

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of RICH ASIA CORPORATION PUBLIC COMPANY LIMITED
(Formerly RICH ASIA STEEL PUBLIC COMPANY LIMITED)

I have reviewed the accompanying consolidated and separate statements of financial position as at September 30, 2016 and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended on September 30, 2016, changes in shareholders' equity and cash flows for the nine-month period then ended and condensed notes to financial statements of RICH ASIA CORPORATION PUBLIC COMPANY LIMITED and its subsidiary companies and also of RICH ASIA CORPORATION PUBLIC COMPANY LIMITED only. The management of the entity is responsible for the preparation and 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 Thai Standard on Review Engagements Code No. 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".

SAM NAK-NGAN A.M.C. CO., LTD.

(Miss Praphasri Leelasupha)

Certified Public Accountant Registration No. 4664

Bangkok,

November 11, 2016

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Notes	As at		As at	
		September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
		Unaudited Limited review only	Audited	Unaudited Limited review only	Audited
<u>Assets</u>					
Current assets					
Cash and cash equivalents items		4,635	526,460	2,248	525,350
Trade and other receivable	4.1 and 5	1,872,825	1,966,898	1,726,713	1,846,134
Short-term loans to related parties	4.1	-	-	389,200	389,200
Short-term loans to other person	6	30,000	-	30,000	-
Inventories	7	544,441	269,822	482,032	234,253
Advance payment for goods	8	369,677	465,737	361,471	398,840
Deposit for investment	9	-	30,000	-	30,000
Total current assets		2,821,578	3,258,917	2,991,664	3,423,777
Non-current assets					
Bank deposit pledged as collateral		3,813	3,783	1,930	1,917
Investment in subsidiaries	10	-	-	366,136	346,111
Investment in associate	11	179,655	189,414	198,478	198,478
Investment property	12	8,158	8,849	8,158	8,849
Property, plant and equipment	13	781,208	819,869	75,433	69,657
Other non-current assets		2,813	5,184	184	2,531
Total non-current assets		975,647	1,027,099	650,319	627,543
Total assets		3,797,225	4,286,016	3,641,983	4,051,320

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at		As at	
	Notes	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
		Unaudited	Audited	Unaudited	Audited
		Limited review only		Limited review only	
<u>Liabilities and shareholders' equity</u>					
Current liabilities					
Short-term loans from financial institutions	15	20,000	16,000	20,000	16,000
Trade and other payable	4.1 and 16	348,828	258,914	338,294	249,719
Short-term loans from other persons and parties	17	167,755	135,911	167,755	135,911
Short-term loans from related parties	4.1	-	-	17,800	-
Current portion of debentures	18	994,125	-	994,125	-
Current portion of liabilities under debt					
restructuring agreement	19	57,000	48,000	57,000	48,000
Total current liabilities		1,587,708	458,825	1,594,974	449,630
Non-current liabilities					
Debentures	18	227,499	1,211,811	227,499	1,211,811
Liabilities under debt restructuring agreement	19	836,080	1,406,969	836,080	1,406,969
Employee benefit obligations	20	1,837	1,763	1,260	1,229
Deferred tax liabilities	21	89,877	93,503	-	-
Total non-current liabilities		1,155,293	2,714,046	1,064,839	2,620,009
Total liabilities		2,743,001	3,172,871	2,659,813	3,069,639
Shareholders' equity					
Share capital	22				
Authorized share capital					
2,400,000,000 ordinary shares @ Baht 1.00		2,400,000	2,400,000	2,400,000	2,400,000
Issued and paid-up share capital					
2,400,000,000 ordinary shares @ Baht 1.00		2,400,000	2,400,000	2,400,000	2,400,000
Discount on share capital		(562,135)	(562,135)	(562,135)	(562,135)
Deficit		(1,068,069)	(1,033,968)	(855,695)	(856,184)
Other component of shareholders' equity		73,689	73,721	-	-
Total shareholders' equity of the parent company		843,485	877,618	982,170	981,681
Non-controlling interests		210,739	235,527	-	-
Total shareholders' equity		1,054,224	1,113,145	982,170	981,681
Total liabilities and shareholder's equity		3,797,225	4,286,016	3,641,983	4,051,320

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended September 30, 2016

(Unit : Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2016	2015	2016	2015
Revenue					
Revenue from sales		789,815	603,550	702,134	576,181
Other incomes		2,703	8,258	10,546	16,131
Total revenues		792,518	611,808	712,680	592,312
Expenses					
Cost of sales	7	787,353	617,168	690,016	575,395
Selling expenses		619	1,285	144	269
Administrative expenses	23	10,719	23,707	8,046	21,056
Management benefit expenses	4.3	2,545	3,177	2,545	3,177
Financial cost		34,798	41,009	34,830	41,004
Total expenses		836,034	686,346	735,581	640,901
Loss before share of loss on investment in associate and income tax		(43,516)	(74,538)	(22,901)	(48,589)
Share of loss on investment in associate		(3,640)	(6,138)	-	-
Loss before income tax		(47,156)	(80,676)	(22,901)	(48,589)
Income tax revenue	24	1,090	1,352	-	-
Loss for the period		(46,066)	(79,324)	(22,901)	(48,589)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		(46,066)	(79,324)	(22,901)	(48,589)
Loss for the period attributable to :					
Equity holders of the parent company		(36,164)	(65,980)	(22,901)	(48,589)
Non-controlling interests of the subsidiaries		(9,902)	(13,344)	-	-
		(46,066)	(79,324)	(22,901)	(48,589)
Total comprehensive loss attributable to :					
Equity holders of the parent company		(36,164)	(65,980)	(22,901)	(48,589)
Non-controlling interests of the subsidiaries		(9,902)	(13,344)	-	-
		(46,066)	(79,324)	(22,901)	(48,589)
Basic loss per share					
Equity holders the parent company (Unit : Baht)	25	(0.0151)	(0.0275)	(0.0095)	(0.0202)

