



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

## Press Release for Financial Results as at 30 September 2018

During this current competitive environment, RCL's total liftings for 3Q 2018 fared 4.6% better than that of last quarter's and recorded a 6.9% improvement year-on-year. With the improvement in liftings, freight income was up by 7.7% from 2Q 2018 and was 4.1% higher when compared to its corresponding quarter of the previous year. Total revenue inched up to THB 3,091 million, a 5.2% year-on-year rise, or a 5.7% upswing in comparison with the previous quarter of THB 2,923 million, despite a quarter-to-quarter drop of 26.5% in gain on sale of assets.

In tandem with the increase in volume achieved and the unusually high bunker prices caused by the on-going trade war, uncertainty, and the severe impact of typhoon in China, RCL's total expenses went up by 18% when compared to the same quarter last year. The spike was lesser at 7.3% on a quarter-to-quarter basis. The cost of freight and operations in 3Q 2018 jumped 18.9% higher than the corresponding period of 2017 and hiked up 7.3% compared to its previous quarter. A 51.3% surge in bunker cost for 3Q 2018 vis-à-vis 3Q 2017, was the main contributing factor to the increase in total expenses. On a quarter-to-quarter basis, the bunker cost ascended 11.9%

With escalating bunker cost consequentially impacted RCL's bottom line, it slipped into unfavourable territory posting a net loss of THB 93 million for 3Q 2018 versus a net profit of THB 242 million in 3Q 2017 and recorded a drop of 116.3%, when compared to previous quarter.

9 November 2018

*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 49 vessels with sizes ranging between 200 TEUs and 6621 TEUs. It also has a fleet of 108,418 TEUs to support its own COC carriage as well. RCL operates a network of 67 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 PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
THAILAND

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INTERIM FINANCIAL STATEMENTS  
FOR THE THREE - MONTH AND NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2018  
AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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EXPRESSED IN  
THAI BAHT

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**A. M. T. & Associates**

สำนักงาน เอ. เอ็ม. ที. แอสโซซิเอต

Accounting Management & Tax Services

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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 as of September 30, 2018 of Regional Container Lines Public Company Limited and its subsidiaries, the related consolidated statements of income and comprehensive income for the three - month and nine - month periods ended September 30, 2018, the statements of changes in equity and cash flows for the nine - month period ended September 30, 2018, as well as the condensed notes to the consolidated financial statements, and I have also reviewed the separate financial information for the same periods 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 (revised 2017), "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 (revised 2017), "Interim Financial Reporting".

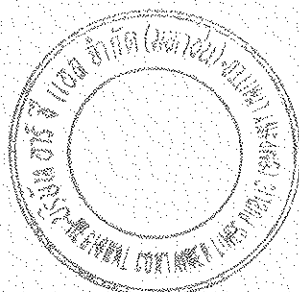
(CHAIYUTH ANGSUWITHAYA)  
Certified Public Accountant  
Registration No. 3885

A.M.T. & ASSOCIATES  
Bangkok, Thailand  
November 9, 2018

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of financial position**  
**As at 30 September 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,331,270	1,639,980	58,226	77,813
Trade receivables - unrelated parties		1,886,067	1,633,591	16,158	10,974
Less: allowance for doubtful accounts		(55,948)	(56,385)	-	-
Trade receivables - unrelated parties, net	5	1,830,119	1,577,206	16,158	10,974
Trade receivables - related parties	5 and 17	42,308	49,003	518,654	187,174
Other receivables	17	502,999	766,950	829,202	401,891
Material supplies		307,596	240,076	26,447	13,079
Other current assets	6	44,382	33,546	4,088	2,701
<b>Total current assets</b>		<b>4,058,674</b>	<b>4,306,761</b>	<b>1,452,775</b>	<b>693,632</b>
<b>Non - current assets</b>					
Property investments held for					
long - term investment		5,083	5,182	-	-
Investments in subsidiaries, net	7	-	-	6,784,255	6,838,625
Investments in associates	8.1	338,602	354,430	53,766	54,165
Investments in joint venture	8.2	54,015	30,313	-	-
Other long - term investments		10,926	11,008	-	-
Property and premises, net	9.1, 11 and 13	309,221	315,590	423	427
Vessels and equipment, net	9.2, 12 and 13	12,618,166	11,943,366	4,714,193	4,024,138
Intangible assets, net	10	-	9	-	-
Other non - current assets					
- Advances for vessel constructions	21	460,320	438,458	460,320	438,458
- Other	18	8,141	4,450	3,005	2,428
<b>Total non - current assets</b>		<b>13,804,474</b>	<b>13,102,806</b>	<b>12,015,962</b>	<b>11,358,241</b>
<b>Total assets</b>	24	<b>17,863,148</b>	<b>17,409,567</b>	<b>13,468,737</b>	<b>12,051,873</b>



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

..... DIRECTOR

Mr. Sumate Tanthuwant  
Director

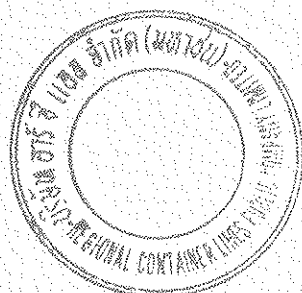
..... DIRECTOR

Mr. Suwep Tranantasin  
Director

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of financial position (continued)**  
**As at 30 September 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short - term loans from financial institutions	11	950,161	1,379,895	250,000	801,600
Trade payables - unrelated parties		3,273,024	3,082,437	86,347	48,337
Trade payables - related parties	17	786	7,570	-	-
Other payables					
- Accrued expenses		103,685	80,272	26,150	22,181
- Advance receipt	17	5,245	2,424	3,885,092	2,026,623
- Payable on purchase of assets	17	121,807	-	182,393	86,675
Current portion of liabilities under financial lease agreement	12	321,795	229,545	-	-
Current portion of long - term loans	13	651,329	1,073,930	479,538	356,295
Provision for onerous contracts	20.1 (a)	119,381	120,267	-	-
Income tax payable		1,005	2,686	-	-
Other current liabilities		118,831	105,482	1,074	2,531
<b>Total current liabilities</b>		<b>5,667,049</b>	<b>6,084,508</b>	<b>4,910,594</b>	<b>3,344,242</b>
<b>Non - current liabilities</b>					
Liabilities under financial lease agreements, net of current portion	12	1,479,615	966,414	-	-
Long - term loans, net of current portion	13	2,241,939	1,398,517	1,362,899	1,242,954
Provisions for employee benefits	15	33,415	28,297	30,353	25,606
Other non - current liabilities	18	8,361	8,561	-	-
<b>Total non - current liabilities</b>		<b>3,763,330</b>	<b>2,401,789</b>	<b>1,393,252</b>	<b>1,268,560</b>
<b>Total liabilities</b>	24	<b>9,430,379</b>	<b>8,486,297</b>	<b>6,303,846</b>	<b>4,612,802</b>



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

DIRECTOR

**Mr. Sumate Tanthuwant**  
Director

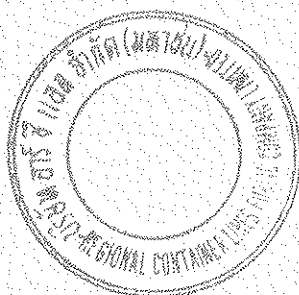
DIRECTOR

**Mr. Sutep Tranantasin**  
Director

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of financial position (continued)**  
**As at 30 September 2018**

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
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	66,300	66,300	66,300	66,300
Unappropriated	3,016,500	3,427,764	1,652,150	1,869,950
Other components of equity	(468,784)	(384,125)	(365,273)	(308,893)
Total equity of parent Company's shareholders	8,425,730	8,921,653	7,164,891	7,439,071
Non - controlling interests	7,039	1,617	-	-
<b>Total shareholders' equity</b>	8,432,769	8,923,270	7,164,891	7,439,071
<b>Total liabilities and shareholders' equity</b>	24 17,863,148	17,409,567	13,468,737	12,051,873



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

*Mr. Sunvate Yanthuwant*  
Director

DIRECTOR

*Mr. Sutep Tranantasin*  
Director

DIRECTOR

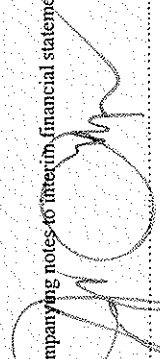
**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of changes in equity**  
**For the nine - month period ended 30 September 2018**

(Unit: Thousand Baht)

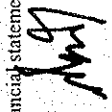
**Consolidated financial statements**

	Equity holders of parent company						Total equity of the parent Company's shareholder	Non - controlling interests	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			
Note									
<b>Balance as at 1 January 2017</b>	828,750	4,982,964	66,300	2,877,943		474,708	19,975	9,230,665	9,250,640
Subsidiaries dissolve and liquidate	-	-	-	-	-	(6,404)	(18,363)	(6,404)	(24,767)
Total comprehensive income (loss) for the period	-	-	-	143,413	-	(642,886)	5	(499,473)	(499,468)
<b>Balance as at 30 September 2017</b>	<b>828,750</b>	<b>4,982,964</b>	<b>66,300</b>	<b>3,021,356</b>		<b>(174,582)</b>	<b>1,617</b>	<b>8,724,788</b>	<b>8,726,405</b>
<b>Balance as at 1 January 2018</b>	828,750	4,982,964	66,300	3,427,764		(384,125)	1,617	8,921,653	8,923,270
Subsidiaries dissolve and liquidate	-	-	-	-	-	9,149	-	9,149	9,149
Purchase of investment in subsidiary	-	-	-	-	-	-	4,577	-	4,577
Total comprehensive income (loss) for the period	-	-	-	(328,389)	-	(93,808)	845	(422,197)	(421,352)
Dividend paid	-	-	-	(82,875)	-	-	-	(82,875)	(82,875)
<b>Balance as at 30 September 2018</b>	<b>828,750</b>	<b>4,982,964</b>	<b>66,300</b>	<b>3,016,500</b>		<b>(468,784)</b>	<b>7,039</b>	<b>8,425,730</b>	<b>8,432,769</b>

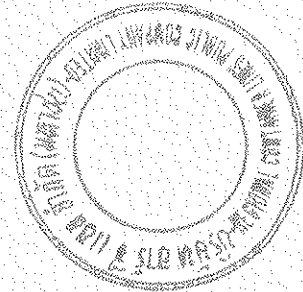
The accompanying notes to interim financial statements are an integral part of these interim financial statements.



