SITC International Holdings Company Limited
海豐國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1308

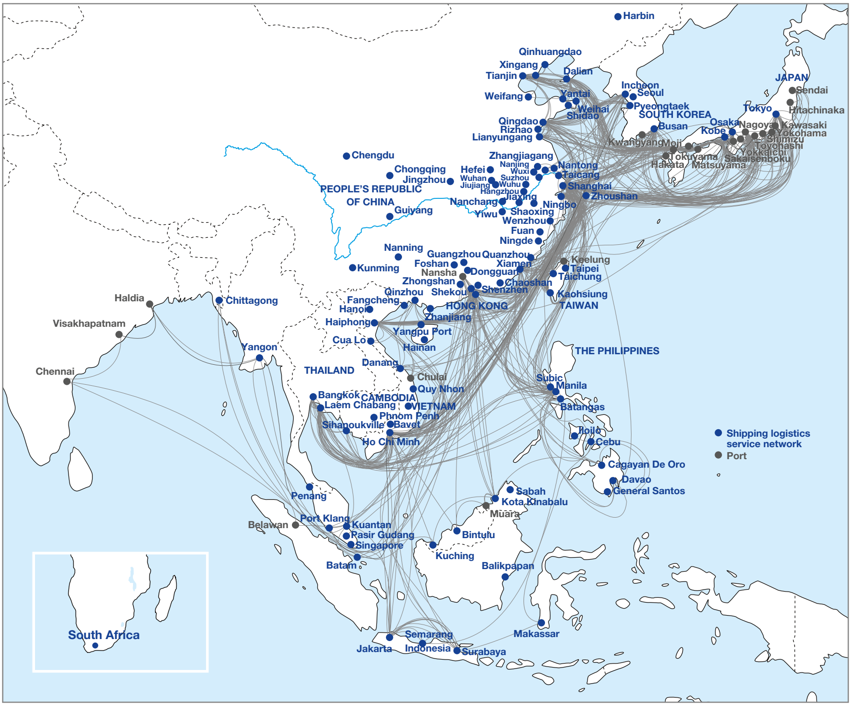
2026
Interim Report

Contents

Corporate Profile

SITC International Holdings Company Limited (the "**Company**" or "**SITC**" or "**we**") is an Asia's leading shipping logistics company that provides integrated transportation and logistics solutions. As at 30 June 2026, we ranked the 14th among international container shipping companies in terms of shipping capacity. We focus exclusively on servicing the Asia trade market, which is the largest in the world and one of the fastest growing market in terms of shipping volume, according to Drewry Maritime Services (Asia) Pte Ltd, an independent industry consultant.

The following map illustrates the Asia container shipping routes (including trade lanes operated through joint services and container slot exchange arrangements) and shipping logistics service network of the Group as of 30 June 2026:



Our business covers integrated shipping logistics services, such as the provision of container transportation, freight forwarding, shipping agency, depot, warehousing services, land leasing and other services.

Corporate Information

DIRECTORS

Executive Directors

YANG Xianxiang *(Chairman)*
XUE Mingyuan *(Chief Executive Officer)*
LIU Kecheng
LAI Zhiyong

Non-Executive Director

YANG Xin *(Vice-Chairman)*

Independent Non-Executive Directors

TSE Siu Ngan *(Lead Independent Non-Executive Director)*
LIU Ka Ying, Rebecca
HU Mantian (Mandy)

BOARD COMMITTEES

Audit Committee

LIU Ka Ying, Rebecca *(Chairman)*
TSE Siu Ngan
HU Mantian (Mandy)

Remuneration Committee

TSE Siu Ngan *(Chairman)*
YANG Xianxiang
YANG Xin
LIU Ka Ying, Rebecca
HU Mantian (Mandy)

Nomination Committee

HU Mantian (Mandy) *(Chairman)*
YANG Xianxiang
YANG Xin
TSE Siu Ngan
LIU Ka Ying, Rebecca

Risk Management Committee

TSE Siu Ngan *(Chairman)*
XUE Mingyuan
LIU Kecheng
LIU Ka Ying, Rebecca
HU Mantian (Mandy)

Disclosure Committee

HU Mantian (Mandy) *(Chairman)*
TSE Siu Ngan
LIU Ka Ying, Rebecca

Sustainable Development Committee

YANG Xin *(Chairman)*
TSE Siu Ngan
LIU Ka Ying, Rebecca
HU Mantian (Mandy)

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

CORPORATE HEADQUARTER

31/F, Shui On Centre
6-8 Harbour Road,
Wan Chai
Hong Kong

AUTHORIZED REPRESENTATIVES

LIU Kecheng
XUE Peng

COMPANY SECRETARY

XUE Peng *(FCG, HKFCG)*

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3,
Building D, P.O. Box 1586,
Gardenia Court,
Camana Bay,
Grand Cayman, KY1-1100,
Cayman Islands

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited
(the "**Stock Exchange**")

NAME OF STOCK

SITC International Holdings
Company Limited
("**SITC**" or the "**Company**")

STOCK CODE

01308

PRINCIPAL BANKERS (by alphabetical order)

ANZ Bank
Bank of China
Bank of China (Hong Kong) Limited
China Merchants Bank
Citibank, N.A
Standard Chartered Bank
(Hong Kong) Limited
Sumitomo Mitsui Banking Corporation
The Hongkong and Shanghai Banking
Corporation Limited

AUDITOR

Ernst & Young
27/F, One Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

LEGAL ADVISORS

As to Hong Kong law:

Sidley Austin
Level 39, Two International Finance Centre
8 Finance Street
Central
Hong Kong

As to Cayman Islands law:

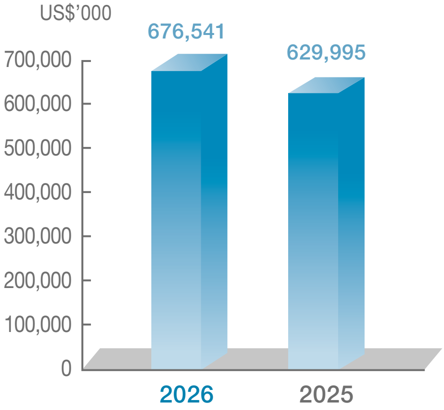
Conyers Dill & Pearman
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

WEBSITE

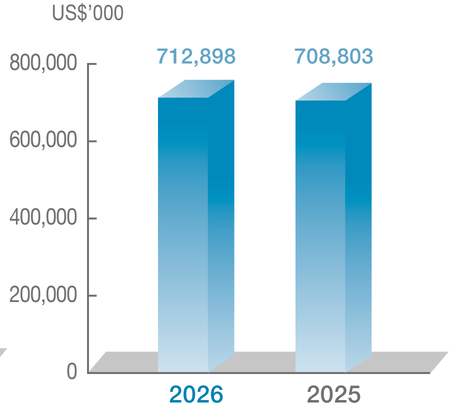
www.sitc.com

Financial and Operating Highlights

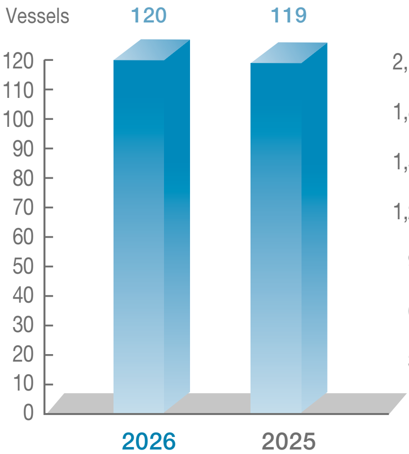
Profit attributable to shareholders of the Company for the six months ended 30 June



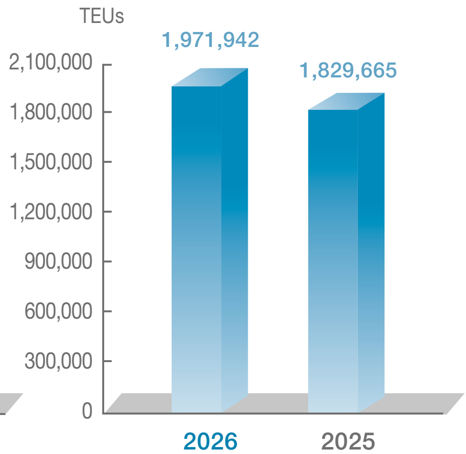
Net cash flows from operating activities for the six months ended 30 June



Number of operating container vessels as at 30 June



Container shipping volume of container shipping and supporting logistics business for the six months ended 30 June



Management Discussion and Analysis

OVERVIEW

SITC is one of Asia's leading shipping logistics companies that provides integrated transportation and logistics solutions.

