

DP WORLD REPORTS STRONG 1H2021 Financial results

Thursday, 19th August 2021, Dubai, UAE: DP World Limited today announces strong financial results for the six months to 30 June 2021 with EBITDA growing 18.2% year-on-year.

Results before separately disclosed items ¹ unless otherwise stated	1H2021	1H2020	As reported % change	Like-for-like % change ²
Gross throughput ³ (TEU '000)	38,598	33,897	+13.9%	+13.3%
Consolidated throughput ⁴ (TEU '000)	22,566	19,970	+13.0%	+12.0%
Revenue	4,945	4,076	+21.3%	+9.0%
Share of profit from equity-accounted investees	76	55	+38.5%	+29.8%
Adjusted EBITDA ⁵	1,813	1,534	+18.2%	+11.9%
Adjusted EBITDA margin ⁶	36.7%	37.6%	-	38.5%
EBIT	1,117	873	+27.9%	+20.9%
Profit for the period	585	333	+75.4%	+54.7%
Profit for the period attributable to owners of the Company	475	313	+51.9%	+39.4%

Results Highlights

- **Revenue of \$4,945 million (Revenue growth of 21.3% on reported basis)**
 - Revenue growth of 21.3% supported by acquisitions and strong growth in India, Australia, and UK.
 - Like-for-like revenue increased by 9.0%.

- **Adjusted EBITDA of \$1,813 million and adjusted EBITDA margin of 36.7%**
 - Adjusted EBITDA increased 18.2%, and EBITDA margin for the half-year stood at 36.7%. Like-for-like adjusted EBITDA margin of 38.5%.

- **Profit for the period attributable to owners of the Company increased to \$475 million**
 - Profit attributable to owners of the Company before separately disclosed items increased 51.9% on reported basis and 39.4% on a like-for-like basis.

- **Robust Cash Generation**
 - Cash from operating activities remains strong at \$1,490 million in 1H2021 compared to \$1,124 million in 1H2020.

¹ Before separately disclosed items (BSDI) primarily excludes non-recurring items. DP World reported separately disclosed items of a \$9.2 million loss for the period.

² Like-for-like at constant currency is without the new additions at KRIL (India), TIS (Ukraine), Unico (South Korea), Fraser Surrey (Canada), Traders Market Logistics & Digital Solutions (UAE) and Luanda (Angola)

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

- Leverage (Net debt to annualised adjusted EBITDA) decreased to 3.5 times (Pre-IFRS16) from 3.7 times at FY2020. On a post-IFRS16 basis, net leverage stands at 4.0 times compared to 4.3 times at FY2020.
 - DP World credit rating remains investment grade at BBB- with Stable Outlook by Fitch and Baa3 with Stable Outlook by Moody's.
- **Selective Investment in Key Growth Markets**
- Capital expenditure of \$687 million invested across the existing portfolio during the first half of the year.
 - Capital expenditure guidance for 2021 is for approximately \$1.2 billion with investments planned into UAE, Canada, Jeddah (Saudi Arabia), Berbera (Somaliland), Sokhna (Egypt), Luanda (Angola), P&O Ferries, London Gateway (UK) and Callao (Peru).
- **Acquisitions to bring value-add capabilities, exposure to high growth markets and long-term relationship with cargo owners**
- Announced acquisitions of syncreon and Imperial Logistics.
 - Acquisitions bring value-add capabilities in fast growing markets and verticals.
 - Adds long-term relationship with cargo owners.
- **Strong 1H2021 Performance, Near Term Outlook Positive**
- Portfolio has delivered strong performance in 1H2021 on higher consumer spend and rebound in global trade.
 - Near term outlook remains positive but we expect growth rates to moderate.
 - DPW focused on delivering integrated supply chain solutions to cargo owners to drive growth and returns.

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

"We are delighted with the strong set of first half results with adjusted EBITDA growing 18.2% and attributable earnings rising 51.9%. This significant growth 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.

In recent years we have seen cargo owners respond positively to our integrated end-to-end product offering and we aim to continue with our drive to enable trade. Our recently announced acquisitions of Imperial Logistics and syncreon bring value-add capabilities in high growth verticals and markets, which will allow us to offer a more compelling set of supply chain solutions. By leveraging our best-in-class infrastructure across inland logistics, ports & terminals, economic zones and marine logistics network, DP World aims to lower inefficiencies and provide improved connectivity in fast growing trade lanes such as Asia, Middle East & Africa.

"Importantly, we continue to make positive progress with our capital recycling program and this combined with the strong operational performance, leaves us well positioned to deliver on our 2022 combined (DP World and PFZW) leverage target of less than 4x Net Debt to adjusted EBITDA (Pre IFRS16).

"Overall, the near-term outlook remains positive, and while we are mindful that the Covid-19 pandemic and geopolitical uncertainty could once-again disrupt the global economic recovery, we remain positive on the medium to long-term fundamentals of the industry and DP Worlds ability to continue to deliver sustainable returns."

- END -

Investor Enquiries

Redwan Ahmed

DP World Limited
Mobile: +971 50 554 1557
Direct: +971 4 808 0842
Redwan.Ahmed@dpworld.com

Amin Fikree

DP World Limited
Mobile: +971 56 6811553
Direct : +971 4 808 0923
Amin.Fikree@dpworld.com

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

- Conference call for analysts and investors hosted by Yuvraj Narayan, Group Chief Financial, Strategy and Business Officer.
- 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 <https://www.dpworld.com/investor-relations/financials-presentation/financial-reports/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

DP World to benefit from structural shifts in consumer behaviour

The demand for bespoke supply chain solutions continues to rise as consumer and corporate behaviour post pandemic shifts and DP World is well placed to benefit from these developments. The Covid-19 pandemic has resulted in structural changes that have had a profound impact on global trade.

Firstly, corporates are re-examining their supply chains and assessing for potential concentration risk, and many are considering a more regional distributional model or near-sourcing to avoid future disruptions. DP World's business has always been built with a focus on diversity, faster growing markets, and origin & destination cargo, and again we believe we are well prepared to meet the future demands of cargo owners.

Furthermore, there has been an acceleration in e-commerce activity, with sales in the US increasing by 32% in 2020 to reach \$792 billion, a target that was achieved 2 years ahead of pre-Covid estimates, and the trends seen in 2021 suggests the e-commerce growth rate has only accelerated. Many consumers have now changed the way they transact permanently, and we expect this trend to accelerate in emerging markets. Our early investment in digital technology such as Dubai Trade and terminal automation has allowed us to offer solutions demanded by cargo owners today, and our recently announced acquisitions will enable us to offer more customised solutions going forward. This focus on innovation continues, as we invest to build an intelligent platform that allows cargo owners to trade directly.

Adding depth to our value-add solutions

Recently we announced the acquisitions of Imperial Logistics and syncreon⁷ that bring value-add capabilities in high growth verticals and markets, and these assets will allow us to offer a more compelling set of supply chain solutions.

