

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

Interim Financial Information

For the three-month and nine-month periods ended September 30, 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 September 30, 2013, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2013 and statement of changes in shareholders' equity, and cash flows for the nine-month periods ended September 30, 2013 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 September 30, 2013, the statements of comprehensive income for the three-month and nine-month periods ended September 30, 2013 and statements of changes in shareholders' equity and cash flows for the nine-month periods ended September 30, 2013 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
November 13, 2013

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2013

		In Thousand Baht					
		Consolidated financial statements			Separate financial statements		
		September 30, 2013	December 31, 2012	January 1, 2012	September 30, 2013	December 31, 2012	January 1, 2012
		"Unaudited"	"Audited"	"Audited"	"Unaudited"	"Audited"	"Audited"
Notes		"Reviewed"	"Restated"	"Restated"	"Reviewed"	"Restated"	"Restated"
ASSETS							
CURRENT ASSETS							
		14,674	7,930	14,421	13,743	3,482	14,103
		337	214	259	337	214	259
	7	1,470,059	1,888,770	1,345,398	1,223,051	1,523,201	1,029,620
	6,8	-	-	-	69,184	2,352	5,461
	6	-	-	-	-	-	4,180
	9	789,930	441,467	407,972	549,841	363,833	295,961
	10	135,104	167,855	539,381	131,101	161,575	521,127
		5,545	6,023	4,474	580	1,046	1,976
		<u>2,415,649</u>	<u>2,512,259</u>	<u>2,311,905</u>	<u>1,987,837</u>	<u>2,055,703</u>	<u>1,872,687</u>
NON - CURRENT ASSETS							
		2,407	31,270	6,092	599	28,063	1,174
	11	26,747	129,558	-	26,747	129,558	-
	12	-	-	-	1,001,924	1,069,924	1,199,191
	13	25,704	26,748	124,014	10,922	11,610	108,401
	14	1,516,164	1,566,019	1,696,518	88,479	93,611	105,525
		-	-	161,236	-	-	161,236
		28,128	14,139	11,784	-	-	-
	5,23	4,406	2,727	6,090	-	-	-
		11,084	4,272	6,244	418	372	536
		<u>1,614,640</u>	<u>1,774,733</u>	<u>2,011,978</u>	<u>1,129,089</u>	<u>1,333,138</u>	<u>1,576,063</u>
		<u>4,030,289</u>	<u>4,286,992</u>	<u>4,323,883</u>	<u>3,116,926</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 SEPTEMBER 30, 2013

		In Thousand Baht					
		Consolidated financial statements			Separate financial statements		
		September 30, 2013	December 31, 2012	January 1, 2012	September 30, 2013	December 31, 2012	January 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	16	593,670	1,031,358	745,719	593,670	1,031,358	745,719
Bank overdrafts and short-term loans from financial institutions	17	186,487	103,769	217,541	130,731	79,856	213,819
Trade and other accounts payable - other companies	18	611,641	627,681	472,546	535,815	533,198	384,447
Trade and other accounts payable - related companies	6,19	12,417	13,372	9,389	15,657	13,940	10,703
Current portion							
- Liabilities under finance lease agreement	21	658	819	775	581	743	698
- Liabilities under debt restructuring agreement	22	40,030	248,667	19,665	40,030	248,667	19,665
Short - term loans from other company	20	300,000	300,000	300,000	-	-	-
Short - term loans from related person and company	6	5,000	5,000	-	49,124	48,466	-
Income tax payable		8,494	288	1,171	-	-	-
Accrued interest		190,562	274,492	48,088	35,890	182,471	39,022
Advance received for goods		7,141	9,411	40,679	7,141	9,411	82,733
Other current liabilities		5,582	6,586	1,787	5	-	-
Total current liabilities		1,961,682	2,621,443	1,857,360	1,408,644	2,148,110	1,496,806
NON - CURRENT LIABILITIES							
Liabilities under finance lease agreement	21	90	539	1,358	68	459	1,202
Debt under restructuring agreement	22	1,274,757	445,878	840,691	1,274,757	445,878	840,691
Employee benefit obligations		4,734	4,344	3,852	1,855	1,622	1,334
Deferred tax liabilities	5,23	180,604	220,402	247,423	-	-	1,270
Others non - current liabilities		81	81	81	-	-	-
Total non - current liabilities		1,460,266	671,244	1,093,405	1,276,680	447,959	844,497
TOTAL LIABILITIES		3,421,948	3,292,687	2,950,765	2,685,324	2,596,069	2,341,303
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		(1,120,949)	(819,794)	(464,198)	(941,335)	(612,676)	(307,976)
Other component of equity		29,778	62,289	58,827	(43,943)	(11,432)	-
Total equity attributable to equity holders of the parent		325,709	659,375	1,010,052	431,602	792,772	1,107,447
Non - controlling interests		282,632	334,930	363,066	-	-	-
Total Shareholders' equity		608,341	994,305	1,373,118	431,602	792,772	1,107,447
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,030,289	4,286,992	4,323,883	3,116,926	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 SEPTEMBER 30, 2013

"UNAUDITED"
"REVIEWED"

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
	Notes		"Restated"		
REVENUES					
Revenue from sales		878,609	508,954	718,441	340,285
Revenue from services		24,977	26,205	-	-
Gain on sales of fixed assets		97	2,579	-	9,593
Other incomes		16,975	4,497	11,752	2,875
Total Revenues		920,658	542,235	730,193	352,753
EXPENSES					
Cost of sales		901,463	533,353	731,246	349,171
Cost of services		23,446	30,972	-	-
Selling expenses		5,801	2,139	611	1,472
Administrative expenses		27,759	14,737	18,979	10,741
Loss on impairment of investment in subsidiary		-	-	32,000	23,613
Loss on sale of investment in securities available for sale		26,549	-	26,549	-
Doubtful accounts (Reversal)		5,292	(29,765)	-	(31,678)
Management benefit expenses	6	2,744	2,469	2,744	2,469
Finance costs		61,586	112,312	41,184	91,857
Total Expenses		1,054,640	666,217	853,313	447,645
LOSS BEFORE INCOME TAX		(133,982)	(123,982)	(123,120)	(94,892)
Income tax (expenses) revenues	23	2,047	5,829	-	-
LOSS FOR THE PERIOD		(131,935)	(118,153)	(123,120)	(94,892)
Other comprehensive income (loss)					
Change in fair value of securities available for sale		(14,502)	(15,242)	(14,502)	(15,242)
Reclassified to loss on sale of investment in securities available for sale		26,549	-	26,549	-
Other comprehensive income (loss) for the period		12,047	(15,242)	12,047	(15,242)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(119,888)	(133,395)	(111,073)	(110,134)
Loss for the period attributable to :					
Equity holders of the parent		(113,313)	(99,156)	(123,120)	(94,892)
Non - controlling interests		(18,622)	(18,997)	-	-
		(131,935)	(118,153)	(123,120)	(94,892)
Total comprehensive loss for the period attributable to :					
Equity holders of the parent		(101,266)	(114,398)	(111,073)	(110,134)
Non - controlling interests		(18,622)	(18,997)	-	-
		(119,888)	(133,395)	(111,073)	(110,134)
BASIC LOSS PER SHARE					
Equity holders of the parent (baht)	24	(0.113)	(0.099)	(0.123)	(0.095)

