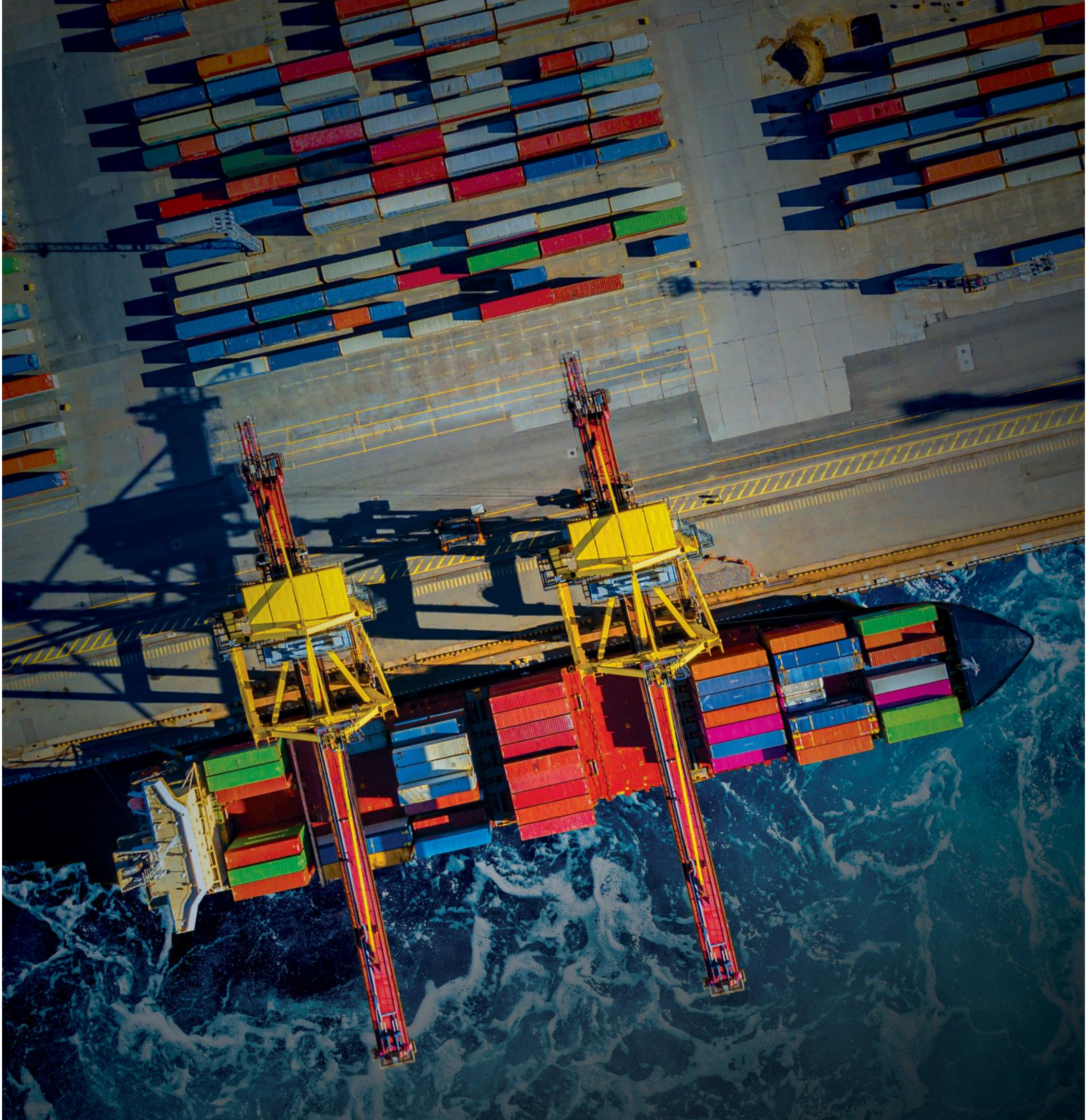

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Global Ports Investments PLC

2021 Interim Results Release

August 2021

For immediate release **19 August 2021**

Global Ports Investments PLC

2021 Interim Results

Global Ports Investments PLC ("Global Ports" or the "Company", together with its subsidiaries and joint ventures, the "Group" or the "Global Ports Group"; LSE ticker: GLPR) today publishes its interim condensed consolidated financial information (unaudited) for the six month period ended 30 June 2021.

Information (including non-IFRS financial measures) requiring additional explanation or terms which begin with capital letters and the explanations or definitions thereto are provided at the end of this announcement. Certain financial information is derived from the management accounts.

2021 INTERIM RESULTS SUMMARY

- Revenue increased by 24.6% to USD 229.8 million (+6.9% like-for-like)[1]
- Adjusted EBITDA grew 8.5% to USD 113.8 million, delivering like-for-like Adjusted EBITDA Margin increase of 92 basis points to 64.8%, reflecting ongoing strong cost control and focus on efficiency
- Operating profit growth of 11.0% to USD 87.4 million
- Profit for the period more than doubled to USD 53.9 million
- Free Cash Flow generation growth of 34.8% to USD 93.6 million
- Further deleveraging success with Net Debt down USD 58.2 million and Net Debt to LTM Adjusted EBITDA reduced to 2.5x (-0.4x compared to 31 December 2020)
- Consolidated Marine Container Throughput up 1.9% y-o-y to 789 thousand TEU with strong market position successfully protected in all key basins of presence
- Consolidated Marine Bulk Throughput of 2.6 million tonnes (+19.4% y-o-y)
- Strong recovery in Cars and High and Heavy Ro-Ro handling (+62.3% y-o-y and +45.6% y-o-y respectively)
- Improved credit profile confirmed by rating agencies: RA Expert upgraded rating of the Group and its financial instruments by 2 notches to ruAA, Fitch Ratings affirmed at BB+ and Moody's at Ba2.

Albert Likholet, CEO of Global Ports, commented:

"I believe that over the last six months, the Group has achieved a very strong set of results – both in the container and non-container segments of our business. In addition, we have successfully protected our terminals' container market share in both the Group's key basins of presence and taken the required steps to capitalise on the recovery in container and non-container cargo handling as the world begins to emerge from the impacts of the pandemic.

"In an increasingly competitive market, we have successfully converted volume growth into Revenue generation and due to our commitment to efficiency, we have demonstrated both Adjusted EBITDA growth and Adjusted EBITDA Margin improvement.

