

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended
Jun 30, 2025
2. SEC Identification Number
147212
3. BIR Tax Identification No.
323228
4. Exact name of issuer as specified in its charter
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
5. Province, country or other jurisdiction of incorporation or organization
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
ICTSI Administration Building, Manila International Container Terminal, South Access
Road, Manila
Postal Code
1012
8. Issuer's telephone number, including area code
(632) 8245-4101
9. Former name or former address, and former fiscal year, if changed since last report
Not applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	2,018,938,262

11. Are any or all of registrant's securities listed on a Stock Exchange?

☒ Yes ☐ No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange - Common Shares

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the

Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

☒ Yes ☐ No

(b) has been subject to such filing requirements for the past ninety (90) days

☒ Yes ☐ No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



International Container Terminal Services, Inc.

ICT

PSE Disclosure Form 17-2 - Quarterly Report

*References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules*

For the period ended	Jun 30, 2025
Currency (indicate units, if applicable)	US Dollar in Thousands

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Jun 30, 2025	Dec 31, 2024
Current Assets	1,354,101	1,624,425
Total Assets	7,867,074	7,649,352
Current Liabilities	1,296,799	1,169,018
Total Liabilities	5,987,853	5,745,225
Retained Earnings/(Deficit)	1,203,318	1,226,425
Stockholders' Equity	1,879,221	1,904,127
Stockholders' Equity - Parent	1,541,430	1,569,673
Book Value per Share	0.93	0.94

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	764,628	684,025	1,510,048	1,321,673
Gross Expense	344,682	306,664	677,917	604,721
Non-Operating Income	19,699	30,082	48,151	77,288
Non-Operating Expense	98,499	101,298	200,085	205,611
Income/(Loss) Before Tax	341,146	306,145	680,197	588,629
Income Tax Expense	78,121	73,962	156,136	126,662
Net Income/(Loss) After Tax	263,025	232,183	524,061	461,967

Net Income Attributable to Parent Equity Holder	244,305	210,671	483,841	420,551
Earnings/(Loss) Per Share (Basic)	0.12	0.1	0.24	0.2
Earnings/(Loss) Per Share (Diluted)	0.12	0.1	0.24	0.2

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.44	0.29
Earnings/(Loss) Per Share (Diluted)	0.44	0.29

Other Relevant Information
Please see the attached complete SEC 17Q Q2 2025 and Unaudited Interim Condensed Consolidated Financial Statements.

Filed on behalf by:

Name	Arthur Tabuena
Designation	Vice President, Global Investor Relations

COVER SHEET

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SEC Registration Number

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S	E	R	V	I	C	E	S	,		I	N	C	.		A	N	D		S	U	B	S	I	D	I	A	R	I	E	S		

(Company's Full Name)

I	C	T	S	I		A	D	M	I	N	I	S	T	R	A	T	I	O	N		B	U	I	L	D	I	N	G	,		M	A
N	I	L	A		I	N	T	E	R	N	A	T	I	O	N	A	L		C	O	N	T	A	I	N	E	R		T	E	R	M
I	N	A	L	,		S	O	U	T	H		A	C	C	E	S	S		R	O	A	D	,		M	A	N	I	L	A		

(Business Address: No. Street City/Town/Province)

Arlyn L. McDonald

(Contact Person)

8245-4101

(Company Telephone Number)

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Month Day
(Fiscal Year)

S	E	C	17	Q
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(Form Type)

0	4	Every 3 rd Thursday
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Month Day
(Annual Meeting)

N/A

(Secondary License Type, If Applicable)

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Dept. Requiring this Doc.

N/A

Amended Articles Number/Section

1,332
as at June 30, 2025

Total No. of Stockholders

Total Amount of Borrowings	
US\$1,241.7M	US\$1,420.9M
Domestic	Foreign

To be accomplished by SEC Personnel concerned

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE
SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended **June 30, 2025**
2. Commission identification number: **147212**
3. BIR Tax Identification No. **000-323-228**
1. Exact name of issuer as specified in its charter:
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
5. Province, Country or other jurisdiction of incorporation or organization: **Philippines**
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of issuer's principal office: **ICTSI Administration Building, Manila International Container Terminal, South Access Road, Manila** Postal Code: **1012**
8. Registrant's telephone number, including area code: **(632) 8245-4101**
9. Former name, former address, and former fiscal year: **Not applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA.

Title of Each Class	Number of stocks outstanding as at June 30, 2025
Common	2,018,938,262

11. Are any or all of the Securities listed on a Stock Exchange?
Yes ☒ No ☐

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange

Common stocks

12. Indicate by check mark whether the issuer:

- a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder, and Sections 25 and 177 of the Revised Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports).
Yes ☒ No ☐

- (b) has been subject to such filing for the past 90 days. Yes ☒ No ☐

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PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statements

The consolidated balance sheet as at December 31, 2024 and the interim condensed consolidated financial statements as at June 30, 2025 and for the three and six months ended June 30, 2024 and 2025 and the related notes to interim condensed consolidated financial statements of International Container Terminal Services, Inc. and Subsidiaries (collectively referred to as “the Group”) are filed as part of this Form 17-Q.

International Container Terminal Services, Inc. and Subsidiaries

Interim Condensed Consolidated Financial Statements

As at June 30, 2025

(with Comparative Figures as at December 31, 2024)

and for the Three and Six Months Ended June 30, 2024 and 2025

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

As at June 30, 2025

(With Comparative Figures as at December 31, 2024)

(In Thousands)

	December 31, 2024 (Audited)	June 30, 2025 (Unaudited)
ASSETS		
Noncurrent Assets		
Intangibles (Note 5)	US\$2,392,207	US\$2,451,484
Property and equipment (Notes 1 and 6)	1,868,911	2,262,656
Right-of-use assets (Notes 1 and 7)	957,760	938,963
Investment properties	5,435	5,510
Investments in and advances to joint ventures and an associate (Note 12)	220,634	228,104
Deferred tax assets	343,876	356,608
Other noncurrent assets (Note 8)	236,104	269,648
Total Noncurrent Assets	6,024,927	6,512,973
Current Assets		
Cash and cash equivalents (Note 9)	1,109,073	952,847
Receivables	192,490	208,541
Derivative assets	9,474	6,979
Spare parts and supplies	59,465	64,812
Prepaid expenses and other current assets	253,923	120,922
Total Current Assets	1,624,425	1,354,101
	US\$7,649,352	US\$7,867,074
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of the Parent		
Capital stock:		
Preferred stock	US\$236	US\$236
Common stock	67,330	67,330
Additional paid-in capital (Note 11)	584,458	583,109
Preferred stock held by a subsidiary	(72,492)	(72,492)
Treasury stock (Note 11)	(78,946)	(129,857)
Excess of consideration over the carrying value of non-controlling interests acquired or disposed	(169,923)	(193,402)
Retained earnings (Note 11)	1,226,425	1,203,318
Perpetual capital securities	295,142	295,142
Other comprehensive loss - net (Notes 11 and 15)	(282,557)	(211,954)
Total equity attributable to equity holders of the parent	1,569,673	1,541,430
Equity Attributable to Non-controlling Interests	334,454	337,791
Total Equity	1,904,127	1,879,221
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 10)	2,071,875	2,007,058
Concession rights payable - net of current portion	745,864	735,028
Lease liabilities - net of current portion	1,462,147	1,517,693
Derivative liabilities	—	14,510
Deferred tax liabilities	262,152	265,660
Other noncurrent liabilities (Note 1)	34,169	151,105
Total Noncurrent Liabilities	4,576,207	4,691,054
Current Liabilities		
Loans payable (Note 10)	167,505	—
Accounts payable and other current liabilities	451,507	504,028
Current portion of long-term debt (Note 10)	414,944	655,574
Current portion of concession rights payable	15,990	16,193
Current portion of lease liabilities	42,709	51,182
Income tax payable	62,157	69,822
Derivative liabilities (Note 15)	14,206	—
Total Current Liabilities	1,169,018	1,296,799
Total Liabilities	5,745,225	5,987,853
	US\$7,649,352	US\$7,867,074

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

**INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
AND SUBSIDIARIES**

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In Thousands, Except Per Share Data)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2025	2024	2025
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
INCOME				
Gross revenues from port operations (Note 4)	US\$684,025	US\$764,628	US\$1,321,673	US\$1,510,048
Interest income (Note 9)	16,233	10,412	37,134	28,794
Foreign exchange gain	7,816	5,069	10,313	11,537
Equity in net income of joint ventures	—	497	—	459
Other income	6,033	3,721	29,841	7,361
	714,107	784,327	1,398,961	1,558,199
EXPENSES				
Port authorities' share in gross revenues	55,841	69,617	107,253	137,785
Manpower costs	89,541	101,562	176,523	196,353
Equipment and facilities-related expenses	46,636	48,838	88,691	95,823
Administrative and other operating expenses	40,779	43,667	84,220	89,551
Depreciation and amortization	73,867	80,998	148,034	158,405
Interest expense and financing charges on borrowings (Note 10)	42,541	38,092	81,128	77,459
Interest expense on lease liabilities	34,654	34,663	70,132	70,330
Interest expense on concession rights payable	16,261	15,698	32,235	31,505
Foreign exchange loss	—	4,353	4,830	10,444
Equity in net loss of joint ventures	2,817	—	4,497	—
Other expenses (Note 1)	5,025	5,693	12,789	10,347
	407,962	443,181	810,332	878,002
CONSTRUCTION REVENUE (EXPENSE)				
Construction revenue	42,536	52,391	59,179	95,519
Construction expense	(42,536)	(52,391)	(59,179)	(95,519)
	—	—	—	—
INCOME BEFORE INCOME TAX	306,145	341,146	588,629	680,197
PROVISION FOR INCOME TAX				
Current	55,426	78,184	107,613	154,163
Deferred	18,536	(63)	19,049	1,973
	73,962	78,121	126,662	156,136
NET INCOME	US\$232,183	US\$263,025	US\$461,967	US\$524,061
Attributable To				
Equity holders of the parent	US\$210,671	US\$244,305	US\$420,551	US\$483,841
Non-controlling interests	21,512	18,720	41,416	40,220
	US\$232,183	US\$263,025	US\$461,967	US\$524,061
Earnings Per Share (Note 13)				
Basic	US\$0.101	US\$0.119	US\$0.201	US\$0.236
Diluted	0.101	0.119	0.200	0.235

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

**INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.
AND SUBSIDIARIES**

**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME**

(In Thousands)

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)
NET INCOME FOR THE PERIOD	US\$232,183	US\$263,025	US\$461,967	US\$524,061
OTHER COMPREHENSIVE INCOME				
<i>Items to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of foreign operations' financial statements	(97,811)	79,733	(104,113)	103,545
Net change in unrealized mark-to-market values of derivatives (Note 15)	8,676	(6,718)	18,152	(21,266)
Share in other comprehensive income (loss) of joint ventures	431	—	(356)	60
Income tax relating to components of other comprehensive income	(2,163)	1,688	(4,546)	5,339
	(90,867)	74,703	(90,863)	87,678
<i>Items not to be reclassified to profit or loss in subsequent periods</i>				
Net unrealized mark-to-market gain (loss) on financial assets at fair value through other comprehensive income (FVOCI)	(340)	(196)	778	126
Share in other comprehensive income of joint ventures	79	—	17	—
Remeasurement gain (loss) on defined benefit plans - net of tax	21	(76)	(54)	(31)
	(240)	(272)	741	95
	(91,107)	74,431	(90,122)	87,773
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	US\$141,076	US\$337,456	US\$371,845	US\$611,834
Attributable To				
Equity holders of the parent	US\$127,459	US\$305,024	US\$344,107	US\$554,444
Non-controlling interests	13,617	32,432	27,738	57,390
	US\$141,076	US\$337,456	US\$371,845	US\$611,834

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED JUNE 30, 2024 and 2025

(In Thousands)

	Attributable to Equity Holders of the Parent											
	Preferred Stock	Common Stock	Additional Paid-in Capital (Note 11)	Preferred Stock Held by a Subsidiary	Treasury Stock (Note 11)	Excess of Consideration Over the Carrying Value of Non- controlling Interests Acquired or Disposed	Retained Earnings (Note 11)	Perpetual Capital Securities	Other Compre- hensive Loss - net (Notes 11 and 15)	Total	Non- controlling Interests	Total Equity
Balance at December 31, 2023	US\$236	US\$67,330	US\$577,431	(US\$72,492)	(US\$38,330)	(US\$169,923)	US\$799,686	US\$583,163	(US\$154,358)	US\$1,592,743	US\$312,426	US\$1,905,169
Net income for the period	—	—	—	—	—	—	420,551	—	—	420,551	41,416	461,967
Other comprehensive loss for the period	—	—	—	—	—	—	—	—	(76,444)	(76,444)	(13,678)	(90,122)
Total comprehensive income for the period	—	—	—	—	—	—	420,551	—	(76,444)	344,107	27,738	371,845
Share-based payments	—	—	4,351	—	—	—	—	—	—	4,351	—	4,351
Issuance of treasury shares	—	—	(2,550)	—	2,550	—	—	—	—	—	—	—
Redemption of perpetual capital securities	—	—	—	—	—	—	(8,820)	(288,021)	—	(296,841)	—	(296,841)
Distributions on perpetual capital securities	—	—	—	—	—	—	(7,450)	—	—	(7,450)	—	(7,450)
Disposal of subsidiaries (Note 1.2)	—	—	—	—	—	—	—	—	—	—	2,627	2,627
Cash dividends	—	—	—	—	—	—	(399,339)	—	—	(399,339)	(46,205)	(445,544)
Balance at June 30, 2024 (Unaudited)	US\$236	US\$67,330	US\$579,232	(US\$72,492)	(US\$35,780)	(US\$169,923)	US\$804,628	US\$295,142	(US\$230,802)	US\$1,237,571	US\$296,586	US\$1,534,157
Balance at December 31, 2024	US\$236	US\$67,330	US\$584,458	(US\$72,492)	(US\$78,946)	(US\$169,923)	US\$1,226,425	US\$295,142	(US\$282,557)	US\$1,569,673	US\$334,454	US\$1,904,127
Net income for the period	—	—	—	—	—	—	483,841	—	—	483,841	40,220	524,061
Other comprehensive income for the period	—	—	—	—	—	—	—	—	70,603	70,603	17,170	87,773
Total comprehensive income for the period	—	—	—	—	—	—	483,841	—	70,603	554,444	57,390	611,834
Share-based payments	—	—	5,641	—	—	—	—	—	—	5,641	—	5,641
Issuance of treasury stock	—	—	(6,990)	—	6,990	—	—	—	—	—	—	—
Acquisition of treasury stock	—	—	—	—	(57,901)	—	—	—	—	(57,901)	—	(57,901)
Cash dividends	—	—	—	—	—	—	(500,506)	—	—	(500,506)	(48,498)	(549,004)
Distributions on perpetual capital securities	—	—	—	—	—	—	(7,450)	—	—	(7,450)	—	(7,450)
Acquisition of FII Inhaúma (Note 1.3)	—	—	—	—	—	—	—	—	—	—	92,774	92,774
Recognition of put option liability (Note 1.3)	—	—	—	—	—	(23,479)	—	—	—	(23,479)	(99,573)	(123,052)
Capital contribution from non-controlling interests	—	—	—	—	—	—	—	—	—	—	1,244	1,244
Disposal of FVOCI equity investments	—	—	—	—	—	—	1,008	—	—	1,008	—	1,008
Balance at June 30, 2025 (Unaudited)	US\$236	US\$67,330	US\$583,109	(US\$72,492)	(US\$129,857)	(US\$193,402)	US\$1,203,318	US\$295,142	(US\$211,954)	US\$1,541,430	US\$337,791	US\$1,879,221

