



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

Press Release for Financial Results as at 31 December 2023

Regional Container Lines Public Company Limited (the “Company” or “RCL”) would like to inform that the Company recorded a profit before vessel impairment for the year ended December 31st, 2023 of THB 2,359 million, representing a decrease of 90.4% compared to the year 2022. The main factor for the decrease was the significant decline in freight rates since the fourth quarter of 2022, as the COVID-19 situation has returned to normal. In 2023, the Company recorded an impairment of vessels of THB 857 million. Consequently, the net profit for the year 2023 amounted to THB 1,502 million with earnings per share standing at THB 1.81 per share.

The aforementioned vessel impairment was partly due to the write-back of vessels during the period of freight rates and charter rates were significantly higher in the market in the past 2-3 years. The reoccurrence of impairment this year occurred when the market adjusted downward. The prices of the vessels and charter rates used for calculating the impairment on vessels were prepared by an independent valuator company.

In 2023, the Company maintained its total lifting of 2,200,000 TEUs, which was similar to the year 2022. Nonetheless, freight income decreased by 50%, attributed to the decrease in average freight rates. The average freight rates in 2023 was 343 USD per TEU, showing a 48.19% decrease compared to the year 2022, when the average freight rates stood at 662 USD per TEU. This was due to the continued slowdown of the global economy.

As a result of the Company's stringent cost control measures, operating costs decreased by **14%** compared to the previous year. Furthermore, the unrest in the Red Sea at the end of 2023 impacted the marine transportation market and freight rates, with expectations of a subsequent increase in freight rates and charter hire rates, particularly for vessels with a capacity exceeding 5,000 TEUs. This situation will be advantageous for the Company.

The container shipping industry faced various challenges in 2023, including global economic slowdown which affected shipping volume, geopolitical tensions, and high fuel prices and interest rates which increased the costs, while freight rates gradually declined to the pre-COVID levels.



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

The Company is committed to sustainable business practices and is well-equipped to confront the challenges within the container shipping industry. With a primary focus on optimizing fleet management and efficiency. Therefore, four new 7,000 TEUs vessels and two new 12,000 TEUs vessels will enter the Company's fleet. Notably, two of the 7,000 TEUs vessels, scheduled for delivery in the second quarter of this year, have already been secured under time-chartered agreements, whereas the remaining vessels will be integrated into the Company's fleet. Moreover, the Company has entered into an agreement to construct four vessels with a capacity of 4,400 TEUs each, which will be delivered starting from the year 2027 onwards. These new vessels will strengthen and elevate the efficiency of the Company's fleet while also responding to environmental sustainability policies with their cutting-edge technology, aimed at reducing fuel consumption and supporting environmentally friendly alternative fuels.

Furthermore, the Company has expanded its shipping services to new markets, including the Indian subcontinent, East Africa, and the Middle East. The Company has also implemented reefer container services to support the expansion of its customer service network and future growth. Lastly, the Company is pleased to announce that in 2023, the Company received the awards, namely the Best Company of the Year 2023 in the Service Industry from the Money & Banking Awards 2023 for the second consecutive year, and the Outstanding Company Performance Awards - Business Excellence from the SET Awards 2023. These awards reflect not only the Company's efficient business performance but also its commitment to good corporate governance and promoting sustainable growth for the utmost benefit of all stakeholders.

26 February 2024

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 Owned Containers (COC) in a service network that is fully Asia centric. RCL currently owns and operates a fleet of 41 vessels with sizes ranging between 388 TEUs and 11,714 TEUs. It also has a fleet of 139,238 TEUs to support its own COC carriage as well. RCL operates a network of 91 offices made up of both owned and agency partner offices to support its operations. Today, RCL is recognised as amongst the leading SOC and Intra Asian operator by both peers and customers alike.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$ MILLION

(million US\$)

	1st Quarter 2022	Half-Year 2022	9 months 2022	Year-End 2022	1st Quarter 2023	Half-Year 2023	9 months 2023	Year-End 2023
Freight income	442.9	830.3	1,216.3	1,477.8	200.4	384.0	569.3	751.1
Cost of freight and operations	(183.4)	(365.6)	(564.7)	(752.4)	(163.4)	(323.0)	(486.5)	(651.8)
Gross Profit	259.5	464.7	651.6	725.4	37.0	61.0	82.8	99.3
Gross Profit Margin	58.6%	56.0%	53.6%	49.1%	18.5%	15.9%	14.5%	13.2%
Other income	1.5	3.0	5.1	7.9	4.1	8.9	13.6	18.9
Gain on exchange	1.9	0.0	0.0	0.0	1.8	2.3	3.0	3.7
Gain on sale of assets	0.1	23.6	23.8	27.3	0.0	1.4	4.3	4.9
Total other income	3.5	26.6	28.9	35.2	5.9	12.6	20.9	27.5
Admin expenses	(14.2)	(28.4)	(43.3)	(57.8)	(10.6)	(21.6)	(32.1)	(43.0)
Unrealised gain/(loss) from changes in the fair value of Derivatives	0.3	1.4	3.1	3.5	(2.1)	(1.5)	(1.3)	(2.1)
Loss on exchange	0.0	(0.9)	(2.3)	(0.1)	0.0	0.0	0.0	0.0
(Doubtful debt) / Reversal of doubtful debt	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.2)	(0.1)	(0.1)
Loss on sale of assets	0.0	0.0	0.0	0.0	(0.2)	0.0	0.0	0.0
Loss on impairment of Vessels and equipment, net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(24.5)
Total other expenses	(14.0)	(28.0)	(42.6)	(54.5)	(12.9)	(23.3)	(33.5)	(69.7)
Interest expenses	(1.5)	(3.2)	(4.8)	(6.3)	(2.7)	(5.4)	(7.9)	(10.7)
Profit / (loss) before taxation	247.5	460.1	633.1	699.8	27.3	44.9	62.3	46.4
Income tax	(0.1)	(0.3)	(0.6)	(0.9)	(0.6)	(1.7)	(2.5)	(3.4)
Profit / (loss) after taxation	247.4	459.8	632.5	698.9	26.7	43.3	59.8	43.0
Minority interest	0.0	(0.1)	(0.1)	(0.1)	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	247.4	459.7	632.4	698.8	26.7	43.3	59.8	43.0

COMPUTATION OF EBITDA

Profit / (loss) before taxation	247.5	460.1	633.1	699.8	27.3	44.9	62.3	46.4
Add: Unrealised (Gain) / Loss from changes in fair value of derivatives	(0.3)	(1.4)	(3.1)	(3.5)	2.1	1.5	1.3	2.1
Add: Interest	1.5	3.2	4.8	6.3	2.7	5.4	7.9	10.7
EBIT	248.7	461.9	634.8	702.6	32.1	51.8	71.5	83.7
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	25.2	51.7	78.3	105.6	25.1	51.0	77.0	105.1
EBITDA	273.9	513.6	713.1	808.2	57.2	102.8	148.5	188.8

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
THAILAND

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
AND
INDEPENDENT AUDITOR'S REPORT

EXPRESSED IN
THAI BAHT



A. M. T. & Associates

สำนักงาน เอ. เอ็ม. ที. แอสโซซิเอท

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INDEPENDENT AUDITOR'S REPORT

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

Opinion

I have audited the consolidated financial statements of Regional Container Lines Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Regional Container Lines Public Company Limited (the “Company”) which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the related consolidated and separate statements of changes in equity, income, comprehensive income, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Regional Container Lines Public Company Limited and its subsidiaries and of Regional Container Lines Public Company Limited as at 31 December 2023, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

I conducted my audit in accordance with Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions under the Royal Patronage of his Majesty the King (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matters included Audit Procedures are as follows:

Impairment of vessels (the consolidated and separate financial statement)

As describe in Note 2.6, 2.14 and 10.2 to the financial statement, the Company and its subsidiary's vessels which are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any) are significant amount. The management exercise judgement in determining the impairment loss due to the recoverable amount of the vessels is determined on value in use by estimate future cash flows that the entity expects to derive from the assets which related to the projection of future operating performance, future plan and determination of an appropriate discount rate and key assumptions. Therefore, I have identified that considering the impairment loss of vessels is the significant matter that requires special attention in the audit.

My audit procedure on such matter

I verified the impairment of vessels by consider and assess the reasonable and supportable assumptions and approaches in preparation of the estimate of future cash inflows or outflows which the Group expected to derive from the continuing use of the vessels. Including assess the Group's reasonable discount rate which used for calculation of the recoverable amount of the vessels and considered the adequacy of the information disclosure related to impairment of vessels.

Other matter

The consolidated financial statements of Regional Container Lines Public Company Limited and its subsidiaries and the separate financial statements of Regional Container Lines Public Company Limited for the year ended 31 December 2022, presented herein as comparative information, were audited by another auditor in my office, whose report thereon dated 24 February 2023 expressed an unmodified opinion on those statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in the annual report of the Group, but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and the management of the Group.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

A.M.T. & ASSOCIATES

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(SIRAMATE AKKHARACHOTKULLANUN)

Certified Public Accountant

Registration No. 11821

A.M.T. & ASSOCIATES

Bangkok, Thailand

23 February 2024

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

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 December		As at 31 December	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents		13,073,582,583	19,481,088,466	1,191,189,905	748,626,032
Trade receivables - unrelated parties		3,135,524,767	4,750,580,981	-	-
Less: allowance for doubtful accounts		(2,814,323)	(91,321,747)	-	-
Trade receivables - unrelated parties, net	5	3,132,710,444	4,659,259,234	-	-
Trade receivables - related parties	5 and 18	248,376,389	59,084,345	465,014,601	640,547,303
Other receivables	18	635,004,088	270,695,781	21,330,661	76,821,918
Short - term loan to related parties	18	-	5,000,000	-	3,091,281,500
Current portion of long - term loan to related parties	18	-	-	468,541,739	-
Material supplies		597,776,032	669,325,593	14,878,774	20,286,859
Refundable income tax - current period		15,385,175	14,551,217	-	57,806
Other current financial assets	6	982,999,299	147,588,857	94,452,498	147,588,857
Other current assets		48,394,987	49,066,076	-	-
Total current assets		18,734,228,997	25,355,659,569	2,255,408,178	4,725,210,275
Non - current assets					
Other non - current financial assets					
- Gain from changes in fair value of derivatives	6	43,047,363	110,710,550	43,047,363	110,710,550
- Restricted bank deposit	13	929,136,943	-	929,136,943	-
- Others		19,597,556	11,735,124	-	-
Investments in subsidiaries, net	7 and 18	-	-	8,806,824,687	8,726,894,891
Investments in associates	8.1	338,884,502	336,822,881	57,169,702	57,744,764
Investments in joint ventures	8.2	184,421,059	174,617,218	-	-
Long - term loan to related parties, net of current portion	18	-	-	3,377,437,071	-
Investment properties, net	9	5,029,988	5,162,310	47,235,619	49,392,733
Property and premises, net	10.1 and 13	379,097,989	364,818,546	22,063,148	454,719
Vessels and equipment, net	10.2 and 13	24,315,340,970	21,806,873,661	5,339,379,273	5,951,475,290
Right - of - use assets, net	11	4,449,728,088	4,933,490,108	13,655,532	1,887,204
Intangible assets, net	12	1,668,253	2,553,972	-	-
Other non - current assets					
- Payment of advances for vessels and equipment	23.1 (c)	6,971,841,318	5,769,959,130	-	-
- Others		10,326,048	5,836,512	2,174,299	2,022,840
Total non - current assets		37,648,120,077	33,522,580,012	18,638,123,637	14,900,582,991
Total assets	26	56,382,349,074	58,878,239,581	20,893,531,815	19,625,793,266



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

Mr. Twinchok Tanthuwani
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 December		As at 31 December	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade payables - unrelated parties		4,153,886,903	4,227,581,457	31,624,475	50,160,406
Trade payables - related parties	18	17,515,391	16,752,742	756,527	-
Other payables					
- Accrued expenses		273,534,733	813,244,679	75,604,318	301,362,568
- Advance receipt	18	-	-	701,960,080	527,788,514
- Payable on purchase of assets		82,425,702	138,109,079	-	-
- Revenue Department payable		34,902,961	163,804,966	5,544,626	122,535,823
Current portion of long - term loans	13	490,647,900	287,585,484	201,737,040	57,724,200
Current portion of lease liabilities	14	1,882,624,155	1,546,130,906	3,313,768	1,890,873
Income tax payable		102,646,643	12,729,312	13,524,242	-
Other current liabilities		242,384,715	197,558,464	1,224,990	-
Total current liabilities		7,280,569,103	7,403,497,089	1,035,290,066	1,061,462,384
Non - current liabilities					
Long - term loans, net of current portion	13	2,873,160,048	2,690,797,465	790,853,318	169,020,325
Lease liabilities - net of current portion	14	2,505,188,852	3,419,327,321	11,071,189	-
Deferred tax liabilities	21	9,667,056	9,466,741	-	-
Provisions for employee benefits	15	71,880,413	60,347,226	41,134,498	34,111,922
Total non - current liabilities		5,459,896,369	6,179,938,753	843,059,005	203,132,247
Total liabilities	26	12,740,465,472	13,583,435,842	1,878,349,071	1,264,594,631



