

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED “UNIVERSAL ADSORBENTS & CHEMICALS  
COMPANY LIMITED”)

AUDITOR'S REPORT AND FINANCIAL STATEMENTS  
AS AT SEPTEMBER 30, 2010 (UNAUDITED/REVIEWED ONLY)  
AND AS AT DECEMBER 31, 2009 (AUDITED)

## AUDITOR'S REPORT

To The Shareholders of

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED

(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

I have reviewed the balance sheets in which the equity method is applied and separate balance sheets of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED as at September 30, 2010, the related statements of income in which equity method is applied and separate statements of income for the three-month and nine-month periods ended September 30, 2010 and 2009, statements of changes in shareholders' equity in which equity method is applied and separate statements of changes in shareholders' equity, statements of cash flows in which equity method is applied and separate statements of cash flows for the nine-month periods ended September 30, 2010 and 2009. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review. I did not review the interim financial statements for the three-month and nine-month periods ended September 30, 2010 of an associated company which included in these interim financial statements. Investment in associated company by using equity method reflected at 31.51 per cent of total assets as at September 30, 2010 and share of profit from investment in associated company for the three-month and nine-month periods ended September 30, 2010 at 7.86 per cent and 6.12 per cent of total revenues respectively. Those financial statements were reviewed by the other auditor whose report has been furnished to me, and my report, insofar as it relates to the amounts included for associated company, is based solely on the report of the other auditor.

I conducted my review in accordance with auditing standards applicable to review engagements. Those standards require that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. Accordingly, I do not express an opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that the financial statements are not presented fairly, in all material respects in accordance with generally accepted accounting principles.

I have previously audited the financial statements in which the equity method is applied and separate financial statements of UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED as at December 31, 2009 in accordance with generally accepted auditing standards and I expressed an unqualified opinion in my report dated on February 23, 2010. The balance sheet in which the equity method is applied and separate balance sheet as at December 31, 2009, presented for comparison purpose, is a partial of the audited and reported financial statements. I have not performed any auditing procedures since that date.

Office of D I A International Auditing

(Mrs. Suvimol Krittayakiern)

C.P.A. (Thailand)

Registration No. 2982

November 10, 2010

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED

(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

BALANCE SHEETS

AS AT SEPTEMBER 30, 2010 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2009 (AUDITED)

Assets	Note	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
		September 30, 2010	December 31, 2009	September 30, 2010	December 31, 2009
<b>Current assets</b>					
Cash and cash equivalents	5	4,961,922.38	3,658,151.72	4,961,922.38	3,658,151.72
Current investment		253,384.90	1,120,489.39	253,384.90	1,120,489.39
Trade accounts receivable - net	6	134,191,762.85	176,366,391.62	134,191,762.85	176,366,391.62
Inventories - net	7	114,213,125.13	82,024,983.26	114,213,125.13	82,024,983.26
Other current assets		7,019,212.38	4,562,334.54	7,019,212.38	4,562,334.54
<b>Total current assets</b>		<b>260,639,407.64</b>	<b>267,732,350.53</b>	<b>260,639,407.64</b>	<b>267,732,350.53</b>
<b>Non-current assets</b>					
Pledged bank deposit	8	38,000,000.00	30,000,000.00	38,000,000.00	30,000,000.00
Investment in associated company	9	143,515,026.88	106,609,562.65	111,051,487.00	111,176,412.00
Equipment - net	10	8,577,661.74	5,684,724.54	8,577,661.74	5,684,724.54
Other non-current assets		4,886,740.79	1,599,703.68	4,886,740.79	1,599,703.68
<b>Total non-current assets</b>		<b>194,979,429.41</b>	<b>143,893,990.87</b>	<b>162,515,889.53</b>	<b>148,460,840.22</b>
<b>Total assets</b>		<b>455,618,837.05</b>	<b>411,626,341.40</b>	<b>423,155,297.17</b>	<b>416,193,190.75</b>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

BALANCE SHEETS (CONTINUED)

AS AT SEPTEMBER 30, 2010 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2009 (AUDITED)

	Note	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
		September 30, 2010	December 31, 2009	September 30, 2010	December 31, 2009
Liabilities and shareholders' equity					
Current liabilities					
Overdrafts and short - term loans					
from financial institutions	11	121,694,491.51	128,795,160.40	121,694,491.51	128,795,160.40
Trade accounts payable		89,442,334.11	99,226,000.05	89,442,334.11	99,226,000.05
Current portion of long - term debts	12	758,592.10	892,357.40	758,592.10	892,357.40
Other current liabilities					
Accrued corporate income tax		5,291,967.44	8,878,748.46	5,291,967.44	8,878,748.46
Accrued expenses		9,637,746.37	7,002,195.14	9,637,746.37	7,002,195.14
Others		4,677,755.82	5,858,081.63	4,677,755.82	5,858,081.63
Total current liabilities		<u>231,502,887.35</u>	<u>250,652,543.08</u>	<u>231,502,887.35</u>	<u>250,652,543.08</u>
Non - current liabilities					
Liabilities under financial lease agreement - net	12	145,449.90	677,000.60	145,449.90	677,000.60
Total non - current liabilities		<u>145,449.90</u>	<u>677,000.60</u>	<u>145,449.90</u>	<u>677,000.60</u>
Total liabilities		<u>231,648,337.25</u>	<u>251,329,543.68</u>	<u>231,648,337.25</u>	<u>251,329,543.68</u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