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

	For the Six Months Ended June 30	
	2024	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	US\$588,629	US\$680,197
Adjustments for:		
Depreciation and amortization	148,034	158,405
Interest expense on:		
Borrowings (Note 10)	81,128	77,459
Lease liabilities	70,132	70,330
Concession rights payable	32,235	31,505
Interest income	(37,134)	(28,794)
Net unrealized foreign exchange loss (gain)	(6,712)	3,526
Equity in net loss (income) of joint ventures	4,497	(459)
Share-based payments (Note 11)	4,230	5,435
Dividend income	(1,137)	—
Loss (gain) on disposal of:		
A subsidiary (Note 1.2)	1,640	—
Property and equipment	(2,552)	(172)
Others	—	(320)
Operating income before changes in working capital	882,990	997,112
Increase in:		
Receivables	(1,770)	(14,767)
Spare parts and supplies	(4,326)	(2,397)
Prepaid expenses and other current assets	(16,606)	(11,700)
Increase (decrease) in:		
Accounts payable and other current liabilities	39,519	(8,995)
Retirement liabilities	1,304	2,538
Cash generated from operations	901,111	961,791
Income taxes paid	(113,715)	(153,161)
Net cash provided by operating activities	787,396	808,630
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
FII Inhaúma (Note 1.3)	—	(79,184)
Intangible assets (Note 5)	(61,531)	(70,325)
Property and equipment (Note 6)	(64,115)	(144,832)
Group of assets that constitute a business	(2,517)	—
Payments of concession rights	(10,956)	(11,538)
Interest received	33,120	24,538
Dividends received	1,137	—
Proceeds from:		
Sale of a subsidiary (Note 1.2)	2,000	—
Sale of property and equipment	2,995	361
Sale of FVOCI equity investments	—	1,008
Decrease (increase) in:		
Advances to contractors and suppliers	(58,888)	(16,818)
Investment in and advances to joint ventures and an associate	58,042	(1,935)
Other noncurrent assets	(28,401)	(29,935)
Short-term investments and restricted cash	(4,095)	148,268
Net cash used in investing activities	(133,209)	(180,392)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Long-term borrowings	456,981	167,947
Short-term borrowings	274,957	—
Capital contribution from non-controlling interests	—	1,244
Payments of:		
Dividends (Note 11)	(429,988)	(536,741)
Long-term borrowings	(26,357)	(14,387)
Short-term borrowings (Note 10)	(243,987)	(175,769)
Interest on lease liabilities and concession rights payable	(102,016)	(100,486)
Interest and financing charges on borrowings	(68,029)	(65,164)
Lease liabilities	(19,417)	(24,211)
Redemption of perpetual capital securities	(296,841)	—
Distributions on perpetual capital securities	(7,450)	(7,450)
Purchase of treasury stock (Note 11)	—	(57,901)
Decrease in other noncurrent liabilities	(63)	(863)
Net cash used in financing activities	(462,210)	(813,781)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(15,974)	29,317
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	176,003	(156,226)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	716,104	1,109,073
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 9)	US\$892,107	US\$952,847

See accompanying Notes to Interim Condensed Consolidated Financial Statements.

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

1.1 General

International Container Terminal Services, Inc. (ICTSI or the Parent Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on December 24, 1987. The registered office address of the Parent Company is ICTSI Administration Building, MICT South Access Road, Manila. The Parent Company offered its common stock at a price of ₱6.70 per share in its initial public offering and became listed and traded at the PSE starting on March 23, 1992. As of June 30, 2025, the Parent Company had 2,018,938,262 common stocks outstanding held by 1,332 stockholders.

The interim condensed consolidated financial statements were authorized for issue in accordance with a resolution of the Board of Directors (the Board) on August 1, 2025.

1.2 Port Operations

ICTSI and subsidiaries (collectively referred to as “the Group”) entered into various concessions of port operations which include development, management, and operation of container terminals and related facilities around the world. To date, the Group is involved in 33 terminal operations, including concessions and port development projects, in 19 countries worldwide. There are 10 terminal operations in the Philippines (including an inland container terminal, a barge terminal and combined terminal operations in Subic), four (4) in Brazil (including an intermodal rail ramp terminal and a Customs-bonded facility), two (2) each in Papua New Guinea (PNG) and Indonesia, one (1) each in China, Ecuador, Poland, Georgia, Madagascar, Croatia, Mexico, Honduras, Iraq, Argentina, Colombia, Democratic Republic (DR) of Congo, Australia, Cameroon and Nigeria.

Concessions for port operations entered into, acquired, extended, disposed and expired during the last two years are summarized below:

Acquisition and Extension of Concessions

Batu Ampar Container Terminal, Indonesia. On July 31, 2025, ICTSI, through its 75% owned subsidiary, PT Batu Ampar Container Terminal, signed an agreement with PT Batam Terminal Petikamas (BTP), a subsidiary of an Indonesian Government State-owned Entity (SOE), to operate and develop Batu Ampar Container Terminal (BACT) in Batam Island for a period of 30 years.

Port of Kribi, Cameroon. In January 2025, the Port Authority of Kribi agreed to extend the concession agreement for the development, operation and maintenance activities of the multipurpose terminal at the Port of Kribi by Kribi Multipurpose Terminal (KMT) for another five (5) years. The amended agreement will expire in 2050.

Mindanao Container Terminal, Philippines. In December 2024, Mindanao International Container Terminal Services, Inc. (MICTSI) was granted by PHIVIDEC Industrial Authority an extension of its concession term to operate and manage the Mindanao Container Terminal for another 25 years, from 2033 to 2058.

Tanjung Pakis Lamongan Public Terminal, East Java, Indonesia. On December 17, 2024, PT Lamongan Integrated Shorebase granted an extension of concession right to operate a multi-purpose terminal in Lamongan Regency, East Java, Indonesia held by PT East Java Development (EJD), for additional seven (7) years or until December 31, 2072.

Iloilo Commercial Port Complex (ICPC), Philippines. In January 2024, the Philippine Ports Authority (PPA) has awarded to ICTSI the 25-year contract to develop and operate the ICPC. In April 2024, the Group received from the PPA the notice to proceed and the 25-year ICPC port management contract was entered between ICTSI and PPA on the same date.

South Cotabato, Philippines. On February 20, 2006, the PPA granted South Cotabato Integrated Port Services, Inc. (SCIPSI) a ten-year contract for the exclusive management and operation of arrastre, stevedoring, and other cargo handling services, except portage, at Makar Wharf, Port of General Santos, General Santos City in the Philippines that expired on February 19, 2016. Thereafter, the PPA granted SCIPSI a series of Hold-over-Authority (HOA) on a temporary basis over the cargo handling services at Makar Wharf, Port of General Santos. The HOA may be pre-terminated upon the award of a new contract by the PPA or revoked for a reason by the PPA. As at August 1, 2025, SCIPSI continues to operate and has submitted a letter of intent including the requirements for the issuance of a new HOA.

Disposal and Expiration of Concessions

Jakarta, Indonesia. On January 22, 2024, ICTSI, through its wholly owned subsidiary, ICTSI Far East Pte. Ltd. (IFEL), signed a Conditional Share Sale and Purchase Agreement with PT Sarana Kelola Investa in connection with the sale of 80.19% stocks of PT ICTSI Jasa Prima Tbk (IJP) for US\$2.0 million, the Company's listed subsidiary in Indonesia which owns PT PBM Olah Jasa Andal (OJA), which in turn has an equipment supply cooperation agreement with PT Pelabuhan Indonesia II (Pelindo II) at the Port of Tanjung Priok in Jakarta, Indonesia. The sale of IJP stocks closed on February 1, 2024 and resulted to a loss on sale of IJP and OJA amounting to US\$1.6 million.

1.3 Acquisition of FII Inhaúma (INHAÚMA FUNDO DE INVESTIMENTO IMOBILIÁRIO – FII or “the Fund”)

In April 2025, ICTSI, through its wholly owned subsidiary, ICTSI Americas B.V. (“IABV”), acquired 47% ownership interest in the Fund for BRL459.8 million (US\$79.2 million). The Fund owns a marine property in Brazil and leases it out to ICTSI Rio Brasil Terminal 1 S.A. (“ICTSI Rio Brasil”), another wholly owned subsidiary of ICTSI, for at least 30 years. The remaining 53% interest in the Fund is subject to a combination of put and call options. The Fund's non-controlling interests have been granted a put option to sell their 53% holdings in totality to ICTSI. The put is exercisable starting from 2026. On the other hand, IABV has been granted a call option to buy the remaining 53% ownership stake of the Fund in totality. The call is exercisable beginning 2036. IABV intends to exercise the call if the non-controlling interests fail to exercise the put. The call enables the Group to manage the return derived from the marine property by the time the aforementioned lease agreement ends (e.g., managing its re-leasing or sale). With this, the Group determined that it has obtained control of the Fund and consequently, accounted for the acquisition as acquisition of a basket of assets.

Upon consolidation of the Fund, the Group derecognized the right-of-use asset and lease liability relating to the lease and recognized the marine property as part of the Group's property and equipment. In addition, the Group recognized a non-current liability measured based on the present value of the strike price of the put option amounting to US\$123.1 million as at June 30, 2025. The value of the call option is not material.

On July 22, 2025, IABV purchased additional 26% ownership interest in the Fund. The recent acquisition brought the Group's total ownership stake in the Fund to 73%.

2. Basis of Preparation and Statement of Compliance

2.1 Basis of Preparation

The interim condensed consolidated financial statements as at June 30, 2025 and for the three and six months ended June 30, 2024 and 2025 have been prepared on a historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) and derivative financial instruments which have been measured at fair value. The interim condensed consolidated financial statements are presented in United States dollar (US dollar, USD or US\$), the Parent Company's functional currency. All values are rounded to the nearest thousand US dollar unit, except when otherwise indicated. Any discrepancies in the tables between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures that precede them.

2.2 Statement of Compliance

The interim condensed consolidated financial statements for the three and six months ended June 30, 2025 have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*. Accordingly, the interim condensed consolidated financial statements do not include all the information and disclosures required in the audited annual consolidated financial statements, and should be read in conjunction with the Group's audited annual consolidated financial statements as at and for the year ended December 31, 2024.

3. Accounting Policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements as at and for the year ended December 31, 2024, except for the adoption of the following new accounting pronouncement starting January 1, 2025. The Group has not early adopted any accounting pronouncement that has been issued but is not yet effective.

- Amendments to PAS 21, *Lack of Exchangeability*

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments had no impact on the Group because the Group has not encountered any situation where it was not able to exchange a currency into another currency.

4. Segment Information

The table below presents financial information on geographical segments as at December 31, 2024 (audited) and as at June 30, 2025 (unaudited) and for the three and six months ended June 30, 2024 (unaudited) and 2025 (unaudited) (amounts are in thousands, except volume data):

	For the Three Months Ended June 30, 2024				For the Three Months Ended June 30, 2025			
	Asia	EMEA	Americas	Consolidated	Asia	EMEA	Americas	Consolidated
Volume ^(a)	1,784,637	607,489	829,918	3,222,044	1,883,641	657,385	976,136	3,517,162
Gross revenues	US\$277,515	US\$129,371	US\$277,139	US\$684,025	US\$331,975	US\$142,017	US\$290,636	US\$764,628
Capital expenditures	40,908	33,167	43,701	117,776	45,299	17,965	35,486	98,750

	For the Six Months Ended June 30, 2024				For the Six Months Ended June 30, 2025			
	Asia	EMEA	Americas	Consolidated	Asia	EMEA	Americas	Consolidated
Volume ^(a)	3,462,657	1,161,925	1,687,581	6,312,163	3,674,372	1,357,609	1,957,094	6,989,075
Gross revenues	US\$536,883	US\$245,382	US\$539,408	US\$1,321,673	US\$651,879	US\$285,372	US\$572,797	US\$1,510,048
Capital expenditures ^(b)	62,383	47,288	76,044	185,715	102,039	50,941	78,995	231,975

	As at December 31, 2024				As at June 30, 2025			
	Asia	EMEA	Americas	Consolidated	Asia	EMEA	Americas	Consolidated
Segment assets ^(c)	US\$4,237,598	US\$978,286	US\$2,089,592	US\$7,305,476	US\$4,193,557	US\$1,044,542	US\$2,272,367	US\$7,510,466
Segment liabilities ^(d)	3,995,228	313,993	1,111,695	5,420,916	4,041,626	336,257	1,274,488	5,652,371

^(a) Measured in TEUs.