Business Review

The Group's business covers integrated shipping logistics services, such as the provision of container transportation, freight forwarding, shipping agency, depot, warehousing services, land leasing and other services. During the six months ended 30 June 2026, the Group's business continued to provide container transportation and integrated logistics services that focus exclusively on the Asian market, as the Company believes that the Asian market will continue to experience healthy growth.

As of 30 June 2026, the Group operated 74 trade lanes, including 10 trade lanes through joint services and 22 trade lanes through container slot exchange arrangements. These trade lanes and land-based integrated logistics business network covered 79 major ports in various countries and regions including the Chinese mainland, Japan, Korea, Taiwan, Hong Kong, Vietnam, Thailand, the Philippines, Cambodia, Indonesia, Singapore, Malaysia, Brunei, Bengal, Myanmar and India. As of 30 June 2026, the Group operated a fleet of 120 vessels with a total capacity of 185,365 TEU, comprised of 98 self-owned (161,537 TEU) and 22 chartered vessels (23,828 TEU), with an average age of 10.6 years. Of these 120 vessels, 96 were of less than 2,000 TEU, and 24 were of 2,000 TEU to 3,000 TEU. For the six months ended 30 June 2026, the total paid out capital expenditure of US$77.4 million were mainly attributable to the purchases of container vessels of US$71.9 million. In addition, the Group also operated (including through joint ventures) approximately 2,226,298 m^2 of depot and 180,412 m^2 of warehousing space.

Revenue of the Group for the first half of 2026 increased by approximately 10.7% from approximately US$1,664.5 million for the six months ended 30 June 2025 to approximately US$1,842.1 million for the six months ended 30 June 2026. The increase was a result of a combined effect, where (i) container shipping volume increased by approximately 7.8% from 1,829,665 TEUs for the six months ended 30 June 2025 to 1,971,942 TEUs for the six months ended 30 June 2026; and (ii) average freight rate (excluding slot exchange fee income) increased by approximately 4.0% from US$776.4/TEU for the six months ended 30 June 2025 to US$807.2/TEU for the six months ended 30 June 2026.

Geopolitical disruptions have once again become a primary driving force in the container logistics industry, improving the overall supply-demand dynamics against a backdrop of relatively stable global economic conditions. At the same time, rising costs have been driven by factors such as energy supply, trade barriers, and the development of new technologies, while significant fluctuations in U.S. tariff rates have further undermined the stability of shipping supply-demand dynamics. Persistent inflation continues to impact every link in the supply chain, testing the Group’s ability to navigate cyclical shifts and make flexible adjustments.

By improving efficiency to enhance services, tapping into the potential of existing markets, adjusting its fleet composition in a timely manner, and optimizing cost control, the Group is confident in withstanding shocks from future uncertainties and is steadily advancing toward becoming a world-class integrated logistics service solutions provider.

Financial Overview

	For the six months ended 30 June	
	2026	**2025**
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Revenue	1,842,065	1,664,489
Container shipping and supporting logistics income	1,646,812	1,512,689
Other container logistics income	193,678	150,696
Other income	1,575	1,104
Cost of sales	(1,108,832)	(995,058)
Equipment and cargos transportation costs	(539,361)	(520,451)
Voyage costs	(226,702)	(198,651)
Container shipping vessels cost	(180,231)	(151,911)
Other container logistics costs	(161,511)	(123,697)
Other costs	(1,027)	(348)
Gross profit	733,233	669,431
Other income, gains and losses (excluding bank interest income and fair value gain on financial assets)	13,511	18,040
Administrative expenses	(79,445)	(67,809)
Share of profits of:		
Joint ventures	16,810	13,348
Associates	525	954
Other expenses, net	(1,804)	(1,673)
Segment results	682,830	632,291
Finance costs	(6,995)	(8,466)
Bank interest income and fair value gain on financial assets	16,569	19,782
Profit before tax	692,404	643,607
Income tax	(11,935)	(10,159)
Profit for the period	680,469	633,448
Profit attributable to:		
Shareholders of the Company	676,541	629,995
Non-controlling interests	3,928	3,453
	680,469	633,448

The following table sets forth the number of trade lanes and port calls per week of the Group as at 30 June 2025 and 2026, and the average freight rate for the six months ended 30 June 2025 and 2026:

Six months ended 30 June		As of 30 June			
2026	**2025**	**2026**	**2025**	**2026**	**2025**
Average freight rate (US$ per TEU, excluding slot exchange rate)		Number of trade lanes		Port calls per week	
807.2	776.4	**74**	82	**441**	489

Revenue

The Group's total revenue increased by approximately 10.7% from approximately US$1,664.5 million for the six months ended 30 June 2025 to approximately US$1,842.1 million for the corresponding period in 2026. The increase was a result of a combined effect, where (i) container shipping volume increased by approximately 7.8% from 1,829,665 TEUs for the six months ended 30 June 2025 to 1,971,942 TEUs for the corresponding period in 2026; and (ii) average freight rate (excluding slot exchange fee income) increased by approximately 4.0% from US$776.4/TEU for the six months ended 30 June 2025 to US$807.2/TEU for the corresponding period in 2026.

Cost of Sales

The Group's cost of sales increased by approximately 11.4% from approximately US$995.1 million for the six months ended 30 June 2025 to approximately US$1,108.8 million for the corresponding period in 2026. The increase was mainly attributable to the increase in container shipping volume and the rise in bunker rate.

Gross Profit and Gross Profit Margin

As a result of the foregoing, the gross profit increased from approximately US$669.4 million for the six months ended 30 June 2025 to approximately US$733.2 million for the six months ended 30 June 2026. The Group's gross profit margin decreased slightly from approximately 40.2% for the six months ended 30 June 2025 to approximately 39.8% for the corresponding period in 2026.

Other Income, Gains and Losses (excluding bank interest income and fair value gain on financial assets)

For the six months ended 30 June 2026, other income, gains and losses (excluding bank interest income and fair value gain on financial assets) decreased by approximately US$4.5 million from approximately US$18.0 million for the six months ended 30 June 2025 to approximately US$13.5 million for the corresponding period in 2026. The decrease was mainly attributable to the gains on disposal of vessels of approximately US$6.2 million from the disposal of one container vessel during the first half of 2026, as compared to approximately US$13.8 million from the disposal of one container vessel for the corresponding period in 2025.

Bank Interest Income and Fair Value Gain on Financial Assets

The Group's bank interest income and fair value gain on financial assets was approximately US$16.6 million and US$19.8 million for the six months ended 30 June 2026 and 2025, respectively. The decrease was mainly attributable to the decrease in average deposit interest rate.

Administrative Expenses

The Group's administrative expenses increased from approximately US$67.8 million for the six months ended 30 June 2025 to approximately US$79.4 million for the corresponding period in 2026, representing an increase of approximately 17.1%. The increase was primarily attributable to the overall increase in staff cost.

Other Expenses, net

The Group's other expenses, net were approximately US$1.8 million and US$1.7 million for the six months ended 30 June 2026 and 2025, respectively. There was no material change in the amount.

Finance Costs

The Group's finance costs decreased from approximately US$8.5 million for the six months ended 30 June 2025 to approximately US$7.0 million for the six months ended 30 June 2026. The decrease was a result of a combined effect, reflecting (i) the decrease in borrowing principal; and (ii) the increase in interest on lease liabilities.

Share of Profits of Joint Ventures

The Group's share of profits of joint ventures increased by approximately 26.3% from approximately US$13.3 million for the six months ended 30 June 2025 to approximately US$16.8 million for the six months ended 30 June 2026. The increase was mainly attributable to the growth in the profits of part of the jointly controlled freight forwarders and depot companies.

Share of Profits of Associates

The Group's share of profits of associates were approximately US$0.5 million and US$1.0 million for the six months ended 30 June 2026 and 2025, respectively. The decrease was mainly attributable to the decrease in the profits of associates.

Profit before Tax

As a result of the foregoing, the Group's profit before tax increased from approximately US$643.6 million for the six months ended 30 June 2025 to approximately US$692.4 million for the corresponding period in 2026.

Income Tax Expenses

The Group's income tax expenses were approximately US$11.9 million and US$10.2 million for the six months ended 30 June 2026 and 2025, respectively. The increase was primarily attributable to the increase in taxable profit of the Group.

Profit for the Period

The Group's profit for the six months ended 30 June 2026 was approximately US$680.5 million, representing an increase of approximately US$47.1 million over the profit of approximately US$633.4 million for the corresponding period in 2025.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Total assets of the Group increased by approximately 4.2% from approximately US$3,477.6 million as at 31 December 2025 to approximately US$3,623.5 million as at 30 June 2026. As at 30 June 2026, the Group had cash and cash equivalents, and time deposits with original maturity of over three months amounting to approximately US$932.4 million, mainly denominated in US dollar, Renminbi, Japanese Yen and other currencies.

