Orient Overseas (International) Limited

(Incorporated in Bermuda with members' limited liability)
Stock code: 0316.HK

INTERIM REPORT 2026

Contents

Chairman's Statement

In the first half of 2026, the global shipping market faced a complex and challenging external environment. The escalated tensions in the Middle East led to the closure of the Strait of Hormuz, causing international oil prices and marine fuel costs to surge sharply, thereby driving up the operating costs of container vessels. Continued disruptions from tariffs and trade policies affected the order of global trade, adding volatility and uncertainty to demand in the shipping industry. Amid such a volatile global political and economic landscape and shipping market, Orient Overseas (International) Limited ("OOIL") navigated changing market conditions with agility and adaptability, maintaining stable operating results. On behalf of the Board of Directors and the management of OOIL, I would like to express my sincere gratitude to all our sea and shore-based employees for their hard work and professionalism. I would also like to extend my heartfelt thanks to all our shareholders, customers and other stakeholders for their strong support and cooperation.

I am pleased to announce that OOIL and its subsidiaries (the "Group") recorded a profit attributable to shareholders of US$728 million for the six-month period ended 30th June 2026 (2025: US$954 million). The Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") amounted to US$1,255 million (2025: US$1,466 million) and an EBITDA margin was 24.3% (2025: 30.1%). The earnings per ordinary share for the first half of 2026 were US$1.10 (2025: US$1.44).

During the first half of 2026, the Group achieved new highs across a number of key metrics. Compared with interim results in previous years, liftings exceeded 4 million TEU, reaching a record high for the corresponding period. Liner revenue exceeded US$4.6 billion, the highest level outside the pandemic period. The Group's financial position remains robust, with liabilities-to-assets ratio maintained at a low level, laying a foundation for the Group's sustainable development and shareholder returns.

The Board of Directors is pleased to declare an interim dividend of US$0.55 per ordinary share (2025: US$0.72 per ordinary share).

The global container market did not normalise in the first half of 2026 as many had anticipated at the end of last year. Instead, the year progressed amid the uncertainties. With the escalation of conflict in the Middle East and repeated changes in the situation, the return to the Red Sea was once again delayed. More importantly, in combination with the resulting sharp fluctuations in oil prices, heightened inflation expectations and higher EU carbon emission cost, not only placed cost pressures on liners, but also affected the global economic outlook. In April 2026, the International Monetary Fund ("IMF") lowered its forecast for global economic growth in 2026 to 3.1%, and further revised it down to 3.0% in July, before the resume of conflict between the U.S. and Iran, while raising its forecast for 2027 from 3.2% to 3.4%. On the other hand, the restructuring of global supply chains and the development of regional trade continues to bear fruit, while trade activity in emerging markets remained vibrant, providing underlying support to the market. Meanwhile, uncertainty surrounding U.S. tariff and trade policies resurfaced. The U.S. government launched a large-scale Section 301 investigation as the principal alternative to the International Emergency Economic Power Act ("IEEPA") tariffs that were ruled invalid by the Supreme Court, with completion targeted for late July. The market is concerned that this could trigger another round of tariff increases and supply chain adjustments. Against this backdrop, supported by the need to restock inventory in the U.S., demand rose rapidly, giving rise to an earlier-than-usual peak season.

At the time of writing this report, our vessels sailing on vast majority of long-haul routes are fully loaded, and this is expected to continue in the coming weeks.

Amid a complex and rapidly changing market environment, we have remained firmly committed to steadily advancing the expansion, greening and digitalisation of our fleet. Following the ordering of two batches of methanol dual fuel container vessels, the Group announced in April 2026 the construction of 12 units of 13,600 TEU class LNG dual fuel container vessels, demonstrating our determination to build a greener fleet through multiple pathways while adapting to changing market conditions. In June, the OOCL Wisdom was delivered as scheduled. On 3rd July, after completing green methanol bunkering at Qingdao Port, she commenced her maiden voyage to Europe. This is the first green methanol dual fuel container vessel delivered to the Group and is currently the largest vessel of its type in the world. The successful deployment of OOCL Wisdom not only strengthened our effective capacity at the right time, but also marked a new milestone in turning OOCL's green strategy into real operational progress.

As global trade patterns continue to evolve and adjust, OOCL has continued to strengthen its East-West network operations while actively expanding its presence in emerging markets. We have deepened our development and optimisation in regional markets and strengthened the extension of our end-to-end business. Through a flexible but prudent operating model and a globalised supply chain framework, we strive to help customers address challenges and become a trusted long-term partner. To this end, we continue to leverage the strengths of the Ocean Alliance while deepening collaboration with COSCO SHIPPING Lines. We will continue to enhance service efficiency, strengthen cost control management and build a high-quality supply chain network that combines resilience and flexibility to address uncertainty in the shipping market.

Sustainability has always been a cornerstone of the Group's development. In recognition of our continuous efforts in this area, OOIL remains a constituent of a number of internationally recognised sustainability indices, including the Dow Jones Best-in-Class Asia Pacific Index and the FTSE4Good Index Series. We have also received a series of environmental and social awards, including the Hong Kong Awards for Environmental Excellence – Transport and Logistic Gold Award and the Hong Kong Sustainability Award – Distinction Award. Today, OOCL's Sustainability 6G Framework not only encompasses environmental stewardship, social responsibility and corporate governance objectives across multiple dimensions, but also enables us to identify opportunities to continue high quality self-development and sustainably create value for shareholders. For further details, I encourage readers to refer to our Sustainability Report available on the Company's website.

Today, OOCL has not only integrated artificial intelligence into its internal processes, vessel and container management, customer service, network operations, compliance and planning functions, but is also committed to building a digital and intelligent network across the entire end-to-end supply chain. Through enhancing overall supply chain efficiency, improving reliability and strengthening competitiveness, we are putting our mission into action – to be the most innovative international container transportation and logistics service provider.

Looking ahead, the global trade landscape continues to evolve, and market volatility may become the new normal. As new vessels continue to be delivered and the peak season approaches its end, freight rates may come under pressure. Although the global economy and container trade continue to face considerable uncertainty, demand retains a certain degree of resilience. At the same time, sudden geopolitical risks, changing trade and tariff policies, diverging regional economic developments, recurring port congestion and fragmented environmental regulatory requirements may all disrupt supply chains. These developments may from time to time test the responsiveness and adaptability of carriers, while also creating opportunities for their growth.

The Group will raise the bar on enhancing its resilience and sustainable development through the strengthening of its overall capabilities. We will continue to optimise capacity deployment and network configuration, advance the development of key corridors, and strengthen supply chain resource integration and end-to-end service capabilities. Adhering to the principle of prudent operation, we will reinforce cost control, actively expand market opportunities, and accelerate our digital and green transformation, to provide high quality and reliable services to our customers, while continuing to play an important role in connecting industries, markets and global trade.

Wan Min
Chairman

Hong Kong, China, 27th August 2026

Management Discussion and Analysis

RESULTS

For the first six months of 2026, Orient Overseas (International) Limited and its subsidiaries (the "Group") recorded a profit attributable to equity holders of US$728 million compared to US$954 million for the corresponding period of 2025.

INTERIM RESULTS ANALYSIS

US$'000	2026	2025
Profit/(Loss) Before Taxation by Activity:		
Container Transport and Logistics	723,722	964,869
Other Activities	(218)	8,171
Profit Before Taxation	723,504	973,040
Taxation	5,823	(17,905)
Profit for the Period Ended 30th June	729,327	955,135
Non-Controlling Interests	(1,377)	(906)
Profit Attributable to Equity Holders	727,950	954,229

Results of the Group's operations arise from its business of container transportation and logistics conducted through the "OOCL" brand, augmented by earnings from the Group's liquidity management and investment activities at holding company level.

CONTAINER TRANSPORT

OOCL recorded its highest ever first half-year liftings and liner revenue outside of the pandemic period. The total liftings for the first half of 2026 increased by 5.2% and total liner revenue increased by 5.5% year on year.

During the first half of 2026, the container shipping market experienced extreme volatility and remained far from the more normalised environment that many had initially anticipated. Expectations that carriers would have resumed regular passage through the Suez Canal by this point also did not materialise, at least for most carriers. In reality, most carriers continued to postpone their return to the Suez route and maintained the Cape of Good Hope routing that has been in place for more than two years. Freight rates began the year at elevated levels before gradually declining as the industry entered the traditional Lunar New Year slack season. Rates remained low until geopolitical instability in the Middle East abruptly intensified, leading to higher bunker costs, worsening port congestion, particularly in neighbouring regions, and renewed disruption to vessel schedules. Together with the arrival of an earlier-than-usual peak season in the second quarter, these factors supported a sharp rebound in freight rates across major trades.

