

SYSTEX Profile

*CFO & COMPANY SPOKESMAN
LARRY CHUNG
2021.11.24*

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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

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.

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

1997-2006

2007-2012

2013-2019

2020

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

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

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

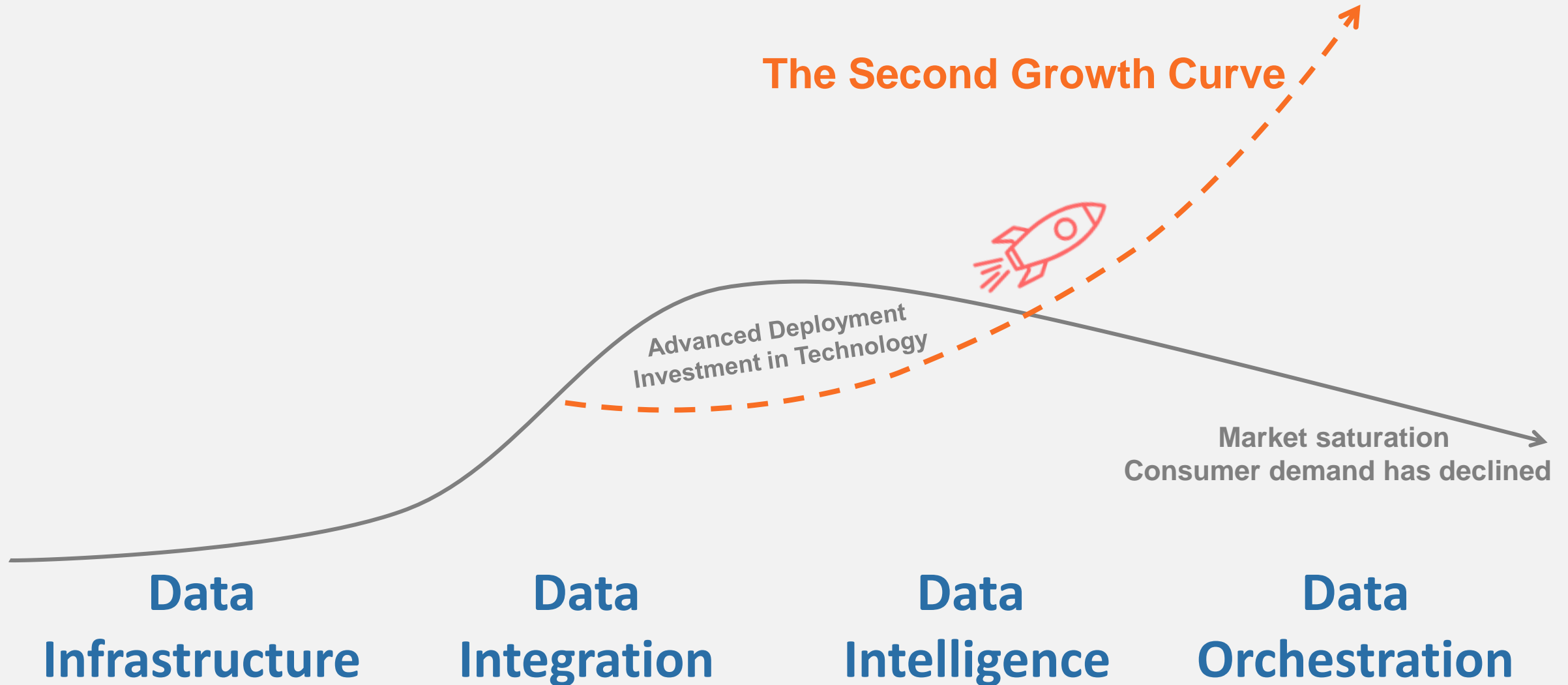
Financial Business
Enterprise Business
Technology & Innovation Service
Financial Big Data Center
SYSPower
Softmobile
TEDPC
Concord
Naturint
Top Information

