

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 at 31 March 2023, the related consolidated statements of changes in equity, income, comprehensive income and cash flows for the three - month period ended 31 March 2023, 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”.

Other matter

The consolidated interim financial statement of Regional Container Lines Public Company Limited and its subsidiaries and the interim separate financial statement of Regional Container Lines Public Company Limited for the three - month period ended 31 March 2022, presented herein for comparison, were reviewed by another auditor in my office, in accordance with Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” and she drew a conclusion from the review under her report dated 13 May 2022 that nothing had come to her attention that caused her to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard 34, “Interim Financial Reporting”.

The consolidated statement of financial position of Regional Container Lines Public Company Limited and its subsidiaries and the separate statement of financial position of Regional Container Lines Public Company Limited as at 31 December 2022, presented herein for comparison, have been derived from such financial statements, which audited by another auditor in my office and reported in accordance with Standards on Auditing and expressed an unqualified opinion in his report dated 24 February 2023. I have not performed any other audit procedures subsequent such report date.

(SIRAMATE AKKHARACHOTKULLANUN)
Certified Public Accountant
Registration No. 11821

A.M.T. & ASSOCIATES
Bangkok, Thailand
12 May 2023

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position
As at 31 March 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		18,026,506	19,481,088	1,572,951	748,626
Trade receivables - unrelated parties		4,040,591	4,719,563	7,964	-
<u>Less: allowance for doubtful accounts</u>		<u>(59,495)</u>	<u>(60,304)</u>	<u>-</u>	<u>-</u>
Trade receivables - unrelated parties, net	4	3,981,096	4,659,259	7,964	-
Trade receivables - related parties	4 and 15	92,967	59,084	1,754,089	640,547
Dividend receivables	6 and 7.1	44,444	-	1,203,773	-
Other receivables	15	350,597	270,696	59,208	76,822
Short - term loan to related parties	15	5,000	5,000	-	3,091,282
Current portion of long - term loan to related parties	15	-	-	239,842	-
Material supplies		580,402	669,326	21,988	20,287
Refundable income tax - current period		10,931	14,551	563	57
Other current financial assets	5	704,335	147,589	143,160	147,589
Other current assets		54,821	49,067	-	-
Total current assets		23,851,099	25,355,660	5,003,538	4,725,210
Non - current assets					
Other non - current financial assets					
- Gain from changes in fair value of derivatives	5	42,780	110,710	42,780	110,710
- Others		11,576	11,735	-	-
Investments in subsidiaries, net	6	-	-	8,608,705	8,726,895
Investments in associates	7.1	302,601	336,823	56,963	57,745
Investments in joint ventures	7.2	184,074	174,617	-	-
Long - term loan to related parties, net of current portion	15	-	-	2,329,891	-
Investment properties, net	8	5,042	5,162	48,315	49,393
Property and premises, net	9.1 and 12	363,704	364,819	5,494	455
Vessels and equipment, net	9.2 and 12	24,903,440	21,806,874	5,801,687	5,951,475
Right - of - use assets, net	10	4,448,694	4,933,490	6,571	1,887
Intangible assets, net	11	2,190	2,554	-	-
Other non - current assets					
- Payment of advances for vessels and equipment	18.1 (c)	3,705,923	5,769,959	-	-
- Others		7,728	5,837	2,063	2,023
Total non - current assets		33,977,752	33,522,580	16,902,469	14,900,583
Total assets	20	57,828,851	58,878,240	21,906,007	19,625,793

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

..... DIRECTOR DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position
As at 31 March 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade payables - unrelated parties		4,110,342	4,227,582	55,836	50,160
Trade payables - related parties	15	11,292	16,753	-	-
Other payables					
- Accrued expenses		318,390	813,245	159,211	301,363
- Advance receipt	15	-	-	60,913	527,788
- Payable on purchase of assets		98,931	138,109	10,622	-
- Revenue Department payable		38,184	163,805	1,670	122,536
Current portion of long - term loans	12	417,519	287,585	150,355	57,724
Current portion of lease liabilities	13	1,413,054	1,546,131	2,786	1,891
Income tax payable		27,878	12,729	-	-
Other current liabilities		203,628	197,559	1,225	-
Total current liabilities		6,639,218	7,403,498	442,618	1,061,462
Non - current liabilities					
Long - term loans, net of current portion	12	2,470,839	2,690,797	60,114	169,020
Lease liabilities, net of current portion	13	3,041,657	3,419,327	3,803	-
Deferred tax liabilities	16	9,280	9,467	-	-
Provisions for employee benefits	14	63,231	60,347	35,868	34,112
Total non - current liabilities		5,585,007	6,179,938	99,785	203,132
Total liabilities	20	12,224,225	13,583,436	542,403	1,264,594

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

..... DIRECTOR DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position
As at 31 March 2023

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
828,750,000 ordinary shares of Baht 1 each	828,750	828,750	828,750	828,750
Issued and fully paid - up				
828,750,000 ordinary shares of Baht 1 each	828,750	828,750	828,750	828,750
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	39,047,501	38,134,601	15,526,496	12,288,289
Other components of equity	661,614	1,263,536	(57,481)	178,321
Total equity of parent Company's shareholders	45,603,704	45,292,726	21,363,604	18,361,199
Non - controlling interests	922	2,078	-	-
Total shareholders' equity	45,604,626	45,294,804	21,363,604	18,361,199
Total liabilities and shareholders' equity	57,828,851	58,878,240	21,906,007	19,625,793

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

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(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries
Statements of changes in equity
For the three - month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements							
	Equity holders of parent company							
	Issued and fully paid - up share capital	Share premium	Retained earnings		Other components of equity		Total equity of the parent Company's shareholder	Total shareholder's equity
		Appropriated - legal reserve	Unappropriated	Other comprehensive income (loss)				
				Exchange differences on translating financial statement				
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	<u>828,750</u>	<u>4,982,964</u>	<u>82,875</u>	<u>27,521,827</u>	<u>662,306</u>	<u>34,078,722</u>	<u>7,037</u>	<u>34,085,759</u>
Balance as at 1 January 2023	828,750	4,982,964	82,875	38,134,601	1,263,536	45,292,726	2,078	45,294,804
Total comprehensive income (loss) for the period	-	-	-	912,900	(601,922)	310,978	(1,156)	309,822
Balance as at 31 March 2023	<u>828,750</u>	<u>4,982,964</u>	<u>82,875</u>	<u>39,047,501</u>	<u>661,614</u>	<u>45,603,704</u>	<u>922</u>	<u>45,604,626</u>

