

SYSTEMX Profile

*CFO & COMPANY SPOKESMAN
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A leading Taiwan-based IT Services Provider

- Employees: 4,000 (as of Jan., 2021)
- 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
- 2020 Revenue: USD \$803 Million



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

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

Won Microsoft's 2019 Taiwan Partner of the Year Award

2013-2019

2020

Founded AI HPC brand **GARAOTUS** focusing on
overseas cloud market

Invested **Baoruh** to enter the internet of vehicles
based on 5G communications market

Invested **E-Service Information Co.** to develop
data driven applications

Invested **TIST Co.**, adding value to social welfare
system

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%

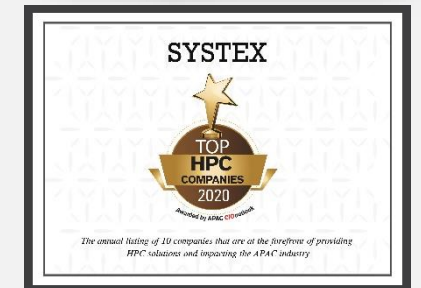
China

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

■ Certification

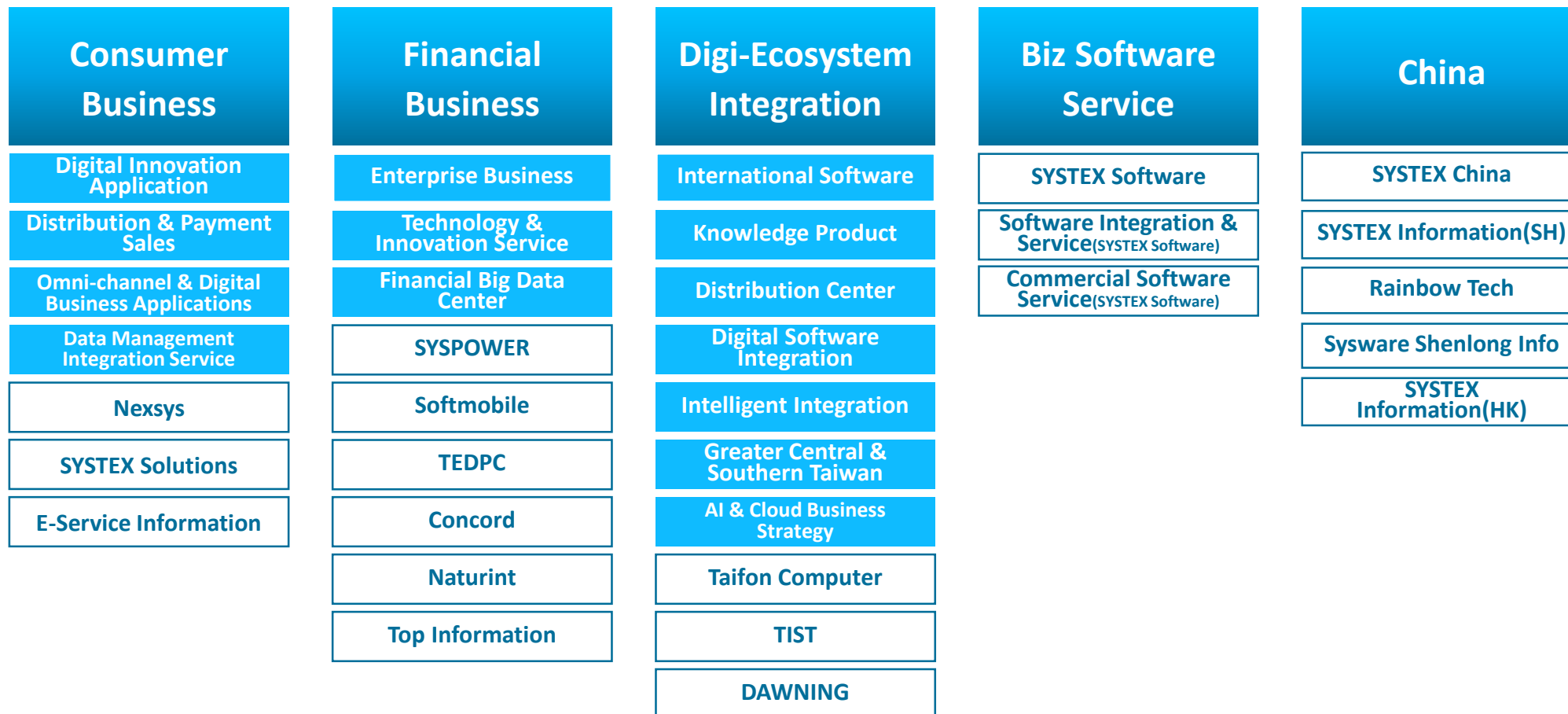
- ✓ ISO 9001 Quality Management
- ✓ ISO 27001 Information Security Management
- ✓ ISO 23001 Business Continuity Management
- ✓ BS 10012 Personal Information Management