Although the rebound in freight rates and higher volume from the second quarter contributed significantly to the revenue performance for the Group, costs also increased during the period. These cost pressures were driven by higher bunker costs arising from the conflict in the Middle East, rising inland transportation costs, greater bunker consumption from operating an expanding fleet, strong charterhire demand for small and medium-sized vessels that kept charter rates at elevated levels, and broader inflationary pressures. In this environment, maintaining strict cost discipline remains an important priority for the Group.

The industry continues to go through a period of transition, as heightened geopolitical uncertainty reshapes global supply chains into a more fragmented and multi-polar structure, making network planning ever more challenging. Against this backdrop, we accelerated the expansion in Intra-Asia and emerging markets to capture the opportunities arising from evolving trade patterns, while at the same time continuing to maintain our presence in the traditional East-West trades.

Trans-Pacific Trade

In the first half of 2026, the dynamics of the Trans-Pacific trade differed significantly between the first and second quarter. In the first quarter, both demand and freight rates underperformed compared to the same period last year, partly due to the high comparison base in the same period of 2025, when customers frontloaded shipments ahead of anticipated reciprocal tariffs between the U.S. and China that were implemented in April. This frontloading lifted volumes and freight rates in early 2025, making year-on-year performance in the first quarter of 2026 appear weaker by comparison. The market picture changed notably in the second quarter of 2026, as demand rebounded and freight rates strengthened with the arrival of an earlier-than-usual peak season. Shippers accelerated cargo movements to take advantage of more favourable tariff windows, while stronger booking momentum and tighter available space provided support to freight rates during the period.

OOCL's total Trans-Pacific liftings in the first half of 2026 increased by 7% when compared to the same period in 2025. Despite a slight 3% drop in revenue per TEU, overall revenue improved by 4%.

Asia/Europe Trade

In the first half of 2026, the Asia/Europe trade continued to be shaped by the prolonged disruption in the Red Sea, as our services continued to circumnavigate around the Cape of Good Hope rather than resuming passage through the Suez Canal. Although concerns over new vessel deliveries and excess nominal capacity persisted, the extended voyage distance, operational disruptions such as port congestion continued to absorb effective capacity. Market conditions were relatively soft in the early part of the year but noticeably improved from the second half of May as demand strengthened with an earlier-than-usual peak season.

Total liftings of OOCL's Asia/Europe trade increased by 9%, mainly due to the resumption of the LL3 service and greater demand when compared to the same period last year. As the LL3 service, which had been suspended in 2024 due to the Red Sea issue, only resumed in April 2025, the contribution from this service covered only part of the first half of 2025. By comparison, the LL3 route remained in operation throughout the first half of 2026, and its contribution covered the entire first half of 2026, resulting in a higher year-on-year lifting comparison against the smaller base in 2025. Overall revenue per TEU declined by 3%, resulting in overall revenue improving by 6%.

Trans-Atlantic Trade

The Trans-Atlantic trade was affected by the strong volumes and freight rates recorded in the first quarter of 2025, when customers frontloaded shipments on U.S.-related trade lanes ahead of anticipated tariff changes. As this factor was no longer present in the first quarter of 2026, both demand and revenue declined year on year. Key trade lane freight rates began showing signs of improvement from March. Market demand also gradually recovered during the second quarter, supported by an earlier-than-usual peak season and shippers accelerating cargo movements to take advantage of more favourable tariff windows. Although the trade remained competitive, the improvement in demand and stabilisation of freight rates provided support to the Trans-Atlantic trade's performance during the latter part of the first half.

Figuratively speaking, the total liftings for OOCL's Trans-Atlantic trade in the first half of 2026 rose by 0.3% when compared to the same period last year, and overall revenue decreased by 3% year-on-year mainly attributable to a 3% decline in revenue per TEU amid intense competition on the trade.

Intra-Asia/Australasia Trade

In the first half of 2026, the Intra-Asia/Australasia trade remained relatively resilient, supported by emerging markets, intra-regional demand and continued shifts in supply chains within Asia, as well as increased trade between Asia and Australia/New Zealand services. While tariff-related uncertainty continued to influence regional trade flows, demand was also supported by customers diversifying sourcing locations and by the growth of regional manufacturing and consumption. Although some disruptions arose as a result from the geopolitical instabilities in the Middle East which effectively cordoned off the ports inside the Strait of Hormuz and cargo had to be diverted to neighbouring ports, the impact to the overall network was still minor.

During this period, OOCL further strengthened its capacity deployment and market development on these trades. These trades also benefited from the earlier-than-usual peak season in the second quarter, with stronger booking momentum across selected Intra-Asia and Australasia services. As a result, total liftings increased by 3%, while revenue per TEU rose by 5%, resulting in overall revenue improving by 9%.

Bunker Cost

In the first half of 2026, OOCL recorded an average bunker price of approximately US$582 per ton, an 8% increase compared to US$541 per ton in the same period of 2025. The increase in bunker price and the rise in overall fuel oil and diesel consumption from operating a larger fleet resulted in higher bunker cost during the period. Bunker price volatility during the period continued to be influenced by geopolitical tensions, global economic conditions and fluctuations in crude oil price. While global supply chains showed signs of gradual stabilisation, developments in the Middle East, production decisions by major oil-producing countries and changing market demand continued to create uncertainty in bunker price.

LOGISTICS

In the first half of 2026, OOCL Logistics navigated a complex global landscape characterised by persistent geopolitical considerations, regional trade adjustments, and ongoing supply chain realignment. These conditions reinforced the imperative for diversification, agility, and technological enablement, aligning closely with our strategic focus.

Throughout the period, we maintained steady operational performance and sustained our commitment to integrated, end-to-end logistics solutions. Demand for sophisticated supply chain management services remained firm, underpinned by regionalisation trends and our customers' requirements for responsive supply chain networks. Our teams successfully navigated the complex operating environment, preserving service stability and supporting evolving sourcing and distribution needs.

Strategic progress was realised through focused investments in digitalisation. Building on our established platforms, we advanced the integration of predictive analytics and intelligent solutions to strengthen supply chain visibility and decision-support capabilities, contributing to improved operational efficiency and customer experience.

Our geographic expansion initiatives advanced according to plan. Our Kazakhstan office provided a foundation for developing Central Asian trade corridor expertise, with efforts focused on deepening operational capabilities and local partnerships. Preparatory work progressed for office setups in strategic locations including Egypt, Poland and France, designed to enhance service coverage. In Latin America, market entry planning progressed, laying groundwork for establishing a physical presence to capture regional growth opportunities.

In line with our 2026 budget priorities, we sustained investments in talent development, particularly in digital literacy and emerging market management. Our commitment to embedding sustainability and risk control frameworks remained integral to our operational approach.

Looking ahead, OOCL Logistics remains well-positioned to navigate the dynamic global landscape. We continue driving digital leadership and geographic expansion, while strengthening supply chain resilience and risk management. Our investments and strategic groundwork shall provide a solid foundation to deliver innovative and customer-centric logistics solutions in an ever-evolving international supply chain market.

VESSELS

In the first half of 2026, the Group took delivery of the first 24,168 TEU methanol dual fuel new building from Nantong COSCO KHI Ship Engineering Co., Ltd. (NACKS). The vessel is named "OOCL Wisdom" and is deployed to the Asia/Europe trade. The remaining six newbuild vessels of same series will be delivered from the fourth quarter of 2026 to first quarter of 2028.

The delivery of the Group's first methanol dual fuel new building marks a significant milestone for our innovation technology and low carbon development of our fleet.

For the long-term charter agreement, the Group entered with subsidiaries of Seaspan Corporation in October 2024 to charter six brand new 13,000 TEU class container vessels for 15 years from delivery, the first four vessels will be delivered to us in second half of 2026. For the remaining two new building vessels of same series, their contractual delivery date will be in first quarter of 2028.

Regarding the fourteen 18,500 TEU class methanol dual fuel new buildings the Group placed order in year 2025, they will be delivered from third quarter of 2028 to third quarter of 2029.

During the first half of 2026, the Group placed orders for twelve 13,600 TEU class LNG dual fuel new buildings from China Shipbuilding Trading Co., Ltd. and Hudong-Zhonghua Shipbuilding (Group) Co., Ltd. The delivery of these twelve new buildings will start from the third quarter of 2028 to first quarter of 2030.

OTHER ACTIVITIES

The other activities of the Group consist of property investments and other investment activities. The latter includes a centralised treasury department that manages the Group's liquidity and investments. The Group's property investments represent its long-standing ownership of Wall Street Plaza. Based on an independent valuer's valuation as at 30th June 2026, the assessed market value of Wall Street Plaza remained at US$200.0 million.

The investment in Wall Street Plaza is historical in nature and the Group currently has no intention of further investment in property other than as may arise in relation to the operation of our container transport and logistics business.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30th June 2026, the Group had cash and bank balances amounting to US$5.8 billion and total debt of US$1.3 billion. Net cash (representing cash and bank balances deducted by total debt) as at 30th June 2026 was therefore US$4.5 billion, compared to a net cash of US$5.0 billion in 2025 year-end. The Group had a net cash to equity ratio of 0.33 as at 30th June 2026, compared with 0.37 as at the end of 2025.

