



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

Press Release for Financial Results 31 March 2022

RCL is pleased to announce once again a record-breaking profit of THB 8,223 mil for Q1 2022. Despite being a slack quarter, this result was 1% higher than Q4 2021. Excluding the impairment gains, it was even higher by 13% or THB 950 mil.

The Q1 2022 profit represents a 180% growth from the same period in 2021. The volume handled grew by 11% to above 572,000 TEUs. In addition, prolonging port congestion and hence reduced global capacity led to an 86% upsurge in freight income per TEU to more than THB 25,000. These translate into a 106% increase in revenue. Compared to a peak period of Q4 2021, the income presented a 2% growth (or 13%, exclusive of impairment gains.)

As geopolitical tension intensified, crude oil prices increased tremendously, steering up the bunker prices by at least some 60% since March 2021. However, RCL has taken necessary actions to mitigate the impact while keeping service levels acceptable and still able to expand its business activities. These measures managed to contain the increases in expense to 56% over Q12021 and a mere 2% over Q4 2021 respectively, and hence produce this amazing performance for Q1 2022.

In summary, RCL has successfully managed to optimize its service networks to ensure stable revenue growth and efficiently contain the rise in expenses, while expanding its fleet and business activities for further future growth

20 May 2022

Founded in 1979, RCL is a Thai based container shipping line. Listed on the Thai Stock Exchange since 1988, its core business is in the carriage of Shipper owned containers (SOC) and its own Carrier container containers (COC) in a service network that is fully Asia centric. RCL currently owns and operates a fleet of 45 vessels with sizes ranging between 388 TEUs and 6310 TEUs. It also has a fleet of 144,399 TEUs to support its own COC carriage as well. RCL operates a network of 69 offices made up of both owned and agency partner offices to support its operations. Today, RCL is recognised as amongst the leading SOC and Intra Asian operator by both peers and customers alike.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN THAI BAHT MILLION

(million baht)

	1st Quarter 2021	Half-Year 2021	9 months 2021	Year-End 2021	1st Quarter 2022
Freight income	7,138.4	15,015.2	24,316.6	37,979.0	14,715.4
Cost of freight and operations	(3,866.4)	(8,182.3)	(13,368.8)	(19,176.2)	(6,094.8)
Gross Profit	3,272.0	6,832.9	10,947.8	18,802.8	8,620.6
Gross Profit Margin	45.8%	45.5%	45.0%	49.5%	58.6%
Other income	39.1	75.2	110.9	168.1	51.1
Gain on exchange	19.7	25.6	8.3	43.0	64.3
Gain on sale of assets	1.2	4.9	19.6	24.6	2.7
Reversal of loss on impairment of assets	0.0	0.0	0.0	835.3	0.0
Total other income	60.0	105.7	138.8	1,071.0	118.1
Admin expenses	(341.6)	(713.2)	(1,089.3)	(1,688.6)	(471.5)
Unrealised (Gain) / loss from changes in the fair value of Derivatives	2.3	2.1	2.6	9.2	11.4
Doubtful debt / (Reversal of doubtful debt)	0.0	0.0	0.4	(1.9)	(2.2)
Loss on impairment of Vessels and equipment, net	0.0	0.0	0.0	0.0	0.0
Total other expenses	(339.3)	(711.1)	(1,086.3)	(1,681.3)	(462.3)
Interest expenses	(48.9)	(91.3)	(127.4)	(197.4)	(51.1)
Profit / (loss) before taxation	2,943.9	6,136.3	9,873.0	17,995.2	8,225.4
Income tax	(2.8)	(6.9)	(13.2)	(18.7)	(3.1)
Profit / (loss) after taxation	2,941.1	6,129.4	9,859.8	17,976.5	8,222.3
Minority interest	0.5	1.2	2.8	(3.7)	0.3
Net profit / (loss) attributable to members	2,941.6	6,130.6	9,862.6	17,972.8	8,222.6

COMPUTATION OF EBITDA

Profit / (loss) before taxation	2,943.9	6,136.3	9,873.0	17,995.2	8,225.4
Add: Impairment loss of assets	0.0	0.0	0.0	0.0	0.0
Less: Reversal of impairment loss of assets	0.0	0.0	0.0	(835.3)	0.0
Less: Unrealised (Gain) / Loss from changes in fair value of derivatives	(2.3)	(2.1)	(2.6)	(9.2)	(11.4)
Add: Interest	48.9	91.3	127.4	197.4	51.1
EBIT	2,990.5	6,225.5	9,997.8	17,348.1	8,265.1
Add: Amortisation	0.1	0.3	0.5	0.7	0.2
Add: Depreciation	368.9	930.8	1,602.0	2,610.6	835.5
EBITDA	3,359.5	7,156.6	11,600.3	19,959.4	9,100.8

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
THAILAND

INTERIM FINANCIAL STATEMENTS
FOR THE THREE - MONTH PERIOD ENDED 31 MARCH 2022
AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

EXPRESSED IN
THAI BAHT



A. M. T. & Associates

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

**To The Shareholders and Board of Directors of
Regional Container Lines Public Company Limited**

I have reviewed the accompanying consolidated statement of financial position of Regional Container Lines Public Company Limited and its subsidiaries as of 31 March 2022, the related consolidated statements of changes in equity, income, comprehensive income and cash flows for the three - month period ended 31 March 2022, as well as the condensed notes to the consolidated financial statements, and I have also reviewed the separate financial information for the same period of Regional Container Lines Public Company Limited. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of review

I conducted my reviews in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34 "Interim Financial Reporting".




(NATSARAK SAROCHANUNJEEN)
Certified Public Accountant
Registration No. 4563

A.M.T. & ASSOCIATES
Bangkok, Thailand
13 May 2022

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position
As at 31 March 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 March 2022 (Unaudited but reviewed)	As at 31 December 2021 (Audited)	As at 31 March 2022 (Unaudited but reviewed)	As at 31 December 2021 (Audited)
Assets					
Current assets					
Cash and cash equivalents		13,846,976	9,750,258	2,059,431	278,398
Trade receivables - unrelated parties		4,838,253	4,497,003	16,161	59,500
Less: allowance for doubtful accounts		(60,274)	(60,508)	-	-
Trade receivables - unrelated parties, net	4	4,777,979	4,436,495	16,161	59,500
Trade receivables - related parties	4 and 14	325,966	355,284	204,878	982,464
Dividend receivables	6	-	-	-	229,276
Other receivables	14	426,961	396,505	56,064	50,252
Material supplies		694,964	553,608	21,696	17,872
Other current financial assets	5	13,199	1,694	13,199	1,694
Other current assets	14	65,034	69,068	260	491
Total current assets		20,151,079	15,562,912	2,371,689	1,619,947
Non - current assets					
Other non - current financial assets		11,303	11,350	-	-
Property investments held for investment		5,007	5,066	-	-
Investments in subsidiaries, net	6	-	-	8,405,743	8,440,316
Investments in associates	7.1	294,124	301,013	55,620	55,849
Investments in joint ventures	7.2	174,022	151,486	-	-
Other non - current receivables		11,709	11,758	-	-
Property and premises, net	8.1 and 11	346,766	350,699	48,284	48,482
Vessels and equipment, net	8.2 and 11	14,858,418	15,159,610	6,145,517	6,220,497
Right - of - use assets, net	9	5,260,284	4,745,731	4,458	5,371
Intangible assets, net	10	1,475	1,675	-	-
Other non - current assets					
- Payment of advances for vessels and equipment	17.1 (c) and (d)	4,928,187	2,403,514	11,910	38,551
- Others	15	8,604	8,469	2,252	2,268
Total non - current assets		25,899,899	23,150,371	14,673,784	14,811,334
Total assets	19	46,050,978	38,713,283	17,045,473	16,431,281



The accompanying notes to interim financial statements are an integral part of these interim financial statements.