Unaudited

Limited review only

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

For the nine-month period ended September 30, 2016

(Unit : Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2016	2015	2016	2015
Revenue					
Revenue from sales		2,361,422	3,051,482	2,146,765	2,728,467
Other incomes		15,051	34,447	38,356	46,633
Total revenues		2,376,473	3,085,929	2,185,121	2,775,100
Expenses					
Cost of sales	7	2,259,045	3,024,937	2,024,559	2,676,778
Selling expenses		3,445	3,679	864	979
Administrative expenses	23	48,011	61,848	39,631	55,693
Management benefit expenses	4.3	7,611	9,551	7,611	9,551
Financial cost		111,897	103,952	111,967	103,935
Total expenses		2,430,009	3,203,967	2,184,632	2,846,936
Profit (loss) before share of loss on investment in associate and income tax		(53,536)	(118,038)	489	(71,836)
Share of loss on investment in associate		(9,986)	(9,874)	-	-
Profit (loss) before income tax		(63,522)	(127,912)	489	(71,836)
Income tax revenue	24	3,626	4,115	-	-
Profit (loss) for the period		(59,896)	(123,797)	489	(71,836)
Other comprehensive income		-	-	-	-
Total comprehensive income (loss) for the period		(59,896)	(123,797)	489	(71,836)
Profit (loss) for the period attributable to :					
Equity holders of the parent company		(34,101)	(101,644)	489	(71,836)
Non-controlling interests of the subsidiaries		(25,795)	(22,153)	-	-
		(59,896)	(123,797)	489	(71,836)
Total comprehensive income (loss) attributable to :					
Equity holders of the parent company		(34,101)	(101,644)	489	(71,836)
Non-controlling interests of the subsidiaries		(25,795)	(22,153)	-	-
		(59,896)	(123,797)	489	(71,836)
Basic earnings (loss) per share					
Equity holders the parent company (Unit : Baht)	25	(0.0142)	(0.0424)	0.0002	(0.0299)

Unaudited

Limited review only

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine-month period ended September 30, 2016

(Unit : Thousand Baht)

	Other component of equity								
				Other changes resulting from shareholders		Total equity attributable to owners of the parent company		Non-controlling interests	Total shareholders' equity
				Surplus from change in equity interest	Total other component of equity				
	Issued and paid-up share capital	Discount on share capital	Deficit						
Balance as at January 1, 2015	2,400,000	(562,135)	(868,818)	73,721	73,721	1,042,768	268,560	1,311,328	
Loss for the period	-	-	(101,644)	-	-	(101,644)	(22,153)	(123,797)	
Other comprehensive income	-	-	-	-	-	-	-	-	
Total comprehensive loss for the period	-	-	(101,644)	-	-	(101,644)	(22,153)	(123,797)	
Increase on non-controlling interests	-	-	-	-	-	-	100	100	
Ending balance as at September 30, 2015	2,400,000	(562,135)	(970,462)	73,721	73,721	941,124	246,507	1,187,631	
Balance as at January 1, 2016	2,400,000	(562,135)	(1,033,968)	73,721	73,721	877,618	235,527	1,113,145	
Loss for the period	-	-	(34,101)	-	-	(34,101)	(25,795)	(59,896)	
Other comprehensive income	-	-	-	-	-	-	-	-	
Total comprehensive loss for the period	-	-	(34,101)	-	-	(34,101)	(25,795)	(59,896)	
Increase on non-controlling interests	-	-	-	-	-	-	975	975	
Discount from changed in shareholding in the subsidiary	-	-	-	(32)	(32)	(32)	32	-	
Ending balance as at September 30, 2016	2,400,000	(562,135)	(1,068,069)	73,689	73,689	843,485	210,739	1,054,224	

Unaudited

Limited review only

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the nine-month period ended September 30, 2016

(Unit : Thousand Baht)

	Issued and paid-up share capital	Discount on share capital	Deficit	Total
Balance as at January 1, 2015	2,400,000	(562,135)	(737,048)	1,100,817
Loss for the period	-	-	(71,836)	(71,836)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	(71,836)	(71,836)
Ending balance as at September 30, 2015	2,400,000	(562,135)	(808,884)	1,028,981
Balance as at January 1, 2016	2,400,000	(562,135)	(856,184)	981,681
Profit for the period	-	-	489	489
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	489	489
Ending balance as at September 30, 2016	2,400,000	(562,135)	(855,695)	982,170

Unaudited

Limited review only

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the nine-month period ended September 30, 2016

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit (loss) before income tax	(63,522)	(127,912)	489	(71,836)
Adjustments to reconcile profit (loss) before income tax for cash received (paid) from operation				
Depreciation	51,395	54,565	6,456	6,600
Depreciation for investment property	691	689	691	689
Doubtful accounts (reversal)	5,950	(2,584)	5,950	-
Loss from declining in value of inventories	7,517	15,326	4,838	14,917
Share of loss on investment in associates	9,759	9,874	-	-
Unrealized gain on exchange rate	(3,546)	-	(3,546)	-
Gain from disposed and written-off assets	(12)	(1,444)	(12)	(214)
Income from compromise settlement	(5,833)	-	(5,833)	-
Employee benefits expense	47	46	22	21
Interest income	(1,817)	(22)	(25,109)	(24,561)
Interest expenses	111,870	103,711	111,957	103,711
Interest expenses of employee benefits	27	25	9	8
Profit from operation before changes in operating assets and liabilities	112,526	52,274	95,912	29,335
Operating assets (increase) decrease				
Trade and other receivable	88,743	(701,771)	113,998	(649,333)
Inventories	(284,074)	(557,500)	(254,555)	(522,647)
Advance payment for goods	97,998	766,388	39,307	658,550
Other non-current assets	2,376	392	2,347	189
Operating liabilities increase (decrease)				
Trade and other payable	88,836	(36,912)	87,668	(17,534)
Cash received (paid) from operation	106,405	(477,129)	84,677	(501,440)
Cash paid for income tax	(301)	(761)	(294)	(745)
Net cash received from (used in) operating activities	106,104	(477,890)	84,383	(502,185)

Unaudited
Limited review only

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the nine-month period ended September 30, 2016

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Cash payment for deposit investment	-	(30,000)	-	(30,000)
Increase in bank deposits pledged as collateral	(30)	(23)	(13)	-
Cash received from short-term loans from related parties	-	-	-	120,000
Cash payment from short-term loans from related parties	-	-	-	(120,000)
Cash received from interest	1,493	23	24,876	23,127
Cash payment for purchase of investment in subsidiary	-	-	(20,025)	(900)
Cash payment for purchase of property, plant and equipment	(2,280)	(3,780)	(1,963)	(475)
Cash received from sale of property, plant and equipment	15	1,507	15	277
Net cash received from (used in) investing activities	(802)	(32,273)	2,890	(7,971)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	4,000	(20,816)	4,000	(20,816)
Cash payment short-term loans from other persons and parties	-	(230,000)	-	(230,000)
Cash received from short-term loans from other persons and parties	29,193	159,028	29,193	159,028
Cash received from short-term loans from related parties	-	114,000	23,000	114,000
Cash payment short-term loans from related parties	-	(301,378)	(5,200)	(301,378)
Cash received from issuance of debentures	-	983,353	-	983,353
Cash payment for debt under restructuring agreement	(493,611)	-	(493,611)	-
Cash paid for interest expenses	(167,684)	(45,518)	(167,757)	(45,518)
Cash received from increase on non-controlling interests	975	100	-	-
Net cash received from (used in) financing activities	(627,127)	658,769	(610,375)	658,669
Cash and cash equivalent items Increase (decrease)-net	(521,825)	148,606	(523,102)	148,513
Cash and cash equivalent items at the beginning of the period	526,460	297,061	525,350	296,018
Cash and cash equivalent items at the end of the period	4,635	445,667	2,248	444,531
1. Supplementary disclosure of cash flow information - non cash item				
- Purchase fixed assets by credit	10,457	174	10,272	151
- Transfer deposit for investment become short-term loans to other person	30,000	-	30,000	-
2. Cash and cash equivalent items consisted of :-				
- Cash	90	57	48	34
- Banks, savings and current accounts	4,545	445,610	2,200	444,497
Total	4,635	445,667	2,248	444,531

Unaudited
Limited review only

Notes to financial statements are an integral part of these financial statements.