The debt of the Group comprises lease liabilities which are mainly denominated in US dollar. The Group's debts are monitored to ensure a smooth repayment schedule to maturity. The profile of the Group's lease liabilities is set out in Note 17 to the Interim Financial Information.

The cash and bank balances of the Group are predominantly cash deposits placed with a variety of banks and with tenors ranging from overnight to up to 1 year. We review the list of approved banks and the exposure limits of each bank on a regular basis.

Given the inherently volatile nature of shipping industry earnings and the fluctuations of its asset values, the Group maintains a portion of its liquid assets in a portfolio of longer tenor investments. The Group's investment portfolio of US$44.4 million as at 30th June 2026 is predominantly comprised of investment grade bonds.

CURRENCY EXPOSURE AND RELATED HEDGES

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to fluctuation in the exchange rates of foreign currencies to the US dollar. Income and expenses from container transport and logistics activities are mainly denominated in US dollar and in various currencies, mainly including Australian dollar, Canadian dollar, Euro, Japanese yen and Renminbi.

EMPLOYEE INFORMATION

As at 30th June 2026, the Group had 8,770 full-time equivalent headcount (excluding 3,190 sea farers). Salary and benefit levels are maintained at competitive levels and employees are rewarded on a performance-related basis within the general policy and framework of the Group's salary and discretionary bonus schemes. These schemes, based on the performance of the Group and individual employees, are regularly reviewed. Other benefits are also provided including medical insurance and retirement funds. In support of the continuous development of individual employees, training and development programmes are offered for different levels of employees. Social and recreational activities are arranged for our employees around the world.

SAFETY, SECURITY AND ENVIRONMENTAL PROTECTION

The Group consistently maintains the highest safety and security standards as they remain a top priority in our business operations for our people, cargo, ships and facilities, both onshore and at sea.

The Group's Corporate Security Policy guides the prevention and suppression of security threats against international supply chain operations. The Group is not only committed to complying with rules and regulations such as the International Ship and Port Facility Security (ISPS) Code, but also to doing much more by embracing many other industry's best practices and voluntary initiatives. The Group actively collaborates with various governments and relevant authorities around the world as part of our efforts against activities that might impinge upon maritime or cargo security. For example, the Group participates in various national security programmes including the U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) and the EU Authorised Economic Operator (AEO) initiatives.

In addition, the Group's Global Data Centre maintains ISO 27001 certification in order to provide our customers and partners with quality and secure information that is in accordance with international standards on information security management.

To ensure everyone takes part in protecting our assets and becomes more resilient against cyber-attacks, the Group has developed programmes and initiatives such as annual cyber security training and mandatory tests for all employees, sophisticated monitoring and protective systems, regular knowledge and trend updates, as well as conducting user awareness exercises focusing on various aspects of this subject.

OOCL signed the Gulf of Guinea Declaration on Suppression of Piracy, demanding that no seafarer should face the grave risks of kidnapping and violence when working in the Gulf of Guinea. The Group recognises the important steps taken and positive initiatives underway by coastal States in the region. We urge stakeholders to sign this pledge and join together in a coalition to end the threat of piracy in the Gulf of Guinea.

The Group also recognises that businesses must take responsibility for their industry's effects on the environment. In our commitment to further build on our Environmental, Social and Governance (ESG) profile, the Group continues to engage in the United Nations' Sustainable Development Goals (SDG) across our business strategies, operation, and corporate culture. The Group refers to the Ten Principles of the United Nations Global Compact (UNGC) that set out fundamental responsibilities in areas such as human rights, labour, environment and anticorruption to tackle global environmental and social challenges. OOCL is also a member of the Maritime Anti-Corruption Network (MACN), which aims to work within the industry to eliminate all forms of maritime corruption and foster fair trade practices through collective initiatives.

OOCL is dedicated to environmental protection and committed to data integrity standards. Each year, OOCL ensures that such standards are consistent and upheld by certifying our environmental data through independent business assurance service providers. Accredited by LRQA, OOCL has achieved excellent reporting standards through the use of the Clean Cargo verification tool. The Group's Sustainability Report is published on an annual basis and it covers the significant environmental, economic and social aspects of the business arising from the principal activities of OOIL and its subsidiaries. To continue with our commitment in aligning with international sustainability guidelines and principles, the report is prepared with reference to the Global Reporting Initiative (GRI) Sustainability Reporting Standards and based on the reporting principles of materiality, quantitative, consistency and balance, which have been set out in the Environmental, Social and Governance (ESG) Reporting Code contained in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The report also refers to the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to disclose how the Group manages climate-related risks and opportunities. Besides, The Stock Exchange of Hong Kong has introduced the New Climate Requirements under its ESG framework to further align with the IFRS S2 Climate-related Disclosures. They are mandatory for LargeCap Issuers and were effective in phases from the 2025 reporting year. In response, the Group has enhanced its disclosure contents, covering our strategic approach for addressing climate-related risks and opportunities and the related financial implications.

Our report has been assured by the independent business assurance service provider, LRQA with respect to the extent of its coverage and information provided with reference to our adopted reporting standards. In doing so, this demonstrates our commitment to high standards in governance, credibility and transparency.

OOCL's continuous efforts in environmental protection, safety management and social responsibility have been widely recognised and commended. Its achievements include consistently achieving one of the highest levels of performance under the Green Flag Programme and voluntarily implementing vessel speed reduction across its entire fleet to reduce emissions. This initiative, organised by the Port of Long Beach and Port of Los Angeles in the United States, encourages vessels to reduce their speed within specific zones near the port, cutting air pollution such as smog-forming nitrogen oxides and greenhouse gases. Through our memberships with environment-focused organisations such as the Clean Cargo and Global Logistics Emissions Council under Smart Freight Centre, the World Shipping Council, and the Business Environment Council, we are committed to doing our part in addressing climate change and environmental protection issues in countries and regions in which we operate.

OOIL was selected by S&P Global to become a constituent of Dow Jones Best-in-Class Asia Pacific Index. The stock of OOIL has also been included in the FTSE4Good Index Series and sustainability-related Hang Seng Indexes (HSI), namely Hang Seng Corporate Sustainability Index (HSSUS), Hang Seng ESG 50 Index, HSI ESG Enhanced Index and HSI ESG Enhanced Select Index. Our achievements in these globally-recognised sustainability indices and assessments are strong evidence of the Group's commitment to ESG and sustainability.

As part of our sustainability efforts in environmental and wildlife protection, OOCL participated in the Protecting Blue Whales and Blue Skies Program – a Vessel Speed Reduction (VSR) programme that aims to reduce air pollution, fatal ship strikes on whales, and underwater noise, in the San Francisco Bay and Southern California regions, which are also areas included in the World Shipping Council Whale Chart. OOCL also participated in the Enhancing Cetacean Habitat and Observation (ECHO) Program to study how to reduce the cumulative effects of shipping on at-risk whales throughout the southern coast of British Columbia in Canada. By creating seasonal and predictable slow speed zones, the programmes help protect endangered whales, reduce fuel use and regional greenhouse gas emissions, and improve air quality and human health outcomes. OOCL follows responsible operational practices and supports measures that protect sensitive marine ecosystems and aid the recovery of vulnerable species.

To maintain the business process and ensure business integrity during periods when the Group's system applications or offices cannot be accessed due to exceptional events such as natural disasters, Business Continuity Plans (BCP) are in place for all regions in which we operate. Each local BCP is customised according to possible natural disasters or severe incidents that might happen in the area. All local BCPs are reviewed periodically and updated upon external changes that could create a huge impact on our office.

Other Information

INTERIM DIVIDEND

The Board of Directors of the Company (the "Board") is pleased to announce an interim dividend of US$0.55 per ordinary share for the six months ended 30th June 2026 to be paid on 16th October 2026 to the shareholders whose names appear on the register of members of the Company on 18th September 2026. The interim dividend will be payable in cash in US dollars or Hong Kong dollars (HK$4.29 converted at the exchange rate of US$1 to HK$7.8) or Renminbi (RMB3.731 converted at the exchange rate of US$1 to RMB6.7829, being the average of the middle exchange rates between US dollars and Renminbi as announced by the People's Bank of China for the 5 business days before and excluding the date of Board meeting for, among other matters, considering the payment of the interim dividend).

Shareholders may elect to receive their interim dividend in whole in one of the above currencies (HKSCC Nominees Limited may elect to receive the dividend in whole or in part in any of such currencies). Shareholders who wish to change their currency election for the interim dividend should complete the dividend election form and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited (the "Branch Share Registrar"), at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 7th October 2026.