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

Biz Software Service
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

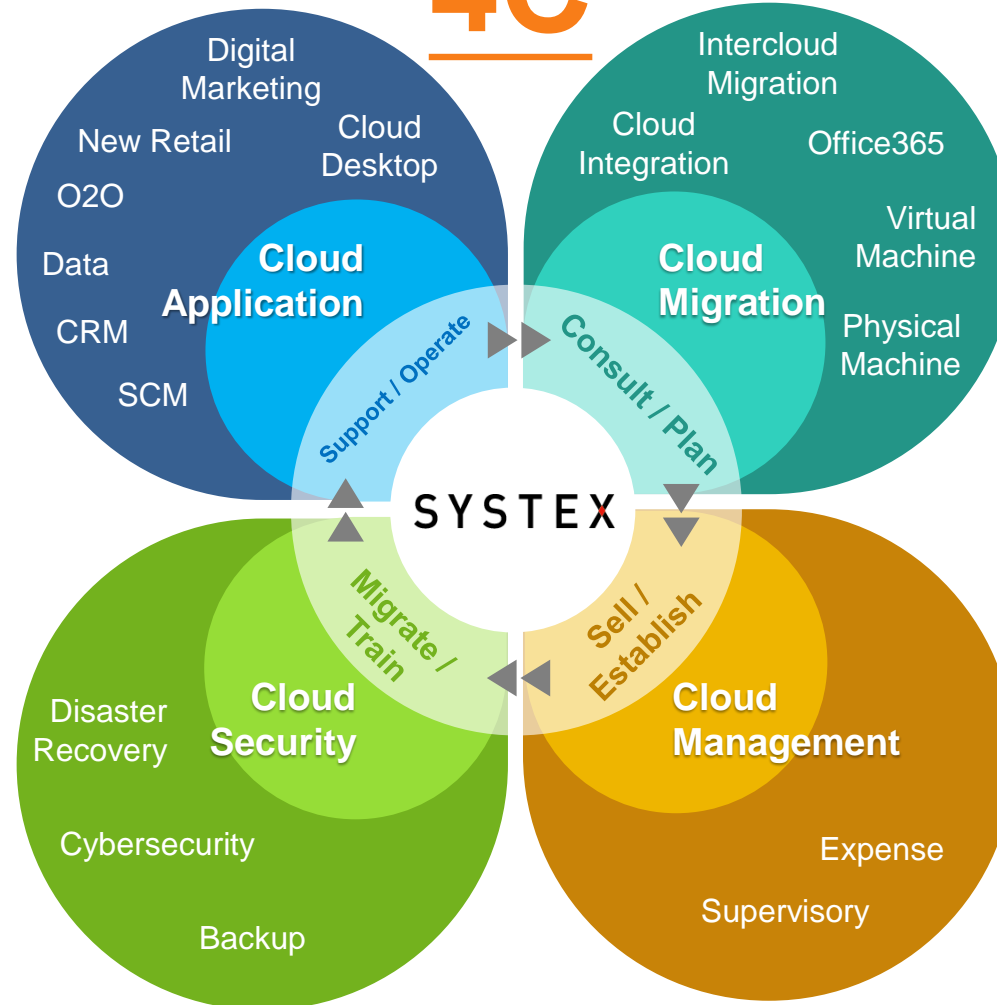


Core Competence : 5A@4C.3D

5A

AP
APP
API
Appliance
Algorithm

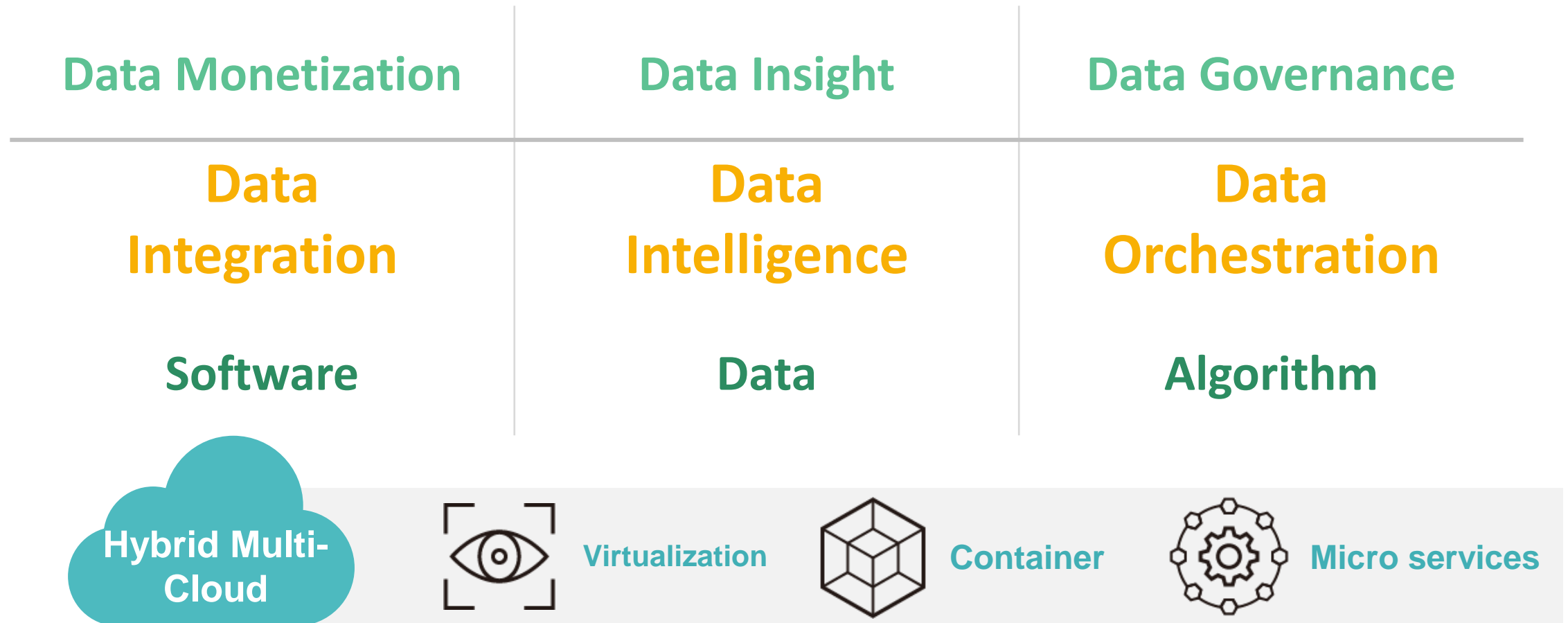
4C



3D

Data Integration
Data Intelligence
Data Orchestration

Data Orchestration



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*





















































































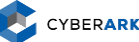
















- ✓ Continuous Adaptive Risk/Trust Assessment
- ✓ Cyber Center Operation
- ✓ Blue Team Exercise
- ✓ Human Error Insight System / Social Engineering Solution
- ✓ Cyber Security Solutions Distribution
- ✓ Cyber Security Assessment Check
- ✓ GCB Deployment and Management