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****For the three-month and nine-month periods ended September 30, 2016****(UNAUDITED/LIMITED REVIEW ONLY)**

1. General information

RICH ASIA CORPORATION PUBLIC COMPANY LIMITED (formerly RICH ASIA STEEL PUBLIC COMPANY LIMITED which the name has been changed according to the resolution of the Annual General Meeting of Shareholders of 2016 held on April 29, 2016) (“The Company”) was registered as a 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 (collectively called the “Group Companies”) operate in the business of production and distribution of steel pipe, steel products and service of steel production and procurement of material, equipment, and technology as well as investment in utilities and infrastructure, and service of water supply and other utilities.

2. Basis of interim financial statements preparation and accounting policies

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

2.2 The interim financial statements are prepared in the condensed format and in accordance with Thai Accounting Standard No. 34 (Revised 2015) “Interim Financial Reporting” including interpretations and guidance promulgated by the Federation of Accounting Professions (“FAP”), related regulations and announcements of the Securities and Exchanges Commission. However, the Company has presented items in the statements of financial position, statements of comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

- 2.3 The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2015. They do not include all of the financial information requires 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, 2015.
- 2.4 The interim financial statements are presented in Thai Baht, rounded to the nearest thousand baht unless otherwise stated.
- 2.5 Using of the significant accounting policies and the calculation method of the Group Companies in the preparation of the interim financial statements for the three-month and nine-month periods ended September 30, 2016 are consistent with those used in the annual financial statements for the year ended December 31, 2015.
- 2.6 New financial reporting standards

During the period, the Group Companies has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3. Principles of interim consolidation financial statements

The interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2016 have been prepared by including the financial statements of RICH ASIA CORPORATION PUBLIC COMPANY LIMITED and its subsidiaries ("The Group Companies") after eliminate the significant related party balances and transactions. The Company holds directly and indirectly shares at the percentage of:-

<u>Name of subsidiaries</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholdings</u>	
			<u>2016</u>	<u>2015</u>
Rich Asia Industry Co., Ltd.	Production and distribution of steel pipe, steel product and service of steel production	Thai	51.88	51.88
Rich Asia Engineering Co., Ltd.	Procurement of material, equipment, and technology as well as investment in utilities and infrastructure	Thai	95.00	90.00
Rich Asia Utilities Co., Ltd.	Service of water supply and other utilities	Thai	99.99	-

The Financial Statement of Rich Asia Utilities Co., Ltd. is included in the consolidated financial statements in the first quarter of the year 2016, the Company invested in the subsidiary company which is established in 2016.

The financial statements of subsidiaries are prepared using the report date as the Company and prepared using the same accounting policy for the same accounting items.

4. Inter-transaction with related companies

The Company has significant inter-transactions items incurred with its subsidiaries and related person or related companies with common shareholders group and mutual directors and management. The material inter-transaction items and outstanding balance with the subsidiary and related person or related companies could be summarized as follows:-

4.1 Inter-assets and liabilities

(Unit : Thousand Baht)

	<u>Consolidated financial statements as at</u>		<u>Separate financial statements as at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
<u>Trade and other receivable</u>				
Rich Asia Industry Co., Ltd.	-	-	82,515	61,697
Rich Asia Engineering Co., Ltd.	-	-	20	20
Thai National Product Co., Ltd.	-	3	-	-
Total	-	3	82,535	61,717
<u>Less</u> Allowance for doubtful debt	-	-	(5,296)	(5,296)
Trade and other receivable-Net	-	3	77,239	56,421
<u>Short-term loans to related parties</u>				
- Rich Asia Industry Co., Ltd.				
Beginning balance	-	-	389,200	389,200
Addition	-	-	-	-
Repayment	-	-	-	-
Ending balance	-	-	389,200	389,200
- Thai National Product Co., Ltd.				
Beginning balance	-	-	-	-
Addition	-	120,000	-	120,000
Repayment	-	(120,000)	-	(120,000)
Ending balance	-	-	-	-
Total short-term loans to related parties	-	-	389,200	389,200

As at September 30, 2016 and December 31, 2015, the Company had short-term loans to subsidiary company is carried by interest rate of 8.00% per annum for both periods.

(Unit : Thousand Baht)

	<u>Consolidated financial statements as at</u>		<u>Separate financial statements as at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
<u>Trade and other payable</u>				
Rich Asia Industry Co., Ltd.	-	-	77	-
Rich Asia Engineering Co., Ltd.	-	-	13	-
Thai National Product Co., Ltd.	-	38	-	11
G.T. Steel Works Co., Ltd.	11,747	11,747	11,747	11,747
Director	667	655	68	55
Total	12,414	12,440	11,905	11,813
<u>Short-term loans from related parties</u>				
Rich Asia Engineering Co., Ltd.				
Beginning balance	-	-	-	-
Addition	-	-	23,000	-
Repayment	-	-	(5,200)	-
Ending balance	-	-	17,800	-
Thai National Product Co., Ltd.				
Beginning balance	-	187,378	-	187,378
Addition	-	114,000	-	114,000
Repayment	-	(301,378)	-	(301,378)
Ending balance	-	-	-	-
Total	-	-	17,800	-

As at September 30, 2016 the Company short-term loans from subsidiary is carried by interest rate of 1.00%-1.15% per annum.

4.2 Inter-revenues and expenses

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Transactions with related person and related companies</u>				
Revenues from sales of goods	-	33	-	-
Other income	-	4	-	4
Other expenses	96	180	96	180

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Transactions with subsidiaries companies</u>				
(Eliminated from consolidated financial statements)				
Revenues from sale of goods	-	-	24	69
Revenues from sales of raw materials	-	-	121,610	62,581
Other income	-	-	60	62
Interest income	-	-	7,826	7,848
Other expenses	-	-	73	-
Interest expenses	-	-	37	-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the nine-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Transactions with related person and related companies</u>				
Revenues from sales of goods	2,946	29,882	2,946	29,849
Revenues from sales of raw materials	-	2,766	-	2,766
Gain from sales of assets	-	47	-	47
Interest income	-	560	-	560
Other income	-	4	-	4
Purchase of goods	73	-	73	-
Other expenses	293	608	293	604
Interest expense	-	3,902	-	3,902

Transactions with subsidiaries companies

(Eliminated from consolidated financial statements)

