

SYSTEMX Profile

CFO & Company Spokesman
Larry Chung
2023.11.08



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
- 2022 Revenue: USD \$1.1 Billion

Evolving in Growth Trajectory

1.0

Vertical
Integration

2001-2010

SYSWARE founded in 1997

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

2003 SYSTEX IPO

2005 Merged UCOM, largest IT training center in Taiwan

2005 Merged ULSTEK Co., the leading securities and bonds company

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

2010

Invested in FORMS SYNTRON for Banking business in China

2.0

Horizontal
Integration

2011-2020

2016

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

2020

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

3.0

Ecosystem
Integration

2021-2030

Software unleashes the power of data, refines the performance of algorithm.

Positioning as a Data Software Company.

Future Focuses

- Hybrid Multi-Cloud Solutions
- SaaS/IaaS/PaaS Services
- Cyber Security
- Green Technology Solutions
- ESG Solutions

Professional Service Provider

Consumer Business	Financial Business	Digi-Ecosystem Integration	Biz Software Service	China
Technical Talents Ratio 75%	Technical Talents Ratio 85%	Technical Talents Ratio 80%	Technical Talents Ratio 60%	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
- Rewarded the "8th Corporate Governance Evaluations – 6%~20% of listed companies" by Taiwan Stock Exchange.

• 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



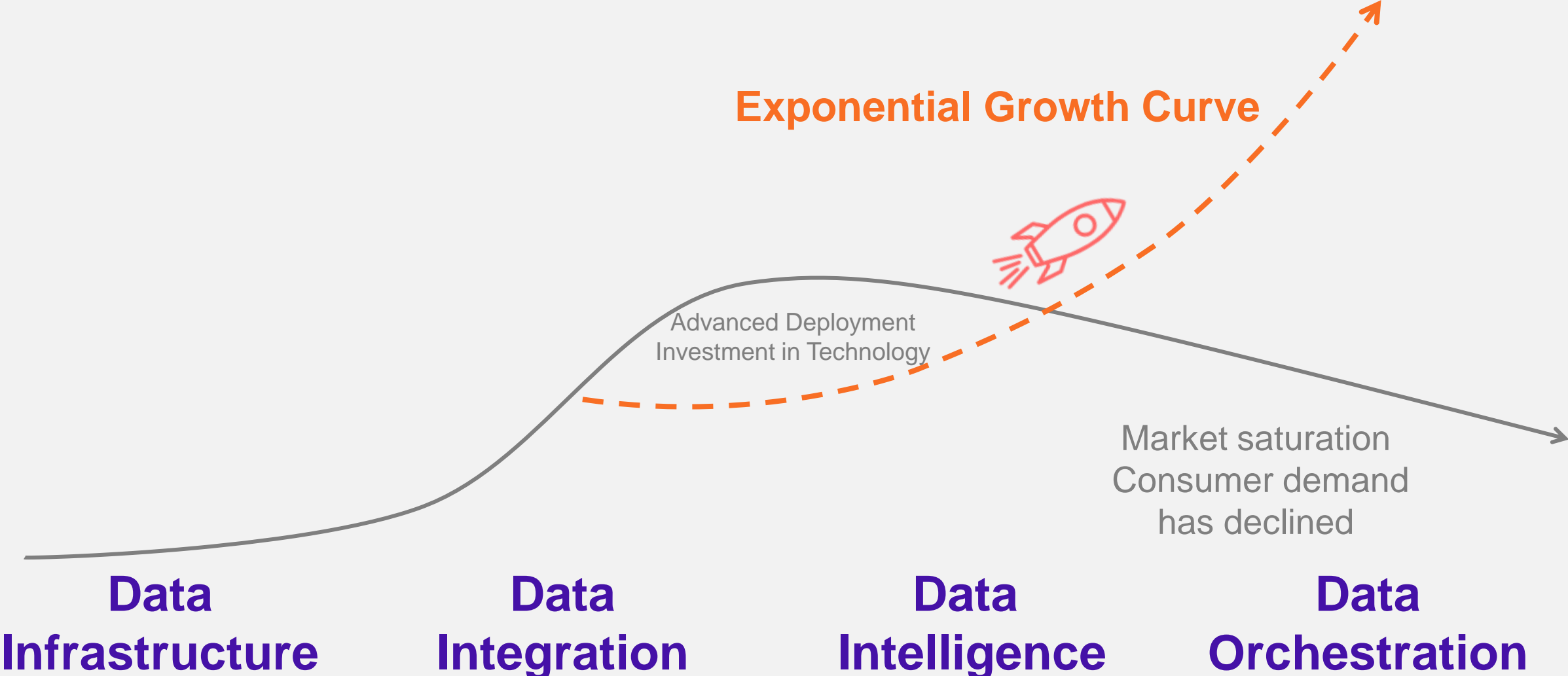
Cross Border / Industry Operating Organizations