Closure of Register of Members

The record date for determining the shareholders entitled to the interim dividend will be 18th September 2026. The register of members of the Company will be closed from 14th September 2026 to 18th September 2026, both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all share transfer documents must be accompanied with the relevant share certificates and lodged with the Branch Share Registrar at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 11th September 2026.

CORPORATE GOVERNANCE

Compliance with the Corporate Governance Code

The Board and the management of the Company are committed to maintaining high standards of corporate governance. The Company considers that effective corporate governance makes an important contribution to corporate success and to the enhancement of shareholder value.

The Company has adopted its own corporate governance code (the "CG Code"), which in addition to applying the principles as set out in the Corporate Governance Code (the "SEHK Code") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), also incorporates and conforms to local and international best practices. The CG Code sets out the corporate governance principles applied by the Company and its subsidiaries (the "Group") and is constantly reviewed to ensure its transparency, accountability and independence.

Throughout the six months ended 30th June 2026, the Company complied with the SEHK Code, save for two recommended best practices, as described below:

- the remuneration of senior management of the Group was disclosed by bands, not on an individual basis
- quarterly operational results, instead of quarterly financial results, were announced and published

Securities Transactions by Directors

The Company has adopted its own code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 to the Listing Rules.

All Directors of the Company have confirmed, following specific enquiry by the Company, that they fully complied with the required standards set out in both the Company's own code and the Model Code throughout the six months ended 30th June 2026.

Board of Directors

The Directors of the Company as at the date of this interim report were:

Executive Directors
Mr. Wan Min *(Chairman)*
Mr. Zhang Feng *(Chief Executive Officer)*
Mr. Tao Weidong

Non-Executive Directors
Mr. Tung Lieh Cheung Andrew
Mr. Yu Fulin
Mr. Ip Sing Chi
Mr. Si Xinbo

Independent Non-Executive Directors
Mr. Chow Philip Yiu Wah *(Lead Independent Non-Executive Director)*
Dr. Chung Shui Ming Timpson
Mr. Yang Liang Yee Philip
Ms. Chen Ying
Mr. Chen Hong

Changes in Composition of the Board and the Board Committees

The changes in composition of the Board and the Board Committees of the Company since the date of 2025 annual report of the Company and up to the date of this interim report are set out below:

Effective date	Detail of change
24th July 2026	– Ms. Wang Dan resigned as a Non-Executive Director and ceased as a member of the Risk Committee. – Mr. Si Xinbo was appointed to succeed all positions of Ms. Wang in the Company.

Changes in Directors' Information

The changes in the information of the Directors of the Company pursuant to Rule 13.51B(1) of the Listing Rules are set out below. Full biographies of the Directors are available on the Company's website (https://www.ooilgroup.com).

Name of Director	Detail of change
Tung Lieh Cheung Andrew	– Appointed as an independent non-executive director of Anchorpoint Financial Limited (a subsidiary of Standard Chartered Bank (Hong Kong) Limited) with effect from 4th March 2026.
Yu Fulin	– Appointed as a non-executive director of Bank of Shanghai Co., Ltd. (a company listed in Shanghai) with effect from 29th May 2026.
Wang Dan *(Resigned on 24th July 2026)*	– Resigned as a non-executive director of SIBUR Holding (a public joint stock company in Russia) and as an executive vice president of Silk Road Fund Co. Ltd., with effect from 1st July 2026 and 20th July 2026 respectively. – Appointed as an executive vice president of Siyuan Investment Co., Ltd. with effect from 1st July 2026.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 30th June 2026, the issued share capital of the Company consisted of 660,373,297 ordinary shares (the "Shares"). The interests and short positions of the Directors and the Chief Executive of the Company in the shares, the underlying shares and the debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as at 30th June 2026, as recorded in the register kept by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in Appendix C3 to the Listing Rules, were as follows:

(a) Interests and short positions in the Shares, the underlying Shares and the debentures of the Company:

Nil.

(b) Interests and short positions in the shares of the associated corporations of the Company:

Name of associated corporation	Name of Director	Capacity	Number of ordinary shares held as personal interest	Number of shares interested	Approximate percentage of total issued share capital of relevant class of shares of associated corporation
COSCO SHIPPING Development Co., Ltd.	WAN Min	Beneficial owner	200,000 (H shares)	200,000 (H shares)	0.00580% *(Note 1)*
		Interest of spouse	–	90,000 (A shares)	0.00092% *(Note 1)*
COSCO SHIPPING Ports Limited	WAN Min	Beneficial owner	380,491	380,491	0.00947% *(Note 2)*

Notes:

(1) The shareholding percentage was calculated on the basis of 3,445,672,000 H shares and 9,751,983,820 A shares of COSCO SHIPPING Development Co., Ltd. in issue as at 30th June 2026 (as the case may be).

(2) The shareholding percentage was calculated on the basis of 4,016,710,738 shares of COSCO SHIPPING Ports Limited in issue as at 30th June 2026.

(c) Interests and short positions in the underlying shares and the debentures of the associated corporation of the Company:

Nil.

Save as disclosed above, as at 30th June 2026, none of the Directors or the Chief Executive of the Company had any interest or short position in the shares, the underlying shares and the debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) entered in the register kept by the Company pursuant to section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30th June 2026, the following persons (other than the Directors or the Chief Executive of the Company) had an interest or short position in the Shares and the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of substantial shareholder	Capacity	Number of Shares interested (Long position)	Percentage
COSCO SHIPPING Holdings (Hong Kong) Limited	Beneficial owner	469,344,972 *(Note 2)*	71.07%
COSCO SHIPPING Holdings Co., Ltd.	Interest of controlled corporation	469,344,972 *(Note 3)*	71.07%
China COSCO SHIPPING Corporation Limited	Interest of controlled corporation	469,344,972 *(Note 4)*	71.07%
Shanghai Port Group (BVI) Development Co., Limited	Beneficial owner	59,880,536	9.06%
Shanghai International Port Group (HK) Co., Ltd.	Interest of controlled corporation	59,880,536 *(Note 5)*	9.06%
Shanghai International Port (Group) Co., Ltd.	Interest of controlled corporation	59,880,536 *(Note 6)*	9.06%

Notes:

1. The substantial shareholders' interests as at 30th June 2026 disclosed above are based on the information from the Disclosure of Interests Online System of the Stock Exchange.

2. On 11th December 2025, COSCO SHIPPING Holdings (Hong Kong) Limited ("COSCO SHIPPING HK") and Faulkner Global Holdings Limited ("Faulkner", a wholly-owned subsidiary of COSCO SHIPPING HK) entered into an equity transfer agreement, pursuant to which Faulkner agreed to sell and COSCO SHIPPING HK agreed to purchase 469,344,972 Shares of the Company (the "Transfer"). Please refer to the announcement of the Company dated 11th December 2025 for further details. As at the date of this interim report, the registration of the Transfer has been completed.

3. COSCO SHIPPING Holdings Co., Ltd. ("COSCO SHIPPING Holdings") held 100% of the shares of COSCO SHIPPING HK and, accordingly, had an indirect interest in the same Shares in which COSCO SHIPPING HK had an interest.

4. China COSCO SHIPPING Corporation Limited ("COSCO SHIPPING"), through itself and its subsidiaries, held approximately 45.91% of the shares of COSCO SHIPPING Holdings and, accordingly, had an indirect interest in the same Shares in which COSCO SHIPPING Holdings had an interest. COSCO SHIPPING is a state-owned enterprise established in the People's Republic of China.

5. Shanghai International Port Group (HK) Co., Ltd. ("SIPG HK") held 100% of the shares of Shanghai Port Group (BVI) Development Co., Limited ("SIPG BVI") and, accordingly, had an indirect interest in the same Shares in which SIPG BVI had an interest.

6. Shanghai International Port (Group) Co., Ltd. ("SIPG") held 100% of the shares of SIPG HK and, accordingly, had an indirect interest in the same Shares in which SIPG HK had an interest.

The directorships and positions held by the Directors of the Company in the companies disclosed above as at the date of this interim report are set out below:

(1) Mr. Wan Min is the chairman of the board and the Party Secretary of COSCO SHIPPING, and the chairman of the board and an executive director of COSCO SHIPPING Holdings.

(2) Mr. Zhang Feng is an executive vice president and a Party Committee member of COSCO SHIPPING, and the vice chairman of the board and an executive director of COSCO SHIPPING Holdings.

(3) Mr. Tao Weidong is the employee representative director of COSCO SHIPPING, an executive director, the general manager and the Party Secretary of COSCO SHIPPING Holdings, the chairman of the board of COSCO SHIPPING HK, and a director of Faulkner.

(4) Mr. Yu Fulin is the Party Secretary and the chairman of the board of SIPG.

Save as disclosed above, as at 30th June 2026, the Company had not been notified by any person (other than the Directors or the Chief Executive of the Company) who had an interest or short position in the Shares or the underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Neither the Company nor any of its subsidiaries was a party to any arrangement enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate at any time during the six months ended 30th June 2026.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the six months ended 30th June 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's Shares (including sale of treasury shares (as defined in the Listing Rules) of the Company, if any).