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2013

"UNAUDITED"
"REVIEWED"

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
	Notes		"Restated"		"Restated"
REVENUES					
Revenue from sales		2,258,172	2,263,957	1,818,804	1,687,425
Revenue from services		85,947	70,796	-	-
Gain on sales of fixed assets		101	20,674	8	55,279
Gain on sales of investments in subsidiary		-	-	-	5,329
Other incomes		25,264	12,868	24,640	7,109
Total Revenues		2,369,484	2,368,295	1,843,452	1,755,142
EXPENSES					
Cost of sales		2,316,800	2,330,882	1,847,609	1,696,742
Cost of services		84,568	76,083	-	-
Selling expenses		9,365	8,443	2,055	4,879
Administrative expenses		64,248	52,617	46,593	33,096
Loss on impairment of investment in subsidiary		-	-	68,000	57,613
Loss on sale of investment in securities available for sale		25,816	-	25,816	-
Doubtful accounts (Reversal)		16,679	(29,765)	5,668	(31,677)
Management benefit expenses	6	8,111	7,653	8,111	7,653
Finance costs		229,175	253,148	168,259	192,548
Total Expenses		2,754,762	2,699,061	2,172,111	1,960,854
LOSS BEFORE INCOME TAX		(385,278)	(330,766)	(328,659)	(205,712)
Income tax (expenses) revenues	23	31,825	22,880	-	1,270
LOSS FOR THE PERIOD		(353,453)	(307,886)	(328,659)	(204,442)
Other comprehensive income (loss)					
Change in fair value of securities available for sale		(58,327)	(15,242)	(58,327)	(15,242)
Reclassified to loss on sale of investment in securities available for sale		25,816	-	25,816	-
Other comprehensive income (loss) for the period		(32,511)	(15,242)	(32,511)	(15,242)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(385,964)	(323,128)	(361,170)	(219,684)
Loss for the period attributable to :					
Equity holders of the parent		(301,155)	(255,283)	(328,659)	(204,442)
Non - controlling interests		(52,298)	(52,603)	-	-
		(353,453)	(307,886)	(328,659)	(204,442)
Total comprehensive loss for the period attributable to :					
Equity holders of the parent		(333,666)	(270,525)	(361,170)	(219,684)
Non - controlling interests		(52,298)	(52,603)	-	-
		(385,964)	(323,128)	(361,170)	(219,684)
BASIC LOSS PER SHARE					
Equity holders of the parent (baht)	24	(0.300)	(0.255)	(0.328)	(0.204)

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 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 equity holders of the parent	Non - controlling interests	Total shareholders' equity
					Other comprehensive income (expense)	Change in fair value of securities available for sale			
Balance as at January 1, 2013 as previous reported	1,002,913	413,967	(631,153)	38,435	(11,432)	27,003	812,730	399,250	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	334,930	994,305
Total comprehensive loss for the period	-	-	(301,155)	-	(32,511)	(32,511)	(333,666)	(52,298)	(385,964)
Balance as at September 30, 2013	<u>1,002,913</u>	<u>413,967</u>	<u>(1,120,949)</u>	<u>73,721</u>	<u>(43,943)</u>	<u>29,778</u>	<u>325,709</u>	<u>282,632</u>	<u>608,341</u>
Balance as at January 1, 2012 as previous reported	1,000,000	415,423	(255,704)	30,420	-	30,420	1,190,139	424,312	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	363,066	1,373,118
Adjust for change in equity interest in subsidiariy	-	-	-	179	-	179	179	(179)	-
Excess from change in equity interest in subsidiary	-	-	-	14,894	-	14,894	14,894	(14,894)	-
Increase in share capital	2,913	(1,457)	-	-	-	-	1,456	-	1,456
Non - controlling interests increase	-	-	-	-	-	-	-	56,994	56,994
Total comprehensive loss for the period - as restated	-	-	(255,283)	-	(15,242)	(15,242)	(270,525)	(52,603)	(323,128)
Balance as at September 30, 2012	<u>1,002,913</u>	<u>413,966</u>	<u>(719,481)</u>	<u>73,900</u>	<u>(15,242)</u>	<u>58,658</u>	<u>756,056</u>	<u>352,384</u>	<u>1,108,440</u>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 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) Change in fair value of securities available for sale	
Balance as at January 1, 2013	1,002,913	413,967	(612,676)	(11,432)	792,772
Total comprehensive loss for the period	-	-	(328,659)	(32,511)	(361,170)
Balance as at September 30, 2013	<u>1,002,913</u>	<u>413,967</u>	<u>(941,335)</u>	<u>(43,943)</u>	<u>431,602</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	5	-	(1,270)	-	(1,270)
Balance as at January 1, 2012 as restated	1,000,000	415,423	(307,976)	-	1,107,447
Increase in share capital	2,913	(1,457)	-	-	1,456
Total comprehensive loss for the period - as restated	-	-	(204,442)	(15,242)	(219,684)
Balance as at September 30, 2012	<u>1,002,913</u>	<u>413,966</u>	<u>(512,418)</u>	<u>(15,242)</u>	<u>889,219</u>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 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	(385,278)	(330,766)	(328,659)	(205,712)
Adjustments for				
Depreciation for property, plant and equipment	95,687	98,097	7,243	9,825
Depreciation for investment property	1,044	3,803	688	3,448
Doubtful account (Reversal)	16,678	(29,765)	5,668	(31,677)
Loss of non-refundable withholding tax	-	1,517	-	1,298
Unrealized (gain) loss from investment in trading security	(123)	26	(123)	26
(Gain) loss on sale of investment in securities available for sale	25,816	-	25,816	-
Gain on sale of investment in subsidiary company	-	-	-	(5,329)
Unrealized (gain) loss from exchange rate	2,064	-	2,064	-
Gain on sale of property, plant and equipment	(101)	(20,674)	(8)	(55,279)
Loss from impairment of investment in subsidiary company	-	-	68,000	57,613
Loss from declining in value of inventories	38,362	13,646	29,804	11,757
Loss from written off fixed assets	15	4	-	4
Employee benefit	271	263	176	168
Interest income	(70)	(569)	-	(229)
Interest expenses of employee benefits	119	106	57	47
Interest expenses	228,426	253,094	168,055	192,252
Profit (loss) from operating activities before change in operating assets and liabilities	22,910	(11,218)	(21,219)	(21,788)
Decrease (Increase) in operating assets				
Trade and other accounts receivable - other companies	403,935	(427,125)	300,150	(382,022)
Trade and other accounts receivable - related companies	-	-	(66,832)	153
Inventories	(387,702)	(268,248)	(216,691)	(228,620)
Advance payment for goods	27,961	488,850	25,684	491,717
Other current assets	1,487	1,711	769	514
Other account receivable - advance payment for goods	-	4,927	-	4,927
Retention receivable	(13,988)	331	-	-
Other non-current assets	(6,812)	2,949	(47)	1,305
Increase (Decrease) in operating liabilities				
Trade and other accounts payable - other companies	(38,114)	148,293	(1,485)	117,093
Trade and other accounts payable - related companies	(955)	55,462	(939)	6,281
Advance receive for goods	(2,270)	(31,259)	(2,269)	(73,314)
Other current liabilities	(1,004)	5,527	5	-
Cash received (paid) from operating activities	5,448	(29,800)	17,126	(83,754)
Cash received from corporate income tax	1,107	-	-	-
Cash payment for corporate income tax	(1,749)	(964)	(303)	(551)
Cash received from interest income	72	778	-	233
Net Cash Provided by (Used in) from Operating Activities	4,878	(29,986)	16,823	(84,072)
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in restricted bank deposit	28,863	-	27,464	-
Cash received from sale of investment in subsidiary company	-	-	-	56,994
Cash received from short-term loans to subsidiary company	-	-	-	49,609
Cash payment for short-term loans to subsidiary company	-	-	-	(45,429)
Cash received from sale of property, plant and equipment	140	924	8	35,343
Cash payment for purchase of property, plant and equipment	(22,376)	(1,317)	(73)	-
Cash received from sale of property investment	-	43,161	-	43,161
Cash received from sale of investment in securities available for sale	44,484	-	44,484	-
Net Cash Provided by (Used in) from Investing Activities	51,111	42,768	71,883	139,678