Imperial is an integrated logistics and market access solutions provider with a presence across 25 countries, including a significant footprint in the high growth Africa market. The Group focuses on key fast-growing industries which include healthcare, consumer, automotive, chemicals,

⁷ Acquisitions of Imperial and syncreon expected to close 4Q21 / 1Q22

industrial and commodities. Imperial's business has been built on long-standing partnerships with beneficial cargo owners (BCO's) with key relationships averaging more than 15 years.

syncreon provides specialized value-added warehousing and distribution solutions and has a global presence across 19 countries. syncreon services a large and diversified portfolio of customers made up of multinational companies and specializes in the design and operation of complex supply chain solutions for the high growth automotive and technology verticals.

Both businesses bring complex solutions capability and strong long-term relationships with cargo owners which fits with DP World's vision to provide smart tech-led supply chain solutions to enable trade across key markets.

Continued Investment in Ports & terminals

In the first half of 2021, we have invested \$687 million in our existing portfolio, adding capacity in key markets. Also, we continue to invest selectively in container port terminals that offer compelling value. We started operating the multipurpose terminal in Luanda, Angola. Luanda is a key port that handles all cargo for a country that is the 5th largest economy in Africa.

We announced the 50-year concession agreement and development of Ndayane terminal in Senegal. DP World's existing operations in Dakar (Senegal) has seen solid growth in recent years and with utilisation rates high, it is time to invest in new facilities to make room for further growth. The new port will support Senegal's development over the next century, and further reinforce Dakar's role as a major logistics hub and gateway to West and North West Africa.

We also announced a return to Indonesia to develop and operate an integrated container port and, industrial and logistics park in Gresik, Java (Indonesia). The Java region is the key trading hub and generates approximately 60% of Indonesia's GDP. The container market in the region has delivered consistently strong growth and utilisation rates remain high. The first phase of the greenfield project will add container capacity of 1 million TEU (twenty-foot equivalent units) and 110-hectare industrial & logistics park and is expected to be operational by 2023.

Group Chief Financial, Business and Strategy Officer's Review

DP World has delivered a strong set of financial results in the first half of 2021 with continued solid cash generation. Our adjusted EBITDA of \$1,813 million, is up 11.9% on like-for-like basis, while our adjusted EBITDA margin has remained broadly stable at a healthy 36.7%. Reported revenue grew by 21.3% to \$4,945 million and attributable income rose by 51.9% demonstrating strong operational gearing.

The Group continues to target 2022 combined (DPW & PFZW) leverage of below 4.0x Net/Debt to adjusted EBITDA on a pre-IFRS 16 basis and remains committed to a strong investment grade rating in the medium term. The business continued to generate high levels of cash flow with operating cash flow increasing by 32.5% year-on-year to \$1,490 million. The strong cash generation combined with the well progressed capital recycling program, leaves us well placed to meet our 2022 leverage target.

Importantly, DP World's credit rating remains investment grade at BBB- with Stable Outlook by Fitch and Baa3 with Stable Outlook by Moody's.

Middle East, Europe and Africa

Results before separately disclosed items USD million	1H 2021	1H 2020	% change	Like-for-like % change
Consolidated throughput (TEU '000)	12,126	11,181	+8.4%	+7.0%
Revenue	3,159	2,938	+7.5%	+2.4%
Share of profit from equity-accounted investees	26	10	+154.2%	+154.5%
Adjusted EBITDA	1,340	1,265	+5.9%	+4.6%
Adjusted EBITDA margin	42.4%	43.1%	-0.6%	+43.2%
Profit After Tax	877	790	+11.0%	+11.6%

Market conditions were positive in this region as volumes rebounded strongly. Consolidated throughput was up 15.9% excluding Jebel Ali (UAE), with Europe being the key driver of growth. Encouragingly, Jebel Ali volumes turned positive with 3.4% growth in the first half as market conditions stabilized.

Overall, revenue in the region grew 7.5% to \$3,159 million on a reported basis, benefitting from a full contribution from TIS terminals in Ukraine and new port concession in Angola.

Like-for-like revenue growth was below volume growth due to weaker non-container revenues. Adjusted EBITDA was \$1,340 million, up 5.9% on a reported basis and up 4.6% on a like-for-like basis.

We invested \$516 million in the region, mainly focused on capacity expansions in UAE, Sokhna (Egypt), Berbera (Somaliland) and London Gateway (UK).

Asia Pacific and India

Results before separately disclosed items USD million	1H 2021	1H 2020	% change	Like-for-like % change
Consolidated throughput (TEU '000)	5,119	4,284	+19.5%	+19.5%
Revenue	789	357	+121.3%	+42.9%
Share of profit from equity-accounted investees	46	43	+7.8%	+1.0%
Adjusted EBITDA	278	162	+71.5%	+40.3%
Adjusted EBITDA margin	35.2%	45.5%	-10.2%	+45.6%
Profit After Tax	191	107	+78.4%	+38.0%

Markets conditions in this region were strong particularly in India as container volumes recovered by 19.5% year-on-year. Reported revenue growth of 121.3% was aided by the acquisition of KRIL and Unico, while share of profit from equity-accounted investees increased 1.0% on like-for-like basis.

Adjusted EBITDA of \$278 million increased 40.3% on a like-for-like basis on strong container volumes and improved logistics revenue.

Capital expenditure in this region during the year was \$69 million, mainly focused in Pusan (South Korea) and Mumbai (India).

Australia and Americas

Results before separately disclosed items USD million	1H 2021	1H 2020	% change	Like-for-like % change
Consolidated throughput (TEU '000)	5,321	4,505	+18.1%	+17.2%
Revenue	998	782	+27.6%	+18.2%
Share of profit from equity-accounted investees	3	1	+132.7%	45.4%
Adjusted EBITDA	370	249	+48.3%	+34.0%
Adjusted EBITDA margin	37.1%	31.9%	+5.2%	+37.4%
Profit After Tax	226	120	+88.0%	+63.0%

Container volumes rebounded strongly in both Americas and Australia. While growth in Australia has been broad based, the key growth drivers in Americas were Canada, Brazil, Dominican Republic and Peru.

Reported revenues rose 27.6% to \$998 million and adjusted EBITDA increased by 48.3% to \$370 million. On a like-for-like basis, adjusted EBITDA increased 34.0%. The difference in reported and like-for-like revenue growth is mostly explained by currency movements and acquisition of Fraser Surrey (Canada). Profit from equity-accounted investees increased to \$3.1 million.

We invested \$58 million capital expenditure in this region mainly focused in Prince Rupert and Vancouver (Canada).

Cash Flow and Balance Sheet

Adjusted gross debt stands at \$18.0 billion compared to \$16.3bn as of 31 Dec 2020. Lease and concession fee liabilities account for \$3.5 billion with interest bearing debt of \$14.5 billion as of 30 June 2021. Cash stood at \$3.6 billion resulting in net debt of \$14.4bn or \$10.9bn (pre IFRS 16). Our net leverage (adjusted net debt to annualized adjusted EBITDA) stands at 4.0 times post IFRS16 and would be on a 3.5 times pre-IFRS16 basis. DP World is also guaranteeing \$6.4 billion of Port & Free Zone World debt related to the de-listing of DP World.

Capital Expenditure

Consolidated capital expenditure in the first half of 2021 was \$687 million, with maintenance capital expenditure of \$143 million. We expect the full year 2021 capital expenditure to be approximately \$1.2 billion to be invested in UAE, Canada, Jeddah (Saudi Arabia), Berbera (Somaliland), Sokhna (Egypt), Luanda (Angola), P&O Ferries, London Gateway (UK) and Callao (Peru).

