

(TRANSLATION)

REVIEW INTERIM REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders and Board of Directors of **RICH ASIA STEEL PUBLIC COMPANY LIMITED**

I have reviewed the balance sheets as of March 31, 2010, the related statements of income, the statements of changes in shareholders' equity and the cash flow statements for the quarter ended on March 31, 2010, of **RICH ASIA STEEL PUBLIC COMPANY LIMITED**. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to report on these financial statements based on my reviews.

I conduct my review in accordance with the standards on auditing applicable to review engagements. These standards require that I plan and perform the reviews to obtain moderate assurance about whether the financial statements are free of significant misstatement. A review is limited primarily to inquire to company personnel and analytical procedure applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, I do not express an opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited, in accordance with the generally accepted auditing standards, the financial statements for the year ended on December 31, 2009, of **RICH ASIA STEEL PUBLIC COMPANY LIMITED** and expressed an unqualified opinion in my report dated February 22, 2010. The balance sheets as of December 31, 2009, presented herein for comparison, have been derived from such financial statement which I have audited and reported on. I have not performed any other audit procedures subsequent to such report date.

Otherwise the comparative income statements, the statement of changes in shareholders' equity and the cash flow statements for the quarter ended on March 31, 2009, were reviewed by another auditor in the same firm, as report dated on May 14, 2009 who reported that nothing had come to his attention that caused him to believe that the financial statement were not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

S.K. ACCOUNTANT SERVICES COMPANY LIMITED

(Naris Saowalagsakul)

Authorized Auditor No. 5369

Bangkok,

May 14, 2010

RICH ASIA STEEL PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of March 31, 2010 and December 31, 2009

		2010	2009
		'000 Baht	'000 Baht
		Unaudited	Audited
		Limited Review Only	
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalent	(Note 5)	4,192	4,165
Temporary Investment	(Note 6)	1,373	1,457
Accounts and Notes Receivable Other Companies-Net	(Note 7)	980,803	1,033,601
Accounts Receivable Related Companies-Net	(Note 4.2,8)	108	431
Inventories-Net	(Note 9)	581,075	123,690
Other Current Assets			
Advance Payment - Goods - Net	(Note 10)	340,780	569,795
Account Receivable - Revenue Department		21,537	11,866
Other		9,167	8,078
TOTAL CURRENT ASSETS		1,939,035	1,753,083
NON-CURRENT ASSETS			
Other Account Receivable from Refund of Advance Payment - Goods	(Note 11)	162,500	200,000
Property Plant and Equipment - Net	(Note 12)	250,329	257,213
Land Not Used for Operation-Net	(Note 13)	21,811	21,811
Deposit Payment for Investment	(Note 14)	200,000	200,000
Other Non-Current Assets			
Guarantee Against the Merchandise Order	(Note 15)	90,000	100,000
Over Paid Corporate Income Tax Wait for Return		34,936	34,936
Other		2,462	2,667
TOTAL NON-CURRENT ASSETS		762,038	816,627
TOTAL ASSETS		2,701,073	2,569,710

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of March 31, 2010 and December 31, 2009

		2010	2009
		'000 Baht	'000 Baht
		Unaudited	Audited
		Limited Review Only	
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-Term Loans that Due for Repayment	(Note 17)	-	220,244
Bank Overdraft and Short-Term Loans from Financial Institutions	(Note 16,18)	563,858	341,140
Accounts and Notes Payable		364,571	245,988
Current Portion			
Liabilities under Financial Lease Agreement	(Note 19)	315	311
Loans from Financial Institutions	(Note 16,20)	30,000	60,000
Other Current Liabilities			
Advance Receipt for Goods		34,656	36,803
Others		21,957	22,085
TOTAL CURRENT LIABILITIES		1,015,357	926,571
NON-CURRENT LIABILITIES			
Liabilities under Financial Lease Agreement - Net	(Note 19)	1,065	1,145
Long Term Loans from Financial Institutions - Net	(Note 16,20)	251,524	221,765
TOTAL NON-CURRENT LIABILITIES		252,589	222,910
TOTAL LIABILITIES		1,267,946	1,149,481

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED

BALANCE SHEETS

As of March 31, 2010 and December 31, 2009

	2010	2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
	Unaudited	Audited
	Limited Review Only	
SHAREHOLDERS' EQUITY		
Share Capital		
Authorized Share Capital		
10,000,000,000 Ordinary Share @ 0.10 Baht	1,000,000	1,000,000
Issued and Paid-up Share Capital		
10,000,000,000 Ordinary Share @ 0.10 Baht	1,000,000	1,000,000
Premiums on Share Capital	571,792	571,792
Retained Earnings(Deficit)	(138,665)	(151,563)
TOTAL SHAREHOLDERS' EQUITY	1,433,127	1,420,229
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,701,073	2,569,710

