

**SYSTEMX** A DATA SOFTWARE COMPANY

# SYSTEMX Profile

CFO & Company Spokesman  
Larry Chung

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# A leading Taiwan-based IT Services Provider

- Employees: 4,200
- Top 100 Service Industry in Taiwan
- More than 50 office locations in Taiwan, China and Hong Kong
- Over 30,000 Enterprise and Public Sector Clients
- Business Focus
  - Smart Manufacturing, Smart Finance, Smart Healthcare, Smart City, Smart CyberSecurity, Cloud Service
- 2021 Revenue: USD \$1.06 Billion





# Milestone

1997-2006

**SYSWARE**  
founded in 1997

- Kimo.com spun off from SYSWARE, and later acquired by Yahoo! In 2000

2003  
**SYSTEX IPO**

2005

- Merged **UCOM**, largest IT training center in Taiwan
- Merged with the leading securities and bonds company in the domestic software market – **Yu-Lung Co., Ltd.**

2007-2012

2007 Taiwan's two leading IT Services Corporations "**SYSWARE**" and "**SYSTEX**" was consolidated

- Acquired **Taiwan Electronic Data Processing Corporation** to formally enter the medical information service market

2010

- Invested in **FORMS SYNTRON** for Banking business in China
- Acquired the Taiwan SI companies **Taifon** and **Concord** to create an integrated IT services ecosystem.

2011

- Founded **SoftMobile**, developing mobile APPs
- Invested in **SYSPOWER**

2012

- Merged **NEXSYS** to strengthen leading position in Taiwan payment market

2013-2019

2016

- Invested in **Gemini Data** with the founder of Splunk for US and global business expansion

2018

- Merged **Top Information** to expand web banking business
- Invested in **Retail System Co.** to reinforce retail market and product strategy
- Invested **Dawning Technology** to expand product portfolio and integrate Marketing Channels

2019

- Invested in **AIWin** to acquire AI-AOI technology and business opportunity
- Merged **Zechster** Cloud Team for extending AI hybrid cloud service market
- Recognized as Microsoft's 2019 Taiwan Partner of the Year Award

2020-2021

2020

- Founded AI HPC brand **GARAOTUS** focusing on overseas cloud market
- Invested in **Baoruh** to enter the internet of vehicles based on 5G communications market
- Invested in **E-Service Information Co.** to develop data driven applications
- Invested in **TIST Co.**, adding value to social welfare system

2021

- Set up Green Technology Center in Shalun Smart Green Energy Science City in Tainan to connect Green Energy Industry Ecosystem partners and provide green solutions for enterprises.
- Invest in hybrid cloud platform in SaaS model as well as public cloud IaaS services

# Professional Service Provider

## Consumer Business

Technical Talents Ratio  
**75%**

## Financial Business

Technical Talents Ratio  
**85%**

## Digi-Ecosystem Integration

Technical Talents Ratio  
**80%**

## Biz Software Service

Technical Talents Ratio  
**60%**

## China

Technical Talents Ratio  
**60%**

- Secured the **No.1 spot** in **Taiwan's software industry** for **over 10 consecutive years** by Common Wealth Magazine
- Crowned with **4th Taiwan Mittelstand Award** by **Industrial Development Bureau, Ministry of Economic Affairs, Taiwan**
- **A Certified Information Security Service Provider** by Industrial Development Bureau in 2020
- Awarded **APAC TOP 10 HPC Company** in 2020 by APAC CIO Outlook Magazine
- Won the **IIA International Innovation Award** in 2021 by the Enterprise Asia
- **Certification**
  - ✓ ISO 9001 Quality Management
  - ✓ ISO/CNS 27001 Information Security Management
  - ✓ ISO 22301 Business Continuity Management
  - ✓ BS 10012 Personal Information Management
  - ✓ ISO 20000-1 IT Service Management



# Cross Border / Industry Operating Organizations

Enterprise

Branch

**Consumer Business**

- Digital Innovation Application
- Distribution & Payment Sales
- Omni-channel & Digital Business Applications
- Data Management Integration Service
- Nexsys
- SYSTEX Solutions
- E-Service Information

**Financial Business**

- Enterprise Business
- Technology & Innovation Service
- Financial Big Data Center
- SYSPower
- Softmobile
- Concord
- Naturint
- Top Information

**Digi-Ecosystem Integration**

- International Software
- Knowledge Product
- Distribution Center
- Digital Software Integration
- Intelligent Integration
- Greater Central & Southern Taiwan
- AI & Cloud Business Strategy
- Taifon Computer
- TIST
- uniXecure