Total liabilities of the Group decreased by approximately 21.6% from approximately US$976.4 million as at 31 December 2025 to approximately US$765.3 million as at 30 June 2026. At 30 June 2026, the Group had interest-bearing bank loans of approximately US$33.1 million repayable within one year or on demand.

Further, the Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. As at 30 June 2026, the Group had no foreign exchange hedging instruments (31 December 2025: nil) of its foreign currency sales. The Group manages its foreign currency risk by closely monitoring the movement of the foreign currency rates.

As at 30 June 2026, the Group had current ratio (being the current assets divided by the current liabilities) of approximately 2.5 compared to that of 1.7 as at 31 December 2025. The Group monitors capital using a gearing ratio, which is net debt divided by the adjusted capital plus net debt. The Group's policy is to maintain a healthy gearing ratio. Net debt includes interest-bearing bank borrowings, lease liabilities, trade payables, other payables and accruals, less cash and cash equivalents, and time deposits with original maturity of over three months. Adjusted capital includes equity attributable to owners of the parent less the hedging reserve. The Group's gearing ratio were 0% and 0% as at 30 June 2026 and 31 December 2025, respectively.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no significant contingent liabilities (31 December 2025: nil).

CHARGE ON ASSETS

As at 30 June 2026, the Group's bank loans were secured by mortgages over the Group's land which had a net carrying amount of approximately US$10.1 million (31 December 2025: US$10.7 million).

EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2026, the Group had full-time employees (excluding crew members) totaling 2,438 (30 June 2025: 2,252). The related employees' costs for the period (including directors' emoluments) amounted to approximately US$119.0 million (30 June 2025: US$103.1 million). The Group recruited and promoted individual persons according to their strength and development potential. The Group determined the remuneration packages of all employees (including the directors) with reference to corporate performance, individual performance and current market salary scale. Further, the Company has adopted a share scheme on 26 April 2024 (the "**Share Scheme**") to provide incentive to eligible participants in order to promote the development and success of the business of the Group. Further information of the Company's share schemes are set out in the section headed "share schemes" in this report.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 30 January 2026, SITC Shipowning Group Company Limited (a wholly-owned subsidiary of the Company)("**SITC Shipowning**") exercised the options for the construction of two additional container vessels (the "**Vessels**") granted under the shipbuilding agreements dated 2 August 2025 between SITC Shipowning and Huanghai Shipbuilding Co., Ltd. (黃海造船有限公司) (the "**Builder**") at an aggregate consideration of US$76.36 million. Further details are set out in the announcement of the Company dated 30 January 2026. As of 30 June 2026, the Company has entered into contracts with the Builder for a total of 20 container vessels that are yet to be delivered.

Reference is made to the announcement of the Company dated 26 March 2026, in relation to the shipbuilding contracts dated 26 December 2025 between SITC Shipowning and Jiangsu Yangzi Hongyuan Shipbuilding Co., Ltd. and Jiangsu New Yangzi Shipbuilding Co., Ltd. (the "**Builders**") in relation to the construction of an aggregate of four Vessels and the Builders have granted to SITC Shipowning the options for the construction of a total of six additional Vessels. On 26 March 2026, SITC Shipowning exercised the options for the construction of six vessels at an aggregate consideration of US$136.8 million. As of 30 June 2026, the Company has entered into contracts with the Builders for a total of 10 container vessels that are yet to be delivered.

Save as disclosed above, the Group did not have other significant investments, material acquisitions or disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Company will continue to purchase container vessels and containers, and invest in logistics projects, as and when appropriate. The Company expects that the internal financial resources and bank borrowings will be sufficient to meet the necessary funding requirements.

Save as disclosed, the Company does not have any future plans for significant investments or capital assets as at the date of this report.

Other Information

INTERIM DIVIDEND

At the meeting of the board (the "**Board**") of directors (the "**Directors**") of the Company held on 19 August 2026 (Wednesday), the Board resolved to declare an interim dividend of HK$1.50 (equivalent to US$0.19) per share of the Company (the "**Share**") for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$1.30) to shareholders of the Company (the "**Shareholders**") whose name appear on the register of members of the Company at the close of business on 8 September 2026 (Tuesday). The dividend is expected to be paid on or before 15 September 2026 (Tuesday).

There is no arrangement that a Shareholder has waived or agreed to waive any dividends.

SHARE SCHEMES

Share Award Scheme

A share award scheme was adopted by the Board on 13 September 2017 (the "**Share Award Scheme**") to:

(a) recognise and motivate the contributions by certain eligible participants, being any employee of the Company and/or any member of the Group and non-executive directors of the Company and/or any member of the Group (excluding those who have tendered his/her resignation or who have been given a notice of dismissal by the Company and/or the relevant member of the Group) and to give incentives thereto in order to retain them for the continual operation and development of the Group;

(b) attract suitable personnel for further development of the Group; and

(c) provide certain eligible participants with a direct economic interest in attaining a long-term relationship between the Group and certain eligible participants.

The Board shall, after having taken into regard the results and all relevant circumstances and affairs of the Group, determine from time to time the maximum amount of the fund to be contributed by the Company for purchasing Shares for the Shares pool under the Share Award Scheme. At no point in time shall the independent trustee (the "**Trustee**") be holding more than 5% of the total number of Shares in issue under the Share Award Scheme. As at 30 June 2026, there were nil unvested share awards under the Share Award Scheme.

There is no maximum entitlement of each selected participant under the Share Award Scheme. The Board may, from time to time, at its absolute discretion select any eligible participant(s) for participation in the Share Award Scheme as a selected participant and, subject to compliance with the Listing Rules, determine the number of Shares to be awarded.

The Share Award Scheme does not specify a minimum vesting period or any amount payable on application or acceptance of the award. Subject to the fulfilment of all vesting conditions specified by the Board at the time of making the award and become entitled to the Shares forming the subject of the award, the Trustee shall transfer the relevant vested Shares to that selected participant at no cost.

The Share Award Scheme shall be valid and effective for a term of ten years commencing on the date of adoption (i.e. 13 September 2017), which was cancelled upon the adoption of the new Share Scheme by the Shareholders at the annual general meeting of the Company held on 26 April 2024.

The following are details of the awards granted pursuant to the Share Award Scheme as at 30 June 2026:

Grantee and position	Date of grant of awards	Number of unvested awards as at 1 January 2026	Number of awards granted during the period	Number of awards vested during the period	Number of awards cancelled during the period	Number of awards lapsed during the period	Number of unvested awards as at 30 June 2026
Directors							
Yang Xianxiang	17 August 2023[1]	1,783,317	–	1,783,317[2]	–	–	–
Xue Mingyuan	17 August 2023[1]	1,365,994	–	1,365,994[2]	–	–	–
Liu Kecheng	17 August 2023[1]	740,450	–	740,450[2]	–	–	–
Lai Zhiyong	17 August 2023[1]	316,210	–	316,210[2]	–	–	–
Yang Xin	17 August 2023[1]	5,000	–	5,000[2]	–	–	–
Tse Siu Ngan	17 August 2023[1]	5,000	–	5,000[2]	–	–	–
Liu Ka Ying, Rebecca	17 August 2023[1]	5,000	–	5,000[2]	–	–	–
Hu Mantian	17 August 2023[1]	5,000	–	5,000[2]	–	–	–
		4,225,971	–	4,225,971	–	–	–
Other employees							
Employees of the Group	17 August 2023[1]	16,674,575	–	16,664,675	9,900[3]	–	–
		16,674,575	–	16,664,675	9,900	–	–
Total		20,900,546	–	20,890,646	9,900	–	–

Notes:

(1) On 17 August 2023, an aggregate of 21,487,433 awarded Shares were granted to the selected participants.

(2) The weighted average closing price of the Shares immediately before the date on which the awarded Shares were vested was HK$28.75.

(3) During the period, an aggregate of 9,900 awarded Shares were cancelled with nil purchase price.

Share Scheme

The share scheme adopted by the Company held on 26 April 2024 (the "**Share Scheme**") in compliance with the amendments to Chapter 17 of the Listing Rules that came into effect on 1 January 2023, and to replace the Share Award Scheme.

The purpose

The purpose of the Share Scheme is to provide incentive to the eligible participants under the Share Scheme (the "**Eligible Participants**") in order to promote the development and success of the business of the Group. The Share Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group.