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 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 in bank overdrafts and short-term loans from financial institutions	82,718	59,925	50,876	38,266
Cash payment for liabilities under finance lease agreement	(610)	(577)	(553)	(519)
Cash payment for loans that due to repayment	(17,026)	-	(17,026)	-
Cash payment for Debt under restructuring agreement	(79,582)	(58,847)	(79,582)	(58,847)
Cash received from short - term loans from subsidiary company	-	-	144,975	44,243
Cash payment for short - term loan from subsidiary company	-	-	(144,317)	(13,412)
Cash received from increase share capital	-	1,456	-	1,456
Cash payment for interest expenses	(34,745)	(53,912)	(32,818)	(53,504)
Net Cash Provided (Used in) from Financing Activities	(49,245)	5,039	(78,445)	(42,317)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,744	17,821	10,261	13,289
Cash and Cash Equivalents - Beginning of Period	7,930	14,421	3,482	14,103
CASH AND CASH EQUIVALENT END OF PERIOD	14,674	32,242	13,743	27,392
Supplementary Disclosure of Cash Flow Information				
Non-cash item				
1. Purchase fixed asset by credit	23,511	1,018	2,038	1,018
2. Sale fixed asset by credit	-	17,247	8	17,247
3. Offsetting between trade account receivable and trade account payable	3,763	90,783	-	43,349
4. Transferred debt under restructuring agreement to loans due for repayment	610,696	1,031,358	610,696	1,031,358
5. Transferred loans due for repayment to debt under restructuring agreement	1,031,358	-	1,031,358	-
6. Transferred accrued interest to debt under restructuring agreement	286,920	-	286,920	-
7. Other receivable - advance payment for goods decrease by offsetting with investment in securities available for sale	-	187,986	-	187,986
8. Investment in securities available for sale decrease from unrealize loss	43,943	15,242	43,943	15,242

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements
For the three-month and nine-month periods ended September 30, 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 November 13, 2013.

1. GENERAL INFORMATION AND GOING CONCERN

1.1. 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-Chaitaley Road, Thakham, Bangkhuntien, 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 pile driving. (The Company and its subsidiaries are called as "the Group".)

1.2. GOING CONCERN

The Group made losses for the three-month and nine-month periods ended 30 September 2013 of Baht 131.94 million and Baht 353.45 million (The Company made losses for the three-month and nine-month periods ended 30 September 2013: Baht 123.12 million and Baht 328.66 million, respectively). As at 31 December 2012 The Group and the Company had current liabilities exceeded current assets by Baht 109.18 million and Baht 92.41 million, respectively, including the group has unfinalized contentious case in the court as mention in notes to financial statement no. 26. These conditions indicate the existence of a material uncertainty that may cause significant doubt about the ability of the Group and the Company to continue as going concerns. The Group and the Company needs to generate sufficient cash flows to meet both its working capital requirements and its operating obligations. The financial statements have been prepared on a going concern basis which do not include any adjustments that would be required (including any which may be required in relation to the valuation of the Group and the Company's or the subsidiaries' assets) should the Group and the Company be unable to generate sufficient cash flows and/or raise additional financing from other sources in order to enable it to continue as going concerns. However, the managements are confident the planned capital raisings and negotiation with creditors will continue to be successfully completed.

