

Stock Symbol: 1325

Universal Incorporation and Subsidiaries

Consolidated Parent and Subsidiary Financial Report for Q3 2021

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Universal Incorporation and Subsidiaries
Consolidated Balance Sheets

(In Thousands of New Taiwan Dollars)

Code	Assets	September 30, 2021		December 31, 2020		September 30, 2020	
		Amount	%	Amount	%	Amount	%
	Current Assets						
1100	Cash and cash equivalents	\$ 402,511	13	\$ 501,763	11	\$ 679,952	17
1110	Financial assets at fair value through profit or loss – current	332,235	10	1,343,209	29	898,431	22
1136	Financial assets at amortized cost – current	909,726	28	899,048	20	678,200	17
1150	Notes receivable	3,218	-	5,500	-	6,067	-
1170	Accounts receivables	93,478	3	331,406	7	297,758	7
130X	Inventories	170,189	5	193,630	4	173,360	4
1470	Other current assets	7,069	-	11,774	-	31,430	1
11XX	Total current assets	<u>1,918,426</u>	<u>59</u>	<u>3,286,330</u>	<u>71</u>	<u>2,765,198</u>	<u>68</u>
	Non-current Assets						
1517	Financial assets at fair value through other comprehensive						
	Income – non-current	89,677	3	126,815	3	169,130	4
1600	Property, plant and equipment	1,217,533	38	1,207,304	26	1,124,393	28
1755	Right-of-use asset	7,091	-	7,460	-	7,387	-
1840	Deferred income tax assets	6,876	-	6,953	-	5,889	-
1920	Refundable deposits	219	-	219	-	169	-
15XX	Total non-current assets	<u>1,321,396</u>	<u>41</u>	<u>1,348,751</u>	<u>29</u>	<u>1,306,968</u>	<u>32</u>
1XXX	Total Assets	<u>\$ 3,239,822</u>	<u>100</u>	<u>\$ 4,635,081</u>	<u>100</u>	<u>\$ 4,072,166</u>	<u>100</u>
	Liabilities and Equity						
	Current Liabilities						
2170	Accounts payable	\$ 22,309	1	\$ 28,893	-	\$ 43,740	1
2219	Other payables	68,107	2	209,969	5	177,377	4
2230	Current income tax liabilities	39,966	1	459,679	10	333,571	8
2280	Lease liability – current	41	-	40	-	40	-
2399	Other current liabilities	7,416	-	30,829	1	139,909	4
21XX	Total current liabilities	<u>137,839</u>	<u>4</u>	<u>729,410</u>	<u>16</u>	<u>694,637</u>	<u>17</u>
	Non-current Liabilities						
2570	Deferred income tax liabilities	51,222	1	54,703	1	50,453	1
2580	Lease liability – non-current	11	-	42	-	52	-
2640	Net defined benefit liability – non-current	18,941	1	21,044	-	12,441	1
25XX	Total non-current liabilities	<u>70,174</u>	<u>2</u>	<u>75,789</u>	<u>1</u>	<u>62,946</u>	<u>2</u>
2XXX	Total liabilities	<u>208,013</u>	<u>6</u>	<u>805,199</u>	<u>17</u>	<u>757,583</u>	<u>19</u>
	Equity Attributable to Shareholders of the Parent						
	Capital stock						
3110	Common stock	852,812	27	852,812	18	852,812	21
3200	Capital surplus	3,261	-	3,167	-	3,167	-
	Retained earnings						
3310	Appropriated as legal capital reserve	412,188	13	214,690	5	214,690	5
3320	Appropriated as special capital reserve	147,481	4	179,174	4	179,174	5
3350	Un-appropriated earnings	1,516,656	47	2,434,722	53	1,883,908	46
3300	Total retained earnings	<u>2,076,325</u>	<u>64</u>	<u>2,828,586</u>	<u>62</u>	<u>2,277,772</u>	<u>56</u>
3400	Other equity	931	-	43,566	1	85,095	2
31XX	Equity attributable to shareholders of the parent	<u>2,933,329</u>	<u>91</u>	<u>3,728,131</u>	<u>81</u>	<u>3,218,846</u>	<u>79</u>
36XX	Non-controlling interests	<u>98,480</u>	<u>3</u>	<u>101,751</u>	<u>2</u>	<u>95,737</u>	<u>2</u>
3XXX	Total equity	<u>3,031,809</u>	<u>94</u>	<u>3,829,882</u>	<u>83</u>	<u>3,314,583</u>	<u>81</u>
	Total Liabilities and Equity	<u>\$ 3,239,822</u>	<u>100</u>	<u>\$ 4,635,081</u>	<u>100</u>	<u>\$ 4,072,166</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)