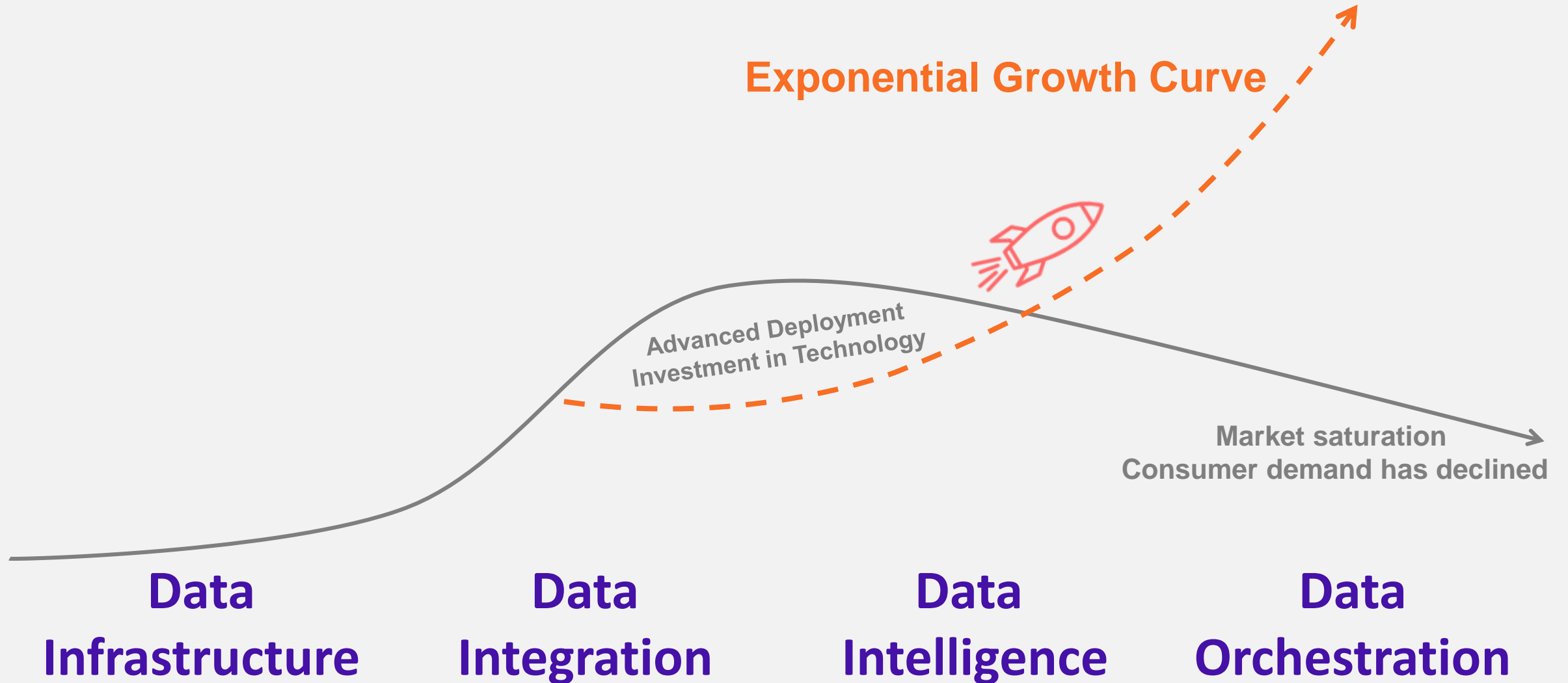
**Biz Software Service**

- Cloud Business (SYSTEX Software)
- Software Integration & Service (SYSTEX Software)
- Commercial Software Service (SYSTEX Software)

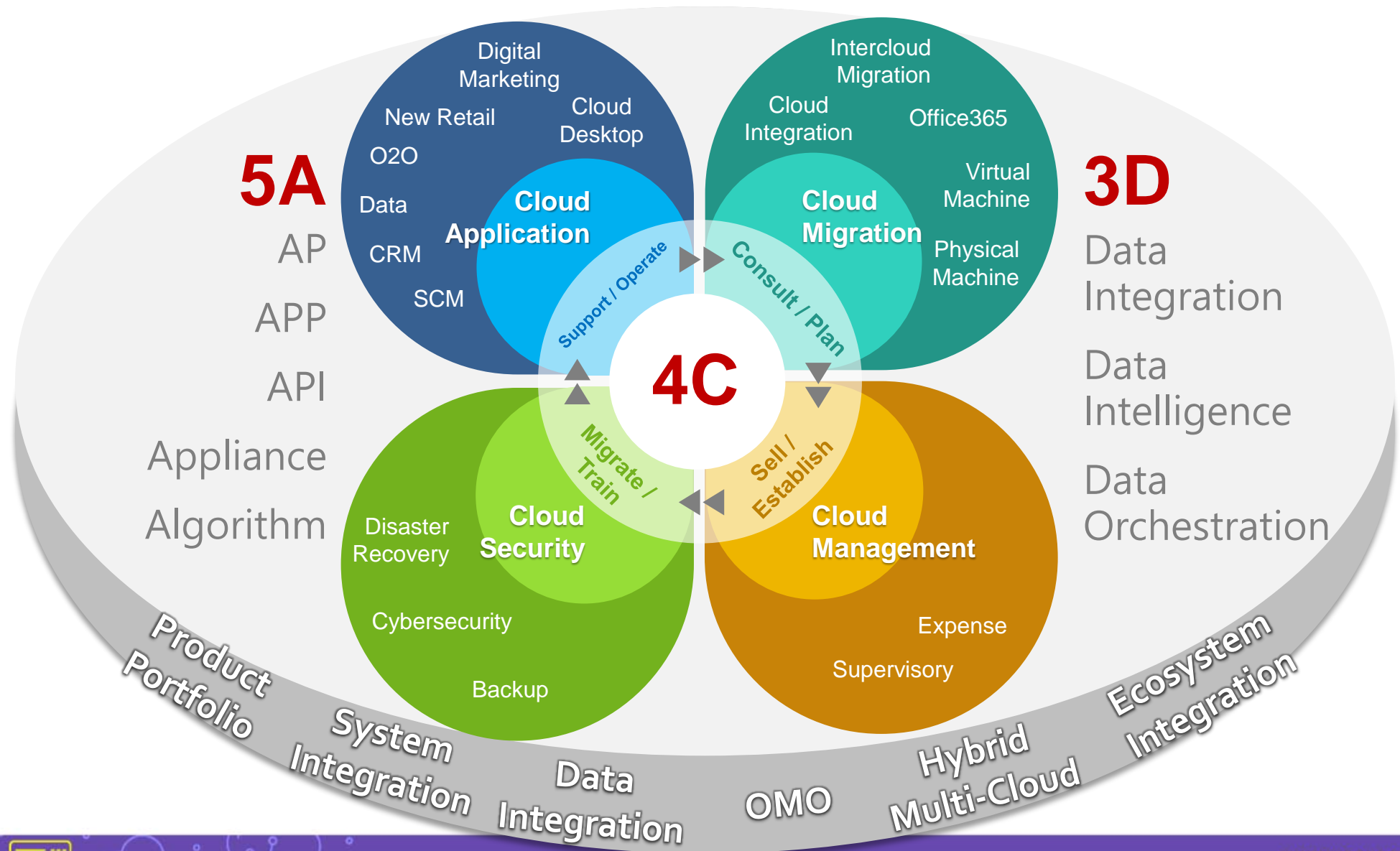
**China**

- SYSTEX China
- SYSTEX Information(SH)
- Rainbow Tech
- Sysware Shenlong Info
- SYSTEX Information(HK)

# Exponential Business Growth Curve



# Core Competence : 5A@4C.3D





# Data Orchestration

Data	Software	Algorithm
<b>Data Integration</b>	<b>Data Intelligence</b>	<b>Data Orchestration</b>
<b>Data Consolidation</b>	<b>Online Merge Offline</b>	<b>Hybrid Multi-Cloud</b>



