



HEC Company Presentation (3032)

Green Earth Green Power Green HEC

- 2018.12.04
- HEC Group



Statement

This power point provide information include the estimated and estimated data, because of it has uncertain reasons, it possible cause the different between reality and PPT date.



Company Snapshot

Established	1979 / 02/16
Capital	NT\$ 1,132,856,260
Staffs	3000
Headquarter	No.225, Ln. 54, Sec. 2, Anhe Rd., Annan Dist., Tainan City 709, Taiwan (R.O.C.)
Factory location	Tainan, Dongguan, Yongfeng
Main product	Server, CASE, PSU





HEC Milestone

1979	Established
1989	Import computer case design and development technology
1996	To Establish professional case manufactory in Shenzhen obtained ISO9002 certification
1997	Import PSU design and development technology
1999	obtained ISO9001 certification
2001	listed company at OTC
2002	public traded company
2010	To Establish professional transformer manufactory in Jiangxi obtained ISO14001 certification
2012	obtained OHSAS18001 certification
2015	To Establishe second professional PSU manufactory in Dongguan
2016	Acquired Optima Ltd., 60% stock in April Acquired LFE Ltd.,50.48% stock in June
2018	Has been finished moving the plant from Shenzhen to Dongguan and government compensation income has been also accounted on Q2. Production efficiency has gradually improved on Q3.



