

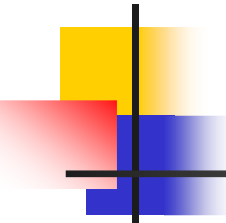
HE 華榮電線電纜股份有限公司

HUA ENG WIRE & CABLE CO., LTD

Q3 Investor Conference

November 13, 2019





Disclaimer

- The presentation of information in this briefing is based on the Company's assumption of future operations that are forward-looking and is subject to risks and uncertainties and the results of actual operations may differ materially from those of the above-mentioned forward-looking statements.
- Except as required by law, the Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.



Agenda

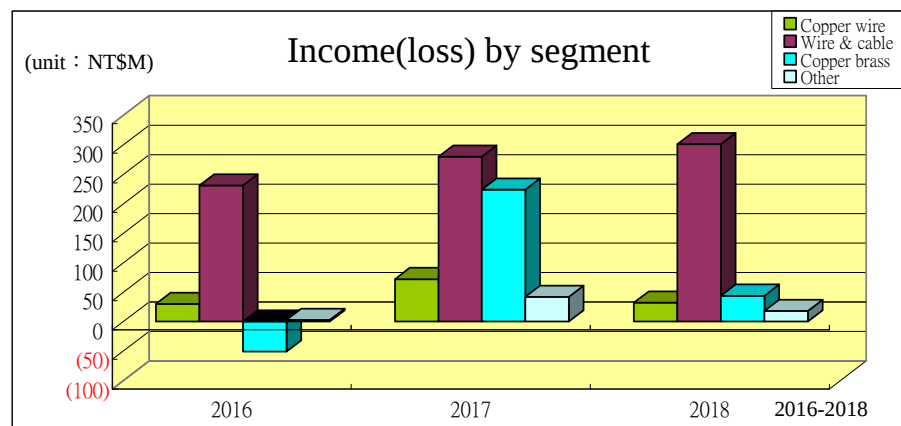
- Operating status in recent years P4
- Profits in Q3 2019 P5
- Sales Market P6~P8
- CSR P9~12

Operating status in recent years

Statements of Comprehensive Income

unit : NT\$M

	2016	2017	2018
Net operating revenues	7,084	8,299	8,560
Operating income(loss)	(7)	361	157
Net income(loss)	(11)	616	(561)
Net income(loss) attributable to			
stockholders of the parent	98	440	(618)
Other equity	(109)	176	57



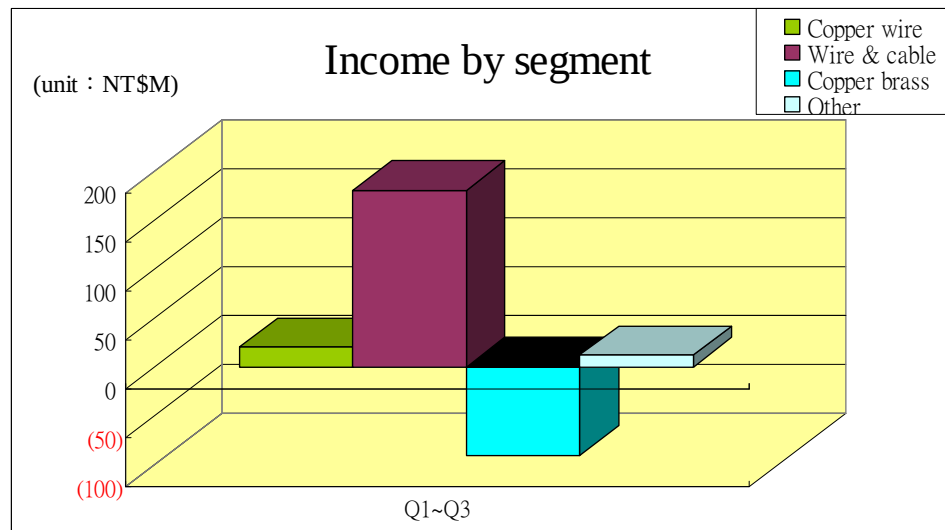
- **Sales volume and profits from manufacturing business units in 2018 :**
 - 1.Copper wire business
 - 2.Wire & cable business
 - 3.Construction orders
- **Profits of investments :**
 - 1.Equity method investment includes First Copper etc.
 - 2.Other investments include China Ecotek Corp., Wafer Works Corp., Co-Tech Copper Foil Corp., Asia Pacific Telecom Co., Bionime Corp., Pixon Tech. Corp.,

