T.S. Lines Limited
德翔海運有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2510)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended June 30, 2026 was approximately US$660.4 million, representing an increase of approximately 3.0%.

- Gross profit for the six months ended June 30, 2026 was approximately US$167.5 million, representing an increase of approximately 31.8%.

- Profit attributable to equity shareholders of the Company for the six months ended June 30, 2026 was approximately US$232.6 million, representing an increase of approximately 23.3%.

- Basic earnings per Share attributable to equity shareholders of the Company for the six months ended June 30, 2026 was approximately US$0.140 (six months ended June 30, 2025: US$0.113).

- An interim dividend of US$0.070 (equivalent to HK$0.546 at the exchange rate of US$1:HK$7.8) per Share was declared for the six months ended June 30, 2026.

The board (the "**Board**") of directors (the "**Directors**") of T.S. Lines Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended June 30, 2026, together with the comparative figures for the six months ended June 30, 2025, as follows:

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

For the six months ended June 30, 2026

	Note	**Six months ended June 30, 2026** ***US$'000***	Six months ended June 30, 2025 *US$'000*
Revenue	*3*	**660,436**	641,427
Cost of sales		**(492,933)**	(514,316)
Gross profit		**167,503**	127,111
Other revenue	*4*	**50,139**	68,576
Other net income	*4*	**36,019**	12,336
Administrative and other operating expenses		**(18,588)**	(18,372)
Profit from operations		**235,073**	189,651
Finance costs	*5(a)*	**(2,917)**	(1,261)
Share of profits less losses of associates		**95**	220
Share of profit of a joint venture		**706**	483
Profit before taxation	*5*	**232,957**	189,093
Income tax expenses	*6(a)*	**(296)**	(275)
Profit for the period		**232,661**	188,818
Attributable to:			
Equity shareholders of the Company		**232,577**	188,690
Non-controlling interests		**84**	128
Profit for the period		**232,661**	188,818

	Note	**Six months ended June 30, 2026** *US$'000*	Six months ended June 30, 2025 *US$'000*
Earnings per share			
Basic and diluted (US$)	*7*	**0.140**	0.113
Profit for the period		**232,661**	188,818
Other comprehensive income for the period			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations (with nil tax effect)		**32**	(234)
Total comprehensive income for the period		**232,693**	188,584
Attributable to:			
Equity shareholders of the Company		**232,750**	188,568
Non-controlling interests		**(57)**	16
Total comprehensive income for the period		**232,693**	188,584

CONSOLIDATED STATEMENT OF FINANCIAL POSITION – UNAUDITED
As at June 30, 2026

	Note	**At June 30, 2026** ***US$'000***	At December 31, 2025 *US$'000*
Non-current assets			
Property, plant and equipment		**1,652,313**	1,569,019
Intangible assets		**587**	626
Prepayments for the acquisitions of vessels		**289,897**	230,789
Interests in associates		**2,196**	1,770
Interest in a joint venture		**1,954**	1,616
Deferred tax assets		**121**	123
		1,947,068	1,803,943
Current assets			
Bunkers		**28,801**	19,854
Contract assets		**34,475**	11,611
Trade and other receivables	*8*	**104,555**	113,939
Cash and cash equivalents		**559,328**	485,686
		727,159	631,090
Non-current assets classified as held for sale		**–**	24,058
		727,159	655,148
Current liabilities			
Contract liabilities		**2,711**	2,555
Trade and other payables	*9*	**312,239**	180,688
Lease liabilities		**62,121**	46,396
Tax payable		**5,213**	5,344
		382,284	234,983
Net current assets		**344,875**	420,165
Total assets less current liabilities		**2,291,943**	2,224,108

	At June 30, 2026 *US$'000*	At December 31, 2025 *US$'000*
Non-current liability		
Lease liabilities	**104,921**	103,276
Net assets	**2,187,022**	2,120,832
Capital and reserves		
Share capital	**277,213**	277,213
Reserves	**1,909,701**	1,843,454
Total equity attributable to equity shareholders of the Company	**2,186,914**	2,120,667
Non-controlling interests	**108**	165
Total equity	**2,187,022**	2,120,832

NOTES

1. BASIS OF PREPARATION

The unaudited consolidated interim financial information set out in this announcement does not constitute the Company's unaudited interim financial report for the six months ended June 30, 2026, but is extracted from that unaudited interim financial report. The 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 24, 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The financial information relating to the financial year ended December 31, 2025 that is included in this unaudited consolidated interim financial information 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, 2025 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.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Group's consolidated financial statements. These amendments do not have a material impact on this interim financial report.

