Southeast Asia, Singapore and The PRC Container Depot Market Study

Prepared for

EKH Limited

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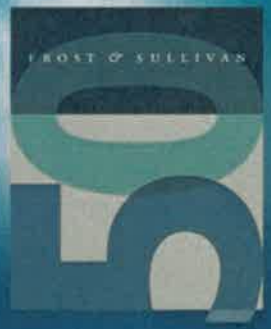
For and on behalf of Frost & Sullivan Limited

Highly Confidential
30 June, 2026



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Agenda

1 **Introduction of the Research**

2 Overview of Macroeconomic Environment

3 Market Overview of the Container Depot Industry

4 Outlook and Dynamics of the Container Depot Industry

5 Competitive Landscape

6 Appendix

Scope

- **The project scope is defined as follows:**

Research Period	• **Historical Year: 2020-2025** • **Base Year: 2025** • **Forecast Year: 2026E-2030E**
Geographic Scope	• **Southeast Asia** • **Singapore** • **The PRC**
Industry Scope	• **Container Depot**

Limitations

Source of Information

- Interviews with industry experts and competitors will be conducted on a best-effort basis to collect information in aiding in-depth analysis for this report.
- Frost & Sullivan will not be responsible for any information gaps in the circumstances that Interviewees refused to disclose confidential data or figures.

Official Statistical sources

Market indicators for modeling

Industry Expert Interview

- The point of this study is set in 2026. It took 2025 as the base year and 2026 to 2030 as the forecast period. However, in the case where data has not yet been updated or published on public sources at the point of this study, Frost & Sullivan would use the latest data available or make preliminary projections based on historical trends.
- Under circumstances where information was not available, Frost & Sullivan would use in-house modeling and simulation to arrive at an estimate.
- Sources of information are stated at the bottom on each page for reference.

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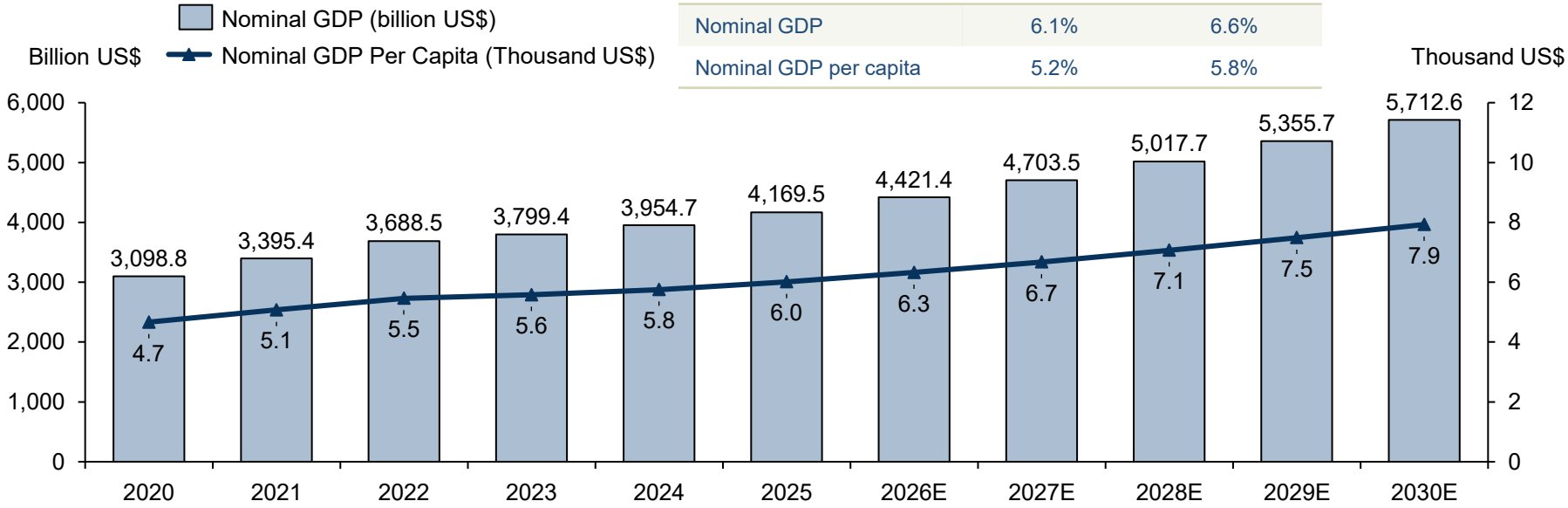
Overview of Macroeconomic Environment

Nominal GDP and GDP Per Capita (Southeast Asia)

Nominal GDP and nominal GDP per capita (Southeast Asia), 2020-2030E

CAGR	2020-2025	2026E-2030E
Nominal GDP	6.1%	6.6%
Nominal GDP per capita	5.2%	5.8%



- The nominal GDP of Southeast Asia increased from US$3,098.8 billion in 2020 to US$4,169.5 billion in 2025, representing a CAGR of 6.1% during the period. The growth was primarily driven by the region's resilient recovery from the global pandemic, accelerated digitalization across emerging markets, and the ongoing relocation of manufacturing activities to Southeast Asian hubs as part of global supply chain diversification strategies. During the same period, the nominal GDP per capita in the region grew from US$4.7 thousand in 2020 to US$6.0 thousand in 2025, representing a CAGR of 5.2%. Looking forward, the nominal GDP of Southeast Asia is expected to increase from US$4,421.4 billion in 2026 to US$5,712.6 billion in 2030, representing a CAGR of 6.6% during the period. The projected expansion is underpinned by sustained foreign direct investment, the maturation of regional trade agreements such as the Regional Comprehensive Economic Partnership, and significant infrastructure development. Concurrently, the nominal GDP per capita is expected to reach US$7.9 thousand by 2030 from US$6.3 thousand in 2026, representing a CAGR of 5.8%. The continuous economic growth and rising income levels are expected to bolster trade volumes and industrial production, thereby supporting the long-term demand for logistics infrastructure and container depot services in the region.

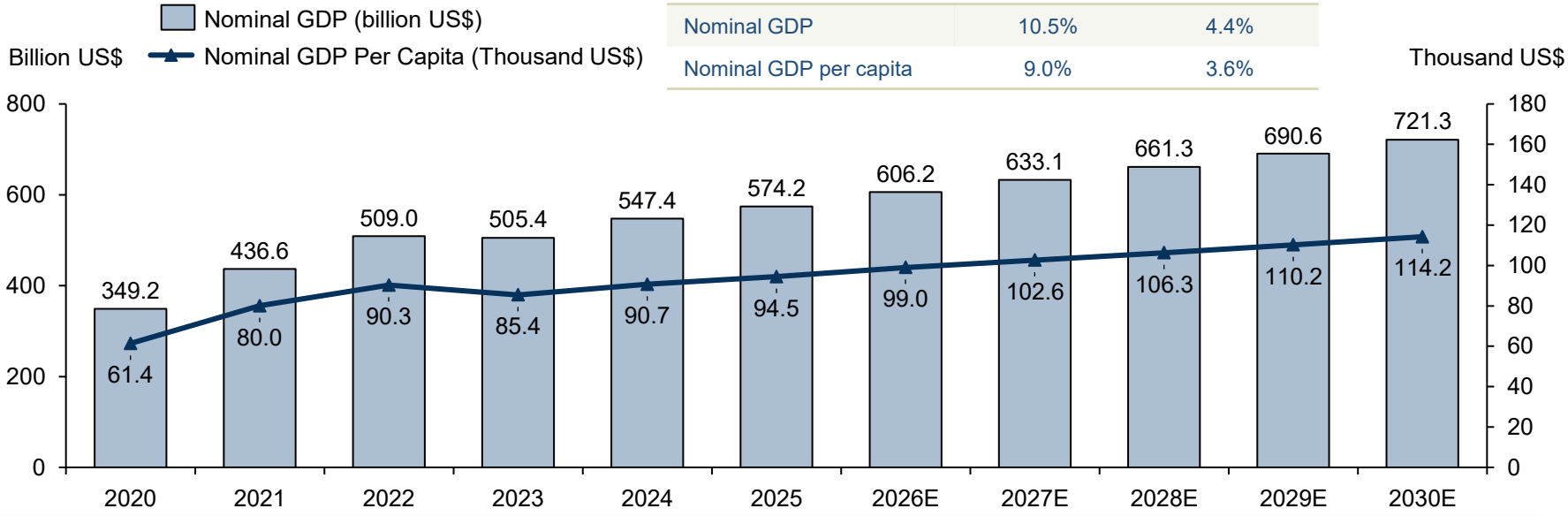
Source: International Monetary Fund, Frost & Sullivan

Overview of Macroeconomic Environment

Nominal GDP and GDP Per Capita (Singapore)

Nominal GDP and nominal GDP per capita (Singapore), 2020-2030E

CAGR	2020-2025	2026E-2030E
Nominal GDP	10.5%	4.4%
Nominal GDP per capita	9.0%	3.6%



- The nominal GDP of Singapore increased from US$349.2 billion in 2020 to US$574.2 billion in 2025, representing a CAGR of 10.5% during the period. The rapid expansion was supported by a strong post pandemic recovery, robust growth in the manufacturing sector particularly in the electronics and semiconductor clusters driven by artificial intelligence demand, and the resilience of the wholesale trade and financial services industries. Concurrently, the nominal GDP per capita of Singapore grew from US$61.4 thousand in 2020 to US$94.5 thousand in 2025, representing a CAGR of 9.0%. The Nominal GDP of Singapore is expected to increase from US$606.2 billion in 2026 to US$721.3 billion in 2030, representing a CAGR of 4.4% during the period. Future growth is anticipated to be underpinned by the continued development of Singapore as a premier global hub for finance and technology, sustained investments in digital infrastructure, and the steady performance of the construction sector through public and private residential projects. Concurrently, the nominal GDP per capita is expected to reach US$114.2 thousand by 2030 from US$99.0 thousand in 2026, representing a CAGR of 3.6%. The stable macroeconomic environment and high-income levels provide a favorable foundation for the logistics and shipping industries, which remain integral to the trade-oriented economy of the nation.

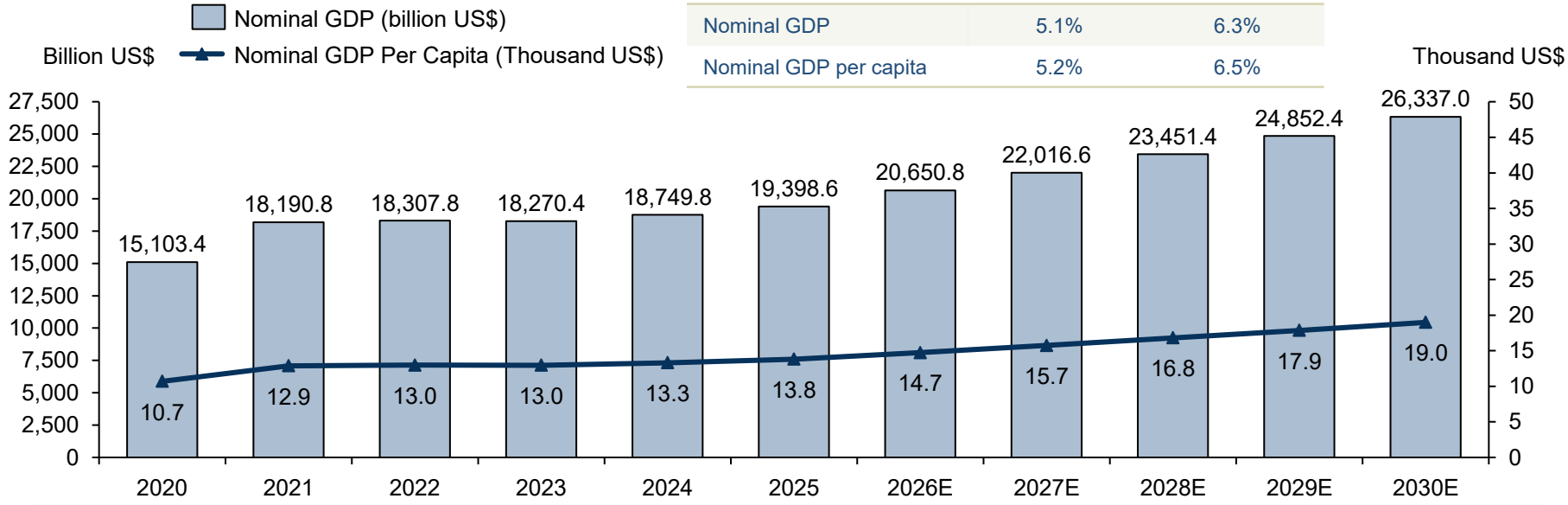
Source: International Monetary Fund, Frost & Sullivan

Overview of Macroeconomic Environment

Nominal GDP and GDP Per Capita (The PRC)

Nominal GDP and nominal GDP per capita (The PRC), 2020-2030E

CAGR	2020-2025	2026E-2030E
Nominal GDP	5.1%	6.3%
Nominal GDP per capita	5.2%	6.5%



- The nominal GDP of the PRC increased from US$15,103.4 billion in 2020 to US$19,398.6 billion in 2025, representing a CAGR of 5.1% during the period. The steady expansion was primarily driven by the nation's robust industrial production, a significant surge in the digital economy, and the effective implementation of the Made in China 2025 initiative which prioritized high-end manufacturing and technological self-reliance. During the same period, the nominal GDP per capita in the PRC grew from US$10.7 thousand in 2020 to US$13.8 thousand in 2025, representing a CAGR of 5.2%. Nominal GDP of the PRC is expected to increase from US$20,650.8 billion in 2026 to US$26,337.0 billion in 2030, representing a CAGR of 6.3% during the period. Future growth is anticipated to be underpinned by the transition toward new-quality productive forces, sustained investments in green energy and artificial intelligence infrastructure, and the maturation of the 15th Five-Year Plan. Concurrently, the nominal GDP per capita is expected to reach US$19.0 thousand by 2030 from US$14.7 thousand in 2026, representing a CAGR of 6.5%. The continued upward trajectory of the PRC economy and its focus on industrial upgrading are expected to maintain strong demand for advanced logistics services and container throughput across major coastal and inland trade hubs.

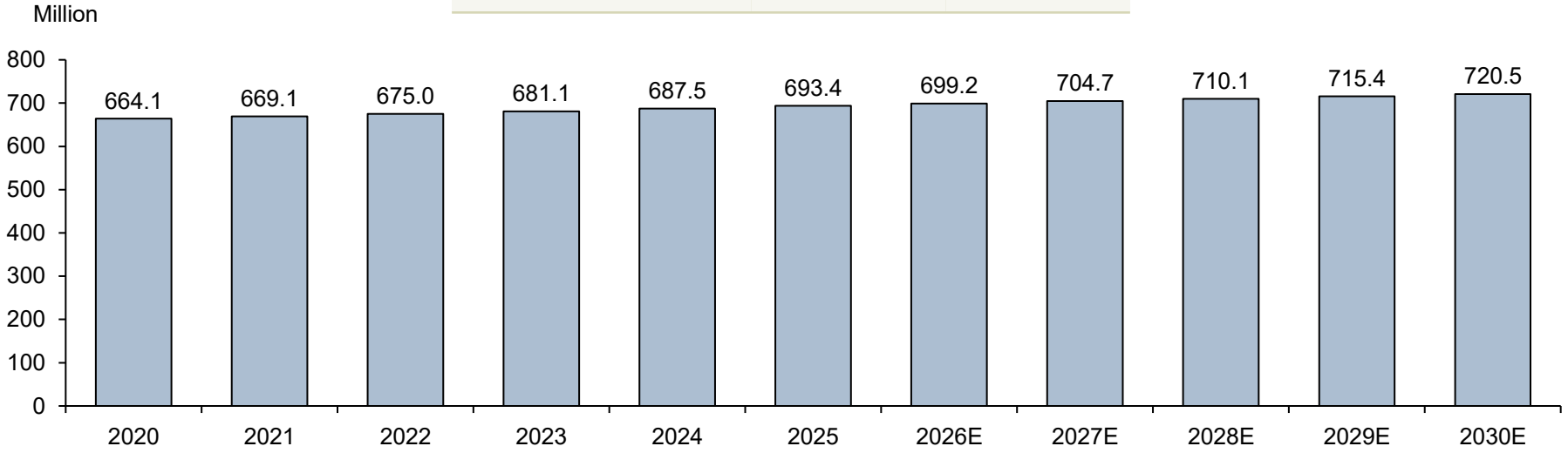
Source: International Monetary Fund, Frost & Sullivan

Overview of Macroeconomic Environment

Total Population (Southeast Asia)

Total population (Southeast Asia), 2020-2030E

	2020-2025	2026E-2030E
CAGR	0.9%	0.8%



- Total population of Southeast Asia increased from 664.1 million in 2020 to 693.4 million in 2025, representing a CAGR of 0.9% during the period. The steady growth was primarily supported by a large youthful demographic base and the ongoing pace of urbanization across major emerging economies in the region.
- Total population of Southeast Asia is expected to increase from 699.2 million in 2026 to 720.5 million in 2030, representing a CAGR of 0.8% during the period. The continued expansion is anticipated to be underpinned by a sustained demographic dividend and the expansion of the regional middle class. The growing population base and a more robust consumer market are expected to fuel trade volumes and industrial production, which in turn supports the long-term demand for logistics infrastructure and container depot services in the region.

