

Stock Cord : 1618

HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD  
2017 INVESTOR CONFERENCE

Conscience•Perpetual•  
Honesty•Steady

2017. 9. 20

# DISCLAIMER

- In addition to historical information, this note contains forward-looking statements and is therefore subject to risks and uncertainties. ◦
- The information provided in this presentation will not be updated by any new status ◦
- The Company does not express, implied or warrant that the information provided in this presentation is complete and does not represent a complete discussion of the Company's business conditions and subsequent significant operational developments. ◦

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- Sales & Marketing

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- Competitive Advantages

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- Market and Business Outlook

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# HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Stock Code : 1618

Historical : 1989-Established in 1989

Milestone : 1997-15KV、25KV cable approved by TPC

1998-Stocks published

2000-Listed on the Taiwan Stock Exchange

2002-69KV、161KV EHV cable approved by TPC

-got approval of ISO-9001

2009-345KV EHV cable approved by TPC



# HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD

Chairman : P. C. Yang (SOL YOUNG ENTERPRISE CO., LTD Representative)

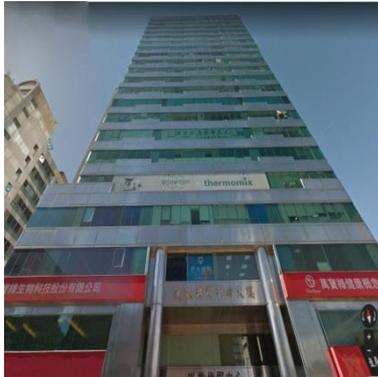
Capital : NT\$ 2,408,646,840

Employees : 262 (2017/06/30)

Products : (1) Manufacturing of Wires and cables  
(PVC wire, Data cable、Aluminum Conductor、FO  
cable、XLPE power cable up to 345KV)  
(2) Transmission line Turnkey project  
(3) Cable accessory and terminator



# HOLD-KEY ELECTRIC WIRE & CABLE CO., LTD



Taipei office: Sales and financial dept.  
(Add: 19F, No. 85, Sec.1 Chung Hsiao E. Road, Taipei)

Factory : R&D 、 QC and QA 、  
Manufacture

(Add : No. 32, Jingjian 5th Rd.,  
Guanyin Dist., Taoyuan)



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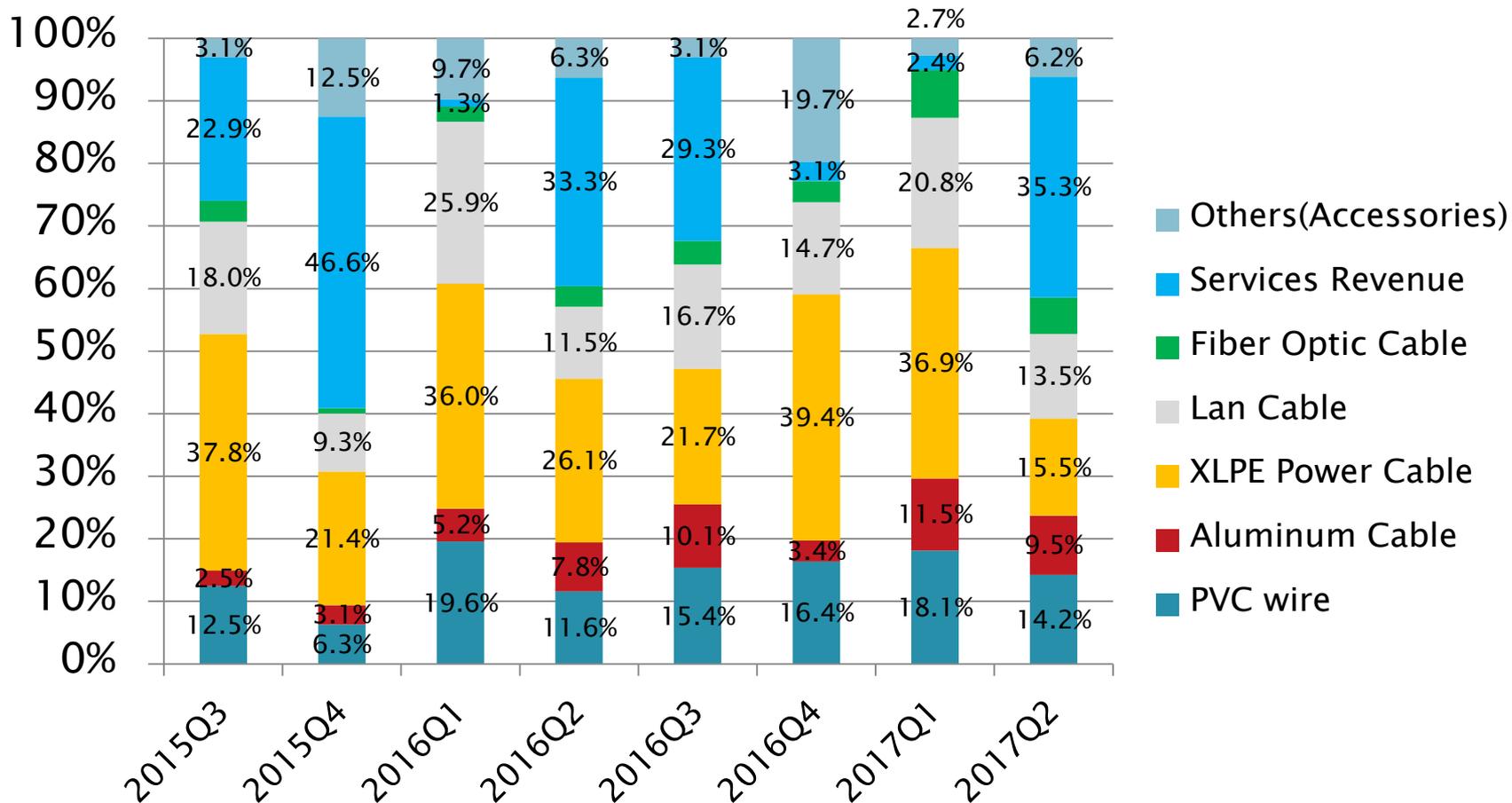
# Sales by Product

