

SYSTEMX A DATA SOFTWARE COMPANY

SYSTEMX Profile

CFO & Company Spokesman
Larry Chung

2022.11.23

Disclaimer

The information contained in this presentation, including all forward-looking information, is subject to change without notice, whether as a result of new information, future events or otherwise, and Systex Corporation (the “Company”) undertakes no obligation to update or revise the information contained in this presentation. No representation or warranty, either expressed or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein, nor is the information intended to be a complete statement of the Company, markets or developments referred to in this presentation.



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 Green Tech, Smart Security, Smart E-commerce, Smart Manufacturing, Smart Finance, Smart City, Smart Healthcare, Cloud Services
- 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

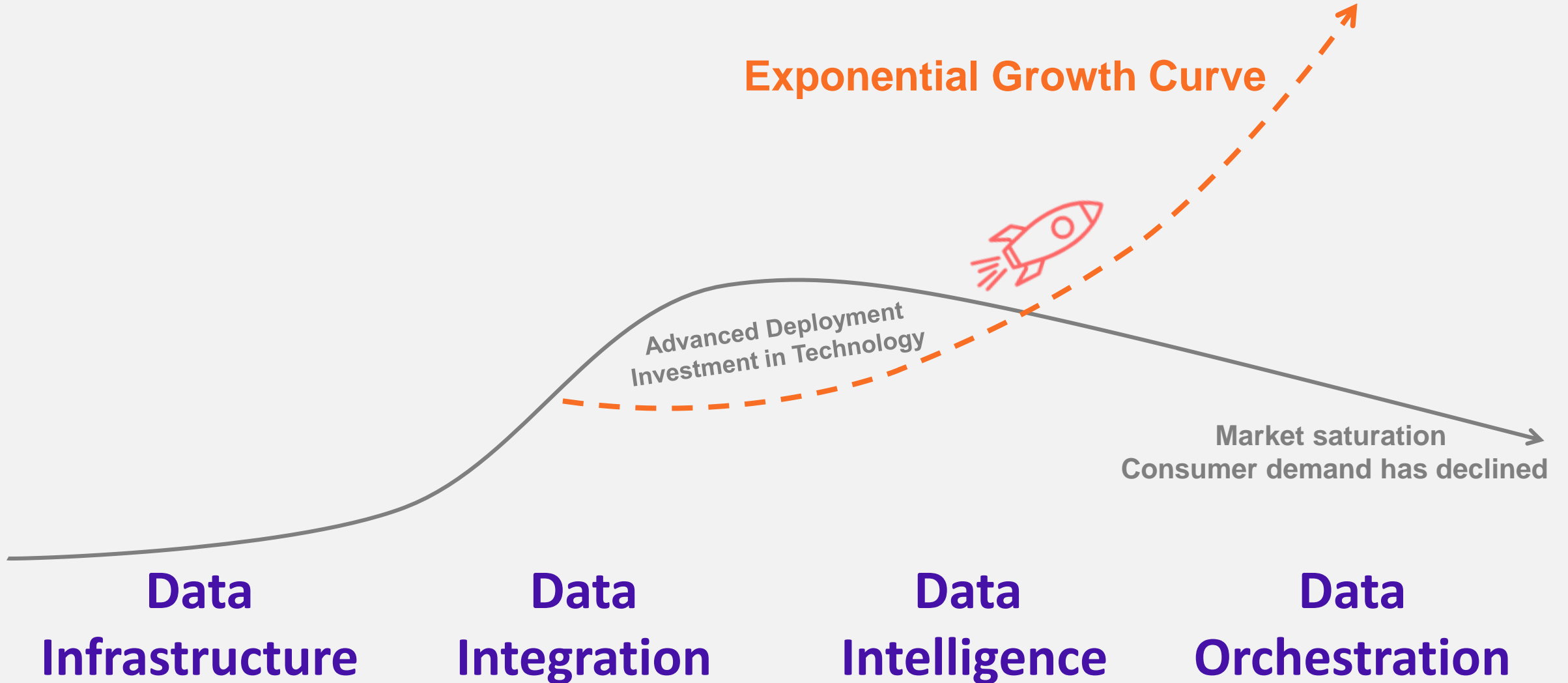
Financial Business
Enterprise Business
Technology & Innovation Service
Financial Big Data Center
SYSPower
Softmobile
Concord
Naturint
Top Information
MISYS