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, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Provision of container shipping services	**600,590**	585,615
Other container shipping related services	**59,846**	55,812
	660,436	641,427

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 the six months ended June 30, 2026 and 2025.

(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, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
Hong Kong Special Administrative Region ("**HKSAR**")	**23,718**	23,826
Chinese Mainland	**305,989**	278,256
Taiwan	**44,329**	42,176
Philippines	**77,550**	69,651
Japan	**54,382**	55,314
Australia	**22,196**	24,319
Thailand	**22,022**	21,255
Korea	**21,690**	24,807
India	**18,616**	21,982
Vietnam	**25,000**	18,646
Other countries or regions	**44,944**	61,195
	660,436	641,427

4. OTHER REVENUE AND NET INCOME

	Six months ended June 30, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
Other revenue		
Bank interest income	**6,608**	8,278
Rental income from containers	**1,097**	1,382
Charter hire revenue – vessels	**42,434**	58,916
	50,139	68,576
Other net income		
Gain on disposals of property, plant and equipment	**39,385**	1
Net foreign exchange (loss)/gain	**(3,580)**	12,179
Others	**214**	156
	36,019	12,336

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

		Six months ended June 30, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
(a)	***Finance costs***		
	Interest on lease liabilities	**2,917**	1,261
(b)	***Staff costs***		
	Contributions to defined contribution retirement plan*	**579**	559
	Salaries, wages and other benefits		
	– Administrative and other operating expenses*	**12,284**	12,677
	– Cost of sales	**22,100**	22,125
		34,963	35,361
(c)	***Other items***		
	Auditors' remuneration*	**227**	194
	Depreciation of right-of-use assets	**33,571**	25,020
	Depreciation of property, plant and equipment (other than right-of-use assets)	**43,976**	47,857
	Amortization of intangible assets	**54**	70
	Cost of bunkers consumed	**96,207**	82,863

* Included in "Administrative and other operating expenses"

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, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
Current tax – Outside Hong Kong		
Provision for the period	**294**	185
Withholding tax on dividend received from an associate	**–**	70
	294	255
Deferred tax		
Origination and reversal of temporary differences	**2**	20
	296	275

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 June 30, 2026 and 2025 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.

The Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the HKSAR and certain other jurisdictions. No additional tax expenses were recognized during the six months ended June 30, 2026 and 2025 as management assessed that the exposure arising from Pillar Two model rules 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.

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, 2026 of US$232,577,000 (six months ended June 30, 2025: US$188,690,000) and the weighted average of 1,665,031,000 shares (six months ended June 30, 2025: 1,665,031,000 shares) in issue.

There are no dilutive potential shares in issue during the six months ended June 30, 2026 and 2025.

8. 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, 2026 *US$'000*	At December 31, 2025 *US$'000*
Within 1 month	**90,155**	99,975
Over 1 month to 2 months	**329**	280
Over 2 months to 3 months	**1,232**	14
Over 3 months	**125**	334
	91,841	100,603
Other receivables, prepayments and deposits	**12,714**	13,336
	104,555	113,939

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

9. 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, 2026 *US$'000*	At December 31, 2025 *US$'000*
Within 1 month	**73,159**	112,715
Over 1 month to 3 months	**47,972**	34,534
Over 3 months	**1,599**	921
	122,730	148,170
Dividend payables (note 10)	**166,503**	–
Other payables and accrued charges	**9,296**	19,781
Deposits received	**13,710**	12,737
	312,239	180,688

10. DIVIDENDS

(i) Dividend payable to equity shareholders attributable to the interim period:

	Six months ended June 30, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
Interim dividend declared and paid after the interim period of US$0.070 (2025: nil) per Share	**116,552**	–

The interim dividend has not been recognised as a liability at the end of the reporting period.

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

	Six months ended June 30, 2026 *US$'000*	Six months ended June 30, 2025 *US$'000*
Final dividend in respect of the previous financial year, approved during the interim period of US$0.100 (six months ended June 30, 2025: US$0.110) per Share	**166,503**	183,153

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 addition to Asia-Pacific routes, the Group also operates in markets such as Asia-Mexico, the Middle East, East Africa, and the Red Sea to optimize service coverage and revenue structure.

In the first half of 2026, the global container shipping market continued to be affected by tariff policies, supply chain restructuring, and geopolitical factors. The Group continued to adjust its route network layout and capacity allocation in response to market demand. While maintaining its competitive edge on Asia-Pacific routes, it prudently expanded into semi long-haul and long-haul trades to enhance operational flexibility and diversify risks associated with market volatility.

