements prepared in accordance with International Financial Reporting Standards. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2019.

The condensed consolidated interim financial statements were approved by the Board of Directors on 19 August 2020.

3. Changes in significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2019. A number of new amendments to standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments.

A number of new amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements.

4. Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2019, except for the adoption of amendments to the existing accounting standards effective 1 January 2020 and the reassessment of significant judgement, estimates and assumptions primarily due to the current economic uncertainties arising from the recent outbreak of the Novel Coronavirus (COVID-19) as outlined below.

COVID-19

The maritime and logistics sector is going through an unprecedented and challenging period due to the COVID-19 outbreak. As a result, the Group's portfolio has seen volumes weaken by 7.9% in 2Q2020 and 3.9% in 1H2020. However, this compares favourably against an estimated industry decline of 15% in 2Q2020 and 10% in 1H2020. This outperformance once again demonstrates that the Group is in the right locations and a focus on origin and destination cargo will continue to deliver the right balance between growth and resilience.

During this difficult period, the Group's ports across the world remained operational and aim to continue to provide this access to Group's clients to ensure essential and critical cargo keeps moving. The Group's early investment in digital technology and automation ensured the Group faced minimal disruption at its locations.

As indicated in note 9, certain restructuring costs were incurred mainly relating to severance pay associated with redundancies resulting from the impact of COVID-19 on tourist part of our business in a subsidiary in 'Middle East, Europe and Africa' region. Apart from these costs there has been no significant impact on the Group's profitability attributed specifically to COVID-19 in the current period.

The Group is monitoring all capex closely, has implemented expansive cost control initiatives across all units, is seeking all possible revenue opportunities throughout the business to promote cash preservation and keeping a close watch on receivables. The Group has not observed any significant changes to debtor days as compared to the previous reporting period.

4. Use of estimates and judgements (continued)

Note on impairment review during the interim period

IAS 36 *Impairment of Assets* requires that goodwill and intangible assets with indefinite lives are tested for impairment at a minimum every year and other non-financial assets are tested only when there are indicators of impairment that these assets might be impaired.

In the current period, given the impact of COVID-19 pandemic, the Group has updated the assumptions and future cash flow projections to test for impairment reflecting the increased level of risk and uncertainty. The value in use of each cash-generating units ("CGU") is compared to the carrying amount to assess any probable impairment.

The value in use is calculated using cash flow projections based on the revised financial budgets covering a three year period and a further outlook for five years, which is considered appropriate in view of the outlook for the industry and the long-term nature of the concession agreements held i.e. generally for a period of 25-50 years.

Key assumptions used in the value in use calculations

The following describes each key assumption on which the management has based its cash flow projections to undertake impairment testing of goodwill.

Budgeted margins – The basis used to determine the value assigned to the budgeted margin is the average gross margin achieved in the year immediately before the budgeted year, adjusted for expected efficiency improvements, price fluctuations and manpower costs.

Discount rates – These represent the cost of capital adjusted for the respective location risk factors. The Group uses the post-tax industry average weighted average cost of capital based on the rate of 10 years default free US treasury bonds adjusted for country-specific risks.

Cost inflation – The forecast general price index is used to determine the cost inflation during the budget year for the relevant countries where the Group is operating which has been sourced from International Monetary Fund (IMF).

Terminal growth rate – In management's view, the terminal growth rate is the minimum growth rate expected to be achieved beyond the eight-year period. This is based on the overall regional economic growth forecasted and the Group's existing internal capacity changes for a given region. The Group also takes into account competition and regional capacity growth to provide a comprehensive growth assumption for the entire portfolio. Based on historical global container volume average growth, assuming 2.5% terminal value growth rate for the Group is reasonable. The values assigned to key assumptions are consistent with the past experience of the management.

Such assessment did not result in any impairment as at 30 June 2020 due to COVID-19.

Sensitivity to changes in assumptions

The calculation of value in use for the CGU is sensitive to future earnings and therefore a sensitivity analysis was performed. A sensitivity analysis demonstrated that a 10% decrease in earnings for a future period of three years from the reporting date would not result in impairment. The below table summarises that an increase of 0.10% in discount rate and decrease of 0.25% in terminal value growth rate would not result in impairment.

4. Use of estimates and judgements (continued)

Sensitivity to changes in assumptions (continued)

Cash generating units	**Discount rate**	**Terminal growth rate**	**Sensitised headroom (0.10% increase in discount rate and 0.25% decrease in terminal growth rate)**
Asia Pacific and India	9.20%	2.50%	No impairment
Australia and Americas	6.06% - 13.86%	2.50%	No impairment
Middle East, Europe and Africa	7.00% - 18.70%	1.62% - 2.50%	No impairment

5. Segment information

The Group has identified the following geographic areas as its basis of segmentation.

- Asia Pacific and India
- Australia and Americas
- Middle East, Europe and Africa

Each of these operating segments have an individual appointed as Segment Director responsible for these segments, who in turn reports to the Chief Operating Decision Maker. In addition to the above reportable segments, the Group reports unallocated head office costs, finance costs, finance income and tax expense under the head office segment

The Group measures segment performance based on the earnings before separately disclosed items, interest, tax, depreciation and amortisation ("Adjusted EBITDA"). Although this is a non-IFRS measure, this will provide additional information to the users of the consolidated financial statements.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, investment property, and port concession rights other than goodwill.

Information regarding the results of each reportable segment is included below.

