

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

Interim Financial Information

For the Three-Month Period ended March 31, 2014

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, 2014, 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 separate statement of financial position of Rich Asia Steel Public Company Limited as at March 31, 2014, 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".

Other Matters

The accompanying consolidated statement of financial position of Rich Asia Steel Public Company Limited and its subsidiaries, and the accompanying separate statement of financial position of Rich Asia Steel Public Company Limited as at December 31, 2013, presented herein as comparative information, were audited by another auditor in my firm expressed an unqualified opinion on those statements, whose report dated February 28, 2014, while drawing attention regarding the change in accounting policy made due to adoption of Thai Accounting Standard 12 “Income Taxes” which is effective. The accompanying consolidated statements of comprehensive income, changes in shareholders’ equity and cash flows for the three - month period ended March 31, 2013 of Rich Asia Steel Public Company Limited and its subsidiaries, and the accompanying separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the three - month period ended March 31, 2013 of Rich Asia Steel Public Company Limited, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated May 14, 2013, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No.34 “Interim Financial Reporting” and drawing attention regarding the change in accounting policy made due to adoption of Thai Accounting Standard 12 “Income Taxes” which is effective.

(Mr. Boonlert Kaewphanpurk)
Independent Auditor
Registration No. 4165

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
May 14, 2014

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		March	December	March	December
		31, 2014	31, 2013	31, 2014	31, 2013
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
Notes		"Reviewed"		"Reviewed"	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		7,996	4,905	380	3,295
Trade and other receivables - others	6	1,923,091	1,647,371	1,610,597	1,360,022
Trade and other receivables - related parties	5,7	-	-	75,624	92,171
Inventories	8	471,775	597,141	269,220	388,150
Advance payment for goods	9	66,728	132,735	49,844	95,836
Other current assets		7,183	8,267	811	691
Total Current Assets		2,476,773	2,390,419	2,006,476	1,940,165
NON - CURRENT ASSETS					
Bank deposit pledged as collateral		7,383	7,287	7	7
Investment in subsidiaries	10	-	-	984,689	984,689
Investment property	11	17,670	17,946	10,463	10,690
Property, plant and equipment	12	1,459,777	1,503,800	84,015	86,082
Retention receivables		22,009	35,075	-	-
Deferred tax assets	22	3,015	2,426	-	-
Other - non current assets		5,115	4,379	418	418
Total non - current assets		1,514,969	1,570,913	1,079,592	1,081,886
TOTAL ASSETS		3,991,742	3,961,332	3,086,068	3,022,051

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2014

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		March	December	March	December
		31, 2014	31, 2013	31, 2014	31, 2013
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
		"Reviewed"		"Reviewed"	
	Notes				
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Loans that due for repayment	14	1,348,763	-	1,348,763	-
Bank overdrafts and short-term loans from financial institutions	15	757,131	749,514	734,533	734,529
Trade and other payables - others	16	648,152	579,383	525,231	469,385
Trade and other payables - related parties	5,17	12,429	12,438	17,065	17,416
Current portion					
- Liabilities under finance lease agreement	19	713	916	266	459
- Liabilities under debt restructuring agreement	20	-	44,200	-	44,200
Short - term loans from others	18	304,226	304,226	-	-
Short - term loans from related parties	5	5,000	5,000	62,524	53,864
Income tax payable		10,369	10,268	-	-
Accrued interest		195,773	175,375	628	628
Advance received for goods		7,141	16,636	7,141	7,141
Other current liabilities		3,094	1,510	5	5
Total current liabilities		3,292,791	1,899,466	2,696,156	1,327,627
NON - CURRENT LIABILITIES					
Long - term trade payables	16	16,565	18,965	-	-
Liabilities under finance lease agreement	19	313	415	-	-
Debt under restructuring agreement	20	-	1,281,627	-	1,281,627
Employee benefit obligations	21	4,349	4,864	769	1,932
Deferred tax liabilities	22	171,812	175,458	-	-
Others non - current liabilities		81	81	-	-
Total non - current liabilities		193,120	1,481,410	769	1,283,559
TOTAL LIABILITIES		3,485,911	3,380,876	2,696,925	2,611,186
SHAREHOLDERS' EQUITY					
Share capital - common shares, Baht 1.00 par value					
Authorized share capital - 4,000,000,000 shares, Baht 1.00 par value		4,000,000	4,000,000	4,000,000	4,000,000
Issued and fully paid - up share capital					
- 1,002,913,226 shares, Baht 1.00 par value		1,002,913	1,002,913	1,002,913	1,002,913
Premium on share capital		413,967	413,967	413,967	413,967
Deficit		(1,228,982)	(1,177,712)	(1,027,737)	(1,006,015)
Other component of equity		73,721	73,721	-	-
Total equity attributable to owners of the parent company		261,619	312,889	389,143	410,865
Non - controlling interests		244,212	267,567	-	-
Total Shareholders' Equity		505,831	580,456	389,143	410,865
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,991,742	3,961,332	3,086,068	3,022,051

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

"REVIEWED"