..... DIRECTOR

Mr. Twinchok Tanthuanit
Director


..... DIRECTOR

Mr. Sutep Tranantasin
Director


Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position
As at 31 March 2022

(Unit: Thousand Baht)


	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade payables - unrelated parties		5,150,975	5,767,073	53,089	74,146
Trade payables - related parties	14	25,723	28,319	-	-
Other payables					
- Accrued expenses		412,996	718,221	195,485	288,332
- Advance receipt	14	-	-	7,833,954	6,937,553
- Payable on purchase of assets		68,671	153,018	27,099	42,898
- Revenue Department payable		35,494	144,647	1,191	109,641
Current portion of long - term loans	11	184,861	351,843	42,688	209,117
Current portion of lease liabilities	12	2,015,166	1,961,551	3,462	3,494
Income tax payable		2,265	4,130	-	-
Other current liabilities		180,159	179,497	-	-
Total current liabilities		8,076,310	9,308,299	8,156,968	7,665,181
Non - current liabilities					
Long - term loans, net of current portion	11	473,379	522,912	167,036	179,543
Lease liabilities - net of current portion	12	3,343,028	2,899,105	1,048	1,891
Deferred tax liabilities	15	8,784	8,857	-	-
Provisions for employee benefits	13	63,718	61,048	59,641	57,177
Total non - current liabilities		3,888,909	3,491,922	227,725	238,611
Total liabilities	19	11,965,219	12,800,221	8,384,693	7,903,792



The accompanying notes to interim financial statements are an integral part of these interim financial statements.


.....
Mr. Twinchok Tanthuanit
Director

DIRECTOR


.....
Mr. Sutep Tranantasri
Director

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position
As at 31 March 2022

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Shareholders' equity				
Share capital				
Registered				
	828,750	828,750	828,750	828,750
828,750,000 ordinary shares of Baht 1 each				
Issued and fully paid - up				
	828,750	828,750	828,750	828,750
828,750,000 ordinary shares of Baht 1 each				
Share premium				
	4,982,964	4,982,964	4,982,964	4,982,964
Retained earnings				
Appropriated - legal reserve				
	82,875	82,875	82,875	82,875
Unappropriated				
	27,521,827	19,299,267	2,762,532	2,595,456
Other components of equity				
	662,306	711,806	3,659	37,444
Total equity of parent Company's shareholders				
	34,078,722	25,905,662	8,660,780	8,527,489
Non - controlling interests				
	7,037	7,400	-	-
Total shareholders' equity				
	34,085,759	25,913,062	8,660,780	8,527,489
Total liabilities and shareholders' equity				
19	46,050,978	38,713,283	17,045,473	16,431,281




The accompanying notes to interim financial statements are an integral part of these interim financial statements.



Mr. Twinchok Tanthuwant
 Director

DIRECTOR



Mr. Sutep Tranantasin
 Director

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries
Statements of changes in equity
For the three - month period ended 31 March 2022

(Unit: Thousand Baht)

	Consolidated financial statements							
	Equity holders of parent company				Other components of equity			
	Issued and fully paid - up share capital	Share premium	Retained earnings Appropriated - legal reserve	Unappropriated	Other comprehensive income (loss) Exchange differences on translating financial statement	Total equity of the parent Company's shareholder	Non - controlling interests	Total shareholder's equity
Balance as at 1 January 2021	828,750	4,982,964	71,300	4,238,684	(1,053,842)	9,067,856	5,976	9,073,832
Total comprehensive income (loss) for the period	-	-	-	2,941,578	486,910	3,428,488	(365)	3,428,123
Balance as at 31 March 2021	828,750	4,982,964	71,300	7,180,262	(566,932)	12,496,344	5,611	12,501,955
Balance as at 1 January 2022	828,750	4,982,964	82,875	19,299,267	711,806	25,905,662	7,400	25,913,062
Total comprehensive income (loss) for the period	-	-	-	8,222,560	(49,500)	8,173,060	(363)	8,172,697
Balance as at 31 March 2022	828,750	4,982,964	82,875	27,521,827	662,306	34,078,722	7,037	34,085,759



The accompanying notes to interim financial statements are an integral part of these interim financial statements.

Mr. Wuthichok Ianthuwanit
 Director

Mr. Sutep Trananiasin
 Director

.....DIRECTOR

.....DIRECTOR

(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries
Statements of changes in equity (continued)
For the three - month period ended 31 March 2022

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and fully paid - up share capital	Retained earnings		Other components of equity		Total shareholder's equity
		Appropriated - legal reserve	Unappropriated	Exchange differences on translating financial statement	Other comprehensive income (loss)	
Balance as at 1 January 2021	828,750	4,982,964	71,300	1,219,871	(818,736)	6,284,149
Total comprehensive income (loss) for the period	-	-	-	10,663	270,486	281,149
Balance as at 31 March 2021	828,750	4,982,964	71,300	1,230,534	(548,250)	6,565,298
Balance as at 1 January 2022	828,750	4,982,964	82,875	2,595,456	37,444	8,527,489
Total comprehensive income (loss) for the period	-	-	-	167,076	(33,785)	133,291
Balance as at 31 March 2022	828,750	4,982,964	82,875	2,762,532	3,659	8,660,780



The accompanying notes to interim financial statements are an integral part of these interim financial statements.

Mr. Twinchok Tanthuwaniit
Director

Mr. Sutep Traanasiin
DIRECTOR

Mr. Sutep Traanasiin
Director


(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries
Statements of income
For the three - month period ended 31 March 2022


	Note	Consolidated financial statements		Separate financial statements	
		For the three - month periods ended 31 March		For the three - month periods ended 31 March	
		2022	2021	2022	2021
(Unit: Thousand Baht)					
Revenues					
Freight income	14	14,715,406	7,138,418	572,613	388,468
Others income					
Gain on exchange rate		64,255	19,691	-	-
Dividend income	7.1	-	-	22,205	-
Gain on sales of assets		2,696	1,197	-	-
Interest income		4,097	549	815	193
Others		7,435	8,489	-	1
Total revenues		14,793,889	7,168,344	595,633	388,662
Expenses					
Cost of freight and operations	14	6,094,800	3,866,357	264,045	226,417
Administrative expenses	14	471,504	341,590	158,162	108,388
Other expense - loss on exchange rate		-	-	15,150	22,142
Total expenses		6,566,304	4,207,947	437,357	356,947
Profit (loss) from operating activities		8,227,585	2,960,397	158,276	31,715
Finance costs		(51,085)	(48,933)	(2,634)	(23,361)
Gain (loss) from changes in fair value of derivatives	5	11,434	2,309	11,434	2,309
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9		(2,175)	33	-	-
Share of profit (loss) from investments in associates	7.1	16,605	18,290	-	-
Share of profit (loss) from investments in joint ventures	7.2	22,965	11,762	-	-
Profit (loss) before income tax expenses		8,225,329	2,943,858	167,076	10,663
Tax income (expenses)	15	(3,067)	(2,757)	-	-
Profit (loss) for the periods	19	8,222,262	2,941,101	167,076	10,663
Profit (loss) for the periods attributable to:					
Equity holders of the parent		8,222,560	2,941,578	167,076	10,663
Non - controlling interests		(298)	(477)	-	-
		8,222,262	2,941,101	167,076	10,663
Basic earnings (loss) per share					
Equity holders of the parent (Baht)		9.922	3.549	0.202	0.013
The weighted average number of ordinary shares (Thousand share)		828,750	828,750	828,750	828,750



The accompanying notes to interim financial statements are an integral part of these interim financial statements.


