
INDUSTRY OVERVIEW

The information and statistics set out in this section and other sections of this Document were extracted from different official government publications, available sources from public market research and other sources from independent suppliers, and from the independent industry report prepared by Frost & Sullivan (the “Frost & Sullivan Report”). We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the [REDACTED]. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Joint Sponsors, the [REDACTED], [REDACTED], the [REDACTED], the [REDACTED], the [REDACTED], any of the [REDACTED], any of their respective directors and advisers, or any other persons or parties involved in the [REDACTED], and no representation is given as to its accuracy.

SOURCE OF INFORMATION

We commissioned Frost & Sullivan to analyze and prepare a report regarding the Southeast Asia, Singapore and The PRC Container Depot Market. Frost & Sullivan is an independent global consulting firm founded in 1961 in New York that offers industry research and market strategies and provides growth consulting and corporate training. We agreed to pay a commission fee of HK\$620,000 to Frost & Sullivan pursuant to a service agreement reached by arm’s length negotiation. Except as otherwise noted, all of the data and forecasts contained in this section are derived from the Frost & Sullivan Report. We have also referred to certain information in the “Summary”, “Risk Factors”, “Business” and “Financial Information” sections to provide a more comprehensive presentation of the industry in which we operate.

In preparing the report, Frost & Sullivan conducted both primary and secondary research and relied on various sources. The primary research was conducted via interviews with key industry experts and leading industry participants. The secondary research involved analysis of market data obtained from several publicly available data sources, such as the Singapore Department of Statistics, National Bureau of Statistics of China and other industrial associations. The market projections in the Frost & Sullivan Report are based on the following key assumptions: (i) the overall social, economic and political environment in Southeast Asia, Singapore, and China is expected to remain stable during the forecast period; (ii) Southeast Asia, Singapore, and The PRC’s economic and industrial development is likely to maintain a steady growth in the forecast period; (iii) related industry key drivers are likely to drive the growth of Southeast Asia, Singapore and The PRC Container Depot Market in the forecast period; and (iv) there is no extreme force majeure or industry regulation which may affect the market dramatically or fundamentally.

OVERVIEW OF CONTAINER DEPOT MARKET

Definition and Key Competencies of Container Depot

A Container Depot (also called an Off-Dock Depot, or Container Yard) is a critical logistics facility located outside of port terminals, serving as the central hub for the storage, maintenance, and distribution of empty shipping containers. It acts as the essential buffer in the global supply chain: when importers return empty units, depots accept them to prevent congestion at the port. A depot is also more than just a

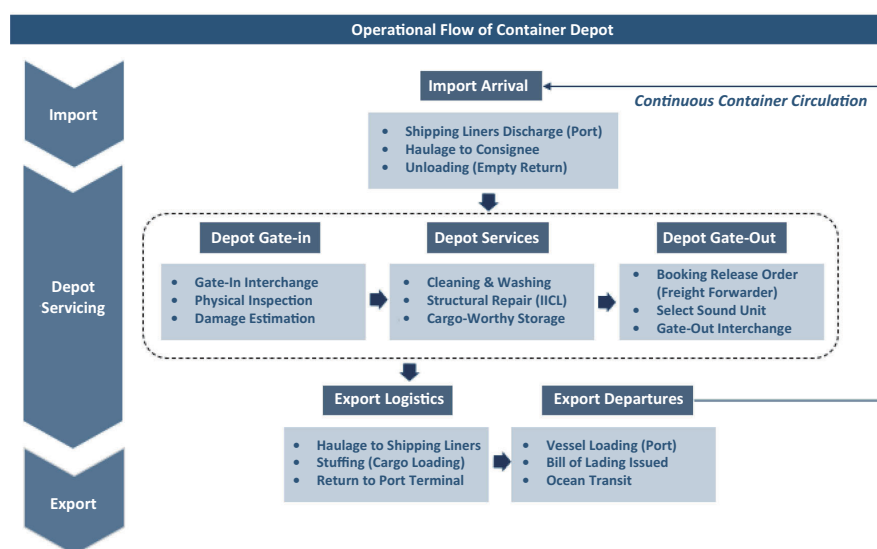
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storage yard; it is a service center for asset management. The core function of a depot is comprehensive maintenance and repair services. Trained inspectors examine every container for structural damage or contamination. The depot then performs cleaning, washing, and necessary repairs to ensure the container is in seaworthy condition before it is released to the next exporter. By managing this turnaround process efficiently, Container Depots optimize the utilization of shipping line assets and ensure the smooth flow of global trade.