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	 Premier Business Partner IBM	 aws partner network Select Consulting Partner	 PURE STORAGE	 CISCO	 MICRO FOCUS	 UiPath	 hp	 Microsoft			
Analytics	 Microsoft	 CISCO	 HITACHI Inspire the Next	 VERITAS	 MICRO FOCUS	 Google Cloud Platform	 Premier Business Partner IBM	 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	 Premier Business Partner IBM	 Microsoft		
	 f5	 paloalto	 Infoblox NEXT LEVEL NETWORKING	 MICRO FOCUS	 Informatica	 zscaler	 PURE STORAGE	 Synology	 aruba a Hewlett Packard Enterprise company	 ORACLE	 CITRIX					
Security	 Symantec	 aws partner network Select Consulting Partner	 CISCO	 PURE STORAGE	 Informatica	 paloalto	 FORESCOUT	 aruba a Hewlett Packard Enterprise company	 FLEXERA	 FORCEPOINT	 DARKTRACE	 FORTINET	 zscaler	 CYBERARK		
	 Premier Business Partner IBM	 f5	 splunk	 THALES	 MobileIron	 rubrik	 vmware	 Google Cloud Platform	 Infoblox NEXT LEVEL NETWORKING	 RAPID7	 tufin	 FireEye	 CROWDSTRIKE	 tripwire	 Microsoft	 eLock

Industry Clients

Financial



Manufacturing



Service



Government



Medical



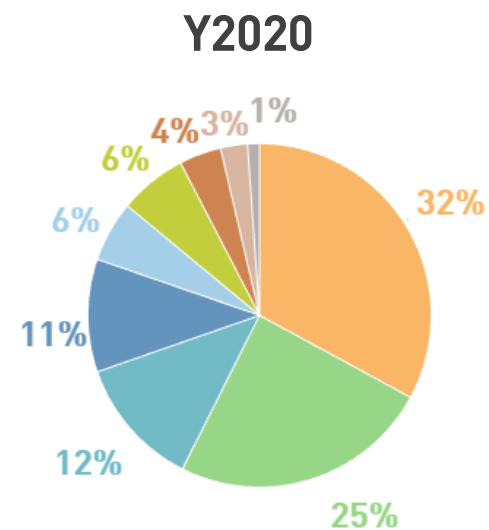
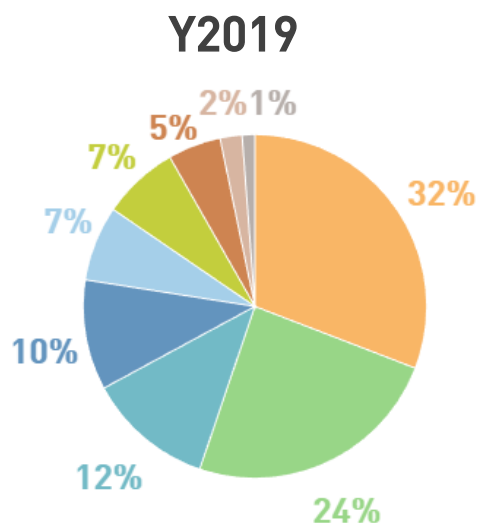
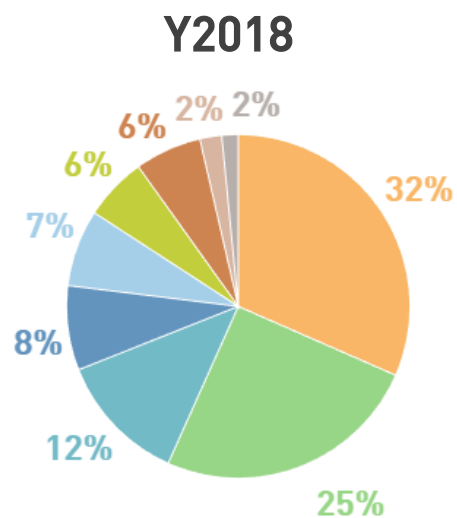
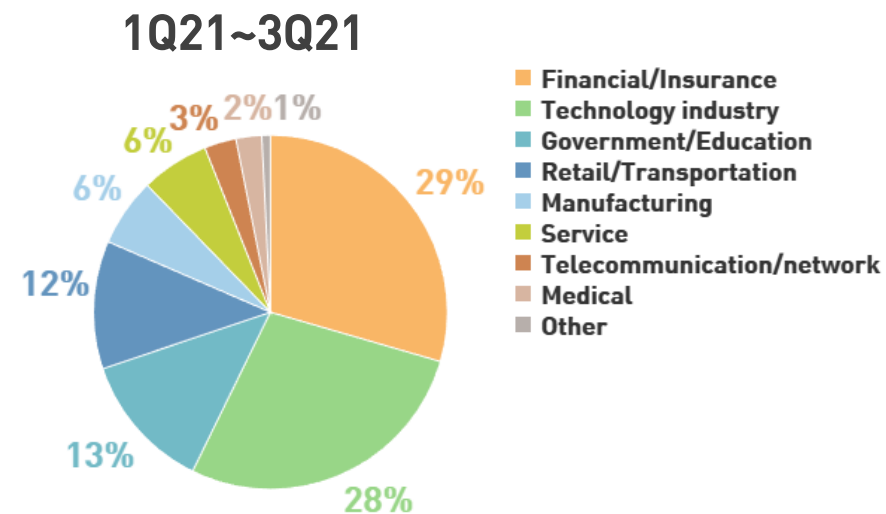
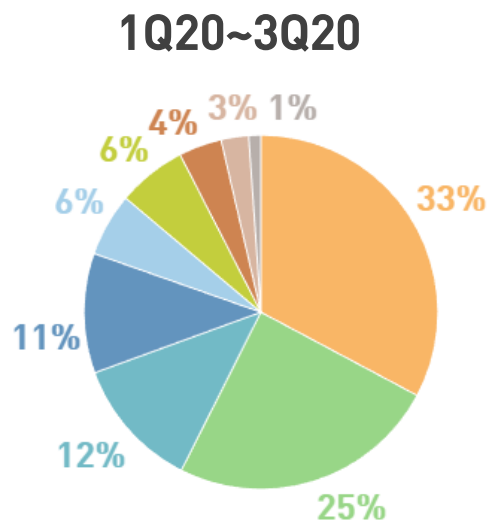
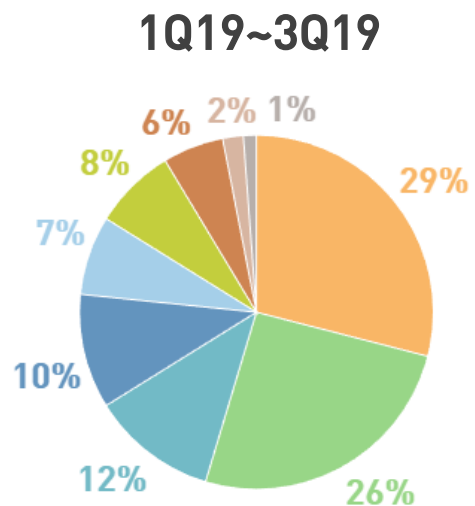
Education