 Mr. Twinchok Tanthuanit
 Director

DIRECTOR


 Mr. Sutep Tranantasin
 Director

DIRECTOR

(Unaudited but reviewed)


Regional Container Lines Public Company Limited and its subsidiaries
Statements of comprehensive income
For the three - month period ended 31 March 2022

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the three - month periods ended 31 March		For the three - month periods ended 31 March	
	2022	2021	2022	2021
Profit (loss) for the periods	8,222,262	2,941,101	167,076	10,663
Other comprehensive income (loss):				
Item that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statement	(49,565)	487,022	(33,785)	270,486
Total item that will be reclassified subsequently to profit or loss	(49,565)	487,022	(33,785)	270,486
Other comprehensive income (loss) for the periods	(49,565)	487,022	(33,785)	270,486
Total comprehensive income (loss) for the periods	8,172,697	3,428,123	133,291	281,149
Total comprehensive income (loss) for the periods attributable to:				
Equity holders of the parent	8,173,060	3,428,488	133,291	281,149
Non - controlling interests	(363)	(365)	-	-
	8,172,697	3,428,123	133,291	281,149



The accompanying notes to interim financial statements are an integral part of these interim financial statements.


..... DIRECTOR
Mr. Twinchok Tanthuwani
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

(Unaudited but reviewed)

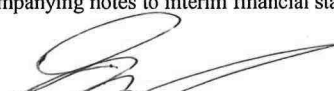
Regional Container Lines Public Company Limited and its subsidiaries
Statements of cash flows
For the three - month period ended 31 March 2022

(Unit: Thousand Baht)

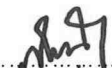
	Consolidated financial statements		Separate financial statements	
	For the three - month periods ended 31 March		For the three - month periods ended 31 March	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit (loss) for the periods	8,222,262	2,941,101	167,076	10,663
Adjustments to reconcile profit (loss) for the periods to net cash provided by (used in) operating activities:				
Depreciation	835,515	368,906	106,974	98,784
Amortization	191	62	-	-
Loss (gain) on sales and write - off of assets	(2,696)	(1,197)	-	133
Bad debt and doubtful accounts (reversal)	2,175	(33)	-	-
Dividend income	-	-	(22,205)	-
Gain (loss) from changes in fair value of derivatives	(11,434)	(2,309)	(11,434)	(2,309)
Unrealized loss (gain) on exchange rate	(68,151)	(71,445)	(10,089)	14,104
Share of profit (loss) from investments in associates	(16,605)	(18,290)	-	-
Share of profit (loss) from investments in joint ventures	(22,965)	(11,762)	-	-
Provisions for employee benefits	2,670	2,526	2,464	2,338
Interest income	(4,097)	(549)	(815)	(193)
Finance costs	51,085	48,933	2,634	23,361
Tax expenses (income)	3,067	2,757	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	8,991,017	3,258,700	234,605	146,881
Operating assets decrease (increase)				
Trade receivables - unrelated parties	(283,250)	(490,701)	43,339	2,793
Trade receivables - related parties	29,318	(49,162)	(563,808)	(394,063)
Other receivables	(27,241)	(145,857)	(72,341)	(29,044)
Material supplies	(141,356)	(111,050)	(3,824)	(633)
Other current assets	4,823	(8,249)	89	29
Other non - current assets	(135)	(453)	16	-
Operating liabilities increase (decrease)				
Trade payable - unrelated parties	(617,143)	519,681	(22,155)	(12,390)
Trade payable - related parties	(2,596)	8,807	-	-
Other payables	(414,055)	(98,612)	(199,576)	(39,416)
Advance receipt	-	(1,055)	2,539,038	2,391,750
Other current liabilities	960	(1,819)	-	-
Employee benefit obligation paid	-	(1,387)	-	(1,387)
Cash received (paid) from operating activities	7,540,342	2,878,843	1,955,383	2,064,520
Net cash received (paid) for income tax	(5,854)	(2,380)	-	-
Net cash provided by (used in) operating activities	7,534,488	2,876,463	1,955,383	2,064,520



The accompanying notes to interim financial statements are an integral part of these interim financial statements.


Mr. Twinchok Tanthuwant
 Director

DIRECTOR


Mr. Sutep Tranantasun
 Director

DIRECTOR

(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the three - month period ended 31 March 2022

(Unit: Thousand Baht)


	Consolidated financial statements		Separate financial statements	
	For the three - month periods ended 31 March		For the three - month periods ended 31 March	
	2022	2021	2022	2021
Cash flows from investing activities				
Cash received from sales of assets	6,395	33,957	-	-
Purchase of property, premises, vessels and equipment	(3,765)	(31,516)	(26,304)	(12,169)
Purchase of intangible assets	-	(2,134)	-	-
Payment of payable on purchase of assets	(128,759)	(45,030)	(19,837)	(15,038)
Payment of advances for vessels and equipment	(2,543,556)	(649,347)	-	(12,667)
Dividend received	(22,205)	-	(22,205)	-
Interest received	882	332	2	21
Net cash provided by (used in) investing activities	(2,691,008)	(693,738)	(68,344)	(39,853)
Cash flows from financing activities				
Increase (decrease) in short - term loans from financial institutions	-	(77,644)	-	-
Payment of lease liabilities	(540,799)	(128,871)	(875)	(1,003)
Increase (decrease) in long - term loans	(211,586)	(1,392,722)	(176,334)	(1,347,698)
Finance costs paid	(51,408)	(51,948)	(2,932)	(25,828)
Net cash provided by (used in) financing activities	(803,793)	(1,651,185)	(180,141)	(1,374,529)
Exchange differences on translating financial statement	57,031	53,350	74,135	(56,607)
Net increase (decrease) in cash and cash equivalents	4,096,718	584,890	1,781,033	593,531
Cash and cash equivalents at beginning of periods	9,750,258	2,586,633	278,398	189,523
Cash and cash equivalents at end of periods	13,846,976	3,171,523	2,059,431	783,054

Supplemental disclosures of cash flows information :**Activities not affecting cash :**


Decrease in payment of advance for equipment from purchase of vessels and equipment	26,303	-	26,303	-
Increase in payable on purchase of assets from purchase of vessels and equipment	45,609	73,168	4,320	52,036
Increase in right - of - use assets and lease liabilities from recognition of leases	1,054,643	507,100	-	-



The accompanying notes to interim financial statements are an integral part of these interim financial statements.


 Mr. Twinchok Tanthuwarnit
 Director

DIRECTOR


 Mr. Sutep Tranantasin
 Director

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three - month period ended 31 March 2022

1. General information

1.1 General matter

Regional Container Lines Public Company Limited (“the Company”) was incorporated as a public limited company under Thai laws. The Company operates its business in Thailand and other countries in South China Sea and its principal activity is in the business of international vessel operations. The Company’s registered address is 127/35 Ratchadapisek Road, Chongnonsi, Yannawa, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group’s management will continue to monitor the ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of the interim financial statements

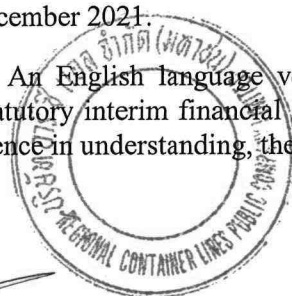
These interim financial statements are prepared in accordance with Accounting Standards No. 34 “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, changes in shareholders’ equity, income, comprehensive income and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are presented in Thai Baht which is different from the functional currency of the Company, which is US Dollar. The presentation is in Thai Baht in accordance with the regulatory requirements in Thailand.

The USD functional currency interim financial statements are translated into the Thai Baht presentation currency financial statements at the rate of exchange prevailing at the end of reporting period in respect of assets and liabilities, and the transactions in the income statements and statements of comprehensive income are translated at the average exchange rates of each period, differences being recorded as “Exchange differences on translating financial statement” in other comprehensive income, other component of shareholders’ equity.


The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statement should therefore be read in conjunction with the financial statements for the year ended 31 December 2021.

An English language version of the interim financial statements has been prepared from the statutory interim financial statements that were issued in Thai language. In case of conflict or difference in understanding, the interim financial statements in Thai language shall prevail.