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
Docutek Solutions

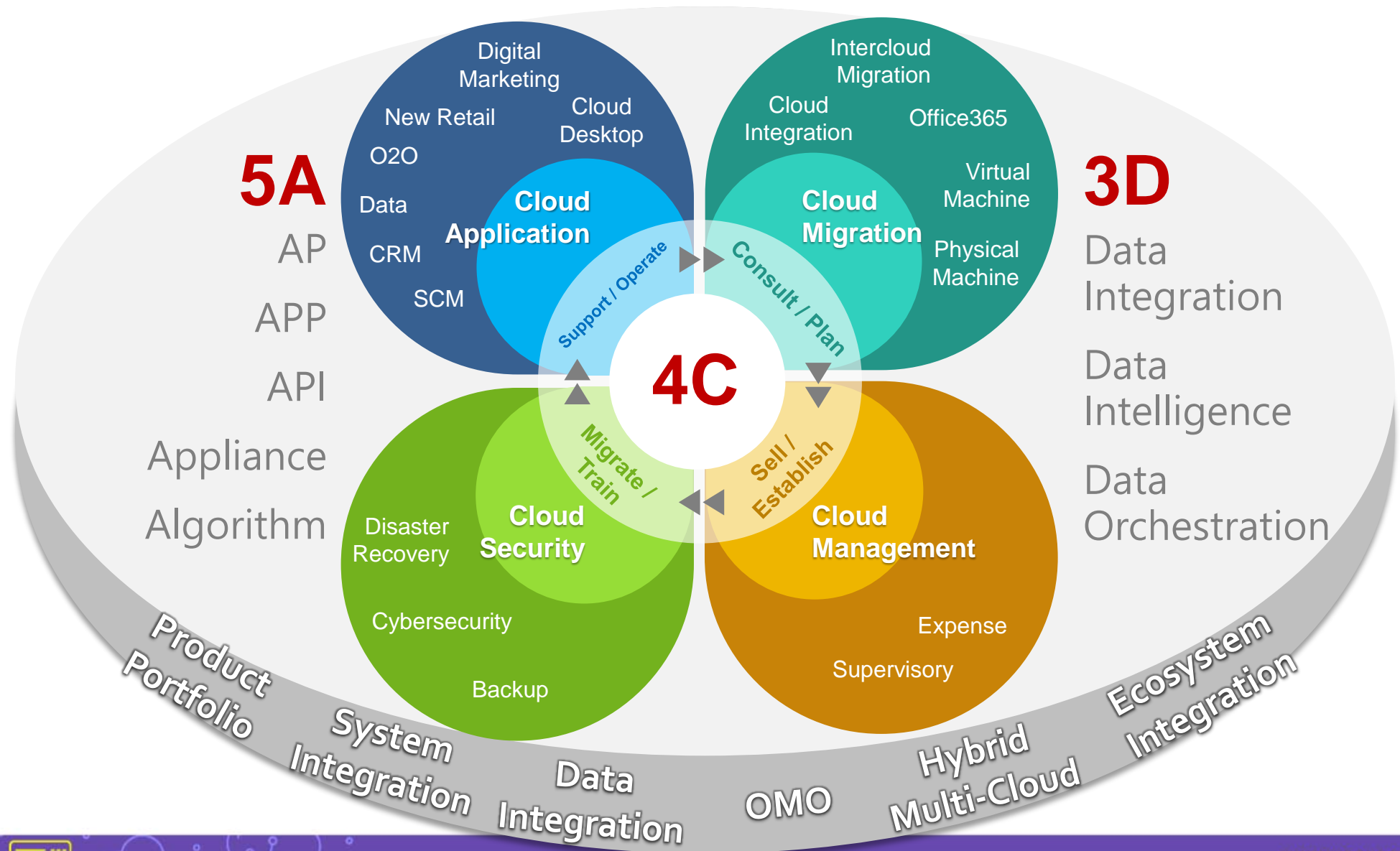
Biz Software Service
Cloud Business <small>(SYSTEX Software)</small>
Software Integration & Service <small>(SYSTEX Software)</small>
Commercial Software Service <small>(SYSTEX Software)</small>

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
Data Integration	Data Intelligence	Data Orchestration
Data Consolidation	Online Merge Offline	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