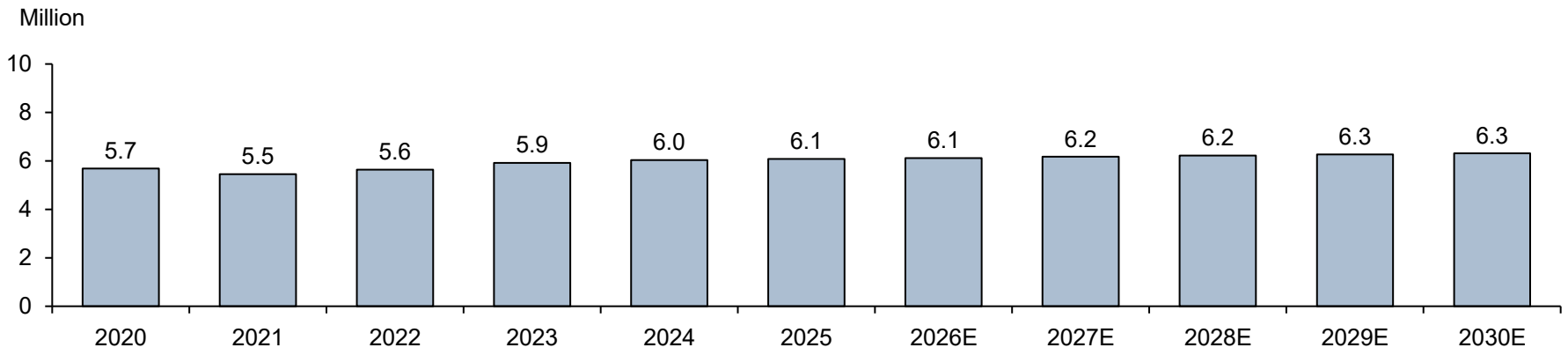
Source: International Monetary Fund, Frost & Sullivan

Overview of Macroeconomic Environment

Total Population (Singapore)

Total population (Singapore), 2020-2030E

	2020-2025	2026E-2030E
CAGR	1.3%	0.8%



- Total population of Singapore increased from 5.7 million in 2020 to 6.1 million in 2025, representing a CAGR of 1.3% during the period. Such growth was primarily driven by the progressive recovery of the foreign workforce following the lifting of pandemic related travel restrictions and the continued attraction of global talent to support the nation's burgeoning technology and financial sectors.
- Total population of Singapore is expected to increase from 6.1 million in 2026 to 6.3 million in 2030, representing a CAGR of 0.8% during the period. Future demographic expansion is anticipated to be underpinned by calibrated immigration policies designed to mitigate the effects of an aging domestic population and to maintain a competitive labor force for high value industries. The sustained population levels and high urban density are expected to maintain steady demand for essential goods and trade services, thereby supporting the logistical and container storage requirements of the nation.

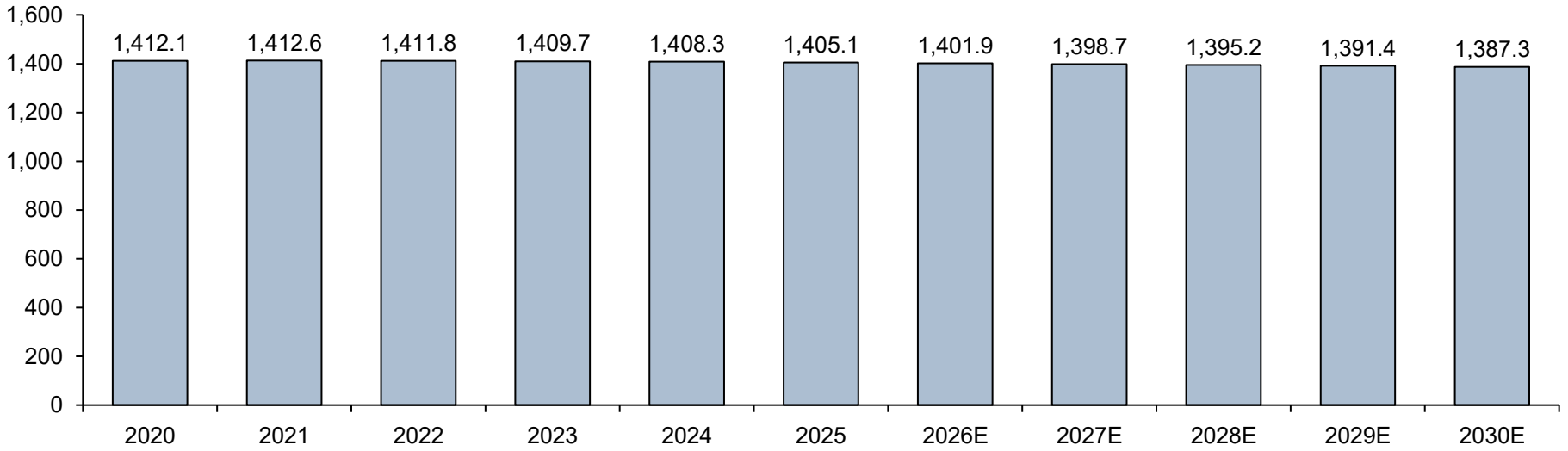
Source: International Monetary Fund, Frost & Sullivan

Overview of Macroeconomic Environment

Total Population (The PRC)

Total population (The PRC), 2020-2030E

	2020-2025	2026E-2030E
CAGR	-0.1%	-0.3%



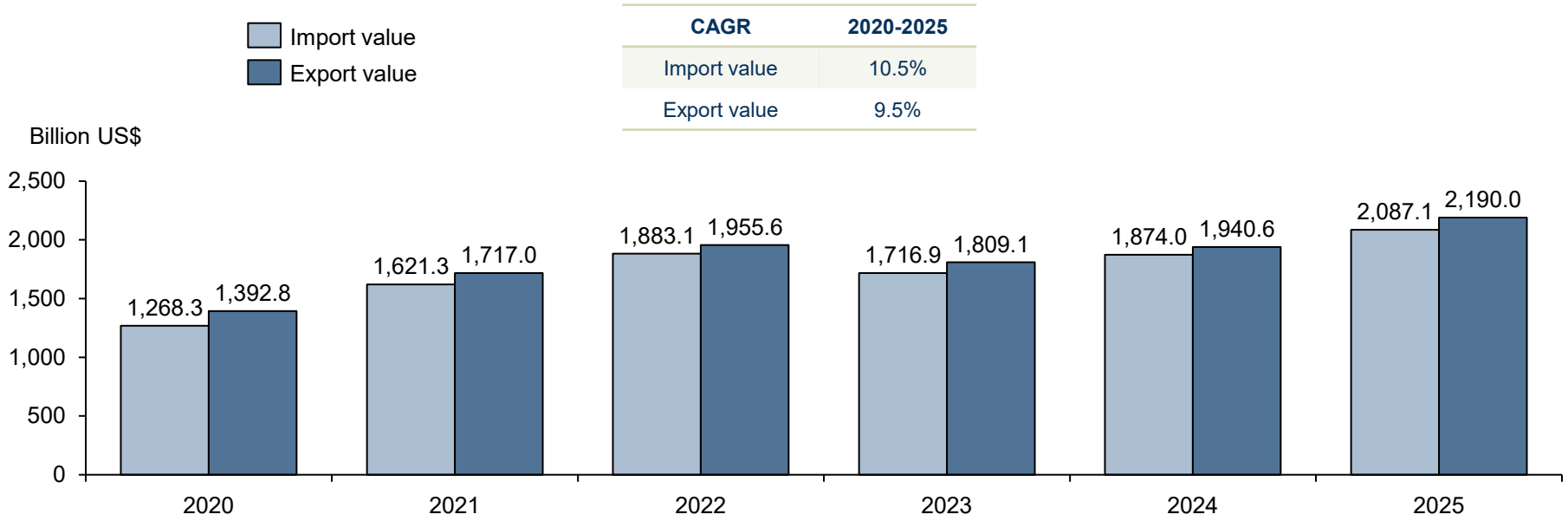
- Total population of the PRC decreased from 1,412.1 million in 2020 to 1,405.1 million in 2025, representing a CAGR of -0.1% during the period. Such a trend was primarily influenced by shifting demographic patterns, including declining birth rates and a maturing population structure as the nation transitions toward a more service oriented and high technology economy. Total population of the PRC is expected to further decrease from 1,401.9 million in 2026 to 1,387.3 million in 2030, representing a CAGR of -0.3% during the period. Future demographic shifts are anticipated to be driven by continued urbanization and evolving social preferences regarding family size, alongside the long-term impact of previous population policies. While the total population size is experiencing a gradual contraction, the ongoing focus on industrial automation and the advancement of high value manufacturing are expected to maintain the resilience of the trade and logistics sectors in the PRC.

Source: International Monetary Fund, Frost & Sullivan

Overview of Macroeconomic Environment

Total Import and Export Value (ASEAN)

Total import and export value (ASEAN), 2020-2025



CAGR	2020-2025
Import value	10.5%
Export value	9.5%

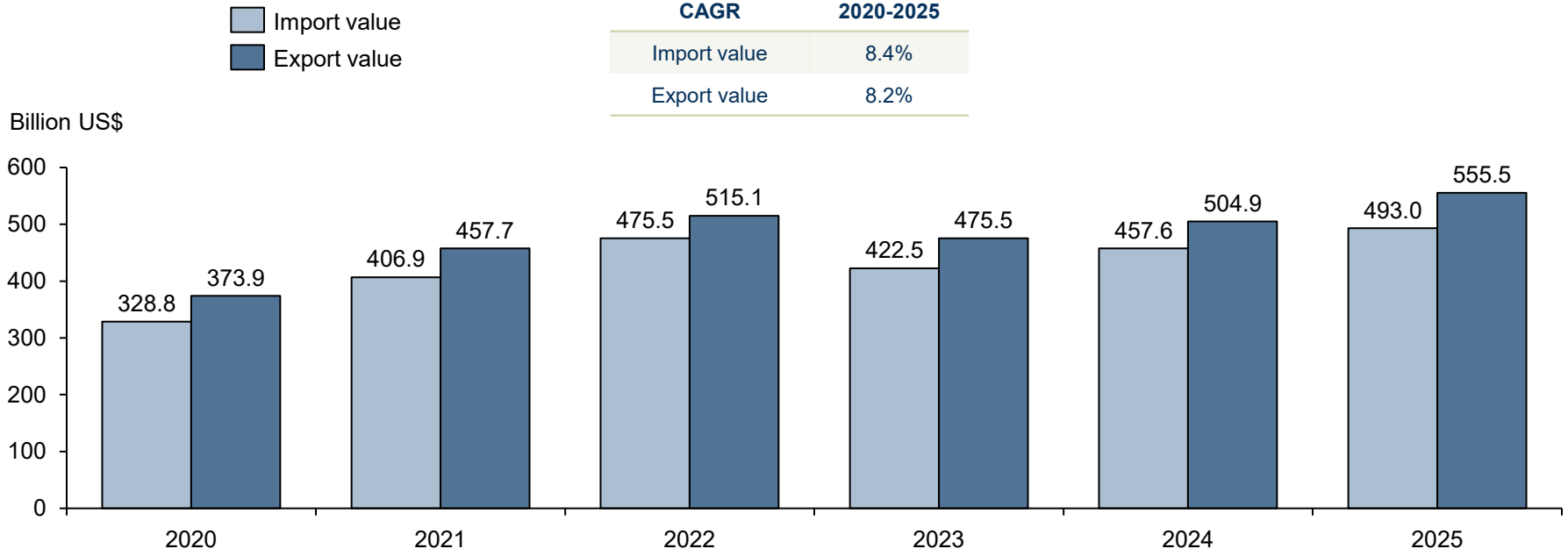
- Import value of ASEAN increased from US$1,268.3 billion in 2020 to US$2087.1 billion in 2025, representing a CAGR of 10.5% during the period. Such growth was primarily supported by the resilient recovery of domestic consumption following the global pandemic and a surge in demand for intermediate goods required for regional manufacturing activities. Concurrently, the export value of ASEAN grew from US$1,392.8 billion in 2020 to US$2,190.0 billion in 2025, representing a CAGR of 9.5% during the period. The expansion of exports was largely underpinned by the deepening of regional trade integration through agreements such as the Regional Comprehensive Economic Partnership and the ongoing shift of global supply chains toward Southeast Asia production hubs, particularly in the electronics and semiconductor sectors. Increasing trade volumes and the strengthening of regional connectivity continue to drive the demand for comprehensive logistics and container management solutions in the market.

Source: Trade Map, Frost & Sullivan

Overview of Macroeconomic Environment

Total Import and Export Value (Singapore)

Total import and export value (Singapore), 2020-2025



CAGR	2020-2025
Import value	8.4%
Export value	8.2%

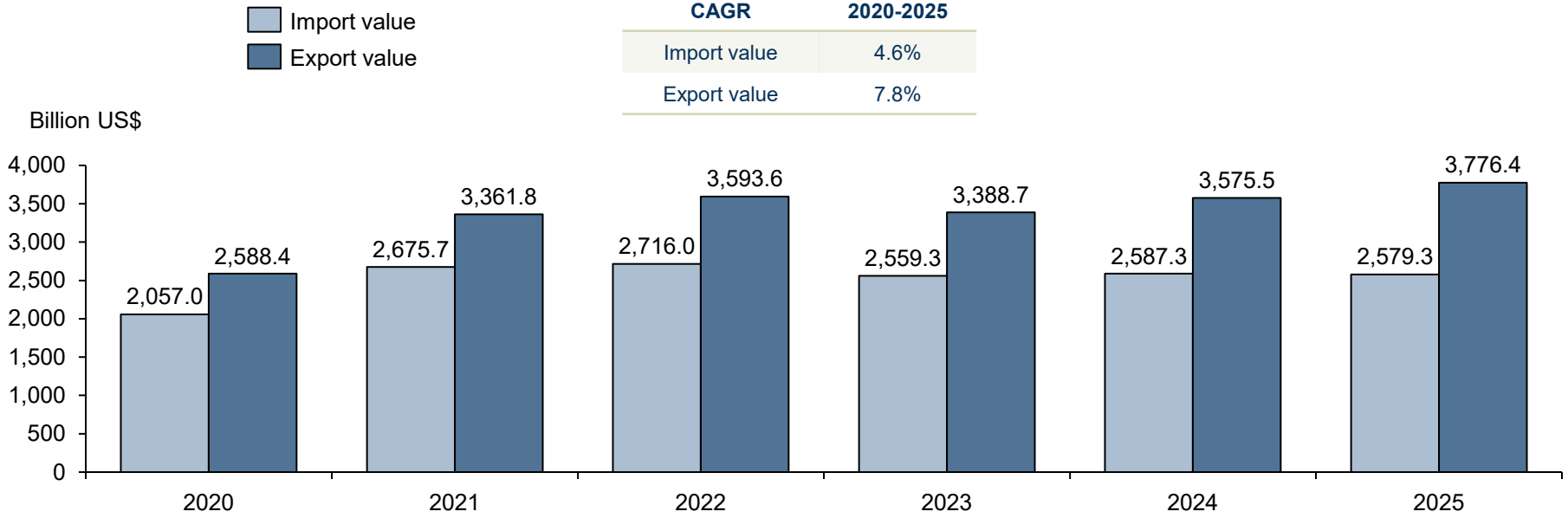
- Import value of Singapore increased from US$328.8 billion in 2020 to US$493.0 billion in 2025, representing a CAGR of 8.4% during the period. Growth in imports was primarily supported by the resilient recovery of domestic demand after the global pandemic and the steady intake of intermediate goods required for high value manufacturing clusters. Export value of Singapore grew from US$373.9 billion in 2020 to US$555.5 billion in 2025, representing a CAGR of 8.2% during the period. Such performance was largely underpinned by a robust rebound in the global electronics cycle and surging demand for artificial intelligence related products, particularly within the semiconductor and telecommunications equipment segments. Strengthening of re export activities and the continued status of the nation as a vital global transshipment hub also played a critical role in driving the total trade volume upward.