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

DIRECTOR

Mr. Twinchok Tanthuwani
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

Regional Container Lines Public Company Limited and its subsidiaries
Statements of financial position (continued)
As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 December		As at 31 December	
		2023	2022	2023	2022
Shareholders' equity					
Share capital					
Registered					
828,750,000 ordinary shares of Baht 1 each		828,750,000	828,750,000	828,750,000	828,750,000
Issued and fully paid - up					
828,750,000 ordinary shares of Baht 1 each		828,750,000	828,750,000	828,750,000	828,750,000
Share premium		4,982,964,187	4,982,964,187	4,982,964,187	4,982,964,187
Retained earnings					
Appropriated - legal reserve	16	82,875,000	82,875,000	82,875,000	82,875,000
Unappropriated		36,943,146,183	38,134,601,279	13,171,087,951	12,288,288,804
Other components of equity		805,803,442	1,263,535,846	(50,494,394)	178,320,644
Total equity of parent Company's shareholders		43,643,538,812	45,292,726,312	19,015,182,744	18,361,198,635
Non - controlling interests		(1,655,210)	2,077,427	-	-
Total shareholders' equity		43,641,883,602	45,294,803,739	19,015,182,744	18,361,198,635
Total liabilities and shareholders' equity	26	56,382,349,074	58,878,239,581	20,893,531,815	19,625,793,266



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

DIRECTOR

Mr. Twinchok Tanthuwani
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

Regional Container Lines Public Company Limited and its subsidiaries
Statements of changes in equity
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements													
	Equity holders of parent company					Other components of equity						Total equity of parent Company's shareholder	Non - controlling interests	Total shareholder's equity
	Issued and fully paid - up share capital	Share premium	Appropriated - legal reserve	Unappropriated	Exchange differences on translating financial statement	Actuarial gains (losses) on defined employee benefit plans	Gains (losses) on investment in equity designated at fair value	Total	Total equity of parent Company's shareholder	Non - controlling interests	Total shareholder's equity			
Balance as at 1 January 2022	828,750,000	4,982,964,187	82,875,000	19,299,267,387	711,805,051	-	-	711,805,051	25,905,661,625	7,400,411	25,913,062,036			
Total comprehensive income (loss) for the year	-	-	-	24,625,176,907	551,730,795	11,267,875	-	562,998,670	25,188,175,577	(5,322,984)	25,182,852,593			
Dividend paid	-	-	-	(5,801,110,890)	-	-	-	(5,801,110,890)	(5,801,110,890)	-	(5,801,110,890)			
Transferred to retained earnings	-	-	-	11,267,875	-	(11,267,875)	-	(11,267,875)	-	-	-			
Balance as at 31 December 2022	828,750,000	4,982,964,187	82,875,000	38,134,601,279	1,263,535,846	-	-	1,263,535,846	45,292,726,312	2,077,427	45,294,803,739			
Balance as at 1 January 2023	828,750,000	4,982,964,187	82,875,000	38,134,601,279	1,263,535,846	-	-	1,263,535,846	45,292,726,312	2,077,427	45,294,803,739			
Total comprehensive income (loss) for the year	-	-	-	1,501,901,163	(465,711,703)	7,979,299	-	(457,732,404)	1,044,168,759	(3,732,637)	1,040,436,122			
Dividend paid	-	-	-	(2,693,356,259)	-	-	-	(2,693,356,259)	(2,693,356,259)	-	(2,693,356,259)			
Balance as at 31 December 2023	828,750,000	4,982,964,187	82,875,000	36,943,146,183	797,824,143	-	-	805,803,442	43,643,538,812	(1,655,210)	43,641,883,602			



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

(Signature)

Mr. Twinchok Tanthuwaniit
Director

..... DIRECTOR

(Signature)

Mr. Suteep Tranantasin
Director

..... DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries

Statements of changes in equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements

	Note	Issued and fully paid - up share capital	Share premium	Retained earnings		Exchange differences on translating financial statement	Other components of equity		Total shareholder's equity	
				Appropriated - legal reserve	Unappropriated		Other comprehensive income (loss)	Actuarial gains (losses) on defined employee benefit plans		Total
Balance as at 1 January 2022		828,750,000	4,982,964,187	82,875,000	2,595,456,339	37,443,171	-	37,443,171	8,527,488,697	
Total comprehensive income (loss) for the year		-	-	-	15,482,558,737	140,877,473	11,384,618	152,262,091	15,634,820,828	
Dividend paid	17	-	-	-	(5,801,110,890)	-	-	-	(5,801,110,890)	
Transferred to retained earnings		-	-	-	11,384,618	-	(11,384,618)	(11,384,618)	-	
Balance as at 31 December 2022		828,750,000	4,982,964,187	82,875,000	12,288,288,804	178,320,644	-	178,320,644	18,361,198,635	
Balance as at 1 January 2023		828,750,000	4,982,964,187	82,875,000	12,288,288,804	178,320,644	-	178,320,644	18,361,198,635	
Total comprehensive income (loss) for the year		-	-	-	3,576,155,406	(228,815,038)	-	(228,815,038)	3,347,340,368	
Dividend paid	17	-	-	-	(2,693,356,259)	-	-	-	(2,693,356,259)	
Balance as at 31 December 2023		828,750,000	4,982,964,187	82,875,000	13,171,087,951	(50,494,394)	-	(50,494,394)	19,015,182,744	



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

Mr. Twinchok Tanthuwaniit
Director

Mr. Sutep Tranantasin
Director

DIRECTOR

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries
Statements of income
For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the years ended 31 December		For the years ended 31 December	
		2023	2022	2023	2022
Revenues					
Freight income	18	26,267,560,321	52,073,670,793	2,278,126,592	4,847,218,246
Others income					
Gain on exchange rate		130,263,304	-	38,625,756	-
Dividend income	7 and 8.1	-	1,568,032	2,490,843,529	12,245,195,635
Gain on sales of assets	10.2	170,615,328	960,510,666	100,969,466	32,496,122
Interest income	18	541,125,845	116,922,422	168,052,707	52,489,411
Interest income in accordance with TFRS 9	18	-	-	10,953,312	-
Others	18	27,430,364	26,836,274	7,404,928	707,397
Total revenues		27,136,995,162	53,179,508,187	5,094,976,290	17,178,106,811
Expenses					
Cost of freight and operations	18	22,796,397,626	26,511,287,790	984,094,693	1,171,718,655
Administrative expenses	15 and 18	1,505,627,775	2,035,069,616	342,652,057	635,297,221
Others expense					
Loss on exchange rate		-	2,464,879	-	2,853,031
Loss on impairment of vessels	10.2	857,104,508	-	90,268,030	-
Total expenses	19	25,159,129,909	28,548,822,285	1,417,014,780	1,809,868,907
Profit (loss) from operating activities		1,977,865,253	24,630,685,902	3,677,961,510	15,368,237,904
Finance costs		(372,942,602)	(221,620,852)	(7,429,429)	(8,986,652)
Gain (loss) from changes in fair value of derivatives	6	(71,974,374)	123,307,485	(71,974,374)	123,307,485
Reversal of impairment loss (impairment loss)					
determined in accordance with TFRS 9		(3,941,818)	(6,280,682)	-	-
Share of profit (loss) from investments in associates	8.1	46,506,012	57,606,186	-	-
Share of profit (loss) from investments in joint ventures	8.2	47,162,648	76,287,219	-	-
Profit (loss) before income tax expenses		1,622,675,119	24,659,985,258	3,598,557,707	15,482,558,737
Tax income (expenses)	21	(120,216,250)	(32,436,021)	(22,402,301)	-
Profit (loss) for the years	26	1,502,458,869	24,627,549,237	3,576,155,406	15,482,558,737
Profit (loss) for the year attributable to:					
Equity holders of the parent		1,501,901,163	24,625,176,907	3,576,155,406	15,482,558,737
Non - controlling interests		557,706	2,372,330	-	-
		1,502,458,869	24,627,549,237	3,576,155,406	15,482,558,737
Basic earnings (loss) per share					
Equity holders of the parent (Baht)	2.18	1.812	29.714	4.315	18.682
The weighted average number of ordinary shares (share)		828,750,000	828,750,000	828,750,000	828,750,000



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



DIRECTOR

Mr. Twinchok Tanthuwanit
Director



DIRECTOR

Mr. Sutep Tranantasin
Director

Regional Container Lines Public Company Limited and its subsidiaries
Statements of comprehensive income
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	For the years ended 31 December		For the years ended 31 December		
	Note	2023	2022	2023	2022
Profit (loss) for the years		1,502,458,869	24,627,549,237	3,576,155,406	15,482,558,737
Other comprehensive income (loss) :					
Item that will be reclassified subsequently to profit or loss :					
Exchange differences on translating financial statement		(470,002,046)	544,035,481	(228,815,038)	140,877,473
Total item that will be reclassified subsequently to profit or loss		(470,002,046)	544,035,481	(228,815,038)	140,877,473
Item that will not be reclassified subsequently to profit or loss :					
Actuarial gains (losses) on defined employee benefit plans	15	-	11,267,875	-	11,384,618
Gains (losses) on investment in equity designated at fair value		7,979,299	-	-	-
Deferred tax relating to other component of equity	21	-	-	-	-
Total item that will not be reclassified subsequently to profit or loss		7,979,299	11,267,875	-	11,384,618
Other comprehensive income (loss) for the years		(462,022,747)	555,303,356	(228,815,038)	152,262,091
Total comprehensive income (loss) for the years		1,040,436,122	25,182,852,593	3,347,340,368	15,634,820,828
Total comprehensive income (loss) for the years attributable to :					
Equity holders of the parent		1,044,168,759	25,188,175,577	3,347,340,368	15,634,820,828
Non - controlling interests		(3,732,637)	(5,322,984)	-	-
		1,040,436,122	25,182,852,593	3,347,340,368	15,634,820,828



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



DIRECTOR

Mr. Twinchok Tanthuwanit
Director



DIRECTOR

Mr. Sutep Tranantasin
Director

Regional Container Lines Public Company Limited and its subsidiaries
Statements of cash flows
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) for the years	1,502,458,869	24,627,549,237	3,576,155,406	15,482,558,737
Adjustments to reconcile profit (loss) for the years to net cash provided by (used in) operating activities:				
Depreciation	3,676,545,482	3,719,019,833	401,573,944	458,739,697
Amortization	1,443,172	1,037,868	-	-
Loss (gain) on sales and write - off of assets	(164,223,271)	(947,593,038)	(94,577,409)	(19,578,494)
Loss on impairment of vessels (reversal)	857,104,508	-	90,268,030	-
Loss (gain) on termination of the lease	-	(10,015,920)	-	-
Bad debt and doubtful accounts (reversal)	3,941,818	6,280,682	-	-
Dividend income	-	(1,568,032)	(2,490,843,529)	(12,245,195,635)
Loss (gain) from changes in fair value of financial assets	(7,167,666)	-	(245,546)	-
Loss (gain) from changes in fair value of derivatives	71,974,374	(123,307,485)	71,974,374	(123,307,485)
Unrealized loss (gain) on exchange rate	(129,471,939)	239,053,744	(57,042,227)	42,880,165
Share of loss (profit) from investments in associates	(46,506,012)	(57,606,186)	-	-
Share of loss (profit) from investments in joint ventures	(47,162,648)	(76,287,219)	-	-
Provisions for employee benefits	11,533,187	10,567,087	7,022,576	9,855,710
Past service cost - transfer of employees	-	-	-	(21,535,821)
Interest income	(541,125,845)	(116,922,422)	(168,052,707)	(52,489,411)
Interest income in accordance with TFRS 9	-	-	(10,953,312)	-
Finance costs	372,942,602	221,620,852	7,429,429	8,986,652
Tax expenses (income)	120,216,250	32,436,021	22,402,301	-
Profit (loss) from operating activities before changes in operating assets and liabilities	5,682,502,881	27,524,265,022	1,355,111,330	3,540,914,115
Operating assets decrease (increase)				
Trade receivables - unrelated parties	1,652,182,971	(351,937,999)	-	59,500,121
Trade receivables - related parties	(189,292,044)	296,199,443	(2,258,942,469)	(4,835,892,956)
Other receivables	(204,468,436)	80,049,108	(127,704,933)	(156,651,237)
Material supplies	71,549,561	(115,717,884)	5,408,085	(2,415,225)
Other current assets	5,326,658	4,106,336	-	-
Other non - current assets	(2,291,455)	2,633,383	(151,459)	245,000
Operating liabilities increase (decrease)				
Trade payables - unrelated parties	(69,063,099)	(1,482,718,648)	(14,168,537)	(21,087,597)
Trade payables - related parties	762,649	(11,566,008)	756,527	-
Other payables	(201,922,598)	111,196,240	(330,722,630)	26,550,081
Advance receipt	-	-	2,314,954,323	7,016,639,690
Other current liabilities	44,826,252	18,061,206	1,224,990	-
Cash received (paid) from operating activities	6,790,113,340	26,074,570,199	945,765,227	5,627,801,992
Net cash received (paid) for income tax	(37,986,615)	(30,603,120)	(8,820,253)	-
Net cash provided by (used in) operating activities	6,752,126,725	26,043,967,079	936,944,974	5,627,801,992



