

**RICH ASIA STEEL PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Interim Financial Information

For the three-month periods ended March 31, 2013

and Independent Auditor's Report on review of interim financial information

BPR AUDIT AND ADVISORY CO., LTD.

Independent Auditors

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION BY INDEPENDENT AUDITOR

To the Shareholders and the Board of Directors of Rich Asia Steel Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Rich Asia Steel Public Company Limited and its subsidiaries as at March 31, 2013, the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three - month period then ended, and condensed notes to financial statements, and I have also reviewed the accompanying statement of financial position of Rich Asia Steel Public Company Limited as at March 31, 2013, the related statements of comprehensive income, changes in shareholders' equity, and cash flows for the three - month period then ended, and condensed notes to financial statements. The management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No.34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34 "Interim Financial Reporting".

Emphasis of matter

I draw attention to Note 5 to the interim financial statements regarding the change in accounting policy made due to adoption of Thai Accounting Standard 12 "Income Taxes". My conclusion is not qualified in respect of this matter.

(Mr. Naris Saowalagsakul)
Certified Public Accountant
Registration No. 5369

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
May 14, 2013

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2013

		In Thousand Baht					
		Consolidated financial statements			Separate financial statements		
		March	December	January	March	December	January
		31, 2013	31, 2012	1, 2012	31, 2013	31, 2012	1, 2012
		"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
Notes		"Reviewed"	"Restated"	"Restated"	"Reviewed"	"Restated"	"Restated"
ASSETS							
CURRENT ASSETS							
		3,908	7,930	14,421	2,924	3,482	14,103
		336	214	259	337	214	259
	8	1,989,131	1,888,770	1,345,398	1,550,530	1,523,201	1,029,620
	6,9	-	-	-	2,077	2,352	5,461
	6	-	-	-	-	-	4,180
	10	553,519	441,467	407,972	451,522	363,833	295,961
	11	71,097	167,855	539,381	64,124	161,575	521,127
		5,677	6,023	4,474	1,130	1,046	1,976
		<u>2,623,668</u>	<u>2,512,259</u>	<u>2,311,905</u>	<u>2,072,644</u>	<u>2,055,703</u>	<u>1,872,687</u>
NON - CURRENT ASSETS							
		7,592	31,270	6,092	382	28,063	1,174
	12	125,800	129,558	-	125,800	129,558	-
	13	-	-	-	1,069,924	1,069,924	1,199,191
	14	26,402	26,748	124,014	11,383	11,610	108,401
	15	1,534,656	1,566,019	1,696,518	91,052	93,611	105,525
		-	-	161,236	-	-	161,236
		15,327	14,139	11,784	-	-	-
	5,24	2,390	2,727	6,090	-	-	-
		4,369	4,272	6,244	418	372	536
		<u>1,716,536</u>	<u>1,774,733</u>	<u>2,011,978</u>	<u>1,298,959</u>	<u>1,333,138</u>	<u>1,576,063</u>
		<u>4,340,204</u>	<u>4,286,992</u>	<u>4,323,883</u>	<u>3,371,603</u>	<u>3,388,841</u>	<u>3,448,750</u>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2013

		In Thousand Baht					
		Consolidated financial statements			Separate financial statements		
		March	December	January	March	December	January
		31, 2013	31, 2012	1, 2012	31, 2013	31, 2012	1, 2012
		"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
		"Reviewed"	"Restated"	"Restated"	"Reviewed"	"Restated"	"Restated"
<i>Notes</i>							
LIABILITIES AND SHAREHOLDERS' EQUITY							
CURRENT LIABILITIES							
Loans that due for repayment	17	1,031,358	1,031,358	745,719	1,031,358	1,031,358	745,719
Bank overdrafts and short-term loans from financial institutions	18	128,134	103,769	217,541	81,908	79,856	213,819
Trade and other accounts payable - other companies	19	725,969	627,681	472,546	573,796	533,198	384,447
Trade and other accounts payable - related companies	6,20	13,152	13,372	9,389	14,437	13,940	10,703
Current portion							
- Liabilities under finance lease agreement	22	833	819	775	754	743	698
- Liabilities under debt restructuring agreement	23	227,953	248,667	19,665	227,953	248,667	19,665
Short - term loans from other persons and company	21	305,000	305,000	300,000	-	-	-
Short - term loans from related company	6	-	-	-	53,516	48,466	-
Income tax payable		4,302	288	1,171	-	-	-
Accrued interest		331,257	274,492	48,088	218,838	182,471	39,022
Advance received for goods		9,411	9,411	40,679	9,411	9,411	82,733
Other current liabilities		15,550	6,586	1,787	39	-	-
Total current liabilities		2,792,919	2,621,443	1,857,360	2,212,010	2,148,110	1,496,806
NON - CURRENT LIABILITIES							
Liabilities under finance lease agreement	22	325	539	1,358	266	459	1,202
Debt under restructuring agreement	23	441,109	445,878	840,691	441,109	445,878	840,691
Employee benefit obligations		4,474	4,344	3,852	1,700	1,622	1,335
Deferred tax liabilities	5,24	187,965	220,402	247,423	-	-	1,269
Others non - current liabilities		81	81	81	-	-	-
Total non - current liabilities		633,954	671,244	1,093,405	443,075	447,959	844,497
TOTAL LIABILITIES		3,426,873	3,292,687	2,950,765	2,655,085	2,596,069	2,341,303