^(b) Capital expenditures include amount disbursed for the acquisition of port facilities and equipment classified as intangibles under IFRIC 12 amounting to US\$61.5 million and US\$70.3 million in 2024 and 2025, respectively, property and equipment (including those acquired under business combination) amounting to US\$65.3 million and US\$144.8 million in 2024 and 2025, respectively, as shown in the consolidated statements of cash flows, and advances to contractors and suppliers amounting to US\$58.9 million and US\$16.8 million in 2024 and 2025, respectively.

^(c) Segment assets do not include deferred tax assets as shown in the consolidated balance sheets.

^(d) Segment liabilities do not include income tax payable and deferred tax liabilities as shown in the consolidated balance sheets.

The following table shows the computation of earnings before interest, taxes, depreciation, and amortization (EBITDA) as derived from the interim consolidated net income attributable to equity holders of the parent for the three and six months ended June 30:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024	2025	2024	2025
Net income attributable to equity holders of the parent	US\$210,671	US\$244,305	US\$420,551	US\$483,841
Non-controlling interests	21,512	18,720	41,416	40,220
Provision for income tax	73,962	78,121	126,662	156,136
Income before income tax	306,145	341,146	588,629	680,197
Add (deduct):				
Depreciation and amortization	73,867	80,998	148,034	158,405
Interest and other expenses ^(a)	101,298	98,499	205,611	200,085
Interest and other income ^(b)	(30,082)	(19,699)	(77,288)	(48,151)
EBITDA ^(c)	US\$451,228	US\$500,944	US\$864,986	US\$990,536

^(a) Interest and other expenses include the following as shown in the interim condensed consolidated statements of income: interest expense and financing charges on borrowings; interest expense on concession rights payable and lease liabilities; equity in net loss of joint ventures; foreign exchange loss; and other expenses.

^(b) Interest and other income include the following as shown in the interim condensed consolidated statements of income: interest income; foreign exchange gain; equity in net income of joint ventures; and other income.

^(c) EBITDA is not a uniform or legally defined financial measure. EBITDA is presented because the Group believes it is an important measure of its performance and liquidity. EBITDA is also frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in the industry. The Group EBITDA figures are not; however, readily comparable with other companies' EBITDA figures as these may be calculated differently thus, must be read in conjunction with related additional explanations. EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of the Group's results as reported under PFRS Accounting Standards. Some of the limitations concerning EBITDA are:

- EBITDA does not reflect cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for working capital needs;
- EBITDA does not reflect fixed (and in-substance fixed) port fees and lease payments that are capitalized as concession assets under IFRIC 12 and right-of-use assets under PFRS 16;
- EBITDA does not reflect the interest expense, or cash requirements necessary to service interest or principal debt payments;

- Although depreciation and amortization are non-cash charges, the assets being depreciated or amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in the industry may calculate EBITDA differently, which may limit its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to the Group to invest in the growth of the business. The Group compensates for these limitations by relying primarily on PFRS Accounting Standards results and uses EBITDA only as supplementary information.

5. Intangibles

Concession Rights

Additions to concession rights amounting to US\$70.9 million during the six months ended June 30, 2025 mainly pertain to the construction of various civil works and acquisitions of port facilities and equipment in Manila International Container Terminal (MICT) and certain Philippine terminals, Basra Gateway Terminal (BGT), Operadora Portuaria Centroamericana, S.A. (OPC), and East Java Multipurpose Terminal (EJMT).

Amortization of concession rights amounted to US\$32.6 million and US\$34.9 million for the three months ended June 30, 2024 and 2025, respectively; and US\$65.1 million and US\$69.1 million for the six months ended June 30, 2024 and 2025, respectively.

6. Property and Equipment

Additions to property and equipment amounting to US\$365.3 million during the six months ended June 30, 2025 mainly pertain to the marine property in Brazil as a result of acquisition of FII Inhaúma (see Note 1.3), construction of various civil works, and purchase of terminal equipment in various ports, mainly in Contecon Manzanillo S.A. (CMSA), ICTSI DR Congo S.A. (IDRC), Victoria International Container Terminal Ltd. (VICT), BGT and Manila Multipurpose Terminal (MMT).

Depreciation of property and equipment amounted to US\$25.4 million and US\$27.5 million for the three months ended June 30, 2024 and 2025, respectively; and US\$50.6 million and US\$52.7 million for the six months ended June 30, 2024 and 2025, respectively.

7. Right-of-use Assets

Additions to right-of-use assets amounting to US\$40.6 million during the six months ended June 30, 2025 mainly pertain to the impact of remeasurement of lease payments and new lease of property at certain terminals.

The Group derecognized right-of-use asset relating to the lease of marine property upon acquisition of FII Inhaúma (see Note 1).

Amortization of right-of-use assets amounted to US\$14.4 million and US\$16.8 million for the three months ended June 30, 2024 and 2025, respectively; and US\$29.2 million and US\$33.5 million for the six months ended June 30, 2024 and 2025, respectively.

8. Other Noncurrent Assets

This account includes advances to contractors and suppliers, input tax, derivative assets, restricted cash, and financial assets at FVOCI, among others. This account increased primarily due to higher advances to contractors and suppliers for capital expenditures, higher input tax, and deposits for future investments.

9. Cash and Cash Equivalents

For the purpose of interim condensed consolidated statements of cash flows, cash and cash equivalents as at June 30 are comprised of the following:

	2024 (Unaudited)	2025 (Unaudited)
Cash on hand and in banks	US\$422,031	US\$603,780
Cash equivalents	470,076	349,067
	US\$892,107	US\$952,847

10. Long-term Debt and Loans Payable

10.1 Outstanding Balances and Maturities of Long-term Debt

	Company	Maturity	December 31, 2024 (Audited)	June 30, 2025 (Unaudited)
<i>Medium-term Note (MTN) Programme</i>				
Secured fixed interest USD bond	ICTSI Treasury B.V. (ITBV)	2025	US\$395,701	US\$398,698
<i>Senior Notes</i>				
Unsecured fixed interest USD bond	ICTSI	2030	394,962	395,357
Secured fixed interest USD bond	ITBV	2031	292,792	293,254
<i>US dollar and Foreign Currency-denominated Term Loans and Securities</i>				
Unsecured fixed interest USD term loan	ICTSI	2027-2032	745,651	894,871
Secured fixed interest AUD bond	VICT	2039	245,640	261,345
Secured fixed interest USD term loan	ICTSI Global Finance B.V. (IGFBV)	2026	248,517	244,169
Unsecured floating interest USD term loan	ICTSI	2032	99,248	99,269
Secured floating interest IDR term loan	EJD	2029	47,310	53,190
Secured fixed interest USD term loans	IDRC	2025	6,000	—
Secured floating interest PGK term loan	SPICTL	2026-2030	4,128	9,258
Secured floating interest PGK term loan	Motukeya International Terminal Ltd. (MITL)	2026-2030	1,238	6,604
Others		2026-2028	5,632	6,617
Total			2,486,819	2,662,632
Less current portion			414,944	655,574
Long-term debt, net of current portion			US\$2,071,875	US\$2,007,058

10.2 Loans Payable

A summary of outstanding balance of loans payable is presented below:

		December 31, 2024 (Audited)	June 30, 2025 (Unaudited)
	Company		
Secured fixed interest JPY loan	ICTSI	US\$155,599	US\$–
Secured floating interest PGK loan	SPICTL	4,953	–
Secured floating interest PGK loan	MITL	4,953	–
Secured fixed interest USD loan	CGSA	2,000	–
		US\$167,505	US\$–

All short-term loans have been repaid during the six month period ended June 30, 2025.

10.3 Loan Covenants

The loans from local and foreign banks impose certain restrictions with respect to corporate reorganization, disposition of all or a substantial portion of ICTSI's and subsidiaries' assets, acquisitions of futures or certain class of stocks, and extending loans to others, except in the ordinary course of business. ICTSI is also required to comply with a specified financial ratio relating to its debt to EBITDA of up to 4 times when incurring additional debt.

There was no material change in the covenants related to the Group's long-term debt. As at June 30, 2025, ICTSI and subsidiaries were in compliance with their loan covenants.

11. Equity

11.1 Stock Incentive Plan (SIP)

Stock awards, including DRIP stocks, granted by the Stock Incentive Committee to officers and employees of the Group during the six months ended June 30:

Grant Date	Number of Stocks Granted	Fair Value per Share at Grant Date
March 1, 2024	1,978,205	US\$5.06 (₱283.20)
March 25, 2024	153,920	US\$5.62 (₱317.19)
March 3, 2025	1,957,959	US\$5.87 (₱340.00)
March 28, 2025	179,196	US\$6.41 (₱368.00)

Share-based payment expense amounted to US\$2.3 million and US\$2.9 million for the three months ended June 30, 2024 and 2025, respectively; and US\$4.2 million and US\$5.4 million for the six months ended June 30, 2024 and 2025, respectively.

1,893,099 treasury stocks were issued to certain officers and employees on March 3, 2025 (2024: 1,823,420 treasury stocks) upon vesting of stock awards.

11.2 Cash Dividends Declared on Common Stock

	2024	2025
Date of Board approval	March 1, 2024	March 6, 2025
Cash dividends (regular) per share	US\$0.167 (¥9.35)	US\$0.247 (¥14.16)
Cash dividends (special) per share	US\$0.029 (¥1.65)	—
Record date	March 15, 2024	March 20, 2025
Payment date	March 25, 2024	March 28, 2025

11.3 Treasury Stock

During the six-month period ended June 30, 2025, the Parent Company acquired 10,170,040 of its own shares of common stock for US\$57.9 million.

11.4 Components of Other Comprehensive Loss

	Cumulative Translation Adjustments	Unrealized Mark-to-Market Gain (Loss) on Derivatives	Business Combination Revaluation Reserve	Unrealized Mark-to-Market Gain on Financial Assets at FVOCI	Share of Other Comprehensive Loss of Joint Ventures and Associates	Remeasurement Loss on Defined Benefit Plans	Total Comprehensive Income (Loss)
Balance at December 31, 2023	(US\$157,941)	US\$2,956	US\$610	US\$2,178	US\$1,567	(US\$3,728)	(US\$154,358)
Exchange differences arising from translation of foreign operations' financial statements	(90,435)	—	—	—	—	—	(90,435)
Remeasurement loss on defined benefit plans	—	—	—	—	—	(54)	(54)
Net change in unrealized mark-to-market values of derivatives	—	18,152	—	—	—	—	18,152
Share in other comprehensive loss of joint ventures	—	—	—	—	(339)	—	(339)
Net unrealized mark-to-market gain on financial assets at FVOCI	—	—	—	778	—	—	778
Income tax relating to components of other comprehensive income	—	(4,546)	—	—	—	—	(4,546)
Balance at June 30, 2024	(US\$248,376)	US\$16,562	US\$610	US\$2,956	US\$1,228	(US\$3,782)	(US\$230,802)

	Cumulative Translation Adjustments	Unrealized Mark-to-Market Gain (Loss) on Derivatives	Business Combination Revaluation Reserve	Unrealized Mark-to-Market Gain on Financial Assets at FVOCI	Share of Other Comprehensive Income of Joint Ventures and Associates	Remeasurement Loss on Defined Benefit Plans	Total Comprehensive Income (Loss)
Balance at December 31, 2024	(US\$294,118)	US\$10,238	US\$610	US\$3,228	US\$1,303	(US\$3,818)	(US\$282,557)
Translation differences arising from translation of foreign operations' financial statements	86,375	—	—	—	—	—	86,375
Remeasurement gain on defined benefit plans	—	—	—	—	—	(31)	(31)
Net change in unrealized mark-to-market values of derivatives	—	(21,266)	—	—	—	—	(21,266)
Share in other comprehensive income of joint ventures	—	—	—	—	60	—	60
Net unrealized mark-to-market gain on financial assets at FVOCI	—	—	—	126	—	—	126
Income tax relating to components of other comprehensive income	—	5,339	—	—	—	—	5,339
Balance at June 30, 2025	(US\$207,743)	(US\$5,689)	US\$610	US\$3,354	US\$1,363	(US\$3,849)	(US\$211,954)

12. Related Party Transactions

			2024			2025		
			Transaction Amount for Three Months Ended June 30 ⁽ⁱ⁾	Transaction Amount for Six Months Ended June 30 ⁽ⁱ⁾	Outstanding Receivable (Payable) Balance as at December 31	Transaction Amount for the Three Months Ended June 30 ⁽ⁱ⁾	Transaction Amount for the Six Months Ended June 30 ⁽ⁱ⁾	Outstanding Receivable (Payable) Balance as at June 30
Related Party	Relationship	Nature of Transaction						
<i>(In Millions)</i>								
SPIA Spain S.L. Sociedad Puerto Industrial Aguadulce SA (SPIA)	Joint venture	Interest-bearing loans ⁽ⁱⁱ⁾	US\$3.14	US\$5.59	US\$163.12	US\$2.50	US\$5.42	US\$169.13
Yantai International Container Terminal Ltd. (YICT)								
Yantai Port Holdings (YPH)	Non-controlling shareholder	Trade transactions ⁽ⁱⁱⁱ⁾	0.75	1.40	(0.05)	0.64	1.33	0.07
Yantai Port Container Terminal Ltd. (YPHT)	Common shareholder	Outsourced services ^(iv)	1.53	2.78	0.56	1.44	2.90	0.65
Yantai Port Group (YPG)	Common shareholder	Port fees ^(v)	0.84	1.60	0.46	—	—	—
		Trade transactions ⁽ⁱⁱⁱ⁾	0.02	0.04	—	0.08	0.15	(0.10)
SCIPSI Asian Terminals, Inc.	Non-controlling shareholder	Management fees	0.04	0.04	(0.01)	0.03	0.07	0.01
Adriatic Gate Container Terminal (AGCT)								
Luka Rijeka D.D. (Luka Rijeka)	Non-controlling shareholder	Provision of services ^(vi)	0.05	0.31	—	0.01	0.01	—
Laguna Gateway Inland Container Terminal, Inc. (LGICT)								
NCT Transnational Corp.	Non-controlling shareholder	Management fees	0.03	0.10	—	—	—	—
		Maintenance and repairs	0.01	0.02	(0.01)	0.02	0.05	(0.03)
IDRC Ledya SARL	Non-controlling shareholder	Management fees	0.90	1.80	—	0.90	1.80	—
Parent Company								
Prime Metro BMD Corporation	Common shareholder	Purchase of services ^(vii)	2.84	6.11	(13.23)	14.46	17.24	(12.47)
		Sublease ^(viii)	—	—	(0.07)	—	—	(0.08)
Prime Metro Power Holdings Corporation	Common shareholder	Reimbursement of operating expenses and sublease ^(viii)	—	—	0.06	—	—	0.06
Prime Metroline Infrastructure Holdings Corporation	Common shareholder	Reimbursement of operating expenses and sublease ^(viii)	—	—	0.06	—	—	0.07
Falconer Aircraft Management, Inc. (FAMI)	Joint Venture	Reimbursement of operating expenses	0.02	0.01	0.07	0.02	0.04	0.52
		Management fees	0.49	0.93	(0.38)	0.10	0.65	(0.48)
<i>(Forward)</i>								

(i) Amount of transactions do not include payments, collections and foreign exchange movements.

