



Universal Incorporation

(1325)

Investor Conference

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Taiwan Stock Exchange



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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
(**27.9** million USD)
- **Employees** 180 (December 2022)
- **Culture** Teamwork, Growth,
R&D, Excellence
- **Products** Spunbond, Meltblown, SMS, SMMS
nonwoven fabrics, Face Mask,
Air Filter Media



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 filter media (HEPA) : 4 lines & air filter media 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 filter media 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 filter media 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 media related lamination equipment.



Our Products (1 of 6)

Spunbond

Face Mask

Meltblown

**Composite
Nonwovens**

**Air Filter
Media**

**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

- Filter Media

Mask Filter Media : BFE、 N95、 PFE、 VFE、 FFP2、 FFP3, etc.

HEPA Filter Media for air purifier, air conditioner & clean room (H10~H14) 、 Cabin Air Filter media 、 Respirator 、 PM2.5 filter media for airtight window.
- 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 Media :

- High filtration efficiency filter media (H10~H14) for high level mask filter media such as N95 respirator, FFP2 Protective respirator, PM 2.5 anti-haze Mask, etc. and laminated filter media.
- Laminated filter media and air filter media for air purifier, air conditioner, clean room 、cabin air filter media and PM2.5 filter media of airtight window, 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	2022 Q1-Q3	2021 Q1-Q3	Change rate (%)	2021	2020	2019
Taiwan	82	76	8	75	79	62
Mainland China	6	10	-40	10	15	11
Southeast Asia	1	4	-75	5	3	15
Northeast Asia	10	6	67	6	2	7
Europe & America	1	4	-75	4	1	5
Total	100	100	-	100	100	100



Financial Overview (1 of 5)

Consolidated Balance Sheets

(Unit: in thousands of New Taiwan Dollars)

Item	Sept.30,2022	Sept.30,2021	Change rate (%)	Dec.31,2021	Dec.31,2020	Dec.31,2019
Current Assets	1,746,672	1,918,426	-9	1,903,915	3,286,330	887,376
Non-current Assets	1,270,753	1,321,396	-4	1,313,467	1,348,751	987,075
Total Assets	3,017,425	3,239,822	-7	3,217,382	4,635,081	1,874,451
Current Liabilities	53,960	137,839	-61	105,648	729,410	47,176
Non-current Liabilities	66,839	70,174	-5	63,088	75,789	63,558
Total liabilities	120,799	208,013	-42	168,736	805,199	110,734
Equity Attributable to Shareholders of the Parent	2,795,059	2,933,329	-5	2,948,349	3,728,131	1,703,411
Capital stock	852,812	852,812	-	852,812	852,812	852,812
Non-controlling interests	101,567	98,480	3	100,297	101,751	60,306
Total equity	2,896,626	3,031,809	-4	3,048,646	3,829,882	1,763,717
Current ratio (%)	3,237	1,392	133	1,802	451	1,881
Equity ratio (%)	96	94	2	95	83	94
Net worth per share(NTD)	32.77	34.40	-5	34.57	43.72	19.97

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	2022 Q1-Q3	2021 Q1-Q3	Change rate (%)	2021	2020	2019
Sales revenue	437,525	1,041,889	-58	1,191,043	4,056,858	772,775
Gross profit	25,660	432,827	-94	439,793	2,706,065	83,679
Operating (loss)income	(12,127)	369,225	-103	370,105	2,524,727	33,574
Net income before tax	38,129	381,445	-90	389,520	2,531,413	43,967
Net income	27,857	269,488	-90	277,492	2,014,576	34,691
Net income attributable to owners	29,579	271,113	-89	278,378	1,974,979	36,247
EPS (New Taiwan Dollars)	0.35	3.18	-89	3.26	23.16	0.43
Gross profit (%)	6	42	-86	37	67	11
Operating (loss)income (%)	(3)	36	-108	31	63	4



Financial Overview (3 of 5)

Consolidated cash flows

(Unit: in thousands of New Taiwan Dollars)

Item	2022 Q1-Q3	2021 Q1-Q3	Change rate (%)	2021	2020	2019
Operating	64,690	1,367	4,632	(4,927)	2,424,552	100,846
Investment	438,197	928,238	-53	936,880	(2,080,248)	(37,528)
Financing	(170,311)	(1,023,310)	83	(1,023,320)	(25,556)	(46,421)
Exchange rate effects	8,183	(5,547)	248	(3,838)	6,491	(3,216)
Increases (decreases) in cash	340,759	(99,252)	443	(95,205)	325,239	13,681
Beginning Balance	406,558	501,763	-19	501,763	176,524	162,843
Ending Balance	747,317	402,511	86	406,558	501,763	176,524



Financial Overview (4 of 5)

Dividend Payouts, Last Three Years

(Unit: New Taiwan Dollars)

Item	2021	2020	2019
Earnings per share (EPS)	3.26	23.16	0.43
Dividend payouts			
Cash	2.00	12.00	0.30
Stock	—	—	—
Payout ratio (%)	61	52	70



Financial Overview (5 of 5)

Consolidated Capital Expenditures

(Unit: in thousands of New Taiwan Dollars)

Item	2022 Q1-Q3	2021 Q1-Q3	Change rate (%)	2021	2020	2019
Acquisitions for property, plant and equipment :						
Building	2,584	1,349	92	2,165	47,705	-
Machinery & equipment	5,964	27,372	-78	35,891	90,193	16,238
Miscellaneous equipment	859	6,492	-87	6,650	24,820	3,795
Construction in progress and prepayments of equipment	2,145	26,193	-92	27,869	182,913	147,374
TOTAL	11,552	61,406	-81	72,575	345,631	167,407

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



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

- Utilize the new Meltblown line, HEPA equipment, lamination equipment to develop Meltblown nonwoven, high filtration efficiency filter media, lamination filter media and air filter media.
- Develop cartridge filters of air purifier and cabin air 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 to win orders of existing Nonwovens and face mask.
- Actively participate exhibition and visit customers, so as to increase the opportunity of sales.
- Vertical integration strategy for operations.
- 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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