Enterprise

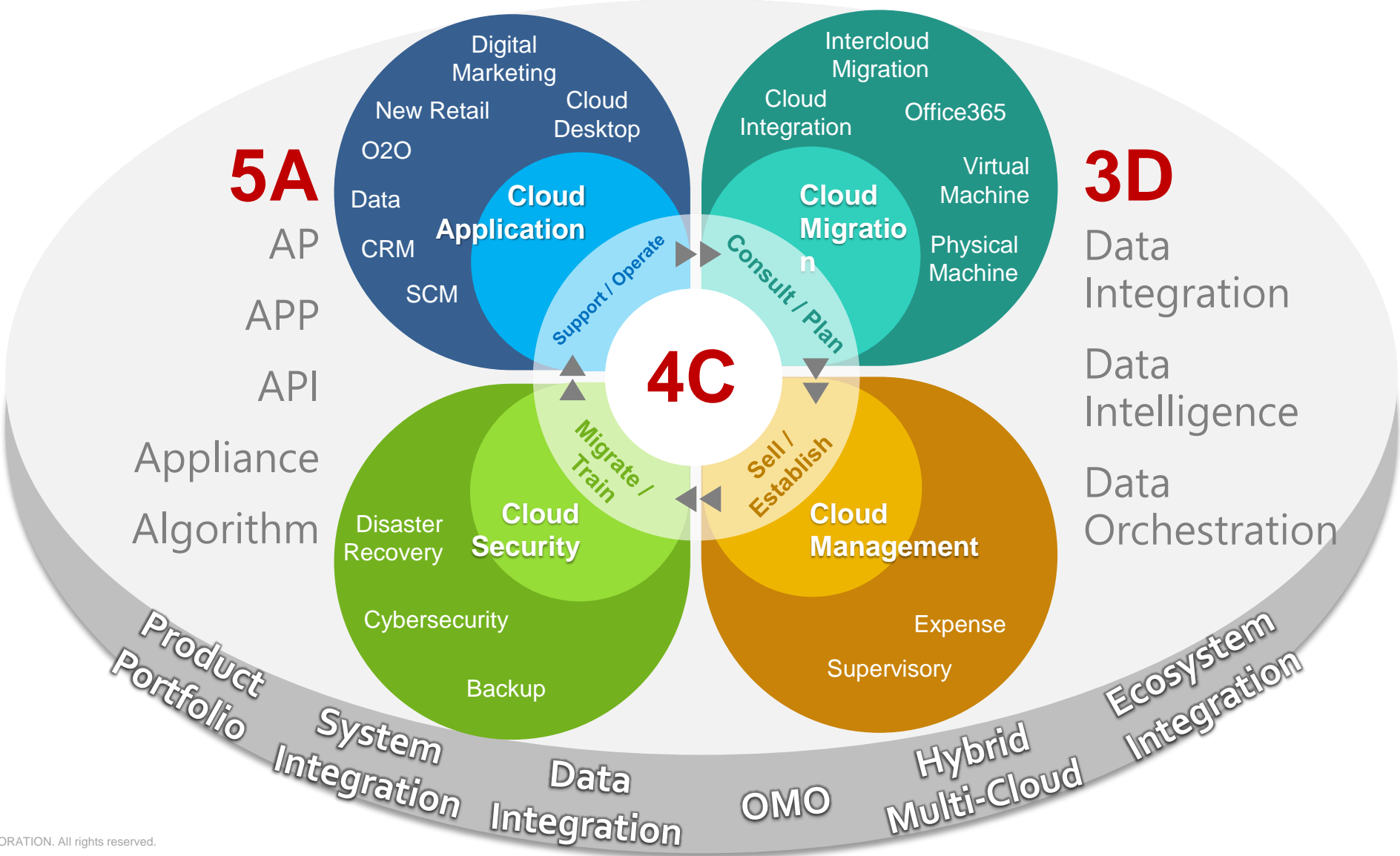
Branch

Consumer Business	Financial Business	Digi-Ecosystem Integration	Biz Software Service	China
Digital Innovation Application	Enterprise Business	International Software	Commercial Software Service(SYSTEX Software)	SYSTEX China
Distribution & Payment Sales	Technology & Innovation Service	Knowledge Product	Software Integration & Service(SYSTEX Software)	SYSTEX Information(SH)
Omni-channel & Digital Business Applications	MISYS	Distribution Center		Rainbow Tech
Data Management Integration Service	SYSPower	Digital Software Integration		Sysware Shenlong Info
Nexsys	Softmobile	Intelligent Integration		SYSTEX Information(HK)
SYSTEX Solutions	Concord	Digital Sustainable Business Unit		
E-Service Information	Naturint	Dawning Tech		
	Top Information	Taifon Computer		
		TIST		
		uniXecure		
		Docutek Solutions		