[1] Like-for-like measures are given to provide historical consistency with the data before the accounting change in 2019.As a result of the new terms of certain sales agreements, in 2020 and 2021 VSC acted as a principal vs as an agent at the beginning of 2019: previously the net result of revenue from transportation services and associated cost was included in the consolidated revenue. Since the middle of the first half of 2019 full revenue and associated costs have been gradually recognized in consolidated revenue and transportation expenses accordingly. This Adjusted EBITDA neutral change resulted in additional USD 54.3 million to consolidated revenue (USD 20.4 million in the first half of 2020) and USD 54.3 million to the cost of sales in 2021.

"Our cash generation from operations remains strong and this half of the year we saw further growth in Free Cash Flow of almost 35% enabling clear progress towards our deleveraging target with Net Debt to LTM Adjusted EBITDA ratio reduced to 2.5x.

"Given the acceleration in growth momentum that we saw in 2Q21 in both full container import and full container exports, combined with the thriving growth in transit volumes, we take a cautiously optimistic view on the rest of the year. Nonetheless, our priorities remain unchanged – we will continue to focus on providing high standards of service, reliability and predictability for our clients and ensuring that we strive to achieve constant improvement in our offering. This strategic approach has served us well and enabled the Group to achieve consistently strong results over the last several years, despite all the challenges the industry has faced."

Group financial and operational highlights for the six months ended 30 June 2021

Unless otherwise stated, all comparisons below are for the first half of 2021 in comparison to the first half of 2020.

Financial Highlights

- Consolidated revenue increased by 24.6% to USD 229.8 million; excluding the impact of VSC transportation services, like-for-like revenue increased by 6.9% driven by an increase in both Consolidated Container and Non-Container Revenue

- Like-for-like Revenue per TEU increased by 5.3% to USD 169.1 mainly as a result of positive cargo and basin mix changes

- Operating profit increased by 11.0% to USD 87.4 million

- The 4.2% — growth of like-for-like Total Operating Cash Costs to USD 62.3 million was successfully kept under control as a result of ongoing efficiency measures and economies of scale from the healthy growth in both container and non-container throughput

- Adjusted EBITDA increased by 8.5% to USD 113.8 million as a result of volume growth, Revenue per TEU increase and ongoing cost control measures. Profitability improved with like-for-like Adjusted EBITDA Margin to 64.8% posting an increase of 92 basis points

- The Group achieved significant Free Cash Flow growth of 34.8% by generating USD 93.6 million

- The Group reduced Net Debt by USD 58.2 million over the first six months of the year and continues to prioritise deleveraging over dividend distribution

- In line with the Group's focus on deleveraging, Net Debt to LTM Adjusted EBITDA decreased from 2.9x as of 31 December 2020 to 2.5x as at the end of the reporting period, achieving the Group's lowest leverage ratio since 2012

Operational Highlights

- Strong market growth seen in the first half of 2021 as the overall Russian container market grew by 7.6% to 2.67 million TEU, driven by both the accelerating growth of full containerised import (+16.0% y-o-y) and the continued growth of containerised export (+2.2 y-o-y)

- As a result of the sharp increase in freight rates in the global container shipping market in the second half of 2020 and a deficit of empty containers globally, during the first half of 2021 market players preferred faster container import and export supply chains with the shortest sea leg. As a result, in the first half of 2021 market growth was concentrated in the Far Eastern basin (+14.7% y-o-y) and the Southern basin (+9.1% y-o-y). Despite these market dynamics, combined throughput of terminals located in Saint Petersburg and the surrounding area demonstrated signs of recovery in Q2 2021[2] with volumes in the first half of 2021 down by 4.2% y-o-y

- Successfully protecting market share in both basins of presence, the Group's Consolidated Marine Container Throughput increased by 1.9% y-o-y to 789 thousand TEU in the first half of 2021 with principal terminal growth in the Far East of 17.8% y-o-y and a decline of container throughput at terminals located in Saint Petersburg and the surrounding area of 4.1% y-o-y

- The Group's Consolidated Marine Bulk Throughput increased by 19.4% y-o-y to 2.6 million tonnes in the first half of 2021, driven by the solid recovery in global coal demand and high growth of fertilisers and scrap metal handling at PLP

- High and Heavy Ro-Ro handling demonstrated a continued recovery in the first half of 2021 with a 45.6% growth to 13 thousand units. Car handling was also strong in reporting period with a 62.3% growth to 54.6 thousand units

- On the back of the strong prolonged container market growth in the Far East, the decision has been made to discontinue coal handling at VSC in 3Q 2021 and concentrate on the Group's core strategic operations of driving container volumes. This decision will enable the Group to decrease its environmental impact from the third quarter of 2021 and capture the growth opportunity presented by the increased sustained demand for container import and export flows as well as steadily growing transit volumes — at VSC

[2] The Group's terminals located in Saint Petersburg and the surrounding area (FCT, PLP and ULCT) handled 259 and 280 thousand TEU in Q1 and Q2 2021 respectively.

Outlook

The Russian container market proved its resilience during a challenging 2020 and demonstrated strong performance in the first half of 2021 driven by the recovery in full import, booming transit volumes and continuing growth on containerised export. We see solid market fundamentals suggesting that these trends might continue for the rest of 2021, with demand being exceptionally strong in the Far Eastern basin. The improvement of supply-demand balance in the market is expected to continue.

Bulk cargo handling volumes are expected to be impacted in the second half of 2021 by the decision of the company to gradually cease coal handling at VSC concentrating on the Group's core strategic container operations.

Disciplined CAPEX approach to be maintained although strong market growth and growing utilisation will require the full year 2021 CAPEX increase by around 40% compared to the full year 2020.

Further information is available in the following Appendices:

- Appendix 1: Results of operations for Global Ports for the six month period ended 30 June 2021;
- Appendix 2: Reconciliation of Additional data (non-IFRS) to the condensed consolidated financial information;
- Appendix 3: Definitions and Presentation of Information;
- Appendix 4: Investor Presentation.

Market data

Market data used in this press-release, as well as certain statistics, including statistics in respect of market growth, volumes of third parties and market share, have been extracted from official and industry sources and other third-party sources, such as the Association of Sea Commercial Ports ("ASOP") the Central Bank of the Russian Federation and the Russian Federal State Statistics Service, among others.

Downloads

The interim condensed consolidated financial information for the six month period ended 30 June 2021 for Global Ports are available for viewing and downloading at
https://www.globalports.com/en/investors/reports-and-results/.