(ii) On October 1, 2018, IEBV assigned to SPIA Spain S.L. all its outstanding interest-bearing loans, including interest converted into interest-bearing loan, and interest receivable from SPIA as of the same date, amounting to US\$321.1 million and US\$9.6 million, respectively. The funds were used by SPIA to finance the construction of its terminal and its start-up operations in Colombia.

(iii) Trade transactions include utilities, rental and other transactions paid by YICT to YPH and YPG.

(iv) YPHT outsources its domestic container terminal business to YICT.

(v) YICT is authorized under the Joint Venture Agreement to collect port charges levied on cargoes, port construction fees and facility security fees in accordance with government regulations. Port fees remitted by YICT for YPG are presented as part of "Port authorities' share in gross revenues" in the consolidated statement of income. Outstanding payable to YPG related to these port charges are presented under "Accounts payable and other current liabilities" account in the consolidated balance sheet.

(vi) AGCT has entered into agreements with Luka Rijeka, a non-controlling shareholder, for the latter's provision of services such as equipment maintenance, power and fuel and supply of manpower, among others. Total expenses incurred by AGCT in relation to these agreements were recognized and presented in the consolidated statement of income as part of Manpower costs, Equipment and facilities-related expenses and Administrative and other operating expenses.

(vii) ICTSI has entered into contracts with Prime Metro BMD Corporation for the construction, dredging works, and repairs and maintenance of port facilities.

(viii) ICTSI has entered into contracts with Prime Metro BMD Corporation, Prime Metro Power Holdings Corporation and Prime Metroline Infrastructure Holdings Corporation for the sublease of office space.

			2024			2025		
			Transaction Amount for Three Months Ended June 30 ⁽ⁱ⁾	Transaction Amount for Six Months Ended June 30 ⁽ⁱ⁾	Outstanding Receivable (Payable) Balance as at December 31	Transaction Amount for the Three Months Ended June 30 ⁽ⁱ⁾	Transaction Amount for the Six Months Ended June 30 ⁽ⁱ⁾	Outstanding Receivable (Payable) Balance as at June 30
Related Party	Relationship	Nature of Transaction						
<i>(In Millions)</i>								
Aviation Concepts Terminal Services Inc (ACTSI)	Joint Venture	Lease of asset ^(ix)	US\$–	US\$–	(US\$15.38)	US\$0.18	US\$0.36	(US\$14.72)
ICTSI Ltd.								
FAMI	Joint Venture	Working capital advances	0.07	0.21	0.33	0.08	0.18	0.56
ACTSI	Joint Venture	Interest-bearing loans ^(x)	–	0.42	9.34	–	0.13	9.47
		Interest receivable	0.08	0.16	1.03	0.08	0.16	1.20
FII Inhaúma								
Banco Fator S.A.	Non-controlling shareholder	Interest-bearing loans	–	–	–	0.06	0.06	(1.95)

The outstanding balances arising from these related party transactions are current and generally collectible/payable upon demand.

13. Earnings Per Share Computation

The table below shows the computation of basic and diluted earnings per share for the three and six months ended June 30 (amounts are in thousands, except for the number of stocks and earnings per share data):

	For the Three Months Ended June 30		For the Six Months Ended June 30	
	2024 <i>(Unaudited)</i>	2025 <i>(Unaudited)</i>	2024 <i>(Unaudited)</i>	2025 <i>(Unaudited)</i>
Net income attributable to equity holders of the parent, as presented in the unaudited interim condensed consolidated statements of income	US\$210,671	US\$244,305	US\$420,551	US\$483,841
Adjustment for the effect of cumulative distribution on subordinated perpetual capital securities	(5,098)	(3,725)	(12,355)	(7,450)
Net income attributable to equity holders of the parent, as adjusted (a)	US\$205,573	US\$240,580	US\$408,196	US\$476,391
Common stocks issued at beginning of year	2,045,177,671	2,045,177,671	2,045,177,671	2,045,177,671
Weighted treasury stocks	(11,821,503)	(23,992,132)	(11,821,503)	(23,992,132)
Weighted average stocks outstanding (b)	2,033,356,168	2,021,185,539	2,033,356,168	2,021,185,539
Effect of dilutive stock awards	4,594,388	4,838,444	4,594,388	4,838,444
Weighted average stocks outstanding adjusted for potential common stocks (c)	2,037,950,556	2,026,023,983	2,037,950,556	2,026,023,983
Basic earnings per share (a÷b)	US\$0.101	US\$0.119	US\$0.201	US\$0.236
Diluted earnings per share (a÷c)	US\$0.101	US\$0.119	US\$0.200	US\$0.235

14. Contingencies

Due to the nature of the Group's business, it is involved in various legal proceedings, both as plaintiff and defendant, from time to time. Management and its legal counsels believe that the Group has substantial legal and factual bases for its position and is of the opinion that losses arising from the existing legal actions and proceedings, if any, will not have a material adverse impact on the Group's interim condensed consolidated financial position and results of operations.

(ix) On November 29, 2024, ICTSI and ACTSI entered into an agreement for the lease of transportation equipment with a term of 10 years.

(x) These loans were obtained through a series of issuances with terms ranging from five to 12 years from their respective issuance dates, and bear fixed interest rates.

15. Financial Instruments

15.1 Fair Values

Set out below is a comparison of carrying amounts and fair values of the Group's financial instruments by category, whose fair value is different from its carrying amount (amount in thousands):

	December 31, 2024		June 30, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Liabilities				
Long-term debt	US\$2,486,819	US\$2,432,687	US\$2,662,632	US\$2,622,303
Concession rights payable	761,854	710,844	751,221	712,323
Put option liability	–	–	123,052	122,532

Carrying values of cash and cash equivalents, receivables, accounts payable and other current liabilities and loans payable approximate their fair values due to their short-term maturities.

For variable interest-bearing loans repriced monthly or quarterly, their carrying amounts approximate fair value due to the regular repricing of interest rates.

The fair values of the US dollar-denominated notes and US dollar-denominated medium-term notes are based on quoted prices.

The fair values of other liabilities were estimated at the present value of all future cash flows discounted using the applicable rates for similar types of liabilities ranging from 3.20 percent to 16.01 percent as at December 31, 2024 and 3.40 percent to 16.90 percent as at June 30, 2025.

The fair values of derivative assets and liabilities are calculated using valuation techniques with inputs and assumptions that are based on market observable data and conditions.

15.2 Fair Value Hierarchy

The following tables below present the fair value hierarchy of the Group's financial instruments (amount in thousands):

	December 31, 2024			
	Amount	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative assets - interest rate swaps	US\$14,409	US\$–	US\$14,409	US\$–
Financial assets at FVOCI	4,368	4,368	–	–
Liabilities measured at fair value:				
Derivative liabilities - interest rate swaps	14,206	–	14,206	–
Liabilities for which fair values are disclosed:				
Long-term debt	2,432,687	1,062,855	–	1,369,832
Concession rights payable	710,844	–	–	710,844

June 30, 2025				
	Amount	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
Derivative assets - interest rate swaps	US\$6,979	US\$–	US\$6,979	US\$–
Financial assets at FVOCI	4,494	–	4,494	–
Liabilities measured at fair value:				
Derivative liabilities - interest rate swaps	14,510	–	14,510	–
Liabilities for which fair values are disclosed:				
Long-term debt	2,622,303	1,076,252	–	1,546,051
Concession rights payable	712,323	–	–	712,323
Put option liability	122,532	–	–	122,532

In 2024 and 2025, there were no transfers between *Level 1* and *Level 2* fair value measurements and no transfers into and out of *Level 3* fair value measurements.

15.3 Hedge Accounting

Cross-Currency Swaps. On March 18, 2025, ICTSI settled all the cross-currency swaps used to hedge the foreign exchange exposure arising from the JPY24.5 billion short-term loan facility. The derivatives had a fair value of US\$7.2 million and were in a liability position immediately prior to settlement. Both the cumulative foreign exchange loss on the loan amounting to US\$1.0 million, net of US\$0.3 million deferred tax, and the effective portion of the cumulative change in the fair value of the derivatives amounting to US\$1.0 million, net of US\$0.3 million deferred tax, were reclassified to profit or loss upon settlement of the swaps.

16. Other Matters

Impacts of the Macroeconomic, Regulatory and Geopolitical Environment

The Group's financials could be influenced by the effects of the broader macroeconomic, regulatory and geopolitical environment. Fluctuation of US dollar relative to other currencies and rising inflation may affect the Group's reported levels of revenues and profits. The imposition of new tariffs and changes to existing tariffs, along with the possibility of reciprocal tariffs, may impact businesses across industries. Geopolitical conflicts can have major economic impact on the affected regions.

Whilst these developments had no material impact on the Group's business, their scale and duration remain uncertain to date. It is not possible to estimate the impact of the near-term and longer effects of such events. The Group will continue to closely monitor the progress of these situations.

Item 2. Management's Discussion and Analysis or Plan of Operations

The following discussion and analysis relate to the consolidated financial position and results of operations of ICTSI and its subsidiaries (collectively known as "ICTSI Group") and should be read in conjunction with the accompanying unaudited interim condensed consolidated financial statements and related notes as at and for the three and six months ended June 30, 2025. References to "ICTSI", "the Company", and "Parent Company" pertain to ICTSI Parent Company, whereas references to "the Group" pertain to ICTSI and its subsidiaries.

2.1 Overview

The Group is an international operator of common user container terminals serving the global container shipping industry. Its business is the acquisition, development, operation and management of container terminals focusing on facilities with total annual throughput ranging from 50,000 to 3,500,000 TEUs. It also handles general cargoes and provides a number of ancillary services such as storage, container packing and unpacking, inspection, weighing, and services for refrigerated containers or reefers. As at August 1, 2025, the Group is involved in 33 terminal operations, including concessions and port development projects in 19 countries worldwide. There are 10 terminal operations in the Philippines (including an inland container terminal, a barge terminal and combined terminal operations in Subic), four (4) in Brazil (including an intermodal rail ramp terminal and a Customs-bonded facility), two (2) each in Papua New Guinea (PNG) and Indonesia; and one (1) each in China, Ecuador, Poland, Georgia, Madagascar, Croatia, Honduras, Mexico, Iraq, Argentina, Democratic Republic (DR) of the Congo, Colombia, Australia, Cameroon and Nigeria.

ICTSI was established in 1987 in connection with the privatization of Manila International Container Terminal (MICT) in the Port of Manila, and has built upon the experience gained in rehabilitating, developing and operating MICT to establish an extensive international network of efficient and sustainable origin and destination gateway terminals in locations with supportive demographics, a favorable competitive environment and scope for operational improvements. International acquisitions throughout Asia, Europe, Middle East and Africa (EMEA), and Americas substantially contributed to the growth in the Group's volume, revenues, earnings before interest, taxes, depreciation and amortization (EBITDA), and net income. ICTSI's business strategy is to continue to develop its existing portfolio of terminals, proactively seek acquisition opportunities that meet its investment criteria while delivering returns to the shareholders.

The Group operates principally in one industry segment which is cargo handling and related services. ICTSI has organized its business into three (3) geographical segments:

- Asia
 - Manila - Manila International Container Terminal, Port of Manila, Philippines (MICT); Manila North Harbour Port, Inc., North Harbor, Manila, Philippines (MNHPI); and Manila Multipurpose Terminal, Manila, Philippines (MMT)
 - Zambales - Subic Bay International Terminal Corp., Subic Bay Freeport Zone, Olongapo City, Philippines (SBITC/ICTSI Subic)
 - Misamis Oriental - Mindanao Container Terminal, Phividec Industrial Estate, Tagaloan, Philippines (MCT)
 - Iloilo - Visayas Container Terminal, Iloilo Commercial Port Complex, Philippines (VCT; *started April 1, 2024*)
 - General Santos - South Cotabato Integrated Port Services, Inc., Port of General Santos, Philippines (SCIPSI)
 - Batangas - Bauan International Port, Inc., Bauan, Philippines (BIPI)
 - Laguna - Laguna Gateway Inland Container Terminal, Calamba City, Laguna, Philippines (LGICT)
 - Cavite - Cavite Gateway Terminal, Tanza, Cavite, Philippines (CGT)

- Australia - Victoria International Container Terminal Ltd., Webb Dock East, Port of Melbourne, Australia (VICT)
- Papua New Guinea - Motukea International Terminal Ltd., Port of Motukea, Papua New Guinea (MITL) and South Pacific International Container Terminal Ltd., Port of Lae, Papua New Guinea (SPICTL)
- China - Yantai International Container Terminals Ltd., Port of Yantai, Shandong Province, China (YICT)
- Indonesia - East Java Multipurpose Terminal, Tanjung Pakis Lamongan Public Terminal, East Java, Indonesia (EJMT); Batu Ampar Container Terminal (BACT), Batam (*starting July 31, 2025*); and Olah Jasa Andal, Port of Tanjung Priok, Jakarta (OJA; *until February 1, 2024*)
- EMEA
 - DR Congo - ICTSI D.R. Congo S.A., Matadi Gateway Terminal, Mbengu, Matadi, Democratic Republic of Congo (MGT)
 - Iraq - Basra Gateway Terminal, Port of Umm Qasr, Iraq (BGT)
 - Madagascar - Madagascar International Container Terminal Services Ltd., Port of Toamasina, Toamasina, Madagascar (MICTSL)
 - Poland - Baltic Container Terminal Ltd., Gdynia, Poland (BCT)
 - Croatia - Adriatic Gate Container Terminal, Rijeka, Croatia (AGCT)
 - Nigeria - Onne Multipurpose Terminal, Port of Onne, Rivers State, Nigeria (OMT)
 - Georgia - Batumi International Container Terminal LLC, Port of Batumi, Batumi, Georgia (BICTL)
 - Cameroon - Kribi Multipurpose Terminal, Kribi, Cameroon (KMT)
- Americas
 - Mexico - Contecon Manzanillo S.A. de C.V., Port of Manzanillo, Manzanillo, Mexico (CMSA)
 - Honduras - Operadora Portuaria Centroamericana, SA de CV, Puerto Cortés, Republic of Honduras (OPC)
 - Brazil - Tecon Suape, S.A., Suape, Brazil, Terminal de Contêineres (TSSA); Rio Brasil Terminal, Port of Rio de Janeiro City, Brazil (ICTSI Rio); iTracker, Florianópolis Intermodal Terminal, Barra Mansa, Rio de Janeiro State, Brazil (IRB Logística); and CLIA Pouso Alegre, Minas Gerais, Brazil
 - Ecuador - Contecon Guayaquil S.A., Port of Guayaquil, Guayaquil, Ecuador (CGSA)
 - Argentina - TecPlata S.A., Port of La Plata, Buenos Aires Province, Argentina (TecPlata)
 - Colombia - Sociedad Puerto Industrial de Aguadulce S.A., Port of Buenaventura, Buenaventura, Colombia (SPIA; *a joint venture*)

2.2 Results of Operations and Key Performance Indicators

2.2.1 Results of Operations

The following table shows a summary of the results of operations for the three and six months ended June 30, 2025 as compared with the same periods in 2024 as derived from the accompanying unaudited interim condensed consolidated financial statements.