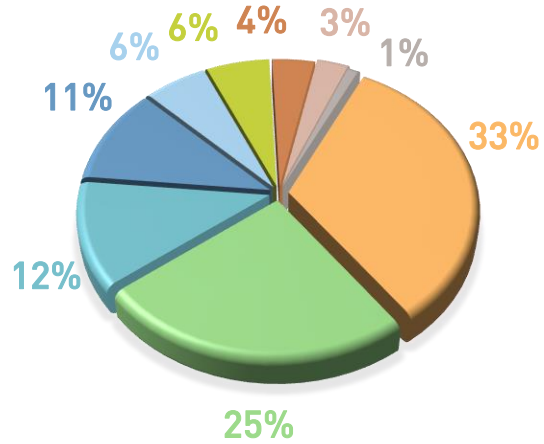


Utilities

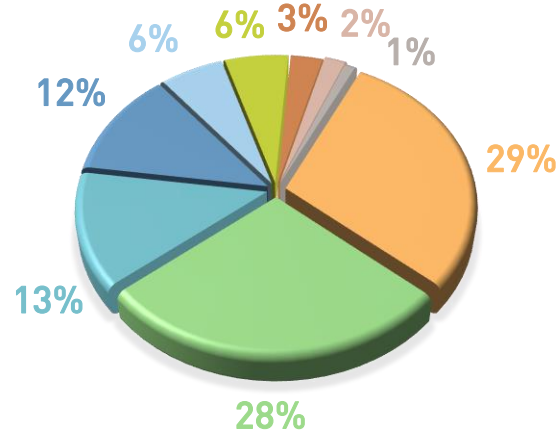


Revenue breakdown by industrial classification

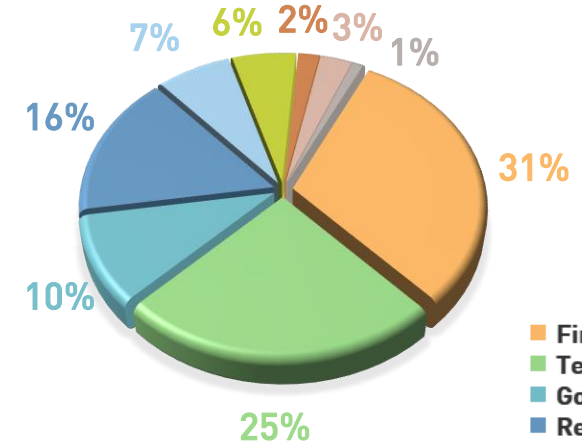
1Q20~3Q20



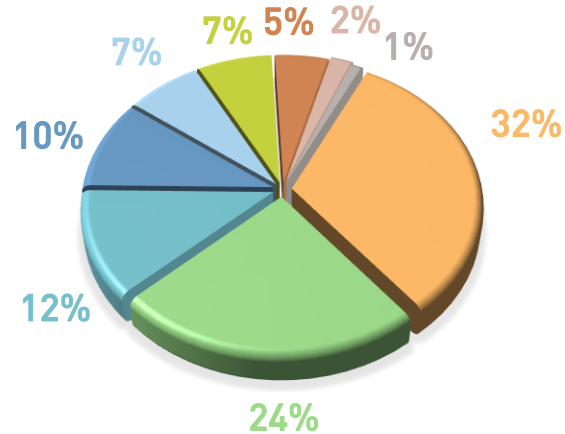
1Q21~3Q21



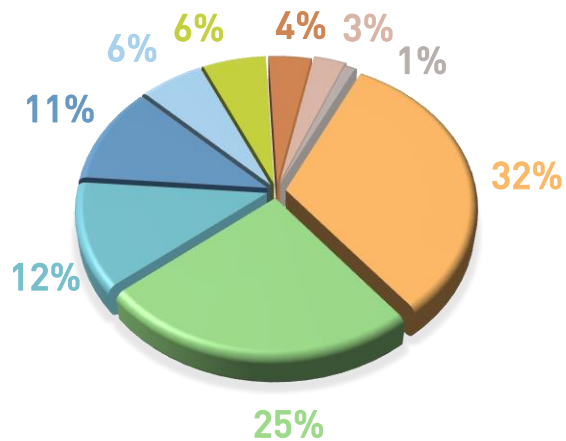
1Q22~3Q22



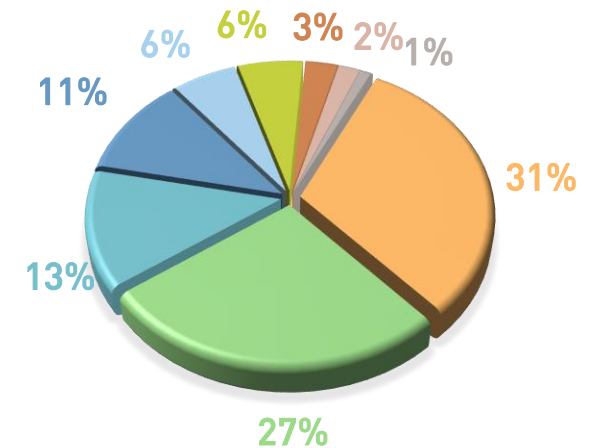
Y2019



Y2020



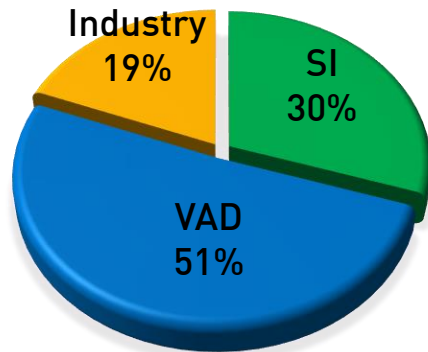
Y2021



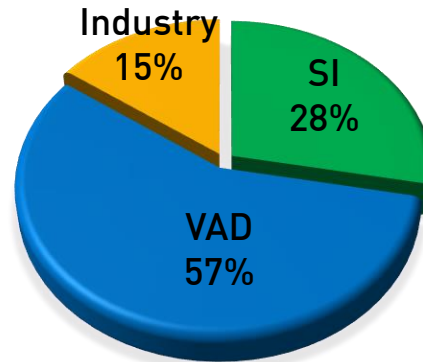
- Financial/Insurance
- Technology industry
- Government/Education
- Retail/Transportation
- Manufacturing
- Service
- Telecommunication/network
- Medical
- Other