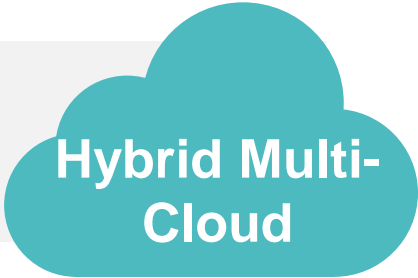
Virtualization



Container



Micro services



Hybrid Multi-Cloud

# Cross-Border Innovations



## Smart Green Tech

Co-creating a sustainable environment



## Smart Security

Continuous, Effectiveness, Cyber Security Eco-system Integration



## Smart E-commerce

Post-pandemic era: Importance of a Zero-Touch Economy



## Smart Manufacturing

Key processing/ heterogeneous data Integration



## Smart Finance

Integration of Fintech Innovation



## Smart City



























































































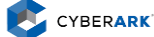

















Smart Service, Better Life



## Smart Healthcare

Comprehensive Medical Care Solutions

# Global Ecosystem Partners

AI	            
Analytics	                  
HCI	      
Edge	           
Cloud	                        
Security	                               

# Industry Clients

## Financial



## Manufacturing



## Service



## Government



## Medical



## Education

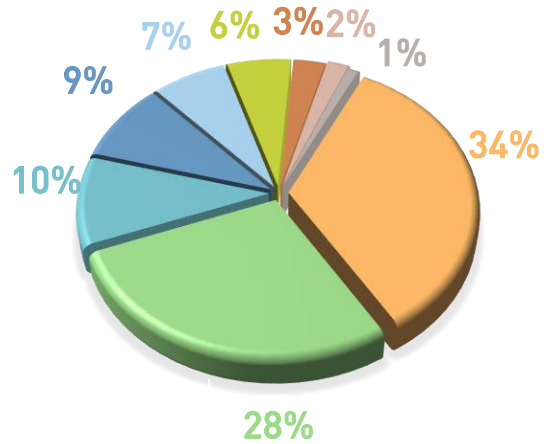


## Utilities

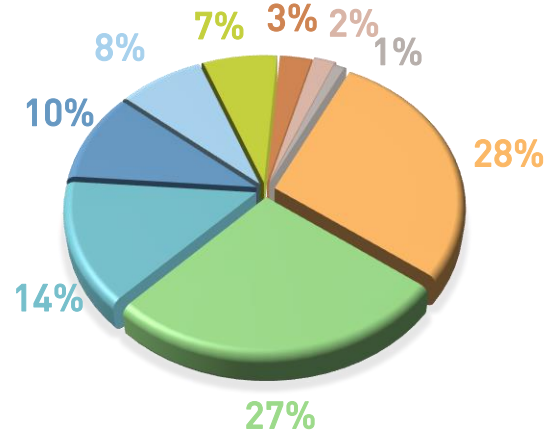


# Revenue breakdown by industrial classification

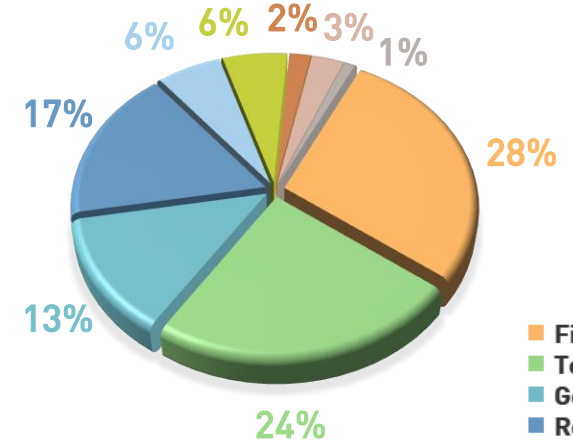
1Q20



1Q21

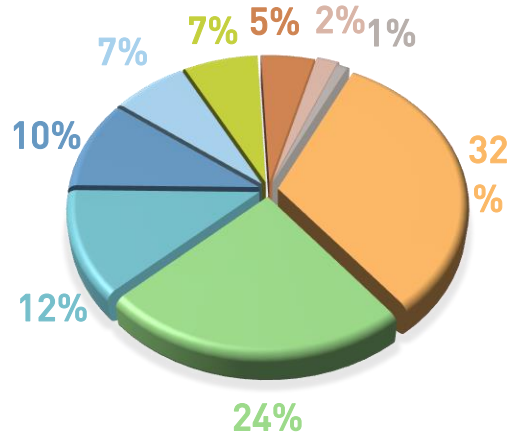


1Q22

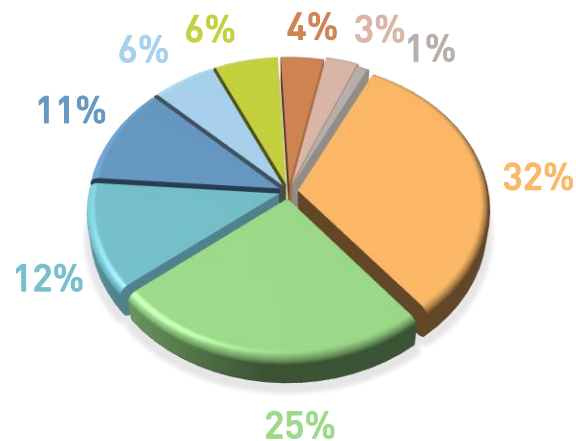


- Financial/Insurance
- Technology industry
- Government/Education
- Retail/Transportation
- Manufacturing
- Service
- Telecommunication/network
- Medical
- Other