Table 2.1 Interim Condensed Consolidated Statements of Income

<i>(In thousands, except % change data)</i>	For the Three Months Ended June 30			For the Six Months Ended June 30		
	2024	2025	% Change	2024	2025	% Change
Gross revenues from port operations	US\$684,025	US\$764,628	11.8	US\$1,321,673	US\$1,510,048	14.3
Revenues from port operations, net of port authorities' share	628,184	695,011	10.6	1,214,420	1,372,263	13.0
Total income (net revenues, interest and other income)	658,266	714,710	8.6	1,291,708	1,420,414	10.0
Total expenses (operating, financing and other expenses)	352,121	373,564	6.1	703,079	740,217	5.3
EBITDA ¹	451,228	500,944	11.0	864,986	990,536	14.5
EBIT ²	377,361	419,946	11.3	716,952	832,131	16.1
Net income attributable to equity holders of the parent	210,671	244,305	16.0	420,551	483,841	15.0
Earnings per share						
Basic	US\$0.101	US\$0.119	17.7	US\$0.201	US\$0.236	17.4
Diluted	0.101	0.119	17.7	0.200	0.235	17.4

¹ EBITDA is not a uniform or legally defined financial measure. It generally represents earnings before interest, taxes, depreciation and amortization. EBITDA is presented because the Group believes it is an important measure of its performance and liquidity. EBITDA is also frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the industry.

The Group's EBITDA figures are not, however, readily comparable with other companies' EBITDA figures as they are calculated differently and thus, must be read in conjunction with related additional explanations. EBITDA has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of the Group's results as reported under PFRS Accounting Standards. Some of the limitations concerning EBITDA are:

- EBITDA does not reflect cash expenditures or future requirements for capital expenditures or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for working capital needs;
- EBITDA does not reflect fixed (and in-substance fixed) port fees and lease payments that are accounted as concession assets under Philippine Interpretation IFRIC 12, *Service Concession Arrangements* and right-of-use assets under PFRS 16, *Leases*;
- EBITDA does not reflect the interest expense, or the cash requirements necessary to service interest and distributions on perpetual securities or principal debt payments and perpetual security redemptions;
- Although depreciation and amortization are non-cash charges, the assets being depreciated or amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
- Other companies in the industry may calculate EBITDA differently, which may limit its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to the Group to invest in the growth of the business. The Group compensates for these limitations by relying primarily on the PFRS Accounting Standards results and uses EBITDA only as supplementary information.

² EBIT or Earnings Before Interest and Taxes, is calculated by taking net revenues from port operations and deducting cash operating expenses, and depreciation and amortization.

The following table presents the computation of EBITDA as derived from the Group's unaudited interim condensed consolidated statements of income for the three and six months ended June 30, 2025 as compared with the same period in 2024:

Table 2.2 EBITDA Computation

<i>(In thousands, except % change data)</i>	For the Three Months Ended June 30			For the Six Months Ended June 30		
	2024	2025	% Change	2024	2025	% Change
Net income attributable to equity holders of the parent	US\$210,671	US\$244,305	16.0	US\$420,551	US\$483,841	15.0
Non-controlling interests	21,512	18,720	(13.0)	41,416	40,220	(2.9)
Provision for income tax	73,962	78,121	5.6	126,662	156,136	23.3
Income before income tax	306,145	341,146	11.4	588,629	680,197	15.6
Add (deduct):						
Depreciation and amortization	73,867	80,998	9.7	148,034	158,405	7.0
Interest and other expenses	101,298	98,499	(2.8)	205,611	200,085	(2.7)
Interest and other income	(30,082)	(19,699)	(34.5)	(77,288)	(48,151)	(37.7)
EBITDA	US\$451,228	US\$500,944	11.0	US\$864,986	US\$990,536	14.5

2.2.2 Key Performance Indicators

Table 2.3 Key Performance Indicators

	For the Six Months Ended June 30	
	2024	2025
Gross moves per hour per crane	12.4 - 32.7	14.6 - 43.3
Crane availability	71.1% - 99.0%	77.4% - 98.4%
Berth utilization	22.5% - 82.0%	38.6% - 92.6%
TEU volume growth	0.6%	10.7%
Gross revenue growth	13.5%	14.3%

The gross moves per hour per crane is a measure of crane productivity while working on vessels during discharging or loading operations. The crane availability relates to the efficiency of the maintenance of the crane. Berth utilization is a measure of how long the berth is utilized for a given period and this indicator measures the efficiency of the operations and the productivity on the vessel.

2.3 Comparison of Operating Results for the Quarters Ended June 30, 2024 and 2025

2.3.1 TEU Volume

The below table presents the volume (in TEU) handled by the Group for the quarters ended June 30, 2024 and 2025:

Table 2.4 Volume

	For the Three Months Ended June 30		
	2024	2025	% Change
Asia	1,784,637	1,883,641	5.5
Americas	829,918	976,136	17.6
EMEA	607,489	657,385	8.2
	3,222,044	3,517,162	9.2

The Group's consolidated volume increased by 9.2 percent to 3,517,162 TEUs for the quarter ended June 30, 2025 from 3,222,044 TEUs for the same period in 2024 mainly due to the volume recovery, with new services, at CGSA; and improvement in trade activities across all terminals in Americas, and certain terminals in Asia and EMEA.

Volume from the Asia operations, consisting of terminals in the Philippines, Australia, Papua New Guinea, China and Indonesia, increased by 5.5 percent to 1,883,641 TEUs for the quarter ended June 30, 2025 from 1,784,637 TEUs for the same period in 2024 mainly due to the improvement in trade activities largely at Philippine terminals and VICT. The Asia operations captured 55.4 percent and 53.6 percent of the consolidated volume for the quarters ended June 30, 2024 and 2025, respectively.

Volume from the Americas segment, consisting of terminals in Mexico, Honduras, Brazil, Ecuador and Argentina, increased by 17.6 percent to 976,136 TEUs for the quarter ended June 30, 2025 from 829,918 TEUs for the same period in 2024 mainly due to volume recovery, with new services, at CGSA; and improvement in trade activities across all other terminals. The Americas operations accounted for 25.8 percent and 27.7 percent of the consolidated volume for the quarters ended June 30, 2024 and 2025, respectively.

Volume from the EMEA segment, consisting of terminals in DR Congo, Iraq, Madagascar, Poland, Croatia, Nigeria and Georgia increased by 8.2 percent to 657,385 TEUs for the quarter ended June 30, 2025 from 607,489 TEUs for the same period in 2024 mainly due to the improvement in trade activities and new services largely at BGT, AGCT and OMT. The EMEA operations stood at 18.8 percent and 18.7 percent of the consolidated volume for the quarters ended June 30, 2024 and 2025, respectively.

2.3.2 Total Income

Total income consists of: (1) Revenues from port operations, net of port authorities' share in gross revenues; (2) Interest income; (3) Foreign exchange gain; (4) Equity in net income of joint ventures; and (5) Other income.

The table below illustrates the consolidated total income for the three months ended June 30, 2024 and 2025:

Table 2.5 Total Income

<i>(In thousands, except % change data)</i>	For the Three Months Ended June 30		
	2024	2025	% Change
Gross revenues from port operations	US\$684,025	US\$764,628	11.8
Port authorities' share in gross revenues	55,841	69,617	24.7
Net revenues	628,184	695,011	10.6
Interest income	16,233	10,412	(35.9)
Foreign exchange gain	7,816	5,069	(35.1)
Equity in net income of joint ventures	—	497	100.0
Other income	6,033	3,721	(38.3)
Total income	US\$658,266	US\$714,710	8.6

For the quarter ended June 30, 2025, net revenues stood at 97.2 percent of the total consolidated income whereas interest income, foreign exchange gain, equity in net income of joint ventures, and other income accounted for 1.5 percent, 0.7 percent, 0.1 percent and 0.5 percent, respectively. For the same period in 2024, net revenues stood at 95.4 percent of the total consolidated income whereas interest income, foreign exchange gain, and other income accounted for 2.5 percent, 1.2 percent and 0.9 percent, respectively.

2.3.2.1 Gross Revenues from Port Operations

Gross revenues from port operations include fees received for cargo handling, wharfage, berthing, storage, and special services.

Table 2.6 Gross Revenues from Port Operations

<i>(In thousands, except % change data)</i>	For the Three Months Ended June 30		
	2024	2025	% Change
Asia	US\$277,515	US\$331,975	19.6
Americas	277,139	290,636	4.9
EMEA	129,371	142,017	9.8
	US\$684,025	US\$764,628	11.8

The Group's consolidated gross revenues from port operations increased by 11.8 percent to US\$764.6 million for the quarter ended June 30, 2025 from US\$684.0 million for the same period in 2024 mainly due to the tariff adjustments, volume growth with favorable container mix, and higher revenues from ancillary services at certain terminals, including volume recovery at CGSA, and favorable translation impact mainly of the appreciation of Philippine Peso (PHP)-based revenues at Philippine terminals; partially tapered by unfavorable translation impact mainly of the depreciation of Mexican Peso (MXN)-based revenues at CMSA, and Brazilian Real (BRL)-based revenues at TSSA and ICTSI Rio.

Gross revenues from the Asia segment increased by 19.6 percent to US\$332.0 million for the quarter ended June 30, 2025 from US\$277.5 million for the same period in 2024 mainly due to the tariff adjustments and higher revenues from ancillary services at certain Philippine terminals and VICT, including net favorable translation impact of foreign currency-denominated revenues against US dollar; partially tapered by lower revenues from general cargo activities at certain Philippine terminals. The Asia operations captured 40.6 percent and 43.4 percent of the consolidated gross revenues for the quarters ended June 30, 2024 and 2025, respectively.

Gross revenues from the Americas segment increased by 4.9 percent to US\$290.6 million for the quarter ended June 30, 2025 from US\$277.1 million for the same period in 2024 mainly due to the volume growth with favorable container mix largely at CGSA; higher revenues from ancillary services and tariff adjustments at certain terminals; partially tapered by unfavorable translation impact of foreign currency-denominated revenues against US dollar. The Americas operations accounted for 40.5 percent and 38.0 percent of the consolidated gross revenues for the quarters ended June 30, 2024 and 2025, respectively.

Gross revenues from the EMEA operations increased by 9.8 percent to US\$142.0 million for the quarter ended June 30, 2025 from US\$129.4 million for the same period in 2024 mainly due to volume growth and higher revenues from ancillary services largely at BGT, AGCT and OMT, with net favorable translation impact of foreign currency-denominated revenues against US dollar; partially tapered by lower revenues from ancillary services largely at BCT. The EMEA operations stood at 18.9 percent and 18.6 percent of the consolidated gross revenues for the quarters ended June 30, 2024 and 2025, respectively.

2.3.2.2 Port Authorities' Share in Gross Revenues

Port authorities' share in gross revenues, which represents the variable fees paid to Port Authorities at certain terminals, other than minimum guaranteed variable fees that were capitalized as part of concession rights and right-of-use assets and are amortized on a straight-line basis over the term of the concession, increased by 24.7 percent to US\$69.6 million for the quarter ended June 30, 2025 from US\$55.8 million for the same period in 2024 as a result of higher revenues at these terminals. The Port Authorities' share in gross revenue grew faster than the revenue due to higher revenue growth at terminals with higher variable fees, mainly MICT and CGSA.

2.3.2.3 Interest Income, Foreign Exchange Gain, Equity in Net Income of Joint Ventures, and Other Income

Consolidated interest income decreased by 35.9 percent to US\$10.4 million for the quarter ended June 30, 2025 from US\$16.2 million for the same period in 2024 mainly due to the lower average balance of short-term investment and bank deposits.

Foreign exchange gain decreased by 35.1 percent to US\$5.1 million for the quarter ended June 30, 2025 from US\$7.8 million for the same period in 2024 mainly due to the unfavorable translation impact of certain currencies against US dollar.

Equity in net income of joint ventures amounted to US\$0.5 million for the quarter ended June 30, 2025 mainly due to the positive result of operations at SPIA.

Other income decreased by 38.3 percent to US\$3.7 million for the quarter ended June 30, 2025 from US\$6.0 million for the same period in 2024 mainly due to the income from sale of property and equipment and dividend income from equity investments earned in 2024.