Code		For the Three Months Ended September 30				For the Nine Months Ended September 30			
		2021		2020		2021		2020	
		Amount	%	Amount	%	Amount	%	Amount	%
4100	Operating Revenue								
	Sales Revenue	\$ 169,120	100	\$ 1,324,440	100	\$ 1,041,889	100	\$ 2,992,928	100
	Operating Costs								
5110	Cost of goods Sold	<u>149,767</u>	<u>89</u>	<u>392,491</u>	<u>30</u>	<u>609,062</u>	<u>58</u>	<u>1,023,122</u>	<u>34</u>
5900	Gross Profit	<u>19,353</u>	<u>11</u>	<u>931,949</u>	<u>70</u>	<u>432,827</u>	<u>42</u>	<u>1,969,806</u>	<u>66</u>
	Operating Expenses								
6100	Marketing	3,741	2	7,797	-	15,304	1	21,006	1
6200	General and administrative	7,355	4	49,625	4	40,495	4	113,334	4
6300	Research and development	<u>2,512</u>	<u>1</u>	<u>3,884</u>	<u>-</u>	<u>7,803</u>	<u>1</u>	<u>10,824</u>	<u>-</u>
6000	Total operating expenses	<u>13,608</u>	<u>7</u>	<u>61,306</u>	<u>4</u>	<u>63,602</u>	<u>6</u>	<u>145,164</u>	<u>5</u>
6900	Income from Operations	<u>5,745</u>	<u>4</u>	<u>870,643</u>	<u>66</u>	<u>369,225</u>	<u>36</u>	<u>1,824,642</u>	<u>61</u>
	Non-Operating Income and Expenses								
7100	Interest Income	2,292	1	1,431	-	6,765	1	3,656	-
7010	Other income	4,092	3	1,169	-	11,643	1	2,302	-
7020	Other gains and losses	(1,035)	(1)	(444)	-	(6,178)	(1)	(82)	-
7050	Finance costs	(3)	-	(6)	-	(10)	-	(24)	-
7000	Total non-operating income and expenses	<u>5,346</u>	<u>3</u>	<u>2,150</u>	<u>-</u>	<u>12,220</u>	<u>1</u>	<u>5,852</u>	<u>-</u>
7900	Income Before Income Tax	11,091	7	872,793	66	381,445	37	1,830,494	61
7950	Income Tax Expense	<u>37,415</u>	<u>22</u>	<u>177,850</u>	<u>14</u>	<u>111,957</u>	<u>11</u>	<u>370,668</u>	<u>12</u>
8200	Net Income	(<u>26,324</u>)	(<u>15</u>)	<u>694,943</u>	<u>52</u>	<u>269,488</u>	<u>26</u>	<u>1,459,826</u>	<u>49</u>
	Other Comprehensive Income (Loss)								
8310	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	(38,295)	(23)	(41,601)	(3)	(36,442)	(3)	117,651	4
8360	Items that may be reclassified subsequently to profit or loss								
8361	Exchange differences arising on translation of foreign operations	(<u>2,003</u>)	(<u>1</u>)	<u>8,648</u>	<u>1</u>	(<u>7,839</u>)	(<u>1</u>)	(<u>1,093</u>)	<u>-</u>
8300	Other comprehensive income (loss) for the period, net of income tax	(<u>40,298</u>)	(<u>24</u>)	(<u>32,953</u>)	(<u>2</u>)	(<u>44,281</u>)	(<u>4</u>)	<u>116,558</u>	<u>4</u>
8500	Total comprehensive income for the period	(\$ <u>66,622</u>)	(<u>39</u>)	\$ <u>661,990</u>	<u>50</u>	\$ <u>225,207</u>	<u>22</u>	\$ <u>1,576,384</u>	<u>53</u>
	Net Income Attributable To:								
8610	Shareholders of the parent	(\$ 24,987)	(14)	\$ 685,860	52	\$ 271,113	26	\$ 1,424,165	48
8620	Non-controlling interests	(<u>1,337</u>)	(<u>1</u>)	<u>9,083</u>	<u>-</u>	(<u>1,625</u>)	<u>-</u>	<u>35,661</u>	<u>1</u>
8600		(\$ <u>26,324</u>)	(<u>15</u>)	\$ <u>694,943</u>	<u>52</u>	\$ <u>269,488</u>	<u>26</u>	\$ <u>1,459,826</u>	<u>49</u>
	Total Comprehensive Income Attributable To:								
8710	Shareholders of the parent	(\$ 64,864)	(38)	\$ 651,092	49	\$ 228,478	22	\$ 1,540,953	52
8720	Non-controlling interests	(<u>1,758</u>)	(<u>1</u>)	<u>10,898</u>	<u>1</u>	(<u>3,271</u>)	<u>-</u>	<u>35,431</u>	<u>1</u>
8700		(\$ <u>66,622</u>)	(<u>39</u>)	\$ <u>661,990</u>	<u>50</u>	\$ <u>225,207</u>	<u>22</u>	\$ <u>1,576,384</u>	<u>53</u>
	Earnings Per Share								
9750	Basic earnings per share	(\$ 0.29)		\$ 8.04		\$ 3.18		\$ 16.70	
9850	Diluted earnings per share	(\$ 0.30)		\$ 8.02		\$ 3.15		\$ 16.61	