Product Line	Application	Sample
<p>PVC wire</p> <p>2015(274, 532 Thousands) 2016(295, 661 Thousands)</p>	<p>General building wire, factory/industrial wiring and control cable ◦</p>	 <p>PVC 絶縁電線</p>
<p>Aluminum Cable</p> <p>2015( 83, 518 Thousands) 2016(160, 324 Thousands)</p>	<p>Overhead transmission line</p>	 <p>鋁 線</p> 
<p>XLPE Power Cable &amp; Services Revenue</p> <p>2015(1, 283, 679 Thousands) 2016( 946, 732 Thousands)</p>	<p>Underground Transmission line</p>	 <p>XLPE 電力電線</p>  

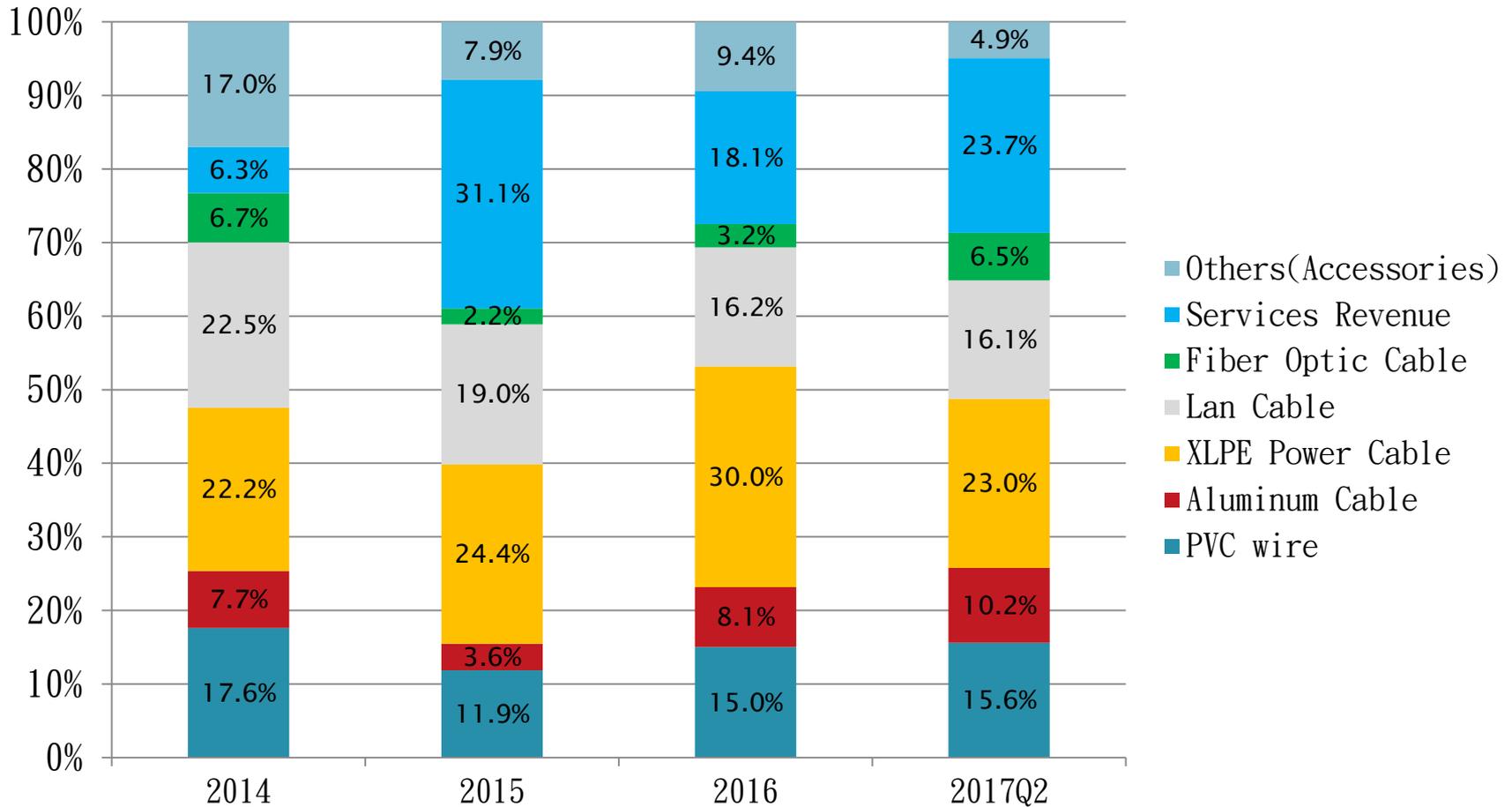
# Sales by Product

Product Line	Application	Sample
<p>Lan Cable 104(439, 866 Thousands) 105(318, 537 Thousands)</p>	<p>Various Data cable °</p>	 
<p>Fiber Optic Cable 104( 50, 577 Thousands) 105( 62, 188 Thousands)</p>	<p>Optic Telecom Fixed Networking °</p>	 
<p>Accessories &amp; Others 104(182, 247 Thousands) 105(185, 981 Thousands)</p>	<p>Overhead and Underground Transmission line</p>	 

