

QUARTERLY IR NEWSLETTER

NEWS UPDATE



RCL demonstrates a strong commitment to societal responsibility and environmental stewardship through the launch of "NATTHA BHUM." Utilizing modern technology, this vessel is a significant step towards pollution reduction and environmental conservation. As the largest Bangkok Max ship able to navigate the Chao Phraya River, it spans 172 meters in length and 27.5 meters in width.

With the capacity to carry 1,930 TEUs and a total weight bearing of 18,500 tons, "NATTHA BHUM" is capable of housing more than 40 HQ containers. It incorporates a variety of technological enhancements to bolster efficiency. The vessel consumes less fuel, consequently reducing emissions by 10-15%, while maintaining its speed and travel distance compared to earlier models.

These advancements align with RCL's commitment to enhancing fleet efficiency and extending capabilities. Preparing for the replacement of older vessels, this strategic move underscores RCL's aim to foster sustainable revenue growth, supported by steadfast adherence to ESG principles.

THE LAUNCH OF A NEW VESSEL "NATTHA BHUM"

On 21 June 2023, RCL hosted a Vessel Naming Ceremony led by Dr. Jamlong Atikul, Chairman of the Board. He was joined by Mr. Sumate Tanthuwani and Mr. Twinchok Tanthuwani. Esteemed guests included Mr. Thiraphong Chansiri, CEO and President of Thai Union Group Public Company Limited; Mr. Kriangkrai Chaisiri Vongseksuk, Managing Director of the Port Authority of Thailand; Mr. Sanan Angubolkul, President of the Thai Chamber of Commerce; and numerous other business partners. They convened to christen the new cargo vessel **"NATTHA BHUM,"** which translates to "Land of Scholars." The ceremony was graced by Khun Pornnapa Chansiri, who performed the traditional rituals, ensuring prosperity, good fortune, and auspicious beginnings for the vessel. During the event, guests and staff boarded the vessel to observe a demonstration of the vessel's internal operations and the efficiency of cargo management.

All ships of RCL will have the word **"Bhum"** (meaning "land" or "earth") at the end of their names. This belief originates from the understanding that sailors spending extended periods at sea yearn for the touch of land by including **"Bhum"** in the ship's name, the vessel carries a sense of closeness to land and earth even when out at sea.

BEST PUBLIC COMPANY SERVICE INDUSTRY 2023

For the second consecutive year, RCL has earned the distinction of being named the Outstanding Company of the Year in the Service Group of the Money & Banking Awards. This prestigious honor, bestowed upon listed companies in the Stock Exchange of Thailand across all ten industries, recognizes exceptional overall performance throughout the year.

Mr. Twinchok Tanthuwani, Managing Director of RCL, expressed gratitude in an interview with Money & Banking magazine, highlighting the award as a testament to the dedication of all RCL employees towards corporate development. He emphasized that RCL will maintain a sharp focus on nurturing internal capabilities and analyzing external economic conditions. This approach aims to propel business growth with an unwavering commitment to quality, environmental responsibility, and, most importantly, enhancing the company's responsiveness to meet and exceed customer needs.

Outstanding Company in the Service Group 2023, Money&Banking (<https://moneyandbanking.co.th>)



OUR EARTH - OUR OCEANS - ONE RCL

Sailing the oceans with ever-expanding green solutions

As a leader in the maritime industry, RCL is driven by a mission to make a positive contribution to both the environment and society.

In the first half of 2023, we actively engaged in numerous activities aimed at advancing environmental sustainability, including:



RCL ships use Antifouling paint without cybutryne.
The absence of Cybutryne helps reduce its impact on the environment and aquatic animals as Cybutryne can have adverse effects.

Reduction of Air Pollution from Sulfur Oxides (SOx)

- The new vessel M.V. ZIM BANGKOK (Thanya Bhum) was delivered to RCL on February 16, 2023. It is equipped with an EGCS (Exhaust Gas Cleaning System) capable of reducing SOx emissions to **0.1%** of sulfur content, which is lower than the IMO's regulations requirement of **0.5%**.
- Currently, our fleet consists of 12 vessels that are equipped with scrubbers.

Reduction of Water Pollution

- The vessel 'M.V. Hunsu Bhum' has installed a Ballast Water Treatment System (BWTS) in accordance with the IMO requirements of the Ballast Water Management Convention. Currently, **39 vessels** have also installed this system.
- 7 vessels** reapplied with Antifouling System (AFS) and are now Cybutryne-free.