**Mr. Sumrit Tenthawani**  
Director



**Ms. Supp Tansumwatin**  
Director



.....DIRECTOR

.....DIRECTOR

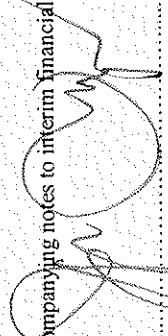
.....DIRECTOR

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of changes in equity (continued)**  
**For the nine - month period ended 30 September 2018**

(Unit: Thousand Baht)

	Note	Separate financial statements					
		Retained earnings		Other components of equity		Total shareholder's equity	
		Appropriated - legal reserve	Unappropriated	Other comprehensive income (loss)	Exchange differences on translating financial statement		
Issued and fully paid - up share capital	Share premium	Appropriated - legal reserve	Unappropriated	Other comprehensive income (loss)	Exchange differences on translating financial statement	Total shareholder's equity	
<b>Balance as at 1 January 2017</b>		828,750	4,982,964	66,300	2,299,515	463,670	8,641,199
Total comprehensive income (loss) for the period		-	-	-	(339,307)	(598,049)	(937,356)
<b>Balance as at 30 September 2017</b>		828,750	4,982,964	66,300	1,960,208	(134,379)	7,703,843
<b>Balance as at 1 January 2018</b>		828,750	4,982,964	66,300	1,869,950	(308,893)	7,439,071
Total comprehensive income (loss) for the period		-	-	-	(134,925)	(56,380)	(191,305)
Dividend paid	16	-	-	-	(82,875)	-	(82,875)
<b>Balance as at 30 September 2018</b>		828,750	4,982,964	66,300	1,652,150	(365,273)	7,164,891

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

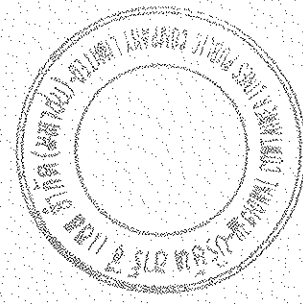


**Mr. Sumate Tanthuwant**  
Director



**Ms. Supp Trautman**  
Director

..... DIRECTOR ..... DIRECTOR





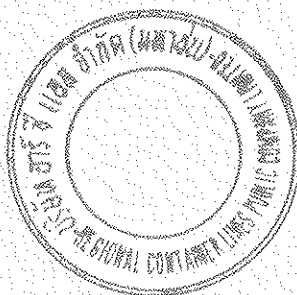
## Regional Container Lines Public Company Limited and its subsidiaries

## Statements of income

For the three - month period ended 30 September 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the three - month periods ended 30 September		For the three - month periods ended 30 September	
		2018	2017	2018	2017
<b>Revenues</b>					
Freight income	17	3,050,847	2,930,025	266,560	208,542
Others income					
Gain on exchange rate		121	5,097	-	-
Dividend income	8.1	-	-	22,441	22,296
Gain on sales of assets	9.2	35,997	-	-	-
Interest income		1,677	1,056	114	30
Unrealized gain on derivatives	6	427	342	427	342
Others		2,183	2,542	1	-
<b>Total revenues</b>		<b>3,091,252</b>	<b>2,939,062</b>	<b>289,543</b>	<b>231,210</b>
<b>Expenses</b>					
Cost of freight and operations	17	2,912,237	2,448,679	254,474	236,660
Administrative expenses	17	235,432	224,984	64,157	56,878
Other expense - loss on exchange rate		-	-	2,627	3,554
Finance costs		64,154	48,949	32,030	28,884
<b>Total expenses</b>		<b>3,211,823</b>	<b>2,722,612</b>	<b>353,288</b>	<b>325,976</b>
Share of profit (loss) from investments in associates	8.1	20,249	21,234	-	-
Share of profit (loss) from investments in joint venture	8.2	8,477	7,250	-	-
<b>Profit (loss) before income tax expenses</b>		<b>(91,845)</b>	<b>244,934</b>	<b>(63,745)</b>	<b>(94,766)</b>
Tax expenses (income)	18	1,348	3,271	-	-
<b>Profit (loss) for the periods</b>	24	<b>(93,193)</b>	<b>241,663</b>	<b>(63,745)</b>	<b>(94,766)</b>
<b>Profit (loss) for the periods attributable to:</b>					
Equity holders of the parent		(93,548)	241,662	(63,745)	(94,766)
Non - controlling interests		355	1	-	-
		<b>(93,193)</b>	<b>241,663</b>	<b>(63,745)</b>	<b>(94,766)</b>
<b>Basic earnings (loss) per share</b>					
Profit (loss) attributable to equity holders of the parent (Baht)		(0.11)	0.29	(0.08)	(0.11)
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. Sumate Tanthuwariit  
Director

DIRECTOR

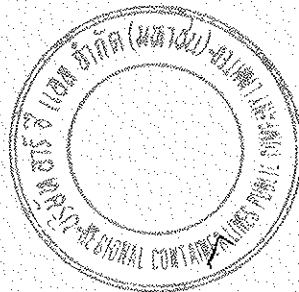
Ms. Sutep Trantasin  
Director

DIRECTOR

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Statements of comprehensive income**  
**For the three - month period ended 30 September 2018**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	For the three - month periods		For the three - month periods	
	ended 30 September		ended 30 September	
	2018	2017	2018	2017
<b>Profit (loss) for the periods</b>	(93,193)	241,663	(63,745)	(94,766)
<b>Other comprehensive income (loss):</b>				
<b>Items that will be reclassified subsequently to profit or loss :</b>				
Exchange differences on translating financial statement	(186,376)	(157,035)	(155,872)	(140,831)
<b>Total items that will be reclassified subsequently to profit or loss</b>	(186,376)	(157,035)	(155,872)	(140,831)
<b>Other comprehensive income (loss) for the periods</b>	(186,376)	(157,035)	(155,872)	(140,831)
<b>Total comprehensive income (loss) for the periods</b>	(279,569)	84,628	(219,617)	(235,597)
<b>Total comprehensive income (loss) for the periods attributable to:</b>				
Equity holders of the parent	(279,924)	84,627	(219,617)	(235,597)
Non - controlling interests	355	1	-	-
	(279,569)	84,628	(219,617)	(235,597)



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

**Mr. Surot Tanthuwani**  
Director

DIRECTOR

**Mr. Sutep Tranantasin**  
Director

DIRECTOR

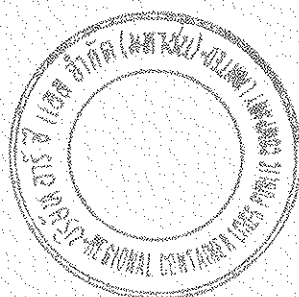
## Regional Container Lines Public Company Limited and its subsidiaries

## Statements of income

For the nine - month period ended 30 September 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the nine - month periods ended 30 September		For the nine - month periods ended 30 September	
		2018	2017	2018	2017
<b>Revenues</b>					
Freight income	17	8,713,365	8,278,995	708,374	611,172
Others income					
Gain on exchange rate		39,800	21,226	4,004	-
Dividend income	8.1	-	-	67,535	67,073
Gain on sales of assets	9.2	97,944	98,383	-	-
Gain on dissolution of subsidiary, net	7	-	-	73,886	-
Interest income		5,254	2,683	316	150
Unrealized gain on derivatives	6	1,383	432	1,383	432
Others		11,830	13,936	1	156
<b>Total revenues</b>		<b>8,869,576</b>	<b>8,415,655</b>	<b>855,499</b>	<b>678,983</b>
<b>Expenses</b>					
Cost of freight and operations	17	8,418,355	7,526,958	713,927	735,247
Administrative expenses	17	691,875	669,707	186,225	165,237
Other expense					
Loss on exchange rate		-	-	-	24,020
Loss on dissolution of subsidiary		3,934	-	-	-
Finance costs		166,787	147,731	90,272	93,786
<b>Total expenses</b>		<b>9,280,951</b>	<b>8,344,396</b>	<b>990,424</b>	<b>1,018,290</b>
Share of profit (loss) from investments in associates	8.1	63,712	64,743	-	-
Share of profit (loss) from investments in joint venture	8.2	23,797	16,213	-	-
<b>Profit (loss) before income tax expenses</b>		<b>(323,866)</b>	<b>152,215</b>	<b>(134,925)</b>	<b>(339,307)</b>
Tax expenses (income)	18	3,678	8,797	-	-
<b>Profit (loss) for the periods</b>	24	<b>(327,544)</b>	<b>143,418</b>	<b>(134,925)</b>	<b>(339,307)</b>
<b>Profit (loss) for the periods attributable to:</b>					
Equity holders of the parent		(328,389)	143,413	(134,925)	(339,307)
Non - controlling interests		845	5	-	-
		<b>(327,544)</b>	<b>143,418</b>	<b>(134,925)</b>	<b>(339,307)</b>
<b>Basic earnings (loss) per share</b>					
Profit (loss) attributable to equity holders of the parent (Baht)		(0.40)	0.17	(0.16)	(0.41)
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.

DIRECTOR

DIRECTOR

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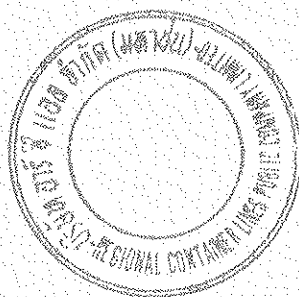
Mr. Supate Tanthuwant  
Director

Mr. Sutep Tranantasin  
Director

Regional Container Lines Public Company Limited and its subsidiaries  
**Statements of comprehensive income**  
**For the nine - month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the nine - month periods ended 30 September		For the nine - month periods ended 30 September	
	2018	2017	2018	2017
<b>Profit (loss) for the periods</b>	(327,544)	143,418	(134,925)	(339,307)
<b>Other comprehensive income (loss):</b>				
<b>Items that will be reclassified subsequently to profit or loss :</b>				
Exchange differences on translating financial statement	(93,808)	(642,886)	(56,380)	(598,049)
<b>Total items that will be reclassified subsequently to profit or loss</b>	(93,808)	(642,886)	(56,380)	(598,049)
<b>Other comprehensive income (loss) for the periods</b>	(93,808)	(642,886)	(56,380)	(598,049)
<b>Total comprehensive income (loss) for the periods</b>	(421,352)	(499,468)	(191,305)	(937,356)
<b>Total comprehensive income (loss) for the periods attributable to:</b>				
Equity holders of the parent	(422,197)	(499,473)	(191,305)	(937,356)
Non - controlling interests	845	5	-	-
	(421,352)	(499,468)	(191,305)	(937,356)



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

DIRECTOR

Mr. Sumate Tanthuwantit  
Director

DIRECTOR

Mr. Sutep Tranantasin  
Director

## Regional Container Lines Public Company Limited and its subsidiaries

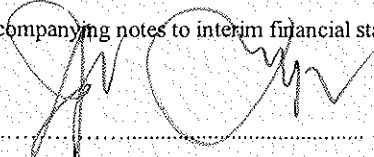
## Statements of cash flows

For the nine - month period ended 30 September 2018


(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the nine - month periods ended 30 September		For the nine - month periods ended 30 September	
	2018	2017	2018	2017
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expenses	(323,866)	152,215	(134,925)	(339,307)
Adjustments to reconcile profit (loss) before income tax expenses to net cash provided by (used in) operating activities:				
Depreciation	1,165,935	1,157,605	316,103	345,202
Amortization	9	16	-	-
Loss (gain) on sales and write - off of assets	(97,944)	(98,383)	1,956	-
Loss (gain) on dissolution of subsidiaries, net	-	-	(73,886)	-
Increase (decrease) in allowance for doubtful accounts	(437)	(4,342)	-	-
Dividend income	-	-	(67,535)	(67,073)
Unrealized loss (gain) on derivatives	(1,383)	(432)	(1,383)	(432)
Unrealized loss (gain) on exchange rate	(40,553)	(45,245)	(17,555)	11,397
Share of profit (loss) from investments in associates	(63,712)	(64,743)	-	-
Share of profit (loss) from investments in joint venture	(23,797)	(16,213)	-	-
Provisions for employee benefits	5,118	5,397	4,747	5,024
Interest income	(5,254)	(2,683)	(316)	(150)
Finance costs	166,787	147,731	90,272	93,786
Profit (loss) from operating activities before changes in operating assets and liabilities	780,903	1,230,923	117,478	48,447
Operating assets decrease (increase)				
Trade receivables - unrelated parties	(225,955)	113,547	(5,184)	1,582
Trade receivables - related parties	6,964	(2,147)	(331,480)	12,745
Other receivables	267,105	(371,454)	(427,143)	168,623
Material supplies	(67,520)	45,786	(13,368)	13,343
Other current assets	(8,374)	15,374	(4)	(85)
Other non - current assets	(3,691)	(118)	(577)	(4)
Operating liabilities increase (decrease)				
Trade payables - unrelated parties	189,667	279,877	36,858	(10,561)
Trade payables - related parties	(9,075)	(173,627)	-	-
Other payables - accrued expenses	16,779	(9,902)	7,844	4,262
Advance receipt	2,821	3,303	1,951,257	463,718
Other current liabilities	12,504	31,689	(1,457)	(1,459)
Employee benefit obligation paid	-	(930)	-	(930)
Cash from operating activities	962,128	1,162,321	1,334,224	699,681
Cash received (paid) for income tax expenses	(6,440)	(12,526)	-	-
<b>Net cash provided by (used in) operating activities</b>	<b>955,688</b>	<b>1,149,795</b>	<b>1,334,224</b>	<b>699,681</b>

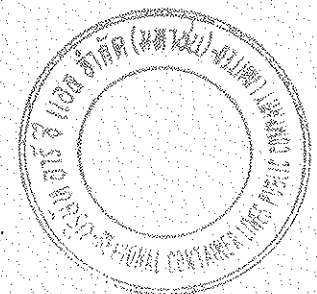
The accompanying notes to interim financial statements are an integral part of these interim financial statements.