The core competencies of a container depot center on technical service provision and logistical coordination. Operationally, depots provide the infrastructure and inventory management necessary to balance container supply and demand across global trade lanes, minimizing the costs of equipment repositioning. From a technical standpoint, depots offer specialized maintenance and repair (“M&R”) services that ensure fleet compliance with international safety standards, thereby extending the life of shipping assets. Furthermore, as multi-modal nodes, container depots facilitate the transition between maritime and inland transport, providing the physical capacity to alleviate quayside congestion and ensuring the documented transfer of equipment between carriers and shippers.

Operational Flow Analysis

The container depot operates as a centralized technical interface in the continuous container circulation cycle, bridging the gap between import discharges and export requirements. Functioning as a strategic equipment buffer, the facility manages the transition of empty units through a standardized work flow of gate-in inspection, technical servicing (including International Container Lessors standard repairs), and cargo-worthy storage. By providing a specialised environment for asset restoration and inventory hold, the depot ensures shipping liners maintain constant access to seaworthy equipment while systematically alleviating empty-container congestion at primary port terminals.

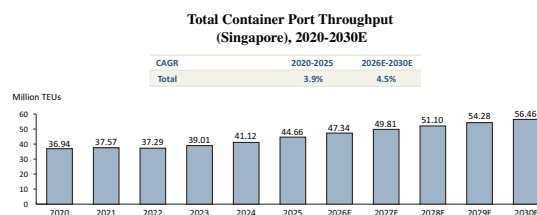
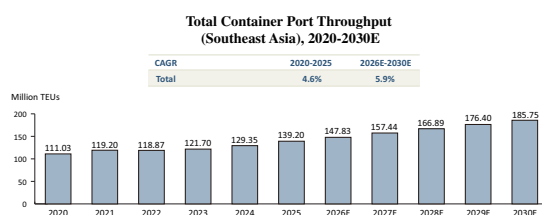


Source: Institute of International Container Lessors (“IICL”) standards, Frost & Sullivan

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Market Size of Container Port Throughput in Southeast Asia and Singapore

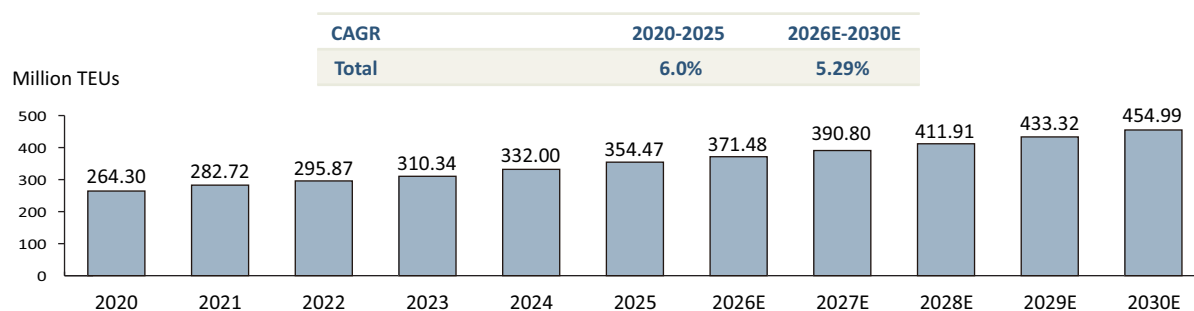
Container port throughput in Southeast Asia grew from 111.03 million TEUs in 2020 to 139.20 million TEUs in 2025, representing a CAGR of 4.6%. Within this region, Singapore accounted for 44.66 million TEUs of the total volume by 2025. Regional expansion was driven by the “China Plus One” manufacturing shift to hubs such as Vietnam and Malaysia, alongside Singapore’s role in managing global supply chain disruptions. Key operational milestones included the phased opening of the Tuas Mega Port and the implementation of digital bunkering systems to enhance turnaround efficiency. The growth momentum has carried over into the current year, with container throughput in Singapore recording year-on-year growth of 11.3% in January 2026 and 3.2% in February 2026, signaling strong underlying market demand. Going forward, regional Southeast Asia throughput is projected to reach 185.75 million TEUs by 2030, representing a CAGR of 5.9% from 2026 to 2030. Singapore is expected to contribute 56.46 million TEUs to this total. Growth will be anchored by the consolidation of city terminals into the Tuas Mega Port, the deepening of intra-ASEAN trade under the Regional Comprehensive Economic Partnership (“RCEP”) framework, and the establishment of Green and Digital Shipping Corridors to attract eco-conscious global carriers.