		In Thousand Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2014	2013	2014	2013	
REVENUES						
		915,201	834,172	758,374	683,281	
		21,254	33,304	-	-	
		12,006	10,088	10,678	9,868	
		948,461	877,564	769,052	693,149	
EXPENSES						
		936,839	856,310	747,550	701,326	
		17,900	34,258	-	-	
		2,439	2,301	300	1,104	
		22,822	16,448	16,648	9,885	
		(472)	6,076	-	5,668	
5		2,718	2,683	2,718	2,683	
		44,386	83,176	24,862	63,479	
		1,026,632	1,001,252	792,078	784,145	
		(78,171)	(123,688)	(23,026)	(90,996)	
22		2,597	27,972	-	-	
		(75,574)	(95,716)	(23,026)	(90,996)	
Other comprehensive income						
	- Change in fair value of available-for-sale securities	-	14,742	-	14,742	
	- Defined benefit plan actuarial gain	1,140	-	1,304	-	
	- Income tax on other comprehensive income	(191)	-	-	-	
		949	14,742	1,304	14,742	
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD						
		(74,625)	(80,974)	(21,722)	(76,254)	
Loss for the period attributable to :						
	Owners of the parent company	(52,021)	(84,359)	(23,026)	(90,996)	
	Non - controlling interests	(23,553)	(11,357)	-	-	
		(75,574)	(95,716)	(23,026)	(90,996)	
Total comprehensive loss for the period attributable to :						
	Owners of the parent company	(51,270)	(69,617)	(21,722)	(76,254)	
	Non - controlling interests	(23,355)	(11,357)	-	-	
		(74,625)	(80,974)	(21,722)	(76,254)	
LOSS PER SHARE						
	Owners of the parent company (Baht)	23	(0.052)	(0.084)	(0.023)	(0.091)

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

"REVIEWED"

In Thousand Baht									
Consolidated financial statements									
Notes	Other component of equity						Total equity attributable to owners of the parent company	Non - controlling interests	Total shareholders' equity
	Issued and fully paid - up share capital	Premium on share capital	Unappropriated (Deficit)	Excess from change in equity interest	Other comprehensive income (expense)				
					Change in fair value of available-for-sale securities	Total Other component of equity			
Balance as at January 1, 2014	1,002,913	413,967	(1,177,712)	73,721	-	73,721	312,889	267,567	580,456
Comprehensive income (loss) for the period									
Loss for the period	-	-	(52,021)	-	-	-	(52,021)	(23,553)	(75,574)
Other comprehensive income	-	-	751	-	-	-	751	198	949
Total comprehensive loss for the period	-	-	(51,270)	-	-	-	(51,270)	(23,355)	(74,625)
Balance as at March 31, 2014	1,002,913	413,967	(1,228,982)	73,721	-	73,721	261,619	244,212	505,831
Balance as at January 1, 2013	1,002,913	413,967	(819,794)	73,721	(11,432)	62,289	659,375	334,930	994,305
Comprehensive income (loss) for the period									
Loss for the period	-	-	(84,359)	-	-	-	(84,359)	(11,357)	(95,716)
Other comprehensive income	-	-	-	-	14,742	14,742	14,742	-	14,742
Total comprehensive income (loss) for the period	-	-	(84,359)	-	14,742	14,742	(69,617)	(11,357)	(80,974)
Balance as at March 31, 2013	1,002,913	413,967	(904,153)	73,721	3,310	77,031	589,758	323,573	913,331

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2014

"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 fair value of available-for-sale securities	
Balance as at January 1, 2014	1,002,913	413,967	(1,006,015)	-	410,865
Comprehensive income (loss) for the period					
Loss for the period	-	-	(23,026)	-	(23,026)
Other comprehensive income	-	-	1,304	-	1,304
Total comprehensive loss for the period	-	-	(21,722)	-	(21,722)
Balance as at March 31, 2014	<u>1,002,913</u>	<u>413,967</u>	<u>(1,027,737)</u>	<u>-</u>	<u>389,143</u>
Balance as at January 1, 2013	1,002,913	413,967	(612,676)	(11,432)	792,772
Comprehensive income (loss) for the period					
Loss for the period	-	-	(90,996)	-	(90,996)
Other comprehensive income	-	-	-	14,742	14,742
Total comprehensive income (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>

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax	(78,171)	(123,688)	(23,026)	(90,996)
Adjustments for				
Depreciation	45,170	32,306	2,511	2,818
Doubtful accounts (Reversal)	(471)	6,076	-	5,668
Unrealized gain from investment in trading security	-	(123)	-	(123)
Unrealized gain from investment in available-for-sale securities	-	(1,849)	-	(1,849)
Unrealized (gain) loss from exchange rate	5,370	(3,979)	4,841	(3,979)
Gain on sale of property, plant and equipment	-	(8)	-	(8)
Loss from written off fixed assets	3	-	-	-
Loss from declining in value of inventories (Reversal)	(4,283)	18,098	(3,407)	16,534
Employee benefit expense	187	90	128	58
Interest income	(96)	(1)	-	-
Interest expenses of employee benefits	55	39	13	20
Interest expenses	44,137	83,691	24,832	63,425
Profit (Loss) from operating activities before change in operating assets and liabilities	11,901	10,652	5,892	(8,432)
Decrease (Increase) in operating assets				
Trade and other receivables - others	(276,957)	(100,956)	(250,575)	(27,329)
Trade and other receivables - related parties	-	-	16,548	275
Inventories	127,255	(122,872)	121,260	(96,945)
Advance payment for goods	68,401	83,812	47,069	84,505
Other current assets	1,828	(637)	(3)	(19)
Retention receivables	13,066	(1,187)	-	-
Other non-current assets	(736)	(97)	-	(47)
Increase (Decrease) in operating liabilities				
Trade and other payables - others	64,258	102,292	50,861	44,553
Trade and other payables - related parties	(9)	(220)	(1,265)	(226)
Advance received for goods	(9,494)	-	-	-
Other current liabilities	1,582	8,964	-	39
Long - term trade payables - others	(2,400)	-	-	-
Cash paid from operation	(1,305)	(20,249)	(10,213)	(3,626)
Cash received (payment) from income tax	(1,490)	867	(119)	(66)
Cash received from interest income	802	3	-	-
Net cash used in operating activities	(1,993)	(19,379)	(10,332)	(3,692)
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) Decrease in bank deposits pledged as collateral	(97)	23,678	-	27,681
Cash received from sale of property, plant and equipment	-	9	-	9
Cash payment for purchase of property, plant and equipment	(706)	(566)	(72)	(8)
Cash payment for purchase of investment in available-for-sale securities	-	20,349	-	20,349
Net cash provided by (used in) investing activities	(803)	43,470	(72)	48,031