Business Review

For the six months ended June 30, 2026, the Group's total revenue reached US$660.4 million, representing an increase of 3.0% compared to the same period in 2025; of this, revenue from container shipping services was US$600.6 million, representing an increase of 2.6% compared to the same period in 2025, accounting for 90.9% of total revenue. The Asia-Pacific market remained the Group's primary source of revenue, accounting for 80.6% of revenue from container shipping services.

During the period, the Group's total shipping volume was 810,842 TEU, representing a decrease of 0.9% compared to the same period in 2025, but the overall average revenue per TEU increased from US$715 to US$741, representing an increase of approximately 3.6%. Despite a slight decline in shipping volume, the Group improved average unit revenue through route portfolio adjustment, capacity allocation and revenue management.

Route and Shipping Capacity Development

As of the end of June 2026, the Group operated a total of 47 shipping services (excluding operations involving our chartered vessels), comprising 9 self-operated services, 25 joint-operated services, 11 slot-swap services, and 2 slot-purchasing services. The Group's shipping network covers major trading markets in Asia, calling at around 59 ports in total across 21 countries and regions worldwide.

As of the end of June 2026, the Group operated a total of 47 vessels with an aggregate capacity of 139,743 TEU. During the period, TS KELANG, a new vessel of 7,000 TEU class, was delivered on April 9, 2026, further optimizing the fleet configuration of the Group. The fleet included a total of 35 self-owned vessels providing 88,714 TEU with an average age of approximately 5.2 years; 7 chartered-in vessels providing a total capacity of 19,707 TEU with an average age of approximately 4.7 years; and 5 chartered-out vessels providing a capacity of 31,322 TEU with an average age of approximately 2.2 years. The overall average age of the fleet was approximately 4.8 years.

Overall, the Group maintained a relatively high proportion of self-owned capacity and relied on a relatively young fleet and diversified route cooperation model to support stable service, asset scheduling flexibility and cost control capabilities.

Revenue and Shipping Volume

The Asia-Pacific region remained the Group's core operating market. Revenue from related routes during the period was approximately US$484.0 million, representing a decrease of 0.9% compared to the same period in 2025; while shipping volume increased by 2.1% to 752,020 TEU. Although average revenue per TEU in the region declined from US$663 to US$644, revenue in the Greater China and the Asia-Indian Subcontinent market increased by approximately 13.7% and 6.5%, respectively, partially offsetting the impact of revenue declines on regional routes such as Greater China-North Asia, Greater China-Southeast Asia, Northeast Asia-Southeast Asia, and Asia-Oceania.

In the long-haul and semi long-haul trades, following adjustments to the Transpacific route portfolio, relevant revenue during the period primarily came from the Mexican market. Revenue from the Mexico route increased to US$15.7 million from approximately US$5.0 million for the same period in 2025. Revenue from the Middle East market increased by approximately 130.1% to US$77.4 million compared to the same period in 2025; the Red Sea route contributed 7,545 TEU and approximately US$13.0 million in revenue during the period. The performance of these markets reflected the Group's continued prudent adjustment of its route portfolio and its ability to capitalize on market opportunities with revenue potential amid external market volatility.

Summary and Outlook

Overall, in the first half of 2026, the Group achieved revenue growth despite a slight decline in total shipping volume, through restructuring of its route network, capacity allocation, and improvements in unit revenue. The Asia-Pacific market remained the core of the Group's operations, while markets such as Mexico, the Middle East, the Red Sea, and Asia-Indian Subcontinent further strengthened the revenue structure and service coverage.

Looking ahead to the second half of the year, with the delivery of the last new vessel of 7,000 TEU class in this series, the Group will prudently allocate new capacity according to market conditions, and continue to improve efficiency of route operation and flexibility of fleet allocation. The Group will also pay close attention to changes in the global trade environment, tariff policies, geopolitics and safety of major shipping lanes, adjust its service network in a timely manner and control operational risks, so as to steadily promote its overall operation and sustainable development.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately 3.0% from approximately US$641.4 million for the six months ended June 30, 2025 to approximately US$660.4 million for the six months ended June 30, 2026. This increase primarily reflected the increase in revenue from container shipping services by approximately 2.6% from approximately US$585.6 million for the six months ended June 30, 2025 to approximately US$600.6 million for the six months ended June 30, 2026, which was primarily due to the launch of new Red Sea services that generated approximately US$13.0 million in revenue. The Group's shipping volume slightly decreased from 818,480 TEU for the six months ended June 30, 2025 to 810,842 TEU for the six months ended June 30, 2026.