As at 30th June 2026, the Company did not hold any treasury shares (whether held or deposited with the Central Clearing and Settlement System ("CCASS"), or otherwise). All treasury shares, if any, held by the Company are not entitled to receive the interim dividend. The Company will withdraw all repurchased shares, if any, from CCASS, and either re-register them in its own name as treasury shares or cancel such repurchased shares, in each case before the record date for the interim dividend.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under Bermuda law in relation to the issue of new shares by the Company.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed the unaudited interim results of the Group for the six months ended 30th June 2026, in conjunction with the external and internal auditors of the Company.

Index – Interim Financial Information

Content | Page no.

Report on Review of Interim Financial Information

To the Board of Directors of
Orient Overseas (International) Limited
(incorporated in Bermuda with members' limited liability)

Introduction

We have reviewed the interim financial information of Orient Overseas (International) Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") set out on pages 17 to 38, which comprises the condensed consolidated balance sheet as at 30th June 2026 and the related condensed consolidated profit and loss account, condensed consolidated statement of comprehensive income, condensed consolidated cash flow statement and condensed consolidated statement of changes in equity for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Pang Wai Hang
Practising Certificate Number: P05044
Hong Kong

27th August 2026

Condensed Consolidated Profit and Loss Account (Unaudited)

For the six months ended 30th June 2026

US$'000	Note	2026	2025
Revenue	5, 6	**5,173,277**	4,876,265
Operating costs		**(4,334,947)**	(3,907,230)
Gross profit		**838,330**	969,035
Other operating income		**124,709**	179,250
Business and administrative expenses		**(241,564)**	(214,952)
(Provision for)/reversal of impairment losses on financial assets, net		**(7,370)**	2,778
Other gains, net		**6,156**	41,883
Operating profit	7	**720,261**	977,994
Finance costs	9	**(4,466)**	(11,974)
Share of profits of joint ventures		**3,127**	2,701
Share of profits of associated companies		**4,582**	4,319
Profit before taxation		**723,504**	973,040
Taxation	10	**5,823**	(17,905)
Profit for the period		**729,327**	955,135
Profit attributable to:			
Equity holders of the Company		**727,950**	954,229
Non-controlling interests		**1,377**	906
		729,327	955,135
Earnings per ordinary share (US$)	11		
Basic and diluted		**1.10**	1.44

The notes on pages 23 to 38 form an integral part of this interim financial information.

Condensed Consolidated Statement of Comprehensive Income (Unaudited)

For the six months ended 30th June 2026

US$'000	2026	2025
Profit for the period	**729,327**	955,135
Other comprehensive income/(loss):		
Item that will not be subsequently reclassified to profit or loss:		
Remeasurement gains/(losses) on defined benefit scheme	**755**	(201)
Items that have been reclassified or may be reclassified subsequently to profit or loss:		
Currency translation adjustments		
Subsidiaries	**1,606**	(4,562)
Joint ventures	**285**	(23)
Associated companies	**4,284**	569
Total amount that has been reclassified or may be reclassified subsequently to profit or loss	**6,175**	(4,016)
Other comprehensive income/(loss) for the period, net of tax	**6,930**	(4,217)
Total comprehensive income for the period	**736,257**	950,918
Total comprehensive income attributable to:		
Equity holders of the Company	**735,189**	949,980
Non-controlling interests	**1,068**	938
	736,257	950,918

The notes on pages 23 to 38 form an integral part of this interim financial information.

Condensed Consolidated Balance Sheet (Unaudited)

As at 30th June 2026

US$'000	Note	30th June 2026	31st December 2025
ASSETS			
Non-current assets			
Property, plant and equipment	13	**9,213,470**	8,500,668
Right-of-use assets	13	**1,487,663**	1,552,906
Investment property	13	**200,000**	200,000
Investments in joint ventures and associated companies		**155,638**	150,145
Intangible assets	13	**4,924**	5,388
Deferred taxation assets		**37,345**	32,691
Pension and retirement assets		**16,803**	16,272
Restricted bank balances		**2**	–
Investments at fair value through other comprehensive income		**34**	34
Investments at amortised cost		**17,000**	17,000
Other non-current assets		**13,648**	12,912
		11,146,527	10,488,016
Current assets			
Inventories		**383,549**	197,308
Debtors and prepayments	14	**836,971**	685,124
Investments at amortised cost		**17,833**	30,846
Portfolio investments at fair value through profit or loss		**9,608**	11,134
Tax recoverable		**8,959**	8,805
Restricted bank balances		**4,816**	4,634
Cash and bank balances		**5,783,120**	6,243,182
		7,044,856	7,181,033
Total assets		**18,191,383**	17,669,049
EQUITY			
Equity holders			
Share capital	15	**66,037**	66,037
Reserves	16	**13,800,363**	13,342,531
		13,866,400	13,408,568
Non-controlling interests		**5,067**	4,789
Total equity		**13,871,467**	13,413,357

Condensed Consolidated Balance Sheet (Unaudited)

As at 30th June 2026

US$'000	Note	30th June 2026	31st December 2025
LIABILITIES			
Non-current liabilities			
Lease liabilities	17	**706,348**	711,064
Deferred taxation liabilities		**181,695**	181,505
Provision	18	**876,745**	876,745
		1,764,788	1,769,314
Current liabilities			
Creditors and accruals	19	**1,886,285**	1,802,064
Lease liabilities	17	**565,772**	568,384
Current taxation		**103,071**	115,930
		2,555,128	2,486,378
Total liabilities		**4,319,916**	4,255,692
Total equity and liabilities		**18,191,383**	17,669,049

Wan Min
Director

Tao Weidong
Director

The notes on pages 23 to 38 form an integral part of this interim financial information.

Condensed Consolidated Cash Flow Statement (Unaudited)

For the six months ended 30th June 2026

US$'000	2026	2025
Cash flows from operating activities		
Cash generated from operations	**852,410**	1,172,946
Interest and financing charges paid	**(22,382)**	(25,550)
Income tax paid	**(11,478)**	(22,625)
Net cash from operating activities	**818,550**	1,124,771
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	**26,063**	24,976
Redemption on maturity of investments at amortised cost	**13,000**	–
Purchase of property, plant and equipment and other non-current assets	**(829,628)**	(973,880)
Increase in restricted bank balances and bank deposits maturing more than three months from the date of placement	**(973,273)**	(560,232)
Interest received	**117,540**	152,878
Movements of other investing activities	**6,863**	2,341
Net cash used in investing activities	**(1,639,435)**	(1,353,917)
Cash flows from financing activities		
Repayment of lease liabilities	**(334,947)**	(333,652)
Dividends paid to equity holders of the Company	**(277,357)**	(871,693)
Dividends paid to non-controlling interests	**(790)**	(521)
Cash used in financing activities	**(613,094)**	(1,205,866)
Net decrease in cash and cash equivalents	**(1,433,979)**	(1,435,012)
Cash and cash equivalents at beginning of period	**3,095,149**	5,650,964
Currency translation adjustments	**828**	(6,855)
Cash and cash equivalents at end of period	**1,661,998**	4,209,097
Analysis of cash and cash equivalents		
Cash and bank balances	**5,783,120**	7,020,711
Bank deposits maturing more than three months from the date of placement	**(4,121,122)**	(2,811,614)
Cash and cash equivalents at end of period	**1,661,998**	4,209,097

The notes on pages 23 to 38 form an integral part of this interim financial information.

Condensed Consolidated Statement of Changes in Equity (Unaudited)

For the six months ended 30th June 2026

US$'000	Equity holders			Non-controlling interests	Total
	Share capital	Reserves	Sub-total		
At 1st January 2026	66,037	13,342,531	13,408,568	4,789	13,413,357
Total comprehensive income for the period	–	735,189	735,189	1,068	736,257
Transactions with owners					
2025 final dividend	–	(277,357)	(277,357)	–	(277,357)
Dividends paid to non-controlling interests	–	–	–	(790)	(790)
At 30th June 2026	**66,037**	**13,800,363**	**13,866,400**	**5,067**	**13,871,467**
At 1st January 2025	66,037	13,179,513	13,245,550	3,947	13,249,497
Total comprehensive income for the period	–	949,980	949,980	938	950,918
Transactions with owners					
2024 final dividend	–	(871,693)	(871,693)	–	(871,693)
Dividends paid to non-controlling interests	–	–	–	(521)	(521)
At 30th June 2025	66,037	13,257,800	13,323,837	4,364	13,328,201

The notes on pages 23 to 38 form an integral part of this interim financial information.

Notes to the Interim Financial Information

1. General information

Orient Overseas (International) Limited (the "Company") is a members' limited liability company incorporated in Bermuda. The address of its registered office is Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda and the principal office is 31st Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong, China.

