



Universal Incorporation

(1325)

Investor Conference

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- We have not released any financial forecast. Business and financial information presented here and during the Q&A session, should they concern business operation or industrial development, may differ from actual results. These discrepancies are due to such risk factors as market demand changes, price fluctuations, competitive behavior, global economic conditions, exchange rate fluctuations, supply chains, et cetera, which are out of the company's control.
- The outlook for the future presented in this briefing reflects our view of the future until now. When these views change or adjust, it is not the obligation of the company to revise or update.



Overview

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Company Profile (1 of 7)

- **Established** 1962
- **President** Ms. Mei Hui Huang
- **Capitalization** 853 million NTD
(**30.8** million USD)
- **Employees** 220 (December 2021)
- **Culture** Teamwork, Growth,
R&D, Excellence
- **Products** Spunbond, Meltblown, SMS, SMMS
nonwoven fabrics, Face Mask,
Air Filter Materials



Company Profile (2 of 7)

■ Production Line

In Taiwan :

(1)Nonwovens production line :

- Spunbond nonwovens : 3 lines
- SMMS composite nonwovens : 1 line
- Meltblown nonwovens : 5 lines

(2)High filtration efficiency filters (HEPA) : 4 lines & air filter related lamination equipment

(2)Face Mask's production line : 33 lines including flat type, 3D shape and customized type.

In Xiamen :

- Spunbond nonwovens (SS) : 1 line
- SMS composite nonwovens : 1 line



Company Profile (3 of 7)



Taipei Headquarters



Tainan Plant



New Tainan plant



Xiamen Plant



Company Profile (4 of 7)

- 1962** Universal Incorporation was established by President William Huang as a manufacturer of knitted and leather gloves.
- 1990** Began mass production of nonwoven fabrics.
- 2000** Listed on the Taiwan Stock Exchange.
- 2002** Reifenhauer 4.2M SMMS nonwoven fabrics machine installed and began mass production.
- 2009** Began mass production of nonwoven fabrics in Xiamen plant.
- 2009** Began mass production of Medical Face Mask.



Company Profile (5 of 7)

- 2017** Completed transformation from SS Spunbond to SMS composite nonwovens production line at Xiamen plant in May.
- 2019** Purchased the Meltblown line and HEPA equipment for producing the high filtration efficiency filters material in May and the machine had been installed in the new Tainan plant in December.
- 2019** Finished the construction of new Tainan plant in November and acquired the building use license in December.



Company Profile (6 of 7)

- 2020** Signed conditional donation contract with the government for 10 lines of face mask equipment in February, installed the machinery and started to produce medical face masks in first quarter of the year.
- 2020** Purchased 3 Meltblown lines and HEPA equipment for producing the high filtration efficiency filters material in May and the machine had been installed in the new Tainan plant in the same year.



Company Profile (7 of 7)

- 2020** Purchased additional 17 lines of face mask equipment in July and the machine had been installed and started production in the same year.
- 2021** Purchased 3D face mask machines, customized mask machines and air filter related lamination equipment.



Our Products (1 of 6)

Spunbond

Face Mask

Meltblown

**Composite
Nonwovens**

Air Filter

**Post-
Treatment
Nonwovens**

Our Products (2 of 6)



Applications of Spunbond and Composite Nonwovens

- **Hygiene** Baby diapers, training pants, adult incontinence products, sanitary napkins, patient pads
- **Medical** Face mask(outer layer & inner layer), surgical gowns, caps, drapes, exam gowns, patient gowns
- **Industrial** Protective clothing, coveralls, car covers
- **Agricultural** Pest control and thermal insulation coverage for seedlings, fruits and vegetables, tea leaves



Our Products (3 of 6)

Applications of Meltblown Nonwovens

- **Filters** Mask Filter material : BFE、 N95、 PFE、 VFE、 FFP2、 FFP3, etc.
HEPA Filter for air purifier, air conditioner & clean room (H10~H14) 、 Cabin Air Filter 、 Respirator.
- **Insulation** Thermal fillers for snow clothing, snowshoes, gloves, etc.
- **Oil absorption** River pollution control, treatment for floating oil, wipers



Our Products (4 of 6)

Face Mask Type

- Medical Face Mask
- Surgical Mask
- 3D Medical Face Mask
- Protective Surgical Respirator (N95 Grade)
- FFP2 Protective Respirator
- Type II Medical Face Mask
- FDA 510K Level 1 及 Level 2 Surgical Mask
- Medical Activated Carbon Mask



Our Products (5 of 6)

Applications of Air Filter Materials

- High filtration efficiency filter (H10~H14) for air purifier, air conditioner, clean room 、 cabin air and high level mask filter such as N95 respirator, FFP2 Protective respirator, PM 2.5 anti-haze Mask, etc.
- Laminated filter material and cartridge filter for cabin air filter, air purifier, etc.