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2013

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	March	December	January	March	December	January
	31, 2013	31, 2012	1, 2012	31, 2013	31, 2012	1, 2012
<i>Notes</i>	"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
	"Reviewed"	"Restated"	"Restated"	"Reviewed"	"Restated"	"Restated"
SHAREHOLDERS' EQUITY						
Share capital - common shares						
- Authorized share capital - 1,500,000,000 shares, Baht 1.00 par value in 2011						
- Authorized share capital - 4,000,000,000 shares, Baht 1.00 par value in 2012 and 2013	4,000,000	4,000,000	1,500,000	4,000,000	4,000,000	1,500,000
Issued and fully paid - up share capital						
- 1,000,000,000 shares, Baht 1 par value in 2011						
- 1,002,913,226 shares, Baht 1 par value in 2012 and 2013	1,002,913	1,002,913	1,000,000	1,002,913	1,002,913	1,000,000
Premium on share capital	413,967	413,967	415,423	413,967	413,967	415,423
Deficit	(904,153)	(819,794)	(464,198)	(703,672)	(612,676)	(307,976)
Other component of equity	77,031	62,289	58,827	3,310	(11,432)	-
Total equity attributable to owners of the parent	589,758	659,375	1,010,052	716,518	792,772	1,107,447
Non - controlling interests	323,573	334,930	363,066	-	-	-
Total Shareholders' equity	913,331	994,305	1,373,118	716,518	792,772	1,107,447
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,340,204	4,286,992	4,323,883	3,371,603	3,388,841	3,448,750

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2013

"UNAUDITED"

"REVIEWED"

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2013	2012	2013	2012
			"Restated"		"Restated"
REVENUES					
	Revenue from sales	834,172	691,948	683,281	539,655
	Revenue from services	33,304	19,306	-	-
	Gain on sales of fixed assets	8	18,080	8	17,609
	Gain on sales of investments in subsidiary	-	-	-	5,329
	Other incomes	10,080	3,675	9,860	2,049
	Total Revenues	877,564	733,009	693,149	564,642
EXPENSES					
	Cost of sales	856,310	732,756	701,326	549,786
	Cost of services	34,258	20,836	-	-
	Selling expenses	2,301	3,076	1,104	2,029
	Administrative expenses	16,448	18,918	9,885	12,333
	Doubtful accounts	6,076	2,000	5,668	-
6	Management benefit expenses	2,683	2,700	2,683	2,700
	Finance costs	83,176	78,911	63,479	58,792
	Total Expenses	1,001,252	859,197	784,145	625,640
	LOSS BEFORE INCOME TAX	(123,688)	(126,188)	(90,996)	(60,998)
24	Income tax (expenses) revenues	27,972	6,025	-	1,270
	LOSS FOR THE PERIOD	(95,716)	(120,163)	(90,996)	(59,728)
Other comprehensive income (loss)					
	Change in fair value of securities available for sale	14,742	-	14,742	-
	TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(80,974)	(120,163)	(76,254)	(59,728)
Loss for the period attributable to :					
	Owners of the parent	(84,359)	(100,955)	(90,996)	(59,728)
	Non - controlling interests	(11,357)	(19,208)	-	-
		(95,716)	(120,163)	(90,996)	(59,728)
Total comprehensive loss for the period attributable to :					
	Owners of the parent	(69,617)	(100,955)	(76,254)	(59,728)
	Non - controlling interests	(11,357)	(19,208)	-	-
		(80,974)	(120,163)	(76,254)	(59,728)
BASIC LOSS PER SHARE					
25	Owners of the parent (baht)	(0.084)	(0.101)	(0.091)	(0.060)

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2013

"UNAUDITED"

"REVIEWED"

In Thousand Baht									
Consolidated financial statements									
Notes	Issued and fully paid - up share capital	Premium on share capital	Unappropriated (Deficit)	Excess from change in equity interest	Other component of equity		Total equity attributable to owners of the parent	Non - controlling interests	Total shareholders' equity
					Other comprehensive income (expense)	Change in fair value of securities available for sale			
							Total Other component of equity		
Balance as at January 1, 2013 as previous reported	1,002,913	413,967	(631,153)	38,435	(11,432)		27,003	812,730	1,211,980
Effect of change in accounting policy	5	-	-	(188,641)	35,286	-	35,286	(153,355)	(217,675)
Balance as at January 1, 2013 as restated	1,002,913	413,967	(819,794)	73,721	(11,432)		62,289	659,375	994,305
Total comprehensive loss for the period	-	-	(84,359)	-	14,742		14,742	(69,617)	(80,974)
Balance as at March 31, 2013	<u>1,002,913</u>	<u>413,967</u>	<u>(904,153)</u>	<u>73,721</u>	<u>3,310</u>		<u>77,031</u>	<u>589,758</u>	<u>913,331</u>
Balance as at January 1, 2012 as previous reported	1,000,000	415,423	(255,704)	30,420	-		30,420	1,190,139	1,614,451
Effect of change in accounting policy	5	-	-	(208,494)	28,407	-	28,407	(180,087)	(241,333)
Balance as at January 1, 2012 as restated	1,000,000	415,423	(464,198)	58,827	-		58,827	1,010,052	1,373,118
Adjust for change in equity interest in subsidiaries	-	-	-	179	-		179	179	-
Excess from change in equity interest in subsidiaries	-	-	-	14,894	-		14,894	14,894	-
Non - controlling interests increase	-	-	-	-	-		-	56,994	56,994
Total comprehensive loss for the period - Restated	-	-	(100,955)	-	-		-	(100,955)	(120,163)
Balance as at March 31, 2012	<u>1,000,000</u>	<u>415,423</u>	<u>(565,153)</u>	<u>73,900</u>	<u>-</u>		<u>73,900</u>	<u>924,170</u>	<u>1,309,949</u>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2013

"UNAUDITED"
"REVIEWED"

In Thousand Baht					
Separate financial statements					
Note	Issued and fully paid - up share capital	Premium on share capital	Unappropriated (deficit)	Other component of equity	Total shareholders' equity
				Other comprehensive income (expense) Excess from change in equity interest	
Balance as at January 1, 2013	1,002,913	413,967	(612,676)	(11,432)	792,772
Total comprehensive loss for the period	-	-	(90,996)	14,742	(76,254)
Balance as at March 31, 2013	<u>1,002,913</u>	<u>413,967</u>	<u>(703,672)</u>	<u>3,310</u>	<u>716,518</u>
Balance as at January 1, 2012 as previous reported	1,000,000	415,423	(306,706)	-	1,108,717
Effect of change in accounting policy	-	-	(1,270)	-	(1,270)
Balance as at January 1, 2012 as restated	1,000,000	415,423	(307,976)	-	1,107,447
Total comprehensive loss for the period - Restated	-	-	(59,728)	-	(59,728)
Balance as at March 31, 2012	<u>1,000,000</u>	<u>415,423</u>	<u>(367,704)</u>	<u>-</u>	<u>1,047,719</u>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2013