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in bank overdrafts and short-term loans from financial institutions	7,616	24,365	3	2,053
Cash payment for liabilities under finance lease agreement	(304)	(200)	(193)	(182)
Cash payment for debt under restructuring agreement	-	(22,547)	-	(22,547)
Cash received from short - term loans from subsidiary company	-	-	30,310	41,600
Cash payment for short - term loan from subsidiary company	-	-	(21,650)	(36,550)
Cash payment for interest expenses	(1,425)	(29,731)	(981)	(29,271)
Net cash provided by (used in) financing activities	5,887	(28,113)	7,489	(44,897)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,091	(4,022)	(2,915)	(558)
Cash and cash equivalents - beginning of period	4,905	7,930	3,295	3,482
CASH AND CASH EQUIVALENT - END OF PERIOD	7,996	3,908	380	2,924
Supplementary disclosure of cash flow information - non cash items				
1. Purchase fixed assets by credit	168	48	145	24
2. Sale fixed assets by credit	-	18	-	-
3. Offsetting between trade receivables and trade payables	1,003	202	-	-
4. Transferred debt under restructuring agreement to loans due for repayment	1,348,763	-	1,348,763	-

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements
For the three-month period ended March 31, 2014 (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, 2014.

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, Thailand.

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.

1.2. GOING CONCERN

The Company and its subsidiaries made losses for the three-month period ended March 31, 2014 of Baht 75.57 million and the Company of Baht 23.03 million (The Company and its subsidiaries made losses for the three-month period ended 31 March 2013: Baht 95.72 million and the Company of Baht 91.00 million.) As at March 31, 2014 the Company and its subsidiaries had current liabilities exceeded current assets by Baht 816.01 million and the Company of Baht 689.68 million including the Company and its subsidiaries 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 Company and its subsidiaries to continue as going concerns. The Company and its subsidiaries 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 Company's or the subsidiaries' assets) should the Company and its subsidiaries 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 Company and its subsidiaries's functional currency.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2013. 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, 2013.

The Company and its subsidiaries has adopted all the new and revised TFRSs that are effective for annual periods beginning on or after January 1, 2014. The adoption of these new and revised TFRSs did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company and its subsidiaries.

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 2013, 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 holdings (%)	
		Paid-up share capital			
		March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
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 December 31, 2013.

5. RELATED PARTY 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 the three-month period ended March 31, 2014 (Reviewed)

Types of relationship of related parties 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
Ms. Angkakarn Tantiviroon		Director
Mr. Somkiat Vongsarojana		Director
Mr. Teera Phoncharoensuk		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 expense	Interest rate 6.75 - 7.00% and 12.00% per annum (2556 : 7.00 - 7.13% and 12.00% per annum)

Significant revenues and expenses derived from transactions with related parties for the three-month periods ended March 31, 2014 and 2013 are summarized as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Transactions with related person				
Interest expense	153	150	-	-
Transactions with subsidiaries				
(Eliminated from consolidated financial statements)				
Revenues from sales	-	-	27	2,116
Revenues from sales of raw materials	-	-	137,465	-
Others income	-	-	87	111
Purchase of goods	-	-	6	-
Subcontract production cost	-	-	8	13
Interest expense	-	-	914	723

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

The balances of receivables from and payables to related parties as at March 31, 2014 and December 31, 2013 are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Trade and other receivables				
Thai National Product Co., Ltd	-	-	29	65
Siam Ferro Industry Co., Ltd	-	-	80,891	97,402
Total	-	-	80,920	97,467
Less Allowance for doubtful debt	-	-	(5,296)	(5,296)
Net	-	-	75,624	92,171
Trade and other payables				
Thai National Product Co., Ltd	-	-	5,226	4,312
Siam Ferro Industry Co.,Ltd.	-	-	9	1,290
G.T. Steel Works Co., Ltd.	11,747	11,747	11,747	11,747
Director	682	666	83	67
Shareholder	-	25	-	-
Total	12,429	12,438	17,065	17,416
Loan from				
Thai National Product Co., Ltd				
(Interest rate 6.75 - 7.13% per annum)				
Balance as at beginning	-	-	53,864	48,466
Increase	-	-	30,310	197,345
Decrease	-	-	(21,650)	(191,947)
Balance as at the end	-	-	62,524	53,864
Shareholder				
(Interest rate 12.00%)				
Balance as at beginning	5,000	5,000	-	-
Increase	-	5,000	-	-
Decrease	-	(5,000)	-	-
Balance as at the end	5,000	5,000	-	-
Total short-term loan	5,000	5,000	62,524	53,864