Our Products (6 of 6)

Tainan Plant ISO Certifications

- **ISO 9001 (2015)**
- **ISO 13485 (2016)**
- **ISO 14001 (2015)**
- **GMP (2021 certified)**

Xiamen Plant ISO Certifications

- **ISO 9001 (2015)**



Business Overview

Sales Revenue Share by Region (%)

Region	2021 Q1-Q3	2020 Q1-Q3	Change rate	2020	2019	2018
Taiwan	76	77	-1	79	62	63
Mainland China	10	16	-38	15	11	13
Southeast Asia	4	4	-	3	15	14
Northeast Asia	6	2	200	2	7	5
Europe & America	4	1	300	1	5	5
Total	100	100	-	100	100	100



Financial Overview (1 of 5)

Consolidated Balance Sheets

(Unit: in thousands of New Taiwan Dollars)

Item	Sept. 30, 2021	Sept. 30, 2020	Change rate (%)	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018
Current Assets	1,918,426	2,765,198	-31	3,286,330	887,376	1,034,739
Non-current Assets	1,321,396	1,306,968	1	1,348,751	987,075	874,402
Total Assets	3,239,822	4,072,166	-20	4,635,081	1,874,451	1,909,141
Current Liabilities	137,839	694,637	-80	729,410	47,176	59,231
Non-current Liabilities	70,174	62,946	11	75,789	63,558	64,365
Total liabilities	208,013	757,583	-73	805,199	110,734	123,596
Equity Attributable to Shareholders of the Parent	2,933,329	3,218,846	-9	3,728,131	1,703,411	1,717,531
Capital stock	852,812	852,812	-	852,812	852,812	852,812
Non-controlling interests	98,480	95,737	3	101,751	60,306	68,014
Total equity	3,031,809	3,314,583	-9	3,829,882	1,763,717	1,785,545
Current ratio (%)	1,392	398	250	451	1,881	1,747
Equity ratio (%)	94	81	16	83	94	94
Net worth per share(NTD)	34.40	37.74	-9	43.72	19.97	20.14

Note : The par value per share is 10 NT dollars .



Financial Overview (2 of 5)

Consolidated profit and loss performance

(Unit: in thousands of New Taiwan Dollars)

Item	2021 Q1-Q3	2020 Q1-Q3	Change rate (%)	2020	2019	2018
Sales revenue	1,041,889	2,992,928	-65	4,056,858	772,775	914,449
Gross profit	432,827	1,969,806	-78	2,706,065	83,679	101,597
Operating income	369,225	1,824,642	-80	2,524,727	33,574	48,815
Net income before tax	381,445	1,830,494	-79	2,531,413	43,967	73,335
Net income	269,488	1,459,826	-82	2,014,576	34,691	59,922
Net income attributable to owners	271,113	1,424,165	-81	1,974,979	36,247	59,853
EPS (New Taiwan Dollars)	3.18	16.70	-81	23.16	0.43	0.70
Gross profit (%)	42	66	-36	67	11	11
Operating income (%)	36	61	-41	63	4	5



Financial Overview (3 of 5)

Consolidated cash flows

(Unit: in thousands of New Taiwan Dollars)

Item	2021 Q1-Q3	2020 Q1-Q3	Change rate (%)	2020	2019	2018
Operating	1,367	1,858,678	-100	2,424,552	100,846	88,054
Investment	928,238	(1,330,259)	170	(2,080,248)	(37,528)	34,510
Financing	(1,023,310)	(25,546)	-3,906	(25,556)	(46,421)	(33,557)
Exchange rate effects	(5,547)	555	-1,099	6,491	(3,216)	(1,250)
Increases (decreases) in cash	(99,252)	503,428	-120	325,239	13,681	87,757
Beginning Balance	501,763	176,524	184	176,524	162,843	75,086
Ending Balance	402,511	679,952	-41	501,763	176,524	162,843



Financial Overview (4 of 5)

Dividend Payouts, Last Three Years

(Unit: New Taiwan Dollars)

Item	2020	2019	2018
Earnings per share (EPS)	23.16	0.43	0.70
Dividend payouts			
Cash	12.00	0.30	0.50
Stock	—	—	—
Payout ratio (%)	52	70	71