Utilities

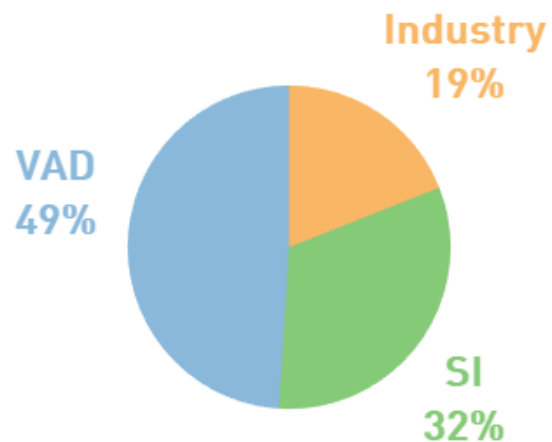


Revenue breakdown by industrial classification

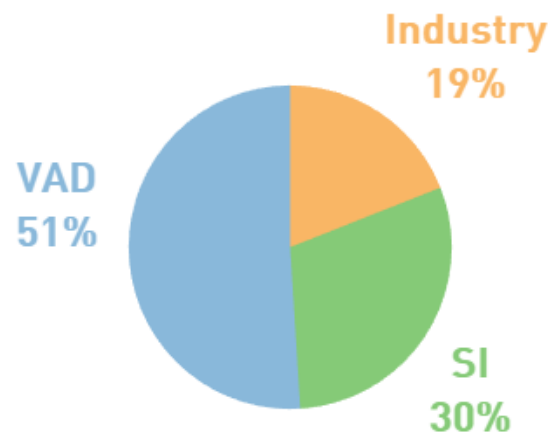


Revenue breakdown by business type

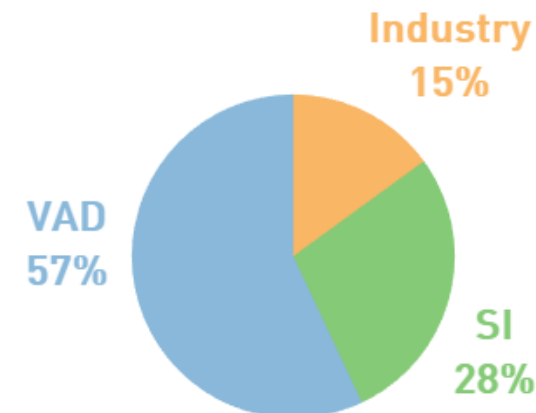
1Q19~3Q19



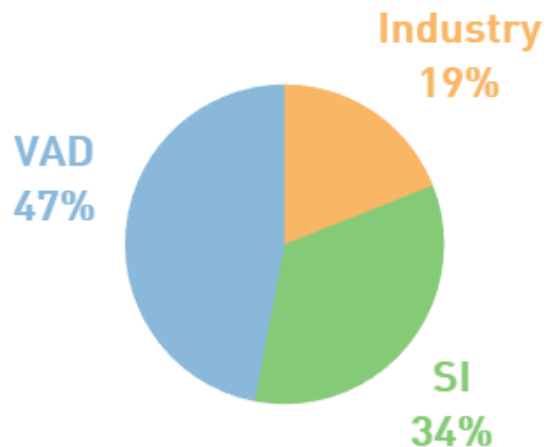
1Q20~3Q20



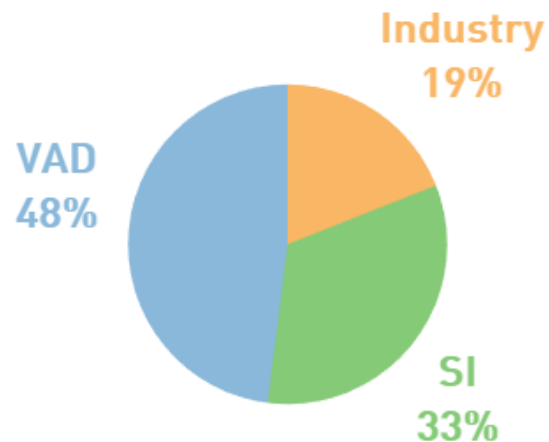
1Q21~3Q21



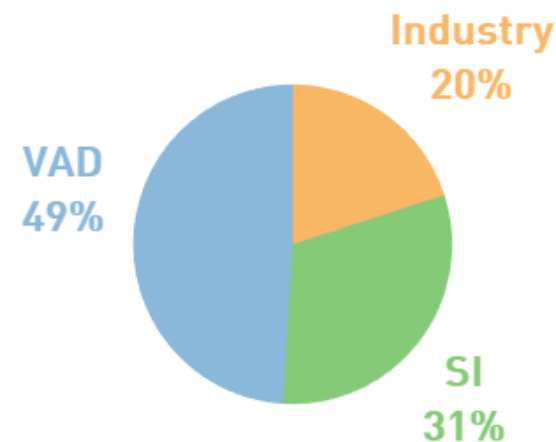
Y2018



Y2019



Y2020



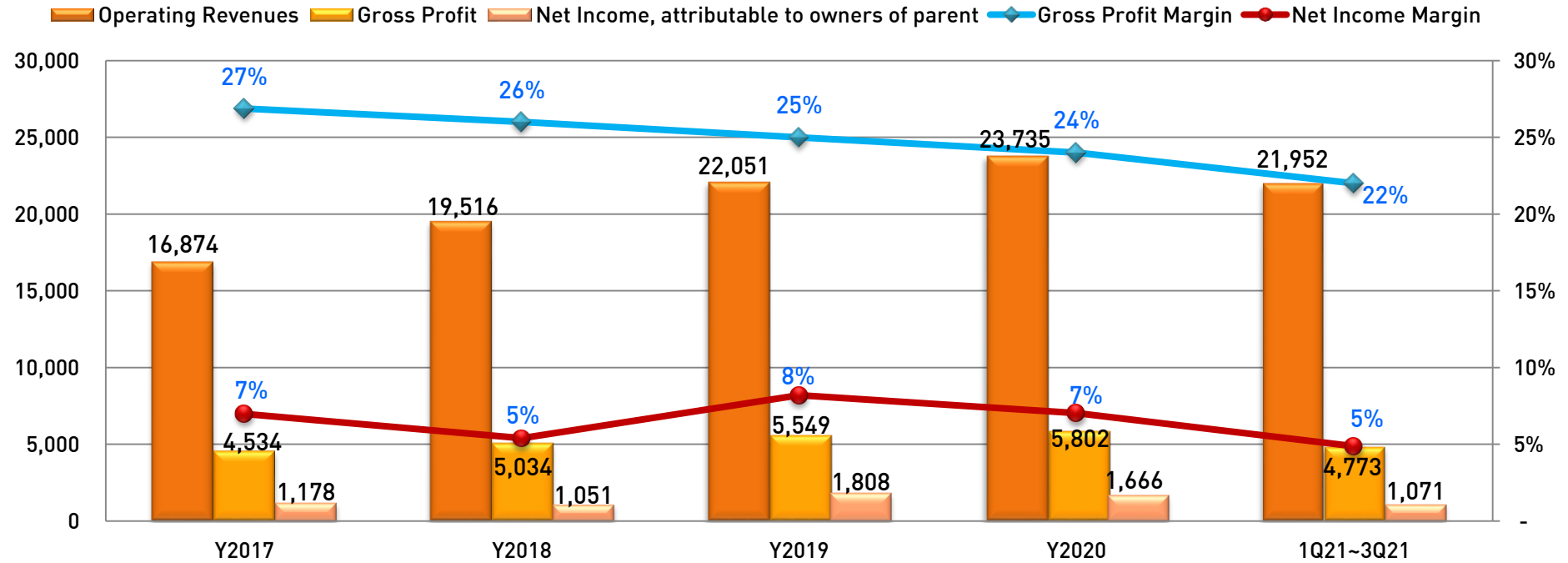
BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2021/9/30	%	2020/12/31	%	2020/9/30	%
Cash and cash equivalents	3,834	15%	3,590	16%	2,783	13%
Current financial assets at fair value through profit or loss	4,589	17%	3,243	15%	2,518	12%
Trade and other current receivables	5,102	19%	3,795	17%	4,019	19%
Inventories	3,303	13%	3,166	14%	3,372	17%
Other current assets	2,380	8%	1,832	9%	1,847	8%
Total current assets	19,209	72%	15,626	71%	14,539	69%
Financial assets at fair value through profit or loss - non-current	1,765	7%	1,575	7%	1,591	8%
Financial assets at fair value through other comprehensive income - non-current	277	1%	683	3%	915	4%
Financial assets measured at amortized cost- non-current	500	2%	500	2%	500	3%
Investments accounted for using equity method	1,614	6%	656	3%	609	3%