DP World Limited (formerly DP World PLC) and its subsidiaries

Notes to the condensed consolidated interim financial statements *(continued)*

5. Segment information (continued)

The following table presents certain results, assets and liabilities information regarding the Group's segments as at the reporting date:

	Asia Pacific and India		**Australia and Americas**		**Middle East, Europe and Africa**		**Head office**		**Total**	
	30 June 2020	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Revenue	**356,529**	326,019	**782,080**	628,938	**2,937,808**	2,508,289	**-**	-	**4,076,417**	3,463,246
Adjusted EBITDA	**162,063**	183,367	**249,338**	188,178	**1,265,193**	1,362,316	**(142,242)**	(122,586)	**1,534,352**	1,611,275
Finance income *	**-**	-	**-**	-	**-**	-	**59,026**	54,202	**59,026**	54,202
Finance costs *	**-**	-	**-**	-	**-**	-	**(495,287)**	(372,627)	**(495,287)**	(372,627)
Tax expense *	**-**	-	**-**	-	**-**	-	**(103,225)**	(88,016)	**(103,225)**	(88,016)
Depreciation and amortisation	**(54,835)**	(46,782)	**(129,185)**	(95,681)	**(474,949)**	(304,494)	**(2,470)**	(4,469)	**(661,439)**	(451,426)
Adjusted net profit/ (loss) for the period before separately disclosed items	**107,228**	136,585	**120,153**	92,497	**790,244**	1,057,822	**(684,198)**	(533,496)	**333,427**	753,408
Adjusted for separately disclosed items	**(2,297)**	(31,112)	**74,218**	(31,072)	**(50,189)**	(6,000)	**(24,038)**	(5,021)	**(2,306)**	(73,205)
Profit/ (loss) for the period	**104,931**	105,473	**194,371**	61,425	**740,055**	1,051,822	**(708,236)**	(538,517)	**331,121**	680,203

Net finance cost and tax expense from various geographical locations and head office have been grouped under head office.

Net profit in the Middle East, Europe and Africa in 2019 included a significant amount of profit from sale of plots of land relating to one transaction, which is not repeated in 2020.

DP World Limited (formerly DP World PLC) and its subsidiaries

Notes to the condensed consolidated interim financial statements *(continued)*

5. Segment information (continued)

	Asia Pacific and India		Australia and Americas		Middle East, Europe and Africa		Head office		Inter-segment		Total	
	30 June 2020	31 Dec 2019	**30 June 2020**	31 Dec 2019	**30 June 2020**	31 Dec 2019	**30 June 2020**	31 Dec 2019	**30 June 2020**	31 Dec 2019	**30 June 2020**	31 Dec 2019
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Segment assets	**4,290,353**	4,182,808	**6,669,000**	6,020,083	**25,050,569**	24,497,625	**15,197,052**	16,385,259	**(17,213,598)**	(17,023,255)	**33,993,376**	34,062,520
Segment liabilities	**527,969**	499,314	**2,452,628**	2,159,692	**10,288,164**	10,133,693	**13,840,779**	14,125,189	**(6,779,612)**	(6,761,441)	**20,329,928**	20,156,447
Tax liabilities *	**-**	-	**-**	-	**-**	-	**1,052,225**	1,058,855	**-**	-	**1,052,225**	1,058,855
Total liabilities	**527,969**	499,314	**2,452,628**	2,159,692	**10,288,164**	10,133,693	**14,893,004**	15,184,044	**(6,779,612)**	(6,761,441)	**21,382,153**	21,215,302
	30 June 2020	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Capital expenditure	**65,381**	20,145	**82,995**	216,613	**330,218**	373,623	**73,839**	25,329	**-**	-	**552,433**	635,710
Depreciation	**22,603**	23,066	**79,064**	61,117	**348,592**	197,580	**2,470**	4,380	**-**	-	**452,729**	286,143
Amortisation and impairment	**32,232**	23,716	**50,121**	34,564	**126,357**	113,914	**-**	89	**-**	-	**208,710**	172,283
Share of profit of equity-accounted investees before separately disclosed items	**43,047**	67,422	**1,336**	9,865	**10,353**	9,203	**-**	-	**-**	-	**54,736**	86,490
Tax expense *		-	**-**	-	**-**	-	**103,047**	88,016	**-**	-	**103,047**	88,016
Revenue consists of:												
Revenue from ports and terminals	**208,917**	251,401	**673,331**	508,861	**1,230,841**	1,260,047	**-**	-	**-**	-	**2,113,089**	2,020,309
Drydocking, maritime and logistics services	**147,612**	74,618	**108,749**	120,077	**1,337,706**	656,086	**-**	-	**-**	-	**1,594,067**	850,781
Lease rentals and services from economic zones	**-**	-	**-**	-	**276,643**	291,327	**-**	-	**-**	-	**276,643**	291,327
Revenue from sale of plots of land	**-**		**-**	-	**92,618**	300,829	**-**	-	**-**	-	**92,618**	300,829
Total revenue	**356,529**	326,019	**782,080**	628,938	**2,937,808**	2,508,289	**-**	-	**-**	-	**4,076,417**	3,463,246
Revenue transferred at a point in time	**200,703**	240,359	**624,243**	474,075	**1,253,012**	1,512,202	**-**	-	**-**	-	**2,077,958**	2,226,636
Revenue transferred over time	**155,826**	85,660	**157,837**	154,863	**1,684,796**	996,087	**-**	-	**-**	-	**1,998,459**	1,236,610
Total revenue	**356,529**	326,019	**782,080**	628,938	**2,937,808**	2,508,289	**-**	-	**-**	-	**4,076,417**	3,463,246

Tax liabilities and tax expenses from various geographical locations have been grouped under head office.