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



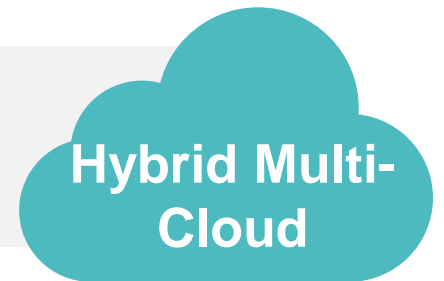
Virtualization



Container



Micro services



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

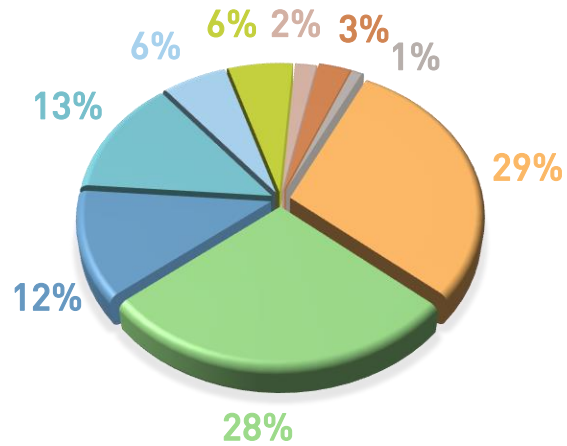


Utilities

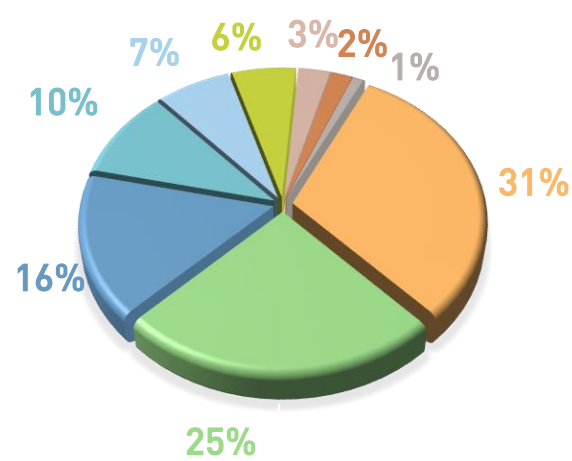


Revenue breakdown by industrial classification

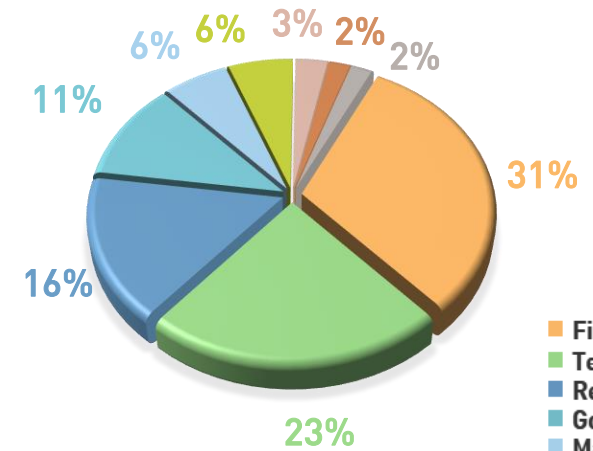
1Q21~3Q21



1Q22~3Q22

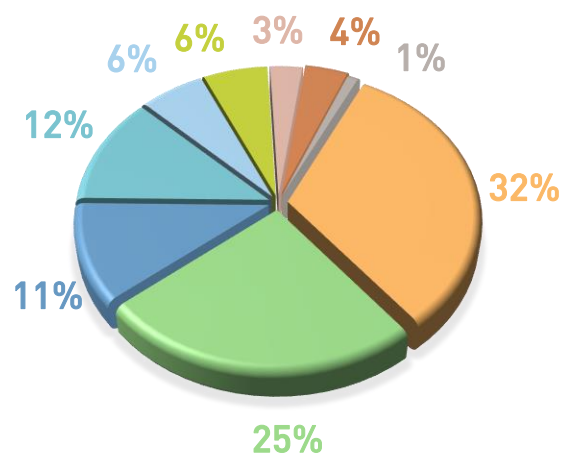


1Q23~3Q23

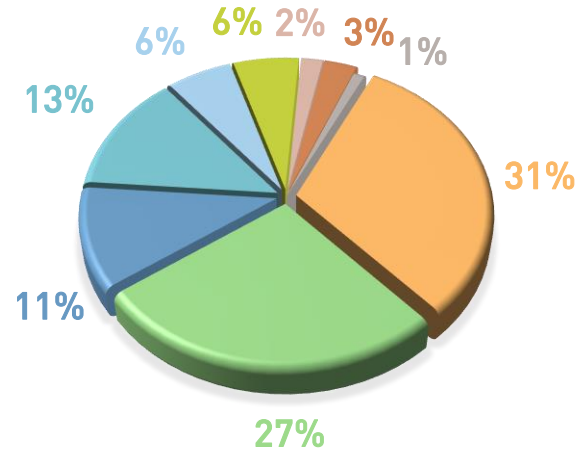


- Financial/Insurance
- Technology industry
- Retail/Transportation
- Government/Education
- Manufacturing
- Service
- Medical
- Telecommunication/network
- Other