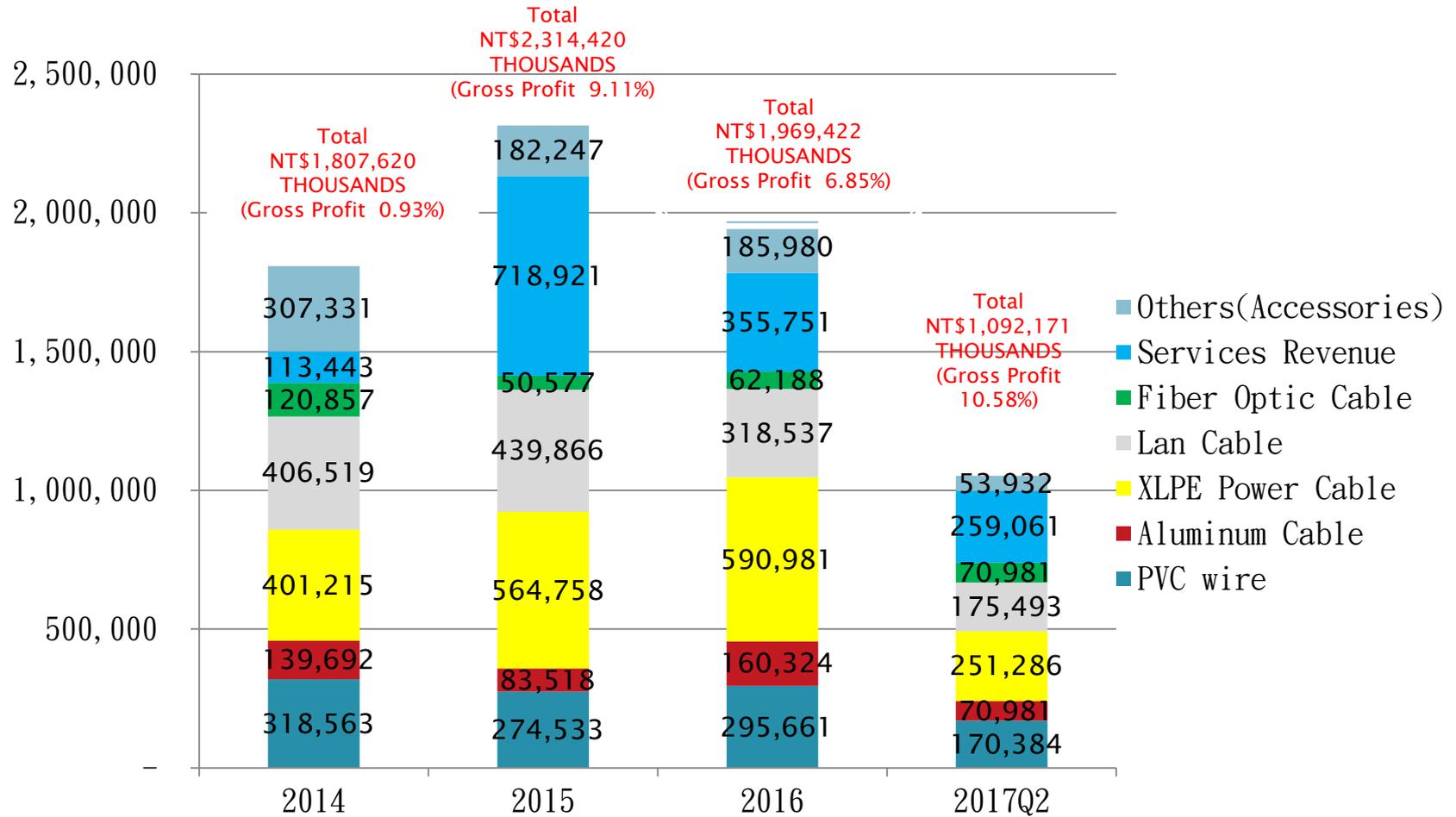
# Quarterly Revenue ratio by Product



# Yearly Revenue ratio by Product



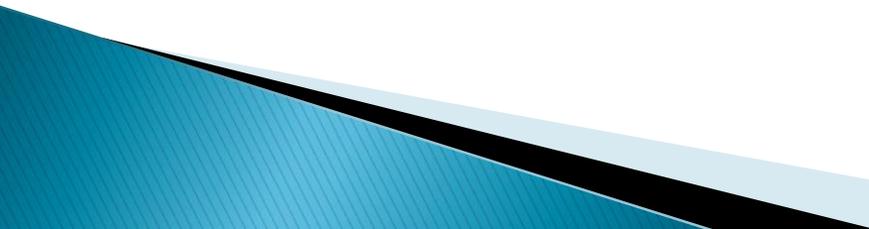
# Yearly Revenue by Product



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# Competitive Advantages

- ▶ World-class production quality and inspection equipment ◦
  - ▶ Access to domestic and foreign certification, product range, in line with Taiwan and Europe and the United States around the standard standards ◦
  - ▶ Strong unity turnkey integration capabilities, and a wealth of turnkey performance ◦
  - ▶ Continuous product development, and leading peer production technology ◦
  - ▶ Combined with group resources and diversified development ◦
  - ▶ Sound Corporate Governance System and Talent Cultivation ◦
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# 2Q17 Statement of Comprehensive Income-Consolidated

In NT\$ Thousands

	2017Q2		2016Q2	
Operating income	1,092,171	100%	1,052,296	100%
Operating costs	976,574	89%	970,877	92%
Gross profit from operations	115,597	11%	81,419	8%
Total operating expenses	51,883	5%	47,179	5%
Profit from Operations	63,714	6%	34,240	3%
Non-Operating Income	11,858	1%	15,423	2%
Profit Before Income Tax	75,572	7%	49,663	5%
Income Tax Expense	15,052	1%	6,645	1%
Net Profit for the Period	60,520	6%	43,018	4%
Basic EPS	0.25		0.18	