Source: Trade Map, Frost & Sullivan

Overview of Macroeconomic Environment

Total Import and Export Value (The PRC)

Total import and export value (The PRC), 2020-2025



CAGR	2020-2025
Import value	4.6%
Export value	7.8%

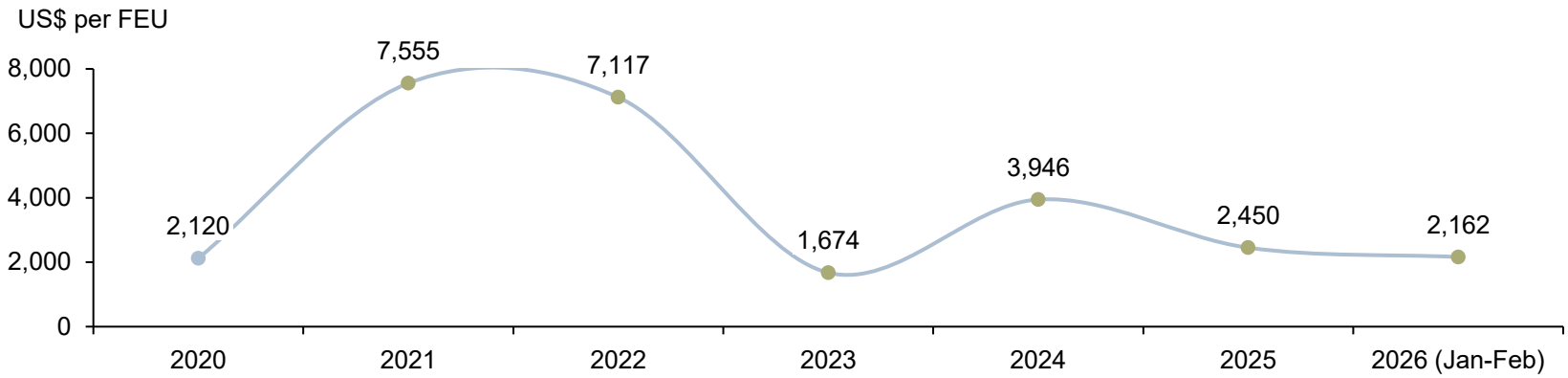
- Import value of the PRC increased from US$2,057.0 billion in 2020 to US$2,579.3 billion in 2025, representing a CAGR of 4.6% during the period. Such growth was primarily supported by a steady demand for advanced machinery, essential resource commodities required for the green energy transition, and intermediate components necessary for the sophisticated industrial system of the nation. Concurrently, the export value of the PRC grew from US$2,588.4 billion in 2020 to US$3,776.4 billion in 2025, representing a CAGR of 7.8% during the period.
- A major factor underpinning the strong export performance was the structural upgrading of the manufacturing sector toward high value and technology intensive products such as electric vehicles, lithium batteries, and industrial robotics. The continued expansion of trade networks into emerging markets and partner countries of the Belt and Road Initiative further bolstered the global trade centrality of the PRC and sustained high volumes of containerized trade.

Source: Trade Map, Frost & Sullivan

Overview of Macroeconomic Environment

Global Container Freight Rates

Yearly Average Drewry World Container Index ("WCI"), 2020-2026 (Feb)



- Drewry World Container Index ("WCI") serves as a primary benchmark for the global container shipping market, providing a weekly assessment of container freight rates across major East-West trade routes. The index is a composite of eight individual route indices, including those connecting Asia, Europe, and North America, and reflects the spot market price for a 40-foot equivalent unit ("FEU").
- Global container freight rates experienced extreme volatility from 2020 to 2025, primarily driven by structural supply-demand imbalances and geopolitical disruptions. Average freight rates increased dramatically from mid 2020 due to improved capacity management by liners and a subsequent surge in global consumer demand during the pandemic. The Drewry World Container Index reached a historical peak of US$10,377.2 per FEU in September 2021, representing an exceptional period of logistics fragility, that container equipment shortages and port inefficiencies severely constrained market capacity.
- While the market entered a normalization phase in 2023 with rates averaging US$1,674 per FEU, the correction was short lived. The escalation of the Red Sea crisis in late 2023 and early 2024 forced vessel rerouting and triggered a fresh surge in rates, which reached an annual average of US$3,946 per FEU in 2024. Moving into 2025, freight rates reached US$2,450 per FEU, remaining elevated compared to historical averages as market participants continued to navigate geopolitical shifts and trade policy uncertainties. These sustained rate levels, approximately 72.5% higher than the 2019 pre-pandemic average of US$1,420 per FEU, reflect a structural shift toward higher maritime operating costs and a continued reliance on strategic container management and depot services.

Note: The graph represents yearly average figures for 2020-2025, and average figures during Jan-Feb of 2026

Source: Drewry, Frost & Sullivan

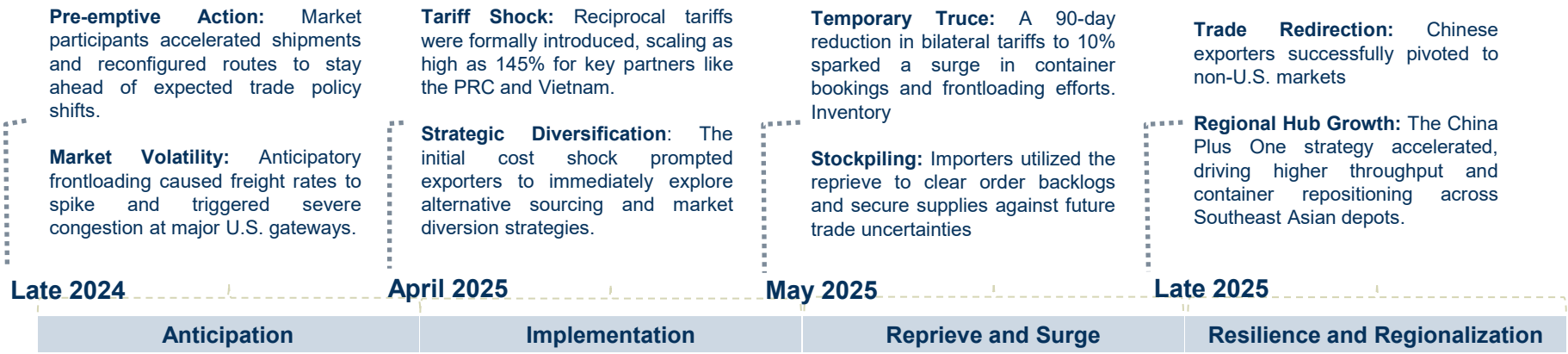
Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

Impact of Tariffs and Shifting Trade Dynamics

Overall, trade tensions and tariffs during 2024 and 2025 have served as a positive catalyst for the container depot industry in Southeast Asia by accelerating supply chain regionalization and driving a sustained increase in handling throughput and container repositioning across major regional hubs. For the PRC, while direct trade with the U.S. faces challenges, the Chinese logistics sector has demonstrated resilience through the rapid diversification of export markets, mitigating the potential negative impact on overall volumes.

- Trade tensions between the United States and the PRC intensified significantly in early 2025. Following the introduction of new reciprocal tariffs on April 2, 2025, aimed at addressing trade imbalances, levies on various categories of Chinese goods escalated, with rates reaching as high as 30% to 145% on various categories of Chinese goods. According to Frost & Sullivan, the uncertainty of tariff changes between the U.S. and the PRC are examples of geopolitical events which influence the ongoing volatility in global shipping and supply chains. In the shorter term, a temporary pause on the trade war specifically the 90-day reduction in bilateral tariffs announced on May 12, 2025, has contributed to pre-emptive actions being taken by U.S. importers, major retailers, as well as other market participants seeking to mitigate risks associated with potential future costs. It has manifested as a surge in frontloading activities in the second half of 2024 and early 2025, where market participants rushed orders to be shipped prior to the expiry of such reprieves to catch up with backlogged orders and plan for anticipated demand.



Source: Frost & Sullivan

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

- While the U.S. and Europe have made efforts to reduce dependency on the PRC and diversify supplier sources, the production base of the PRC is often too large to substitute for local resources and supplies. Despite a decline in direct exports to the U.S., China's total export value actually increased by 5.6% year-on-year in 2025, which was driven by Chinese exporters successfully diverting shipments to alternative markets, including Latin America, Europe, and other Asian economies. In practice, most manufacturing relocations are occurring within Asia, a pattern of regionalization, rather than re-shoring to higher cost regions. These protectionist measures have accelerated the China Plus One strategy, whereby manufacturers diversify their production bases to enhance supply chain resilience.

- Consequently, Southeast Asia has emerged as a major engine of ocean freight growth, with U.S. imports from the region surpassing those from the PRC for the first time in mid 2025. The shift occurred despite the introduction of new trade barriers later in the year; effective August 1, 2025, the U.S. imposed duties of approximately 20% on Vietnam and 19% on Thailand and Malaysia. However, manufacturers continued to prioritize Southeast Asia as a cost-effective alternative, as these rates remained significantly more viable than the prohibitive tariffs on Chinese goods. Furthermore, the impending August deadline precipitated a surge in advance shipments during the first half of the year, driving depot volumes to record highs. Reflecting this shift, major Southeast Asian economies recorded double-digit growth in export value during 2025: Malaysia led with a 13.9% increase, followed by Thailand at 13.0% and Singapore at 12.1%, while Indonesia also saw healthy growth of 6.9%. Nations such as Vietnam, Thailand, and Malaysia have recorded significant growth in container volumes as production for electronics, machinery, and consumer goods relocates to these markets. For instance, Vietnam recorded a year-on-year increase in container throughput of approximately 21% in 2024 as these relocations began to take hold, and a further 5% increase in 2025. Malaysia achieved an overall container throughput growth of approximately 9% in 2024, and 4% in 2025.

- Furthermore, liners and freight forwarders are actively rebalancing networks and shifting capacity toward less tariff-sensitive corridors, such as intra-Asia trade routes. The shift has led to the repositioning of more empty containers to depots in Singapore, Vietnam, Malaysia, and Thailand to meet the heightened demand for exports in these jurisdictions. While the PRC remains a central manufacturing powerhouse, the redirection of trade flows and the emergence of regional re-export hubs have bolstered the long-term demand for container throughput and depot handling services across Southeast Asian maritime gateways.

Source: Frost & Sullivan

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

Recent Development Outlook (as of May)

- As of May 2026, the global trade environment has undergone further adjustment following landmark judicial interventions in the United States. On February 20, 2026, the U.S. Supreme Court declared the expansive reciprocal tariffs imposed during the previous year as unconstitutional, ruling that the administration lacked the statutory authority to levy such taxes without explicit Congressional approval. In immediate response, In immediate response to the judicial invalidation of previous IEEPA-based tariffs, the U.S. administration invoked Section 122 of the Trade Act of 1974 to implement a temporary 10% global import surcharge, effective February 24, 2026 (despite the statute authorizes a surcharge of up to 15% for a duration of 150 days, expiring July 24, 2026). Such measure established a 10% tariff floor across most import categories, excluding specific goods such as critical minerals and pharmaceuticals. The instability has pressured the shipping industry, with container imports into the United States declining by 5.5% year-on-year in April 2026 as retailers and manufacturers reduced inventory orders to avoid unpredictable costs. For container depot operators that operate in affected jurisdiction, such volatility may complicate long-term capacity planning and investment decisions, as shifting cargo traffic patterns can lead to temporary imbalances in regional equipment demand.

- While these judicial decisions have introduced new legal complexities, the underlying trend toward trade regionalization remains robust. Most recently, on May 7, 2026, the U.S. Court of International Trade ruled the broad application of the Section 122 10% surcharges to be unconstitutional, finding that they were not justified under the specific requirements of the relevant trade law. While the court entered a permanent injunction against collection for the specific plaintiffs involved, the U.S. government filed a notice of appeal on May 8, 2026, and is expected to continue collections from most other importers pending the outcome of that appeal.

Impact on Container Depot Industry operating in Southeast Asia and the PRC

- Although this ruling creates further legal uncertainty, the logistics sector in the PRC and Southeast Asia has remained steady;
  - China reported a 6.2% year-on-year increase in total social logistics value for the first quarter of 2026, reaching 96.4 trillion yuan, despite the persistence of protectionist tariffs, due to the rapid expansion of high-value manufacturing and a strategic shift in trade toward ASEAN and Belt and Road partners
  - Sustained growth has similarly been observed in key Southeast Asian hubs, with the Port of Singapore recording an 8.5% year-on-year increase in container throughput during the first quarter of 2026, despite the imposition of protectionist tariffs, primarily due to regional supply chain rerouting and the sustained global demand for essential high-tech components well beyond the US market.
  - Malaysia's external trade also reached record levels in the same period, with total trade increasing by 10.4% to RM789.85 billion and exports rising 12.7% compared to the previous year,
- For the container depot industry, the constant shifts in U.S. trade policy and ongoing legal battles have forced global companies to build more flexible supply chains. To avoid disruptions, these businesses are increasingly storing inventory in regional hubs and container depots, allowing them to adapt quickly to sudden tariff changes, which sustains a continuous demand for core handling, storage, and technical certification services across the ASEAN network of container depots including those operated by the Group

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

Impact of Middle East Political Tension, Strait of Hormuz Closure and Its Impact on Global Logistics

Overall, while the 2026 Hormuz closure represents a significant geopolitical event, its structural impact on the industry is two-sided: the vast scale of the global fleet provides a systemic shield against total disruption, yet the crisis introduces immediate operational friction and cost pressures that underscore the container depot's crucial role as a resilient logistics buffer.

Background

- The maritime security environment underwent a significant transformation following the commencement of "Operation Epic Fury" on February 28, 2026. In immediate response, regional tensions led to the effective closure of the Strait of Hormuz, a primary maritime artery that facilitates the daily transit of 20.3 million barrels of oil (accounting for approximately 30% of global seaborne oil trade) and 290 million cubic meters of LNG (accounting for approximately 20% of global LNG trade) on average as of 2025. By March 3, 2026, commercial vessel transits through the waterway decreased by over 95%, falling from a daily average of 100+ transits to just three observed movements. The operational paralysis is further complicated by sophisticated electronic interference and the widespread disabling of automatic identification system transponders, which has severely hindered satellite-based tracking and created monitoring challenges for global logistics providers. As of early May 2026, the conflict has reached a critical negotiation phase following months of severe military escalation. The Strait of Hormuz has been effectively closed to commercial shipping since late February 2026, trapping over 1,500 ships (including all kinds of vessels) west of the waterway. While U.S. President Donald Trump has indicated that an interim ceasefire deal is being proposed to allow the blockade to be lifted, the conflict has not been formally resolved and the region remains a designated high-risk war zone as of May 10, 2026.

Source: Frost & Sullivan

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

Risks related to the Container Ship Industry (as of May 2026)

- ***Extreme Escalation of Operating Costs and Bunker Surge:*** The impact is most prominent and immediate on energy markets, with West Texas Intermediate ("WTI") crude oil prices increasing from US$65.4 per barrel on 26th February, 2026, prior to the crisis, to peak at US$113.0 per barrel on 7th April, 2026, and remain in a range of US$95-106 per barrel in early May. Container shipping companies, which are among the world's largest oil consumers, are facing roughly $500 million in additional monthly costs as of May 2026. The cost spike is driven not only by Brent crude prices rising above $100 per barrel but also by tightening bunker availability and the logistical cost of redistributing fuel across global networks to keep vessels supplied. While carriers have attempted to recover these costs through spot rates, which have jumped approximately 40% since late February, the financial balance remains fragile and highly dependent on sustained demand.

- ***Widespread Route Inefficiency and Transit Delays:*** The effective closure of the Strait of Hormuz, which saw daily transits drop from 129 in February to just four in March 2026, has forced a radical reshaping of global trade routes. Major carriers have been compelled to bypass the volatile region and reroute vessels around the Cape of Good Hope. The detour adds between 10 to 14 days (and in some cases up to three weeks) to transit times between Asia, the Middle East, and Europe. These longer voyages increase fuel consumption significantly and decrease overall delivery predictability, essentially derailing the precision required for just-in-time supply chains.