The Company has its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The ultimate parent company of the Group is China COSCO SHIPPING Corporation Limited ("COSCO SHIPPING"), a state-owned enterprise established in the People's Republic of China (the "PRC").

This interim financial information is presented in US dollars, unless otherwise stated.

This interim financial information was approved by the Board of Directors on 27th August 2026.

2. Basis of preparation

The interim financial information of the Company and its subsidiaries (the "Group") has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. They have been prepared under the historical cost convention, as modified by the revaluation of investment property, investments at fair value through other comprehensive income and portfolio investments at fair value through profit or loss which are carried at fair value. The interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31st December 2025, which have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.

The accounting policies and methods of computation used in the preparation of the interim financial information are consistent with those used in the annual consolidated financial statements for the year ended 31st December 2025 except for the adoption of amendments and improvement to existing standards effective for the financial year ending 31st December 2026.

The adoption of revised standards

In 2026, the Group adopted the following amendments and improvement to existing standards, which are relevant to its operations.

Amendments and improvement to existing standards	
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity
HKFRS Accounting Standards	Annual Improvements – Volume 11

The adoption of the above amendments and improvement to existing standards does not have a material impact to the results and financial position of the Group.

2. Basis of preparation (Continued)

New standards and amendments to existing standards and interpretation that are relevant to the Group but not yet effective

New standards and amendments to existing standards and interpretation		Effective for accounting periods beginning on or after
HKAS 21 (Amendment)	Translation to a Hyperinflationary Presentation Currency	1st January 2027
HKFRS 18	Presentation and Disclosure in Financial Statements	1st January 2027
HK Int 5 (Amendment)	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1st January 2027
HKFRS 20	Regulatory Assets and Regulatory Liabilities	1st January 2029
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be announced

The Group has not early adopted the above new standards and amendments to existing standards and interpretation. The Group is in the process of assessing the impact of the new standards on the Group's accounting policies and consolidated financial statements. The adoption of the above new standards and amendments to existing standards and interpretation is not expected to have a significant effect on the consolidated financial statements of the Group, except that the adoption of HKFRS 18 may have impact on the presentation of the Group's consolidated financial statements.

3. Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements for the year ended 31st December 2025.

3.1 Fair value estimation

The financial instruments that are measured in the consolidated balance sheet at fair value, require disclosure of fair value measurements by level of the following fair value measurement hierarchy:

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

The following table presents the Group's financial assets that are measured at fair value at 30th June 2026:

US$'000	Level 1	Level 3	Total
Assets			
Portfolio investments at fair value through profit or loss			
Equity securities	9,608	–	9,608
Investments at fair value through other comprehensive income			
Unlisted equity securities	–	34	34
Total	9,608	34	9,642

3. Financial risk management (Continued)

3.1 Fair value estimation (Continued)

The following table presents the Group's financial assets that are measured at fair value at 31st December 2025:

US$'000	Level 1	Level 3	Total
Assets			
Portfolio investments at fair value through profit or loss			
Equity securities	11,134	–	11,134
Investments at fair value through other comprehensive income			
Unlisted equity securities	–	34	34
Total	11,134	34	11,168

There were no transfers among levels 1, 2 and 3 during the period.

Specific valuation techniques used to value level 3 financial instruments include dealer quotes.

There were no changes in valuation techniques during the period.

Instruments included in level 3 comprise unlisted equity securities classified as investments at fair value through other comprehensive income.

There were no movements in level 3 instruments during the period.

3.2 Fair values of financial assets and liabilities measured at amortised cost

	Carrying amounts		Fair values	
US$'000	**30th June 2026**	31st December 2025	**30th June 2026**	31st December 2025
Investments at amortised cost	**34,833**	47,846	**34,896**	48,227

The fair values of debtors, cash and bank balances, restricted bank balances, other financial assets and creditors approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

4. Critical accounting estimates and judgements

Estimates and judgements used in preparing the consolidated financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions applied in the preparation of the interim financial information are consistent with those used in the annual consolidated financial statements for the year ended 31st December 2025.

5. Revenue

US$'000	2026	2025
Container transport and logistics	5,162,255	4,864,271
Others	11,022	11,994
	5,173,277	4,876,265

The principal activities of the Group are container transport and logistics.

Revenue comprises gross freight income, service and other income from the operation of the container transport and logistics and rental income from the investment property.

6. Segment information

The principal activities of the Group are container transport and logistics. Container transport and logistics include global containerised shipping services in major trade lanes, covering Trans-Pacific, Trans-Atlantic, Asia/Europe and Intra-Asia/Australasia trades, and integrated services over the management and control of effective storage and flow of goods. In accordance with the Group's internal financial reporting provided to the chief operating decision-makers, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are container transport and logistics and others. The Executive Directors are the Group's chief operating decision-makers.

Operating segments

The segment results for the six months ended 30th June 2026 are as follows:

US$'000	Container transport and logistics	Others	Total
Revenue from contracts with customers:			
Over time	5,031,997	–	5,031,997
Revenue from other source	130,258	11,022	141,280
	5,162,255	11,022	5,173,277
Other operating income	123,383	1,326	124,709
	5,285,638	12,348	5,297,986
Operating profit/(loss)	720,479	(218)	720,261
Finance costs	(4,466)	–	(4,466)
Share of profits of joint ventures	3,127	–	3,127
Share of profits of associated companies	4,582	–	4,582
Profit/(loss) before taxation	723,722	(218)	723,504
Taxation	5,901	(78)	5,823
Profit/(loss) for the period	729,623	(296)	729,327
Additions to non-current assets*	1,191,052	–	1,191,052
Depreciation of property, plant and equipment	277,587	7	277,594
Depreciation of right-of-use assets	248,013	–	248,013
Amortisation of intangible assets	1,070	–	1,070

6. Segment information (Continued)

Operating segments (Continued)

The segment results for the six months ended 30th June 2025 are as follows:

US$'000	Container transport and logistics	Others	Total
Revenue from contracts with customers:			
Over time	4,751,356	–	4,751,356
Revenue from other source	112,915	11,994	124,909
	4,864,271	11,994	4,876,265
Other operating income	176,152	3,098	179,250
	5,040,423	15,092	5,055,515
Operating profit	969,823	8,171	977,994
Finance costs	(11,974)	–	(11,974)
Share of profits of joint ventures	2,701	–	2,701
Share of profits of associated companies	4,319	–	4,319
Profit before taxation	964,869	8,171	973,040
Taxation	(16,256)	(1,649)	(17,905)
Profit for the period	948,613	6,522	955,135
Additions to non-current assets*	1,680,535	–	1,680,535
Depreciation of property, plant and equipment	246,496	7	246,503
Depreciation of right-of-use assets	232,657	–	232,657
Amortisation of intangible assets	2,191	–	2,191

* Additions to non-current assets comprise additions to property, plant and equipment, right-of-use assets and intangible assets.

6. Segment information (Continued)

Operating segments (Continued)

The segment assets and liabilities at 30th June 2026 are as follows:

US$'000	Container transport and logistics	Others	Group
Segment assets	17,734,896	298,516	18,033,412
Joint ventures	15,372	–	15,372
Associated companies	142,599	–	142,599
Total assets	17,892,867	298,516	18,191,383
Segment liabilities	(4,199,339)	(120,577)	(4,319,916)

The segment assets and liabilities at 31st December 2025 are as follows:

US$'000	Container transport and logistics	Others	Group
Segment assets	17,222,676	296,228	17,518,904
Joint ventures	10,930	–	10,930
Associated companies	139,215	–	139,215
Total assets	17,372,821	296,228	17,669,049
Segment liabilities	(4,137,600)	(118,092)	(4,255,692)

The segment of "Others" primarily includes assets and liabilities of property investment and corporate level activities. Assets under the segment of "Others" consist primarily of investment property, investments at amortised cost, portfolio investments at fair value through profit or loss together with cash and bank balances related to property investment activities. Liabilities under the segment of "Others" primarily include creditors and accruals and deferred taxation liabilities related to property investment and corporate level activities.

6. Segment information (Continued)

Geographical information

The Group's two reportable operating segments operate in below main geographical areas, even though they are managed on a worldwide basis. Freight revenues from container transport and logistics are analysed based on the outbound cargoes of each geographical territory. Revenues from other sources are analysed based on the geographical territory that the Group derives revenue from customers.

The Group's non-current assets mainly include container vessels and containers which are primarily utilised across geographical markets for shipment of cargoes throughout the world. Accordingly, non-current assets by geographical areas are not presented.