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

.....DIRECTORDIRECTOR

(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 2023

(Unit: Thousand Baht)

	Separate financial statements					Total shareholder's equity
	Issued and fully paid - up share capital	Share premium	Retained earnings		Other components of equity	
			Appropriated - legal reserve	Unappropriated	Other comprehensive income (loss) Exchange differences on translating financial statement	
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	<u>828,750</u>	<u>4,982,964</u>	<u>82,875</u>	<u>2,762,532</u>	<u>3,659</u>	<u>8,660,780</u>
Balance as at 1 January 2023	828,750	4,982,964	82,875	12,288,289	178,321	18,361,199
Total comprehensive income (loss) for the period	-	-	-	3,238,207	(235,802)	3,002,405
Balance as at 31 March 2023	<u>828,750</u>	<u>4,982,964</u>	<u>82,875</u>	<u>15,526,496</u>	<u>(57,481)</u>	<u>21,363,604</u>

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

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Regional Container Lines Public Company Limited and its subsidiaries
Statements of income
For the three - month period ended 31 March 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the three - month periods ended 31 March		For the three - month periods ended 31 March	
		2023	2022	2023	2022
Revenues					
Freight income	15	6,837,663	14,715,406	1,221,457	572,613
Others income					
Gain on exchange rate		61,211	64,255	8,931	-
Dividend income	6 and 7.1	-	-	2,373,243	22,205
Gain on sales of assets	9.2	-	2,696	31	-
Interest income	15	111,677	4,097	30,167	815
Others		6,447	7,435	1,058	-
Total revenues		7,016,998	14,793,889	3,634,887	595,633
Expenses					
Cost of freight and operations	15	5,575,221	6,094,800	240,713	264,045
Administrative expenses	15	360,161	471,504	82,105	158,162
Others expenses					
Loss on exchange rate		-	-	-	15,150
Loss on sales of assets	9.2	7,123	-	-	-
Total expenses		5,942,505	6,566,304	322,818	437,357
Profit (loss) from operating activities		1,074,493	8,227,585	3,312,069	158,276
Finance costs		(92,352)	(51,085)	(3,267)	(2,634)
Gain (loss) from changes in fair value of derivatives	5	(70,595)	11,434	(70,595)	11,434
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9		(516)	(2,175)	-	-
Share of profit (loss) from investments in associates	7.1	10,222	16,605	-	-
Share of profit (loss) from investments in joint ventures	7.2	10,220	22,965	-	-
Profit (loss) before income tax expenses		931,472	8,225,329	3,238,207	167,076
Tax income (expenses)	16	(19,731)	(3,067)	-	-
Profit (loss) for the periods	20	911,741	8,222,262	3,238,207	167,076
Profit (loss) for the periods attributable to:					
Equity holders of the parent		912,900	8,222,560	3,238,207	167,076
Non - controlling interests		(1,159)	(298)	-	-
		911,741	8,222,262	3,238,207	167,076
Basic earnings (loss) per share					
Equity holders of the parent (Baht)		1.102	9.922	3.907	0.202
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.

(Unaudited but reviewed)

Regional Container Lines Public Company Limited and its subsidiaries
Statements of comprehensive income
For the three - month period ended 31 March 2023

(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	
	2023	2022	2023	2022
Profit (loss) for the periods	911,741	8,222,262	3,238,207	167,076
Other comprehensive income (loss):				
Item that will be reclassified subsequently to profit or loss:				
Exchange differences on translating financial statement	(601,919)	(49,565)	(235,802)	(33,785)
Total item that will be reclassified subsequently to profit or loss	(601,919)	(49,565)	(235,802)	(33,785)
Other comprehensive income (loss) for the periods	(601,919)	(49,565)	(235,802)	(33,785)
Total comprehensive income (loss) for the periods	309,822	8,172,697	3,002,405	133,291
Total comprehensive income (loss) for the periods attributable to:				
Equity holders of the parent	310,978	8,173,060	3,002,405	133,291
Non - controlling interests	(1,156)	(363)	-	-
	309,822	8,172,697	3,002,405	133,291

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

..... DIRECTOR DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries**Statements of cash flows****For the three - month period ended 31 March 2023**

(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	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) for the periods	911,741	8,222,262	3,238,207	167,076
Adjustments to reconcile profit (loss) for the periods to net cash provided by (used in) operating activities:				
Depreciation	858,757	835,515	92,894	106,974
Amortization	350	191	-	-
Loss (gain) on sales and write - off of assets	7,123	(2,696)	(31)	-
Bad debt and doubtful accounts (reversal)	516	2,175	-	-
Dividend income	-	-	(2,373,243)	(22,205)
Loss (gain) from changes in fair value of financial assets	(126)	-	(185)	-
Loss (gain) from changes in fair value of derivatives	70,595	(11,434)	70,595	(11,434)
Unrealized loss (gain) on exchange rate	(37,420)	(68,151)	(19,455)	(10,089)
Share of loss (profit) from investments in associates	(10,222)	(16,605)	-	-
Share of loss (profit) from investments in joint ventures	(10,220)	(22,965)	-	-
Provisions for employee benefits	2,884	2,670	1,756	2,464
Interest income	(111,677)	(4,097)	(30,167)	(815)
Finance costs	92,352	51,085	3,267	2,634
Tax expenses (income)	19,731	3,067	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	1,794,384	8,991,017	983,638	234,605
Operating assets decrease (increase)				
Trade receivables - unrelated parties	696,003	(283,250)	(7,964)	43,339
Trade receivables - related parties	(33,883)	29,318	(1,227,294)	(563,808)
Other receivables	(48,085)	(27,241)	(14,863)	(72,252)
Material supplies	88,924	(141,356)	(1,701)	(3,824)
Other current assets	(5,021)	4,823	-	-
Other non - current assets	(1,891)	(135)	(40)	16
Operating liabilities increase (decrease)				
Trade payable - unrelated parties	(117,795)	(617,143)	5,186	(22,155)
Trade payable - related parties	(5,461)	(2,596)	-	-
Other payables	(620,098)	(414,055)	(262,901)	(199,576)
Advance receipt	-	-	836,417	2,539,038
Other current liabilities	6,069	960	1,225	-
Cash received (paid) from operating activities	1,753,146	7,540,342	311,703	1,955,383
Net cash received (paid) for income tax	(1,692)	(5,854)	(506)	-
Net cash provided by (used in) operating activities	1,751,454	7,534,488	311,197	1,955,383