Source: Frost & Sullivan

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

- ***Critical Equipment Shortages and Container Imbalances:*** The conflict has triggered a severe shortage of empty containers across major trade lanes. As thousands of containers pile up in the Gulf region due to the blockade, they are unable to rotate back into the global manufacturing service cycle. Such bottleneck reduces global container availability, creating equipment shortages in export-heavy ports in Asia. Even if the crisis eases, it is expected that it will take weeks or months for container rotation to normalize, leading to continued missed sailings and inflated equipment surcharges.

- ***Systemic Port Congestion and Backlogs:*** Port operations in the Middle East have faced significant disruptions, with Jebel Ali in Dubai, a critical transshipment hub, suspending operations following nearby military strikes. It has created massive backlogs that grow daily, increasing the cost of eventually clearing the cargo. Furthermore, alternative gateway ports such as Khor Fakkan reached 100% congestion ratios in April as vessels diverted from the blocked straits, leading to carriers returning back to origin ports without fully discharging their cargo.

Limitation on Impact (as of May 2026)

- Despite the abovementioned risks, the disruption to the global containership market ***remains relatively contained in the short run:***
  - ***Limited Impact on Global Container Capacity***: As of May 2026, fewer than 100 containerships, accounting for less than 1.5% of the global containership fleet, and with a capacity of less than 350,000 TEU combined, are currently restricted within the Persian Gulf, suggesting the operational impact on the broader container depot market remains limited up to latest practicable date. Additionally, a number of vessels successfully exited the region over the past few months, with the total number of containerships trapped gradually declining .
  - ***Minimal Disruption to Primary Trade Lanes***: Containerships in general represent only 20% of total transits through the Strait, suggesting that the blockade primarily impacts specialized energy corridors over the high-volume consumer-goods lanes that define Southeast Asian and PRC trade.

Source: Frost & Sullivan

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

Impact on Container Depot Companies Operating in the Southeast Asia and the PRC (as of May 2026)

- ***Increased Throughput and Storage Revenue from Port Congestion:*** The military conflict and the resulting blockade of the Strait of Hormuz have caused significant vessel bunching and delays in global shipping schedules. As major maritime hubs like Singapore and Port Klang are serving as primary staging points for cargo redirected away from the Persian Gulf, terminal density at these ports has increased. To maintain operational fluidity at the quayside, shipping lines are required to evacuate non-essential empty containers to off-dock facilities. Container depots in these regions are seeing a direct increase in container throughput, inspection volume, and repair requirements. Furthermore, the longer these units remain idle due to missed vessel connections, the higher the storage fees EKH is able to collect.
- ***Heightened Demand for Repair and Maintenance Services:*** The rerouting of commercial fleets around the Cape of Good Hope has absorbed an estimated 2.5 million TEUs of global vessel capacity, creating a critical shortage of available shipping equipment. As containers spend more time at sea and less time rotating through the manufacturing cycle, the value of maintaining a cargo-worthy fleet has reached a premium. Container depot that offers specialized repair and maintenance segment, is likely experiencing increased demand as shipping lines and leasing companies seek to certify every available unit for service.
- ***Resilience and Growth of Intra-Asia Trade:*** While long-haul routes face increasing friction, the intra-Asia trade corridor has remained remarkably resilient, as its regional trade lanes are geographically insulated from the blocked waterways in the Middle East. In response to Western-bound delays and surging war-risk premiums, global shipping liners have actively reallocated vessel capacity toward these safer, high-demand Asian corridors. Furthermore, the conflict has accelerated the shift of manufacturing to Southeast Asian nations, creating sustained localized demand for container management and storage services within the region.
- ***Operating Margin Compression due to Energy Price Spikes:*** The conflict has triggered a severe energy disruption, with global oil and bunker fuel prices surge. Container depots typically maintains an extensive fleet of heavy machinery to support its depot and warehousing operations. These vehicles are predominantly diesel-powered and represent a substantial portion of the company's cost of revenue. As the price of fuel is a volatile input cost, the rapid rise in energy expenses may threatens profit margins.
- ***Geopolitical Risks to the Singapore Megadepot Investment:*** The long-term growth of container depots depends on long-term stability in global trade volumes. A prolonged war, coupled with rising global inflation and de-globalization trends triggered by the conflict, could dampen total trade activity. If consumer demand for containerized goods collapses in late 2026, container depots may face lower-than-anticipated utilization rates for its facility, complicating the recoupment of the continuous investment costs.

Source: Frost & Sullivan

Overview of Macroeconomic Environment

Analysis of the Impact of Geopolitical Events on the Logistics and Container Depot Industry

- Besides, the conflict has introduced localized operational friction within specific regional trade lanes:
  - ***Temporary Equipment Imbalances in The PRC:*** The restriction of vessels exiting the Persian Gulf has resulted in a localized shortage of available shipping capacity at certain origin ports in The PRC. While global capacity is stable, specific volumes of empty containers are stationary on idle vessels near the conflict zone, delaying their re-entry into the Asian manufacturing cycle for export fulfillment.
  - ***Staging Bottlenecks in ASEAN:*** Key maritime hubs, including Singapore, Port Klang, and Tanjung Pelepas, are anticipated to experience increased yard density as they function as staging points for redirected Middle East-bound cargo. It necessitates a rapid adjustment in terminal operations as carriers offload containers at these transshipment points to avoid entering high-risk waters.
  - ***Regional Freight Rate Volatility:*** Spot rates for shipments originating from The PRC to Western Asian destinations have experienced upward pressure. Such trend is driven by the implementation of war risk premiums and the tactical reallocation of vessel capacity across the intra-Asia network.

- For the container depot market, the 2026 crisis reinforces the essential role of off-dock facilities as a technical and logistical buffer:
  - ***Geographic Mismatch of Equipment***: The conflict has resulted in a regional imbalance of container assets, with specific volumes currently stationary on idle vessels. Southeast Asian depots are being utilized to manage resulting inventory fluctuations at transshipment hubs while preparing for potential changes in demand for cargo-worthy equipment at export-heavy ports.
  - ***Operational Response to Terminal Congestion***: As diverted loaded cargo increases yard density at port terminals, the evacuation of non-essential empty units to off-dock depots is becoming a necessary measure to maintain terminal fluidity. Additionally, once displaced cargo is processed at regional warehouses, the returned empty units enter the depot system for IICL-standard inspections, a prerequisite for their eventual redeployment to non-conflict trade lanes.
  - ***Infrastructure Adaptability:*** The logistical requirement to stage empty equipment during large-scale route reconfigurations highlights the functional role of high-capacity container depot facilities, located in proximity to major transshipment infrastructure.

Source: Frost & Sullivan

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Market Overview of the Container Depot Industry

Definition and Classification

Definition of Container Depot

- A Container Depot (often called an Off-Dock Depot, or Container Yard) is a critical logistics facility located outside of port terminals, serving as the central hub for the storage, maintenance, and distribution of empty shipping containers. It acts as the essential buffer in the global supply chain: when importers return empty units, depots accept them to prevent congestion at the port. A depot is also more than just a storage yard; it is a service center for asset management. The core function of a depot is comprehensive maintenance and repair services. Trained inspectors examine every container for structural damage or contamination. The depot then performs cleaning, washing, and necessary repairs to ensure the container is in seaworthy condition before it is released to the next exporter. By managing this turnaround process efficiently, Container Depots optimize the utilization of shipping line assets and ensure the smooth flow of global trade.

Key Competencies & Market Role of Container Depot

Equipment Inventory Management and Logistics Optimization: Container depots act as central hubs for inventory control, enabling shipping lines to maintain optimal equipment levels across global networks. Through systematic tracking and grading, operators identify units ready for export versus those requiring repositioning, thereby minimizing costs associated with supply-and-demand imbalances across trade lanes.

Specialized Technical Repair and Maintenance: A core competency involves providing the technical services necessary to preserve the structural integrity and seaworthiness of container fleets. Regular inspections, cleaning, and repairs ensure equipment meets international safety standards, protecting cargo value and extending the operational lifespan of shipping assets subjected to maritime wear and tear.

Infrastructure Provision and Port Congestion Relief: Container depots offer essential land and physical infrastructure that functions as an operational buffer for the maritime industry. By providing large-scale storage capacity outside primary terminals, these facilities alleviate pressure on high-cost quayside land and reduce port congestion, particularly during periods of trade volatility or seasonal surges.

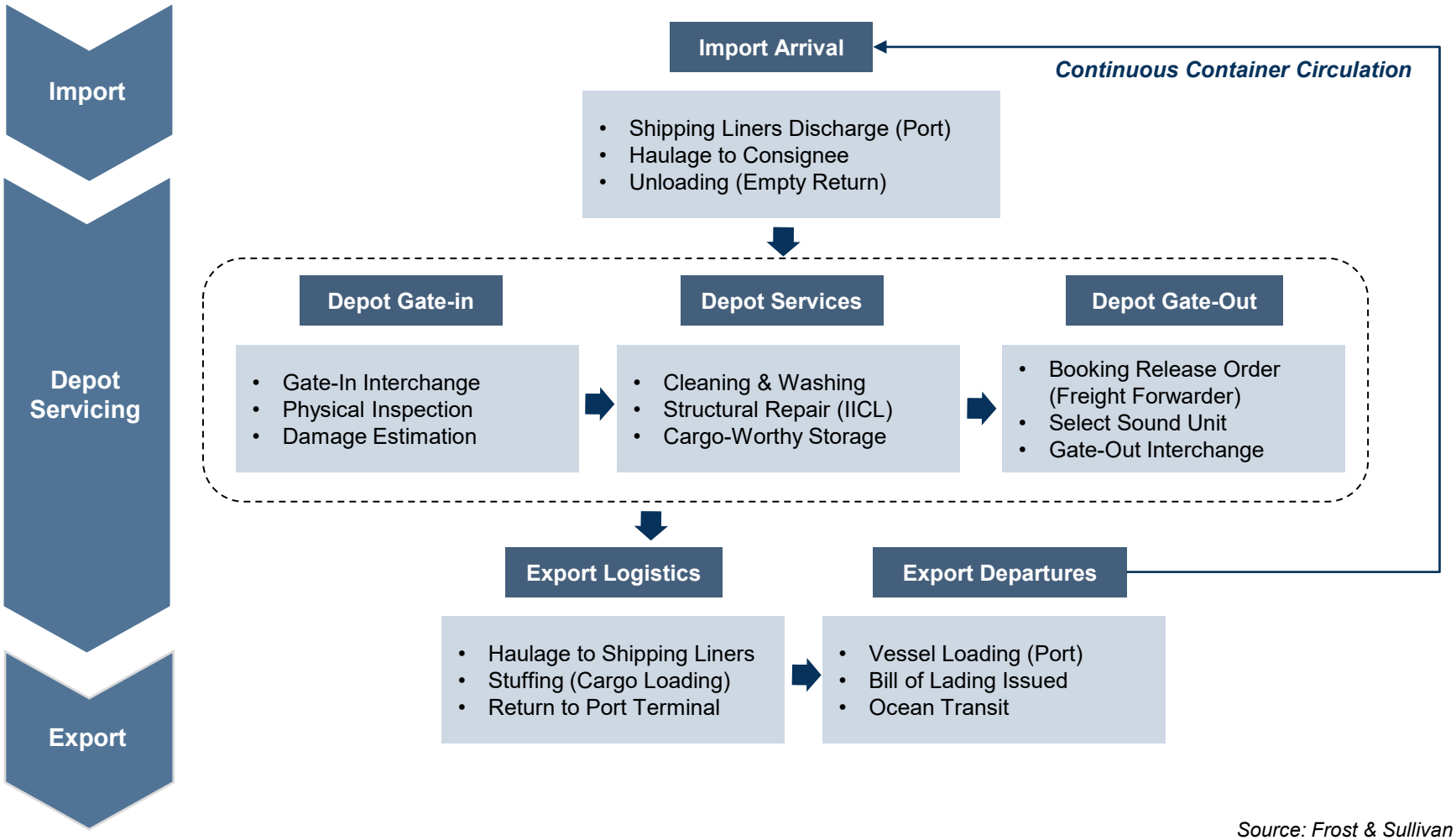
Facilitation of Multi-Modal Logistics Integration: Functioning as critical nodes between maritime transport and inland distribution, container depots bridge the gap between distinct transport modes. Services such as drayage, trucking coordination, and interchange documentation facilitate the smooth transition of goods, ensuring precise management of equipment transfer between carriers, shippers, and logistics providers.

Source: Frost & Sullivan

Market Overview of the Container Depot Industry

Operational Flow Analysis

Operational Flow of Container Depot



Source: Frost & Sullivan

Market Overview of the Container Depot Industry

Operational Flow Analysis

Operational Flow of Container Depot

- The container depot operates as a vital technical and logistical hub within the global maritime value chain, facilitating a continuous cyclical flow of equipment between international trade partners. The operational process begins with the import arrival phase, where shipping liners discharge cargo at port terminals, and haulers transport the loaded containers to consignees. Once the goods are unloaded, the empty units are returned to the container depot for processing. The transition marks the depot gate-in stage, a critical administrative and technical interface where a gate-in interchange is conducted alongside a rigorous physical inspection and damage estimation to determine the container's structural status.
- Following intake, the depot provides specialized value-added services to ensure the equipment meets international maritime regulations. Containers undergo cleaning and washing to remove contaminants and, where necessary, structural repairs adhering to stringent Institute of International Container Lessors ("IICL") standards to maintain seaworthiness. Once restored, units are held in cargo-worthy storage, effectively serving as a strategic equipment buffer for the industry. The cycle then moves toward export logistics; upon receipt of a booking release order presented by the freight forwarder, the depot executes the depot gate-out process, which includes selecting a sound unit and completing the gate-out interchange.
- The final segment of the chain involves the movement of the ready-to-use container by haulers to the shipper for cargo stuffing. Once loaded, the container is returned to the port terminal for vessel loading and ocean transit, supported by the issuance of a bill of lading. This interconnected workflow ensures that shipping liners have constant access to high-quality equipment, while port terminals remain clear of empty-container congestion, thereby maintaining the overall velocity and reliability of global trade flows.

Source: Frost & Sullivan

Market Overview of the Container Depot Industry

Industry Standard, Policies and Regulations

Name	Year	Issuing Authority	Key Messages
IICL-7 (In Development/Early Adoption)	2025	Institute of International Container Lessors (IICL)	• Establishes updated, globally recognized criteria for the inspection and repair of steel containers to ensure seaworthiness and cargo protection.
IMO CSC 1972 (Updated Guidelines)	2024	International Maritime Organization (IMO)	• Mandates the "International Convention for Safe Containers" requirements, ensuring every unit undergoes regular safety examinations and carries a valid Safety Approval Plate.
IICL-6	2020	Institute of International Container Lessors (IICL)	• The primary technical manual used by depot surveyors to identify damages and define standard repair methods for dry van containers.
ISO 14001:2015 (Environmental Management)	2015	International Organization for Standardization (ISO)	• Sets out the criteria for an environmental management system, specifically relevant to depots regarding wastewater treatment from container cleaning and washing activities.
ISO 9001:2015 (Quality Management)	2015	International Organization for Standardization (ISO)	• Provides the framework for quality management systems to ensure consistent service delivery in container handling, gate-in/gate-out processes, and customer reporting.
ISO 6346 (Container Identification)	1995	International Organization for Standardization (ISO)	• Standardizes the coding, identification, and marking system for all freight containers used in international trade to ensure accurate tracking and logistics data exchange.

Source: Frost & Sullivan

Market Overview of the Container Depot Industry

Industry Standard, Policies and Regulations

Name	Year	Issuing Authority	Key Messages
SOLAS Convention (International Convention for the Safety of Life at Sea)	2025 (Updated)	International Maritime Organization (IMO)	Mandates the Verified Gross Mass (VGM) requirement, requiring depots and shippers to provide accurate weight certification before containers are loaded.
Customs Law of the People's Republic of China	2025 (Updated)	General Administration of Customs (PRC)	Regulates the bonded status of containers and the movement of empty equipment across borders, critical for depots acting as regional inventory hubs.
Circular No. 23/2024/TT-BGTVT (Vietnam Maritime Code Implementation)	2024	Ministry of Transport (Vietnam)	Sets specific operational and safety requirements for maritime service providers and inland container depots (ICDs) operating within Vietnam.
Strategic Trade Management Act (STMA)	Active (Ongoing)	Regional Trade Authorities (e.g., Malaysia/Singapore)	Governs the storage and transshipment of strategic or dual-use goods, requiring depots to maintain strict compliance and reporting standards.
MARPOL (International Convention for the Prevention of Pollution from Ships)	Active (Ongoing)	International Maritime Organization (IMO)	Specifically Annex V and VI, which influence depot operations regarding the environmental disposal of cargo residue and cleaning wastewater.
Sea Transport Industry Transformation Map (ITM) 2025	2022–2025 (Active)	Maritime and Port Authority (MPA)	A refreshed strategy to grow the sector's value-add by S$2 billion by 2025, focusing on "Next Generation Ports," automation, and creating 1,000 new maritime jobs in data science and sustainability.
Logistics Industry Development Plan 2025	2025	Ministry of Transport (Malaysia)	A national roadmap issued in March 2025 to enhance the global standing of Malaysia's logistics sector, prioritizing the expansion of inland container depots (ICDs).
Logistics Development Plan (2023–2027)	2024	Government of Thailand	An ongoing master plan to enhance connectivity across ASEAN, driving the modernization of "smart ports" and secondary depot networks in Thailand.