Market Size of Container Port Throughput in the PRC

The container throughput in the PRC has increased from 264.30 million TEUs in 2020 to 354.47 million TEUs in 2025, representing a CAGR of 6.0%. Robust expansion was underpinned by a structural shift in trade toward high-value exports, including new energy vehicles and lithium batteries, and the diversification of trade routes toward ASEAN and Latin American markets. The Port of Shanghai remained the world’s busiest gateway, supported by the widespread deployment of fully automated terminals. PRC throughput is forecasted to rise to 454.99 million TEUs by 2030, representing a CAGR of 5.2% from 2026 to 2030. Future growth is driven by a strategic central port core framework and the integration of inland waterways with coastal mega-hubs to reduce logistics costs. The PRC’s competitive edge will be sustained through the decarbonization of port machinery and continued investment in semi-automated berths at major ports such as Qingdao and Tianjin.

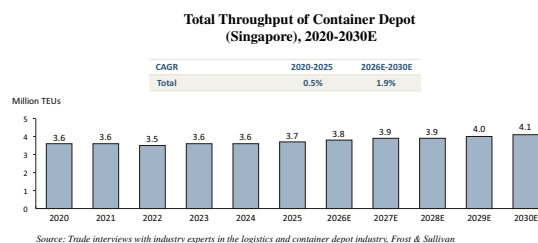
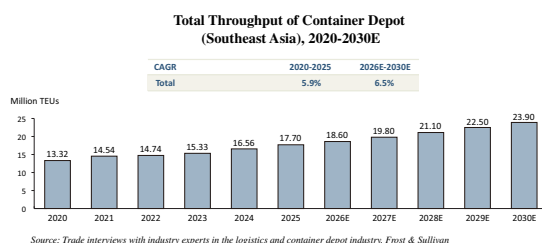
Total Container Port Throughput (The PRC), 2020-2030E



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Total Throughput of Container Depot in Southeast Asia and Singapore