# Statement of Comprehensive Income–Consolidated (FY2016)

In NT\$ Thousands

	2016		2015	
Operating income	1,969,422	100%	2,314,420	100%
Operating costs	1,843,473	93%	2,103,684	91%
Gross profit from operations	134,949	7%	210,736	9%
Total operating expenses	95,686	5%	106,665	4%
Profit from Operations	39,263	2%	104,071	5%
Non-Operating Income	23,007	1%	22,186	1%
Profit Before Income Tax	62,270	3%	126,257	6%
Income Tax Expense	8,583	–	18,463	1%
Net Profit for the Period	53,687	3%	107,794	5%
Basic EPS	0.22		0.45	

# 2017 Balance Sheet-Consolidated

In NT\$ Thousands

	2017/06/30		2016/06/30	
Cash and cash equivalents	877,027	20%	737,861	17%
Other Current Assets	1,394,212	32%	1,547,028	35%
<b>Total Current Assets</b>	<b>2,271,239</b>	<b>52%</b>	<b>2,284,889</b>	<b>52%</b>
Net Fixed Assets	1,568,131	36%	1,588,677	37%
Other non-current Assets	527,571	12%	515,474	11%
<b>Total Assets</b>	<b>4,366,941</b>	<b>100%</b>	<b>4,389,040</b>	<b>100%</b>
<b>Total Liabilities</b>	<b>389,488</b>	<b>9%</b>	<b>428,016</b>	<b>10%</b>
Ordinary shares、 Capital surplus	2,984,802	68%	3,057,062	70%
Retained Earnings	1,218,384	28%	1,154,882	26%
Other Equity	(225,733)	(5%)	(250,920)	(6%)
<b>Total Equity</b>	<b>3,977,453</b>	<b>91%</b>	<b>3,961,024</b>	<b>90%</b>