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.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

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 those subsidiaries as follows:

Name of Companies	Type of business	In Million Baht		Percentage of direct and indirect holding (%)	
		Paid-up share capital		September 30, 2013	December 31, 2012
		September 30, 2013	December 31, 2012		
Thai National Product Co., Ltd.	Foundation pile manufacturing, delivery and pile driving	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

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.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

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

Financial Reporting Standard:

TFRS 8	Operating Segments
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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.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

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		
	September	December	January	September	December	January
	30, 2013	31, 2012	1, 2012	30, 2013	31, 2012	1, 2012
Statements of financial position						
Increase in deferred tax assets	4,406	2,727	6,090	-	-	-
Increase in deferred tax liabilities	180,604	220,402	247,423	-	-	1,270
Decrease in non-controlling interests of the subsidiaries	(53,446)	(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	(158,038)	(188,641)	(208,494)	-	-	(1,270)

	Thousand Baht			
	Consolidated financial statements			
	For the three-month periods ended		For the nine-month periods ended	
	September 30		September 30	
	2013	2012	2013	2012
Statements of comprehensive income				
Decrease in income tax	(4,439)	(5,829)	(41,478)	(22,880)
Increase in profit attributable to non-controlling interest of the subsidiaries	821	1,925	10,875	2,858
Increase in profit attributable to equity holders of the parent	3,619	3,904	30,603	20,022
Increase in earnings per share	0.004	0.004	0.031	0.020

	Thousand Baht			
	Separate financial statements			
	For the three-month periods ended		For the nine-month periods ended	
	September 30		September 30	
	2013	2012	2013	2012
Statements of comprehensive income				
Decrease in income tax	-	-	-	(1,270)
Increase in profit attributable to equity holders of the parent	-	-	-	1,270
Increase in earnings per share	-	-	-	0.001

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

b) New accounting standards issued not yet effective

During the period, the Federation of Accounting Professions has issued notifications, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows:

		<u>Effective date</u>
Accounting Standard:		
TAS 12 (Revised 2012)	Income Taxes	January 1, 2014
Financial Reporting Standard:		
TFRS 4	Insurance Contracts	January 1, 2016
Accounting Standard Interpretations:		
TSIC 15	Operating Leases-Incentives	January 1, 2014
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	January 1, 2014
TSIC 29	Service Concession Arrangements: Disclosures	January 1, 2014
TSIC 32	Intangible Assets-Web Site Costs	January 1, 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	January 1, 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	January 1, 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	January 1, 2014
TFRIC 7	Applying the Restatement Approach under TAS 29	January 1, 2014
	Financial Reporting in Hyperinflationary Economies	
TFRIC 10	Interim Financial Reporting and Impairment	January 1, 2014
TFRIC 12	Service Concession Arrangements	January 1, 2014
TFRIC 13	Customer Loyalty Programmes	January 1, 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	January 1, 2014
TFRIC 18	Transfers of Assets from Customers	January 1, 2014

The management of the Group and the Company have 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.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

Types of relationship of related companies are as follows:

Name of Companies	Type of business	Type of relationship
Thai National Product Co., Ltd	Foundation pile manufacturing, delivery and pile driving	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
G.T. STEEL WORKS Co., Ltd.	Production and distribution of steel	Closed cousin of executive officer are director and shareholders
Max Metal Corporation Public Co.,Ltd.	Procurement and distribution of steel product	Related by exclusive strategic operator to provide management service of business affairs since April 1,2012 and ended of relationship at July 1, 2012
MSP Metal Co.,Ltd.	Procurement and distribution of steel product	Related via subsidiary of Max Metal Corporation Pcl. and ended of relationship at July 1, 2012
Ms. Angkakarn tantiviroon		Director
Ms. Arporn Seneeprakornkrai		Shareholder

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% and 12.00% per annum

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

Significant revenues and expenses derived from transactions with related parties for the three-month and nine-month periods ended September 30, 2013 and 2012 are summarized as follows:

	In Thousand Baht			
	Consolidated financial statements			
	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2013	2012	2013	2012
Transaction with related companies				
Purchase of goods	-	-	-	133,804
Management expense	-	-	-	1,126

	In Thousand Baht			
	Separate financial statements			
	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2013	2012	2013	2012
Transaction with subsidiary companies				
(Eliminated from consolidated financial statements)				
Revenues from sales	301	389	2,418	1,147
Revenues from sales raw material	104,364	-	114,870	-
Interest income	-	11	-	223
Others income	102	14	523	36
Purchase of goods	7,141	7,346	22,768	7,906
Subcontract production cost	762	1,119	1,192	4,360
Others expense	8	2	289	64
Interest expense	855	261	2,656	265
Sale of fixed assets	-	7,015	4	35,075
Purchase of fixed assets	-	-	18	-

The balances of receivables from and payables to related parties as at September 30, 2013 and December 31, 2012 are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Trade and other account receivable				
Thai National Product Co., Ltd	-	-	194	2,336
Siam Ferro Industry Co., Ltd	-	-	74,286	5,312
Total	-	-	74,480	7,648
Less Allowance for doubtful debt	-	-	(5,296)	(5,296)
Net	-	-	69,184	2,352

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Trade and other account payable				
Thai National Product Co., Ltd	-	-	3,617	952
Siam Ferro Industry Co.,Ltd.	-	-	223	215
G.T. Steel Works Co., Ltd.	11,747	11,947	11,747	11,947
A.T.Steel Co.,Ltd	-	743	-	743
Director	670	682	70	83
Total	12,417	13,372	15,657	13,940
Loan from				
Thai National Product Co., Ltd	-	-	49,124	48,466
Shareholder	5,000	5,000	-	-
	5,000	5,000	49,124	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 related person and company are as follows:

	In Thousand Baht			
	Consolidated financial statements			
	December 31, 2012	Increase	Decrease	September 30, 2013
Short - term loan from Shareholder				
Shareholder	5,000	-	-	5,000
(interest rate at 12.00% per annum)				
	In Thousand Baht			
	Consolidated financial statements			
	December 31, 2011	Increase	Decrease	December 30, 2012
Short - term loan from Shareholder				
Shareholder	-	5,000	-	5,000
(interest rate at 12.00% per annum)				

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

	In Thousand Baht			
	Separate financial statements			
	December 31, 2012	Increase	Decrease	September 30, 2013
Short - term loan from subsidiary				
Thai National Product Co., Ltd	48,466	144,975	(144,317)	49,124
(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)				

Short - term loan from shareholder amount of Baht 5.00 million, the subsidiary company has mortgaged investment property to collateral of loans.