The Eligible Participants

The eligible participants under the Share Scheme (the "**Eligible Participants**") include:

(i) the directors and employees (whether full-time, part-time or other employment arrangement) of any member of the Group (including persons who are granted Awards (as defined below) under the Share Scheme as inducement to enter into employment contracts with any member of the Group) (the "**Employee Participants**"); and

(ii) the directors and employees (whether full-time, part-time or other employment arrangement) of the holding companies, fellow subsidiaries, associated companies or investee companies of the Company (the "**Related Entity Participants**").

Maximum number of Shares subject to the Share Scheme

The total number of Shares which may be issued upon exercise of all awards to be granted under the Share Scheme ("**Awards**", which may be share options or share awards) together with all options and awards which may be granted under any other schemes for the time being of the Company (the "**Scheme Mandate**") shall not exceed such number of Shares as equals 10% of the Shares in issue as at the adoption date, which is 268,265,336 Shares, representing approximately 9.89% of the issued Shares as at the date of this report.

Maximum entitlement of each Eligible Participant

Where (a) any grant of an Award to an independent non-executive Director or a substantial shareholder (as defined in the Listing Rules), or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 0.1% of the Shares in issue, or (b) any grant of share awards (i.e., excluding grant of share options) under the Share Scheme to any Director (other than an independent non-executive Director) or chief executive of the Company), or any of their respective associates, would result in the Shares issued and to be issued in respect of all awards granted (excluding any Awards lapsed in accordance with the terms of the relevant schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue at the date of such grant, such grant must be approved by the Shareholders in a general meeting of the Company.

The grant of Awards to an Eligible Participant in any twelve (12)-month period must not in aggregate exceed 1% of the Shares in issue. Where any grant of an Award to an Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue, such grant must be approved by the Shareholders in a general meeting of the Company.

Time of exercise of options

Subject to the terms of the Share Scheme, an Award may be exercised at any time during the period stipulated in the offer (the "**Offer**") to the Eligible Participant, provided that such period shall not go beyond the day immediately prior to the tenth anniversary of the offer date with respect of the relevant Award.

The Board may at its discretion specify any condition in the offer letter, including performance target or clawback mechanism, at the grant of the relevant Award which must be satisfied before an Award may be exercised. The exercise of the share options is subject to the Eligible Participants satisfying all such conditions, without triggering any clawback mechanism.

Vesting period

Save for the circumstances prescribed below, an Award must be held by the Eligible Participant who accepts the Offer in accordance with the terms of the Share Scheme for a period that is not shorter than the period commences on the offer date and ending on the day immediately prior to the first anniversary thereof (the "**Minimum Period**") before the Award can be vested.

The Board may at its discretion grant Awards with a vesting period shorter than the Minimum Period in the following circumstances: (1) grants of "make-whole" Awards to new joiners to replace the share options or award shares they forfeited when leaving the previous employers; (2) grants to an Eligible Participant whose employment is terminated due to death or occurrence of any out of control event; (3) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch; (4) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or (5) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

Acceptance

An Offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all the new Shares underlying an Award which are offered to such Eligible Participant when the duplicate letter or acknowledgment comprising acceptance of the Offer duly signed or acknowledged by the Eligible Participant, together with a payment in favour of the Company of HK$1.00 or such other amount (if any) that may be determined by the Board as consideration for the grant thereof, is received by the Company.

Exercise price and issue price

In respect of share options, the exercise price shall be determined by the Board at its absolute discretion, provided that it shall not be less than the highest of (1) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the offer date, which must be a business day; (2) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the offer date; and (3) the nominal value of the Share on the offer date.

In respect of share awards, the issue price shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the offer letter. For the avoidance of doubt, the Board may determine the issue price to be nil.

Remaining life of the Share Scheme

The Share Scheme shall be valid and effective until the close of the business day on which falls on the date immediately prior to the tenth anniversary of the adoption date. As at the date of this report, the remaining life of the Share Scheme is approximately 7 years and 8 months.

The following are details of the share awards granted or to be granted pursuant to the Share Scheme as at 30 June 2026:

Grantee and position	Date of grant of awards	Number of unvested share awards as at 1 January 2026	Number of share awards granted during the period	Number of share awards vested during the period	Number of share awards cancelled during the period	Number of share awards lapsed during the period	Number of unvested share awards as at 30 June 2026
Directors							
Yang Xianxiang	2 September 2024[(1)]	800,000	–	-	–	–	800,000
	29 April 2025[(2)]	1,650,000	–	–	–	–	1,650,000
	4 May 2026[(3)]	–	1,500,000	–	–	–	1,500,000
Xue Mingyuan	2 September 2024[(1)]	600,000	–	–	–	–	600,000
	29 April 2025[(2)]	1,000,000	–	–	–	–	1,000,000
	4 May 2026[(3)]	–	980,000	–	–	–	980,000
Liu Kecheng	2 September 2024[(1)]	350,000	–	–	–	–	350,000
	29 April 2025[(2)]	500,000	–	–	–	–	500,000
	4 May 2026[(3)]	–	430,000	–	–	–	430,000
Lai Zhiyong	2 September 2024[(1)]	400,000	–	–	–	–	400,000
	29 April 2025[(2)]	430,000	–	–	–	–	430,000
	4 May 2026[(3)]	–	380,000	–	–	–	380,000
Yang Xin	2 September 2024[(1)]	50,000	–	–	–	–	50,000
	29 April 2025[(2)]	100,000	–	–	–	–	100,000
	4 May 2026[(3)]	–	100,000	–	–	–	100,000
Tse Siu Ngan	2 September 2024[(1)]	8,000	–	–	–	–	8,000
	29 April 2025[(2)]	15,000	–	–	–	–	15,000
	4 May 2026[(3)]	–	10,000	–	–	–	10,000

Grantee and position	Date of grant of awards	Number of unvested share awards as at 1 January 2026	Number of share awards granted during the period	Number of share awards vested during the period	Number of share awards cancelled during the period	Number of share awards lapsed during the period	Number of unvested share awards as at 30 June 2026
Liu Ka Ying, Rebecca	2 September 2024[1]	6,000	–	–	–	–	6,000
	29 April 2025[2]	10,000	–	–	–	–	10,000
	4 May 2026[3]	–	8,000	–	–	–	8,000
Hu Mantian	2 September 2024[1]	6,000	–	–	–	–	6,000
	29 April 2025[2]	10,000	–	–	–	–	10,000
	4 May 2026[3]	–	8,000	–	–	–	8,000
		5,935,000	3,416,000	–	–	–	9,351,000
Other employees							
Employees of the Group	2 September 2024[1]	5,095,158	–	–	5,850	–	5,089,308
	29 April 2025[2]	9,932,420	–	–	15,341	–	9,917,079
	4 May 2026[3]	–	8,898,433	–	2,638	–	8,895,795
Related Entity Participants	2 September 2024[1]	198,176	–	–	–	–	198,176
	29 April 2025[2]	332,136	–	–	–	–	332,136
	4 May 2026[3]	–	324,665	–	–	–	324,665
		15,557,890	9,223,098	–	23,829	–	24,757,159
Total		21,492,890	12,639,098	–	23,829	–	34,108,159

Notes:

(1) On 2 September 2024, an aggregate of 7,582,548 share awards were granted to the selected participants with nil purchase price. Subject to the terms of the Share Scheme, the share awards shall be vested on the third anniversary of the date of grant, i.e. 2 September 2027. The vesting of the share awards is not subject to any performance targets.

(2) On 29 April 2025, an aggregate of 14,000,000 share awards were granted to the selected participants with nil purchase price. Subject to the terms of the Share Scheme, the share awards shall be vested on the third anniversary of the date of grant, i.e. 29 April 2028. The vesting of the share awards is not subject to any performance targets.

(3) On 4 May 2026, an aggregate of 12,639,098 share awards were granted to the selected participants with nil purchase price. Subject to the terms of the Share Scheme, the share awards shall be vested on the third anniversary of the date of grant, i.e. 4 May 2029. The vesting of the share awards is not subject to any performance targets. The closing price of the Shares immediately before the date of grant was HK$32.68.

(4) The fair value of the share awards granted on 4 May 2026 was HK$417,090,000. The fair value of share awards granted during the six months ended 30 June 2026 was estimated as at the date of grant by reference to the closing price per share as stated in the daily quotation sheets issued by the Stock Exchange, taking into account all non-vesting conditions associated with the grants. No other features of the awards granted were incorporated into the measurement of fair value.

The aggregate number of options and awards available for grant as at 1 January 2026 and 30 June 2026 is set out below:

	As at 1 January 2026	As at 30 June 2026
Number of awards available for grant under the Share Award Scheme	Nil	Nil
Number of Awards available for grant under the Scheme Mandate	251,708,338	240,168,121
Total number of options and awards available for grant(Note)	251,708,338	240,168,121

Note: No service provider sublimit was set under the Scheme Mandate.