BALANCE SHEETS (CONTINUED)

AS AT SEPTEMBER 30, 2010 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2009 (AUDITED)

	Note	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
		September 30, 2010	December 31, 2009	September 30, 2010	December 31, 2009
Liabilities and shareholders' equity					
Shareholders' equity					
Share capital					
Authorized share capital					
150,000,000 ordinary shares of Baht 1 each	13	<u>150,000,000.00</u>		<u>150,000,000.00</u>	
1,200,000 ordinary shares of Baht 100 each			<u>120,000,000.00</u>		<u>120,000,000.00</u>
Issued and paid-up share capital					
120,000,000 ordinary shares of Baht 1 each	13	120,000,000.00		120,000,000.00	
1,200,000 ordinary shares of Baht 100 each			120,000,000.00		120,000,000.00
Retained earnings					
Appropriated					
Legal reserve	14	5,882,165.64	4,550,000.00	5,882,165.64	4,550,000.00
Unappropriated		98,088,334.16	35,746,797.72	65,624,794.28	40,313,647.07
Total shareholders' equity		<u>223,970,499.80</u>	<u>160,296,797.72</u>	<u>191,506,959.92</u>	<u>164,863,647.07</u>
Total liabilities and shareholders' equity		<u>455,618,837.05</u>	<u>411,626,341.40</u>	<u>423,155,297.17</u>	<u>416,193,190.75</u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

STATEMENTS OF INCOME

FOR THE THREE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009

(UNAUDITED / REVIEWED ONLY)

	Note	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
		2010	2009	2010	2009
Sales		194,177,470.12	189,266,729.79	194,177,470.12	189,266,729.79
Cost of sales		(160,089,891.04)	(161,886,793.91)	(160,089,891.04)	(161,886,793.91)
Gross profit		34,087,579.08	27,379,935.88	34,087,579.08	27,379,935.88
Other income		4,969,884.35	1,487,508.32	4,969,884.35	1,487,508.32
Profit before expenses		39,057,463.43	28,867,444.20	39,057,463.43	28,867,444.20
Selling expenses		(5,931,183.63)	(7,325,214.07)	(5,931,183.63)	(7,325,214.07)
Administrative expenses		(8,927,868.01)	(6,963,163.39)	(8,927,868.01)	(6,963,163.39)
Directors' remuneration		(505,000.00)	0.00	(505,000.00)	0.00
Management benefit expenses		(3,148,080.96)	(2,355,965.00)	(3,148,080.96)	(2,355,965.00)
Total expenses		(18,512,132.60)	(16,644,342.46)	(18,512,132.60)	(16,644,342.46)
Profit before finance costs and income tax		20,545,330.83	12,223,101.74	20,545,330.83	12,223,101.74
Finance costs		(1,253,826.62)	(888,322.20)	(1,253,826.62)	(888,322.20)
Share of profit (loss) from investment in associated company		15,649,150.20	(1,582,904.18)	0.00	0.00
Profit before income tax		34,940,654.41	9,751,875.36	19,291,504.21	11,334,779.54
Income tax		(5,921,356.34)	(3,062,793.04)	(5,921,356.34)	(3,062,793.04)
Net profit		29,019,298.07	6,689,082.32	13,370,147.87	8,271,986.50
Earnings per share					
Basic earnings per share	4	0.24	0.10	0.11	0.12
Weighted average number of ordinary shares	4	120,000,000	70,000,000	120,000,000	70,000,000

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

STATEMENTS OF INCOME

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009

(UNAUDITED / REVIEWED ONLY)

	Note	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
		2010	2009	2010	2009
Sales		598,359,571.74	482,807,143.73	598,359,571.74	482,807,143.73
Cost of sales		(509,371,738.58)	(396,825,364.42)	(509,371,738.58)	(396,825,364.42)
Gross profit		88,987,833.16	85,981,779.31	88,987,833.16	85,981,779.31
Other income		6,085,633.12	4,441,616.13	6,061,707.59	4,441,616.13
Profit before expenses		95,073,466.28	90,423,395.44	95,049,540.75	90,423,395.44
Selling expenses		(17,323,704.39)	(24,918,854.15)	(17,323,704.39)	(24,918,854.15)
Administrative expenses		(25,736,306.70)	(17,512,546.55)	(25,736,306.70)	(17,512,546.55)
Directors' remuneration		(1,430,000.00)	0.00	(1,430,000.00)	0.00
Management benefit expenses		(9,425,260.46)	(7,076,895.00)	(9,425,260.46)	(7,076,895.00)
Total expenses		(53,915,271.55)	(49,508,295.70)	(53,915,271.55)	(49,508,295.70)
Profit before finance costs and income tax		41,158,194.73	40,915,099.74	41,134,269.20	40,915,099.74
Finance costs		(2,744,367.35)	(2,208,120.43)	(2,744,367.35)	(2,208,120.43)
Share of profit (loss) from investment in associated company		37,006,463.70	(2,948,235.31)	0.00	0.00
Profit before income tax		75,420,291.08	35,758,744.00	38,389,901.85	38,706,979.31
Income tax		(11,746,589.00)	(11,779,956.80)	(11,746,589.00)	(11,779,956.80)
Net profit		63,673,702.08	23,978,787.20	26,643,312.85	26,927,022.51
Earnings per share					
Basic earnings per share	4	0.53	0.34	0.22	0.38
Weighted average number of ordinary shares	4	120,000,000	70,000,000	120,000,000	70,000,000

Notes to financial statements are parts of these financial statements.



UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED “UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED”)

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

		Financial statements in which equity method is applied			
		Issued and paid-up	Retained earnings		Total
Note		share capital	Appropriated	Unappropriated	
	Balance as at December 31, 2008	70,000,000.00	0.00	93,488,938.29	163,488,938.29
	Net profit for the nine-month periods	0.00	0.00	23,978,787.20	23,978,787.20
	Balance as at September 30, 2009	70,000,000.00	0.00	117,467,725.49	187,467,725.49
	Increase share capital	50,000,000.00	0.00	0.00	50,000,000.00
	Dividend paid	0.00	0.00	(91,000,000.00)	(91,000,000.00)
	Net profit for the three-month periods	0.00	0.00	13,829,072.23	13,829,072.23
	Legal reserve	0.00	4,550,000.00	(4,550,000.00)	0.00
	Balance as at December 31, 2009	120,000,000.00	4,550,000.00	35,746,797.72	160,296,797.72
	Net profit for the nine-month periods	0.00	0.00	63,673,702.08	63,673,702.08
	Legal reserve	0.00	1,332,165.64	(1,332,165.64)	0.00
	Balance as at September 30, 2010	120,000,000.00	5,882,165.64	98,088,334.16	223,970,499.80

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED “UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED”)

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009

(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Separate financial statements			Total
		Issued and paid-up	Retained earnings		
		share capital	Appropriated	Unappropriated	
Balance as at December 31, 2008		70,000,000.00	0.00	96,644,954.37	166,644,954.37
Net profit for the nine-month periods		0.00	0.00	26,927,022.51	26,927,022.51
Balance as at September 30, 2009		70,000,000.00	0.00	123,571,976.88	193,571,976.88
Increase share capital		50,000,000.00	0.00	0.00	50,000,000.00
Dividend paid		0.00	0.00	(91,000,000.00)	(91,000,000.00)
Net profit for the three-month periods		0.00	0.00	12,291,670.19	12,291,670.19
Legal reserve		0.00	4,550,000.00	(4,550,000.00)	0.00
Balance as at December 31, 2009		120,000,000.00	4,550,000.00	40,313,647.07	164,863,647.07
Net profit for the nine-month periods		0.00	0.00	26,643,312.85	26,643,312.85
Legal reserve	14	0.00	1,332,165.64	(1,332,165.64)	0.00
Balance as at September 30, 2010		120,000,000.00	5,882,165.64	65,624,794.28	191,506,959.92

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009

(UNAUDITED / REVIEWED ONLY)

	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
	2010	2009	2010	2009
Cash flows from operating activities				
Profit before corporate income tax	75,420,291.08	35,758,744.00	38,389,901.85	38,706,979.31
Adjustment				
Depreciation	1,994,622.39	2,631,746.68	1,994,622.39	2,631,746.68
Loss on write off fixed assets	59,747.32	0.00	59,747.32	0.00
Amortized copy right	78,990.69	0.00	78,990.69	0.00
Loss on devaluation of inventories	110,187.50	0.00	110,187.50	0.00
Unrealized (gain) loss on exchange rate	(2,973,664.27)	(1,284,245.23)	(2,973,664.27)	(1,284,245.23)
Gain on investment in associated company	(23,925.53)	0.00	0.00	0.00
Share of profit (loss) from investment in associated company	(37,006,463.70)	2,948,235.31	0.00	0.00
Amortization of prepaid income tax	426,914.14	0.00	426,914.14	0.00
Interest expenses	1,924,108.18	1,737,938.10	1,924,108.18	1,737,938.10
	<u>40,010,807.80</u>	<u>41,792,418.86</u>	<u>40,010,807.80</u>	<u>41,792,418.86</u>
(Increase) Decrease in operating assets				
Trade accounts receivable	42,174,628.77	4,623,283.70	42,174,628.77	4,623,283.70
Inventories	(32,298,329.37)	(833,887.97)	(32,298,329.37)	(833,887.97)
Other current assets	(2,672,264.48)	(1,072,926.28)	(2,751,255.17)	(1,072,926.28)
Other non-current assets	(3,577,555.30)	191,501.27	(3,498,564.61)	191,501.27
Increase (Decrease) in operating liabilities				
Trade accounts payable	(7,091,349.87)	33,415,879.41	(7,091,349.87)	33,415,879.41
Accrued expenses	2,646,099.18	(6,466,023.08)	2,646,099.18	(6,466,023.08)
Other current liabilities	(1,180,325.81)	(1,138,198.60)	(1,180,325.81)	(1,138,198.60)
Cash generated (paid for) from operations	<u>38,011,710.92</u>	<u>70,512,047.31</u>	<u>38,011,710.92</u>	<u>70,512,047.31</u>
Interest paid	(1,934,656.13)	(1,120,814.81)	(1,934,656.13)	(1,120,814.81)
Corporate income tax paid	(15,333,370.02)	(15,038,438.86)	(15,333,370.02)	(15,038,438.86)
Net cash provided by (used in) operating activities	<u>20,743,684.77</u>	<u>54,352,793.64</u>	<u>20,743,684.77</u>	<u>54,352,793.64</u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009

