

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED

AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION

AS AT SEPTEMBER 30, 2012 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2011 (AUDITED)

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To The Shareholders of

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED

I have reviewed the accompanying consolidated statements of financial position of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY and separate statements of financial position of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED as at September 30, 2012, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2012 and 2011, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month periods ended September 30, 2012 and 2011 and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with accounting standard No.34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

### **Scope of Review**

I conducted my review in accordance with standard on review engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements 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 standards on auditing 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 on this reviewed interim financial information.

### **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 accounting standard No.34 Interim Financial Reporting.

**Statement of financial position as at December 31, 2011 presented for comparison purpose**

I have previously audited the consolidated financial statements of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY and separate financial statements of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED as at December 31, 2011, in accordance with the auditing standards and expressed an unqualified opinion in the report dated February 20, 2012. The consolidated and separate statements of financial position as at December 31, 2011, presented for comparison purpose, is a partial of these financial statements. I have not performed any auditing procedures since that date.

D I A International Audit Co., Ltd.

(Mrs. Suvimol Krittayakiern)

C.P.A. (Thailand)

Registration No. 2982

November 1, 2012

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2011 (AUDITED)

Assets	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
<b>Current assets</b>					
Cash and cash equivalents	5	17,347,056.71	70,600,067.44	11,825,487.56	68,232,511.14
Current investments - cash at banks		5,067,033.27	28,020,041.74	5,067,033.27	28,020,041.74
Trade and other receivables	6	187,757,523.56	110,576,622.92	187,650,686.45	110,463,821.57
Prepayment for purchasing goods		7,983,461.51	5,961,514.40	7,983,461.51	5,961,514.40
Inventories	7	87,871,341.77	92,524,285.32	87,818,591.77	91,405,601.92
<b>Total current assets</b>		<b>306,026,416.82</b>	<b>307,682,531.82</b>	<b>300,345,260.56</b>	<b>304,083,490.77</b>
<b>Non-current assets</b>					
Pledged bank deposits		0.00	12,561,874.99	0.00	12,561,874.99
Investment in associate	8	199,811,726.64	168,470,379.84	111,051,487.00	111,051,487.00
Investment in subsidiary	9	0.00	0.00	4,999,700.00	4,999,700.00
Building and equipment	10	228,978,785.29	25,317,468.92	228,120,297.44	25,266,824.41
Prepayment for fixed assets acquisition		46,959,675.28	0.00	46,959,675.28	0.00
Other non-current assets		3,976,093.23	4,044,901.45	3,976,093.23	4,044,901.45
<b>Total non-current assets</b>		<b>479,726,280.44</b>	<b>210,394,625.20</b>	<b>395,107,252.95</b>	<b>157,924,787.85</b>
<b>Total assets</b>		<b>785,752,697.26</b>	<b>518,077,157.02</b>	<b>695,452,513.51</b>	<b>462,008,278.62</b>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2012 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2011 (AUDITED)