2.3.3 Total Expenses

The table below shows the breakdown of total expenses for the three months ended June 30, 2024 and 2025.

Table 2.7 Total Expenses

<i>(In thousands, except % change data)</i>	For the Three Months Ended June 30		
	2024	2025	% Change
Manpower costs	US\$89,541	US\$101,562	13.4
Equipment and facilities-related expenses	46,636	48,838	4.7
Administrative and other operating expenses	40,779	43,667	7.1
Total cash operating expenses	176,956	194,067	9.7
Depreciation and amortization	73,867	80,998	9.7
Interest expense and financing charges on borrowings	42,541	38,092	(10.5)
Interest expense on lease liabilities	34,654	34,663	0.0
Interest expense on concession rights payable	16,261	15,698	(3.5)
Equity in net loss of joint ventures	2,817	—	(100.0)
Foreign exchange loss and others	5,025	10,046	99.9
Total expenses	US\$352,121	US\$373,564	6.1

Total cash operating expenses of the Group increased by 9.7 percent to US\$194.1 million for the quarter ended June 30, 2025 from US\$177.0 million for the same period in 2024 mainly due to volume-driven increase in operating expenses, including increases related to the growth in revenue generating ancillary services; increase in government-mandated and contracted salary rate adjustments, including benefits; and unfavorable foreign exchange effect mainly of PHP-based expenses; partially tapered by continuous cost optimization measures implemented; and favorable foreign exchange effect mainly of MXN- and BRL-based expenses.

Expense accounts for the quarter ended June 30, 2025 with variances of plus or minus 5.0 percent against June 30, 2024 balances are discussed, as follows:

2.3.3.1 Manpower Costs

Manpower costs increased by 13.4 percent to US\$101.6 million for the quarter ended June 30, 2025 from US\$89.5 million for the same period in 2024 primarily due to volume-driven increase in headcount and contracted services at certain terminals; and government-mandated and contracted salary rate adjustments, including benefits; partially tapered by net favorable translation impact of foreign currency-denominated manpower costs against US dollar.

Manpower costs accounted for 50.6 percent and 52.3 percent of consolidated cash operating expenses for the quarters ended June 30, 2024 and 2025, respectively.

2.3.3.2 Administrative and Other Operating Expenses

Administrative and other operating expenses increased by 7.1 percent to US\$43.7 million for the quarter ended June 30, 2025 from US\$40.8 million for the same period in 2024 mainly due to increases in revenue-related taxes and licenses, and IT costs; partially tapered by the general impact of continuous cost optimization measures implemented.

Administrative and other operating expenses represented 23.0 percent and 22.5 percent of consolidated cash operating expenses for the quarters ended June 30, 2024 and 2025, respectively.

2.3.3.3 Depreciation and amortization

Depreciation and amortization increased by 9.7 percent to US\$81.0 million for the quarter ended June 30, 2025 from US\$73.9 million for the same period in 2024 mainly due to the commissioning of various port equipment and facilities; and increase in right-of-use asset as a result of remeasurement of lease liabilities and new leased areas, at certain terminals.

2.3.3.4 Interest expense and financing charges on borrowings

Interest expense and financing charges on borrowings decreased by 10.5 percent to US\$38.1 million for the quarter ended June 30, 2025 from US\$42.5 million for the same period in 2024 mainly driven by lower interest due to repayment of borrowings.

2.3.3.5 Equity in Net Loss of Joint Ventures

Equity in net loss of joint ventures amounted to nil for the quarter ended June 30, 2025 from US\$2.8 million for the same period in 2024 mainly due to net income position for the period primarily from positive result of operations at SPIA.

2.3.3.6 Foreign Exchange Loss and Others

Foreign exchange loss and others increased by 99.9 percent to US\$10.0 million for the quarter ended June 30, 2025 from US\$5.0 million for the same period in 2024 mainly due to unfavorable translation impact of certain currencies against US dollar.

2.3.4 EBITDA and EBIT

Consolidated EBITDA increased by 11.0 percent to US\$500.9 million for the quarter ended June 30, 2025 from US\$451.2 million for the same period in 2024, mainly due to higher revenues, partially tapered by the increase in cash operating expenses. EBITDA margin stood at 65.5 percent for the quarter ended June 30, 2025, from 66.0 percent in the same period in 2024.

Meanwhile, consolidated EBIT increased by 11.3 percent to US\$419.9 million for the quarter ended June 30, 2025 from US\$377.4 million for the same period in 2024 mainly due to higher EBITDA, partially tapered by the increase in depreciation and amortization charges. EBIT margin stood at 54.9 percent for the quarter ended June 30, 2025, from 55.2 percent in the same period in 2024.

2.3.5 Income Before Income Tax and Provision for Income Tax

Consolidated income before income tax increased by 11.4 percent to US\$341.1 million for the quarter ended June 30, 2025 from US\$306.1 million for the same period in 2024 primarily due to higher operating income; and lower interest expense and financing charges on borrowings; partially tapered by the increase in depreciation and amortization charges, and unfavorable translation impact of certain currencies against US dollar.

The ratio of consolidated income before income tax to consolidated gross revenues stood at 44.8 percent and 44.6 percent for the quarter ended June 30, 2024 and 2025, respectively.

Consolidated provision for income taxes increased by 5.6 percent to US\$78.1 million for the quarter ended June 30, 2025 from US\$74.0 million for the same period in 2024 due to higher taxable income. Effective income tax rate for the quarter ended June 30, 2024 and 2025 stood at 24.2 percent and 22.9 percent, respectively.

2.3.6 Net Income and Earnings per Share

Consolidated net income increased by 13.3 percent to US\$263.0 million for the quarter ended June 30, 2025 from US\$232.2 million for the same period in 2024. The ratio of consolidated net income to gross revenues from port operations stood at 33.9 percent and 34.4 percent for the quarters ended June 30, 2024 and 2025, respectively.

Consolidated net income attributable to equity holders increased by 16.0 percent to US\$244.3 million for the quarter ended June 30, 2025 from US\$210.7 million for the same period in 2024.

Basic earnings per share amounted to US\$0.101 and US\$0.119 in 2024 and 2025, respectively. Diluted earnings per share amounted to US\$0.101 and US\$0.119 in 2024 and 2025, respectively.

2.4 Comparison of Operating Results for the Six Months Ended June 30, 2024 and 2025

2.4.1 TEU Volume

The below table presents the volume (in TEU) handled by the Group for the six months ended June 30, 2024 and 2025:

Table 2.8 **Volume**

	For the Six Months Ended June 30		
	2024	2025	% Change
Asia	3,462,657	3,674,372	6.1
Americas	1,687,581	1,957,094	16.0
EMEA	1,161,925	1,357,609	16.8
	6,312,163	6,989,075	10.7

The Group's consolidated volume increased by 10.7 percent to 6,989,075 TEUs for the six months ended June 30, 2025 from 6,312,163 TEUs for the same period in 2024 mainly due to improvement in trade activities across all regions. Excluding impact of new (VCT) and discontinued (OJA) operations, consolidated volume would have increased by 10.6 percent for the six months ended June 30, 2025.

Volume from the Asia segment increased by 6.1 percent to 3,674,372 TEUs for the six months ended June 30, 2025 from 3,462,657 TEUs for the same period in 2024 mainly due to improvement in trade activities across all terminals except YICT, and impact of sale of OJA. Excluding impact of new and discontinued operations, volume from the Asia segment would have increased by 5.8 percent for the six months ended June 30, 2025. The Asia operations captured 54.9 percent and 52.6 percent of the consolidated volume for the six months ended June 30, 2024 and 2025, respectively.

Volume from the Americas segment increased by 16.0 percent to 1,957,094 TEUs for the six months ended June 30, 2025 from 1,687,581 TEUs for the same period in 2024 mainly due to the volume recovery at CGSA; improvement in trade activities largely at CMSA, TSSA and ICTSI Rio. The Americas operations accounted for 26.7 percent and 28.0 percent of the consolidated volume for the six months ended June 30, 2024 and 2025, respectively.

Volume from the EMEA segment increased by 16.8 percent to 1,357,609 TEUs for the six months ended June 30, 2025 from 1,161,925 TEUs for the same period in 2024 mainly due to the improvement in trade activities in almost all of the terminals. The EMEA segment stood at 18.4 percent and 19.4 percent of the consolidated volume for the six months ended June 30, 2024 and 2025, respectively.

2.4.2 Total Income

Table 2.9 Total Income

	For the Six Months Ended June 30		
<i>(In thousands, except % change data)</i>	2024	2025	% Change
Gross revenues from port operations	US\$1,321,673	US\$1,510,048	14.3
Port authorities' share in gross revenues	107,253	137,785	28.5
Net revenues	1,214,420	1,372,263	13.0
Interest income	37,134	28,794	(22.5)
Foreign exchange gain	10,313	11,537	11.9
Equity in net income of joint ventures	—	459	100.0
Other income	29,841	7,361	(75.3)
Total income	US\$1,291,708	US\$1,420,414	10.0

For the six months ended June 30, 2025, net revenues accounted for 96.6 percent of the total consolidated income whereas interest income, foreign exchange gain, equity in net income of joint ventures, and other income represented 2.0 percent, 0.8 percent, 0.1 percent and 0.5 percent, respectively. For the same period in 2024, net revenues accounted for 94.0 percent of the total consolidated income whereas interest income, foreign exchange gain, and other income represented 2.9 percent, 0.8 percent, and 2.3 percent, respectively.

2.4.2.1 Gross Revenues from Port Operations

Gross revenues from port operations include fees received for cargo handling, wharfage, berthing, storage, and special services.

Table 2.10 Gross Revenues from Port Operations

	For the Six Months Ended June 30		
<i>(In thousands, except % change data)</i>	2024	2025	% Change
Asia	US\$536,883	US\$651,879	21.4
Americas	539,408	572,797	6.2
EMEA	245,382	285,372	16.3
	US\$1,321,673	US\$1,510,048	14.3

The Group's consolidated gross revenues from port operations increased by 14.3 percent to US\$1,510.0 million for the six months ended June 30, 2025 from US\$1,321.7 million for the same period in 2024 mainly due to the tariff adjustments, volume growth with favorable container mix, and higher revenues from ancillary services at certain terminals, including growth in general cargo activities; partially tapered by unfavorable translation impact mainly of the depreciation of MXN-based revenues at CMSA, and BRL-based revenues at TSSA and ICTSI Rio. Excluding impact of new (VCT) and discontinued (OJA) operations, consolidated gross revenues would have increased by 13.8 percent for the six months ended June 30, 2025.

Gross revenues from the Asia segment increased by 21.4 percent to US\$651.9 million for the six months ended June 30, 2025 from US\$536.9 million for the same period in 2024 mainly due to the tariff adjustments, volume growth with favorable container mix, and higher revenues from ancillary services in almost all of the Philippine terminals; partially tapered by unfavorable translation impact of foreign currency-denominated revenues against US dollar. Excluding impact of new and discontinued operations, consolidated gross revenues would have increased by 20.5 percent for the six months ended June 30, 2025. The Asia segment captured 40.6 percent and 43.2 percent of the consolidated gross revenues for the six months ended June 30, 2024 and 2025, respectively.

Gross revenues from the Americas segment increased by 6.2 percent to US\$572.8 million for the six months ended June 30, 2025 from US\$539.4 million for the same period in 2024 mainly due to the volume recovery at CGSA; higher revenues from ancillary services and tariff adjustments at certain terminals; partially tapered by unfavorable translation impact of foreign currency-denominated revenues against US dollar. The Americas segment accounted for 40.8 percent and 37.9 percent of the consolidated gross revenues for the six months ended June 30, 2024 and 2025, respectively.

Gross revenues from the EMEA segment increased by 16.3 percent at US\$285.4 million for the six months ended June 30, 2025 from US\$245.4 million for the same period in 2024 mainly due to the volume growth with favorable container mix, and higher revenues from ancillary services in almost all of the terminals. The EMEA operations stood at 18.6 percent and 18.9 percent of the consolidated gross revenues for the six months ended June 30, 2024 and 2025, respectively.

2.4.2.2 Port Authorities' Share in Gross Revenues

Port Authorities' share in gross revenues, which represents the variable fees paid to Port Authorities at certain terminals, other than minimum guaranteed variable fees that were capitalized as part of concession rights and right-of-use assets and are amortized on a straight-line basis over the term of the concession, increased by 28.5 percent to US\$137.8 million for the six months ended June 30, 2025 from US\$107.3 million for the same period in 2024 as a result of higher revenues from these terminals. The Port Authorities' share in gross revenue grew faster than the revenue due to higher revenue growth at terminals with higher variable fees, mainly MICT and CGSA.

2.4.2.3 Interest Income, Foreign Exchange Gain, Equity in Net Income of Joint Ventures, and Other Income

Consolidated interest income decreased by 22.5 percent to US\$28.8 million for the six months ended June 30, 2025 from US\$37.1 million for the same period in 2024 mainly due to the lower average balance of short-term investment and bank deposits.

Foreign exchange gain increased by 11.9 percent to US\$11.5 million for the six months ended June 30, 2025 from US\$10.3 million for the same period in 2024 mainly due to the favorable translation impact of certain currencies against US dollar.

Equity in net income of joint ventures amounted to US\$0.5 million for the six months ended June 30, 2025 mainly due to positive result of operations at SPIA.

Other income decreased by 75.3 percent to US\$7.4 million for the six months ended June 30, 2025 from US\$29.8 million for the same period in 2024 mainly due to nonrecurring income from the settlement of legal claims in 2024.

