

Stock Code: 601231

Abbreviated Name: USI

Convertible Bond Code:113045

Abbreviated Name: USI Convertible Bond

Universal Scientific Industrial (Shanghai) Co., Ltd.
Quarterly Report for Q1 2025

The Board of Directors and directors of the Company hereby assure that the content set out in the announcement is true, accurate and complete, and free from any false record, misleading representation or material omission, and are individually and collectively responsible for the content set out therein.

Important Notice

The Board of Directors, the Board of Supervisors, directors, supervisors and senior management of the Company hereby assure that the content set out in the annual report is truthful, accurate and complete and complete, and contains no misrepresentations, misleading statements or material omissions, and are individually and collectively responsible for the content set out therein.

The Company's legal representative, chief financial officer and the person in charge of the accounting department (accounting officer) hereby guarantee that the financial statements set out in the quarterly report are true, accurate and complete.

The first quarter financial statements are unaudited.

I. Key accounting and financial performance indicators

Key Financial Performance Indicators

Unit: yuan Currency: RMB

Items	Q1 2025	Q1 2024	YoY (%)
-------	---------	---------	---------

Universal Scientific Industrial (Shanghai) Co., Ltd.

		After adjustment	Before adjustment	After adjustment
Revenue	13,648,634,687.74	13,491,928,720.52	13,491,928,720.52	1.16
Net profits attributable to shareholders of the listed company	334,959,613.24	334,683,660.30	334,683,660.30	0.08
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses	279,903,960.88	286,600,179.96	286,600,179.96	-2.34
Net cash flows from operating activities	890,234,791.94	1,146,121,777.94	1,146,121,777.94	-22.33
Basic EPS (yuan per share)	0.15	0.15	0.15	0
Diluted EPS (yuan per share)	0.15	0.15	0.15	0
Weighted average return on equity (%)	1.85	1.96	1.96	Down 0.11 pct.
	March 31, 2024	December 31, 2024		Change (%)
		After adjustment	Before adjustment	After adjustment
Total assets	39,337,987,429.57	39,998,030,835.37	39,998,030,835.37	-1.65
Owners' equity attributable to shareholders of the list company	18,320,784,068.59	17,934,523,876.88	17,934,523,876.88	2.15

Reasons for adjustment or restatement

The Ministry of Finance issued and implemented the interpretation of accounting standards for Business Enterprises No. 18 (hereinafter referred to as "Interpretation No. 18") on December 6, 2024. Interpretation No. 18 standardized the accounting treatment of guarantee quality assurance that does not fall under a single performance obligation, and was implemented from December 6, 2024, allowing enterprises to implement it in advance of the release year. Interpretation No. 18 stipulates that in accordance with the Accounting Standards for Enterprises No. 14- Revenue, when accounting for estimated liabilities arising from quality assurance that do not belong to a single performance obligation, according to the relevant

provisions of the Accounting Standards for Enterprises No. 13- Contingencies, the determined estimated liability amount should be debited to accounts such as "main operating costs" and "other operating costs", credited to the "estimated liabilities" account, and correspondingly listed in the "operating costs" in the income statement and the "other current liabilities", "non current liabilities due within one year", "estimated liabilities" and other items in the balance sheet. When the enterprise first implements the interpretation, if the original provision for quality assurance is included in "sales expenses", etc., the changes in accounting subjects and reporting items related to the accounting treatment of quality assurance should be retrospectively adjusted as accounting policy changes.

The Company originally included "sales expenses" in the provision for quality assurance, and this regulation has been implemented in 2024 in advance. Retrospectively adjust the amount of RMB 4,927,470.83 yuan for guarantee quality assurance in Q1 2024 by reclassifying it from the "Selling Expenses" account to the "Operating Costs" account. This retrospective adjustment has no impact on the key accounting data and financial indicators presented in the table above.

Non-recurring profit or loss

√Applicable □ Not Applicable

Unit: yuan Currency: RMB

Items of non-recurring gains/losses	Q1 2025	Note
Gains and losses on disposal of non-current assets, including the write-off of asset impairment provisions	-6,089,916.25	
Government grants recognized in profit or loss (other than grants which are closely related to the Company's business, have a lasting impact on the Company's profits and losses and are either in fixed amounts or determined under quantitative methods in accordance with the national standard)	3,234,793.86	
Profit or loss on changes in the fair value of financial assets and financial liabilities and investment income on disposal of financial assets and financial liabilities held by non-financial companies, other than those used in the effective hedging activities relating to normal operating business	67,613,244.79	
Other non-operating income or expenses other than the above	4,129,762.26	
Less: tax effects	13,957,795.57	
Effects attributable to minority interests (After tax)	-125,563.27	
Total	55,055,652.36	

Explanations for significant amount of extraordinary gain or loss items identified by the Company but not

listed in the “Explanatory Announcement No.1 for Public Company Information Disclosures – Extraordinary Gains or Losses”, and recurring gain or loss items identified by the Company which are listed as extraordinary gain or loss items in the “Explanatory Announcement No.1 for Public Company Information Disclosures – Extraordinary Gains or Losses”.

