

Stock Symbol: 1325

Universal Incorporation and Subsidiaries

Consolidated Parent and Subsidiary Financial Report for Q1 2019

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Universal Incorporation and Subsidiaries
Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)

Code	Assets	March 31, 2019		December 31, 2018		March 31, 2018	
		Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and cash equivalents	\$ 134,424	7	\$ 162,843	8	\$ 143,262	7
1110	Financial assets at fair value through profit or loss – current	183,252	10	146,027	8	164,892	9
1136	Financial assets at amortized cost – current	415,258	22	414,444	22	445,624	23
1150	Notes receivable	4,345	-	5,340	-	4,919	-
1170	Accounts receivables	134,925	7	143,150	7	144,201	8
130X	Inventories	124,783	6	146,226	8	125,105	7
1470	Other current assets	12,777	1	16,709	1	15,630	1
11XX	Total current assets	<u>1,009,764</u>	<u>53</u>	<u>1,034,739</u>	<u>54</u>	<u>1,043,633</u>	<u>55</u>
	Non-current Assets						
1517	Financial assets at fair value through other comprehensive income – non-current	52,998	3	51,572	3	54,838	3
1600	Property, plant and equipment	837,277	44	808,776	42	791,664	41
1755	Right-of-use asset	8,434	-	-	-	-	-
1821	Other intangible assets	10	-	20	-	61	-
1840	Deferred income tax assets	5,588	-	5,976	-	9,924	1
1920	Refundable deposits	181	-	180	-	181	-
1985	Long-term prepayment for lease	-	-	7,878	1	8,385	-
15XX	Total non-current assets	<u>904,488</u>	<u>47</u>	<u>874,402</u>	<u>46</u>	<u>865,053</u>	<u>45</u>
1XXX	Total Assets	<u>\$ 1,914,252</u>	<u>100</u>	<u>\$ 1,909,141</u>	<u>100</u>	<u>\$ 1,908,686</u>	<u>100</u>
	Liabilities and Equity						
	Current Liabilities						
2170	Accounts payable	\$ 11,932	1	\$ 25,679	1	\$ 21,586	1
2219	Other payables	25,635	1	27,611	2	32,871	2
2230	Current income tax liabilities	6,549	1	3,651	-	7,811	-
2280	Lease liability– current	36	-	-	-	-	-
2399	Other current liabilities	1,560	-	2,290	-	2,322	-
21XX	Total current liabilities	<u>45,712</u>	<u>3</u>	<u>59,231</u>	<u>3</u>	<u>64,590</u>	<u>3</u>
	Non-current Liabilities						
2570	Deferred income tax liabilities	50,453	2	50,453	2	50,453	3
2580	Lease liability – non-current	110	-	-	-	-	-
2640	Net defined benefit liability – non-current	13,759	1	13,912	1	14,649	1
25XX	Total non-current liabilities	<u>64,322</u>	<u>3</u>	<u>64,365</u>	<u>3</u>	<u>65,102</u>	<u>4</u>
2XXX	Total liabilities	<u>110,034</u>	<u>6</u>	<u>123,596</u>	<u>6</u>	<u>129,692</u>	<u>7</u>
	Equity Attributable to Shareholders of the Parent						
	Capital stock						
3110	Common stock	852,812	45	852,812	45	852,812	45
3200	Capital surplus	3,263	-	3,171	-	3,263	-
	Retained earnings						
3310	Appropriated as legal capital reserve	205,080	11	205,080	11	200,729	11
3320	Appropriated as special capital reserve	162,820	8	162,820	8	158,190	8
3350	Un-appropriated earnings	528,898	28	517,700	27	504,920	26
3300	Total retained earnings	896,798	47	885,600	46	863,839	45
3400	Other equity	(17,223)	(1)	(24,052)	(1)	(14,370)	(1)
31XX	Equity attributable to shareholders of the parent	<u>1,735,650</u>	<u>91</u>	<u>1,717,531</u>	<u>90</u>	<u>1,705,544</u>	<u>89</u>
36XX	Non-controlling interests	<u>68,568</u>	<u>3</u>	<u>68,014</u>	<u>4</u>	<u>73,450</u>	<u>4</u>
3XXX	Total equity	<u>1,804,218</u>	<u>94</u>	<u>1,785,545</u>	<u>94</u>	<u>1,778,994</u>	<u>93</u>
	Total Liabilities and Equity	<u>\$ 1,914,252</u>	<u>100</u>	<u>\$ 1,909,141</u>	<u>100</u>	<u>\$ 1,908,686</u>	<u>100</u>