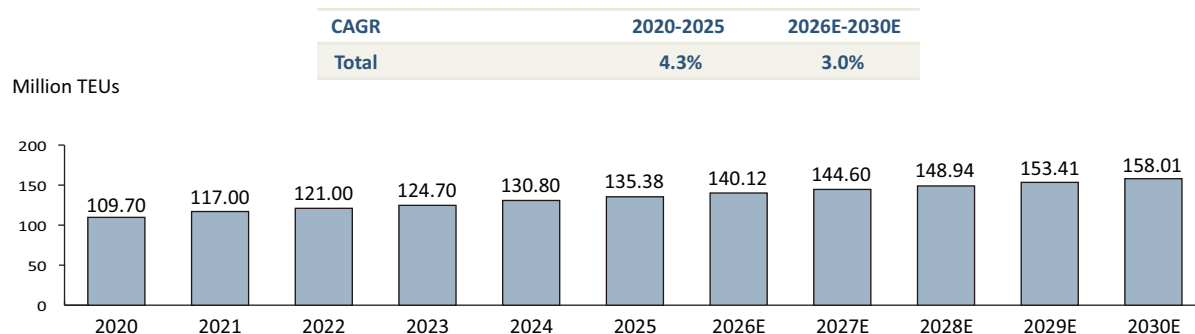
Container depot throughput in Southeast Asia increased from 13.32 million TEUs in 2020 to 17.70 million TEUs in 2025, representing a CAGR of 5.9%. Singapore’s depot throughput accounted for 3.7 million TEUs by 2025, representing a CAGR of 0.5% during the same period. Growth across the region was primarily catalysed by the recovery in global merchandise trade, specifically within the electronics and semiconductor sectors, and the shift of manufacturing activities toward Southeast Asian gateways. In Singapore, the initial growth phase was driven by the redirection of vessel schedules and the adoption of digital platforms such as SGTraDex to improve yard efficiency amid acute land constraints. Regional Southeast Asia throughput is projected to reach 23.90 million TEUs by 2030, representing a CAGR of 6.5% from 2026 to 2030. Singapore’s depot volume is forecasted to rise to 4.1 million TEUs, representing a CAGR of 1.9%. The acceleration is anchored by the full operationalization of the Tuas Mega Port, which streamlines container repositioning into a single hub. Future momentum will be sustained by the expansion of the global containership fleet and the development of high-density, multi-storey container depots integrated with AI-driven yard automation to optimize the region’s limited land footprint.



Total Throughput of Container Depot in the PRC

The PRC container depot market experienced robust expansion, with throughput increasing from 109.70 million TEUs in 2020 to 135.38 million TEUs in 2025, representing a CAGR of 4.3%. Market resilience was supported by the rapid recovery of the export sector and the “Dual Circulation” strategy, which bolstered both domestic and international trade volumes. Despite global trade volatility and tariff adjustments in early 2025, depot volumes remained steady as exporters diversified toward emerging markets in Africa and Latin America. Technical drivers during this period included the digital transformation of depot operations to manage increased e-commerce fulfillment and multimodal logistics requirements. PRC throughput is projected to rise from 140.12 million TEUs in 2026 to 158.01 million TEUs in 2030, representing a CAGR of 3.0%. The transition toward a more mature growth phase is anchored by the continued integration of the Greater Bay Area and the development of smart port ecosystems. Future expansion will rely on the utilization of IoT and AI for optimized container stacking and turnover, ensuring the PRC maintains high-efficiency throughput to support its position as a global manufacturing hub.

Total Throughput of Container Depot (The PRC), 2020-2030E



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Key Growth Drivers in Southeast Asia and Singapore

Strategic Regionalization and the “China Plus One” Shift – Multinational enterprises are increasingly adopting “China Plus One” strategies, relocating production to Southeast Asian hubs such as Vietnam, Malaysia, and Thailand to mitigate supply chain risks. The structural shift saw regional import and export values grow by 11.4% and 12.9% respectively in 2025. For depot operators, this transition drives a sustained requirement for localized equipment management and technical certification services as new manufacturing bases for electronics and machinery require high-volume container fluidity.

Record Regional Port Throughput and Transshipment Demand – In 2025, Southeast Asian and Singaporean ports handled record throughput of 139.20 million TEUs and 44.66 million TEUs respectively, representing year-on-year increases of 7.6% and 8.6%. The momentum has continued into early 2026, particularly in Singapore, with container throughput recording year-on-year growth of 11.3% in January and 3.2% in February, underscoring a persistent increase in volume that continues to propel the container depot sector. Such record activity, driven by a rebound in electronics demand and the management of global shipping diversions, provides a stable foundation for the depot industry. Singapore, in particular, has leveraged its role as a transshipment hub to facilitate container repositioning, increasing the industry’s dependency on third-party depot operators to maintain supply chain velocity.

Deepening Intra-ASEAN Trade and Integration of Trade Agreements – The expansion of regional trade frameworks, specifically the RCEP and the ACFTA 3.0 upgrade, has established a critical transit corridor between China and international markets. Major Southeast Asian economies recorded year-on-year double-digit export growth in 2025, led by Malaysia (13.9%), Thailand (13.0%) and Singapore (10.0%). The deepening connectivity necessitates comprehensive container management solutions to facilitate the movement of goods between regional re-export hubs, supported by the long-term growth of industrial production across the ASEAN bloc.