Source: Frost & Sullivan

Market Overview of the Container Depot Industry

Industry Standard, Policies and Regulations

Name	Year	Issuing Authority	Key Messages
Road Traffic Act 1961	1961 (Active)	Land Transport Authority (LTA) - Singapore	Mandates that heavy vehicles, including container trailers exceeding 5,000kg, must be registered and possess a valid vehicle parking certificate linked to a designated parking space.
Factories and Industrial Undertakings (Cargo and Container Handling) Regulations	Active	Labour Department - Hong Kong	Lays down specific safety requirements for the loading, unloading, and handling of containers at docks and wharves, including precautions for working on top of units.
Sewerage and Drainage Act 1999	1999 (Active)	Public Utilities Board (PUB) - Singapore	Prohibits the discharge of trade effluent (such as wastewater from container washing) into public sewers without prior written approval and strict adherence to discharge conditions.
Factories and Industrial Undertakings (Loadshifting Machinery) Regulations	Active	Labour Department - Hong Kong	Regulates the operation of loadshifting machines, such as fork-lift trucks used in container handling, requiring operators to be aged 18 or above and hold a valid certificate.
Social Insurance Law of the PRC	2011 (Amended 2018)	National People's Congress - PRC	Mandates that all employees participate in basic pension, unemployment, maternity, work injury, and medical insurance, with compulsory contributions from the employer.
Water Pollution Control Ordinance	Active	Environmental Protection Department - Hong Kong	Requires an effluent discharge license for any trade generating wastewater, specifying the permitted physical and chemical quality to prevent pollution of inland and marine waters.
Air Pollution Control (Non-Road Mobile Machinery) (Emission) Regulation	2015 (Active)	Environmental Protection Department - Hong Kong	Controls emissions for non-road vehicles used in container terminals, such as reach stackers and container loaders, requiring them to carry a proper approval or exemption label.
Workplace Safety and Health Act 2006	2006 (Active)	Ministry of Manpower (MOM) - Singapore	Imposes a legal duty on employers to ensure adequate safety measures for machinery and the safe arrangement of storage, transport, and use of materials in the workplace.

Source: Frost & Sullivan

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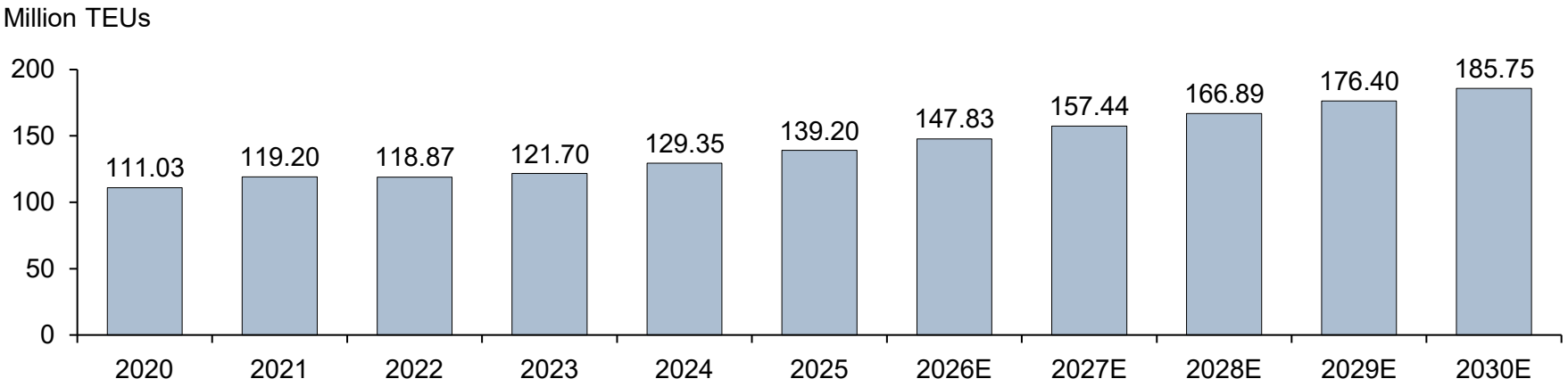
Outlook and Dynamics of the Container Depot Industry

Market Size of Container Port Throughput (1/3)

Total Container Port Throughput (Southeast Asia), 2020-2030E

CAGR	2020-2025	2026E-2030E
Total	4.6%	5.9%



- Container port throughput in Southeast Asia has increased from 111.03 million TEUs in 2020 to 139.20 million TEUs in 2025, representing a CAGR of 4.6%. The growth was primarily fueled by the massive shift in global manufacturing, as many multinational companies adopted a China Plus One strategy to diversify their supply chains. Vietnam and Malaysia emerged as major beneficiaries, with ports like Cai Mep and Port Klang expanding their deep-water berths to accommodate ultra-large container vessels. Additionally, the post-pandemic surge in global consumer demand and the rapid digitalization of port operations through IoT and AI-driven scheduling significantly improved turnaround times, allowing regional hubs to handle higher volumes despite global logistics volatility.
- Throughput is projected to rise from 147.83 million TEUs in 2026 to 185.75 million TEUs in 2030, representing a CAGR of 5.9%. Future expansion will be anchored by the completion of mega-infrastructure projects, most notably the phased opening of Singapore's Tuas Mega Port, which is set to become the world's largest fully automated terminal. The deepening of intra-ASEAN trade, bolstered by the Regional Comprehensive Economic Partnership (RCEP), will also create more robust feeder networks between secondary ports and major hubs. Furthermore, the integration of green shipping corridors and smart port technologies will enhance the region's competitiveness as a sustainable transit point for the growing trade lanes between Asia, Africa, and Europe.

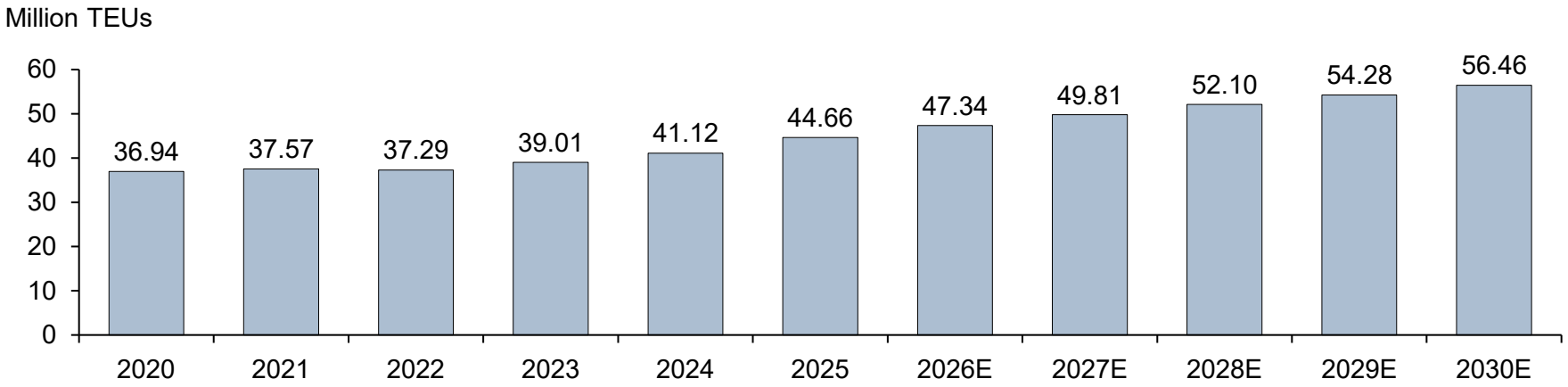
Source: UN Trade and Development, Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Size of Container Port Throughput (2/3)

Total Container Port Throughput (Singapore), 2020-2030E

CAGR	2020-2025	2026E-2030E
Total	3.9%	4.5%



- Container port throughput increased from 36.94 million TEUs in 2020 to 44.66 million TEUs in 2025, representing a CAGR of 3.9%. Growth was propelled by Singapore's role as a catch-up port during global supply chain disruptions, allowing shipping lines to reposition containers and streamline schedules amidst crises like the Red Sea diversions. Operational efficiency reached new heights through the implementation of digital bunkering and the electronic bunker delivery note system, which saved an estimated 40,000 man-days annually. Furthermore, the initial phases of Tuas Mega Port began operation, deploying over 200 automated guided vehicles and deep-water berths to handle the world's largest container vessels.
- Container port throughput is projected to rise from 47.34 million TEUs in 2025 to approximately 56.46 million TEUs in 2030, representing a CAGR of 4.5%. The sustained expansion is centered on the progressive consolidation of all city terminals into the Tuas Mega Port, which is designed to eventually reach a total capacity of 65 million TEUs. Adoption of AI-driven traffic management systems and the expansion of Green and Digital Shipping Corridors (GDSCs) with major partners like India and China are expected to further solidify the nation's competitive edge. Additionally, the rising demand for alternative fuels and sustainable shipping practices will attract a new wave of eco-conscious global carriers to Singapore's multi-fuel bunkering hub.

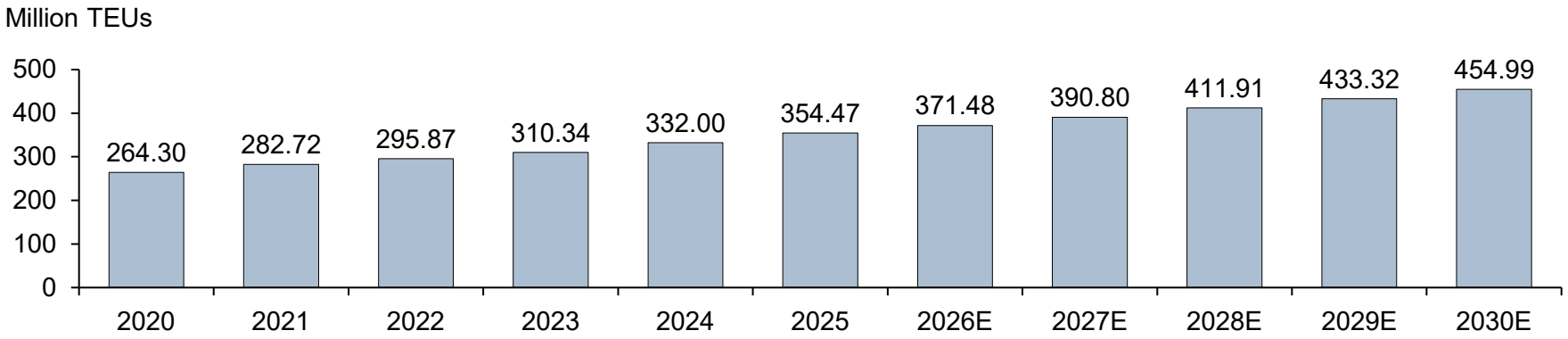
Source: Maritime and Port Authority of Singapore, Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Size of Container Port Throughput (3/3)

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

CAGR	2020-2025	2026E-2030E
Total	6.0%	5.2%



- Container port throughput increased from 264.30 million TEUs in 2020 to 354.47 million TEUs in 2025, representing a CAGR of 6.0%. The robust expansion was driven by the structural optimization of foreign trade, where high value-added exports, such as new energy vehicles (NEVs), lithium batteries, and photovoltaic modules, replaced traditional labor-intensive goods. Despite significant global geopolitical volatility and the introduction of new tariffs in early 2025, major hubs like Shanghai and Ningbo-Zhoushan reached record volumes by diversifying trade routes toward ASEAN, African, and Latin American markets. Efficiency gains were further solidified by the deployment of fully automated terminals and AI-driven smart port systems, which allowed the Port of Shanghai to maintain its position as the world's busiest container gateway throughout the period.
- Container port throughput is projected to rise from 371.48 million TEUs in 2026 to 454.99 million TEUs in 2030, representing a CAGR of 5.2%. Future growth is anchored in a strategic framework that prioritizes the development of a central port core supported by two major coastal wings, which enhances the integration of inland waterway transportation with coastal mega-hubs to lower logistics costs for the country's interior. A significant shift toward maritime decarbonization will see over 90% of port machinery transition to LNG or electric power, alongside the establishment of green shipping corridors with major international partners. While the global China Plus One trend may lead to some manufacturing diversification, the PRC's continued investment in semi-automated and fully automated berths across first-class ports like Qingdao and Tianjin is expected to maintain its competitive edge in handling ultra-large vessels and complex global supply chains.

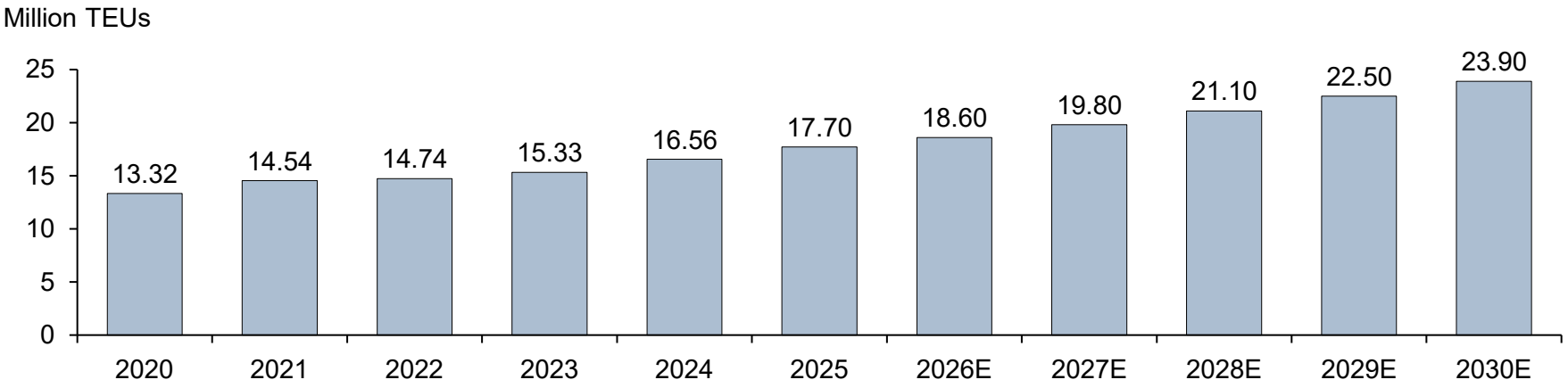
Source: Ministry of Transport of the PRC, Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Size of Throughput of Container Depot (1/3)

Total Throughput of Container Depot (Southeast Asia), 2020-2030E

CAGR	2020-2025	2026E-2030E
Total	5.9%	6.5%



- The Southeast Asian container depot market has experienced a period of steady expansion, with total throughput increasing from 13.32 million TEUs in 2020 to 17.70 million TEUs in 2025. The growth represents a CAGR of 5.9% during the 2020 to 2025 period. Recovery in global merchandise trade, particularly within the electronics and semiconductor sectors, served as a primary catalyst for this upward trajectory. Furthermore, the implementation of diversification strategies by multinational corporations led to a significant shift in manufacturing activities toward Southeast Asian gateways, necessitating expanded depot support for equipment handling and technical certification.
- Future projections indicate a continued upward trend for the regional industry, as throughput is expected to increase from 18.60 million TEUs in 2026 to 23.90 million TEUs in 2030, representing a CAGR of 6.5% during the 2026 to 2030 period. Continued regional economic integration and the expansion of the global containership fleet will likely sustain this momentum, as a larger pool of operational assets requires recurring maintenance and storage. Additionally, the progressive consolidation of maritime activities into high-capacity automated hubs is expected to enhance operational throughput, allowing depot operators to process higher volumes with greater technical efficiency.