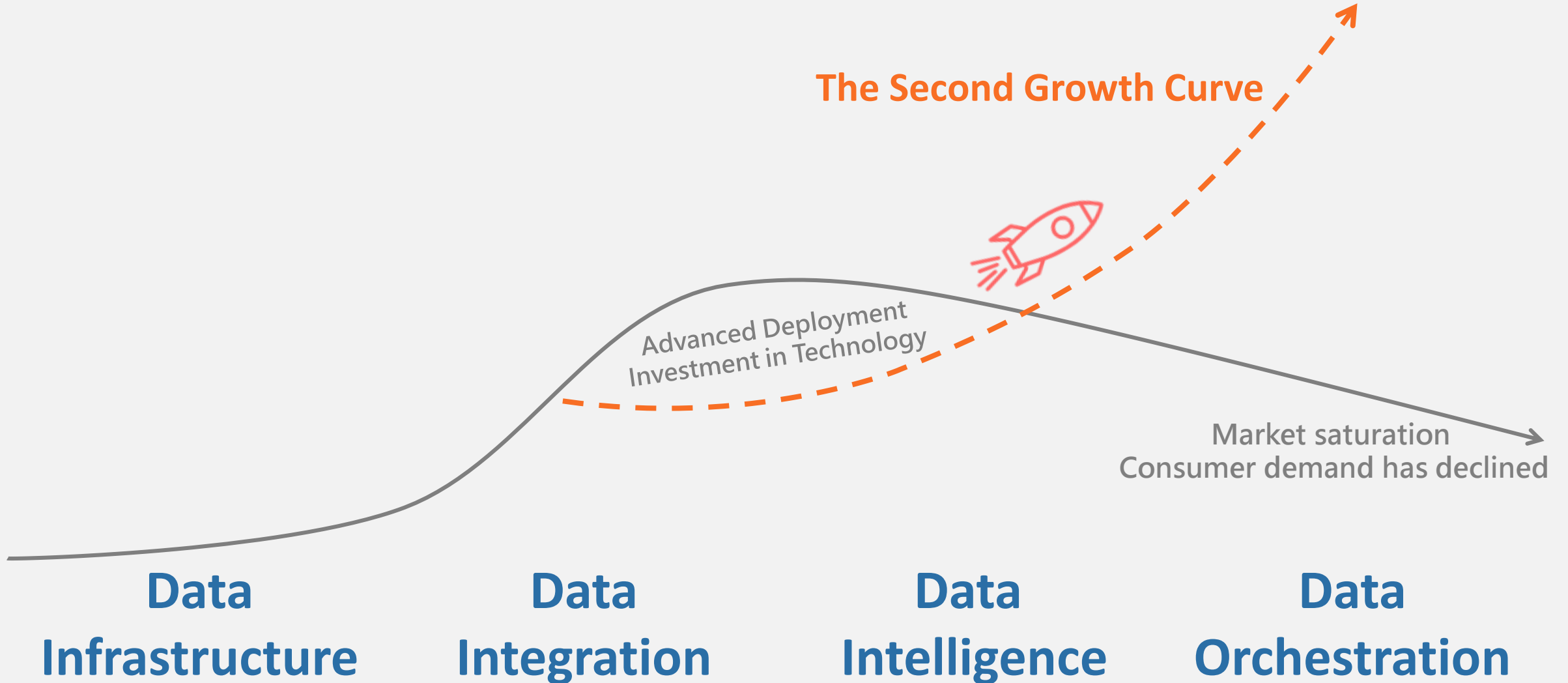
Cross Border / Industry Operating Organizations