(UNAUDITED / REVIEWED ONLY)

	Financial statements in which equity method is applied (Baht)		Separate financial statements (Baht)	
	2010	2009	2010	2009
Cash flows from investing activities				
(Increase) decrease in current investment	867,104.49	(364,218.05)	867,104.49	(364,218.05)
(Increase) decrease in pledged bank deposit	(8,000,000.00)	(11,000,000.00)	(8,000,000.00)	(11,000,000.00)
(Increase) decrease in investment	124,925.00	(38,002,410.00)	124,925.00	(38,002,410.00)
Payments for purchase of fixed assets	(4,947,306.91)	(844,140.98)	(4,947,306.91)	(844,140.98)
Net cash provided by (used in) investing activities	<u>(11,955,277.42)</u>	<u>(50,210,769.03)</u>	<u>(11,955,277.42)</u>	<u>(50,210,769.03)</u>
Cash flows from financing activities				
Increase (decrease) in overdrafts and short-term				
loans from financial institutions	(6,819,320.19)	6,889,781.00	(6,819,320.19)	6,889,781.00
Increase (Decrease) in other short-term loans	0.00	(9,500,000.00)	0.00	(9,500,000.00)
Payments for payable under financial lease				
agreements	(665,316.00)	(665,316.00)	(665,316.00)	(665,316.00)
Net cash provided by (used in) financing activities	<u>(7,484,636.19)</u>	<u>(3,275,535.00)</u>	<u>(7,484,636.19)</u>	<u>(3,275,535.00)</u>
Increase (decrease) in cash and cash equivalents	1,303,771.16	866,489.61	1,303,771.16	866,489.61
Cash and cash equivalents as at January 1	<u>3,658,151.72</u>	<u>21,944,767.60</u>	<u>3,658,151.72</u>	<u>21,944,767.60</u>
Cash and cash equivalents as at September 30	<u><u>4,961,922.88</u></u>	<u><u>22,811,257.21</u></u>	<u><u>4,961,922.88</u></u>	<u><u>22,811,257.21</u></u>

Notes to financial statements are parts of these financial statements.

UNIVERSAL ADSORBENTS & CHEMICALS PUBLIC COMPANY LIMITED  
(FORMERLY NAMED "UNIVERSAL ADSORBENTS & CHEMICALS COMPANY LIMITED")

NOTES TO FINANCIAL STATEMENTS

AS AT SEPTEMBER 30, 2010 (UNAUDITED/REVIEWED ONLY)

AND AS AT DECEMBER 31, 2009 (AUDITED)

1. GENERAL INFORMATION

- 1.1 The Company was registered as a company limited on April 1, 1985 and on April 22, 2010, the Company has registered to change its status to public company limited.
- 1.2 The Company's registered address is No. 1 TP&T Tower, Floor 19th, Soi Vibhavadirangsit 19, Vibhavadirangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok 10900 and the branch office's addresses as follows :
- Branch 1 : Warehouse is located at 999 Moo 4, Soi Tesaban Bangpoo 99 (Sermmitra), Sukhumvit Road, Muang Samutphakan, Samutprakan.
- Branch 2 : Sale office is located at 267/77 Sukhumvit Road, Maptaput, Muang Rayong, Rayong.
- 1.3 The Company has engaged in business of import and distribution of Petrochemicals, Chemicals, Power plant and Utilities.

2. PREPARATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been prepared in conformity with the Accounting Standards no. 34 (Revised 2007) "Interim Financial Reporting" for the purpose of providing the update information on the latest complete set of annual financial statements. Therefore, it focuses on the new activities, events, and circumstances and does not duplicate information in the previous report. However, the balance sheets, statements of income, statements of changes in shareholders' equity and statements of cash flows are presented the same as previous annual financial statements. Therefore, these interim financial statements should access to the most recent annual financial statements.

The financial statements have been prepared in conformity with generally accepted accounting principles enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated January 30, 2009 regarding the condensed form should be included in the financial statements B.E. 2552 and in accordance with the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention, except the transaction to be disclosed in the related accounting policy.

### 3. NEW ACCOUNTING STANDARDS ISSUANCE

The Federation of Accounting Professions issued notification No. 17/2553 and announced in the Royal Gazette on May 26, 2010, pertaining to the accounting standards and financial reporting standards (Revised 2009) total 24 standards divided into 21 standards that have already implemented which modified number to be matched for corresponding International Accounting Standards of which undergone the certain changes in significant principles and the other 3 standards were not yet implemented as following details:

#### 3.1 Accounting standards/financial reporting standards issuing instead of the former standards

<u>Accounting standards/Financial reporting standards</u>		<u>Effective date</u>
Framework for the Preparation and Presentation of Financial Statements (Revised 2009)		May 26, 2010
TAS 1 (Revised 2009)	Presentation of Financial Statements	January 1, 2011
TAS 2 (Revised 2009)	Inventories	January 1, 2011
TAS 7 (Revised 2009)	Statements of Cash Flows	January 1, 2011
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2011
TAS 10 (Revised 2009)	Events After the Reporting Period	January 1, 2011
TAS 11 (Revised 2009)	Construction Contracts	January 1, 2011
TAS 17 (Revised 2009)	Leases	January 1, 2011
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2013
TAS 23 (Revised 2009)	Borrowing Costs	January 1, 2011
TAS 24 (Revised 2009)	Related Party Disclosures	January 1, 2011
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements	January 1, 2011
TAS 28 (Revised 2009)	Investments in Associates	January 1, 2011
TAS 31 (Revised 2009)	Interests in Joint Venture	January 1, 2011
TAS 33 (Revised 2009)	Earnings per Share	January 1, 2011
TAS 34 (Revised 2009)	Interim Financial Reporting	January 1, 2011

<u>Accounting standards/Financial reporting standards</u>		<u>Effective date</u>
TAS 36 (Revised 2009)	Impairment of Assets	January 1, 2011
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	January 1, 2011
TAS 38 (Revised 2009)	Intangible Assets	January 1, 2011
TAS 40 (Revised 2009)	Investment Property	January 1, 2011
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	January 1, 2011

The management of the Company assessed that TAS 11 (Revised 2009), TAS 20 (Revised 2009), TAS 28 (Revised 2009), TAS 31 (Revised 2009) and TFRS 5 (Revised 2009) are not relevant to the Company's business. The Company will apply the related accounting standards and financial reporting standards on the effective date which the management of the Company believes that those standards do not have material impacts on the financial statements.

### 3.2 Accounting standards/financial reporting standards issuing for adoption

<u>Accounting standards/Financial reporting standards</u>		<u>Effective date</u>
TAS 12	Income Taxes	January 1, 2013
TAS 29	Financial Reporting in Hyperinflationary Economies	January 1, 2011
TFRS 6	Exploration for and Evaluation of Mineral Resources	January 1, 2011

TAS 29 and TFRS 6 are not relevant to the Company's business, the Company will apply TAS 12 on the effective date which the management of the Company assesses and believes that it will not have material impacts on the financial statements.

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2009.

### Earnings per share

Earning (loss) per share as presented in the statements of income is the basic earnings per share which is calculated by dividing the net profit (loss) for the periods by the weighted average number of ordinary shares issued and paid-up during the year by using the number of changed par value of ordinary shares from Baht 100 each to Baht 1 each and made retroactive adjustment of earnings per share for the three-month and nine-month periods as follows :

Financial statements in which equity method is applied				
Before change in par value		After change in par value		
Earnings per share	Number of share	Earnings per share	Number of share	
For the three-month periods				
July - September 2010	-	-	0.24	120,000,000.00
July - September 2009	9.56	700,000.00	0.10	70,000,000.00
For the nine-month periods				
January - September 2010	-	-	0.53	120,000,000.00
January - September 2009	34.26	700,000.00	0.34	70,000,000.00
Separate financial statements				
Before change in par value		After change in par value		
Earnings per share	Number of share	Earnings per share	Number of share	
For the three-month periods				
July - September 2010	-	-	0.11	120,000,000.00
July - September 2009	11.82	700,000.00	0.12	70,000,000.00
For the nine-month periods				
January - September 2010	-	-	0.22	120,000,000.00
January - September 2009	38.47	700,000.00	0.38	70,000,000.00

## 5. CASH AND CASH EQUIVALENTS

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
	Cash	15,920.00
Current accounts	153,198.43	531,737.40
Savings deposit	4,792,803.95	3,116,757.32
Total	4,961,922.38	3,658,151.72



6. TRADE ACCOUNTS RECEIVABLE - NET

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
Trade accounts receivable are aged as follows :		
Trade accounts receivable under Credit Term	94,802,726.70	130,228,256.32
Trade accounts receivable due for payment		
- Less than 3 months	37,496,413.18	37,935,212.10
- Over 3 but less than 6 months	1,322,520.00	591,392.64
- Over 6 but less than 12 months	484,502.97	0.00
- Over 12 months	163,979.64	7,689,910.20
Total	134,270,142.49	176,444,771.26
Less Allowance for doubtful accounts	(78,379.64)	(78,379.64)
Trade accounts receivable - net	134,191,762.85	176,366,391.62

7. INVENTORIES - NET

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
Finished goods	111,758,726.37	73,956,191.34
Goods in transit	2,993,313.24	8,497,518.90
Total	114,752,039.61	82,453,710.24
Less Allowance for devaluation of inventories	(538,914.48)	(428,726.98)
Net	114,213,125.13	82,024,983.26

8. PLEDGED BANK DEPOSIT

As at September 30, 2010 and December 31, 2009, the Company has fixed deposit with the several banks amount of Baht 38 million and Baht 30 million, respectively for using as guarantee against overdrafts and short-term loans from financial institutions (note 11) and commitment and contingent liabilities (note 21).