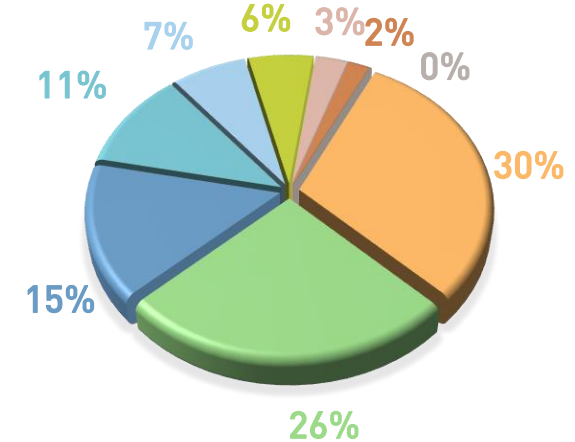
Y2020



Y2021

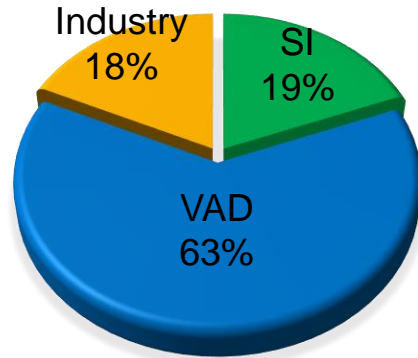


Y2022

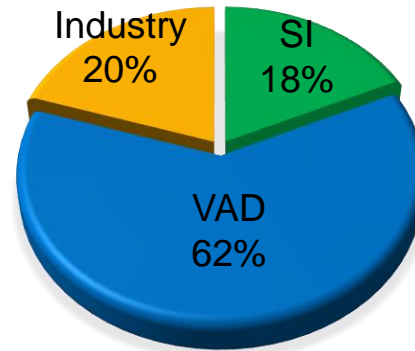


Revenue breakdown by business type

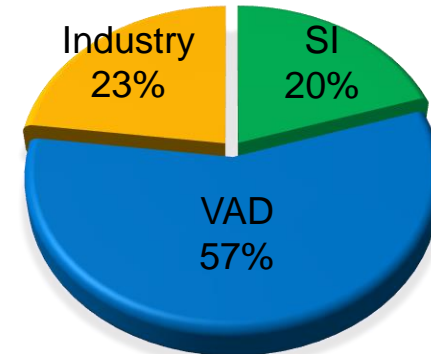
1Q21~3Q21



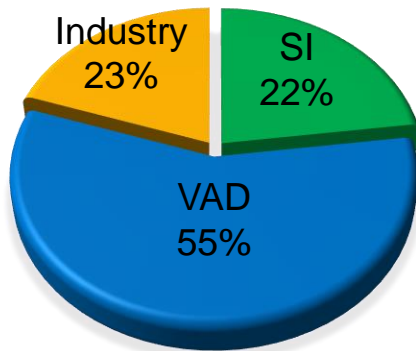
1Q22~3Q22



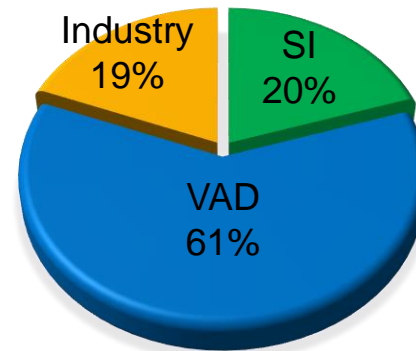
1Q23~3Q23



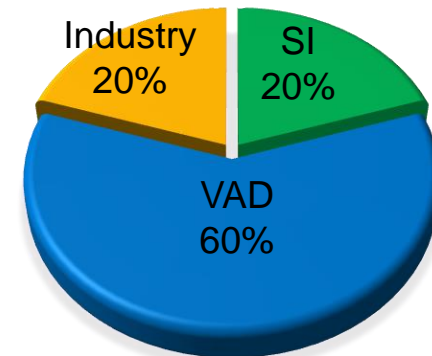
Y2020



Y2021



Y2022



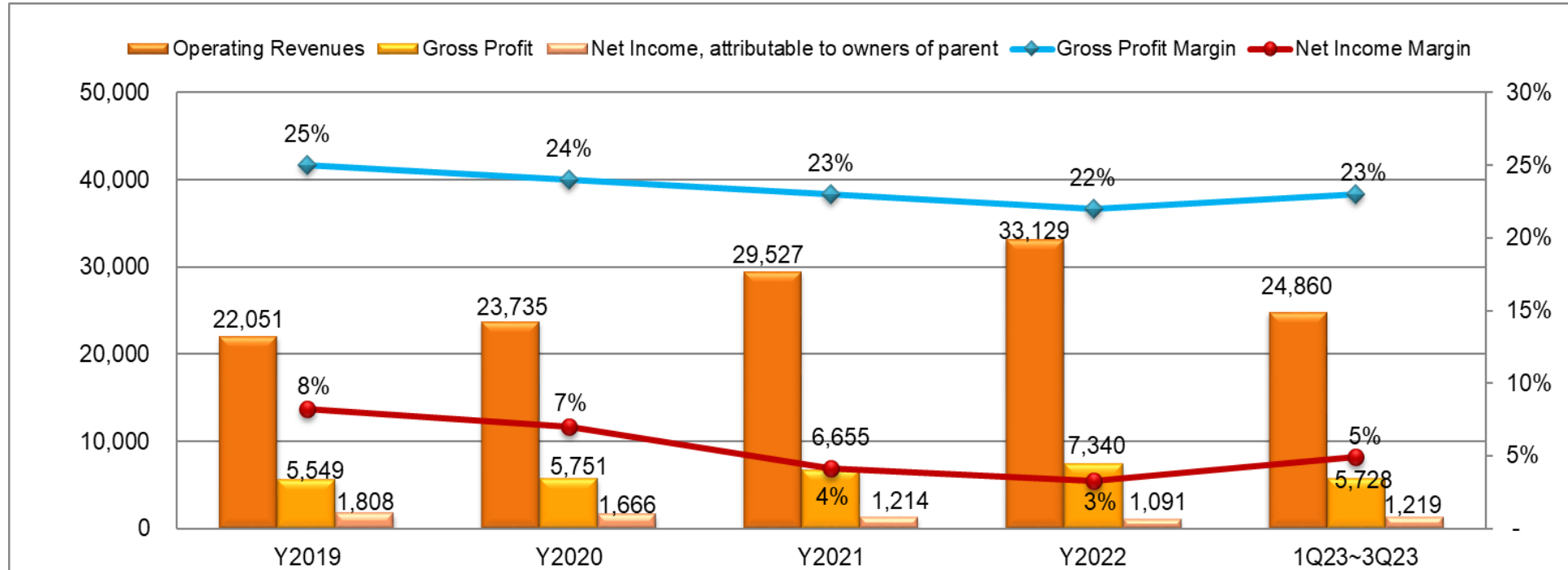
BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2023/9/30	%	2022/12/31	%	2022/9/30	%
Cash and cash equivalents	5,687	20%	4,331	14%	4,479	16%
Current financial assets at fair value through profit or loss	594	2%	3,558	12%	2,168	8%
Financial assets measured at amortized cost-current	901	3%	0	-	0	-
Trade and other current receivables	5,599	20%	6,346	22%	5,708	20%
Inventories	5,262	18%	4,794	16%	5,097	18%
Other current assets	2,686	8%	2,724	9%	3,048	9%
Total current assets	20,729	71%	21,753	73%	20,500	71%
Financial assets at fair value through profit or loss - non-current	2,068	7%	2,041	7%	1,946	7%
Financial assets at fair value through other comprehensive income - non-current	353	1%	343	1%	521	2%
Financial assets measured at amortized cost- non-current	500	2%	500	2%	500	2%
Investments accounted for using equity method	1,969	7%	1,964	7%	1,946	7%
Property, plant and equipment	2,208	7%	2,212	7%	2,226	8%
Right-of-use assets	465	2%	326	1%	337	1%
Intangible assets	299	1%	329	1%	331	1%
Total other non-current assets	645	2%	432	1%	461	1%
Total non-current assets	8,507	29%	8,147	27%	8,268	29%