During the six months ended 30 June 2026, an aggregate of 12,639,098 share awards were granted to the selected participants under the Share Scheme, among which, (i) 1,098,881 share awards shall be satisfied by existing Shares; and (ii) 11,540,217 share awards shall be satisfied by 11,540,217 new Shares that were allotted and issued on 5 May 2026. Accordingly, no further Shares will be issued in respect of the Awards granted under the Share Scheme during the six months ended 30 June 2026. The number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the six months ended 30 June 2026 divided by the weighted average number of Shares in issue for the six months ended 30 June 2026 is therefore not applicable.

INTEREST AND SHORT POSITIONS OF DIRECTORS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES

As at 30 June 2026, the interest or short position of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) required to be kept by the Company under section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "**Model Code**") as set out in Appendix C3 to the Listing Rules, were as follows:

(i) Interest in the Shares

Name of Director	Nature of interest	Number of Shares[1]	Approximate percentage of shareholding
Yang Xianxiang[2]	Interest in controlled corporation	233,814,950 (L)	8.62%
	Beneficial owner	1,783,317 (L)	0.07%
Xue Mingyuan	Beneficial owner	5,154,512 (L)	0.19%
Liu Kecheng[3]	Interest in controlled corporation	43,780,737 (L)	1.61%
	Beneficial owner	69 (L)	0.00%
Lai Zhiyong	Beneficial owner	2,235,568 (L)	0.08%
Yang Xin	Beneficiary of a trust	1,097,794,544 (L)	40.49%
	Beneficial owner	5,000 (L)	0.00%
Tse Siu Ngan	Beneficial owner	19,000 (L)	0.00%
Liu Ka Ying, Rebecca	Beneficial owner	10,000 (L)	0.00%
Hu Mantian (Mandy)	Beneficial owner	12,000 (L)	0.00%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) 233,814,950 Shares were held by JIXIANG Limited, which was owned as to 100% by Mr. Yang Xianxiang.

(3) 43,780,737 Shares were held by YICHENG Group Limited, which was owned as to 100% by Mr. Liu Kecheng.

(ii) Interest in underlying Shares

Name of Director	Nature of interest	Number of Shares subject to vesting under the Share Scheme	Approximate percentage of shareholding attributable to the Shares subject to vesting under the Share Scheme
Yang Xianxiang	Beneficiary of a trust	3,950,000	0.15%
Xue Mingyuan	Beneficiary of a trust	2,580,000	0.10%
Liu Kecheng	Beneficiary of a trust	1,280,000	0.05%
Lai Zhiyong	Beneficiary of a trust	1,210,000	0.04%
Yang Xin	Beneficiary of a trust	250,000	0.01%
Tse Siu Ngan	Beneficiary of a trust	33,000	0.00%
Liu Ka Ying, Rebecca	Beneficiary of a trust	24,000	0.00%
Hu Mantian	Beneficiary of a trust	24,000	0.00%

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executive of the Company had or were deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 30 June 2026, the following persons (other than the Directors and chief executive of the Company) had interest and/or short position in the Shares or underlying Shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Name	Capacity	Number of Shares[1]	Approximate percentage of shareholding
Yang Shaopeng[2]	Founder of a discretionary trust	1,097,794,544 (L)	40.49%
TMF (Cayman) Ltd.[2]	Trustee	1,097,794,544 (L)	40.49%
Better Master Limited[2]	Interest in controlled corporation	1,097,794,544 (L)	40.49%
Resourceful Link Management Limited[2]	Beneficial owner	1,097,794,544 (L)	40.49%
Liu Rongli[3]	Interest of spouse	1,097,794,544 (L)	40.49%
JIXIANG Limited[4]	Beneficial owner	233,814,950 (L)	8.62%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

(2) 1,097,794,544 Shares were held by Resourceful Link Management Limited, which was owned as to 100% by Better Master Limited, which was in turn owned as to 100% by TMF (Cayman) Ltd., the trustee of a family trust established Mr. Yang Shaopeng.

(3) Ms. Liu Rongli is the spouse of Mr. Yang Shaopeng and is deemed to be interested in all the Shares held by Mr. Yang Shaopeng by virtue of the SFO.

(4) JIXIANG Limited was owned as to 100% by Mr. Yang Xianxiang.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any person (other than the Directors or the chief executive of the Company) who had interests or short positions in the Shares and underlying Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

CORPORATE GOVERNANCE

The Company is committed to maintaining stringent corporate governance practices and procedures with a view to enhancing investor confidence and the Company's accountability and transparency. For the six months ended 30 June 2026, the Board is of the view that the Company has complied with the code provisions set out in Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules and there had been no deviation from the code provisions set out in the CG Code for the six months ended 30 June 2026.

DIRECTORS' SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules and devised its own code of conduct regarding directors' dealings in the Company's securities (the "**Code of Conduct**") on terms no less exacting than the Model Code. Having made specific enquiries, all Directors confirmed that they have complied with the Model Code during the six months ended 30 June 2026.

UPDATE ON INFORMATION OF DIRECTORS UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to rule 13.51B(1) of the Listing Rules, the changes in information of the Directors Since the publication of the 2025 annual report and up to the date of this interim report are set out as follows:

Dr. Liu Ka Ying, Rebecca, has been appointed as a corporate director of Tatung System Technologies Inc. (a company listed on the Taiwan Stock Exchange, stock code: 8099) from 25 June 2026.

Save as disclosed above, as at the date of this report, the Company is not aware of any change in the Directors' information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

PURCHASE, SALE AND REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company maintained the prescribed public float under the Listing Rules throughout six months ended 30 June 2026.

AUDIT COMMITTEE

The Company has an audit committee (the "**Audit Committee**") which was established in compliance with the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal control. The Audit Committee comprises three independent non-executive Directors. The members currently are Dr. Liu Ka Ying, Rebecca (chairlady of the Audit Committee), Mr. Tse Siu Ngan and Dr. Hu Mantian (Mandy). The Audit Committee and the Company's management have reviewed the accounting principles and practices adopted by the Group, and discussed internal control and financial reporting matters including review of the unaudited interim results of the Group and the interim report of the Company for the six months ended 30 June 2026.

PUBLICATION OF INTERIM REPORT

The interim report of the Company for the six months ended 30 June 2026 containing all the information required by the Listing Rules is available on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.sitc.com).

For and on behalf of the Board
YANG Xianxiang
Chairman

19 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	Notes	Six months ended 30 June 2026 US$'000 (Unaudited)	Six months ended 30 June 2025 US$'000 (Unaudited)
REVENUE	3	**1,842,065**	1,664,489
Cost of sales		**(1,108,832)**	(995,058)
Gross profit		**733,233**	669,431
Other income, gains and losses, net	4	**30,080**	37,822
Administrative expenses		**(79,445)**	(67,809)
Other expenses, net		**(1,804)**	(1,673)
Finance costs	5	**(6,995)**	(8,466)
Share of profits of:			
Joint ventures		**16,810**	13,348
Associates		**525**	954
PROFIT BEFORE TAX	6	**692,404**	643,607
Income tax	7	**(11,935)**	(10,159)
PROFIT FOR THE PERIOD		**680,469**	633,448

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges – Effective portion of changes in fair value of hedging instruments	**–**	(1,455)
Exchange differences on translation of foreign operations	**10,475**	12,842
Share of other comprehensive income of joint ventures	**385**	2,525
Share of other comprehensive income of associates	**557**	78
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**11,417**	13,990

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 30 June 2026

	Note	Six months ended 30 June 2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF INCOME TAX		**11,417**	13,990
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**691,886**	647,438
Profit for the period attributable to:			
Shareholders of the Company		**676,541**	629,995
Non-controlling interests		**3,928**	3,453
		680,469	633,448
Total comprehensive income for the period attributable to:			
Shareholders of the Company		**687,419**	642,301
Non-controlling interests		**4,467**	5,137
		691,886	647,438
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	9		
Basic (US$ per share)		**0.25**	0.24
Diluted (US$ per share)		**0.25**	0.23

Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	**1,726,160**	1,793,360
Right-of-use assets		**323,845**	326,144
Advance payments for acquisition of vessels		**124,337**	52,467
Goodwill		**1,043**	1,014
Other intangible assets		**1,578**	1,579
Investments in joint ventures		**69,870**	65,686
Investments in associates		**15,365**	13,885
Total non-current assets		**2,262,198**	2,254,135
CURRENT ASSETS			
Bunkers		**70,729**	51,354
Trade receivables	11	**235,989**	184,062
Prepayments, deposits and other receivables		**48,490**	39,018
Derivative financial instruments		**–**	387
Financial assets at fair value through profit or loss	12	**73,694**	167,386
Time deposits with original maturity of over three months		**720,241**	537,644
Cash and cash equivalents		**212,156**	243,584
Total current assets		**1,361,299**	1,223,435