9. INVESTMENT IN ASSOCIATED COMPANIES

Name	Nature of business	Relationship	Authorized		Investment (Baht)				
			share capital (Baht)	Shareholding percentage		Equity method		Cost method	
				Sep. 30, 2010	Dec. 31, 2009	Sep. 30, 2010	Dec. 31, 2009	Sep. 30, 2010	Dec. 31, 2009
Thai Cyber Info Co., Ltd.	Advisory and computer service	Director and shareholders	1,000,000.00 (Issued and paid-up 25%)	0.00	49.97		100,999.47		124,925.00
Bangchak Biofuel Co., Ltd.	Manufacturing and distribution biodiesel	Director and shareholders	281,500,000.00	30.00	30.00	143,515,026.88	106,508,563.18	111,051,487.00	111,051,487.00
Total						<u>143,515,026.88</u>	<u>106,609,562.65</u>	<u>111,051,487.00</u>	<u>111,176,412.00</u>

On April 19, 2010, the Company has sold total investment in Thai Cyber Info Company Limited, an associated company, at the price of Baht 124,925 and had gain amount of Baht 23,925.53.

The financial statements for the three-month and nine-month periods ended September 30, 2010 and for the year ended December 31, 2009 of the above associated company were taken to prepare the financial statements in which equity method is applied which were reviewed and audited by the other auditor.

10. EQUIPMENT - NET

	Financial statements in which equity method is applied and separate financial statements (Baht)					
	Building improvement	Office equipment	Furniture equipment	Vehicles	Assets under construction	Total
<b>Assets - Cost</b>						
As at December 31, 2009	705,817.20	4,752,611.67	1,761,101.91	12,887,791.02	0.00	20,107,321.80
Purchase	2,459,580.61	1,991,282.94	103,920.00	392,523.36	0.00	4,947,306.91
Disposal	0.00	0.00	(1,311,098.98)	0.00	0.00	(1,311,098.98)
As at September 30, 2010	<u>3,165,397.81</u>	<u>6,743,894.61</u>	<u>553,922.93</u>	<u>13,280,314.38</u>	<u>0.00</u>	<u>23,743,529.73</u>
<b>Accumulated depreciation</b>						
As at December 31, 2009	15,083.21	3,892,595.78	1,538,805.64	8,976,112.63	0.00	14,422,597.26
Depreciation for the nine-month periods	194,642.09	392,062.97	88,753.95	1,319,163.38	0.00	1,994,622.39
Depreciation - write off	0.00	0.00	(1,251,351.66)	0.00	0.00	(1,251,351.66)
As at September 30, 2010	<u>209,725.30</u>	<u>4,284,658.75</u>	<u>376,207.93</u>	<u>10,295,276.01</u>	<u>0.00</u>	<u>15,165,867.99</u>
<b>Net book value</b>						
As at December 31, 2009	<u>690,733.99</u>	<u>860,015.89</u>	<u>222,296.27</u>	<u>3,911,678.39</u>	<u>0.00</u>	<u>5,684,724.54</u>
As at September 30, 2010	<u>2,955,672.51</u>	<u>2,459,235.86</u>	<u>177,715.00</u>	<u>2,985,038.37</u>	<u>0.00</u>	<u>8,577,661.74</u>

As at September 30, 2010 and December 31, 2009, office equipment and vehicles at cost of Baht 8.05 million and Baht 8.53 million respectively were fully depreciated but are still in use.

11. OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
Bank overdrafts	22,817,449.66	36,609,952.05
Short-term loans	60,000,000.00	65,000,000.00
Trust receipt payable	38,877,041.85	27,185,208.35
Total	121,694,491.51	128,795,160.40

As at September 30, 2010 and December 31, 2009, the Company has overdraft line with 2 banks amount of Baht 40 million at interest rate of personal deposit for 12 months plus 1.25% and plus 1.50% per annum respectively.

As at September 30, 2010, the Company has short-term loans with 2 banks amount of Baht 60 million by issuing promissory notes 1) Amount of Baht 50 million is due within October - November 2010 at interest rate of personal saving deposit plus 1.125% per annum and 2) Amount of Baht 10 million is due within December 2010 at interest rate of 3.625% per annum. And as at December 31, 2009, the Company has short-term loans with 3 banks amount of Baht 65 million by issuing promissory notes 1) Amount of Baht 40 million is due within February 2010 at interest rate of personal saving deposit plus 1.125% per annum and 2) Amount of Baht 15 million is due within January 2010 at interest rate of MFR plus 1.50% per annum and amount of Baht 10 million is due within June 2010 at interest rate of 3.50% per annum.

As at September 30, 2010 and December 31, 2009, the Company has credit line for import goods from overseas with several banks amount of Baht 150 million and Baht 154 million respectively, at the agreed interest rate on the loan agreement date.

Such overdrafts and loans are guaranteed by bank deposit (note 8) and the Company's director.

12. LIABILITIES UNDER FINANCIAL LEASE AGREEMENT - NET

1) Liabilities under financial lease agreement excluded future interest are as follows :

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
Payable under hire-purchase contracts	904,042.00	1,569,358.00
Less Current portion of long-term debt	(758,592.10)	(892,357.40)
Net	<u>145,449.90</u>	<u>677,000.60</u>

As at September 30, 2010 and December 31, 2009, vehicles at cost of Baht 6.14 million is under the repayment to such payable under the hire purchase agreement.

