



HEC Company Presentation (3032)

Green Earth Green Power Green HEC

- 2019.12.13
- 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, Gaming Case, PSU, Medical equipment and Home furniture





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
1998-1999	● To Establish professional PSU manufactory in Shenzhen ● Obtained ISO9001 certification
2001-2002	● listed company at OTC and TWSE
2010	● To Establish professional transformer manufactory in Jiangxi ● Obtained ISO14001 certification
2012	● Obtained OHSAS18001 certification
2015	● To Establish second professional PSU manufactory in Dongguan
2016	● Acquired Optima Ltd., 60% stock in April ● Acquired LFE Ltd., 50.48% stock in June
2018	● Moving the plant from Shenzhen to Dongguan ● To Establish professional PSU manufactory in Jiangxi
2019	● To Establish professional case and PSU manufactory in Taiwan



HEC GROUP



PC Chassis



Server



LED Driver &
Lighting



Power Supply



Storage



Server



NCT



POS



Medical Bed



Adjustable
Bed



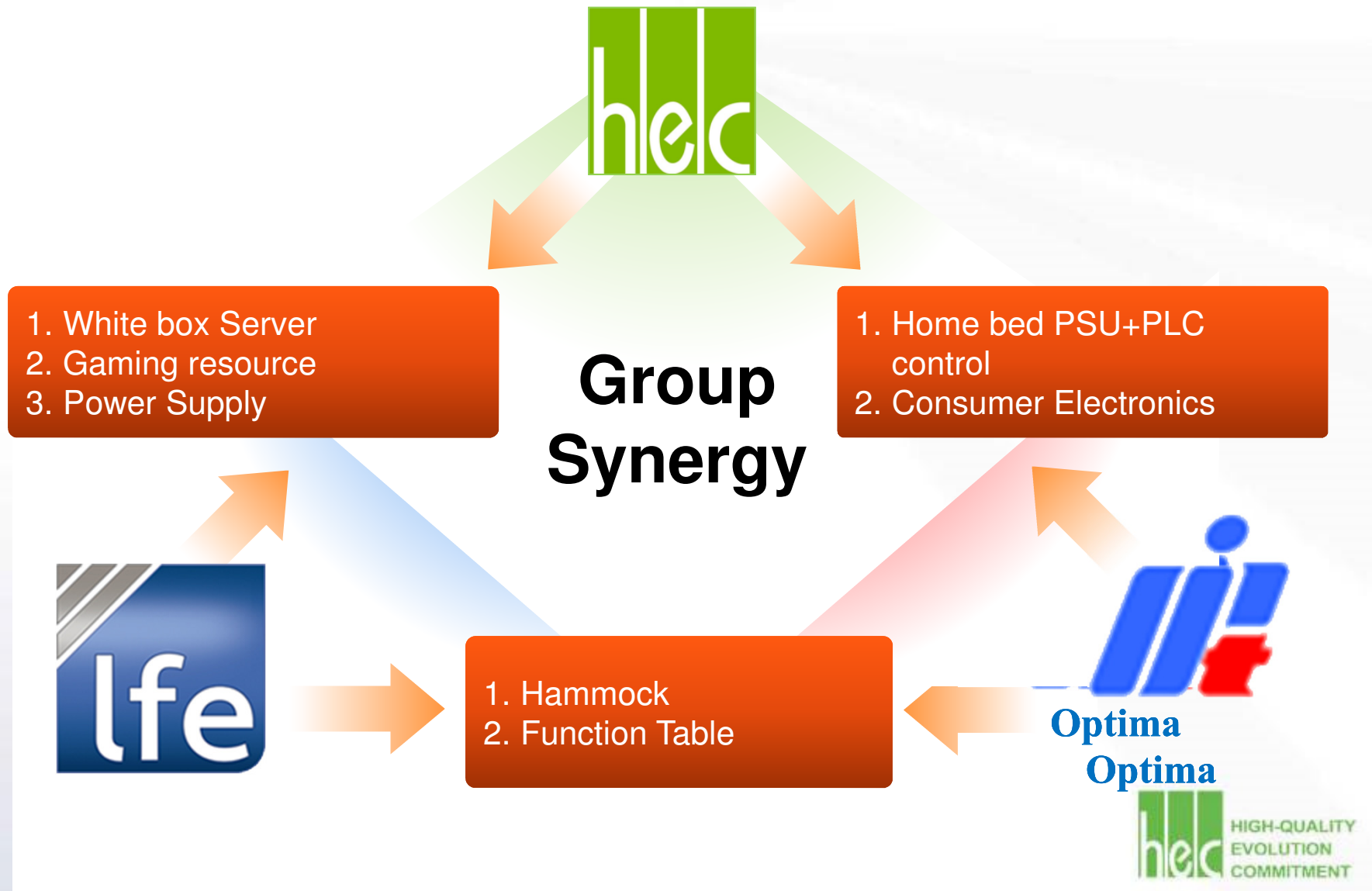
Medical
Chair



Medical
Accessories

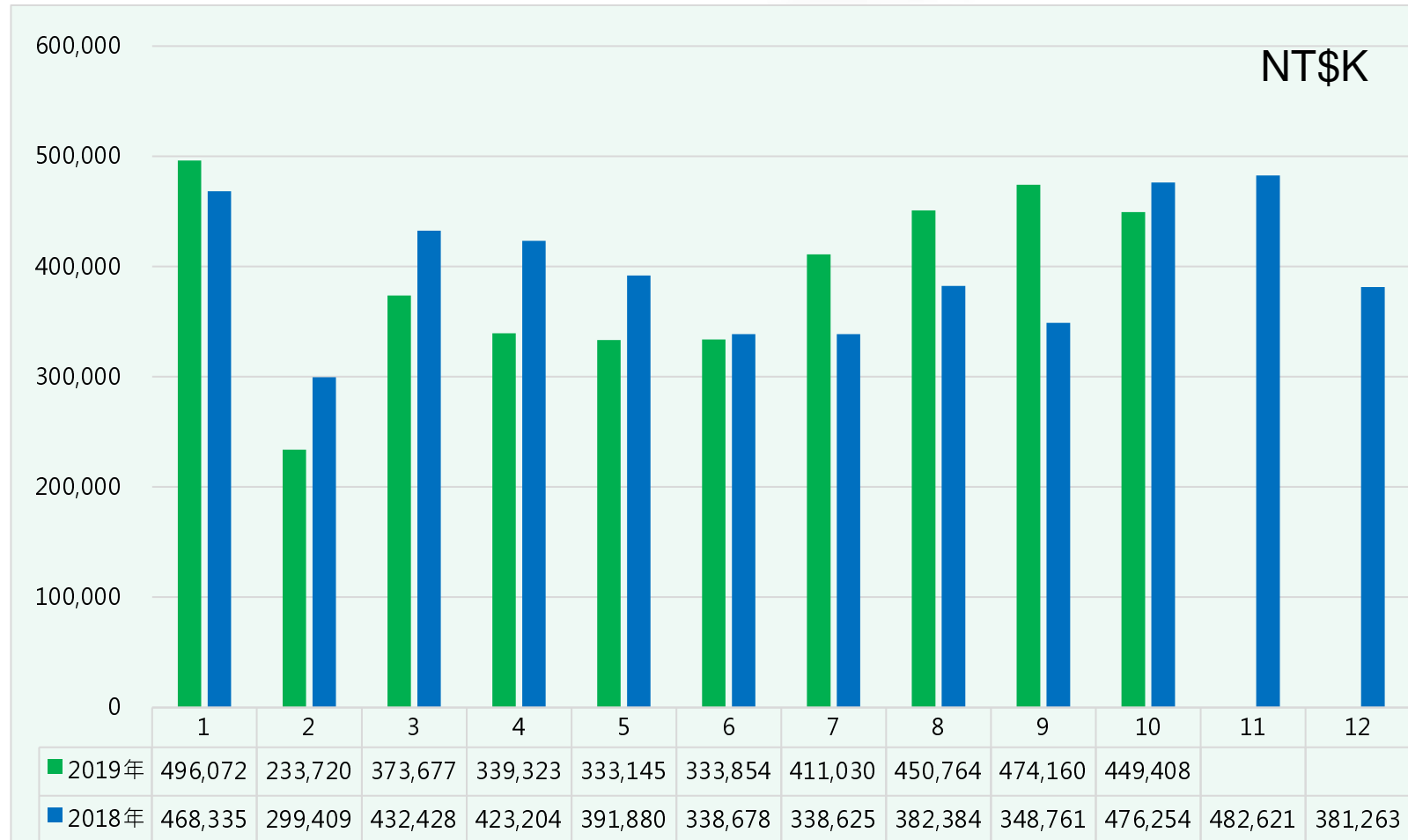


Group Synergy



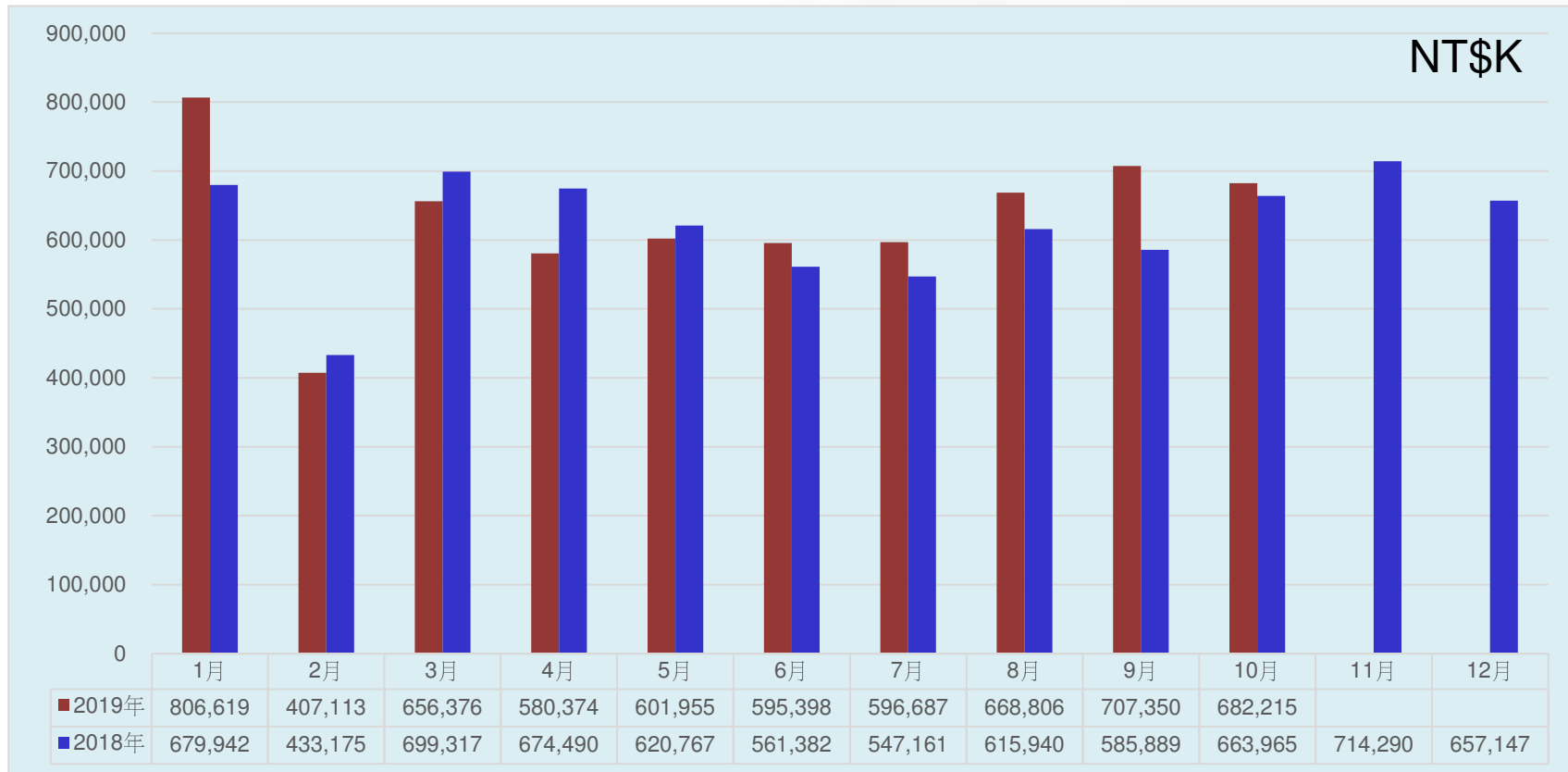


HEC Monthly Sales





HEC Group Monthly Sales





HEC Group Profit

NT\$K	2019 1-3Q	2018 1-3Q	YoY%
Net Revenue	5,637,849	5,451,949	3.41%
COGS	4,782,301	4,760,532	0.46%
Gross Profit	855,548	691,417	23.74%
Operating Expenses	667,752	682,050	-2.10%
Other income and loss (Note)	0	415,955	-100.00%
Operating Profit	187,796	425,322	-55.85%
Net Income after tax	270,207	362,324	-25.42%
Shareholders of the Parent	214,054	344,407	-37.85%
EPS after Tax (NT\$)	1.91	3.04	
GPM	15%	13%	
OPM	12%	13%	
Operating Profit ratio	3%	8%	
Net Profit after Tax ratio	5%	7%	

(Note) Other income \$415,955 was Shenzhen factory's Compensation revenue deducting related expense.



HEC Group Revenue Share by Product

NT\$K	2019 1-3Q	%	2018 1-3Q	%
Case	2,408,707	43%	2,499,781	46%
PSU	1,379,060	24%	1,299,300	24%
Medical and Furniture Bed	1,150,990	20%	807,358	15%
Others	699,092	13%	845,510	15%
Total	5,637,849	100%	5,451,949	100%



Dividend Policy

Year	EPS(NT)	Cash Div	Div Payout Ratio
2018	3.70	2.25	61%
2017	2.15	2	93%
2016	3.81	2.2	58%
2015	2.62	2	76%
2014	2.06	2	97%



Thank you.

Q&A