Enterprise

Branch



Exponential Business Growth Curve



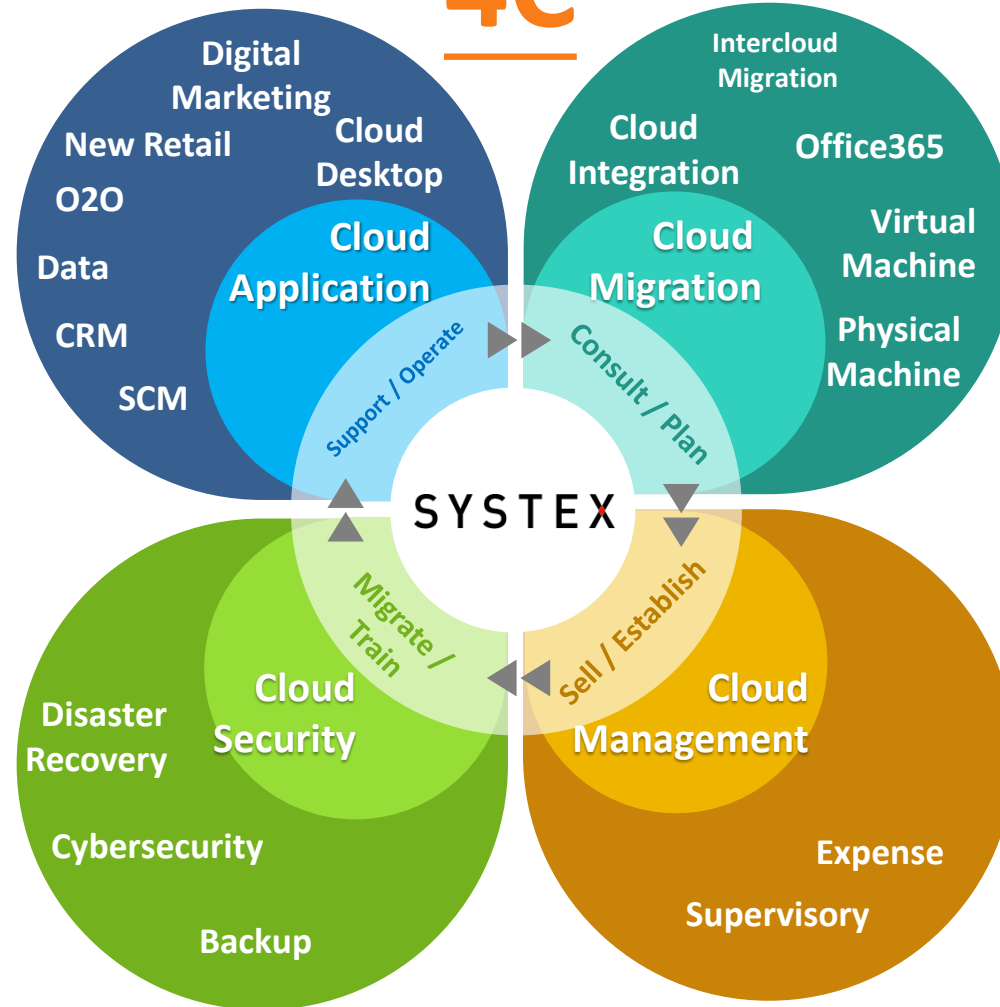
Core Competence : 5A@4C.3D

5A

4C

3D

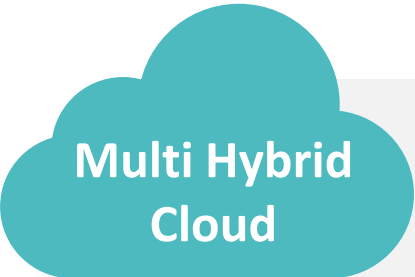
AP
APP
API
Appliance
Algorithm



Data Integration
Data Intelligence
Data Orchestration

Data Orchestration

Data Monetization	Data Insight	Data Governance
Data Integration	Data Intelligence	Data Orchestration
Software	Data	Algorithm



Virtualization



Container



Micro services

5 Key Application Aspects

Smart Manufacturing

*Key processing/
heterogeneous data
Integration*

- ✓ 3D War Room
- ✓ Global Distributor Inquiry System
- ✓ Production Information and Raw Material Management System
- ✓ AI-Driven IT/OT/IoT Security
- ✓ AI-AOI
- ✓ AR Smart Maintenance
- ✓ Quality-Control & Data Analytics Platform
- ✓ Product Quality Prediction and Optimization

Smart City

*Smart Service,
Better Life*

- ✓ Shop Push Marketing
- ✓ Smart School
- ✓ Virtual and Real Citizen Card Applications
- ✓ Infectious Disease Reporting System
- ✓ Digital Archive
- ✓ Omni-Payments
- ✓ Self-Service Ordering/Vender Machine
- ✓ AI Robot/ Facial Recognition
- ✓ Visitor Flow Analysis

Smart Finance

*Integration of Fintech
Innovation*

- ✓ CRM System
- ✓ Robo-advisor
- ✓ Service Robots
- ✓ TA Robot
- ✓ AI-based Customer Service
- ✓ Mobile Payment
- ✓ Digital Insurance
- ✓ Anti-Money Laundering
- ✓ AI-Based Fraud Detection
- ✓ Interactive Marketing

Smart Security

*Continuous, Effectiveness,
Cyber Security Eco-system
Integration*

- ✓ Continuous Adaptive Risk/Trust Assessment
- ✓ Cyber Center Operation
- ✓ Blue Team Exercise
- ✓ Human Error Insight System / Social Engineering Solution
- ✓ Cyber Security Solutions Distribution
- ✓ Cyber Security Assessment Check
- ✓ GCB Deployment and Management

Smart Healthcare

*Comprehensive Medical Care
Solutions*

- ✓ NLP Chatbots for Healthcare
- ✓ AI-powered Cloud Service for Healthcare
- ✓ Sarcopenia Assessment Tools
- ✓ OSCE Online Examination System
- ✓ Ward Round APP
- ✓ Health Insurance e-Examination Platform
- ✓ HIS/PACS

Global Ecosystem Partners

AI	HITACHI Inspire the Next	Hewlett Packard Enterprise	Informatica	Google Cloud Platform	NetApp	IBM Premier Business Partner	aws partner network Select Consulting Partner	PURESTORAGE	CISCO	MICRO FOCUS	UiPath	hp	Microsoft					
Analytics	Microsoft	CISCO	HITACHI Inspire the Next	VERITAS	MICRO FOCUS	Google Cloud Platform	IBM Premier Business Partner	Hewlett Packard Enterprise	aws partner network Select Consulting Partner	vmware	ORACLE	splunk>	UiPath	Trinity				
HCI	NUTANIX	CISCO	vmware	DELL Technologies PLATINUM PARTNER	Hewlett Packard Enterprise	Lenovo	NetApp											
Edge	HITACHI Inspire the Next	CISCO	Google Cloud Platform	Hewlett Packard Enterprise	aws partner network Select Consulting Partner	DELL Technologies PLATINUM PARTNER	vmware	Lenovo	FORTINET	hp	aruba a Hewlett Packard Enterprise company	Microsoft						
Cloud	CISCO	Hewlett Packard Enterprise	Symantec	vmware	FORTINET	rubrik	Red Hat Ready Business Partner	NetApp	FORESCOUT	VERITAS	Google Cloud Platform	aws partner network Select Consulting Partner	IBM Premier Business Partner	Microsoft				
	f5	paloalto	Infoblox NEXT LEVEL NETWORKING	MICRO FOCUS	Informatica	zscaler	PURESTORAGE	Synology	aruba a Hewlett Packard Enterprise company	ORACLE	CITRIX							
Security	Symantec	aws partner network Select Consulting Partner	CISCO	PURESTORAGE	Informatica	paloalto	FORESCOUT	aruba a Hewlett Packard Enterprise company	FORCEPOINT	DARKTRACE	FORTINET	zscaler	CYBERARK					
	IBM Premier Business Partner	f5	splunk>	THALES	MobileIron	rubrik	vmware	Google Cloud Platform	Infoblox NEXT LEVEL NETWORKING	FLEXERA	RAPID7	tufin	FireEye	CROWDSTRIKE	tripwire	tenable	Microsoft	Lock