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

DIRECTOR

Mr. Twinchok Tanthuwani
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

Regional Container Lines Public Company Limited and its subsidiaries
Statements of cash flows (continued)
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2023	2022	2023	2022
Cash flows from investing activities				
Decrease (increase) in other financial assets	(1,778,720,641)	(136,954,251)	(881,677,905)	(136,954,251)
Decrease (increase) in short - term loan to related parties	-	-	489,643,000	-
Decrease (increase) in long - term loan to related parties	-	-	282,111,917	-
Cash received from sales of assets	1,010,241,783	1,498,562,692	343,836,521	172,598,092
Purchase of property, premises, vessels and equipment	(4,333,444,560)	(6,953,668,773)	(195,529,628)	(90,331,642)
Payment of payable on purchase of assets	(139,067,355)	(150,308,632)	-	(34,801,327)
Purchase of intangible assets	(595,546)	(1,931,890)	-	-
Payment of advances for vessels and equipment	(3,307,963,043)	(4,588,665,663)	-	-
Dividend received	78,490,164	55,640,664	1,287,188,340	1,390,561,683
Interest received	377,983,401	87,266,117	222,448,530	7,077,378
Net cash provided by (used in) investing activities	(8,093,075,797)	(10,190,059,736)	1,548,020,775	1,308,149,933
Cash flows from financing activities				
Payment of lease liabilities	(1,823,398,305)	(2,201,938,650)	(3,385,281)	(3,492,036)
Increase (decrease) in long - term loans	421,663,955	2,105,083,493	780,675,113	(176,589,546)
Finance costs paid	(379,385,748)	(218,731,291)	(19,072,472)	(9,703,081)
Dividend paid	(2,693,356,259)	(5,801,110,890)	(2,693,356,259)	(5,801,110,890)
Net cash provided by (used in) financing activities	(4,474,476,357)	(6,116,697,338)	(1,935,138,899)	(5,990,895,553)
Exchange differences on translating financial statement	(592,080,454)	(6,379,448)	(107,262,977)	(474,827,929)
Net increase (decrease) in cash and cash equivalents	(6,407,505,883)	9,730,830,557	442,563,873	470,228,443
Cash and cash equivalents at beginning of years	19,481,088,466	9,750,257,909	748,626,032	278,397,589
Cash and cash equivalents at ending of years	13,073,582,583	19,481,088,466	1,191,189,905	748,626,032

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION :

Activities not affecting cash :

Decrease in payment of advance for equipment from purchase of vessels and equipment	2,027,126,183	1,243,360,133	-	27,519,550
Increase in payable on purchase of assets from purchase of vessels and equipment	83,832,478	140,108,338	-	-
Increase in right - of - use assets and lease liabilities from recognition of leases	1,283,997,664	2,540,673,091	15,585,579	-
Offset of trade receivables - related parties, other receivables and advance receipt	-	-	949,511,682	5,278,417,433
Decrease in advance receipt from receive the dividend	-	-	1,203,655,189	10,854,633,952
Transfer from "short - term loan to related parties" to "long - term loan to related parties"	-	-	2,623,087,500	-



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

DIRECTOR

Mr. Twinchok Tanthuwanit
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

Regional Container Lines Public Company Limited and its subsidiaries

Notes to financial statements

For the year ended 31 December 2023

1. General information

1.1 Corporate information

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 preparation of financial statements

These financial statements have been prepared in accordance with financial reporting standards and guidelines promulgated by the Federation of Accounting Professions.

These financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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



Mr. Twinchok Tanthuwanit
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

DIRECTOR

1.3 Basis for consolidation of financial statements

(a) These consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's Name	Type of business	Place of incorporation	Holding of investment
<u>Subsidiaries operating in Thailand</u>			
a) RCLS Co., Ltd.	Provide services and consulting to affiliated enterprises in foreign countries	Thailand	100% owned by the Company
b) RCL Logistics Co., Ltd.	Logistics services	Thailand	100% owned by the Company
c) Santi Bhum Co., Ltd.	Ship owning and operating	Thailand	100% owned by the Company
d) Thitti Bhum Co., Ltd.	Ship owning and operating	Thailand	100% owned by the Company
<u>Group of subsidiaries operating in Singapore</u>			
e) RCL Investment Pte. Ltd.	Holding company	Singapore	100% owned by the Company
f) Regional Container Lines Pte. Ltd.	Ship owning and operating	Singapore	100% owned by the Company
g) RCL Shipmanagement Pte. Ltd.	Ship management	Singapore	100% owned by the Company
h) RCL Feeder Pte. Ltd. and its subsidiaries: RCL Agencies (M) Sdn Bhd. (100% owned), RCL Feeder Phils., Inc. (100% owned), Regional Container Lines Shipping Co., Ltd. (100% owned), RCL (Vietnam) Co., Ltd. (80% owned), RCL (Myanmar) Co., Ltd. (65% owned) and Regional Logistics Co., Ltd. (100% owned)	Holding company, cargo consolidation and operating	Singapore	60% owned by Regional Container Lines Pte. Ltd. and 40% owned by the Company
<u>Group of subsidiaries operating in Hong Kong</u>			
i) Regional Container Lines (H.K.) Ltd.	Holding company, shipping agent and the provision of transportation and cargo handling services	Hong Kong	100% owned by the Company





Mr. Twinchok Tanthuwagit
Director

DIRECTOR


Mr. Sutep Tranantasin
Director

DIRECTOR

(b) Subsidiaries are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

(c) Investments in associates and joint ventures are accounted for using the equity method and is recognised initially at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investee from the date that significant influence incurs until the date that significant influence ceases.

(d) The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent significant accounting policies.

(e) The financial statements of the subsidiaries, the associates and joint ventures are translated into the Group's functional currency and into the presentation currency as stated in note 2.13

(f) Material outstanding balances and transactions between the Company and its subsidiaries ("the Group") have been eliminated from the consolidated financial statements.

(g) No Thai income tax has been accrued for undistributed net income of the overseas subsidiaries, since the net income are intended to be retained by those subsidiaries for long - term reinvestment purposes.

(h) Non - controlling interest represent the portion of net income or loss and net assets of the subsidiaries that are not held by the group's Company and are presented separately in the consolidated statements of income and within equity in the consolidated statements of financial position.

1.4 Financial Reporting Standards which are not effective for the current year

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements, except TAS 12, Income Taxes - International Tax Reform - Pillar Two Model Rules.

The amendment requires that entities shall neither recognize nor disclose information about deferred taxes related to Pillar Two model rules published by the Organisation for Economic Co - operation and Development (OECD). This mandatory temporary exemption applies immediately.

The amendment also includes disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. These disclosure requirements apply for annual reporting periods beginning on or after 1 January 2024, but not for any interim periods ending on or before 31 December 2024.

The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes on the financial statements.




..... DIRECTOR
Mr. Twinchok Tanthuwani
Director


..... DIRECTOR
Mr. Sutep Tranantasin
Director

2. Significant accounting policies

2.1 Revenue recognition

Freight income

Freight income is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective rate method.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income

Other income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

2.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks and all short - term highly liquid investments and not subject to withdrawal restrictions.

2.3 Material supplies

Material supplies are valued at cost, on a first - in, first - out basis and charged to vessel operating costs whenever consumed.

2.4 Investments

Investments in associated companies and joint ventures are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiary, associated and joint ventures companies are accounted for in the separate financial statements using the cost method.

Provision for loss is set aside only for any permanent diminution in the value of the investments.





Mr. Twinchok Tanthuanit
Director



Mr. Sutep Tranantasin
Director

DIRECTOR

2.5 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognized amount of any non - controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed

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

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination is expensed as incurred.

2.6 Property, premises, vessels and equipment/Depreciation and amortization

Property, premises, vessels and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of fixed assets is calculated by reference to their costs after deducting residual value on the straight - line basis over the following estimated useful lives of assets.

Vessels	20, 25 years
Condominiums and leasehold buildings	20, 50 years
Long - term leasehold land and leasehold improvements	The term of the lease
Other fixed assets	3 - 10 years

No depreciation is provided for land.

Major repair and maintenance costs of vessels are capitalized when incurred and amortized on a straight - line basis over a period of 30 months.

2.7 Borrowing costs

Borrowing costs comprise interest and other costs associated with the borrowings. Borrowing costs incurred on qualifying assets are capitalized as a cost of the qualifying property until all the activities necessary to prepare the property for their intended uses are substantially completed. When funds are specifically borrowed for the construction or the production of asset, the amount of borrowing costs capitalized is determined from the actual borrowing costs during the year less any income on the temporary investment of those borrowings. When funds are borrowed for general purpose, the Group multiplies the capitalization rate by the capital expenditure in allocating borrowing costs to costs of assets.

All other borrowing costs are expensed in the period they incurred.




Mr. Twinchok Tanthuwani
Director

..... DIRECTOR


Mr. Sutep Tranantasin
Director

..... DIRECTOR

2.8 Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and losses on decline in value.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labor, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property.

No depreciation is provided for land of investment property and investment property in progress.

2.9 Intangible assets

Intangible assets are measured at cost on the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to the statements of income.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 years

2.10 Financial instruments

Classification and measurement

Non - derivative financial assets that are debt instruments are measured at amortised cost. Except, investments units are measured at fair value through profit or loss.

Financial assets which are the equity in trading securities are measured at fair value through profit or loss. For equity instruments for other purposes are measured at fair value through profit or loss or through other comprehensive income. In the case, the equity securities are measured at fair value through other comprehensive income, the accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

Non - derivative financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss.

Impairment of financial assets

The Group assesses on a forward - looking basis the expected credit loss associated with its financial assets measured at amortised cost. The Group applies general or simplified approach for credit - impaired consideration which depends on the significant of credit risk.



.....
Mr. Twinchok Tanthawanit
Director

DIRECTOR

.....
Mr. Sutep Tranantasin
Director

DIRECTOR

2.11 Leases

At inception of contact, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as lessee

Right - of - use assets

The Group recognises right - of - use assets at the commencement date of the lease. Right - of - use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right - of - use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right - of - use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right - of - use assets are depreciated on a straight - line basis from the commencement date of the lease to the earlier of the end of the useful life of the right - of - use asset or the end of the lease term are as follows:

Building	2 - 6 years
Vessels	2 years
Container	3 - 7 years

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The lease liabilities are subsequently measured using the effective interest method and by reducing the carrying amount to reflect the lease payments made. The Group recognizes interest from lease liability in the statement of income. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Lease payments included in the measurement of the lease liability comprise:

- Fixed payments (including in - substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable by the lessee under residual value guarantees;
- Exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Short - term leases and Leases of low - value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low - value assets, are recognised as expenses on a straight-line basis over the lease term.




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Director


..... DIRECTOR

Mr. Sutep Tranantasin
Director

The Group as lessor

The Group classifies each of its leases as either a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognizes lease payments received under operating leases as income on a straight - line basis over the lease term.

Sub lease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and sub-lease separately. It assesses the lease classification of a sub - lease with reference to the right - of - use asset arising from the head lease, not with reference to underlying asset. If a head lease is a short - term lease to which the Group apply the exemption described in “Short - term leases and leases of low - value asset, then it classifies the sub - lease as an operating lease.

The Group as an intermediate lessor accounts for the sublease as follows:

- If the sublease is classified as an operating lease, the Group continues to account for the lease liability and right - of - use asset on the head lease like any other lease; or
- If the sublease is classified as a finance lease, the Group derecognise the right - of - use asset on the head lease at the sublease commencement date and continue to account for the original lease liability in the head lease.

2.12 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company’s operations.





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Director



Mr. Sutep Tranantasin
Director

DIRECTOR DIRECTOR

2.13 Foreign currencies

The Group's consolidated financial statements are presented in Thai Baht, which is different from the Group's functional currency of USD. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

a) Translation of foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency. Foreign currency transactions during a particular year are translated into USD at the exchange rates ruling on the transaction dates.

Monetary assets and liabilities in foreign currencies outstanding on the statement of financial position date are translated into their functional currency at the exchange rates ruling at the reporting date. The exchange differences arising on the translation are recognized in the statement of income.

Non - monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non - monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

b) Translation into the Group's functional currency

As Group's functional currency is USD, The assets and liabilities of each entity in the Group whose functional currency is not USD are translated into USD at the exchange rates ruling at the reporting date and the items in their statements of income and statements of comprehensive income are translated at the average exchange rates of each year.

The exchange differences arising on the translation are recognized in other comprehensive income.

The USD functional currency statements are disclosed in note 26 to the financial statements.

c) Translation into the presentation currency

The assets and liabilities of each entity in the Group are translated into the Thai Baht presentation currency financial statements at the exchange rate ruling at the reporting date and the items in their statements of income and statements of comprehensive income are translated at the average exchange rates of each year.

The exchange differences arising on the translation are recognized in other comprehensive income.



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DIRECTOR

Mr. Sutep Tranantasin
Director

DIRECTOR

2.14 Impairment of non - financial assets

At each reporting date, the Group performs impairment reviews in respect of the property, plant, vessels and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre - tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. An impairment loss is recognized in the statements of income.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the lower of its recoverable amount (it determinable) and the carrying amount that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

2.15 Employee benefits

Salaries, wages, bonuses, contributions to the social security fund, provident fund and other benefits are recognized as expenses when incurred.

Severance Payment as specified in Labor Law are recognized as expenses in the statements of income along the service period of employees. The Group's post - employment benefit obligations are estimated by a qualified actuary under the actuarial assumption using the Projected Unit Credit Method.

However, the actual benefit obligation may be different from the estimate.

The Group shall recognize the actuarial gains or losses arising from defined benefit plan in the period incurred in other comprehensive income.

The Group recognized termination benefits when it is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Past service costs are recognized in the statement of income on the earlier of the date of the plan amendment or curtailment and the date that the Group recognizes restructuring related costs.