Financial Overview (5 of 5)

Consolidated Capital Expenditures

(Unit: in thousands of New Taiwan Dollars)

Item	2021 Q1-Q3	2020 Q1-Q3	Change rate (%)	2020	2019	2018
Acquisitions for property, plant and equipment :						
Building	1,349	8,695	-84	47,705	-	-
Machinery & equipment	27,372	69,260	-60	90,193	16,238	15,556
Transportation equipment	-	-	-	-	-	1,188
Miscellaneous equipment	6,492	15,402	-58	24,820	3,795	2,324
Construction in progress and prepayments of equipment	26,193	154,578	-83	182,913	147,374	59,752
TOTAL	61,406	247,935	-75	345,631	167,407	78,820

Note : the major capital expenditures, included the construction of new Tainan plant, purchased equipment of high filtration efficiency filters and face mask etc.



Major Capital Expenditures (1 of 5)

Factory and Warehouse Construction

- Floor area about 18,000 sq. m.
- Cost about 250 million NTD
- Construction began to erect in May, 2018 and finished in November, 2019, and acquired the building use license in December.



Major Capital Expenditures (2 of 5)

Purchased the equipment of high filtration efficiency filters

- Purchased one appliance of high filtration efficiency filters including the Meltblown line and HEPA equipment in May, 2019 , and the machine had been installed in the new Tainan plant in December, 2019.
- Purchased three appliances of high filtration efficiency filters including the Meltblown line and HEPA equipment in May, 2020 , and the machine had been installed in the new Tainan plant in the same year.



Major Capital Expenditures (3 of 5)

Purchased the equipment of high filtration efficiency filters

- Applications of filters product
 1. Meltblown line can produce MB filter of BFE99 , VFE99, PFE99, N95, FFP2 etc. for the application of face mask.
 2. HEPA equipment can produce high filtration efficiency filter of FFP3, cabin air, H10~H14 and high level mask filter such as N95 respirator, FFP2 protective respirator, PM 2.5 anti-haze Mask, etc.



Major Capital Expenditures (4 of 5)

Purchased the equipment of high filtration efficiency filters

- Applications of filters product

3. Air filtration related lamination equipment can produce laminated filter for air filtration and cartridge filter, etc.



Major Capital Expenditures (5 of 5)

Purchased the equipment of face mask

- Signed conditional donation contract with the government in February 2020, for 10 lines of the face mask equipment, installed the machine and started to produce medical face mask in first quarter of the year.
- Purchased additional 17 lines of face mask equipment in July 2020 and the machine had been installed and started production in the same year.
- Purchased 3D face masks machines and customized mask machine in 2021 and the machine had been installed and started production in the same year.



Future Business Strategy (1 of 6)

**Product
Development**

**Market
Expansion**

**Quality
Control**

**Cost
Reduction**



Future Business Strategy (2 of 6)

Product Development (1)

A. Short-term

- Developed colored medical face mask, 3D face mask, high level masks, customized masks, etc.
- Utilize the new Meltblown line, HEPA equipment, lamination equipment to develop high filtration efficiency filters including Meltblown nonwoven, high filtration efficiency filter, lamination filter and cartridge filter.



Future Business Strategy (3 of 6)

Product Development (2)

B. Medium term and Long-term

- To take the strategies of diversified product development, depending on the situation of market and customer demand to increase the production line of the related nonwovens machinery and equipment at the right time, for developing different and functional high value-added products.



Future Business Strategy (4 of 6)

Market Expansion

- Actively promote and compete for orders, so as to increase utilization rate of production capacity
- Develop long-term relationships with customers
- Actively expand in Taiwan, Southeast Asia, Northeast Asia, mainland China, and global markets
- Cooperate with leading global manufacturers to raise technical level and expand sales channels



Future Business Strategy (5 of 6)

Quality Control

- Implement a strict quality control system to make product quality meet customer needs
- Passed ISO international quality verification
- Passed GMP certification
- Passed CE and FDA certification of face mask
- Use advanced test equipment
- Close type plant air shower system to prevent the dust and foreign matter contamination
- Online automatic defects inspection system



Future Business Strategy (6 of 6)

Cost Reduction

- Strengthen the overall operating efficiency, pay attention to the control of quality, cost and delivery time
- Develop long-term relationships with major suppliers
- Control effectively costs of major raw materials and expenses
- Improve product yields



Q & A

Thank you for listening!



Universal Incorporation

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