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

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

For the three-month periods ended March 31, 2014 and 2013, Key managements personnel compensation are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Key Managements Personnel Compensation				
Short-term Employee Benefits	2,716	2,627	2,716	2,627
Post-Employment Benefits	2	56	2	56
Total	2,718	2,683	2,718	2,683

Significant contract during the subsidiary and related person are summarized as follows:

In December 2013, Thai National Product Company Limited ("Subsidiary") entered into the contract to transfer the right over claim on a trade account receivable (the transfer condition can't claim back to transferor) to a director of subsidiary company (Transferee) in the transfer price of Million 15.00 Baht. The book value of receivable amount of Baht 2.81 million (principle amount Baht 15.30 million less allowance for doubtful amount Baht 12.49 million). The subsidiary agreed to compensate the transferee by provide an option to subscribe such number of new ordinary shares in subsidiary company before the subsidiary company offering security to the public with The Stock Exchange of Thailand. The option provides the right to subscribe such shares not more than the amount of fees for debt transferred. The exercise price equivalent the market price as at the exercise dated with determine by price to earnings ratio method of latest financial statement before transferee invest. If the transferee dose not exercises the right within the relevant period, the right will be expired.

6. TRADE AND OTHER RECEIVABLES - OTHERS

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Trade receivables				
Post dated cheques	49,948	56,126	31,416	50,387
Account receivable-returned cheques	1,328	2,038	-	-
Trade accounts receivable	1,896,652	1,619,427	1,572,889	1,307,823
Total	1,947,928	1,677,591	1,604,305	1,358,210
Less Allowance for doubtful debt	(54,623)	(55,094)	(9,905)	(9,905)
Net	1,893,305	1,622,497	1,594,400	1,348,305
Other receivables				
Revenue department receivable	8,655	9,343	917	-
Other receivable	14,158	13,302	9,892	10,143
Others	6,973	2,229	5,388	1,574
	29,786	24,874	16,197	11,717
Total	1,923,091	1,647,371	1,610,597	1,360,022

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

As at March 31, 2014 and December 31, 2013, trade and note receivables - other companies are classified by aging as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Within credit term	739,416	918,227	602,919	813,110
Over due 1 to 90 days	811,890	480,521	746,453	325,356
Over due 91 to 180 days	186,763	171,625	94,822	162,782
Over due 181 to 365 days	131,526	49,883	127,749	47,057
Over due over 1 year	78,333	57,335	32,362	9,905
Total	1,947,928	1,677,591	1,604,305	1,358,210
Less Allowance for doubtful debt - trade account receivable	(54,623)	(55,094)	(9,905)	(9,905)
Net	1,893,305	1,622,497	1,594,400	1,348,305

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Bad debts and doubtful accounts : (Reversal)				
- for the three-month period ended March 31	(471)	408	-	-

As at March 31, 2014, the consolidated financial statements, the Company and its subsidiaries factored some post dated cheques in the amount of Baht 27.30 million (December 31, 2013 : Baht 27.00 million), the separate financial statements in amount of Baht 27.00 million (December 31, 2013 : Baht 27.00 million) to discount with the financial institution. The Company and its subsidiaries still has to take responsibility in the notes receivable if the financial institution cannot collect debt repayment from such notes receivables.

As at March 31, 2014, the consolidated financial statements, a part of trade receivables in amount of Baht 31.06 million (December 31, 2013 : Baht 19.27 million) had be transferred the right of collection to one financial institution. The Company and its subsidiaries still has to take responsibility in the trade receivables if the financial institution cannot collect debt repayment in accordance with such trade receivables.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

7. TRADE AND OTHER ACCOUNT RECEIVABLE - RELATED COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Trade receivables	-	-	75,594	92,143
Other receivables	-	-	5,326	5,324
Total	-	-	80,920	97,467
Less Allowance for doubtful account- other receivables	-	-	(5,296)	(5,296)
Net	-	-	75,624	92,171

As at March 31, 2014 and December 31, 2013, the trade receivables - related parties are classified by aging as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Within credit term	-	-	34,036	24,399
Over due 1 to 90 days	-	-	17,795	46,010
Over due 91 to 180 days	-	-	3,373	21,734
Over due 181 to 365 days	-	-	20,390	-
Total	-	-	75,594	92,143

8. INVENTORIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Finished goods	357,672	437,885	236,584	327,701
Work in process	154	268	-	-
Raw materials	86,010	133,750	31,798	61,807
Goods in transit	29,054	28,735	-	-
Supplies	11,550	11,057	1,154	1,288
Total	484,440	611,695	269,536	390,796
Less Allowance for declining in value of inventories	(12,665)	(14,554)	(316)	(2,646)
Net	471,775	597,141	269,220	388,150

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loss of allowance for declining in value of inventories (Reversal)				
- for the three-month periods ended March 31	(1,889)	10,820	(2,330)	9,256

9. ADVANCE PAYMENT FOR GOODS

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Advance payment for goods	72,396	140,797	55,512	102,581
Less Allowance for declining in value of inventories	-	(2,394)	-	(1,077)
Doubtful debts expense	(5,668)	(5,668)	(5,668)	(5,668)
Net	66,728	132,735	49,844	95,836