Analyst and Investor Conference call

The publication of these results will be accompanied by an analyst and investor conference call hosted by:

- Albert Likholet, Chief Executive Officer, Global Ports Management LLC
- Alexander Roslavtsev, Chief Financial Officer, Global Ports Management LLC
- Brian Bitsch, Chief Commercial Officer, Global Ports Management LLC
- Alexander Iodchin, Head of Strategy and Business Development and General Manager of Global Ports Investments PLC
- Mikhail Grigoriev, Head of Capital Markets and Investor Relations, Global Ports Management LLC

Date: Thursday, 19 August 2021
Time: 12.00 UK / 14.00 Moscow
To participate in the conference call, please dial one of the following numbers and ask to be put through to the "Global Ports" call:
Standard International Access: +44 (0) 33 0551 0200
UK Toll Free: 0808 109 0700
USA Toll Free: 1 866 966 5335
Russia Toll Free: 8 10 8002 4902044
Moscow: +7 (8) 495 249 9843

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NOTES TO EDITORS

Global Ports Investments PLC

Global Ports Investments PLC is the leading operator of container terminals in the Russian market by capacity and container throughput.[3]

Global Ports' terminals are located in the Baltic and Far East Basins, key regions for foreign Russian trade and transit cargo flows. Global Ports operates five container terminals in Russia (Petrolesport, First Container Terminal, Ust-Luga Container Terminal[4] and Moby Dik[5] in the Russian Baltics, and Vostochnaya Stevedoring Company in the Russian Far East) and two container terminals in Finland[6] (Multi-Link Terminals in Helsinki and Kotka). Global Ports also owns inland container terminal Yanino Logistics Park[7] located in the vicinity of St. Petersburg.

Global Ports' revenue for the first half 2021 was USD 229.8 million and Adjusted EBITDA was USD 113.8 million. Consolidated Marine Container Throughput was 789 thousand TEU in the first half of 2021.

Global Ports' major shareholders are Delo Group, the largest intermodal container and port operator in Russia[8] (30.75%), and APM Terminals B.V. (30.75%), whose core expertise is the design, construction, management and operation of ports, terminals and inland services. APM Terminals operate a terminal network of 75 terminals globally. 20.5% of Global Ports shares are traded in the form of global depositary receipts listed on the Main Market of the London Stock Exchange (LSE ticker: GLPR).

For more information please see: www.globalports.com

LEGAL DISCLAIMER

Some of the information in these materials may contain projections or other forward-looking statements regarding future events or the future financial performance of Global Ports. You can identify forward-looking statements by terms such as "expect", "believe", "anticipate", "estimate", "intend", "will", "could," "may" or "might" or the negative of such terms or other similar expressions. Any forward-looking statement is based on information available to Global Ports as of the date of the statement and, other than in accordance with its legal or regulatory obligations, Global Ports does not intend or undertake to update or revise these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Forward-looking statements involve known and unknown risks and Global Ports wishes to caution you that these statements are only predictions and that actual events or results may differ materially from what is expressed or implied by these statements. Many factors could cause the actual results to differ materially from those contained in projections or forward-looking statements of Global Ports, including, among others, general political and economic conditions, the competitive environment, risks associated with operating in Russia and market change in the industries Global Ports operates in, as well as many other risks related to Global Ports and its operations. All written or oral forward-looking statements attributable to Global Ports are qualified by this caution.

[3] Company estimates based on 1H 2021 throughput and the information published by the "ASOP".
[4] In which Eurogate currently has a 20% effective ownership interest.
[5] Joint venture in which CMA Terminals currently has a 25% effective ownership interest.
[6] Joint ventures in each of which CMA Terminals currently has a 25% effective ownership interest.
[7] Joint venture in which CMA Terminals currently has a 25% effective ownership interest.
[8] According to publicly available data at www.delo-group.com.

Appendix 1: Results of operations for Global Ports for the six month period ended 30 June 2021

The financial information presented in this appendix is extracted from the Interim condensed consolidated financial information (unaudited) for the six month period ended 30 June 2021. This appendix also includes certain non-IFRS financial information, identified using capitalised terms below. For further information on the calculation of such non-IFRS financial information, see Appendix 3 (Definitions and Presentation of Information) and the section entitled "Non-IFRS Measures: Adjusted EBITDA and Adjusted EBITDA Margin" below. Readers of this appendix should read the entire announcement together with the Global Ports Group consolidated financial information also released on the date hereof, and not just rely on the summary information set out below.

Rounding adjustments have been made in calculating some of the financial and operational information included in this release. As a result, numerical figures and percentages shown as totals in some tables may not be exact arithmetic aggregations and other calculations of the figures that precede them. Certain financial information is derived from the management accounts.

Operational Information

The table below sets out the container and bulk cargo throughput of the Group's terminals for the periods indicated. Gross throughput is shown on a 100% basis for each terminal, including terminals held through joint ventures and accounted for using the equity method.

	1H 2021	**1H 2020**	**Change**	
			Abs	**%**
Marine Terminals				
Containerised cargo (thousand TEUs)				
PLP	202	213	(11)	-5.0%
VSC	250	213	38	17.8%
FCT	321	322	(0)	-0.1%
ULCT	15	27	(12)	-44.4%
Non-containerised cargo				
High and Heavy Ro-Ro (thousand units)	13.0	8.9	4.1	45.6%
Cars (thousand units)	54.6	33.7	21.0	62.3%
Other bulk cargo (thousand tonnes)	2,623	2,197	426	19.4%
Consolidated Marine Container Throughput	*789*	*774*	*15*	*1.9%*
Consolidated Marine Bulk Throughput	*2,623*	*2,197*	*426*	*19.4%*
Operational statistics of Joint Ventures				
Finnish Ports				
Containerised cargo (thousand TEUs)	40	51	(11)	-21.2%
Yanino (Inland Terminal)				
Containerised cargo (thousand TEUs)	39.3	45.7	(6.4)	-14.0%
Bulk cargo throughput (thousand tonnes)	178.7	142.1	36.7	25.8%

Strong market growth was seen in the first half of 2021 as the overall Russian container market grew by 7.6% to 2.67 million TEU, driven by both the accelerating growth of full containerised import (+15.6% y-o-y) and the continued growth of containerised export (+2.2 y-o-y). Due to the sharp increase in freight rates in the global container shipping market in the second half of 2020 and a deficit of empty containers globally, during the first half of 2021 market players preferred faster container import and export supply chains with the shortest sea leg. As a result, in the first half of 2021 the market growth was concentrated in the Far Eastern basin (+14.7% y-o-y) and the Southern basin (+9.1% y-o-y). Despite this shift in market dynamics, nonetheless the combined throughput of terminals located in Saint Petersburg and the surrounding area demonstrating signs of recovery in Q2 2021 with volumes in the first half of down only 4.2% y-o-y.