DIRECTOR

Mr. Sumato Tanthuwonit  
Director


DIRECTOR

Mr. Sutep Trsnantasin  
Director

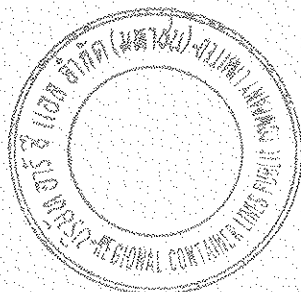
## Regional Container Lines Public Company Limited and its subsidiaries

## Statements of cash flows (continued)

For the nine - month period ended 30 September 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the nine - month periods ended 30 September		For the nine - month periods ended 30 September	
	2018	2017	2018	2017
<b>Cash flows from investing activities</b>				
Cash received from sales of assets	112,289	132,011	-	-
Purchase of property, premises, vessels and equipment	(939,544)	(138,119)	(842,644)	(1,883)
Payment of payable on purchase of assets	-	(14,701)	-	(6,704)
Payment of advances for vessel constructions	(120,380)	(141,648)	(120,380)	(141,648)
Dividend received	67,535	67,073	67,535	87,073
Interest received	4,746	1,691	148	133
Proceeds from subsidiaries dissolve and liquidate	-	48,060	-	-
Net cash and cash equivalents received from business combination	13,140	-	-	-
Proceeds from purchase of non - controlling interests	4,075	-	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>(858,139)</b>	<b>(45,633)</b>	<b>(895,341)</b>	<b>(63,029)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short - term loans from financial institution	(416,715)	178,049	(542,149)	(300,000)
Payment of liabilities financial lease	(174,123)	(151,711)	-	-
Increase (decrease) in long - term loans	436,863	(657,562)	253,604	(264,092)
Finance cost paid	(168,391)	(136,650)	(94,147)	(97,013)
Dividend paid	(82,875)	-	(82,875)	-
Payment of liquidated subsidiaries to non - controlling interests	-	(18,363)	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>(405,241)</b>	<b>(786,237)</b>	<b>(465,567)</b>	<b>(661,105)</b>
Exchange differences on translating financial statement	(1,018)	(33,637)	7,097	68,589
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(308,710)</b>	<b>284,288</b>	<b>(19,587)</b>	<b>44,136</b>
<b>Cash and cash equivalents at beginning of periods</b>	<b>1,639,980</b>	<b>1,255,452</b>	<b>77,813</b>	<b>35,932</b>
<b>Cash and cash equivalents at end of periods</b>	<b>1,331,270</b>	<b>1,539,740</b>	<b>58,226</b>	<b>80,068</b>



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

DIRECTOR

Mr. Sumate Tanthuwantit  
Director

DIRECTOR

Mr. Sutep Tranantasin  
Director

**Regional Container Lines Public Company Limited and its subsidiaries**  
**Notes to interim financial statements**  
**For the three - month and nine - month periods ended 30 September 2018**

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

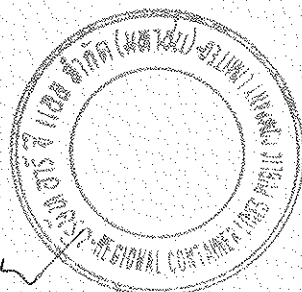
These interim financial statements are prepared in accordance with Accounting Standards No. 34 (revised 2017) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, changes in shareholders’ equity, income, comprehensive income and cash flows in the same format as that used for the annual financial statements.

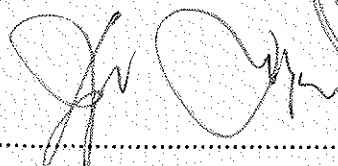
These interim financial statements are presented in Thai Baht which is different from the functional currency of the Company, which is US Dollar. The presentation is in Thai Baht in accordance with the regulatory requirements in Thailand.

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 2017.

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. Sumate Tanthuwani  
 Director

DIRECTOR

  
 .....  
 Mr. Sutop Tranantasin  
 Director

DIRECTOR

1.3 Basis of interim consolidation

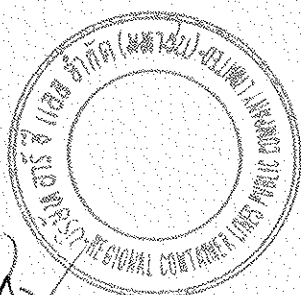
These interim consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017 except as follow :

(1) In the 1<sup>st</sup> quarter of year 2018, RCL Service S.A. has been dissolved, which is a small subsidiary and has not effected to the group structure as dissussed in note 7 to the interim financial statements.

(2) In the 1<sup>st</sup> quarter of year 2018, a subsidiary in Singapore made an additional investment in RCL (Vietnam) Co., Ltd. (RCV) from 49% to 80% of share capital, resulting status of RCV change from an associate to be a subsidiary of the Company. As a result, the Company’s consolidated financial statement have included RCV’s statement of financial position as of 30 September 2018 and statement of income and comprehensive income for the period from 1 February 2018 to 30 September 2018.


(3) On 15 June 2018, a subsidiary in Singapore incorporated a subsidiary, RCL (Myanmar) Co., Ltd. in the Republic of the Union of Myanmar, to provide general and commercial representation for maritime transportation as well as freight - forwarding services, logistics services, warehouse, and any ancillary activities. The subsidiary in Singapore is holding 65% of share capital amounting USD 250,000. On 17 July 2018, the subsidiary in Singapore paid the capital investment of USD 162,500.

(4) On 18 May 2018, a subsidiary in Singapore incorporated a wholly - owned subsidiary of share capital amounting USD 850,000 (850,000 share of USD 1 each), Regional Logistics Co., Ltd. in The People’s Republic of China to undertake international logistics, to provide inbound and outbound international transportation both cargo land and marine transportation, customs declarations, warehousing and dispatching. At the present, the subsidiary in Singapore paid the capital investment of USD 170,000 (170,000 shares of USD 1 each).



  
.....  
Mr. Sumate Tanthuwant  
Director

DIRECTOR

  
.....  
Mr. Sutep Trantasin  
Director

DIRECTOR



#### 1.4 Adoption of new financial reporting standards

##### 1.4.1 Financial reporting standards which are effective for the current period

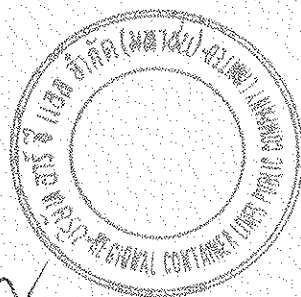
The Group adopted a number of revised and new accounting standards and financial reporting standards including their interpretations, issued by the Federation of Accounting Professions, which are effective for financial statements year beginning on or after 1 January 2018. Adoption of the above financial reporting standards in the current period do not have material effect on the financial statements.

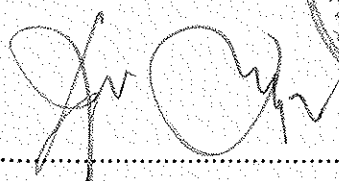
##### 1.4.2 Financial reporting standards which are not effective for the current period

During the year to present, the Federation of Accounting Professions has issued the new accounting standard, financial reporting standards and financial reporting standard interpretations, which are effective for financial statements period beginning on or after 1 January in the year indicated as follows:

	<u>Year effective</u>
Accounting Standard	
TAS 32 Financial Instruments: Presentation	2020
Financial Reporting Standard	
TFRS 7 Financial Instruments: Disclosures	2020
TFRS 9 Financial Instruments	2020
TFRS 15 Revenue from Contracts with Customers	2019
Financial Reporting Standard Interpretations	
TFRIC 16 Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments	2020

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.



  
.....

DIRECTOR



..... DIRECTOR

Mr. Sumate Tanthuwant  
Director

Mr. Sutep Tranantasin  
Director

## 2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017 with the change in accounting policy as follows:

### Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, other than those with entities under common control.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

In a business combination achieved in stages, the Group shall remeasure its previously held equity interest in the acquiree at its acquisition - date fair value and recognize the resulting gain or loss in the statements of income.

The Group measures goodwill at the acquisition date as :

- The fair value of the consideration transferred ; plus
- The recognized amount of and non - controlling interest in the acquiree ; plus
- In a business combination achieved in stages, the acquisition - date fair value of the acquirer's previously held equity interest in the acquiree ; less
- The fair value of the identifiable assets acquired and liabilities assumed


When the excess is positive, goodwill is recognized and if the excess is negative, a gain on business acquisition is recognized immediately in the statements of income.


Consideration transferred includes the fair value of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share - based payment awards of the acquiree that are replaced mandatorily in the business combination.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

At the acquisition date, the non - controlling interest in the acquiree was measured at the non - controlling interest's proportionate share of the acquiree's identifiable net assets.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

  
 ..... DIRECTOR .....  
 Mr. Sumate Tanthuvornit  
 Director

  
 ..... DIRECTOR .....  
 Ms. Sutep Tanantasin  
 Director

### 3. Change in accounting estimation

During the current 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 decrease net income of the Company and the Group for the three - month period ended 30 September 2018 by Baht 1.56 million and Baht 6.57 million, respectively (Baht 0.002 per share and Baht 0.008 per share, respectively) and for the nine - month period ended 30 September 2018 by Baht 7.50 million and Baht 25.08 million, respectively (Baht 0.009 per share and Baht 0.030 per share, respectively).

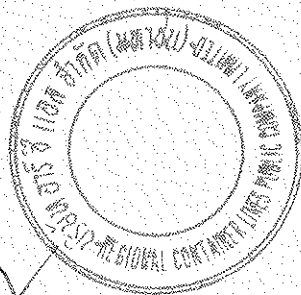
### 4. Business acquisitions

On 1 February 2018, a subsidiary in Singapore purchased 31% of the registered share capital of RCL (Vietnam) Co., Ltd. ("RCV") from the existing shareholders. (Registered capital of VND 4,748 million), totalling USD 0.1 million or approximately Baht 3.2 million. The Group's equity interest in RCV increased from 49% to 80%, resulting in the change of its status from an associate to a subsidiary.

RCL (Vietnam) Co., Ltd. operates as Shipping Agent. As a result of obtaining control of RCV shall increase capacities in expanding business in Vietnam.

The acquisition qualifies for treatment as a business combination in accordance with TFRS 3 (revised 2017) Business Combinations, which requires that the assets acquired and liabilities assumed be record at their fair value, together with goodwill, if any. At the acquisition date the fair value of the identifiable assets acquired and liabilities incurred is close to the carrying amount and the fair value of the subsidiary's previously held equity interest in the acquiree was measured based on the price at which the subsidiary paid for additional investment.