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

Regional Container Lines Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the three - month period ended 31 March 2023

(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	
	2023	2022	2023	2022
Cash flows from investing activities				
Increase (decrease) in other current financial assets	(559,013)	-	-	-
Increase (decrease) in short - term loan to related parties	-	-	477,785	-
Cash received from sales of assets	248,570	6,395	2,046	-
Purchase of property, premises, vessels and equipment	(2,044,660)	(3,765)	(19,207)	(26,304)
Payment of payable on purchase of assets	(87,024)	(128,759)	-	(19,837)
Payment of advances for vessels and equipment	-	(2,543,556)	-	-
Dividend received	-	22,205	-	22,205
Interest received	79,861	882	60,971	2
Net cash provided by (used in) investing activities	(2,362,266)	(2,646,598)	521,595	(23,934)
Cash flows from financing activities				
Payment of lease liabilities	(451,937)	(540,799)	(843)	(875)
Increase (decrease) in long - term loans	(50,541)	(211,586)	(14,249)	(176,334)
Finance costs paid	(92,614)	(51,408)	(3,341)	(2,932)
Net cash provided by (used in) financing activities	(595,092)	(803,793)	(18,433)	(180,141)
Exchange differences on translating financial statement	(248,678)	12,621	9,966	29,725
Net increase (decrease) in cash and cash equivalents	(1,454,582)	4,096,718	824,325	1,781,033
Cash and cash equivalents at beginning of periods	19,481,088	9,750,258	748,626	278,398
Cash and cash equivalents at ending of periods	18,026,506	13,846,976	1,572,951	2,059,431
Supplemental disclosures of cash flows information :				
Activities not affecting cash :				
Decrease in payment of advance for equipment from purchase of vessels and equipment	1,978,034	26,303	-	26,303
Increase in payable on purchase of assets from purchase of vessels and equipment	49,864	45,609	10,580	4,320
Increase in right - of - use assets and lease liabilities from recognition of leases	8,398	1,054,643	5,519	-
Offset of trade receivables - related parties, other receivables and advance receipt	-	-	106,061	-
Decrease in advance receipt from receive the dividend	-	-	1,174,505	-

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

Regional Container Lines Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three - month period ended 31 March 2023

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 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 2022.

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.

1.3 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 2022.

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 2022.

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 2023 by Baht 14.2 million and Baht 3.2 million, respectively (Baht 0.017 per share and Baht 0.004 per share, respectively).

4. Trade receivables

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	As at	As at	As at	As at
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Under 90 days	3,951,530	4,643,247	7,964	-
91 - 180 days	23,649	6,557	-	-
181 - 365 days	2,744	5,951	-	-
Over 365 days	62,668	63,808	-	-
Total	4,040,591	4,719,563	7,964	-
<u>Less</u> Allowance for doubtful accounts	(59,495)	(60,304)	-	-
Net	3,981,096	4,659,259	7,964	-

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	As at	As at	As at	As at
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Under 90 days	92,967	59,021	1,220,715	640,547
91 - 180 days	-	63	533,374	-
181 - 365 days	-	-	-	-
Over 365 days	-	-	-	-
Total	92,967	59,084	1,754,089	640,547

(Unaudited but reviewed)

5. Other current financial assets

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	As at	As at	As at	As at
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Gain from changes in fair value of derivatives (a)	50,339	122,878	50,339	122,878
<u>Less</u> : Non - current	(42,780)	(110,710)	(42,780)	(110,710)
Gain from changes in fair value of derivatives - Current	7,559	12,168	7,559	12,168
Investments				
- Investment units	85,632	85,454	85,632	85,454
- Debenture	561,175	-	-	-
- Structured note	49,969	49,967	49,969	49,967
Total other current financial assets	<u>704,335</u>	<u>147,589</u>	<u>143,160</u>	<u>147,589</u>

- (a) As at 31 March 2023, the Company had interest rate swap agreement covering the notional 2 promise amount of USD 81.72 million (31 December 2022 : 3 promise of amount USD 92.69 million), an floating interest rate to be swapped for a fixed interest rate, with the notional amount base used for determination of the interest to be amortized per quarter, the contracts expiration date are the year 2025 and 2027.

Movement in the “Gain from changes in fair value of derivatives” for the three - month period ended 31 March 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statement	financial statement
Beginning balance as at 31 December 2022 (audited)	122,878	122,878
Gain (loss) from changes in fair value	(70,595)	(70,595)
Exchange differences on translating financial statement	(1,944)	(1,944)
Ending balance as at 31 March 2023 (unaudited but reviewed)	<u>50,339</u>	<u>50,339</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	As at	As at	As at	As at	As at	31 March	31 March
	31 March	31 December	31 March	31 December	31 March	31 December	2023	2022
			Percent	Percent	(Unaudited	(Audited)		
					but reviewed)			
<u>Subsidiaries operating in Thailand</u>								
a) RCLS Co., Ltd.	Baht 25 Million	Baht 25 Million	100	100	15	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	483	490	-	-
d) Thitti Bhum Co., Ltd.	Baht 480 Million	Baht 480 Million	100	100	483	490	-	-
<u>Subsidiaries operating in Singapore</u>								
e) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	244	247	-	-
f) Regional Container Lines Pte. Ltd.	S\$ 136.5 Million	S\$ 136.5 Million	100	100	5,423	5,497	2,329	-
g) RCL Feeder Pte. Ltd.	USD 138.6 Million	USD 138.6 Million	40	40	1,815	1,840	-	-
h) RCL Shipmanagement Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	100	100	110	111	-	-
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	248	252	-	-
					8,826	8,947	2,329	-
<u>Less</u> : Allowance for impairment					(217)	(220)		
Investments in subsidiaries, net					8,609	8,727		