Revenue breakdown by business type

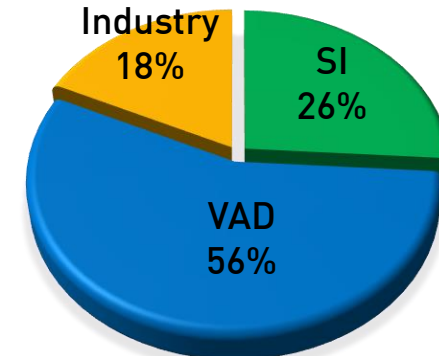
1Q20~3Q20



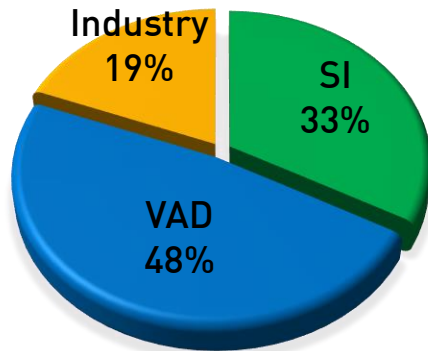
1Q21~3Q21



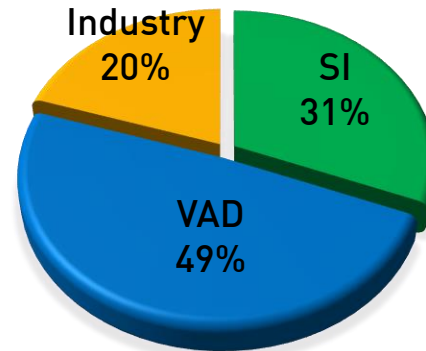
1Q22~3Q22



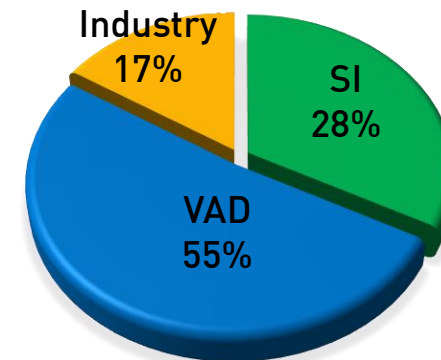
Y2019



Y2020



Y2021



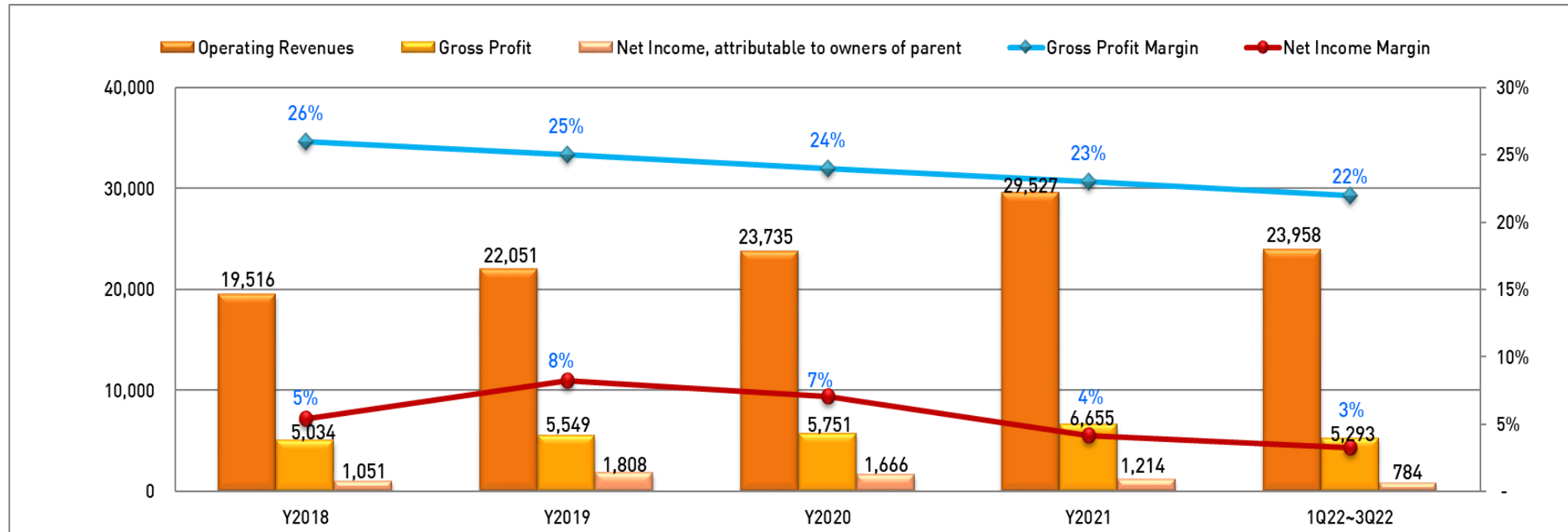
BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2022/9/30	%	2021/12/31	%	2021/9/30	%
Cash and cash equivalents	4,479	16%	4,068	15%	3,834	15%
Current financial assets at fair value through profit or loss	2,168	8%	4,564	17%	4,589	17%
Trade and other current receivables	5,708	20%	4,856	19%	5,102	19%
Inventories	5,097	18%	3,251	12%	3,303	13%
Other current assets	3,048	9%	2,534	10%	2,381	8%
Total current assets	20,500	71%	19,273	73%	19,209	72%
Financial assets at fair value through profit or loss - non-current	1,946	7%	1,700	6%	1,765	7%
Financial assets at fair value through other comprehensive income - non-current	521	2%	302	1%	277	1%
Financial assets measured at amortized cost- non-current	500	2%	500	2%	500	2%
Investments accounted for using equity method	1,946	7%	1,782	7%	1,614	6%
Property, plant and equipment	2,226	8%	2,088	8%	2,097	8%
Right-of-use assets	337	1%	277	1%	301	1%
Intangible assets	331	1%	136	-	223	1%
Total other non-current assets	461	1%	502	2%	514	2%
Total non-current assets	8,268	29%	7,287	27%	7,291	28%
Total assets	28,768	100%	26,560	100%	26,500	100%
Short-term loans	2,623	9%	1,260	5%	2,168	8%
Notes and accounts payable	4,736	16%	4,341	16%	4,025	15%
Other current liabilities	3,596	13%	3,659	14%	3,105	12%
Total current liabilities	10,955	38%	9,260	35%	9,299	35%
Bonds payable	3,000	10%	3,000	11%	3,000	11%
Premium (discount) on bonds payable	(5)	-	(6)	-	(6)	-
Long-term loans	107	-	88	-	89	-
Other non-current liabilities	403	2%	407	2%	398	2%
Total non-current liabilities	3,505	12%	3,489	13%	3,481	13%
Total liabilities	14,460	50%	12,749	48%	12,780	48%
Total share capital	2,724	9%	2,694	10%	2,694	10%
Capital surplus	6,877	24%	6,606	25%	6,605	25%
Retained earnings	5,506	19%	5,860	22%	5,748	22%
Other equity	(416)	-1%	(729)	-3%	(687)	-3%
Treasury shares	(928)	-3%	(928)	-3%	(928)	-3%
Total equity attributable to owners of Corporation	13,763	48%	13,503	51%	13,432	51%
Non-controlling interests	545	2%	308	1%	288	1%
Total liabilities and equity	28,768	100%	26,560	100%	26,500	100%
Book Value Per Share	55.50		54.45		54.17	

Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2018	Y2019	Y2020	Y2021	1Q22~3Q22
Operating Revenues	19,516	22,051	23,735	29,527	23,958
Gross Profit	5,034	5,549	5,751	6,655	5,293
Gross Profit Margin	26%	25%	24%	23%	22%
Operating Expenses	4,346	4,942	4,826	5,522	4,272
Operating Income	688	607	925	1,133	1,021
Operating Income Margin	3%	3%	4%	4%	5%
Non-Operating Items	553	1,596	926	318	1
Net Income, attributable to owners of parent	1,051	1,808	1,666	1,214	784
Net Income Margin	5%	8%	7%	4%	3%
EPS	4.27	7.31	6.72	4.90	3.16

INCOME STATEMENT

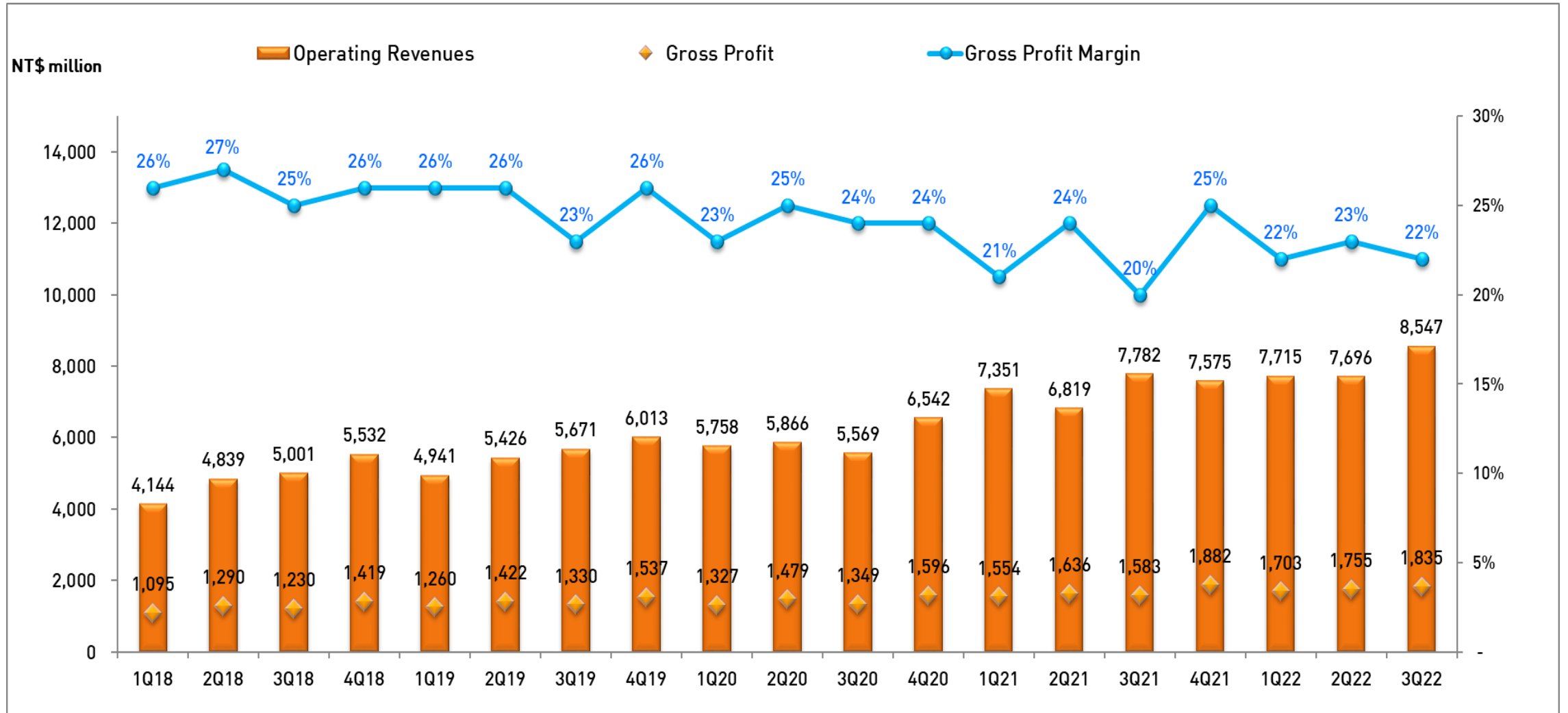
UNIT : NT\$ million ,%

ITEM	3Q22	2Q22	DIFF	3Q21	DIFF	1Q22-3Q22	1Q21-3Q21	DIFF
Operating Revenues	8,547	7,696	851	7,782	765	23,958	21,952	2,006
Operating Costs	6,712	5,941	771	6,199	513	18,665	17,179	1,486
Gross Profit	1,835	1,755	80	1,583	252	5,293	4,773	520
Gross Profit Margin	22%	23%	-1%	20%	2%	22%	22%	-
Operating Expenses	1,550	1,382	168	1,331	219	4,272	3,890	382
Operating Income	285	373	(88)	252	33	1,021	883	138
Operating Income Margin	4%	5%	-1%	3%	1%	5%	4%	1%
Non-Operating Items (Notes 1)	106	(127)	233	42	64	1	389	(388)
Income Before Income Tax	391	246	145	294	97	1,022	1,272	(250)
Income Tax Expense	62	82	(20)	60	2	213	197	16
Net Income	329	164	165	234	95	809	1,075	(266)
Net Income, attributable to non-controlling interests	15	8	7	3	12	25	4	21
Net Income, attributable to owners of parent	314	156	158	231	83	784	1,071	(287)
EPS	1.26	0.63	0.63	0.93	0.33	3.16	4.32	(1.16)