.....
Mr. Twinchok Tanthuwani
Director

DIRECTOR


.....
Mr. Sutep Tranantasin
Director

DIRECTOR

1.4 Basis for the preparation of the interim consolidated financial statements

These interim consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021.

2. Significant accounting policies


The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

3. Change in accounting estimation

During the period, the Group changed the estimated residual value of the vessels. This change was made so that the residual value of the vessels would approximate market value. The effect of the change is to increase net income of the Group and the Company for the three - month period ended 31 March 2022 by Baht 16.3 million and Baht 5.9 million, respectively (Baht 0.020 per share and Baht 0.007 per share, respectively).




.....
Mr. Twinchok Tanthuwanit
Director


.....
Mr. Sutep Tranantasin
Director

(Unaudited but reviewed)

4. Trade receivables

The balances of trade receivables - unrelated parties are classified by aging as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	As at	As at	As at	As at
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Under 90 days	4,689,782	4,390,110	16,161	59,500
91 - 180 days	68,206	13,321	-	-
181 - 365 days	15,050	23,602	-	-
Over 365 days	65,215	69,970	-	-
Total	4,838,253	4,497,003	16,161	59,500
<u>Less</u> Allowance for doubtful accounts	(60,274)	(60,508)	-	-
Net	<u>4,777,979</u>	<u>4,436,495</u>	<u>16,161</u>	<u>59,500</u>


The balances of trade receivables - related parties are classified by aging as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	As at	As at	As at	As at
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Under 90 days	325,966	355,284	204,878	396,817
91 - 180 days	-	-	-	585,647
181 - 365 days	-	-	-	-
Over 365 days	-	-	-	-
Total	<u>325,966</u>	<u>355,284</u>	<u>204,878</u>	<u>982,464</u>




..... DIRECTOR
Mr. Twinchok Tanthuwanit
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

(Unaudited but reviewed)

5. Gain (loss) from changes in fair value of derivatives

(Unit: Thousand Baht)

	Consolidated financial statement	Separate financial statement
Beginning balance as at 31 December 2021 (audited)	1,694	1,694
Gain (loss) from changes in fair value	11,434	11,434
Exchange differences on translating financial statement	71	71
Ending balance as at 31 March 2022 (unaudited but reviewed)	<u>13,199</u>	<u>13,199</u>

6. Investments in subsidiaries, net

(Unit: Million Baht)

Company's name	Separate financial statements							
	Paid - up capital		Percentage directly owned by the Company		Cost		Dividend for the three - month periods ended	
	As at 31 March 2022	As at 31 December 2021	As at 31 March 2022	As at 31 December 2021	As at 31 March 2022	As at 31 December 2021	31 March 2022	31 March 2021
			Percent	Percent	(Unaudited but reviewed)	(Audited)		
<u>Subsidiaries operating in Thailand</u>								
a) RCLS Co., Ltd.	Baht 25 Million	Baht 25 Million	100	100	14	15	-	-
b) RCL Logistics Co., Ltd.	Baht 5 Million	Baht 5 Million	100	100	5	5	-	-
c) Santi Bhum Co., Ltd.	Baht 480 Million	Baht 480 Million	100	100	472	473	-	-
d) Thitti Bhum Co., Ltd.	Baht 480 Million	Baht 480 Million	100	100	472	473	-	-
<u>Subsidiaries operating in Singapore</u>								
e) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	238	239	-	-
f) Regional Container Lines Pte. Ltd.	S\$ 136.5 Million	S\$ 136.5 Million	100	100	5,295	5,317	-	-
g) RCL Feeder Pte. Ltd.	USD 138.6 Million	USD 138.6 Million	40	40	1,772	1,779	-	-
h) RCL Shipmanagement Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	100	100	107	108	-	-
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	243	244	-	-
					8,618	8,653	-	-
					(212)	(213)		
					<u>8,406</u>	<u>8,440</u>		


Less : Allowance for impairment

Investments in subsidiaries, net




Mr. Twinchok Tanthuwani
Director

DIRECTOR


Mr. Sutep Tranantasit
Director

DIRECTOR

(Unaudited but reviewed)

Movement in the investments in subsidiaries for the three - month period ended 31 March 2022 are summarized below:

	(Unit: Thousand Baht)
Investment as at 31 December 2021 (audited)	8,440,316
Exchange differences on translating financial statement	(34,573)
Investment as at 31 March 2022 (unaudited but reviewed)	<u>8,405,743</u>

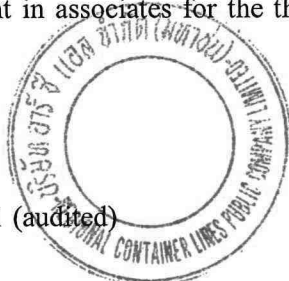
7. Investments in associates and joint ventures

7.1 Investments in associates

								(Unit: Million Baht)	
				Percentage directly owned				Dividend for the three - month periods ended	
	Paid - up capital		by the Company		Cost		Equity method		
	As at	As at	As at	As at	As at	As at	As at	As at	As at
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March
Company's name	2022	2021	2022	2021	2022	2021	2022	2021	2022
			Percent	Percent	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<u>Investment in associates of the Company</u>									
TIPS Co., Ltd.	Baht	Baht							
(Port operating)	100	100							
	Million	Million	22	22	56	56	294	301	22
Total investment in associates of the Company					56	56	294	301	22
<u>Investment in associates of the subsidiaries</u>									
Pu Chao Container Terminal Co., Ltd.	Baht 30	Baht 30							
(Port operating)	Million	Million	49	49	15	15	-	-	-
N - Square RCL Logistics Co., Ltd.	Baht 5	Baht 5							
(Warehouse operating)	Million	Million	40	40	2	2	-	-	-
Total investment in associates of the subsidiaries					17	17	-	-	-
Total investment in associates					73	73	294	301	22


Movements in the investment in associates for the three - month period ended 31 March 2022 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2021 (audited)	301,013	55,849
Dividend income	(22,205)	-
Share of profit under equity method	16,605	-
Exchange differences on translating financial statement	(1,289)	(229)
Investment as at 31 March 2022 (unaudited but reviewed)	<u>294,124</u>	<u>55,620</u>




 Mr. Twinchok Tanthuwanit
 Director

DIRECTOR


 Mr. Sutep Tranantasiri
 Director

DIRECTOR

(Unaudited but reviewed)

7.2 Investments in joint ventures

(Unit: Million Baht)


Company's name	Consolidated financial statements							
	Paid - up capital		Percentage directly owned by the Company		Equity method		Dividend for the three - month periods ended	
	As at 31 March 2022	As at 31 December 2021	As at 31 March 2022	As at 31 December 2021	As at 31 March 2022	As at 31 December 2021	31 March 2022	31 March 2021
			Percent	Percent	(Unaudited but reviewed)	(Audited)		
<u>Investment in joint ventures of the subsidiaries</u>								
RCL Agencies (India) Private Limited	INR	INR						
(Shipping agent and providing transportation and cargo handling services)	40	40	55	55	84	72	-	-
RCL Agencies East India Private Limited	INR	INR						
(Shipping agent and providing transportation and cargo handling services)	15	15	55	55	74	63	-	-
Regional Logistics Private Limited	INR 10	INR 10						
(Logistics service)	Million	Million	51	51	1	2	-	-
Shanghai CIMC Grand International Logistics Co., Ltd.	CNY 5	CNY 5						
(Logistics service)	Million	Million	51	51	15	14	-	-
Total investment in joint ventures					174	151	-	-

Movements in the investment in joint ventures for the three - month period ended 31 March 2022 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2021 (audited)	151,486	-
Dividend income	-	-
Share of profit under equity method	22,965	-
Exchange differences on translating financial statement	(429)	-
Investment as at 31 March 2022 (unaudited but reviewed)	174,022	-




 DIRECTOR
 Mr. Twinchok Tanthuanit
 Director


 DIRECTOR
 Mr. Sutep Tranantasri
 Director

(Unaudited but reviewed)

8. Property, premises, vessels and equipment, net

8.1 Property and premises, net

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Net book value as at 31 December 2021 (audited)	350,699	48,482
<u>Add</u> Acquisitions during period - at cost	-	-
<u>Less</u> Depreciation for the period	(1,690)	-
Exchange differences on translating financial statement	(2,243)	(198)
Net book value as at 31 March 2022 (unaudited but reviewed)	<u>346,766</u>	<u>48,284</u>

The subsidiaries have mortgaged the above properties to secure credit facilities.

