



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

TRANSLATION

Ref. No. RCL 023 / 2020

August 14th, 2020

Subject : Explanation on 2nd Quarter 2020 Operation Result
To : The Managing Director of the Stock Exchange of Thailand

The impacts of the COVID-19 to the global economy have been felt widely throughout the 2nd quarter of the year. As the number of infection cases rose every day, more and more countries went into lock down, seizing majority of economic activities and trading. The implementation of those restrictions and measures have further deteriorated demand for shipping.

RCL has put efforts in place to mitigate the impacts from this economic slow-down through, for example, special port calls and extra voyage arrangements where cargoes existed. However, container volume handled in Q2 2020 was down by 15% from a year earlier to 465,000 TEU. In contrast to this lower cargo volume, freight income per TEU improved by 8%. Thanks to such improvement, the decline of total revenue was hence limited to only 9%, reporting at THB 3,928 Mil.

From the aforementioned circumstances, RCL continues to execute various actions to control our operational cost through a better capacity optimization, cargo operation arrangements, and box management. Combining with a 37% better bunker expense, the cost of freight and operation improved by 13%. Therefore, RCL's total expense was trimmed down by 13%, compared with the same period in the preceding year, to a total of THB 3,654 Mil.

Amid those difficult operating environments, RCL is, however, pleased to report a net profit of THB 215 Mil for Q2 2020, which may be considered as a significant development compared to a net profit of THB 11 Mil reported in the same period last year. This has brought our first six months result to a net profit of THB 228 Mil.

Please be informed accordingly

Sincerely yours,

(Company's Seal)

(Signed)

(Mr.Sumate Tanthuanit)
Managing Director