☐ Applicable ☒ Not Applicable

Major changes in the Company's key accounting indicators and the reasons

☐ Applicable ☒ Not Applicable

II. Shareholder Information

(I) Total number of common shareholders and preferred shareholders whose voting rights have been restored by the period-end

Unit: Share

Total number of common shareholders by the period-end	56,927	Total number of preferred shareholders whose voting rights have been restored as of the end of the reporting period			0	
Shareholdings of the top ten shareholders (Excluding share lending through refinancing business)						
Name of shareholder	Nature of shareholder	Shares held	%	Restricted shares held	Pledge, marking or freezing	
					Share status	Number
USI Enterprise Limited	Foreign legal person	1,683,749,126	76.67	0	None	
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	62,928,153	2.87	0	Unknown	
China Securities Finance Co., Ltd.	State-owned legal person	22,893,936	1.04	0	Unknown	
ASE (Shanghai) Inc.	Domestic non-state-owned legal person	18,098,476	0.82	0	None	

Universal Scientific Industrial (Shanghai) Co., Ltd.

CSI 500 Exchange Traded fund - Agricultural Bank of China	Other information	8,485,902	0.39	0	Unknown	
Golden Eagle Technical Innovation Stock Securities Investment Fund - Industrial and Commercial Bank of China limited	Others	8,300,345	0.38	0	Unknown	
Agricultural Bank of China: ICBCCS mixed high-quality securities investment fund	Others	6,227,800	0.28	0	Unknown	
Huang Zhilong	Domestic natural person	3,850,000	0.18	0	Unknown	
China Life Insurance Company - Traditional - General Insurance Products - 005L - CT001 Shanghai	Others	3,782,392	0.17	0	Unknown	
Invesco Great Wall Fund - China Life Insurance Co., Ltd. - Traditional Insurance - Invesco Great Wall Fund China Life Equilibrium Stock Traditional Available for Sale Single Asset Management Plan	Others	3,760,200	0.17	0	Unknown	
Shareholdings of the top ten shareholders subject to no selling restrictions (Excluding share lending through refinancing business)						
Name of shareholder	Number of tradable shares held not subject to selling restrictions	Type and number of shares				
		Type	Number			
USI Enterprise Limited	1,683,749,126	RMB ordinary shares	1,683,749,126			
Hong Kong Securities Clearing Company Ltd.	62,928,153	RMB ordinary shares	62,928,153			
China Securities Finance Co., Ltd.	22,893,936	RMB ordinary shares	22,893,936			
ASE (Shanghai) Inc.	18,098,476	RMB ordinary shares	18,098,476			

Universal Scientific Industrial (Shanghai) Co., Ltd.

CSI 500 Exchange Traded fund - Agricultural Bank of China	8,485,902	RMB ordinary shares	8,485,902
Golden Eagle Technical Innovation Stock Securities Investment Fund - Industrial and Commercial Bank of China limited	8,300,345	RMB ordinary shares	8,300,345
Agricultural Bank of China: ICBCCS mixed high-quality securities investment fund	6,227,800	RMB ordinary shares	6,227,800
Huang Zhilong	3,850,000	RMB ordinary shares	3,850,000
China Life Insurance Company - Traditional - General Insurance Products - 005L - CT001 Shanghai	3,782,392	RMB ordinary shares	3,782,392
Invesco Great Wall Fund - China Life Insurance Co., Ltd. - Traditional Insurance - Invesco Great Wall Fund China Life Equilibrium Stock Traditional Available for Sale Single Asset Management Plan	3,760,200	RMB ordinary shares	3,760,200
Related or concert parties among the shareholders above	The actual controllers of the Company are Mr. Jason C.S. Chang and Mr. Richard H.P. Chang, who are brothers and ultimately control the Company through indirect shareholding by controlling USI Enterprise Limited and ASE (Shanghai) Inc., two of the Company's shareholders. The Company does not know whether there are related relationships and concerted actions among other shareholders.		
Shareholding by margin trading of the top 10 shareholders and top 10 shareholders subject to no selling restrictions	None		

Note: The Company held 6,740,400 shares on its securities account for buy-back, with a shareholding ratio of 0.31%, which is not included in the list of the top 10 shareholders.