For the three-month and nine-month periods ended September 30, 2013 and 2012, Key Managements Personnel Compensation are as follows:

	In Thousand Baht			
	Consolidated financial statements			
	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2013	2012	2013	2012
Key managements personnel compensation				
Short-term employee benefits	2,688	2,415	7,942	7,491
Post-employment benefits	56	54	169	162
Total	2,744	2,469	8,111	7,653

	In Thousand Baht			
	Separate financial statements			
	For the three-month periods ended September 30		For the nine-month periods ended September 30	
	2013	2012	2013	2012
Key managements personnel compensation				
Short-term employee benefits	2,688	2,415	7,942	7,491
Post-employment benefits	56	54	169	162
Total	2,744	2,469	8,111	7,653

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

7. TRADE AND OTHER ACCOUNT RECEIVABLE - OTHER COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Trade account receivable				
Post dated cheques	492,550	117,667	491,455	81,668
Account receivable-returned cheques	5,068	8,108	-	-
Trade accounts receivable	983,575	1,790,585	706,405	1,435,079
Total	1,481,193	1,916,360	1,197,860	1,516,747
Less Allowance for doubtful debt	(63,723)	(52,713)	(9,905)	(9,905)
Net	1,417,470	1,863,647	1,187,955	1,506,842
Other account receivable				
Revenue department receivable	28,776	1,388	14,283	452
Other receivable	19,916	20,711	17,518	13,579
Others	3,897	3,024	3,295	2,328
Total	52,589	25,123	35,096	16,359
Grand Total	1,470,059	1,888,770	1,223,051	1,523,201

As at September 30, 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	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Within credit term	503,847	589,757	359,293	413,954
Over due 1 to 90 days	435,759	365,509	385,502	237,003
Over due 91 to 180 days	127,568	784,284	125,651	736,456
Over due 181 to 365 days	277,320	123,006	250,833	119,429
Over due over 1 year	136,699	53,804	76,581	9,905
Total	1,481,193	1,916,360	1,197,860	1,516,747
Less Allowance for doubtful debt - trade account receivable	(63,723)	(52,713)	(9,905)	(9,905)
Net	1,417,470	1,863,647	1,187,955	1,506,842

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

	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 September 30	5,292	1,913	-	-
- for the nine-month periods ended September 30	11,010	1,913	-	-

As at September 30, 2013, the consolidated financial statements and separate financial statements, account receivable over credit term over 1 year. After the reporting period, the Group and the Company have already received in amount of Baht 72.44 million and Baht 66.67 million.

As at September 30, 2013, the consolidated financial statements, the Group factored some post dated cheques in the amount of Baht 27.00 million (December 31, 2012 : Baht 27.68 million), the separate financial statements in amount of Baht 27.00 million (December 31, 2012 : Baht 27.00 million) to discount with the financial institution according to note No. 17. The Group and the Company still has to take responsibility in the notes receivable if the financial institution cannot collect debt repayment from such notes receivable.

As at September 30, 2013, the consolidated financial statements, part of trade accounts receivable in amount of Baht 68.56 million (December 31, 2012 : Baht 23.23 million) had be transferred the right of collection to one financial institution according to note No. 17. 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.

8. TRADE AND OTHER ACCOUNT RECEIVABLE - RELATED COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Trade account receivable	-	-	69,152	2,297
Other receivable	-	-	5,328	5,351
Total	-	-	74,480	7,648
Less Allowance for doubtful debt-other account receivable	-	-	(5,296)	(5,296)
Net	-	-	69,184	2,352

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

As at September 30, 2013 and December 31, 2012, the trade accounts receivable - related companies are classified by aging as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Within credit term	-	-	47,418	2,239
Over due 1 to 90 days	-	-	21,734	58
Total	-	-	69,152	2,297

9. INVENTORIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Finished goods	642,336	320,817	464,495	256,498
Work in process	173	415	-	-
Raw materials	188,587	119,791	120,969	109,879
Supplies	12,076	14,446	1,719	4,116
Total	843,172	455,469	587,183	370,493
Less Allowance for declining in value of inventories	(53,242)	(14,002)	(37,342)	(6,660)
Net	789,930	441,467	549,841	363,833

	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 September 30	17,144	10,303	18,847	8,365
- for the nine-month periods ended September 30	39,240	13,784	30,682	11,724

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

10. ADVANCE PAYMENT FOR GOODS

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Advance payment for goods	140,772	168,733	136,769	162,453
Less Allowance for declining in value of inventories	-	(878)	-	(878)
Doubtful debts expense	(5,668)	-	(5,668)	-
Net	<u>135,104</u>	<u>167,855</u>	<u>131,101</u>	<u>161,575</u>

	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 September 30	-	550	-	218
- for the nine-month periods ended September 30	(878)	(138)	(878)	33
Bad debts and doubtful debts expense :				
- for the three-month periods ended September 30	-	-	-	-
- for the nine-month periods ended September 30	5,668	-	5,668	-

11. INVESTMENT IN SECURITIES AVAILABLE FOR SALE

	In Thousand Baht			
	Consolidated and Separate financial statements			
	September 30, 2013		December 31, 2012	
	Cost value	Fair value	Cost value	Fair value
Equity security : Listed Company	70,690	26,747	140,990	129,558
Less Allowance for revaluation	(43,943)	-	(11,432)	-
Total	<u>26,747</u>	<u>26,747</u>	<u>129,558</u>	<u>129,558</u>

The investment in securities available for sale are marketable equity securities, the Company has pledge to collateral for the debt under restructuring agreement with currently is loan that due to repayment.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

12. INVESTMENT IN SUBSIDIARIES

	Separate financial statements					
	Percentage of direct and indirect Holding		In Thousand Baht			
			Paid-up capital		Investment value Cost method	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012	September 30, 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					(173,616)	(105,616)
Net					362,446	430,446
Total					1,001,924	1,069,924
					In Thousand Baht	
					2013	2012
Loss on impairment :						
- for the three-month periods ended September 30					32,000	23,613
- for the nine-month periods ended September 30					68,000	57,613

13. INVESTMENT PROPERTY

For the nine-month periods ended September 30, 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
Depreciation for the periods	(1,044)	(688)
Net book value as at September 30, 2013	25,704	10,922

As at September 30, 2013, the consolidated financial statements, the Group's investment property in the book value of Baht 14.78 million (December 31, 2012 : Baht 15.14 million) are collateral against the merchandise orders and pledge for collateral for short - term loan from other person as in note No. 6.

As at September 30, 2013 and December 31, 2012, the separate financial statements, the whole amount of investment property are collateral for loans granted by financial institutions as in note No. 15.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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14. PROPERTY, PLANT AND EQUIPMENT

For the nine-month periods ended September 30, 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	45,887	2,111
Disposal	(733)	(28)
Accumulated depreciation for disposal	693	28
Written off fixed assets	(15)	-
Depreciation for the period	(95,687)	(7,243)
Net book value as at September 30, 2013	1,516,164	88,479

Consolidated Financial Statements

As at September 30, 2013, The Group mortgaged land plus building in book value of Baht 447.44 million (December 31, 2012 : Baht 452.45 million) and some part machine in book value of Baht 43.26 million (December 31, 2012 : Baht 56.03 million) are collateral of loans from the financial institutes with note No. 15.