At the acquisition date, the non - controlling interest in the acquire was measured at the non - controlling interest's proportionate share of the acquiree's identifiable net assets.





DIRECTOR



DIRECTOR

Mr. Sumate Tanthuwant  
Director

Mr. Sutep Tranantasin  
Director

At the acquisition date, the fair value of investments in RCL (Vietnam) Co., Ltd., which the subsidiaries previously held equity interest in the acquiree, is as follows:

(Unit : Thousand Baht)

Fair value of the subsidiary's previously - held in the acquiree before business combination	5,052
<u>Less</u> Carrying amount of investment at equity method	<u>(6,320)</u>
Gain (loss) on fair value adjustments of investment	<u><u>(1,268)</u></u>

The subsidiary recognized the loss on fair value adjustment in the statements of income for the 1<sup>st</sup> quarter of 2018.

At the acquisition date, the consideration transferred and the recognition of amounts of assets acquired and liabilities assumed, non - controlling interest in the acquiree and the Group's previously - held equity interest in the acquiree are as follows :

(Unit : Thousand Baht)

	<u>Recognized Value</u>
Consideration transferred	3,158
<u>Add</u> Fair value of the subsidiary's previously - held equity interest in the acquiree before business combination	<u>5,052</u>
Total	<u>8,210</u>
<u>Less</u> Net amounts of assets acquired and liabilities assumed	
<u>Identifiable Assets</u>	
- Cash and cash equivalents	20,373
- Trade receivables	264
- Other receivables	2,597
<u>Identifiable liabilities</u>	
- Trade payables	(2,248)
- Other payables	(8,086)
- Non - controlling interests	(2,580)
Net identifiable assets and liabilities - acquired	<u>10,320</u>
Gain from purchase	<u><u>(2,110)</u></u>

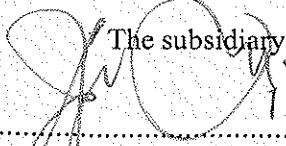
The subsidiary recognized the gain from purchase in the statements of income for 1<sup>st</sup> quarter of 2018.

Net cash payment for acquisition in RCL (Vietnam) Co., Ltd. as follows :

(Unit : Thousand Baht)

Consideration transferred	3,158
<u>Less</u> Cash and cash equivalents in proportionate to the share holding (20,373 x 80%)	<u>(16,298)</u>
Net cash and cash equivalents received from business combination	<u><u>(13,140)</u></u>

The subsidiary does not have any acquisition costs.

  
Mr. Supnata Tanthuwant  
Director

DIRECTOR

  
Mr. Sutep Transitsasin  
Director

DIRECTOR

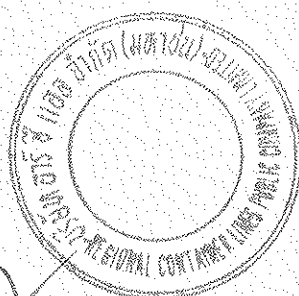
5. Trade receivables

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
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Under 90 days	1,662,372	1,543,307	15,307	2,155
91 - 180 days	75,921	21,578	851	-
181 - 365 days	48,727	12,596	-	8,004
Over 365 days	99,047	56,110	-	815
Total	1,886,067	1,633,591	16,158	10,974
<u>Less Allowance for doubtful accounts</u>	<u>(55,948)</u>	<u>(56,385)</u>	<u>-</u>	<u>-</u>
Net	<u>1,830,119</u>	<u>1,577,206</u>	<u>16,158</u>	<u>10,974</u>

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
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
Under 90 days	37,776	49,003	144,322	79,559
91 - 180 days	4,532	-	98,213	64,330
181 - 365 days	-	-	169,297	43,285
Over 365 days	-	-	106,822	-
Total	42,308	49,003	518,654	187,174



*[Signature]*

DIRECTOR

Mr. Sumate Tanthuwant  
Director

*[Signature]*

DIRECTOR

Mr. Sutep Traantasin  
Director

6. Unrealized gain from changes in the fair value of derivatives

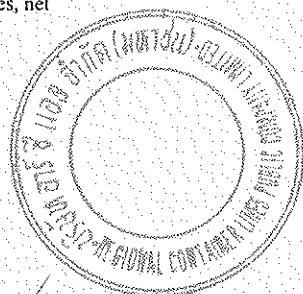
(Unit: Thousand Baht)

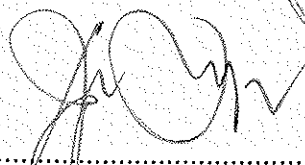
	Note	Consolidated financial statement	Separate financial statement
Beginning balance as at 31 December 2017 (audited)		2,282	2,282
Unrealized gain on derivatives		1,383	1,383
Exchange differences on translating financial statement		(10)	(10)
Ending balance as at 30 September 2018 (unaudited but reviewed)	22.1(2)	3,655	3,655

7. Investments in subsidiaries, net

(Unit: Million Baht)

Company's name	Separate financial statements						Dividend for the nine - month periods ended	
	Paid - up capital		Percentage directly owned by the Company		Cost		30 September 2018	30 September 2017
	As at 30 September 2018	As at 31 December 2017	As at 30 September 2018	As at 31 December 2017	As at 30 September 2018	As at 31 December 2017		
			Percent	Percent	(Unaudited but reviewed)	(Audited)		
<u>Subsidiaries operating in Thailand</u>								
a) Asian Bulk Shipping Co., Ltd.	Baht 25 Million	Baht 25 Million	51	51	12	13	-	-
b) RCL Logistics Co., Ltd.	Baht 5 Million	Baht 5 Million	100	100	5	5	-	-
<u>Subsidiaries operating in Singapore</u>								
c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	230	232	-	-
d) Regional Container Lines Pte. Ltd.	S\$ 136.5 Million	S\$ 136.5 Million	100	100	5,118	5,156	-	-
e) RCL Feeder Pte. Ltd.	USD 138.6 Million	USD 138.6 Million	27	27	1,107	1,115	-	-
f) RCL Service S.A.	-	USD 10,000	-	49	-	2	-	-
g) RCL Shipmanagement Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	79	80	-	-
<u>Subsidiary operating in Hong Kong</u>								
h) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	235	236	-	-
					6,786	6,839	-	-
<u>Less</u> : Allowance for impairment					(2)	-	-	-
Total investments in subsidiaries, net					6,784	6,839	-	-



  
 Mr. Sumate Tanthavant  
 Director

DIRECTOR

  
 Mr. Sutop Tranantasin  
 Director


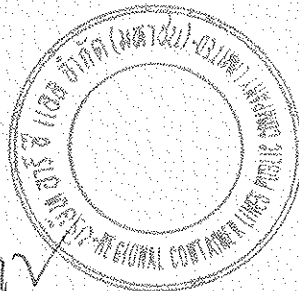
DIRECTOR

Movement in the investments in subsidiaries for the nine - month period ended 30 September 2018 are summarized below:

	(Unit: Thousand Baht)
Investment as at 31 December 2017 (audited)	6,838,625
<u>Less</u> : Subsidiaries dissolve and liquidate	(1,576)
<u>Less</u> : Allowance for impairment	(2,396)
Exchange differences on translating financial statement	(50,398)
Investment as at 30 September 2018 (unaudited but reviewed)	<u>6,784,255</u>

During the first quarter of 2018, RCL Service S.A. the debt of the Company of USD 2.42 million (approximately Baht 77.86 million) and liquidated. As a result, the Company recognized gain from dissolution of the subsidiary as follows:

	(Unit: Thousand Baht)
Gain from debt remitted	77,858
<u>Less</u> : Loss on dissolution of subsidiary	(1,576)
<u>Less</u> : Allowance for impairment of investments in subsidiary that invested in the dissolved subsidiary	(2,396)
Gain on dissolution of subsidiary, net for the nine - month period ended 30 September 2018	<u>73,886</u>

DIRECTOR

Mr. Sumate Tanthuwant  
Director



DIRECTOR

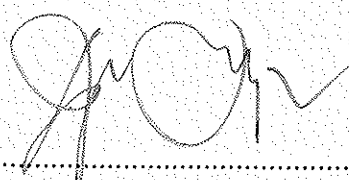
Mr. Sutep Tranantasin  
Director

8. Investments in associates and joint venture8.1 Investments in associates

Company's name	Paid - up capital		Percentage directly owned by the Company		Cost method		Equity method		(Unit: Million Baht) Dividend for the nine - month periods ended	
	As at	As at	As at	As at	As at	As at	As at	As at	30 September	30 September
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	31 December	2018	2017
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
			Percent	Percent	(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	54	54	326	331	68	67
Total investment in associates of the Company					54	54	326	331	68	67
<u>Investment in associates of the subsidiaries</u>										
RCL (Vietnam) Co., Ltd.		VND								
(Ship agency)		4,748								
		Million	-	49	-	5	-	10	-	-
PT Daerah Indah Shipping	USD	USD								
(Ship agency)	0.75	0.75								
	Million	Million	49	49	12	12	13	13	-	-
Pu Chao Container Terminal Co., Ltd.	Baht 30	Baht 30								
(Port operating)	Million	Million	49	49	15	15	-	-	-	-
Total investment in associates of the subsidiaries					27	32	13	23	-	-
Total investment in associates					81	86	339	354	68	67

Movements in the investment in associates for the nine - month period ended 30 September 2018 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2017 (audited)	354,430	54,165
Dividend income	(67,535)	-
Share of profit under equity method	63,712	-
Changed from associate to subsidiary	(10,192)	-
Exchange differences on translating financial statement	(1,813)	(399)
Investment as at 30 September 2018 (unaudited but reviewed)	338,602	53,766



Mr. Sumate Tanthuwant  
Director



DIRECTOR



DIRECTOR

Mr. Sutep Traantasin  
Director



8.2 Investments in joint venture

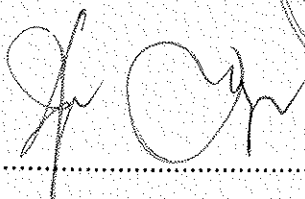
(Unit: Million Baht)

Company's name	Consolidated financial statements							
	Paid - up capital		Percentage directly owned by the Company		Equity method		Dividend for the nine - month periods ended	
	As at	As at	As at	As at	As at	As at	30 September	30 September
	30 September	31 December	30 September	31 December	30 September	31 December	2018	2017
	2018	2017	2018	2017	2018	2017	2018	2017
			Percent	Percent				
<u>Investment in joint venture of the subsidiaries</u>								
RCL Agencies (India) Private Limited	INR	INR						
(Shipping agent and providing transportation and cargo handling services)	40	40	55	55	54	30	-	-
Total investment in joint venture	Million	Million			54	30	-	-

Movements in the investment in joint venture for the nine - month period ended 30 September 2018 are summarized below:

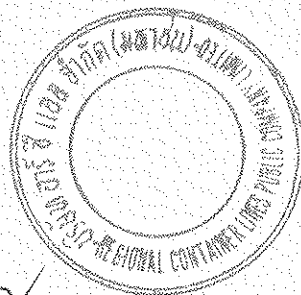
(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2017 (audited)	30,313	-
Dividend income	-	-
Share of profit under equity method	23,797	-
Exchange differences on translating financial statement	(95)	-
Investment as at 30 September 2018 (unaudited but reviewed)	54,015	-



DIRECTOR

Mr. Sumate Tanthuwant  
Director




DIRECTOR

Mr. Sutep Tranantasin  
Director

9. Property, premises, vessels and equipment, net9.1 Property and premises, net

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Net book value as at 31 December 2017 (audited)	315,590	427
<u>Add</u> Acquisitions during period - at cost	1,114	-
<u>Less</u> Depreciation for the period	(4,701)	-
Exchange differences on translating financial statement	<u>(2,782)</u>	<u>(4)</u>
Net book value as at 30 September 2018 (unaudited but reviewed)	<u><u>309,221</u></u>	<u><u>423</u></u>

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

9.2 Vessels and equipment, net

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Net book value as at 31 December 2017 (audited)	11,943,366	4,024,138
<u>Add</u> Acquisitions during period - at cost	1,934,581	1,033,908
<u>Less</u> Sale during period - at net book value Depreciation for the period	(14,345)	(1,956)
Exchange differences on translating financial statement	(1,161,234)	(316,103)
Net book value as at 30 September 2018 (unaudited but reviewed)	<u><u>(84,202)</u></u>	<u><u>(25,794)</u></u>
	<u><u>12,618,166</u></u>	<u><u>4,714,193</u></u>

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

As at 30 September 2018 and 31 December 2017, the subsidiary in Singapore has containers acquired under finance lease agreements, with net book value amounting to USD 54.0 million (approximately Baht 1,747.3 million) and USD 35.7 million (approximately Baht 1,163.7 million), respectively (the Company only : amounted to approximately Baht - million an Baht - million, respectively).

