



บริษัท อาร์ ซี แอล จำกัด (มหาชน)  
Regional Container Lines Public Company Limited

TRANSLATION

Ref. No. RCL 029 / 2021

August 13<sup>th</sup>, 2021

Subject : Explanation on 2<sup>nd</sup> Quarter 2021 Operation Result  
To : The Managing Director of the Stock Exchange of Thailand

2Q21 proved to be another impressive quarter for the container shipping industry as RCL posted a profit of THB 3.2 billion, 14-time of what was seen in the same quarter last year.

A surge of demand for durable goods and medical supplies, triggered by COVID-19, had continued into the 2nd quarter. In addition, container and ship insufficiency and port congestion have magnified the impact of this phenomenon. Also, RCL had taken swift actions adjusting deployment to capture the opportunity. As such, RCL raised the volume handled in 2Q21 by 15% from last year, totaling up to 535,000 TEUs.

The average freight rate per TEU had improved by an astonishing 76% from the 2Q20. A synchronize development of volume and freight rate had elevated total revenue in 2Q21 to THB 7.9 billion, double that of 2Q20.

Operational cost, unavoidably, has been soaring due to the same synopsis. A charter market rate has reached a historical high. Additionally, 2Q21 fuel oil consumption was 30% above 2Q20, while bunker price (in USD) saw a 32% increase over the same period a year earlier. However, deliberate planning, efficient operation, and deployment of RCL operate vessels had limited an overall increase in the cost of freight and operation to only 25% or THB 873 million, despite additional ships deployed and numerous extra voyages sailed. These developments in the 2nd quarter had pounded an already outstanding achievement in 1Q21.

For the first six months, the average freight per TEU was THB 14,266, a 68% hike from a year earlier. With a 10% increase in volume, RCL recorded THB 15 billion of revenue or 86% over the prior year. The growth of revenue outpaced a 14% increase in the total expense. Accumulatively, RCL saw a total profit of THB 6.1 billion in 1H21, from THB 228 million in the same period last year.

The container shipping industry is undeniably in an upcycle. Still, RCL will continue to enhance every aspect's efficiency, ensuring sustainable growth and business stability.

Please be informed accordingly.

Sincerely yours,

(Company's seal)

(Signed)

(Mr.Sumate Tanthuanit)  
Managing Director