2.16 Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for cargo claims is made based on the estimated amounts that are unrecoverable from insurance companies.




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2.17 Income tax

Income tax for the year comprises current and deferred tax. Current and deferred tax are recognized in the statement of income except to the extent that they relate to business combination or items recognized directly in equity or other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.18 Basic earnings (loss) per share

Basic earnings per share are determined by dividing profit (loss) for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding.

3. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:

3.1 Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

3.2 Premises, vessels and equipment

In determining depreciation of premises, vessels and equipment, the management is required to make estimates of useful lives and salvage values of the Group's premises, vessels and equipment and to review estimated useful lives and salvage values when there are any changes.

In addition, the management is required to review premises, vessels and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.



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3.3 Litigation

The Group has contingent liabilities as a result of litigation. The management has used judgment to assess the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the statements of financial position date.

3.4 Provisions for employee benefits

Provisions for employee benefits is estimated using the actuarial method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

3.5 Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

4. Change in accounting estimation

During the current year, the Group changed the estimated residual value of the vessels. This change was made so that the residual value of the vessels would approximate market value. The effect of the change is to increase net income of the Group and the Company for the year ended 31 December 2023 by Baht 58.4 million and Baht 13.3 million, respectively (Baht 0.070 per share and Baht 0.016 per share, respectively).



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5. Trade receivables

The balances of trade receivables - unrelated parties as at 31 December 2023 and 2022 are classified by aging as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Under 90 days	3,097,779	4,643,247	-	-
91 - 180 days	34,540	6,557	-	-
181 - 365 days	620	5,951	-	-
Over 365 days	2,585	94,826	-	-
Total	3,135,524	4,750,581	-	-
<u>Less</u> Allowance for doubtful accounts	(2,814)	(91,322)	-	-
Net	3,132,710	4,659,259	-	-

The balances of trade receivables - related parties as at 31 December 2023 and 2022 are classified by aging as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Under 90 days	248,376	59,021	327,971	640,547
91 - 180 days	-	63	137,044	-
181 - 365 days	-	-	-	-
Over 365 days	-	-	-	-
Total	248,376	59,084	465,015	640,547



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6. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Gain from changes in fair value of derivatives (a)	50,888	122,878	50,888	122,878
<u>Less</u> Non - current	(43,047)	(110,710)	(43,047)	(110,710)
Gain from changes in fair value of derivatives - Current	7,841	12,168	7,841	12,168
Investments				
- Investment units	86,611	85,454	86,611	85,454
- Debenture	888,547	-	-	-
- Structured note	-	49,967	-	49,967
Total other current financial assets	982,999	147,589	94,452	147,589

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

Movement in the “Gain (loss) from changes in fair value of derivatives” for the year ended 31 December 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statement	financial statement
Beginning balance as at 31 December 2022	122,878	122,878
Gain (loss) from changes in fair value	(71,974)	(71,974)
Exchange differences on translating financial statement	(16)	(16)
Ending balance as at 31 December 2023	50,888	50,888

On 4 January 2024, the Company had transfer a interest rate swap agreement amount USD 66.39 million to the Subsidiary in Thailand, an interest rate of SOFR is to be swapped for a fixed interest rate, the contract expiration date is the year 2027.





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Director

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7. Investments in subsidiaries, net

(Unit: Million Baht)

Company's name	Separate financial statements						Dividend for	
	Paid - up capital		Percentage directly owned		Cost		the years ended	
	2023	2022	2023	2022	2023	2022	31 December	
			Percent	Percent			2023	2022
<u>Subsidiaries operating in Thailand</u>								
a) RCLS Co., Ltd.	Baht 25 Million	Baht 25 Million	100	100	15	15	-	-
b) RCL Logistics Co., Ltd.	Baht 5 Million	Baht 5 Million	100	100	5	5	59	-
c) Santi Bhum Co., Ltd.	Baht 480 Million	Baht 480 Million	100	100	529	490	-	-
d) Thitti Bhum Co., Ltd.	Baht 480 Million	Baht 480 Million	100	100	607	490	-	-
<u>Subsidiaries operating in Singapore</u>								
e) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	245	247	-	-
f) Regional Container Lines Pte. Ltd.	S\$ 136.5 Million	S\$ 136.5 Million	100	100	5,443	5,497	2,387	6,012
g) RCL Feeder Pte. Ltd.	USD 138.6 Million	USD 138.6 Million	40	40	1,822	1,840	-	6,209
h) RCL Shipmanagement Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	100	100	110	111	-	-
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 20 Million	HK\$ 20 Million	100	100	249	252	-	-
					9,025	8,947	2,446	12,221
<u>Less : Allowance for impairment</u>					(218)	(220)		
Total investments in subsidiaries, net					8,807	8,727		

Movement in the investments in subsidiaries for the year ended 31 December 2023 are summarized below:

(Unit: Thousand Baht)

	Note	
Investment as at 31 December 2022		8,726,895
<u>Add</u> Recognized according to TFRS 9	18	169,686
Exchange differences on translating financial statement		(89,756)
Investment as at 31 December 2023		8,806,825



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 Director

8. Investments in associates and joint ventures

8.1 Investments in associates

Company's name	Paid - up capital		Percentage directly owned		Cost		Equity method		(Unit: Million Baht) Dividend for the years ended 31 December	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			Percent	Percent						
<u>Investment in associates of the Company</u>										
TIPS Co., Ltd. (Port operating)	Baht 100 Million	Baht 100 Million	22	22	57	58	339	337	45	24
Total investment in associates of the Company					57	58	339	337	45	24
<u>Investment in associates of the subsidiaries</u>										
N - Square RCL Logistics Co., Ltd. (Warehouse operating)	Baht 5 Million	Baht 5 Million	40	40	2	2	-	-	-	-
Total investment in associates of the subsidiaries					2	2	-	-	-	-
Total investment in associates					59	60	339	337	45	24

On 20 May 2022, a subsidiary in Thailand has sold all shares of the company's investment in Pu Chao Container Terminal Co., Ltd. to Bangkok Terminal Logistics Co., Ltd. at a price of Baht 1.

Movements in the investment in associates for the year ended 31 December 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2022	336,823	57,745
Dividend income	(45,089)	-
Share of profit under equity method	46,506	-
Exchange differences on translating financial statement	645	(575)
Investment as at 31 December 2023	338,885	57,170




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8.2 Investments in joint ventures

(Unit: Million Baht)

Company's name	Consolidated financial statements							
	Paid - up capital		Percentage directly owned		Equity method		Dividend for the years ended 31 December	
	2023	2022	2023	2022	2023	2022	2023	2022
			Percent	Percent				
Investment in joint ventures of the subsidiaries								
RCL Agencies (India) Private Limited	INR	INR						
(Shipping agent and providing transportation and cargo handling services)	40	40	55	55	111	96	-	-
RCL Agencies East India Private Limited	INR	INR						
(Shipping agent and providing transportation and cargo handling services)	15	15	55	55	60	64	33	32
Regional Logistics Private Limited	INR 10	INR 10						
(Logistics service)	Million	Million	51	51	-	1	-	-
Shanghai CIMC Grand International Logistics Co., Ltd.	CNY 5	CNY 5						
(Logistics service)	Million	Million	51	51	13	14	-	-
Total investment in joint ventures					184	175	33	32

Movements in the investment in joint ventures for the year ended 31 December 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Investment as at 31 December 2022	174,617	-
Dividend income	(33,401)	-
Share of profit under equity method	47,163	-
Exchange differences on translating financial statement	(3,958)	-
Investment as at 31 December 2023	184,421	-

In November 2023, a subsidiary in Singapore and a foreign company in United Arab Emirates had entered into a joint venture agreement to setting up company namely RCL Shipping LLC, for the purpose of shipping agent and providing transportation and cargo handling services, which has been registered in 4th quarter of year 2023. A subsidiary' shareholding is 60% of share capital. The share capital amounted United Arab Emirates Dirham 735,000, at present, the investment has not been paid.





DIRECTOR

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Director



DIRECTOR

Mr. Sutep Tranantasin
Director

Financial information of the associates and joint ventures is summarized below. (2022: Audited financial statements, 2023: Management's accounts).

Company's name	(Unit: Million Baht)										
	Paid - up capital		Total assets		Total liabilities		Total revenues for the years ended 31 December		Profit (loss) for the years ended 31 December		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
<u>Investment in associates of the Company</u>											
TIPS Co., Ltd.	Baht 100	Baht 100									
	Million	Million	1,728	1,706	202	191	1,640	1,628	210	260	
<u>Investment in associates of the subsidiary</u>											
N - Square RCL Logistics Co., Ltd.	Baht 5	Baht 5									
	Million	Million	2	2	7	6	3	8	(1)	-	
<u>Investment in joint ventures of the subsidiaries</u>											
RCL Agencies (India) Private Limited	INR 40	INR 40									
	Million	Million	237	223	35	50	105	161	32	68	
RCL Agencies East India Private Limited	INR 15	INR 15									
	Million	Million	194	199	86	83	129	177	56	71	
Regional Logistics Private Limited	INR 10	INR 10									
	Million	Million	21	8	21	6	55	26	2	(1)	
Shanghai CIMC Grand International Logistics Co., Ltd.	CNY 5	CNY 5									
	Million	Million	129	45	79	7	40	201	-	1	





Mr. Twinchok Tanthuanit
Director

DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

9. Investment properties, net

	(Unit: Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
	<u>Leasehold land and leasehold improvement</u>	<u>Building in Bangkok</u>
<u>Cost</u>		
As at 31 December 2022	7,035,490	49,673,830
Acquisitions	-	-
Disposals	-	-
Exchange differences on translating financial statement	(80,141)	(494,686)
As at 31 December 2023	<u>6,955,349</u>	<u>49,179,144</u>
<u>Accumulated depreciation</u>		
As at 31 December 2022	(1,873,180)	(281,097)
Depreciation for the year	(74,610)	(1,693,648)
Disposals	-	-
Exchange differences on translating financial statement	22,429	31,220
As at 31 December 2023	<u>(1,925,361)</u>	<u>(1,943,525)</u>
<u>Net book value</u>		
As at 31 December 2022	<u>5,162,310</u>	<u>49,392,733</u>
As at 31 December 2023	<u>5,029,988</u>	<u>47,235,619</u>



Mr. Twinchok Tanthuwani
Director



DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

10. Property, premises, vessels and equipment, net

10.1 Property and premises, net

(Unit: Baht)

	Consolidated financial statements						Total
	Building in	Building in	Building in	Improvement	Improvement	Improvement	
	Bangkok	Singapore	Hongkong	of building in Bangkok	of building in Singapore	of building in Hongkong	
<u>Cost</u>							
As at 31 December 2022	111,777,882	173,214,313	272,055,875	8,300,586	71,188,262	6,068,796	642,605,714
Acquisitions	-	-	-	26,162,227	5,928,188	-	32,090,415
Disposals	-	-	-	-	(8,863,908)	-	(8,863,908)
Exchange differences on							
translating financial statement	(1,113,161)	(1,724,987)	(3,098,947)	(392,251)	(993,848)	(69,129)	(7,392,323)
As at 31 December 2023	110,664,721	171,489,326	268,956,928	34,070,562	67,258,694	5,999,667	658,439,898
<u>Accumulated depreciation</u>							
As at 31 December 2022	(61,930,430)	(63,565,343)	(77,940,146)	-	(68,282,453)	(6,068,796)	(277,787,168)
Depreciation for the year	(1,693,648)	(3,560,817)	(2,885,113)	(3,495,291)	(2,026,660)	-	(13,661,529)
Disposals	-	-	-	-	8,863,908	-	8,863,908
Exchange differences on							
translating financial statement	645,167	692,781	930,009	23,378	882,416	69,129	3,242,880
As at 31 December 2023	(62,978,911)	(66,433,379)	(79,895,250)	(3,471,913)	(60,562,789)	(5,999,667)	(279,341,909)
<u>Allowance for loss on impairment</u>							
As at 31 December 2022	-	-	-	-	-	-	-
Increase	-	-	-	-	-	-	-
Reversal	-	-	-	-	-	-	-
Exchange differences on							
translating financial statement	-	-	-	-	-	-	-
As at 31 December 2023	-	-	-	-	-	-	-
<u>Net book value</u>							
As at 31 December 2022	49,847,452	109,648,970	194,115,729	8,300,586	2,905,809	-	364,818,546
As at 31 December 2023	47,685,810	105,055,947	189,061,678	30,598,649	6,695,905	-	379,097,989




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(Unit: Baht)

	Separate financial statements		
	Building in Bangkok	Improvement of building in Bangkok	Total
<u>Cost</u>			
As at 31 December 2022	62,104,051	-	62,104,051
Acquisitions	-	23,374,992	23,374,992
Disposals	-	-	-
Exchange differences on translating financial statement	(618,474)	(392,252)	(1,010,726)
As at 31 December 2023	61,485,577	22,982,740	84,468,317
<u>Accumulated depreciation</u>			
As at 31 December 2022	(61,649,332)	-	(61,649,332)
Depreciation for the year	-	(1,393,162)	(1,393,162)
Disposals	-	-	-
Exchange differences on translating financial statement	613,946	23,379	637,325
As at 31 December 2023	(61,035,386)	(1,369,783)	(62,405,169)
<u>Allowance for loss on impairment</u>			
As at 31 December 2022	-	-	-
Increase	-	-	-
Reversal	-	-	-
Exchange differences on translating financial statement	-	-	-
As at 31 December 2023	-	-	-
<u>Net book value</u>			
As at 31 December 2022	454,719	-	454,719
As at 31 December 2023	450,191	21,612,957	22,063,148

As at 31 December 2023 and 2022, building and improvement of buildings items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 124 million and Baht 130 million, respectively (The Company: Baht 61 million and Baht 62 million, respectively).