6. Revenue

	Six months ended 30 June 2020	Six months ended 30 June 2019
	USD’000	USD’000
Revenue consists of:		
Revenue from ports and terminals	**2,113,089**	2,020,309
Drydocking, maritime and logistics services	**1,594,067**	850,781
Lease rentals and services from economic zones	**276,643**	291,327
Revenue from sale of plots of land	**92,618**	300,829
Total	**4,076,417**	3,463,246

The above number includes revenue recognised over a period of time amounting to USD 1,998,459 thousand (30 June 2019: USD 1,236,609 thousand).

7. Finance income and costs

	Six months ended 30 June 2020	Six months ended 30 June 2019
	USD’000	USD’000
Finance income		
Interest income	**39,380**	40,080
Exchange gains	**19,646**	14,122
Finance income before separately disclosed items	**59,026**	54,202
Separately disclosed items (refer to note 9)	**4,535**	13,953
Finance income after separately disclosed items	**63,561**	68,155
Finance costs		
Interest expense on loans and borrowings *	**(365,399)**	(291,211)
Interest expense on lease and service concession liabilities	**(78,876)**	(66,740)
Exchange losses	**(47,576)**	(12,385)
Other net financing expense in respect of pension plans	**(3,436)**	(2,291)
Finance costs before separately disclosed items	**(495,287)**	(372,627)
Separately disclosed items (refer to note 9)	**(28,751)**	(18,975)
Finance costs after separately disclosed items	**(524,038)**	(391,602)
Net finance costs after separately disclosed items	**(460,477)**	(323,447)

This includes interest on loans from non-controlling shareholders.

8. Income tax

The Group's effective tax rate is as below:

	Six months ended 30 June 2020	Six months ended 30 June 2019
Before separately disclosed items	**27.06%**	13.32%
Including separately disclosed items	**27.09%**	13.60%

The increase in the ETR is due to the decrease in profitability of the entities in the lower or zero tax jurisdictions and increase in the number of entities where no deferred taxes are recognised.

9. Separately disclosed items

	Six months ended 30 June 2020	Six months ended 30 June 2019
	USD'000	USD'000
General and administrative expenses		
Acquisition costs	**(6,904)**	(5,561)
Restructuring costs	**(46,542)**	-
Impairment of asset	**-**	(7,000)
Share of loss from equity-accounted investees	**(38,914)**	-
Gain/ (loss) on disposal and change in ownership	**114,092**	(55,622)
Finance income		
Change in fair value of convertible bond option	**-**	13,953
Ineffective interest rate swap gain	**1,995**	-
Gain on fair valuation of financial instruments	**2,540**	-
Finance costs		
Interest accretion on convertible bond	**(1,015)**	(11,424)
Change in fair value of convertible bond option	**(16,769)**	-
Ineffective interest rate swap loss	**(9,261)**	(7,551)
Loss on fair valuation of financial instruments	**(1,706)**	-
Income tax	**178**	-
Total	**(2,306)**	(73,205)

9. Separately disclosed items (continued)

General and administrative expenses represent advisory, legal, valuation, professional consulting, general and administrative costs directly related to various business acquisitions in the Group. Restructuring costs mainly relate to severance pay associated with redundancies resulting from the impact of COVID-19 on tourist part of our business in a subsidiary in 'Middle East, Europe and Africa' region. Impairment of an asset relates to a subsidiary in the 'Middle East, Europe and Africa' region.

Share of loss from equity-accounted investees relates to the Group's share of expenses in technology ventures in the 'Australia and Americas' region and ineffective hedge in an investee in the 'Middle East, Europe and Africa' region.

Profit/ (loss) on disposal and change in ownership relates to the gain of USD 118,406 thousand on re-measurement to fair value of the existing stake resulting from the acquisition of a controlling stake in an equity-accounted investee in the 'Australia and Americas' region and loss of USD 4,314 thousand on sale of a subsidiary in the 'Middle East, Europe and Africa' region. (2019 related to loss on disposal of equity-accounted investees in the 'Asia Pacific and India' region and the loss on re-measurement to fair value of the existing stake resulting from the acquisition of a controlling stake in an equity-accounted investee in the 'Australia and Americas' region).

Change in fair value of convertible bond option relates to the movement in fair value of the embedded derivative liability of the convertible bonds.

Interest accretion on convertible bond represents the accretion of the liability component as at the reporting date representing an amount that will be payable on redemption of the convertible bond.

Ineffective interest rate swap relates to ineffective element of derivatives in subsidiaries in the 'Asia Pacific and India' region and 'Middle East, Europe and Africa' region.

Gain/ (loss) on fair valuation of financial instruments relates to subsidiaries in the 'Middle East, Europe and Africa' region.

10. Dividend

Dividends relating to 2019 amounting to USD 332,000 thousand were paid during the period ended 30 June 2020 (30 June 2019: USD 356,900 thousand).

11. Property, plant and equipment

During the six month period ended 30 June 2020, the Group added property, plant and equipment amounting to USD 505,541 thousand (30 June 2019: USD 556,284 thousand) and acquired through business combination property, plant and equipment of USD 451,049 thousand (30 June 2019: USD 707,149 thousand).