Net finance costs before separately disclosed items

Net finance cost for the six months was lower than the prior period at \$385 million (1H2020: \$436 million) mainly due to higher interest income.

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 2021, DP World's income tax expense before separately disclosed increased to \$147 million (1H2020: \$103 million) mainly due to increased profits in tax jurisdictions.

Profit attributable to non-controlling interests (minority interest)

Profit attributable to non-controlling interests (minority interest) before separately disclosed items was \$110 million against 1H2020 of \$21 million due to acquisitions of Unico (South Korea), TIS (Ukraine), Fraser Surrey (Canada) and improved performance in Australia.

Sultan Ahmed Bin Sulayem Group Chairman and Chief Executive Officer	Yuvraj Narayan Group Chief Financial, Strategy and Business Officer
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About DP World:

We are the leading provider of worldwide smart end-to-end supply chain logistics, 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 181 business units in 64 countries across six 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 140 nationalities are committed to delivering unrivalled value to our customers and partners. We do this by focusing 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 broaden our vision of more efficient, transparent and resilient world trade. We achieve this by leveraging disruptive innovation to create the smartest and most effective logistics solutions, while ensuring a positive and sustainable impact on economies, societies and our planet.

DP World Limited
and its subsidiaries

Condensed consolidated
interim financial statements
30 June 2021

DP World Limited and its subsidiaries

Condensed consolidated interim financial statements

for the six months ended 30 June 2021

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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 2021, 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 2021 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 2021

DP World Limited and its subsidiaries

Condensed consolidated statement of profit or loss (unaudited)

	Note	Period ended 30 June 2021			Period ended 30 June 2020		
		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	4,945,374	-	4,945,374	4,076,417	-	4,076,417
Cost of sales		(3,141,419)	-	(3,141,419)	(2,668,784)	-	(2,668,784)
Gross profit		1,803,955	-	1,803,955	1,407,633	-	1,407,633
General and administrative expenses		(797,192)	(19,561)	(816,753)	(615,680)	(53,446)	(669,126)
Other income		34,069	-	34,069	26,224	-	26,224
Gain on disposal and change in ownership		-	-	-	-	114,092	114,092
Share of profit/ (loss) from equity-accounted investees (net of tax)	15	75,831	(39,424)	36,407	54,736	(38,914)	15,822
Results from operating activities		1,116,663	(58,985)	1,057,678	872,913	21,732	894,645
Finance income	7	90,585	4,297	94,882	59,026	4,535	63,561
Finance costs	7	(475,678)	(4,709)	(480,387)	(495,287)	(28,751)	(524,038)
Net finance costs		(385,093)	(412)	(385,505)	(436,261)	(24,216)	(460,477)
Profit before tax		731,570	(59,397)	672,173	436,652	(2,484)	434,168
Income tax expense	8	(146,621)	50,167	(96,454)	(103,225)	178	(103,047)
Profit for the period		584,949	(9,230)	575,719	333,427	(2,306)	331,121
Profit attributable to:							
Owners of the Company		474,842	(30,114)	444,728	312,524	2,562	315,086
Non-controlling interests		110,107	20,884	130,991	20,903	(4,868)	16,035
		584,949	(9,230)	575,719	333,427	(2,306)	331,121

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

DP World Limited and its subsidiaries

Condensed consolidated statement of other comprehensive income (unaudited)

		30 June 2021	30 June 2020
	<i>Note</i>	USD'000	USD'000
Profit for the period		575,719	331,121
Other comprehensive income			
<i>Items that are or may be reclassified subsequently to profit or loss:</i>			
Foreign exchange translation differences – foreign operations*		(19,810)	(350,914)
Foreign exchange translation differences recycled to profit or loss due to change in ownership resulting in control		-	837
Share of other comprehensive income of equity-accounted investees	15	1,136	7,474
Cash flow hedges – effective portion of changes in fair value		37,129	(121,354)
Cash flow hedges - reclassified to profit or loss		386	5,476
Related tax on changes in fair value of cash flow hedges		(4,807)	9,196
<i>Items that will never be reclassified to profit or loss:</i>			
Re-measurements of post-employment benefit obligations		42,598	(37,996)
Related tax on re-measurements of post-employment benefit obligations		(586)	(6)
Other comprehensive income for the period, net of tax		56,046	(487,287)
Total comprehensive income for the period		631,765	(156,166)
Total comprehensive income attributable to:			
Owners of the Company		498,464	(120,799)
Non-controlling interests		133,301	(35,367)

*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 Group's presentation currency are also reflected here. There are no differences on translation from the Company's functional to presentation currency as it is pegged to the presentation currency.

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

DP World Limited and its subsidiaries

Condensed consolidated statement of financial position

		30 June 2021 (Unaudited)	31 December 2020
	<i>Note</i>	USD'000	USD'000
Assets			
Non-current assets			
Property, plant and equipment	11	13,135,513	13,063,653
Right-of-use assets	12	2,418,213	2,287,314
Investment properties	13	1,650,470	1,656,446
Intangible assets and goodwill	14	11,540,914	11,213,488
Investment in equity-accounted investees	15	2,285,331	2,253,538
Other investments		20,474	20,487
Deferred tax assets		108,073	51,107
Due from Parent Company	18	1,593,472	1,545,511
Accounts receivable and prepayments		774,688	754,821
Total non-current assets		33,527,148	32,846,365
Current assets			
Inventories		200,527	182,649
Property held for development and sale	16	142,824	138,210
Due from Parent Company	18	477	962
Accounts receivable and prepayments		2,212,963	2,009,472
Cash and cash equivalents	17	3,628,979	2,142,110
Asset held for sale		2,683	22,590
Total current assets		6,188,453	4,495,993
Total assets		39,715,601	37,342,358
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		8,825,846	8,691,836
Translation reserve		(1,626,796)	(1,614,333)
Other reserves	21	(608,559)	(674,758)
Equity attributable to owners of the Company		12,723,146	12,535,400
Hybrid equity instrument		1,476,686	1,476,686
Non-controlling interests		1,514,665	1,388,423
Total equity		15,714,497	15,400,509
Liabilities			
Non-current liabilities			
Loans and borrowings	22	13,863,574	12,617,341
Lease and service concession liabilities	23	3,235,188	2,970,202
Loans from non-controlling shareholders	24	773,795	810,366
Accounts payable and accruals		302,566	306,451
Deferred tax liabilities		1,034,950	998,382
Employees' end of service benefits		202,576	191,395
Pension and post-employment benefits		306,081	353,252
Total non-current liabilities		19,718,730	18,247,389
Current liabilities			
Loans and borrowings	22	626,764	498,014
Lease and service concession liabilities	23	290,644	194,240
Loans from non-controlling shareholders	24	1,000	1,000
Accounts payable and accruals		3,159,067	2,758,892
Income tax liabilities		99,046	119,367
Pension and post-employment benefits		105,853	122,947
Total current liabilities		4,282,374	3,694,460
Total liabilities		24,001,104	21,941,849
Total equity and liabilities		39,715,601	37,342,358

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 2021.