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED

STATEMENTS OF INCOME

For the quarter ended on March 31, 2010 and 2009

Unaudited

Limited Review Only

	2010	2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Sales	543,138	549,973
Cost of Sales	(533,116)	(657,789)
Reversal Allowance of Loss from Declining in Value of Inventories	22,119	89,173
Gross Profit (Loss)	32,141	(18,643)
Others Income	2,179	4,935
Profit(Loss) Before Expenses	34,320	(13,708)
Selling Expenses	(4,538)	(3,430)
Administrative Expenses	(10,216)	(16,964)
Reversal of Doubtful Debt	6,000	6,000
Management Benefit Expenses (Note 21)	(2,617)	(3,217)
Total Expenses	(11,371)	(17,611)
Profit(Loss) before Finance Costs and Corporate Income Tax	22,949	(31,319)
Finance Costs	(10,051)	(33,722)
Profit(Loss) before Corporate Income Tax	12,898	(65,041)
Corporate Income Tax (Note 22)	-	-
NET PROFIT (LOSS) FOR THE PERIOD	12,898	(65,041)
 BASIC EARNINGS(LOSS) PER SHARE (BAHT)	 0.001	 (0.007)
WEIGHTED AVERAGE ORDINARY SHARES (THOUSAND SHARES)	10,000,000	10,000,000

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the quarter ended on March 31, 2010 and 2009

Unaudited

Limited Review Only

	ISSUED AND PAID-UP SHARE CAPITAL	PREMIUMS ON SHARE CAPITAL	RETAINED EARNINGS (DEFICIT)	TOTAL
	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
Balance as of December 31, 2009	1,000,000	571,792	(151,563)	1,420,229
Profit(loss) for the period	-	-	12,898	12,898
Balance as of March 31, 2010	1,000,000	571,792	(138,665)	1,433,127
Balance as of December 31, 2008	1,000,000	571,792	(174,939)	1,396,853
Profit(loss) for the period	-	-	(65,041)	(65,041)
Balance as of March 31, 2009	1,000,000	571,792	(239,980)	1,331,812

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS

For the quarter ended on March 31, 2010 and 2009

	Unaudited	
	Limited Review Only	
	2010	2009
	'000 Baht	'000 Baht
CASH FLOW FROM OPERATING ACTIVITIES		
Profit (Loss) before Corporate Income Tax	12,898	(65,041)
Adjustments to Profit (Loss) before Corporate Income Tax for Cash Received (Paid) from Operations		
Depreciation	7,900	8,240
Reversal of Doubtful Debt	(6,000)	(6,000)
Amortization of Prepaid Expenses	435	638
Amortization of Intangible Asset	84	84
(Gain)Loss from Unrealized of Investment in Trading Security	84	(372)
Reversal of Loss from Declining in Value of Inventories	(22,119)	(89,173)
Gain from Sale of Property, Plant and Equipment	(509)	(1,075)
Loss from Unrealized Exchange Rate	20	6,570
Interest Revenue	(253)	(1,354)
Interest and Financial Expenses	10,027	33,615
Profit(Loss) from Operating Activities before Change in Operating Assets and Liabilities	2,567	(113,868)
(Increase) Decrease in Accounts and Notes Receivable-Other Companies	16,957	9,249
(Increase) Decrease in Accounts and Notes Receivable-Related Companies	323	1,615
(Increase) Decrease in Inventories	(444,066)	164,254
(Increase) Decrease in Advance Payment - Goods	237,816	89,615
(Increase) Decrease in Accounts Receivable - Revenue Department	(9,671)	19,561
(Increase) Decrease in Other Current Assets	(1,226)	3,478
Cash Received in Other Account Receivable from Refund of Advance Payment - Goods	37,500	-
Cash Received in Guarantee Against the Merchandise Order	10,000	-
(Increase) Decrease in Other Non-Current Assets	-	125
Increase(Decrease) in Accounts and Notes Payable	160,424	69,863
Increase(Decrease) in Advance Receipt for Goods	(2,147)	259
Increase(Decrease) in Other Current Liabilities	(26)	(1,815)
Cash Receipt (Paid) from Operating Activities	8,451	242,336
Cash Received from Interest Revenue	253	4,964
Cash Payment Income Tax and Withholding Tax	(131)	-
Cash Provided(Used) from Operating Activities - Net	8,573	247,300

