



T.S. Lines Limited

德翔海運有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code : 2510

2025

INTERIM REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chen Teh-Sheng
(Chairman and Chief Executive Officer)
Mr. Chen Shao-Hsiang (James) *(Vice Chairman)*
Mrs. Chen Chuang Chuang-Li
Mr. To Hung-Lin
Mr. Chow Hong Man

Independent Non-Executive Directors

Mr. Wu Youn-Ger
Mr. Chang Shan-Hui
Mr. Yang Li-Yen

AUDIT COMMITTEE

Mr. Chang Shan-Hui *(Chairperson)*
Mr. Wu Youn-Ger
Mr. Yang Li-Yen

NOMINATION COMMITTEE

Mr. Chen Teh-Sheng *(Chairperson)*
Mrs. Chen Chuang Chuang-Li
(Appointed on August 25, 2025)
Mr. Wu Youn-Ger
Mr. Chang Shan-Hui
Mr. Yang Li-Yen

REMUNERATION COMMITTEE

Mr. Yang Li-Yen *(Chairperson)*
Mr. Wu Youn-Ger
Mr. Chang Shan-Hui

AUTHORIZED REPRESENTATIVES

Mr. Chow Hong Man
Mr. Chan Chung Kik, Lewis

COMPANY SECRETARY

Mr. Chan Chung Kik, Lewis

LEGAL ADVISORS AS TO HONG KONG LAW

Allen Overy Shearman Sterling
9th Floor, Three Exchange Square
Central
Hong Kong

AUDITORS

KPMG
Certified Public Accountants and Public Interest Entity
Auditor registered in accordance with the Accounting and
Financial Reporting Council Ordinance
8th Floor, Prince's Building
10 Chater Road
Central
Hong Kong

COMPLIANCE ADVISOR

Innovax Capital Limited

SHARE REGISTRAR

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

PRINCIPAL BANKERS

Bank of Taiwan
Hua Nan Commercial Bank Ltd.
Mega International Commercial Bank Co., Ltd.
Taiwan Cooperative Bank Ltd

PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN TAIWAN

6F
No. 167, Tun-Hwa North Road
Taipei
Taiwan

REGISTERED OFFICE

9/F, C-Bons International Center
108 Wai Yip Street
Kowloon
Hong Kong

COMPANY'S WEBSITE

<https://www.tslines.com/>

STOCK CODE

2510

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

Business Scope

The Group primarily provides container shipping services. Its fleet comprises both self-owned and chartered vessels, with a continued strategic focus on the Asia-Pacific region. The Group's service network covers major trade lanes including Greater China, Greater China – North Asia, Greater China – Southeast Asia, Northeast Asia – Southeast Asia, Asia – Oceania, and Asia – Indian Subcontinent. In the first half of 2025, while continuously reinforcing its regional presence, the Group proactively expanded into long-haul and high-revenue trade lanes, with increased emphasis on Transpacific, Middle East, and East Africa services. In April, a new Asia – Mexico trade lane service was officially launched, further extending its reach into Latin America and enhancing its global coverage and revenue structure diversification.

Route and Shipping Capacity Development

As of the end of June 2025, the Group operated a total of 49 shipping services (excluding operations involving our chartered vessels), comprising 11 self-operated services, 24 joint-operated services, 11 slot-swap services, and 3 slot-purchasing services. The Group's shipping network covers major trading markets in Asia, calling at around 60 ports in total across 22 countries and regions worldwide.

As of the end of June 2025, the Group operated a total of 47 vessels with an aggregate capacity of 140,726 TEU. This included a total of 34 self-owned vessels providing 81,129 TEUs with an average age of approximately 3.8 years; 7 sublet vessels providing a total of 37,149 TEUs with an average age of 6.8 years; and 6 chartered-in vessels providing 22,448 TEUs with an average age of 2.2 years. Overall, the fleet remained structurally sound, with a high proportion of self-owned capacity and the strength of a younger age profile that supports stable service and operational flexibility.

Revenue and Shipping Volume

For the six months ended June 30, 2025, the Group achieved solid performance amidst overall market volatility, supported by agile market strategies and a younger, modern fleet. Total revenue for the first half of 2025 reached US\$641.4 million, up 18.7% from the same period in 2024. Revenue from container shipping services accounted for 91.3% of total revenue. The Asia-Pacific market remained the Group's key source of revenue, contributing 83.4% of total container shipping service revenue. The Group continued to focus on its core regional markets in Asia while actively expanding its long-haul services to enhance revenue structure and overall profitability.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended June 30, 2025, the Group handled a total container volume of 818,480 TEUs, representing a slight decrease compared to the same period in 2024, mainly reflecting the slot adjustments on some short-haul regional services. However, total revenue from container shipping services increased from approximately US\$505.9 million in the same period of prior year to US\$585.6 million, indicating a healthy growth. The overall average freight rate per TEU rose from US\$608 to US\$715, underscoring the Group's ability to effectively maintain an optimized revenue structure and a flexible pricing strategy in response to market rate fluctuations.

The revenue increase during the period was primarily driven by strong performance on the Greater China-Southeast Asia and Greater China-Northeast Asia markets, both of which recorded notable improvements in unit revenue, reaching an average freight rate of US\$611 and US\$514 per TEU, respectively. The North Asia-Southeast Asia market also showed significant growth momentum in unit rates, reflecting the effectiveness of strategic market adjustments in driving unit revenue growth.