Property, plant and equipment	2,097	8%	2,099	10%	2,071	10%
Right-of-use assets	301	1%	260	1%	279	1%
Intangible assets	223	1%	131	1%	100	1%
Total other non-current assets	514	2%	499	2%	383	1%
Total non-current assets	7,291	28%	6,403	29%	6,448	31%
Total assets	26,500	100%	22,029	100%	20,988	100%
Short-term loans	2,168	8%	797	4%	1,244	6%
Notes and accounts payable	4,025	15%	3,639	16%	3,166	15%
Other current liabilities	3,105	12%	3,407	16%	2,694	13%
Total current liabilities	9,299	35%	7,843	36%	7,105	34%
Bonds payable	3,000	11%	0	-	0	-
Premium (discount) on bonds payable	(6)	-	0	-	0	-
Long-term loans	89	-	100	-	94	1%
Other non-current liabilities	398	2%	437	2%	449	2%
Total non-current liabilities	3,481	13%	537	2%	543	3%
Total liabilities	12,780	48%	8,380	38%	7,648	36%
Total share capital	2,694	10%	2,694	12%	2,694	13%
Capital surplus	6,605	25%	6,494	29%	6,514	31%
Retained earnings	5,748	22%	6,018	27%	5,722	27%
Other equity	(687)	-3%	(769)	-3%	(778)	-4%
Treasury shares	(928)	-3%	(928)	-4%	(928)	-4%
Total equity attributable to owners of Corporation	13,432	51%	13,509	61%	13,225	63%
Non-controlling interests	288	1%	140	1%	115	1%
Total liabilities and equity	26,500	100%	22,029	100%	20,988	100%
Book Value Per Share	54.17		54.48		53.33	

Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2017	Y2018	Y2019	Y2020	1Q21~3Q21
Operating Revenues	16,874	19,516	22,051	23,735	21,952
Gross Profit	4,534	5,034	5,549	5,802	4,773
Gross Profit Margin	27%	26%	25%	24%	22%
Operating Expenses	3,995	4,346	4,942	4,877	3,890
Operating Income	539	688	607	925	883
Operating Income Margin	3%	3%	3%	4%	4%
Non-Operating Items	761	553	1,596	926	389
Net Income, attributable to owners of parent	1,178	1,051	1,808	1,666	1,071
Net Income Margin	7%	5%	8%	7%	5%
EPS	4.79	4.27	7.31	6.72	4.32

INCOME STATEMENT

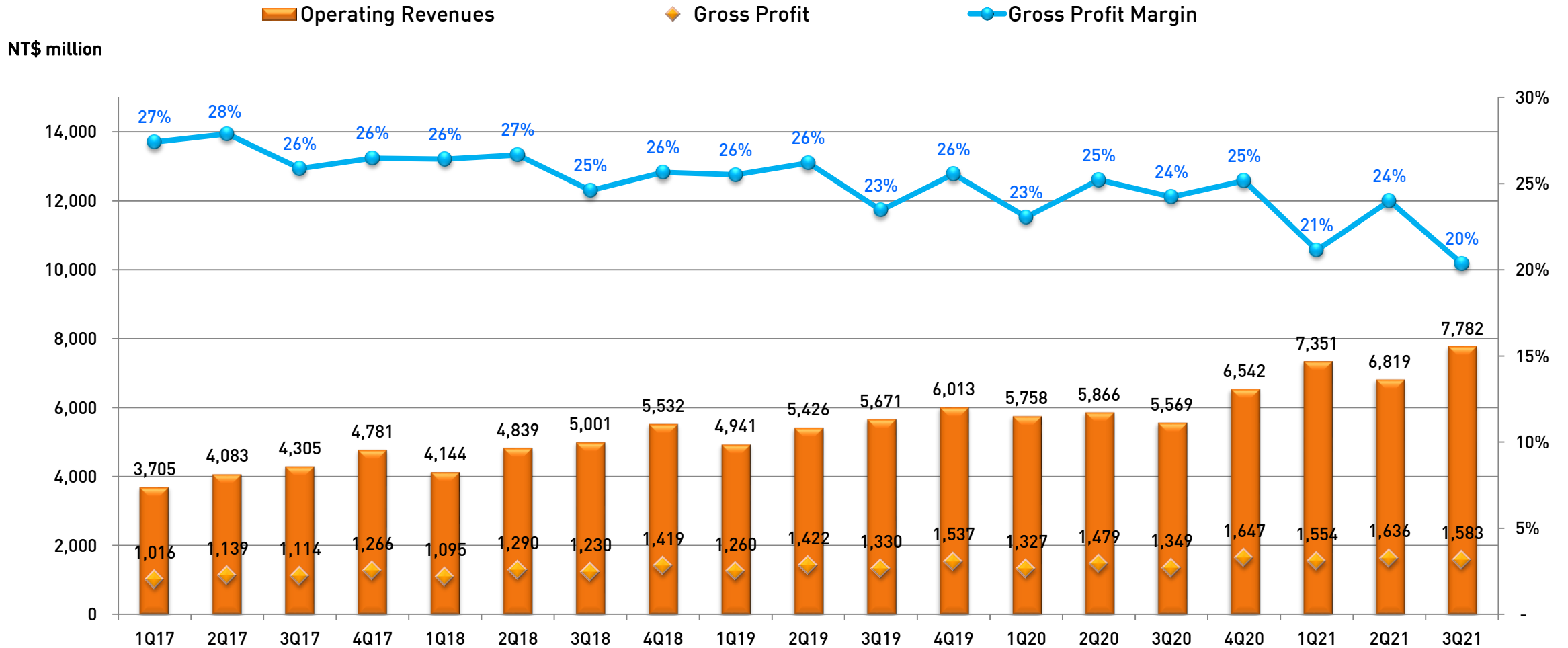
UNIT : NT\$ million ,%

ITEM	3Q21	2Q21	DIFF	3Q20	DIFF	1Q21~3Q21	1Q20~3Q20	DIFF
Operating Revenues	7,782	6,819	963	5,569	2,213	21,952	17,193	4,759
Operating Costs	6,199	5,183	1,016	4,220	1,979	17,179	13,038	4,141
Gross Profit	1,583	1,636	(53)	1,349	234	4,773	4,155	618
Gross Profit Margin	20%	24%	-4%	24%	-4%	22%	24%	-2%
Operating Expenses	1,331	1,313	18	1,177	154	3,890	3,436	454
Operating Income	252	323	(71)	172	80	883	719	164
Operating Income Margin	3%	5%	-2%	3%	-	4%	4%	-
Non-Operating Items (Notes 1)	42	98	(56)	366	(324)	389	756	(367)
Income Before Income Tax	294	421	(127)	538	(244)	1,272	1,475	(203)