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax	(123,688)	(126,188)	(90,996)	(60,998)
Adjustments for				
Depreciation for Property, plant and equipment	31,960	32,800	2,591	3,336
Depreciation for Investment property	346	1,275	227	1,155
Doubtful account	6,076	2,000	5,668	-
Unrealized (gain) loss from investment in trading security	(123)	32	(123)	32
Unrealized (gain) loss from investment in securities available for sale	(1,849)	-	(1,849)	-
Gain on sale of investment in subsidiary company	-	-	-	(5,329)
Unrealized (gain) loss from exchange rate	(3,979)	-	(3,979)	-
(Gain) loss on sale of fixed assets	(8)	491	(8)	491
Gain on sale of property, plant and equipment	-	(18,080)	-	(17,609)
Loss from declining in value of inventories	18,098	4,228	16,534	3,714
Amortization of deferred finance charge in borrowing	-	5,835	-	5,835
Employee benefit	90	1,272	58	1,258
Interest income	(1)	(137)	-	(130)
Interest expenses of employee benefits	39	20	20	13
Interest expenses	83,691	64,391	63,425	52,797
Profit (loss) from operating activities before change in operating assets and liabilities	10,652	(32,061)	(8,432)	(15,435)
Decrease (Increase) in operating assets				
Trade and other accounts receivable - other companies	(100,956)	(29,095)	(27,329)	7,714
Trade and other accounts receivable - related companies	-	(143)	275	(148)
Inventories	(122,872)	(434,008)	(96,945)	(409,136)
Advance payment for goods	83,812	271,496	84,505	254,183
Other current assets	(637)	(677)	(19)	(119)
Other account receivable - advance payment for goods	-	25,701	-	25,701
Retention receivable	(1,187)	(1,415)	-	-
Other non-current assets	(97)	2,995	(47)	1,283
Increase (Decrease) in operating liabilities				
Trade and other accounts payable - other companies	102,292	148,981	44,553	69,382
Trade and other accounts payable - subsidiary and related companies	(220)	146	(226)	137
Advance receive for goods	-	(24,191)	-	(24,191)
Other current liabilities	8,964	(2,500)	39	-
Cash received (paid) from operating activities	(20,249)	(74,771)	(3,626)	(90,629)
Cash received from corporate income tax and withholding tax	1,107	-	-	-
Cash payment for corporate income tax and withholding tax	(240)	(127)	(66)	(36)
Cash received from interest income	3	209	-	-
Net Cash Provided by (Used in) from Operating Activities	(19,379)	(74,689)	(3,692)	(90,665)
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) Decrease in restricted bank deposit	23,678	-	27,681	-
Cash received from sale of investment in subsidiary company	-	-	-	56,994
Cash received from short-term loans to subsidiary company	-	-	-	20,356
Cash payment for short-term loans to subsidiary company	-	-	-	(22,663)
Cash received from sale of property, plant and equipment	9	-	9	-
Cash payment for purchase of property, plant and equipment	(566)	(339)	(8)	-
Cash payment for purchase of investment in securities available for sale	20,349	-	20,349	-
Net Cash Provided by (Used in) from Investing Activities	43,470	(339)	48,031	54,687

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE - MONTH PERIODS ENDED MARCH 31, 2013

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from sale of investment in subsidiary company	-	56,994	-	-
Increase (Decrease) in bank overdrafts and short-term loans from financial institutions	24,365	39,385	2,053	43,107
Cash payment for liabilities under finance lease agreement	(200)	(190)	(182)	(171)
Cash payment for Debt under restructuring agreement	(22,547)	-	(22,547)	-
Cash received from short - term loans from subsidiary company	-	-	41,600	-
Cash payment for short - term loan from subsidiary company	-	-	(36,550)	-
Cash payment for interest expenses	(29,731)	(25,737)	(29,271)	(18,251)
Net Cash Provided (Used in) from Financing Activities	(28,113)	70,452	(44,897)	24,685
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,022)	(4,576)	(558)	(11,293)
Cash and Cash Equivalents - Beginning of Period	7,930	14,421	3,482	14,103
CASH AND CASH EQUIVALENT END OF PERIOD	3,908	9,845	2,924	2,810

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements
For the three-month periods ended March 31, 2013 (Reviewed)

These notes form an integral part of the interim financial statements.

The interim financial statements were authorized for issue by the directors on May 14, 2013.

1. GENERAL INFORMATION

The Company has registered as the Company Limited in accordance with the Civil and Commercial Law Code on May 10, 1999, with the registered number 0107549000050, and registered as the Public Company Limited on March 27, 2006, with its registered head office at 636 Bangkhuntien-Chaitaleey Road, Thakham, Banghunting, Bangkok 10150.

The Company and its subsidiaries operate in the business of distribution of steel pipe, steel scrap and steel products and operates in foundation pile manufacturing, distribution, delivery and hammering. (The Company and its subsidiaries are called as "the Group".)

2. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (revised 2009) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared and presented in Thai Baht, which is the Group's functional currency.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2012. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2012.