Strategic Repositioning of Empty Containers to Export-Heavy Hubs – Shipping lines and freight forwarders are actively rebalancing networks by shifting capacity toward intra-Asia corridors, leading to the deliberate repositioning of empty units to depots in Singapore, Vietnam, and Thailand. Each repositioned unit generates a resilient stream of high-volume activity, as containers must be professionally handled and certified before reintegration into active service. This trend is bolstered by sophisticated carrier strategies to move equipment from import-heavy locations back to export-oriented regions to address localized shortages.

Key Growth Drivers in the PRC

Structural Upgrading and Smart Logistics Integration – The PRC’s export sector is undergoing a transition as high-tech goods, including electric vehicles (EVs), lithium batteries, and photovoltaic modules, replacing traditional labor-intensive exports. The shift, supported by the “New Quality Productive Forces” policy, saw China’s total export value increase by 5.6% year-on-year in 2025. To handle these sophisticated industrial goods, major coastal hubs like Shanghai and Ningbo-Zhoushan have integrated AI-driven smart logistics and fully automated terminals. Such technological advancements improve container turnaround times and provide the specialized handling and 5G-enabled tracking required for high-value cargo equipment.

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Trade Diversification and the “Dual Circulation” Framework – To mitigate trade challenges due to trade wars in traditional Western markets, the PRC has leveraged its “Dual Circulation” strategy to bolster domestic trade while diversifying international networks into Latin America, Africa, and Southeast Asia. Such approach pushed total container port throughput to a record 354.47 million TEUs in 2025, representing a CAGR of 6.0% during 2020 to 2025, with volumes projected to reach 454.99 million TEUs by 2030. Strategic expansion into emerging markets and the integration of inland waterways with coastal mega-hubs ensure high equipment utilization rates and a diversified influx of containerized trade for domestic depots.

Global Fleet Expansion and Technical Refurbishment Demand – As of 2025, the global container fleet exceeds 33 million TEUs, with a massive orderbook representing a 33.5% increase over current capacity. As the world’s primary manufacturing and shipping hub, the PRC serves as the central location for the essential maintenance and technical refurbishment of these assets. Such activity supported a PRC container depot throughput of 135.38 million TEUs in 2025. Every new unit added to the global fleet requires recurring IICL-standard inspections and repairs, a demand that Chinese depots are uniquely equipped to meet at scale as carriers prioritize stricter safety and environmental standards.

Future Trends and Outlook of the Industry

Accelerated Digitalization and Smart Port Integration – The container depot industry is undergoing a digital transformation to enhance operational precision and reduce turnaround times. In Southeast Asia, operators are deploying geospatial data and fleet management platforms to optimize vehicle routing and sustainability. The PRC has advanced the integration of 5G and smart port applications, while Singapore is achieving full 5G maritime coverage to support automated navigation and real-time data analytics. These shifts toward automation allow depot operators to manage increasing trade volumes while mitigating port congestion and logistical complexity.

Strategic Consolidation and Infrastructure Integration – A prevailing trend is the consolidation of port operations and peripheral services into integrated, large-scale terminals to achieve economies of scale. In Singapore, the relocation of city terminals to the Tuas Mega Port, designed for a 65 million TEU capacity, represents the shift toward fully automated, centralized hubs. Similarly, the PRC continues to expand coastal port clusters to support its manufacturing base. By co-locating depots, warehouses, and terminal facilities, operators reduce transport complexity and utilize automated yard cranes and driverless trucks to enhance overall productivity.

Expansion of Specialized Technical and Maintenance Services – The increasing complexity of global trade and a growing container fleet have expanded the demand for specialized depot services beyond basic storage. There is a rising requirement for technical inspections, specialized cleaning, and high-quality repairs to meet stringent international safety and environmental standards. As shipping lines seek to extend the operational life of equipment and maintain specialized units, such as refrigerated containers, depots investing in advanced technical capabilities are securing higher-margin revenue streams. The trend toward equipment refurbishment provides a stable, non-cyclical flow of technical activity for regional operators.