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Loss of allowance for declining in value of inventories (Reversal) :				
- for the three-month periods ended March 31	(2,394)	7,278	(1,077)	7,278
Doubtful account expense :				
- for the three-month periods ended March 31	-	5,668	-	5,668

10. INVESTMENT IN SUBSIDIARIES

	Separate financial statements					
	In Thousand Baht					
	Percentage of direct and indirect Holding		Paid-up capital		At Cost	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
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					(190,851)	(190,851)
Net					984,689	984,689

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

11. INVESTMENT PROPERTY

For the three-month period ended March 31, 2014, the movements of investment property were as follows:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2014	17,946	10,690
Depreciation for the periods	(276)	(227)
Net book value as at March 31, 2014	17,670	10,463

As at March 31, 2014, the consolidated financial statements, the Company and its subsidiaries's investment property in the book value of Baht 172.22 million (December 31, 2013 : Baht 17.94 million) are pledged for collateral for short - term loan from related parties and loans granted by financial institutions.

As at March 31, 2014 and December 31, 2013, the separate financial statements, the whole amount of investment property are collateral for loans granted by financial institutions.

12. PROPERTY, PLANT AND EQUIPMENT

For the three-month period ended March 31, 2014, the movements are as follows:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2014	1,503,800	86,082
Acquisitions	874	217
Transfer in	66,459	-
Disposal	(3)	-
Transfer out	(66,459)	-
Depreciation for the period	(44,894)	(2,284)
Net book value as at March 31, 2014	1,459,777	84,015

Consolidated Financial Statements

As at March 31, 2014, The Company and its subsidiaries mortgaged land and buildings in book value of Baht 444.10 million (December 31, 2013 : Baht 445.77 million) and some machine in book value of Baht 34.85 million (December 31, 2013 : Baht 39.04 million) are collateral of loans from the financial institutes.

As at March 31, 2014, The Company and its subsidiaries mortgaged land and buildings in the book value of Baht 557.60 million (December 31, 2013 : Baht 564.95 million) are collateral of short term loans from other company with Note 18 to interim financial statements.

Separate Financial Statements

As at March 31, 2014, the Company mortgaged land and buildings in book value of Baht 54.31 million (December 31, 2013 : Baht 54.54 million) and certain machine in book value of Baht 17.38 million (December 31, 2013 : Baht 18.50 million) are collateral of loans from the financial institutions.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

13. CREDIT FACILITIES AND GUARANTEE

The Company and its subsidiaries has credit line from commercial bank and several financial institutions in form overdrafts, 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, 2014, in amount of Baht 1,934.46 million (December 31, 2013 : Baht 2,092.50 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 and buildings and certain part machine of the Company, some part land and buildings and machine of subsidiary company, land and buildings of a director and related company, notes receivable, a part of deposit at bank and guaranteed by director, related company and subsidiary and beneficiary from insurance in buildings, machinery and equipment to commercial bank and financial institutions.

14. LOANS THAT DUE TO REPAYMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
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
Accrued interest expenses	317,405	-	317,405	-
Less Reclassification to debt under restructuring agreement	-	(1,031,358)	-	(1,031,358)
Net	<u>1,348,763</u>	<u>-</u>	<u>1,348,763</u>	<u>-</u>

As at December 31, 2013, The loan which due to payment was arisen from trust receipt, promissory notes, and long-term loan, the Company has signed the new agreement of debt restructuring dated September 27, 2013 with financial institution, However, as at March 31, 2014, 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. Currently, the Company is in the process of signing a new debt restructuring contract.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

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

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Debt restructuring agreement	691,534	691,530	691,534	691,530
Bill of exchange and discount				
post date cheque	27,295	26,999	26,999	26,999
Account payable factoring	22,302	14,985	-	-
Promissory note	16,000	16,000	16,000	16,000
Net	757,131	749,514	734,533	734,529

As at March 31, 2014, short term loan from financial institutions are carried by interest rates of 3.35% - 7.75 % per annum (December 31, 2013 : 6.00% - 15.00%) and have collateral according to Note 13 to interim financial statements.

As at March 31, 2014 and December 31, 2013, the debt under restructuring agreement derive from the debt under restructuring agreement contract No.5 dated June 27, 2012 and revision issued No.4 dated February 26, 2013. During the year 2013, the Company did not repay the debt in accordance with the term repayment of restructuring agreement. However, the Company and creditor together agree for new solution to restructure and the repayment of debt according to the restructuring agreement No.6 dated October 31, 2013 which has 2nd amendment, dated March 27, 2014 which has significant of payment detail as follows :

- a) The Company will repay the creditor in amount of Baht 363.00 million by gradually payment and will be completed repayment the whole amount within June, 2014.
- b) The Company will additional repay the creditor as call "addition principle" approximately in amount Baht 15.02 million, by calculated from principal amount of Baht 363.00 million which to be reduced by a repayment under clause a) with MLR interest rate, commencing on September 2013 - January 2014 and calculated from principal amount of Baht 319.48 million which to be reduced by repayment amount and charge at interest rate 4 % , commencing on February 2014 - June 2014. The repayment will be payment in October - December 2013 equivalent at 2 % with repayment as end of monthly and the rest of outstanding will be completed repayment in June 2014.
- c) When the Company completely made repayment to the creditor according to the debt restructuring agreement, the outstanding debts will be released to the Company.