Cost of Sales

The Group's cost of sales decreased by approximately 4.2% from approximately US$514.3 million for the six months ended June 30, 2025 to approximately US$493.0 million for the six months ended June 30, 2026, which was primarily due to the decrease in Charter hire cost and slot charter hire cost, partially offset by the increase in cost of bunkers.

Gross Profit and Gross Profit Margin

As a result of the foregoing, the Group's gross profit increased by approximately 31.8% from approximately US$127.1 million for the six months ended June 30, 2025 to approximately US$167.5 million for the six months ended June 30, 2026, and the Group's gross profit margin also increased from 19.8% for the six months ended June 30, 2025 to 25.4% for the six months ended June 30, 2026, which was mainly attributable to the increase in the average freight rates and decrease in slot charter hire cost.

Other Revenue

The Group's other revenue decreased from approximately US$68.6 million for the six months ended June 30, 2025 to approximately US$50.1 million for the six months ended June 30, 2026, primarily due to the decrease in charter hire revenue of vessels from approximately US$58.9 million in first half of 2025 to approximately US$42.4 million in first half of 2026, which mainly reflected the decreased number of vessels the Group chartered out.

Other Net Income

The Group's other net income increased from approximately US$12.3 million for the six months ended June 30, 2025 to approximately US$36.0 million for the six months ended June 30, 2026. The increase was primarily attributable to the recognition of an approximately US$39.4 million gain from the disposals of two vessels during the reporting period, which did not occur in 2025, partially offset by a net foreign exchange loss of approximately US$3.6 million (compared with a net foreign exchange gain of approximately US$12.2 million for the six months ended June 30, 2025).

Administrative and Other Operating Expenses

The Group's administrative and other operating expenses were approximately US$18.4 million and US$18.6 million for the six months ended June 30, 2025 and 2026, respectively, and remained relatively stable.

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 23.3% from approximately US$188.7 million for the six months ended June 30, 2025 to approximately US$232.6 million for the six months ended June 30, 2026.

Other Performance Indicators

Current Ratio and Quick Ratio

The Group's current ratio decreased from 2.8 times as of December 31, 2025 to 1.9 times as of June 30, 2026 and the Group's quick ratio decreased from 2.7 times as of December 31, 2025 to 1.8 times as of June 30, 2026. Such decreases were mainly due to the accrual of 2025 final dividend of approximately US$166.5 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, 2026, the Group had net current assets of approximately US$344.9 million (December 31, 2025: approximately US$420.2 million) of which cash and cash equivalents were approximately US$559.3 million (December 31, 2025: approximately US$485.7 million) and were denominated in USD, RMB, JPY and HKD.

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.

The net proceeds from the Global Offering was applied according to the section headed "Future Plans and Use of Proceeds" of the prospectus issued by the Company dated October 24, 2024 (the "**Prospectus**") as follows:

Purposes	**Net proceeds from the Global Offering** *US$'million*	**Approximate % of net proceeds from the Global Offering**	**Amounts utilized as at June 30, 2026** *US$'million*	**Amounts unutilized as at June 30, 2026** *US$'million*
Purchase of two new 7,000 TEU vessels ordered in April 2024	63.8	50%	**63.8**	–
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%	**127.7**	–

* *The proceeds for working capital and general corporate purposes were used to pay for the cargo handling expenses.*

The Company has fully utilized all of the net proceeds from the Global Offering as at June 30, 2026.

Borrowings and Gearing Ratio

The gearing ratio as at June 30, 2026 was nil (December 31, 2025: 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 2026 and 2025.

Pledge of Assets

The Group had no pledged assets as at June 30, 2026 and December 31, 2025. The Group did not have any banking facilities as at June 30, 2026 and December 31, 2025.

Capital Expenditures and Investment

For the six months ended June 30, 2026, the Group's total capital expenditures amounted to approximately US$170.3 million, which was mainly related to the payments for acquisition of vessels and containers and were financed by internal resources. Save as disclosed above, the Group did not make any significant investments during the six months ended June 30, 2026.

Capital Commitment

As at June 30, 2026, the capital commitment for acquisition of property, plant and equipment amounted to approximately US$857.7 million (December 31, 2025: approximately US$837.2 million).

Contingent Liabilities

As at June 30, 2026, 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, 2026.

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 announcement.

Financial Instruments

During the six months ended June 30, 2026, 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, 2026. The Group did not hold any financial instruments measured at fair value during the six months ended June 30, 2026. 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, 2026. Any substantial fluctuation in exchange rate of foreign currencies against USD may have a financial impact to the Group.