2) The minimum to be paid under financial lease agreement as follows :

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
Within 1 year	782,524.00	942,420.00
Over 1 year not over 3 years	198,183.00	745,102.00
Total	<u>980,707.00</u>	<u>1,687,522.00</u>
Less Future interest of financial agreement	(76,665.00)	(118,164.00)
Present value of liabilities under financial lease agreement	<u>904,042.00</u>	<u>1,569,358.00</u>

13. SHARE CAPITAL

According to the minutes of general shareholders meeting for the year 2010 held on April 22, 2010, the Company has resolution as follows :

1. To change it status from company limited to public company limited and changed its name to "Universal Adsorbents & Chemicals Public Company Limited.
2. To change par value of share capital from Baht 100 per share to Baht 1 per share, as a result, the Company has 120 million ordinary shares of Baht 1 each.

3. To increase the Company share capital amount of Baht 30 million to be registered share capital amount of Baht 150 million (150 million ordinary shares at par of Baht 1 each) by offering to the public.

On April 22, 2010, the Company has registered the change with the Ministry of Commerce.

Event after the end of fiscal period

On October 5, 2010, the Company has received the payment of ordinary shares which offered to the public amount of Baht 120 million (30 million shares at offering price of Baht 4 each). The Company has registered the increase share capital with the Ministry of Commerce on October 6, 2010.

14. LEGAL RESERVE

According to the Public Company Act., the Company has to appropriate its reserve as a legal reserve net less than 5% of the annual net profit after deduction with deficit brought forward (if any) until the reserve not less than 10% of the authorized share capital. The reserve is not available for dividend distribution.

15. DIRECTORS REMUNERATION

Directors' remuneration is the benefits being paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, but excluding salaries and related benefits being paid to the directors who are holding the management position in the Company.

16. MANAGEMENT BENEFIT EXPENSES

Management benefit is expenses relating to salaries, remunerations and other benefits to being paid the directors who are holding management position, in accordance with the definitions of the Office of the Securities and Exchange Commission. The Management under this definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in position equivalent to these fourth executive levels.

17. ADDITIONAL DISCLOSURE OF CASH FLOWS INFORMATION

Cash and cash equivalents

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
Cash	15,920.00	14,748.00
Current accounts	153,198.43	594,043.87
Saving deposit	4,792,803.95	22,202,465.34
Total	4,961,922.38	22,811,257.21

## 18. 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.

### 18.1 General information

<u>Name/Related persons and parties</u>	<u>Relationship</u>	<u>Description</u>	<u>Pricing policy</u>
<u>Related persons</u>			
Mr. Kitti Jivacate	Directors and shareholders	Guarantee	None service fee
Miss Nilrat Jarumanopas	Directors and shareholders	Guarantee	None service fee
		Loan	Interest rate of 5% per annum
<u>Related companies</u>			
Bangchak Biofuel Co., Ltd.	Associated company and common director	Revenue from sales of goods	Selling price applicable to other customers
		Purchase of goods	Market price
K & N Commercial Co., Ltd.	Intimate of director is a director of such company	Revenue from sales of goods	Selling price applicable to other customers
		Appliance Technology Supply Co., Ltd.	Director
Appliance Technology Supply Co., Ltd.	Director	Purchase of goods	Market price
		Fixed assets construction cost	At agreed rate
P & P Ordinary Partnership	Intimate of director is a partner of that party	Warehouse rental	Rental fee of Baht 0.13 million per month
		Phukieo Bio-Energy Co., Ltd.	Common directors
Phukieo Bio-Energy Co., Ltd.	Common directors	Revenue from sales of goods	Selling price applicable to other customers

On April 21, 2010, The Company's director has resigned from the directorship of Appliance Technology Supply Company Limited.

18.2 Assets and liabilities transaction with related persons and parties consist of :

	Financial statements in which equity method is applied and separate financial statements (Baht)	
	September 30, 2010	December 31, 2009
	<b>Trade accounts receivable</b>	
Bangchak Biofuel Co., Ltd.	1,741,596.21	523,356.26
Universal Energy and Technology Co., Ltd.	0.00	5,414,200.00
K & N Commercial Co., Ltd.	0.00	53,232.50
Phukieo Bio-Energy Co., Ltd.	39,055.00	0.00
<b>Total</b>	<b>1,780,651.21</b>	<b>5,990,788.76</b>
<b>Trade accounts payable</b>		
Bangchak Biofuel Co., Ltd.	0.00	579,049.98
<b>Accrued expenses</b>		
Mrs. Niramol Jivacate	0.00	127,368.42

18.3 Revenues and expenses transaction with related persons and parties

	Financial statements in which equity method is applied and separate financial statements (Baht)			
	For the three-month periods		For the nine-month periods	
	2010	2009	2010	2009
<b>Sales</b>				
Bangchak Biofuel Co., Ltd.	2,763,657.50	1,001,472.50	10,505,113.60	1,001,472.50
K & N Commercial Co., Ltd.	0.00	94,500.00	380,500.00	844,500.00
Phukieo Bio-Energy Co., Ltd.	36,500.00	0.00	36,500.00	0.00
<b>Total</b>	<b>2,800,157.50</b>	<b>1,095,972.50</b>	<b>10,922,113.60</b>	<b>1,845,972.50</b>



Financial statements in which equity method is applied and  
separate financial statements (Baht)

