



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

- 1. Company Profile**
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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**

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 、PM2.5 filter media of airtight window and chemical filter, etc.



Our Products (6 of 6)

Tainan Plant ISO Certifications

- ISO 9001 (2015)
- ISO 13485 (2016)
- ISO 14001 (2015)
- GMP/QMS (2021/2023 certified)

Xiamen Plant ISO Certifications

- ISO 9001 (2015)



Business Overview

Sales Revenue Share by Region (%)

Region	2023 Q1-Q3	2022 Q1-Q3	Change rate (%)	2022	2021	2020
Taiwan	82	82	-	82	75	79
Northeast Asia	15	10	50	11	6	2
Europe & America	2	1	100	2	4	1
Mainland China	1	6	-83	4	10	15
Southeast Asia	0	1	-100	1	5	3
Total	100	100	-	100	100	100



Financial Overview (1 of 5)

Consolidated Balance Sheets

(Unit: in thousands of New Taiwan Dollars)

Item	Sept.30,2023	Sept.30,2022	Change rate (%)	Dec.31,2022	Dec.31,2021	Dec.31,2020
Current Assets	1,791,611	1,746,672	3	1,746,399	1,903,915	3,286,330
Non-current Assets	1,213,956	1,270,753	-4	1,258,949	1,313,467	1,348,751
Total Assets	3,005,567	3,017,425	-	3,005,348	3,217,382	4,635,081
Current Liabilities	53,407	53,960	-1	68,530	105,648	729,410
Non-current Liabilities	62,870	66,839	-6	57,810	63,088	75,789
Total liabilities	116,277	120,799	-4	126,340	168,736	805,199
Equity Attributable to Shareholders of the Parent	2,791,823	2,795,059	-	2,780,188	2,948,349	3,728,131
Capital stock	852,812	852,812	-	852,812	852,812	852,812
Non-controlling interests	97,467	101,567	-4	98,820	100,297	101,751
Total equity	2,889,290	2,896,626	-	2,879,008	3,048,646	3,829,882
Current ratio (%)	3,355	3,237	4	2,548	1,802	451
Equity ratio (%)	96	96	-	96	95	83
Net worth per share(NTD)	32.74	32.77	-	32.60	34.57	43.72

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	2023 Q1-Q3	2022 Q1-Q3	Change rate (%)	2022	2021	2020
Sales revenue	309,927	437,525	-29	553,968	1,191,043	4,056,858
Gross profit	4,170	25,660	-84	43,674	439,793	2,706,065
Operating (loss)income	(32,892)	(12,127)	-171	(5,022)	370,105	2,524,727
Net income before tax	56,976	38,129	49	20,511	389,520	2,531,413
Net income	43,380	27,857	56	13,526	277,492	2,014,576
Net income attributable to owners	46,584	29,579	57	16,580	278,378	1,974,979
EPS (New Taiwan Dollars)	0.55	0.35	57	0.19	3.26	23.16
Gross profit (%)	1	6	-83	8	37	67
Operating (loss)income (%)	(11)	(3)	-267	(1)	31	63



Financial Overview (3 of 5)

Consolidated cash flows

(Unit: in thousands of New Taiwan Dollars)

Item	2023 Q1-Q3	2022 Q1-Q3	Change rate (%)	2022	2021	2020
Operating	120,466	64,690	86	77,926	(4,927)	2,424,552
Investment	(136,549)	438,197	-131	679,292	936,880	(2,080,248)
Financing	(58,375)	(170,311)	66	(154,493)	(1,023,320)	(25,556)
Exchange rate effects	4,235	8,183	-48	4,506	(3,838)	6,491
Increases (decreases) in cash	(70,223)	340,759	-121	607,231	(95,205)	325,239
Beginning Balance	1,013,789	406,558	149	406,558	501,763	176,524
Ending Balance	943,566	747,317	26	1,013,789	406,558	501,763



Financial Overview (4 of 5)

Dividend Payouts, Last Three Years

(Unit: New Taiwan Dollars)

Item	2022	2021	2020
Earnings per share (EPS)	0.19	3.26	23.16
Dividend payouts			
Cash	0.50	2.00	12.00
Stock	—	—	—
Payout ratio (%)	263	61	52



Financial Overview (5 of 5)

Consolidated Capital Expenditures

(Unit: in thousands of New Taiwan Dollars)

Item	2023 Q1-Q3	2022 Q1-Q3	Change rate (%)	2022	2021	2020
Acquisitions for property, plant and equipment :						
Building	569	2,584	-78	3,374	2,165	47,705
Machinery & equipment	5,513	5,964	-8	7,707	35,891	90,193
Miscellaneous equipment	122	859	-86	905	6,650	24,820
Construction in progress and prepayments of equipment	5,446	2,145	154	2,557	27,869	182,913
TOTAL	11,650	11,552	1	14,543	72,575	345,631

Note : the major capital expenditures, included the construction of new Tainan plant, purchased equipment of 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 、 air filter media, and active carbon composite nonwoven.
- Develop cartridge filters of air purifier 、 cabin air filter and chemical filter.
- Develop the plastic recycled material : to produce PIR PP, PCR PP, etc .



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 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 QMS 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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