During the first quarter of 2017, a subsidiary in Singapore sold containers which the gain on the sale was USD 1.8 million (approximately Baht 62.9 million).

During the second quarter of 2017, a subsidiary in Singapore sold containers which the gain on the sale was USD 1.1 million (approximately Baht 36.8 million).

During the third quarter of 2017, a subsidiary in Singapore sold containers which the gain on the sale was USD 0.02 million (approximately Baht 0.7 million).

During the first quarter of 2018, a subsidiary in Singapore sold containers which the gain on the sale was USD 0.4 million (approximately Baht 13.0 million).

During the second quarter of 2018, a subsidiary in Singapore sold containers which the gain on the sale was USD 1.5 million (approximately Baht 49.1 million).

During the third quarter of 2018, a subsidiary in Singapore sold containers which the gain on the sale was USD 1.1 million (approximately Baht 35.3 million).

..... DIRECTOR

..... DIRECTOR

24

Mr. Sumate Tanthuwant  
Director

Mr. Sutep Tranantasin  
Director

Depreciation in the statements of income for the three - month periods ended 30 September 2018 and 2017 consisted of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Depreciation included in				
Cost of freight and operations	399,388	379,098	110,772	108,688
Administrative expenses	3,574	3,937	487	290
Total	<u>402,962</u>	<u>383,035</u>	<u>111,259</u>	<u>108,978</u>

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Depreciation included in				
Cost of freight and operations	12,112	11,348	3,362	3,259
Administrative expenses	109	118	15	9
Total	<u>12,221</u>	<u>11,466</u>	<u>3,377</u>	<u>3,268</u>


Depreciation in the statements of income for the nine - month periods ended 30 September 2018 and 2017 consisted of the following:

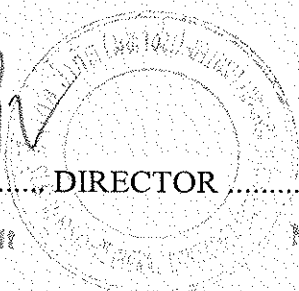
(Unit: Thousand Baht)


	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Depreciation included in				
Cost of freight and operations	1,155,552	1,145,820	314,836	344,279
Administrative expenses	10,383	11,785	1,267	923
Total	<u>1,165,935</u>	<u>1,157,605</u>	<u>316,103</u>	<u>345,202</u>

(Unit: Thousand USD)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Depreciation included in				
Cost of freight and operations	35,923	33,436	9,788	10,046
Administrative expenses	323	344	39	27
Total	<u>36,246</u>	<u>33,780</u>	<u>9,827</u>	<u>10,073</u>

  
 Mr. Sumate Tanthuwant  
 Director

  
 DIRECTOR

  
 Mr. Sutep Tranantasin  
 Director

DIRECTOR

10. Intangible assets, net

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<u>Computer software</u>		
Net book value as at 31 December 2017 (audited)	9	-
<u>Add</u> Increased during period - at cost	-	-
<u>Less</u> Amortization for the period	(9)	-
Exchange differences on translating financial statement	-	-
Net book value as at 30 September 2018 (unaudited but reviewed)	-	-

11. Short - term loans from financial institutions

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)
Loans from financial institution no. 1	250,000	150,000	250,000	150,000
Loans from financial institution no. 2	-	651,600	-	651,600
Loans from financial institution no. 3	118,041	122,175	-	-
Loans from financial institution no. 4	582,120	456,120	-	-
Total	950,161	1,379,895	250,000	801,600

As at 30 September 2018 and 31 December 2017, loans from financial institution no. 1 are promissory note with interest at the rate of MLR% p.a., which is unsecured.

As at 31 December 2017, loans from financial institution no. 2 are promissory note amounting to USD 20 million, with interest at the rate 4.50% - 4.52% p.a., which is unsecured.

As at 30 September 2018 and 31 December 2017, loans from financial institution no. 3 is short - term loan amounting to USD 3.65 million and amounting to USD 3.75 million, with interest at the rate of LIBOR+4.15% p.a., and LIBOR+6% p.a., respectively, is secured by office building subsidiaries.

As at 30 September 2018 and 31 December 2017, loans from financial institution no. 4 is short - term loan amounting to USD 18 million and amounting to USD 14 million, respectively, with interest at the rate of LIBOR+1.80% p.a., which is unsecured.




DIRECTOR

Mr. Sornate Tanthuwant  
Director



DIRECTOR

Mr. Sutep Tranantasin  
Director

12. Liabilities under finance lease agreements

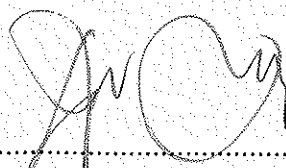
	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	As at	As at	As at	As at
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities under finance lease agreements	2,089,816	1,300,826	-	-
<u>Less</u> : deferred interest	(288,406)	(104,867)	-	-
	1,801,410	1,195,959	-	-
<u>Less</u> : current portion	(321,795)	(229,545)	-	-
Liabilities under finance lease agreements net of current portion	1,479,615	966,414	-	-

(Unit : Thousand Baht)


	Consolidated financial statements					
	As at 30 September 2018			As at 31 December 2017		
	(Unaudited but reviewed)			(Audited)		
	Principal	Deferred		Principal	Deferred	
interest		Total	interest		Total	
1 - 5 years	1,177,138	182,937	1,360,075	861,793	64,487	926,280
Over 5 years	302,477	17,771	320,248	104,621	2,591	107,212
Total	1,479,615	200,708	1,680,323	966,414	67,078	1,033,492

(Unit : Thousand Baht)

	Separate financial statements					
	As at 30 September 2018			As at 31 December 2017		
	(Unaudited but reviewed)			(Audited)		
	Principal	Deferred		Principal	Deferred	
interest		Total	interest		Total	
1 - 5 years	-	-	-	-	-	-
Over 5 years	-	-	-	-	-	-
Total	-	-	-	-	-	-

  
 Mr. Sumate Tanthuwant  
 Director



  
 Mr. Sutep Tranantusin  
 Director


DIRECTOR

13. Long - term loans

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	As at	As at	As at	As at
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
<b><u>Loans of the Company</u></b>				
1) USD 6.0 million loan (2017: USD 8.3 million), repayable quarterly until the year 2020.	194,040	268,785	194,040	268,785
2) USD 16.9 million loan (2017: USD 21.4 million), repayable quarterly until the year 2021.	547,802	697,060	547,802	697,060
3) USD 17.9 million loan (2017: USD 19.4 million), repayable quarterly until the year 2027.	580,374	633,404	580,374	633,404
4) USD 16.1 million loan (2017: USD - million), repayable quarterly until the year 2026.	520,221	-	520,221	-
<b><u>Loans of the Singapore Subsidiaries</u></b>				
5) USD - million loan (2017: USD 8.1 million), repayable quarterly until the year 2018.	-	263,898	-	-
6) USD - million loan (2017: USD 5.4 million), repayable semi - annually until the year 2018.	-	174,629	-	-
7) USD - million loan (2017: USD 5.5 million), repayable quarterly until the year 2018.	-	179,190	-	-
8) USD - million loan (2017: USD 5.2 million), repayable semi - annually until the year 2019.	-	170,719	-	-
9) USD 8.0 million loan (2017: USD - million), repayable quarterly until the year 2023.	258,073	-	-	-
10) USD 7.8 million loan (2017: USD - million), repayable quarterly until the year 2025.	252,252	-	-	-
11) USD 6.0 million loan (2017: USD - million), repayable quarterly until the year 2025.	194,040	-	-	-
12) USD 8.5 million loan (2017: USD - million), repayable quarterly until the year 2025.	273,273	-	-	-
<b><u>Loan of the Hong Kong Subsidiary</u></b>				
13) HKD 17.7 million loan (2017: HKD 20.3 million), repayable monthly until the year 2023.	73,193	84,762	-	-
Total	2,893,268	2,472,447	1,842,437	1,599,249
Less : Current portion	(651,329)	(1,073,930)	(479,538)	(356,295)
Long - term loans, net of current portion	2,241,939	1,398,517	1,362,899	1,242,954

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



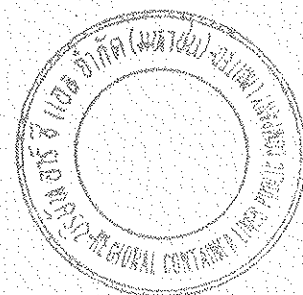
DIRECTOR

Mr. Suresh Tanthawanit  
Director



DIRECTOR

Mr. Sutep Trenantasin  
Director



Movements in the long - term loans during the nine - month period ended 30 September 2018 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Beginning balance as at 31 December 2017 (audited)	2,472,447	1,599,249
<u>Add</u> Borrowings	1,503,357	517,438
<u>Less</u> Repayments	(1,066,494)	(263,834)
Exchange differences on translating financial statement	(16,042)	(10,416)
Ending balance as at 30 September 2018 (unaudited but reviewed)	<u><u>2,893,268</u></u>	<u><u>1,842,437</u></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.

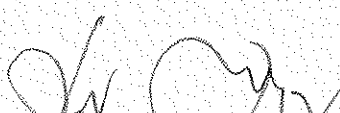
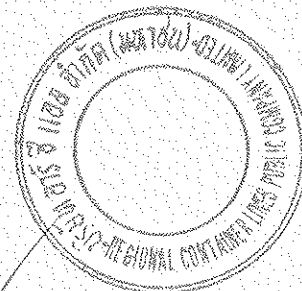
In January 2016, the Company had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 32.5 million (30 September 2018: approximately Baht 1,051.1 million) which is for the payment of 2 container vessels' construction, at present, the Company has drawn down the loan amounting to USD 16.1 million in August 2018, and amounting to USD 16.1 million in October 2018.

In October 2017, the Company had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 27.4 million (30 September 2018: approximately Baht 887.4 million) which is for the payment of 2 container vessels' construction, at present, the Company has not drawn down the loan.

In October 2018, the Company had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 6.5 million (30 September 2018: approximately Baht 210.2 million) which is for the project of purchase and installation "Sulphur Dioxide Scrubber", at present, the Company has not drawn down the loan.

#### 14. Debenture

At the Annual General Meeting of Shareholders held on 24 April 2015, the shareholders approved issue and offer debentures not exceeding Baht 3,000 million and not longer than 7 years from the date of each issuance. The terms and conditions of the debentures shall be determined by the Board of Directors. Currently, the Company has not issued and offered the said debentures.