Successfully protecting market share in both basins of presence, the Group's Consolidated Marine Container Throughput increased by 1.9% y-o-y to 789 thousand TEU in the first half of 2021, with terminal growth in the Far East of 17.8% y-o-y and a decline of container throughput at terminals located in Saint Petersburg and the surrounding area of 4.1% y-o-y.

The Group's Consolidated Marine Bulk Throughput increased by 19.4% y-o-y to 2.6 million tonnes in the first half of 2021, driven by the solid recovery in global coal demand and high growth of fertilisers and scrap metal handling at PLP.

High and Heavy Ro-Ro handling demonstrated a continued recovery in the first half of 2021 with a 45.6% growth to 13 thousand units. Car handling was also strong in the reporting period with a 62.3% growth to 54.6 thousand units.

On the back of the strong container market growth in the Far East, the decision has been made to discontinue coal handling at VSC in 3Q 2021 and concentrate on the Group’s core strategic container operations. This decision will enable the Group to capture the growth opportunity presented by the increased sustained demand for container import and export flows and the steadily growing transit volumes at VSC. In the first half of 2021 VSC handled 925 thousand tonnes of coal.

Results of operations of Global Ports for the six month period ended 30 June 2021 and 30 June 2020

The following table sets out the principal components of the Group's consolidated income statement and certain additional non-IFRS data of the Group for the six month period ended 30 June 2021 and 30 June 2020.

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Selected consolidated financial information				
Revenue	229.8	184.4	45.4	24.6%
Cost of sales	(129.0)	(89.9)	(39.0)	43.4%
Gross profit	100.8	94.5	6.3	6.7%
Administrative, selling and marketing expenses	(12.2)	(15.0)	2.8	(18.9%)
Other income	0.7	0.7	-	0.0%
Share of (loss)/profit of joint ventures accounted for using the equity method	(1.5)	(1.4)	(0.1)	7.6%
Other (losses)/gains - net	(0.3)	(0.0)	(0.3)	2371.4%
Operating profit	87.4	78.7	8.7	11.0%
Finance income	1.1	1.0	0.04	3.8%
Finance costs	(27.7)	(36.8)	9.1	(24.8%)
Change in fair value of derivative instruments	(5.0)	16.0	(20.9)	(131.2%)
Net foreign exchange gains/(losses) on financial activities	6.1	(29.8)	35.9	(120.4%)
Finance income/(costs) - net	(25.5)	(49.7)	24.1	(48.6%)
Profit before income tax	61.9	29.1	32.8	112.9%
Income tax expense	(8.0)	(5.2)	(2.8)	53.3%
Profit for the period	53.9	23.8	30.0	126.0%
Attributable to:				
Owners of the Company	54.0	22.9	31.1	136.1%
Non-controlling interest	(0.1)	1.0	(1.1)	(113.2%)
Key Non-IFRS financial information				
Like-for-like revenue	175.4	164.1	11.4	6.9%
Adjusted EBITDA	113.8	104.9	8.9	8.5%
Like-for-like Adjusted EBITDA margin	64.8%	63.9%		
Like-for-like Cash Cost of sales	(50.8)	(45.7)	(5.2)	11.3%
Like-for-like Total Operating Cash costs	(62.3)	(59.8)	(2.5)	4.2%
Free Cash Flow	93.6	69.4	24.2	34.8%

Revenue

The following table sets forth the components of the consolidated revenue for the first half of 2021 and for the first half of 2020.

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Container revenue as reported	187.8	144.7	43.0	29.7%
Adjusted for				
VSC transportation services	*54.3*	*20.4*	*34.0*	*166.7%*
Like-for-like Container revenue	**133.4**	**124.4**	**9.1**	**7.3%**
Non-container revenue	42.0	39.7	2.3	5.8%
Consolidated Revenue	229.8	184.4	45.4	24.6%
Like-for-like consolidated revenue	**175.4**	**164.1**	**11.4**	**6.9%**
Like-for-like Revenue per TEU	**169.1**	**160.6**	**8.5**	**5.3%**

In the first half of 2021 like-for-like consolidated revenue increased by 6.9% to USD 175.4 million from USD 164.1 million in the first half of 2020, driven by the increase in like-for-like Consolidated Container Revenue and other revenue.

Like-for-like Consolidated Container Revenue increased by 7.3%, or USD 9.1 million, to USD 133.4 million. This change was driven by an increase in Consolidated Marine Container Throughput of 1.9% and by a 5.3% increase in like-for-like consolidated Revenue per TEU. Like-for-like Revenue per TEU increased mainly as a result of positive cargo and basin mix changes.

Consolidated Non-Container Revenue increased by 5.8%, or USD 2.3 million, to USD 42.0 million, as growth in throughput was partially offset by discount support given by the Group to its clients in 2020 in response to the decline of coal prices in the global market alongside the depreciation of the Russian Rouble.

As a result of new terms agreed on certain sales agreements, in 2020 and 2021 VSC acted as a principal versus a role as an agent at the beginning of 2019: previously the net result of revenue from transportation services and associated cost was included in the consolidated revenue. Since the middle of the first half of 2019 full revenue and associated cost have been gradually recognised in consolidated revenue and transportation expenses accordingly. This Adjusted EBITDA neutral change resulted in an additional USD 54.3 million attributed to consolidated revenue (USD 20.4 million in the first half of 2020) and USD 54.3 million attributed to the cost of sales in the first half of 2021. The Group discloses like-for-like data to provide historical consistency with the data before this accounting change in 2019. In the first half of 2021 the growth of VSC revenue from transportation services caused by organic growth of this part of business.

Cost of sales

The following table sets out a breakdown by expenses of the cost of sales for the first half of 2021 and for the first half of 2020.