HEC GROUP



PC Chassis



Server



LED Driver &
Lighting



Power Supply



Storage



Server



NCT



POS



Medical Bed



Adjustable
Bed



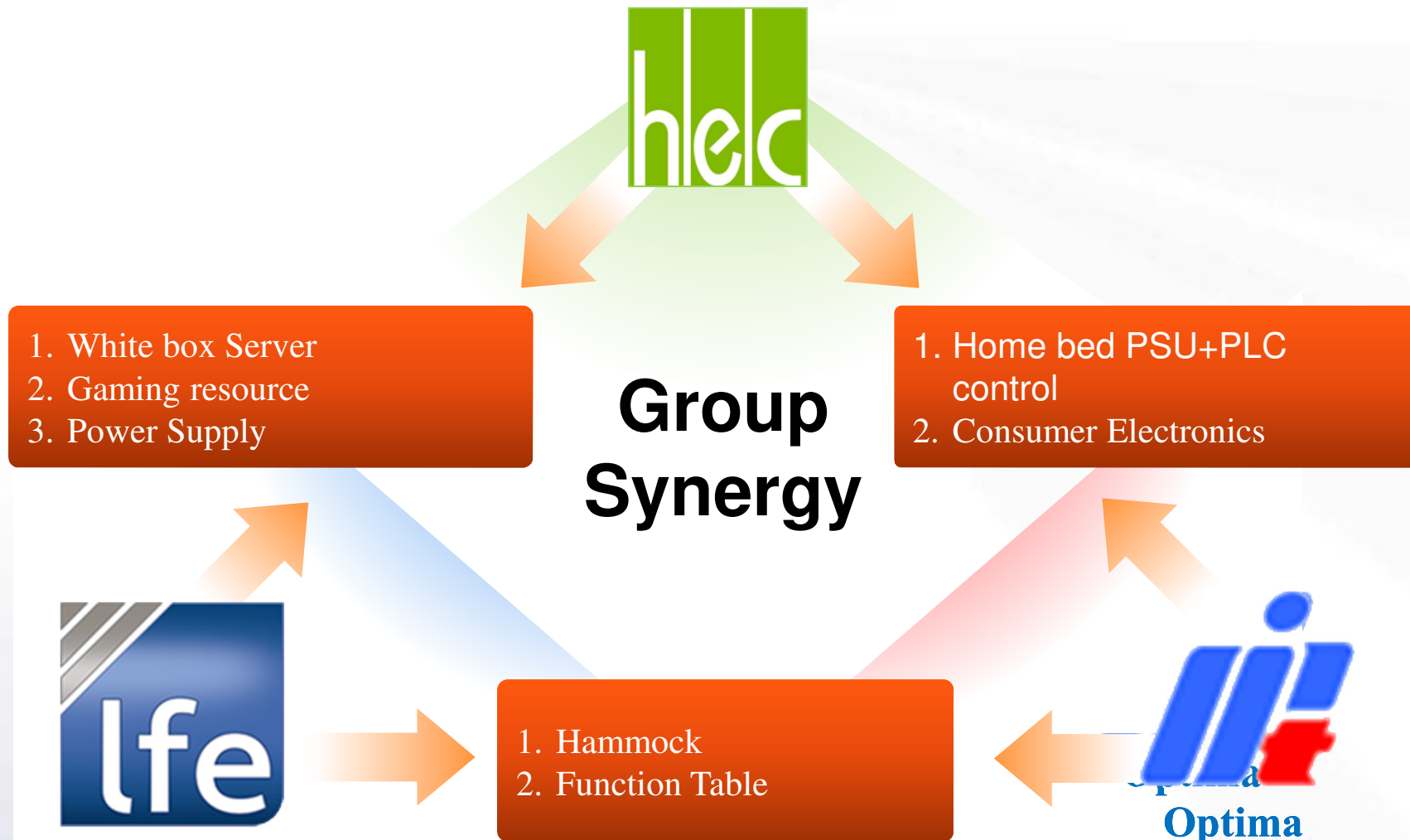
Medical
Chair



Medical
Accessories



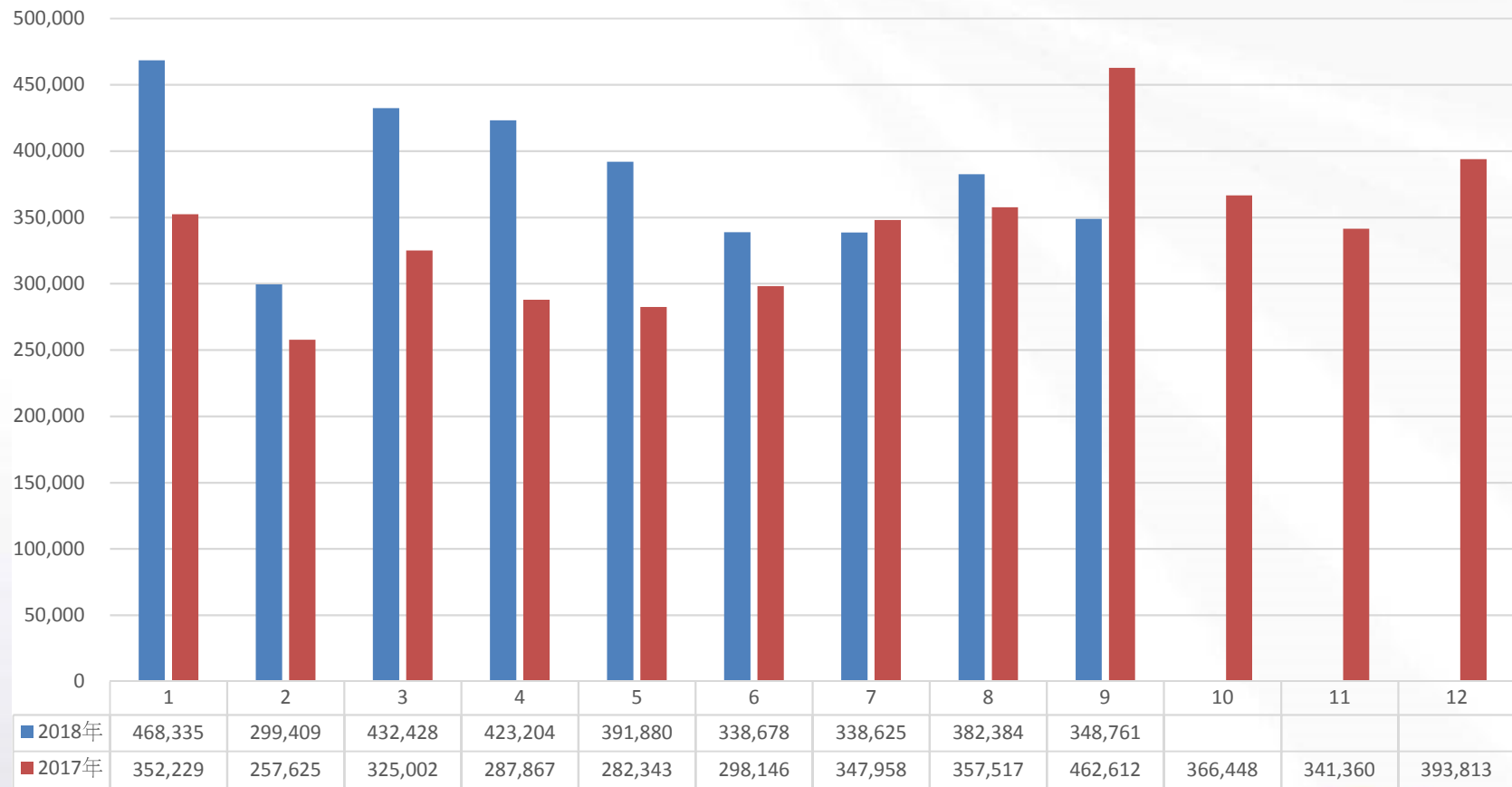
Group Synergy





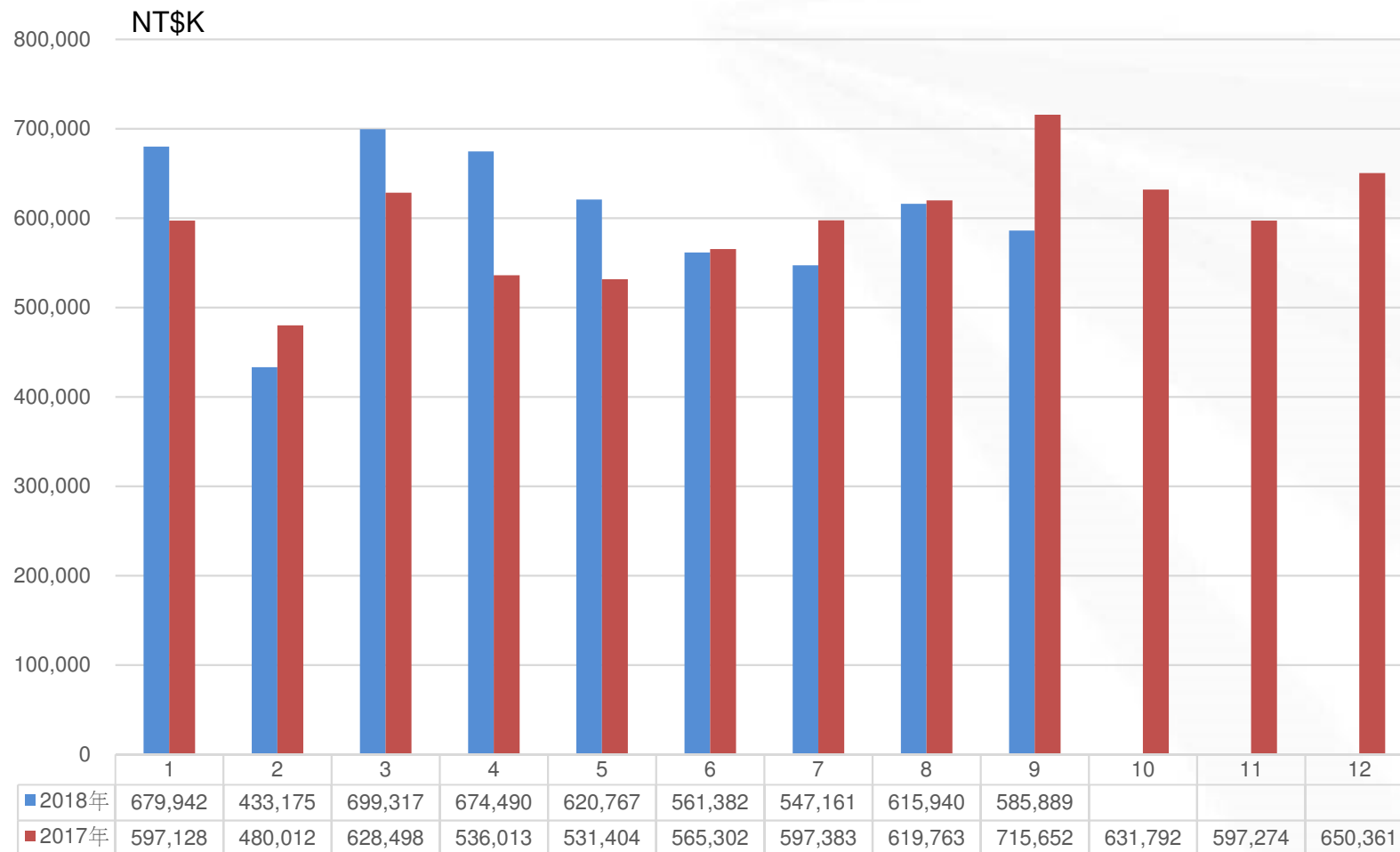
HEC Monthly Sales

NT\$K





HEC Group Monthly Sales





HEC			NT\$K
	2018 1~3Q	2017 1~3Q	YoY%
Net Revenue	3,391,705	2,845,082	19.21%
COGS	3,078,254	2,377,433	29.48%
Gross Profit	313,451	467,649	-32.97%
Operating Expenses	216,109	188,842	14.44%
Operating Profit	97,342	278,807	-65.09%
Net Income after tax	344,407	205,943	67.23%
EPS after Tax (NT\$)	3.04	1.82	
GPM	9%	16%	
OPM	6%	7%	
Operating Profit ratio	3%	10%	
Net Profit after Tax ratio	10%	7%	



HEC GROUP			NT\$K
	2018 1-3Q	2017 1~3Q	YoY%
Net Revenue	5,451,949	5,283,535	3.19%
COGS	4,760,532	4,303,166	10.63%
Gross Profit	691,417	980,369	-29.47%
Operating Expenses	682,050	633,462	7.67%
Other income and loss	415,955	0	—
Operating Profit	425,322	346,907	22.60%
Net Income after tax	362,324	248,184	45.99%
Net Income Attributable to:			
Shareholders of the Parent	344,407	205,943	67.23%
EPS after Tax (NT\$)	3.04	1.82	
GPM	13%	19%	
OPM	13%	12%	
Operating Profit ratio	8%	7%	
Net Profit after Tax ratio	7%	5%	



Group Revenue Share by Products

Products	%
PC Chassis	24%
Server Chassis	21%
Power Supply	24%
Medical Equipment	15%
Others	16%



Dividend Policy

Year	EPS	Cash div	Div payout Ratio
2017	2.15	2	93%
2016	3.81	2.2	58%
2015	2.62	2	76%
2014	2.06	2	97%
2013	0.48	0.5	104%



Thank you.

Q&A