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Director

DIRECTOR

10.2 Vessels and equipment, net

(Unit: Baht)

	Consolidated financial statements					Total
	Vessels and equipment	Major repair and maintenance cost	Container	Office furniture, fixture and equipment	Motor vehicles	
<u>Cost</u>						
As at 31 December 2022	37,032,218,608	658,264,571	215,971,250	186,996,081	24,221,100	38,117,671,610
Acquisitions	5,717,113,291	525,789,147	140,618,230	26,590,252	2,201,886	6,412,312,806
Disposals	(3,829,535,210)	-	(835,864)	(21,451,534)	-	(3,851,822,608)
Write - off	-	(416,128,766)	-	(2,495,277)	-	(418,624,043)
Exchange differences on translating financial statement	(400,467,285)	(8,395,638)	(4,496,450)	(2,029,511)	(389,799)	(415,778,683)
As at 31 December 2023	38,519,329,404	759,529,314	351,257,166	187,610,011	26,033,187	39,843,759,082
<u>Accumulated depreciation</u>						
As at 31 December 2022	(15,634,061,630)	(315,226,357)	(177,704,181)	(167,189,006)	(16,616,775)	(16,310,797,949)
Depreciation for the year	(1,623,084,329)	(280,805,388)	(19,616,305)	(10,962,867)	(2,584,155)	(1,937,053,044)
Disposals	3,080,380,790	-	834,869	21,399,625	-	3,102,615,284
Write - off	-	319,568,889	-	2,243,966	-	321,812,855
Exchange differences on translating financial statement	131,240,109	2,488,758	2,084,867	1,658,218	254,401	137,726,353
As at 31 December 2023	(14,045,525,060)	(273,974,098)	(194,400,750)	(152,850,064)	(18,946,529)	(14,685,696,501)
<u>Allowance for loss on impairment</u>						
As at 31 December 2022	-	-	-	-	-	-
Increase	(857,104,508)	-	-	-	-	(857,104,508)
Disposals	-	-	-	-	-	-
Reversal	-	-	-	-	-	-
Exchange differences on translating financial statement	14,382,897	-	-	-	-	14,382,897
As at 31 December 2023	(842,721,611)	-	-	-	-	(842,721,611)
<u>Net book value</u>						
As at 31 December 2022	21,398,156,978	343,038,214	38,267,069	19,807,075	7,604,325	21,806,873,661
As at 31 December 2023	23,631,082,733	485,555,216	156,856,416	34,759,947	7,086,658	24,315,340,970





DIRECTOR

Mr. Twinchok Tanthuwaniit
Director



DIRECTOR

Mr. Sutep Tranantasin
Director

(Unit: Baht)

	Separate financial statements				Total
	Vessels and equipment	Major repair and maintenance cost	Office furniture, fixture and equipment	Motor vehicles	
<u>Cost</u>					
As at 31 December 2022	10,730,228,055	194,043,039	52,449,489	9,632,873	10,986,353,456
Acquisitions	-	159,508,947	11,762,745	882,944	172,154,636
Disposals	(1,559,942,301)	-	(21,068,521)	-	(1,581,010,822)
Write - off	-	(195,249,308)	-	-	(195,249,308)
Exchange differences on translating financial statement	(80,681,889)	(1,332,662)	(366,169)	(110,748)	(82,491,468)
As at 31 December 2023	9,089,603,865	156,970,016	42,777,544	10,405,069	9,299,756,494
<u>Accumulated depreciation</u>					
As at 31 December 2022	(4,826,753,834)	(155,145,191)	(46,411,975)	(6,567,166)	(5,034,878,166)
Depreciation for the year	(331,930,019)	(58,014,848)	(4,115,230)	(829,754)	(394,889,851)
Disposals	1,330,176,310	-	21,058,657	-	1,351,234,967
Write - off	-	175,766,051	-	-	175,766,051
Exchange differences on translating financial statement	31,316,754	(430,917)	177,877	79,325	31,143,039
As at 31 December 2023	(3,797,190,789)	(37,824,905)	(29,290,671)	(7,317,595)	(3,871,623,960)
<u>Allowance for loss on impairment</u>					
As at 31 December 2022	-	-	-	-	-
Increase	(90,268,030)	-	-	-	(90,268,030)
Reversal	-	-	-	-	-
Disposals	-	-	-	-	-
Exchange differences on translating financial statement	1,514,769	-	-	-	1,514,769
As at 31 December 2023	(88,753,261)	-	-	-	(88,753,261)
<u>Net book value</u>					
As at 31 December 2022	5,903,474,221	38,897,848	6,037,514	3,065,707	5,951,475,290
As at 31 December 2023	5,203,659,815	119,145,111	13,486,873	3,087,474	5,339,379,273

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

As at 31 December 2023 and 2022, certain vessels and equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 3,682 million and Baht 1,947 million (The Company: Baht 29 million and Baht 1,667 million), respectively.



Mr. Twinchok Tanthuwana
Director



DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

Transactions occurred in year 2022:

In 2nd quarter of year 2022, a subsidiary in Singapore was delivered 1 vessel with contract price USD 32 million or approximately Baht 1,127.6 million, and sold 1 vessel which had net book value of vessel and equipment of USD 6.7 million or approximately Baht 236.2 million at USD 30.3 million or approximately Baht 1,067.6 million.

In 3rd quarter of year 2022, a subsidiary in Singapore was delivered 2 vessels with contract price USD 71.8 million or approximately Bath 2,530 million and sold 1 vessel which had net book value of vessel and equipment of USD 1.8 million or approximately Baht 62.6 million at USD 3.1 million or approximately Baht 109.7 million.

In 4th quarter of year 2022, a subsidiary in Thailand was delivered 1 vessel with contract price USD 115 million or approximately Bath 4,052.2 million. The Company and the subsidiary in Singapore sold 3 vessels which had net book value of vessels and equipment of USD 5.5 million or approximately Baht 193.3 million at USD 8.1 million or approximately Baht 284.6 million.

At the end of year 2022, the management determined the recoverable amount of the Company and 2 subsidiaries vessels according to value in use by reference the revenue information of the independent professional appraiser. The result of this determination, the vessels of the Group and the Company are not impaired due to the Group and the Company's recoverable amount was higher than the carrying amount.

The discount rate of the determination is 8% per annum.

Transactions occurred in year 2023:

In 1st quarter of year 2023, a subsidiary in Thailand was delivered 1 vessel with contract price USD 115 million or approximately Bath 4,022 million. The subsidiary in Singapore sold 1 vessel which had net book value of vessel and equipment of USD 7.3 million or approximately Baht 252.7 million at USD 7.2 million or approximately Baht 254.3 million.

In 2nd quarter of year 2023, the Company sold 1 vessel which had net book value of vessel and equipment of USD 3.2 million or approximately Baht 111.7 million at USD 4.9 million or approximately Baht 171.4 million. The subsidiary in Singapore was delivered 2 vessels with contract price USD 47.3 million or approximately Bath 1,652.5 million.

In 3rd quarter of year 2023, the Company and subsidiary in Singapore are sold 2 vessels which had net book value of vessels and equipment of USD 4 million or approximately Baht 141.4 million at USD 7.2 million or approximately Baht 250.1 million.

In 4th quarter of year 2023, the Company and subsidiary in Singapore are sold 3 vessels which had net book value of vessels and equipment of USD 9 million or approximately Baht 315.1 million at USD 10.1 million or approximately Baht 354 million.

At the end of year 2023, the management determined the recoverable amount of the Company and the subsidiaries vessels according to value in use by reference the revenue information of the independent professional appraiser. The result of this determination, the vessels of the Group and the Company recoverable amount was lower than the carrying amount. Hence, the Group recorded the loss on impairment of vessels amounting to USD 24.5 million or approximately Baht 857.1 million (The Company: USD 2.6 million, or approximately Baht 90.3 million) in the statement of income.

The discount rate of the determination is 8% per annum.



Mr. Twinchok Tanthuwani
Director



DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

Depreciation in the statements of income for the years 2023 and 2022 consisted of the following:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation included in				
Cost of freight and operations	1,923,506,021	1,585,708,430	389,944,867	451,318,957
Administrative expenses	27,208,552	16,843,930	6,338,146	3,416,526
Total	<u>1,950,714,573</u>	<u>1,602,552,360</u>	<u>396,283,013</u>	<u>454,735,483</u>

(Unit: USD)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation included in				
Cost of freight and operations	54,997,384	45,002,127	11,149,405	12,808,353
Administrative expenses	777,954	478,028	181,222	96,960
Total	<u>55,775,338</u>	<u>45,480,155</u>	<u>11,330,627</u>	<u>12,905,313</u>

11. Right - of - use assets, net

(Unit: Baht)

	Consolidated financial statements			
	Building	Vessels	Container	Total
Net book value as at 31 December 2022	128,889,035	159,216,577	4,645,384,496	4,933,490,108
<u>Add</u> Increase during year - at cost	38,335,233	1,223,291,027	22,371,404	1,283,997,664
<u>Less</u> Depreciation for the year	(41,413,573)	(433,258,397)	(1,251,084,329)	(1,725,756,299)
Exchange differences on translating financial statement	(1,517,280)	(14,842,965)	(25,643,140)	(42,003,385)
Net book value as at 31 December 2023	<u>124,293,415</u>	<u>934,406,242</u>	<u>3,391,028,431</u>	<u>4,449,728,088</u>



Mr. Twinchok Tanthuwannit
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

DIRECTOR

	(Unit: Baht)
	<u>Separate financial statements</u>
	<u>Building</u>
Net book value as at 31 December 2022	1,887,204
<u>Add</u> Increased during year - at cost	15,585,579
<u>Less</u> Depreciation for the year	(3,597,283)
Exchange differences on translating financial statement	(219,968)
Net book value as at 31 December 2023	<u>13,655,532</u>

The following are the amounts recognised in profit or loss for the year ended 31 December 2023 and 2022

	(Unit: Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2023	2022	2023	2022
Depreciation of right - of - use assets	1,725,756,299	2,116,392,330	3,597,283	3,719,047
Interest expense on lease liabilities	194,381,012	202,124,753	368,992	227,845
Expense relating to short - term lease and leases of low - value assets	806,563,499	939,475,255	426,864	442,709
Total	<u>2,726,700,810</u>	<u>3,257,992,338</u>	<u>4,393,139</u>	<u>4,389,601</u>

	(Unit: USD)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2023	2022	2023	2022
Depreciation of right - of - use assets	49,343,273	60,062,842	102,854	105,546
Interest expense on lease liabilities	5,557,792	5,736,265	10,550	6,466
Expense relating to short - term lease and leases of low - value assets	23,061,473	26,662,143	12,205	12,564
Total	<u>77,962,538</u>	<u>92,461,250</u>	<u>125,609</u>	<u>124,576</u>





Mr. Twinchok Tanthuwani
Director

DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

12. Intangible assets, net

	(Unit: Baht)
	<u>Consolidated financial statements</u>
	<u>Computer software</u>
<u>Cost</u>	
As at 31 December 2022	366,033,602
Increase	595,546
Decrease	(477,905)
Exchange differences on translating financial statement	(3,705,636)
As at 31 December 2023	<u>362,445,607</u>
<u>Accumulated amortization</u>	
As at 31 December 2022	(363,479,630)
Amortization for the year	(1,443,172)
Decrease	477,905
Exchange differences on translating financial statement	3,667,543
As at 31 December 2023	<u>(360,777,354)</u>
<u>Net book value</u>	
As at 31 December 2022	<u>2,553,972</u>
As at 31 December 2023	<u>1,668,253</u>

As at 31 December 2023 and 2022, computer software have been fully amortized but are still in use. The original cost of those assets amounted to approximately Baht 358 million and Baht 362 million, respectively.





Mr. Twinchok Jantnuwamt
Director

DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

13. Long - term loans

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Loans of the Company</u>				
1) USD - million (2022: USD 4.2 million), repayable quarterly until the year 2029.	-	146,575	-	146,575
2) Baht 64.1 million (2022: Baht 80.2 million), repayable monthly until the year 2026.	64,125	80,169	64,125	80,169
3) USD 27 million (2022: USD - million), repayable quarterly until the year 2026.	928,465	-	928,465	-
<u>Loan of the Thailand Subsidiary</u>				
4) USD 63.4 million (2022: USD 69 million), repayable quarterly until the year 2032.	2,179,761	2,396,612	-	-
<u>Loans of the Singapore Subsidiary</u>				
5) USD 2 million (2022: USD 3.1 million), repayable quarterly until the year 2025.	67,108	106,476	-	-
6) USD 1.5 million (2022: USD 2.4 million), repayable quarterly until the year 2025.	51,643	81,922	-	-
7) USD 2.1 million (2022: USD 3.3 million), repayable quarterly until the year 2025.	72,706	115,353	-	-
8) USD - million (2022: USD 0.6 million), repayable quarterly until the year 2024.	-	20,006	-	-
9) USD - million (2022: USD 0.6 million), repayable quarterly until the year 2025.	-	22,507	-	-
<u>Loan of the Hong Kong Subsidiary</u>				
10) HKD - million (2022: HKD 2 million), repayable monthly until the year 2023.	-	8,762	-	-
Total	3,363,808	2,978,382	992,590	226,744
<u>Less</u> : Current portion	(490,648)	(287,585)	(201,737)	(57,724)
Long - term loans, net of current portion	2,873,160	2,690,797	790,853	169,020

The above loans carry interest at rates based on SOFR and Prime Rate.