President
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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				Unrealized gain(loss) from investments in equity instruments at fair value through other Comprehensive Income		Non-controlling Interests	Total Equity
代 碼		Capital Stock	Capital Surplus	Legal capital Reserve	Special Capital Reserve	Un-appropriated Earnings	Re-measurement of Defined Benefit Obligation	Exchange Differences on Translating Foreign Operations		Total		
A1	Balance, January 1, 2020	\$ 852,812	\$ 3,101	\$ 211,065	\$ 171,534	\$ 496,592	(\$ 1,530)	(\$ 27,500)	(\$ 2,663)	\$ 1,703,411	\$ 60,306	\$ 1,763,717
B1	Appropriation of 2019 earnings	-	-	3,625	-	(3,625)	-	-	-	-	-	-
B3	Legal capital reserve	-	-	-	7,640	(7,640)	-	-	-	-	-	-
B5	Special Capital Reserve	-	-	-	-	(25,584)	-	-	-	(25,584)	-	(25,584)
	cash dividend distributed by the company — NTD0.3/per share	-	-	-	-	-	-	-	-	-	-	-
C3	Generated from donation	-	66	-	-	-	-	-	-	66	-	66
D1	Net income for the nine months ended September 30, 2020	-	-	-	-	1,424,165	-	-	-	1,424,165	35,661	1,459,826
D3	Other comprehensive income (Loss) for the nine months ended September 30, 2020, net of income tax	-	-	-	-	-	-	(863)	117,651	116,788	(230)	116,558
D5	Total comprehensive income (Loss) for the nine months ended September 30, 2020	-	-	-	-	1,424,165	-	(863)	117,651	1,540,953	35,431	1,576,384
Z1	Balance, September 30, 2020	\$ 852,812	\$ 3,167	\$ 214,690	\$ 179,174	\$ 1,883,908	(\$ 1,530)	(\$ 28,363)	\$ 114,988	\$ 3,218,846	\$ 95,737	\$ 3,314,583
A1	Balance, January 1, 2021	\$ 852,812	\$ 3,167	\$ 214,690	\$ 179,174	\$ 2,434,722	(\$ 8,565)	(\$ 20,542)	\$ 72,673	\$ 3,728,131	\$ 101,751	\$ 3,829,882
B1	Appropriation of 2020earnings	-	-	197,498	-	(197,498)	-	-	-	-	-	-
B3	Legal capital reserve	-	-	-	(31,693)	31,693	-	-	-	-	-	-
B5	Special Capital Reserve	-	-	-	-	(1,023,374)	-	-	-	(1,023,374)	-	(1,023,374)
	cash dividend distributed by the company — NTD12/per share	-	-	-	-	-	-	-	-	-	-	-
C3	Generated from donation	-	94	-	-	-	-	-	-	94	-	94
D1	Net income (Loss) for the nine months ended September 30, 2021	-	-	-	-	271,113	-	-	-	271,113	(1,625)	269,488
D3	Other comprehensive income (Loss) for the nine months ended September 30, 2021 net of income tax	-	-	-	-	-	-	(6,193)	(36,442)	(42,635)	(1,646)	(44,281)
D5	Total comprehensive income (Loss) for the nine months ended September 30, 2021	-	-	-	-	271,113	-	(6,193)	(36,442)	228,478	(3,271)	225,207
Z1	Balance, September 30, 2021	\$ 852,812	\$ 3,261	\$ 412,188	\$ 147,481	\$ 1,516,656	(\$ 8,565)	(\$ 26,735)	\$ 36,231	\$ 2,933,329	\$ 98,480	\$ 3,031,809