Liabilities and shareholders' equity	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	11	116,535,058.09	16,793,237.16	116,535,058.09	16,793,237.16
Trade and other payables	12	86,964,514.04	64,156,133.14	86,894,598.76	64,068,372.34
Current portion of long-term debts	13 , 14	9,363,226.37	823,245.67	9,363,226.37	823,245.67
Corporate income tax payable		11,287,233.79	11,506,127.31	11,287,233.79	11,506,127.31
<b>Total current liabilities</b>		<b>224,150,032.29</b>	<b>93,278,743.28</b>	<b>224,080,117.01</b>	<b>93,190,982.48</b>
<b>Non-current liabilities</b>					
Long-term loans	13	44,155,875.00	0.00	44,155,875.00	0.00
Financial lease liabilities	14	4,013,411.21	1,550,877.38	4,013,411.21	1,550,877.38
Employee benefit obligations		5,853,902.75	5,693,751.00	5,815,168.25	5,693,751.00
<b>Total non-current liabilities</b>		<b>54,023,188.96</b>	<b>7,244,628.38</b>	<b>53,984,454.46</b>	<b>7,244,628.38</b>
<b>Total liabilities</b>		<b>278,173,221.25</b>	<b>100,523,371.66</b>	<b>278,064,571.47</b>	<b>100,435,610.86</b>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2012 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2011 (AUDITED)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Liabilities and shareholders' equity					
Shareholders' equity					
Share capital					
Authorized share capital					
220,374,739 ordinary					
shares of Baht 1 each	15	<u>220,374,739.00</u>		<u>220,374,739.00</u>	
172,500,000 ordinary					
shares of Baht 1 each			<u>172,500,000.00</u>		<u>172,500,000.00</u>
Issued and paid-up share capital					
198,374,739 ordinary					
shares of Baht 1 each	15	198,374,739.00		198,374,739.00	
172,499,988 ordinary					
shares of Baht 1 each			172,499,988.00		172,499,988.00
Premium on ordinary shares		83,266,474.59	83,266,474.59	83,266,474.59	83,266,474.59
Retained earnings					
Appropriated - legal reserve		16,593,669.96	12,940,393.95	16,593,669.96	12,940,393.95
Unappropriated	16	<u>205,404,414.69</u>	<u>148,846,780.04</u>	<u>119,153,058.49</u>	<u>92,865,811.22</u>
Total owners of the Company		<u>503,639,298.24</u>	<u>417,553,636.58</u>	<u>417,387,942.04</u>	<u>361,572,667.76</u>
Non-controlling interests		<u>3,940,177.77</u>	<u>148.78</u>	<u>0.00</u>	<u>0.00</u>
Total shareholders' equity		<u>507,579,476.01</u>	<u>417,553,785.36</u>	<u>417,387,942.04</u>	<u>361,572,667.76</u>
Total liabilities and shareholders' equity		<u>785,752,697.26</u>	<u>518,077,157.02</u>	<u>695,452,513.51</u>	<u>462,008,278.62</u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

(UNAUDITED / REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2012	2011	2012	2011
Sales and services		228,964,673.43	237,024,482.36	228,964,673.43	237,024,482.36
Cost of sales and services		(173,879,901.05)	(203,150,134.23)	(173,879,901.05)	(203,150,134.23)
Gross profit		55,084,772.38	33,874,348.13	55,084,772.38	33,874,348.13
Others income		1,407,164.41	959,251.82	1,472,204.41	959,251.82
Selling expenses		(6,098,309.24)	(6,778,709.51)	(6,098,309.24)	(6,778,709.51)
Administrative expenses		(15,882,578.78)	(14,305,525.71)	(15,199,653.09)	(13,784,627.39)
Finance costs		(533,891.18)	(1,362,485.25)	(533,891.18)	(1,362,193.25)
Share of profit from investment					
in associate		3,676,109.70	8,918,995.20	0.00	0.00
Profit before income tax		37,653,267.29	21,305,874.68	34,725,123.28	12,908,069.80
Income tax expenses	17	(7,851,982.91)	(3,795,594.43)	(7,851,982.91)	(3,795,594.43)
Profit for the period		29,801,284.38	17,510,280.25	26,873,140.37	9,112,475.37
Other comprehensive income		0.00	0.00	0.00	0.00
Total comprehensive income for the period		29,801,284.38	17,510,280.25	26,873,140.37	9,112,475.37
Total comprehensive income attributable to :					
Owners of the Company		30,173,436.95	17,510,332.37	26,873,140.37	9,112,475.37
Non-controlling interests		(372,152.57)	(52.12)	0.00	0.00
		29,801,284.38	17,510,280.25	26,873,140.37	9,112,475.37
Earnings per share					
Basic earnings per share	4.2	0.15	0.09	0.14	0.05
Weighted average number of					
ordinary shares	4.2	198,374,739	198,374,739	198,374,739	198,374,739

Notes to financial statements are parts of these financial statements.

STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
(UNAUDITED / REVIEWED ONLY)