DIRECTOR

Mr. Sumate Tanthawan  
Director



DIRECTOR

Mr. Sutep Tranantasin  
Director

15. Provisions for employee benefits

- Movement in the present value of the provisions for employee benefits for the nine - month periods ended 30 September 2018 and 2017 are as follows:


	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Provisions for employee benefits at beginning of periods	28.30	37.36	25.61	35.18
Benefits paid	-	(1.05)	-	(1.05)
Current service cost and interest	5.12	5.40	4.74	5.02
Losses (gains) on the settlement of employee benefit	-	0.12	-	0.12
Provisions for employee benefits at ending of periods	<u>33.42</u>	<u>41.83</u>	<u>30.35</u>	<u>39.27</u>

- Expenses recognized in the statements of income for the three - month periods ended 30 September 2018 and 2017 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Current service costs	1.51	1.47	1.40	1.35
Interest cost	0.20	0.33	0.18	0.32
Losses (gains) on the settlement of employee benefit	-	-	-	-
Total	<u>1.71</u>	<u>1.80</u>	<u>1.58</u>	<u>1.67</u>

- Expenses recognized in the statements of income for the nine - month periods ended 30 September 2018 and 2017 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Current service costs	4.52	4.39	4.20	4.07
Interest cost	0.60	1.01	0.54	0.95
Losses (gains) on the settlement of employee benefit	-	0.12	-	0.12
Total	<u>5.12</u>	<u>5.52</u>	<u>4.74</u>	<u>5.14</u>

  
 DIRECTOR

Mr. Sumate Tanthawanit  
Director



DIRECTOR

Mr. Sutep Tanantasin  
Director



- Principal actuarial assumptions as at 30 September 2018 and 31 December 2017 are as follows:

	Percent	
	Consolidated financial statements	Separate financial statements
Discount rate	2.81	2.81
Salary increase rate	5 - 6.00	6.00
Employee turnover rate	0 - 24.00*	2 - 24.00*
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

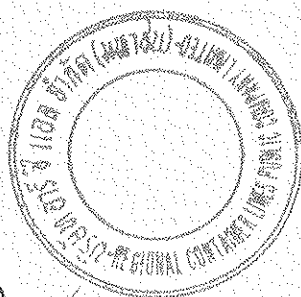
Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate, employee turnover rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that were reasonably possible as of 30 September 2018 as follows:

- If the discount rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would decrease Baht 2.24 million (increase Baht 2.56 million) and Separate financial statements would decrease Baht 2.04 million (increase Baht 2.34 million).
- If the salary increase rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would increase Baht 2.84 million (decrease Baht 2.52 million) and Separate financial statements would increase Baht 2.58 million (decrease Baht 2.28 million).
- If the employee turnover rate increases (decrease) by 10%, the provisions for employee benefits would decrease Baht 1.05 million (increase Baht 1.16 million) and Separate financial statements would decrease Baht 1.00 million (increase Baht 1.10 million).
- If the mortality rate increases (decrease) by one year for all employees, the provisions for employee benefits in Consolidated financial statements would increase Baht 0.10 million (decrease Baht 0.11 million) and Separate financial statements would increase Baht 0.01 million (decrease Baht 0.01 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.

#### 16. Dividend paid

At the Annual General Meeting of Shareholder on 27 April 2018, the shareholders approved pay dividend amounted Baht 82.88 million at Baht 0.10 per shares.





DIRECTOR

Mr. Sumate Yanthuwant  
Director



DIRECTOR

Mr. Sutep Trantanasin  
Director

17. Related party transactions

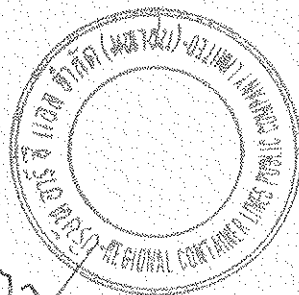
- a) The Group has business dealings with its customers through regional shipping agents (third parties and related companies) of which a substantial part is through its related companies, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between 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:

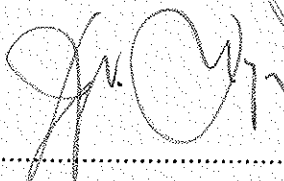
(Unit: Million Baht)

	For the three - month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2018	2017	2018	2017	
<u>Transactions with subsidiary</u>					
Charter freight income	-	-	146	66	Market price as at agreement date
Ship management fee	-	-	3	2	Price approximates market price
<u>Transactions with related parties</u>					
Commission expenses	42	42	-	-	Price approximates market price
Terminal operating service	55	55	-	-	Price per tariff minus volume discount
Logistic service fees	1	3	-	-	Price approximates market price
Office rental	2	2	2	3	Contract price

(Unit: Million Baht)

	For the nine - month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2018	2017	2018	2017	
<u>Transactions with subsidiary</u>					
Charter freight income	-	-	331	180	Market price as at agreement date
Ship management fee	-	-	7	6	Price approximates market price
<u>Transactions with related parties</u>					
Commission expenses	121	109	-	-	Price approximates market price
Terminal operating service	165	189	-	-	Price per tariff minus volume discount
Logistic service fees	6	8	-	-	Price approximates market price
Office rental	7	7	7	7	Contract price



  
 ..... DIRECTOR

Mr. Sumato Yanthawanit  
 Director

  
 ..... DIRECTOR

Mr. Sutep Trantatesin  
 Director

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 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)
<u>Trade receivables - related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	519	187
<u>Related parties</u>				
Ngow Hock Co., Ltd.	15	38	-	-
Siam Paetra International Co., Ltd	23	7	-	-
RCL Agencies (India) Private Limited	4	4	-	-
	42	49	-	-
<u>Other receivables - related parties</u>				
<u>- Receipt on behalf of the Company</u>				
<u>Subsidiaries</u>				
RCL Feeder Pte. Ltd.	-	-	772	348
Regional Container Lines Pte. Ltd.	-	-	6	6
	-	-	778	354
<u>- Advances payment</u>				
<u>Subsidiary</u>				
RCL Shipmanagement Pte. Ltd.	-	-	28	24
<u>Trade payables - related parties</u>				
<u>Related parties</u>				
Ngow Hock Co., Ltd.	-	2	-	-
RCL (Vietnam) Co., Ltd.	-	5	-	-
Others	1	1	-	-
	1	8	-	-
<u>Advance from related parties</u>				
<u>Subsidiaries</u>				
RCL Feeder Pte. Ltd.	-	-	3,335	1,792
RCL Shipmanagement Pte. Ltd.	-	-	536	144
Regional Container Lines Pte. Ltd.	-	-	9	9
RCL Service S.A.	-	-	-	79
	-	-	3,880	2,024
<u>Payable on purchase of assets</u>				
<u>Subsidiary</u>				
Regional Container Lines Pte. Ltd.	-	-	86	87


  
 DIRECTOR


  
 DIRECTOR

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 Mr. Sumate Tanthuwant  
 Director

 Mr. Sutop Trantasin  
 Director

c) Management benefit expenses

Management benefit expenses consist the benefits paid to the Company's management 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 benefit expenses for the three - month and nine - month periods ended 30 September 2018 and 2017 are as follows:

(Unit: Million Baht)

	For the three - month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Short - term employee benefits	9	8	5	5

(Unit: Million Baht)

	For the nine - month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Short - term employee benefits	22	20	12	9

18. Tax expenses

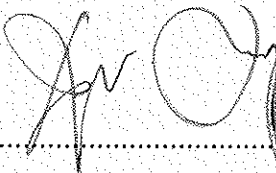
The Company has been granted various tax privileges by the Board of Investment under the Investment Promotion Act. B.E. 2520. These include exemption from corporate income tax on profits for a period of 8 years for certain operations. In addition, since 1999 shipping profits have been exempted from income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

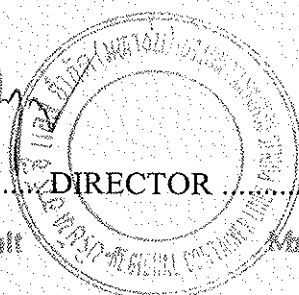
The corporate income tax rate being used by the Company and its subsidiaries in Thailand 20% on the net income of those operations which are not eligible for the above tax exemption.


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

As at 30 September 2018 and 31 December 2017 the Group has deductible temporary differences, temporary differences arising from exchange difference occurring while translating financial statements in functional currency into presentation currency, the provisions for employee benefits and unused tax losses totaling Baht 324.35 million and Baht 343.69 million, respectively, (the Company Baht 25.76 million and Baht 52.58 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 3.55 million and Baht 0.54 million, respectively.

As at 30 September 2018 and 31 December 2017 the Group has temporary difference arising from exchange difference from the translation of the financial statements from functional currency into presentation currency associated with investments in subsidiaries for which deferred tax liability has not been recognized, aggregating Baht 184.77 million and Baht 194.08 million, respectively.

  
 Mr. Sunate Yanthuwanit  
 Director



  
 Mr. Sutep Tranantasin  
 Director

DIRECTOR

Tax expense (income) for the three - month periods ended 30 September 2018 and 2017, consisted of:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Current tax expense (income)	1,374	3,307	-	-
Deferred tax expense (income) of temporary differences	(26)	(36)	-	-
Tax expense (income) reported in the statement of income	<u>1,348</u>	<u>3,271</u>	<u>-</u>	<u>-</u>

Tax expense (income) for the nine - month periods ended 30 September 2018 and 2017, consisted of:

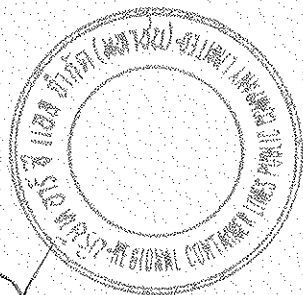
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Current tax expense (income)	6,811	8,128	-	-
Deferred tax expense (income) of temporary differences	(3,133)	669	-	-
Tax expense (income) reported in the statement of income	<u>3,678</u>	<u>8,797</u>	<u>-</u>	<u>-</u>

As at 30 September 2018 and 31 December 2017, the components of deferred tax assets and liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)
<u>Deferred tax assets</u>		
Allowance for impairment of investment	2,940	-
Provisions for employee benefits	612	538
Total	<u>3,552</u>	<u>538</u>
<u>Deferred tax liabilities</u>		
Property and premises, net	<u>8,361</u>	<u>8,561</u>



*[Signature]*

DIRECTOR

Mr. Sumato Tanthuwant  
Director

*[Signature]*

DIRECTOR

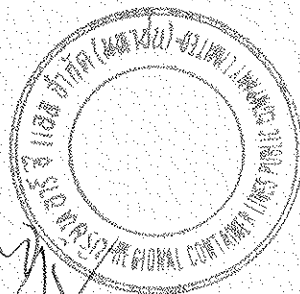
Mr. Sutep Tranantarin  
Director

19. 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 30 September												
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues from external customers	157	179	2,882	2,733	12	18	3,051	2,930	-	-	3,051	2,930
Inter - segment revenues	146	66	244	219	5	3	395	288	(395)	(288)	-	-
Freight income	303	245	3,126	2,952	17	21	3,446	3,218	(395)	(288)	3,051	2,930
Segment gross profit (loss)	21	(20)	115	497	15	16	151	493	(12)	(12)	139	481
Gain (loss) on exchange rate											-	5
Gain on sales of assets											36	-
Others income											4	4
Share of profit (loss) from investments in associates											20	22
Share of profit (loss) from investments in joint venture											8	7
Administrative expenses											235	225
Finance costs											64	49
Tax expenses (income)											1	3
Profit (loss) for the periods											(93)	242