Sultan Ahmed Bin Sulayem
Chairman and Chief Executive Officer

Yuvraj Narayan
Group Chief Financial, Strategy and Business Officer

DP World Limited and its subsidiaries

Condensed consolidated statement of changes in equity (unaudited)

	Attributable to equity holders of the Company						Hybrid equity instrument USD'000	Non-controlling interests USD'000	Total equity USD'000
	Share capital and premium	Shareholders' reserve	Retained earnings	Translation reserve	Other reserves	Total			
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000			
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	-	-	-	-	-	-	-	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
Balance as at 1 January 2021	4,132,655	2,000,000	8,691,836	(1,614,333)	(674,758)	12,535,400	1,476,686	1,388,423	15,400,509
Profit for the period	-	-	444,728	-	-	444,728	-	130,991	575,719
Other comprehensive income, net of tax	-	-	-	(12,463)	66,199	53,736	-	2,310	56,046
Transactions with owners, recognised directly in equity									
Dividends declared (refer to note 10)	-	-	(219,700)	-	-	(219,700)	-	-	(219,700)
Change in ownership of subsidiaries without loss of control	-	-	(5,471)	-	-	(5,471)	-	5,471	-
Transactions with non-controlling interests, recognised directly in equity									
Dividends paid	-	-	-	-	-	-	-	(47,012)	(47,012)
Non-controlling interests created on acquisition of subsidiaries (refer to note 27)	-	-	-	-	-	-	-	34,482	34,482
Put option arrangement entered with non-controlling shareholders (refer to note 27)	-	-	(40,547)	-	-	(40,547)	-	-	(40,547)
Hybrid equity instrument									
Distribution to hybrid equity instrument holders	-	-	(45,000)	-	-	(45,000)	-	-	(45,000)
Balance as at 30 June 2021	4,132,655	2,000,000	8,825,846	(1,626,796)	(608,559)	12,723,146	1,476,686	1,514,665	15,714,497

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

DP World Limited and its subsidiaries

Condensed consolidated statement of cash flows (unaudited)

		30 June 2021	30 June 2020
	Note	USD'000	USD'000
Cash flows from operating activities			
Profit for the period		575,719	331,121
<i>Adjustments for:</i>			
Depreciation and amortisation	5	696,471	661,439
Impairment loss	9	15,159	-
Share of profit from equity-accounted investees (net of tax)		(36,407)	(15,822)
Finance costs		480,387	524,038
Gain on sale of property, plant and equipment	11	(2,417)	(1,440)
Profit on disposal and change in ownership of business	9	-	(114,092)
Finance income		(94,882)	(63,561)
Income tax expense		96,454	103,047
Gross cash flows from operations		1,730,484	1,424,730
Changes in:			
Inventories		(16,671)	(17,236)
Accounts receivable and prepayments		(123,076)	14,458
Accounts payable and accruals		122,727	(166,468)
Properties held for development and sale		(4,614)	7,028
Provisions, pensions and post-employment benefits		(72,506)	(6,402)
Cash generated from operating activities		1,636,344	1,256,110
Income taxes paid		(146,472)	(132,552)
Net cash from operating activities		1,489,872	1,123,558
Cash flows from investing activities			
Additions to property, plant and equipment	11	(481,215)	(505,541)
Additions to investment properties	13	(13,402)	(35,846)
Additions to port concession rights		(192,738)	(11,046)
Additions to equity-accounted investees		(87,384)	(32,203)
Proceeds from disposal of property, plant and equipment		23,496	23,995
Advance paid for purchase of investments		(64,663)	-
Net cash received/ (paid) on acquisition of subsidiaries		2,940	(153,194)
Interest received		13,161	28,026
Dividend received from equity-accounted investees	15	93,981	30,202
Net loans given to equity-accounted investees		-	(4,129)
Net cash used in investing activities		(705,824)	(659,736)
Cash flows from financing activities			
Repayment of loans and borrowings	22	(171,115)	(2,074,856)
Drawdown of loans and borrowings	22	1,540,628	1,613,513
Repayment of shareholder loans		(38,935)	-
Drawdown of shareholder loans		9,633	73,796
Distribution to hybrid equity instrument holders		(45,000)	-
Payment of lease liabilities	23	(223,961)	(176,638)
Interest paid		(318,486)	(316,014)
Dividend paid to the owners of the Company	10	-	(332,000)
Contribution from non-controlling interests		-	23,239
Dividend paid to non-controlling interests		(47,012)	(33,055)
Net cash from/ (used in) financing activities		705,752	(1,222,015)
Net increase/ (decrease) in cash and cash equivalents		1,489,800	(758,193)
Cash and cash equivalents as at 1 January		2,142,110	2,943,359
Effect of exchange rate fluctuations on cash held		(2,931)	(46,453)
Cash and cash equivalents as at 30 June	17	3,628,979	2,138,713

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

DP World Limited and its subsidiaries

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

1. Corporate information

DP World Limited 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 DIFC Companies Law. 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. DP World PLC got delisted from Nasdaq Dubai on 23 June 2020. Effective 5 July 2020, DP World PLC has been re-registered as a private company and the name of the company has been changed to “DP World Limited”. DP World Limited is now 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 2020.

The condensed consolidated interim financial statements were approved by the Board of Directors on 19 August 2021.

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 2020.

3.1 New standards, amendments and interpretations adopted by the Group

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in this interim consolidated financial statement.

DP World Limited and its subsidiaries

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

3 Changes in significant accounting policies (*continued*)

3.1 New standards, amendments and interpretations adopted by the Group (*continued*)

Phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – interest rate benchmark (IBOR) reform

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as ‘IBOR reform’). The Group has exposures to IBORs on its financial instruments that will be reformed as part of these market-wide initiatives. The Group has put in place a plan to oversee the approach to LIBOR transition in coordination with international developments. The transition has implications for the Group's borrowing and its stakeholders ranging from legal, financial, technical and operational considerations. The Group expects to commence its engagement with relevant stakeholders at relevant points over the course of 2021. The Group will also evaluate & disclose the impact of this amendment in its annual consolidated financial statements.

Other amendments to IAS 39, IFRS 7, IFRS 4 and IFRS 16 which are effective from 1st January 2021 did not result in any change to Group's accounting policies or accounting adjustments. The Group has not early adopted any new amended standards that are not yet effective as at 30 June 2021.

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 2020.

COVID-19

The Group's early investment in digital technology and automation ensured the Group faced minimal disruption at its locations. The Group's response to the pandemic was rapid and resolute in continuing to provide services, maintain operations and protect customers, employees and host communities without compromising on safety. Around the world, the Group has established dedicated teams to monitor, implement, educate and communicate control measures. The Group also monitors, and acts on, every health measure laid down by local government regulations and the WHO, whilst ensuring vital trade continues to flow so that societies have what they need to face the crisis. As part of Group's strategy to participate across the supply chain to reduce inefficiencies and connect directly with owners of cargo, the Group continued to invest in Logistics and Maritime sector during the period. By integrating the new acquisitions and investing in innovation and technology, the Group continued to assist customers who were struggling with logistics amid the COVID-19 pandemic. The Group continues to focus on managing costs and a disciplined capex spend.

