

March 2, 2020

Subject : Report performance  
For the year period ended December 31, 2019

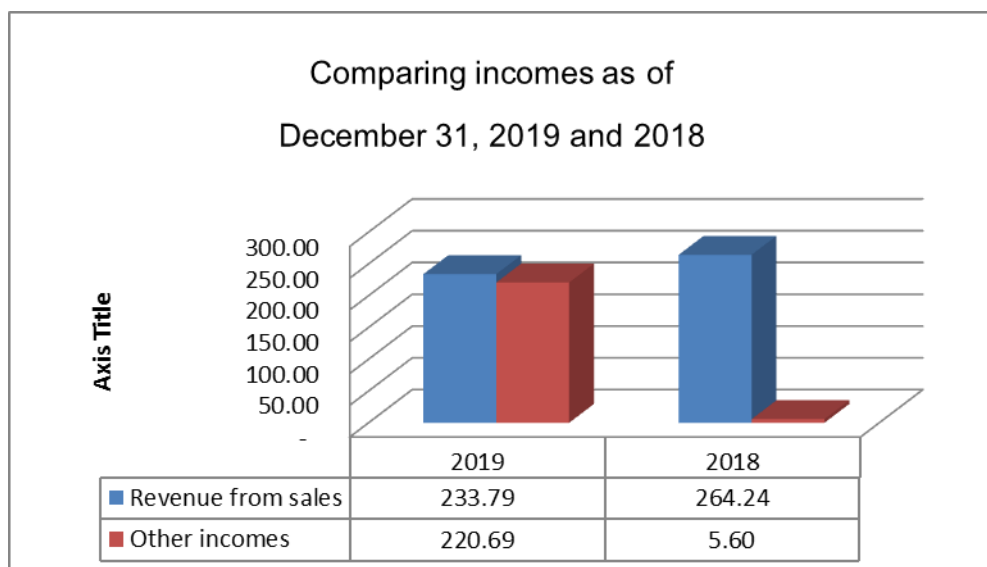
To: President  
The Stock Exchange of Thailand

Rich Asia Corporation Public Company Limited ("the Company") would like to report the information according to the financial statements for the year ended December 31, 2019 as follows:

### Overview of Operating Performance

Company and its subsidiaries had revenue classified by product category consist revenue from the distribution of round bar, steel products and structural steel products.

Operating performance for the year ended December 31, 2019 Company and its subsidiaries with revenue from sales and services amount of 233.79 million Baht, revenue in 2018 amount of 264.24 million Baht. In 2019 revenue decreased 30.45 million Baht or 11.52% compared to the same period of the last year due to the Company and its subsidiaries received decreased orders from customers. Other revenue increase 15.09 million Baht or 3,840.89% compared to the same period of last year due to the income from the disposal of assets and write-off of creditors.



In cost of sales due to the company had sales volume decreased in 2019 as result to the costs of goods and services decreased amount of 34.99 million Baht or decreased 11.49% compared with the same period last year, which results to year 2019 the Company has gross loss 35.69 million Baht as a result of depreciation of property from appraisal.

The Company had selling and administrative and other expenses amount of 62.71 million Baht, decreased from the same period of last year amount of 37.30 million Baht or decreased 37.30%. In 2019 the Company has the doubtful debt 22.90 million Baht, decreased from the same period of last year amount of 276.22 million Baht or decreased 92.34%.

The Company and its subsidiaries had financial cost for the year ended December 31, 2019 amount of 198.09 million Baht, which increased from the same period of last year amount of 2.86 million Baht or increased 1.46% due to the year 2019, the company had higher financial costs from interest burden from the issuance of bonds and financial institutions from the same period of the previous year.

Therefore from the company's sale revenue and service was decreased, whereas expenses was increased from financial cost and the estimation for doubtful accounts which result to the Company's sale revenue was not sufficient to support the Company's expenses which effect to the company's net loss for this period amount of 65.92 million Baht that represented decrease loss 566.45 million Baht or 89.58% comparing to the same period of last year.