Revenues from sales of goods	-	-	24	69
Revenues from sales of raw materials	-	-	335,999	216,156
Other income	-	-	183	153
Interest income	-	-	23,309	23,288
Purchase of goods	-	-	-	24,248
Other expenses	-	-	223	-
Interest expense	-	-	87	-

4.3 Management benefit expenses

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	2,543	3,175	2,543	3,175
Post-employment benefits	2	2	2	2
Total	2,545	3,177	2,545	3,177

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the nine-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	7,604	9,544	7,604	9,544
Post-employment benefits	7	7	7	7
Total	7,611	9,551	7,611	9,551

4.4 Pricing policies

Pricing policies for each transactions are described as follows:

<u>Type of transactions</u>	<u>Pricing policies</u>
Revenues from sale	Price can be comparative against outside parties
Other income	Cost price/Contract price
Purchase and sale of assets	Agreement price, reference to market prices/Contract price
Purchases of goods	Price can be comparative against outside parties
Other expenses	Actual price/Contract price
Interest income	Interest rate 8.00% per annum (2015 : 6.65%-8.00% per annum)
Interest expenses	Interest rate 1.00%-1.15% per annum (2015 : 6.63%-6.75% per annum)

In 2015, the Company has guarantee transaction between its associate company without any interest expenses. In the first quarter 2016, the Company had proceed to redeem the mortgaged land, buildings and machinery of associate and obligations guaranteed by the associate.

4.5 Types of relationship of related parties are as follows:

<u>Name of Companies</u>	<u>Type of business</u>	<u>Type of relationship</u>
Rich Asia Industry Co., Ltd.	Production and distribution of steel pipe, steel product and service of steel production	Subsidiary
Rich Asia Engineering Co., Ltd.	Procurement of material, equipment and technology as well as investment in utilities and infrastructure	Subsidiary
Rich Asia Utilities Co., Ltd.	Service of water supply and other utilities	Subsidiary
Thai National Product Co., Ltd.	Foundation pile manufacturing, distribution delivery and pile driving and production of concrete product	Associate
G.T. STEEL WORKS Co., Ltd.	Production and distribution of steel	Closed cousin of executive officer are director and shareholders
PNB Inter Group Co., Ltd.	Distribution and installment of Marbles granites and natural stone materials	The management's of Thai National Product Co., Ltd. (Resign on the fourth quarter 2015)
Star Decor & Design Co., Ltd.	Installment contractor of Marbles granites and natural stone materials	The management's of Thai National Product Co., Ltd. (Resign on the fourth quarter 2015)
Ms. Angkakarn Tantiviroon		Chief Executive Officer Director
Mr. Somkiat Vongsarojana		Managing Director
Mr. Teera Phoncharoensuk		Director

5. Trade and other receivable

Consisted of:-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Trade receivable-related parties	-	3	47,853	53,755
Trade receivable-other parties	1,659,914	1,921,431	1,462,869	1,751,209
Post dated cheques- related parties	-	-	26,813	-
Post dated cheques-other parties	186,372	12,577	162,053	11,900
Total Trade receivable	1,846,286	1,934,011	1,699,588	1,816,864
<u>Less</u> Allowance for doubtful accounts	(5,950)	-	(5,950)	-
Total Trade receivable-net	1,840,336	1,934,011	1,693,638	1,816,864
Other receivable-related parties	-	-	7,869	7,962
Other receivable-other parties	491	1,584	386	1,501
Revenue department receivable	28,484	25,322	26,644	19,240
Others	3,514	5,981	3,472	5,863
Total Other receivable	32,489	32,887	38,371	34,566
<u>Less</u> Allowance for doubtful accounts	-	-	(5,296)	(5,296)
Trade receivables-net	32,489	32,887	33,075	29,270
Total Trade and other receivable	1,872,825	1,966,898	1,726,713	1,846,134

Trade and notes receivables were classified by aging as follows:-

5.1 Trade receivable-related parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Within credit term	-	-	43,148	40,464
Over due 1 to 90 days	-	3	31,518	4,766
Over due 91 to 180 days	-	-	-	8,525
Total	-	3	74,666	53,755

The normal credit term granted by the Group Companies is 30-120 days.

5.2 Trade receivable-other parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Within credit term	628,600	709,616	531,219	642,325
Over due 1 to 90 days	652,124	379,296	533,812	366,365
Over due 91 to 180 days	446,693	521,178	441,022	450,050
Over due 181 to 365 days	118,869	323,918	118,869	304,369
Over due over 1 year	-	-	-	-
Total	1,846,286	1,934,008	1,624,922	1,763,109
<u>Less</u> Allowance for doubtful debts	(5,950)	-	(5,950)	-
Net	1,840,336	1,934,008	1,618,972	1,763,109

The normal credit term granted by the Group Companies is approximately from 7-120 days.

The movement of allowance for doubtful debts-trade and receivable-other parties for the nine month period ended September 30, 2016 are as follow:-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Beginning balance	-	-
Increase during the period	(5,950)	(5,950)
Ending balance	(5,950)	(5,950)

The management of the Company believe that the setting up of the allowance for doubtful debts have been sufficiently recorded for the present situation.

As at September 30, 2016, the consolidated and separate financial statement, the Company factored some post dated cheques in the amount of Baht 4.00 million to discount with the financial institution to the note to financial statements No. 15. The Company still have to take responsibility in the post dated cheques if financial institution cannot collect debt repayment from such notes receivable.

6. Short-term loans to other person

As of September 30, 2016, the whole amount of short-term loans to other person was transferred deposit for investment as mentioned to the note to financial statements No. 9, was in the form of loans agreements with 1 year and interest rates of 6.50% per annum. The borrower presented Yala Green Energy Company Limited's common stock of 1,144,950 shares and a post dated cheques amount of Baht 30.00 million as collaterals.

7. Inventories

Consisted of:-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Finished goods	388,055	34,704	345,483	26,007
Work in process	1,764	16	-	-
Raw materials	167,644	239,444	144,582	210,607
Supplies	5,296	4,521	2,008	904
Total	562,759	278,685	492,073	237,518
<u>Less</u> Allowance for declining in value of inventories	(18,318)	(8,863)	(10,041)	(3,265)
Net	544,441	269,822	482,032	234,253

A movement of allowance for diminution in value of inventories for the nine-month period ended September 30, 2016 are as follow:-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Beginning balance	(8,863)	(3,265)
Increase during the period	(9,455)	(6,776)
Ending balance	(18,318)	(10,041)

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Cost of inventory record as expense and include in the cost of goods sold				
- Cost of goods sold	788,493	609,742	692,688	569,275
- Loss from allowance for decline in value of inventories	3,119	8,459	1,551	9,367
- Loss from allowance for decline in value of advance payment for goods (reversal)	(4,259)	(1,033)	(4,223)	(3,247)
Net	787,353	617,168	690,016	575,395