Employees and Remuneration Policy

As at June 30, 2026, the Group had 956 employees (June 30, 2025: 972 employees). The total remuneration cost incurred by the Group for the six months ended June 30, 2026 was approximately US$35.0 million (six months ended June 30, 2025: approximately US$35.4 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

Compliance with the Corporate Governance Code

The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own code to govern its corporate governance practices. During the six months ended June 30, 2026, 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 Shao-Hsiang is the Chairman and chief executive officer of the Group. The Board believes that Mr. Chen Shao-Hsiang 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 for Securities Transactions by Directors of Listed Issuers (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, 2026.

Corporate Governance Measures to Avoid Potential Conflicts of Interest

As stated in the Prospectus, the Company has adopted certain measures to ensure good corporate governance standards and to avoid potential conflicts of interest between the Group and the controlling shareholders of the Company (i.e. TS Investment Limited, Prevalence Holding Limited, Providence Holding Limited, AM Holding Limited, Maritime Legacy Limited, TS Chen Holding Limited, Search & Search Company Limited, JC Righteous Holding Limited, Avermay Holding Limited, Vision Investments Limited, The Nova Foundation, Mr. Chen Teh-Sheng, Mrs. Chen Chuang Chuang-Li, Mr. Chen Shao-Hsiang, Ms. Chen I-Chi and General Sharafuddin Alsayed Mohd HSM Yousif Sharaf) and their respective close associates (including TEH Shipping Lines Co., Ltd.). Accordingly, the independent non-executive Directors have conducted an annual review on whether there are any conflicts of interests between the Group and the above controlling shareholders and their respective close associates for the year ended December 31, 2025, and confirmed that they are not aware that there are any conflicts of interests between the Group and the above controlling shareholders and their close associates for the year ended December 31, 2025.

Sufficiency of Public Float

As at the date of this announcement, 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.

Debentures in Issue

The Company did not have any debentures in issue during the six months ended June 30, 2026.

Equity-Linked Agreement

The Company did not enter into any equity-linked agreements during the six months ended June 30, 2026.

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 months ended June 30, 2026.

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 of the Company (the "**Shareholders**").

Scope of Work of the Auditor

Interim financial report of the Group for the six months ended June 30, 2026 prepared in accordance with HKAS 34, *Interim Financial Reporting,* is unaudited but has been reviewed by the independent external auditor, 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 HKICPA, whose unmodified review report is included in the interim report to be sent to Shareholders.

Audit Committee

The audit committee of the Company (the "**Audit Committee**") has reviewed the unaudited consolidated interim financial information for the six months ended June 30, 2026. The Audit Committee is satisfied that the unaudited condensed consolidated financial statements for the six months ended June 30, 2026 have been prepared in accordance with applicable accounting standards and requirements as well as the Listing Rules and relevant adequate disclosures have been made.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed, as at the date of this announcement, no significant events have taken place subsequent to the reporting period.

Interim Dividend

The Board resolved to declare an interim dividend of US$0.070 (equivalent to HK$0.546 at the exchange rate of US$1: HK$7.8) per Share for the six months ended June 30, 2026 payable to the Shareholders whose names are listed in the register of members of the Company on Friday, September 11, 2026, in an aggregate amount of approximately US$116.6 million. It is expected that the interim dividend will be paid on Friday, October 23, 2026. The interim dividend will be paid in the same currency, either in US dollars or HK dollars. Shareholders should complete a dividend election form and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, China, not later than 4:30 p.m. on Tuesday, October 6, 2026.

Closure of Register of Members

The Company's register of members will be closed from Tuesday, September 8, 2026 to Friday, September 11, 2026 (both days inclusive) for the purpose of determining the Shareholder's entitlement to the interim dividend. In order to qualify for the interim dividend, unregistered holders of shares shall lodge share transfer documents, together with relevant share certificates, with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration before 4:30 p.m. on Monday, September 7, 2026.

PUBLICATION OF INTERIM RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (https://www.tslines.com/). The interim report of the Company for the six months ended June 30, 2026 containing all the information required by Appendix D2 to the Listing Rules will be dispatched to the Shareholders and published on the above websites in due course.

By order of the Board
T.S. Lines Limited
Mr. Chen Shao-Hsiang
Chairman of the Board, Executive Director
and Chief Executive Officer

Hong Kong, August 24, 2026

As at the date of this announcement, the Board comprises, (i) Mr. Chen Shao-Hsiang, Mrs. Chen Chuang Chuang-Li, Mr. To Hung-Lin, Mr. Chow Hong Man and Ms. Chen I-Chi as executive directors; and (ii) Mr. Wu Youn-Ger, Mr. Chang Shan-Hui and Mr. Yang Li-Yen as independent non-executive directors.