As at September 30, 2013, The Group mortgaged land plus building in the book value of Baht 572.30 million (December 31, 2012 : Baht 594.35 million) are collateral of loans from other company as in note No. 20.

Separate Financial Statements

As at September 30, 2013, the Company mortgaged land plus building in book value of Baht 54.77 million (December 31, 2012 : Baht 55.45 million) and some part machine in book value of Baht 19.64 million (December 31, 2012 : Baht 23.19 million) are collateral of loans from the financial institutes with note No. 15.

15. 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 September 30, 2013, in amount of Baht 2,163.29 million (December 31, 2012 : Baht 2,160.84 million) 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.

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For three-month and nine-month periods ended September 30, 2013 (Reviewed)

16. LOANS THAT DUE TO REPAYMENT

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	September	December	September	December
	30, 2013	31, 2012	30, 2013	31, 2012
First financial institution :				
Debt under restructuring agreement	593,670	-	593,670	-
Net	593,670	-	593,670	-
Second financial institution :				
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
Less Reclassification to debt under restructuring agreement	(1,031,358)	-	(1,031,358)	-
Net	-	1,031,358	-	1,031,358
Total	593,670	1,031,358	593,670	1,031,358

As at September 30, 2013, The loan which due to payment of first financial institution amount of Baht 593.67 million, was arisen from debt under restructuring agreement according to note No.22.1, which the Company did not 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 finance institute.

As at December 31, 2012, The loan which due to payment of second financial institution amount of Baht 1,031.36 million 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. However, in third quarter of 2013, the Company has signed the new agreement of debt restructuring dated September 27, 2013 with financial institution, so the Company has reclassified the whole amount of debt which due to repayment to the debt under restructuring agreement as stated in note No 22.2 (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)
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17. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	September	December	September	December
	30, 2013	31, 2012	30, 2013	31, 2012
Bank overdrafts	9,980	9,976	9,980	9,976
Bill of exchange and discount				
post date cheque	26,998	27,679	26,998	26,996
Account payable factoring	55,756	23,230	-	-
Trust receipts	77,753	26,884	77,753	26,884
Promissory note	16,000	16,000	16,000	16,000
Net	186,487	103,769	130,731	79,856

As at September 30, 2013, short term loan from financial institutions are carried by interest rates of 6.00% - 7.88 % per annum (December 31, 2012 : 6.00% - 7.88%) and have collateral according to note No. 15

18. TRADE AND OTHER ACCOUNTS PAYABLE - OTHER COMPANIES

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	September	December	September	December
	30, 2013	31, 2012	30, 2013	31, 2012
Trade account payable				
Trade account payables	584,195	595,350	524,309	512,447
Other account payable				
Accrued expenses	14,625	12,773	5,051	5,415
Other account payable	12,478	19,403	6,425	15,306
Others	343	155	30	30
Total other account payable	27,446	32,331	11,506	20,751
Grand Total	611,641	627,681	535,815	533,198

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Notes to the Interim Financial Statements (continued)
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19. TRADE AND OTHER ACCOUNTS PAYABLE - RELATED COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Trade account payable				
Trade Account Payable	8,647	8,647	8,647	8,647
Other account payable				
Accrued expenses	599	1,805	3,608	952
Other Payable	3,171	2,920	3,402	4,141
Others	-	-	-	200
Total other account payable	3,770	4,725	7,010	5,293
Grand Total	12,417	13,372	15,657	13,940

20. SHORT-TERM LOANS FROM OTHER COMPANY

As at September 30, 2013 and December 31, 2012, the consolidated financial statement, short term loans 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. 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 15.00 % per annum, The final maturity date is October 22, 2012 which the subsidiary has not extended the maturity date. Currently, the lender has prosecuted claiming for debt repayment and interest expense as mention in notes to financial statement No. 26.

21. LIABILITIES UNDER FINANCIAL LEASE AGREEMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
Liabilities under financial lease agreement	800	1,475	671	1,269
Less Interest payment from financial lease agreement	(52)	(117)	(22)	(67)
Net	748	1,358	649	1,202
Less Current portion	(658)	(819)	(581)	(743)
Net	90	539	68	459
Present value of minimum lease payment				
Within one year	658	819	581	743
After one year but within five years	90	539	68	459
Total	748	1,358	649	1,202

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As at September 30, 2013, the consolidated financial statements, the Group comprises asset under the financial leased agreement in the type of vehicle, the net book value of Baht 0.85 million (December 31, 2012 : Baht 1.43 million) and the separate financial statements, there is net book value of Baht 0.75 million (December 31, 2012 : Baht 1.27 million). The Group and the Company will receive ownership in such asset when completely repays debt to creditors in accordance with the financial leased agreement.

22. DEBT UNDER RESTRUCTURING AGREEMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
First financial institution :				
Principal amount	-	638,030	-	638,030
Accrued interest expenses	-	34,443	-	34,443
Accrued interest pending for waiving	-	22,072	-	22,072
	-	694,545	-	694,545
Second financial institution :				
Principal amount	1,031,358	-	1,031,358	-
Accrued interest expenses	262,594	-	262,594	-
Accrued interest pending for waiving	20,835	-	20,835	-
	1,314,787	-	1,314,787	-
Total	1,314,787	694,545	1,314,787	694,545
Less Current portion	(40,030)	(248,667)	(40,030)	(248,667)
Net	1,274,757	445,878	1,274,757	445,878

For the nine-month periods ended September 30, 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 to loan that due to repayment	(610,696)	(843,272)	(610,696)	(843,272)
Transfer to accrued interest	-	(20,836)	-	(20,836)
Transfer from loan that due to repayment	1,031,358	636,185	1,031,358	636,185
Transfer from accrued interest	286,920	-	286,920	-
Realized pending accrued interest to reduce interest expense	(7,758)	(277)	(7,758)	(277)
Repayment	(79,582)	(58,847)	(79,582)	(58,847)
Balance as of ending	1,314,787	577,061	1,314,787	577,061

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- 22.1. First financial institution : 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 September 30, 2013, remaining balance amount of Baht 257.40 million (December 31, 2012 : Baht 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 September 30, 2013, remaining balance amount of Baht 192.39 million (December 31, 2012 : Baht 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 September 30, 2013, remaining balance amount of Baht 143.88 million (December 31, 2012 : Baht 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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For three-month and nine-month periods ended September 30, 2013 (Reviewed)

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

As at September 30, 2013, the consolidated and separate financial statement, the company did not repayment the debt in accordance with the term payment of restructuring agreement. However, the Company has reclassified such debt to loan that due to repayment according to note No. 16.