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Market Challenges

Manpower Shortages and Regulatory Labor Policies – The container depot industry faces persistent difficulties in attracting and retaining labor, as local workforces increasingly favor office-based sectors. Such trend has necessitated a heavy reliance on foreign manpower, which is subject to tightening government policies and reduced worker quotas. In Singapore, for example, the Local Qualifying Salary (“LQS”) is set to increase to S\$1,800 in July 2026, further raising the threshold for foreign worker quota entitlements. Such labor constraints and rising dependency ratio ceilings (DRCs) exert significant upward pressure on operating costs, forcing a capital-intensive shift toward automation and the complex retraining of existing personnel to manage digitalized yard operations.

Escalating Operational Costs and Land Scarcity – Operating container depots in major maritime hubs involves high expenditures related to industrial land, energy, and regulatory compliance. Acute land scarcity in strategic locations near port terminals leads to elevated rental and lease renewal costs, which can challenge the financial sustainability of smaller operators. Furthermore, the industry must adhere to increasingly stringent environmental standards, requiring substantial capital investment in electric handling equipment and sustainable waste management systems. While periodic adjustments to Depot Handling Charges (“DHC”) help mitigate these overheads, the continuous upward trend in operational costs remains a significant hurdle for maintaining profit margins while ensuring competitive pricing.

Between 2020 and 2025, gross monthly income in the transportation and storage sector grew steadily, with Singapore recording the highest CAGR at 6.5%, followed by the PRC at 6.3% and Malaysia at 5.2%. The trend was primarily driven by pandemic-related supply chain disruptions and broad inflationary pressures. While wage growth is projected to moderate from 2026 to 2030, an upward trajectory will be maintained, with forecasted CAGRs of 3.8% for the PRC, 3.4% for Malaysia, and 3.3% for Singapore. Continued expansion reflects structural demographic shifts and a rising demand for technically skilled personnel. While persistent wage inflation presents a challenge for container depot operators, it acts as a primary catalyst for industry-wide investment in automation and digital workflow optimization to reduce manual dependency.

Median/ Average Gross Monthly Income of Labour Engaged in the Transportation & Storage Industry, 2020-2030E

	2020	2021	2022	2023	2024	2025	2026E	2030E	CAGR (2020- 2025)	CAGR (2026E- 2030E)
Singapore (Median)	2,925	3,168	3,510	3,554	3,900	4,000	4,148	4,732	6.5%	3.3%
Malaysia (Median)	2,066	2,000	2,097	2,360	2,576	2,666	2,773	3,164	5.2%	3.4%
The PRC (Average)	7,849	8,687	9,140	9,823	10,223	10,632	11,057	12,836	6.3%	3.8%

Source: Singapore Department of Statistics, Department of Statistics Malaysia, National Bureau of Statistics of the PRC, Frost & Sullivan

COMPETITIVE LANDSCAPE

The container depot market in Southeast Asia is characterized by a fairly competitive and fragmented landscape, with top 5 players accounting for 28.1% of the total market size in 2025.

In 2025, the industry is defined by a diverse field of local and regional operators who are increasingly integrating their service offerings, such as maintenance, repair, and bonded warehousing, to provide end-to-end logistics solutions. As trade flows continue to shift toward Southeast Asia, the competitive environment is shaped by operators capable of securing land near major infrastructure hubs to manage the rising volume of empty container repositioning. The Group ranked 2nd among container depot operators in Southeast Asia, with a market share of 5.9% in 2025.