Mr. Twinchok Tanthuwani
Director

DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

Movements in the long - term loans for the year ended 31 December 2023 are summarized below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Beginning balance as at 31 December 2022	2,978,382	226,744
<u>Add</u> Borrowings	944,312	944,312
<u>Less</u> Repayments	(522,648)	(163,636)
Exchange differences on translating financial statement	(36,238)	(14,830)
Ending balance as at 31 December 2023	3,363,808	992,590

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

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

As at 31 December 2023, the Company and 2 subsidiaries have the remaining credit line of long - term loans are as follows:

1) The Company

- In December 2023, the Company had entered into long - term loan agreement with a local financial institution. This loan has credit line of USD 50 million (31 December 2023 : approximately Baht 1,719.4 million) for acquisition of new vessels. The Company has drawn down the loan amounting to USD 27 million in December 2023.

2) Subsidiary in Thailand

- In January 2022, a subsidiary in Thailand had entered into long - term loan agreement with a local financial institution. This loan has credit line of USD 69 million which is for the payment of container vessels' construction, at present, a subsidiary has not drawn down the loan and cancelled the loan agreement.

3) Subsidiary in Singapore

- In April 2023, a subsidiary in Singapore had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 66.5 million (31 December 2023 : approximately Baht 2,286.8 million) which is for the payment of container vessels' construction, at present, a subsidiary has not drawn down the loan.
- In June 2023, a subsidiary in Singapore had entered into long - term loan agreement with a financial institution. This loan has credit line of USD 85 million (31 December 2023 : approximately Baht 2,922.9 million) which is for the payment of 2 container vessels' construction, at present, a subsidiary has not drawn down the loan.





DIRECTOR

Mr. Twinchok Tanthuanit
Director



DIRECTOR

Mr. Sutep Tranantasin
Director

14. Lease liabilities

	Consolidated financial statements	(Unit: Thousand Baht) Separate financial statements
Lease liabilities as at 31 December 2022	4,965,458	1,891
Increase (decrease) during the year:		
<u>Add</u> Lease payments at the commencement date	1,379,415	18,050
<u>Less</u> Deferred interest expenses	(95,417)	(2,464)
<u>Add</u> Recognition of deferred interest expenses	194,381	369
<u>Less</u> Payments	(2,017,779)	(3,754)
Exchange differences on translating financial statement	(38,245)	293
Lease liabilities as at 31 December 2023	4,387,813	14,385
<u>Less</u> Current portion	(1,882,624)	(3,314)
Lease liabilities - net of current portion	2,505,189	11,071

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

	Consolidated financial statements					
	2023			2022		
	Principal	Deferred interest expenses	Total	Principal	Deferred interest expenses	Total
Current portion	1,882,624	149,740	2,032,364	1,546,131	158,011	1,704,142
1 - 5 years	2,501,842	125,874	2,627,716	3,120,635	211,653	3,332,288
Over 5 years	3,347	93	3,440	298,692	4,022	302,714
Total	4,387,813	275,707	4,663,520	4,965,458	373,686	5,339,144

(Unit: Thousand Baht)

	Separate financial statements					
	2023			2022		
	Principal	Deferred interest expenses	Total	Principal	Deferred interest expenses	Total
Current portion	3,314	773	4,087	1,891	42	1,933
1 - 5 years	9,398	1,387	10,785	-	-	-
Over 5 years	1,673	46	1,719	-	-	-
Total	14,385	2,206	16,591	1,891	42	1,933



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 Mr. Twinchok Tanthuwanit
 Director

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 Mr. Sutep Tranantasin
 Director

15. Provisions for employee benefits

- Movement in the present value of the provisions for employee benefits for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Provisions for employee benefits at beginning of year	60.35	61.05	34.11	57.17
Current service cost and interest	11.53	10.57	7.02	9.86
Past service cost - transfer of employees	-	-	-	(21.54)
Benefits paid	-	-	-	-
Actuarial losses (gain) on defined employee benefit plans	-	(11.27)	-	(11.38)
Provisions for employee benefits at ending of year	71.88	60.35	41.13	34.11

- Expenses recognized in the statements of income for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2023	2022	2023	2022
Current service costs	9.76	9.61	6.01	8.96
Past service cost - transfer of employees	-	-	-	(21.54)
Interest cost	1.77	0.96	1.01	0.90
Total	11.53	10.57	7.02	(11.68)

Total actuarial losses (gains) recognized in the other comprehensive income in Consolidated financial statements for the years ended 31 December 2023 and 2022 are amounted of gains Baht - million and Baht 11.27 million, respectively (the Company : amounted of gains Baht - million and Baht 11.38 million, respectively).





Mr. Twinchok Tanthuanit
Director

DIRECTOR


Mr. Sutep Tranantasin
Director

DIRECTOR

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

	Percent	
	Consolidated financial statements	Separate financial statements
Discount rate	1.59 - 3.10	2.98
Salary increase rate	3 - 7.00	4 - 7.00
Employee turnover rate	0 - 27.00*	0 - 27.00*
Mortality rate	TMO2017**	TMO2017**

* Based on the weighted average by age group of employees

** Reference from TMO2017 : Thai Mortality Ordinary Table 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 31 December 2023 as follows:

- If the discount rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would decrease Baht 5.53 million (increase Baht 6.36 million) and Separate financial statements would decrease Baht 2.69 million (increase Baht 3.09 million).
- If the salary increase rate increases (decrease) by 1%, the provisions for employee benefits in Consolidated financial statements would increase Baht 7.35 million (decrease Baht 6.47 million) and Separate financial statements would increase Baht 3.58 million (decrease Baht 3.17 million).
- If the employee turnover rate increases (decrease) by 10%, the provisions for employee benefits in Consolidated financial statements would decrease Bath 1.77 million (increase Bath 1.97 million) and Separate financial statements would decrease Baht 0.90 million (increase Baht 0.99 million).
- If the life expectancy increases (decrease) by one year for all employees, the provisions for employee benefits in Consolidated financial statements would increase Baht 0.23 million (decrease Baht 0.26 million) and Separate financial statements would increase Baht 0.13 million (decrease Baht 0.14 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. Legal reserve

Under the Public Limited Companies Act., the Company is required to set aside to a legal reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. The legal reserve is not available for dividend payment.



[Signature]

DIRECTOR

Mr. Twinchok Tanthuwani
Director

[Signature]

DIRECTOR

Mr. Sutep Tranantasin
Director

17. Dividend paid

At the Annual General Meetings of Shareholders held on 22 April 2022, the shareholders approved to pay dividend for the year 2021 at the rate of Baht 6 per share. Since the interim dividend of Baht 2,486.22 million (Baht 3 per share) were distributed to the shareholders in September and December 2021, the remaining final dividend is Baht 2,486.24 million (Baht 3 per share) will be paid on 20 May 2022.

At the Board of Directors Meeting held on 5 August 2022, the Board of Directors approved to pay the interim dividend amounted Baht 1,450.31 million at Baht 1.75 per share, will be paid on 2 September 2022.

At the Board of Directors Meeting held on 11 November 2022, the Board of Directors resolved to pay interim dividends amounting to Baht 1,864.69 million at the Baht 2.25 per share, due for payment on 9 December 2022.

At the Annual General Meetings of Shareholders held on 21 April 2023, the shareholders approved to pay dividend for the year 2022 at the rate of Baht 7 per share. Since the interim dividend of Baht 3,315 million (Baht 4 per share) were distributed to the shareholders in September and December 2022, the remaining final dividend is Baht 2,486.25 million (Baht 3 per share) will be paid on 19 May 2023.

At the Board of Directors Meeting held on 11 August 2023, the Board of Directors approved to pay the interim dividend amounted Baht 207.19 million at Baht 0.25 per share, will be paid on 8 September 2023.

18. 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 years, the Group had other significant business transactions with its related parties. The transactions are summarised below:

(Unit: Million Baht)

	For the years ended 31 December				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
Charter freight income	-	-	2,278	4,847	Market price as at the contract date
Interest income	-	-	106	35	Contract interest at the rate of 2.50% - 3.00% p.a. and based on SOFR
Interest income determined in accordance with TFRS 9					
	-	-	11	-	
Office rental and service income	-	-	5	1	Contract price
Ship management fee	-	-	11	12	Price approximates market price
<u>Transactions with related parties</u>					
Commission expenses	99	297	-	-	Price approximates market price
Terminal operating service	228	255	-	-	Price per tariff minus volume discount
Logistic service fees	113	149	-	-	Price approximates market price
Office rental and service expenses	11	11	8	8	Contract price

Mr. Twinchok Tanthuanit
Director

Mr. Sutep Tranantasin
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	
	2023	2022	2023	2022
Trade receivables - related parties				
<u>Subsidiary</u>				
RCL Feeder Pte. Ltd.	-	-	465	641
<u>Related parties</u>				
Ngow Hock Co., Ltd.	148	59	-	-
Shanghai CIMC Grand International Logistics Co., Ltd.	100	-	-	-
	248	59	-	-
Other receivables - related parties				
- <u>Receipt on behalf of the Company</u>				
<u>Subsidiaries</u>				
RCL Feeder Pte. Ltd.	-	-	4	11
RCLS Co., Ltd.	-	-	1	2
Regional Container Lines Pte. Ltd.	-	-	1	-
	-	-	6	13
- <u>Advances payment</u>				
<u>Subsidiary</u>				
RCL Shipmanagement Pte. Ltd.	-	-	1	-
- <u>Accrued interest income</u>				
<u>Subsidiaries</u>				
Santi Bhum Co., Ltd.	-	-	-	17
Thitti Bhum Co., Ltd.	-	-	1	17
	-	-	1	34
Short - term loan to related parties				
<u>Subsidiaries</u>				
Santi Bhum Co., Ltd. (a)	-	-	-	1,546
Thitti Bhum Co., Ltd. (a)	-	-	-	1,545
<u>Associates</u>				
N - Square RCL Logistics Co., Ltd.	-	2	-	-
<u>Related party</u>				
Pu Chao Container Terminal Co., Ltd.	-	3	-	-
	-	5	-	3,091
Long - term loan to related parties				
<u>Subsidiaries</u>				
Santi Bhum Co., Ltd. (a)	-	-	916	-
Thitti Bhum Co., Ltd. (a)	-	-	2,930	-
	-	-	3,846	-


 DIRECTOR
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 Director




 DIRECTOR
 Mr. Sutep Tranantasin
 Director

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables - related parties				
Subsidiary				
RCL Shipmanagement Pte. Ltd.	-	-	1	-
Related parties				
Ngow Hock Co., Ltd.	3	8	-	-
RCL Agencies East India Private Limited	9	4	-	-
RCL Agencies (India) Private Limited	3	2	-	-
Others	3	3	-	-
	18	17	-	-
Advance received from related parties				
Subsidiaries				
RCL Feeder Pte. Ltd.	-	-	677	456
RCL Shipmanagement Pte. Ltd.	-	-	25	46
Regional Container Lines Pte. Ltd.	-	-	-	1
RCLS Co., Ltd.	-	-	-	25
	-	-	702	528

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

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

(a) On 20 July 2022, the Company received a promissory note at call from 2 subsidiaries in Thailand with total amount of USD 89 million, with interest at the rate of 2.50% p.a. which is unsecured.

On 1 March 2023, the remaining balance of the promissory note amounting USD 75 million were converted to long - term loan agreement with minimum principal repayment of USD 2 million per year and interest payment every three month with interest at the rate based on SOFR which is unsecured.

On 1 September 2023, The Company made the addendum to two loan agreements with subsidiaries in Thailand dated 1 March 2023. This addendum is to convert currency the remaining balance of loan from USD to Baht (from USD 69 million to Baht 2,399.4 million). Under the addendum of Santi Bhum Co., Ltd. (subsidiary no.1 in Thailand), the subsidiary will make a minimum principal repayment of Baht 73.5 million per year. Under the addendum of Thitti Bhum Co., Ltd. (subsidiary no.2 in Thailand), the subsidiary will make a minimum principal repayment of Baht 18.4 million per month. Additionally, the Addendum is to change SOFR interest referenced rate to be at 3% p.a. and interest payment schedule on monthly basis.

On 4 December 2023, the Company has entered a long - term loan agreement with subsidiary no.2 in Thailand amounting Baht 1,676.1 million with interest at the rate of 3% p.a. which is unsecured, will make a minimum principal repayment of Baht 73.5 million per year.