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the nine-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Cost of inventory record as expense and include in the cost of goods sold				
- Cost of goods sold	2,251,528	3,009,611	2,019,721	2,661,861
- Loss from allowance for decline in value of inventories	9,455	15,326	6,776	14,917
- Loss from allowance for decline in value of advance payment for goods (reversal)	(1,938)	-	(1,938)	-
Net	2,259,045	3,024,937	2,024,559	2,676,778

8. Advance payment for goods

Consisted of:-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Advance payments for goods	375,345	473,343	367,139	406,446
<u>Less</u> Allowance for decline in value of inventories	-	(1,938)	-	(1,938)
Allowance for doubtful accounts	(5,668)	(5,668)	(5,668)	(5,668)
Net	369,677	465,737	361,471	398,840

A movement of allowance for diminution in value of inventories and allowance for doubtful for the nine-month period ended September 30, 2016 are as follow:-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Beginning balance	(7,606)	(7,606)
Reversal during the period	1,938	1,938
Ending balance	<u>(5,668)</u>	<u>(5,668)</u>

9. Deposit for investment

In accordance with the minute of the Company's board of directors' meeting No. 6/2015 held on June 25, 2015, the Company has reached the approval for an investment in Yala Green Energy Company Limited of amount 7,497,000 shares; 51% of total shares. As at December 31, 2015, the Company paid deposits for investment totaling Baht 30.00 million. The value and conditions of investment are based on the results of the Company's due diligence on both legal and accounting and financial of this power plant. If the due diligence results are concluded, the Company will draft a share purchase investment agreement in the aforementioned power plant. Later, At the minute of the Company's board of executive committee meeting No. 17/2016 held on June 15, 2016, the Board resolved to cancel the investment in Yala Green Energy Company Limited due to the result of the due diligence has not yet passed agreed criteria. The Board instructed to change the Baht 30.00 million deposit for investment to a short-term loan to other person, mentioned to the note to financial statements No. 6.

10. Investment in subsidiaries

Consisted of:-

	(Unit : Thousand Baht)							
					<u>Separate financial statements</u>			
	<u>Paid-up</u>		<u>Percentage of</u>		<u>Investment</u>		<u>Dividend For the</u>	
<u>Name of companies</u>	<u>share capital</u>		<u>Shareholding(%)</u>		<u>cost method</u>		<u>nine-month period</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>As at</u>	<u>As at</u>	<u>ended September 30,</u>	<u>ended September 30,</u>
					<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>2016</u>	<u>2015</u>
Rich Asia Industry Co., Ltd.	441,701	441,701	51.88	51.88	536,062	536,062	-	-
Rich Asia Engineering Co., Ltd.	20,750	1,000	95.00	90.00	19,675	900	-	-
Rich Asia Utilities Co., Ltd.	1,250	-	99.99	-	1,250	-	-	-
Total					556,987	536,962		
<u>Less</u> Allowance for impairment loss					(190,851)	(190,851)		
Net					<u>366,136</u>	<u>346,111</u>		

In the first quarter 2016, the Company made additional investment in ordinary shares of Rich Asia Engineering Co., Ltd. and Rich Asia Utilities Co., Ltd., for the value of Baht 18.78 million and Baht 1.25 million respectively.

11. Investment in associate

Consisted of:-

		(Unit : Thousand Baht)					
<u>Name of companies</u>	<u>Percentage of Shareholding(%)</u>	<u>Consolidated financial</u>		<u>Separate financial</u>			
		<u>statements</u>		<u>statements</u>			
		<u>At book value</u>		<u>Investment</u>			
		<u>equity method</u>		<u>cost method</u>			
		<u>As at</u>		<u>As at</u>			
		<u>September 30,</u>	<u>December 31,</u>	<u>September 30,</u>	<u>December 31,</u>	<u>September 30,</u>	<u>December 31,</u>
		<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Thai National Product Co., Ltd.	29.89	29.89	179,655	189,414	198,478	198,478	

Financial information of associate company

The financial information as presented in the financial statements of the Thai National Product Co., Ltd., were as follows:-

		(Unit : Thousand Baht)	
		<u>As at</u>	
		<u>September 30, 2016</u>	<u>December 31, 2015</u>
Current assets		191,251	135,914
Non-current assets		323,196	325,448
Total assets		514,447	461,362
Current liabilities		(126,059)	(68,195)
Non-current liabilities		(4,786)	(6,068)
Total liabilities		(130,845)	(74,263)
Net assets		383,602	387,099

(Unit : Thousand Baht)

	<u>For the three-month period</u>		<u>For the nine-month period</u>	
	<u>ended September 30,</u>		<u>ended September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenue	58,792	30,971	167,918	161,270
Loss from continuing operations	(2,199)	(11,679)	(3,497)	(6,959)
Profit before income tax from discontinued operations	-	-	-	-
Loss for the period	(2,199)	(11,679)	(3,497)	(6,959)
Other comprehensive income for the period	-	-	-	-
Comprehensive loss for the period	(2,199)	(11,679)	(3,497)	(6,959)
Dividend received from associate for the period	-	-	-	-

Reconciliation of financial based on the above information the carrying amount of the equity of the Thai National Product Co., Ltd., recognize them gradually in the consolidated financial statements.

(Unit : Thousand Baht)

As at

	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Net assets of the associate	383,602	387,099
Shareholding of the companies (%)	29.89	29.89
	114,659	115,704
The reduction in the fair value acquisition date	64,996	73,484
Other adjustments	-	226
Book value of the Company in associates	179,655	189,414

As at September 30, 2016 and December 31, 2015, the Company has pledge its shares of investment in associate, 4,681,666 shares and 3,680,000 shares, equivalent to 17.28% and 13.58% respectively of shareholdings as collateral of short-term loan from other parties in the notes to financial statements No. 17.

12. Investment property

The movements of investment property for the nine-month period ended September 30, 2016 is as follows:-

	(Unit : Thousand Baht)
	<u>Consolidated/Separate financial statement</u>
Book value at the beginning of the period	8,849
Depreciation for the period	(691)
Book value at the end of the period	<u>8,158</u>

As at September 30, 2016 and December 31, 2015, the consolidated and separate financial statements, the whole amount of investment property are pledged for loans granted by financial institutions in the notes to financial statements No. 14.

As at September 30, 2016 and December 31, 2015, investment property on the Company's land and property held to has not identify objectives for future applications and intended to benefit from the rental income. The investment property at fair value as appraised by an independent appraiser. The estimated fair value based on market approach for land and the cost method for the property. The total fair value based on the appraisal report on November 2014 was Baht 22.03 million.