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED

CASH FLOW STATEMENTS

For the quarter ended on March 31, 2010 and 2009

		Unaudited	
		Limited Review Only	
		2010	2009
		'000 Baht	'000 Baht
CASH FLOW FROM INVESTING ACTIVITIES			
Cash Received from Sale of Property, Plant and Equipment		509	1,075
Cash Payment for Purchased of Property, Plant and Equipment		(1,016)	(508)
Cash Provided(Used) from Investing Activities - Net		(507)	567
CASH FLOW FROM FINANCING ACTIVITIES			
Increase (Decrease) in Bank Overdraft and Short-Term Loans from Financial Institutions		2,474	(211,657)
Cash Payment for Liabilities under Financial Lease Agreement		(97)	-
Cash Payment for Long -Term Loans from Financial Institutions		(241)	(2,250)
Cash Payment for Interest Expenses		(10,155)	(20,183)
Cash Provided (Used) from Financing Activities - Net		(8,019)	(234,090)
Effect from Changes in Exchange Rate of Cash and Cash Equivalent		(20)	(77)
CASH AND ITS EQUIVALENT INCREASE (DECREASE)-NET		27	13,700
CASH AND ITS EQUIVALENT ITEMS AT BEGINNING OF THE PERIOD	(Note 5)	4,165	15,635
CASH AND ITS EQUIVALENT ITEMS AT ENDING OF THE PERIOD	(Note 5)	4,192	29,335
Non-cash items which are not shown in cash flows			
- Purchases Assets in Credit under Financial Lease Agreement		-	1,677
- Other Account Receivable from Refund of Advance Payment - Goods Increases from			
Transfer out of Advance Payment - Goods		-	190,000
- Short-Term Loans from Financial Institutions Increases from Transfer out of Short-			
Term Loans that Due for Repayment		220,244	-
- Long-Term Loans from Financial Institutions Increases from Transfer out of Current Portion		29,758	-
- Off-Set between Accounts Receivable and Accounts Payable		41,841	-

Notes to the financial statements are an integral part of the above financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED**NOTES TO FINANCIAL STATEMENTS****March 31, 2010 (Unaudited / Limited Review Only)****And December 31, 2009 (Audited)****1. General Information**

The Company has registered in accordance with the Civil and Commercial Law Code that is juristic person in type of Company Limited since May 10, 1999, registered number 0107549000050 and registered as public company on March 27, 2006 with its registered head office 272 Watchannog Lane, Phraram 3 Road, Kwaeng Bangkoleam, Khet Bangkoleam, Bangkok and have five branch constitution.

The Company operated the distribution of steel pipe, steel scrap and steel products.

2. The Basis of Preparation of the Financial Statements and Accounting Policy

- 2.1 The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (revised in 2007) “Interim Financial Reporting” (Formerly : TAS 41). The Company presented in the set abbreviated format. However, the Company presented the financial statements such as the balance sheet, statements of income, the statements of changes in shareholder’s equity and the cash flow statements in the same format as that used for the annual financial statements and applicable rules and regulation of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.
- 2.2 In order to prepare the financial statement to comply with generally accepted accounting standards, the Company’s management had to make some estimates and suppositions which may have an effect on the amount shown for revenue, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ the estimated amount.
- 2.3 These interim financial statements were prepared to provide additional information over the latest previous financial statements, therefore they emphasize the latest business information, new events and situations so as not to duplicate information already reported on and so they should be used in conjunction with the latest annual financial statements available.

2.4 Summary of Significant Accounting Policy

These interim financial statements were prepared under the same accounting policy and calculation methods as used in the financial statements ending on December 31, 2009.

2.5 For the convenience of the user, and English translation of the financial statements has been prepared from the financial statements that are issued in the Thai language.

3. Revised Accounting Standards and New Accounting Standards

The revised accounting standards and new accounting standards which are effective for the period beginning on or after January 1, 2011 and January 1, 2012 and which were not early adopted by the Company are as follows:

Effective on January 1, 2011

TAS 24	Related Party Disclosure (Revised 2007) (Formerly : TAS 47)
TAS 40	Investment Property

Effective on January 1, 2012

TAS 20	Accounting for Government Grants and Disclosure for Government Assistance
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The Company management has determined that the Accounting Standards will not significantly impact the interim financial statements being presented.