Shareholder holding more than 5% of the Company's shares, top ten shareholders and top ten shareholders subject to no selling restrictions participating in share lending through refinancing business

☐ Applicable ☒ Not Applicable

Top ten shareholders and top ten shareholders subject to no selling restrictions changed due to lending and returning of shares

☐ Applicable ☒ Not Applicable

III. Other notable issues

Other important information on the Company's operation during the reporting period that investors should pay attention to

☒ Applicable ☐ Not Applicable

(I) Revenue breakdown by product category in Q1 2025

Unit: RMB 10,000 yuan

Product Category	Q1 2024	Q1 2025	Change	YoY (%)
Communication electronics	464,293.99	449,299.65	-14,994.34	-3.23
Consumer electronics	367,000.43	426,668.16	59,667.73	16.26
Industrial products	170,137.30	176,108.44	5,971.14	3.51
Cloud and storage products	155,169.34	142,515.46	-12,653.88	-8.15
Automotive electronics	162,868.19	137,728.05	-25,140.14	-15.44
Medical electronics	9,253.04	9,335.70	82.66	0.89
Others	20,470.58	23,208.01	2,737.43	13.37
Total	1,349,192.87	1,364,863.47	15,670.60	1.16

(II) Predicted operating revenue in Q2 2025

For Q2 2025, operating revenue is expected to decrease by approximately 10% YoY, and the operating profit margin is projected to decline by around 1 percentage point compared to the same period last year. Important Note: The Q2 2025 operating targets disclosed by the company are forward-looking statements based on its development strategies, operational plans, and current market and business conditions. The implementation of these plans and the achievement of the targets are subject to the following premises: improvement in the global COVID-19 pandemic, stabilization of international trade conditions, healthy development of the EMS industry, successful market expansion, and order fulfillment aligning with expectations. Actual results may differ materially due to uncertainties. These targets do not constitute a substantive commitment to investors. Investors should exercise caution regarding investment risks as well as avoid overreliance on these forward-looking targets when making investment decisions.

IV. Quarterly financial statements

(I) Type of auditor's opinion

☐ Applicable ☒ Not Applicable

(II) Financial statements

Consolidated Balance Sheet

March 31, 2025

Prepared by Universal Scientific Industrial (Shanghai) Co., Ltd.

Universal Scientific Industrial (Shanghai) Co., Ltd.

Presented in RMB yuan, unaudited

Items	March 31, 2025	December 31, 2024
Current Assets:		
Cash and bank balances	12,352,541,708.29	12,487,357,842.47
Financial assets held for trading	1,013,172,060.74	42,291,303.91
Notes receivable	49,026,046.64	79,450,682.42
Accounts receivable	9,263,892,984.27	10,255,502,444.64
Prepayments	51,013,251.38	53,561,714.38
Other receivables	171,782,427.39	134,298,737.44
Inventory	7,276,337,957.61	7,750,208,908.58
Non-current assets due within one year	131,040.00	130,008.72
Other current assets	617,014,689.76	793,813,622.28
Total Current Assets	30,794,912,166.08	31,596,615,264.84
Non-current Assets:		
Long-term receivables	12,401,518.23	13,787,074.59
Long-term equity investments	522,658,323.24	516,492,474.11
Investments in other equity instruments	21,313,505.63	22,769,795.62
Other non-current financial assets	195,247,264.32	201,093,233.84
Investment properties	3,974,348.69	4,044,288.01
Fixed assets	5,122,230,835.41	5,120,055,058.11
Construction in progress	463,696,975.19	364,667,733.73
Right-of-use assets	444,065,161.14	467,197,344.08
Intangible assets	304,776,511.45	311,389,637.91
Goodwill	606,959,777.60	585,220,427.80
Long-term prepaid expenses	168,098,895.02	175,639,403.30
Deferred tax assets	436,775,589.34	434,071,460.33
Other non-current assets	240,876,558.23	184,987,639.10
Total non-current assets	8,543,075,263.49	8,401,415,570.53
Total assets	39,337,987,429.57	39,998,030,835.37
Current liabilities:		
Short-term borrowings	3,973,411,584.99	3,676,702,163.10
Derivative financial liabilities	7,355,480.94	4,775,306.67
Accounts payable	9,910,684,339.25	11,055,392,929.15
Contract liabilities	579,577,313.71	542,457,418.46
Employee benefits payable	856,969,961.02	904,910,191.47
Taxes payable	179,328,991.26	390,100,700.18
Other payables	878,026,857.44	805,175,805.23
Non-current liabilities due within one year	147,694,497.54	193,691,444.57

Universal Scientific Industrial (Shanghai) Co., Ltd.