#### Analysis of operating results

(Unit : Million Baht)

Revenue	2019	2018	Increase (decrease)	(%)
Revenue from sales	233.79	264.24	(30.45)	(11.52)
Other incomes	220.69	5.60	215.09	3,840.89
<b>Total revenues</b>	<b>454.48</b>	<b>269.84</b>	<b>184.64</b>	<b>68.43</b>

#### Revenue

The company and its subsidiaries have incomes for the year ended December 31, 2019, a total of 233.79 million Baht, a decrease of 30.45 million Baht from the same period last year, equivalent to 11.52%

1.1 Revenue from sales was 233.79 million Baht, decreased from the same period of last year by 30.45 million Baht or 11.52% due to the decrease in the amount of customer orders in the said period.

1.2 Other income was 220.69 million baht, an increase of 215.09 million Baht from the same period last year, representing 3,840.89% due to the increase in the sale of assets revenue.

(Unit : Million Baht)

Expenses	2019	2018	Increase (decrease)	(%)
Cost of sales	269.48	304.46	(34.98)	(11.49)
Selling and administrative expenses	62.71	100.01	(37.30)	(37.30)
Doubtful accounts (Reversal)	22.90	299.12	(276.22)	(92.34)
Finance cost	198.09	195.23	2.86	1.46
<b>Total expenses</b>	<b>553.18</b>	<b>898.82</b>	<b>(345.64)</b>	<b>(38.45)</b>

### Expenses

The company and subsidiaries have expenses for the year period ended December 31, 2019, a total of 553.18 million Baht, decreased from the same period last year 345.64 million Baht, equivalent to 38.45% due to

#### Cost of sales and services

For the year period ended December 31, 2019 and 2018, the company and its subsidiaries had cost of sales and services 269.48 million Baht and 304.46 million Baht, decreased 34.98 million Baht from the same period last year, representing 11.49% due to the decrease of sales volume. Therefore, the company has caused a reduced cost of sales and services.

#### Selling and administrative expenses

For the year period ended December 31, 2019 and 2018, the company has selling and administrative expenses in the amount of 62.71 million Baht and 100.01 million Baht respectively (this expense includes damages from advance payment default) decreased from the same period of last year was 37.30 million Baht or 37.30% due to the company has reduced expenses.

#### Doubtful accounts (Reversal)

For the year period ended December 31, 2019, the company has doubtful accounts amount of 22.90 million Baht, The allowance for doubtful accounts from trade receivables and advance in the amount of 32.07 million Baht, and has received returned doubtful accounts amount of 9.17 million Bath.

#### Finance costs

For the year period ended December 31, 2019 and 2018, the company had financial costs in the amount of 198.09 million Baht and 195.23 million Baht respectively. In 2019, the company had the financial costs increased by 2.86 million Baht or equivalent to 1.46% due to the year 2019 the company calculated Calculate interest at default rate Therefore, the financial costs are higher than the same period last year.

Gross profit (loss)	2019		2018		Increase (decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales	233.79	100.00	264.24	100.00	(30.45)	(11.52)
Cost of sales	269.48	115.27	304.46	115.22	(34.98)	(11.49)
Gross profit (loss)	(35.69)	(15.27)	(40.22)	(15.22)	4.53	(11.26)

### Gross Profit (Loss)

For the year period ended December 31, 2019 and 2018 the company and its subsidiaries had gross loss amount of 35.69 million Baht and 40.22 million Baht respectively, equivalent gross loss rate of 15.27% and 15.22% of revenue from selling and service respectively. Year 2019, the company had gross loss decreased in the amount of 4.53 million Baht due to the volatility of selling prices which result to the Company's gross loss decreased.