	1H 2021	1H 2020	Change	
	USD mln	**USD mln**	**USD mln**	**%**
Depreciation of property, plant and equipment	17.1	17.4	(0.3)	(1.9%)
Amortisation of intangible assets	0.3	0.3	0.0	0.6%
Depreciation of right-of-use assets	6.4	6.1	0.3	4.2%
Staff costs	24.8	23.6	1.2	4.9%
Transportation expenses	57.5	23.0	34.5	149.8%
- including VSC rail transportation costs	*54.3*	*20.4*	*34.0*	*166.7%*
- including other transportation costs	*3.2*	*2.6*	*0.6*	*21.1%*
Fuel, electricity and gas	4.8	4.5	0.2	5.3%
Repair and maintenance of property, plant and equipment	2.3	2.2	0.1	4.1%
Purchased services	10.2	7.7	2.5	32.0%
Taxes other than on income	1.2	1.2	(0.1)	(5.0%)
Other operating expenses	4.5	3.7	0.7	18.9%
Total cost of sales	**129.0**	**89.9**	**39.0**	**43.4%**
Cash Cost of Sales	**105.2**	**66.1**	**39.1**	**59.2%**
Like-for-like Cash Cost of sales	**50.8**	**45.7**	**5.2**	**11.3%**

The cost of sales increased by USD 39.0 million, or 43.4%, from USD 89.9 million in the first half of 2020 to USD 129.0 million in the first half of 2021 primarily due to growth in transportation expenses at VSC. The growth in transportation expenses from USD 23.0 million to USD 57.5 million in the first half of 2021 was driven by new terms of certain agreements that changed the recognition of revenue and costs generated by VSC from railway services for clients as described above.

Like-for-like Cash Cost of Sales increased by USD 5.2 million, or 11.3%, from USD 45.7 million in the first half of 2020 to USD 50.8 million in the first half of 2021 driven by certain cost items related to the growth of coal handling at ULCT and VSC and growth in throughput and inflation.

Gross profit

Gross profit increased by USD 6.3 million, or 6.7%, from USD 94.5 million in the first half of 2020 to USD 100.8 million in the first half of 2021. This increase was due to the factors described above under Revenue and Cost of sales.

Administrative, selling and marketing expenses

Administrative, selling and marketing expenses decreased by USD 2.8 million, or 18.9%, from USD 15.0 million in the first half of 2020 to USD 12.2 million in the first half of 2021. This was primarily due to a decrease of USD 2.2 million, or 21.0%, in staff costs as a result of measures to increase efficiency.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA in the first half of 2021 increased by 8.5%, or USD 8.9 million to USD 113.8 million. Like-for-like Adjusted EBITDA Margin was 64.8%, 92 basis points higher than in the first half of 2020 (63.9%).

Share of profit/(loss) of joint ventures accounted for using the equity method

	1H 2021	**1H 2020**	**Change**	
	USD mln	**USD mln**	**USD mln**	**%**
MLT Group	(1.5)	(1.0)	(0.5)	55.8%
CD Holding Group	0.01	(0.4)	0.4	(102.7%)
Total share of profit/(loss) of joint ventures	**(1.5)**	**(1.4)**	**(0.1)**	**7.6%**

The Group's share of loss from joint ventures increased from a loss of USD 1.4 million in the first half of 2020 to a loss of USD 1.5 million in the first half of 2021.

The loss from MLT Group increased from USD 1.0 million in the first half of 2020 to a loss of USD 1.5 million. This result was primarily driven mainly by a loss of MLT.

The change in the share of results from CD Holding Group, from a loss of USD 0.4 million in the first half of 2020 to a profit of USD 0.01 million, was mainly driven by the depreciation of the Russian Rouble against the US Dollar in the first half of 2021 that resulted in a gain from the revaluation of the RUB nominated borrowings of YLP.

Other gains/(losses)—net

Other gains/(losses) changed from a net loss of USD 14 thousand in 2020 to a net loss of USD 346 thousand in the first half of 2021.

Operating profit/(loss)

The Group's operating profit increased from USD 78.7 million in the first half of 2020 to USD 87.4 million in the first half of 2021 due to the factors described above under Gross profit, Share of profit/(loss) of joint ventures accounted for using the equity method and Other gains/(losses)-net.

Finance income/(costs)—net

Net finance income/(costs) decreased from a cost of USD 49.7 million in the first half of 2020 to a cost of USD 25.5 million in the first half of 2021. This move was primarily due to a decrease of interest expenses on bonds from USD 31.2 million in the first half of 2020 to USD 22.4 million in the first half of 2021 as the result of own Eurobond buyback in 2020 and successful refinancing of FTC rouble bond with a lower coupon rate. In addition Net foreign exchange loss from financing activities changed from a loss of USD 29.8 million in the first half of 2020 to a profit of USD 6.1 million in the first half of 2021. This was partially offset by a change in the fair value of derivative instruments to a loss of USD 5.0 million in the first half of 2021 from a profit of USD 16.0 million in the first half of 2020.

Profit/(loss) before income tax

Profit before income tax increased to USD 61.9 million in the first half of 2021 from USD 29.1 million in the first half of 2020. This change is due to the factors described above under Operating profit/(loss) and Finance income/(costs)—net.

Income tax expense

In the first half of 2021 income tax expense was USD 8.0 million compared to USD 5.2 million in the first half of 2020.

Profit/(loss) for the period

The Group reported a profit of USD 53.9 million in the first half of 2021, an increase of USD 30.0 million and more than double the profit for the period of USD 23.8 million in the first half of 2020 due to the factors described above.

Liquidity and capital resources

General

As of 30 June 2021, the Group had USD 135.2 million in cash and cash equivalents.

The Group’s liquidity requirements arise primarily in connection with repayments of principal and interest payments, capital investment programmes and ongoing costs of its operations. In the first half of 2021 the Group’s liquidity needs were met primarily by cash flows generated from its operational activities as well as borrowings. The Group expects to fund its liquidity requirements in both the short and medium term with cash generated from operational activities and borrowings.

As a result of the shareholding and joint venture agreements of Moby Dik, the Finnish Ports and Yanino, the cash generated from the operational activities of each of the entities in those businesses is not freely available to fund the other operations and capital expenditures of the Group or any other businesses within the Group and can only be lent to an entity or distributed as a dividend with the consent of the other shareholders to those arrangements.

As of 30 June 2021, the Group had USD 689.1 million of total borrowings (including lease liabilities), of which USD 213.5 million comprised current borrowings and USD 475.5 million comprised non-current borrowings. See also "*Capital resources*".

Cash flow

The following table sets out the principal components of the Group's consolidated cash flow statement for the first half of 2021 and for the first half of 2020.