3. BASIS OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its subsidiaries which the Company has controlling power are prepared using the same accounting policies as were used for the financial statements for the year ended December 31 2012, the Company has shareholding in directly and indirectly on this subsidiaries as follows

Name of Companies	Type of business	In Million Baht		Percentage of direct and indirect holding (%)	
		Paid-up share capital		March 31, 2013	December 31, 2012
		March 31, 2013	December 31, 2012		
Thai National Product Co., Ltd	Foundation pile manufacturing, delivery and hammering	261	261	100.00	100.00
Siam Ferro Industry Co., Ltd	Production and distribution of steel production and all steel pipe and engagement of steel	442	442	51.88	51.88

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

All significant intercompany transactions between the Company and its subsidiaries included in the consolidated financial statements have been eliminated.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2012, except for the change in the accounting policies due to the adoption of TAS 12 : Income Taxes as follow:

Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5. APPLICATION OF NEW ACCOUNTING STANDARDS

The Federation of Accounting Professions issued the accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance that are effective as follows:

a) Effective for the period beginning on or after January 1, 2013

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

Financial Reporting Standard:

TFRS 8 Operating Segments

Accounting Standard Interpretations:

SIC 10 Government Assistance - No Specific Relation to Operating Activities

SIC 21 Income Taxes - Recovery of Revalued Non-Depreciable Assets

SIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

The Group made the change described in Note 4 to the interim financial statements to its significant accounting policies, as a result of the adoption of TAS 12 Income Taxes. The cumulative effect of the change in the accounting policies has the effect to the financial statements which has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarized below:

	Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	March 31, 2013	December 31, 2012	January 1, 2012	March 31, 2013	December 31, 2012	January 1, 2012
Statements of financial position						
Increase in deferred tax assets	2,390	2,727	6,090	-	-	-
Increase in deferred tax liabilities	187,965	220,402	247,423	-	-	1,270
Decrease in non-controlling interests of the subsidiaries	(55,094)	(64,320)	(61,246)	-	-	-
Increase in excess from change in equity interest in subsidiaries	35,286	35,286	28,407	-	-	-
Decrease in unappropriated retained earnings	(165,767)	(188,641)	(208,494)	-	-	(1,270)

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31		For the three-month periods ended March 31	
	2013	2012	2013	2012
Statements of comprehensive income				
Decrease in income tax	(32,101)	(6,025)	-	(1,270)
Increase in profit attributable to non-controlling interest of the subsidiaries	9,226	1,180	-	-
Increase in profit attributable to owners of the parent	22,874	4,845	-	1,270
Increase in basic earnings per share	0.023	0.005	-	0.001

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b) New accounting standards issued not yet effective

During the current period, the Federation of Accounting Professions has issued notifications, already published in the Royal Gazette, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows.

		<u>Effective date</u>
Financial Reporting Standard:		
TFRS 4	Insurance Contracts	1 January 2016
Accounting Standard Interpretation:		
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014

The Group's management has assessed the effect of the above financial reporting standard, accounting standard interpretation and financial reporting standard interpretations and believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied.

6. RELATED PARTIES TRANSACTIONS

A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Types of relationship of related companies are as follows:

<u>Name of Companies</u>	<u>Type of business</u>	<u>Type of relationship</u>
Thai National Product Co., Ltd	Foundation pile manufacturing, delivery and hammering	Subsidiary
Siam Ferro Industry Co., Ltd	Production and distribution of steel production and all steel pipe and engagement of steel	Subsidiary
A.T. STEEL Co., Ltd.	Distribution of steel	Closed cousin of executive officer are director and shareholders

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Name of Companies	Type of business	Type of relationship
G.T. STEEL WORKS Co., Ltd.	Production and distribution of steel	Closed cousin of executive officer are director and shareholders

Pricing policies for each transactions are described as follows:

Type of transactions	Pricing policies
Revenues from sale	Price can be comparative against outside parties
Other income	Mutual agreement/Contract price
Purchases of goods	Price can be comparative against outside parties
Cost of service	Mutual agreement/Contract price
Interest income	Interest rate 7.13% - 7.25% per annum
Interest expense	Interest rate 7.00% - 7.13% per annum

Significant revenues and expenses derived from transactions with related parties for the three-month periods ended March 31, 2013 and 2012 are summarized as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Transaction with subsidiary companies				
(Eliminated from consolidated financial statements)				
Revenues from sales	-	-	2,116	579
Interest income	-	-	-	130
Others income	-	-	111	7
Purchase of goods	-	-	-	561
Subcontract production cost	-	-	13	2,924
Others expense	-	-	-	63
Interest expense	-	-	723	-

The balances of receivables from and payables to related parties as at March 31, 2013 and December 31, 2012 are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade and other account receivable				
Thai National Product Co., Ltd	-	-	2,077	2,336
Siam Ferro Industry Co., Ltd	-	-	5,296	5,312
Total	-	-	7,373	7,648
Less Allowance for doubtful debt	-	-	(5,296)	(5,296)
Net	-	-	2,077	2,352

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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For the three-month periods ended March 31, 2013 (Reviewed)

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade and other account payable				
Thai National Product Co., Ltd	-	-	1,694	952
Siam Ferro Industry Co.,Ltd.	-	-	190	215
G.T. Steel Works Co., Ltd.	11,747	11,947	11,747	11,947
A.T.Steel Co.,Ltd	713	743	713	743
Director	692	682	93	83
Total	13,152	13,372	14,437	13,940
Loan from				
Thai National Product Co., Ltd	-	-	53,516	48,466

Movements of Short term loan to subsidiary is as follows:

	In Thousand Baht			
	Separate financial statements			
	December 31, 2011	Increase	Decrease	December 31, 2012
Short-term loans to subsidiary				
Thai National Product Co., Ltd	4,180	45,429	(49,609)	-
(interest rate at 7.13% - 7.25% per annum)				

Movements of Short term loan from subsidiary is as follows:

	In Thousand Baht			
	Separate financial statements			
	December 31, 2012	Increase	Decrease	March 31, 2013
Short - term loan from subsidiary				
Thai National Product Co., Ltd	48,466	41,600	(36,550)	53,516
(interest rate at 7.00% per annum)				
	In Thousand Baht			
	Separate financial statements			
	December 31, 2011	Increase	Decrease	December 31, 2012
Short - term loan from subsidiary				
Thai National Product Co., Ltd	-	87,598	(39,132)	48,466
(interest rate at 7.00% - 7.13% per annum)				

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For the three-month periods ended March 31, 2013 and 2012, Key Managements Personnel Compensation are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Key managements personnel compensation				
Short-term employee benefits	2,627	2,646	2,627	2,646
Post-employment benefits	56	54	56	54
	<u>2,683</u>	<u>2,700</u>	<u>2,683</u>	<u>2,700</u>