2.4.3 Total Expenses

The table below shows the breakdown of total expenses for the six months ended June 30, 2024 and 2025:

Table 2.11 Total Expenses

<i>(In thousands, except % change data)</i>	For the Six Months Ended June 30		
	2024	2025	% Change
Manpower costs	US\$176,523	US\$196,353	11.2
Equipment and facilities-related expenses	88,691	95,823	8.0
Administrative and other expenses	84,220	89,551	6.3
Total cash operating expenses	349,434	381,727	9.2
Depreciation and amortization	148,034	158,405	7.0
Interest expense and financing charges on borrowings	81,128	77,459	(4.5)
Interest expense on lease liabilities	70,132	70,330	0.3
Interest expense on concession rights payable	32,235	31,505	(2.3)
Equity in net loss of joint ventures	4,497	–	(100.0)
Foreign exchange loss and others	17,619	20,791	18.0
Total expenses	US\$703,079	US\$740,217	5.3

The Group's cash operating expenses increased by 9.2 percent to US\$381.7 million for the six months ended June 30, 2025 from US\$349.4 million for the same period in 2024 mainly due to volume-driven increase in operating expenses, including increases related to the growth in revenue generating ancillary activities and general cargo services at certain terminals; increase in government-mandated and contracted salary rate adjustments, including benefits; partially tapered by continuous cost optimization measures implemented; and favorable foreign exchange effect mainly of BRL-based expenses at ICTSI Rio and TSSA, and MXN- and Australian Dollars (AUD)-based expenses at CMSA and VICT, respectively. Excluding impact of new and discontinued operations, consolidated cash operating expenses would have increased by 8.8 percent for the six months ended June 30, 2025.

Expense accounts for the six months ended June 30, 2025 with variances of plus or minus 5.0 percent against June 30, 2024 balances are discussed, as follows:

2.4.3.1 Manpower Costs

Manpower costs increased by 11.2 percent to US\$196.4 million for the six months ended June 30, 2025 from US\$176.5 million for the same period in 2024 primarily due to volume-driven increase in headcount and contracted services at certain terminals; and government-mandated and contracted salary rate adjustments, including benefits; partially tapered by net favorable translation impact of foreign currency-denominated manpower costs against US dollar. Excluding impact of new and discontinued operations, consolidated manpower costs would have increased by 10.7 percent for the six months ended June 30, 2025.

Manpower costs accounted for 50.5 percent and 51.4 percent of consolidated cash operating expenses for the six months ended June 30, 2024 and 2025, respectively.

2.4.3.2 Equipment and Facilities-related Expenses

Equipment and facilities-related expenses increased by 8.0 percent to US\$95.8 million for the six months ended June 30, 2025 from US\$88.7 million for the same period in 2024 mainly due to volume/revenue-driven increase in repairs and maintenance, power and fuel consumption, and equipment rentals; partially tapered by continuous cost optimization measures implemented; lower cost of outsourced facilities and services; and net favorable translation impact of foreign currency-denominated equipment and facilities-related expenses against US dollar. Excluding impact of new

and discontinued operations, consolidated equipment and facilities-related expenses would have increased by 7.7 percent for the six months ended June 30, 2025.

Equipment and facilities-related expenses stood at 25.4 percent and 25.1 percent of consolidated cash operating expenses for the six months ended June 30, 2024 and 2025, respectively.

2.4.3.3 Administrative and Other Operating Expenses

Administrative and other operating expenses increased by 6.3 percent to US\$89.6 million for the six months ended June 30, 2025 from US\$84.2 million for same period in 2024 mainly due to increases in revenue-related taxes and licenses, and IT costs; partially tapered by continuous cost optimization measures implemented; lower professional fees; and net favorable translation impact of foreign currency-denominated administrative and other operating expenses against US dollar. Excluding impact of new and discontinued operations, consolidated administrative and other operating expenses would have increased by 6.1 percent for the six months ended June 30, 2025.

Administrative and other operating expenses accounted for 24.1 percent and 23.5 percent of consolidated cash operating expenses for the six months ended June 30, 2024 and 2025, respectively.

2.4.3.4 Depreciation and amortization

Depreciation and amortization increased by 7.0 percent to US\$158.4 million for the six months ended June 30, 2025 from US\$148.0 million for the same period in 2024 mainly due to the commissioning of various port equipment and facilities; and increase in right-of-use asset as a result of remeasurement of lease liabilities and new leased areas, at certain terminals.

2.4.3.5 Equity in Net Loss of Joint Ventures

Equity in net loss of joint ventures amounted to nil for the six months ended June 30, 2025 from US\$4.5 million for the same period in 2024 mainly due to net income position for the period primarily from positive result of operations at SPIA.

2.4.3.6 Foreign Exchange Loss and Others

Foreign exchange loss and others increased by 18.0 percent to US\$20.8 million for the six months ended June 30, 2025 from US\$17.6 million for the same period in 2024 mainly due to unfavorable translation impact of certain currencies against US dollar; partially tapered by nonrecurring loss on sale of OJA in 2024.

2.4.4 EBITDA and EBIT

Consolidated EBITDA increased by 14.5 percent to US\$990.5 million for the six months ended June 30, 2025 from US\$865.0 million for the same period in 2024 mainly due to higher revenues partially tapered by the increase in cash operating expenses. EBITDA margin increased to 65.6 percent for the six months ended June 30, 2025 from 65.4 percent for the same period in 2024. Excluding impact of new and discontinued operations, EBITDA would have increased by 14.2 percent for the six months ended June 30, 2025.

Meanwhile, consolidated EBIT increased by 16.1 percent to US\$832.1 million for the six months ended June 30, 2025 from US\$717.0 million for the same period in 2024 mainly due to higher EBITDA, partially tapered by the increase in depreciation and amortization charges. EBIT margin increased to 55.1 percent for the six months ended June 30, 2025 from 54.2 percent for the same period in 2024. Excluding impact of new and discontinued operations, EBIT would have increased by 15.7 percent for the six months ended June 30, 2025.

2.4.5 Income Before Income Tax and Provision for Income Tax

Consolidated income before income tax increased by 15.6 percent to US\$680.2 million for the six months ended June 30, 2025 from US\$588.6 million for the same period in 2024 primarily due to higher operating income; partially tapered by higher depreciation and amortization charges, and nonrecurring income from settlement of legal claims in 2024. Excluding impact of nonrecurring income and charges, and new and discontinued operations, consolidated income before income tax would have increased by 19.2 percent for the six months ended June 30, 2025.

The ratio of consolidated income before income tax to consolidated gross revenues stood at 44.5 percent and 45.0 percent for the six months ended June 30, 2024 and 2025, respectively.

Consolidated provision for income taxes increased by 23.3 percent to US\$156.1 million for the six months ended June 30, 2025 from US\$126.7 million for the same period in 2024. Effective income tax rate for the six months ended June 30, 2024 and 2025 stood at 21.5 percent and 23.0 percent, respectively. Increase in the provision for income taxes and effective income tax rate from prior period is due to higher taxable income at certain terminals operating in jurisdictions with higher tax rates.

2.4.6 Net Income

Consolidated net income increased by 13.4 percent to US\$524.1 million for the six months ended June 30, 2025 from US\$462.0 million for the same period in 2024. The ratio of consolidated net income to gross revenues stood at 35.0 percent and 34.7 percent for the six months ended June 30, 2024 and 2025, respectively. Excluding impact of nonrecurring income and charges, and new and discontinued operations, consolidated net income would have increased by 17.9 percent for the six months ended June 30, 2025.

Consolidated net income attributable to equity holders increased by 15.0 percent to US\$483.8 million for six months ended June 30, 2025 from US\$420.6 million for the same period in 2024. Excluding impact of nonrecurring income and charges, and new and discontinued operations, consolidated net income attributable to equity holders would have increased by 20.0 percent for the six months ended June 30, 2025.

Basic earnings per share increased to US\$0.236 in 2025 from US\$0.201 in 2024. Diluted earnings per share increased to US\$0.235 in 2025 from US\$0.200 in 2024.

2.5 Trends, Events or Uncertainties Affecting Revenues and Profits

The Group is exposed to a number of trends, events, and uncertainties which can affect its recurring revenues and profits. These include levels of general economic activity and containerized trade volume in countries where it operates, as well as certain cost items, such as labor, fuel, and power. In addition, the Group operates in a number of jurisdictions other than the Philippines and collects revenues in various currencies. Fluctuation of the US dollar relative to other major currencies may adversely affect the Group's reported levels of revenues and profits.

For further details please refer to Note 16 *Other Matters* to the Unaudited Interim Condensed Consolidated Financial Statements.

2.6 Financial Position

Table 2.12 Interim Condensed Consolidated Balance Sheets

	December 31, 2024 <i>(Audited)</i>	June 30, 2025 <i>(Unaudited)</i>	% Change
<i>(In thousands, except % change data)</i>			
Total assets	US\$7,649,352	US\$7,867,074	2.8
Current assets	1,624,425	1,354,101	(16.6)
Total equity	1,904,127	1,879,221	(1.3)
Total equity attributable to equity holders of the parent	1,569,673	1,541,430	(1.8)
Total interest-bearing debt	2,654,324	2,662,632	0.3
Current liabilities	1,169,018	1,296,799	10.9
Total liabilities	5,745,225	5,987,853	4.2
Current assets/total assets	21.2%	17.2%	
Current ratio	1.39	1.04	
Debt-equity ratio ¹	1.39	1.42	

¹ Debt includes interest-bearing debt. Equity means Total Equity as shown in the consolidated balance sheets.

Total assets increased by 2.8 percent to US\$7,867.1 million as at June 30, 2025 from US\$7,649.4 million as at December 31, 2024 mainly due to the increase in property and equipment primarily due to the acquisition of FII Inhaúma, construction of various civil works, and acquisitions of terminal equipment; partially tapered by the decrease in cash and cash equivalents.

Current assets decreased by 16.6 percent to US\$1,354.1 million as at June 30, 2025 from US\$1,624.4 million as at December 31, 2024 mainly due to the decrease in cash and cash equivalents driven by the payment of dividends; payments for capital expenditures; and payment of interest on lease liabilities, concession rights payable and borrowings; partially tapered by the cash generated from operations.

Total equity decreased by 1.3 percent to US\$1,879.2 million as at June 30, 2025 from US\$1,904.1 million as at December 31, 2024 primarily due to the declaration of dividends; and acquisition of treasury stocks; partially tapered by the net income generated during the period.

Total liabilities increased by 4.2 percent to US\$5,987.9 million as at June 30, 2025 from US\$5,745.2 million as at December 31, 2024 mainly due to the recognition of put option liability relating to the acquisition of FII Inhaúma; increase in lease liabilities as a result of remeasurement of lease payments and new leased areas; and higher accounts payable and other current liabilities.

Current liabilities increased by 10.9 percent to US\$1,296.8 million as at June 30, 2025 from US\$1,169.0 million as at December 31, 2024 mainly due to reclassification of loans maturing within the next 12 months, from noncurrent to current; and higher accounts payable and other current liabilities; partially tapered by the settlement of short-term loans.

2.6.1 Material Variances Affecting the Balance Sheet

Balance sheet accounts as at June 30, 2025 with variances of plus or minus 5.0 percent against December 31, 2024 balances are discussed, as follows:

Noncurrent Assets

1. Property and equipment increased by 21.1 percent to US\$2,262.7 million mainly due to the marine property as a result of acquisition of FII Inhaúma, construction of various civil works, and purchase of terminal equipment and land.
2. Other noncurrent assets increased by 14.2 percent to US\$269.6 million as at June 30, 2025 primarily due to higher advances to contractors and suppliers for capital expenditures; higher input tax; and deposits for future investments.

Current Assets

3. Cash and cash equivalents decreased by 14.1 percent to US\$952.8 million as at June 30, 2025 mainly due to the payment of dividends; payments for capital expenditures; and payment of interest on lease liabilities, concession rights payable and borrowings; partially tapered by the cash generated from operations; and maturity of short-term investments.
4. Receivables increased by 8.3 percent to US\$208.5 million as at June 30, 2025 primarily due to higher revenues from port operations.
5. Current portion of derivative assets decreased by 26.3 percent to US\$7.0 million as at June 30, 2025 mainly due to unfavorable market valuation adjustment of interest rate swaps.
6. Spare parts and supplies increased by 9.0 percent to US\$64.8 million as at June 30, 2025 mainly due to acquisition of spare parts associated with operational requirements.
7. Prepaid expenses and other current assets decreased by 52.4 percent to US\$120.9 million as at June 30, 2025 mainly due to the maturity of short-term investments that were reclassified to cash and cash equivalents.

Equity

8. Treasury stock increased by 64.5 percent to US\$129.9 million as at June 30, 2025 due to acquisition of 10.2 million of the Company's own shares of common stock.
9. Excess of consideration over the carrying value of non-controlling interests acquired or disposed increased by 13.8 percent to US\$193.4 million as at June 30, 2025 due to the recognition of put option liability relating to the acquisition of FII Inhaúma.
10. Other comprehensive loss - net decreased by 25.0 percent to US\$212.0 million as at June 30, 2025 mainly due to the net favorable exchange differences on translation of foreign operations' accounts partially tapered by unfavorable impact on market valuation of derivatives.

Noncurrent Liabilities

11. Noncurrent portion of derivative liabilities amounted to US\$14.5 million as at June 30, 2025 pertains to market valuation of interest rate swaps.
12. Other noncurrent liabilities increased to US\$151.1 million as at June 30, 2025 mainly due to the recognition of put option liability relating to the acquisition of FII Inhaúma.

Current Liabilities

13. Loans payable amounted to nil as at June 30, 2025 due to the full settlement of short-term loans.
14. Accounts payable and other current liabilities increased by 11.6 percent to US\$504.0 million as at June 30, 2025 mainly due to the increase in output and other taxes payable driven by higher revenues; increase in liabilities for operating expenses, including accrued interest expense; and dividends payable.
15. Current portion of long-term debt increased by 58.0 percent to US\$655.6 million as at June 30, 2025 due to reclassification of loans maturing within the next 12 months, from noncurrent to current.
16. Current portion of lease liabilities increased by 19.8 percent to US\$51.2 million as at June 30, 2025 due to higher scheduled lease payments within the next 12 months.
17. Income tax payable increased by 12.3 percent to US\$69.8 million as at June 30, 2025 mainly due to revenue-driven higher taxable income at certain terminals.
18. Current portion of derivative liabilities amounted to nil as at June 30, 2025 due to settlement of all cross-currency swaps in March 2025.

2.7 Liquidity and Capital Resources

This section discusses the Group's sources and uses of funds as well as its debt and equity capital profile.