(Unit : Million Baht)

Net profit (loss)	2019	2018	Increase (decrease)	(%)
Loss before share of loss on investment				
in associate	(98.70)	(628.98)	530.28	(84.31)
Share of loss on investment in associate	(5.70)	(14.19)	8.49	(59.83)
Income tax revenue (expenses)	38.48	10.82	27.66	255.64
Loss for the period	(65.92)	(632.35)	566.43	(89.58)
Equity holders of the Company	(68.53)	(522.86)	454.33	(86.89)
Non-controlling interests of the subsidiaries	2.61	(109.49)	112.10	(102.38)
Basic loss per share	(0.022)	(0.168)		

### Net profit (loss)

For the year period ended December 31, 2019 and 2018 , the company and its subsidiaries loss for the period 65.92 million Baht, which were loss attributable to equity holder of the parent amount of 68.53 million Baht, which was attributable to non - controlling interests equity holders' amount of 2.61 million Baht. In 2018, the company had loss for the period 632.35 million Baht, which were loss attributable to equity holder of the parent amount of 522.86 million Baht, which was attributable to non - controlling interests equity holders' amount of 109.49 million Baht . The share of losses from associates was 5.70 million Baht, decreased of 8.49 million Baht from the same period last year, representing 59.83% and income (expenses) income tax of 38.48 million Baht, a increase from the same period last year amount 27.66 million Baht equivalent to 255.64%.

In consideration profit and loss for the year period ended December 31, 2019 , attributable to equity holder of the Company was loss amount of 68.53 million Baht, which decreased from the same period of the last

year amount of 454.33 million Baht or 86.89% due to in year 2019, the company recognized the doubtful debt reduced by 276.22 million Baht and also the income from the disposal of assets and the write-off of creditors amount of 206.11 million Baht while the income and gross profit not sufficient for the company's expenses including high financial costs. Therefore, the company's operating results for the year 2019 still have such losses.

#### Company statement of financial position

Description	Unit : Million Baht		Increase (decrease)	
	December 31, 2019	December 31, 2018		
	Million Baht	Million Baht	Million Baht	%
Total assets	471.99	974.80	(502.81)	(51.58)
Total liabilities	2,455.26	2,887.32	(432.06)	(14.96)
Total shareholders' equity	(1,983.26)	(1,912.52)	(70.74)	3.70
Book value - baht per share	(0.64)	(0.61)	(0.03)	8.20
Note: Value of registered and paid-up shares at 1 baht per share				

**Assets:** The Company and its subsidiaries have total assets as of December 31, 2019 in the amount of 471.99 million Baht, decreased amount 502.81 million Baht from the previous year, equivalent to 51.58% due to

1. Current assets decreased amount of 48.66 million Baht or 33.06% consisting of Cash and cash equivalents decreased amount of 11.62 million Baht or 61.45%. Trade and other receivables decreased amount of 40.15 million Baht or 42.04%. Short-term loans to other persons decreased amount of 1.30 million Baht or 56.52%. Inventories increased amount of 3.25 million Baht or 10.66% and Advance payment for goods increased amount of 1.16 million Baht 2. Non-current assets decreased amount of 454.15 million Baht or 54.88% which is consisting of Bank deposit pledged as collateral decreased amount of 2.42 million Baht or 78.57%. Investments in associated companies decreased amount of 3.69 million Baht or 2.23%. Investment property increased amount of 2.27 million Baht or 37.27% of Property, plant and equipment decreased amount of 451.16 million Baht or 69.52% Because the ownership of the land and buildings has been transferred In order to pay the debt of the company to the existing bondholders and other non-current assets increased amount of 0.85 million Baht or 21.63%

**Liabilities:** The Company and its subsidiaries have total liabilities as of December 31, 2019 in the amount of 2,455.26 million Baht, which decreased 432.06 million Baht from the previous year, or equivalent to 14.96% due to

1. Current liabilities decreased 408.63 million Baht or 14.51% consisting of Short-term loans from financial institutions decreased 1.26 million Baht or 8.18%, trade and other payables increased 2.37 million Baht

or 0.58%, Short-term loans from related parties increased 55.00 million Baht Debentures from other parties and related parties decreased 550.00 million Baht or 44.72% and liabilities under debt restructuring which is due in one year increased amount of 85.26 million Baht or 8.21%

2. Non-current liabilities decreased amount of 23.43 million Baht or 32.79% which consist of Employee benefit obligations increased amount of 4.85 million Baht or 142.65%. Deferred income tax liabilities decreased amount of 41.71 million Baht or 62.20% and other non-current liabilities increased amount of 13.43 million Baht or 1,343.00%.