Such debt under restructuring agreement constitutes collateral according to note No.15.

22.2. Second financial institution : The consolidated and separate financial statement, debt under restructuring agreement derived from the debt restructuring contract dated on September 27, 2013. The contract has classified the debt to 4 tranches which as following:

First tranche : The credit line of Baht 400 million, as at September 30, 2013, remaining balance amount of Baht 480.49 million comprise of principal amount of Baht 373.73 million and accrued interest amount of Baht 106.76 million. The term repayment is monthly installment with totaling 156 installment (13 years) or within August 31, 2026, commencing on September 30, 2013 with interest rate at SPRL+ 1.00% per annum and will be settle all of accrued interest payable within September 30, 2015.

Second tranche : The credit line of Baht 275 million, as at September 30, 2013, remaining balance amount of Baht 365.95 million comprise of principal amount of Baht 274.04 million and accrued interest amount of Baht 91.91 million. The term repayment is monthly installment with totaling 156 installment (13 years) or within August 31, 2026, commencing on September 30, 2013 with interest rate at SPR+ 1.25% per annum and will be settle all of accrued interest payable within September 30, 2015.

Third tranche : The credit line of Baht 250 million, as at September 30, 2013, remaining balance amount of Baht 211.28 million comprise of principal amount of Baht 188.09 million and accrued interest amount of Baht 23.19 million. The term repayment is monthly installment with totaling 156 installment (13 years) or within August 31, 2026, commencing on September 30, 2013 with interest rate at SPR+ 1.25% per annum and will be settle all of accrued interest payable within September 30, 2015.

Fourth tranche : The credit line of Baht 200 million, as at September 30, 2013, remaining balance amount of Baht 257.06 million comprise of principal amount of Baht 195.50 million and accrued interest amount of Baht 61.56 million. The term repayment is monthly installment with totaling 156 installment (13 years) or within August 31, 2026, commencing on September 30, 2013 with interest rate at SPR+ 1.00% per annum and will be settle all of accrued interest payable within September 30, 2015

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Installment periods	Table of principal and interest repayment per installment (Million Baht)			
	First tranche	Second tranche	Third tranche	Fourth tranche
Periods 1 - 6 (Sep.13 - Feb.14)	0.978	0.717	0.493	0.512
Periods 7 - 12 (Mar.14 - Aug.14)	1.377	1.010	0.693	0.720
Periods 13 - 24 (Sep.14 - Aug.15)	1.450	1.063	0.729	0.758
Periods 25 - 36 (Sep.15 - Aug.16)	1.631	1.196	0.820	0.853
Periods 37 - 48 (Sep.16 - Aug.17)	1.993	1.461	1.003	1.043
Periods 49 - 60 (Sep.17 - Aug.18)	2.174	1.594	1.095	1.137
Periods 61 - 72 (Sep.18 - Aug.19)	2.899	2.126	1.459	1.516
Periods 73 - 84 (Sep.19 - Aug.20)	3.080	2.259	1.550	1.611
Periods 85 - 96 (Sep.20 - Aug.21)	3.624	2.657	1.823	1.896
Periods 97 - 108 (Sep.21 - Aug.22)	5.111	3.602	1.823	2.464
Periods 109 - 120 (Sep.22 - Aug.23)	5.503	4.020	1.823	2.654
Periods 121 - 132 (Sep.23 - Aug.24)	5.173	3.802	2.371	2.654
Periods 133 - 155 (Sep.24 - Jul.26)	5.635	4.151	2.371	2.843
Periods 156 (Aug.26)	Outstanding	Outstanding	Outstanding	Outstanding

In additional, the debt under restructuring agreement has defined the Company additional repayment not less than Million 450.00 Baht within September 30, 2015. The amount repayment will be settle accrued interest and principal amount for all tranche of debt by allocated to the First tranche amount of Million 163.10 Baht, Second tranche amount of Million 119.6 Baht, Third tranche amount of Million 82.00 Baht and Fourth tranche amount of Million 85.30 Baht.

Such debt under restructuring agreement constitutes collateral according to note No.15.

23. INCOME TAX

Income tax expenses for the three-month and nine-month periods ended September 30, 2013 and 2012 as follows:

	In Thousand Baht			
	For the three-month periods ended September 30			
	Consolidated financial statements		Separate financial statements	
	2013	2012 "Restated"	2013	2012 "Restated"
Current income tax expenses:				
Current income tax (expenses) for periods	(2,392)	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	4,439	5,829	-	-
Decrease in income tax rates	-	-	-	-
Income tax (expenses) revenues reported in the statement of comprehensive income	2,047	5,829	-	-

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	In Thousand Baht			
	For the nine-month periods ended September 30			
	Consolidated financial statements		Separate financial statements	
	2013	2012 "Restated"	2013	2012 "Restated"
Current income tax expenses:				
Current income tax (expenses) for periods	(9,652)	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	13,085	22,880	-	1,270
Decrease in income tax rates	28,392	-	-	-
Income tax (expenses) revenues reported in the statement of comprehensive income	31,825	22,880	-	1,270

As at September 30, 2013 and December 31, 2012, the components of deferred tax assets and liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	September 30, 2013	December 31, 2012	September 30, 2013	December 31, 2012
		"Restated"		"Restated"
Deferred tax assets				
Allowance for doubtful accounts	2,853	1,147	-	-
Allowance for declining in value of inventories	1,139	1,125	-	-
Employee benefit obligations	414	455	-	-
Total	4,406	2,727	-	-
Deferred tax liabilities				
Fair value adjustment of property, plant and equipment	(180,604)	(220,402)	-	-
Total	(180,604)	(220,402)	-	-
Net	(176,198)	(217,675)	-	-

As at September 30, 2013, the consolidated financial statement, the Group had temporary differences for future tax deductible and unutilized tax losses carry forward which have not been recognized as deferred tax assets in the statement of financial position amount of Baht 1,101.70 million (December 31, 2012 : Baht 1,030.61 million) and the separate financial statement amount of Baht 849.31 million (December 31, 2012 : Baht 719.69 million) because it is not probable that it will be able to utilize the tax benefit in the foreseeable future.