	Note	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
		2012	2011	2012	2011
Sales and services		625,186,487.77	668,978,673.86	625,186,487.77	669,153,986.96
Cost of sales and services		(471,894,100.82)	(547,553,531.57)	(471,894,100.82)	(547,553,531.57)
Gross profit		153,292,386.95	121,425,142.29	153,292,386.95	121,600,455.39
Others income					
Dividend income		0.00	0.00	0.00	35,968,370.14
Others		4,835,585.83	4,979,612.44	4,951,502.62	4,803,037.57
Selling expenses		(19,290,277.76)	(18,794,305.98)	(19,290,277.76)	(18,794,305.98)
Administrative expenses		(44,787,254.74)	(43,038,480.20)	(42,772,241.10)	(42,404,985.15)
Finance costs		(1,356,285.12)	(4,706,518.42)	(1,356,285.12)	(4,706,226.42)
Share of profit from investment					
in associate		31,341,346.80	36,945,566.40	0.00	0.00
Profit before income tax		124,035,501.96	96,811,016.53	94,825,085.59	96,466,345.55
Income tax expenses	17	(21,759,565.31)	(18,303,568.57)	(21,759,565.31)	(18,303,568.57)
Profit for the period		102,275,936.65	78,507,447.96	73,065,520.28	78,162,776.98
Other comprehensive income		0.00	0.00	0.00	0.00
Total comprehensive income for the period		102,275,936.65	78,507,447.96	73,065,520.28	78,162,776.98
Total comprehensive income attributable to :					
Owners of the Company		103,335,907.66	78,507,511.21	73,065,520.28	78,162,776.98
Non-controlling interests		(1,059,971.01)	(63.25)	0.00	0.00
		102,275,936.65	78,507,447.96	73,065,520.28	78,162,776.98
Earnings per share					
Basic earnings per share	4.2	0.52	0.40	0.37	0.39
Weighted average number of					
ordinary shares	4.2	198,374,739	198,374,739	198,374,739	198,374,739

Notes to financial statements are parts of these financial statements.



## UNIVERSAL ADSORBENTS &amp; CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

(UNAUDITED / REVIEWED ONLY)

		Consolidated financial statements (Baht)					(Unit : Baht)	
		Owners of the Company						
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Owners of the Company	Non-controlling interests	Total shareholders' equity
Note				Appropriated	Unappropriated			
				Legal reserve				
	Balance as at December 31, 2011	172,499,988.00	83,266,474.59	12,940,393.95	148,846,780.04	417,553,636.58	148.78	417,553,785.36
	Changes in shareholders' equity for the nine-month periods :							
	Ordinary shares	9	0.00	0.00	0.00	0.00	5,000,000.00	5,000,000.00
	Total comprehensive income for the period		0.00	0.00	103,335,907.66	103,335,907.66	(1,059,971.01)	102,275,936.65
	Dividend paid by cash and ordinary shares	15,16	25,874,751.00	0.00	(43,124,997.00)	(17,250,246.00)	0.00	(17,250,246.00)
	Legal reserve		0.00	3,653,276.01	(3,653,276.01)	0.00	0.00	0.00
	Balance as at September 30, 2012		<u>198,374,739.00</u>	<u>83,266,474.59</u>	<u>16,593,669.96</u>	<u>205,404,414.69</u>	<u>3,940,177.77</u>	<u>507,579,476.01</u>
	Balance as at December 31, 2010		150,000,000.00	83,266,474.59	6,169,337.00	127,261,190.20	366,697,001.79	0.00
	Effects of adoption the new accounting policy-employee benefits		0.00	0.00	(4,360,321.00)	(4,360,321.00)	0.00	(4,360,321.00)
	Balance as at December 31, 2010 - after restatement		150,000,000.00	83,266,474.59	6,169,337.00	122,900,869.20	362,336,680.79	0.00
	Changes in shareholders' equity for the nine-month periods :							
	Ordinary shares		0.00	0.00	0.00	0.00	75.00	75.00
	Dividend paid		0.00	0.00	(22,500,000.00)	(22,500,000.00)	0.00	(22,500,000.00)
	Total comprehensive income for the period		0.00	0.00	78,507,511.21	78,507,511.21	(63.25)	78,507,447.96
	Interim dividend paid		0.00	0.00	(25,005,000.00)	(25,005,000.00)	0.00	(25,005,000.00)
	Legal reserve		0.00	5,908,138.85	(5,908,138.85)	0.00	0.00	0.00
	Balance as at September 30, 2011		<u>150,000,000.00</u>	<u>83,266,474.59</u>	<u>12,077,475.85</u>	<u>147,995,241.56</u>	<u>393,339,192.00</u>	<u>11.75</u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Separate financial statements				
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total shareholders' equity
			Appropriated Legal reserve	Unappropriated	
Note					
Balance as at December 31, 2011	172,499,988.00	83,266,474.59	12,940,393.95	92,865,811.22	361,572,667.76
Changes in shareholders' equity for the nine-month periods :					
Total comprehensive income for the period	0.00	0.00	0.00	73,065,520.28	73,065,520.28
Dividend paid by cash and ordinary shares	15,16 25,874,751.00	0.00	0.00	(43,124,997.00)	(17,250,246.00)
Legal reserve	0.00	0.00	3,653,276.01	(3,653,276.01)	0.00
Balance as at September 30, 2012	<u>198,374,739.00</u>	<u>83,266,474.59</u>	<u>16,593,669.96</u>	<u>119,153,058.49</u>	<u>417,387,942.04</u>
Balance as at December 31, 2010	150,000,000.00	83,266,474.59	6,169,337.00	56,081,050.12	295,516,861.71
Effects of adoption the new accounting policy-employee benefits	0.00	0.00	0.00	(4,360,321.00)	(4,360,321.00)
Balance as at December 31, 2010 - after restatement	150,000,000.00	83,266,474.59	6,169,337.00	51,720,729.12	291,156,540.71
Changes in shareholders' equity for the nine-month periods :					
Dividend paid	0.00	0.00	0.00	(22,500,000.00)	(22,500,000.00)
Total comprehensive income for the period	0.00	0.00	0.00	78,162,776.98	78,162,776.98
Interim dividend paid	0.00	0.00	0.00	(25,005,000.00)	(25,005,000.00)
Legal reserve	0.00	0.00	5,908,138.85	(5,908,138.85)	0.00
Balance as at September 30, 2011	<u>150,000,000.00</u>	<u>83,266,474.59</u>	<u>12,077,475.85</u>	<u>76,470,367.25</u>	<u>321,814,317.69</u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