The Asia-Pacific region remained the core operating market of the Group. For the six months ended June 30, 2025, total revenue from this region amounted to approximately US\$488.2 million, accounting for more than 80% of total container shipping revenue for the period. Although shipping volume saw a minor decline compared to the same period last year, the significant increase in average unit freight rate over last year was sufficient to support overall revenue growth, underscoring the solid foundation of regional operations.

In addition to continuously optimizing existing services, the Group also actively expanded into semi long-haul and long-haul trades. During the period, the Asia-Indian Subcontinent market recorded notable revenue growth compared to the same period last year, continuing to reflect its high-revenue and high value-added nature.

Meanwhile, the Group continued to develop its Transpacific operations. In addition to the existing Asia-U.S. West Coast service, a new Asia-Mexico service was launched in April 2025, further extending the Group's reach into Latin America. During the period, the overall Transpacific markets (including both U.S. West Coast and Mexico services) handled a total of 36,270 TEUs, generating approximately US\$53.8 million in revenue. The average freight rate per TEU reached US\$1,484, demonstrating the high-revenue advantage and long-haul growth potential of this trade segment and supporting the Group's long-haul expansion strategy and revenue structure.

Summary and Outlook

Overall, through service restructuring and slot optimization, the Group achieved continued revenue growth despite stable shipping volume, and steadily expanded its semi long-haul service network. Looking ahead to the second half of the year, the Group will continue to enhance service efficiency and unit revenue, deepen its core market operations, and closely monitor global trade developments and changes in geopolitical risks, advancing its overall operations and sustainable growth strategy in a prudent manner.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

REVENUE

The Group's revenue increased by approximately 18.7% from approximately US\$540.5 million for the six months ended June 30, 2024 to approximately US\$641.4 million for the six months ended June 30, 2025. This increase primarily reflected the increase in revenue from container shipping services by approximately 15.8% from approximately US\$505.9 million for the six months ended June 30, 2024 to approximately US\$585.6 million for the six months ended June 30, 2025, which was primarily due to (i) an approximately 17.6% increase in overall average freight rates from approximately US\$608 per TEU in the first half of 2024 to approximately US\$715 per TEU in the first half of 2025, which aligned with market trends; and (ii) resumption of long – haul services in the Transpacific market in the second half of 2024 and launch of a new Asia-Mexico service in April 2025.

COST OF SALES

The Group's cost of sales slightly increased by approximately 4.2% from approximately US\$493.4 million for the six months ended June 30, 2024 to approximately US\$514.3 million for the six months ended June 30, 2025, which was primarily due to the increase in container rental, yard expenses and slot charter hire.

GROSS PROFIT AND GROSS PROFIT MARGIN

As a result of the foregoing, the Group's gross profit increased by approximately 170.1% from approximately US\$47.1 million for the six months ended June 30, 2024 to approximately US\$127.1 million for the six months ended June 30, 2025, and the Group's gross profit margin also increased from 8.7% for the six months ended June 30, 2024 to 19.8% for the six months ended June 30, 2025, which was mainly attributable to the increase in the average freight rates at a pace faster than the increase in the cost of sales.

OTHER REVENUE

The Group's other revenue increased from approximately US\$29.1 million for the six months ended June 30, 2024 to approximately US\$68.6 million for the six months ended June 30, 2025, primarily due to the increase in charter hire revenue of vessels from approximately US\$14.2 million in first half of 2024 to approximately US\$58.9 million in first half of 2025, which mainly reflected the increased number of vessels the Group chartered out with higher charter rates, partially offset by the decrease in bank interest income from approximately US\$13.4 million for the six months ended June 30, 2024 to approximately US\$8.3 million for the six months ended June 30, 2025, which was mainly due to a decrease in interest rate and the Group's bank deposits as a result of the payment of interim dividends in 2024.

OTHER NET INCOME/(LOSS)

The Group recorded other net income of US\$12.3 million for the six months ended June 30, 2025, compared to other net loss of US\$1.2 million for the six months ended June 30, 2024, primarily due the net foreign exchange gain of US\$12.2 million for the six months ended June 30, 2025, compared to the net foreign exchange loss of US\$1.6 million for the six months ended June 30, 2024, as a result of the appreciation of foreign currencies against USD.

MANAGEMENT DISCUSSION AND ANALYSIS

ADMINISTRATIVE AND OTHER OPERATING EXPENSES

The Group's administrative and other operating expenses increased from approximately US\$16.0 million for the six months ended June 30, 2024 to approximately US\$18.4 million for the six months ended June 30, 2025, mainly due to the increase in staff bonus.

PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

As a result of the aforementioned factors, the profit attributable to equity shareholders of the Company increased significantly by approximately 222.0% from approximately US\$58.6 million for the six months ended June 30, 2024 to approximately US\$188.7 million for the six months ended June 30, 2025.

OTHER PERFORMANCE INDICATORS

CURRENT RATIO AND QUICK RATIO

The Group's current ratio decreased from 2.5 times as of December 31, 2024 to 1.8 times as of June 30, 2025 and the Group's quick ratio decreased from 2.4 times as of December 31, 2024 to 1.7 times as of June 30, 2025. Such decreases were mainly due to the accrual of 2024 final dividend of approximately US\$183.2 million.