Operating Status in Q3 2019

Statements of Comprehensive Income

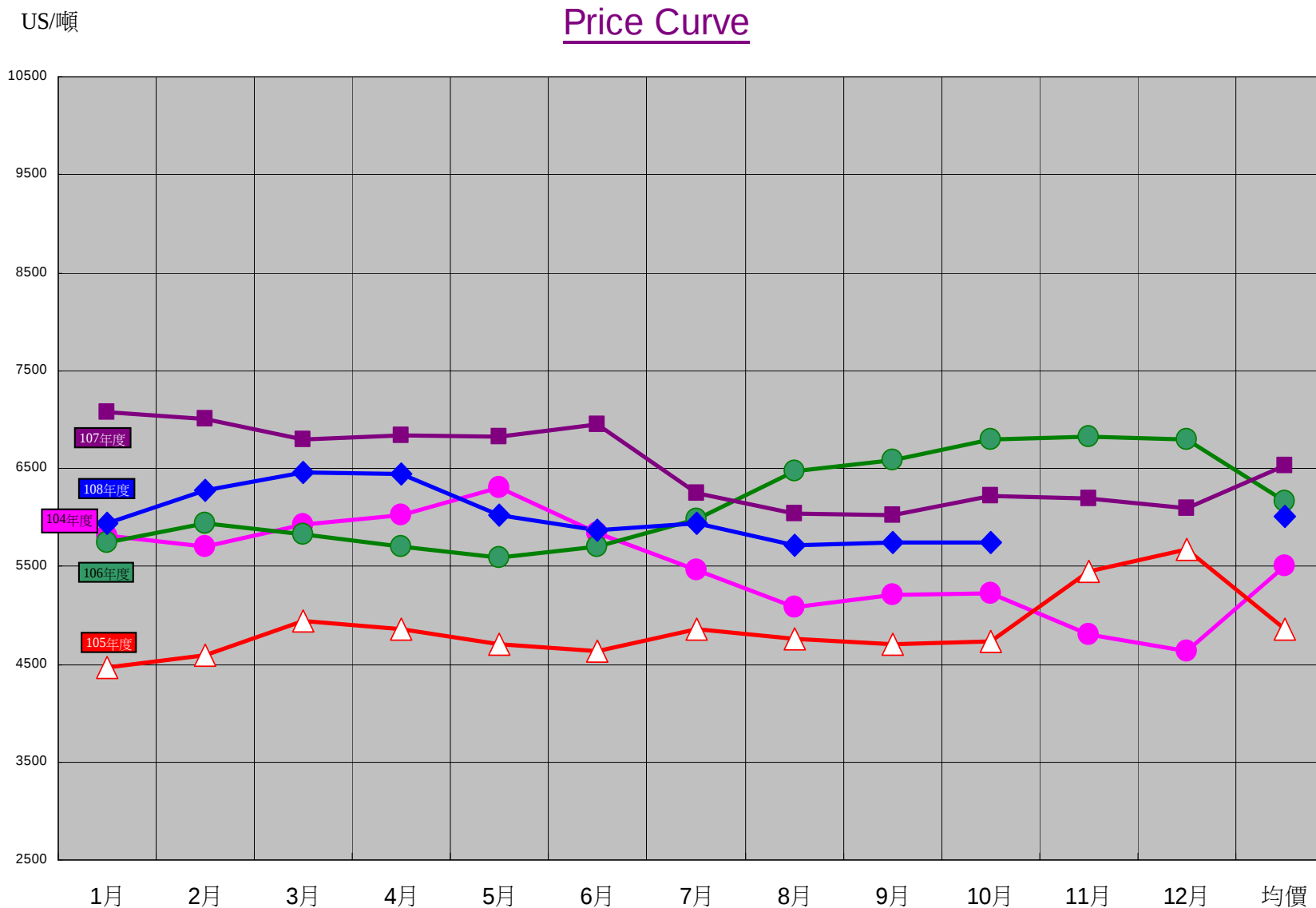
unit : NT\$M

	Q1~Q3
Net operating revenues	5,911
Operating income(loss)	(69)
Net income(loss)	193
Net income(loss) attributable to	
stockholders of the parent	262
Other equity	(69)



- The impact of US-China tariff wall results global economic depression, commodity demand shrinking
- LME copper price declining
- Profits of power cable decrease due to delivering construction orders delay