Industry Clients

Financial



Manufacturing



Service



Government



Medical



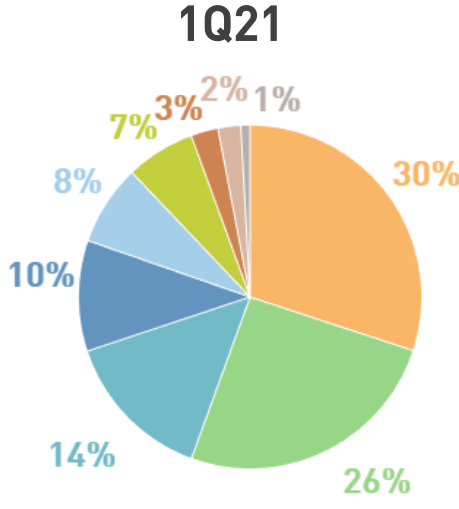
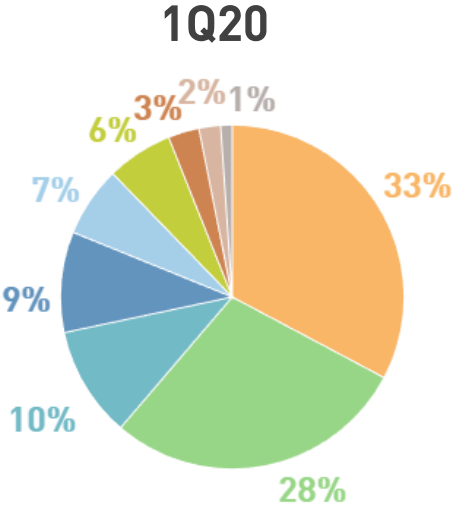
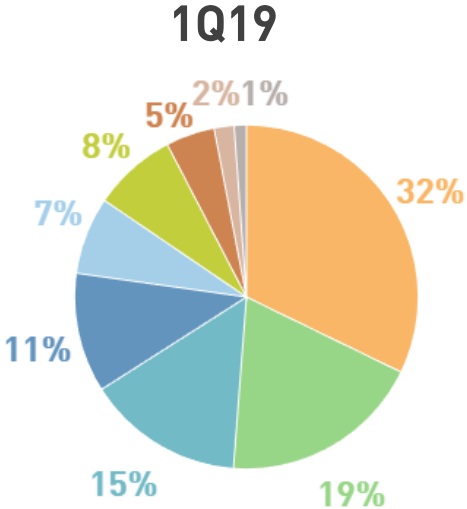
Education



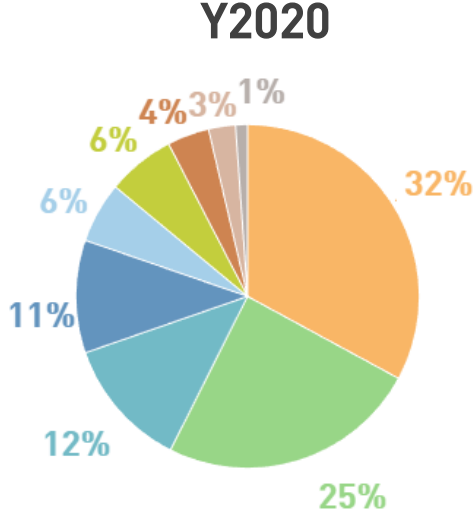
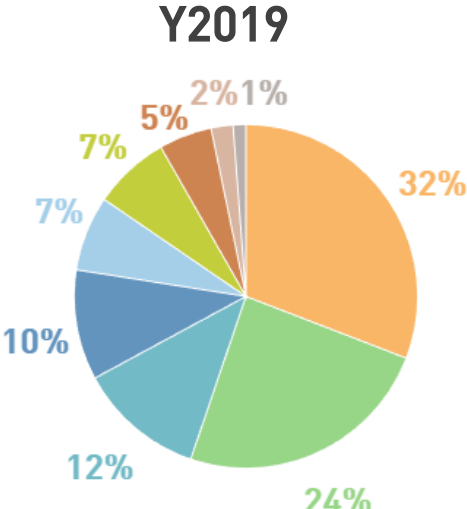
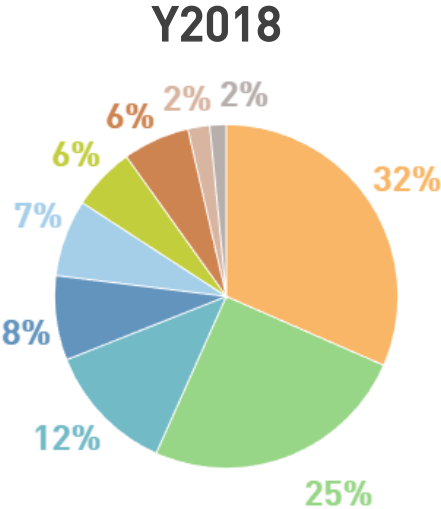
Utilities