President
Mei-hui Huang

General Manager
Mei-hui Huang

Supervisor
Shu-chi Liao

Universal Incorporation and Subsidiaries

Consolidated Statements of Comprehensive Income

(In Thousands of New Taiwan Dollars, Except
Earnings per share in New Taiwan Dollars)

		For the Three Months Ended March 31			
		2019		2018	
Code		Amount	%	Amount	%
	Operating Revenue				
4100	Sales Revenue	\$ 195,653	100	\$ 229,124	100
	Operating Costs				
5110	Cost of goods Sold	173,445	89	202,659	88
5900	Gross Profit	22,208	11	26,465	12
	Operating Expenses				
6100	Marketing	3,566	2	3,703	2
6200	General and administrative	6,366	3	6,565	3
6300	Research and development	2,453	1	2,406	1
6000	Total operating expenses	12,385	6	12,674	6
6900	Income from Operations	9,823	5	13,791	6
	Non-Operating Income and Expenses				
7010	Other income	2,843	1	2,289	1
7020	Other gains and losses	1,161	1	(6,952)	(3)
7050	Finance costs	(8)	-	(5)	-
7000	Total non-operating income and expenses	3,996	2	(4,668)	(2)
7900	Income Before Income Tax	13,819	7	9,123	4
7950	Income Tax Expense	3,608	2	1,479	-
8200	Net Income	10,211	5	7,644	4
	Other Comprehensive Income (Loss)				
	Items that will not be reclassified subsequently to profit or loss				
8316	Unrealized gain(loss) from investments in equity instruments at fair value through other Comprehensive Income	\$ 1,426	1	(2,186)	(1)
8349	Income tax benefit related to items that will not be reclassified subsequently	-	-	77	-
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences arising on translation of foreign operations	6,944	4	5,076	2
8300	Other comprehensive income for the period, net of income tax	8,370	5	2,967	1
8500	Total comprehensive income for the period	\$ 18,581	10	\$ 10,611	5
	Net Income (Loss) Attributable To:				
8610	Shareholders of the parent	\$ 11,198	6	\$ 8,244	4
8620	Non-controlling interests	(987)	(1)	(600)	-
8600	Total Comprehensive Income (Loss)	\$ 10,211	5	\$ 7,644	4
	Attributable To:				
8710	Shareholders of the parent	\$ 18,027	9	\$ 10,023	5
8720	Non-controlling interests	554	1	588	-
8700		\$ 18,581	10	\$ 10,611	5
	Earnings Per Share				
9750	Basic earnings per share	\$ 0.13		\$ 0.10	
9850	Diluted earnings per share	\$ 0.13		\$ 0.10	

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Universal Incorporation and Subsidiaries
Consolidated Statements of Changes in Equity