4. Inter-Transactions

The Company constitutes important business transaction with the Company and related persons and companies. Such business transactions are complied with trading term and criteria as per mutually agreed between the Company and related companies which is complied with the normal course of business whereby it can be summarized as follows:

4.1 Inter – Revenues and Expenses

		For the quarter ended on March 31,	
	<u>Pricing</u>	2010	2009
	<u>policy</u>	<u>'000 Baht</u>	<u>'000 Baht</u>
<u>Inter - Sales</u>			
SIAM FERRO INDUSTRY CO., LTD.	(1)	200	-
P.A.P EXIM CO., LTD.	(1)	-	4,901
CHAI SUPON CO., LTD.	(1)	-	2,114
MAHALAP METAL CO., LTD.	(1)	-	4,748
HARNSAWAT LTD. PART.	(1)	-	123
Total		200	11,886
<u>Inter – Income from the employment produces</u>			
MAHALAP METAL CO., LTD.	(3)	-	667
<u>Inter – Transportation Revenue</u>			
G.T. STEEL WORKS CO., LTD.	(2)	-	1
<u>Inter – Subcontract</u>			
SIAM FERRO INDUSTRY CO., LTD.	(2)	2,101	2,215
G.T. STEEL WORKS CO., LTD.	(2)	-	111
Total		2,101	2,326
<u>Inter – Other Expenses</u>			
SIAM FERRO INDUSTRY CO., LTD.	(3)	453	350
A.T. STEEL CO., LTD.	(3)	292	293
MISS ANGKAKARN TANTIVIROON	(3)	145	67
Total		890	710

Pricing policy is determined in accordance with the criteria as follows:

- (1) Price which can be comparative against outside parties.
- (2) Price is complied with the prices in accordance with the contract.
- (3) Price is complied with the prices which are mutually agreed upon.

4.2 Inter – Assets and Liabilities

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Inter – Accounts and Notes Receivable		
SIAM FERRO INDUSTRY CO., LTD.	108	53
THANASUB PAISARN CO., LTD.	-	9,905
P.A.P EXIM CO., LTD.	-	378
Total	108	10,336
<u>Less</u> Allowance for Doubtful Debt - THANASUB PAISARN CO., LTD.	-	(9,905)
Net	108	431
Inter – Accounts and Notes Payable		
SIAM FERRO INDUSTRY CO., LTD.	938	1,876
Inter – Accrued Expenses and Notes Payable		
SIAM FERRO INDUSTRY CO., LTD.	-	301
A.T. STEEL CO., LTD.	-	96
MISS ANGKAKARN TANTIVIROON	10	11
Total	10	408

4.3 The Company's Relationship

Consist of:

<u>Name</u>	<u>Activities</u>	<u>Relationship</u>
SIAM FERRO INDUSTRY CO., LTD.	Engagement of steel production and steel cut -off	Director of company is executive planner for restructure company
G.T. STEEL WORKS CO., LTD.	Production and distribution of steel	Closed cousin of executive officer are director and shareholders
GENIUS TECH TRADING CO., LTD.	Production and distribution of steel	G.T. Steel Works Co., Ltd. and closed cousin are major shareholders
CHAI SUPON CO., LTD.	Distribution of PVC pipes, water, and steel	Closed cousin of executive officer are director and shareholders (executive officer resign on November 21, 2009)
MAHALAP METAL CO., LTD.	Distribution of shape steel	Closed cousin of executive officer are director and shareholders (executive officer resign on November 21, 2009)
HARN SAWAT LTD. PART.	Distribution of shape steel	Closed cousin of executive officer are director and shareholders (executive officer resign on November 21, 2009)
P.A.P EXIM CO., LTD.	Distribution of shape steel	Closed cousin of executive officer are director and shareholders (executive officer resign on November 21, 2009)
THANASUB PAISARN CO., LTD.	Distribution of shape steel	Closed cousin of executive officer are director and shareholders (executive officer resign on November 21, 2009)
A.T. STEEL CO., LTD.	Distribution of line steel	Closed cousin of executive officer are director and shareholders
MISS ANGKAKARN TANTIVIROON		Chief Executive Officer

5. Cash and Cash Equivalent

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Cash	84	76
Bank Deposit – Saving Deposit	435	349
Bank Deposit – Current Deposit	3,673	3,740
Total	<u>4,192</u>	<u>4,165</u>