Income Tax Expense	60	84	(24)	35	25	197	147	50
Net Income	234	337	(103)	503	(269)	1,075	1,328	(253)
Net Income, attributable to non-controlling interests	3	0	3	(1)	4	4	2	2
Net Income, attributable to owners of parent	231	337	(106)	504	(273)	1,071	1,326	(255)
EPS	0.93	1.36	(0.43)	2.03	(1.10)	4.32	5.35	(1.03)

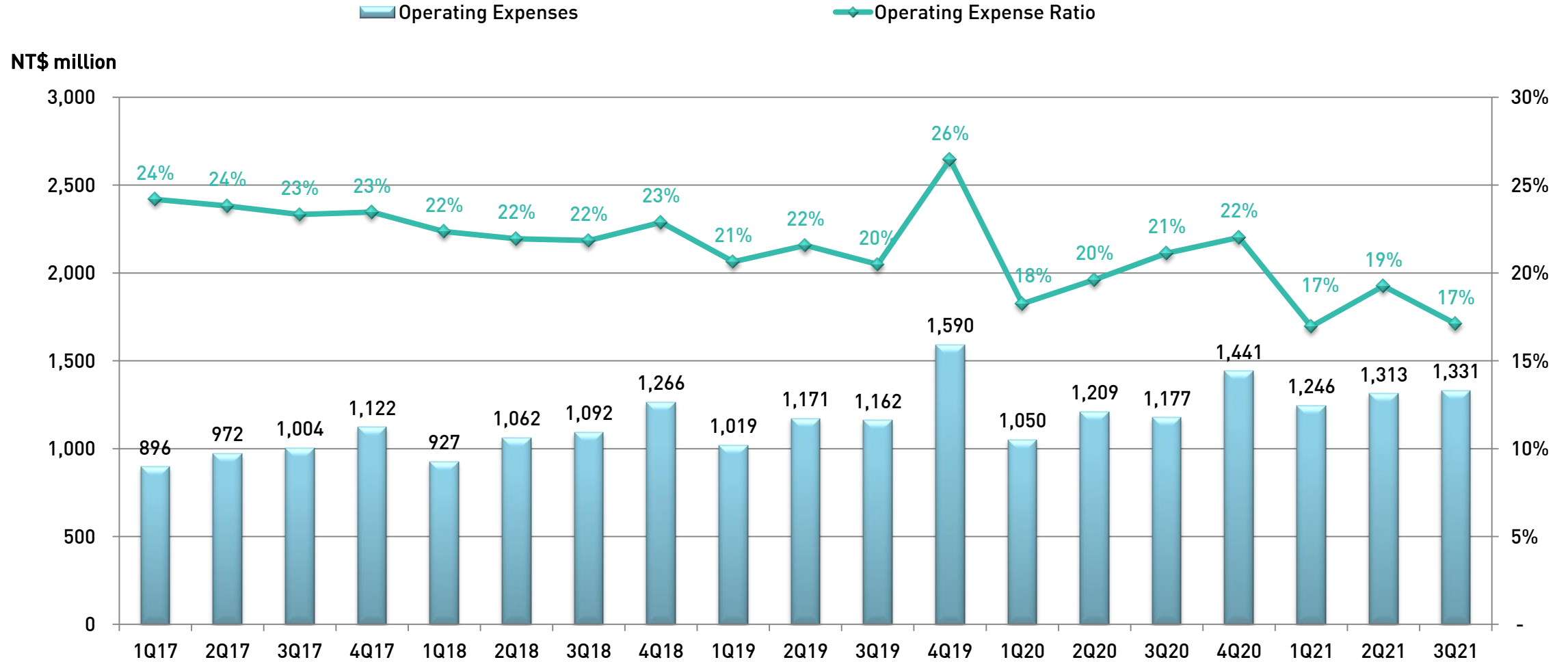
Notes1 : Non-Operating Items

	3Q21	2Q21	DIFF	3Q20	DIFF	1Q21~3Q21	1Q20~3Q20	DIFF
Interest income and expense	(8)	0	(8)	(3)	(5)	(7)	(2)	(5)
Share of profit of associates	(39)	65	(104)	11	(50)	35	33	2
Gains on disposals of investments	1	2	(1)	154	(154)	14	249	(235)
Gains on financial assets at fair value through profit or loss	16	14	2	155	(140)	247	375	(128)
Dividend income	47	0	47	13	34	48	48	0
Foreign exchange gain(loss) , net	3	8	(5)	26	(23)	13	23	(9)
Other non-operating income and expenses	22	9	13	10	12	39	30	9
Total non-operating income and expenses	42	98	(56)	366	(324)	389	756	(367)

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



Passes ISO 14001 - Environmental Management Systems and ISO 14064-1 - Greenhouse Gases Part 1: Specification with Guidance.