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24. EARNINGS (LOSS) PER SHARE

For the three-month and nine-month periods ended September 30, 2013 and 2012, the Company calculates earnings (loss) per share as follows:

	In Thousand Baht / Thousand Shares			
	For the three-month periods ended September 30			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Earnings (loss) per share				
Loss for the period, equity holders of the parent	(113,313)	(99,156)	(123,120)	(94,892)
The weighted average of number of ordinary shares	1,002,913	1,000,000	1,002,913	1,000,000
Loss per share (Baht)	<u>(0.113)</u>	<u>(0.099)</u>	<u>(0.123)</u>	<u>(0.095)</u>

	In Thousand Baht / Thousand Shares			
	For the nine-month periods ended September 30			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Earnings (loss) per share				
Loss for the period, equity holders of the parent	(301,155)	(255,283)	(328,659)	(204,442)
The weighted average of number of ordinary shares	1,002,913	1,000,000	1,002,913	1,000,000
Loss per share (Baht)	<u>(0.300)</u>	<u>(0.255)</u>	<u>(0.328)</u>	<u>(0.204)</u>

25. 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 pile driving 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.

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The segment financial information of the Group is as follows:

	In Thousand Baht						
	Consolidated financial statements						
	For the three-month periods ended September 30, 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	437,111	381,035	965	59,596	24,879		903,586
- Inter-segment revenue	124,344	5,101	762	-	-	(130,207)	-
Total	<u>561,455</u>	<u>386,136</u>	<u>1,727</u>	<u>59,596</u>	<u>24,879</u>	<u>(130,207)</u>	<u>903,586</u>
Profit (loss) from Operation	<u>2,892</u>	<u>(23,813)</u>	<u>(3,921)</u>	<u>3,989</u>	<u>(470)</u>		(21,323)
Others income							17,072
Common expenses							(68,145)
Finance costs							(61,586)
Income tax (expenses)							
revenues							<u>2,047</u>
Profit (loss) for the period							(131,935)
Non - controlling interests							<u>18,622</u>
Profit (loss) for the equity holders of the company							(113,313)

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In Thousand Baht							
Consolidated financial statements							
For the three-month periods ended September 30, 2012							
	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	12,983	442,920	1,457	52,874	24,925		535,159
- Inter-segment revenue	-	7,764	1,119	-	-	(8,883)	-
Total	<u>12,983</u>	<u>450,684</u>	<u>2,576</u>	<u>52,874</u>	<u>24,925</u>	<u>(8,883)</u>	<u>535,159</u>
Profit (loss) from Operation	<u>231</u>	<u>(11,299)</u>	<u>(14,544)</u>	<u>(1,712)</u>	<u>(1,842)</u>		(29,166)
Others income							7,076
Common expenses							10,420
Finance costs							(112,312)
Income tax							
(expenses) revenues							<u>5,829</u>
Profit (loss) for the period							(118,153)
Non – controlling interests							<u>18,997</u>
Profit (loss) for the equity holders of the company							<u>(99,156)</u>

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In Thousand Baht							
Consolidated financial statements							
For the nine-month periods ended September 30, 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	738,187	1,303,655	5,471	213,231	83,575		2,344,119
- Inter-segment revenue	134,851	22,845	1,192	-	-	(158,888)	-
Total	<u>873,038</u>	<u>1,326,500</u>	<u>6,663</u>	<u>213,231</u>	<u>83,575</u>	<u>(158,888)</u>	<u>2,344,119</u>
Profit (loss) from Operation	<u>14,676</u>	<u>(73,251)</u>	<u>(19,155)</u>	<u>21,631</u>	<u>(1,150)</u>		(57,249)
Others income							25,365
Common expenses							(124,219)
Finance costs							(229,175)
Income tax (expenses)							
revenues							<u>31,825</u>
Profit (loss) for the period							(353,453)
Non - controlling interests							<u>52,298</u>
Profit (loss) for the equity holders of the company							<u>(301,155)</u>
Fixed assets	————— 1,016,406 —————			———— 499,758 ————			1,516,164
Other assets							<u>2,514,125</u>
Total assets							<u>4,030,289</u>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

	In Thousand Baht						
	Consolidated financial statements						
	For the nine-month periods ended September 30, 2012						
	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	92,567	2,012,125	1,457	159,265	69,339		2,334,753
- Inter-segment revenue	-	9,053	4,360	-	-	(13,413)	-
Total	92,567	2,021,178	5,817	159,265	69,339	(13,413)	2,334,753
Profit (loss) from Operation	(911)	(20,939)	(27,709)	(15,144)	(7,509)		(72,212)
Others income							33,542
Common expenses							(38,948)
Finance costs							(253,148)
Income tax							
(expenses) revenues							22,880
Profit (loss) for the period							(307,886)
Non – controlling interests							52,603
Profit(loss) for the equity holders of the company							(255,283)
Fixed assets	1,069,673			529,015			1,598,688
Other assets							2,726,000
Total assets							4,324,688

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For three-month and nine-month periods ended September 30, 2013 (Reviewed)

26. LITIGATION

As at 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 rate at 7.50% per annum until the payment is settled. The subsidiary has recorded the full amount of this cost in its accounts. Currently, the first lawsuit in amount of Baht 7.43 Million, the Company has already paid full amount and the creditor has filed a petition for withdrawal to the court. The second lawsuit amounts of Baht 39.39 Million, the Company and creditor have made a compromise agreement to repayment the debt by installment within 2 years.

As at September 30, 2013, a subsidiary and chief executive officer (on behalf of principal and agent) constitute prosecuted case claiming in allegation of defaults debt repayment and interest expense of the loan contract according to note No. 20, claiming in the amount of Baht 420.71 million plus interest rate at 15.00% per annum and borrowing fees at 11.40% per annum of principle in amount of Baht 300.00 million until the payment is settled. Currently, the case is being heard by the Court. The subsidiary has recognized such liabilities cover the damage.

27. OBLIGATIONS AND CONTINGENT LIABILITIES

27.1 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		Separate financial	
	statements		statements	
	September	December	September	December
	30, 2013	31, 2012	30, 2013	31, 2012
Contingent liabilities with				
Commercial banks				
- Letters of guarantee	7.97	4.97	1.99	1.99
Contingent liabilities with				
other person				
- Post - dated cheque for pledged	4.12	9.75	-	-

27.2 As at September 30, 2013, the Group has capital expenditure commitments amount Baht 10.91 million.