US$'000	Revenue	Additions to non-current assets#
Six months ended 30th June 2026		
Asia	**4,099,553**	**68,684**
Europe	**546,028**	**668**
North and South America	**359,755**	**409**
Australia and Africa	**167,941**	**35**
Unallocated*	**–**	**1,121,256**
	5,173,277	**1,191,052**
Six months ended 30th June 2025		
Asia	3,829,647	21,034
Europe	568,510	736
North and South America	324,556	2,537
Australia and Africa	153,552	356
Unallocated*	–	1,655,872
	4,876,265	1,680,535

Additions to non-current assets comprise additions to property, plant and equipment, right-of-use assets and intangible assets.

* Unallocated additions to non-current assets comprise additions to container vessels and capitalised dry-docking costs, assets under construction, scrubbers and other vessel equipment, containers and computer software costs.

7. Operating profit

US$'000	2026	2025
Operating profit is arrived at after crediting:		
Interest income from banks	**120,262**	175,712
Interest income from deposits in a fellow subsidiary	**1,077**	1,144
Interest income from investments at amortised cost	**1,053**	1,343
Gross rental income from an investment property	**11,022**	11,994
Gain on disposal of property, plant and equipment	**8,396**	10,509
Gain on early termination of leases	**10**	–
Income from portfolio investments at fair value through profit or loss		
Fair value gain (realised and unrealised)	**–**	1,437
Distribution	**12**	5
Dividend income	**66**	90
Exchange gain	**–**	29,947
and after charging:		
Loss on early termination of leases	**–**	10
Fair value loss on portfolio investments at fair value through profit or loss (realised and unrealised)	**1,526**	–
Exchange loss	**724**	–

8. Key management compensation

US$'000	2026	2025
Salaries, discretionary bonuses and other employee benefits	**3,047**	1,019
Pension costs – defined contribution plans	**261**	68
	3,308	1,087

The Group usually determines and pays discretionary bonuses to employees (including Directors) around middle of each year based on the actual financial results of the Group for the preceding year. The discretionary bonuses represent actual payments to the Directors and individuals during the current financial period in relation to performance for the preceding year, if any.

9. Finance costs

US$'000	2026	2025
Interest expense		
Lease liabilities	**25,239**	29,899
Amount capitalised under assets under construction	**(20,773)**	(17,925)
Net interest expense	**4,466**	11,974

10. Taxation

US$'000	2026	2025
Current taxation		
HKSAR profits tax	**(922)**	4,355
Non HKSAR taxation	**(696)**	8,899
	(1,618)	13,254
Deferred taxation	**(4,205)**	4,651
	(5,823)	17,905

Taxation has been provided at the appropriate tax rates prevailing in the countries/regions in which the Group operates on the estimated assessable profits for the period. These rates range from 5% to 39% (2025: 5% to 39%) and the rates applicable to the withholding tax for undistributed earnings of subsidiaries range from 5% to 30% (2025: 5% to 30%). The HKSAR profits tax for ocean freight transportation business is charged based on the relevant entity's Hong Kong-sourced income (i.e. at a percentage of the total worldwide ocean freight transportation business profit) under the HKSAR tax incentive regime for international shipping businesses and at the applicable tax rate of 16.5% (2025: 16.5%). The negative amounts represent that over-provision in prior years offset against the current year provision.

In December 2021, the Organisation for Economic Co-operation and Development released the Pillar Two Model Rules (the Global Anti-Base Erosion Proposal, or "GloBE") to reform international corporate taxation. Large multinational enterprises with consolidated revenue of over EUR750 million are subject to the rules. They are required to calculate their GloBE effective tax rate for each jurisdiction where they operate and will be liable to pay a minimum effective tax rate of 15%.

The Group is within the scope of the GloBE. However, international shipping income and certain qualified ancillary international shipping income are excluded from the GloBE. Certain jurisdictions where the Group has operations, such as the United Kingdom, countries under the European Union, Australia and Canada, etc. have their Pillar Two legislation being effective in 2024. The Pillar Two legislation has also been enacted in Hong Kong in 2025 and becomes effective from 1st January 2025. The Group applies the exception from recognising and disclosing information about deferred tax assets and liabilities related to the Pillar Two income taxes, as provided in the Amendments to HKAS 12 issued in July 2023.

As the Group operates worldwide and the types of international shipping income and ancillary income covered by the exclusion are subject to complicated rules and restrictions, the Group would continue to cooperate with the ultimate parent company to monitor the ongoing impact of the rules, covering Hong Kong and other jurisdictions.

11. Earnings per ordinary share

The calculation of basic and diluted earnings per ordinary share is based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares in issue during the period.

The basic and diluted earnings per ordinary share are the same since there are no potential dilutive shares.

	2026	2025
Weighted average number of ordinary shares in issue (thousands)	**660,373**	660,373
Group's profit attributable to equity holders of the Company (US$'000)	**727,950**	954,229
Earnings per share attributable to equity holders of the Company (US$)	**1.10**	1.44

12. Dividends

US$'000	2026	2025
Interim dividend of US$0.55 (2025: US$0.72) per ordinary share	**363,205**	475,469

The final dividend for 2025 of US$277.4 million has been accounted for as an appropriation of retained profit in the six months ended 30th June 2026.

The Board of Directors declares an interim dividend of US$0.55 (2025: US$0.72) per ordinary share for the six months ended 30th June 2026 on 27th August 2026. The interim dividend will be payable in cash in US dollars or Hong Kong dollars (HK$4.29 converted at the exchange rate of US$1 to HK$7.8) or Renminbi (RMB3.731 converted at the exchange rate of US$1 to RMB6.7829, being the average of middle exchange rates between US dollars and Renminbi as announced by the People's Bank of China for the 5 business days before and excluding the date of Board meeting for, among other matters, considering the payment of the interim dividend).

13. Capital expenditure

US$'000	Property, plant and equipment	Right-of-use assets	Investment property	Intangible assets	Total
Net book amounts					
At 1st January 2026	**8,500,668**	**1,552,906**	**200,000**	**5,388**	**10,258,962**
Currency translation adjustments	**573**	**(148)**	**–**	**12**	**437**
Additions	**865,440**	**325,018**	**–**	**594**	**1,191,052**
Reclassification, disposals/written off	**124,383**	**(142,100)**	**–**	**–**	**(17,717)**
Depreciation and amortisation	**(277,594)**	**(248,013)**	**–**	**(1,070)**	**(526,677)**
At 30th June 2026	**9,213,470**	**1,487,663**	**200,000**	**4,924**	**10,906,057**
At 1st January 2025	6,710,820	1,732,776	200,000	4,840	8,648,436
Currency translation adjustments	602	2,285	–	3	2,890
Additions	1,317,897	359,621	–	3,017	1,680,535
Reclassification, disposals/written off	142,194	(156,671)	–	–	(14,477)
Depreciation and amortisation	(246,503)	(232,657)	–	(2,191)	(481,351)
At 30th June 2025	7,925,010	1,705,354	200,000	5,669	9,836,033

Note:

Additions to property, plant and equipment in the first half of 2026 mainly comprised instalment payments of US$612.6 million (2025: US$890.4 million) for orders placed by the Group for the construction of container vessels.

During the six months ended 30th June 2026, construction of one (2025: five) vessel was completed and the vessel was delivered to the Group.

14. Debtors and prepayments

US$'000	30th June 2026	31st December 2025
Trade receivables		
Third parties	**461,381**	379,415
Joint ventures	**2,333**	–
Fellow subsidiaries	**9,808**	5,324
Related companies	**1,982**	1,418
Less: Provision for impairment	**(48,719)**	(41,549)
Trade receivables – net	**426,785**	344,608
Other debtors	**197,278**	171,831
Other prepayments, utility and other deposits	**142,296**	118,615
Amounts due from related parties		
Fellow subsidiaries	**47,304**	23,001
Related companies	**23,308**	27,069
	836,971	685,124

Trade receivables are normally due for payment on presentation of invoices or granted with an approved credit period ranging mainly from 10 to 30 days. Debtors with overdue balances are requested to settle all outstanding balances before any further credit is granted.