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent financial management approach for its treasury policy to ensure that the Group's liquidity structure comprising assets, liabilities and other commitments is able to always meet its capital requirements.

The Group's financial position remains solid and the Group has sufficient financial resources to meet its commitments and working capital requirements. As at June 30, 2025, the Group had net current assets of approximately US\$324.6 million (December 31, 2024: US\$353.1 million) of which cash and cash equivalents were approximately US\$585.8 million (December 31, 2024: US\$422.1 million) and were denominated in USD, RMB, JPY and HKD.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF NET PROCEEDS FROM GLOBAL OFFERING

The Company was successfully listed on the Main Board of the Stock Exchange on November 1, 2024. The net proceeds from the Global Offering (being the issue of 250,940,000 new Shares and including the partial exercise of the over-allotment option in respect of 14,091,000 new Shares at HK\$4.18 per Share) which the Company received, after deducting the underwriting commissions and expenses in relation to the Listing payable by the Company, was approximately US\$127.7 million.

As at June 30, 2025, the approximately US\$54.9 million net proceeds from the Global Offering which was not utilised were deposited into interest bearing bank accounts with licensed commercial banks and will be applied according to the section headed “Future Plans and Use of Proceeds” of the Prospectus.

Purposes	Net proceeds from the Global Offering US\$'000	Approximate % of net proceeds from the Global Offering	Amounts utilized as at June 30, 2025 US\$'000	Amounts unutilized as at June 30, 2025 US\$'000	Expected timetable for utilizing the unutilized net proceeds
Purchase of two new 7,000 TEU vessels ordered in April 2024	63.8	50%	8.9	54.9	Before end of December 2026
Vessel chartering	31.9	25%	31.9	—	
Container leasing	19.2	15%	19.2	—	
Working capital and general corporate purposes	12.8	10%	12.8	—	
	127.7	100%	72.8	54.9	

The Company will use the remaining proceeds for the purposes disclosed in the Prospectus. The expected timetable for utilizing the remaining proceeds is based on the best estimates of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

BORROWINGS AND GEARING RATIO

The gearing ratio as at June 30, 2025 was nil (December 31, 2024: nil), which is calculated by dividing the total bank borrowings by the total equity. The Group did not incur any bank borrowings in the first half of 2025 and 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

PLEDGE OF ASSETS

The Group had no pledged assets as at June 30, 2025 and December 31, 2024. The Group did not have any banking facilities as at June 30, 2025 and December 31, 2024.

CAPITAL EXPENDITURES AND INVESTMENT

For the six months ended June 30, 2025, the Group's total capital expenditures amounted to approximately US\$71.8 million, which was mainly related to the payments for construction of vessels and purchase of containers and was financed by internal resources. Save as disclosed above, the Group did not make any significant investments during the six months ended June 30, 2025.

CAPITAL COMMITMENT

As at June 30, 2025, the capital commitment for acquisition of property, plant and equipment amounted to approximately US\$578.1 million (December 31, 2024: US\$599.1 million).

CONTINGENT LIABILITIES

As at June 30, 2025, the Group did not have any significant contingent liabilities.

SIGNIFICANT INVESTMENTS HELD AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held during the six months ended June 30, 2025. Save as disclosed in the Prospectus, there was no plan authorised by the Board for other material investments or additions of capital assets of the Group as at the date of this interim report.

FINANCIAL INSTRUMENTS

During the six months ended June 30, 2025, no financial instruments were used for hedging purposes, nor were there any foreign currency net investments hedged by current borrowings and/or other hedging instruments.

INTEREST RATE RISK AND FOREIGN EXCHANGE RISK

The Group had no significant interest-bearing assets other than bank balances and bank deposits as at June 30, 2025. The Group did not hold any financial instruments measured at fair value during the six months ended June 30, 2025. The Group's exposure to interest rate risk is not material.

The Group operates internationally and is exposed to currency risk primarily through sales and purchases which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily RMB, JPY, USD, HKD and NTD. The Group did not carry out any hedging activities against foreign currency risk during the six months ended June 30, 2025. Any substantial fluctuation in exchange rate of foreign currencies against USD may have a financial impact to the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES AND REMUNERATION POLICY

As at June 30, 2025, the Group had 972 employees (June 30, 2024: 981 employees). The total remuneration cost incurred by the Group for the six months ended June 30, 2025 was approximately US\$35.4 million (six months ended June 30, 2024: US\$32.1 million). The Group's remuneration packages were generally structured with reference to market terms and individual merits.

The Group participates in a defined contribution retirement benefits scheme in accordance with the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all employees in Hong Kong. The Group also provides welfare schemes for its employees in mainland China and Taiwan, as required by applicable laws and regulations in mainland China and Taiwan.

