

- Translation -

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November 14, 2017

Subject: Clarification of operating results change from the same period last year by 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 end September 30, 2017 in accordance to the regulation of The Stock Exchange of Thailand, as follows:

1. Total sales revenue and service was 31.80 million Baht, decreased 758.01 million Baht or 95.97% from the same period last year due to the Company and its subsidiary received decreased orders from customers in this period from the same period last year.

Other Revenue was 3.72 million Baht, increased 1.02 million Baht or 37.78% from the same period last year due to other service revenues increased.

2. Cost of goods sold and service was 37.38 million Baht, decreased 749.97 million Baht or 95.25% from the same period last year due to the sales volume and sales revenue decreased.

3. Selling, administrative, and others expenses was 19.77 million Baht, increased 5.89 million Baht or 42.44% from the same period last year due to the increased legal & other consulting fees.

In addition, the company has recognized doubtful account increased amount of 28.55 million Baht from the same period last year which is estimated from unpaid debtor 31.42 million Baht and reversal of doubtful accounts receivable from trade receivables of 2.84 million Baht and other receivables of 0.03 million Baht. Such estimation are based on the Company's regulations related accounting policy. Details of debtors with estimated additional doubtful account according are as follows:

Company debtors

The Company has an additional allowance for doubtful accounts in this quarter amounting to Baht 31.42 million, which is loan receivables to other persons. Details are as follows.

Loans to other persons	
Nature of Business	Trading all types of steel
Relationship with the Company	Business Partners
Debt amount	30.00 million Baht
Accrued interest receivable	1.30 million Baht
Default interest	0.12 million Baht
Provision for allowance for doubtful accounts	100% of outstanding debt due to legal prosecution, whereby in the 3rd quarter of 2017, the Company made allowance for doubtful accounts of 100% of outstanding debts.

Remark	Not related with majority shareholders, executives of the Company and subsidiaries
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Note:

Loans to other persons are accounts receivable from the change of deposits for investment as short-term loans to other persons amounting to Baht 30 million as disclosed by the Company through SET's system on March 14, 2017, whereby on August 25, 2017, before the due date, The Company issued a collection letter for the short-term loan to debtors. The debtor has replied with a letter dated August 29, 2017 requesting leniency for repayment of debt. Whereby, debtors claim they had been trying to sell its shares to other companies, but have not yet been successful and are still in negotiations. Thus, the debtor requested leniency on debt repayment for another 6 months. The Company have already allowed leniency for debt repayment from the debtors for a reasonable period and have continuously followed up with debtors and sent collection letter. However, the debtors have continuously requested for leniency for debt repayment. Thus, the management has decided it is necessary to immediately proceed with litigation, for the best interest of the Company.

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

4. Financial expenses amount of 47.06 million Baht, increased 12.26 million Baht or 35.23% from the same period last year due to the Company had default of interest. Thus, the financial cost was higher than the same period last year.

5. Loss for the period was 90.17 million Baht, increased amount of 54.01 million Baht or 149.36% from the same period last year due to the Company's had 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