6. Temporary Investment

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Investment of Trading Security – Cost Value	1,457	1,554
Unrealized Gain(Loss) in Investment of Trading Security	(84)	(97)
Investment of Trading Security – Fair Value	<u>1,373</u>	<u>1,457</u>

7. Accounts and Notes Receivable Other Companies - Net

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Notes Receivable	33,866	26,792
Account Receivable	987,117	1,043,084
Total Accounts and Notes Receivable	<u>1,020,983</u>	<u>1,069,876</u>
<u>Less</u> Allowance for Doubtful Debt -		
Account Receivable	<u>(40,180)</u>	<u>(36,275)</u>
Net	<u>980,803</u>	<u>1,033,601</u>

An aging analysis of accounts and notes receivable other companies as of March 31, 2010 and December 31, 2009 are as follows:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Within credit term	234,257	699,613
Over due 1 to 90 days	536,009	107,425
Over due 91 to 180 days	12,866	-
Over due 181 to 365 days	197,946	226,563
Over due over 1 years	39,905	36,275
Total Accounts and Notes Receivable	1,020,983	1,069,876
<u>Less</u> Allowance for Doubtful Debt -		
Account Receivable	(40,180)	(36,275)
Net	980,803	1,033,601

As of March 31, 2010 and December 31, 2009, the Company factored some note receivable in amount of Baht 27.70 million and Baht 26.10 million respectively, to discount with one finance institutes according to the note no.18. The Company still has to take responsibility in the note receivable if the finance institutes cannot collect debt repayment in accordance with such note receivable.

As of March 31, 2010 and December 31, 2009, accounts receivable over due over 181 - 365 days in amount of Baht 197.95 million and Baht 226.56 million respectively, is the merchandise sale in type of steel scrap to one client who is the producer and distributor of hot rolled coils as one of main distributor in the iron industry. Such account receivable has negotiated with the Company and constitutes the letter to notify requesting the gradually debt repayment. While account receivable will allow debt repayment deduction by providing discount of 10 – 20% from merchandise value that the Company purchases merchandise from such account receivable. (While there is debt value as of the date the letter to notify requesting the gradually debt repayment in amount of Baht 432.47 million). However, the management of the Company believes that the Company does not have risk that will not be able to collect debt.

For the quarter ended on March 31, 2010 and 2009, allowance for doubtful debt has movements as follows:

	For the quarter ended on March 31,	
	2010	2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Allowance of Doubtful Debt - Beginning	(36,275)	(62,000)
<u>Add</u> Transfer from Accounts Receivable		
Related Companies	(9,905)	-
<u>Less</u> Sale within Period/Reversal	6,000	6,000
Allowance for Doubtful Debt - Ending	<u>(40,180)</u>	<u>(56,000)</u>

8. Accounts Receivable Related Companies – Net

Consist of:

	As of March 31, 2010	As of December 31, 2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Account Receivable	108	10,336
<u>Less</u> Allowance for Doubtful Debt	-	(9,905)
Net	<u>108</u>	<u>431</u>

An aging analysis of accounts receivable related companies as of March 31, 2010 and December 31, 2009 are as follows:

	As of March 31, 2010	As of December 31, 2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Within credit term	-	-
Over due 1 to 90 days	108	431
Over due over 1 years	-	9,905
Total Accounts Receivable	<u>108</u>	<u>10,336</u>
<u>Less</u> Allowance for Doubtful Debt	-	(9,905)
Net	<u>108</u>	<u>431</u>

As of March 31, 2010, accounts receivable and allowance of doubtful debt decreases from the reclassify to accounts receivable other companies as in note No.7 since accounts receivable related companies ended relation related companies from executive officer are closed cousin of director and shareholders of related companies resign on November 21, 2009.

9. Inventories - Net

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Finished Goods	508,949	71,654
Raw Materials	73,380	61,261
Goods-in-Transit	-	5,354
Spare Part	1,549	1,543
Total	583,878	139,812
<u>Less</u> Allowance for Declining in Value of Inventories	(2,803)	(16,122)
Net	581,075	123,690

For the quarter ended on March 31, 2010 and 2009, allowance for declining in value of inventories has movements as follows:

	For the quarter ended on March 31, 2010 <u>'000 Baht</u>	2009 <u>'000 Baht</u>
Allowance for Declining in Value of Inventories- Beginning	(16,122)	(211,553)
<u>Add</u> Increased within Period	-	(4,987)
<u>Less</u> Sale within Period/Reversal	13,319	47,087
Allowance for Declining in Value of Inventories- Ending	(2,803)	(169,453)