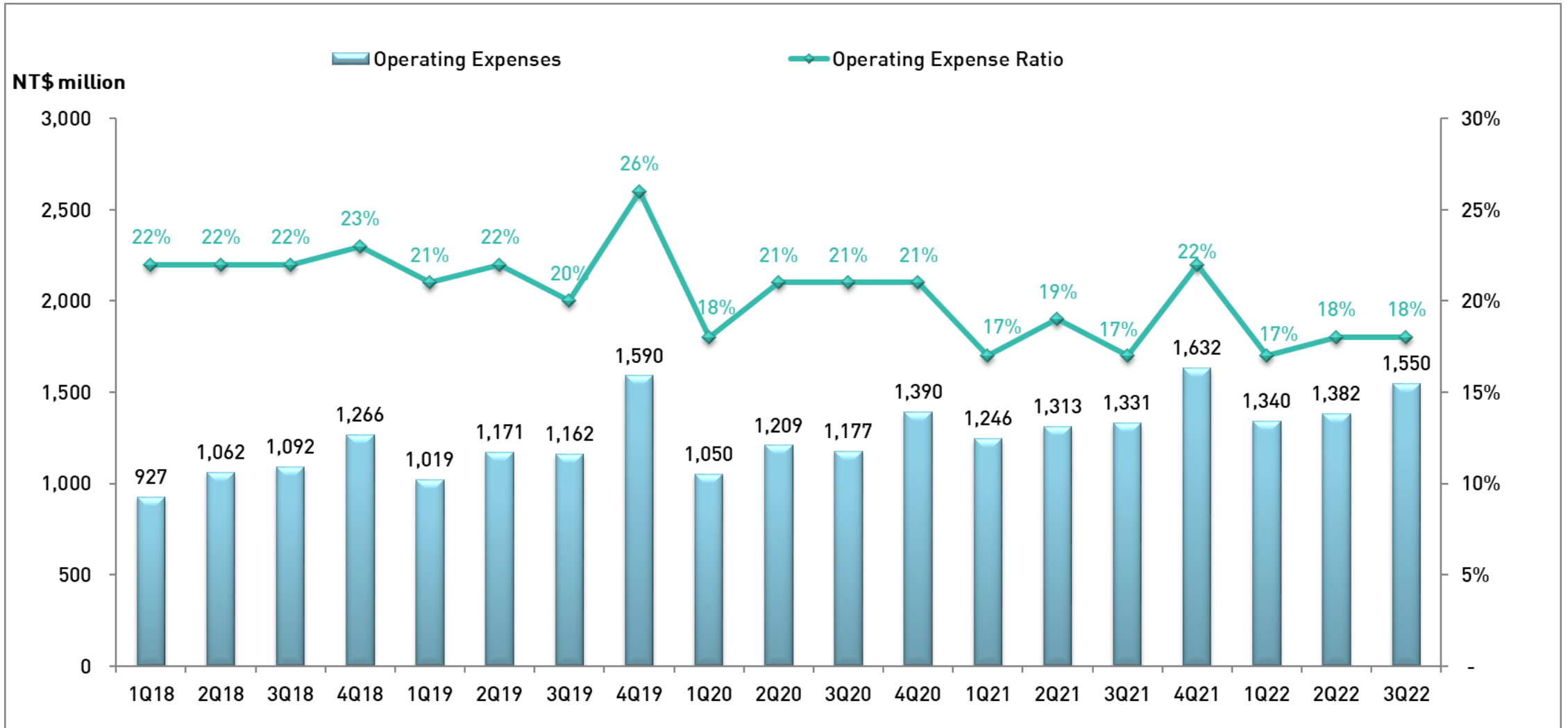
Notes1 : Non-Operating Items

	3Q22	2Q22	DIFF	3Q21	DIFF	1Q22-3Q22	1Q21-3Q21	DIFF
Interest income and expense	(16)	(12)	(4)	(8)	(8)	(38)	(7)	(31)
Share of profit of associates	19	2	17	(39)	58	20	35	(15)
Gains on disposals of investments	(0)	1	(1)	1	(1)	2	14	(12)
Gains on financial assets at fair value through profit or loss	69	(189)	258	16	53	(111)	247	(358)
Dividend income	20	46	(26)	47	(27)	66	48	18
Foreign exchange gain(loss) , net	16	3	13	3	13	21	13	8
Gain (loss) on disposal of property, plant and equipment, net	1	2	(1)	0	1	3	0	3