(UNAUDITED / REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Cash flows from operating activities				
Profit before corporate income tax	124,035,501.96	96,811,016.53	94,825,085.59	96,466,345.55
Adjustment				
Depreciation	2,551,171.28	2,616,689.35	2,285,852.25	2,614,218.76
Loss on devaluation of inventories	0.00	17,363.94	0.00	17,363.94
Unrealized (gain) loss on exchange rate	(222,807.30)	3,267,596.03	(222,807.30)	3,267,596.03
Share of profit from investment in associate	(31,341,346.80)	(36,945,566.40)	0.00	0.00
Loss on disposal of fixed assets	0.00	21,557.79	0.00	21,557.79
Amortization of prepaid expenses	996,381.31	819,094.99	996,381.31	819,094.99
Employee benefit obligations, increase	160,151.75	1,000,073.50	121,417.25	1,000,073.50
Dividend income	0.00	0.00	0.00	(35,968,370.14)
Interest expenses	715,952.61	4,150,488.14	715,952.61	4,150,488.14
	<u>96,895,004.81</u>	<u>71,758,313.87</u>	<u>98,721,881.71</u>	<u>72,388,368.56</u>
(Increase) Decrease in changes of operating assets				
Trade and other receivables	(78,896,505.11)	(44,402,729.23)	(78,902,610.97)	(44,395,941.99)
Prepayment for goods acquisition	(2,021,947.11)	7,354,446.57	(2,021,947.11)	7,354,446.57
Inventories	3,661,114.11	20,885,107.28	3,587,010.15	20,885,107.28
Other non-current assets	(50,837.74)	3,532,121.95	(50,837.74)	3,532,121.95
Increase (Decrease) in changes of operating liabilities				
Trade and other payables	(1,321,421.05)	32,555,887.88	(1,303,575.53)	32,469,273.30
Cash generated (paid for) from operations	<u>18,265,407.91</u>	<u>91,683,148.32</u>	<u>20,029,920.51</u>	<u>92,233,375.67</u>
Interest paid	(1,158,381.19)	(4,150,488.14)	(1,158,381.19)	(4,150,488.14)
Corporate income tax paid	(21,978,600.45)	(18,631,449.69)	(21,978,458.83)	(18,631,437.08)
Net cash provided by (used in) operating activities	<u>(4,871,573.73)</u>	<u>68,901,210.49</u>	<u>(3,106,919.51)</u>	<u>69,451,450.45</u>

Notes to financial statements are parts of these financial statements.