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As at 31 December 2023, the long - term loans have recognized in according to TFRS 9, are as follows: “

	(Unit: Thousand Baht)		
	Subsidiary no.1 in Thailand	Subsidiary no.2 in Thailand	Total
Loans agreement	961,799	3,123,223	4,085,022
<u>Less</u> Investment recognized according to TFRS 9	(44,743)	(124,943)	(169,686)
Received during the year	-	(72,265)	(72,265)
<u>Add</u> Increase from amortization interest according to TFRS 9	3,979	6,974	10,953
Exchange differences on translating financial statement	(4,815)	(3,230)	(8,045)
Total	916,220	2,929,759	3,845,979

The Company has measured the value of long - term loans by amortized cost method discounted by the subsidiaries incremental borrowing rate in according to TFRS 9. The rate of such incremental borrowing is 4.2% p.a. (The contractual interest rate is 3% p.a.).

c) Management and directors benefit expenses

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

Management and directors benefit expenses for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short - term employee benefits	63	252	44	205

19. Expenses by nature

Significant expenses by nature for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Employee benefits expenses	2,038	2,432	522	715
Management and directors benefit expenses	63	252	44	205
Depreciations and amortization expenses	3,678	3,720	401	459
Net doubtful debt	4	6	-	-
Loss on impairment of vessels	857	-	90	-


.....
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Director



DIRECTOR


.....
Mr. Sutep Tranantasin
Director

DIRECTOR

20. Provident Fund

The Company, its subsidiaries in Thailand and its employees jointly registered a provident fund scheme under the Provident Fund Act B.E. 2530. The fund is contributed to by both the Company, its subsidiaries and its employees, at a rate of 5 percent of the employees' basic salaries on a monthly basis. The fund will be paid to the employees upon termination in accordance with the rules of the fund.

The Singaporean subsidiaries contribute to the Central Provident Fund which is managed by the Government of Singapore. In addition, the Hong Kong subsidiary operate provident fund schemes for their employees.

During the year 2023, the Group's contributions to these funds totaled Baht 72 million (2022 : Baht 77 million).

21. Tax income (expenses)

The Company and 2 subsidiaries in Thailand have been granted various tax privileges by the Board of Investment under the Investment Promotion Act. B.E. 2520. These include exemption from corporate income tax on profits for a period of 8 years for vessel operations. After completion of BOI privileges, the Company and subsidiaries will be exempted from income tax on profit under Royal decree 314 for shipping profits.

The corporate income tax rate being used by the Company and its subsidiaries in Thailand 8% and 20% on the net income of those operations which are not eligible for the above tax exemption.

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

As at 31 December 2023 and 2022 the Group has deductible temporary differences, temporary differences arising from exchange difference occurring while translating financial statements in functional currency into presentation currency, allowance for impairment of investment, provisions for employee benefits and unused tax losses totaling Baht 26.20 million and Baht 201.82 million, respectively, (The Company: Baht 29.46 million and Baht 14.47 million, respectively). However, the Group did not recognize deferred tax assets as the Group believes that it is not probable that future taxable profit will be available to allow the entire deferred tax assets to be utilized including almost income of the Group being exempted from income tax, except a subsidiary in Thailand which recognized deferred tax assets amounted Baht 3.48 million and Baht 1.28 million, respectively.

Tax income (expenses) for the year ended 31 December 2023 and 2022, consisted of:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2023	2022	2023	2022
Current tax expense	(122,100)	(29,310)	(22,402)	-
Deferred tax income (expenses) of temporary differences	1,884	(3,126)	-	-
Tax income (expenses) reported in the statement of income	<u>(120,216)</u>	<u>(32,436)</u>	<u>(22,402)</u>	<u>-</u>


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 Director

Income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022, consisted of:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax income (expenses) relating to actuarial losses on defined employee benefit plans	-	-	-	-

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2023	2022
<u>Deferred tax assets</u>		
Allowance for impairment of investment	400	400
Provisions for employee benefits	3,076	878
Total	3,476	1,278
<u>Deferred tax liabilities</u>		
Property and premises, net	9,667	9,467





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Director

The Company's operating results for the year 2023 can be divided into BOI promoted activities and non - BOI promoted activities as follows:

(Unit: Baht)

		For the year ended 31 December 2023				
		Functional currency				
		Baht currency (a)		USD		
		Tax payer number				
		3101120028		3105114177		
		Non - BOI		Tax		
		Promoted		exempted		
		Total		Difference		
		Total		currency (b)		
Revenues						
Freight income	908,070,628	-	1,322,183,064	2,230,253,692	47,872,900	2,278,126,592
Gain on exchange rate	20,394,324	-	32,268,762	52,663,086	(14,037,330)	38,625,756
Dividend income	-	2,457,352,164	-	2,457,352,164	33,491,365	2,490,843,529
Gain on sales of assets	-	122,613,603	-	122,613,603	(21,644,137)	100,969,466
Interest income	-	167,196,461	-	167,196,461	856,246	168,052,707
Interest income determined in accordance with TFRS 9	-	10,769,507	-	10,769,507	183,805	10,953,312
Others income	-	7,423,011	-	7,423,011	(18,083)	7,404,928
Total revenues	928,464,952	2,765,354,746	1,354,451,826	5,048,271,524	46,704,766	5,094,976,290
Expenses						
Cost of freight and operations	318,762,371	-	661,349,731	980,112,102	3,982,591	984,094,693
Administrative expenses	130,686,973	17,907,696	190,284,870	338,879,539	3,772,518	342,652,057
Loss on exchange rate	-	34,444,550	-	34,444,550	(34,444,550)	-
Loss on impairment on vessels	-	-	88,753,261	88,753,261	1,514,769	90,268,030
Total expenses	449,449,344	52,352,246	940,387,862	1,442,189,452	(25,174,672)	1,417,014,780
Profit (loss) from operating activities	479,015,608	2,713,002,500	414,063,964	3,606,082,072	71,879,438	3,677,961,510
Finance costs	(6,489,094)	-	(801,368)	(7,290,462)	(138,967)	(7,429,429)
Gain (loss) from changes in fair value of derivatives	(8,312,317)	(63,677,975)	-	(71,990,292)	15,918	(71,974,374)
Profit (loss) before income tax expenses	464,214,197	2,649,324,525	413,262,596	3,526,801,318	71,756,389	3,598,557,707
Tax income (expenses)	-	(22,026,373)	-	(22,026,373)	(375,928)	(22,402,301)
Profit (loss) for the years	464,214,197	2,627,298,152	413,262,596	3,504,774,945	71,380,461	3,576,155,406

(a) In case the Company's functional currency is Baht currency which is prepared in accordance with the revenue Code.

(b) In case the Company's functional currency is USD currency is prepared in accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates".

..... DIRECTOR

..... DIRECTOR

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Director

22. 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 years ended 31 December												
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from external customers	254	342	24,420	51,562	17	34	24,691	51,938	1,577	136	26,268	52,074
Inter - segment revenues	3,788	4,976	3,635	6,481	8	40	7,431	11,497	(7,431)	(11,497)	-	-
Freight income	4,042	5,318	28,055	58,043	25	74	32,122	63,435	(5,854)	(11,361)	26,268	52,074
Segment gross profit (loss)	2,411	3,830	948	21,636	24	64	3,383	25,530	87	32	3,470	25,562
Gain (loss) on exchange rate											130	(2)
Dividend income											-	2
Gain on sales of assets											171	961
Others income											569	143
Administrative expenses											(1,506)	(2,035)
Loss on impairment of vessels											(857)	-
Finance costs											(373)	(222)
Gain (loss) from changes in fair value of derivatives											(72)	123
Reversal of impairment loss (impairment loss) determined in accordance with TFRS 9											(4)	(6)
Share of profit (loss) from investments in associates											47	58
Share of profit (loss) from investments in joint ventures											47	76
Tax income (expenses)											(120)	(32)
Profit (loss) for the years											1,502	24,628

(Unit: Million Baht)

Consolidated financial statements												
As at 31 December												
	Thailand		Singapore		Hong Kong		Total		Elimination		Grand Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Property, premises, vessels and equipment, net	13,063	9,975	7,848	11,934	189	194	21,100	22,103	3,595	69	24,695	22,172
Others											31,687	36,706
Total assets											56,382	58,878





Mr. Twinchok Tanthuwanit
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Director

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23. Commitments and contingent liabilities

23.1 Commitments

- (a) As at 31 December 2023, the Company and its subsidiaries in Thailand have outstanding commitments relating to the lease agreements for equipment and service agreements of approximately Baht 4 million in respect of lease agreements, and subsidiaries in Singapore has outstanding commitments of USD 5 million or approximately Baht 182 million in respect of the following agreements.

	(Unit: Million Baht)		
Payment period	Charter hire	Other rental	Total
Within 1 year	161	7	168
During 1 - 5 years	-	14	14
Over than 5 years	-	-	-
Total	161	21	182

- (b) As at 31 December 2023, a subsidiary in Singapore has bunker purchase commitments amounting to USD 16 million or approximately Baht 541 million covering the period of January 2024 - March 2024 at 8,000 - 10,000 MT per month.
- (c) As at 31 December 2023, a subsidiary in Singapore has outstanding commitments relating to building of vessels are as follow:

- On 11 March 2022, a subsidiary had entered into 2 vessel building contracts size 7,000 TEU with amounting to USD 170 million (as at 31 December 2023 approximately Baht 5,846 million). The payment term of each vessel was scheduled in 5 installment periods based on the contract price : 20% for 1st installment, 10% for the 2nd installment, 10% for the 3rd installment 10% for the 4th installment and 50% for the 5th installment (payment upon delivery of the vessel). Tentative delivery date of both vessels are at the 4th quarter of year 2024 and 1st quarter of year 2025, respectively.
- On 28 March 2022, a subsidiary had entered into 2 vessel building contracts size 11,714 TEU with amounting to USD 266 million (as at 31 December 2023 approximately Baht 9,147 million). The payment term of each vessel was scheduled in 5 installment periods based on the contract price : 15% for 1st installment, 10% for the 2nd installment, 10% for the 3rd installment, 20% for the 4th installment and 45% for the 5th installment (payment upon delivery of the vessel). Tentative delivery date of both vessels are at the 2nd quarter and 4th quarter of year 2024, respectively.
- On 24 May 2022, a subsidiary had entered into 2 vessel building contracts size 7,000 TEU with amounting to USD 158 million (as at 31 December 2023 approximately Baht 5,433 million). The payment term of each vessel was scheduled in 5 installment periods based on the contract price : 20% for 1st installment, 10% for the 2nd installment, 10% for the 3rd installment, 10% for the 4th installment and 50% for the 5th installment (payment upon delivery of the vessel). Tentative delivery date of both vessels are at the 4th quarter of year 2024 and 2nd quarter of year 2025, respectively.

As at 31 December 2023, its subsidiaries has made payment for the above - mentioned contracts amounting to USD 200 million or approximately Baht 6,878 million.





Mr. Twinchok Tanthuwani
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23.2 Guarantees

As at 31 December 2023, the Company has guarantee obligations of USD 245 million, SGD 6 million, or approximately Baht 8,573 million (31 December 2022: USD165 million, SGD 6 million and HKD 35 million or approximately Baht 6,046 million). These guarantees were issued to secure credit lines of overseas subsidiaries from financial institutions. The subsidiaries have outstanding guarantees totaling USD 69 million, or approximately Baht 2,383 million (31 December 2022: USD 79 million and HKD 2 million or approximately Baht 2,763 million).

24. Financial instruments

24.1 Financial risk management

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

Credit risk

a) Trade receivables


The Group is exposed to credit risk primarily with respect to trade receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade receivables as stated in the statements of financial position.



b) Deposits with financial institutions

The Group is exposed to risk arising from deposit with financial institutions. However, the counterparties are banks with a good credit rating, for which the Group considers to have low credit risk.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operation and to mitigate the effects of fluctuations in cash flows.


..... DIRECTOR



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Mr. Twinchok Tanthuwang
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Director

The remaining contractual maturities of financial liabilities as at 31 December 2023 and 2022 are as follows:-

(Unit: Million Baht)

	Consolidated financial statements					Total
	Carrying amount	Contractual cash flows				
		1 year or less	More than 1 year but Less than 2 years	More than 2 years but Less than 5 years	More than 5 years	
<u>As at 31 December 2023</u>						
<u>Non - derivative financial liabilities</u>						
- Trade payables	4,171	4,171	-	-	-	4,171
- Other payables	391	391	-	-	-	391
- Long - term loans	3,364	491	649	942	1,282	3,364
- Lease liabilities	4,388	1,883	1,168	1,334	3	4,388
- Income tax payable	103	103	-	-	-	103
- Other current liabilities	242	242	-	-	-	242
	<u>12,659</u>	<u>7,281</u>	<u>1,817</u>	<u>2,276</u>	<u>1,285</u>	<u>12,659</u>
<u>Derivative financial liabilities</u>						
- Other current financial liabilities	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Unit: Million Baht)

	Separate financial statements					Total
	Carrying amount	Contractual cash flows				
		1 year or less	More than 1 year but Less than 2 years	More than 2 years but Less than 5 years	More than 5 years	
<u>As at 31 December 2023</u>						
<u>Non - derivative financial liabilities</u>						
- Trade payables	32	32	-	-	-	32
- Other payables	783	783	-	-	-	783
- Long - term loans	993	202	388	403	-	993
- Lease liabilities	14	3	4	6	1	14
- Income tax payable	14	14	-	-	-	14
- Other current liabilities	1	1	-	-	-	1
	<u>1,837</u>	<u>1,035</u>	<u>392</u>	<u>409</u>	<u>1</u>	<u>1,837</u>
<u>Derivative financial liabilities</u>						
- Other current financial liabilities	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>



Mr. Twinchok Tanthuwanit
Director

DIRECTOR

Mr. Sutep Tranantasin
Director

DIRECTOR

(Unit: Million Baht)