Condensed Consolidated Statement of Financial Position

30 June 2026

	Notes	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
CURRENT LIABILITIES			
Trade payables	13	**273,367**	235,244
Other payables and accruals	14	**160,152**	164,932
Dividend payables		**–**	242,831
Bank borrowings		**33,117**	18,939
Lease liabilities		**66,986**	59,265
Income tax payables		**443**	3,881
Total current liabilities		**534,065**	725,092
NET CURRENT ASSETS		**827,234**	498,343
TOTAL ASSETS LESS CURRENT LIABILITIES		**3,089,432**	2,752,478
NON-CURRENT LIABILITIES			
Lease liabilities		**227,301**	246,042
Provision for reinstatement costs		**3,892**	5,230
Total non-current liabilities		**231,193**	251,272
Net assets		**2,858,239**	2,501,206

Condensed Consolidated Statement of Financial Position

30 June 2026

	Note	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
EQUITY			
Equity attributable to shareholders of the Company			
Issued capital	15	**34,954**	34,806
Reserves		**2,796,971**	2,443,732
		2,831,925	2,478,538
Non-controlling interests		**26,314**	22,668
Total equity		**2,858,239**	2,501,206

For the six months ended 30 June 2026 (unaudited)

	Note	Attributable to shareholders of the Company												
		Issued capital US$'000 (unaudited)	Share premium account US$'000 (unaudited)	Shares held under the Share Scheme account US$'000 (unaudited)	Share-based compensation reserve US$'000 (unaudited)	Capital and other reserves US$'000 (unaudited)	Hedging reserve US$'000 (unaudited)	Fair value reserve US$'000 (unaudited)	Exchange fluctuation reserve US$'000 (unaudited)	Reserve funds US$'000 (unaudited)	Retained profits US$'000 (unaudited)	Total US$'000 (unaudited)	Non-controlling interests US$'000 (unaudited)	Total equity US$'000 (unaudited)
At 1 January 2026		34,806	445,484*	(93,809)*	58,103*	(9,542)*	4,105*	21*	(16,770)*	7,021*	2,049,119*	2,478,538	22,668	2,501,206
Profit for the period		-	-	-	-	-	-	-	-	-	676,541	676,541	3,928	680,469
Other comprehensive income for the period:														
Exchange differences on translation of foreign operations		-	-	-	-	-	-	-	9,936	-	-	9,936	539	10,475
Share of other comprehensive income of:														
Joint ventures		-	-	-	-	-	-	-	385	-	-	385	-	385
Associates		-	-	-	-	-	-	-	557	-	-	557	-	557
Total comprehensive income for the period		-	-	-	-	-	-	-	10,878	-	676,541	687,419	4,467	691,886
Capital contribution from non-controlling equity holders of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	1,252	1,252
Acquisition of non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	(213)	(213)
Issue of shares under the Share Scheme	15	148	48,453	(48,601)	-	-	-	-	-	-	-	-	-	-
Vesting of share awards under the Share Scheme		-	-	39,688	(39,688)	-	-	-	-	-	-	-	-	-
Repurchase of shares under the Share Scheme		-	-	(3,933)	-	-	-	-	-	-	-	(3,933)	-	(3,933)
Share award expense		-	-	-	14,473	-	-	-	-	-	-	14,473	-	14,473
Dividend declared to non-controlling equity holders of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	(1,860)	(1,860)
Final 2025 dividend paid		-	-	-	-	-	-	-	-	-	(344,572)	(344,572)	-	(344,572)
At 30 June 2026		34,954	493,937*	(106,655)*	32,888*	(9,542)*	4,105*	21*	(5,892)*	7,021*	2,381,088*	2,831,925	26,314	2,858,239

* These reserve accounts comprise the consolidated reserves of US$2,796,971,000 (unaudited) (31 December 2025: US$2,443,732,000) in the condensed consolidated statement of financial position as at 30 June 2026.

For the six months ended 30 June 2025 (unaudited)

	Note	Attributable to shareholders of the Company												
		Issued capital US$'000 (unaudited)	Share premium account US$'000 (unaudited)	Shares held under the Share Scheme account US$'000 (unaudited)	Share-based compensation reserve US$'000 (unaudited)	Capital and other reserves US$'000 (unaudited)	Hedging reserve US$'000 (unaudited)	Fair value reserve US$'000 (unaudited)	Exchange fluctuation reserve US$'000 (unaudited)	Reserve funds US$'000 (unaudited)	Retained profits US$'000 (unaudited)	Total US$'000 (unaudited)	Non-controlling interests US$'000 (unaudited)	Total equity US$'000 (unaudited)
At 1 January 2025		34,641	411,350	(100,774)	73,251	(9,542)	8,531	21	(27,056)	6,100	2,007,714	2,404,236	17,268	2,421,504
Profit for the period		-	-	-	-	-	-	-	-	-	629,995	629,995	3,453	633,448
Other comprehensive income/(loss) for the period:														
Cash flow hedges, net of income tax		-	-	-	-	-	(1,455)	-	-	-	-	(1,455)	-	(1,455)
Exchange differences on translation of foreign operations		-	-	-	-	-	-	-	11,158	-	-	11,158	1,684	12,842
Share of other comprehensive income of:														
Joint ventures		-	-	-	-	-	-	-	2,525	-	-	2,525	-	2,525
Associates		-	-	-	-	-	-	-	78	-	-	78	-	78
Total comprehensive income/(loss) for the period		-	-	-	-	-	(1,455)	-	13,761	-	629,995	642,301	5,137	647,438
Capital contribution from non-controlling equity holders of a subsidiary		-	-	-	-	-	-	-	-	-	-	-	1,062	1,062
Issue of shares upon exercise of share options under the post-IPO share option scheme	15	2	98	-	(22)	-	-	-	-	-	-	78	-	78
Issue of shares under the Share Scheme	15	163	34,036	(34,199)	-	-	-	-	-	-	-	-	-	-
Vesting of share awards under the Share Scheme		-	-	42,077	(42,077)	-	-	-	-	-	-	-	-	-
Repurchase of shares under the Share Scheme		-	-	(4,040)	-	-	-	-	-	-	-	(4,040)	-	(4,040)
Share award expense		-	-	-	9,280	-	-	-	-	-	-	9,280	-	9,280
Dividend declared to non-controlling equity holders of subsidiaries		-	-	-	-	-	-	-	-	-	-	-	(1,379)	(1,379)
Final 2024 dividend paid		-	-	-	-	-	-	-	-	-	(487,315)	(487,315)	-	(487,315)
At 30 June 2025		34,806	445,484	(96,936)	40,432	(9,542)	7,076	21	(13,295)	6,100	2,150,394	2,564,540	22,088	2,586,628

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	**713,501**	704,623
Interest income received	**15,466**	19,782
Interest paid	**(696)**	(3,288)
Overseas tax paid	**(15,373)**	(12,314)
Net cash flows from operating activities	**712,898**	708,803
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	**(5,530)**	(66,331)
Proceeds from disposal of property, plant and equipment	**24,868**	30,340
Advance payments for acquisition of vessels	**(71,870)**	(5,796)
Investments in joint ventures	**–**	(258)
Investments in an associate	**(398)**	–
Redemption of investment in a joint venture	**–**	1,217
Purchase of financial assets at fair value through profit or loss	**(185,331)**	–
Proceeds from disposal of financial assets at fair value through profit or loss	**280,981**	690
Proceeds from disposal of derivative instruments – transactions not qualifying as hedges	**381**	–
Placement of non-pledged time deposits with original maturity of over three months	**(776,404)**	(73,220)
Withdrawal of non-pledged time deposits with original maturity of over three months	**593,807**	112,861
Withholding tax paid on dividends received	**(685)**	(316)
Dividends received from joint ventures	**13,696**	8,124
Net cash flows (used in)/from investing activities	**(126,485)**	7,311

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**–**	78
Repurchase of shares	**(3,933)**	(4,040)
Capital contribution from non-controlling equity holders of subsidiaries	**1,252**	1,062
Acquisition of non-controlling interests	**(213)**	–
New bank borrowings	**30,000**	15,000
Repayment of bank borrowings	**(15,646)**	(108,434)
Principal portion of lease payments	**(37,063)**	(38,948)
Dividends paid	**(587,403)**	(487,315)
Dividends paid to non-controlling equity holders of subsidiaries	**(1,860)**	(1,379)
Net cash flows used in financing activities	**(614,866)**	(623,976)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(28,453)**	92,138
Cash and cash equivalents at beginning of period	**243,584**	136,093
Effect of foreign exchange rate changes, net	**(2,975)**	2,005
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**212,156**	230,236
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances other than time deposits	**135,872**	170,236
Time deposits	**796,525**	628,760
Cash and bank balances	**932,397**	798,996
Less: Non-pledged time deposits with original maturity of over three months when acquired	**(720,241)**	(568,760)
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	**212,156**	230,236

1.1 CORPORATE INFORMATION

SITC International Holdings Company Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's principal place of business in Hong Kong is located at 31/F, Shui On Centre, 6-8 Harbour Road, Wan Chai, Hong Kong.