Such debt under restructuring agreement constitutes collateral according to Note 13 to interim financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

16. TRADE AND OTHER ACCOUNTS PAYABLE - OTHER COMPANIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Current				
Trade account payables	622,616	555,271	515,734	461,199
Accrued expenses	14,642	12,589	5,032	4,717
Other account payable	10,753	11,349	4,435	3,439
Others	141	174	30	30
Total	648,152	579,383	525,231	469,385
Non-current				
Trade account payables	16,565	18,965	-	-
Total	16,565	18,965	-	-

The subsidiary company entered into compromise agreement with a trade account payable to extend the debt repayment schedule. The subsidiary has book value of trade payable amount of Baht 40.02 million and the amount of repayment totaling of Baht 31.51 million, the remaining amount of Baht 8.51 million will be released to the subsidiary when the subsidiary completely repayment according in the term of compromise agreement. The schedule of debt repayment as followings:

<u>Installment periods</u>	<u>Total Repayment per installment (Million Baht)</u>
September 2013	4.01
October 2013	10.00
Nov.13 - Apr. 14	0.30
May. 14 - Oct.14	0.60
Nov.14 - Apr. 15	0.80
May.15 - Sep. 15	1.20
Oct.15	1.25

As at March 31, 2014, the subsidiary company reclassified outstanding balance of trade payable of Baht 16.57 million (as at December 31, 2013 : Baht 18.96 million) to present as non-current liabilities in the consolidated financial statement.

17. TRADE AND OTHER PAYABLES - RELATED PARTIES

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Trade payables	8,647	8,647	8,647	9,350
Accrued expenses	599	599	5,226	4,312
Other payables	3,183	3,192	3,192	3,754
Total	12,429	12,438	17,065	17,416

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

18. SHORT-TERM LOANS FROM OTHERS

As at March 31, 2014 and December 31, 2013, 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 Note 26 to financial statements.

As at March 31, 2014, the consolidated financial statement, short term loans amount of Baht 4.23 million (As at December 31, 2013 : Baht 4.23 million) has loan contract and will be completely repay within September 15, 2014, no interest charge.

19. LIABILITIES UNDER FINANCIAL LEASE AGREEMENT

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Liabilities under financial lease agreement	1,168	1,510	273	472
Less Interest payment from financial lease agreement	(142)	(179)	(7)	(13)
Net	1,026	1,331	266	459
Less Current portion	(713)	(916)	(266)	(459)
Net	313	415	-	-
Present value of minimum lease payment				
Within one year	713	916	266	459
After one year but within five years	313	415	-	-
Total	1,026	1,331	266	459

As at March 31, 2014, the consolidated financial statements, the Company and its subsidiaries comprises asset under the financial leased agreement in the type of vehicle, the net book value of Baht 1.43 million (December 31, 2013 : Baht 1.65 million) and the separate financial statements, there is net book value of Baht 0.43 million (December 31, 2013 : Baht 0.57 million). The Company and its subsidiaries and the Company will receive ownership in such asset when completely repays debt to creditors in accordance with the financial lease agreement.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

20. DEBT UNDER RESTRUCTURING AGREEMENT

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Principal amount	-	1,031,358	-	1,031,358
Accrued interest expenses	-	273,633	-	273,633
Accrued interest pending for waiving	-	20,836	-	20,836
	-	1,325,827	-	1,325,827
Less Current portion	-	(44,200)	-	(44,200)
Net	-	1,281,627	-	1,281,627

For the three-month periods ended March 31, 2014 and 2013, the movement of long-term loans are as follows:

	In Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2014	2013	2014	2013
Balance as at the beginning	1,325,827	694,545	1,325,827	694,545
Transfer to loan that due to repayment	(1,348,763)	-	(1,348,763)	-
Realized pending accrued interest to reduce interest expense	-	(2,936)	-	(2,936)
Suspend accrued interest for the period	22,936	-	22,936	-
Repayment	-	(22,547)	-	(22,547)
Balance as at the end	-	669,062	-	669,062

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 March 31, 2014 remaining balance amount of Baht 492.79 million comprise of principal amount of Baht 373.73 million and accrued interest amount of Baht 119.06 million. (December 31, 2013 : remaining balance amount of Baht 484.72 million comprise of principal amount of Baht 373.73 million and accrued interest amount of Baht 110.99 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 March 31, 2014 remaining balance amount of Baht 375.00 million comprise of principal amount of Baht 274.04 million and accrued interest amount of Baht 100.96 million. (December 31, 2013 : remaining balance amount of Baht 368.75 million comprise of principal amount of Baht 274.04 million and accrued interest amount of Baht 94.71 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.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

Third tranche : The credit line of Baht 250 million, as at March 31, 2014 remaining balance amount of Baht 217.59 million comprise of principal amount of Baht 188.09 million and accrued interest amount of Baht 29.50 million. (December 31, 2013 : remaining balance amount of Baht 213.30 million comprise of principal amount of Baht 188.09 million and accrued interest amount of Baht 25.21 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 March 31, 2014 remaining balance amount of Baht 263.39 million comprise of principal amount of Baht 195.50 million and accrued interest amount of Baht 67.89 million. (December 31, 2013 : remaining balance amount of Baht 259.05 million comprise of principal amount of Baht 195.50 million and accrued interest amount of Baht 63.55 million.) The term repayment is monthly installment with totaling 156 installment (13 years) or within August 31, 2026, commencing on September with interest rate at SPR+ 1.00% per annum and will be settle all of accrued interest payable within September 30, 2015.