8.2 Vessels and equipment, net

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Net book value as at 31 December 2021 (audited)	15,159,610	6,220,497
<u>Add</u> Acquisitions during period - at cost	75,677	56,927
<u>Less</u> Sale during period - at net book value	(3,699)	-
Depreciation for the period	(309,473)	(106,090)
Exchange differences on translating financial statement	(63,697)	(25,817)
Net book value as at 31 March 2022 (unaudited but reviewed)	<u>14,858,418</u>	<u>6,145,517</u>

The Group has mortgaged most of their vessels to secure credit facilities granted to the Group.

On 24 March 2022, the subsidiary in Singapore had signed a memorandum of agreement to sell 1 vessel which has net book value as at 31 March 2022 of USD 6.7 million or approximately Baht 225 million to a company in United Kingdom at USD 30.3 million or approximately Baht 1,013.7 million. The various conditions are required in the memorandum of agreement. The vessel was delivered to buyer on 4 May 2022 already.

Depreciation in the statements of income for the three - month periods ended 31 March 2022 and 2021 consisted of the following:

	(Unit: Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2022	2021	2022	2021
Depreciation included in				
Cost of freight and operations	307,404	226,126	105,373	97,284
Administrative expenses	3,759	3,291	717	505
Total	<u>311,163</u>	<u>229,417</u>	<u>106,090</u>	<u>97,789</u>


..... DIRECTOR
Mr. Twinchok Tanthuwani
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director



(Unaudited but reviewed)

	(Unit : Thousand USD)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation included in				
Cost of freight and operations	9,252	7,426	3,171	3,195
Administrative expenses	113	108	22	17
Total	9,365	7,534	3,193	3,212

9. Right - of - use assets, net


	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2021 (audited)	4,745,731	5,371
<u>Add</u> Increased during period - at cost	1,054,643	-
<u>Less</u> Depreciation for the period	(524,352)	(884)
Exchange differences on translating financial statement	(15,738)	(29)
Net book value as at 31 March 2022 (unaudited but reviewed)	5,260,284	4,458

The following are the amounts recognised in profit or loss for the three - month periods ended 31 March 2022 and 2021.

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation of right - of - use assets	524,352	139,489	884	995
Interest expense on lease liabilities	45,184	19,928	76	153
Expense relating to short - term lease and leases of low - value assets	221,202	411,902	206	220
Total	790,738	571,319	1,166	1,368

	(Unit : Thousand USD)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation of right - of - use assets	15,781	4,581	27	33
Interest expense on lease liabilities	1,360	654	2	5
Expense relating to short - term lease and leases of low - value assets	6,612	13,528	6	7
Total	23,753	18,763	35	45


 DIRECTOR
 Mr. Twinchok Tanthuanit
 Director


 DIRECTOR
 Mr. Sutep Tranantasin
 Director



(Unaudited but reviewed)

10. Intangible assets, net

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<u>Computer software</u>		
Net book value as at 31 December 2021 (audited)	1,675	-
<u>Add</u> Increased during period - at cost	-	-
<u>Less</u> Amortization for the period	(191)	-
Exchange differences on translating financial statement	(9)	-
Net book value as at 31 March 2022 (unaudited but reviewed)	<u>1,475</u>	<u>-</u>

As at 31 March 2022 and 31 December 2021, computer software have been fully amortized but are still in use. The original cost of those asset amounted to approximately Baht 352 million and Baht 353 million, respectively.


11. Long - term loans

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
<u>Loans of the Company</u>				
1) USD 5.0 million loan (2021: USD 10.2 million), repayable quarterly until the year 2029.	166,273	343,319	166,273	343,319
2) Baht 43.5 million loan (2021: Baht 45.3 million), repayable monthly until the year 2026.	43,451	45,341	43,451	45,341
<u>Loans of the Singapore Subsidiaries</u>				
3) USD 3.9 million loan (2021: USD 4.2 million), repayable quarterly until the year 2025.	130,509	140,402	-	-
4) USD 3.0 million loan (2021: USD 3.2 million), repayable quarterly until the year 2025.	100,406	108,015	-	-
5) USD 4.2 million loan (2021: USD 4.5 million), repayable quarterly until the year 2025.	141,389	152,105	-	-
6) USD 0.8 million loan (2021: USD 0.9 million), repayable quarterly until the year 2024.	26,496	29,024	-	-
7) USD 0.9 million loan (2021: USD 0.9 million), repayable quarterly until the year 2025.	28,905	31,443	-	-
<u>Loan of the Hong Kong Subsidiary</u>				
8) HKD 4.9 million loan (2021: HKD 5.8 million), repayable monthly until the year 2023.	20,811	25,106	-	-
Total	658,240	874,755	209,724	388,660
<u>Less</u> : Current portion	(184,861)	(351,843)	(42,688)	(209,117)
Long - term loans, net of current portion	<u>473,379</u>	<u>522,912</u>	<u>167,036</u>	<u>179,543</u>

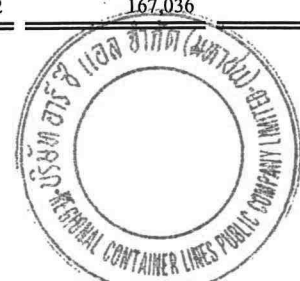
The above loans carry interest at rates based on LIBOR or SIBOR.


Mr. Twinchok Tanthuwanit
Director

DIRECTOR


Mr. Sutep Tranantasin
Director

DIRECTOR



(Unaudited but reviewed)

Movements in the long - term loans during the three - month period ended 31 March 2022 are summarized below:

	Consolidated	(Unit: Thousand Baht) Separate
	financial statements	financial statements
Beginning balance as at 31 December 2021 (audited)	874,755	388,660
<u>Add</u> Borrowings	-	-
<u>Less</u> Repayments	(211,586)	(176,334)
Exchange differences on translating financial statement	(4,929)	(2,602)
Ending balance as at 31 March 2022 (unaudited but reviewed)	<u>658,240</u>	<u>209,724</u>

These loans have been secured by the mortgage of most of the vessels of the Group and the property of subsidiaries, and guaranteed by the Company.

The loan agreements contain certain covenants and restrictions pertaining to matters such as the maintenance of financial ratios and shareholding structure.

As at 31 March 2022, the Group and the Company had the remaining credit line of long - term loans are as follows:

In September 2020, the Company had entered into long - term loan agreement with a financial institution. This loan has credit line of Baht 98.2 million which is for the project of purchase and installation “Sulphur Dioxide Scrubber”, the Company has drawn down the loan amounting to Baht 49.1 million in December 2020 and Baht 48.0 million in April 2022.

In January 2022, 2 subsidiaries in Thailand had entered into long - term loan agreement with a financial institution. This loan has credit line total of USD 138 million or approximately Baht 4,616.83 million which is for the payment of 2 container vessels’ construction, at present, the subsidiaries has not drawn down the loan.