7. NON - CASH TRANSACTIONS

For the three-month periods ended March 31, 2013 and 2012 significant non-cash transactions are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Purchase of fixed assets with credit	49	643	24	643
Sale of fixed assets with credit	18	20,034	-	17,500
Offsetting between trade accounts receivable and trade account payable	202	266	-	-
Increase in loan due for repayment from				
- Transferring out from long-term loans from financial institutions	-	843,272	-	843,272
- Transferring out from short-term loans from financial institutions	-	137,006	-	137,006
Long-term loans from financial institutions decrease by transfer to accrued interest	-	20,836	-	20,836
Investment in securities available for sale increase by unrealized gain	14,742	-	14,742	-

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For the three-month periods ended March 31, 2013 (Reviewed)

8. TRADE AND OTHER ACCOUNT RECEIVABLE - OTHER COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade account receivable				
Post dated cheques	45,521	117,667	44,043	81,668
Account receivable-returned cheques	8,077	8,108	-	-
Trade accounts receivable	1,966,847	1,790,585	1,500,556	1,435,079
Total	2,020,445	1,916,360	1,544,599	1,516,747
Less : Allowance for doubtful debt	(53,121)	(52,713)	(9,905)	(9,905)
Net	1,967,324	1,863,647	1,534,694	1,506,842
Other account receivable				
Revenue department receivable	2,689	1,388	327	452
Other receivable	16,498	20,711	13,724	13,579
Others	2,620	3,024	1,785	2,328
Total	21,807	25,123	15,836	16,359
Grand Total	1,989,131	1,888,770	1,550,530	1,523,201

As at March 31, 2013 and December 31, 2012, the trade accounts and note receivable-other companies are classified by aging as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Within credit term	414,112	589,757	262,053	413,954
Over due 1 to 90 days	835,206	365,509	691,444	237,003
Over due 91 to 180 days	229,824	784,284	132,425	736,456
Over due 181 to 365 days	482,048	123,006	439,972	119,429
Over due over 1 year	59,255	53,804	18,705	9,905
	2,020,445	1,916,360	1,544,599	1,516,747
Less : Allowance for doubtful debt - trade account receivable	(53,121)	(52,713)	(9,905)	(9,905)
Net	1,967,324	1,863,647	1,534,694	1,506,842

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Bad debts and doubtful debts expense - for the three-month periods ended March 31	408	2,000	-	-

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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In the consolidated financial statements as at March 31, 2013 and December 31, 2012, the Group factored some post dated cheques in the amount of Baht 26.80 million and Baht 27.68 million respectively, the separate financial statements in amount of Baht 26.80 million and Baht 27.00 million respectively, to discount with the financial institution according to note 18. The Group still has to take responsibility in the notes receivable if the financial institution cannot collect debt repayment from such notes receivable.

In the consolidated financial statements as at March 31, 2013 and December 31, 2012, a part of trade accounts receivable in the amount of Baht 43.51 million and Baht 23.23 million respectively, had be transferred the right of collection to one financial institution according to note no 18. The Group still has to take responsibility in the trade accounts receivable if the financial institution cannot collect debt repayment in accordance with such trade accounts receivable.

9. TRADE AND OTHER ACCOUNT RECEIVABLE - RELATED COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade account receivable	-	-	2,036	2,297
Other receivable	-	-	5,337	5,351
Total	-	-	7,373	7,648
Less : Allowance for doubtful debt-other account receivable	-	-	(5,296)	(5,296)
Net	-	-	2,077	2,352

As at March 31, 2013 and December 31, 2012, the trade accounts receivable - other companies are classified by aging as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Within credit term	-	-	2,036	2,239
Over due 1 to 90 days	-	-	-	58
Total	-	-	2,036	2,297

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

10. INVENTORIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Finished goods	491,563	320,817	404,974	256,498
Work in process	1,357	415	-	-
Good in transit	13,842	-	13,842	-
Raw materials	57,302	119,791	44,757	109,879
Supplies	14,277	14,446	3,865	4,116
Total	578,341	455,469	467,438	370,493
Less Allowance for declining in value of inventories	(24,822)	(14,002)	(15,916)	(6,660)
Net	553,519	441,467	451,522	363,833

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Loss of allowance for declining in value of inventories				
- For the three-month periods ended March 31	10,820	4,421	9,256	3,907

11. ADVANCE PAYMENT FOR GOODS

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Advance payment for goods	84,921	168,733	77,948	162,453
Less Allowance for declining in value of inventories	(8,156)	(878)	(8,156)	(878)
Doubtful debts expense	(5,668)	-	(5,668)	-
Net	71,097	167,855	64,124	161,575

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Loss of allowance for declining in value of inventories (Reversal)				
- For the three-month periods ended March 31	7,278	(193)	7,278	(193)
Doubtful debts expense				
- For the three-month periods ended March 31	5,668	-	5,668	-

12. INVESTMENT IN SECURITIES AVAILABLE FOR SALE

	In Thousand Baht	
	Consolidated and Separate financial statements	
	March 31, 2013	December 31, 2012
Cost value	122,490	140,990
Change in fair value of investment	3,310	(11,432)
Fair value	125,800	129,558

The whole amount of investment in securities available for sale, the Company has pledge to collateral for the debt under restructuring agreement with a financial institute

13. INVESTMENT IN SUBSIDIARIES

	Separate financial statements					
	In Thousand Baht					
	Percentage of direct and indirect Holding		Paid-up capital		Investment value Cost method	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
SUBSIDIARIES						
• Thai National Product Co., Ltd	100.00	100.00	261,006	261,006	639,478	639,478
• Siam Ferro Industry Co., Ltd	51.88	51.88	441,701	441,701	536,062	536,062
Less Allowance for impairment loss of investment in subsidiary					(105,616)	(105,616)
Net					1,069,924	1,069,924

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

14. INVESTMENT PROPERTY

For the three-month periods ended March 31, 2013, the movements of investment property were as follows:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2013	26,748	11,610
Less Depreciation for the periods	(346)	(227)
Net book value as at March 31, 2013	26,402	11,383

The consolidated financial statements as at March 31, 2013 and December 31, 2012 the Group's investment property in the book value of Baht 15.02 million and Baht 15.14 million, respectively, as collateral for loans granted by financial institutions as in note No. 16. and collateral against the merchandise orders and pledge for collateral for short - term loan from other person as in note No. 21.