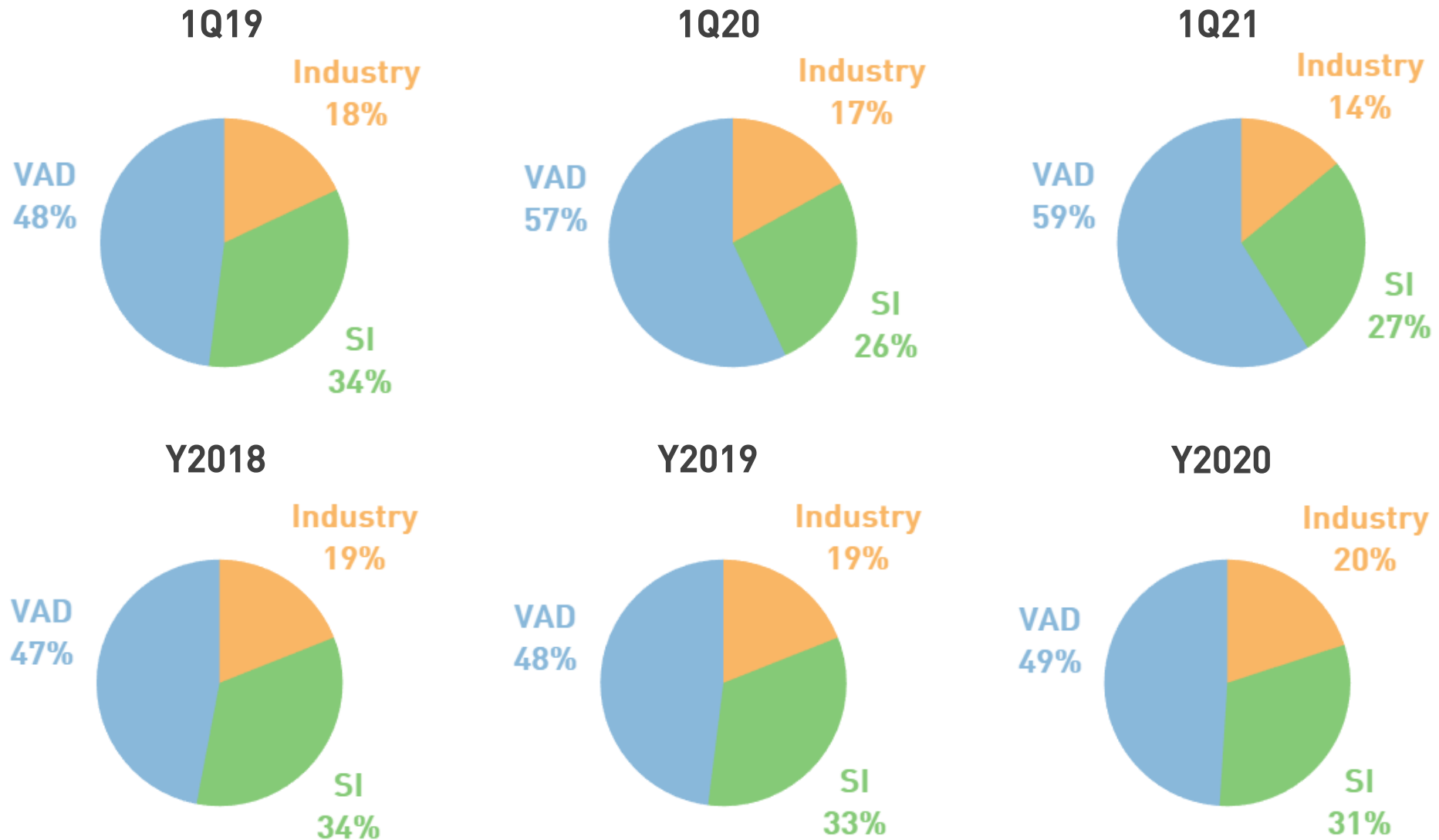
Revenue breakdown by industrial classification