..... DIRECTOR
Mr. Twinchok Tanthuwani
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

(Unaudited but reviewed)

12. Lease liabilities

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Lease liabilities as at 31 December 2021 (audited)	4,860,656	5,385
Increase (Decrease) during the period :		
<u>Add</u> Lease payments at the commencement date	1,166,685	-
<u>Less</u> Deferred interest expenses	(112,042)	-
<u>Add</u> Recognition of deferred interest expenses	45,184	76
<u>Less</u> Payments	(585,983)	(951)
Exchange differences on translating financial statement	(16,306)	-
Lease liabilities as at 31 March 2022 (unaudited but reviewed)	5,358,194	4,510
<u>Less</u> : Current portion	(2,015,166)	(3,462)
Lease liabilities - net of current portion	3,343,028	1,048

As at 31 March 2022 and 31 December 2021, a maturity analysis of lease liabilities are as follows:
(Unit : Thousand Baht)


	Consolidated financial statements					
	As at 31 March 2022 (Unaudited but reviewed)			As at 31 December 2021 (Audited)		
	Principal	Deferred interest expenses	Total	Principal	Deferred interest expenses	Total
Current portion	2,015,166	146,527	2,161,693	1,961,551	129,536	2,091,087
1 - 5 years	2,712,782	241,860	2,954,642	2,413,552	196,427	2,609,979
Over 5 years	630,246	14,866	645,112	485,553	10,722	496,275
Total	5,358,194	403,253	5,761,447	4,860,656	336,685	5,197,341

(Unit : Thousand Baht)



	Separate financial statements					
	As at 31 March 2022 (Unaudited but reviewed)			As at 31 December 2021 (Audited)		
	Principal	Deferred interest expenses	Total	Principal	Deferred interest expenses	Total
Current portion	3,462	174	3,636	3,494	226	3,720
1 - 5 years	1,048	18	1,066	1,891	42	1,933
Over 5 years	-	-	-	-	-	-
Total	4,510	192	4,702	5,385	268	5,653


..... DIRECTOR
Mr. Twinchok Tanthuwani
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

(Unaudited but reviewed)

13. Provisions for employee benefits

- Movement in the present value of the provisions for employee benefits for the three - month periods ended 31 March 2022 and 2021 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Provisions for employee benefits at beginning of periods	61.05	54.23	57.18	50.21
Current service cost and interest	2.67	2.53	2.46	2.34
Benefits paid	-	(1.39)	-	(1.39)
Provisions for employee benefits at end of periods	<u>63.72</u>	<u>55.37</u>	<u>59.64</u>	<u>51.16</u>


- Expenses recognized in the statements of income for the three - month periods ended 31 March 2022 and 2021 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current service costs	2.43	2.32	2.24	2.15
Interest cost	0.24	0.21	0.22	0.19
Total	<u>2.67</u>	<u>2.53</u>	<u>2.46</u>	<u>2.34</u>




..... DIRECTOR
Mr. Twinchok Tanthuwanit
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

- Principal actuarial assumptions as at 31 March 2022 and 31 December 2021 are as follows:

	Percent	
	Consolidated financial statements	Separate financial statements
Discount rate	1.57 - 1.59	1.57
Salary increase rate	3 - 6.00	4 - 6.00
Employee turnover rate	0 - 25.00*	0 - 25.00*
Mortality rate	TMO2017**	TMO2017**

* Based on the weighted average by age group of employees

** Reference from TMO2017 : Thai Mortality Ordinary Table of 2017

- Sensitivity analysis of significant actuarial assumptions


Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate, employee turnover rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that were reasonably possible as at 31 March 2022 as follows:

- If the discount rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would decrease Baht 1.49 million (increase Baht 1.71 million) and Separate financial statements would decrease Baht 1.39 million (increase Baht 1.59 million).
- If the salary increase rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would increase Baht 2.10 million (decrease Baht 1.84 million) and Separate financial statements would increase Baht 1.95 million (decrease Baht 1.71 million).
- If the employee turnover rate increases (decrease) by 10%, the provisions for employee benefits in Consolidated financial statements would decrease Bath 0.46 million (increase Bath 0.51 million) and Separate financial statements would decrease Baht 0.42 million (increase Baht 0.47 million).
- If the life expectancy increases (decrease) by one year for all employees, the provisions for employee benefits in Consolidated financial statements would increase Baht 0.06 million (decrease Baht 0.07 million) and Separate financial statements would increase Baht 0.06 million (decrease Baht 0.07 million).

In presenting the above sensitivity analysis, the present value of the provisions for employee benefits has been calculated by using the same method that applied in calculating the provisions for employee benefits recognized in the statement of financial position.




 DIRECTOR
 Mr. Twinchok Tanthuanit
 Director


 DIRECTOR
 Mr. Sutep Tranantasin
 Director

14. Related party transactions

- a) The Group has business dealings with its customers through regional shipping agents (third parties and related companies) of which a substantial part is through its related companies, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Group and those companies.
- b) In addition to the matter discussed in a), during the periods, the Group had other significant business transactions with its related parties. The transactions are summarised below:

(Unit: Million Baht)


	For the three - month periods ended 31 March				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2022	2021	2022	2021	
<u>Transactions with subsidiary</u>					
Charter freight income	-	-	573	380	Market price as at the contract date
Ship management fee	-	-	3	2	Price approximates market price
<u>Transactions with related parties</u>					
Commission expenses	93	57	-	-	Price approximates market price
Terminal operating service	61	65	-	-	Price per tariff minus volume discount
Logistic service fees	21	9	-	-	Price approximates market price
Office rental and service expenses	3	3	2	2	Contract price





 Mr. Twinchok Tanthuwanit
 Director

DIRECTOR DIRECTOR



 Mr. Sutep Tranantasin
 Director


(Unaudited but reviewed)

The outstanding balances of the above transactions have been presented in the statements of financial position as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Unaudited But reviewed)	(Audited)	(Unaudited But reviewed)	(Audited)
<u>Trade receivables - related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	205	982
<u>Related party</u>				
Ngow Hock Co., Ltd.	326	355	-	-
<u>Other receivables - related parties</u>				
- <u>Receipt on behalf of the Company</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	39	33
- <u>Advances payment</u>				
<u>Subsidiary</u>				
RCL Shipmanagement Pte. Ltd.	-	-	1	2
<u>Other current assets - short - term loan</u>				
<u>Associates</u>				
N - Square RCL Logistics Co., Ltd.	2	2	-	-
Pu Chao Container Terminal Co., Ltd.	3	3	-	-
	5	5	-	-
<u>Trade payables - related parties</u>				
<u>Related parties</u>				
Ngow Hock Co., Ltd.	2	-	-	-
RCL Agencies East India Private Limited	15	13	-	-
RCL Agencies (India) Private Limited	7	11	-	-
Others	2	4	-	-
	26	28	-	-
<u>Advance receipt from related parties</u>				
<u>Subsidiaries</u>				
RCL Feeder Pte. Ltd.	-	-	5,917	5,114
RCL Shipmanagement Pte. Ltd.	-	-	1,906	1,782
RCLS Co., Ltd.	-	-	11	42
	-	-	7,834	6,938

Short - term loans to associates bears the interest rate of 2% - 7% per annum.


..... DIRECTOR
Mr. Twinchok Tanthuanit
Director


..... DIRECTOR
Mr. Sutep Tranantanasin
Director



c) Management and directors benefit expenses

Management and directors benefit expenses consist the benefits paid to the Company's management and directors such as salaries and related benefit including the benefit paid by other means. The Company's management are the persons who are defined under the Securities and Exchange.

Management and directors benefit expenses for the three - month periods ended 31 March 2022 and 2021 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short - term employee benefits	50	16	45	6

15. Tax income (expenses)

The Company has been granted various tax privileges by the Board of Investment under the Investment Promotion Act. B.E. 2520. These include exemption from corporate income tax on profits for a period of 8 years for certain operations. In addition, since 1999 shipping profits have been exempted from income tax.