The separate financial statements as at March 31, 2013 and December 31, 2012, The whole amount of investment property, as collateral for loans granted by financial institutions as in note No. 16.

15. PROPERTY, PLANT AND EQUIPMENT

For the three-month periods ended March 31, 2013, the movements are as follows:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2013	1,566,019	93,611
Acquisitions	615	33
Disposal	(56)	(28)
Accumulated depreciation for disposal	38	27
Depreciation for the period	(31,960)	(2,591)
Net book value as at March 31, 2013	1,534,656	91,052

Consolidated Financial Statements

As at March 31, 2013 and December 31, 2012, The Group mortgaged land plus building in book value of Baht 450.78 million and Baht 452.45 million respectively, and some part machine in book value of Baht 51.69 million and Baht 56.03 million respectively, is collateral of loans from the financial institutes with note No. 16.

As at March 31, 2013 and December 31, 2012, The Group mortgaged land plus building in the book value of Baht 535.54 million and Baht 594.35 million, is collateral of loans from persons and other companies as in note No. 21.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

Separate Financial Statements

As at March 31, 2013 and December 31, 2012, the Company mortgaged land plus building in book value of Baht 52.23 million and Baht 55.45 million respectively, and some part machine in book value of Baht 21.92 million and Baht 23.19 million respectively, is collateral of loans from the financial institutes with note No. 16.

16. CREDIT FACILITIES AND GUARANTEE

The Group has credit line from commercial bank and several financial institutions in form overdraft, trust receipts, short-term and long-term loan, the letter of guarantee, note receivable discount and factoring by granted the total credit line as at March 31, 2013 and December 31, 2012, in amount of Baht 2,042.37 million and Baht 2,043.06 million respectively, and credit line for forward contract in amount of US Dollars 4.00 million, equally for both periods. It is pledged by the Company's mortgage register of land plus building and some part machine of the Company, some part land plus building and machine of subsidiary company, land plus building of a director and related companies, notes receivable, a part of deposit at bank and guaranteed by director, related companies and subsidiary company and beneficiary from insurance in building, machinery and equipment to commercial bank and financial institutions.

17. LOANS THAT DUE FOR REPAYMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trust receipts	462,127	462,127	462,127	462,127
Promissory note	195,499	195,499	195,499	195,499
Long-term loans from financial institutions	373,732	373,732	373,732	373,732
Total	<u>1,031,358</u>	<u>1,031,358</u>	<u>1,031,358</u>	<u>1,031,358</u>

The consolidated and separate financial statements as at March 31, 2013 and December 31, 2012, the loan which due to payment was arisen from trust receipt, promissory notes, and long-term loan which the Company had entered into debt restructuring agreement dated August 16, 2011, However, the Company did not completely repay the debt in accordance with the debt restructuring agreement, thence reclassified such debt as the loan which due to payment, the Company is under negotiation of new repayment term with such finance institute.

The consolidated and separate financial statements as at December 31, 2013, the company has the restricted bank deposit in amount of Baht 28.06 million with such financial institute.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month periods ended March 31, 2013 (Reviewed)

18. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	March	December	March	December
	31, 2013	31, 2012	31, 2013	31, 2012
Bank overdrafts	9,987	9,976	9,987	9,976
Bill of exchange and discount post date cheque	26,796	27,679	26,796	26,996
Account payable factoring	46,226	23,230	-	-
Trust receipts	29,125	26,884	29,125	26,884
Promissory note	16,000	16,000	16,000	16,000
Net	128,134	103,769	81,908	79,856

18.1 The consolidated and separate financial statement as at March 31, 2013 and December 31, 2012, the Company took bill of exchange and notes receivable to discount with merchant bank are carried by interest rates of 7.00% and 7.00% - 7.87% per annum, respectively.

18.2 The consolidated financial statement as at March 31, 2013 and December 31, 2012, account payable factoring arisen from the Company took account receivable to discount with merchant bank are carried by interest rates of 7.75% - 7.88% per annum.

18.3 The consolidated and separate financial statement as at March 31, 2013 and December 31, 2012, trust receipt is carried by interest rates of 6.00% and 6.00% - 6.13% per annum, respectively.

18.4 The consolidated and separate financial statement as at March 31, 2013 and December 31, 2012, short term loan from the financial institutes is borrowing in form of promissory note, carried interest rate of 7.00% per annum and 7.00% – 7.13% per annum, respectively.

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

19. TRADE AND OTHER ACCOUNTS PAYABLE - OTHER COMPANIES

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	March	December	March	December
	31, 2013	31, 2012	31, 2013	31, 2012
Trade account payable				
Trade account payables	689,644	595,350	555,839	512,447
Other account payable				
Accrued expenses	15,757	12,773	4,998	5,415
Other account payable	20,459	19,403	12,929	15,306
Others	109	155	30	30
Total other account payable	36,325	32,331	17,957	20,751
Grand Total	725,969	627,681	573,796	533,198

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
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20. TRADE AND OTHER ACCOUNTS PAYABLE - RELATED PARTIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Trade account payable				
Trade Account Payable	8,647	8,647	8,661	8,647
Other account payable				
Accrued expenses	2,450	1,805	1,851	952
Other Payable	2,055	2,920	3,925	4,141
Others	-	-	-	200
Total other account payable	4,505	4,725	5,776	5,293
Grand Total	13,152	13,372	14,437	13,940

21. SHORT-TERM LOANS FROM OTHER PERSON AND COMPANY

The consolidated financial statement as at March 31, 2013 and December 31, 2012, the part amount of Baht 300 million is short – term loans from other company, carried interest rate of 15% per annum, while the subsidiary company mortgaged land and building is collateral of loans. By the subsidiary company and the lender makes the mortgage land contract and considered this as evidence of the loans contract, while the mortgages has term to redeem for three months (maturity date of June 21, 2011) and when due, the subsidiary company and lender agree to continue extended the due period for next 3 months, in each time of extended, the borrower has charged the extended fees in the rate of 11.40% per annum and interest in the rate of 15.0% per annum, The final maturity date is October 22, 2012 which the subsidiary has not extended the maturity date, due to under negotiation of new condition to repayment.