The Ferries business continued to face a challenging trading environment during the period given the lockdown and travel restrictions in UK and Europe, resulting in reduced passenger activity, but we continue to transport critical cargo for consumers.

DP World Limited and its subsidiaries

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

4 Use of estimates and judgements (continued)

COVID-19 (continued)

During the period, the Groups ports remained fully operational globally. As a whole, developed economies have made strides in vaccinating growing shares of their populations, raising prospects of an economic recovery in 2021 and, in turn, the broader global economy. However, new variants of the COVID-19 virus and a surge in diagnosed cases in large developing economies and resistance to vaccinations among some populations in developed economies raise questions about the speed and strength of an economic recovery over the near term. A resurgence of infectious cases in some parts of the world has renewed calls for lockdowns and curfews and threatens to weaken or delay a potential sustained economic recovery.

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 condensed consolidated interim 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 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 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Revenue	788,915	356,529	997,718	782,080	3,158,741	2,937,808	-	-	4,945,374	4,076,417
Adjusted EBITDA	277,943	162,063	369,684	249,338	1,340,058	1,265,193	(174,551)	(142,242)	1,813,134	1,534,352
Finance income *	-	-	-	-	-	-	90,585	59,026	90,585	59,026
Finance costs *	-	-	-	-	-	-	(475,678)	(495,287)	(475,678)	(495,287)
Tax expense *	-	-	-	-	-	-	(146,621)	(103,225)	(146,621)	(103,225)
Depreciation and amortisation	(86,677)	(54,835)	(143,808)	(129,185)	(462,810)	(474,949)	(3,176)	(2,470)	(696,471)	(661,439)
Adjusted net profit/ (loss) for the period before separately disclosed items	191,266	107,228	225,876	120,153	877,248	790,244	(709,441)	(684,198)	584,949	333,427
Adjusted for separately disclosed items	(2,583)	(2,297)	(41,243)	74,218	(15,159)	(50,189)	49,755	(24,038)	(9,230)	(2,306)
Profit/ (loss) for the period	188,683	104,931	184,633	194,371	862,089	740,055	(659,686)	(708,236)	575,719	331,121

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

DP World Limited 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 2021	31 Dec 2020	30 June 2021	31 Dec 2020	30 June 2021	31 Dec 2020	30 June 2021	31 Dec 2020	30 June 2021	31 Dec 2020	30 June 2021	31 Dec 2020
	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	4,808,980	4,670,735	7,486,655	7,144,104	26,442,974	25,248,987	20,934,870	17,219,567	(19,957,878)	(16,941,035)	39,715,601	37,342,358
Segment liabilities	845,172	600,719	2,884,316	2,693,965	11,758,845	10,020,425	16,803,788	13,853,444	(9,425,013)	(6,344,453)	22,867,108	20,824,100
Tax liabilities *	-	-	-	-	-	-	1,133,996	1,117,749	-	-	1,133,996	1,117,749
Total liabilities	845,172	600,719	2,884,316	2,693,965	11,758,845	10,020,425	17,937,784	14,971,193	(9,425,013)	(6,344,453)	24,001,104	21,941,849
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	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	69,163	65,381	57,555	82,995	515,948	330,218	44,689	73,839	-	-	687,355	552,433
Depreciation	26,819	22,603	85,981	79,064	320,668	348,592	3,176	2,470	-	-	436,644	452,729
Amortisation	59,858	32,232	57,827	50,121	142,142	126,357	-	-	-	-	259,827	208,710
Impairment loss	-	-	-	-	15,159	-	-	-	-	-	15,159	-
Share of profit of equity-accounted investees before separately disclosed items	46,406	43,047	3,109	1,336	26,316	10,353	-	-	-	-	75,831	54,736
Tax expense *	-	-	-	-	-	-	96,454	103,047	-	-	96,454	103,047
<i>Revenue consists of:</i>												
Revenue from ports and terminals	269,762	208,917	891,532	673,331	1,437,125	1,230,841	-	-	-	-	2,598,419	2,113,089
Drydocking, maritime and logistics services	519,153	147,612	106,186	108,749	1,438,171	1,337,706	-	-	-	-	2,063,510	1,594,067
Lease rentals and services from economic zones	-	-	-	-	283,445	276,643	-	-	-	-	283,445	276,643
Revenue from sale of plots of land	-	-	-	-	-	92,618	-	-	-	-	-	92,618
Total revenue	788,915	356,529	997,718	782,080	3,158,741	2,937,808	-	-	-	-	4,945,374	4,076,417
Revenue recognised at a point in time	253,956	200,703	822,238	624,243	1,358,351	1,253,012	-	-	-	-	2,434,545	2,077,958
Revenue recognised over time	534,959	155,826	175,480	157,837	1,800,390	1,684,796	-	-	-	-	2,510,829	1,998,459
Total revenue	788,915	356,529	997,718	782,080	3,158,741	2,937,808	-	-	-	-	4,945,374	4,076,417

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

DP World Limited and its subsidiaries

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

6 Revenue

	Six months ended 30 June 2021	Six months ended 30 June 2020
	USD'000	USD'000
<i>Revenue consists of:</i>		
Revenue from ports and terminals	2,598,419	2,113,089
Drydocking, maritime and logistics services	2,063,510	1,594,067
Lease rentals and services from economic zones	283,445	276,643
Revenue from sale of plots of land	-	92,618
Total	4,945,374	4,076,417

For geographical segmentation and recognition criteria of revenue refer to note 5.

The above revenue includes revenue from contracts with customers under IFRS 15 amounting to USD 4,250,205 thousand (30 June 2020: USD 3,488,627 thousand).

7 Finance income and costs

	Six months ended 30 June 2021	Six months ended 30 June 2020
	USD'000	USD'000
Finance income		
Interest income*	73,800	39,380
Exchange gains	16,785	19,646
Finance income before separately disclosed items	90,585	59,026
Separately disclosed items (refer to note 9)	4,297	4,535
Finance income after separately disclosed items	94,882	63,561
Finance costs		
Interest expense on loans and borrowings **	(342,113)	(365,399)
Interest expense on lease and service concession liabilities	(101,296)	(78,876)
Exchange losses	(29,819)	(47,576)
Other net financing expense in respect of pension plans	(2,450)	(3,436)
Finance costs before separately disclosed items	(475,678)	(495,287)
Separately disclosed items (refer to note 9)	(4,709)	(28,751)
Finance costs after separately disclosed items	(480,387)	(524,038)
Net finance costs after separately disclosed items	(385,505)	(460,477)

* This includes interest income of USD 47,969 thousand (30 June 2020: Nil) on loan given to Parent Company.

**This includes interest expenses of USD 18,903 thousand (30 June 2020: USD 20,912 thousand) on loans from non-controlling shareholders.

DP World Limited and its subsidiaries

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

8 Income tax

The Group's effective tax rate is as below:

	Six months ended 30 June 2021	Six months ended 30 June 2020
Before separately disclosed items	22.98%	27.06%
Including separately disclosed items	17.76%	27.09%

The overall reduction in effective tax rate in June 2021 compared to June 2020 is on account of recognition of deferred tax assets (BSDI) and reversal of deferred tax liability (SDI), offset by recognition of additional tax on account of increased tax rates in the UK (BSDI).