GHG Emission Reduction CO2

- The hulls of **7 vessels** underwent thorough cleaning during docking to reduce friction losses, resulting in savings in bunker consumption.
- Applying additives to **all owned and operated vessels** to reduce fuel oil sludge and enhance engine performance.
- All vessels** employ route planning optimization to select the most efficient routes, thus saving time and reducing fuel consumption.
- Reduced travel speeds to a reasonable level to conserve fuel and lower carbon dioxide emissions.
- Optimize port operations with precise Estimated Time of Arrival (ETA) at **all ports**. This minimizes wait times, speeds up cargo operations, and reduces GHG emissions.
- Reduce ship crew energy consumption across **all vessels** by switching off internal lights when unnecessary, using LED lamps, optimizing ship laundry, preventing leaks, and halting pumps when not needed (ballast, fire, lube oil, camshaft pumps).

Reducing CO2 Through Disposal of Old and Inefficient Vessels

	No. of Vessels	Avg. Age	Avg. CO2 Emission	
DISPOSED 1H23	2	23 yrs	16.2 MT/ TEU	↓ 65% CO2 EMISSIONS REDUCTIONS
ACQUIRED 1H23	3	2 yrs	5.7 MT/ TEU	

During the first half of 2023, RCL divested 2 older vessels, averaging 23 years of age, with a CO2 emission average of 16.2 mt per TEU. Concurrently, the Company procured 3 newer vessels with average emissions of 5.7 mt per TEU, leading to a substantial 65% reduction in CO2 emissions compared to prior levels.

As RCL continues to augment its fleet with modern vessels, the focus goes beyond mere market competitiveness. An important consideration now is the ecological footprint these vessels leave behind. In an era where conducting business with environmental mindfulness is of utmost importance, we firmly believe that this perspective is not exclusive to RCL alone, but also to our customers as they place significant value on such concerns.

CSR ACTIVITIES



Contributed THB 2.50 million to Queen Sirikit Hospital Naval Medical Department.

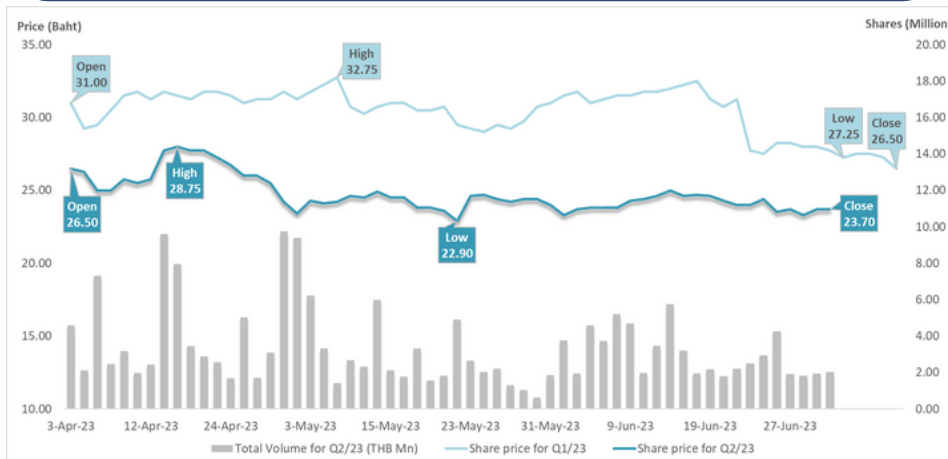


Donated ambulance van and medical equipment to Pitakkarn Foundation amounting to THB 2.68 million.