The depreciation on property, plant and equipment during the six month period ended 30 June 2020 amounted to USD 365,960 thousand (30 June 2019: USD 262,915 thousand).

During the six month period ended 30 June 2020, the reduction in property, plant and equipment represented the impact of foreign currency translation of USD 353,537 thousand (30 June 2019: USD 19,774 thousand).

Assets with a net carrying amount of USD 22,541 thousand were disposed by the Group during the six month period ended 30 June 2020 (30 June 2019: USD 14,515 thousand), resulting in a profit on disposal of USD 1,440 thousand (30 June 2019: profit of USD 491 thousand).

12. Right-of-use assets

During the six month period ended 30 June 2020, the Group added right-of-use-assets amounting to USD 70,049 thousand (30 June 2019: USD 1,527,761 thousand).

The depreciation charge during the six month period ended 30 June 2020 amounted to USD 92,332 thousand (30 June 2019: USD 60,357 thousand).

During the six month period ended 30 June 2020, the reduction in right-of-use-assets represented the impact of foreign currency translation of USD 60,539 thousand (30 June 2019: USD 3,960 thousand).

13. Investment properties

During the six month period ended 30 June 2020, the Group added investment properties amounting to USD 35,846 thousand (30 June 2019: USD 75,484 thousand). The Group acquired investment properties through business combination of USD 8,590 thousand (30 June 2019: USD 3,594 thousand).

During the six month period ended 30 June 2020, the Group has incurred a depreciation charge of USD 25,483 thousand (30 June 2019: USD 23,228 thousand).

14. Intangible assets and goodwill

Port concession rights

During the six month period ended 30 June 2020, the Group acquired port concession rights amounting to USD 11,046 thousand (30 June 2019: USD 3,942 thousand) and acquired intangible assets which mainly comprises of port concession rights of USD 415,422 thousand (30 June 2019: USD 909,372 thousand) through business combinations. The Group recorded IFRIC 12 service concession additions of USD 412,720 thousand (30 June 2019: Nil).

During the six month period ended 30 June 2020, the reduction in port concession rights represented the impact of foreign currency translation of USD 194,327 thousand (30 June 2019: USD 14,380 thousand).

The amortisation of port concession rights during the six month period ended 30 June 2020 amounted to USD 101,785 thousand (30 June 2019: USD 90,344 thousand).

Goodwill

The Group recognised goodwill through business combinations amounting to USD 125,626 thousand (30 June 2019: USD 273,456 thousand).

During the six month period ended 30 June 2020, the reduction in goodwill represented the impact of foreign currency translation of USD 92,183 thousand (30 June 2019: USD 2,655 thousand).

Land-use rights

The amortisation of land-use rights during the six months period ended 30 June 2020 amounted to USD 14,593 thousand (30 June 2019: USD 14,582 thousand).

15. Investment in equity-accounted investees

The following table summarises the segment wise financial information for equity-accounted investees, adjusted for fair value adjustments (using income approach model) at acquisition together with the carrying amount of the Group's interest in equity-accounted investees as included in the condensed consolidated interim statement of financial position:

	Asia Pacific and India		**Australia and Americas**		**Middle East, Europe and Africa**		**Total**	
	30 June 2020	31 December 2019	**30 June 2020**	31 December 2019	**30 June 2020**	31 December 2019	**30 June 2020**	31 December 2019
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Cash and cash equivalents	**406,861**	353,961	**71,157**	226,825	**235,028**	230,074	**713,046**	810,860
Other current assets	**219,566**	222,762	**53,157**	106,550	**265,549**	217,567	**538,272**	546,879
Non-current assets	**5,874,784**	6,044,065	**413,273**	843,203	**3,509,266**	3,466,776	**9,797,323**	10,354,044
Total assets	**6,501,211**	6,620,788	**537,587**	1,176,578	**4,009,843**	3,914,417	**11,048,641**	11,711,783
Current financial liabilities	**47,475**	48,080	**69,956**	83,016	**45,918**	70,064	**163,349**	201,160
Other current liabilities	**465,631**	537,818	**42,959**	128,428	**310,786**	303,187	**819,376**	969,433
Non-current financial liabilities	**760,327**	866,826	**100,223**	356,504	**1,576,206**	1,456,328	**2,436,756**	2,679,658
Other non-current liabilities	**533,272**	486,709	**37,975**	37,097	**370,752**	377,523	**941,999**	901,329
Total liabilities	**1,806,705**	1,939,433	**251,113**	605,045	**2,303,662**	2,207,102	**4,361,480**	4,751,580
Net assets (100%)	**4,694,506**	4,681,355	**286,474**	571,533	**1,706,181**	1,707,315	**6,687,161**	6,960,203
Group's share of net assets in equity-accounted investees							**2,072,513**	2,200,252
	30 June 2020	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019	**30 June 2020**	30 June 2019
	USD'000	USD'000	**USD'000**	USD'000	**USD'000**	USD'000	**USD'000**	USD'000
Revenue	**544,642**	698,692	**65,539**	103,248	**411,565**	421,174	**1,021,746**	1,223,114
Depreciation and amortisation	**(135,549)**	(134,712)	**(21,089)**	(12,248)	**(77,124)**	(61,279)	**(233,762)**	(208,239)
Other expenses	**(185,724)**	(261,658)	**(79,639)**	(43,448)	**(271,999)**	(298,389)	**(537,362)**	(603,495)
Finance costs	**(32,596)**	(41,001)	**(11,161)**	(19,639)	**(37,582)**	(35,542)	**(81,339)**	(96,182)
Finance income	**6,841**	14,937	**929**	1,390	**442**	310	**8,212**	16,637
Income tax expense	**(48,053)**	(66,486)	**(2,078)**	(1,269)	**(7,420)**	(7,275)	**(57,551)**	(75,030)
Net profit/ (loss)	**149,561**	209,772	**(47,499)**	28,034	**17,882**	18,999	**119,944**	256,805
Group's share of profit (before separately disclosed items)	**43,047**	67,422	**1,336**	9,865	**10,353**	9,203	**54,736**	86,490
Dividends received							**30,202**	37,481
Group's share of other comprehensive income							**7,474**	(3,041)