9 Separately disclosed items

	Six months ended 30 June 2021	Six months ended 30 June 2020
	USD'000	USD'000
General and administrative expenses		
Acquisition costs	(2,583)	(6,904)
Restructuring costs	(1,819)	(46,542)
Impairment of assets	(15,159)	-
Share of loss from equity-accounted investees	(39,424)	(38,914)
Gain on disposal and change in ownership	-	114,092
Finance income		
Ineffective interest rate swap gain	1,488	1,995
Gain on fair valuation of financial instruments	2,809	2,540
Finance costs		
Interest accretion on convertible bond	-	(1,015)
Change in fair value of convertible bond option	-	(16,769)
Ineffective interest rate swap loss	(2,567)	(9,261)
Loss on fair valuation of financial instruments	(2,142)	(1,706)
Income tax	50,167	178
Total	(9,230)	(2,306)

General and administrative expenses:

Acquisition costs 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 in a subsidiary in 'Australia and Americas' region (2020 : mainly related to severance pay associated with redundancies resulting from the impact of COVID-19 on tourist part of our business in a subsidiary in the 'Middle East, Europe and Africa' region and in the 'Australia and Americas' region.).

Impairment of assets relates to subsidiaries 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.

DP World Limited and its subsidiaries

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

9. Separately disclosed items (continued)

Profit on disposal and change in ownership: 2021: Nil (2020: Profit on disposal and change in ownership related 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).

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.

Interest accretion on convertible bond 2021: Nil (2020: related to the accretion of the liability component as at the reporting date representing an amount that will be payable on redemption of the convertible bond).

Change in fair value of convertible bond option 2021: Nil (2020 related to the movement in fair value of the embedded derivative liability of the convertible bonds).

Income tax mainly relates to deferred tax liability reversal arising from tax restructuring undertaken in a subsidiary in the 'Australia and Americas' region.

10. Dividend

Dividends amounting to USD 219,700 thousand relating to year 2020 were declared but not paid during the period ended 30 June 2021 (30 June 2020: USD 332,000 thousand).

11. Property, plant and equipment

During the six month period ended 30 June 2021, the Group added property, plant and equipment amounting to USD 481,215 thousand (30 June 2020: USD 505,541 thousand) and acquired through business combination property, plant and equipment of USD 8,264 thousand (30 June 2020: USD 451,049 thousand).

The depreciation on property, plant and equipment during the six month period ended 30 June 2021 amounted to USD 408,862 thousand (30 June 2020: USD 365,960 thousand).

During the six month period ended 30 June 2021, the increase in property, plant and equipment represented the impact of foreign currency translation of USD 32,779 thousand (30 June 2020: reduction by USD 353,537 thousand).

Assets with a net carrying amount of USD 20,607 thousand were disposed by the Group during the six month period ended 30 June 2021 (30 June 2020: USD 22,541 thousand), resulting in a profit on disposal of USD 2,417 thousand (30 June 2020: profit of USD 1,440 thousand).

12. Right-of-use assets

During the six month period ended 30 June 2021, the Group added right-of-use-assets amounting to USD 264,847 thousand (30 June 2020: USD 70,049 thousand).

The depreciation charge during the six month period ended 30 June 2021 amounted to USD 124,861 thousand (30 June 2020: USD 92,332 thousand).

During the six month period ended 30 June 2021, the reduction in right-of-use-assets represented the impact of foreign currency translation of USD 7,440 thousand (30 June 2020: USD 60,539 thousand).

DP World Limited and its subsidiaries

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

13. Investment properties

During the six month period ended 30 June 2021, the Group added investment properties amounting to USD 13,402 thousand (30 June 2020: USD 35,846 thousand). The Group did not acquire any investment property through business combination for the period ending 30 Jun 2021 (30 June 2020: USD 8,590 thousand).

During the six month period ended 30 June 2021, the Group has incurred a depreciation charge of USD 27,783 thousand (30 June 2020: USD 25,483 thousand).

14. Intangible assets and goodwill

Port concession rights and service concession assets

During the six month period ended 30 June 2021, the Group acquired port concession rights and other intangible assets amounting to USD 3,232 thousand (30 June 2020: USD 11,046 thousand) and recognised intangible assets which mainly comprises of customer relationships of USD 19,900 thousand (30 June 2020: USD 415,422 thousand mainly comprising of port concession rights) through business combinations. The Group recorded IFRIC 12 service concession additions of USD 420,224 thousand (30 June 2020: USD 412,720 thousand).

During the six month period ended 30 June 2021, the reduction in port concession rights and service concession assets represented the impact of foreign currency translation of USD 18,001 thousand (30 June 2020: USD 194,327 thousand).

The amortisation of port concession rights and service concession assets during the six month period ended 30 June 2021 amounted to USD 120,361 thousand (30 June 2020: USD 101,785 thousand).

Goodwill

The Group recognised goodwill through business combinations amounting to USD 20,619 thousand (30 June 2020: USD 125,626 thousand).

During the six month period ended 30 June 2021, the reduction in goodwill represented the impact of foreign currency translation of USD 5,146 thousand (30 June 2020: USD 92,183 thousand).

Land-use rights

The amortisation of land-use rights during the six months period ended 30 June 2021 amounted to USD 14,603 thousand (30 June 2020: USD 14,593 thousand).

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

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 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Cash and cash equivalents	418,628	387,425	105,850	84,916	290,840	219,007	815,318	691,348
Other current assets	204,583	203,623	79,801	75,828	349,843	311,494	634,227	590,945
Non-current assets	6,061,416	6,138,310	395,745	390,810	3,833,268	3,985,428	10,290,429	10,514,548
Total assets	6,684,627	6,729,358	581,396	551,554	4,473,951	4,515,929	11,739,974	11,796,841
Current financial liabilities	21,248	53,982	2,514	71,384	61,916	60,144	85,678	185,510
Other current liabilities	449,329	453,541	39,859	47,665	354,113	330,605	843,301	831,811
Non-current financial liabilities	959,398	791,962	177,856	99,516	1,776,407	1,807,547	2,913,661	2,699,025
Other non-current liabilities	388,495	528,378	37,732	36,723	402,162	443,453	828,389	1,008,554
Total liabilities	1,818,470	1,827,863	257,961	255,288	2,594,598	2,641,749	4,671,029	4,724,900
Net assets (100%)	4,866,157	4,901,495	323,435	296,266	1,879,353	1,874,180	7,068,945	7,071,941
Group's share of net assets in equity-accounted investees							2,285,331	2,253,538
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Revenue	650,551	544,642	76,979	65,539	547,599	411,565	1,275,129	1,021,746
Depreciation and amortisation	(150,387)	(135,549)	(16,933)	(21,089)	(92,317)	(77,124)	(259,637)	(233,762)
Other expenses	(254,298)	(185,724)	(87,421)	(79,639)	(335,644)	(271,999)	(677,363)	(537,362)
Finance costs	(36,835)	(32,596)	(11,748)	(11,161)	(39,198)	(37,582)	(87,781)	(81,339)
Finance income	5,640	6,841	588	929	1,208	442	7,436	8,212
Income tax expense	(53,641)	(48,053)	(4,770)	(2,078)	(19,821)	(7,420)	(78,232)	(57,551)
Net profit/ (loss)	161,030	149,561	(43,305)	(47,499)	61,827	17,882	179,552	119,944
Group's share of profit (before separately disclosed items)	46,406	43,047	3,109	1,336	26,316	10,353	75,831	54,736
Dividends received							93,981	30,202
Group's share of other comprehensive income							1,136	7,474

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

16. Property held for development and sale

During the six month period ended 30 June 2021, the Group added assets amounting to USD 4,614 thousand (30 June 2020: USD 1,817 thousand) with no charge to income statement (30 June 2020: USD 70,131 thousand).