Total assets	29,236	100%	29,900	100%	28,768	100%
Short-term loans	2,298	8%	1,860	6%	2,623	9%
Notes and accounts payable	5,010	17%	5,194	17%	4,736	16%
Other current liabilities	3,636	13%	4,802	17%	3,596	13%
Total current liabilities	10,944	38%	11,856	40%	10,955	38%
Bonds payable	3,000	10%	3,000	10%	3,000	10%
Premium (discount) on bonds payable	(4)	-	(5)	-	(5)	-
Long-term loans	97	-	105	-	107	-
Other non-current liabilities	413	1%	336	1%	403	2%
Total non-current liabilities	3,507	11%	3,436	11%	3,505	12%
Total liabilities	14,451	49%	15,292	51%	14,460	50%
Total share capital	2,723	9%	2,723	9%	2,724	9%
Capital surplus	6,968	24%	6,874	23%	6,877	24%
Retained earnings	5,728	20%	5,878	20%	5,506	19%
Other equity	(245)	-1%	(479)	-2%	(416)	-1%
Treasury shares	(928)	-3%	(928)	-3%	(928)	-3%
Total equity attributable to owners of Corporation	14,246	49%	14,068	47%	13,763	48%
Non-controlling interests	540	2%	540	2%	545	2%
Total liabilities and equity	29,236	100%	29,900	100%	28,768	100%
Book Value Per Share	57.23		56.73		55.50	

Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2019	Y2020	Y2021	Y2022	1Q23~3Q23
Operating Revenues	22,051	23,735	29,527	33,129	24,860
Gross Profit	5,549	5,751	6,655	7,340	5,728
Gross Profit Margin	25%	24%	23%	22%	23%
Operating Expenses	4,942	4,826	5,522	6,083	4,592
Operating Income	607	925	1,133	1,257	1,136
Operating Income Margin	3%	4%	4%	4%	4%
Non-Operating Items	1,596	926	318	136	450
Net Income, attributable to owners of parent	1,808	1,666	1,214	1,091	1,219
Net Income Margin	8%	7%	4%	3%	5%
EPS	7.31	6.72	4.90	4.40	4.91