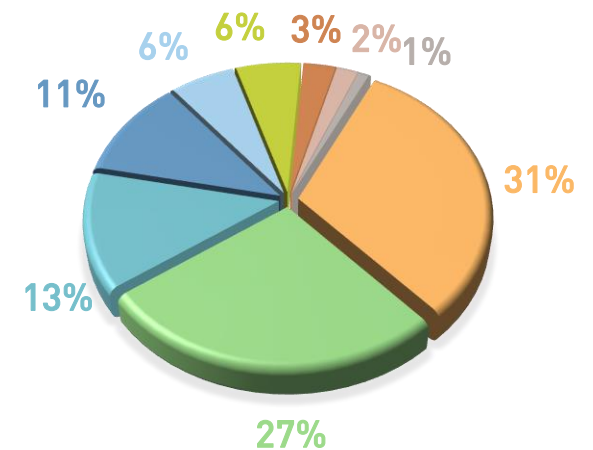
Y2019



Y2020



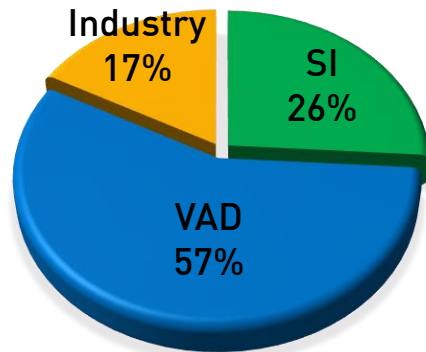
Y2021



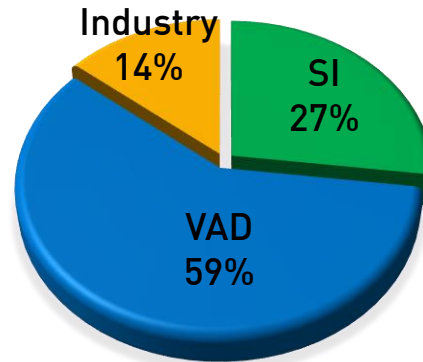


# Revenue breakdown by business type

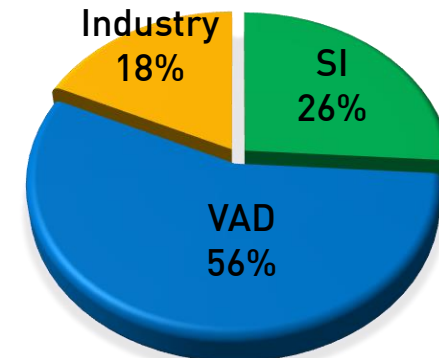
1Q20



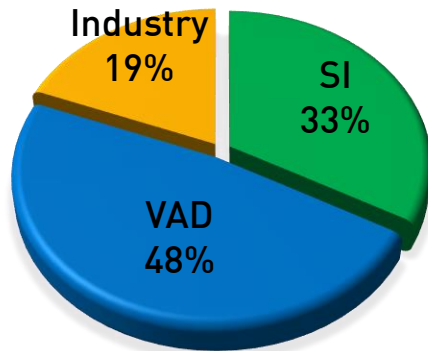
1Q21



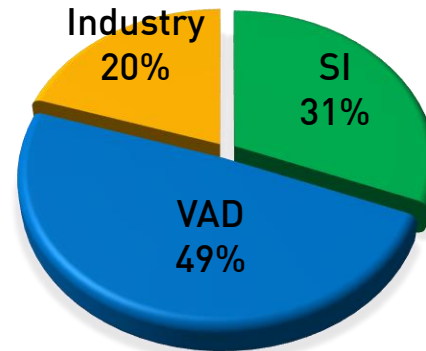
1Q22



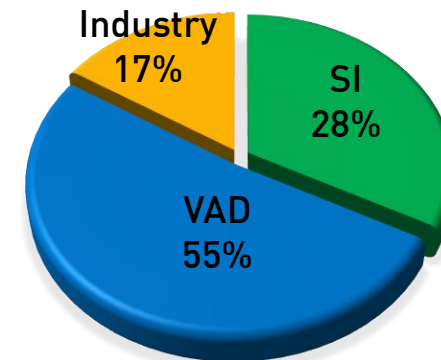
Y2019



Y2020



Y2021



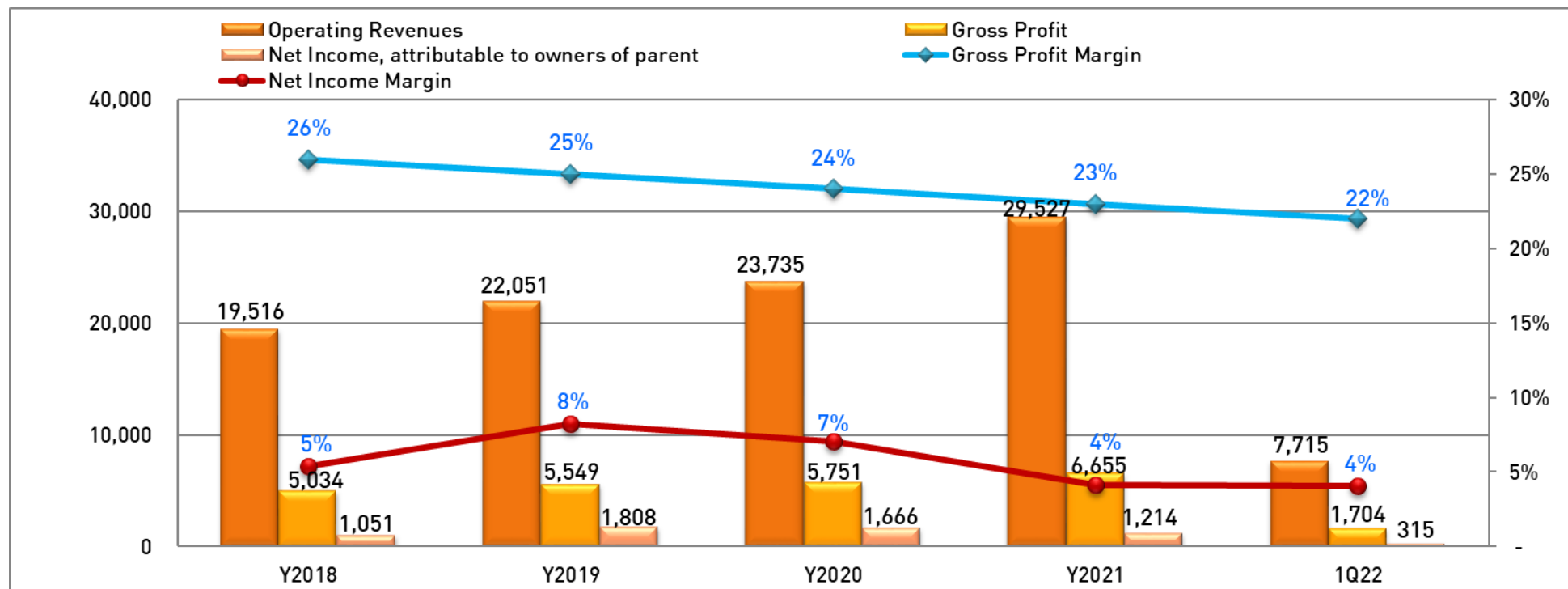
# BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2022/3/31	%	2021/12/31	%	2021/3/31	%
Cash and cash equivalents	3,663	14%	4,068	15%	3,439	16%
Current financial assets at fair value through profit or loss	4,103	16%	4,564	17%	2,861	13%
Trade and other current receivables	5,016	19%	4,856	19%	4,330	19%
Inventories	3,794	14%	3,251	12%	3,108	14%
Other current assets	2,536	9%	2,534	10%	1,913	8%
<b>Total current assets</b>	<b>19,112</b>	<b>72%</b>	<b>19,273</b>	<b>73%</b>	<b>15,651</b>	<b>70%</b>
Financial assets at fair value through profit or loss - non-current	1,843	7%	1,700	6%	1,708	8%
Financial assets at fair value through other comprehensive income - non-current	279	1%	302	1%	163	1%
Financial assets measured at amortized cost- non-current	500	2%	500	2%	500	2%
Investments accounted for using equity method	1,786	7%	1,782	7%	1,158	5%
Property, plant and equipment	2,113	8%	2,088	8%	2,087	9%
Right-of-use assets	309	1%	277	1%	335	2%
Intangible assets	131	-	136	-	218	1%
Total other non-current assets	465	2%	502	2%	514	2%
<b>Total non-current assets</b>	<b>7,426</b>	<b>28%</b>	<b>7,287</b>	<b>27%</b>	<b>6,683</b>	<b>30%</b>
<b>Total assets</b>	<b>26,538</b>	<b>100%</b>	<b>26,560</b>	<b>100%</b>	<b>22,334</b>	<b>100%</b>
Short-term loans	1,670	6%	1,260	5%	1,271	6%