President
Mei-hui Huang

General Manager
Mei-hui Huang

Supervisor
Shu-chi Liao

Universal Incorporation and Subsidiaries
Consolidated Statements of Cash Flows

(In Thousands of New Taiwan Dollars)

Code		For the Nine Months Ended September 30	
		2021	2020
	Cash Flows from Operating Activities		
A10000	Income before income tax	\$ 381,445	\$ 1,830,494
A20010	Adjustments for:		
A20100	Depreciation expense	46,646	41,761
A20400	Net loss (gain) on financial assets at fair value through profit or loss	1,932	(952)
A20900	Finance costs	10	24
A21200	Interest income	(6,765)	(3,656)
A21300	Dividend income	(3,373)	(621)
A22500	Loss (gain) on disposal of property, plant and equipment	2,383	(85)
A23100	Gain on disposal of financial assets, net	(3,883)	(269)
A23800	Loss on inventories valuation	575	4,663
A24100	Net foreign exchange gains	(3,550)	(1,387)
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	2,282	1,346
A31150	Accounts receivable	237,926	(193,290)
A31200	Inventories	25,141	(47,350)
A31240	Other current assets	5,702	(16,356)
A32125	Contract liabilities	-	(31,932)
A32150	Accounts payable	(6,582)	38,032
A32180	Other payables	(123,694)	137,177
A32230	Other current liabilities	(23,408)	137,523
A32240	Net defined benefit liability	(2,103)	(582)
A33000	Cash generated from operations	530,684	1,894,540
A33100	Interest received	5,770	4,301
A33300	Interest paid	(10)	(24)
A33500	Income taxes paid	(535,077)	(40,139)
AAAA	Net cash inflow generated by operating activities	<u>1,367</u>	<u>1,858,678</u>

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Code		For the Nine Months Ended September 30	
		2021	2020
	Cash Flows from Investing Activities		
B00030	Proceeds from decreased capital of Financial assets at fair value through other comprehensive Income	\$ 696	\$ 519
B00040	Acquisitions of Financial assets at amortized cost	(698,661)	(745,122)
B00050	Proceeds from disposal or redemption of Financial assets at amortized cost	689,479	323,529
B00100	Acquisitions of Financial assets at fair value through profit or loss	(434,000)	(734,000)
B00200	Proceeds from disposal or redemption of Financial assets at fair value through profit or loss	1,446,925	34,000
B02700	Payments for property, plant and equipment	(79,574)	(212,681)
B02800	Proceeds from disposal of property, plant and equipment	-	2,875
B07600	Other dividend received	<u>3,373</u>	<u>621</u>
BBBB	Net cash generated from (used in) investing activities	<u>928,238</u>	<u>(1,330,259)</u>
	Cash Flows from Financing Activities		
C04020	Lease liability principal repayment	(30)	(28)
C04500	Dividends paid to owners of the Company	(1,023,374)	(25,584)
C09900	Other Financing Activities	<u>94</u>	<u>66</u>
CCCC	Net cash generated from (used in) financing activities	<u>(1,023,310)</u>	<u>(25,546)</u>
DDDD	Effect of exchange rate changes on cash and cash equivalents	<u>(5,547)</u>	<u>555</u>
EEEE	Net increase (decrease) in cash and cash equivalents	(99,252)	503,428
E00100	Cash and cash equivalents, beginning of period	<u>501,763</u>	<u>176,524</u>
E00200	Cash and cash equivalents, end of period	<u>\$ 402,511</u>	<u>\$ 679,952</u>

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