Movement in the investments in subsidiaries for the three - month period ended 31 March 2023 are summarized below:

	(Unit: Thousand Baht)
Investment as at 31 December 2022 (audited)	8,726,895
Exchange differences on translating financial statement	(118,190)
Investment as at 31 March 2023 (unaudited but reviewed)	8,608,705

7. Investments in associates and joint ventures7.1 Investments in associates

Company's name	Paid - up capital		Percentage directly owned by the Company				Equity method		(Unit: Million Baht) Dividend for the three - month periods ended	
	As at	As at	As at	As at	As at	As at	As at	As at	31 March	31 March
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	2023	2022
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			Percent	Percent	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)		
<u>Investment in associates of the Company</u>										
TIPS Co., Ltd. (Port operating)	Baht	Baht								
	100	100								
	Million	Million	22	22	57	58	303	337	44	22
Total investment in associates of the Company					57	58	303	337	44	22
<u>Investment in associates of the subsidiaries</u>										
N - Square RCL Logistics Co., Ltd. (Warehouse operating)	Baht 5	Baht 5								
	Million	Million	40	40	2	2	-	-	-	-
Total investment in associates of the subsidiaries					2	2	-	-	-	-
Total investment in associates					59	60	303	337	44	22

Movements in the investment in associates for the three - month period ended 31 March 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2022 (audited)	336,823	57,745
Dividend income	(43,997)	-
Share of profit under equity method	10,222	-
Exchange differences on translating financial statement	(447)	(782)
Investment as at 31 March 2023 (unaudited but reviewed)	302,601	56,963

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	As at	As at	As at	As at	As at	31 March	31 March
	31 March	31 December	31 March	31 December	31 March	31 December	2023	2022
				Percent	Percent	(Unaudited but reviewed)		
<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						
	Million	Million	55	55	99	96	-	-
RCL Agencies East India Private Limited	INR	INR						
(Shipping agent and providing transportation and cargo handling services)	15	15						
	Million	Million	55	55	70	64	-	-
Regional Logistics Private Limited	INR 10	INR 10						
(Logistics service)	Million	Million	51	51	1	1	-	-
Shanghai CIMC Grand International Logistics Co., Ltd.	CNY 5	CNY 5						
(Logistics service)	Million	Million	51	51	14	14	-	-
Total investment in joint ventures					184	175	-	-

Movements in the investment in joint ventures for the three - month period ended 31 March 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2022 (audited)	174,617	-
Dividend income	-	-
Share of profit under equity method	10,220	-
Exchange differences on translating financial statement	(763)	-
Investment as at 31 March 2023 (unaudited but reviewed)	184,074	-

(Unaudited but reviewed)

8. Investment properties, net

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Net book value as at 31 December 2022 (audited)	5,162	49,393
<u>Add</u> Increased during period - at cost	-	-
<u>Less</u> Depreciation for the period	(18)	(407)
Exchange differences on translating financial statement	(102)	(671)
Net book value as at 31 March 2023 (unaudited but reviewed)	<u>5,042</u>	<u>48,315</u>

9. Property, premises, vessels and equipment, net

9.1 Property and premises, net

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Net book value as at 31 December 2022 (audited)	364,819	455
<u>Add</u> Acquisitions during period - at cost	7,551	5,026
<u>Less</u> Depreciation for the period	(2,658)	-
Exchange differences on translating financial statement	(6,008)	13
Net book value as at 31 March 2023 (unaudited but reviewed)	<u>363,704</u>	<u>5,494</u>

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

9.2 Vessels and equipment, net

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Net book value as at 31 December 2022 (audited)	21,806,874	5,951,475
<u>Add</u> Acquisitions during period - at cost	4,065,007	24,761
<u>Less</u> Sale during period - at net book value	(255,693)	(2,015)
Depreciation for the period	(430,992)	(91,659)
Exchange differences on translating financial statement	(281,756)	(80,875)
Net book value as at 31 March 2023 (unaudited but reviewed)	<u>24,903,440</u>	<u>5,801,687</u>

The Group has mortgaged certain vessels to secure credit facilities granted to the Group.

(Unaudited but reviewed)

Depreciation in the statements of income for the three - month periods ended 31 March 2023 and 2022 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation included in				
Cost of freight and operations	428,342	307,404	90,842	105,373
Administrative expenses	5,308	3,759	817	717
Total	<u>433,650</u>	<u>311,163</u>	<u>91,659</u>	<u>106,090</u>

(Unit : Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation included in				
Cost of freight and operations	12,551	9,252	2,662	3,171
Administrative expenses	156	113	24	22
Total	<u>12,707</u>	<u>9,365</u>	<u>2,686</u>	<u>3,193</u>

10. Right - of - use assets, net

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 31 December 2022 (audited)	4,933,490	1,887
<u>Add</u> Increased during period - at cost	8,398	5,519
<u>Less</u> Depreciation for the period	(425,089)	(828)
Exchange differences on translating financial statement	(68,105)	(7)
Net book value as at 31 March 2023 (unaudited but reviewed)	<u>4,448,694</u>	<u>6,571</u>

The following are the amounts recognised in profit or loss for the three - month periods ended 31 March 2023 and 2022.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation of right - of - use assets	425,089	524,352	828	884
Interest expense on lease liabilities	44,593	45,184	24	76
Expense relating to short - term lease and leases of low - value assets	174,234	221,202	149	206
Total	<u>643,916</u>	<u>790,738</u>	<u>1,001</u>	<u>1,166</u>

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(Unaudited but reviewed)

(Unit : Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation of right - of - use assets	12,456	15,781	24	27
Interest expense on lease liabilities	1,307	1,360	1	2
Expense relating to short - term lease and leases of low - value assets	5,105	6,612	4	6
Total	18,868	23,753	29	35

11. Intangible assets, net

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<u>Computer software</u>		
Net book value as at 31 December 2022 (audited)	2,554	-
<u>Add</u> Increased during period - at cost	-	-
<u>Less</u> Amortization for the period	(350)	-
Exchange differences on translating financial statement	(14)	-
Net book value as at 31 March 2023 (unaudited but reviewed)	2,190	-

As at 31 March 2023 and 31 December 2022, computer software have been fully amortized but are still in use. The original cost of those asset amounted to approximately Baht 357 million and Baht 362 million, respectively.