Notes and accounts payable	4,255	16%	4,341	16%	3,356	15%
Other current liabilities	2,941	11%	3,659	14%	2,864	13%
<b>Total current liabilities</b>	<b>8,865</b>	<b>33%</b>	<b>9,260</b>	<b>35%</b>	<b>7,491</b>	<b>34%</b>
Bonds payable	3,000	11%	3,000	11%	0	-
Premium (discount) on bonds payable	(5)	-	(6)	-	0	-
Long-term loans	86	-	88	-	90	-
Other non-current liabilities	388	2%	407	2%	411	2%
<b>Total non-current liabilities</b>	<b>3,469</b>	<b>13%</b>	<b>3,489</b>	<b>13%</b>	<b>501</b>	<b>2%</b>
<b>Total liabilities</b>	<b>12,334</b>	<b>46%</b>	<b>12,749</b>	<b>48%</b>	<b>7,992</b>	<b>36%</b>
Total share capital	2,694	10%	2,694	10%	2,694	12%
Capital surplus	6,602	25%	6,606	25%	6,491	29%
Retained earnings	6,167	23%	5,860	22%	6,528	29%
Other equity	(584)	-2%	(729)	-3%	(659)	-3%
Treasury shares	(928)	-3%	(928)	-3%	(928)	-4%
<b>Total equity attributable to owners of Corporation</b>	<b>13,951</b>	<b>53%</b>	<b>13,503</b>	<b>51%</b>	<b>14,126</b>	<b>63%</b>
Non-controlling interests	252	1%	308	1%	216	1%
<b>Total liabilities and equity</b>	<b>26,538</b>	<b>100%</b>	<b>26,560</b>	<b>100%</b>	<b>22,334</b>	<b>100%</b>
Book Value Per Share	56.26		54.45		56.97	

# Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2018	Y2019	Y2020	Y2021	1Q22
Operating Revenues	19,516	22,051	23,735	29,527	7,715
Gross Profit	5,034	5,549	5,751	6,655	1,704
Gross Profit Margin	26%	25%	24%	23%	22%
Operating Expenses	4,346	4,942	4,826	5,522	1,340
Operating Income	688	607	925	1,133	364
Operating Income Margin	3%	3%	4%	4%	5%
Non-Operating Items	553	1,596	926	318	21
Net Income, attributable to owners of parent	1,051	1,808	1,666	1,214	315
Net Income Margin	5%	8%	7%	4%	4%
EPS	4.27	7.31	6.72	4.90	1.27