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Net cash from operating activities	**104.3**	**81.0**	**23.3**	**28.8%**
Cash generated from operations	109.2	83.6	25.5	30.5%
Tax paid	(4.9)	(2.7)	(2.2)	83.5%
Net cash used in investing activities	**(9.9)**	**(11.1)**	**1.2**	**(10.4%)**
Purchases of intangible assets	(0.1)	(0.3)	0.2	(62.1%)
Purchases of property, plant and equipment	(10.7)	(11.5)	0.8	(7.0%)
Proceeds from sale of property, plant and equipment	0.1	0.3	(0.1)	(42.2%)
Interest received	0.8	0.5	0.3	51.7%
Net cash used in financing activities	**(167.2)**	**(43.3)**	**(123.9)**	**286.0%**
Repayments of borrowings	(133.0)	(11.0)	(122.0)	1104.8%
Proceeds from borrowings	-	4.5	(4.5)	(100.0%)
Interest paid on borrowings	(30.7)	(33.7)	3.1	(9.1%)
Interest paid on leases	(2.1)	(2.1)	(0.1)	4.3%
Proceeds from / (settlements of) derivative financial instruments	0.3	(0.2)	0.5	(241.1%)
Principal elements of lease payments	(1.6)	(0.7)	(0.9)	127.9%
Free Cash Flow (Net cash from operating activities - Purchase of PPE)	**93.6**	**69.4**	**24.2**	**34.8%**
Net increase/(decrease) in cash and cash equivalents	(72.9)	26.5	(99.4)	(374.5%)
Cash and cash equivalents at beginning of the period	207.0	124.4	82.6	66.4%
Exchange gains/(losses) on cash and cash equivalents	1.1	(1.3)	2.3	(183.7%)
Cash and cash equivalents at end of the period	135.2	149.6	(14.5)	(9.7%)

Net cash from operating activities

Net cash from operating activities increased by USD 23.3 million, or 28.8%, from USD 81 million in the first half of 2020 to USD 104.3 million in the first half of 2021. Growth in net cash from operating activities was primarily due to 30.6% increase in cash generated from operations from USD 83.6 million in the first half of 2020 to USD 109.2 in the first half of 2021 due to the financial result from operations as described above.

Net cash used in investing activities

Net cash used in investing activities decreased from USD 11.1 million in the first half of 2020 to USD 9.9 million in the first half of 2021. This change was primarily due to a decrease in purchases of property, plant and equipment from USD 11.5 million in the first half of 2020 to USD 10.7 million in the first half of 2021 because part of the payments for the higher investments into the upgrade of equipment in order to improve productivity and service standards of the Group's terminals and in response to growing throughput, were deferred to the second half of 2021.

Net cash used in financing activities

Net cash used in financing activities increased by USD 123.9 million, or nearly tripled, from USD 43.3 million in the first half of 2020 to USD 167.2 million in the first half of 2021 due to an increase in the repayment of borrowings by USD 122.0 million because of scheduled FCT rouble bonds repayments in the reporting period in line with the Group's deleveraging strategy.

Capital resources

The Group's financial indebtedness consists of bank borrowings, bonds and lease liabilities and amounted to USD 689.1 million as of 30 June 2021. As of that date, all of the Group's borrowings were secured by guarantees and suretyships granted by certain Group members. Certain of these borrowings contain covenants requiring the Group and the borrower to maintain specific indebtedness to Adjusted EBITDA and other ratios, as well as covenants having the effect of restricting the ability of the borrower to transfer assets, make loans and pay dividends to other members of the Group. The Group is in full compliance with covenants in the reporting period.

The Weighted Average Effective Interest Rate of the Group's debt portfolio is 6.7% for USD nominated borrowings and 7.8% for Russian Rouble nominated borrowings.

As of 30 June 2021, the Group had a leverage of Net Debt to LTM Adjusted EBITDA ratio of 2.5x (compared to a ratio of 2.9x as of 31 December 2020).

The following table sets out the maturity profile of the Group's total borrowings (including lease liabilities) as of 30 June 2021.

	USD mln
2H 2021	13.4
2022	201.7
2023	304.5
2024	59.8
2025 and after	109.7
Total	**689.1**

As of 30 June 2021, the carrying amounts of the Group's borrowings (including lease liabilities) were denominated in the following currencies:

	USD mln
Rouble	182.3
US dollar	506.8
Total	**689.1**

During the 12 month-period ended 31 December 2019 the Group entered into several RUB/USD currency forward contracts to acquire USD dollars in the period 2019-2022 in order to hedge part of its foreign exchange risk associated with its USD denominated non-convertible unsecured bonds (which have been provided as loans to the Russian operating subsidiaries).

As of 30 June 2021, there are outstanding forward contracts to acquire USD 118.6 million and USD 87 million covered by option contracts.

Appendix 2: Reconciliation of additional data (non-IFRS) to the consolidated financial information for the six month period ended 30 June 2021

Reconciliation of Adjusted EBITDA to profit for the period

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Profit for the year	53.9	23.8	30.0	126.0%
Adjusted for				
Income tax expense	8.0	5.2	2.8	53.3%
Finance costs—net	25.5	49.7	(24.1)	(48.6%)
Depreciation of property, plant and equipment	17.7	18.2	(0.5)	(2.8%)
Depreciation of right-of-use assets	6.4	6.1	0.3	4.2%
Amortisation of intangible assets	0.4	0.4	0.0	1.5%
Other (gains)/losses—net	0.3	0.0	0.3	2371.4%
Share of(profit)/loss of joint ventures accounted for using the equity method	1.5	1.4	0.1	7.6%
Adjusted EBITDA	**113.8**	**104.9**	**8.9**	**8.5%**

Reconciliation of Adjusted EBITDA Margin

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Revenue	229.8	184.4	45.4	24.6%
Adjusted EBITDA	113.8	104.9	8.9	8.5%
Adjusted EBITDA Margin	**49.5%**	**56.9%**		

Reconciliation of Total Operating Cash Costs to cost of sales and administrative, selling and marketing expenses

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Cost of sales	129.0	89.9	39.0	43.4%
Administrative, selling and marketing expenses	12.2	15.0	(2.8)	(18.9%)
Total	141.1	104.9	36.2	34.5%
Adjusted for				
Depreciation of property, plant and equipment	(17.7)	(18.2)	0.5	(2.8%)
Depreciation of right-of-use assets	(6.4)	(6.1)	(0.3)	4.2%
Amortisation of intangible assets	(0.4)	(0.4)	(0.0)	1.5%
Total Operating Cash Costs	**116.7**	**80.2**	**36.5**	**45.4%**

Reconciliation of Cash Cost of Sales to cost of sales

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Cost of sales	129.0	89.9	39.0	43.4%
Adjusted for				
Depreciation of property, plant and equipment	(17.1)	(17.4)	0.3	(1.9%)
Depreciation of right-of-use assets	(6.4)	(6.1)	(0.3)	4.2%
Amortisation of intangible assets	(0.3)	(0.3)	(0.0)	0.6%
Cash Cost of Sales	**105.2**	**66.1**	**39.1**	**59.2%**