10. Advance Payment – Goods - Net

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Advance Payment – Goods – Domestic	341,182	578,997
<u>Less</u> Allowance for Declining in Value of Inventories	(402)	(9,202)
Net	<u>340,780</u>	<u>569,795</u>

11. Other Account Receivable from the Refund of Advance Payment - Goods

As of March 31, 2010 and December 31, 2009, the whole amount is other account receivable from the refund of advance payment - goods with one company of merchandise distributor overseas while the Company constitutes the letter to notify the cancellation of the purchasing and selling contract and request that the seller refunds amount of Baht 250.00 million to the Company. However, the merchandise distributor constitutes the letter to notify requests for gradual repayment of advance payment - goods to be within June 2010. Subsequent Events, the Company receives some refund of advance payment – goods in amount of Baht 62.50 million. Moreover, management believes that the Company does not constitute risk that will not be able to collect debt.

12. Property, Plant and Equipment – Net

For the quarter ended on March 31, 2010, the movement was as follows:

	<u>'000 Baht</u>
Beginning Book Value - Net	257,213
Purchases	1,016
Sales	(270)
Accumulated Depreciation for Sales Assets	270
Depreciation for portion shown in Statement of Income	(7,900)
Ending Book Value - Net	<u>250,329</u>

As of March 31, 2010 and December 31, 2009, the Company mortgaged land plus building in book value of Baht 125.19 million and Baht 126.53 million respectively, is collateral of loans from the financial institutes with note No.16.

As of March 31, 2010 and December 31, 2009, the Company had assets with the depreciation fully calculated but still operate which had a cost value of Baht 25.64 million and Baht 24.26 million respectively. The net book value was Baht 156.00 and Baht 146.00 respectively.

13. Land not Used for Operation - Net

As of March 31, 2010 and December 31, 2009, land not used for operation apart in book value of Baht 6.74 million. The Company has been taken to pledge so as to be collateral of loan due to the bank in the pledged amount of Baht 10.00 million.

14. Deposit Payment for Investment

Deposit payment for investment constitutes the progress as follows:

In accordance with the minute of the board of directors meeting no 3/2010 held on April 2, 2010, it is resolved to approved extend the period of signing in the contract of shares purchasing and selling of Thai National Product Co., Ltd., to be within May 31, 2010, and the period of repayment of purchasing and selling of shares fee is also further extended. Since, the Company is under the pending of consideration result to approve credit line of credit facility according to letter to request for financial support receipt from one finance institute in order to be investment in such company. Later on April 5, 2010, the Company and the seller have performed memorandum to rectify understanding memorandum (version no.6) with respect to further period extension of signing shares trading contract to be within May 31, 2010. Presently, the Company receives the approval of credit facility line from the finance institute and will be manage investment in a Thai National Product Co., Ltd., to be within May, 2010.

15. Guarantee Against the Merchandise Order

As of March 31, 2010 and December 31, 2009, the whole amount is guarantee against the merchandise order in order to be collateral against the merchandise purchasing activity between the Company and one huge distributor. Presently, the Company has already ceased business act of merchandise purchasing order from such distributor and claimed for the full amount of guarantee amount of merchandise purchasing order. The distributor requests for repayment installments of 10 installments in Baht 10.00 million per installment by issuing as posted date cheques to the Company which repayment commences from January, 2010 forwards. Moreover, there is interest carried in the rate of 0.50% per month. Such business act receives approval from the board of directors meeting no. 26/2009 held on December 29, 2009. Subsequent Events, the Company receives some refund of guarantee against the merchandise in amount of Baht 20.00 million.

16. Credit Facilities and Guarantee

The Company has credit line from commercial bank and several financial institutions in form overdraft, trust receipts, short-term loan and note receivable discount by granted the total credit line as of March 31, 2010 and December 31, 2009, in amount of Baht 569.00 million and credit line for forward contract in amount of US Dollars 4.00 million, equally for both period. It is pledged by the Company's mortgage register of land plus building of the Company, land plus building of a director, notes receivable of a company and guaranteed director.

17. Short-Term Loans that Due for Repayment

As of December 31, 2009, the whole amount of short-term loans that due for repayment is liability from trust receipt that due for repayment. Later, on March 26, 2010, the finance institute is further extended the period of short-term loans repayment to be on July 31, 2010.