*[Signature]*

DIRECTOR

Mr. Sumate Tanchurwanit  
Director

*[Signature]*

DIRECTOR

Mr. Sutop Traantasin  
Director

(Unit: Million Baht)

## Consolidated financial statements

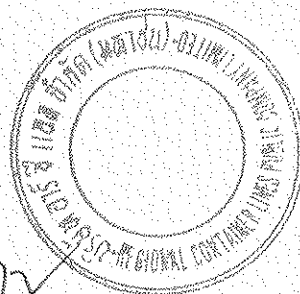
For the nine - month periods ended 30 September

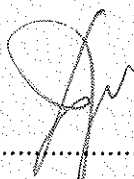
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues from external customers	498	530	8,180	7,694	35	55	8,713	8,279	-	-	8,713	8,279
Inter - segment revenues	331	180	644	649	16	9	991	838	(991)	(838)	-	-
Freight income	829	710	8,824	8,343	51	64	9,704	9,117	(991)	(838)	8,713	8,279
Segment gross profit (loss)	25	(101)	263	844	44	46	332	789	(37)	(37)	295	752
Gain (loss) on exchange rate											40	21
Gain on sales of assets											98	98
Others income											18	18
Share of profit (loss) from investments in associates											64	65
Share of profit (loss) from investments in joint venture											24	16
Administrative expenses											692	670
Loss on dissolution of subsidiary											4	-
Finance costs											167	148
Tax expenses (income)											4	9
Profit (loss) for the periods											(328)	143

(Unit: Million Baht)

## Consolidated financial statements

	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)	As at 30 September 2018 (Unaudited but reviewed)	As at 31 December 2017 (Audited)
Property, premises, vessels and equipment, net	4,719	4,030	7,665	7,622	192	195	12,576	11,847	351	412	12,927	12,259
Others											4,936	5,151
Total assets											17,863	17,410





Mr. Sumate Tanthuwant  
Director

..... DIRECTOR .....



Mr. Sutep Trantachai  
Director

..... DIRECTOR .....

20. Commitments and contingent liabilities20.1 Commitments

- (a) As at 30 September 2018, the Company and its subsidiary in Thailand have outstanding commitments relating to the lease agreements for buildings of approximately Baht 8 million (31 December 2017: Baht 10 million) in respect of lease agreements, and subsidiaries in Singapore has outstanding commitments of USD 31 million or approximately Baht 995 million (31 December 2017: USD 34 million or approximately Baht 1,121 million) in respect of the following agreements.

(Unit: Million Baht)

Payment period	Charter hire	Container lease	Other rental	Total
Within 1 year	623	-	35	658
During 1 - 5 years	299	-	38	337
Over than 5 years	-	-	-	-
Total	922	-	73	995

- (b) As at 30 September 2018, a subsidiary in Singapore has bunker purchase commitments amounting to USD 11.8 million or approximately Baht 381.2 million covering the period of October 2018 - December 2018 at 9,000 MT per month (31 December 2017 : USD - million, or approximately Baht - million at - MT per month).
- (c) As at 30 September 2018, the Company and the Group has sulphur scrubber purchase commitments amounting to USD 1.5 million or approximately Baht 47.1 million and amounting to USD 2.7 million or approximately Baht 87.2 million.

20.2 Guarantees

As at 30 September 2018, the Company has guarantee obligations of USD 121 million, SGD 6 million and HKD 35 million, or approximately Baht 4,185 million (31 December 2017: USD 253 million, SGD 6 million and HKD 35 million or approximately Baht 8,551 million). These guarantees were issued to secure credit lines of overseas subsidiaries from financial institutions. The subsidiaries have outstanding guarantees totaling USD 47 million and HKD 18 million, or approximately Baht 1,596 million (31 December 2017: USD 46 million and HKD 20 million, or approximately Baht 1,598 million).

21. Shipbuilding contracts

On 5 November 2015, the Company entered into 2 vessel building contracts amount of USD 46 million (as at 30 September 2018 approximately Baht 1,486.3 million). The payment term of each vessel was scheduled in 5<sup>th</sup> installment periods with different percentages based on the contract price: 10% for 1<sup>st</sup> and 2<sup>nd</sup> installment, 0% for the 3<sup>rd</sup> installment, 5% for the 4<sup>th</sup> installment and 75% for the 5<sup>th</sup> installment (payment upon delivery of the vessel). On 28 December 2016, the Company extended the payment of 2<sup>nd</sup> installment of each vessel to July 2017 and September 2017, respectively and on 5 July 2017, the Company postponed the delivery date of both vessels to August 2018 and October 2018, respectively. The Company has received the 2 vessels and paid the remaining amount as scheduled.

On 5 July 2017, the Company entered into 2 optional vessel building contracts amount of USD 39.2 million (as at 30 September 2018 approximately Baht 1,267.7 million). The payment term of vessel was scheduled in 5<sup>th</sup> installment periods with different percentages based on the contract price: 10% for the 1<sup>st</sup> and 2<sup>nd</sup> installment, 0% for the 3<sup>rd</sup> installment, 5% for the 4<sup>th</sup> installment and 75% for the 5<sup>th</sup> installment (payment upon delivery of the vessel). On 4 January 2018, the Company postponed the delivery date of both vessels to July 2019 and August 2019, respectively.

As at 30 September 2018, the Company had made payment for the above - mentioned contracts of the 3 vessels under construction amounting to USD 3.6 million (approximately Baht 439.3 million).

Mr. Somnate Tanthuwant  
Director

DIRECTOR

Mr. Sutep Tranantasin  
Director

DIRECTOR

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## 22. Financial instruments

The Group could be exposed to the market risk, including primarily changes in interest rates and currency exchange rates. The Group uses derivatives and other instruments to manage and hedge such risk but not for speculative or trading purposes.

### 22.1 Financial risk management

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, trade payables, and loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### (1) Credit risk

Credit risk arises from the inability of customers to meet the payment terms in the normal course of business. Credit limits are set for specific amounts and due care is taken in granting credit. Furthermore, it is the Group's policy to evaluate customer's credit worthiness based on its latest financial performance. Therefore, the Group does not anticipate incurring material credit losses from its debt collection.

#### (2) Interest rate risk

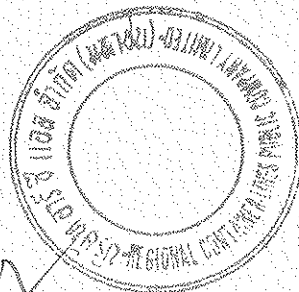
The Group could be exposed to risk in interest rates due primarily to the Group's long - term loan obligations. However, derivative and other financial instrument hedging are used for its long - term loan interest obligations.

The Group's policy is to manage its interest cost using a mix of fixed and variable interest rate debt. To manage this mix in a cost - efficient manner, the Group enters into interest rate swaps in which the Group agrees to exchange at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed - upon notional principal amount. These swaps are designated to hedge underlying debt obligations at the statements of financial position date. The Group does not hold or issue derivative instruments for speculative or trading purposes.

As at 30 September 2018, the Company had a period - by - period knock out swap and interest rate swap agreement covering the notional 2 promise amount of USD 15.97 million (31 December 2017 : 1 promise of amount USD 8.30 million), an interest rate of LIBOR is to be swapped for a fixed interest rate, with the notional amount base used for determination of the interest to be amortized at a rate of USD 1.25 million per quarter, the contracts expiration date is the year 2020 and 2023.

For the three - month period ended 30 September 2018, the Company had unrealized gain from changes in the fair value of derivatives of USD 0.01 million, or approximately Baht 0.43 million (30 September 2017 : USD 0.01 million, or approximately Baht 0.34 million). The Company recorded the unrealized gain in the statements of income.

For the nine - month period ended 30 September 2018, the Company had unrealized gain from changes in the fair value of derivatives of USD 0.04 million, or approximately Baht 1.38 million (30 September 2017 : USD 0.01 million, or approximately Baht 0.43 million). The Company recorded the unrealized gain in the statements of income.





Mr. Samate Tanthuwat  
Director

DIRECTOR



DIRECTOR

Mr. Sutep Tranantasin  
Director

(3) Foreign currency risk

The Group business spans across the Asian region and, as a result, is exposed to foreign currency exchange rates. For that reason, the freight charges are prices in US dollars and payable in local currency equivalents, a natural foreign currency hedge is created by matching the currency of income flow (linked to US dollars) to the currency of indebtedness. This mechanism functions as a key factor for the Group's ability to manage its foreign exchange exposures. Most of the loans extended to the Group, are thus denominated in currencies similar to that of its income flow. In addition, the Group uses derivative instruments, as and when it considers appropriate, to manage such risks. The Group does not use foreign currency forward contracts or purchased currency options for trading purposes.

In addition to foreign currency transactional exposures, the Group is also exposed to foreign exchange movements on its net investment in foreign subsidiaries. As at 30 September 2018 and 31 December 2017, the Group does not hedge such exposures to foreign movement risk as it is minimal.

Whenever possible, it is the Group's policy to negotiate the terms of the hedged derivatives to match the terms of the hedged financial assets or liabilities item to maximise hedge effectiveness.

(4) Commodity price risk

Bunker cost represents a major component of the operational costs of a subsidiary in Singapore. Hence the said subsidiary is exposed to bunker price fluctuations. As at 30 September 2018, a subsidiary in Singapore has taken protection against the higher price risk with the physical bunker forward purchase contract within the certain limit in accordance with the Group's policy. The physical bunker forward purchase policy which blends interval forward with spot purchase has provide the Group with a less risk exposure to bunker price. And a subsidiary has outstanding commitments under the above purchase contract as described in note 20.1 (b) to the interim financial statements.

22.2 Fair value

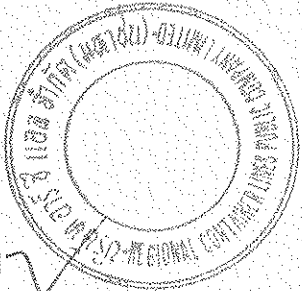
Other than the long - term loans, which carry interest at rates which closely approximate market interest rates, the majority of financial assets and liabilities are short - term, and their carrying values do not materially differ from their fair values.

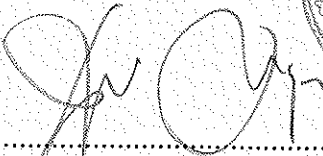

23. Capital management

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 30 September 2018, the Group's debt - to - equity ratio was 1.12 : 1 (31 December 2017 : 0.95 : 1) and the Company's was 0.88 : 1 (31 December 2017 : 0.62 : 1).