STATEMENTS OF CASH FLOWS (CONTINUED)  
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011  
(UNAUDITED / REVIEWED ONLY)

	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Cash flows from investing activities				
(Increase) Decrease in current investment	22,953,008.47	(1,693,916.67)	22,953,008.47	(1,693,916.67)
Decrease in pledged bank deposit	12,561,874.99	1,422,055.66	12,561,874.99	1,422,055.66
Proceeds from dividend of associate	0.00	35,968,370.14	0.00	35,968,370.14
Increase in investment in associate	0.00	0.00	0.00	(1,249,925.00)
Proceeds from sales of fixed assets	0.00	34,040.19	0.00	34,040.19
Payments for fixed assets acquisition	<u>(223,585,382.76)</u>	<u>(4,688,110.84)</u>	<u>(223,504,049.83)</u>	<u>(4,632,176.26)</u>
Net cash provided by (used in) investing activities	<u>(188,070,499.30)</u>	<u>31,042,438.48</u>	<u>(187,989,166.37)</u>	<u>29,848,448.06</u>
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	100,694,418.77	(71,406,124.96)	100,694,418.77	(71,406,124.96)
Increase in long-term loans	51,871,875.00	0.00	51,871,875.00	0.00
Payments for financial lease liabilities	(626,985.47)	(1,024,244.79)	(626,985.47)	(1,024,244.79)
Proceeds from non-controlling interests	5,000,000.00	75.00	0.00	0.00
Dividend paid	<u>(17,250,246.00)</u>	<u>(22,500,000.00)</u>	<u>(17,250,246.00)</u>	<u>(22,500,000.00)</u>
Net cash provided by (used in) financing activities	<u>139,689,062.30</u>	<u>(94,930,294.75)</u>	<u>134,689,062.30</u>	<u>(94,930,369.75)</u>
Increase (decrease) in cash and cash equivalents	<u>(53,253,010.73)</u>	5,013,354.22	<u>(56,407,023.58)</u>	4,369,528.76
Cash and cash equivalents as at January 1	<u>70,600,067.44</u>	<u>57,644,142.31</u>	<u>68,232,511.14</u>	<u>57,644,142.31</u>
Cash and cash equivalents as at September 30	<u><u>17,347,056.71</u></u>	<u><u>62,657,496.53</u></u>	<u><u>11,825,487.56</u></u>	<u><u>62,013,671.07</u></u>

Notes to financial statements are parts of these financial statements.

## 18.2 Non-cash transaction

For the nine-month periods ended September 30, 2012

- 1) The Company has purchased fixed assets amount of Baht 30.11 million with payment maturity in October 2012 which is presented as other payables.
- 2) The Company entered into hire purchase agreement for vehicles of Baht 5.22 million which was paid Baht 1.30 million. The remaining is presented as financial lease liabilities.
- 3) The Company has paid ordinary share dividend amount of Baht 25.87 million (25.87 million shares at par value of Baht 1 each) to the shareholders (note 16).

## 19. TRANSACTION WITH RELATED PERSONS AND PARTIES

The Company's assets, liabilities, revenues and expenses arose from the transaction with related persons and parties. Those transactions are determined on the basis of the company concerned and in the normal course of business.

### 19.1 General information

<u>Name/Related persons and parties</u>	<u>Relationship</u>	<u>Description</u>	<u>Pricing policy</u>
<u>Related parties</u>			
UAC Hydrotek Co., Ltd. (formerly named "UAC Utilities Co., Ltd.")	Subsidiary	Other income	0.02 million per month
Bangchak Biofuel Co., Ltd.	Associated company and common director	Purchase of goods	Market price
P & P Ordinary Partnership	Intimates of director are partners of that party	Warehouse rental	Rental fee of Baht 0.13 million per month
Hydrotek Public Co., Ltd.	Common shareholder and subsidiary's director	Sales Contractor wage	Market price As agreed