Reconciliation of Cash Administrative, Selling and Marketing Expenses to Administrative, selling and marketing expenses

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Administrative, selling and marketing expenses	12.2	15.0	(2.9)	(18.9%)
Adjusted for				
Depreciation of property, plant and equipment	(0.6)	(0.8)	0.2	(23.1%)
Amortisation of intangible assets	(0.08)	(0.07)	(0.01)	6.8%
Cash Administrative, Selling and Marketing expenses	**11.5**	**14.1**	**(2.7)**	**(18.8%)**

Reconciliation of Net Debt and Total Debt to borrowings and lease liabilities

	As at 30.06.2021	As at 31.12.2020	Change	
	USD mln	USD mln	USD mln	%
Non-current Borrowings	439.2	632.9	(193.7)	(30.6%)
Current Borrowings	210.6	153.3	57.4	37.4%
Non-current Lease liabilities	36.4	31.1	5.3	16.9%
Current Lease liabilities	2.9	1.8	1.1	59.8%
Total Debt	**689.1**	**819.1**	**(130.0)**	**(15.9%)**
Adjusted for				
Cash and cash equivalents	(135.2)	(207.0)	71.8	(34.7%)
Net Debt	**553.9**	**612.1**	**(58.2)**	**(9.5%)**

Reconciliation of Free Cash Flow to net cash from operating activities

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Net cash from operating activities	104.3	81.0	23.3	28.8%
Adjusted for				
Purchases of property, plant and equipment	(10.7)	(11.5)	0.8	(7.0%)
Free Cash Flow	**93.6**	**69.4**	**24.2**	**34.8%**

Reconciliation of LTM Adjusted EBITDA

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Adjusted EBITDA	113.8	104.9	8.9	8.5%
Adjusted EBITDA for the second half of the previous year	104.9	110.9	(6.0)	(5.4%)
LTM Adjusted EBITDA	**218.6**	**215.8**	**2.9**	**1.3%**

Reconciliation of like-for-like revenue to consolidated revenue

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Consolidated revenue	229.8	184.4	45.4	24.6%
Adjusted for				
VSC transportation services	54.3	20.4	34.0	166.7%
Like-for-like revenue	**175.4**	**164.1**	**11.4**	**6.9%**

Reconciliation of like-for-like Consolidated Container Revenue to Consolidated Container Revenue

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Consolidated Container Revenue	187.8	144.7	43.0	29.7%
Adjusted for				
VSC transportation services	54.3	20.4	34.0	166.7%
Like-for-like container revenue	**133.4**	**124.4**	**9.1**	**7.3%**

Reconciliation of like-for-like Cash Cost of Sales to Cash Cost of Sales

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Cash Cost of Sales	105.2	66.1	39.1	59.2%
Adjusted for				
VSC transportation services	54.3	20.4	34.0	166.7%
Total like-for-like Cash Cost of Sales	**50.8**	**45.7**	**5.1**	**11.3%**

Reconciliation of like-for-like Total Operating Cash Costs to Total Operating Cash Costs

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Total Operating Cash Costs	116.7	80.2	36.4	45.4%
Adjusted for				
VSC transportation services	54.3	20.4	34.0	166.7%
Total like-for-like Operating Cash Costs	**62.3**	**59.8**	**2.5**	**4.2%**

Reconciliation of like-for-like EBITDA Margin

	1H 2021	1H 2020	Change	
	USD mln	USD mln	USD mln	%
Like-for-like revenue	175.4	164.1	11.4	6.9%
Adjusted EBITDA	113.8	104.9	8.9	8.5%
Like-for-like EBITDA Margin	**64.8%**	**63.9%**		

Appendix 3: Definitions and Presentation of Information

DEFINITIONS

Terms that require definitions are marked with capital letters in this announcement and the definitions of which are provided below in alphabetical order. The non-IFRS financial measures defined below are presented as supplemental measures of the Group's operating performance, which the Group uses as key performance indicators of the Group's business and to provide a supplemental tool to assist in evaluating current business performance. The Group believes these metrics are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the Russian market and global ports sector. These non-IFRS financial measures are measures of the Group's operating performance that are not required by, or prepared in accordance with, IFRS. All of these non-IFRS financial measures have limitations as analytical tools, and investors should not consider any one of them in isolation, or any combination of them together, as a substitute for analysis of the Group's operating results as reported under IFRS and should not be considered as alternatives to revenues, profit, operating profit, or any other measures of performance derived in accordance with IFRS or as alternatives to cash flow from operating activities or as measures of the Group's liquidity. In particular, the non-IFRS financial measures should not be considered as measures of discretionary cash available to the Group businesses.

Adjusted EBITDA (a non-IFRS financial measure) for Global Ports Group is defined as profit for the period before income tax expense, finance income/(costs)—net, depreciation, write-off and impairment of property plant and equipment, depreciation and impairment of right-of-use assets, amortisation, write-off and impairment of intangible assets, share of profit/(loss) of joint ventures accounted for using the equity method, other gains/(losses)—net.

Adjusted EBITDA Margin (a non-IFRS financial measure) is calculated as Adjusted EBITDA divided by revenue, expressed as a percentage.

ASOP is "Association of Sea Commercial Ports" (www.morport.com).

Baltic Sea Basin is the geographic region of northwest Russia, Estonia and Finland surrounding the Gulf of Finland on the eastern Baltic Sea, including St. Petersburg, Ust-Luga, Tallinn, Helsinki and Kotka.

Cash Administrative, Selling and Marketing Expenses (a non-IFRS financial measure) is defined as administrative, selling and marketing expenses, adjusted for depreciation, write-off and impairment of property, plant and equipment, depreciation and impairment of right-of-use assets, amortisation, write-off and impairment of intangible assets.

Cash Cost of Sales (a non-IFRS financial measure) is defined as cost of sales, adjusted for depreciation, write-off and impairment of property, plant and equipment, depreciation and impairment of right-of-use assets, amortisation, write-off and impairment of intangible assets.

CD Holding Group consists of Yanino Logistics Park (an inland terminal in the vicinity of St. Petersburg) and CD Holding Oy. The results of CD Holding Group are accounted in the Global Ports' financial information using equity method of accounting (proportionate share of the net profit shown below Adjusted EBITDA).

Consolidated Container Revenue is defined as revenue generated from containerised cargo services.

