



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

-TRANSLATION-

Ref No. RCL 023/2022

November 11th, 2022

Subject: Explanation on 3rd Quarter 2022 Operation Result

To: The President

The Stock Exchange of Thailand

RCL (Regional Container Lines, PCL) posts THB 22,009 million net profit in the first nine months of 2022, representing an increase of THB 12,147 million or 123% growth over the same period last year, mainly contributed by 77% increase in total revenue with a majority from freight income (74%) while total expense increase was capped at 47%. Total lifting for the nine-month period rose 4% whereas the average freight increased 67% over the previous year.

For Q3 2022, the net profit is still robust at THB 6,428 million, with THB 2,697 million or 72% increase over that of Q3 2021. Total revenue for the quarter continued to increase 53% with the lifting growth of 3% while total cost increased 41% from the same period last year.

However, when compared to Q2 2022, the net profit for Q3 2022 went down to THB 6,428 million from THB 7,358 million or 13% lower, with main attributing factors from costs, especially the bunker, which went up 14% whereas the average freight rate per TEU went down only 4% with 10% increase in lifting.

In the third quarter, there were several adverse developments affecting the container shipping market, namely severe disruption in supply chains, some continued COVID-19 lockdowns, intense geopolitical conflicts, high bunker prices and global inflation. A combination of these adverse factors led to the fall in freight rates and big increases in costs.

With careful service rearrangements, the company managed to maintain its Q3 2022 revenue at THB 14,258 million, a slight increase from Q2 2022. In addition, the revenue in Q2 2022 included some THB 770 million of extra gain from the sale of assets in that quarter. Amid the disruptive conditions mentioned above, the total expense for Q3 2022 went up by 14% and thus reducing the profit for the period by 13%.

Notwithstanding the container shipping industry has faced all those challenges which led to slower global growth in the second half of this year, with strategic adjustment and strict cost control, RCL has been able to maintain the performance at a high level for Q3 2022. These financial results exceed even our own expectation.



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Finally, RCL is proud to report that on October 21, 2022, the company had a naming ceremony for two 12,000 TEU ships, its largest container ships ever, at Imabari Shipbuilding Co. in Hiroshima, Japan. The two vessels have been named Santi Bhum and Thanya Bhum, respectively. Santi Bhum will enter our fleet in the fourth quarter of this year, whereas Thanya Bhum will be in the first quarter of 2023. Both vessels have been entered into a time charter agreement with a third party.

Please be informed accordingly,

Yours faithfully,

-signed-

Mr. Twinchok Tanthuwatit

President

Company Secretary Unit

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