Table of principal and interest repayment per installment (Million Baht)				
Installment periods	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 119.60 Baht, Third tranche amount of Million 82.00 Baht and Fourth tranche amount of Million 85.30 Baht.

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 with Note 14 to interim financial statements. Such debt under restructuring agreement constitutes collateral according to Note 13 to financial statements.

RICH ASIA STEEL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the Interim Financial Statements (continued)
For the three-month period ended March 31, 2014 (Reviewed)

21. EMPLOYEE BENEFIT OBLIGATIONS

For the three-month period ended March 31, 2014, the movements are as follows:

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Defined benefit obligation as at January 1, 2014	4,864	1,932
Current service cost and interest	242	141
Actuarial gain in other comprehensive income	(757)	(1,304)
Defined benefit obligation as at March 31, 2014	4,349	769

For the three-month periods ended March 31, 2014 and 2013, long-term employee benefit expenses included in the profit or loss was as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current service costs	187	92	128	60
Interest on obligation	55	40	13	19
Total expenses in profit or loss	242	132	141	79
Line items under which such expenses are include in profit or loss				
Cost of goods sold and services	53	13	9	2
Selling expenses	13	8	5	1
Administrative expenses	119	15	112	1
Management benefits expense	2	56	2	56
Finance cost	55	40	13	19
Total	242	132	141	79

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(%)	(%)	(%)	(%)
Discount rate	4.30 - 4.52	3.36 - 4.41	4.30 - 4.52	3.36 - 4.41
Salary increase rate	0.44 - 8.58	0.33 - 3.73	0.44 - 2.87	0.33 - 3.73
Mortality rate	100	50-100	100	50-100
(Thai Mortality Ordinary Table 2008)	of mortality	of mortality	of mortality	of mortality
Disability rate	10	10 - 15	10	10 - 15
	of mortality	of mortality	of mortality	of mortality
Employee turnover rate	0 - 63	0 - 57	26 - 46	0 - 57

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22. INCOME TAX

Income tax expenses for the three-month periods ended March 31, 2014 and 2013 as follows:

	In Thousand Baht			
	For the three-month periods ended March 31			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current income tax expenses:				
Current income tax expenses for periods	1,446	4,128	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,043)	(2,764)	-	-
Decrease in income tax rates	-	(29,336)	-	-
Income tax expenses (revenues)	(2,597)	(27,972)	-	-

As at March 31, 2014 and December 31, 2013, the components of deferred tax assets and liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Deferred tax assets				
Allowance for doubtful accounts	1,262	869	-	-
Allowance for declining in value of inventories	1,124	1,138	-	-
Employee benefit obligations	629	419	-	-
Total	3,015	2,426	-	-
Deferred tax liabilities				
Deferred tax liabilities	(49)	-	-	-
Fair value adjustment of property, plant and equipment	(171,763)	(175,458)	-	-
Total	(171,812)	(175,458)	-	-
Net	(168,797)	(173,032)	-	-

As at March 31, 2014, the consolidated financial statements, the Company and its subsidiaries 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 1,328.09 million (December 31, 2013 : Baht 1,335.85 million) and the separate financial statements amount of Baht 1,092.92 million (December 31, 2013 : Baht 1,094.97 million) because it is not probable that it will be able to utilize the tax benefit in the foreseeable future.

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23. EARNINGS (LOSS) PER SHARE

For the three-month periods ended March 31, 2014 and 2013, the Company calculates earnings (loss) per share as follows:

	In Thousand Baht / Thousand Shares			
	For the three-month periods ended March 31			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Earnings (Loss) per share				
Loss for the period, equity holders of the parent company	(52,021)	(84,359)	(23,026)	(90,996)
The weighted average of number of common shares	1,002,913	1,002,913	1,002,913	1,002,913
Loss per share (Baht)	<u>(0.052)</u>	<u>(0.084)</u>	<u>(0.023)</u>	<u>(0.091)</u>

24. SEGMENT INFORMATION

Segment information is presented in respect of the Company and its subsidiaries' s business segments.

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.

Segment results and operating assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Company and its subsidiaries comprise 3 main business segments as follows:

- Segment 1 : Produce and distribution of steel product.
- Segment 2 : Manufacture of foundation pile, transportation and pile driving
- Segment 3 : Manufacture of concrete product

Geographic segments

Management considers that the Company and its subsidiaries operate in a single geographic area, mainly in Thailand, and has, therefore, only one major geographic segment.

Major customers

For the three - month period ended March 31, 2014 and 2013, revenues from 1 customer of the produce and distribution of steel product business segment represent approximately Baht 222.55 million and Baht 136.47 million, respectively, of the Company and its subsidiaries 's total revenues.