16. Property held for development and sale

During the six month period ended 30 June 2020, the Group added assets amounting to USD 1,817 thousand (30 June 2019: USD 1,619 thousand) and charged to income statement USD 70,131 thousand (30 June 2019: Nil).

17. Cash and cash equivalents

	30 June 2020	31 December 2019
	USD'000	USD'000
Cash at bank and in hand	**1,204,012**	1,056,487
Short-term deposits	**880,729**	1,823,606
Deposits under lien	**53,972**	63,266
Cash and cash equivalents for consolidated statement of cash flows	**2,138,713**	2,943,359

Short-term deposits are made for varying periods between one day and three months depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit market rates.

The deposits under lien are placed to collateralise some of the borrowings of the Company's subsidiaries.

18. Related party transactions

Transactions with related parties included in the condensed consolidated interim financial statements are as follows:

	Equity-accounted investees	**Other related parties**	**30 June 2020 Total**	Equity-accounted investees	Other related parties	30 June 2019 Total
	USD’000	**USD’000**	**USD’000**	USD’000	USD’000	USD’000
Expenses charged:						
Concession amortisation*	**-**	**3,876**	**3,876**	-	4,113	4,113
Shared services	**-**	**81**	**81**	-	157	157
Marine services fee	**-**	**5,939**	**5,939**	-	6,316	6,316
IT services fee	**-**	**1,390**	**1,390**	-	2,184	2,184
Other services	**-**	**2,577**	**2,577**	-	1,496	1,496
Finance costs*	**-**	**27,615**	**27,615**	-	29,054	29,054
Revenue earned:						
Revenue	**-**	**4,986**	**4,986**	-	7,151	7,151
Management fee income	**3,041**	**8,427**	**11,468**	7,000	8,720	15,720
Finance income	**966**	**-**	**966**	5,869	-	5,869

* This is in relation to right-of-use assets/lease liabilities pertaining to concession agreements.

18. Related party transactions (continued)

The balances with related parties included in the condensed consolidated statement of financial position are as follows:

	Due from related parties		**Due to related parties**	
	30 June 2020	31 December 2019	**30 June 2020**	31 December 2019
	USD'000	USD'000	**USD'000**	USD'000
Ultimate Parent Company	**2,395**	2,396	**1,501**	1,499
Parent Company	**168**	30	**5**	3
Equity-accounted investees	**129,531**	128,725	**1,875**	1,840
Other related parties	**30,899**	36,017	**18,511**	13,180

The Group is an additional borrower/additional guarantor of loan facility at the Group's parent company, Port & Free Zone World FZE (refer to note 26 (a) and note 28 (b)).

The Group has issued guarantees on behalf of equity-accounted investees which are disclosed in note 26(b).

Compensation of key management personnel

The remuneration of directors and other key members of the management during the period were as follows:

	30 June 2020	30 June 2019
	USD'000	USD'000
Short-term benefits and bonus	**10,624**	11,018
Post-retirement benefits	**298**	218
Total	**10,922**	11,236

19. Financial instruments – fair value and risk management

Fair value versus carrying amount

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed consolidated statement of financial position are as follows:

		30 June 2020	**30 June 2020**	31 December 2019	31 December 2019
	Fair value hierarchy	**Carrying amount**	**Fair value**	Carrying amount	Fair value
		USD'000	**USD'000**	USD'000	USD'000
FVOCI – equity instruments	**2**	**20,521**	**20,521**	20,009	20,009
Financial assets at FVTPL					
Derivative instruments for hedging	**2**	**-**	**-**	1,292	1,292
Financials assets carried at amortised cost					
Trade and other receivables *		**2,237,244**	-	2,085,637	-
Cash and cash equivalents **		**2,138,713**	-	2,943,359	-
Financial liabilities carried at fair value					
Derivative instruments for hedging	**2**	**(155,025)**	**(155,025)**	(89,935)	(89,935)
Embedded derivative option	**2**	**-**	**-**	(14,311)	(14,311)
Financial liabilities carried at amortised cost					
Issued bonds	**1**	**(8,487,842)**	**(9,160,251)**	(8,984,257)	(10,086,366)
Convertible bonds	**2**	**(254,400)**	**(253,894)**	(222,236)	(228,246)
Bank loans **		**(4,213,013)**	-	(4,074,391)	-
Loans from non-controlling shareholders **		**(753,824)**	-	(689,017)	-
Lease liabilities **		**(2,953,040)**	-	(2,513,190)	-
Trade and other payables *		**(2,251,324)**	-	(2,020,656)	-

Fair value hierarchy

The table above analyses assets and liabilities that require or permits fair value measurements or disclosure of fair value measurements.