INCOME STATEMENT

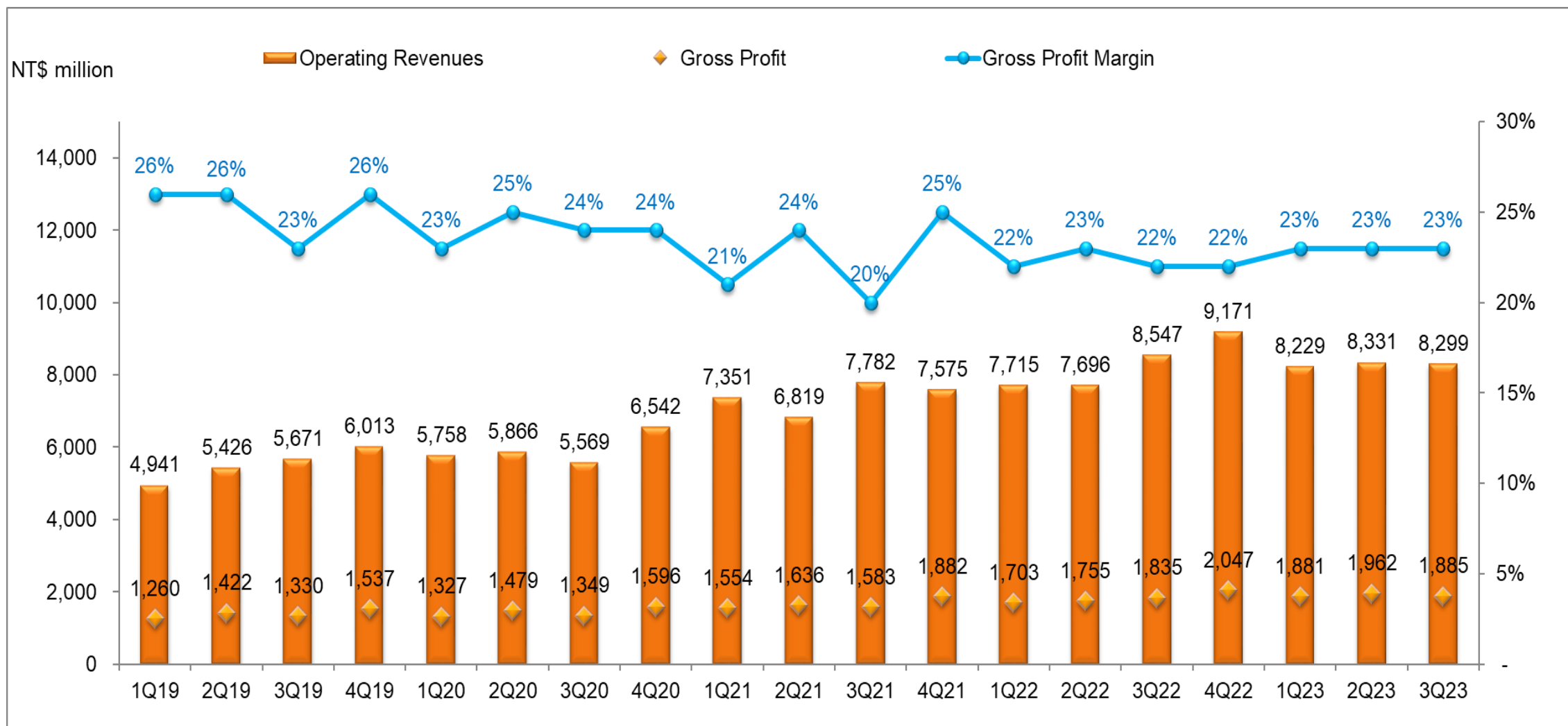
UNIT : NT\$ million ,%

ITEM	3Q23	2Q23	DIFF	3Q22	DIFF	1Q23~3Q23	1Q22~3Q22	DIFF
Operating Revenues	8,299	8,331	(32)	8,547	(247)	24,860	23,958	902
Operating Costs	6,414	6,369	45	6,712	(297)	19,132	18,665	467
Gross Profit	1,885	1,962	(77)	1,835	49	5,728	5,293	435
Gross Profit Margin	23%	23%	-	22%	1%	23%	22%	1%
Operating Expenses	1,583	1,525	58	1,550	33	4,592	4,272	320
Operating Income	302	437	(135)	285	16	1,136	1,021	115
Operating Income Margin	4%	5%	-1%	4%	-	4%	4%	-
Non-Operating Items (Notes 1)	140	122	18	106	35	450	1	449
Income Before Income Tax	442	559	(117)	391	50	1,586	1,022	564
Income Tax Expense	88	115	(27)	62	26	302	213	89
Net Income	354	444	(90)	329	25	1,284	809	475
Net Income, attributable to non-controlling interests	17	18	(1)	15	1	65	25	40
Net Income, attributable to owners of parent	337	426	(89)	314	23	1,219	784	435
EPS	1.36	1.72	(0.36)	1.26	0.10	4.91	3.16	1.75