CORPORATE GOVERNANCE AND OTHER INFORMATION

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2025, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and its associated corporations, within the meaning of Part XV of the SFO, which have been 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 the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO, or which are recorded in the register required to be kept pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Capacity/Nature of interest	Total Number of Ordinary Shares ⁽¹⁾	Approximate Percentage of Shareholding (%)
Mr. Chen	Interest in a controlled corporation ⁽²⁾⁽³⁾	618,902,420 (L)	37.17
Mr. James Chen	Interest in a controlled corporation ⁽²⁾⁽³⁾	618,902,420 (L)	37.17
Mrs. Chen	Interest in a controlled corporation ⁽²⁾⁽³⁾	618,902,420 (L)	37.17
Mr. To Hung-Lin	Beneficial owner	500,000 (L)	0.030
	Interest of spouse	132,000 (L)	0.008

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Maritime Legacy Limited ("**Maritime Legacy**") is owned as to 28.57% by Search & Search Company Limited ("**Search & Search**"), 26.19% by TS Chen Holding Limited ("**TS Chen Holding**"), 22.62% by JC Righteous Holding Limited ("**JC Righteous**") and 22.62% by Avermay Holding Limited ("**Avermay**").
- (3) Mr. Chen, Mrs. Chen, Mr. James Chen and Ms. Christy Chen, by virtue of their family relationship, are parties acting in concert with each other in respect of the Company. By virtue of the SFO, each of Mr. Chen, Mrs. Chen, Mr. James Chen, Ms. Christy Chen, TS Chen Holding, Search & Search, JC Righteous, Avermay and Maritime Legacy is deemed to be interested in the Shares held by TS Investment Limited ("**TS Investment**"), Prevalence Holding Limited ("**Prevalence**"), Providence Holding Limited ("**Providence**") and AM Holding Limited ("**AM Holding**").

Save as disclosed above, as at June 30, 2025, none of the Directors or chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2025, the following are the persons (other than the Directors or chief executive of the Company) who had interests or short positions in the Shares and underlying Shares of the Company as recorded in the register of interests required to be kept by the Company pursuant to Section 336 of Part XV of the SFO:

Name of Shareholder	Capacity/Nature of interest	Total Number of Ordinary Shares	Approximate Percentage of Shareholding (%)
Prevalence	Beneficial owner	176,829,400 (L)	10.62
TS Investment	Beneficial owner	162,073,020 (L)	9.73
Providence	Beneficial owner	140,000,000 (L)	8.41
AM Holding	Beneficial owner	140,000,000 (L)	8.41
Maritime Legacy	Interest in a controlled corporation	618,902,420 (L)	37.17
TS Chen Holding	Interest in a controlled corporation	618,902,420 (L)	37.17
Search & Search	Interest in a controlled corporation	618,902,420 (L)	37.17
JC Righteous	Interest in a controlled corporation	618,902,420 (L)	37.17
Ms. Chen Wei	Interest of spouse	618,902,420 (L)	37.17
Avermay	Interest in a controlled corporation	618,902,420 (L)	37.17
Ms. Christy Chen	Interest in a controlled corporation	618,902,420 (L)	37.17
Mr. Liu Ting-Jui	Interest of spouse	618,902,420 (L)	37.17
Vision Investments Limited, ("Vision Investments")	Beneficial owner	618,902,420 (L)	37.17
The Nova Foundation	Interest in a controlled corporation	618,902,420 (L)	37.17
Mr. Sharafuddin	Interest in a controlled corporation	618,902,420 (L)	37.17
Mrs. Zubaida M Taherwali	Interest of spouse	618,902,420 (L)	37.17
Kentship Holding Limited, ("Kentship")	Beneficial owner	97,720,000 (L)	5.87
Mr. Wu Shang-Ying ("Mr. Wu")	Beneficial owner	30,328,820 (L)	1.82
	Interest in a controlled corporation	97,720,000 (L)	5.87
Mrs. Wu Huang Yueh-Chiung	Interest of spouse	128,048,820 (L)	7.69

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Each of TS Investment, Prevalence, Providence and AM Holding is wholly-owned by Maritime Legacy. Maritime Legacy is owned as to 26.19% by TS Chen Holding (a company wholly-owned by Mr. Chen), 28.57% by Search & Search (a company wholly-owned by Mrs. Chen), 22.62% by JC Righteous (a company wholly-owned by Mr. James Chen) and 22.62% by Avermay (a company wholly-owned by Mr. Christy Chen). Mr. Chen, Mrs. Chen, Mr. James Chen and Ms. Christy Chen, by virtue of their family relationship, are parties acting in concert with each other in respect of the Company. By virtue of the SFO, each of Mr. Chen, Mrs. Chen, Mr. James Chen, Ms. Christy Chen, TS Chen Holding, Search & Search, JC Righteous, Avermay and Maritime Legacy is deemed to be interested in the Shares held by TS Investment, Prevalence, Providence and AM Holding. Ms. Chen Wei is the spouse of Mr. James Chen and Mr. Liu Ying-Jui is the spouse of Ms. Christy Chen. By virtue of the SFO, Ms. Chen and Mr. Liu Ying-Jui are deemed to be interested in the Shares in which Mr. James Chen and Ms. Christy Chen are interested, respectively.
- (3) Vision Investments is wholly-owned by The Nova Foundation, and pursuant to the rules of The Nova Foundation, Vision Investments is beneficially held by The Nova Foundation for its founder only, namely Mr. Sharafuddin, and shall not be beneficially held for any other beneficiary or person for a period expiring twelve months after the Listing Date. Mr. Sharafuddin thus deemed to be interested in the Shares held by Vision Investments by virtue of the SFO. Mrs. Zubaida M Taherwali is the spouse of Mr. Sharafuddin and is therefore deemed to be interested in the Shares in which Mr. Sharafuddin is interested.
- (4) Kentship is wholly-owned by Mr. Wu and by virtue of the SFO, Mr. Wu is deemed to be interested in the Shares held by Kentship. Mrs. Wu Huang Yueh-Chiung is the spouse of Mr. Wu and is therefore deemed to be interested in the Shares in which Mr. Wu is interested.