18. Bank Overdraft and Short-Term Loans from Financial Institutions

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Bank Overdraft	9,914	9,040
Discount Post Date Cheques	27,700	26,100
Trust Receipts	220,244	220,244
Promissory Note	306,000	306,000
Total	563,858	561,384
<u>Less</u> Short-Term Loans that Due for Repayment	-	(220,244)
Net	563,858	341,140

As of March 31, 2010 and December 31, 2009, the Company took notes receivable to discount with merchant bank are carried by interest rates of 5.87% per annum, equally for both period.

As of March 31, 2010 and December 31, 2009, trust receipt is carried by interest rates of 5.00 – 5.50% per annum. The ownership of merchandise purchased from the contract performance of trust receipt is still belonged to the merchant bank until there will be repayment of trust receipt to the merchant bank. As of December 31, 2009, trust receipt in amount of Baht 220.24 million is trust receipt that due for repayment. The Company has present the whole amount of such short-term loan as liability that due for repayment in accordance with note No.17.

As of March 31, 2010 and December 31, 2009, short term loan from the financial institutes is borrowing in form of promissory note, carried interest rate of 3.65 – 5.87% per annum and 4.50 – 5.87% per annum respectively.

Such above loan from financial institutions constitutes collateral according to note No.16.

19. Liabilities under Financial Lease Agreement - Net

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Liabilities under Financial Lease Agreement	1,553	1,650
<u>Less</u> Interest Payment from Financial Lease Agreement	(173)	(194)
Current Portion	(315)	(311)
Net	<u>1,065</u>	<u>1,145</u>

As of March 31, 2010 and December 31, 2009, the Company comprises asset under the financial leased agreement in the type of vehicle. There is net book value by amount of Baht 1.71 million and Baht 1.82 million respectively. The Company will receive ownership in such asset when the Company completely repays debt to creditors in accordance with the financial leased agreement.

20. Long Term Loans from Financial Institutions – Net

Consist of:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Long Term Loans from Financial Institutions	281,524	281,765
<u>Less</u> Current Portion	(30,000)	(60,000)
Net	<u>251,524</u>	<u>221,765</u>

Movement of Long - Term Loans, As of March 31, 2010 and December 31, 2009, as follows:

	As of March 31, 2010 <u>'000 Baht</u>	As of December 31, 2009 <u>'000 Baht</u>
Balance as of Beginning	281,765	29,250
Convert from Short-Term Loans to Long-Term Loans	-	289,865
Repayment to Long-Term Loans	(241)	(37,350)
Balance as of Ending	<u>281,524</u>	<u>281,765</u>

As of March 31, 2010 and December 31, 2009, partly in credit line of Baht 289.87 million is already repayable remaining amount of Baht 261.27 million and Baht 261.52 million respectively, which is long term loan that derived from the performance of debt restructuring contract with the creditor of finance institutes by latest version the performance of debt restructuring contract on March 26, 2010, determine that the Company has to find out securities to additionally guarantee to be completed within December, 2010, by has term of repayment as follows :

Term of the performance of debt restructuring contract (Version 2)

<u>Installment</u>	<u>Principal Repayable</u> <u>per Installment</u> (Million Baht)	<u>Interest Rates(%)</u> <u>(Per Annum)</u>
April 2010 – June 2010	Grace period of principle	MLR
July 2010 – December 2010	1.00	MLR
January 2011 – December 2011	5.00	MLR
January 2012 – November 2014	6.00	MLR+1
December 2014	Outstanding	MLR+1

As of March 31, 2010 and December 31, 2009, the Company loan credit line of Baht 45.00 million is already repayable remaining amount of Baht 20.25 million equally for both periods is loan due to one finance institute which the principle is monthly repayable in number 60 installments each of which is Baht 0.75 million. The first installment is repayable on April 30, 2007. Interest is monthly repayable. Interest is carried in the rate of MLR% per annum which there is interest rate equivalent to 4.85 – 5.85 % per annum equally for both periods. However, during period the Company has arrangement the performance of debt restructuring contract with the creditor of finance institutes by latest version on March 26, 2010, which the principle is monthly repayable in number 27 installments each of which is Baht 0.75 million. The first installment is repayable on April 30, 2012. Interest is monthly repayable. Interest is carried in the rate of MLR% per annum.

Such above long term loan constitutes collateral by mortgaged land plus building of the Company and directors of the Company with note No.16.

21. Management Benefit Expenses

This management remuneration is benefit that repayable to management and directors of the Company. It is composed of remuneration that is monetary, i.e. salary, related benefit and remuneration of directors including remuneration benefit in other form. The Company's management is the persons who are defined under the Securities and Exchange Act.