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

* These financial assets and liabilities have short term maturity and thus, the fair values reported approximate carrying values.

** These financial assets and liabilities carry a variable rate of interest and hence, the fair values reported approximate carrying values.

19. Financial instruments (continued)

Fair value hierarchy (continued)

The fair value of the convertible debt instrument approximates its carrying amount. In the prior period, the embedded derivative option liability of the convertible bond was fair valued based on the Black and Scholes option pricing model adjusted with market assumptions. The fair value of the host liability component in the convertible bond was arrived at after deducting the fair value of the embedded derivative option liability from the stock exchange quoted closing bid price of the convertible bond as at the reporting date.

The fair value of derivative instrument is valued using discounted cash flow valuation techniques, which employ the use of market observable inputs such as credit quality of counterparties and observable interest rate curves at each reporting date.

The fair value for quoted bonds is based on their market price (including unpaid interest) as at the reporting date. Other loans include term loans and finance leases. These are largely at variable interest rates and therefore, the carrying value normally equates to the fair value.

20. Share capital and premium

The share capital of the Company comprises 830,000,000 fully paid shares of USD 2.00 each.

Share premium represents surplus received over and above the nominal cost of the shares issued.

21. Other reserves

The following is the breakdown of 'Other reserves' and the movements in these reserves during the period:

	Actuarial reserve	**Hedging and other reserves**	**Total**
	USD'000	**USD'000**	**USD'000**
Balance as at 1 January 2019	(585,662)	27,472	(558,190)
Other comprehensive income, net of tax	(3,563)	(17,698)	(21,261)
Balance as at 30 June 2019	(589,225)	9,774	(579,451)
Balance as at 1 January 2020	**(588,848)**	**(3,603)**	**(592,451)**
Other comprehensive income, net of tax	**(37,988)**	**(82,222)**	**(120,210)**
Balance as at 30 June 2020	**(626,836)**	**(85,825)**	**(712,661)**

22. Loans and borrowings

	30 June 2020	31 December 2019
	USD'000	USD'000
Issued bonds	**8,487,842**	8,984,257
Bank loans	**4,213,013**	4,074,391
Convertible bonds	**254,400**	222,236
Total	**12,955,255**	13,280,884
of which:		
Classified as non-current	**12,458,015**	12,185,472
Classified as current	**497,240**	1,095,412
of which:		
Secured loans and borrowings	**3,671,008**	3,529,257
Unsecured loans and borrowings	**9,284,247**	9,751,627

The loans and borrowings carry interest rate in the range of 0.6 % to 11.33% per annum.

The below table provides movement of loans and borrowings:

	USD'000
Balance at 1 January 2020	**13,280,884**
Cash flow items	
Drawdown of borrowings during the year	**1,613,513**
Repayment of borrowings during the year	**(2,074,856)**
Other non-cash items	
Acquired through business combinations	**283,308**
Interest accretion and transfer of option liability on convertible bonds	**32,095**
Transaction cost written-off/ amortised during the year	**13,421**
Translation adjustments	**(193,110)**
Balance at 30 June 2020	**12,955,255**

The repayment profile of the Group's loans and borrowings as of 30 June 2020 is as below:

22. Loans and borrowings (continued)

Year of repayment	Bonds	Loans	Total
	USD'000	USD'000	USD'000
2020	254,400	93,911	348,311
2021	-	204,281	204,281
2022	-	316,937	316,937
2023	1,193,688	809,812	2,003,500
2024	-	320,136	320,136
2025	-	601,321	601,321
2026	832,499	251,441	1,083,940
2027	7,971	231,946	239,917
2028	993,219	197,328	1,190,547
2029	984,342	82,120	1,066,462
2030 *	920,586	96,768	1,017,354
2031 - 37	1,740,402	794,905	2,535,307
Beyond 2037	1,815,135	212,107	2,027,242
Total	**8,742,242**	**4,213,013**	**12,955,255**

This includes loans and borrowings acquired through business combinations.

23. Lease and service concession liabilities

a) Group as a lessee / concessionaire

The below table provides the movement in lease and service concession liabilities:

	Lease liabilities (IFRS 16)	Service concession liabilities (IFRIC 12)	Total
	USD'000	USD'000	USD'000
At 1 January 2020	2,513,190	-	2,513,190
Reclassified from other liabilities	-	37,218	37,218
Acquired through business combination	97,277	-	97,277
Payments during the period	(168,260)	(8,378)	(176,638)
New leases/ service concessions entered during the period	71,501	412,730	484,231
Interest expense	69,981	8,895	78,876
Reassessment of leases during the period	(15,499)	-	(15,499)
Translation adjustment	(65,508)	(107)	(65,615)
As at 30 June 2020	**2,502,682**	**450,358**	**2,953,040**
Lease and service concession liabilities classified as at 30 June 2020:			
Non-current	2,279,954	444,233	2,724,187
Current	222,728	6,125	228,853
Total	**2,502,682**	**450,358**	**2,953,040**

23. Lease and service concession liabilities (continued)

b) Group as a lessor

Future minimum rentals receivable under non-cancellable operating leases as at 30 June are as follows:

	30 June 2020	31 December 2019
	USD'000	USD'000
Within one year	**713,515**	775,793
Between one to five years	**1,295,257**	1,442,929
More than five years	**1,083,038**	1,090,841
Total	**3,091,810**	3,309,563

The above operating leases (Group as a lessor) mainly consist of commercial properties leased consisting of land, office accommodation, warehouses and staff accommodation. Besides these, vessels and certain property, plant and equipment are also leased out by the Group. The leases contain renewal options for additional lease periods at rental rates based on negotiations or prevailing market rates.