**Shareholders' equity:** The Company and its subsidiaries have total shareholders' equity as of December 31, 2019 in the amount of (1,983.26) million Baht, a increased of 70.74 million Baht from the previous year, representing 3.70%, resulting the decrease in book value from 0.61 Baht per share to 0.64 Baht per share, which decreased by 0.03 Baht or 8.20% due to an increase in accumulated losses of 73.04 million Baht or 1.82% which results from increase in net loss for the period of 70.75 million Baht and contributed of non-controlling interests increased by 2.29 million Baht.

#### Cash flow statement

Description	Unit : Million Baht	
	for 2019	for 2018
Profit (loss) from operating activities before change in operating assets and liabilities	(43.93)	(69.94)
Net cash receive (payment) from operating activities	4.45	(42.13)
Net cash provided by (used in) from operating activities	(39.48)	(112.07)
Net cash provided by (used in) from investing activities	(0.54)	3.03
Net cash provided by (used in) from financing activities	28.40	(0.62)
<b>Net increase or (decreased) in cash and cash equivalents</b>	<b>(11.62)</b>	<b>(109.66)</b>
Cash and cash equivalents-Beginning of year	18.90	128.56
<b>Cash and cash equivalents-End of period</b>	<b>7.28</b>	<b>18.90</b>

Remark: Cash flow statement from the consolidated financial statement

For the year period ended December 31, 2019 the company and its subsidiaries had cash flow balance 7.28 million Baht. In the year 2019 cash received from working capital to be used in business in 2019 as details below:

Statement of cash flows of the Company and its subsidiaries for 2019, the company received and used cash flow in the following activity.

The company paid net cash for operating activities in the amount of 39.48 million Baht. There are significant transactions as follows:

- (1) The company has operating losses before the change of assets and liabilities in the amount of 43.93 million Baht.

(2) The company received net cash in assets and liabilities from operating activities in the amount of 4.45 million Baht with the following details:

- The company received cash transactions in operating assets and liabilities in the amount of 18.61 million Baht, as trade and other receivables in the amount of 17.62 million Baht, trade and other payables in the amount of 0.86 million Baht and other non-current liabilities in the amount of 0.13 million Baht.

- The company has net cash payments in operating assets and liabilities in the amount of 14.16 million Baht, which are important expenses such as inventories amount of 4.99 million baht, advance payment for goods amount of 1.17 million Baht, other non-current assets in the amount of 0.94 million Baht, employee benefit obligations amount of 0.46 million Baht and tax payment amount of 6.60 million Baht

The company has net cash received in investing activities amount of 0.54 million Baht, the major items as the following:

- Net cash received from interest income 0.81 million Baht. Cash paid from bank deposit pledged as collateral 2.42 million Baht. Short-term loans from other persons and parties 4.30 million Baht and cash received from sales of property, plant and equipment 0.80 million Baht.

- The company paid cash for buying property, plant and equipment amount of 2.18 million Baht and investment property amount of 3.19 million baht and paid cash to increase capital in an associated company in the amount of 3.50 million Baht.

The company has net cash received in financing activities amount of 28.40 million Baht, the major items as the following:

- Net cash received from interest income the sale of investment in subsidiary company in the amount of 0.19 million Baht, received from short-term loans from related parties 5.00 million Baht and cash received from short-term loans from other persons in the amount of 50.00 million Baht.

- The company has net cash paid from Short-term loans from financial institutions 1.26 million Baht, interest expenses 0.07 million Baht and cash paid asset transfer, debt repayment of debentures in the amount of 25.46 million Baht.

Please be informed accordingly.

Sincerely Yours,

- SOMKIAT VONGSAROJANA –

(Mr. Somkiat Vongsarajana)

Managing Director