The Company and its subsidiaries (collectively referred to as the "**Group**") were principally engaged in the provision of integrated shipping logistics services, including provision of container transportation, freight forwarding, shipping agency, depot, warehousing services, land leasing and other services.

In the opinion of the directors, the immediate holding company of the Company is Resourceful Link Management Limited, which is incorporated in the British Virgin Islands (the "**BVI**"), and the ultimate holding company of the Company is Better Master Limited, which is incorporated in the BVI.

1.2 BASIS OF PREPARATION

This interim financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the disclosure requirements of Appendix D2 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). This interim financial information is presented in the United States dollar ("**US$**") and all values are rounded to the nearest thousand except when otherwise indicated.

This interim financial information has not been audited but has been reviewed by the Audit Committee of the Company. It does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's financial statements for the year ended 31 December 2025.

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information:

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim financial information.

1.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim financial information.

(c) *Annual Improvements to HKFRS Accounting Standards* – Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim financial information.

2. OPERATING SEGMENT INFORMATION

The Group's operating income was derived from the provision of container transportation, freight forwarding, shipping agency, depot, warehousing services, land leasing and other services. For the purposes of resource allocation and performance assessment, the chief operation decision maker (i.e. the executive directors of the Company) reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment.

3. REVENUE

An analysis of the Group's revenue is as follows:

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**1,840,490**	1,663,385
Revenue from another source:		
Rental income	**1,575**	1,104
Total	**1,842,065**	1,664,489

3. REVENUE (continued)

Notes:

(a) Disaggregated revenue information

	2026 US$'000 (Unaudited)	2025 US$'000 (Unaudited)
Type of services		
Container shipping and supporting logistics income	**1,646,812**	1,512,689
Other container logistics income*	**193,678**	150,696
Total revenue from contracts with customers	**1,840,490**	1,663,385
Revenue from another source	**1,575**	1,104
Total revenue	**1,842,065**	1,664,489
Geographical markets		
Greater China#	**903,682**	820,391
Southeast Asia	**504,494**	452,476
Japan	**337,329**	287,233
Others	**94,985**	103,285
Total revenue from contracts with customers	**1,840,490**	1,663,385
Revenue from another source	**1,575**	1,104
Total revenue	**1,842,065**	1,664,489
Timing of revenue recognition		
Services transferred over time and total revenue from contracts with customers	**1,840,490**	1,663,385
Revenue from another source	**1,575**	1,104
Total revenue	**1,842,065**	1,664,489

3. REVENUE (continued)

Notes: (continued)

(a) Disaggregated revenue information (continued)

* Other container logistics income includes freight forwarding income, shipping agency income, depot and warehousing income.

Greater China includes Chinese mainland, Hong Kong and Taiwan.

(b) Performance obligations

Information about the Group's performance obligations in contracts with customers is summarised below:

<u>Container shipping and supporting logistics income</u>
The performance obligation relates to provision of container marine transportation and is satisfied over time as services are rendered and payment is generally due within 15 days upon the completion of the voyage, except for selected customers, where the payment term can be extended up to 3 months.

<u>Other container logistics income</u>
The performance obligation is satisfied when the services including of integrated freight forwarding, and shipping agency, etc. are rendered and payment is generally due within 15 days from the date of billing.

4. OTHER INCOME, GAINS AND LOSSES, NET

An analysis of the Group's other income, gains and losses, net is as follows:

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Other income		
Bank interest income	**14,611**	19,782
Government subsidies*	**3,100**	772
Insurance compensation income	**2,666**	3
Others	**394**	14
Total other income	**20,771**	20,571
Gains/(losses), net		
Gains on disposal of property, plant and equipment, net	**7,351**	13,874
Loss on disposal of a joint venture	**–**	(603)
Fair value gain of financial assets at fair value through profit or loss, net	**1,958**	–
Foreign exchange differences, net	**–**	3,980
Total gains and losses, net	**9,309**	17,251
Other income, gains and losses, net	**30,080**	37,822

* The amount represented subsidies of US$3,100,000 (six months ended 30 June 2025: US$772,000) received from certain governmental authorities in Chinese mainland and Japan for the Group's operation of container shipping and logistics businesses, where there are no unfulfilled conditions or contingencies relating to these grants during the period.

5. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Interest on bank borrowings	**162**	3,288
Interest on lease liabilities	**6,725**	5,097
Increase in discounted amounts of provision for reinstatement costs arising from the passage of time	**108**	81
Total finance costs	**6,995**	8,466

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Cost of services provided:		
Cost of bunkers consumed	**174,160**	150,190
Others	**934,672**	844,868
Total	**1,108,832**	995,058
Depreciation of property, plant and equipment	**57,516**	57,211
Less: Included in cost of services provided	**(55,147)**	(54,935)
Total	**2,369**	2,276
Depreciation of right-of-use assets	**33,656**	27,523
Less: Included in cost of services provided	**(31,746)**	(26,051)
Total	**1,910**	1,472
Fair value (gains)/losses, net:		
Derivative instruments – transactions not qualifying as hedges*	**6**	128
Financial assets at fair value through profit or loss	**(1,958)**	–
Foreign exchange differences, net	**948***	(3,980)
Loss on disposal of a joint venture*	**–**	603
Impairment losses of trade receivables, net* (note 11(c))	**700**	516

* These items are included in "Other expenses, net" on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

7. INCOME TAX

	Six months ended 30 June 2026 US$'000 (Unaudited)	Six months ended 30 June 2025 US$'000 (Unaudited)
Current:		
Chinese mainland	**3,718**	3,206
Hong Kong	**707**	254
Elsewhere	**7,510**	6,699
Total tax expense for the period	**11,935**	10,159

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK$2,000,000 (six months ended 30 June 2025: HK$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (six months ended 30 June 2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (six months ended 30 June 2025: 16.5%). Taxes on profits assessable in Chinese mainland and elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

The share of income tax expense attributable to joint ventures and associates for the six months ended 30 June 2026 amounting to US$5,206,000 (six months ended 30 June 2025: US$4,029,000) and US$182,000 (six months ended 30 June 2025: US$335,000) are included in "Share of profits of joint ventures" and "Share of profits of associates" in the condensed consolidated statement of profit or loss and other comprehensive income, respectively.

8. INTERIM DIVIDEND

At the meeting of the board of directors of the Company (the "**Board**") held on 19 August 2026 (Wednesday), the Board resolved to declare an interim dividend of HK$1.50 (equivalent to US$0.19) (six months ended 30 June 2025: HK$1.30, equivalent to US$0.17) per share, totaling US$518,715,000 (six months ended 30 June 2025: US$447,118,000).

9. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the period attributable to shareholders of the Company, and the weighted average number of ordinary shares in issue during the period less shares held under the Share Scheme of the Company.

The calculation of the diluted earnings per share is based on the profit for the period attributable to shareholders of the Company; and the weighted average number of ordinary shares used in the calculation is the total of (i) weighted average number of ordinary shares in issue during the period, as used in the basic earnings per share calculation; (ii) the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all outstanding share options into ordinary shares; and (iii) the weighted average number of ordinary shares assumed to have been awarded at no consideration on the deemed exercise of all rights of shares held under the Share Scheme of the Company.

9. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (continued)

The calculations of the basic and diluted earnings per share amounts are based on:

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to shareholders of the Company, used in the basic and diluted earnings per share calculation	**676,541**	629,995

	Number of shares for the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Shares		
Weighted average number of ordinary shares in issue during the period less shares held under the Share Scheme, used in the basic earnings per share calculation	**2,669,559,758**	2,653,048,042
Effect of dilution – weighted average number of ordinary shares:		
Share options	**–**	28,417
Shares held under the Share Scheme	**33,934,954**	38,112,092
Weighted average number of ordinary shares during the period, used in the diluted earnings per share calculation	**2,703,494,712**	2,691,188,551

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of property, plant and equipment at a total cost of US$5,530,000 (six months ended 30 June 2025: US$79,815,000) and disposed of items of property, plant and equipment with an aggregate carrying amount of US$17,517,000 (six months ended 30 June 2025: US$15,989,000).