17. Cash and cash equivalents

	30 June 2021	31 December 2020
	USD'000	USD'000
Cash at bank and in hand	2,733,977	1,400,045
Short-term deposits	843,673	691,721
Deposits under lien	51,329	50,344
Cash and cash equivalents	3,628,979	2,142,110

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.

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

18. Related party transactions

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

	Parent Company	Equity- accounted investees	Other related parties	30 June 2021 Total	Parent Company	Equity- accounted investees	Other related parties	30 June 2020 Total
		USD'000	USD'000	USD'000		USD'000	USD'000	USD'000
<i>Expenses charged:</i>								
Concession amortisation*	-	-	4,179	4,179	-	-	3,876	3,876
Shared services	-	-	109	109	-	-	81	81
Marine services fee	-	-	5,902	5,902	-	-	5,939	5,939
IT services fee	-	-	37	37	-	-	1,390	1,390
Other services	-	-	441	441	-	-	2,577	2,577
Finance costs*	-	-	26,075	26,075	-	-	27,615	27,615
<i>Revenue earned:</i>								
Revenue	-	-	4,680	4,680	-	-	4,986	4,986
Management fee income	-	4,821	9,077	13,898	-	3,041	8,427	11,468
Finance income	47,969	1,019	-	48,988	-	966	-	966

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

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

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 2021	31 December 2020	30 June 2021	31 December 2020
	USD'000	USD'000	USD'000	USD'000
Ultimate Parent Company	2,395	2,393	1,501	1,501
Parent Company*	1,593,949	1,546,473	222,651	2
Equity-accounted investees	133,087	139,818	11,466	11,731
Other related parties	43,448	37,438	35,494	29,857

* On 7 July 2020, the Group had advanced a loan of USD 1,500,000 thousand to the Parent Company, Port & Free Zone World (PFZW) for a period of 5.5 years at the interest rate of 6.125% per annum which had been used by PFZW to prepay its syndicated loan facilities reducing its debt to USD 6.4 billion and accordingly reducing the guarantee given by the Group to USD 6.4 billion.

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).

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

Compensation of key management personnel

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

	30 June 2021	30 June 2020
	USD'000	USD'000
Short-term benefits and bonus	11,660	10,624
Post-retirement benefits	295	298
Total	11,955	10,922

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

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 2021	30 June 2021	31 December 2020	31 December 2020
	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	20,487	20,487
Financial assets at FVTPL					
Derivative instruments for hedging	2	2,391	2,391	-	-
Financial assets carried at amortised cost					
Trade and other receivables *		4,188,110	4,188,110	3,959,072	3,959,072
Cash and cash equivalents **		3,628,979	3,628,979	2,142,110	2,142,110
Financial liabilities carried at fair value					
Derivative instruments for hedging	2	(158,541)	(158,541)	(145,281)	(145,281)
Financial liabilities carried at amortised cost					
Issued bonds	1	(8,598,196)	(9,906,843)	(8,618,876)	(10,019,708)
Bank loans **		(5,892,142)	(5,892,142)	(4,496,479)	(4,496,479)
Loans from non-controlling shareholders **		(774,795)	(774,795)	(811,366)	(811,366)
Lease liabilities **		(3,525,832)	(3,525,832)	(3,164,442)	(3,164,442)
Trade and other payables *		(2,605,897)	(2,605,897)	(2,482,429)	(2,482,429)
Contingent consideration payable **		(20,000)	(20,000)	(20,000)	(20,000)

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.

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

19. Financial instruments (continued)

Fair value hierarchy (continued)

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 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)
Balance as at 1 January 2021	(621,963)	(52,795)	(674,758)
Other comprehensive income, net of tax	41,983	24,216	66,199
Balance as at 30 June 2021	(579,980)	(28,579)	(608,559)

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

22. Loans and borrowings

	30 June 2021	31 December 2020
	USD'000	USD'000
Issued bonds	8,598,196	8,618,876
Bank loans *	5,892,142	4,496,479
Total	14,490,338	13,115,355
of which:		
Classified as non-current	13,863,574	12,617,341
Classified as current	626,764	498,014
of which:		
Secured loans and borrowings	3,577,745	3,393,881
Unsecured loans and borrowings	10,912,593	9,721,474

The loans and borrowings carry interest rate in the range of 0.6 % to 10.75% per annum (2020: 0.6 % to 11.33% per annum).

* On 1 June 2021 the Group has drawn USD 1.1 billion from the facility acceded from the Parent Company (refer to note 26).

The below table provides movement of loans and borrowings:

	USD'000
Balance at 1 January 2021	13,115,355
Cash flow items	
Drawdown of borrowings during the period	1,540,628
Repayment of borrowings during the period	(171,115)
Other non-cash items	
Acquired through business combinations	5,694
Transaction cost written-off/ amortised during the period	5,688
Translation adjustments	(5,912)
Balance at 30 June 2021	14,490,338

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

The maturity profile of the Group's loans and borrowings as of 30 June 2021 is as below:

22. Loans and borrowings (continued)

Year of maturity	Bonds USD'000	Loans USD'000	Total USD'000
2021*	-	540,918	540,918
2022	-	194,382	194,382
2023	1,195,770	1,642,165	2,837,935
2024	-	373,580	373,580
2025	-	744,981	744,981
2026	883,714	352,461	1,236,175
2027	7,975	531,073	539,048
2028	993,906	190,025	1,183,931
2029	985,860	68,976	1,054,836
2030	975,461	91,662	1,067,123
2031	-	74,084	74,084
2032-37	1,740,713	763,841	2,504,554
Beyond 2038	1,814,797	323,994	2,138,791
Total	8,598,196	5,892,142	14,490,338

* 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:

	Lease liabilities (IFRS 16) USD'000	Service concession liabilities (IFRIC 12) USD'000	Total USD'000
At 1 January 2021	2,709,050	455,392	3,164,442
Payments during the period	(206,083)	(17,878)	(223,961)
New leases/ service concessions entered during the period	264,847	230,718	495,565
Interest expense	74,967	26,329	101,296
Reassessment of leases during the period	(1,647)	-	(1,647)
Translation adjustment	(8,559)	(1,304)	(9,863)
As at 30 June 2021	2,832,575	693,257	3,525,832
Lease and service concession liabilities classified as at 30 June 2021:			
Non-current	2,547,538	687,650	3,235,188
Current	285,037	5,607	290,644
Total	2,832,575	693,257	3,525,832