	Consolidated financial statements					Total
	Contractual cash flows					
	Carrying amount	1 year or less	More than 1 year but Less than 2 years	More than 2 years but Less than 5 years	More than 5 years	
<u>As at 31 December 2022</u>						
<u>Non - derivative financial liabilities</u>						
- Trade payables	4,298	4,298	-	-	-	4,298
- Other payables	1,115	1,115	-	-	-	1,115
- Long - term loans	2,978	287	370	741	1,580	2,978
- Lease liabilities	4,965	1,546	1,284	1,837	298	4,965
- Income tax payable	13	13	-	-	-	13
- Other current liabilities	198	198	-	-	-	198
	<u>13,567</u>	<u>7,457</u>	<u>1,654</u>	<u>2,578</u>	<u>1,878</u>	<u>13,567</u>
<u>Derivative financial liabilities</u>						
- Other current financial liabilities	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Unit: Million Baht)

	Separate financial statements					Total
	Contractual cash flows					
	Carrying amount	1 year or less	More than 1 year but Less than 2 years	More than 2 years but Less than 5 years	More than 5 years	
<u>As at 31 December 2022</u>						
<u>Non - derivative financial liabilities</u>						
- Trade payables	50	50	-	-	-	50
- Other payables	952	952	-	-	-	952
- Long - term loans	227	58	58	111	-	227
- Lease liabilities	2	2	-	-	-	2
	<u>1,231</u>	<u>1,062</u>	<u>58</u>	<u>111</u>	<u>-</u>	<u>1,231</u>
<u>Derivative financial liabilities</u>						
- Other current financial liabilities	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>




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Market risk

(a) Interest rate risk

Significant financial assets and liabilities as at 31 December 2023 and 2022 classified by type of interest rates are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

Consolidated financial statements

2023

	Million Baht						Interest rate
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	
	within 1 year	2 - 5 years	Over than 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	8,753	-	-	2,143	2,178	13,074	0 - 5.99% p.a.
<u>Financial liabilities</u>							
Long - term loans	289	773	1,282	1,020	-	3,364	Note 13
Lease liabilities	1,883	2,502	3	-	-	4,388	Note 14
Total	2,172	3,275	1,285	1,020	-	7,752	

2022

	Million Baht						Interest rate
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	
	within 1 year	2 - 5 years	Over than 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	7,208	-	-	11,182	1,091	19,481	0 - 4.80% p.a.
<u>Financial liabilities</u>							
Long - term loans	243	996	1,580	159	-	2,978	Note 13
Lease liabilities	1,546	3,119	300	-	-	4,965	Note 14
Total	1,789	4,115	1,880	159	-	7,943	





DIRECTOR

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Director

Separate financial statements

2023

	Million Baht						Interest rate
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	
	within 1 year	2 - 5 years	Over than 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	35	-	-	1,117	39	1,191	0 - 4.65% p.a.
Long - term loan to related parties	469	3,377	-	-	-	3,846	Note 18
Total	504	3,377	-	1,117	39	5,037	
<u>Financial liabilities</u>							
Long - term loans	-	-	-	993	-	993	Note 13
Lease liabilities	3	9	2	-	-	14	Note 14
Total	3	9	2	993	-	1,007	

2022

	Million Baht						Interest rate
	Fixed interest rates			Floating interest rate	Non - interest bearing	Total	
	within 1 year	2 - 5 years	Over than 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	186	-	-	562	1	749	0 - 2.60% p.a.
<u>Financial liabilities</u>							
Long - term loans	42	105	-	80	-	227	Note 13
Lease liabilities	2	-	-	-	-	2	Note 14
Total	44	105	-	80	-	229	

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 31 December 2023, the Company had a interest rate swap agreement covering the notional 2 promise amount of USD 81.72 million (31 December 2022 : 3 promise of amount USD 92.69 million), an interest rate of SOFR is to be swapped for a fixed interest rate, the contracts expiration date is the year 2025 and 2027.

As at 31 December 2023, the Company had loss from changes in the fair value of derivatives of USD 2.06 million, or approximately Baht 71.97 million (31 December 2022: gain of USD 3.49 million, or approximately Baht 122.88 million). The Company recorded the gain loss in the statements of income.




Mr. Twinchok Tanthuanit
Director

DIRECTOR



Mr. Sutep Tranantasin
Director

DIRECTOR

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(b) 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 31 December 2023 and 2022, 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 maximize hedge effectiveness.

(c) 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 31 December 2023, 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 23.1 (b) to the financial statements.

24.2 Fair values of financial instruments

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.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

25. Capital management

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

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

As at 31 December 2023, the Group's debt - to - equity ratio was 0.29 : 1 (31 December 2022 : 0.30 : 1) and the Company's was 0.10 : 1 (31 December 2022 : 0.07 : 1).


..... DIRECTOR


..... DIRECTOR


..... DIRECTOR

Mr. Twinchok Tanthuanit
Director

Mr. Sutep Tranantasin
Director

26. Functional currency financial statements

The USD functional currency statements of financial position as at 31 December 2023 and 2022 and the statements of income for the years ended 31 December 2023 and 2022, are as follows:

Regional Container Lines Public Company Limited and its subsidiaries

Statements of financial position

As at 31 December 2023

(Unit: USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2023	2022	2023	2022
Assets				
Current assets				
Cash and cash equivalents	380,183,048	560,873,176	34,640,101	21,553,429
Trade receivables - unrelated parties	91,181,844	136,772,308	-	-
Less: allowance for doubtful accounts	(81,841)	(2,629,212)	-	-
Trade receivables - unrelated parties, net	91,100,003	134,143,096	-	-
Trade receivables - related parties	7,222,847	1,701,077	13,522,741	18,441,772
Other receivables	18,466,078	7,793,507	620,301	2,211,753
Short - term loan to related parties	-	143,953	-	89,000,000
Current portion of long - term loan to related parties	-	-	13,625,311	-
Material supplies	17,383,476	19,270,318	432,678	584,072
Refundable income tax - current period	447,405	418,939	-	1,664
Other current financial assets	28,585,865	4,249,179	2,746,702	4,249,179
Other current assets	1,407,338	1,412,644	-	-
Total current assets	544,796,060	730,005,889	65,587,834	136,041,869
Non - current assets				
Other non - current financial assets				
- Gain from changes in fair value of derivatives	1,251,828	3,187,429	1,251,828	3,187,429
- Restricted bank deposit	27,019,534	-	27,019,534	-
- Others	569,902	337,862	-	-
Investments in subsidiaries, net	-	-	256,104,662	251,252,966
Investments in associates	9,854,846	9,697,349	1,662,509	1,662,509
Investments in joint ventures	5,363,010	5,027,343	-	-
Long - term loan to related parties, net	-	-	98,216,714	-
Investment properties, net	146,273	148,626	1,373,624	1,422,049
Property and premises, net	11,024,264	10,503,363	641,602	13,092
Vessels and equipment, net	707,096,191	627,834,041	155,270,483	171,346,835
Right - of - use assets, net	129,399,205	142,038,381	397,106	54,334
Intangible assets, net	48,513	73,531	-	-
Other non - current assets				
- Payment of advances for vessels and equipment	202,742,887	166,120,867	-	-
- Others	300,285	168,037	63,230	58,238
Total non - current assets	1,094,816,738	965,136,829	542,001,292	428,997,452
Total assets	1,639,612,798	1,695,142,718	607,589,126	565,039,321



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Mr. Twinchok Tanthuanit
Director

DIRECTOR

[Signature]
Mr. Sutep Tranantasin
Director

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2023	2022	2023	2022
Liabilities and shareholders' equity				
Current liabilities				
Trade payables - unrelated parties	120,796,069	121,714,813	919,648	1,444,151
Trade payables - related parties	509,352	482,322	22,000	-
Other payables				
- Accrued expenses	7,954,458	23,413,842	2,198,592	8,676,424
- Advance receipt	-	-	20,413,175	15,195,374
- Payable on purchase of assets	2,396,960	3,976,250	-	-
- Revenue Department payable	1,014,987	4,716,051	161,239	3,527,886
Current portion of long - term loans	14,268,164	8,279,773	5,866,564	1,661,917
Current portion of lease liabilities	54,747,181	44,514,112	96,365	54,439
Income tax payable	2,984,990	366,485	393,288	-
Other current liabilities	7,048,607	5,687,836	35,623	-
Total current liabilities	211,720,768	213,151,484	30,106,494	30,560,191
Non - current liabilities				
Long - term loans, net of current portion	83,552,212	77,469,805	22,998,212	4,866,205
Lease liabilities, net of current portion	72,851,518	98,444,652	321,953	-
Deferred tax liabilities	281,120	272,554	-	-
Provisions for employee benefits	2,090,300	1,737,436	1,196,201	982,104
Total non - current liabilities	158,775,150	177,924,447	24,516,366	5,848,309
Total liabilities	370,495,918	391,075,931	54,622,860	36,408,500





Mr. Twinchok Tanthuanit
Director

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Mr. Sulep Tranantasin
Director

DIRECTOR

Regional Container Lines Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: USD)

	Consolidated		Separate	
	financial statements		financial statements	
	As at 31 December		As at 31 December	
	2023	2022	2023	2022
Shareholders' equity				
Share capital				
Registered				
828,750,000 ordinary shares	25,833,963	25,833,963	25,833,963	25,833,963
Issued and fully paid - up				
828,750,000 ordinary shares	25,833,963	25,833,963	25,833,963	25,833,963
Share premium	173,890,186	173,890,186	173,890,186	173,890,186
Retained earnings				
Appropriated - legal reserve	2,448,673	2,448,673	2,448,673	2,448,673
Unappropriated	1,110,396,002	1,145,368,175	350,793,444	326,457,999
Other components of equity	(43,403,810)	(43,534,020)	-	-
Total equity of parent Company's shareholders	1,269,165,014	1,304,006,977	552,966,266	528,630,821
Non - controlling interests	(48,134)	59,810	-	-
Total shareholders' equity	1,269,116,880	1,304,066,787	552,966,266	528,630,821
Total liabilities and shareholders' equity	1,639,612,798	1,695,142,718	607,589,126	565,039,321



DIRECTOR

Mr. Twinchok Tanthuwani

Director

DIRECTOR

Mr. Sutep Tranantasin

Director

Regional Container Lines Public Company Limited and its subsidiaries

Statements of income

For the year ended 31 December 2023

(Unit: USD)

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2023	2022	2023	2022
Revenues				
Freight income	751,048,916	1,477,841,623	65,136,788	137,563,202
Others income				
Gain on exchange rate	3,724,522	-	1,104,398	-
Dividend income	-	44,500	71,218,846	347,516,500
Gain on sales of assets	4,878,278	27,259,124	2,886,945	922,234
Interest income	15,472,011	3,318,238	4,805,007	1,489,640
Interest income in accordance with TFRS 9	-	-	313,180	-
Others	784,297	761,609	211,723	20,075
Total revenues	775,908,024	1,509,225,094	145,676,887	487,511,651
Expenses				
Cost of freight and operations	651,800,530	752,385,687	28,137,491	33,253,169
Administrative expenses	43,049,302	57,754,917	9,797,198	18,029,623
Others expense				
Loss on exchange rate	-	69,953	-	80,969
Loss on impairment of vessels	24,506,555	-	2,580,967	-
Total expenses	719,356,387	810,210,557	40,515,656	51,363,761
Profit (loss) from operating activities	56,551,637	699,014,537	105,161,231	436,147,890
Finance costs	(10,663,272)	(6,289,561)	(212,424)	(255,040)
Gain (loss) from changes in fair value of derivatives	(2,057,910)	3,499,445	(2,057,910)	3,499,445
Reversal of impairment loss (impairment loss)				
determined in accordance with TFRS 9	(112,705)	(178,245)	-	-
Share of profit (loss) from investments in associates	1,329,712	1,634,853	-	-
Share of profit (loss) from investments in joint ventures	1,348,487	2,165,018	-	-
Profit (loss) before income tax expenses	46,395,949	699,846,047	102,890,897	439,392,295
Tax income (expenses)	(3,437,254)	(920,529)	(640,532)	-
Profit (loss) for the years	42,958,695	698,925,518	102,250,365	439,392,295
Profit (loss) for the year attributable to:				
Equity holders of the parent	42,942,749	698,858,192	102,250,365	439,392,295
Non - controlling interests	15,946	67,326	-	-
	42,958,695	698,925,518	102,250,365	439,392,295
Basic earnings (loss) per share				
Equity holders of the parent (USD)	0.052	0.843	0.123	0.530
The weighted average number of ordinary shares (share)	828,750,000	828,750,000	828,750,000	828,750,000



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DIRECTOR

Mr. Twinchok Tanthuwanit
Director

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DIRECTOR

Mr. Sutep Tranantasin
Director

27. Events after the reporting period

On 23 January 2024, a subsidiary in Singapore entered into 4 vessels building contracts size 4,300 TEU amount of USD 226 million (as at 31 December 2023 approximately Baht 7,787 million). The payment term of each vessel was scheduled in 5 installment periods based on the contract price: 20% for 1st installment, 10% for the 2nd installment, 10% for the 3rd installment, 10% for the 3rd installment and 50% for the 5th installment (payment upon delivery of the vessel). Tentative delivery date of 1 vessel at the 1st quarter of year 2027 , 1 vessel at the 2nd quarter of year 2027 and 2 vessels at the 3rd quarter of year 2027.

28. Approval of financial statements

These financial statements were authorized for issue by the Company's Board of Directors on 23 February 2024.





Mr. Twinchok Tanthuwanit
Director

DIRECTOR


Mr. Sutep Tranantasin
Director

DIRECTOR