Save as disclosed above, as of June 30, 2025, the Directors were not aware of any persons who had an interest or short position in the Shares, underlying Shares and debentures of the Company which would need to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

As at June 30, 2025, save as disclosed below, none of the Directors was a director or employee of a company which had an interest or short position in the Shares or 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:

Name of Director	Name of company which had such discloseable interest or short position in the Shares	Position within such company
Mr. Chen	TS Investment	Director
	Maritime Legacy	Director
	TS Chen Holding	Director
	Search & Search	Director
Mr. James Chen	JC Righteous	Director
	Providence	Director
Mrs. Chen	Prevalence	Director
	Search & Search	Director

CORPORATE GOVERNANCE AND OTHER INFORMATION

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES

During the six months ended June 30, 2025, the Group did not have any material acquisitions nor disposals of subsidiaries, associates and joint ventures.

EVENTS AFTER THE REPORTING PERIOD

Save for the construction of six vessels mentioned in the Company's announcements dated August 7, 2025 and August 19, 2025, there have not been any significant events affecting the Group after the Reporting Period.

CHANGES IN DIRECTORS' INFORMATION

On August 25, 2025, Mrs. Chen Chuang Chuang Li has been appointed as a member of the Nomination Committee. For details, please refer to the announcement of the Company dated August 25, 2025.

Saved as disclosed in this interim report, there is no change in the information of each Director that is required to be disclosed under Rules 13.51B(1) of the Listing Rules, since the publication of annual report for the year ended December 31, 2024.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has adopted the CG Code as its own code to govern its corporate governance practices. During the six months ended June 30, 2025, the Company had complied with all the applicable code provisions of the CG Code, except as expressly described below.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Chen Teh-Sheng is the Chairman and chief executive officer of the Group. The Board believes that Mr. Chen should continue to assume the responsibilities of chief executive officer as this arrangement will improve the efficiency of the decision-making and execution process given his knowledge of the Group's affairs. Further, the Company has put in place an appropriate check-and-balance mechanism through the Board and the independent non-executive Directors. In light of the above, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in the circumstances of the Company. The Board will continue to review and monitor the corporate governance practices of the Company with an aim to maintain a high standard of corporate governance practices.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all of them have confirmed that they have complied with the Model Code throughout the six months ended June 30, 2025.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DEBENTURES IN ISSUE

The Company did not have any debentures in issue during the six months ended June 30, 2025.

EQUITY-LINKED AGREEMENT

The Company did not enter into any equity-linked agreements during the six months ended June 30, 2025.

PURCHASE, SALE OR REDEMPTION OF THE SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares during the six month ended June 30, 2025.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of Hong Kong, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

REVIEW OF UNAUDITED INTERIM REPORT

The unaudited interim report for the six months ended June 30, 2025 have been reviewed by the auditor of the Company, KPMG 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, the report of which is included on page 15.

AUDIT COMMITTEE

The Audit Committee has reviewed the unaudited consolidated interim financial information for the six months ended June 30, 2025. The Audit Committee is satisfied that the unaudited consolidated financial statements for the six months ended June 30, 2025 have been prepared in accordance with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2025.

By order of the Board

Mr. Chen Teh-Sheng

Chairman, executive Director and chief executive officer

Hong Kong, August 25, 2025

REVIEW REPORT OF THE INDEPENDENT AUDITOR INTERIM FINANCIAL REPORT



Review report to the board of directors of T.S. Lines Limited

(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial report set out on pages 16 to 32, which comprises the consolidated statement of financial position of T.S. Lines Limited (the “Company”) as of June 30, 2025 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim financial reporting* as issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report 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* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial report 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 report as at June 30, 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 *Interim financial reporting*.

KPMG

Certified Public Accountants

8th Floor, Prince’s Building

10 Chater Road

Central, Hong Kong

August 25, 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – UNAUDITED

For the six months ended June 30, 2025

	Note	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Revenue	3	641,427	540,491
Cost of sales		(514,316)	(493,429)
Gross profit		127,111	47,062
Other revenue	4	68,576	29,128
Other net income/(loss)	4	12,336	(1,216)
Administrative and other operating expenses		(18,372)	(15,938)
Profit from operations		189,651	59,036
Finance costs	5(a)	(1,261)	(1,395)
Share of profits less losses of associates		220	1,202
Share of profit of a joint venture		483	–
Profit before taxation	5	189,093	58,843
Income tax (expenses)/credit	6(a)	(275)	202
Profit for the period		188,818	59,045
Attributable to:			
Equity shareholders of the Company		188,690	58,607
Non-controlling interests		128	438
Profit for the period		188,818	59,045
Earnings per share			
Basic and diluted (US\$)	7	0.113	0.042
Profit for the period		188,818	59,045
Other comprehensive income for the period			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations (with nil tax effect)		(234)	404
Total comprehensive income for the period		188,584	59,449
Attributable to:			
Equity shareholders of the Company		188,568	58,857
Non-controlling interests		16	592
Total comprehensive income for the period		188,584	59,449

The notes on pages 21 to 32 form part of this interim financial report. Details of dividends payable to equity shareholders of the Company are set out in note 12(b).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED

At June 30, 2025

	Note	At June 30, 2025 US\$'000	At December 31, 2024 US\$'000
Non-current assets			
Property, plant and equipment	8	1,620,775	1,597,620
Intangible assets		681	731
Prepayments for the acquisitions of vessels		155,676	134,632
Interests in associates		1,686	2,856
Interest in a joint venture		908	1,490
Deferred tax assets		132	152
		1,779,858	1,737,481
Current assets			
Bunkers		22,357	26,950
Contract assets		17,950	16,313
Trade and other receivables	9	107,288	118,789
Cash and cash equivalents	10	585,801	422,134
		733,396	584,186
Current liabilities			
Contract liabilities		2,691	4,113
Trade and other payables	11	348,390	181,494
Lease liabilities		52,484	41,251
Tax payable		5,261	4,244
		408,826	231,102
Net current assets		324,570	353,084
Total assets less current liabilities		2,104,428	2,090,565

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED (CONTINUED)

At June 30, 2025

	Note	At June 30, 2025 US\$'000	At December 31, 2024 US\$'000
Non-current liability			
Lease liabilities		124,104	115,383
Net assets		1,980,324	1,975,182
Capital and reserves			
Share capital	12(a)	277,213	277,213
Reserves		1,702,921	1,697,495
Total equity attributable to equity shareholders of the Company		1,980,134	1,974,708
Non-controlling interests		190	474
Total equity		1,980,324	1,975,182

The notes on pages 21 to 32 form part of this interim financial report.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

For the six months ended June 30, 2025

	Note	Attributable to equity shareholders to the Company				Non-	Total equity
		Share capital	Exchange reserve	Retained profits	Total	controlling interests	
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at January 1, 2025		277,213	(226)	1,697,721	1,974,708	474	1,975,182
Profit for the period		–	–	188,690	188,690	128	188,818
Other comprehensive income for the period		–	(122)	–	(122)	(112)	(234)
Total comprehensive income for the period		–	(122)	188,690	188,568	16	188,584
2024 final dividend declared	12(b)	–	–	(183,153)	(183,153)	–	(183,153)
Acquisition of additional interests in a subsidiary		–	–	11	11	(90)	(79)
Dividend to non-controlling interests of subsidiaries		–	–	–	–	(210)	(210)
Balance at June 30, 2025		277,213	(348)	1,703,269	1,980,134	190	1,980,324
Balance at January 1, 2024		140,000	(414)	1,631,808	1,771,394	164	1,771,558
Profit for the period		–	–	58,607	58,607	438	59,045
Other comprehensive income for the period		–	250	–	250	154	404
Total comprehensive income for the period		–	250	58,607	58,857	592	59,449
Balance at June 30, 2024		140,000	(164)	1,690,415	1,830,251	756	1,831,007

The notes on pages 21 to 32 form part of this interim financial report.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED

For the six months ended June 30, 2025

	Note	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Operating activities			
Cash generated from operations		264,011	105,017
Income tax refunded/(paid)		762	(90)
Net cash generated from operating activities		264,773	104,927
Investing activities			
Payment for the purchases of property, plant and equipment		(71,815)	(314,006)
Other cash flows arising from investing activities		10,878	13,364
Net cash used in investing activities		(60,937)	(300,642)
Financing activities			
Capital element of lease rentals paid		(24,157)	(51,833)
Interest element of lease rentals paid		(1,261)	(1,395)
Dividend paid to equity shareholders of the Company		(15,024)	–
Dividend paid to non-controlling interests of subsidiaries		(210)	–
Payment for acquisition of additional interests in a subsidiary		(79)	–
Net cash used in financing activities		(40,731)	(53,228)
Net increase/(decrease) in cash and cash equivalents		163,105	(248,943)
Cash and cash equivalents at beginning of the period		422,134	716,337
Effect of foreign exchange rate changes		562	(1,000)
Cash and cash equivalents at end of the period	10	585,801	466,394

The notes on pages 21 to 32 form part of this interim financial report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorized for issue by the board of directors on August 25, 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries (together referred to as the "Group") since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG 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 HKICPA. KPMG's independent review report to the Board of Directors is included on page 15.

The financial information relating to the financial year ended December 31, 2024 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended December 31, 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability* issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim financial report as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are provisions of container shipping and related services.

Disaggregation of revenue from contracts with customers by major service lines is as follows:

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Provision of container shipping services	585,615	505,880
Other container shipping related services	55,812	34,611
	641,427	540,491

All of the above revenue are recognized over time.

Disaggregation of revenue from contracts with customers by the geographic markets is disclosed in note 3(b).

The Group's customer base is diversified and there are no customers with whom transactions have exceeded 10% of the Group's revenue for six months ended June 30, 2025 and 2024.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting

The segment's operating results are reviewed regularly by the entity's chief operating decision maker to make decisions pertaining to the allocation of the resources of the segment and to assess its performance for which the discrete financial information is available. Only one reportable segment of the Group was identified, and it is mainly associated with the provision of container shipping and related services.

Geographic information

The Group's non-current assets are primarily dominated by its vessels. The directors of the Company consider that the nature of the Group's business and the way in which costs are allocated preclude a meaningful allocation of vessels, their operating profits and related capital expenditure to specific geographical areas as defined under HKFRS 8, *Operating Segments* issued by the HKICPA. These vessels are primarily utilized across different geographical markets for shipment. Accordingly, geographical information is only presented for revenue from external customers.