24. Loans from non-controlling shareholders

	30 June 2020		31 December 2019	
	Non-current	**Current**	Non-current	Current
	USD'000	**USD'000**	USD'000	USD'000
Loans from non-controlling shareholders	**752,824**	**1,000**	688,017	1,000

These loans mainly include USD 724,845 thousand (2019: USD 664,577 thousand) granted by non-controlling shareholders of entities under 'Australia and Americas' region. These loans carry interest rate ranging between 4.95% - 8.0% per annum and are repayable between 2021 and 2037.

25. Capital commitments

	30 June 2020	31 December 2019
	USD'000	USD'000
Estimated capital expenditure contracted at the reporting date	**877,165**	753,750

26. Contingencies

(a) On 17 February 2020, the Group's parent company, Port & Free Zone World FZE (PFZW) entered into USD 9 billion syndicated loan facilities (3 to 5 years tenor) which is guaranteed by the Group. USD 7.9 billion was drawn down by PFZW as at 30 June 2020. The remaining USD 1.1 billion facility has been acceded by the Group on 22 July 2020, which remains undrawn.

On 7 July 2020 USD1.5 billion has been prepaid by PFZW under the syndicated loan facilities, reducing its debt to USD 6.4 billion.

(b) The Group has the following other contingent liabilities at the reporting date:

	30 June 2020	31 December 2019
	USD'000	USD'000
Performance guarantees	**156,782**	156,146
Payment guarantees	**59,329**	60,578
Letters of credit	**15,848**	15,595
Guarantees issued on behalf of equity-accounted investees	**40,203**	40,825

The Group has entered into certain agreements with landlords and port authorities which may contain specific volume or payment commitments that could result in minimum concession/ lease fees being payable on failure to meet these targets.

27. Business combinations

Acquisition of new subsidiaries

(a) On 1 January 2020, the Group acquired control in Caucedo Investments Inc. (Caucedo), retaining the previously held equity interest at 50%, through the Group's investment platform with Caisse de dépôt et placement du Québec (CDPQ), one of North America's largest pension fund managers. Caucedo Development Corporation, the previous equity partner, divested 45% of its stake in Caucedo to CDPQ, as a result of which the Group acquired control.

Caucedo Investments Inc. operates a single marine cargo and container terminal named Puerto Multimodal Caucedo, located in Punta Caucedo, near the city of Santo Domingo, the political and commercial capital of the Dominican Republic. Taking control of this port will enable the Group to develop its container terminal operations across Dominican Republic. The Port's location allows for potential terminal operations via land, sea and air transportation.

The carrying value and fair value of the identifiable net assets and liabilities on the date of the acquisition were as follows:

	Carrying amount	**Fair value recognised on acquisition**
	USD'000	**USD'000**
Assets		
Property, plant and equipment	**399,535**	**399,535**
Port concession rights	**-**	**239,400**
Investment in equity-accounted investee	**1,792**	**1,792**
Inventories	**7,320**	**7,320**
Accounts receivables and prepayments	**26,145**	**26,145**
Bank balances and cash	**132,979**	**132,979**
Liabilities		
Loans and borrowings	**(282,983)**	**(282,983)**
Accounts payable and accruals	**(42,384)**	**(42,384)**
Net assets acquired	**242,404**	**481,804**
Less: non-controlling interest recognised on acquisition		**(257,149)**
Goodwill arising on acquisition		**32,494**
Total fair value of net assets acquired		**257,149**
For cash flow statement:		
Cash paid for acquisition of controlling interests		**-**
Cash acquired on acquisition		**132,979**
Net cash received on acquisition		**132,979**

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

The goodwill is attributable mainly to the skills and technical talent of Caucedo's work force, and the synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

The remeasurement to fair value of the Group's existing 50% interest in Caucedo to USD 257,150 thousand. has resulted in a gain of USD 118,406 thousand which includes derecognition of carrying amount of the existing equity-accounted investee of USD 132,523 thousand at the date of acquisition and recycling of OCI of USD 6,221 thousand to the statement of profit or loss (refer to note 9).

The Group has elected to measure the non-controlling interest in Caucedo at the proportionate share of its interest in the acquiree's identifiable net assets. The fair value was arrived using income approach model.

From the date of obtaining control, this entity has contributed revenues of USD 66,716 thousand and gross profit of USD 44,616 thousand to the Group's results.

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

(b) On 1 January 2020, the Group acquired 77% stake in Feedertech Group based in Singapore for a purchase consideration of USD 76,971 thousand. Feedertech operates two businesses, Feedertech, which is an independent feedering service and Perma, a regional short-sea network. Both operate in the same market and connect the fast-growing trade route of Asia-Middle East via the Indian subcontinent.