Consolidated Marine Bulk Throughput is defined as combined marine bulk throughput by consolidated terminals: PLP, VSC, FCT and ULCT.

Consolidated Marine Container Throughput is defined as combined marine container throughput by consolidated marine terminals: PLP, VSC, FCT and ULCT.

Consolidated Non-Container Revenue is defined as a difference between total revenue and Consolidated Container Revenue.

Container Throughput in the Russian Federation Ports is defined as the total container throughput of the ports located in the Russian Federation, excluding half of cabotage cargo volumes. Respective information is sourced from ASOP ("Association of Sea Commercial Ports", www.morport.com).

Far East Basin is the geographic region of southeast Russia, surrounding the Peter the Great Gulf, including Vladivostok and the Nakhodka Gulf, including Nakhodka on the Sea of Japan.

First Container Terminal (FCT) is located in the St. Petersburg harbour, Russia's primary gateway for container cargo and is one of the first specialised container terminals to be established in the country. The Global Ports Group owns a 100% effective ownership interest in FCT. The results of FCT are fully consolidated.

Finnish Ports segment consists of two terminals in Finland, MLT Kotka and MLT Helsinki (in the port of Vuosaari), in each of which CMA Terminals currently has a 25% effective ownership interest. The results of the Finnish Ports segment are accounted in the Global Ports' financial information using the equity method of accounting (proportionate share of net profit shown below EBITDA).

Free Cash Flow **(**a non-IFRS financial measure) is calculated as Net cash from operating activities less Purchases of PPE.

Functional Currency is defined as the currency of the primary economic environment in which the entity operates. The functional currency of the Company and certain other entities in the Global Ports Group is US dollars. The functional currency of the Global Ports Group's operating companies for the years under review was (a) for the Russian Ports segment, the Russian Rouble and (b) for the Finnish Ports segment, the Euro.

Gross Container Throughput represents the total container throughput of a Group's terminal or a Group's operating segment shown on a 100% basis. For the Russian Ports segment it excludes the container throughput of the Group's inland container terminal – Yanino.

High and Heavy Ro-Ro, roll on-roll off is cargo that can be driven into the belly of a ship rather than lifted aboard. Includes cars, buses, trucks and other vehicles.

LTM Adjusted EBITDA (a non-IFRS financial measure) is Adjusted EBITDA for the last twelve months, calculated as a sum of Adjusted EBITDA for the first half of 2021 and Adjusted EBITDA for the second half of 2020.

MLT Group consists of Moby Dik (a terminal in the vicinity of St. Petersburg) and Multi-Link Terminals Oy (terminal operator in Vuosaari (near Helsinki, Finland) and Kotka, Finland), MLT-Ireland and some other entities. The results of MLT Group are accounted in the Global Ports' financial information using the equity method of accounting (proportionate share of the net profit shown below EBITDA).

Moby Dik (MD) is located on the St. Petersburg ring road, approximately 30 kilometers from St. Petersburg, at the entry point of the St. Petersburg channel. It is the only container terminal in Kronstadt. The Global Ports Group owns a 75% effective ownership interest in MD, CMA Terminals currently has a 25% effective ownership interest. The results of MD are accounted in the Global Ports' financial information using the equity method of accounting (proportionate share of the net profit shown below EBITDA).

Net Debt (a non-IFRS financial measure) is defined as the sum of current borrowings, non-current borrowings, current and non-current lease liabilities (following the adoption of IFRS 16) and swap derivatives less cash and cash equivalents and bank deposits with maturity over 90 days.

Petrolesport (PLP) is located in the St. Petersburg harbour, Russia's primary gateway for container cargo. The Group owns a 100% effective ownership interest in PLP. The results of PLP are fully consolidated.

Revenue per TEU is defined as the Global Ports Group's Consolidated Container Revenue divided by total Consolidated Container Marine Throughput.

Russian Ports segment consists of the Global Ports Group's interests in PLP (100%), VSC (100%), FCT (100%), ULCT (80%) (in which Eurogate currently has a 20% effective ownership interest), Moby Dik (75%), Yanino (75%) (in each of Moby Dik and Yanino, CMA Terminals currently has a 25% effective ownership interest), as well as certain other entities. The results of Moby Dik and Yanino are accounted in the Global Ports' consolidated financial information using the equity method of accounting (proportionate share of the net profit shown below EBITDA).

TEU is defined as twenty-foot equivalent unit, which is the standard container used worldwide as the uniform measure of container capacity; a TEU is 20 feet (6.06 metres) long and eight feet (2.44 metres) wide and tall.

Total Debt (a non-IFRS financial measure) is defined as a sum of current borrowings, non-current borrowings, current and non-current lease liabilities (following the adoption of IFRS 16) and swap derivatives.

Total Operating Cash Costs (a non-IFRS financial measure) is defined as Global Ports Group's cost of sales, administrative, selling and marketing expenses, less depreciation, write-off and impairment of property, plant and equipment, less depreciation and impairment of right-of-use assets, less amortisation, write-off and impairment of intangible assets.

Ust-Luga Container Terminal (ULCT) is located in the large multi-purpose Ust-Luga port cluster on the Baltic Sea, approximately 100 kilometres westwards from St. Petersburg city ring road. ULCT began operations in December 2011. The Global Ports Group owns an 80% effective ownership interest in ULCT, Eurogate, the international container terminal operator, currently has a 20% effective ownership interest. The results of ULCT are fully consolidated.

Vostochnaya Stevedoring Company (VSC) is located in the deep-water port of Vostochny near Nakhodka on the Russian Pacific coast, approximately eight kilometers from the Nakhodka-Vostochnaya railway station, which is connected to the Trans-Siberian Railway. The Group owns a 100% effective ownership interest in VSC. The results of VSC are fully consolidated.

Weighted Average Effective Interest Rate is the average of interest rates weighted by the share of each loan in the total debt portfolio.

Yanino Logistics Park (YLP) is the first terminal in the Group's inland terminal business and is one of only a few multi-purpose container logistics complexes in Russia providing a comprehensive range of container and logistics services at one location. It is located approximately 70 kilometres from the Moby Dik terminal in Kronstadt and approximately 50 kilometres from PLP. The Global Ports Group owns a 75% effective ownership interest in YLP, CMA Terminals currently has a 25% effective ownership interest. The results of YLP are accounted in the Global Ports' financial information using the equity method of accounting (proportionate share of the net profit shown below EBITDA).

Appendix 4: Investor Presentation

An investor presentation is available at https://www.globalports.com/en/investors/reports-and-results/