# INCOME STATEMENT

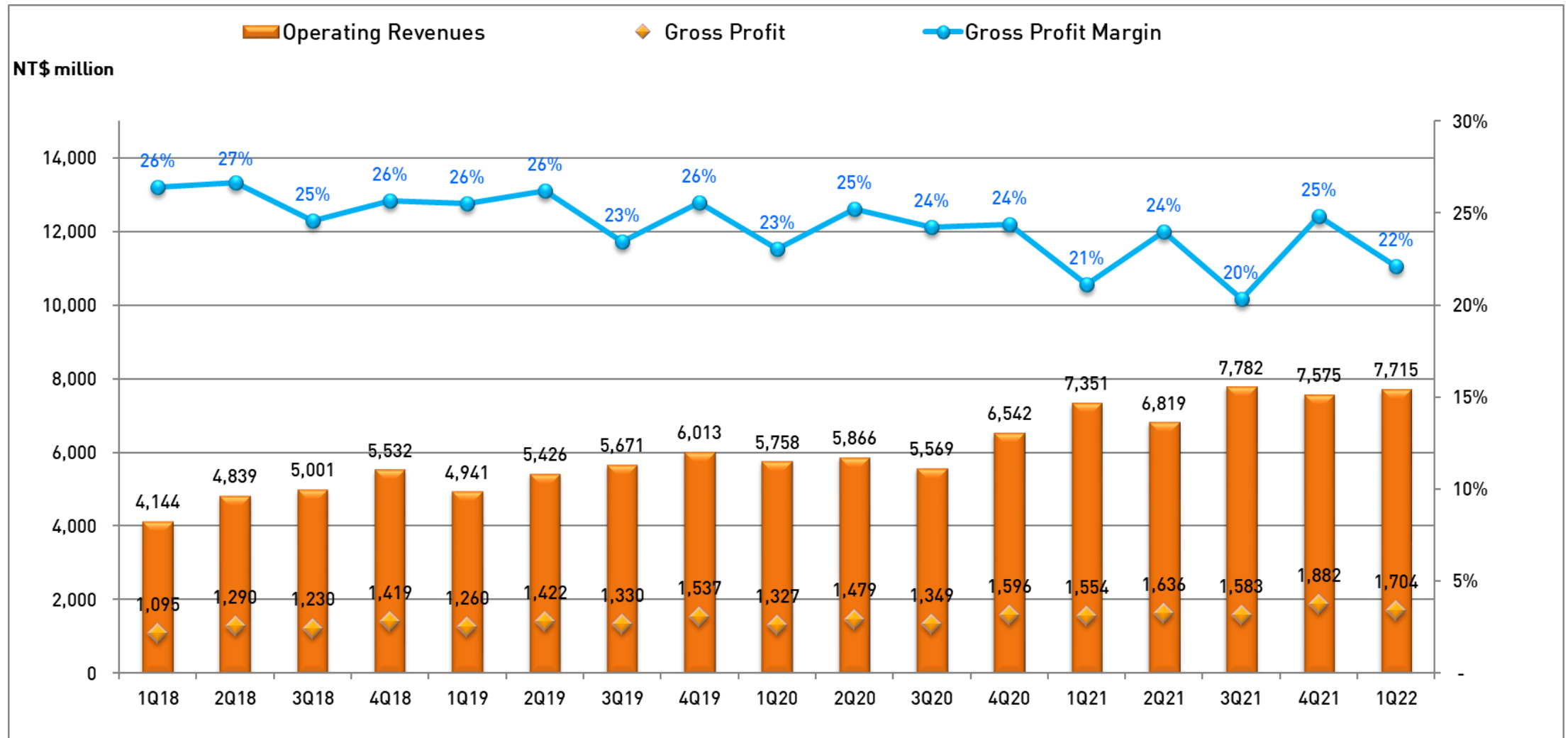
UNIT : NT\$ million ,%

ITEM	1Q22	4Q21	DIFF	1Q21	DIFF
Operating Revenues	7,715	7,575	140	7,351	364
Operating Costs	6,011	5,693	318	5,797	214
Gross Profit	1,704	1,882	(178)	1,554	150
Gross Profit Margin	22%	25%	-3%	21%	1%
Operating Expenses	1,340	1,632	(292)	1,246	94
Operating Income	364	250	114	308	56
Operating Income Margin	5%	3%	2%	4%	1%
Non-Operating Items (Notes 1 )	21	(71)	92	249	(228)
Income Before Income Tax	385	179	206	557	(172)
Income Tax Expense	68	31	37	52	16
Net Income	317	148	169	505	(188)
Net Income, attributable to non-controlling interests	2	5	(3)	1	1
Net Income, attributable to owners of parent	315	143	172	504	(189)
EPS	1.27	0.58	0.69	2.03	(0.76)

## Notes1 : Non-Operating Items

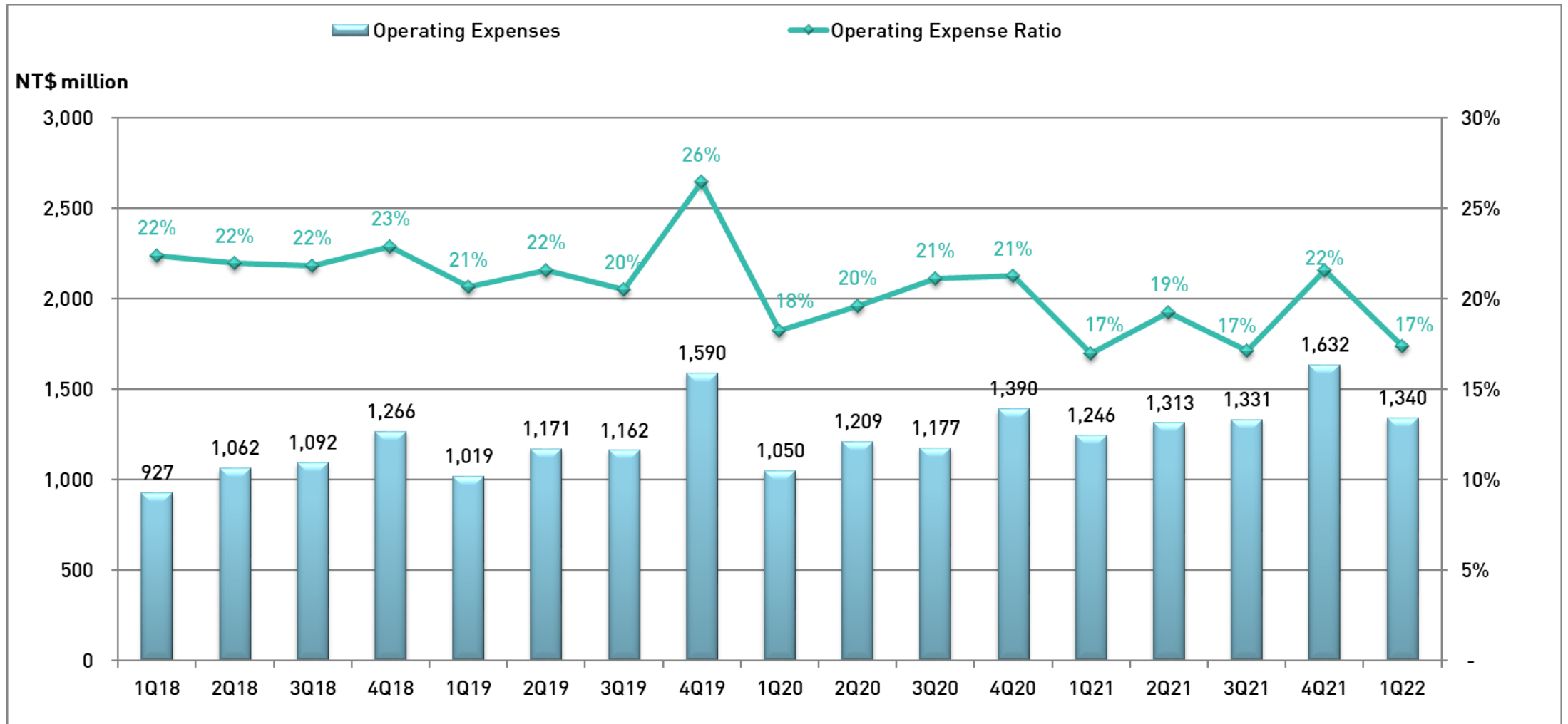
	1Q22	4Q21	DIFF	1Q21	DIFF
Interest income and expense	(11)	(10)	(1)	1	(12)
Share of profit of associates	(1)	37	(38)	9	(10)
Gains on disposals of investments	1	30	(29)	11	(10)
Gains on financial assets at fair value through profit or loss	10	36	(26)	217	(207)
Dividend income	0	2	(2)	0	0
Foreign exchange gain(loss) , net	2	3	(1)	2	0
Gain (loss) on disposal of property, plant and equipment, net	(0)	6	(6)	0	(0)
Impairment loss on l assets	0	(168)	168	0	0
Other non-operating income and expenses	20	(7)	27	9	11
Total non-operating income and expenses	21	(71)	92	249	(228)