The carrying value and fair value of the identifiable net assets and liabilities on the date of the acquisition were as follows:

	Acquiree's carrying amount	**Fair value recognised on acquisition**
	USD'000	**USD'000**
Assets		
Property, plant and equipment	**7,793**	**7,793**
Other intangible assets	**91**	**91**
Investment in equity-accounted investee	**299**	**299**
Right-of-use asset	**3,559**	**3,559**
Accounts receivables and prepayments	**35,490**	**35,490**
Inventories	**3,784**	**3,784**
Bank balances and cash	**8,930**	**8,930**
Liabilities		
Loans and borrowings	**(325)**	**(325)**
Lease debt	**(3,527)**	**(3,527)**
Accounts payable and accruals	**(34,983)**	**(34,983)**
Tax liabilities	**(79)**	**(79)**
Net assets acquired	**21,032**	**21,032**
Less: non-controlling interest recognised on acquisition		**(4,838)**
Goodwill arising on acquisition		**60,777**
Total purchase consideration		**76,971**
For cash flow statement:		
Cash paid for acquisition of controlling interests		**(76,971)**
Cash acquired on acquisition		**8,930**
Net cash paid on acquisition		**(68,041)**

The goodwill is attributable mainly to the skills and technical talent of the acquiree's work force, and the synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquisition related costs of USD 2,815 thousand were expensed and included in general and administrative expenses in the prior year.

The Group has elected to measure the non-controlling interests in the acquiree at the proportionate shares of its interest in the acquiree's identifiable net assets.

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

From the acquisition date, this acquisition has contributed revenues of USD 78,769 thousand and gross profit of USD 8,600 thousand to the Group's results.

(c) On 20 February 2020, the Group through one of its subsidiary, acquired 100% stake in Fraser Surrey Docks in Canada for a purchase consideration of USD 218,428 thousand. Fraser Surrey Docks is a large, multi-purpose marine terminal located in the greater Vancouver area of British Columbia, Canada. The acquisition of Fraser Surrey Docks complements the Group's footprint in Canada and provides an attractive platform to better serve our customers' break-bulk and dry bulk requirements. The Group's existing facilities at Vancouver and Prince Rupert have enjoyed strong growth in recent years and we believe that Fraser Surrey Docks will benefit from being part of the Group's terminal portfolio.

The carrying value and fair value of the identifiable net assets and liabilities on the date of the acquisition were as follows:

	Acquiree's carrying amount	**Fair value recognised on acquisition**
	USD'000	**USD'000**
Assets		
Property, plant and equipment	**41,287**	**41,287**
Port concession rights	**36,765**	**175,932**
Right-of-use asset	**92,196**	**92,196**
Accounts receivables and prepayments	**17,746**	**17,746**
Inventories	**408**	**408**
Bank balances and cash	**296**	**296**
Liabilities		
Lease liabilities	**(93,750)**	**(93,750)**
Accounts payable and accruals	**(10,467)**	**(10,467)**
Deferred tax liabilities	**-**	**(37,575)**
Net assets acquired	**84,481**	**186,073**
Goodwill arising on acquisition		**32,355**
Total purchase consideration		**218,428**
For cash flow statement:		
Cash paid on acquisition		**(218,428)**
Cash acquired on acquisition		**296**
Net cash paid on acquisition		**(218,132)**

The goodwill is attributable mainly to the skills and technical talent of acquiree's work force, and the synergies expected to be achieved from integrating the company into the Group's existing business. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquisition related costs of USD 4,607 thousand were expensed and included in general and administrative expenses.

27. Business combinations (continued)

Acquisition of new subsidiaries (continued)

The deferred tax liability relates to fair value adjustments on port concession rights. The Group has elected to measure the non-controlling interests in the acquiree at the proportionate shares of its interest in the acquiree's identifiable net assets.

From the acquisition date, this acquisition has contributed revenues of USD 31,836 thousand and gross profit of USD 4,984 thousand to the Group's results. If the acquisition had occurred on 1 January 2020, management estimates that consolidated revenue would have increased by USD 10,612 thousand and consolidated gross profit for the year would have increased by USD 1,661 thousand. In determining these amounts, management has assumed that the fair value adjustments, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2020.

For the purpose of this acquisition, the Group obtained shareholder loan of USD 78,003 thousand from Caisse de dépôt et placement du Québec (CDPQ) in proportion to their shareholding of 45% in the acquirer. This has reduced the Group's effective ownership to 55%.

28. Subsequent events

(a) On 1 July 2020, the Group's subsidiary DP World Salaam issued USD 1.5 billion Reset Subordinated Perpetual Certificates. These certificates meet the definition of an equity instrument as per IAS 32 and therefore will be reflected as part of Group's equity.

(b) On 7 July 2020, the Group provided a loan of USD 1.5 billion to the Parent Company, Port & Free Zone World FZE at market rate of interest, payable within 5.5 years.

(c) Subsequent to the period end and delisting, an addendum agreement was signed on 22 July 2020 whereby DPW was added as a co-borrower for USD 1.1 billion of the USD 9 billion facility (refer to note 26(a)) which is available for draw down and has a maturity period of 3 years.

(d) On 27 July 2020, the Group announced an agreement to acquire a 60 per cent shareholding in UNICO Logistics Co. Ltd. Headquartered in South Korea, UNICO has a global footprint of 25 subsidiaries in 20 countries and is one of the largest independent NVOCC (Non-Vessel Operating Common Carrier) in South Korea. UNICO is a multimodal transport specialist with strong market position in the fast-growing transcontinental rail freight market between East-Asia and Central-Asia and Russia, in particular on the strategically important Trans-Siberian Railway (TSR) and Trans China Railway (TCR). The transaction, subject to regulatory clearances, is expected to close in Q4 2020.