2.7.1 Liquidity

The table below shows the Group's consolidated cash flows as at June 30, 2024 and 2025:

Table 2.13 Consolidated Cash Flows

<i>(In thousands, except % change data)</i>	For the Six Months Ended June 30		
	2024	2025	% Change
Net cash provided by operating activities	US\$787,396	US\$808,630	2.7
Net cash used in investing activities	(133,209)	(180,392)	35.4
Net cash used in financing activities	(462,210)	(813,781)	76.1
Effect of exchange rate changes on cash and cash equivalents	(15,974)	29,317	(283.5)
Net increase (decrease) in cash and cash equivalents	176,003	(156,226)	(188.8)
Cash and cash equivalents, beginning	716,104	1,109,073	54.9
Cash and cash equivalents, end	US\$892,107	US\$952,847	6.8

Consolidated cash and cash equivalents was higher by 6.8 percent to US\$952.8 million as at June 30, 2025 from US\$892.1 million for the same period in 2024, mainly due to higher cash generated from operations; partially tapered by net cash used in financing activities.

Net cash provided by operating activities increased by 2.7 percent to US\$808.6 million for the six months ended June 30, 2025 from US\$787.4 million for the same period in 2024, primarily due to positive results of operations in 2025.

Net cash used in investing activities increased by 35.4 percent to US\$180.4 million for the six months ended June 30, 2025 from US\$133.2 million for the same period in 2024, mainly due to the acquisition of FII Inhaúma, as well as higher capital expenditures spent for ongoing expansions, from US\$185.7 million in 2024 to US\$232.0 million in 2025; partially tapered by the maturity of short-term investments.

Net cash used in financing activities increased by 76.1 percent to US\$813.8 million for the six months ended June 30, 2025 from US\$462.2 million for the same period in 2024, mainly due to higher dividend payment, and lower borrowings.

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2.7.2 Capital Resources

The table below illustrates the Group's capital sources as at December 31, 2024 and June 30, 2025:

Table 2.14 Capital Sources

<i>(In thousands, except % change data)</i>	December 31, 2024	June 30, 2025	% Change
	<i>(Audited)</i>	<i>(Unaudited)</i>	
Loans payable	US\$167,505	US\$–	(100.0)
Current portion of long-term debt	414,944	655,574	58.0
Long-term debt, net of current portion	2,071,875	2,007,058	(3.1)
Total short and long-term debt	2,654,324	2,662,632	0.3
Equity	1,904,127	1,879,221	(1.3)
Total debt and equity capital	US\$4,558,451	US\$4,541,853	(0.4)

The Group's total debt and equity capital decreased by 0.4 percent as at June 30, 2025 primarily due to the declaration of dividends; partially tapered by the net income generated during the period.

2.7.2.1 Debt Financing

The table below is a summary of long-term debt maturities, gross of unamortized debt issuance costs, of the Group as at June 30, 2025:

Table 2.15 Outstanding Long-Term Debt Maturities

	Amount
2025 ⁽ⁱ⁾	US\$408,519
2026	259,945
2027	144,037
2028	93,470
2029 onwards	1,777,760
Total	US\$2,683,731

⁽ⁱ⁾ July 1, 2025 through December 31, 2025

The average duration of the Group's long-term debt was extended by the availment of the US\$450.0 million six-year term loan in January 2024 and US\$100.0 million seven-year term loan each in December 2024 and April 2025. As a result, 85% of the Group's long-term debt will mature in 2026 and beyond.

Details of the Group's outstanding loans are disclosed in Note 10, *Long-term Debt and Loans Payable* to the Unaudited Interim Condensed Consolidated Financial Statements.

2.7.2.2 Loan Covenants

The loans from local and foreign banks impose certain restrictions with respect to corporate reorganization, disposition of all or a substantial portion of ICTSI's and subsidiaries' assets, acquisitions of futures or certain class of stocks, and extending loans to others, except in the ordinary course of business. ICTSI is also required to comply with a specified financial ratio relating to its debt to EBITDA of up to 4 times when acquiring additional debt.

There was no material change in the covenants related to the Group's long-term debts. As at June 30, 2025, ICTSI and subsidiaries were in compliance with their loan covenants.

There were no other significant transactions pertaining to the Group's long-term debt as at June 30, 2025, except as discussed in Note 10 *Long-term Debt and Loans Payable* to the Unaudited Interim Condensed Consolidated Financial Statements.

2.7.2.3 Equity Financing

Perpetual Capital Securities

RCBV engaged in a series of financial transactions involving the issuance, redemption, and consolidation of Senior Guaranteed Perpetual Capital Securities ("Securities"). These Securities are unconditionally and irrevocably guaranteed by ICTSI and were used to refinance existing debts, fund capital expenditures, and support general corporate purposes.

As at June 30, 2025, the carrying value of the outstanding perpetual capital securities amounted to US\$295.1 million.

2.8 Risks

ICTSI and its subsidiaries' geographically diverse operations expose the Group to various market risks, particularly foreign exchange risk, interest rate risk and liquidity risk, which movements may materially impact the financial results of the Group. The importance of managing these risks has

significantly increased in light of the heightened volatility in both the Philippine and international financial markets.

With a view to managing these risks, the Group has incorporated a financial risk management function in its organization, particularly in the treasury operations.

2.8.1 Foreign Exchange Risk

The Group has geographically diverse operations and transacts in currencies other than its functional currency. Consequently, the Group is exposed to the risk of fluctuation of the exchange rates between the US dollar and other local currencies such as PHP, MXN, BRL, AUD and EUR that may adversely affect its results of operations and financial position. The Group attempts to match its revenues and expenses whenever possible and, from time to time, engages in hedging activities. Changes in exchange rates affect the US dollar value of the Group's revenues and costs that are denominated in foreign currencies.

The Group's non-US dollar currency-linked revenues was 61.8 percent and 59.3 percent of gross revenues for the periods ended June 30, 2024 and 2025, respectively. Foreign currency-linked revenues include the following: (1) arrastre charges of MICT; and (2) non-US dollar revenues of international subsidiaries. ICTSI incurs expenses in foreign currency for the operating and start-up requirements of its international subsidiaries. Concession and lease fees payable to port authorities in certain countries are either denominated in or linked to the US dollar.

The table below provides the currency breakdown of the Group's revenue for the six months ended June 30, 2025:

Table 2.16 Revenue Currency Profile

Business Unit	USD/EUR Composition	Local Currency
MICT	47% USD	53% PHP
MNHPI		100% PHP
SBITC/ICTSI Subic	44% USD	56% PHP
MCT	51% USD	49% PHP
VCT	30% USD	70% PHP
SCIPSI		100% PHP
MMT	35% USD	65% PHP
BIPI	33% USD	67% PHP
LGICT	19% USD	81% PHP
CGT		100% PHP
VICT		100% AUD
PNG		100% PGK
YICT		100% RMB
EJMT		100% IDR
CMSA	20% USD	80% MXN
OPC	100% USD	
TSSA		100% BRL
ICTSI Rio	51% USD	49% BRL
CGSA	100% USD	
TecPlata	100% USD	
IRB Logistica		100% BRL
CLIA Pouso Alegre	58% USD	42% BRL
MGT	100% USD	
BGT	55% USD	45% IQD
MICTSL	100% EUR	
BCT	72% USD/2% EUR	26% PLN
AGCT	100% EUR	
OMT	61% USD	39% NGN
BICTL	100% USD	
KMT	100% EUR	

2.8.2 *Interest Rate Risk*

The Group's exposure to market risk for changes in interest rates (cash flow interest rate risk) relates primarily to the Group's bank loans and is addressed by a periodic review of the Group's debt mix with the objective of reducing interest cost and maximizing available loan terms. The Group also enters into interest rate swap agreements in order to manage its exposure to interest rate fluctuations.

2.8.3 *Liquidity Risk*

The Group manages its liquidity profile to be able to finance its working capital and capital expenditure requirements through internally generated cash and proceeds from debt and/or equity. As part of the liquidity risk management, the Group maintains strict control of its cash and makes sure that excess cash held by subsidiaries are up streamed in a timely manner to the Parent Company. The Group also monitors the receivables and payables turnover to ensure that these are at optimal levels. In addition, it regularly evaluates its projected and actual cash flow information and continually assesses the conditions in the financial market to pursue fund raising initiatives. These initiatives may include accessing short-term and long-term bank loan facilities, project finance loans/bonds and the capital markets.

ICTSI monitors and maintains a level of cash and cash equivalents and bank credit facilities deemed adequate to finance the Group's operations, ensure continuity of funding and to mitigate the effects of fluctuations in cash flows.

There are no other known trends, demands, commitments, events or uncertainties that will materially affect the Group's liquidity.

PART II – OTHER INFORMATION

There are no other information not previously reported in SEC Form 17-C that need to be reported in this section.

ANNEX 1

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC. AND SUBSIDIARIES

SCHEDULE OF AGING OF RECEIVABLES

As at June 30, 2025

(Unaudited, in Thousands)

	Trade	Advances	Total
Under six months	US\$161,888	US\$18,847	US\$180,735
Six months to one year	2,650	15,697	18,347
Over one year	4,643	4,816	9,459
	US\$169,181	US\$39,360	US\$208,541

ANNEX 2

INTERNATIONAL CONTAINER TERMINAL SERVICES, INC. AND SUBSIDIARIES

FINANCIAL SOUNDNESS INDICATORS

As at and for the Six Months Ended June 30

	2024	2025
Liquidity ratios		
Current ratio ^(a)	1.74	1.04
Interest rate coverage ratio ^(b)	10.66	12.79
Solvency ratios		
Debt to equity ratio ^(c)	1.70	1.42
Asset to equity ratio ^(d)	4.76	4.19
Profitability ratio		
EBITDA margin ^(e)	65.4%	65.6%

^(a) Current assets over current liabilities

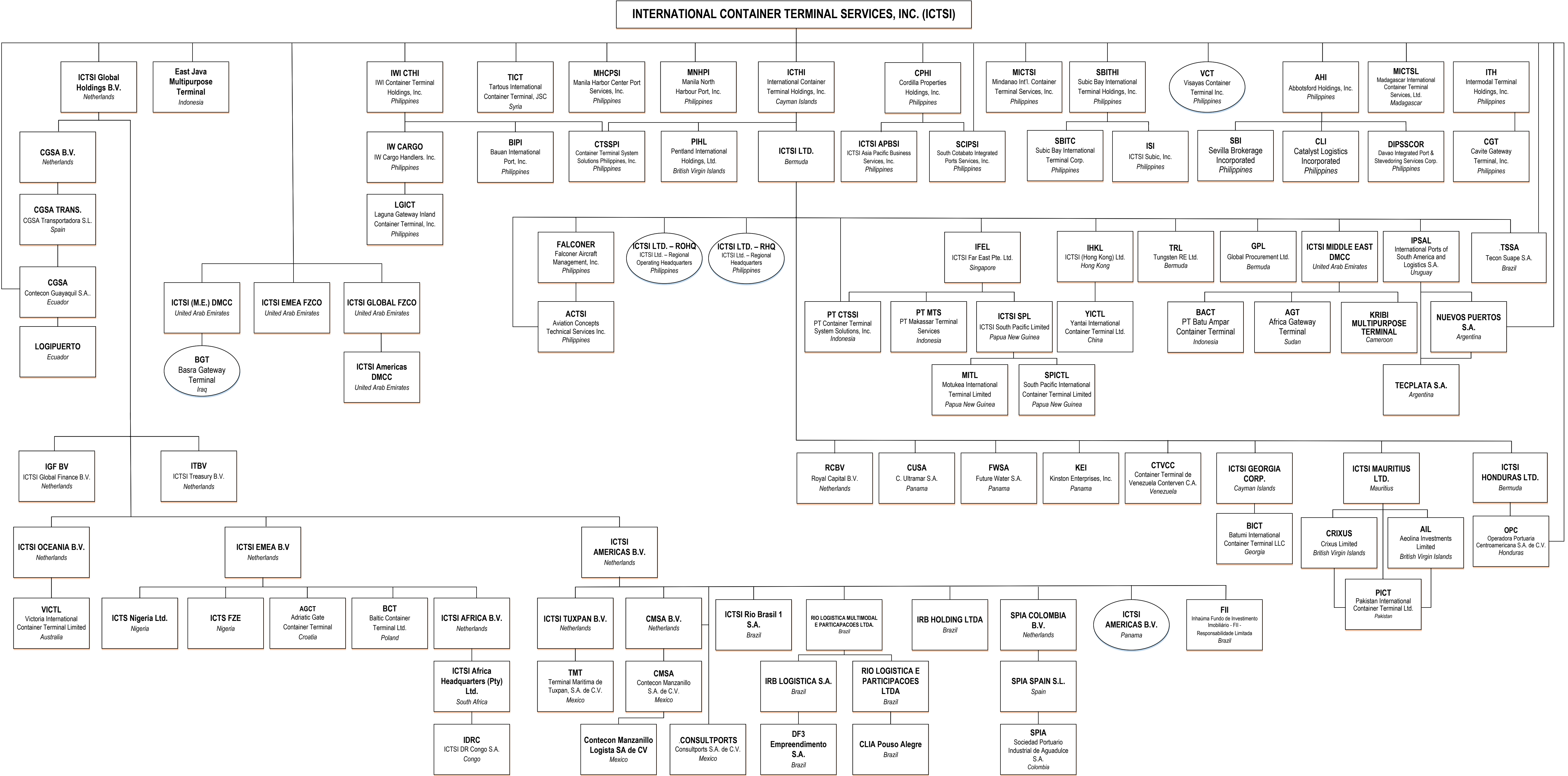
^(b) EBITDA over interest expense and financing charges on borrowings

^(c) Interest-bearing debts over total equity

^(d) Total assets over total equity

^(e) EBITDA over gross revenues from port operations

ICTSI Group – Map of Subsidiaries




SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code, this report is signed on behalf of the registrant, thereunto duly authorized, in the City of Manila on August 1, 2025.


Registrant: **INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.**

By:



Emilio Manuel V. Pascua
Senior Vice President, Chief Financial Officer and
Chief Risk Officer

August 1, 2025



Arlyn L. McDonald
Vice President, Global Financial Controller

August 1, 2025