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Ranking of Container Depot Operators (Southeast Asia), 2025

Rank	Company	Description	Approximate Market Share in terms of Estimated Depot Throughput Volume in 2025 (%)
1.	Company A	The company is a regional container service specialist providing essential depot management, technical inspections, and maintenance and repair services for dry and refrigerated containers across Southeast Asia and China.	6.7%
2.	The Group	Founded in 1978, Eng Kong is an integrated logistics operator and a key provider of container-related services to global firms operating in the Asia Pacific region. In 1981, Eng Kong broadened its business portfolio by entering into the container depot business.	5.9%
3.	Company B	The company is a major integrated logistics provider in Indonesia, operating large-scale bonded logistics centers and one-stop container depots that offer storage, reefer services, and inland clearance capabilities.	5.8%
4.	Company C	The company is a port-linked logistics operator managing an extensive network of inland container depots that facilitate multimodal transport, customs clearance, and high-volume container throughput.	5.4%
5.	Company D	The company is a logistics and yard operator providing integrated container haulage, depot storage, and technology-driven third-party logistics solutions across multiple international markets.	4.6%
Top Five subtotal			28.1%

Source: Trade interviews with industry experts in the logistics and container depot industry, Frost & Sullivan

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The container depot market in Singapore is fairly consolidated, with the top five players accounting for approximately 59.5% of the total depot throughput in 2025. Competition is primarily driven by an operator’s ability to secure land in a land-scarce environment and maintain strategic proximity to major ports. High barriers to entry further protect established incumbents, as new entrants face significant capital requirements for machinery, technology, and facility leasing, alongside the challenges of the government’s plan to consolidate depot operations at the Tuas Mega Port. The Group is the market leader among container depot operators in Singapore, with a market share of 16.2% in 2025.

Ranking of Container Depot Operators (Singapore), 2025

Rank	Company	Description	Approximate Market Share in terms of Estimated Depot Throughput Volume in 2025 (%)
1.	The Group	Founded in 1978, Eng Kong is an integrated logistics operator and a key provider of container-related services to global firms operating in the Asia Pacific region. In 1981, Eng Kong broadened its business portfolio by entering into the container depot business.	16.2%
2.	Company D	The company is a prominent logistics and yard operator providing integrated container haulage, depot storage, and technology-driven third-party logistics solutions across multiple international markets.	13.5%
3.	Company E	The company is a major Singapore-based logistics subsidiary of a global shipping conglomerate, providing integrated container storage, maintenance, and specialized reefer services.	10.8%
4.	Company F	The company is a global supply chain provider that operates one of the largest container depot networks in Singapore and Malaysia, offering full-spectrum services including tank cleaning, container repair, and multi-sector warehousing.	10.8%
5.	Company G	The company is a long-standing regional logistics operator and container haulage and yard specialists, focusing on tech-integrated depot management, all-in-one distribution services, and empty container handling.	8.1%
Top Five subtotal			59.5%

Source: Trade interviews with industry experts in the logistics and container depot industry, Frost & Sullivan

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Entry Barrier

High Capital Intensity and Significant Initial Investment – Establishing a container depot requires substantial upfront capital to secure land, acquire specialized heavy machinery, and implement modern IT infrastructure. Operators must invest heavily in equipment such as reach stackers, forklifts, and cargo lifts, while simultaneously funding the digital tools required to interface with global shipping lines. Furthermore, the ongoing push toward smart and green port technologies adds an extra layer of expense, as new entrants are expected to adopt automation and electrification to remain competitive with established players.

Strategic Land Scarcity and Shortening Lease Tenures – Access to land in close proximity to major port terminals is a critical requirement for a viable depot business, yet such space is increasingly scarce and expensive. In major hubs like Singapore and China, land for depots is often controlled by port authorities, making it difficult for new companies to secure suitable plots. Moreover, the market is shifting toward shorter lease terms, which creates operational uncertainty and makes it harder for new entrants to justify the long-term infrastructure investments needed to scale their business.

Strong Incumbent Advantages and Customer Loyalty – The container depot industry is characterized by deep-rooted partnerships between established operators and major shipping lines. These incumbents often enjoy long-standing contracts or even exclusive arrangements with key carriers, making it difficult for a newcomer to capture market share. Additionally, large shipping and container manufacturers frequently own or have significant stakes in existing depots, creating a vertically integrated structure that naturally favors established players and limits the volume available to independent new entrants.