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

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 2021	31 December 2020
	USD'000	USD'000
Within one year	585,211	624,000
Between one to five years	1,144,445	1,206,282
More than five years	1,104,992	1,093,383
Total	2,834,648	2,923,665

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

	2021	2020
	USD'000	USD'000
Non-current	773,795	810,366
Current	1,000	1,000
Total	774,795	811,366

These loans mainly include USD 730,745 thousand (2020: USD 775,172 thousand) granted by non-controlling shareholders of entities under 'Australia and Americas' region. These loans carry interest rate ranging between 4.95% - 8.53% per annum (2020: 5.5%-8% per annum) and are repayable between 2022 and 2037 (2020: 2023 and 2037)

25. Capital commitments

	30 June 2021	31 December 2020
	USD'000	USD'000
Estimated capital expenditure contracted at the reporting date	1,042,232	823,834

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

26. Contingencies

The Group has the following contingent liabilities at the reporting date:

	30 June 2021	31 December 2020
	USD'000	USD'000
Performance guarantees	151,344	131,726
Payment guarantees	70,798	67,116
Letters of credit	116,034	110,899
Guarantees issued on behalf of equity-accounted investees	42,934	41,985
Guarantees given on behalf of Parent company's external debt*	6,400,000	6,400,000
Total	6,781,110	6,751,726

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.

* 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, and has been drawn in June 2021 (refer to note 22). 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.

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

27. Business combinations

Acquisition of new subsidiaries

On 1 January 2021, the Group acquired 60% stake in UNICO Logistics Co. Ltd for a purchase consideration of USD 70,077 thousand. 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.

The acquisition accounting was prepared on a provisional basis as the fair values of all identifiable assets and liabilities is not completed at reporting date. The carrying value and fair value of the identifiable net assets and liabilities on the date of the acquisition were as follows:

	Carrying amount	Provisional fair value recognised on acquisition
	USD'000	USD'000
Assets		
Property, plant and equipment	8,264	8,264
Customer relationship and other intangibles	-	19,900
Inventories	1,920	1,920
Accounts receivables and prepayments	88,503	88,503
Bank balances and cash	13,413	13,413
Current and Deferred tax asset	5,271	5,271
Liabilities		
Accounts payable and accruals	(40,062)	(40,062)
Loans and borrowings	(5,694)	(5,694)
Income tax payable	(235)	(235)
Deferred tax liabilities	(101)	(5,076)
Net assets acquired	71,279	86,204
Less: non-controlling interest recognised on acquisition		(34,482)
Goodwill arising on acquisition		18,355
Total fair value of net assets acquired		70,077
For cash flow statement:		
Cash paid for acquisition during the period (Balance purchase consideration of USD 59,604 thousand was paid in year 2020)		(10,473)
Cash acquired on acquisition		13,413
Net cash paid on acquisition during the period		2,940

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 1,446 thousand were expensed and included in general and administrative expenses.

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

27 Business combinations (continued)

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.

After completion of 5 years from the date of acquisition, the non-controlling shareholder has a put option to sell its entire stake to the Group at a fair value to be computed as per the agreed terms. As the non-controlling shareholder has a present access to returns, the Group does not have 100% control and the put option has accordingly been recognised as a liability at fair value with the corresponding adjustment in equity. The put option will be fair valued at each reporting date and any changes will be recognised directly in equity.

From the acquisition date, this acquisition has contributed revenue of USD 245,183 thousand and gross profit of USD 46,734 thousand to the Group's results.

28. Subsequent events

- (a) On 1 July 2021, the Group, through its majority owned subsidiary Unifeeder ISC FZCO completed the acquisition of Transworld Feeders FZCO, Avana Logistek Ltd (including its subsidiary Avana Global FZCO), and Transworld Feeders Pvt. Ltd. (the containerized Indian coastal and EXIM feeder shipping operations of Shreyas Shipping and Logistics Ltd, excluding vessels and bulk operations).

Transworld Feeders FZCO and Avana Global FZCO are leading independent feeder and NVOCC (Non-Vessel Operating Common Carriers) operators, offering container feeding services and regional trade solutions connecting a wide range of ports in the Middle East, Indian Subcontinent and Far East through their dense network.

Transworld Feeders Pvt. Ltd. and Avana Logistek Ltd maintain a comprehensive coverage of all main ports, terminals and inland destinations in India. Avana Logistek Ltd also provides first mile and last mile delivery solutions within the Indian domestic market.

- (b) On 1 July 2021, the Group announced the acquisition of 100 per cent of syncreon for an enterprise value of US\$1.2 billion. This transaction is subject to customary completion conditions and is expected to close in the second half of 2021.

syncreon is a US based global logistics player that provides value-added warehousing and distribution solutions through a variety of manufacturing, export packaging, transportation management, reverse/repair and fulfilment services for the high growth automotive and technology verticals.

- (c) On 8 July 2021, the Group announced the acquisition of Imperial Logistics, an integrated logistics and market access company with operations mainly across the African continent and in Europe. Imperial Logistics is listed on the Johannesburg Stock Exchange (JSE). This transaction is subject to Imperial's shareholder approval and other customary completion conditions including regulatory approvals. It is expected to close in 4Q 2021 or 1Q 2022.

The acquisition will enhance Group's capabilities building on its extensive infrastructure of ports, terminals and economic zones. It will also significantly accelerate the Group's transformation into an advanced logistics company offering end to end supply chain services to the owners of cargo.

DP World Limited and its subsidiaries

Notes to the consolidated financial statements (*continued*)

28 Subsequent events (continued)

The Group announced that it has entered into a transaction implementation agreement regarding cash offer of ZAR 66 per share to acquire all outstanding shares of JSE listed Imperial Logistics, implying an equity consideration of ZAR 12.7 billion (USD890 million). This offer represents a premium of 39.5% to the Imperial's share price as of 7 July 2021 and a 34.2% premium to the 30-day volume weighted average price. The Group has deposited sufficient cash in an escrow account for the payment of the consideration.

- (d) On 28 July 2021, the Group entered into long-term concession, usufruct and business transfer agreements to acquire 100% economic interest in National Industries Park (formerly Technopark) ("NIP"), the Al Aweer Free Zone for Cars ("DUCAMZ"), and Dubai Textile City ("DTC") from entities affiliated with Ports, Customs and Free Zone Corporation ("PCFC"), a related party, for a consideration of USD 205 million. This transaction is subject to customary completion conditions and is expected to close in 3Q2021. Economic Zones World FZE ("EZW"), a subsidiary of DP World acquired in 2015, has managed NIP, DUCAMZ and DTC under management services agreements since 2012.

NIP was established in 2003 and manages over 17.0 million sqm of land plots adjacent to Jebel Ali Freezone. NIP focuses on clients within the trading and manufacturing sector and offers tax benefits for companies that trade within the Gulf Cooperation Council (GCC). NIP is approximately 60% occupied with 5 to 15-year typical lease terms. DUCAMZ commenced operations in 2000, manages 0.7 million sqm of land plots, and is located in Al Aweer. DUCAMZ leases land to car trading companies. Occupancy stands at over 90% with an average customer tenure of approximately 10 years. DTC began operation in 2000 and manages 0.5 million sqm of land space in Al Warsan. DTC focuses on wholesale textile merchants and has leased the space until 2036.