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



Revenue breakdown by business type



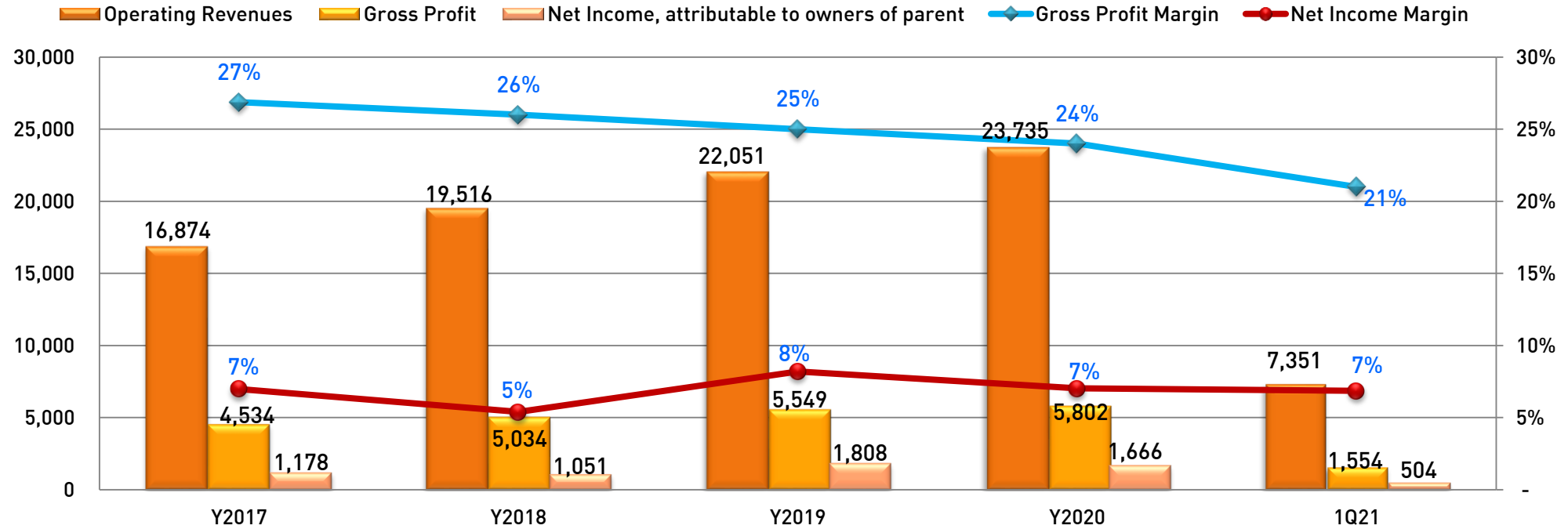
BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2021/3/31	%	2020/12/31	%	2020/3/31	%
Cash and cash equivalents	3,439	16%	3,590	16%	2,627	13%
Current financial assets at fair value through profit or loss	2,861	13%	3,243	15%	3,037	15%
Trade and other current receivables	4,330	19%	3,795	17%	3,437	17%
Inventories	3,108	14%	3,166	14%	2,921	14%
Other current assets	1,913	8%	1,832	9%	1,779	8%
Total current assets	15,651	70%	15,626	71%	13,800	67%
Financial assets at fair value through profit or loss - non-current	1,708	8%	1,575	7%	1,515	7%
Financial assets at fair value through other comprehensive income - non-current	163	1%	683	3%	1,117	5%
Financial assets measured at amortized cost- non-current	500	2%	500	2%	500	2%
Investments accounted for using equity method	1,158	5%	656	3%	826	4%
Property, plant and equipment	2,087	9%	2,099	10%	2,075	10%
Right-of-use assets	335	2%	260	1%	312	2%
Intangible assets	218	1%	131	1%	93	1%
Total other non-current assets	514	2%	499	2%	364	2%
Total non-current assets	6,683	30%	6,403	29%	6,802	33%
Total assets	22,334	100%	22,029	100%	20,602	100%
Short-term loans	1,271	6%	797	4%	501	3%
Notes and accounts payable	3,356	15%	3,639	16%	3,488	17%
Other current liabilities	2,864	13%	3,407	16%	2,506	12%
Total current liabilities	7,491	34%	7,843	36%	6,495	32%
Long-term loans	90	-	100	-	103	0%
Other non-current liabilities	411	2%	437	2%	556	3%
Total non-current liabilities	501	2%	537	2%	659	3%
Total liabilities	7,992	36%	8,380	38%	7,154	35%
Total share capital	2,694	12%	2,694	12%	2,694	13%
Capital surplus	6,491	29%	6,494	29%	6,407	31%
Retained earnings	6,528	29%	6,018	27%	5,840	28%
Other equity	(659)	-3%	(769)	-3%	(679)	-3%
Treasury shares	(928)	-4%	(928)	-4%	(928)	-4%
Total equity attributable to owners of Corporation	14,126	63%	13,509	61%	13,334	65%
Non-controlling interests	216	1%	140	1%	114	1%
Total liabilities and equity	22,334	100%	22,029	100%	20,602	100%
Book Value Per Share	56.97		54.48		53.77	

Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2017	Y2018	Y2019	Y2020	1Q21
Operating Revenues	16,874	19,516	22,051	23,735	7,351
Gross Profit	4,534	5,034	5,549	5,802	1,554
Gross Profit Margin	27%	26%	25%	24%	21%
Operating Expenses	3,995	4,346	4,942	4,877	1,246
Operating Income	539	688	607	925	308
Operating Income Margin	3%	3%	3%	4%	4%
Non-Operating Items	761	553	1,596	926	249
Net Income, attributable to owners of parent	1,178	1,051	1,808	1,666	504
Net Income Margin	7%	5%	8%	7%	7%
EPS	4.79	4.27	7.31	6.72	2.03