The revenue information by geographical area based on the location of shipping agents handling the shipments is as follows:

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Hong Kong Special Administrative Region ("HKSAR")	23,826	36,265
Mainland China	278,256	240,225
Taiwan	42,176	40,004
Philippines	69,651	59,007
Japan	55,314	49,590
Australia	24,319	23,323
Thailand	21,255	23,774
Korea	24,807	18,546
India	21,982	17,763
Vietnam	18,646	18,214
Other countries or regions	61,195	13,780
	641,427	540,491

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

4 OTHER REVENUE AND NET INCOME/(LOSS)

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Other revenue		
Bank interest income	8,278	13,371
Rental income from containers	1,382	1,579
Charter hire revenue – vessels	58,916	14,178
	68,576	29,128
Other net income/(loss)		
Gain on disposals of property, plant and equipment	1	14
Net foreign exchange gain/(loss)	12,179	(1,569)
Others	156	339
	12,336	(1,216)

5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
(a) Finance costs		
Interest on lease liabilities	1,261	1,395

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

5 PROFIT BEFORE TAXATION (CONTINUED)

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
(b) Staff costs		
Contributions to defined contribution retirement plan*	559	608
Salaries, wages and other benefits		
– Administrative and other operating expenses*	12,677	11,121
– Cost of sales	22,125	20,370
	35,361	32,099
(c) Other items		
Auditors' remuneration*	194	106
Depreciation of right-of-use assets	25,020	51,022
Depreciation of property, plant and equipment (other than right-of-use assets)	47,857	39,663
Amortization of intangible assets	70	79
Cost of bunkers consumed	82,863	94,039
Listing expenses*	–	64

* Included in "Administrative and other operating expenses"

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

- (a) **Income tax in the consolidated statement of profit or loss and other comprehensive income represents:**

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Current tax – Outside Hong Kong		
Provision for the period	185	4
Withholding tax on dividend received from an associate	70	–
	255	4
Deferred tax		
Origination and reversal of temporary differences	20	(206)
	275	(202)

No provision for Hong Kong Profits Tax has been made as the Company and its subsidiaries in Hong Kong either did not have any assessable profits subject to Hong Kong Profits Tax during the six months ended Jun 30, 2025 and 2024 or their unused tax losses were sufficient to cover their estimated assessable profits for these periods.

Taxation for subsidiaries incorporated in other jurisdictions is charged at the appropriate current rates of taxation ruling in the relevant countries or regions.

Withholding tax on dividend received from an associate incorporated in India was charged at 5% of the dividend income.

(b) **Pillar Two income tax**

The Company is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

From January 1, 2025, the Group is liable to Pillar Two income taxes for its earnings in HKSAR and certain other jurisdictions. Management preliminary assessed that the exposure arising from top-up tax to be immaterial.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

7 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company for the six months ended June 30, 2025 of US\$188,690,000 (six months ended June 30, 2024: US\$58,607,000) and the weighted average of 1,665,031,000 ordinary shares (six months ended June 30, 2024: 1,400,000,000 ordinary shares) in issue. The weighted average of 1,400,000,000 shares for the six months ended June 30, 2024 have been adjusted for the allotment and issuance of 1,260,000,000 ordinary shares at nil consideration before the initial public offering ("IPO") of the Company in November 2024 (see note 12(a)(i)).

There are no potential dilutive ordinary shares in issue during the six months ended June 30, 2025 and 2024.

8 PROPERTY, PLANT AND EQUIPMENT

During the six months ended June 30 2025, the Group entered into a number of lease agreements mainly for use of vessels (six months ended June 30, 2024: vessels and containers), and therefore recognized the additions to right-of-use assets of \$45,013,000 (six months ended June 30, 2024: US\$6,266,000).

During the six months ended June 30, 2025, the Group acquired items of property, plant and equipment with an aggregate cost of US\$50,770,000 (six months ended June 30, 2024: 388,851,000), mainly representing containers (six months ended June 30, 2024: vessels and containers).

9 TRADE AND OTHER RECEIVABLES

At the end of the reporting period, the aging analysis of trade receivables (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	At June 30, 2025 US\$'000	At December 31, 2024 US\$'000
Within 1 month	83,066	104,934
Over 1 month to 2 months	1,255	879
Over 2 months to 3 months	51	–
Over 3 months	1,852	578
	86,224	106,391
Other receivables, prepayments and deposits	21,064	12,398
	107,288	118,789

The Group's trade debtors are normally due within 30 days from the date of billing.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand.

As at June 30, 2025, cash at bank of US\$8,191,000 (December 31, 2024: US\$10,298,000) is placed with the banks in Mainland China. The remittance is subject to relevant rules and regulations of foreign exchange control promulgated by Mainland China government.