	For the three-month periods		For the nine-month periods	
	2010	2009	2010	2009
Purchase				
Bangchak Biofuel Co., Ltd.	349,397.60	0.00	6,962,109.35	0.00
K & N Commercial Co., Ltd.	0.00	22,800.00	0.00	1,672,800.00
Appliance Technology Supply Co., Ltd.	0.00	0.00	197,910.00	0.00
Total	<u>349,397.60</u>	<u>22,800.00</u>	<u>7,160,019.35</u>	<u>1,672,800.00</u>
Administrative expenses (Rental fee)				
P & P Ordinary Partnership	<u>382,105.26</u>	<u>0.00</u>	<u>1,416,315.78</u>	<u>0.00</u>
Finance costs (interest)				
Miss Nilrat Jarumanopas	<u>0.00</u>	<u>198,904.11</u>	<u>0.00</u>	<u>617,123.29</u>

18.4 Fixed assets transaction with related persons and parties

Financial statements in which equity method is applied and  
separate financial statements (Baht)

	For the three-month periods		For the nine-month periods	
	2010	2009	2010	2009
Equipment				
Appliance Technology Supply Co., Ltd.	<u>0.00</u>	<u>0.00</u>	<u>318,724.00</u>	<u>0.00</u>

19. EXPENSES ANALYZED BY NATURE AS FOLLOWS :

Financial statements in which equity method is applied and  
separate financial statements (Baht)

	For the three-month periods		For the nine-month periods	
	2010	2009	2010	2009
Changes in inventories	(369,986.47)	(656,937.60)	(37,802,535.03)	3,753,111.71
Employees benefit expenses	3,829,764.58	3,588,257.73	10,711,452.22	9,674,312.39
Depreciation	759,042.06	893,034.14	1,994,622.39	2,631,746.68
Commission for sale of goods	762,462.00	3,150,504.75	2,951,433.79	14,044,051.50
Directors' remuneration	505,000.00	0.00	1,430,000.00	0.00
Management benefit expenses	3,148,080.96	2,355,965.00	9,425,260.46	7,076,895.00

## 20. DISCLOSURE OF FINANCIAL INSTRUMENTS

### Exchange rate risk

The Company and subsidiary exposed to exchange rate risk due to their purchasing and selling denominated in foreign currencies which were entered into forward contract against exchange rate risk hedging . The contract period is not exceeded 1 year.

The Company has financial assets and liabilities denominated in foreign currency as follows :

	September 30, 2010	December 31, 2009
Financial assets		
Foreign Currency deposit Account - US Dollar	89,587.89	59,555.13
Financial liabilities		
Trust receipt payable in US Dollar	72,000.00	811,092.00
Trust receipt payable in Yen	99,800,220.00	0.00
Trade accounts payable in US Dollar	2,051,555.00	2,402,874.70
Trade accounts payable in EURO	8,166.00	0.00
Trade accounts payable in Yen	34,363,480.00	0.00

The Company has remaining forward contract as follows :

	Exchange rate per Baht			
	September 30, 2010	December 31, 2009	September 30, 2010	December 31, 2009
US Dollar	30.47 - 32.46	33.18 - 33.86	1,959,467.00	574,449.46
EURO	39.40 - 40.76	47.67 - 48.06	192,804.00	20,000.00
Yen	0.3683	-	34,363,480.00	0.00

## 21. COMMITMENT AND CONTINGENT LIABILITIES

21.1 The Company is liable on payment under office building lease and services agreement with the several lessors by making monthly rental and services fee amount of Baht 0.13 million. As at September 30, 2010 and December 31, 2009 the Company has to pay the rental fee until the completion amount of Baht 4.37 million and Baht 0.93 million, respectively.

21.2 The Company is liable on payment under warehouse lease agreement with the monthly rental amount of Baht 0.13 million for the 3 years period, commencing on September 21, 2009. As at September 30, 2010 and December 31, 2009 the Company has to pay the rental fee until the completion amount of Baht 2.90 million and Baht 4.33 million, respectively and the Company also is liable on payment under chemical storage tanks lease agreement with monthly rental amount of Baht 0.93 million for the 3 years period, commencing on October 15, 2009. As at September 30, 2010 and December 31, 2009 the Company has to pay the rental fee until the completion amount of Baht 22.20 million and Baht 30.53 million respectively.

21.3 The Company is liable on payment under goods purchasing agreement with a seller as at September 30, 2010 amounting to US Dollar 0.82 million and EURO 0.09 million.

21.4 The Company is liable on payment under letter of credit agreement with two banks relating to goods purchasing as follows :

	September 30, 2010	December 31, 2009
US Dollar	128,285.00	490,436.67
EURO	114,690.00	29,520.00

21.5 The Company has contingent liabilities with several banks from issuance of letter of goods quality guarantee to some of customers and guarantee duties and taxes for import of goods from an overseas as at September 30, 2010 and December 31, 2009 total amount of Baht 40.24 million and Baht 36.75 million respectively. Such letter of guarantee is secured by bank deposit (note 8) and the Company's director.

## 22. RECLASSIFICATION

The certain accounts in the 2009 financial statements have been reclassified to conform to the presentation in the interim financial statements for the year 2010.

## 23. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were authorized for issue by the Company's Board of Directors on November 10, 2010.