INCOME STATEMENT

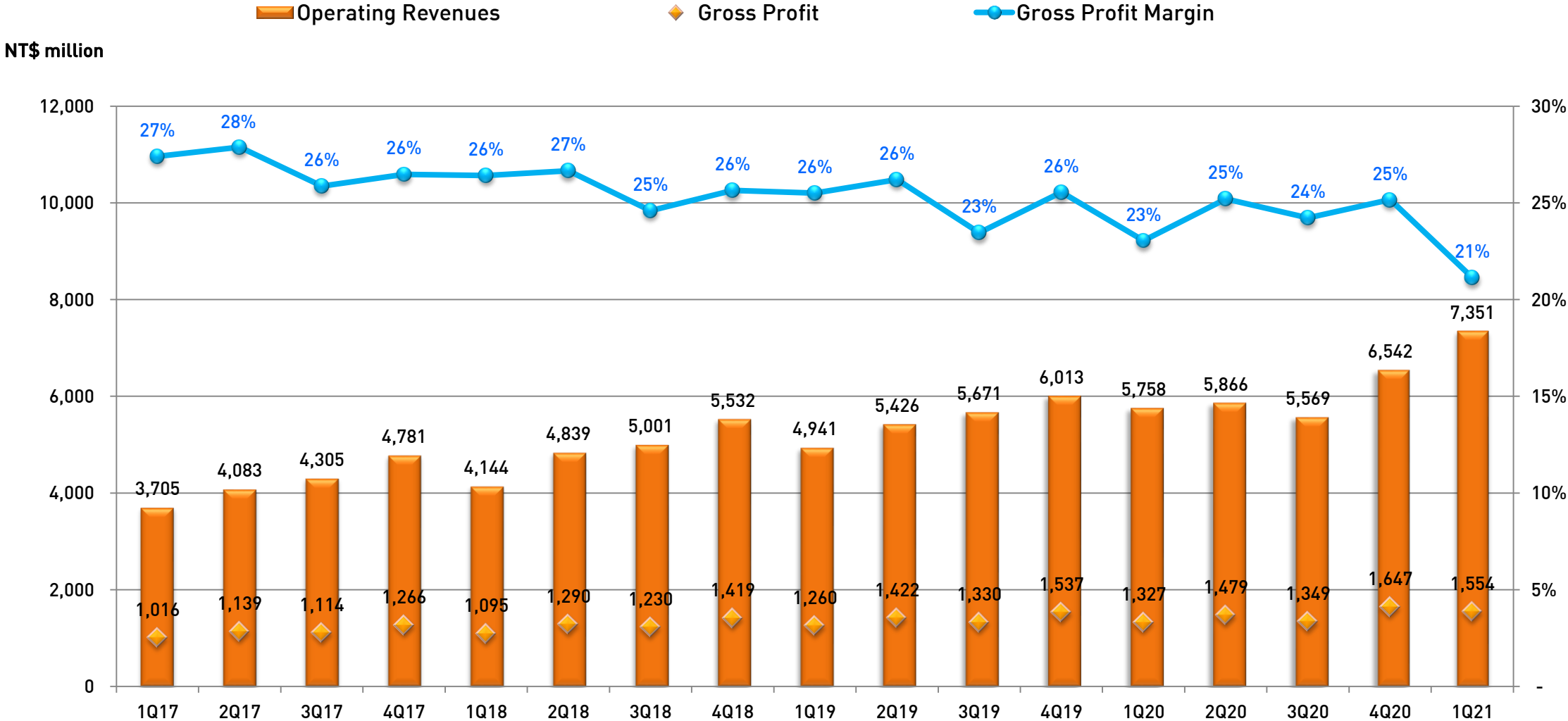
UNIT : NT\$ million ,%

ITEM	1Q21	4Q20	DIFF	1Q20	DIFF
Operating Revenues	7,351	6,542	809	5,758	1,593
Operating Costs	5,797	4,895	902	4,431	1,366
Gross Profit	1,554	1,647	(93)	1,327	227
Gross Profit Margin	21%	25%	-4%	23%	-2%
Operating Expenses	1,246	1,441	(195)	1,050	196
Operating Income	308	206	102	277	31
Operating Income Margin	4%	3%	1%	5%	-1%
Non-Operating Items (Notes 1)	249	170	79	(170)	419
Income Before Income Tax	557	376	181	107	450
Income Tax Expense	52	29	23	48	4
Net Income	505	347	158	59	446
Net Income, attributable to non-controlling interests	1	7	(6)	(1)	2
Net Income, attributable to owners of parent	504	340	164	60	444
EPS	2.03	1.38	0.65	0.24	1.79

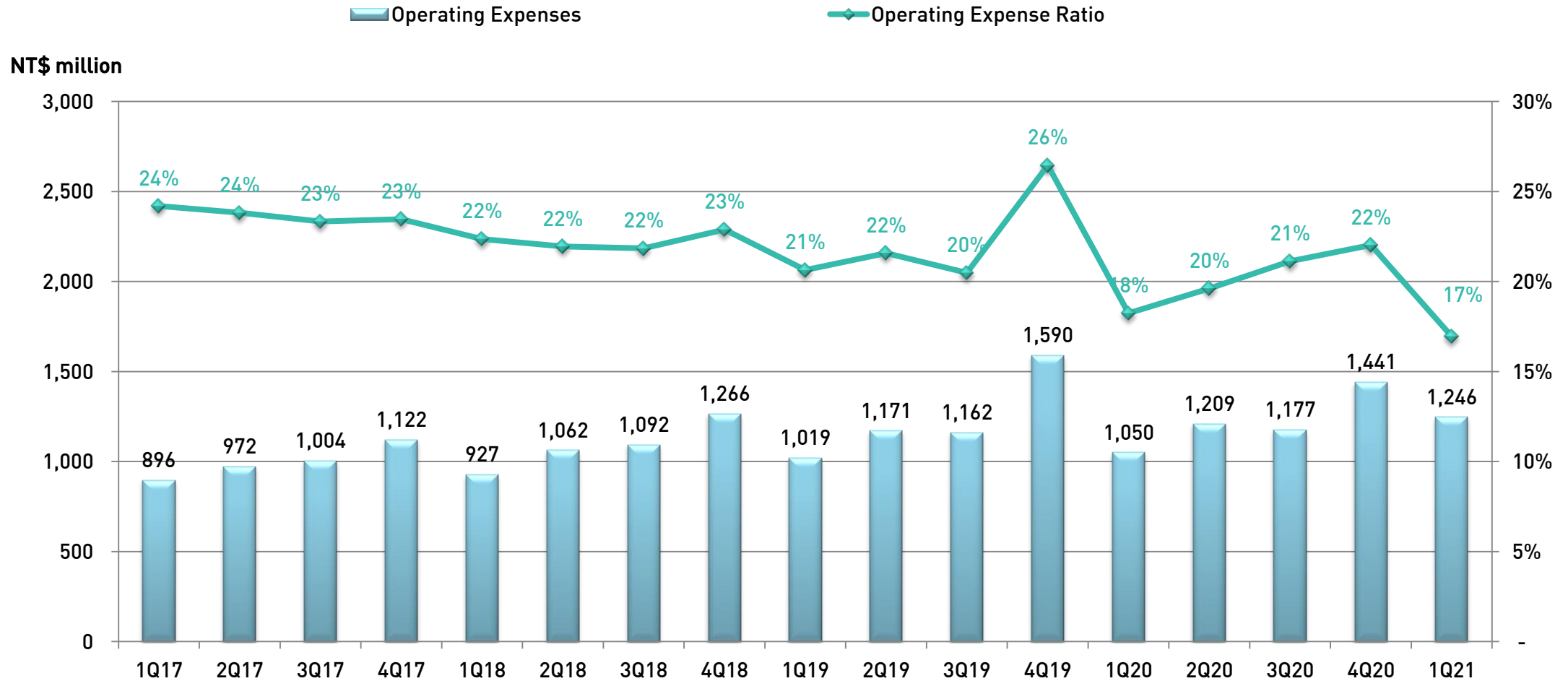
Notes1 : Non-Operating Items

	1Q21	4Q20	QoQ	0	YoY
Interest income and expense	1	(2)	3	1	0
Share of profit of associates	9	65	(56)	(1)	10
Gains on disposals of investments	11	13	(2)	4	7
Gains on financial assets at fair value through profit or loss	217	105	112	(180)	397
Dividend income	0	1	(1)	0	0
Foreign exchange gain(loss) , net	2	27	(25)	(6)	8
Impairment loss on l assets	0	(47)	47	0	0
Other non-operating income and expenses	9	8	1	12	(3)
Total non-operating income and expenses	249	170	78	(170)	419