11 TRADE AND OTHER PAYABLES

As of the end of the reporting period, the aging analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	At June 30, 2025 US\$'000	At December 31, 2024 US\$'000
Within 1 month	112,297	97,827
Over 1 month to 3 months	26,946	40,799
Over 3 months	1,337	1,643
	140,580	140,269
Dividend payables	183,153	15,024
Other payables and accrued charges	11,974	13,884
Deposits received	12,683	12,317
	348,390	181,494

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

12 CAPITAL AND DIVIDEND

(a) Share capital

	No. of shares '000	Amount US\$'000
Ordinary shares, issued and fully paid:		
At January 1, 2024, June 30, 2024 and July 1, 2024	140,000	140,000
Shares allotment (note (i))	1,260,000	–
Issuance of ordinary shares upon IPO (note (ii))	250,940	129,690
Issuance of ordinary shares upon partial exercise of the over-allotment option (note (iii))	14,091	7,523
At December 31, 2024, January 1, 2025 and June 30, 2025	1,665,031	277,213

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Notes:

- (i) In October 2024, additional 1,260,000,000 shares were allotted and issued at nil cash consideration to the existing shareholders of the Company with no change in their respective equity interests in the Company before and after the allotment and issuance of these shares. The purpose of this allotment was to rationalize the shareholding structure in connection with the Company's IPO.
- (ii) On November 1, 2024, 250,940,000 ordinary shares of the Company were issued at a price of HK\$4.18 upon IPO. On the same date, the Company's ordinary shares were listed on the Stock Exchange.
- (iii) On November 28, 2024, 14,091,000 ordinary shares of the Company were issued at a price of HK\$4.18 upon partial exercise of the over-allotment option.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

12 CAPITAL AND DIVIDEND (CONTINUED)

(b) Dividend

Dividend payable to equity shareholders attributable to the previous financial year, approved during the interim period:

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Final dividend in respect of the previous financial year, approved during the interim period of US\$0.110 (six months ended June 30, 2024: US\$nil) per ordinary share	183,153	–

13 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel emoluments

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Salaries and other short-term employee benefits	304	300
Retirement scheme contributions	6	6
	310	306

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

13 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with other related parties

	Six months ended June 30, 2025 US\$'000	Six months ended June 30, 2024 US\$'000
Companies controlled by the controlling shareholders or partially owned by the controlling shareholders with significant influence:		
Commissions paid/payable	4,302	2,741
Commissions received/receivable	287	310
Freight and handling services income collected on the Group's behalf	84,538	66,220
Freight services charge paid/payable and handling services fee paid on the Group's behalf	41,635	28,312
Freight and handling services income collected on behalf of the companies controlled by the controlling shareholders	10,419	6,191
Freight services charges and handling services paid on behalf of the companies controlled by the controlling shareholders	4,160	3,836
Revenue from provision of container shipping services	2,075	1,425
Charter hire expenses – vessels	6,314	7,280
Rental income from containers	1,252	1,420
Associates:		
Commissions paid/payable	2,725	1,746
Freight and handling services income collected on the Group's behalf	46,893	44,459
Freight service charge paid/payable and handling services fee paid on the Group's behalf	22,141	21,532

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

(Expressed in United States dollars unless otherwise indicated)

14 COMMITMENTS

Capital commitments outstanding at the end of the reporting period not provided for in the consolidated financial statements were as follows:

	At June 30, 2025 US\$'000	At December 31, 2024 US\$'000
Vessels		
Contracted but not provided for	578,084	599,128

15 COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform to current year's presentation and to provide comparative amounts in respect of items disclosed in 2024.

16 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company entered into several shipbuilding contracts in relation to the purchase of six new vessels at an aggregate consideration of US\$370,680,000.

For details, please refer to the Company's announcements dated August 7, 2025 and August 19, 2025. No adjustment has been made in this interim financial report in this regard.

GLOSSARY

“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Chairman”	the chairman of the Board
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Company”	T.S. Lines Limited., a company incorporated in Hong Kong with limited liability, the shares of which is listed on Stock Exchange (stock code: 02510)
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules, and unless the context otherwise requires, refers to TS Investment, Prevalence, Providence, AM Holding, Maritime Legacy, TS Chen Holding, Search & Search, JC Righteous, Avermay, Vision Investments, Nova Foundation, Mr. Chen, Mrs. Chen, Mr. James Chen, Ms. Christy Chen and Mr. Sharafuddin

GLOSSARY

“Director(s)”	the director(s) of the Company
“Global Offering”	as defined in the Prospectus
“Group”	Company and its subsidiaries
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	November 1, 2024, being the date from which the Shares are listed and dealings in the Shares are first permitted to take place on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Mr. Chen”	Mr. Chen Teh-Sheng (陳德勝), Chairman and one of the executive Director and Controlling Shareholders
“Mr. Sharafuddin”	General Sharafuddin Alsayed Mohd H S M Yousif Sharaf, one of the Controlling Shareholders
“Mr. James Chen”	Mr. Chen Shao-Hsiang (陳劭翔), Vice Chairman and one of the executive Directors and Controlling Shareholders
“Mrs. Chen”	Mrs. Chen Chuang Chuang-Li (莊壯麗), one of the executive Directors and Controlling Shareholders
“Ms. Christy Chen”	Ms. Chen I-Chi (陳依琦), one of the Controlling Shareholders

GLOSSARY

“Nomination Committee”	the nomination committee of the Company
“Prospectus”	the prospectus issued by the Company dated October 24, 2024
“Reporting Period”	the six months ended June 30, 2025
“Remuneration Committee”	the remuneration committee of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)

GLOSSARY

“Shares”	the ordinary shares of the Company
“Shareholders”	the holder of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transpacific”	Asia – North America
“Vice Chairman”	the vice chairman of the Board
“% ”	per cent