The corporate income tax rate being used by the Company and its subsidiaries in Thailand 20% on the net income of those operations which are not eligible for the above tax exemption.

Corporate income tax of the overseas subsidiaries and associate has been calculated by applying the applicable statutory rates of the relevant countries.

As at 31 March 2022 and 31 December 2021, the Group has deductible temporary differences, temporary differences arising from exchange difference occurring while translating financial statements in functional currency into presentation currency, allowance for impairment of investment, provisions for employee benefits and unused tax losses totaling Baht 2,296.81 million and Baht 2,316.47 million, respectively, (The Company: Baht 20.62 million and Baht 45.29 million, respectively). However, the Group did not recognize deferred tax assets as the Group believes that it is not probable that future taxable profit will be available to allow the entire deferred tax assets to be utilized including almost income of the Group being exempted from income tax, except a subsidiary in Thailand which recognized deferred tax assets amounted Baht 4.13 million and Baht 4.09 million, respectively.





 Mr. Twinchok Tanthuwanit
 Director

DIRECTOR



 Mr. Sutep Tranantasin
 Director

DIRECTOR

(Unaudited but reviewed)

Tax income (expense) for the three - month periods ended 31 March 2022 and 2021, consisted of:


	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Current tax expense	(3,105)	(3,195)	-	-
Deferred tax income (expense) of temporary differences	38	438	-	-
Tax income (expense) reported in the statement of income	<u>(3,067)</u>	<u>(2,757)</u>	<u>-</u>	<u>-</u>

As at 31 March 2022 and 31 December 2021, the components of deferred tax assets and liabilities are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	As at 31 March 2022 (Unaudited but reviewed)	As at 31 December 2021 (Audited)
<u>Deferred tax assets</u>		
Allowance for impairment of investment	3,340	3,340
Provisions for employee benefits	786	749
	<u>4,126</u>	<u>4,089</u>
<u>Deferred tax liabilities</u>		
Property and premises, net	<u>8,784</u>	<u>8,857</u>




..... DIRECTOR
Mr. Twinchok Tanthuwani
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

(Unaudited but reviewed)

16. Financial information by segment

The Group's operations involve mainly a single industry segment, the business of feeder and vessel operations, and are carried on in geographic areas in Thailand, Singapore, Hong Kong, The People's Republic of China, Taiwan and other countries around the South China Sea. Financial information of the Group presented by geographical segment are as follows:

(Unit: Million Baht)

Consolidated financial statements												
For the three - month periods ended 31 March												
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from external customers	80	45	14,623	7,084	12	9	14,715	7,138	-	-	14,715	7,138
Inter - segment revenues	573	380	884	276	13	9	1,470	665	(1,470)	(665)	-	-
Freight income	653	425	15,507	7,360	25	18	16,185	7,803	(1,470)	(665)	14,715	7,138
Segment gross profit (loss)	321	171	8,275	3,082	19	15	8,615	3,268	6	4	8,621	3,272
Gain on exchange rate											64	20
Gain on sales of assets											3	1
Other income											11	10
Administrative expenses											(472)	(342)
Finance costs											(51)	(49)
Gain (loss) from changes in fair value of derivatives											11	2
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9											(2)	-
Share of profit (loss) from investments in associates											17	18
Share of profit (loss) from investments in joint ventures											23	12
Tax income (expenses)											(3)	(3)
Profit (loss) for the periods											8,222	2,941

(Unit: Million Baht)

Consolidated financial statements												
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	As at	As at	As at	As at	As at	As at	As at	As at	As at	As at	As at	As at
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Property, premises, vessels and equipment, net	6,194	6,270	8,789	9,014	188	190	15,171	15,474	34	36	15,205	15,510
Others											30,846	23,203
Total assets											46,051	38,713




 Mr. Twinchok Tanthuwani
 Director

DIRECTOR


 Mr. Sutep Tranantasin
 Director

DIRECTOR

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17. Commitments and contingent liabilities17.1 Commitments

- (a) As at 31 March 2022, the Company and its subsidiaries in Thailand have outstanding commitments relating to the lease agreements for equipment and service agreements of approximately Baht 7 million in respect of lease agreements, and subsidiaries in Singapore has outstanding commitments of USD 7 million or approximately Baht 224 million in respect of the following agreements.

	(Unit: Million Baht)		
Payment period	Charter hire	Other rental	Total
Within 1 year	220	4	224
During 1 - 5 years	-	-	-
Over than 5 years	-	-	-
Total	220	4	224

- (b) As at 31 March 2022, a subsidiary in Singapore has bunker purchase commitments amounting to USD 34.5 million or approximately Baht 1,152.8 million covering the period of April 2022 - September 2022 at 6,000 - 14,000 MT per month.
- (c) As at 31 March 2022, the Company has sulphur scrubber purchase commitments amounting to USD 2.6 million or approximately Baht 85.8 million.
- (d) As at 31 March 2022, a subsidiary in Singapore has outstanding commitments relating to purchase / building of vessels are as follow:
- 1) On 2 August 2021, a subsidiary had entered into 2 vessel building contracts size 11,714 TEU with amounting to USD 230 million (as at 31 March 2022 approximately Baht 7,695 million). The payment term of each vessel was scheduled in 4 installment periods based on the contract price : 20% for 1st installment, 10% for the 2nd installment, 20% for the 3rd installment and 50% for the 4th installment (payment upon delivery of the vessel). Tentative delivery date of both vessels are at the 4th quarter of year 2022 and 1st quarter of year 2023, respectively.
 - 2) On 11 February 2022, a subsidiary had entered into the buying contract of one vessel size 2,500 TEU, build in year 2002 with amounting to USD 32 million (as at 31 March 2022 approximately Baht 1,071 million). According to the agreement, the payment term was scheduled in two installment periods with different percentages based on the contract price: 10% for 1st installment period and 90% for the final installment (payment upon delivery of the vessel), which currently a subsidiary has already made payment for the final installment upon vessel delivery in April 2022.
 - 3) On 11 March 2022, a subsidiary had entered into 2 vessel building contracts size 7,000 TEU with amounting to USD 170 million (as at 31 March 2022 approximately Baht 5,687 million). The payment term of each vessel was scheduled in 5 installment periods based on the contract price : 20% for 1st installment, 10% for the 2nd installment, 10% for the 3rd installment 10% for the 4th installment and 50% for the 5th installment (payment upon delivery of the vessel). Tentative delivery date of both vessels are at the 4th quarter of year 2024 and 1st quarter of year 2025, respectively.



Mr. Twinchok Tanthuanit

Director

DIRECTOR

DIRECTOR

Mr. Sutep Tranantasin

Director

- 4) On 28 March 2022, a subsidiary had entered into 2 vessel building contracts size 11,714 TEU with amounting to USD 266 million (as at 31 March 2022 approximately Baht 8,899 million). The payment term of each vessel was scheduled in 5 installment periods based on the contract price : 15% for 1st installment, 10% for the 2nd installment, 10% for the 3rd installment, 20% for the 4th installment and 45% for the 5th installment (payment upon delivery of the vessel). Tentative delivery date of both vessels are at the 2nd quarter to 4th quarter of year 2024, respectively.
- 5) On 28 March 2022, a subsidiary had entered into the buying contract of one vessel size 5,888 TEU, build in year 2006 with amounting to USD 34.8 million (as at 31 March 2022 approximately Baht 1,164 million). According to the agreement, the payment term was scheduled in two installment periods with different percentages based on the contract price: 30% for 1st installment period and 70% for the final installment (payment upon delivery of the vessel), Tentative delivery date of vessels is at the 3rd quarter of year 2022.

As at 31 March 2022, a subsidiary has made payment for the above - mentioned contracts amounting to USD 145.5 million or approximately Baht 4,869.1 million.