12. Long - term loans

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 March 2023 (Unaudited but reviewed)	As at 31 December 2022 (Audited)	As at 31 March 2023 (Unaudited but reviewed)	As at 31 December 2022 (Audited)
<u>Loans of the Company</u>				
1) USD 3.9 million (2022: USD 4.2 million), repayable quarterly until the year 2029.	134,311	146,575	134,311	146,575
2) Baht 76.2 million (2022: Baht 80.2 million), repayable monthly until the year 2026.	76,158	80,169	76,158	80,169
<u>Loan of the Thailand Subsidiary</u>				
3) USD 69 million (2022: USD 69 million), repayable quarterly until the year 2032.	2,364,154	2,396,612	-	-
<u>Loans of the Singapore Subsidiaries</u>				
4) USD 2.8 million (2022: USD 3.1 million), repayable quarterly until the year 2025.	95,491	106,476	-	-
5) USD 2.1 million (2022: USD 2.4 million), repayable quarterly until the year 2025.	73,474	81,922	-	-
6) USD 3.0 million (2022: USD 3.3 million), repayable quarterly until the year 2025.	103,454	115,353	-	-
7) USD 0.5 million (2022: USD 0.6 million), repayable quarterly until the year 2024.	17,269	20,006	-	-
8) USD 0.6 million (2022: USD 0.6 million), repayable quarterly until the year 2025.	19,736	22,507	-	-
<u>Loan of the Hong Kong Subsidiary</u>				
9) HKD 1 million (2022: HKD 2 million), repayable monthly until the year 2023.	4,311	8,762	-	-
Total	2,888,358	2,978,382	210,469	226,744
Less : Current portion	(417,519)	(287,585)	(150,355)	(57,724)
Long - term loans, net of current portion	2,470,839	2,690,797	60,114	169,020

The above loans carry interest at rates based on LIBOR.

(Unaudited but reviewed)

Movements in the long - term loans for the three - month period ended 31 March 2023 are summarized below:

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Beginning balance as at 31 December 2022 (audited)	2,978,382	226,744
<u>Add</u> Borrowings	-	-
<u>Less</u> Repayments	(50,541)	(14,249)
Exchange differences on translating financial statement	(39,483)	(2,026)
Ending balance as at 31 March 2023 (unaudited but reviewed)	<u>2,888,358</u>	<u>210,469</u>

These loans have been secured by the mortgage certain 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 2023, the Group and the Company had the remaining credit line of long - term loans are as follows:

In January 2022, a subsidiary in Thailand had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 69 million (31 March 2023 : approximately Baht 2,364.2 million) which is for the payment of container vessels' construction, at present, a subsidiary has not drawn down the loan.

13. Lease liabilities

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Lease liabilities as at 31 December 2022 (audited)	4,965,458	1,891
Increase (Decrease) during the period :		
<u>Add</u> Lease payments at the commencement date	9,139	6,044
<u>Less</u> Deferred interest expenses	(741)	(525)
<u>Add</u> Recognition of deferred interest expenses	44,593	24
<u>Less</u> Payments	(496,530)	(867)
Exchange differences on translating financial statement	(67,208)	22
Lease liabilities as at 31 March 2023 (unaudited but reviewed)	<u>4,454,711</u>	<u>6,589</u>
<u>Less</u> : Current portion	(1,413,054)	(2,786)
Lease liabilities, net of current portion	<u>3,041,657</u>	<u>3,803</u>

(Unaudited but reviewed)

As at 31 March 2023 and 31 December 2022, a maturity analysis of lease liabilities are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements					
	As at 31 March 2023			As at 31 December 2022		
	(Unaudited but reviewed)			(Audited)		
	Deferred interest			Deferred interest		
	Principal	expenses	Total	Principal	expenses	Total
Current portion	1,413,054	143,208	1,556,262	1,546,131	158,011	1,704,142
1 - 5 years	2,857,707	182,583	3,040,290	3,120,635	211,653	3,332,288
Over 5 years	183,950	1,964	185,914	298,692	4,022	302,714
Total	<u>4,454,711</u>	<u>327,755</u>	<u>4,782,466</u>	<u>4,965,458</u>	<u>373,686</u>	<u>5,339,144</u>

(Unit : Thousand Baht)

	Separate financial statements					
	As at 31 March 2023			As at 31 December 2022		
	(Unaudited but reviewed)			(Audited)		
	Deferred interest			Deferred interest		
	Principal	expenses	Total	Principal	expenses	Total
Current portion	2,786	303	3,089	1,891	42	1,933
1 - 5 years	3,803	242	4,045	-	-	-
Over 5 years	-	-	-	-	-	-
Total	<u>6,589</u>	<u>545</u>	<u>7,134</u>	<u>1,891</u>	<u>42</u>	<u>1,933</u>

14. Provisions for employee benefits

- Movement in the present value of the provisions for employee benefits for the three - month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Provisions for employee benefits at beginning of periods	60.35	61.05	34.11	57.18
Current service cost and interest	2.88	2.67	1.76	2.46
Benefits paid	-	-	-	-
Provisions for employee benefits at ending of periods	<u>63.23</u>	<u>63.72</u>	<u>35.87</u>	<u>59.64</u>