Other non-operating income and expenses	(3)	20	(23)	22	(25)	38	39	(1)
Total non-operating income and expenses	106	(127)	233	42	64	1	389	(388)

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

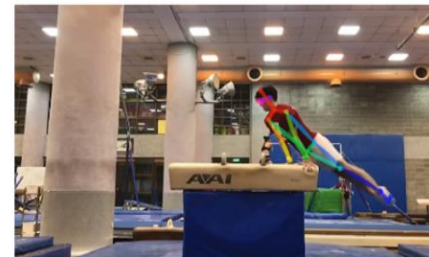


Coding Seeds Camp, focusing on sparking engineering education for school kids

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

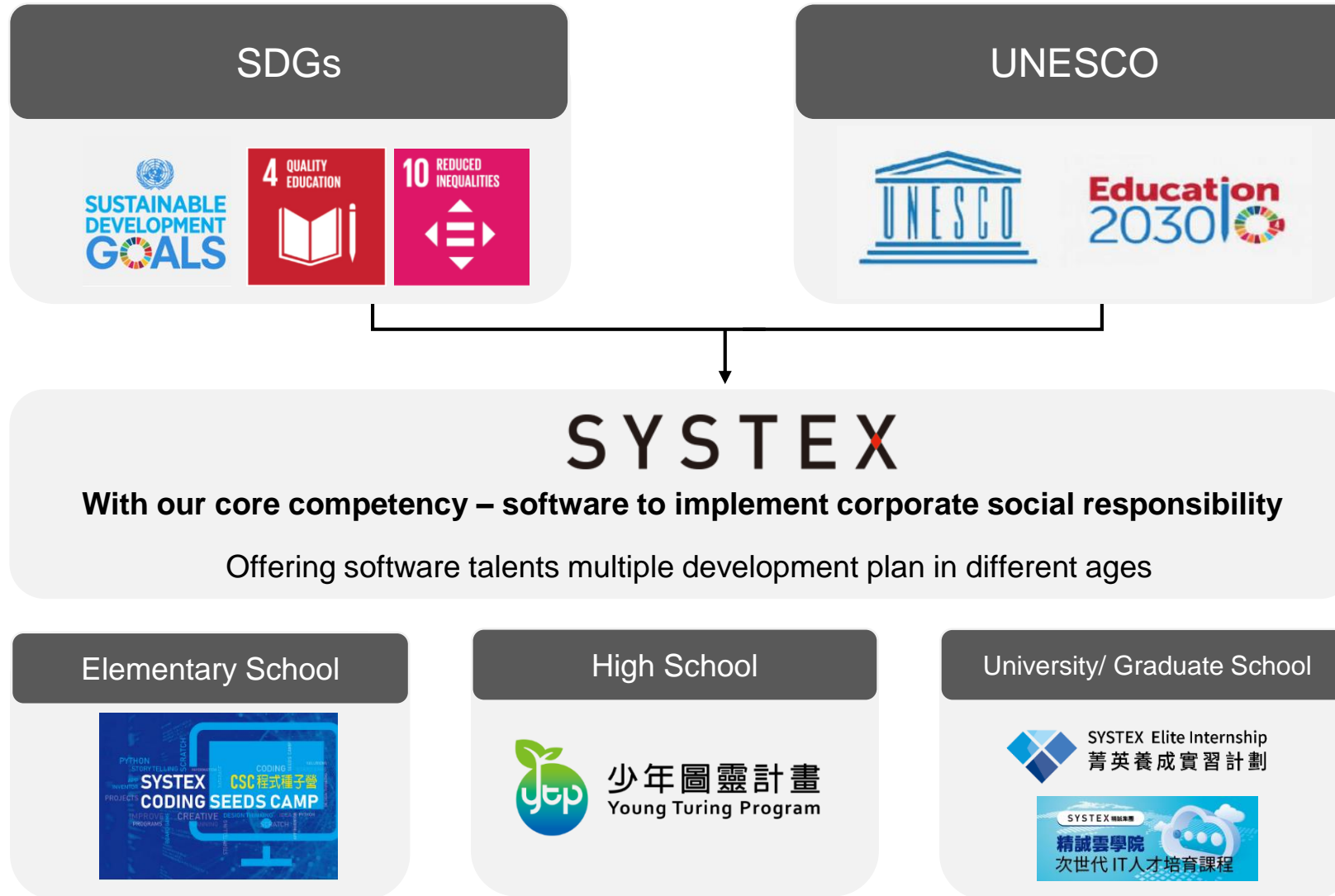
Sponsored two rural elementary and junior high school students to elevate their reading comprehension ability through online self-learning platform