Other current liabilities	7,634,011.96	11,106,077.85
Total current liabilities	16,540,683,038.11	17,584,312,036.68
Non-current liabilities:		
Long-term borrowings	27,171,281.55	29,872,115.04
Bond payable	3,492,258,358.68	3,467,944,609.76
Lease liabilities	366,293,203.71	377,309,333.43
Long-term payables	12,009,678.31	18,348,682.49
Long-term employee benefits payable	238,447,786.04	230,871,543.86
Provisions	70,056,394.02	74,187,068.91
Deferred income	66,137,982.03	72,457,875.12
Deferred tax liabilities	83,862,369.95	82,878,640.62
Other non-current liabilities	1,308,112.32	1,317,464.14
Total Non-current Liabilities	4,357,545,166.61	4,355,187,333.37
TOTAL LIABILITIES	20,898,228,204.72	21,939,499,370.05
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	2,196,199,964.00	2,190,556,466.00
Other equity instruments	409,884,175.43	409,888,096.26
Capital reserve	2,127,374,951.34	2,049,016,598.82
Less: Treasury shares	100,052,846.15	100,052,846.15
Other comprehensive income	143,668,474.98	176,365,826.20
Surplus reserve	1,049,724,882.30	1,049,724,882.30
Retained profits	12,493,984,466.69	12,159,024,853.45
Total owners' equity attributable to equity holders of the Company	18,320,784,068.59	17,934,523,876.88
Minority interests	118,975,156.26	124,007,588.44
TOTAL SHAREHOLDERS' EQUITY	18,439,759,224.85	18,058,531,465.32
Total liabilities and owners' equity (or shareholders' equity)	39,337,987,429.57	39,998,030,835.37

Legal representative: Jeffrey Chen

Person in charge of accounting: Xinyu Wu

Person in charge of the accounting firm: Yuh-Huah Chern

Consolidated Income Statement

January - March 2025

Prepared by Universal Scientific Industrial (Shanghai) Co., Ltd.

Presented in RMB yuan, unaudited

Items	Q1 2025	Q1 2024
I. Total revenue	13,648,634,687.74	13,491,928,720.52

Universal Scientific Industrial (Shanghai) Co., Ltd.

Including: Operating revenue	13,648,634,687.74	13,491,928,720.52
II. Total cost of operations	13,341,225,361.08	13,165,080,571.15
Less: Costs	12,362,671,706.01	12,208,821,375.95
Taxes and levies	20,487,885.99	29,670,123.23
Sales expenses	101,561,075.60	97,351,566.86
Administrative expenses	332,237,387.89	327,844,403.39
R&D expenses	452,003,257.98	429,375,118.73
Financial expenses	72,264,047.61	72,017,982.99
Including: Interest expenses	82,296,816.12	104,870,007.15
Interest income	83,133,508.97	78,394,195.00
Add: Other income	10,141,541.33	10,549,993.19
Investment income (losses are represented by '-')	87,435,248.92	41,379,772.97
Including: Income from investments in associates and joint ventures	6,360,733.12	235,366.68
Gains (losses) from changes in fair values	-13,461,271.01	-3,711,850.91
Impairment gains (losses) of credit	-7,480,190.20	-12,912,274.38
Impairment gains (losses) of assets	8,952,528.34	21,488,465.16
Gains (losses) from disposal of assets	229,658.24	-198,442.80
III. Operating profit (losses are represented by '-')	393,226,842.28	383,443,812.60
Add: Non-operating income	4,692,014.40	7,774,472.31
Less: Non-operating expenses	6,881,826.49	1,470,084.39
IV. Total profit (total losses are represented by '-')	391,037,030.19	389,748,200.52
Less: Income tax expenses	66,992,683.32	59,471,879.02
V. Net profit (net losses are represented by '-')	324,044,346.87	330,276,321.50
(I) Net profit classified by operating continuity:		
1. Net profit from continuing operations (net losses are represented by '-')	324,044,346.87	330,276,321.50
2. Net profit from discontinued operations (net losses are represented by '-')	-	-
(II) Net profit classified by ownership ascription:		
1. Net profit attributable to owners of the Company (net losses are represented by '-')	334,959,613.24	334,683,660.30
2. Profit or loss attributable to minority shareholders (net losses are represented by '-')	-10,915,266.37	-4,407,338.80

Universal Scientific Industrial (Shanghai) Co., Ltd.

