

- Translation -

PorBor.061/2017

August 15, 2017

Subject: Clarification of operating results different from the same period last year more than 20%

To: President
The Stock Exchange of Thailand

Rich Asia Corporation Public Company Limited and subsidiaries would like to clarify the results of the quarter ended June 30, 2017 according to the regulation of The Stock Exchange of Thailand as follows

1. Total sale revenue and service was 128.82 million Baht, decreased 658.90 million Baht or 83.65% from the same period last year due to the Company and its subsidiary received orders from customers in this period decreasing from the same period last year.

Other Revenue was 2.94 million Baht, decreased 5.31 million Baht or 64.35% from the same period last year due to other service revenues decreased.

2. Cost of goods sold and service was 141.91 million Baht, decreased 612.88 million Baht or 81.20% from the same period last year due to the sales volume and sales revenue has decreased.

3. Selling, administrative and others expenses was 17.72 million Baht, increased 0.82 million Baht or 4.87% from the same period last year due to the increased of legal & other consulting fees.

In addition, the company has recognized doubtful account increased amount of 856.74 million Baht from the same period last year which is estimated from unpaid debtor. Such estimation are based on the Company's regulations related accounting policy. Details of debtors with estimated additional doubtful account according to letter No. 028/2560, dated March 14, 2016 are as follows:

Company debtors

The Company has estimated additional doubtful account for this period amount of 769.13 million Baht, There are the trade accounts receivable and other accounts receivable total 4 accounts, which the trade accounts receivable and other accounts receivable 2 accounts (Debtor 6 and debtor 8) are receivables which the Company has already partially estimated in 2016 and quarter 1/2017 details are as follows.

Debtor 6

Nature of Business	Trading all types of steel
Relationship with the Company	Business Partners
Debt amount *	252.08 million Baht
Debt to Sales ratio**	7.33%
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law. In 2016, the Company has already estimated allowance for doubtful accounts at 50% of the total outstanding

	balance. Therefore, this period the Company has estimated additional doubtful accounts for the remaining outstanding balance.
Overdue	- Overdue 91-180 days amount 6.71 million Baht - Overdue 181-365 days amount 173.72 million Baht - Overdue 365 days amount 71.65 million Baht
Remark	Not related with majority shareholders, executives of the Company and subsidiaries

Debtor 8

Nature of Business	Manufacture and trade steel bars and finished steel products
Relationship with the Company	Business Partners
Debt amount *	231.97 million Baht
Debt to Sales ratio**	6.74 %
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law. In 2016, the Company has already estimated allowance for doubtful accounts at 50% of the total outstanding balance. Therefore, this period the Company has estimated additional doubtful accounts for the remaining outstanding balance.
Overdue	- Within credit term amount 0.06 million Baht - Overdue 91-180 days amount 55.36 million Baht - Overdue 181-365 days amount 148.83 million Baht - Overdue 365 days amount 27.72 million Baht
Remark	- Not related with majority shareholders, executives of the Company and subsidiaries - * Within credit term amount 0.06 million Baht was other receivable from rental of assets

Debtor 9

Nature of Business	Trading all types of steel
Relationship with the Company	Business Partners
Debt amount *	271.76 million Baht
Debt to Sales ratio**	7.90 %
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law
Overdue	- Overdue 91-180 days amount 126.01 million Baht - Overdue 181-365 days amount 145.75 million Baht

Remark	- Not related with majority shareholders, executives of the Company and subsidiaries
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Debtor 10

Nature of Business	Contractors smelting and trading all types of metal
Relationship with the Company	Business Partners
Debt amount *	123.02 million Baht
Debt to Sales ratio**	3.58 %
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law
Overdue	- Overdue 91-180 days amount 10.14 million Baht - Overdue 181-365 days amount 112.88 million Baht
Remark	- Not related with majority shareholders, executives of the Company and subsidiaries

Subsidiaries Debtors

The subsidiary has estimated doubtful accounts receivable in this quarter amount of 87.61 million Baht, which is estimated additional 3 Accounts Receivable as doubtful accounts from 2016 (debtor 3, debtor 4, and debtor 5). The debtor has been in the process of prosecution. As a result that the Company has to recognize additional allowance for doubtful accounts, details as follows:

Debtor 3

Nature of Business	Trading all types of steel
Relationship with the Company	Business Partners
Debt amount *	28.47 million Baht
Debt to Sales ratio**	0.89%
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law
Overdue	- Overdue 181-365 days amount 28.47 million Baht
Remark	Not related with majority shareholders, executives of the Company and subsidiaries

Debtor 4

Nature of Business	Manufacture and trade steel bars and finished steel products
Relationship with the Company	Business Partners
Debt amount *	44.24 million Baht
Debt to Sales ratio**	1.38%
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law
Overdue	- Overdue 91-180 days amount 4.07 million Baht - Overdue 181-365 days amount 40.17 million Baht
Remark	Not related with majority shareholders, executives of the Company and subsidiaries

Debtor 5

Nature of Business	Trading all types of steel
Relationship with the Company	Business Partners
Debt amount *	46.65 million Baht
Debt to Sales ratio**	1.36%
Provision for allowance for doubtful accounts	100% of outstanding balance due to the debtor have operated according to the law
Overdue	- Overdue 91-180 days amount 12.84 million Baht - Overdue 181-365 days amount 33.81 million Baht
Remark	Not related with majority shareholders, executives of the Company and subsidiaries

Remark: * Debt amount refers to includes tax

** Debt to Sales ratio refers to Debt to Sales ratio before value added tax to Sales

The company has closely monitored the payment of the aforementioned debtors and strictly following to the accounting procedures and practices of the Company.

4. Financial expense amount of 46.36 million Baht, increased 12.18 million Baht or 35.36% from the same period last year due to the Company has default of interest increased from the same period last year.

5. Loss for the period was 882.35 million Baht, increased amount of 872.55 million Baht or 8,895.35% from the same period last year due to the Company's has decreased revenues and increased of administrative expenses and doubtful accounts as a result of loss operating performance in this period.

Please be informed accordingly.

Sincerely Yours,

- *SOMKIAT VONGSAROJANA* -

(Mr. Somkiat Vongsarojana)

Managing Director