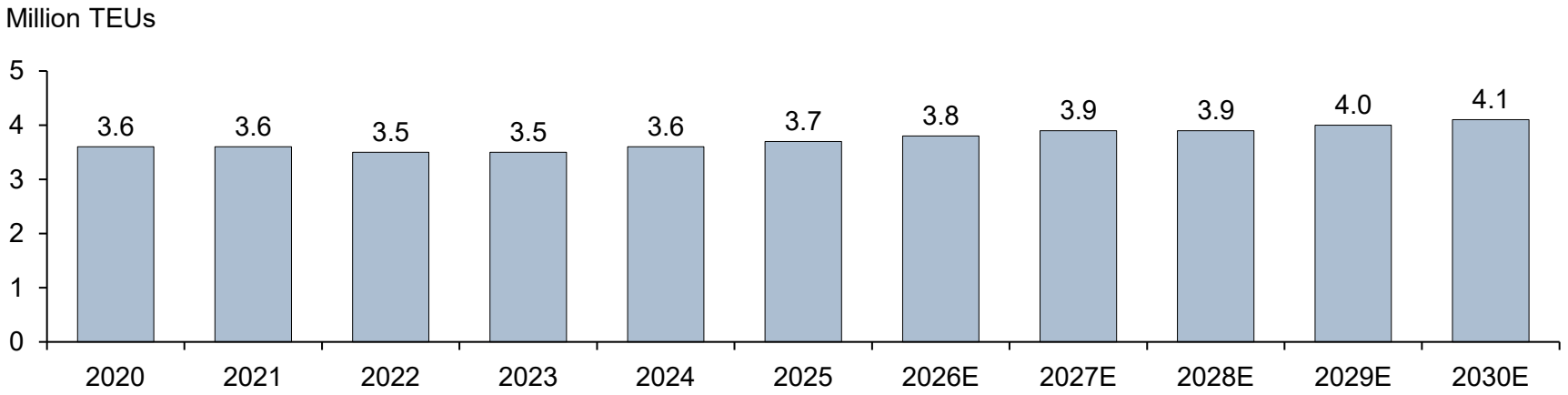
Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Size of Throughput of Container Depot (2/3)

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

CAGR	2020-2025	2026E-2030E
Total	0.5%	1.9%



- The total throughput of container depots in Singapore is experiencing a period of steady expansion, supported by infrastructure consolidation and technological upgrades. Throughput is estimated to increase from 3.6 million TEUs in 2020 to 3.7 million TEUs in 2025, representing a CAGR of 0.5% during 2020 to 2025. The initial growth phase was primarily driven by the industry's role in managing empty container surpluses during post-pandemic supply chain disruptions and the redirection of vessel schedules. The commencement of Tuas Mega Port Phase 1 also began shifting logistics demand toward western Singapore, requiring depots to modernize their gate systems and adopt digital platforms like SGTraDex to handle increased dwell times and improve yard efficiency amid land constraints. The upward trend is expected to accelerate as the maritime ecosystem becomes more integrated. Throughput is projected to increase from 3.8 million TEUs in 2026 to 4.1 million TEUs in 2030, representing a CAGR of 1.9% during 2026 to 2030. The forecasted acceleration is anchored by the full operationalization of the Tuas Mega Port, which streamlines the repositioning of containers by concentrating terminal activities in a single hub. Drivers for this period include the growth of regional trade under the RCEP agreement and the rise of manufacturing hubs in Southeast Asia, which increase the demand for containerized logistics. Furthermore, the development of high-density, multi-storey container depots and the adoption of AI-driven yard automation will allow the sector to handle higher volumes while optimizing Singapore's limited land footprint.

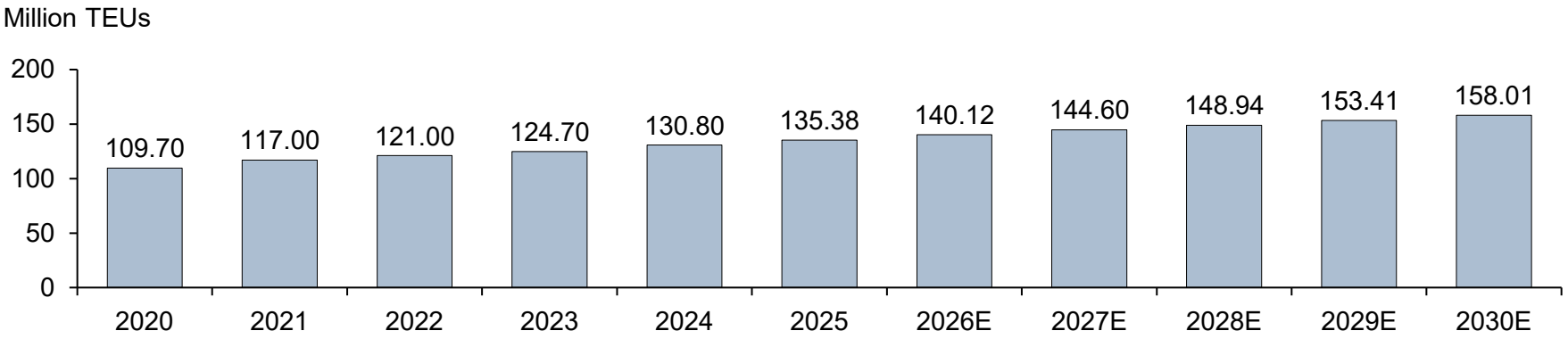
Source: Maritime and Port Authority of Singapore, Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Size of Throughput of Container Depot (3/3)

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

CAGR	2020-2025	2026E-2030E
Total	4.3%	3.0%



- The total throughput of container depots in the PRC is characterized by robust historical growth and a steady future trajectory as the nation reinforces its position as a global manufacturing powerhouse. Throughput is estimated to increase from 109.70 million TEUs in 2020 to 135.38 million TEUs in 2025, representing a CAGR of 4.3% during 2020 to 2025. The significant expansion was largely fueled by the rapid recovery of China's export sector following pandemic-related disruptions and the government's aggressive investment in port infrastructure automation. Despite the implementation of steep US tariffs in early 2025, China's trade volume remained resilient as exporters redirected goods toward emerging markets in Southeast Asia, Africa, and Latin America. Drivers during this period include the "Dual Circulation" strategy, which bolstered both domestic and international trade volumes, and the digital transformation of depot operations to handle the surge in e-commerce fulfillment and multimodal transport logistics.
- Looking toward the end of the decade, the market is expected to enter a more mature and stabilized growth phase. Throughput is projected to increase from 140.12 million TEUs in 2026 to 158.01 million TEUs in 2030, representing a CAGR of 3.0% during 2026 to 2030. The sustained growth is anchored by the continued integration of the Greater Bay Area and the development of smart ports that utilize IoT and AI to optimize container stacking and turnover.

Source: Ministry of Transport of the PRC, Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Drivers (1/4)

Southeast Asia

Strategic Regionalization and the Acceleration of China Plus One

Manufacturing strategies are undergoing a structural transformation as multinational enterprises increasingly adopt a China Plus One approach, moving production to Southeast Asian nations like Vietnam, Malaysia, and Thailand to mitigate supply chain risks. The shift has seen Southeast Asia emerge as a major engine of freight growth, with total import and export value recording a year-on-year increase of 11.4% and 12.9% respectively in 2025. For regional depot operators, the transition translates to a sustained surge in handling throughput as new manufacturing sites require localized equipment support to remain fluid. Furthermore, as production for electronics and machinery continues to relocate to these markets, nations such as Vietnam and Malaysia have recorded significant year-on-year increases in container volumes. This long-term migration of the manufacturing base ensures a consistent and growing demand for empty container management and technical certification services across Southeast Asian maritime gateways

Record Regional Port Throughput and Strategic Transshipment Demand

In 2025, Southeast Asian and Singaporean ports handled record container throughput of 139.20 million TEUs and 44.66 million TEUs respectively, representing year-on-year increases of 7.6% and 8.6%. The record activity underscores the region's critical role as a global clearinghouse for goods, largely driven by a rebound in electronics demand and efforts to alleviate shipping congestion from the Red Sea crisis. These high volumes create a direct, stable foundation for the depot industry, which must manage a regional depot throughput that reached 17.70 million TEUs in 2025. Singapore, in particular, has leveraged its role as a catch-up port to help shipping lines reposition containers and streamline schedules amidst these global disruptions. As port capacity continues to expand to meet this historic demand, the dependency on third-party depot operators to maintain supply chain velocity is expected to grow significantly.

Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Drivers (2/4)

Southeast Asia

Deepening Intra-ASEAN Trade and Integration of Trade Agreements

The expansion of regional trade integration, bolstered by the Regional Comprehensive Economic Partnership (RCEP) and the ACFTA 3.0 upgrade, has created a vital trade transit corridor between China and Western markets. Total export values in major Southeast Asian economies saw double-digit growth in 2025, led by Malaysia at 13.9% and Thailand at 13.0%. This deepening connectivity drives a persistent need for comprehensive container management solutions to facilitate the movement of goods between regional re-export hubs. The maturation of these regional trade agreements is expected to further bolster trade volumes and industrial production over the forecast period. Consequently, the rising income levels and economic growth within ASEAN provide a favorable foundation for the long-term demand for logistics infrastructure and container depot services.

Strategic Repositioning of Empty Containers to Export-Heavy Hubs

Liners and freight forwarders are actively rebalancing networks by shifting capacity toward less tariff-sensitive intra-Asia corridors. This has led to the deliberate repositioning of empty containers to depots in Singapore, Vietnam, Malaysia, and Thailand to meet the heightened demand for regional exports. Each repositioned unit provides depots with a resilient stream of high-volume activity, as containers must be professionally handled and certified before being reintegrated into active service. This trend is further supported by large shipping lines utilizing sophisticated strategies to move empty units from import-heavy locations back to export-oriented regions to address localized equipment shortages. By ensuring that shipping liners have constant access to high-quality equipment, depot operators maintain the overall reliability and speed of global trade flows.

Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Drivers (3/4)

The PRC

Structural Upgrading Toward High-Value Technology Exports

The PRC's export sector is experiencing a significant structural shift, where the high-tech sectors, electric vehicles (EVs), lithium batteries, and photovoltaic modules, are replacing traditional labor-intensive goods. Despite geopolitical volatility, China's total export value increased by 5.6% year-on-year in 2025, demonstrating the success of this high-end manufacturing transition. The shift toward sophisticated industrial goods sustains high volumes of containerized trade, requiring specialized depot handling and inspection services for high-value cargo equipment. To support these industries, the government has prioritized "New Quality Productive Forces," focusing on technological self-reliance and green manufacturing. The continued expansion into technology-intensive products ensures that the demand for advanced logistics services remains strong across major coastal and inland trade hubs.

Rapid Diversification into Emerging Markets and the BRI Network

To mitigate challenges in direct trade with the U.S., the Chinese logistics sector has demonstrated resilience by diversifying trade networks into Latin America, Africa, and Southeast Asia. The strategy helped push total container port throughput to a record 354.47 million TEUs in 2025, representing a 6.0% CAGR since 2020. The global trade diversification ensures that total container port throughput remains robust, projected to reach 454.99 million TEUs by 2030. By successfully diverting shipments to alternative regional economies, Chinese exporters have maintained high utilization rates for shipping equipment. The expansion into these emerging markets compensates for potential declines elsewhere and provides a steady, diversified influx of containerized trade for domestic depots

Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Drivers (4/4)

The PRC

Large-Scale Expansion and Technical Refurbishment of the Global Fleet

As of 2025, the global container fleet exceeds 33 million TEUs, with a massive orderbook representing a 33.5% increase over existing capacity. As a central manufacturing and shipping powerhouse, the PRC serves as a primary hub for containers returning for essential maintenance and technical refurbishment. The activity directly supported a PRC container depot throughput of 135.38 million TEUs in 2025, fueled by the rapid recovery of the export sector and aggressive investment in automation. Every new unit added to the global pool eventually requires the recurring inspection and IICL-standard repairs that Chinese depots are uniquely equipped to provide at scale. This trend is bolstered by shipping lines prioritizing the restoration of their equipment pools to meet stricter safety and environmental standards following periods of operational strain.

Implementation of "Dual Circulation" and Smart Logistics Integration

The PRC's "Dual Circulation" strategy has bolstered both domestic and international trade volumes, particularly through the digital transformation of depot operations to handle surging e-commerce fulfillment. Furthermore, the development of smart ports and fully automated terminals has significantly improved turnaround times at major coastal hubs like Shanghai and Ningbo-Zhoushan. The integration of inland waterway transportation with coastal mega-hubs lowers overall logistics costs and maintains the PRC's competitive edge in handling complex global supply chains. The ongoing shift toward industrial automation and the advancement of high-value manufacturing continue to support the resilience of the nation's trade and logistics sectors. With enhanced digital infrastructure like 5G and AI-driven systems, depot service providers are increasingly able to improve container handling efficiency and reduce labor costs

Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Future Trends and Outlook

Accelerated Adoption of Digitalization and Smart Port Technologies

The container depot industry is undergoing a rapid digital transformation to enhance operational efficiency and reduce the turnaround time for container handling. In Southeast Asia, major players are implementing digital solutions such as geospatial data for optimized heavy vehicle routing and advanced fleet management platforms to achieve a more efficient and sustainable footprint. In China, the integration of 5G technology and smart port applications is already advanced, while Singapore expects full 5G coverage across all maritime zones by mid-2025 to accelerate research into automated navigation and real-time data analytics. The shift toward automation allows depot operators in both regions to manage increasing trade volumes with greater precision, directly addressing the challenges of port congestion and logistical complexity.

Strategic Consolidation and Infrastructure Integration

A significant trend in the industry is the strategic consolidation of port operations and peripheral services into integrated, large-scale terminals designed to create economies of scale. In Singapore, this involves the relocation of city terminals to the Tuas Mega Port, which is set to become the world's largest fully automated terminal with a capacity of 65 million TEUs. Similarly, China continues to invest in expanding its massive coastal port clusters to support its role as a global manufacturing powerhouse. By centralizing container depots, warehouses, and port facilities in a single location, operators can reduce the distance and complexity of transporting units, utilizing next-generation systems like automated yard cranes and driverless trucks to boost overall productivity.

Expansion of Specialized Technical and Maintenance Services

A growing global container fleet and the increasing complexity of international trade have created a significant opportunity for container depots to expand their technical service offerings. Beyond simple storage, there is a rising demand for specialized inspection, cleaning, and high-quality repair services to ensure that containers meet stricter international safety and environmental standards. As shipping lines look to prolong the life of their existing equipment and maintain specialized units (such as refrigerated containers), depots that invest in advanced technical capabilities can secure higher-margin revenue streams. Furthermore, the trend of repositioning empty containers back to export hubs specifically for refurbishment ensures a steady, non-cyclical flow of technical work that balances more volatile storage-based income

Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Market Challenges

Manpower Shortages and Shifting Labor Policies

The container depot industry faces a persistent challenge in attracting and retaining both skilled and unskilled labor, as many maritime roles are increasingly shunned by local workforces in favor of office-based sectors. It has forced a heavy reliance on foreign manpower, a resource that is becoming more restricted due to tightening government labor policies and reduced foreign worker quotas. Container depot operators must now navigate rising dependency ratio ceilings and increased levies for work permit holders, which adds significant pressure to their bottom line. The labor crunch necessitates a costly and complex pivot toward automation, requiring companies to not only invest in new hardware but also undertake the difficult task of retraining their existing workforce to manage digital technologies.

Escalating Operational Costs and Land Scarcity

Operating a container depot in major maritime hubs has become increasingly expensive due to the rising costs of industrial land, energy, and regulatory compliance. Land scarcity in strategic locations near port terminals often leads to high rental or lease renewal costs, which can impact the financial sustainability of smaller depot operators. Additionally, the industry is under pressure to adopt environmentally friendly port technologies and adhere to more stringent environmental standards, requiring substantial capital investment in electric handling equipment and sustainable waste management systems. While rising Depot Handling Charges (“DHC”) have helped offset some of these expenses, the continuous upward trend in operational overhead remains a critical hurdle for maintaining competitive pricing while protecting profit margins.