13. Property, plant and equipment

The movement of property, plant and equipment for the nine-month period ended September 30, 2016 is as follows:-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Book value at the beginning of the period	819,869	69,657
Purchase of assets	12,737	12,235
Transfers in	4,057	438
Disposal/Write off assets	(157)	(157)
Transfers out	(4,057)	(438)
Depreciation for the period	(51,395)	(6,456)
Accumulate depreciation disposal/written off assets	154	154
Book value at the end of the period	<u>781,208</u>	<u>75,433</u>

As at September 30, 2016 and December 31, 2015, The Group Companies has pledged the part of land, property and machinery with the book value stated in the consolidated and separate financial statements of Baht 58.03 million and Baht 62.12 million respectively, to guarantee against credit facility of the Company that receives from commercial banks and financial institutions according to the note to financial statement No.14.

14. Credit facilities and guarantee

The Company have 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, 2016 and December 31, 2015, in amount of Baht 1,172.85 million for both periods, it is pledged by the Company's mortgage of land and buildings and certain machinery of the Company, according to the note to financial statement No.12 and 13, some land, buildings and machinery of associate, land and buildings of other company, notes receivable, a part of deposit at bank and guaranteed of the Company, and subsidiary, by associate, other company and director of the Company, and beneficiary from insurance in buildings, machinery and equipment to commercial bank and financial institutions. In the first quarter 2016, the Company compliance with the term of debt restructuring agreement according to the note to financial statement No.19 and then proceed to redeem the mortgaged land, buildings and machinery of associate and obligations guaranteed by the associate.

15. Short-term loans from financial institutions

Consisted of:-

	(Unit : Thousand Baht)	
	<u>Consolidated/Separate financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Discount post dated cheques	4,000	-
Promissory notes	16,000	16,000
Total	20,000	16,000

As at September 30, 2016 and December 31, 2015, loan from discount post dated cheques, factoring and promissory note are carried by interest rates of 6.25% and 6.50% per annum respectively.

16. Trade and other payable

Consisted of:-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Trade payable-related parties	8,647	8,674	8,647	8,647
Trade payable-other parties	284,446	188,633	283,439	188,151
Other payable-related parties	3,168	3,167	3,245	3,166
Other payable-other parties	11,383	28,977	8,696	25,838
Accrued expenses related parties	599	599	13	-
Accrued expenses other parties	33,413	21,692	27,082	16,745
Others	7,172	7,172	7,172	7,172
Total	348,828	258,914	338,294	249,719

In the first quarter 2016, the Company entered into a compromise agreement with a other payable to extend the debt repayment to be monthly repaid in five installments at Baht 0.64 million per installment beginning at the end of February 2016. The Company has book value of other payable amount of Baht 10.70 million and the amount of repayment totaling of Baht 3.20 million. The Company can pay the full amount owed under the contract terms and the creditor is willing to compromise forgiven the remaining amount of Baht 7.50 million, which the Company recognized as other income.

17. Short-term loans from other persons and parties

As at September 30, 2016 and December 31, 2015, the consolidated and separate financial statements, the whole amount is loan from bill of exchange issue to private placement investor through financial institutions whose recommend the investor for the Company. Such loan has maturity term for 6-9 months with financial cost equivalent to interest rate at 7.50% per annum for both periods. Such loan has shares of associate pledged as collateral according to the note to financial statements No. 11.

18. Debentures

As at September 30, 2016 and December 31, 2015, the Company had issued unsubordinated and unsecured debentures, payable quarterly. This to support the operation and investment in 2015, totaling Baht 1,230 million as follows:-

(Unit : Thousand Baht)

<u>Consolidated/Separate financial statements</u>					
<u>As at</u>					
<u>Debentures No.</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>	<u>Interest Rate</u>	<u>Term</u>	<u>Maturity Date</u>
1/2015	500,000	500,000	6.50%	1 year 9 months	30 Jan 2017
2/2015	500,000	500,000	6.50%	2 years	16 Jul 2017
3/2015	230,000	230,000	6.20%	1 year 11 months 29 days	27 Oct 2017
Total	1,230,000	1,230,000			
Deferred consulting fee	(4,151)	(9,026)			
Deferred service fee	(4,169)	(9,048)			
Deferred charge	(56)	(115)			
Total debentures	1,221,624	1,211,811			
Current portion	(994,125)	-			
Net	227,499	1,211,811			

As at September 30, 2016 and December 31, 2015, the fair value of debentures in amount of Baht 1,230.63 million and Baht 1,228.29 million respectively, which is determined by the last bid price on the Thai Bond Market Association on the last business day of the period.

19. Liabilities under debt restructuring agreement

Consisted of:-

(Unit : Thousand Baht)

<u>Consolidated/Separate financial statements</u>		
<u>As at</u>		
	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Principal amount	537,746	1,031,358
Accrued interest expenses	102,167	402,775
Accrued interest pending for waiving	253,167	20,836
Total	893,080	1,454,969
<u>Less</u> Current portion	(57,000)	(48,000)
Net	836,080	1,406,969

The movements of liabilities under debt restructuring agreement for the nine-month period ended September 30, 2016, is as follow:-

	(Unit : Thousand Baht)
	<u>Consolidated/Separate financial statements</u>
Book value at the beginning of the period	1,454,969
Realized pending accrued interest to reduce interest expense	(8,617)
Suspend accrued interest for the period	41,728
Repayment during the period	(595,000)
Book value at the end of the period	<u>893,080</u>

The consolidated and separate financial statements, liabilities under debt restructuring agreement derived from the debt restructuring contract dated on May 30, 2014. In the first quarter of the year 2016, the Company and creditor together agreed and signed the new agreement of debt restructure dated March 30, 2016, to adjust the repayment terms and a partial release of collateral. The contract has classified the debt to 4 tranches and details of new repayment term as following:-

1. The Company must pay to creditor at least Baht 560.00 million, which the repayment amount to deduct the principal and accrued interest of each tranches are as follows:-

			(Unit : Thousand Baht)	
<u>Tranche</u>	<u>Credit Lines</u>	<u>Principals</u>	<u>Accrued interests</u>	<u>Total</u>
1	Baht 400 million	176,760	24,840	201,600
2	Baht 275 million	132,570	18,630	151,200
3	Baht 250 million	88,380	12,420	100,800
4	Baht 200 million	93,290	13,110	106,400
	Total	491,000	69,000	560,000

In the first quarter 2016, the Company repayment above then proceed to redeem the mortgaged land, buildings and machinery of associate and obligations guaranteed by the associate.