The ageing analysis of the Group's trade receivables, net of provision for impairment, prepared in accordance with the dates of invoices, is as follows:

US$'000	30th June 2026	31st December 2025
Below 1 month	**328,728**	263,817
2 to 3 months	**89,252**	70,957
4 to 6 months	**7,853**	7,540
Over 6 months	**952**	2,294
	426,785	344,608

15. Share capital

US$'000	30th June 2026	31st December 2025
Authorised:		
900,000,000 ordinary shares of US$0.10 each	**90,000**	90,000
65,000,000 convertible redeemable preferred shares of US$1 each	**65,000**	65,000
50,000,000 redeemable preferred shares of US$1 each	**50,000**	50,000
	205,000	205,000
Issued and fully paid:		
660,373,297 ordinary shares of US$0.10 each	**66,037**	66,037

16. Reserves

US$'000	Share premium	Employee share-based compensation reserve	Contributed surplus	Capital redemption reserve	Foreign exchange translation reserve	Retained profit	Total
At 1st January 2026	**734,717**	**10,774**	**88,547**	**4,696**	**(40,372)**	**12,544,169**	**13,342,531**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**6,484**	**728,705**	**735,189**
Transactions with owners							
Transfer to retained profit upon lapse of share options	**–**	**(69)**	**–**	**–**	**–**	**69**	**–**
2025 final dividend	**–**	**–**	**–**	**–**	**–**	**(277,357)**	**(277,357)**
At 30th June 2026	**734,717**	**10,705**	**88,547**	**4,696**	**(33,888)**	**12,995,586**	**13,800,363**
At 1st January 2025	734,717	10,774	88,547	4,696	(39,257)	12,380,036	13,179,513
Total comprehensive income/(loss) for the period	–	–	–	–	(4,048)	954,028	949,980
Transaction with owners							
2024 final dividend	–	–	–	–	–	(871,693)	(871,693)
At 30th June 2025	734,717	10,774	88,547	4,696	(43,305)	12,462,371	13,257,800

17. Lease liabilities

US$'000	30th June 2026	31st December 2025
Non-current	**706,348**	711,064
Current	**565,772**	568,384
	1,272,120	1,279,448

18. Provision

The Group entered into the Terminal Service Agreement ("TSA") in October 2019 to which the Group committed to place, or procure the placement of an annual minimum number of vessel lifts in Long Beach Container Terminal ("LBCT") for 20 years. Failure to meet the committed volume for each contract year would require certain level of deficiency payment as stipulated in the TSA.

As at 30th June 2026, the Group reassessed the expected number of vessel lifts in LBCT for each of the remaining contract years with reference to future prospects of the market and its expected load factor. The current economic environment, tariff policies and other targeted policies in the USA are still highly uncertain, together with the exceptionally intense market competition are expected to have some negative impact on the demand/import of the USA in the near future. As at 30th June 2026, with these uncertainties over such a long-term contract period, management reassessed that the projected vessel lifts in LBCT would result in a shortfall on minimum volume commitment over the remaining contract period. The Group estimated an onerous contract provision of US$876.7 million as at 30th June 2026 (31st December 2025: US$876.7 million).

19. Creditors and accruals

US$'000	30th June 2026	31st December 2025
Trade payables		
Third parties	238,636	178,994
Joint ventures	226	1,697
Fellow subsidiaries	42,849	23,873
Related companies	27,547	27,548
	309,258	232,112
Other creditors	202,108	182,150
Accrued expenses*	1,340,497	1,333,915
Contract liabilities	21,003	19,649
Amounts due to related parties		
Joint ventures	3,167	3,461
Fellow subsidiaries	9,967	6,510
Related companies	285	24,267
	1,886,285	1,802,064

* Accrued expenses mainly represent accrual for operating costs for container transport and logistics operation and accrued discretionary bonuses.

The ageing analysis of the Group's trade payables, prepared in accordance with the dates of invoices, is as follows:

US$'000	30th June 2026	31st December 2025
Below 1 month	234,808	151,100
2 to 3 months	63,068	69,097
4 to 6 months	3,666	2,354
Over 6 months	7,716	9,561
	309,258	232,112

20. Commitments

(a) Capital commitments – Property, plant and equipment

US$'000	30th June 2026	31st December 2025
Contracted but not provided for		
Vessels under construction	5,434,860	3,830,655
Others	12,188	25,203
	5,447,048	3,855,858

(b) Lease commitments

The non-cancellable lease commitments include leases of low-value assets, short-term leases with a term of twelve months or less and long-term leases with a term of over twelve months not yet commenced at 30th June 2026.

The future aggregate minimum lease payments under non-cancellable short-term leases or low-value leases are payable in the following years:

US$'000	Vessels and equipment	Land and buildings	Total
At 30th June 2026			
Less than 1 year	192,056	1,227	193,283
Between 1 and 2 years	65,635	–	65,635
Between 2 and 5 years	75,265	–	75,265
Over 5 years	1,203	–	1,203
	334,159	1,227	335,386
At 31st December 2025			
Less than 1 year	234,683	980	235,663
Between 1 and 2 years	71,795	–	71,795
Between 2 and 5 years	79,470	–	79,470
Over 5 years	722	–	722
	386,670	980	387,650

On 22nd October 2024, the Group as lessee entered into the charterparties for the chartering of a total of six vessels for a term of 15 years commencing from the dates of delivery of the respective vessels, which are expected to be between the second half of 2026 and the first quarter of 2028. As at 30th June 2026, the aggregate minimum lease payments payable by the Group for all vessels under the charterparties are US$1,632.9 million (31st December 2025: US$1,582.3 million).

On 19th September 2025, the Group as lessee entered into another charterparties for the chartering of a total of five vessels for a term of 7.5 years commencing from the dates of delivery of the respective vessels, which are expected to be between the fourth quarter of 2027 and the third quarter of 2028. As at 30th June 2026, the aggregate minimum lease payments payable by the Group for all vessels under the charterparties are US$441.7 million (31st December 2025: US$428.0 million).

21. Significant related party transactions

The Company is controlled by COSCO SHIPPING, the ultimate parent company of the Group and a state-owned enterprise established in the PRC.

COSCO SHIPPING itself is controlled by the PRC government, which also owns a significant portion of the productive assets in the PRC. Government-related entities and their subsidiaries directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are defined as related parties of the Group. On that basis, related parties include COSCO SHIPPING and its subsidiaries (other than the Group) (collectively referred to as "COSCO SHIPPING Group") and related entities of COSCO SHIPPING (including joint ventures and associated companies), other government-related entities and their subsidiaries, entities in which the Company is able to exercise joint control or significant influence, and key management personnel of the Company and COSCO SHIPPING as well as their close family members. The Group's transactions with other government-related entities and their subsidiaries include but are not limited to rendering or receiving of services, purchases or sales of assets and receiving of bank deposit services. The detailed disclosures in relation to these transactions and outstanding balances are exempted. The Directors believe that the information of related party transactions has been adequately disclosed in the interim financial information.

In addition to the related party information and transactions disclosed elsewhere in the interim financial information, the following is a summary of significant related party transactions conducted in the ordinary course of business between the Group and its related parties during the period.

(a) Transactions with COSCO SHIPPING Group and related entities of COSCO SHIPPING (including joint ventures and associated companies)

US$'000	2026	2025
Income		
Container transport income (note ii)	**152,540**	77,519
Freight forwarding income	**9,213**	12,525
Service income		
Vessels	**105,761**	93,262
Containers	**24,544**	18,305
Information technology service income	**25,454**	20,591
Interest income	**1,077**	1,144
Expenses		
Cargo transportation costs	**76,743**	73,534
Freight forwarding expenses	**21,517**	17,057
Terminal charges (note iii)	**255,910**	215,227
Expenses relating to short-term leases and leases with low-value assets		
Vessels	**141,525**	98,711
Containers	**42,508**	37,350
Land and buildings	**691**	775
Slot hire expenses	**23,005**	20,746
Purchase of bunker (note iv)	**124,144**	105,489
Crew expenses	**2,000**	1,565
Service fee	**150**	150
Others		
Purchase of containers	**147,225**	202,354
Instalments of vessels under construction (note v)	**168,613**	890,425

21. Significant related party transactions (Continued)

(b) Transactions with joint ventures of the Group

US$'000	2026	2025
Income		
Container transport income	**88**	80
Expenses		
Cargo transportation costs	**9,614**	8,912

(c) Transactions with other related parties

US$'000	2026	2025
Income		
Container transport income	**525**	110
Freight forwarding income	**87**	553
Expenses		
Cargo transportation costs	**8,546**	6,840
Freight forwarding expenses	**327**	453
Terminal charges	**99,377**	86,289

(d) Transactions with state-owned banks

As at 30th June 2026, approximately 40% (31st December 2025: 50%) of the Group's bank balances are with state-owned banks.

Notes:

(i) These transactions were conducted either (i) based on terms as governed by the master agreements and subsisting agreements entered into between the Group and COSCO SHIPPING Group or (ii) based on terms as set out in the underlying agreements, statutory rates or market prices or actual costs incurred, or as mutually agreed between the Group and the parties in concern.

(ii) Container transport income of US$31.9 million (2025: US$28.0 million) were transacted with the associated companies and joint ventures of COSCO SHIPPING during the six months ended 30th June 2026.

(iii) Terminal charges of US$190.0 million (2025: US$150.0 million) were transacted with the associated companies and joint ventures of COSCO SHIPPING during the six months ended 30th June 2026.

(iv) Bunker of US$86.5 million (2025: US$93.2 million) was purchased from a joint venture of COSCO SHIPPING during the six months ended 30th June 2026.

(v) The Group entered into shipbuilding contracts for fourteen vessels with a subsidiary and a joint venture of COSCO SHIPPING respectively for an aggregate consideration of US$3,080.0 million during the six months ended 30th June 2025. The remaining capital commitment is disclosed in note 20(a).