Source: Frost & Sullivan

Outlook and Dynamics of the Container Depot Industry

Cost Analysis

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

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

- Between 2020 and 2025, the gross monthly income for labor in the transportation and storage industry experienced steady growth across the observed regions. Singapore recorded the highest CAGR at 6.5%, followed by the PRC at 6.3% and Malaysia at 5.2%. Moving into the forecasted period of 2026 to 2030, wage growth is projected to moderate but maintain an upward trajectory, with the PRC expected to grow at a CAGR of 3.8%, Malaysia at 3.4%, and Singapore at 3.3%. The initial increase in labor costs was primarily driven by pandemic-related supply chain disruptions, broader inflationary pressures, and heightened demand within the logistics sector. The continued growth projected through 2030 reflects structural demographic shifts, such as tightening labor pools, alongside standard cost-of-living adjustments and the evolving need for technically skilled workers.
- For container depot operators, this persistent rise in labor costs presents an ongoing operational challenge, as traditional depot activities, such as gate management, container handling, and maintenance, are inherently labor-intensive. As payroll expenses account for a growing share of operational expenditure, depot operators face continued pressure on their profit margins. Consequently, this wage inflation serves as a primary catalyst for industry-wide digitalization and efficiency initiatives. To mitigate rising manpower costs, operators are increasingly investing in technologies to streamline workflows, optimize workforce productivity, and reduce overall reliance on manual labor.

Source: Frost & Sullivan

Agenda

1 Introduction of the Research

2 Overview of Macroeconomic Environment

3 Market Overview of the Container Depot Industry

4 Outlook and Dynamics of the Container Depot Industry

5 **Competitive Landscape**

6 Appendix

Competitive Landscape

Competition Overview in Southeast Asia

- The container depot market in Southeast Asia is characterized by a fairly competitive and fragmented landscape. In 2025, the industry is defined by a diverse field of local and regional operators who are increasingly integrating their service offerings, such as maintenance, repair, and bonded warehousing, to provide end-to-end logistics solutions. As trade flows continue to shift toward Southeast Asia, the competitive environment is shaped by operators capable of securing land near major infrastructure hubs to manage the rising volume of empty container repositioning.
- The ranking of container depot operators in 2025 highlights the following leading participants:
  - Greating Fortune leads the market with an estimated throughput of 1.18 million TEUs, commanding a 6.7% market share.
  - **The Group** follows closely in the second position with a throughput volume of 1.05 million TEUs and a 5.9% market share. Eng Kong maintains a strong strategic position as Singapore's largest depot operator, leveraging its extensive network across Asia to capitalize on regional manufacturing shifts.
  - Indra Jaya Swastika (IJS) ranks third with 1.02 million TEUs and a 5.8% market share. IJS is a dominant force in Indonesia, particularly in Surabaya, where it operates one of the nation's largest integrated logistics centers and authorized reefer service facilities.
  - Saigon Newport (SNP) - ICD Network holds the fourth spot with 0.95 million TEUs and a 5.4% market share, benefiting from its massive infrastructure footprint in Vietnam, which handles nearly 56% of that country's container import-export volume.
  - Allied Container Group rounds out the top five with a throughput of 0.82 million TEUs, representing a 4.6% market share.

Ranking of Container Depot Operators (Southeast Asia), 2025

Rank	Market Participants	Estimated Depot Throughput Volume in 2025 (Million TEUs)	Estimated Market Share in 2025 (%)
1	Greating Fortune	1.18	6.7%
2	**The Group**	**1.05**	**5.9%**
3	Indra Jaya Swastika (IJS)	1.02	5.8%
4	Saigon Newport (SNP) - ICD Network	0.95	5.4%
5	Allied Container Group	0.82	4.6%
	Sub-total	4.96	28.1%
	Total	*17.70*	*100.0%*

Source: Frost & Sullivan

Competitive Landscape

Competitor Profile in Southeast Asia

Market participants	Background
Greating Fortune Group	Headquartered in Hong Kong and established in 1992, Greating Fortune Group operates a network of over 1,000 container depots and logistics facilities across 12 countries. The group's presence in Southeast Asia includes operations in Thailand, Malaysia, and Vietnam. Recently, the group expanded its Singaporean footprint through the acquisition of Wing Seng Logistics Pte Ltd, integrating the latter's local assets into its regional network. Its service portfolio includes container trading, storage, IICL-standard inspections, and reefer maintenance.
PT Indra Jaya Swastika	PT Indra Jaya Swastika has operated as a logistics provider in Indonesia since 1984, utilizing a 300,000 square meter facility in Surabaya. The company's operations cover container stacking, warehousing, and inland clearance depot services. It functions as an authorized service center for reefer equipment brands, including Carrier Transicold and Daikin. Through its status as a Bonded Logistics Center (PLB), the company provides customs clearance and tax deferral services for import and export cargo.
Saigon Newport Corporation	Saigon Newport Corporation (SNP) is a state-owned enterprise that manages a significant portion of Vietnam's import-export container volume. Since 1989, the company has developed a network of deep-water terminals and satellite Inland Container Depots (ICDs). These ICD facilities provide regional support for terminal operations, offering multimodal transport, customs procedures, and warehousing. The company's structure integrates port management with inland logistics and shipping agency services.
Allied Container Group	Allied Container Group has provided container services in Singapore since 1975. The company operates multiple depot sites in Singapore, including locations in Tuas, Penjuru, and Jurong Island, with a total capacity of approximately 12,000 TEUs. Its international presence includes operations in Malaysia, Thailand, Myanmar, and the United Arab Emirates. The group's primary activities involve container storage, maintenance, and haulage, supported by internal software for inventory tracking.

Source: Frost & Sullivan

Competitive Landscape

Competition Overview in Singapore

- The container depot market in Singapore is fairly consolidated, with the top five players accounting for approximately 59.5% of the total depot throughput in 2025. Competition is primarily driven by an operator's ability to secure land in a land-scarce environment and maintain strategic proximity to major ports. High barriers to entry further protect established incumbents, as new entrants face significant capital requirements for machinery, technology, and facility leasing, alongside the challenges of the government's plan to consolidate depot operations at the Tuas Mega Port.
- **The Group** remains the market leader with an estimated throughput volume of 0.6 million TEUs in Singapore, representing a 16.2% market share.

Ranking of Container Depot Operators (Singapore), 2025

Rank	Market Participants	Estimated Depot Throughput Volume in 2025 (Million TEUs)	Estimated Market Share in 2025 (%)
1	**The Group**	**0.6**	**16.2%**
2	Allied Container Group	0.5	13.5%
3	Cogent Holdings (COSCO Shipping)	0.4	10.8%
4	CWT Integrated	0.4	10.8%
5	Pioneer Group	0.3	8.1%
	Sub-total	2.2	59.5%
	Total	3.7	100.0%

Source: Frost & Sullivan

Competitive Landscape

Competitor Profile in Singapore

Market participants	Background
Cogent Holdings Pte. Ltd.	Cogent Holdings, a subsidiary of COSCO SHIPPING International (Singapore) Co., Ltd., is an integrated logistics operator in Singapore with a diverse service portfolio including container and tank depot management, warehousing, and freight forwarding. The company is particularly recognized for its specialized automotive logistics solutions, which complement its broader transportation and storage operations. A key asset is the Cogent Logistics Hub, a large-scale integrated facility designed to improve operational efficiency and land use intensification. By leveraging the global network of its parent company, Cogent provides end-to-end supply chain support and maintains a strategic presence near Singapore's port terminals.
PT Indra Jaya Swastika	PT Indra Jaya Swastika has operated as a logistics provider in Indonesia since 1984, utilizing a 300,000 square meter facility in Surabaya. The company's operations cover container stacking, warehousing, and inland clearance depot services. It functions as an authorized service center for reefer equipment brands, including Carrier Transicold and Daikin. Through its status as a Bonded Logistics Center (PLB), the company provides customs clearance and tax deferral services for import and export cargo.
CWT Pte. Limited	CWT Integrated is a major provider of logistics and supply chain solutions, with a primary business focus on container haulage and land transportation within Singapore. In addition to its extensive trucking fleet, the company operates container depots that offer a standard suite of services, including storage, equipment inspection, washing, and repair. Its depot operations serve as critical support hubs for its large-scale domestic transportation network, facilitating the efficient movement of goods for a wide range of industrial and commercial clients. As a long-standing participant in the local market, CWT maintains significant throughput by integrating its yard management with its core haulier business
Pioneer Districentre Pte Ltd	Established in 1989, Pioneer Group operates as a vertically integrated logistics provider specializing in container yard management and inland trucking. The company manages multiple depot and warehouse sites in Singapore, including facilities at Tuas and Jalan Buroh, which provide a combined infrastructure for container storage and cargo handling. Its service offerings include container lifting, specialized inspection, and maintenance and repair services to ensure equipment readiness for global shipping lines. Pioneer utilizes proprietary digital management systems and automated customer portals to optimize vehicle turnaround times and enhance real-time inventory tracking within its yards.

Source: Frost & Sullivan

Competitive Landscape

Competition Overview in The PRC

- The container depot market in the PRC is highly fragmented, with the top three players accounting for a combined market share of only 19.2% in 2025. The fragmentation is primarily due to most depot operators functioning in only one or a few ports, which limits large-scale geographical expansion across the country's many widely scattered ports. Individual market shares for the top participants in 2025 are as follows:
  - COSCO Shipping leads the market with an estimated throughput volume of 10.70 million TEUs, representing a 7.9% market share. The company provides comprehensive services including shipping, ship repair, port terminals, and logistics.
  - China International Marine Containers (CIMC) ranks second, projected to handle 7.99 million TEUs for a 5.9% market share. As a multinational logistics supplier, its operations cover containers, energy equipment, and various logistics services.
  - Sinotrans holds the third position with an estimated 7.31 million TEUs and a 5.4% market share. The company's primary business segments include supply chain logistics, shipping agency, and terminal services.

Ranking of Container Depot Operators (The PRC), 2025

Rank	Market Participants	Estimated Depot Throughput Volume in 2025 (Million TEUs)	Estimated Market Share in 2025 (%)
1	COSCO Shipping	10.70	7.9%
2	China International Marine Containers	7.99	5.9%
3	Sinotrans	7.31	5.4%
	Sub-total	26.00	19.2%
	Total	135.38	

Source: Frost & Sullivan

Competitive Landscape

Competitor Profile in The PRC

Market participants	Background
COSCO SHIPPING Development Co., Ltd.	COSCO SHIPPING Development is a listed subsidiary of the China Ocean Shipping Company (COSCO) and operates as a comprehensive logistics and shipping service provider. The company's business model integrates port terminals, logistics, and shipping with specialized technical services such as ship repair and maintenance. Within the container depot sector, the company utilizes advanced digital infrastructure, including real-time monitoring systems operated through its subsidiary, Sanlly, to manage container inventory and tracking. As the market leader in the PRC, it leverages its massive parent network to maintain high throughput volumes across China's major maritime gateways.
China International Marine Containers (Group) Co., Ltd.	China International Marine Containers (CIMC) is a listed multinational conglomerate and a global leader in the manufacturing and supply of logistics and energy equipment. In the depot market, CIMC focuses on high-efficiency throughput processing by deploying automatic inspection technology to accelerate container turnover. Its operations span container storage, handling, and various logistics services, benefiting from its dual role as both a container manufacturer and a service provider. The company maintains a diversified business portfolio to support global supply chains, integrating its manufacturing strengths with comprehensive depot and inland transportation networks.
Sinotrans Limited	Sinotrans Limited is a listed logistics company and a core subsidiary of China Merchants Group, specializing in integrated supply chain solutions. The company's primary operations include shipping agency services, terminal management, and supply chain logistics. As a significant participant in the PRC container depot industry, Sinotrans manages container handling and storage through a network that supports multimodal transport, connecting coastal ports to inland manufacturing hubs. The firm focuses on enhancing profitability through comprehensive logistics functions, including customs brokerage and freight transport, to meet the evolving demands of China's export-oriented manufacturing base.

Source: Frost & Sullivan

Competitive Landscape

Key Success Factor

Strategic Land Tenure and Prime Location– Securing long-term land leases in close proximity to major port terminals is perhaps the most fundamental success factor for a depot operator. Proximity to the port gives an operator a significant competitive advantage by reducing transportation time and costs for haulers and shipping lines. Furthermore, because land is exceptionally scarce in hubs like Singapore and subject to shorter lease terms in China, the ability to secure long-term tenure, such as a lease extending to 2050, provides the operational stability necessary to invest in permanent, high-capacity infrastructure.

Technological Integration and Operational Efficiency– The ability to transition toward smart operations is increasingly separating market leaders from smaller competitors. Success now depends on implementing digital solutions like real-time container monitoring, automated inspection technology, and geospatial data for fleet optimization to reduce turnaround times. As governments push for the development of fully automated mega-hubs, depot operators who adopt these next-generation systems can significantly boost productivity while simultaneously reducing their reliance on increasingly expensive and scarce manual labor.

Strong Partnerships with Global Shipping Lines– Maintaining deep-rooted, long-term relationships with major shipping liners and container manufacturers is essential for ensuring consistent container volumes. In a market where the top five players often control the majority of throughput, these partnerships frequently involve exclusive service contracts or integrated ownership structures that provide a steady stream of equipment for storage, repair, and maintenance. For an independent operator, the capacity to provide high-quality, standardized technical services across multiple regional ports is a primary differentiator in securing and retaining these global clients.

Source: Frost & Sullivan

Competitive Landscape

Entry Barriers

High Capital Intensity and Significant Initial Investment

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

Strategic Land Scarcity and Shortening Lease Tenures

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

Strong Incumbent Advantages and Customer Loyalty

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

Source: Frost & Sullivan

Competitive Landscape

Competitive Strength

EKH Limited - The Group

Dominant Market Position and Regional Foothold

- The Group maintains a leading position in the Singapore container depot market and ranked 2nd in the Southeast Asia market, commanding a 16.2% and 5.9% market share respectively as of 2025. The top-tier ranking is a testament to its long-standing operational history, having entered the container depot business as early as 1981. Beyond its primary hub in Singapore, the Group has successfully established a broad geographical footprint with branches spanning across Southeast Asia and China. The extensive regional network allows the Group to provide standardized, high-quality services across multiple jurisdictions, making it a preferred partner for global shipping firms that require consistent logistics support throughout the Asia-Pacific region.

Strategic Land Tenure and Prime Proximity to Port Hubs

- A critical advantage for the Group is its ability to secure and maintain strategic land assets in environments characterized by extreme land scarcity. In Singapore, the Group has entered into a long-term lease agreement for operational land extending until 2050, providing a level of operational stability that is rare in the industry. The long-term tenure, combined with a strategic location in close proximity to major port terminals, grants the Group a significant edge in efficiency and accessibility. Such stability allows the Group to commit to long-term infrastructure investments and accommodates future growth while insulating it from the immediate risks of land lease withdrawals or the shortening of lease terms common in other markets.

Comprehensive Service Suite and Specialized Technical Expertise

- The Group distinguishes itself by offering a highly integrated suite of container-related services that go beyond basic storage. By providing a one-stop solution that includes container handling, specialized inspection, cleaning, and high-standard repairs, the Group effectively addresses the diverse technical needs of global shipping liners. This technical proficiency is a vital driver of the Group's revenue, especially as shipping companies increasingly prioritize equipment maintenance and refurbishment to meet strict international standards. The Group's ability to offer these value-added services at scale, supported by a commitment to digital transformation and efficient turnaround times, solidifies its role as an essential technical partner in the global supply chain.

Source: Frost & Sullivan

Competitive Landscape

Benchmarking Analysis of Container Depots - by Scale (1/2)

- The Group's Megadepot represents a strategic transition from a distributed yard network toward a consolidated, high-capacity "Super-hub" model. In a regional market where the average independent depot footprint ranges between 20,000 to 40,000 square meter ("sqm"), this 80,000 sqm facility ranks in the top 10% of regional depots by land area. Such approach establishes a distinct operational scale within the Singapore private container depot sector. While regional peers such as Greating Fortune maintain a broad geographic presence through a diversified network of smaller branches, the Megadepot's 80,000 sqm land parcel serves as a primary large-scale asset in the local market.

- By centralizing operations, the facility provides a total storage capacity of 26,000 TEU, which represents a significant increase over the capacities of other major regional facilities, and exceeds the operational limits of approximately 95% of individual private depots in Southeast Asia. It allows the Group to consolidate the volume of multiple traditional yards into a single high-efficiency hub, reducing the overhead, security, and equipment costs associated with managing a fragmented network of smaller sites.