# Consolidated Operating Revenues & Gross Profit Margin





# Operating Expenses By Quarter



# Corporate Sustainability



Awarded “the Merit Unit of Green Procurement and Green Consumption Promotion” in 2020 by Environmental Protection Administration, Executive Yuan, R.O.C (Taiwan)

Awarded “the Merit Organization of Green Procurement” in 2020 by Department of Environmental Protection, Taipei City Government



Established the energy management system and obtained the ISO certifications for implementing the environmental sustainability.

- ✓ ISO 14001 - Environmental Management Systems
- ✓ ISO 14064-1 - Greenhouse Gases Part 1: Specification with Guidance
- ✓ ISO 50001 - Energy Management Systems
- ✓ ISO 45001 - Occupational Health and Safety Management Systems



Recognized as “isports Enterprise” by Sports Administration, MOE



Crowned the “Happiness Enterprise” in IT industry category by 1111 Job Bank

Awarded “the Best companies to work for in Asia” by HR Asia



Awarded “**Sustainability Reporting Bronze Prize**” and “**The CSR Leadership Prize**” in Taiwan Corporate Sustainability Award, also received the **Silver Prize** in Taiwan Sustainability Action Award, in recognition of the contribution to the society.



AI+ Generator Program is listed as an International Startup Incubator by Small and Medium Enterprise Administration, MOEA



AI for Social Good Award awarded the **Tech for Social Good Prize** in the 5th PwC CSR Impact Award in 2021



The CSR Project, Young Turing Program, crowned the **Silver Prize** in the 4th PwC CSR Impact Award, and **The Model Award** in CSR Award by a prestigious CSR organization, Global Views Monthly, in Taiwan.



# Making Good Changes for Our World

2014

Started SYSTEX Elite Internship which aims to nurture university/graduate students by offering summer internships program

2015

Kicked off "Data for Social Good" project, using data to solve social issues

2014-2016

2016

Founded Young Turing Program to encourage high school students to devote themselves to programming and try to fix social problems



2017

AI+ Generator Program, supporting startups to speed up market fit and go global

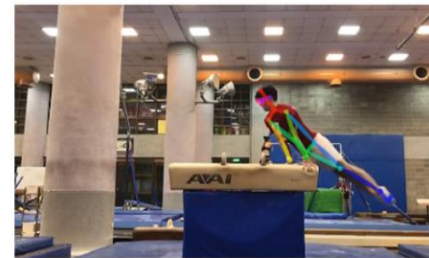


Coding Seeds Camp, focusing on sparking engineering education for school kids

2017-2020

2020

Donated NTD 3 million to help NTNU / national athletes enhance their performance to the next level through AI and data analysis



Gemini Data launched "Gemini Explore" to assist global  
Developed epidemic investigation system to help track and analyze the correlation of the confirmed cases

2019

Action Intelligence for Social Goods Award, encouraging organizations to utilize technology to create impact