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

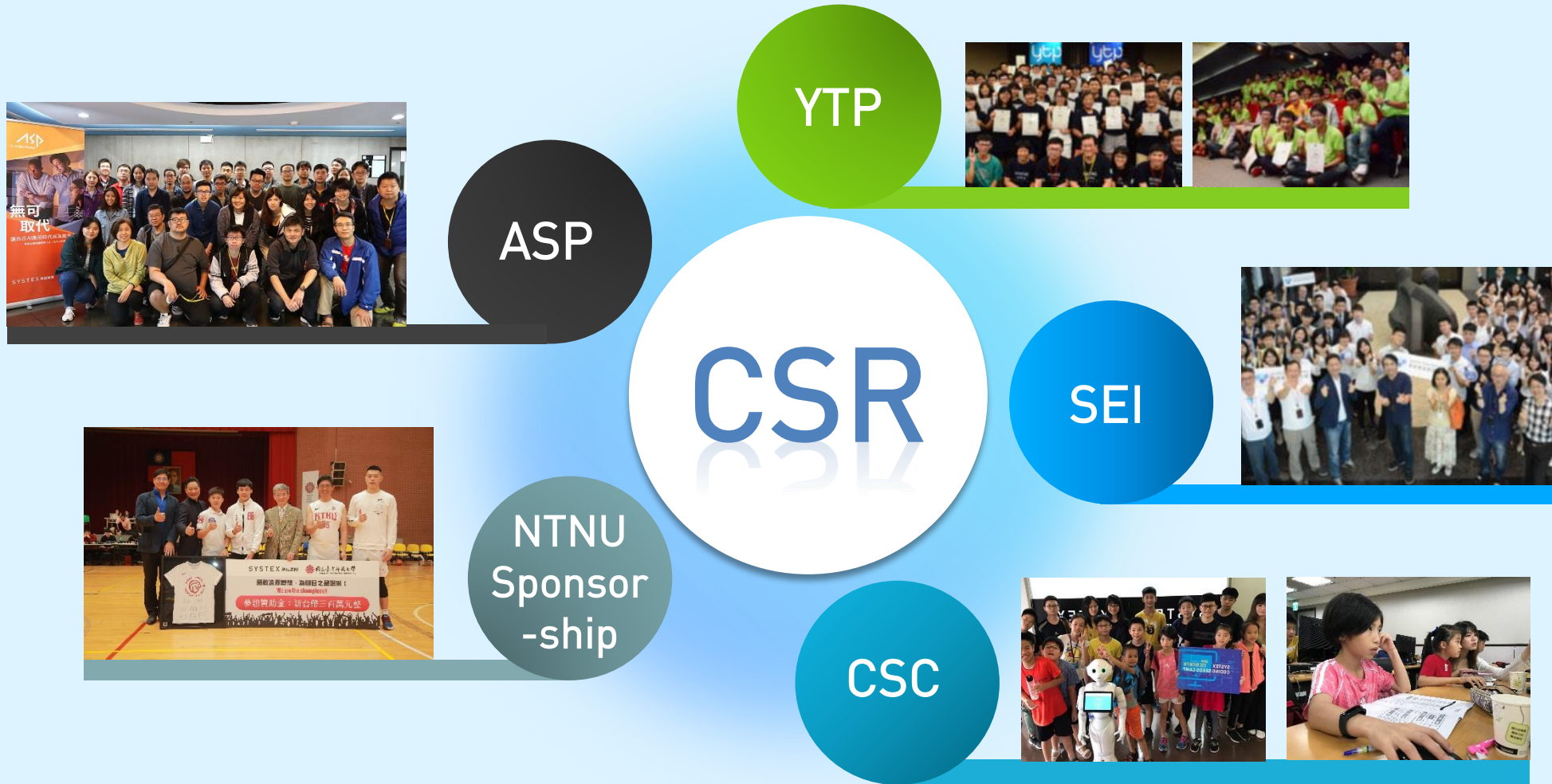
Cooperated with NYCU to contribute and foster future BioTIC research talent



Young Talents are the Key to Future



Cultivating Software Talents for Taiwan



SYSTEMX A DATA SOFTWARE COMPANY

Thank You