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(Unaudited but reviewed)

- Expenses recognized in the statements of income for the three - month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Current service costs	2.44	2.43	1.50	2.24
Interest cost	0.44	0.24	0.26	0.22
Total	<u>2.88</u>	<u>2.67</u>	<u>1.76</u>	<u>2.46</u>

- Principal actuarial assumptions as at 31 March 2023 and 31 December 2022 are as follows:

	Percent	
	Consolidated	Separate
	financial statements	financial statements
Discount rate	1.59 - 3.10	2.98
Salary increase rate	3 - 7.00	4 - 7.00
Employee turnover rate	0 - 27.00*	0 - 27.00*
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 2023 as follows:

- If the discount rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would decrease Baht 1.38 million (increase Baht 1.59 million) and Separate financial statements would decrease Baht 0.67 million (increase Baht 0.77 million).
- If the salary increase rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would increase Baht 1.84 million (decrease Baht 1.62 million) and Separate financial statements would increase Baht 0.90 million (decrease Baht 0.79 million).
- If the employee turnover rate increases (decrease) by 10%, the provisions for employee benefits in Consolidated financial statements would decrease Bath 0.44 million (increase Bath 0.49 million) and Separate financial statements would decrease Baht 0.23 million (increase Baht 0.25 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 0.03 million (decrease Baht 0.04 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.

15. 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		
	2023	2022	2023	2022	
<u>Transactions with subsidiary</u>					
Charter freight income	-	-	1,221	573	Market price as at the contract date
Interest income	-	-	23	-	Interest rate at the rate of 2.50% p.a. and based on SOFR
Office rental and service income	-	-	1	-	Contract price
Ship management fee	-	-	3	3	Price approximates market price
<u>Transactions with related parties</u>					
Commission expenses	27	93	-	-	Price approximates market price
Terminal operating service	53	61	-	-	Price per tariff minus volume discount
Logistic service fees	31	21	-	-	Price approximates market price
Office rental and service expenses	2	3	2	2	Contract price

(Unaudited but reviewed)

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

	Consolidated financial statements		Separate financial statements	
	As at 31 March 2023 (Unaudited but reviewed)	As at 31 December 2022 (Audited)	As at 31 March 2023 (Unaudited but reviewed)	As at 31 December 2022 (Audited)
(Unit: Million Baht)				
<u>Trade receivables - related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	1,754	641
<u>Related party</u>				
Ngow Hock Co., Ltd.	93	59	-	-
<u>Other receivables - related parties</u>				
- <u>Receipt on behalf of the Company</u>				
<u>Subsidiaries</u>				
RCL Feeder Pte. Ltd.	-	-	27	11
Regional Container Lines Pte. Ltd.	-	-	1	2
	-	-	28	13
- <u>Advances payment</u>				
<u>Subsidiary</u>				
RCL Shipmanagement Pte. Ltd.	-	-	1	-
- <u>Accrued income</u>				
<u>Subsidiary</u>				
RCLS Co., Ltd.	-	-	1	-
- <u>Accrued interest income</u>				
<u>Subsidiaries</u>				
Santi Bhum Co., Ltd.	-	-	5	17
Thitti Bhum Co., Ltd.	-	-	6	17
	-	-	11	34
<u>Short - term loan to related parties</u>				
<u>Subsidiaries</u>				
Santi Bhum Co., Ltd. (a)	-	-	-	1,546
Thitti Bhum Co., Ltd. (a)	-	-	-	1,545
<u>Associates</u>				
N - Square RCL Logistics Co., Ltd.	2	2	-	-
<u>Related party</u>				
Pu Chao Container Terminal Co., Ltd.	3	3	-	-
	5	5	-	3,091
<u>Long - term loan to related parties</u>				
<u>Subsidiaries</u>				
Santi Bhum Co., Ltd. (a)	-	-	1,045	-
Thitti Bhum Co., Ltd. (a)	-	-	1,525	-
	-	-	2,570	-

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(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at 31 March 2023 (Unaudited but reviewed)	As at 31 December 2022 (Audited)	As at 31 March 2023 (Unaudited but reviewed)	As at 31 December 2022 (Audited)
<u>Trade payables - related parties</u>				
<u>Related parties</u>				
Ngow Hock Co., Ltd.	2	8	-	-
RCL Agencies East India Private Limited	2	4	-	-
RCL Agencies (India) Private Limited	4	2	-	-
Others	3	3	-	-
	<u>11</u>	<u>17</u>	<u>-</u>	<u>-</u>
<u>Advance receipt from related parties</u>				
<u>Subsidiaries</u>				
RCL Feeder Pte. Ltd.	-	-	12	456
RCL Shipmanagement Pte. Ltd.	-	-	48	46
Regional Container Lines Pte. Ltd.	-	-	1	1
RCLS Co., Ltd.	-	-	-	25
	<u>-</u>	<u>-</u>	<u>61</u>	<u>528</u>

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

On 20 May 2022, a subsidiary in Thailand has sold all shares of the Company's investment in Pu Chao Container Terminal Co., Ltd. to Bangkok Terminal Logistics Co., Ltd.

(a) On 20 July 2022, the Company received a promissory note at call from 2 subsidiaries in Thailand with total amount of USD 89 million, with interest at the rate of 2.50% p.a. which is unsecured. On 1 March 2023, the remaining balance of the promissory note amounting USD 75 million were converted to long - term loan agreement with minimum principal repayment of USD 2 million per year and interest payment every three month with interest at the rate based on SOFR which is unsecured.

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 2023 and 2022 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short - term employee benefits	11	50	8	45

16. Tax income (expenses)

The Company and 2 subsidiaries in Thailand have 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 vessel operations. After completion of BOI privileges, the Company and subsidiaries will be exempted from income tax on profit under Royal decree 314 for shipping profits.

The corporate income tax rate being used by the Company and its subsidiaries in Thailand 8% and 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 2023 and 31 December 2022 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 262.58 million and Baht 201.82 million, respectively, (The Company: Baht 58.94 million and Baht 14.47 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 2 subsidiaries in Thailand which recognized deferred tax assets amounted Baht 3.14 million and Baht 1.28 million, respectively.