17.2 Guarantees

As at 31 March 2022, the Company has guarantee obligations of USD 27 million, SGD 6 million and HKD 35 million, or approximately Baht 1,205 million (31 December 2021: USD 24 million, SGD 6 million and HKD 35 million or approximately Baht 1,115 million). These guarantees were issued to secure credit lines of overseas subsidiaries from financial institutions. The subsidiaries have outstanding guarantees totaling USD 13 million and HKD 5 million, or approximately Baht 458 million (31 December 2021: USD 14 million and HKD 6 million or approximately Baht 496 million).

18. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

The Company manages its capital position with reference to its debt - to - equity ratio also to comply with a condition in the long - term loan agreements, which require the Company to maintain a consolidated debt - to - equity ratio of not more than 1.5 : 1.

As at 31 March 2022, the Group's debt - to - equity ratio was 0.35 : 1 (31 December 2021 : 0.49 : 1) and the Company's debt - to - equity ratio was 0.97 : 1 (31 December 2021 : 0.93 : 1).




Mr. Twinchok Tanthuwant
Director

DIRECTOR


Mr. Sutep Tranantasin
Director

DIRECTOR

19. Functional currency financial statements

The USD functional currency statements of financial position as at 31 March 2022 and 31 December 2021 and the statements of income for the three - month periods ended 31 March 2022 and 2021, are as follows:

Regional Container Lines Public Company Limited and its subsidiaries**Statements of financial position**

As at 31 March 2022

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	413,895	290,248	61,558	8,287
Trade receivables - unrelated parties	144,618	133,868	483	1,771
<u>Less:</u> allowance for doubtful accounts	(1,801)	(1,801)	-	-
Trade receivables - unrelated parties, net	142,817	132,067	483	1,771
Trade receivables - related parties	9,743	10,576	6,124	29,246
Dividend receivables	-	-	-	6,825
Other receivables	12,761	11,803	1,676	1,496
Material supplies	20,773	16,480	649	532
Other current financial assets	395	50	395	50
Other current assets	1,944	2,056	7	15
Total current assets	602,328	463,280	70,892	48,222
Non - current assets				
Other non - current financial assets	338	338	-	-
Property investments held for investment	150	151	-	-
Investments in subsidiaries, net	-	-	251,253	251,253
Investments in associates	8,792	8,961	1,663	1,663
Investments in joint ventures	5,202	4,509	-	-
Other non - current receivables	350	350	-	-
Property and premises, net	10,365	10,440	1,443	1,443
Vessels and equipment, net	444,127	451,274	183,693	185,173
Right - of - use assets, net	157,233	141,272	133	160
Intangible assets, net	44	50	-	-
Other non - current assets				
- Payment of advances for vessels and equipment	147,307	71,548	356	1,148
- Others	257	252	67	68
Total non - current assets	774,165	689,145	438,608	440,908
Total assets	1,376,493	1,152,425	509,500	489,130



Mr. Twinchok Tanthuanit

Director

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Mr. Sutep Tranantasin

Director

DIRECTOR

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(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries

Statements of financial position (continued)


As at 31 March 2022

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity				
Current liabilities				
Trade payables - unrelated parties	153,966	171,675	1,587	2,207
Trade payables - related parties	768	843	-	-
Other payables				
- Accrued expenses	12,344	21,380	5,843	8,584
- Advance receipt	-	-	234,162	206,518
- Payable on purchase of assets	2,053	4,555	810	1,277
- Revenue Department payable	1,061	4,306	36	3,264
Current portion of long - term loans	5,526	10,474	1,276	6,225
Current portion of lease liabilities	60,235	58,392	103	104
Income tax payable	68	123	-	-
Other current liabilities	5,384	5,344	-	-
Total current liabilities	241,405	277,092	243,817	228,179
Non - current liabilities				
Long - term loans, net of current portion	14,150	15,566	4,993	5,345
Lease liabilities, net of current portion	99,925	86,301	31	56
Deferred tax liabilities	263	264	-	-
Provisions for employee benefits	1,905	1,817	1,783	1,702
Total non - current liabilities	116,243	103,948	6,807	7,103
Total liabilities	357,648	381,040	250,624	235,282




 DIRECTOR
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 Director


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 Mr. Sutep Tranantasin
 Director

(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries

Statements of financial position (continued)


As at 31 March 2022

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
828,750,000 ordinary shares	25,834	25,834	25,834	25,834
Issued and fully paid - up				
828,750,000 ordinary shares	25,834	25,834	25,834	25,834
Share premium	173,890	173,890	173,890	173,890
Retained earnings				
Appropriated - legal reserve	2,449	2,449	2,449	2,449
Unappropriated	858,586	611,123	56,703	51,675
Other components of equity	(42,124)	(42,130)	-	-
Total equity of parent Company's shareholders	1,018,635	771,166	258,876	253,848
Non - controlling interests	210	219	-	-
Total shareholders' equity	1,018,845	771,385	258,876	253,848
Total liabilities and shareholders' equity	1,376,493	1,152,425	509,500	489,130




..... DIRECTOR
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Director

(Unaudited but reviewed)

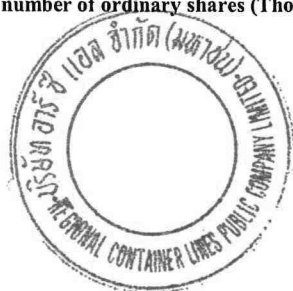
Regional Container Lines Public Company Limited and its subsidiaries

Statements of income

For the three - month period ended 31 March 2022


(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three - month periods ended 31 March		For the three - month periods ended 31 March	
	2022	2021	2022	2021
Revenues				
Freight income	442,870	234,442	17,233	12,758
Others income				
Gain on exchange rate	1,934	647	-	-
Dividend income	-	-	668	-
Gain on sales of assets	81	39	-	-
Interest income	123	18	25	6
Others	223	279	-	-
Total revenues	445,231	235,425	17,926	12,764
Expenses				
Cost of freight and operations	183,427	126,980	7,947	7,436
Administrative expenses	14,191	11,219	4,760	3,560
Other expense - loss on exchange rate	-	-	456	727
Total expenses	197,618	138,199	13,163	11,723
Profit (loss) from operating activities	247,613	97,226	4,763	1,041
Finance costs	(1,537)	(1,607)	(79)	(767)
Gain (loss) from changes in fair value of derivatives	344	76	344	76
Reversal of impairment loss (impairment loss)				
determined in accordance with TFRS 9	(65)	1	-	-
Share of profit (loss) from investments in associates	500	601	-	-
Share of profit (loss) from investments in joint ventures	691	386	-	-
Profit (loss) before income tax expenses	247,546	96,683	5,028	350
Tax income (expenses)	(92)	(91)	-	-
Profit (loss) for the periods	247,454	96,592	5,028	350
Profit (loss) for the periods attributable to:				
Equity holders of the parent	247,463	96,608	5,028	350
Non - controlling interests	(9)	(16)	-	-
	247,454	96,592	5,028	350
Basic earnings (loss) per share				
Equity holders of the parent (USD)	0.2986	0.1166	0.0061	0.0004
The weighted average number of ordinary shares (Thousand share)	828,750	828,750	828,750	828,750




Mr. Twinchok Tanthuwanit
Director

DIRECTOR


Mr. Sutep Tranakul
Director

DIRECTOR

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20. Events after the reporting period

At the Annual General Meetings of Shareholders held on 22 April 2022, the shareholders approved to pay dividend for the year 2021 at the rate of Baht 6 per share, a part of which had been paid as interim dividend at the rate of Baht 3 per share and the remaining amount will be paid on 20 May 2022 at the rate of Baht 3 per share.

21. Approval of financial statements

These interim financial statements were authorized for issue by the Company's Board of Directors on 13 May 2022.





DIRECTOR



DIRECTOR

Mr. Twinchok Tanthuwani

Director

Mr. Sutep Tranantasir

Director