2. The remaining principal repayment in monthly installments including 96 months (8 years) or the maturity date of March 31, 2024 began the first payment date of April 30, 2016, as detailed below:-
- First tranche : The credit line of Baht 400.00 million, as at September 30, 2016, remaining balance amount of Baht 327.90 million comprise principal amount of Baht 195.60 million, accrued interest amount of Baht 42.71 million and accrued interest pending for waiving amount of Baht 89.59 million (December 31, 2015 : remaining balance amount of Baht 531.19 million comprise principal amount of Baht 373.73 million and accrued interest amount of Baht 157.46 million), with interest rate at SPRL+1.00% per annum.
 - Second tranche : The credit line of Baht 275.00 million, as at September 30, 2016, remaining balance amount of Baht 249.92 million comprise principal amount of Baht 141.00 million, accrued interest amount of Baht 34.45 million and accrued interest pending for waiving amount of Baht 74.47 million (December 31, 2015 : remaining balance amount of Baht 402.04 million comprise principal amount of Baht 274.04 million and accrued interest amount of Baht 128.00 million), with interest rate at SPR+1.25% per annum.
 - Third tranche : The credit line of Baht 250.00 million, as at September 30, 2016, remaining balance amount of Baht 140.25 million comprise principal amount of Baht 99.47 million, accrued interest amount of Baht 0.11 million and accrued interest pending for waiving amount of Baht 40.67 million (December 31, 2015 : remaining balance amount of Baht 239.37 million comprise principal amount of Baht 188.09 million and accrued interest amount of Baht 51.28 million), with interest rate at SPR+1.25% per annum.
 - Fourth tranche : The credit line of Baht 200.00 million, as at September 30, 2016, remaining balance amount of Baht 175.01 million comprise principal amount of Baht 101.68 million, accrued interest amount of Baht 24.90 million and accrued interest pending for waiving amount of Baht 48.43 million (December 31, 2015 : remaining balance amount of Baht 282.37 million comprise principal amount of Baht 195.50 million and accrued interest amount of Baht 86.87 million), with interest rate at SPR+1.00% per annum.

Table of principal and interest repayment per installment (Unit : Million Baht)

<u>Installment periods</u>	<u>First tranche</u>	<u>Second tranche</u>	<u>Third tranche</u>	<u>Fourth tranche</u>	<u>Total</u>
Periods 1-12 (Apr 16-Mar 17)	1.665	1.17	0.81	0.855	4.50
Periods 13-24 (Apr 17-Mar 18)	1.850	1.30	0.90	0.950	5.00
Periods 25-36 (Apr 18-Mar 19)	2.220	1.56	1.08	1.140	6.00
Periods 37-48 (Apr 19-Mar 20)	2.405	1.69	1.17	1.235	6.50
Periods 49-60 (Apr 20-Mar 21)	3.145	2.21	1.53	1.615	8.50
Periods 61-72 (Apr 21-Mar 22)	3.330	2.34	1.62	1.710	9.00
Periods 73-84 (Apr 22-Mar 23)	4.070	2.86	1.98	2.090	11.00
Periods 85-95 (Apr 23-Feb 24)	4.995	3.51	2.43	2.565	13.50
Periods 96 (Mar 24)	Outstanding				

If the Company can perform the terms of the debt restructuring, the creditors willing to compromise forgiven accrued interest pending for waiving of all group amount of Baht 253.16 million.

Liabilities under debt restructuring agreement constitutes collaterals according to note to the financial statements No. 14.

20. Employee benefit obligations

Changes in the present value of the employee benefit obligations for the nine-month period ended September 30, 2016 are as follows:-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Employee benefit obligations at the beginning of the period	1,763	1,229
Current service cost	47	22
Interest cost	27	9
Employee benefit obligations at the end of the period	1,837	1,260

Expenses recognized in statements of comprehensive income are shown collectively for the three-month and nine-month periods ended September 30, 2016 and 2015, were as follows:-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Cost of goods sold	6	6	-	-
Selling expenses	-	4	-	3
Administrative expenses	7	4	5	2
Management benefits expense	2	2	2	2
Finance cost	10	8	3	3
Total	25	24	10	10

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the nine-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Cost of goods sold	18	18	-	-
Selling expenses	1	10	-	9
Administrative expenses	21	11	15	5
Management benefits expense	7	7	7	7
Finance cost	27	25	9	8
Total	74	71	31	29

Principal actuarial assumptions at the reporting date are as follows:-

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
	(%)	(%)
Discount rate	4.30-4.52	4.30-4.52
Salary increase rate	0.44-8.58	0.44-2.87
Mortality rate (Thai Mortality Ordinary Table 2008)	100 of mortality	100 of mortality
Disability rate	10 of mortality	10 of mortality
Employee turnover rate	0-63	26-46

21. Deferred tax liabilities

Deferred tax liabilities as at September 30, 2016 and December 31, 2015, were as follows:-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statement</u>	
	<u>As at</u>	
	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Deferred tax liabilities	(89,877)	(93,503)
Net	(89,877)	(93,503)

The movement of deferred tax liabilities for the nine-month period ended September 30, 2016, was as follows:-

	(Unit : Thousand Baht)		
	<u>Consolidated financial statement</u>		
	As at	(Charged)/credited to statements	As at
	January 1, 2016	of comprehensive income	September 30, 2016
	(Note 24)		
Deferred tax liabilities			
Property, plant and equipment	(93,503)	3,626	(89,877)
Total	(93,503)	3,626	(89,877)

As at September 30, 2016 and December 31, 2015, the Group Companies had temporary differences mainly arising from the unutilized tax losses carry forward in consolidated financial statement totaling Baht 1,127.02 million and Baht 1,142.64 million respectively and separate financial statement totaling Baht 925.58 million and Baht 931.58 million respectively which have not been recognized as deferred tax assets in the statement of financial position. (because it is not probable that it will be able to utilize the tax benefit in the foreseeable future)

22. Share capital

The movement of share capital for the nine-month period ended September 30, 2016 is as follow:-

	Number of share (Unit : Thousand share)	Amount (Unit : Thousand Baht)
Registered share capital (Baht 1.00 per share)		
As at January 1, 2016	2,400,000	2,400,000
Increased (decreased) shares during the period	-	-
As at September 30, 2016	2,400,000	2,400,000
Issued and paid-up share capital (Baht 1.00 per share)		
As at January 1, 2016	2,400,000	2,400,000
Increased (decreased) shares during the period	-	-
As at September 30, 2016	2,400,000	2,400,000

Capital management

The objectives of the Company and its subsidiaries' capital management are arrangement of appropriated financial structure and maintenance of ability in continuously business operation whereas there is policy of debt to equity ratio maintenance to hold in the rate that the Company and its subsidiaries can operate business while there is appropriated capital cost burden including policy of debt to equity ratio maintenance to comply with term in the loan contract that there are related financial institutes.

As at September 30, 2016 and December 31, 2015, in the consolidated financial statements, debt to equity ratio is 2.60 : 1.00 and 2.85 : 1.00 respectively and the separate financial statements, debt to equity ratio is 2.71 : 1.00 and 3.13 : 1.00 respectively.