22. Corporate Income Tax

For the quarter ended on March 31, 2010 and 2009, the Company calculates tax at 25%, which complies with royal decree No.475 to reduce tax from 30% to 25% of net profit not over Baht 300 million for the 3 consecutively accounting periods commenced from the first accounting period which commenced within or after January 1, 2008, for the listed companies according to the law of securities and securities market. The Company computed tax of accounting net profit after adding adjusted transaction in accordance with the Revenue Code which is mainly reversal allowance of doubtful debt and reversal allowance of loss from declining in value of inventories, etc.

23. Expenses by Nature

Expenses by nature items consist of expenses main items are as follows:

	For the quarter ended on March 31,	
	2010	2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Changing within Finished Goods	(431,941)	199,324
Raw Material Used	295,735	355,178
Value of Purchase Finished Good for Sale	661,338	90,874
Reversal Allowance of Loss from Declining in Value of Inventories	(22,119)	(89,173)
Employee Expenses	5,459	7,676
Depreciation	7,900	8,240
Reversal of Doubtful Debt	(6,000)	(6,000)
Selling Expenses	4,538	3,430
Other Expenses	7,458	16,678
Total	<u>522,368</u>	<u>586,227</u>

24. Provident Fund

The Company has been established the provident fund which is managed by external fund manager, that staff and the company has to contribute to the fund at the rate of 2 percent of basic salary according with the funds regulation. This fund is managed by a financial institution as a fund manager. The company has payment the provident fund for the quarter ended on March 31, 2010 and 2009 in amount of Baht 0.05 million and Baht 0.06 million respectively.

25. Presentation of Financial Data Segregated by Business Sector

The Company is operating in business sector, i.e. distribution of material type steel coil, steel slit and steel billets and distribution of finished goods type steel pipe and steel products and operates in one geographical area only in Thailand. Thus all income, profit and entire assets shown in the financial statements are related to the said business sector and geographical area.

The information on business sector operation of the Company was as follows:

	For the quarter ended on March 31, 2010			
	Distribution of Material	Production and Distribution of Finished Good	Other	Total
Sales	74,850	466,327	1,961	543,138
Profit(Loss) from Operation	3,083	30,210	(1,152)	32,141
Others Income				2,179
Common Expenses				(11,371)
Finance Costs				(10,051)
Profit(Loss) for the Period				12,898
Total Assets				2,703,073

(‘000 Baht)

	('000 Baht)			
	For the quarter ended on March 31, 2009			
	Distribution of Material	Production and Distribution of Finished Good	Other	Total
Sales	157,258	390,708	2,007	549,973
Profit(Loss) from Operation	(1,224)	(16,474)	(945)	(18,643)
Others Income				4,935
Common Expenses				(17,611)
Finance Costs				(33,722)
Profit(Loss) for the Period				(65,041)
Total Assets				3,057,197

26. Obligations and Contingent Liabilities

26.1 Apart from liabilities shown on the balance sheets as of March 31, 2010 and December 31, 2009, the Company still remains other obligations and contingent liabilities with commercial banks as follows :

	As of March 31, 2010	As of December 31, 2009
- Letters of Credit		
Credit Line 223.0 Million, Credit used	220.24 Million Baht	220.24 Million Baht
- Letters of Guarantee	2.83 Million Baht	2.83 Million Baht

26.2 The Company comprises obligation commitment according to the contract of land lease, contract of sublet of building area, contract of truck lease, contract of automobile lease with other persons, other companies and related companies. The leased fee and service fee each contract are in the rate of Baht 96,000.00 – Baht 250,000.00 per month. As of March 31, 2010 and December 31, 2009, there is total leased fee value that has to repay until contract is completed as follows:

	As of March 31, 2010	As of December 31, 2009
	<u>'000 Baht</u>	<u>'000 Baht</u>
Period not exceeding 1 year	4,955	4,967
Period more 1 year – 5 year	2,291	3,234

26.3 The Company comprises obligation commitment according to the contract of labor engagement to produce steel with one related company. The contract holds the life of one year ended on August 31, 2010 and 2009. It is determined that the life is automatically renewed for the period of 1 year. The engagement fee is in the rate of Baht 190,000.00 per month. As of March 31, 2010 and December 31, 2009, the Company holds the total engagement fee which has to fully repay until the contract is complete in amount of Baht 0.95 million and Baht 1.52 million, respectively.

27. Approval of the Interim Financial Statement

These interim financial statements have been approved by authorized directors of the Company on May 14, 2010.