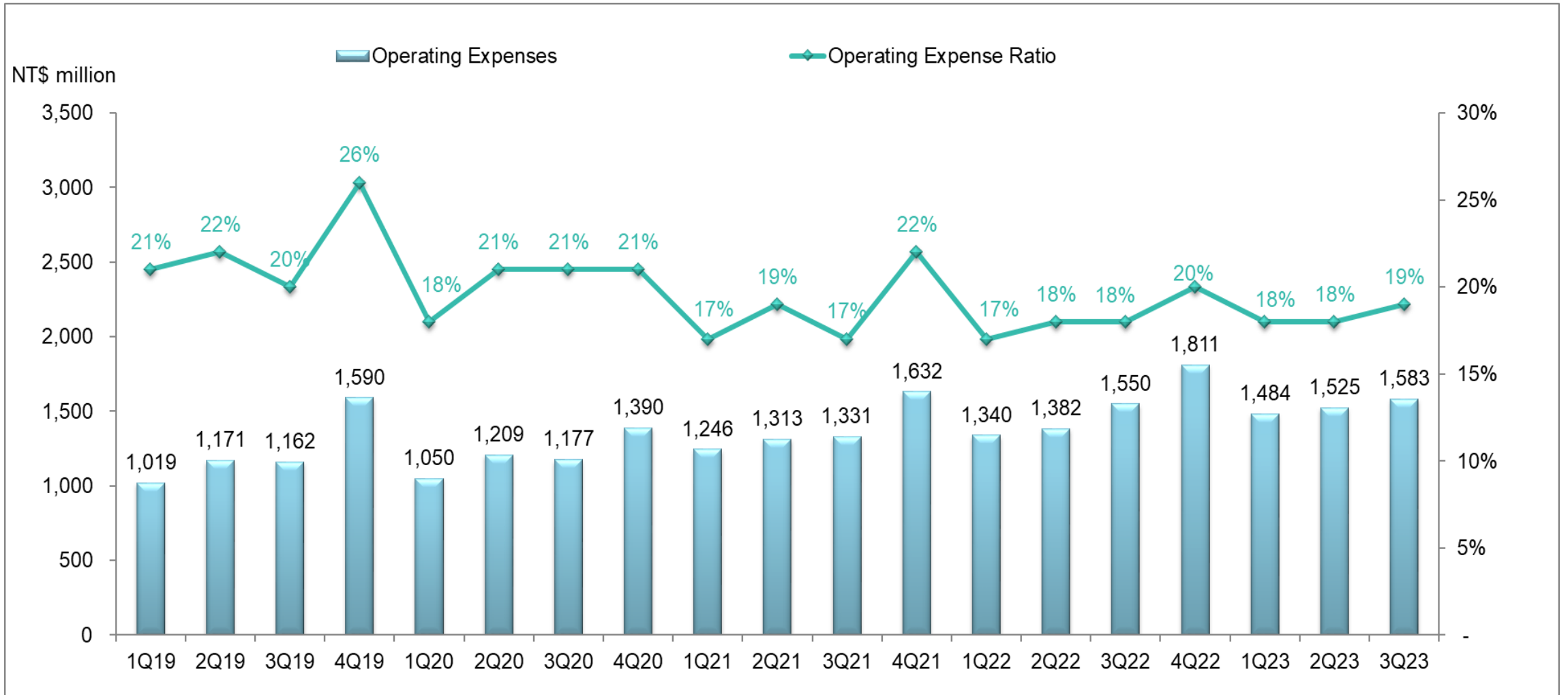
Notes1 : Non-Operating Items

	3Q23	2Q23	DIFF	3Q22	DIFF	1Q23~3Q23	1Q22~3Q22	DIFF
Interest income and expense	3	8	(4)	(16)	19	5	(38)	43
Share of profit of associates	28	30	(1)	19	10	65	20	45
Gains on disposals of investments	7	9	(2)	0	7	16	0	16
Gains on financial assets at fair value through profit or loss	100	14	85	69	31	300	(109)	409
Dividend income	2	58	(57)	20	(18)	62	66	(4)
Foreign exchange gain(loss) , net	(0)	(3)	2	16	(16)	(4)	21	(25)
Gain (loss) on disposal of property, plant and equipment, net	(1)	(2)	0	1	(2)	(4)	3	(7)
Other non-operating income and expenses	1	8	(6)	(3)	5	10	38	(28)
Total non-operating income and expenses	140	122	18	106	34	450	1	449

Consolidated Operating Revenues & Gross Profit Margin



Operating Expenses By Quarter



Corporate Sustainability



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



Won the “2022 Happy Enterprise Award” by 1111 Job Bank.

Reward the “2022 Work-Life Balance Award – Family-Friendly Award” by Ministry of Labor.

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



Obtained the “2022 Corporate Hire Athletic Instructor Program Award” by Sports Administration, Ministry of Education.

Recognized as “isports Enterprise” by Sports Administration, MOE



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

Reward the “2022 Excellence in Corporate Social Responsibility Award” by the CommonWealth Magazine.



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



Young Turing Program:

Reward the “Asia Responsible Enterprise Awards – Investment in People” by the Enterprise Asia in 2022.

Reward the “2022 Taiwan Sustainability Action Awards SDG 4 – Silver Award” by the Taiwan Institute of Sustainable Energy.