Tax income (expense) for the three - month periods ended 31 March 2023 and 2022, consisted of:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Current tax expense	(21,591)	(3,105)	-	-
Deferred tax income (expense) of temporary differences	1,860	38	-	-
Tax income (expense) reported in the statement of income	<u>(19,731)</u>	<u>(3,067)</u>	<u>-</u>	<u>-</u>

As at 31 March 2023 and 31 December 2022, the components of deferred tax assets and liabilities are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	As at	As at
	31 March 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)
<u>Deferred tax assets</u>		
Allowance for impairment of investment	400	400
Provisions for employee benefits	2,738	878
	<u>3,138</u>	<u>1,278</u>
<u>Deferred tax liabilities</u>		
Property and premises, net	<u>9,280</u>	<u>9,467</u>

17. 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	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external customers	73	80	6,470	14,623	4	12	6,547	14,715	290	-	6,837	14,715
Inter - segment revenues	1,497	573	1,594	884	2	13	3,093	1,470	(3,093)	(1,470)	-	-
Freight income	1,570	653	8,064	15,507	6	25	9,640	16,185	(2,803)	(1,470)	6,837	14,715
Segment gross profit (loss)	1,187	321	51	8,275	5	19	1,243	8,615	19	6	1,262	8,621
Gain on exchange rate											61	64
Gain (loss) on sales of assets											(7)	3
Others income											119	11
Administrative expenses											(360)	(472)
Finance costs											(92)	(51)
Gain (loss) from changes in fair value of derivatives											(70)	11
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9											(1)	(2)
Share of profit (loss) from investments in associates											10	17
Share of profit (loss) from investments in joint ventures											10	23
Tax income (expenses)											(20)	(3)
Profit (loss) for the periods											912	8,222

(Unit: Million Baht)

Consolidated financial statements												
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	As at 31 March 2023	As at 31 December 2022	As at 31 March 2023	As at 31 December 2022	As at 31 March 2023	As at 31 December 2022	As at 31 March 2023	As at 31 December 2022	As at 31 March 2023	As at 31 December 2022	As at 31 March 2023	As at 31 December 2022
Property, premises, vessels and equipment, net	13,715	9,975	11,318	11,934	190	194	25,223	22,103	45	69	25,268	22,172
Others											32,561	36,706
Total assets											57,829	58,878

18. Commitments and contingent liabilities18.1 Commitments

- (a) As at 31 March 2023, the Company and its subsidiaries in Thailand have outstanding commitments relating to the lease agreements for equipment and service agreements of approximately Baht 3 million in respect of lease agreements, and subsidiaries in Singapore has outstanding commitments of USD 9 million or approximately Baht 293 million in respect of the following agreements.

	(Unit: Million Baht)		
Payment period	Charter hire	Other rental	Total
Within 1 year	259	7	266
During 1 - 5 years	9	18	27
Over than 5 years	-	-	-
Total	<u>268</u>	<u>25</u>	<u>293</u>

- (b) As at 31 March 2023, a subsidiary in Singapore has bunker purchase commitments amounting to USD 10 million or approximately Baht 353 million covering the period of April 2023 - June 2023 at 6,000 MT per month.
- (c) As at 31 March 2023, a subsidiary in Singapore has outstanding commitments relating to purchase / building of vessels are as follow:
- 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 2023 approximately Baht 5,825 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.
 - 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 2023 approximately Baht 9,114 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 and 4th quarter of year 2024, respectively.
 - On 24 May 2022, a subsidiary had entered into 2 vessel building contracts size 7,000 TEU with amounting to USD 158 million (as at 31 March 2023 approximately Baht 5,414 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 2nd quarter of year 2025, respectively.
 - On 31 March 2023, a subsidiary had entered into the buying contract of one vessel size 1,930 TEU, build in year 2023 with amounting to USD 27.3 million (as at 31 March 2023 approximately Baht 934 million). According to the agreement, the payment term was scheduled in two installment periods with different percentages based on the contract price : 15% for 1st installment period and 85% for the final installment (payment upon delivery of the vessel). Tentative delivery date of vessels is at the 2nd quarter of year 2023.

As at 31 March 2023, a subsidiary had entered into 7 vessel purchase / building contracts with amounting to USD 621.3 million or approximately Baht 21,286 million and paid for the above - mentioned contracts amounting to USD 106 million or approximately Baht 3,615 million.

18.2 Guarantees

As at 31 March 2023, the Company has guarantee obligations of USD 165 million, SGD 6 million and HKD 35 million, or approximately Baht 5,966 million (31 December 2022: USD 165 million, SGD 6 million and HKD 35 million or approximately Baht 6,046 million). These guarantees were issued to secure credit lines of overseas subsidiaries from financial institutions. The subsidiaries have outstanding guarantees totaling USD 78 million and HKD 1 million, or approximately Baht 2,689 million (31 December 2022: USD 79 million and HKD 2 million or approximately Baht 2,763 million).

19. 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 2023, the Group's debt - to - equity ratio was 0.27 : 1 (31 December 2022 : 0.30 : 1) and the Company's debt - to - equity ratio was 0.03 : 1 (31 December 2022 : 0.07 : 1).