11. TRADE RECEIVABLES

	Notes	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
Trade receivables	(a)	**236,724**	185,007
Impairment	(c)	**(735)**	(945)
Net carrying amount		**235,989**	184,062

Notes:

(a) The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 15 days, extending up to three months for selected customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancement over its trade receivable balances. Trade receivables are non-interest-bearing.

11. TRADE RECEIVABLES (continued)

Notes: (continued)

(b) An ageing analysis of the trade receivables as at the end of reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
Within 1 month	**186,161**	150,293
1 to 2 months	**27,743**	20,185
2 to 3 months	**9,653**	4,671
Over 3 months	**12,432**	8,913
Total	**235,989**	184,062

(c) The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses rate of 0.1% (31 December 2025: 0.1%) is provided for the external customers with good credit. External customers with credit deterioration (i.e. overdue by more than 3 months) will be assessed on an individual basis for the provision of expected credit losses. Generally, trade receivables will be written off when past due for more than one year and are not subject to enforcement activity.

Receivables that were neither past due nor impaired related to a large number of diversified customers for whom there was no recent history of default.

(d) Included in the Group's trade receivables as at 30 June 2026 are amounts of US$55,568,000 (31 December 2025: US$43,654,000) and US$2,254,000 (31 December 2025: US$3,585,000) due from joint ventures and companies controlled by the Controlling Shareholder, respectively, which are repayable on credit terms similar to those offered to the selected customers of the Group.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
Fund investments	**73,694**	167,386

Note: The fund investments were classified as financial assets at fair value through profit or loss as they were held for trading.

13. TRADE PAYABLES

(a) An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2026 US$'000 (Unaudited)	31 December 2025 US$'000 (Audited)
Within 1 month	**208,671**	180,911
1 to 2 months	**29,141**	24,634
2 to 3 months	**7,203**	3,956
Over 3 months	**28,352**	25,743
Total	**273,367**	235,244

(b) Included in the Group's trade payables as at 30 June 2026 are amounts of US$12,097,000 (31 December 2025: US$8,815,000) and US$20,100,000 (31 December 2025: US$10,228,000) due to joint ventures and companies controlled by the Controlling Shareholders, respectively, which are repayable within 30 days.

(c) The trade payables are non-interest-bearing and are normally settled on terms ranging from 15 to 45 days.

14. OTHER PAYABLES AND ACCRUALS

Included in the balances as at 30 June 2026 comprise contract liabilities of US$44,145,000 (31 December 2025: US$25,516,000), which represented the advance payments received from the customers for the container shipping service and will be recognised as revenue when the performance obligation is satisfied.

15. SHARE CAPITAL

	30 June 2026		31 December 2025	
	HK$'000	US$'000 equivalent	HK$'000	US$'000 equivalent
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Authorised:				
5,000,000,000 ordinary shares of HK$0.1 each	**500,000**		500,000	
Issued and fully paid:				
2,711,528,233 (31 December 2025: 2,699,988,016) ordinary shares of HK$0.1 each	**271,153**	**34,954**	269,999	34,806

15. SHARE CAPITAL (continued)

A summary of the movement in the Company's issued share capital during the period is as follows:

	Number of issued and fully paid ordinary shares (Unaudited)	Issued share capital HK$'000 (Unaudited)	Issued share capital US$'000 equivalent (Unaudited)
At 1 January 2026	2,699,988,016	269,999	34,806
Issue of shares under the Share Scheme (note)	11,540,217	1,154	148
At 30 June 2026	2,711,528,233	271,153	34,954

Note: The shareholders of the Company approved the adoption of a new share scheme (the "Share Scheme") with effect from 26 April 2024 to replace the Share Award Scheme. 11,540,217 new shares were issued during the six months ended 30 June 2026 to satisfy the grant of share awards to eligible participants under the Share Scheme. Such shares are held by the trustee of the Share Scheme and will be transferred to the grantees upon the satisfaction of the vesting conditions. These shares were issued at the closing price of the Company's shares at the date of grant of HK$33.0, resulting in additional share capital of HK$1,154,000 (equivalent to approximately US$148,000) and share premium of HK$379,673,000 (equivalent to approximately US$48,453,000) before any issue expenses. These shares shall be vested on the third anniversary of the date of grant and accordingly were recorded in shares held under the Share Scheme account of the Group.

16. CAPITAL COMMITMENTS

At 30 June 2026, the Group had capital commitments of US$763,264,000 (31 December 2025: US$909,094,000) and US$2,841,000 (31 December 2025: US$1,581,000), which are contracted, but not provided for, in respect of acquisition of vessels and construction of intelligent depots, respectively.

17. RELATED PARTY DISCLOSURES

(a) The Group had the following transactions with related parties during the period:

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Companies controlled by the Controlling Shareholder:		
Container marine transportation service income	**16,021**	12,804
Container vessel rental expenses	**2,678**	4,404
Container rental expenses	**393**	246
Shipping agency fee expenses	**847**	770
Joint ventures:		
Container marine transportation service income	**65,928**	61,021
Freight forwarding service income for marine transportation	**260,010**	202,446
Warehousing expenses	**14,411**	5,894
Freight forwarding service expenses	**16,191**	11,794
Rental income from land and buildings	**1,914**	1,350
Container maintenance expenses	**1,445**	537
Technology outsourcing service income	**125**	123
Container maintenance income	**252**	270

The above transactions were conducted in accordance with the terms and conditions mutually agreed by the parties involved.

17. RELATED PARTY DISCLOSURES (continued)

(b) Compensation of key management personnel of the Group, which are also the directors of the Company, is as follows:

	Six months ended 30 June	
	2026	2025
	US$'000	US$'000
	(Unaudited)	(Unaudited)
Short-term employee benefits	**13,360**	1,171
Post-employment benefits	**27**	18
Share-based compensation expense	**4,497**	3,040
Total compensation paid to key management	**17,884**	4,229

(c) Outstanding balances with related companies

The balances with related companies represent balances with companies which are controlled by the Controlling Shareholder, the joint ventures and the associates. The balances are unsecured, interest-free and repayable on credit terms similar to those offered to the selected customers of the Group.

None of the balances with related companies are either past due or impaired. The financial assets included in the above balances related to receivables for which there was no recent history of default.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank balances, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, and dividend payables approximate to their carrying amounts largely due to the short term maturities of these instruments. In addition, management consider the Group's exposure to fair value and cash flow interest rate risks on the bank borrowings is insignificant as majority of the balances bear interest at fixed interest rates.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair values measurement of financial instruments. The finance manager reports directly to the Chief Financial Officer and the Audit Committee.

At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Chief Financial Officer. The valuation process and results are discussed with the Audit Committee twice a year for interim and annual financial reporting.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the financial assets and liabilities are included at the amounts at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(a) The Group enters into derivative financial instruments with various counterparties, principally financial institutions of creditworthy banks. Derivative financial instruments, including forward currency contracts and interest rate swaps, are measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves.

The carrying amount of forward currency contracts is the same are as their fair values.

(b) The fair value of fund investments is based on the reported net asset value in the monthly statement provided by the fund administrator. The net asset value is determined by quoted market prices at the end of the reporting period. The carrying amount of fund investment is the same of its fair value.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement of the Group's financial instruments:

Assets measured at fair value

At 30 June 2026

	Fair value measurement using			
	Quoted prices in active markets (Level 1) US$'000 (Unaudited)	**Significant observable inputs (Level 2) US$'000 (Unaudited)**	**Significant unobservable inputs (Level 3) US$'000 (Unaudited)**	**Total US$'000 (Unaudited)**
Financial assets at fair value through profit or loss	**73,694**	**–**	**–**	**73,694**

At 31 December 2025

	Fair value measurement using			
	Quoted prices in active markets (Level 1) US$'000 (Audited)	Significant observable inputs (Level 2) US$'000 (Audited)	Significant unobservable inputs (Level 3) US$'000 (Audited)	Total US$'000 (Audited)
Derivative financial instruments	–	387	–	387
Financial assets at fair value through profit or loss	167,386	–	–	167,386
Total	167,386	387	–	167,773

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Liabilities measured at fair value

The Group did not have financial liabilities measured at fair value as at 30 June 2026 and 31 December 2025.

During the period, there were no transfer of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2025: Nil).

19. COMPARATIVE AMOUNTS

The comparative condensed consolidated statement of cash flows has been reclassified and restated to conform with the current year's presentation.

20. APPROVAL OF INTERIM FINANCIAL INFORMATION

This interim financial information was approved and authorised for issue by the board of directors on 19 August 2026.