### 19.2 Assets and liabilities transaction with related persons and parties consist of :

	<u>Consolidated financial statements (Baht)</u>		<u>Separate financial statements (Baht)</u>	
	<u>September 30, 2012</u>	<u>December 31, 2011</u>	<u>September 30, 2012</u>	<u>December 31, 2011</u>
<u>Trade accounts receivable</u>				
Hydrotek Public Co., Ltd.	<u>28,462,000.00</u>	<u>0.00</u>	<u>28,462,000.00</u>	<u>0.00</u>
<u>Other receivables</u>				
UAC Hydrotek Co., Ltd.	<u>0.00</u>	<u>0.00</u>	<u>23,197.60</u>	<u>0.00</u>
<u>Prepayment for goods acquisition</u>				
Hydrotek Public Co., Ltd.	<u>5,750,000.00</u>	<u>0.00</u>	<u>5,750,000.00</u>	<u>0.00</u>
<u>Trade accounts payable</u>				
Bangchak Biofuel Co., Ltd.	<u>1,743,582.34</u>	<u>2,623,326.27</u>	<u>1,743,582.34</u>	<u>2,623,326.27</u>

19.3 Revenues and expenses transaction with related persons and parties as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Sales				
Hydrotek Public Co., Ltd.	<u>38,000,000.00</u>	<u>0.00</u>	<u>38,000,000.00</u>	<u>0.00</u>
Other income				
UAC Hydrotek Co., Ltd.	<u>0.00</u>	<u>0.00</u>	<u>65,040.00</u>	<u>0.00</u>
Purchase				
Bangchak Biofuel Co., Ltd.	<u>5,183,451.00</u>	<u>2,923,988.00</u>	<u>5,183,451.00</u>	<u>2,923,988.00</u>
Administrative expenses (warehouse rental fee)				
P & P Ordinary Partnership	<u>382,105.26</u>	<u>382,105.26</u>	<u>382,105.26</u>	<u>382,105.26</u>
	For the nine-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Sales				
Hydrotek Public Co., Ltd.	<u>38,000,000.00</u>	<u>0.00</u>	<u>38,000,000.00</u>	<u>0.00</u>
Other income				
UAC Hydrotek Co., Ltd.	<u>0.00</u>	<u>0.00</u>	<u>138,080.00</u>	<u>0.00</u>
Purchase				
Bangchak Biofuel Co., Ltd.	<u>17,850,076.35</u>	<u>7,614,164.20</u>	<u>17,850,076.35</u>	<u>7,614,164.20</u>
Administrative expenses (warehouse rental fee)				
P & P Ordinary Partnership	<u>1,146,315.78</u>	<u>1,146,315.78</u>	<u>1,146,315.78</u>	<u>1,146,315.78</u>

## 20. EXPENSES ANALYZED BY NATURE

Expenses analyzed by nature for the three-month and nine-month periods ended September 30, 2012 and 2011 as follows :

	For the three-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Changes in inventories	4,959,965.07	13,883,537.67	4,959,965.07	13,883,537.67
Employees benefit expenses	6,432,709.84	5,875,093.22	5,961,180.69	5,485,694.67
Depreciation	912,668.52	836,882.83	823,475.59	834,412.24
Commission for sale of goods	624,097.00	1,128,633.00	624,097.00	1,128,633.00
Directors' remuneration	615,000.00	565,000.00	615,000.00	565,000.00
Management benefit expenses	3,523,267.74	3,817,004.25	3,523,267.74	3,817,004.25
	For the nine-month periods			
	Consolidated financial statements (Baht)		Separate financial statements (Baht)	
	2012	2011	2012	2011
Changes in inventories	279,059.17	20,323,056.32	279,059.17	20,323,056.32
Employees benefit expenses	20,540,578.23	15,182,856.63	19,207,284.62	14,793,458.08
Depreciation	2,551,171.28	2,616,689.35	2,285,852.25	2,614,218.76
Commission for sale of goods	1,679,919.00	1,887,978.00	1,679,919.00	1,887,978.00
Directors' remuneration	1,795,000.00	1,615,000.00	1,795,000.00	1,615,000.00
Management benefit expenses	10,566,203.22	11,436,975.50	10,566,203.22	11,436,975.50

## 21. SEGMENT INFORMATION

21.1 The Company's operation involve in significant segment as follows:

- Business segment are 1) import and distribute of chemical and equipment for using industry, and 2) provide the consultant and advising for the marketing of any products and services.
- Geographical segment involve in both domestic and overseas.

21.2 The subsidiary's operation involve virtually in water production and distribution for using in industry and consumption purpose including distribution and installation the related equipment only in domestic geographical segment. At present, the subsidiary has not yet income from its operation.