2015 Jan.~2019 Oct. LME Monthly Avg. Price and Annual Average
Price Curve



Sales Market



Copper Rod

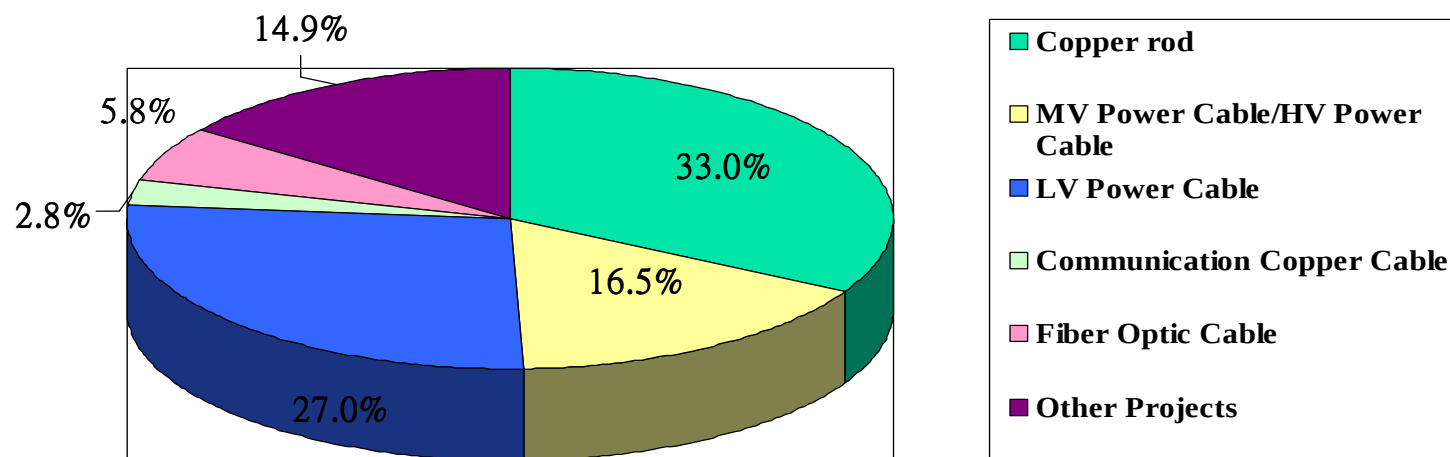
- Due to China-US trade tariffs, London copper price LME continued to fall, strengthen inventory control to stabilize profitability
- Improve the quality of oxygen-free copper and special size diameter, supply to Auto Market and Electronic Market. Expand the overseas market share.

■ Power Cable

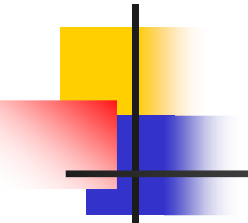
- High-Voltage and Ultra-High-Voltage cable orders continue to expand.
- Strengthening the advantages of medium voltage cable products to expand offshore wind power and solar market.
- Increase orders of instrumented rubber cable for thermal power plants.
- Compliance with environmental protection ROHS PVC wire and LSNH (low smoke non-halogen) cable in public works.

■ Communication Copper Cable and Fiber Optic Cable

- Stable the source of optical fiber, improve production capacity, and apply to internet 5G transport network
- Improve communication production equipment, supply copper cables and production for telecommunications companies, and promote composite signal control wire for railway construction and petrochemical industry.



Product sales portfolio



Corporate Social Responsibility Report (CSR)

- Our management team continues to be an honest and transparent attitude to review and expose the effectiveness of our CSR work. The fourth CSR report has been compiled since 2016. Report to the stakeholders about the company's economic environmental and social efforts.
- In the year of 2019 Hua Eng will operate with integrity and employee care, in pursuit of operational objectives stabilize and profits at the same time, doing well on CSR, Promote environmental sustainability goals
- Please click here for details. : <http://www.hegroup.com.tw/>

HE 2019 CSR Executive Work Task (Energy Saving)



Replace fuel-fired boiler
Zero pollution discharge
(In Process)



High efficiency inverter
air compressor
Energy saving(Completed)



Greening around the plant
Society payback
(Completed)

HE 2019 CSR Executive Work Task (Employee Care)



Family day
activities
Employee
Relations
(Completed)



First aid training
Employee care
(Completed)

HE 2019 CSR Executive Work Task

(Praise for excellent partners 、Township Payback)



Hua Eng President Wang issued a thank-you trophy to the cooperative manufacturer President Ke, who won the 2019th public project quality award.



On behalf of the company Hua Eng, the factory director Mr. Chen donated tables to the Gaonanli Community Activity Center in Renwu District to promote the relationship between the neighbors.