Comparison to Southeast Asia Market Benchmarks

	The Group (Eng Kong) Megadepot	Market Tier Context in Southeast Asia
Physical Scale (square meter)	**80,000 square meters** of land area	• Represents the largest private contiguous land allocation for a specialized depot in Singapore. • **Exceeds approximately 90%** of independent depots of regional depots units
Storage Capacity (TEU)	**Around 26,000 TEU**	• **Exceeds approximately 95%** of regional depot units

Source: Frost & Sullivan

Competitive Landscape

Benchmarking Analysis of Container Depots - by Scale (2/2)

Benchmarking of The Group's Megadepot vs. Major Industry Players' Largest Operational Sites

	The Group (Eng Kong) Megadepot	Greating Fortune Westport Depot	Allied Sunview Hub Depot	Cogent Sky Depot	CWT Logistics Hub	Gemadept Corporation Nam Dinh Vu Depot
Overall Market Ranking	1st in Singapore 2nd in Southeast Asia	1st in Southeast Asia	2nd in Singapore 5th in Southeast Asia	3rd in Singapore	4th in Singapore	7th in Southeast Asia
Location	Singapore	Malaysia	Singapore	Singapore	Singapore	Vietnam
Physical Scale (square meters ("sqm"))	Occupies approximately **80,000 sqm** of land area, making it the **largest consolidated container depot facility in the Singapore market.**	Occupies **37,200 sqm** of land area	Occupies **72,000 sqm** of land area	Occupies **60,400 sqm** of land area	Occupies **58,000 sqm** of land area	Occupies **65,000 sqm** of land area (Depot specific, within the integrated logistics area)
Storage Capacity (TEU)	Engineered to store approximately **26,000 TEU**, providing a high-density solution that supports massive volume.	Store approximately **9,500 TEUs**	Store approximately **16,000 TEUs**	Store approximately **8,500 TEUs** through Rooftop Stacking	Store approximately **8,000 TEUs**	Store approximately **15,000 TEUs** (Depot specific)

Source: Frost & Sullivan

Competitive Landscape

Benchmarking Analysis of Container Depots – by Technology (1/3)

Introduction of Smart Depot

- In the modern logistics industry, a **Smart Depot** is defined as a facility that transitions from reactive, manual processes toward a predictive, integrated digital ecosystem. While traditional depots rely on paper-based workflows and siloed software, a smart depot leverages the Internet of Things ("IoT"), Artificial Intelligence ("AI"), and automated hardware to achieve real-time synchronization. The core objective is to move beyond simple data tracking toward Active Yard Orchestration, where the system predictively manages traffic, equipment, and inventory to eliminate bottlenecks before they occur. To be classified as a smart depot, a facility typically incorporates the following foundational and advanced system integration properties:

- **Foundational Properties (Common/ Widely Adopted)**
  - ***Digital Inventory Tracking***: Real-time visibility of container locations and status through cloud-based Depot Management Systems ("DMS") and Electronic Data Interchange ("EDI") or Application Programming Interface ("API") connectivity, ensuring a depot is digitally compatible with global shipping lines.
  - ***Paperless Documentation***: Digitization of all operational records, such as Equipment Interchange Receipts ("EIR") and repair estimates, reducing manual errors, ensures data integrity, and allows for instantaneous reporting to stakeholders.
  - ***Standardized Connectivity***: The use of web-based platforms to provide customers with 24/7 access to inventory details, revenue collection status, and operational metrics.

- **Efficiency-Driven Tier (Increasingly Common/ Modern)**
  - ***Automated Gate Operations***: Implementation of Optical Character Recognition (OCR) and License Plate Recognition (LPR) to automate truck entry and exit, streamling gate processing by eliminating manual data entry, thereby reducing vehicle turnaround times.
  - ***Depot Appointment Systems***: Digital scheduling platforms that regulate truck arrival flows, allowing the facility to pre-plan yard activities based on expected arrivals, reducing peak-hour congestion.
  - ***Passive AI Data Capture***: Utilizing AI specifically for identification tasks, such as reading container ISO codes or verifying seal numbers, which assists human operators in data verification.

Source: Frost & Sullivan

Competitive Landscape

Benchmarking Analysis of Container Depots – by Technology (2/3)

Introduction of Smart Depot

- **Advanced Tier (Emerging)**
  - ***Centralized Smart Depot Ecosystem:*** A high-level integration where previously siloed systems (Gates, Cranes, and AI Cameras) are interfaced through a Centralized Depot Control Function, allowing the facility to operate as a single, coordinated system rather than a collection of independent tools.
  - ***Active Yard Orchestration:*** The transition from tracking data to active operational control. Utilizing Digital Twins and Reinforcement Learning, the system predictively coordinates gantry movements and traffic flow to mitigate bottlenecks and minimize non-productive container re-handling.
  - ***Vertical Architectural Innovation:*** The implementation of multi-storey automated structures to maximize land-use efficiency, shifting from 2D to 3D storage is a critical benchmark for logistics in land-scarce economies, offering a significant density advantage over traditional horizontal depots.
  - ***Integrated Drive-Through Automation:*** The customization of hardware, such as Automated Seal Dispensers, to create a continuous "Drive-Through" workflow, removing the requirement for drivers to alight from their vehicles, impacting both operational speed and on-site safety.
  - ***Automated Condition Surveys:*** Deployment of high-definition AI inspection portals that automatically detect structural damages (e.g., dents, rust, or holes) upon entry, creating a verifiable digital record and reducing the need for manual inspections.

Source: Frost & Sullivan

Competitive Landscape

Benchmarking Analysis of Container Depots – by Technology (3/3)

Technology & Innovation Analysis of The Group's Megadepot

- The Group's technology strategy is defined by a transition from standard industry digitalization (Foundational and Efficiency-Driven tiers) toward the Advanced Integration Tier. By interfacing automated hardware with predictive software, the Group's Megadepot functions as an integrated "smart" ecosystem
- The Group's innovative standing is anchored by three primary innovative developments that diverge from traditional regional norms:
    - ***Pioneering Drive-Through Automation***: The Group is the first in Singapore to implement a customized Automated Seal Dispenser System. By synchronizing this hardware with License Plate Recognition and a Depot Appointment System, administrative processing and seal collection are completed within 15 minutes, compared to the previous 30-minute manual standard. While major regional operators utilize automated gate barriers to manage entry (such as the system implemented by Cogent), the Group's workflow facilitates a total continuous vehicle flow, which removes the requirement for drivers to leave their vehicles, a manual necessity in over 95% of independent depots across Southeast Asia, thereby impacting on-site safety and labor allocation.
    - ***Vertical Architectural Innovation:*** The multi-storey automated structure of the Megadepot represents an early-adopter approach to volume-based logistics, with less than 5% of depot units in the Southeast Asia adopting such strategy. While over 95% of independent regional competitors operate on 2D horizontal planes, this purpose-built two-tier environment allows for a capacity of 26,000 TEU on an 80,000 square meter footprint. The architectural transition from area-based to 3D land use serves as a benchmark for logistics in land-scarce economies, providing a density advantage over traditional regional depots.
    - ***Integrated Smart Depot Ecosystem:*** The Group is currently developing a centralized Smart Depot System to move beyond standard industry requirements. While AI applications for passive data capture, such as OCR for container identification and EDI/API connectivity, are increasingly adopted among major regional operators, the Group is pioneering the transition toward active yard orchestration and automated exterior container surveys. In collaboration with an authoritative maritime research institution, the Group is utilizing reinforcement learning and digital twins to predictively coordinate gantry movements and mitigate bottlenecks inherent in high-density storage. Such of level of active algorithmic integration for real-time operational execution is currently estimated at less than 5% adoption among private regional depot facilities in Southeast Asia as of 2026, making the Group an early adopter of integrated smart depot technology.

Source: Frost & Sullivan

Agenda

1 Introduction of the Research

2 Overview of Macroeconomic Environment

3 Market Overview of the Container Depot Industry

4 Overview of Warehousing and Auxiliary Logistics Services Market in Mainland China and Hong Kong

5 Competitive Landscape

6 **Appendix**

Appendix - Statement Confirmation

- [In relation to the container depot industry in the PRC] The move towards consolidation and the increasing cost of land leasing and labour in recent years along with other factors have brought challenges to smaller container depot players.
- The top five players in the container depot market in Singapore are also strategically located near the ports, which give them an advantage in proximity.
- Depot space in Singapore is limited due to land scarcity and establishing new container depot facilities is a high obstacle which requires government approvals, long-term leases and significant capital investment. As such, it is becoming increasingly difficult to secure land from the Singapore government for container depot operations particularly as, the government is prioritizing land intensification to ensure more efficient land use which means a shift toward adopting advanced technologies and multi-story facilities to optimize land usage.
- In recent years, the Singapore government has been promoting innovation and sustainable industrial development in favour of smart facilities and better land use. The MPA has highlighted digitisation and sustainability as their priorities. To further such objectives, the MPA has begun the construction of the next-generation Tuas Megaport which is expected to increase operating efficiency and reduce emissions. In particular, the Singapore government has planned to close the port terminals in the city (Tanjong Pagar, Keppel and Brani) by 2027 and close the Pasir Panjang terminal by the 2040s, consolidating all operations at the Tuas Megaport. The Tuas Megaport is expected to increase the container port terminal's capacity to 65 million TEUs of cargo, about 1.8 times Singapore's total container throughput traffic in 2020. The Tuas Megaport is expected to use driverless, battery-powered automated guided vehicles to transport containers and advanced container port management systems and technologies to reduce vessels' stays and therefore emissions. Singapore is committed to sustainable international shipping to reduce total annual greenhouse gas emissions from international shipping by at least 50% by 2050.

Source: Frost & Sullivan

Appendix - Statement Confirmation

- Freight rates have seen a spike in early 2024 caused by the Red Sea crisis, and slowly decreased in March 2024 as such impact started to cease. Freight rates began to increase again in May 2024 partly due to (i) western economies returning to economic growth; (ii) supply pressure from factors due to the continued impact of the Red Sea crisis; and (iii) carriers increasing their rates mostly at the start of May. In late August 2024, freight rates started to decrease as global demand saw a slight slowdown.
- The escalation of tensions in the Red Sea region has impacted canal capacities in key shipping routes such as the Suez Canal resulting in extended delivery times with vessels having to re-route via the Cape of Good Hope in South Africa. By way of example, according to the CCFI, there was a volatile but general upwards trend in early 2024, where freight rates in February 2024 had increased approximately 36% as compared to February 2023.
- It is not uncommon in the industry that depot handling charges (i.e. lift-on/lift-off fees and gate-in/gate-out fees) may also be paid and settled by hauliers directly at the gate of container depots on behalf of the end-customers of container shipping lines (i.e. shippers/consignees) when such end-customers are using the containers. Generally, relevant service charges are paid by container shipping lines and container leasing companies when their empty containers are stored at our depots and are either (i) not being used by end-customers (in the case of container shipping lines); or (ii) off-hired (in the case of container leasing companies).

Source: Frost & Sullivan

Appendix - Statement Confirmation

Assessment of Commercial Arrangements and Pricing between Container Depot Operator (i.e. the subsidiary of the Group) and Related Party Entities (i.e. freight forwarder/ logistics intermediary)

- **Commercial Rationale of the Intermediary Arrangement:** Based on industry research and consultations with independent market experts in the North China container depot sector, the business arrangement where subsidiary of the Group contracts with an intermediary rather than directly with fragmented end-customers is not uncommon in the PRC container depot industry. The arrangement structure reflects a recognized operational approach. Container depots often focus on site operations and machinery utilization, while freight forwarders handle sales networks and administrative tasks. By utilizing an intermediary, a depot can effectively reduce the administrative costs and operational burden associated with managing numerous individual retail clients.
- **Justification of the Pricing Logic:** The pricing logic applied by similar container depot (e.g. subsidiary of the Group), which is comparatively lower than rates charged to direct customers, is consistent with accepted commercial practices in the region. The pricing differential is primarily driven by two factors (i) Reduced Scope of Services: The services provided to the intermediary are limited to basic mechanical and gate operations, expressly excluding labor-intensive on-site services such as cargo tallying and loading supervision. The exclusion of these manual and supervisory responsibilities naturally results in a lower service fee. (ii) Volume Consolidation: Intermediaries consolidate fragmented retail demand into stable, higher-volume orders. The continuous volume ensures stable machinery utilization for the depot, which often warrants volume-based pricing adjustments in the logistics sector.
- **Benchmarking of Specific Rates and Market Precedents:** Benchmarking is conducted by comparing the specific fees charged by the subsidiary of the Group against prevailing market rates for equivalent basic services in the Tianjin region. Based on expert input, the rates charged by the subsidiary of the Group (depot handling fees (RMB 165 to 210), mechanical stuffing fees (RMB 260 to 420), port transport fees (RMB 110 to 150), bulk cargo storage fees (RMB 0.6), and bulk cargo handling fees (RMB 16) fall within the market ranges identified by industry experts. Furthermore, market experts confirmed that similar cooperative structures and pricing models are utilized by certain other independent depots in the market, such as Zhenhua Depot and Zhongchuang Depot.

Source: Frost & Sullivan

Appendix - Frost & Sullivan's Methodology

- Frost & Sullivan is an independent global consulting firm, which was founded in 1961 in New York. It offers industry research and market strategies and provides growth consulting and corporate training. Its industry coverage in global market includes automotive and transportation, chemicals, materials and food, commercial aviation, consumer products, energy and power systems, environment and building technologies, healthcare, industrial automation and electronics, industrial and machinery, and technology, media and telecom.
- This study has been undertaken through extensive primary and secondary research including interviews with industry experts and market participants, and analysis of official public sources of data, figures, information and reports as well as Frost & Sullivan's independent database and research reports.
- Projected market sizes in this report are estimated through in-depth analysis of the historical macro-economic factors such as the country's economic growth and per capita disposable income, market drivers, future trends and market concentration.
- Bottom-up and top-down methods are applied to cross check and fine tune the obtained figures to arrive at the closest estimate.
- Frost & Sullivan's report was compiled based on the below assumptions:
  1. Global economy is assumed to maintain a steady growth during the forecast period;
  2. The social, economic, and political environment in Southeast Asia and The PRC is assumed to be stable during the forecast period;
  3. Market drivers, namely Record Port Throughput and Strategic Transshipment Demand, Regional Supply Chain Shifts and Trade Diversification, Substantial Expansion of Global Container Fleet Capacity, Recovery of Maintenance Cycles and Equipment Repositioning, would continue to drive the growth of the container depot market in Southeast Asia and the PRC during the forecast period.

Source: Frost & Sullivan

Appendix - Abbreviations and Terms

Abbreviations and Terms

- **CAGR:** compound annual growth rate
- **The PRC:** the People's Republic of China
- **GDP:** gross domestic product
- **IMF:** International Monetary Fund
- **TEU**: Twenty-foot Equivalent Unit, a standard of measurement used in container transport for describing the volume of shipments and the capacity of container ships and for other statistical purposes, as well as for freight quotations
- **ACFTA**: ASEAN-China Free Trade Area, a free trade agreement that reduces tariffs and safeguards market access for service suppliers between ASEAN member states and China.
- **ASEAN**: Association of Southeast Asian Nations.
- **BRI**: Belt and Road Initiative, a global infrastructure and economic strategy aimed at promoting trade and connectivity among connected regions.
- **CCFI**: China Container Freight Index, an index established to monitor container freight rates across major ports in China.
- **CSFTA**: China-Singapore Free Trade Agreement, which includes protocols to eliminate tariffs and ensure a predictable operating environment for exporters and investors.
- **DHC**: Depot Handling Charges, a standard fee levied by container depot operators each time a container is collected or returned to the depot.

Source: Frost & Sullivan

Appendix - Abbreviations and Terms

Abbreviations and Terms

- **DHC**: Depot Handling Charges, a standard fee levied by container depot operators each time a container is collected or returned to the depot.
- **DRC**: Dependency Ratio Ceiling, the maximum ratio of foreign workers to the total workforce that a company in a given sector is permitted to employ under Singapore's labour policy.
- **FTZ**: Free Trade Zone, designated secure areas in a port where duty and GST are suspended for goods deposited or re-transported.
- **GST**: Goods and Services Tax, a consumption tax levied on the supply of goods and services and the import of goods into Singapore.
- **LDCs**: Least Developed Countries, low-income countries that confront severe structural impediments to sustainable development.
- **MPA**: Maritime and Port Authority of Singapore, the statutory board that regulates and manages port and marine services within Singaporean waters.
- **PSA**: PSA Singapore (formerly Port of Singapore Authority), a major global port operator that manages several container terminals in Singapore.
- **RCEP**: Regional Comprehensive Economic Partnership Agreement, a multilateral trade agreement between 15 member countries aimed at boosting regional trade activity.

Source: Frost & Sullivan

Appendix - Abbreviations and Terms

Abbreviations and Terms

- **Southeast Asia:** Brunei, Cambodia, Indonesia, Lao People's Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Democratic Republic of Timor-Leste and Vietnam

Source: Frost & Sullivan

Thank You!