(In Thousands of New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent											
		Others Equity											
		Retained Earnings					Re-measurement of Defined Benefit Obligation	Exchange Differences on Translating Foreign Operations	Unrealized Gain/Loss from Available For sale Financial Assets	Unrealized gain(loss) from investments in equity instruments at fair value through other Comprehensive Income	Total	Non-controlling Interests	Total Equity
Code		Capital Stock	Capital Surplus	Legal capital Reserve	Special Capital Reserve	Un-appropriated Earnings							
A1	Balance, January 1, 2018	\$ 852,812	\$ 3,239	\$ 200,729	\$ 158,190	\$ 495,914	(\$ 2,140)	(\$ 13,945)	\$ 762	\$ -	\$ 1,695,561	\$ 72,862	\$ 1,768,423
A3	Effect of retrospective application	-	-	-	-	762	-	-	(762)	(64)	(64)	-	(64)
A5	Adjusted Balance, January 1, 2018	852,812	3,239	200,729	158,190	496,676	(2,140)	(13,945)	-	(64)	1,695,497	72,862	1,768,359
C3	Generated from donation	-	24	-	-	-	-	-	-	-	24	-	24
D1	Net income for the three months ended March 31, 2018	-	-	-	-	8,244	-	-	-	-	8,244	(600)	7,644
D3	Other comprehensive income for the three months ended March 31, 2018, net of income tax	-	-	-	-	-	77	3,888	-	(2,186)	1,779	1,188	2,967
D5	Total comprehensive income for the three months ended March 31, 2018	-	-	-	-	8,244	77	3,888	-	(2,186)	10,023	588	10,611
Z1	Balance, March 31, 2018	\$ 852,812	\$ 3,263	\$ 200,729	\$ 158,190	\$ 504,920	(\$ 2,063)	(\$ 10,057)	\$ -	(\$ 2,250)	\$ 1,705,544	\$ 73,450	\$ 1,778,994
A1	Balance, January 1, 2019	\$ 852,812	\$ 3,171	\$ 205,080	\$ 162,820	\$ 517,700	(\$ 1,780)	(\$ 17,994)	\$ -	(\$ 4,278)	\$ 1,717,531	\$ 68,014	\$ 1,785,545
C3	Generated from donation	-	92	-	-	-	-	-	-	-	92	-	92
D1	Net income for the three months ended March 31, 2019	-	-	-	-	11,198	-	-	-	-	11,198	(987)	10,211
D3	Other comprehensive income for the three months ended March 31, 2019, net of income tax	-	-	-	-	-	-	5,403	-	1,426	6,829	1,541	8,370
D5	Total comprehensive income for the three months ended March 31, 2019	-	-	-	-	11,198	-	5,403	-	1,426	18,027	554	18,581
Z1	Balance, March 31, 2019	\$ 852,812	\$ 3,263	\$ 205,080	\$ 162,820	\$ 528,898	(\$ 1,780)	(\$ 12,591)	\$ -	(\$ 2,852)	\$ 1,735,650	\$ 68,568	\$ 1,804,218

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Universal Incorporation and Subsidiaries
Consolidated Statements of Cash Flows

(In Thousands of New Taiwan Dollars)

Code		For the Three Months Ended March 31	
		2019	2018
	Cash Flows from Operating Activities		
A10000	Income before income tax	\$ 13,819	\$ 9,123
A20010	Adjustments for:		
A20100	Depreciation expense	12,215	16,208
A20200	Amortization expense	10	21
A29900	Amortization of prepayment for lease	-	79
A20900	Finance costs	8	5
A21200	Interest income	(2,441)	(1,832)
A22500	Loss on disposal of property, plant and equipment	17	-
A23100	Gain on disposal of financial assets, net	(95)	(95)
A23800	Loss on inventories valuation	117	181
A20400	Gain on financial assets at fair value through profit or loss -current	(130)	(167)
A24100	Net foreign exchange losses (gains)	(1,395)	2,753
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	995	3,852
A31150	Accounts receivable	8,233	(9,990)
A31200	Inventories	22,332	19,521
A31240	Other current assets	2,796	(241)
A32150	Accounts payable	(13,810)	(10,671)
A32180	Other payables	(2,394)	(987)
A32230	Other current liabilities	(737)	959
A32240	Net defined benefit liability	(153)	(128)
A33000	Cash generated from operations	39,387	28,591
A33100	Interest received	3,249	3,257
A33300	Interest paid	(7)	(7)
A33500	Income taxes paid	(322)	(755)
AAAA	Net cash inflow generated by operating activities	<u>42,307</u>	<u>31,086</u>

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Code		For the Three Months Ended March 31	
		2019	2018
	Cash Flows from Investing Activities		
B00010	Acquisitions of Financial assets at fair value through profit or loss	(\$ 51,000)	(\$ 16,000)
B00020	Proceeds from disposal or redemption of Financial assets at fair value through profit or loss	14,000	26,430
B00040	Acquisitions of Financial assets at amortized cost-current	(187,805)	(196,975)
B00050	Proceeds from disposal or redemption of Financial assets at amortized cost-current	188,470	229,981
B02700	Payments for property, plant and equipment	(36,070)	(7,418)
BBBB	Net cash generated from (used in) investing activities	(72,405)	36,018
	Cash Flows from Financing Activities		
C04020	Lease liability principal repayment	(6)	-
C09900	Other Financing Activities	92	24
CCCC	Net cash generated from (used in) financing activities	86	24
DDDD	Effect of exchange rate changes on cash and cash equivalents	1,593	1,048
EEEE	Net increase (decrease) in cash and cash equivalents	(28,419)	68,176
E00100	Cash and cash equivalents, beginning of period	162,843	75,086
E00200	Cash and cash equivalents, end of period	\$ 134,424	\$ 143,262

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