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

2017
AI+ Generator Program, supporting startups to speed up market fit and go global

2019
Action Intelligence for Social Goods Award, encouraging organizations to utilize technology to create impact



2021
Respond to PaGamO program and adopt two remote schools in Xinwu Township, Taoyuan County,



Cooperated with NYCU to contribute and foster future BioTIC research talent

2014-2016

2017-2020

2021-2022

2016
Founded Young Turing Program to encourage high school students to devote themselves to programming and try to fix social problems



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

2022
Combining the staff movement and tree planting activities, SYSTEX promised to plant a tree while each employee fun 5 kilometers, to help Taiwan create the coastal forest.



Young Talents are the Key to Future

SDGs



UNESCO



SYSTEMX

With our core competency – software to implement corporate social responsibility

Offering software talents multiple development plan in different ages

Elementary School



High School



少年圖靈計畫
Young Turing Program

University/ Graduate School

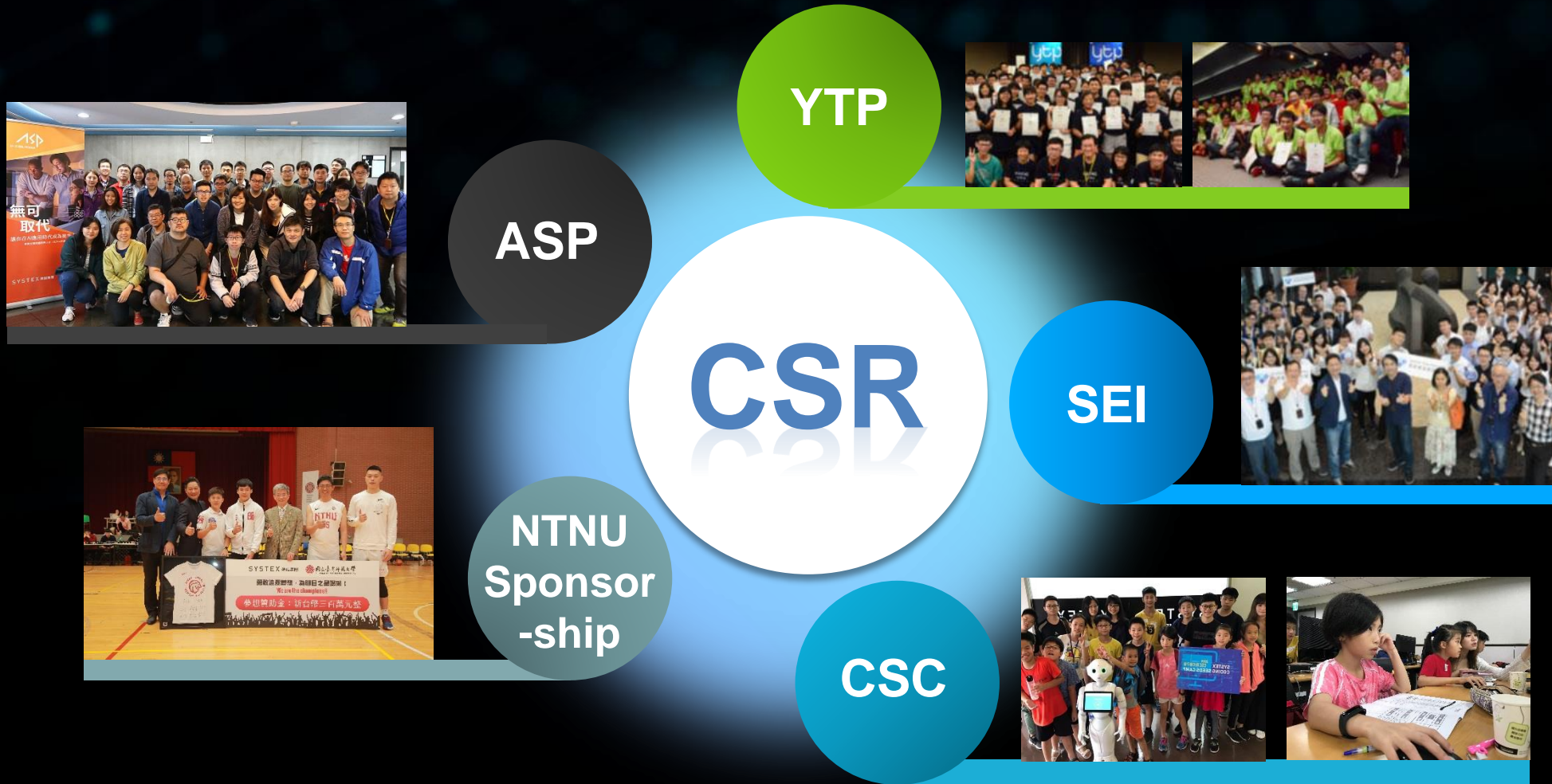


SYSTEMX Elite Internship
菁英養成實習計劃



精誠雲學院
次世代IT人才培育課程

Cultivating Software Talents for Taiwan



Thank You

SYSTEMX 精誠集團 DATA SOFTWARE ORCHESTRATION

An abstract digital graphic on the right side of the slide. It features several glowing, overlapping loops of light in shades of blue and green. The loops are composed of many small dots connected by thin lines, creating a sense of motion and energy. In the background, there is a faint network structure of dots and lines, suggesting a data or software ecosystem.