VI. Other comprehensive income, net of tax	-26,814,517.03	-115,013,791.93
(I) Other comprehensive income attributable to owners of the Company, net of tax	-32,697,351.22	-113,139,407.04
1. Other comprehensive income that cannot be subsequently reclassified to profit or loss	-1,136,381.13	-3,665,901.15
(3) Changes in fair value of investments in other equity instruments	-1,136,381.13	-3,665,901.15
() Other comprehensive income that will be reclassified to profit or loss	-31,560,970.09	-109,473,505.89
(1) Other comprehensive income that can be reclassified to profit or loss under the equity method	563,010.53	-786,498.27
(6) Differences on translation of financial statements denominated in foreign currencies	48,143,279.88	-154,949,204.55
(7) Others	-80,267,260.50	46,262,196.93
(II) Total comprehensive income attributable to the minority shareholders, net of tax	5,882,834.19	-1,874,384.89
VII. Total comprehensive income	297,229,829.84	215,262,529.57
(I) Total comprehensive income attributable to owners of the Company	302,262,262.02	221,544,253.26
(II) Total comprehensive income attributable to minority interests	-5,032,432.18	-6,281,723.69
VIII. Earnings per share		
(I) Basic earnings per share	0.15	0.15
(II) Diluted earnings per share	0.15	0.15

Legal representative: Jeffrey Chen

Person in charge of accounting: Xinyu Wu

Person in charge of the accounting firm: Yuh-Huah Chern

Consolidated Cash Flow Statement

January - March 2025

Prepared by Universal Scientific Industrial (Shanghai) Co., Ltd.

Presented in RMB yuan, unaudited

Items	Q1 2025	Q1 2024
I. Cash flows from operating activities:		

Universal Scientific Industrial (Shanghai) Co., Ltd.

Cash receipts from the sale of goods and the rendering of services	14,818,660,255.74	15,405,443,906.86
Receipts of tax refunds	150,683,287.32	111,375,637.75
Other cash receipts relating to operating activities	164,533,458.90	71,204,171.31
Sub-total of cash inflows from operating activities	15,133,877,001.96	15,588,023,715.92
Cash payments for goods purchased and services received	12,712,442,512.63	12,800,376,100.11
Cash payments to and on behalf of employees	1,169,789,762.77	1,097,330,281.19
Payments of various types of taxes	217,356,456.38	351,029,091.52
Other cash payments relating to operating activities	144,053,478.24	193,166,465.16
Sub-total of cash outflows from operating activities	14,243,642,210.02	14,441,901,937.98
Net cash flows from operating activities	890,234,791.94	1,146,121,777.94
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	1,368,437,278.41	3,241,000,000.00
Cash receipts from investment income	79,653,890.22	70,511,300.88
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	2,791,454.60	10,299,961.30
Sub-total of cash inflows from investing activities	1,450,882,623.23	3,321,811,262.18
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	466,981,901.59	410,971,746.25
Cash payments to acquire investments	2,343,000,000.00	3,241,000,000.00
Sub-total of cash outflows from investing activities	2,809,981,901.59	3,651,971,746.25
Net cash flow from investment activities	-1,359,099,278.36	-330,160,484.07
III. Cash flows from financing activities:		
Cash receipts from capital contributions	83,964,626.21	3,880,321.98
Cash receipts from borrowings	2,035,607,261.19	1,790,291,466.64
Sub-total of cash inflows from financing activities	2,119,571,887.40	1,794,171,788.62

Universal Scientific Industrial (Shanghai) Co., Ltd.

Cash repayments of borrowings	1,716,742,019.88	1,031,738,447.64
Cash payments for distribution of dividends or profits or settlement of interest expenses	80,976,343.42	82,207,126.84
Other cash payments relating to financing activities	32,326,282.11	60,771,685.55
Sub-total of cash outflows from financing activities	1,830,044,645.41	1,174,717,260.03
Net cash flow from financing activities	289,527,241.99	619,454,528.59
IV. Effect of foreign exchange rate changes on cash and cash equivalents	26,654,835.50	-20,706,834.13
V. Net Increase (decrease) in cash and cash equivalents	-152,682,408.93	1,414,708,988.33
Add: Opening Balance of Cash and Cash Equivalents	12,462,292,758.14	11,184,292,778.70
VI. Closing balance of cash and cash equivalents	12,309,610,349.21	12,599,001,767.03

Legal representative: Jeffrey Chen

Person in charge of accounting: Xinyu Wu

Person in charge of the accounting firm: Yuh-Huah Chern

(III) Starting from 2025, the first implementation of new accounting standards or standard interpretations will involve adjustments to the financial statements at the beginning of the first year of implementation

☐ Applicable ☒ Not Applicable

It is hereby announced.

Board of Directors of Universal Scientific Industrial (Shanghai) Co., Ltd.

April 25, 2025