The consolidated financial statement as at March 31, 2013 and December 31, 2012, the part amount of Baht 5.00 million is short - term loans from other person, carried interest rate of 12% per annum, while the subsidiary company mortgaged investment property is collateral of loans.

22. LIABILITIES UNDER FINANCIAL LEASE AGREEMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Liabilities under Financial Lease Agreement	1,250	1,475	1,070	1,269
Less Interest Payment from Financial Lease Agreement	(92)	(117)	(50)	(67)
Net	1,158	1,358	1,020	1,202
Less Current Portion	(833)	(819)	(754)	(743)
Net	325	539	266	459
Present value of minimum lease payment				

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For the three-month periods ended March 31, 2013 (Reviewed)

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Within one year	833	819	754	743
After one year but within five years	325	539	266	459
Total	1,158	1,358	1,020	1,202

The consolidated financial statement as at March 31, 2013 and December 31, 2012, the Group comprises asset under the financial leased agreement in the type of vehicle. The net book value of Baht 1.24 million and Baht 1.43 million respectively, and the separate financial statements as at March 31, 2013 and December 31, 2012, There is net book value of Baht 1.10 million and Baht 1.27 million respectively. The Group will receive ownership in such asset when the Company completely repays debt to creditors in accordance with the financial leased agreement.

23. DEBT UNDER RESTRUCTURING AGREEMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Long term loans from financial institutions	615,482	638,000	615,482	638,000
Accrued interest pending for waiving	19,137	22,072	19,137	22,072
Accrued interest expenses under restructuring agreement	34,443	34,443	34,443	34,443
Less Current portion	(227,953)	(248,667)	(227,953)	(248,667)
Net	441,109	445,878	441,109	445,878

For the three-month periods ended March 31, 2013 and 2012, the movement of long-term loans are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Balance as of beginning	694,545	864,108	694,545	864,108
Transfer out to loan that due for repayment	-	(843,272)	-	(843,272)
Transfer to accrued interest	-	(20,836)	-	(20,836)
Realized debt under restructuring agreement to reduce interest expense	(2,936)	-	(2,936)	-
Repayment	(22,547)	-	(22,547)	-
Balance as of ending	669,062	-	669,062	-

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The consolidated and separate financial statement, debt under restructuring agreement derived from the debt restructuring contract no. 5 dated June 27, 2012, and revision issued no. 4 dated February 26, 2013. The contract has define important condition such as finding additional securities, transferred assets to settle the debt. The contract has classify the debt to 3 tranches which as following:

First tranche : The principal amount of Baht 261.43 million, accrued interest amount of Baht 24.87 million, as at March 31, 2013 and December 31, 2012, remaining balance amount of Baht 270.47 million and 277.07 million, the financial institution agree to discount interest rate from default rate to former contract rate. An accrued interest after discount amount of Baht 16.82 million which agree to monthly installments in amount of Baht 500,000, commencing in July 2013 onward and will completely repayment in December 2015. The principle debt bear interest rate at MLR per annum, the principle is repayable on a monthly basis commencing on March 2013 which has term of repayment as followings :

<u>Installment</u>	<u>Principal Repayment per Installment</u> (Million Baht)
March 2013	6.0
April 2013 - December 2013	2.0
January 2014 - November 2017	5.0
December 2017	Outstanding

Second tranche : The principal amount of Baht 262.56 million, accrued interest amount of Baht 24.10 million, as at March 31, 2013 and December 31, 2012, remaining balance amount of Baht 204.64 million and 209.25 million, the financial institution agree to discount interest rate from default rate to former contract rate. An accrued interest after discount amount of Baht 8.78 million which agree to monthly installments in amount of Baht 500,000, commencing in July 2013 onward and will completely repayment in December 2014. The principle debt bear interest rate at MLR per annum, the principle is repayable on a monthly basis commencing on March 2013 which has term of repayment as followings :

<u>Installment</u>	<u>Principal Repayment per Installment</u> (Million Baht)
March 2013	3.0
April 2013 - December 2013	1.0
January 2014 - August 2015	12.0
September 2015	Outstanding

Third tranche : The principal amount of Baht 211.73 million, accrued interest amount of Baht 17.18 million, as at March 31, 2013 and December 31, 2012, remaining balance amount of Baht 193.96 million and 208.22 million, the financial institution agree to discount interest rate from default rate to former contract rate. An accrued interest after discount amount of Baht 8.85 million which agree to monthly installments in amount of Baht 500,000, commencing in July 2013 onward and will completely repayment in December 2014. The principle debt bear interest rate at MLR per annum, the principle is installment repayment for every three months, commencing September 2012 and will be completely repayment within June 2014 which has term of repayment as followings :

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<u>Installment</u>	<u>Minimum Principal Repayment per Installment (Million Baht)</u>
September 2012	17.1
December 2012 - February 2013	grace period
March 2013 – March 2014	30.0
June 2014	Outstanding

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

24. INCOME TAX

Income tax expenses for the three-month periods ended March 31, 2013 and 2012 as follows:

	In Thousand Baht			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2013	2012 “Restated”	2013	2012 “Restated”
Current income tax expenses:				
Current income tax expenses for periods	(4,128)	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	2,764	6,025	-	1,270
Decrease in income tax rates	29,336	-	-	-
Income tax (expenses) revenues reported in the statement of comprehensive income	<u>27,972</u>	<u>6,025</u>	<u>-</u>	<u>1,270</u>

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Reconciliation between income tax (expenses) revenues and the product of accounting profit (loss) multiplied by the applicable tax rates for the three-month periods ended March 31, 2013 and 2012 as follows:

	In Thousand Baht	
	Consolidated financial statements	
	2013	2012
		"Restated"
Accounting profit (loss) before tax	(123,688)	(126,188)
Applicable tax rate	20%	23%
Accounting profit (loss) before tax multiplied by applicable tax rate	24,738	29,023
Effects of deferred tax from decrease in tax rates	29,336	-
Effect of income exempt from tax and non-deductible expenses for tax purposes	(26,102)	(22,998)
Income tax (expenses) revenues reported in the statement of comprehensive income	27,972	6,025

	In Thousand Baht	
	Separate financial statements	
	2013	2012
		"Restated"
Accounting profit (loss) before tax	(90,996)	(60,998)
Applicable tax rate	20%	23%
Accounting profit (loss) before tax multiplied by applicable tax rate	18,199	14,029
Effects of deferred tax from decrease in tax rates	-	-
Effect of income exempt from tax and non-deductible expenses for tax purposes	(18,199)	(12,759)
Income tax (expenses) revenues reported in the statement of comprehensive income	-	1,270

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For the three-month periods ended March 31, 2013 (Reviewed)

The components of deferred tax assets and liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012 "Restated"	March 31, 2013	December 31, 2012 "Restated"
Deferred tax assets				
Allowance for doubtful accounts	991	1,147	-	-
Allowance for declining in value of inventories	997	1,125	-	-
Employee benefit obligations	402	455	-	-
Total	2,390	2,727	-	-
Deferred tax liabilities				
Fair value adjustment of property, plant and equipment acquired in business combinations	(187,965)	(220,402)	-	-
Total	(187,965)	(220,402)	-	-
Net	(185,575)	(217,675)	-	-

As at March 31, 2013 and December 31, 2012 the Group had temporary differences for future tax deductible and unutilised tax losses carry forward which have not been recognised as deferred tax assets in the statement of financial position, the consolidated financial statement amount of Baht 207.96 million and Baht 206.00 million and the separate financial statement amount of Baht 145.73 million and Baht 144.17 million because it is not probable that it will be able to utilise the tax benefit in the foreseeable future.

25. EARNINGS (LOSS) PER SHARE

For the three-month periods ended March 31, 2013 and 2012, the Company calculates earnings (loss) per share as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Earnings (loss) per share				
Loss for the period, owners of the parent	(84,359)	(100,955)	(90,996)	(59,728)
The weighted average of number of ordinary shares (Thousand shares)	1,002,913	1,000,000	1,002,913	1,000,000
Loss per share (Baht)	(0.084)	(0.101)	(0.091)	(0.060)

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26. SEGMENT FINANCIAL INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Group is operating in business sector, i.e. (a) product and distribution of material type steel coil, steel slit and steel billets and distribution of finished goods type steel pipe and steel products including all steel pipe production and (b) manufacture foundation pile plus transportation and hammer foundation pile and, which include in other business 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 segment financial information of the Group is as follows:

	In Thousand Baht						
	Consolidated financial statements						
	For the three-month periods ended March 31, 2013						
	Steel Business			Business Piles		Eliminate	Total
	Distribution of Material	Distribution of Finished Good	Service	Produce and Distribution	Service		
Revenue from Sales and services							
- External Customer	116,159	635,397	1,857	82,616	31,447		867,476
- Inter-segment revenue	-	2,116	13	-	-	(2,129)	-
Total	116,159	637,513	1,870	82,616	31,447	(2,129)	867,476
Profit (loss) from Operation	8,995	(33,057)	(11,303)	6,975	5,298		(23,092)
Others income							10,088
Common expenses							(27,508)
Finance costs							(83,176)
Income tax (expenses)							
revenues							27,972
Profit (loss) for the period							(95,716)
Non - controlling interests							11,357
Profit (loss) for the equity holders of the company							(84,359)
Fixed assets	1,054,845			479,811			1,534,656
Other assets							2,805,548
Total assets							4,340,204

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	In Thousand Baht						
	Consolidated financial statements						
	For the three-month periods ended March 31, 2012						
	Steel Business		Service	Business Piles		Eliminate	Total
	Distribution of Material	Distribution of Finished Good		Produce and Distribution	Service		
Revenue from Sales and services							
- External Customer	64,588	581,233	-	46,127	19,306		711,254
- Inter-segment revenue	-	1,100	2,924	-	-	(4,024)	-
Total	64,588	582,333	2,924	46,127	19,306	(4,024)	711,254
Profit (loss) from Operation	600	(22,147)	(4,388)	(15,567)	364		(42,338)
Others income							21,755
Common expenses							(26,694)
Finance costs							(78,911)
Income tax							
(expenses) revenues							6,025
Profit (loss) for the period							(120,163)
Non – controlling interests							19,208
Profit(loss) for the equity holders of the company							(100,955)
Fixed assets	1,099,121			563,515			1,662,636
Other assets							2,793,753
Total assets							4,456,389

27. LITIGATION

As at March 31 2013 and December 31, 2012, two lawsuits had been filed against a subsidiary , claiming in the amount Baht 47.59 Million This comprised debt of Baht 46.82.million arising from the purchase of goods and interest charges of Baht 0.77 million plus interest until the payment is settled. The subsidiary has recorded the full amount of this cost in its accounts. However, the amount payable has not yet been finalised because the case is being heard by the Court, However, the management of the Company and the subsidiary believe that no significant damage will be suffered by the Company and the subsidiary and no provision has been recorded in respect of the accrued interest in connection with these claims.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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28. OBLIGATIONS AND CONTINGENT LIABILITIES

- 28.1 Apart from liabilities shown on the financial statements, the Group still remains other obligations and contingent liabilities with commercial banks as follows :

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Contingent liabilities with Commercial banks				
- Letters of guarantee	8.77	4.97	2.79	1.99
Contingent liabilities with other person				
- Post - dated cheque for pledged	9.75	9.75	-	-

- 28.2 The Company comprises obligation commitment according to the contract of labor engagement to produce steel with one company. The contract holds the life of one year ended on July 31, 2013. It is determined that the life is automatically renewed for the period of 1 year. The engagement fee is the actual wage rate and charged the handling fee with 3.50% per annum of the actual wage.