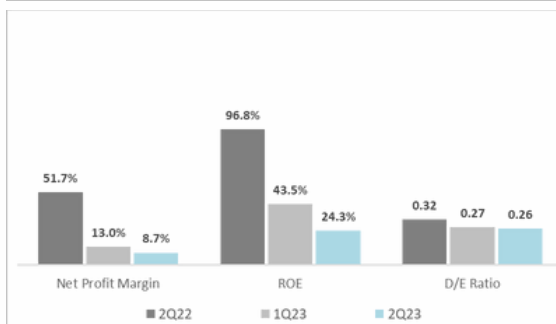
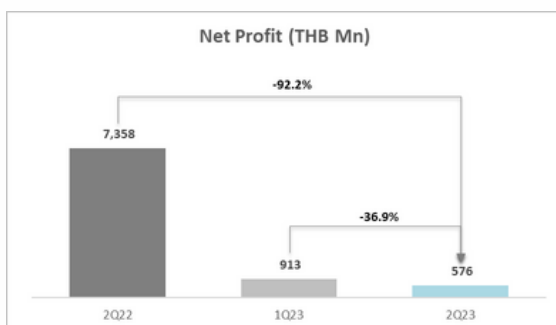
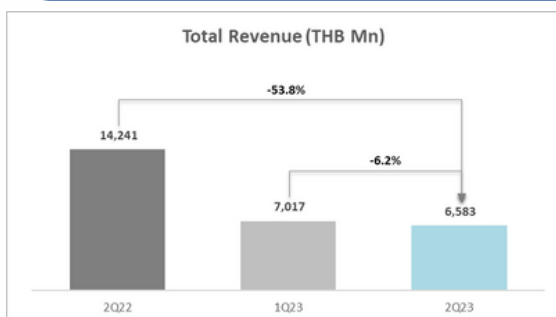
Providing food and essential items to Cambodia Community Children's Home (CCCH) at Royal Thai Embassy in Phnom Penh

STOCK PERFORMANCE - 1Q23 V 2Q23



RCL Stock Trading Statistics	1Q23	2Q23
Close price	26.50	23.70
Highest price	32.75	28.75
Lowest price	26.50	22.90
Average price	30.40	24.94
Avg. volume per day (Mn. shares)	4.5	3.3
Avg. value per day (Mn. Baht)	137.9	83.4
Market Cap. (Mn. Baht)	21,962	19,641
P/E Ratio	0.89	1.13
P/BV Ratio	0.48	0.43

FINANCIAL HIGHLIGHTS

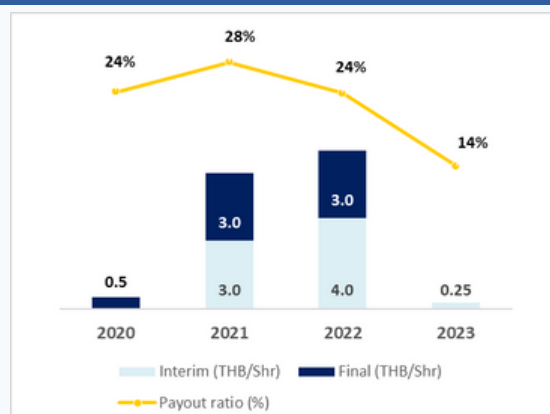


Summary of financial results for 2Q23

- Net profit: THB 576 million, a decrease of 36.8% compared to 1Q23 (THB 912 million) and a decrease of 92.2% (THB 7,362 million) compared to 2Q22.
- Factors contributing to the decline in net profit of 2Q23:
 - Decrease in freight rates of 10% whereas total lifting increased only 2% when compared to 1Q23.
 - Freight rates fell from \$394/TEU in 1Q23 to \$353/TEU in 2Q23, due to heightened competition post-market recovery and reduced time charter rates, particularly for smaller vessels.
 - The decelerated economic growth observed in China following the pandemic recovery.
 - The industry's difficulties were exacerbated by higher bunker prices and interest rates.
- By adopting cost-effective measures, the company succeeded in its reefer container business and made progress by agreeing to sell two vessels over 25 years old, aiming to boost fleet efficiency.
- RCL's proactive steps to adapt to the container shipping industry:
 - Expanded markets by focusing on West Asia and Southeast Asia.
 - Port expansion in South Philippines to align with growing commodity market demands.
 - Actively seeking the opportune timing and favorable pricing to further replace aging vessels.

DIVIDEND PAYMENTS

The company is delighted to announce that during its Meeting No. 4/2023 on 11 August 2023, the Board of Directors unanimously approved an interim dividend payment of 0.25 Baht per share for the operating results of the first six months of 2023, representing a payout ratio of 13.9%. Shareholders eligible for this interim dividend will be determined based on the Record Date of 25 August 2023, with the dividend slated for payment on 8 September 2023.



Useful Links

- [RCL Website](#)
- [Financial Results 2Q2023](#)
- [MD&A 2Q23](#)
- [2Q23 SET Opp Day Presentation](#)

Upcoming events

- Board of Directors' Meeting 2/2023** @ 11 Aug 2023
- Opportunity Day Q2/2023** @ 21 Aug 2023
- Analyst Meeting Q2/2023** @ 04 Sep 2023
- Board of Directors' Meeting Q3/2023** @ 10 Nov 2023
- Opportunity Day Q3/2023** @ 23 Nov 2023