Net Value NT\$ 16.51

Net Value NT\$ 16.45

# 4Q16 Balance Sheet-Consolidated

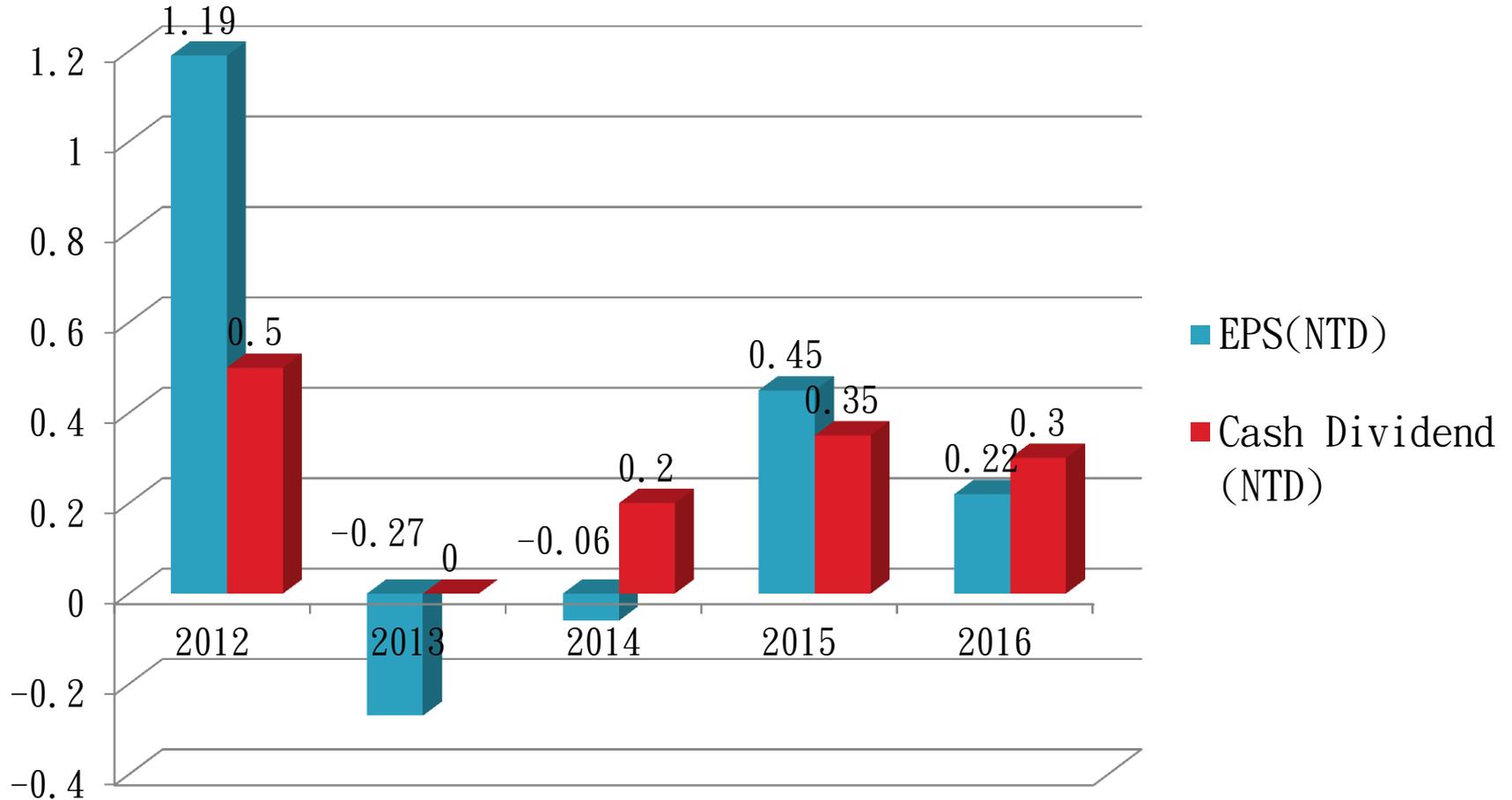
In NT\$ Thousands

	2016/12/31		2015/12/31	
Cash and cash equivalents	825,921	20%	509,593	12%
Other Current Assets	1,290,337	30%	1,697,091	39%
<b>Total Current Assets</b>	<b>2,116,258</b>	<b>50%</b>	<b>2,206,684</b>	<b>51%</b>
Net Fixed Assets	1,599,606	38%	1,620,997	38%
Other non-current Assets	508,762	12%	514,493	11%
<b>Total Assets</b>	<b>4,224,626</b>	<b>100%</b>	<b>4,342,174</b>	<b>100%</b>
<b>Total Liabilities</b>	<b>250,931</b>	<b>6%</b>	<b>348,952</b>	<b>8%</b>
Ordinary shares、 Capital surplus	3,057,062	72%	3,057,062	70%
Retained Earnings	1,157,864	28%	1,196,167	28%
Other Equity	(241,231)	(6%)	(260,007)	(6%)
<b>Total Equity</b>	<b>3,973,695</b>	<b>94%</b>	<b>3,993,222</b>	<b>92%</b>

Net Value NT\$ 16.5

Net Value NT\$ 16.58

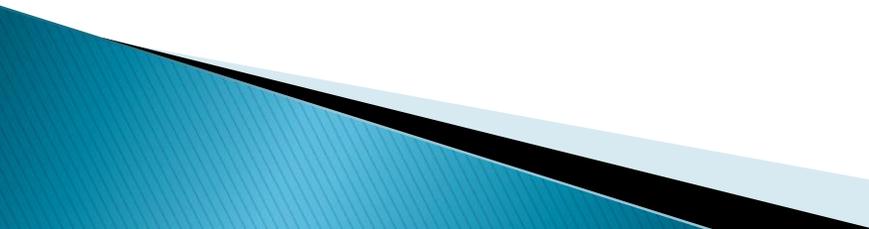
# Profitability and Dividend History



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# Market and Business Outlook

- ▶ The government is still actively promoting the public works, and the domestic demand for electricity and telecommunications construction continues to grow, is expected to help our operations ◦
  - ▶ In recent years, new products will be developed to complete, including a new generation of overhead cable, USB 3.1 TYPE C, etc., will contribute to future revenue ◦
  - ▶ Play an existing advantage, continuous layout of domestic and international power system turnkey project, deep plowing domestic markets and expand overseas emerging markets ◦
  - ▶ In response to changes in the environment at domestic and abroad, to strengthen control of operating costs and reduce operational risk, to create revenue growth ◦
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# Q&A

Contact Information

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<http://www.hold-key.com.tw>