20. Functional currency financial statements

The USD functional currency statements of financial position as at 31 March 2023 and 31 December 2022 and the statements of income for the three - month periods ended 31 March 2023 and 2022, are as follows:

Regional Container Lines Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2023

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	526,120	560,873	45,908	21,553
Trade receivables - unrelated parties	117,928	135,879	232	-
<u>Less: allowance for doubtful accounts</u>	<u>(1,736)</u>	<u>(1,736)</u>	<u>-</u>	<u>-</u>
Trade receivables - unrelated parties, net	116,192	134,143	232	-
Trade receivables - related parties	2,713	1,701	51,195	18,442
Dividend receivables	1,297	-	35,133	-
Other receivables	10,232	7,794	1,728	2,212
Short - term loan to related parties	146	144	-	89,000
Current portion of long - term loan to related parties	-	-	7,000	-
Material supplies	16,940	19,270	642	584
Refundable income tax - current period	319	419	16	2
Other current financial assets	20,557	4,249	4,178	4,249
Other current assets	1,599	1,413	-	-
Total current assets	696,115	730,006	146,032	136,042
Non - current assets				
Other non - current financial assets				
- Gain from changes in fair value of derivatives	1,249	3,187	1,249	3,187
- Others	338	338	-	-
Investments in subsidiaries, net	-	-	251,253	251,253
Investments in associates	8,832	9,697	1,663	1,663
Investments in joint ventures	5,372	5,027	-	-
Long - term loan to related parties, net of current portion	-	-	68,000	-
Investment properties, net	147	149	1,410	1,422
Property and premises, net	10,615	10,503	160	13
Vessels and equipment, net	726,830	627,834	169,328	171,347
Right - of- use assets, net	129,839	142,038	192	54
Intangible assets, net	64	74	-	-
Other non - current assets				
- Payment of advances for vessels and equipment	108,161	166,121	-	-
- Others	226	169	60	58
Total non - current assets	991,673	965,137	493,315	428,997
Total assets	1,687,788	1,695,143	639,347	565,039

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

As at 31 March 2023

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Liabilities and shareholders' equity				
Current liabilities				
Trade payables - unrelated parties	119,964	121,715	1,630	1,444
Trade payables - related parties	330	482	-	-
Other payables				
- Accrued expenses	9,293	23,414	4,647	8,676
- Advance receipt	-	-	1,778	15,195
- Payable on purchase of assets	2,887	3,976	310	-
- Revenue Department payable	1,114	4,716	49	3,528
Current portion of long - term loans	12,186	8,280	4,388	1,662
Current portion of lease liabilities	41,241	44,514	81	55
Income tax payable	814	366	-	-
Other current liabilities	5,942	5,688	35	-
Total current liabilities	193,771	213,151	12,918	30,560
Non - current liabilities				
Long - term loans, net of current portion	72,114	77,470	1,754	4,866
Lease liabilities, net of current portion	88,774	98,445	111	-
Deferred tax liabilities	271	273	-	-
Provisions for employee benefits	1,845	1,737	1,047	982
Total non - current liabilities	163,004	177,925	2,912	5,848
Total liabilities	356,775	391,076	15,830	36,408

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

As at 31 March 2023

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(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	1,172,118	1,145,368	421,344	326,458
Other components of equity	(43,305)	(43,534)	-	-
Total equity of parent Company's shareholders	1,330,986	1,304,007	623,517	528,631
Non - controlling interests	27	60	-	-
Total shareholders' equity	1,331,013	1,304,067	623,517	528,631
Total liabilities and shareholders' equity	1,687,788	1,695,143	639,347	565,039

Regional Container Lines Public Company Limited and its subsidiaries

Statements of income

For the three - month period ended 31 March 2023

(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	
	2023	2022	2023	2022
Revenues				
Freight income	200,356	442,870	35,791	17,233
Others income				
Gain on exchange rate	1,794	1,934	262	-
Dividend income	-	-	69,540	668
Gain on sales of assets	-	81	1	-
Interest income	3,272	123	884	25
Others	189	223	32	-
Total revenues	205,611	445,231	106,510	17,926
Expenses				
Cost of freight and operations	163,364	183,427	7,053	7,947
Administrative expenses	10,553	14,191	2,406	4,760
Others expenses				
Loss on exchange rate	-	-	-	456
Loss on sales of assets	209	-	-	-
Total expenses	174,126	197,618	9,459	13,163
Profit (loss) from operating activities	31,485	247,613	97,051	4,763
Finance costs	(2,706)	(1,537)	(96)	(79)
Gain (loss) from changes in fair value of derivatives	(2,069)	344	(2,069)	344
Reversal of impairment loss (impairment loss)				
determined in accordance with TFRS 9	(15)	(65)	-	-
Share of profit (loss) from investments in associates	300	500	-	-
Share of profit (loss) from investments in joint ventures	299	691	-	-
Profit (loss) before income tax expenses	27,294	247,546	94,886	5,028
Tax income (expenses)	(578)	(92)	-	-
Profit (loss) for the periods	26,716	247,454	94,886	5,028
Profit (loss) for the periods attributable to:				
Equity holders of the parent	26,750	247,463	94,886	5,028
Non - controlling interests	(34)	(9)	-	-
	26,716	247,454	94,886	5,028
Basic earnings (loss) per share				
Equity holders of the parent (USD)	0.0323	0.2986	0.1145	0.0061
The weighted average number of ordinary shares (Thousand share)	828,750	828,750	828,750	828,750

21. Events after the reporting period

- 21.1 The Company had signed a memorandum of agreement to sell a vessel at USD 4.9 million or approximately Baht 167.2 million. The various conditions are required in the memorandum of agreement. Which had net book value of vessel and equipment as at 31 March 2023 of USD 3.2 million. Tentative delivery date of vessel is at the 2nd quarter of year 2023.
- 21.2 On 14 April 2023, a subsidiary in Singapore had entered into the buying contract of one vessel size 1,707 TEU, build in year 2016 with amounting to USD 20 million or approximately Baht 685 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), Tentative delivery date of vessel is at the 2nd quarter of year 2023.
- 21.3 At the Annual General Meetings of Shareholders held on 21 April 2023, the shareholders approved to pay dividend for the year 2022 at the rate of Baht 7 per share. Since the interim dividend of Baht 3,315 million (Baht 4 per share) were distributed to the shareholders in September and December 2022, the remaining final dividend is Baht 2,486.25 million (Baht 3 per share) will be paid on 19 May 2023.
- 21.4 On 28 April 2023, the subsidiary in Singapore had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 66.5 million or approximately Baht 2,278.5 million which is for the payment of one container vessel construction, at present, the subsidiary has not drawn down the loan.

22. Approval of financial statements

These interim financial statements were authorized for issue by the Company's Board of Directors on 12 May 2023.