2021

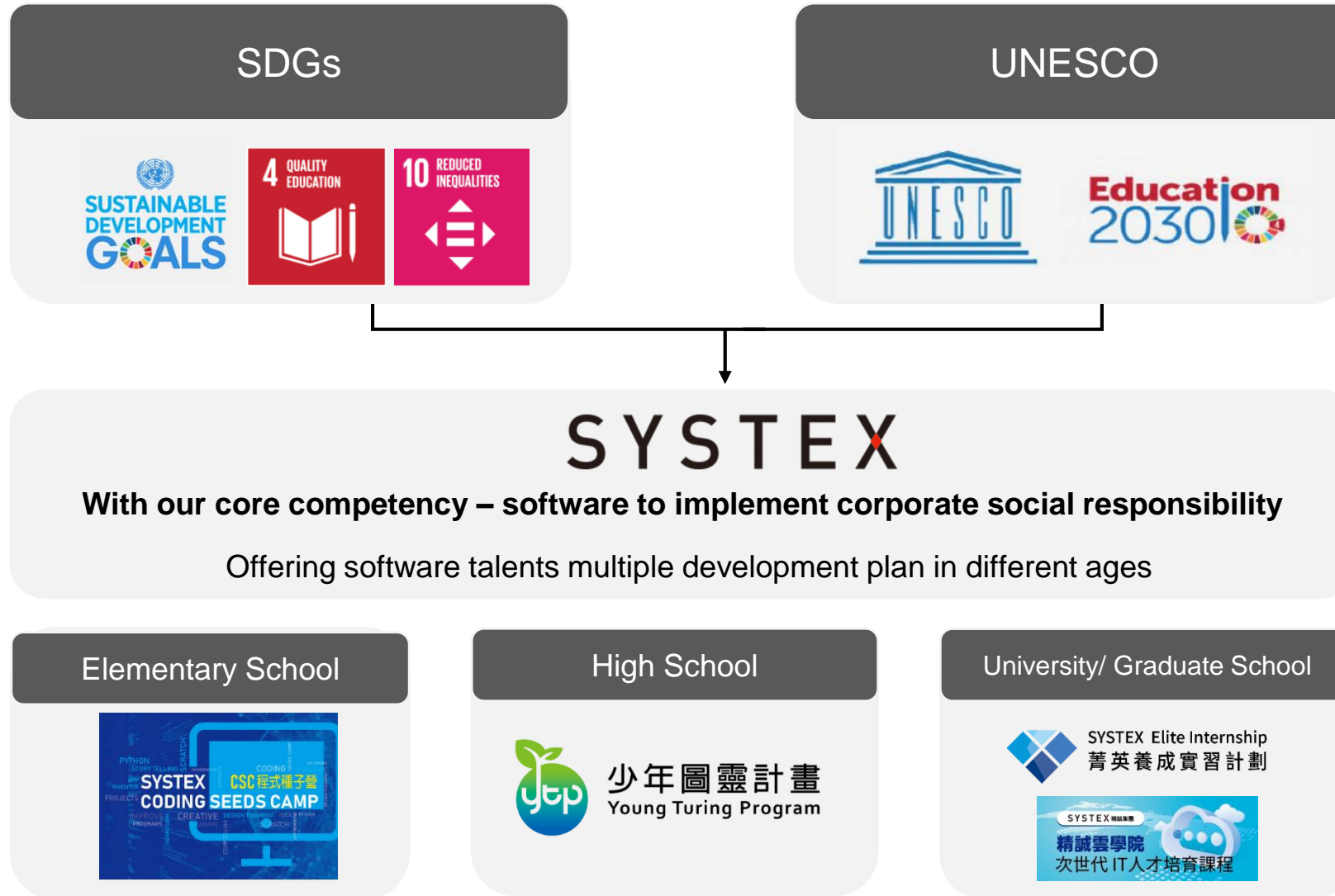
Sponsored two rural elementary and junior high school students to elevate their reading comprehension ability through online self-learning platform

Donated NTD 2 million to NTNU MASTER Men's Basketball team, to support their daily training program.

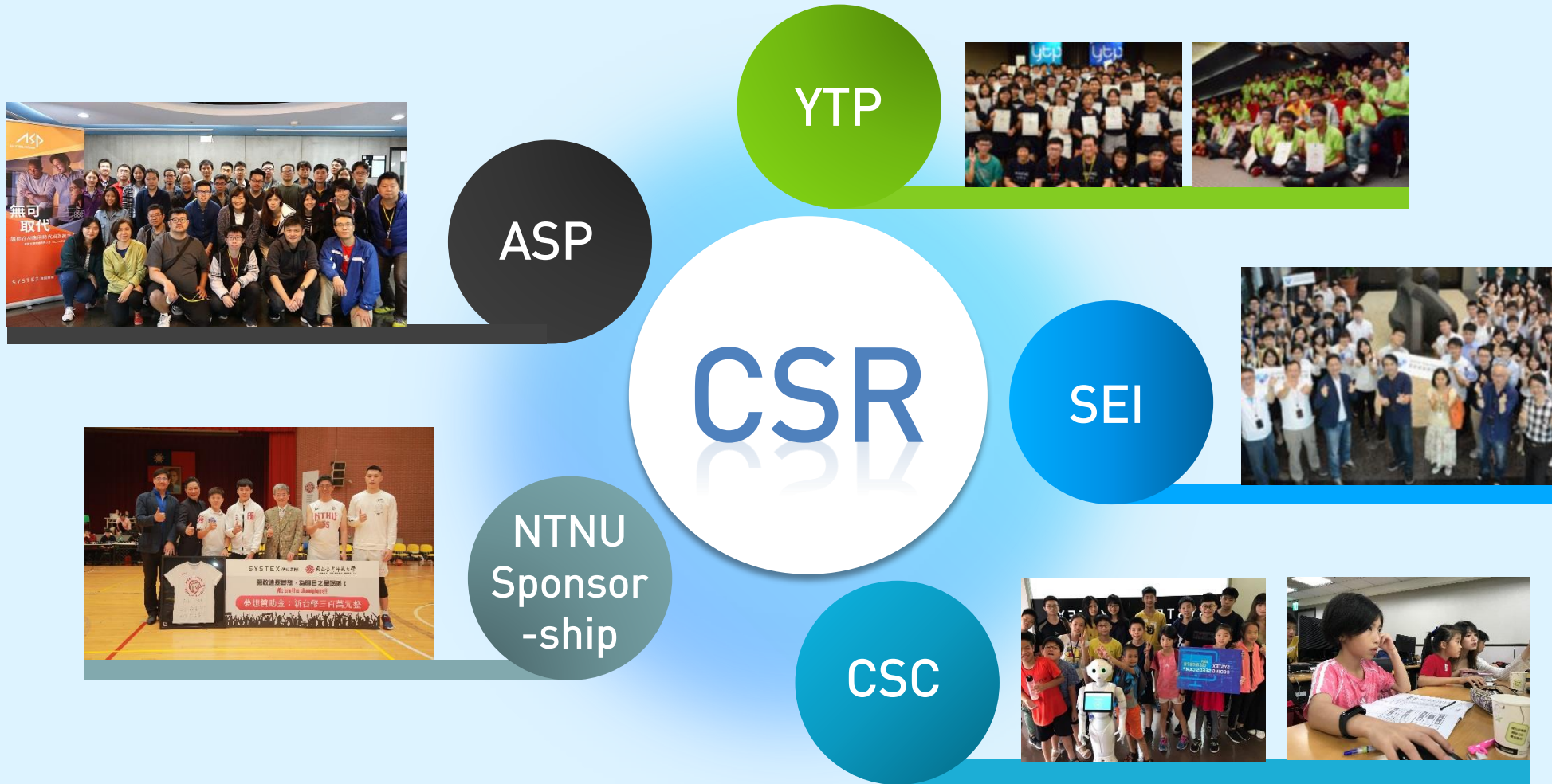
Cooperated with NYCU to contribute and foster future BioTIC research talent



# Young Talents are the Key to Future



# Cultivating Software Talents for Taiwan





SYSTEMX A DATA SOFTWARE COMPANY

**Thank You**

