



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

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Ref No. RCL 021/2025

August 8, 2025

Subject: Management Discussion and Analysis Quarter 2 Ending June 30th, 2025

To: The President

The Stock Exchange of Thailand

Despite the global volatility and uncertainty due to the trade war and geopolitical tensions, which significantly impacted the stability of the container shipping industry, Regional Container Lines Public Company Limited (the “Company” or “RCL”) is nonetheless pleased to report that the Company was able to achieve a net profit of the second quarter of 2025 comparable to that of the first quarter. It recorded a profit of THB 2,005 million, a slight decrease of THB 53 million or 2.6% compared to the previous quarter. This was primarily due to a decline in freight income of THB 288 million or 3.1%, despite a modest increase in total liftin of 1.4%. However, the average freight rate in the second quarter of 2025 declined to USD 406 per TEU, compared to USD 415 per TEU in the previous quarter.

However, for the six-month period of 2025, the Company netted a total profit of THB 4,063 million, an increase of THB 2,302 million or 130.7% compared to the same period last year, which reported a net profit of THB 1,761 million. This was driven by a 28% increase in freight income, in line with a rise in total lifting of 144,000 TEUs, or 12.2%, as a witness to the Company’s fleet expansion. Six new vessels, comprising both 12,000 TEUs and 7,000 TEUs capacities, added to the Company’s fleet from mid-last year through early this year. Additionally, the Company broadened service network and enhanced service offerings through reefer container services, enabling it to better meet the diverse needs of customers. In addition, the Company has continued to implement cost conscious measures as well as enhanced its fleet with modern and energy-efficient vessels, resulting in only a 13% increase in cost of freight and operations, which was lower than the 28% increase in freight income as previously mentioned. This reflects the Company’s ability to maintain profitability consistently, even amid the ongoing uncertainty in global trade conditions.

During the first half of 2025, the container shipping industry continued to face persistent challenges carried over from 2024, driven by various factors, most notably the United States' import tariff policies which influenced global trade flows, and geopolitical unrest along key shipping routes that have contributed to increased shipping costs and longer transit times. Additionally, the substantial influx of new vessel supply entering the market since 2024 has exerted downward pressure on average freight rates. These factors have collectively added complexity and challenges to operational management.



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In response, the Company has implemented strategic initiatives focused on enhancing operational flexibility and resilience. These include diversifying its fleet in terms of vessel sizes and container types to meet varying regional demands, expanding service networks into emerging markets such as Latin America, and improving customer satisfaction through high-quality and consistent service. Furthermore, the rejuvenation of the fleet to support energy efficiency and alternative fuels not only aligns with IMO environmental regulations but also supports the Company's cost management measures, reinforcing long-term profitability.

Lastly, the Company is pleased to announce that at the Board of Directors' Meeting No. 6/2025 held on August 8, 2025, a resolution was passed to declare an interim dividend of THB 0.50 per share, with the Record Date set for August 25, 2025, and the dividend payment scheduled for September 5, 2025. Moreover, on July 16, 2025, the Company was honoured with the Best Public Company of the Year Award in the Transportation and Logistics category at the Money & Banking Awards 2025, marking the third time in four years that the Company has received this prestigious award. This achievement underscores the Company's commitment to industry leadership, operational excellence, and sustainable growth.

Please be informed accordingly,

Yours faithfully,

-signed-

Dr. Twinchok Tanthuwanit

President

Company Secretary

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