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Mr. Sornate Tanthuwant
Mr. Sutep Tranantasin

Director
Director

40

24. Functional currency financial statements

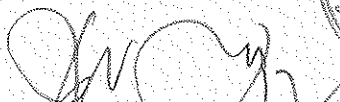
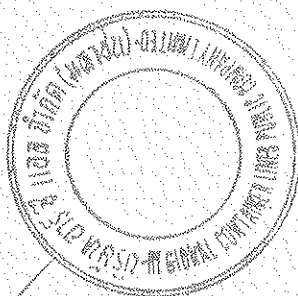
The USD functional currency statements of financial position as at 30 September 2018 and 31 December 2017 and the statements of income for the three - month and nine - month periods ended 30 September 2018 and 2017, are as follows:

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

As at 30 September 2018

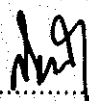
(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)		but reviewed)	
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	41,165	50,337	1,800	2,388
Trade receivables - unrelated parties	58,320	50,141	500	337
<u>Less:</u> allowance for doubtful accounts	(1,730)	(1,731)	-	-
Trade receivables - unrelated parties, net	56,590	48,410	500	337
Trade receivables - related parties	1,308	1,504	16,038	5,745
Other receivables	15,553	23,540	25,640	12,336
Material supplies	9,511	7,369	818	401
Other current assets	1,373	1,030	126	83
<b>Total current assets</b>	<b>125,500</b>	<b>132,190</b>	<b>44,922</b>	<b>21,290</b>
<b>Non - current assets</b>				
Property investments held for long - term investment	157	159	-	-
Investments in subsidiaries, net	-	-	209,779	209,903
Investments in associates	10,470	10,879	1,663	1,663
Investments in joint venture	1,670	930	-	-
Other long - term investments	338	338	-	-
Property and premises, net	9,562	9,687	13	13
Vessels and equipment, net	390,172	366,586	145,770	123,516
Other non - current assets				
- Advance for vessel constructions	14,234	13,458	14,234	13,458
- Other	252	136	92	73
<b>Total non - current assets</b>	<b>426,855</b>	<b>402,173</b>	<b>371,551</b>	<b>348,626</b>
<b>Total assets</b>	<b>552,355</b>	<b>534,363</b>	<b>416,473</b>	<b>369,916</b>

DIRECTOR

Mr. Sumats Yanthurwanit  
Director



DIRECTOR

Mr. Sutep Tranantasiri  
Director

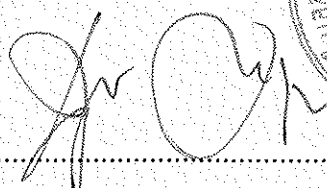
## Regional Container Lines Public Company Limited and its subsidiaries

## Statements of financial position (continued)

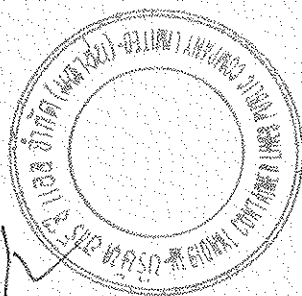
As at 30 September 2018

(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Short - term loans from financial institutions	29,380	42,354	7,730	24,604
Trade payables - unrelated parties	101,207	94,611	2,670	1,484
Trade payables - related parties	24	232	-	-
Other payables				
- Accrued expenses	3,206	2,464	809	681
- Advance receipt	162	74	120,133	62,205
- Payable on purchase of assets	3,766	-	5,640	2,660
Current portion of liabilities				
under financial lease agreement	9,950	7,046	-	-
Current portion of long - term loans	20,140	32,963	14,828	10,936
Provision for onerous contracts	3,691	3,691	-	-
Income tax payable	31	82	-	-
Other current liabilities	3,676	3,238	33	77
<b>Total current liabilities</b>	<b>175,233</b>	<b>186,755</b>	<b>151,843</b>	<b>102,647</b>
<b>Non - current liabilities</b>				
Liabilities under financial lease agreements,				
net of current portion	45,752	29,663	-	-
Long - term loans, net of current portion	69,324	42,926	42,143	38,151
Provisions for employee benefits	1,033	869	938	786
Other non - current liabilities	259	262	-	-
<b>Total non - current liabilities</b>	<b>116,368</b>	<b>73,720</b>	<b>43,081</b>	<b>38,937</b>
<b>Total liabilities</b>	<b>291,601</b>	<b>260,475</b>	<b>194,924</b>	<b>141,584</b>



Mr. Sumeto Tanthuwant  
Director



DIRECTOR



Mr. Sutep Trantasin  
Director

DIRECTOR

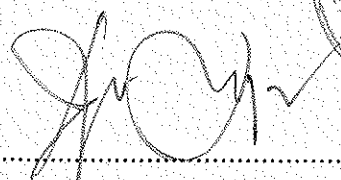
## Regional Container Lines Public Company Limited and its subsidiaries

## Statements of financial position (continued)

As at 30 September 2018

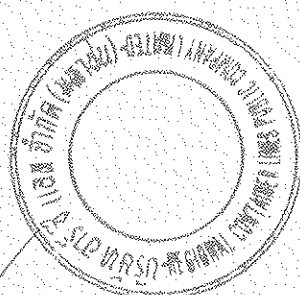
(Unit: Thousand USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at	As at	As at	As at
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
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	1,943	1,943	1,943	1,943
Unappropriated	101,564	114,362	19,882	26,665
Other components of equity	(42,695)	(42,191)	-	-
<b>Total equity of parent Company's shareholders</b>	<b>260,536</b>	<b>273,838</b>	<b>221,549</b>	<b>228,332</b>
Non - controlling interests	218	50	-	-
<b>Total shareholders' equity</b>	<b>260,754</b>	<b>273,888</b>	<b>221,549</b>	<b>228,332</b>
<b>Total liabilities and shareholders' equity</b>	<b>552,355</b>	<b>534,363</b>	<b>416,473</b>	<b>369,916</b>



.....  
**Mr. Sumate Tantharwanit**  
 Director

DIRECTOR




DIRECTOR

.....  
**Mr. Sutep Trantasin**  
 Director

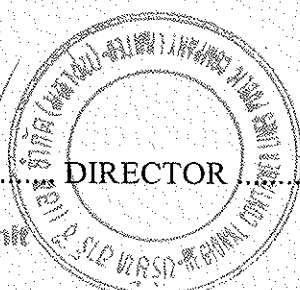
## Regional Container Lines Public Company Limited and its subsidiaries


## Statements of income

For the three - month period ended 30 September 2018

	Consolidated		(Unit: Thousand USD)	
	financial statements		Separate	
	For the three - month periods		For the three - month periods	
	ended 30 September		ended 30 September	
	2018	2017	2018	2017
<b>Revenues</b>				
Freight income	92,574	87,498	8,110	6,236
Others income				
Gain on exchange rate	-	156	-	-
Dividend income	-	-	680	667
Gain on sales of assets	1,094	21	-	-
Interest income	50	31	4	1
Unrealized gain on derivatives	13	10	13	10
Others	63	79	-	-
<b>Total revenues</b>	<b>93,794</b>	<b>87,795</b>	<b>8,807</b>	<b>6,914</b>
<b>Expenses</b>				
Cost of freight and operations	88,328	73,351	7,727	7,092
Administrative expenses	7,136	6,716	1,945	1,700
Others expense - Loss on exchange rate	12	-	116	111
Finance cost	1,953	1,465	972	867
<b>Total expenses</b>	<b>97,429</b>	<b>81,532</b>	<b>10,760</b>	<b>9,770</b>
Share of profit (loss) from investments in associates	612	635	-	-
Share of profit (loss) from investments in joint venture	238	215	-	-
<b>Profit (loss) before income tax expenses</b>	<b>(2,785)</b>	<b>7,113</b>	<b>(1,953)</b>	<b>(2,856)</b>
Tax expenses (income)	41	98	-	-
<b>Profit (loss) for the period</b>	<b>(2,826)</b>	<b>7,015</b>	<b>(1,953)</b>	<b>(2,856)</b>
<b>Profit (loss) for the period attributable to:</b>				
Equity holders of the parent	(2,837)	7,015	(1,953)	(2,856)
Non - controlling interests	11	-	-	-
	<b>(2,826)</b>	<b>7,015</b>	<b>(1,953)</b>	<b>(2,856)</b>
<b>Basic earnings (loss) per share</b>				
Profit (loss) attributable to equity holders of the parent (USD)	(0.003)	0.008	(0.002)	(0.003)
The weighted average number of ordinary shares (Thousand share)	828,750	828,750	828,750	828,750

  
 Mr. Sumate Tanthuwant  
 Director



  
 Mr. Sutep Tranantasin  
 Director

DIRECTOR

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## Regional Container Lines Public Company Limited and its subsidiaries

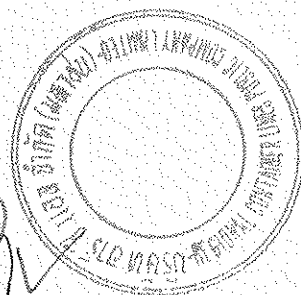
## Statements of income

For the nine - month period ended 30 September 2018

	(Unit: Thousand USD)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine - month periods		For the nine - month periods	
	ended 30 September		ended 30 September	
	2018	2017	2018	2017
<b>Revenues</b>				
Freight income	270,879	241,590	22,022	17,835
Others income				
Gain on exchange rate	1,237	620	124	-
Dividend income	-	-	2,100	1,957
Gain on sales of assets	3,045	2,871	-	-
Gain on dissolution subsidiary, net	-	-	2,297	-
Interest income	163	78	10	4
Unrealized gain on derivatives	43	13	43	13
Others	367	407	-	5
<b>Total revenues</b>	<b>275,734</b>	<b>245,579</b>	<b>26,596</b>	<b>19,814</b>
<b>Expenses</b>				
Cost of freight and operations	261,708	219,645	22,195	21,455
Administrative expenses	21,509	19,543	5,789	4,822
Others expense				
Loss on exchange rate	-	-	-	701
Loss on dissolution subsidiary	122	-	-	-
Finance cost	5,185	4,311	2,806	2,737
<b>Total expenses</b>	<b>288,524</b>	<b>243,499</b>	<b>30,790</b>	<b>29,715</b>
Share of profit (loss) from investments in associates	1,981	1,889	-	-
Share of profit (loss) from investments in joint venture	740	473	-	-
<b>Profit (loss) before income tax expenses</b>	<b>(10,069)</b>	<b>4,442</b>	<b>(4,194)</b>	<b>(9,901)</b>
Tax expenses (income)	114	257	-	-
<b>Profit (loss) for the period</b>	<b>(10,183)</b>	<b>4,185</b>	<b>(4,194)</b>	<b>(9,901)</b>
<b>Profit (loss) for the period attributable to:</b>				
Equity holders of the parent	(10,209)	4,185	(4,194)	(9,901)
Non - controlling interests	26	-	-	-
	<b>(10,183)</b>	<b>4,185</b>	<b>(4,194)</b>	<b>(9,901)</b>
<b>Basic earnings (loss) per share</b>				
Profit (loss) attributable to equity holders of the parent (USD)	(0.012)	0.005	(0.005)	(0.012)
The weighted average number of ordinary shares (Thousand share)	828,750	828,750	828,750	828,750



Mr. Sumate Tanthuanant  
Director



DIRECTOR



DIRECTOR

Mr. Sutep Tranantarin  
Director

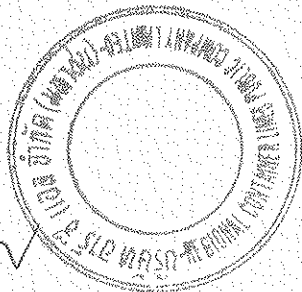
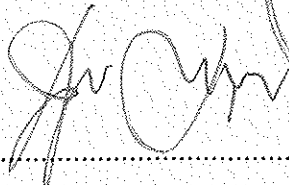
25. Events after the reporting period

25.1 In October 2018, the Company had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 6.5 million (30 September 2018: approximately Baht 210.2 million) which is for the project of purchase and installation “Sulphur Dioxide Scrubber”, at present, the Company has not drawn down the loan.

25.2 On 1 November 2018 a Subsidiary in Singapore, had signed a memorandum of agreement to sell a vessel which has net book value as at 31 October 2018 of USD 1.6 million to a company in Singapore at USD 2.1 million. The various conditions are required in the memorandum of agreement.

26. Approval of financial statements

These interim financial statements were authorized for issue by the Company’s Board of Directors on 9 November 2018.



..... DIRECTOR .....

Mr. Sumato Tanthuwant  
Director



..... DIRECTOR .....

Mr. Sutro Prasantasiri  
Director