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



The CSR Project, Young Turing Program, won the Silver Prize in the 4th PwC CSR Impact Award



AI+ Generator Program is listed and accepted as an International Startup Incubator by Small and Medium Enterprise Administration, Minister of Economic Affairs



Encourage employees to exercise and has been recognized as "isports Enterprise" which was acknowledged by Sports Administration, MOE



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

Making Good Change for Our World

2014

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

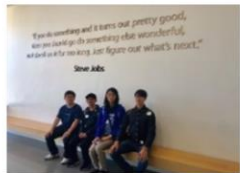
2015

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

2014-2016

2016

Held Young Turing Program to encourage high school students devote themselves to programming and try to fix society problems



2017

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



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

2017-2020

2020

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



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

2019

Action Intelligence for Social Good Award, encouraging organizations to utilize technology to make the world better

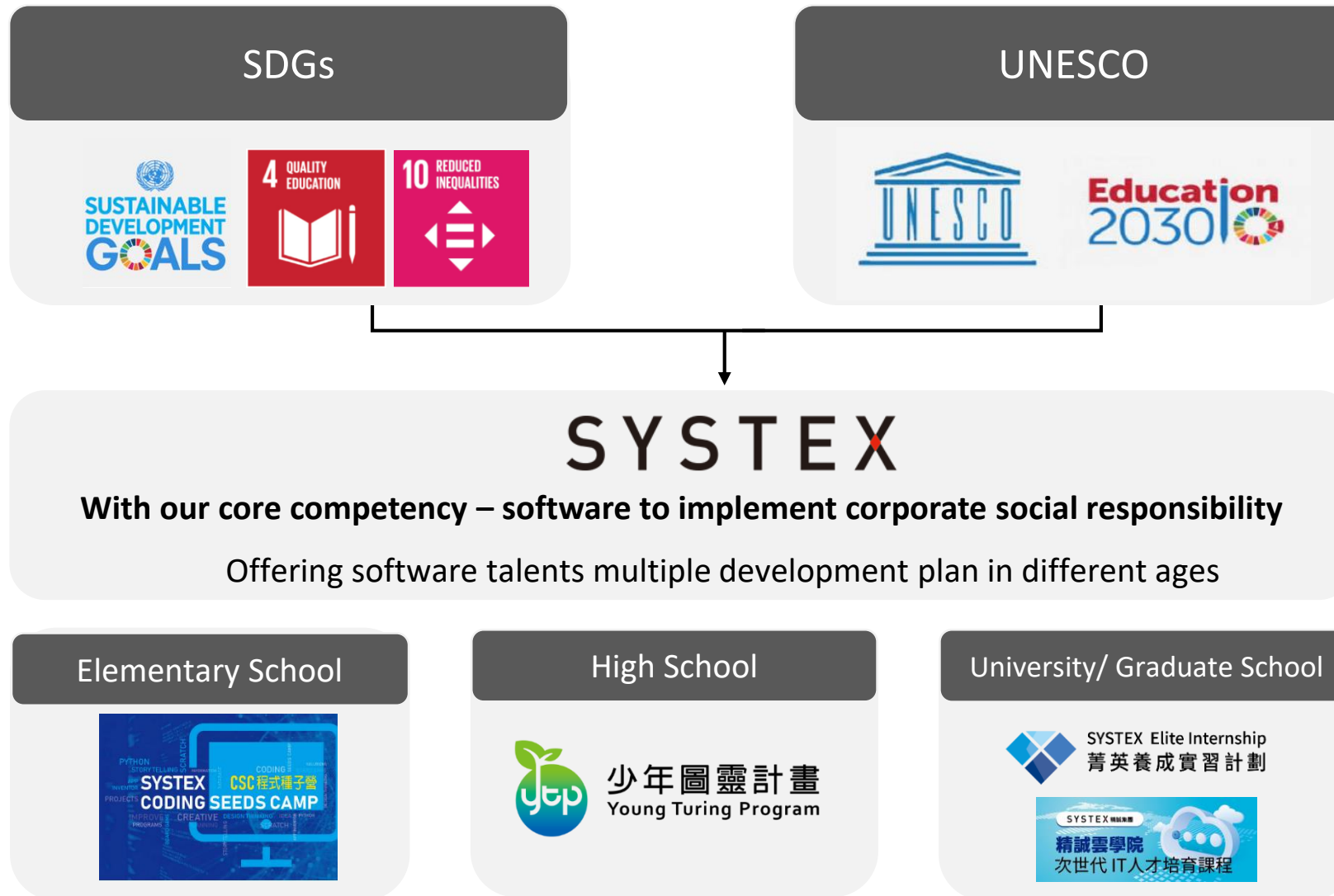


2021

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



Young Talents are the Key to Future



Cultivating Software Talents for Taiwan



ASP

YTP



CSR

SEI



NTNU Sponsorship

CSC





SYSTEMX

Data Software **Orchestration**

Thank You