23. Administrative expenses

The Administrative expenses in consolidated and separate financial statements included the directors' remuneration benefits paid to the directors of the Company as per Section 90 of the Public Limited Company Act excluding salaries and related fringe benefits paid to directors who are the executives of the Company. The detail were as following:-

(Unit : Thousand Baht)

<u>Type of items</u>	<u>Consolidated/Separate financial statements</u>			
	<u>For the three-month</u>		<u>For the nine-month</u>	
	<u>period ended September 30,</u>		<u>period ended September 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Directors' remuneration benefits	265	115	460	535

24. Income tax revenues

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax expense	-	-	-	-
Deferred tax expense				
Movements in temporary differences	(1,090)	(1,352)	-	-
Total	(1,090)	(1,352)	-	-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>for the nine-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax expense	-	-	-	-
Deferred tax expense (Note 21)				
Movements in temporary differences	(3,626)	(4,115)	-	-
Total	(3,626)	(4,115)	-	-

25. Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing earnings (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the number of issued and paid-up ordinary shares during the period.

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>		
	<u>for the three-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Loss for the period (Unit : Thousand Baht)	(36,164)	(65,980)	(22,901)	(48,589)
The number of issued and paid-up ordinary shares				
(Unit : Thousand shares)	2,400,000	2,400,000	2,400,000	2,400,000
Basic loss per share (Baht/share)	(0.0151)	(0.0275)	(0.0095)	(0.0202)

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>		
	<u>for the nine-month period ended September 30,</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Earnings (loss) for the period (Unit : Thousand Baht)	(34,101)	(101,644)	489	(71,836)
The number of issued and paid-up ordinary shares				
(Unit : Thousand shares)	2,400,000	2,400,000	2,400,000	2,400,000
Basic earnings (loss) per share (Baht/share)	(0.0142)	(0.0424)	0.0002	(0.0299)

26. Segment information

Segment information is presented in respect of the Group Companies business segments.

Operating segment information is reported in a manner consistent with the internal reports the Company and its subsidiaries 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

For the three-month and nine-month periods ended September 30, 2016 and 2015, the Group Companies has only one major geographic segment is a produce and distribution of steel product business.

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 September 30, 2016, revenues from 5 customer of the produce and distribution of steel product business segment represent approximately Baht 530.01 million of the Group Company total revenues. (2015 : revenues from 3 customer of the produce and distribution of steel product business segment represent approximately Baht 289.74 million.)

For the nine-month period ended September 30, 2016, revenues from 3 customer of the produce and distribution of steel product business segment represent approximately Baht 864.68 million of the Group Company total revenues. (2015 : revenues from 4 customer of the produce and distribution of steel product business segment represent approximately Baht 1,705.57 million.)

27. Obligations and contingent liabilities

Certain liabilities shown on the financial statements, the Group Companies still remains contingent liabilities with commercial banks and third party as follows:-

27.1 The Group Companies had letter of guarantee has bank as follows:-

(Unit: Million Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>
	<u>As at</u>		<u>As at</u>
	<u>September 30,</u>	<u>December 31,</u>	<u>September 30,</u>
	<u>2016</u>	<u>2015</u>	<u>2016</u>
			<u>2015</u>
- Letter of guarantee has bank deposit of the			
Company and its subsidiary pledge for collateral	3.50	3.50	1.85
			1.85

27.2 The Group Companies entered into agreements to property, plant and equipment, have remaining obligations under several subcontractors as follow:-

<u>Consolidated financial statements/Separate financial statements</u>						
<u>As at September 30, 2016</u>				<u>As at December 31, 2015</u>		
<u>Currency</u>	<u>Contractual</u>	<u>Outstanding</u>		<u>Contractual</u>	<u>Outstanding</u>	
(Unit : Million)	<u>amount</u>	<u>Paid</u>	<u>contractual obligation</u>	<u>amount</u>	<u>Paid</u>	<u>contractual obligation</u>
Baht	-	-	-	12.00	2.40	9.60

28. Exchange rate risks

The Group companies had Exchange rate risks is derived from raw material purchased and imported from overseas; as a result, the Group companies constitute risk with respect to the change of exchange rate. However, the Group companies will consider using appropriately financial derivative so as to hedge against such risk when the exchange rate situation holds unstable trend. The Group Companies obtained liabilities in foreign currencies over which the contract to hedge against risk of exchange rates has not been conducted as follows:-

<u>Consolidated/Separate financial statements</u>		
<u>As at</u>		
<u>Currency</u>	<u>September 30, 2016</u>	<u>December 31, 2015</u>
Million US Dollar	2.57	2.63

29. Fair value hierarchy

As at September 30, 2016, the Group Companies had the assets and liabilities that were measured at fair value or fair value disclosures using different levels of inputs to be used in fair value measurement as follows:-

<u>Consolidated/Separate financial statements</u>				
<u>As at September 30, 2016</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>Assets disclosed at fair value</u>				
Investment properties (Note 12)	-	-	22.03	22.03
<u>Liabilities disclosed at fair value</u>				
Debentures (Note 18)	-	1,230.63	-	1,230.63

(Unit : Million Baht)

30. Litigation

A lawsuit 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 and interest rate at 12.00% per annum until the payment is settled. The civil court ordered the Company to pay the creditor. The remaining interest expenses of Baht 0.84 million, the Company has negotiated with creditor to reduce debt.

31. Events after the reporting period

According the resolution of Extraordinary meeting No. 1/2016, dated October 20, 2016, which could be summarized a significant resolution as follows:-

1. Approved to increase of registered capital of the Company at the amount of Baht 7,200,000,000 from the existing registered capital of Baht 2,400,000,000 to Baht 9,600,000,000 by issuing 7,200,000,000 newly issued ordinary shares with a par value of Baht 1.00, for offering to the existing shareholders (Right Offering) and reserve for the exercise the first series of warrants (RICH-W1).
2. Approved to amendment of the Company's Memorandum of Association to be in line with the capital increase.
3. Approved to allocation of 7,200,000,000 newly ordinary shares at the par value of Baht 1.00 with the details as follows:-
 - 3.1 The newly issued ordinary shares in the number of not exceeding 4,800,000,000 shares shall be allotted for the existing shareholders of the Company, at ratio of 1 existing shares to 2 new ordinary shares, at the offering price of Baht 0.30 per share.
 - 3.2 The newly issued shares in the number of not exceeding 2,400,000,000 shares, shall be allotted to reserved for the exercise of the first series of warrant (RICH-W1) which offers to the existing shareholders who subscribed for increased shares at the ratio of 2 increased ordinary shares for 1 unit of RICH-W1 without charge. Exercise price is Baht 1.00 per share. 1 unit of warrants has right to purchase 1 new ordinary share.

4. Approved to the issuance of the first series warrants of Rich Asia Corporation Public Company Limited (RICH-W1) of 2,400,000,000 units. Offering to the existing shareholders of the Company who subscribed for new ordinary shares at a ratio of 2 new ordinary shares to 1 unit of warrant RICH-W1 without charge.

The Company has already registered the increase registered capital with the Department of Business Development, Ministry of Commerce on November 3, 2016.

32. Approval of interim financial statements

These interim consolidated and separated financial statements were authorized for issue by the Company's board director on November 11, 2016.