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The segment financial information of the Company and its subsidiaries is as follows:

In Thousand Baht								
Consolidated financial statements								
For the three-month period ended March 31								
	Steel Product Business		Business Piles		Concrete Product Business		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
External revenue	853,435	753,413	73,608	114,063	9,411	-	936,454	867,476
Inter-segment revenue	137,506	2,129	-	-	-	-	137,506	2,129
Total revenue	<u>990,941</u>	<u>755,542</u>	<u>73,608</u>	<u>114,063</u>	<u>9,411</u>	<u>-</u>	<u>1,073,961</u>	<u>869,605</u>
Interest income	21	1	989	723	-	-	1,010	724
Interest expense	44,657	83,262	631	604	-	-	45,288	83,866
Depreciation and amortisation	<u>11,628</u>	<u>11,877</u>	<u>2,056</u>	<u>2,048</u>	<u>1,194</u>	<u>-</u>	<u>14,878</u>	<u>13,925</u>
Gain (loss) before income tax	<u>(49,701)</u>	<u>(122,398)</u>	<u>3,658</u>	<u>19,935</u>	<u>1,253</u>	<u>-</u>	<u>(44,790)</u>	<u>(102,463)</u>

In Thousand Baht								
Consolidated financial statements								
	Steel Product Business		Business Piles		Concrete Product Business		Total	
	March	December	March	December	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013	31, 2014	31, 2013	31, 2014	31, 2013
Assets of segment	2,800,555	2,766,862	400,292	469,494	75,438	-	3,276,285	3,236,356
Capital expenditure	216	2,889	98	63,244	560	-	874	66,133
Liabilities of segment	3,319,092	3,222,092	143,738	140,562	-	-	3,462,830	3,362,654

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Reconciliation of revenue , profit or loss, asset and liabilities

	In Thousand Baht	
	Consolidated financial statements	
	For the three-month period ended March 31	
	2014	2013
Revenue		
Total revenue for reportable segments	1,073,960	869,605
Other income	13,128	10,923
	1,087,088	880,528
Less Inter-segment revenue	(137,507)	(2,129)
Interest income and others	(1,120)	(835)
Total revenue	948,461	877,564
Profit or loss		
Total profit or loss for reportable segments	(44,790)	(102,463)
Adjustment and elimination : inter - segment	(30,663)	(18,542)
Non allocate :		
Management benefit expenses	(2,718)	(2,683)
Total profit or loss before income tax	(78,171)	(123,688)
	In Thousand Baht	
	Consolidated financial statements	
	March	December
	31, 2014	31, 2013
Assets		
Total assets for reportable segments	3,276,285	3,236,356
Adjustment and elimination : inter - segment	715,457	724,976
Total assets	3,991,742	3,961,332
Liabilities		
Total liabilities for reportable segments	3,462,830	3,362,654
Adjustment and elimination : inter - segment	23,081	18,222
Total liabilities	3,485,911	3,380,876

25. CONTINGENT LIABILITIES

A part from liabilities shown on the financial statements, the Company and its subsidiaries still remains contingent liabilities with commercial banks as follows :

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	In Million Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Contingent liabilities with Commercial banks				
- Letters of guarantee	8.83	7.83	1.85	1.85
Contingent liabilities with other person				
- Advance note payable for pledged	1.15	4.12	-	-

As at March 31, 2014, the consolidated financial statements, letter of guarantee has bank deposit pledge for collateral in amount of Baht 7.38 Million. (December 31, 2013 : Baht 7.28 million)

26. LITIGATION

A subsidiary and director (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 18 to interim financial statements, 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.

A lawsuits had been filed against the Company claiming in the amount Baht 25.35 Million. This comprised debt of Baht 24.61 million arising from the purchase of goods and interest charges of Baht 0.74 million plus interest rate at 12.00% per annum until the payment is settled. The civil court ordered the Company to pay the payable, the Company filed an appeal against the order with the appeal court. However, the amount payable has not yet been finalised because the case is being heard by the Court, so no provision has been recorded in respect of the accrued interest in connection with these claims.

27. EVENTS AFTER THE REPORTING PERIOD

According the resolution of Annual General Meeting of Shareholders of the year 2014, dated April 18, 2014, which could be summarized a significant resolution as follows:

1. Approved the reduction of the Company's registered capital from the existing Baht 4,000,000,000 to Baht 1,002,913,226 by deleting the capital register of which was not sold in amount of Baht 2,997,086,774 at par value of Baht 1 per share.
2. Approved for the issue and offer for sale of convertible debentures in a sum of not exceeding Singapore Dollar 20 million or an equivalent amount in other currency to a specific foreign investor (Private Placement) that is Advance Opportunities Fund ("AO Fund") which term of convertible debentures is 1 year and interest rate at 1 % per annum. The convertible debenture consist of 6 tranches which the holders of convertible debentures shall be entitled to choose one of the following conversion prices :
 (1) 145 % of the average of the daily traded volume weighted average prices per share for the 45 business days immediately prior to the date of subscription agreement for the 1st Tranche of

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convertible debentures and prior to the issue dated of 2nd - 6th Tranche of convertible debentures ; ("Fixed Conversion Price") ; or

(2) 80 % of the average closing prices per share on any 3 consecutive business days during 45 business days immediately preceding the relevant conversion date of the convertible debenture ; ("Floating Conversion Price")

3. Approved for increase of the Company's registered capital for another Baht 320,000,000 from the former registered capital of Baht 1,002,913,226 to a new registered capital of Baht 1,322,913,226 by issuing of increased common shares in the amount of 320,000,000 at par value of Baht 1 per share for the purpose of reservation for conversion of convertible debentures.
4. Approved for the allocation of increase ordinary share in the amount of not exceeding 320,000,000 shares at the par value of Baht 1 which will be reserved for right conversion of convertible debentures.