The CSR Project, Young Turing Program, crowned the **Silver Prize** in the 4th PwC CSR Impact Award in 2020, and **The Model Award** in CSR Award by Global Views Monthly in 2021.



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 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

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

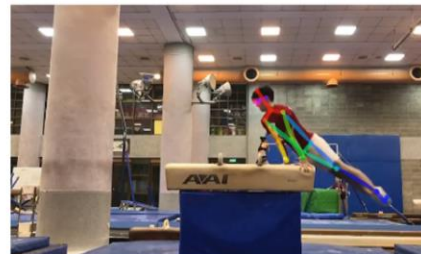


Coding Seeds Camp, focusing on engineering enlightenment education for school kids

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

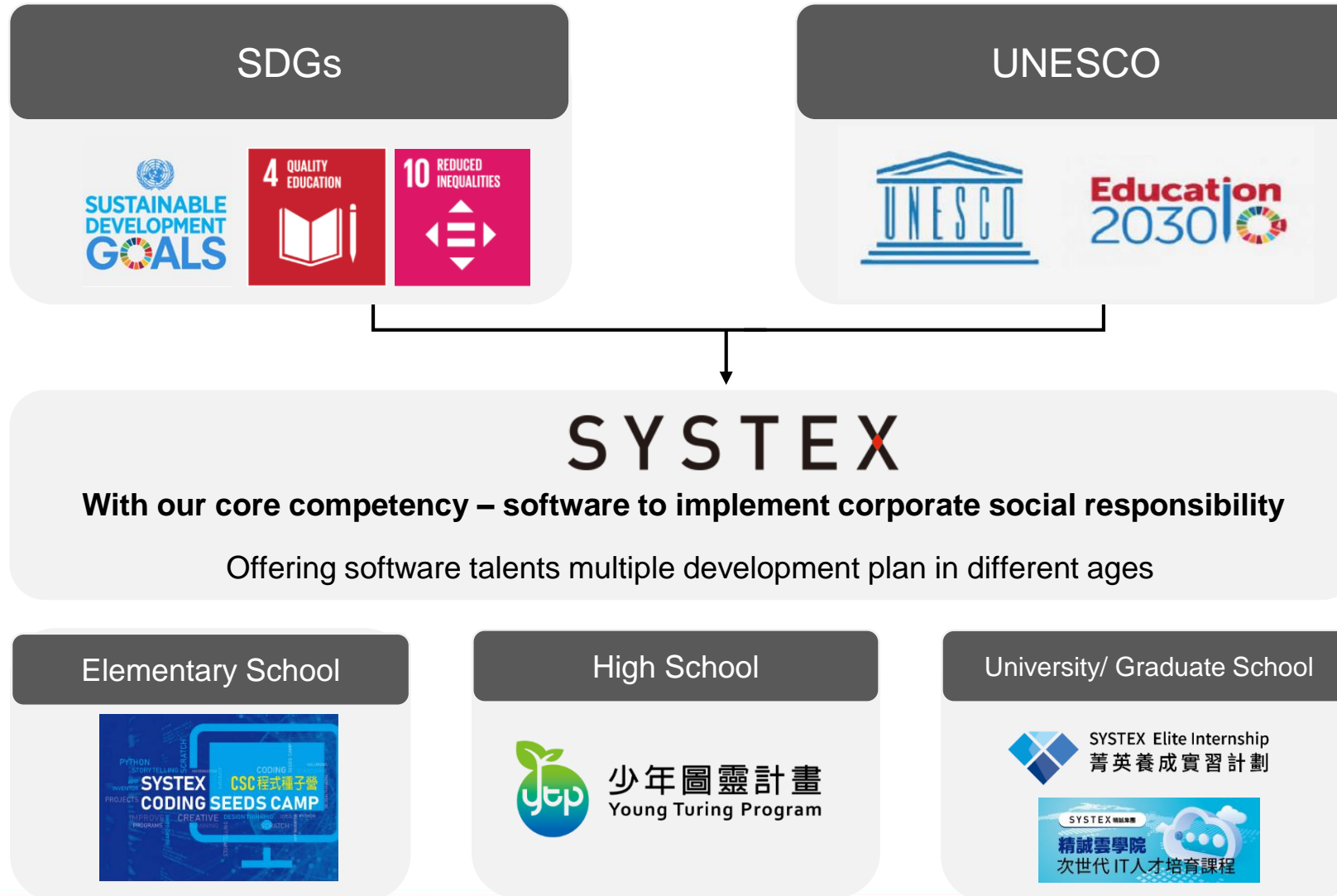
Sponsored two rural elementary and junior high school students to elevate their reading comprehension ability through online self-learning platform



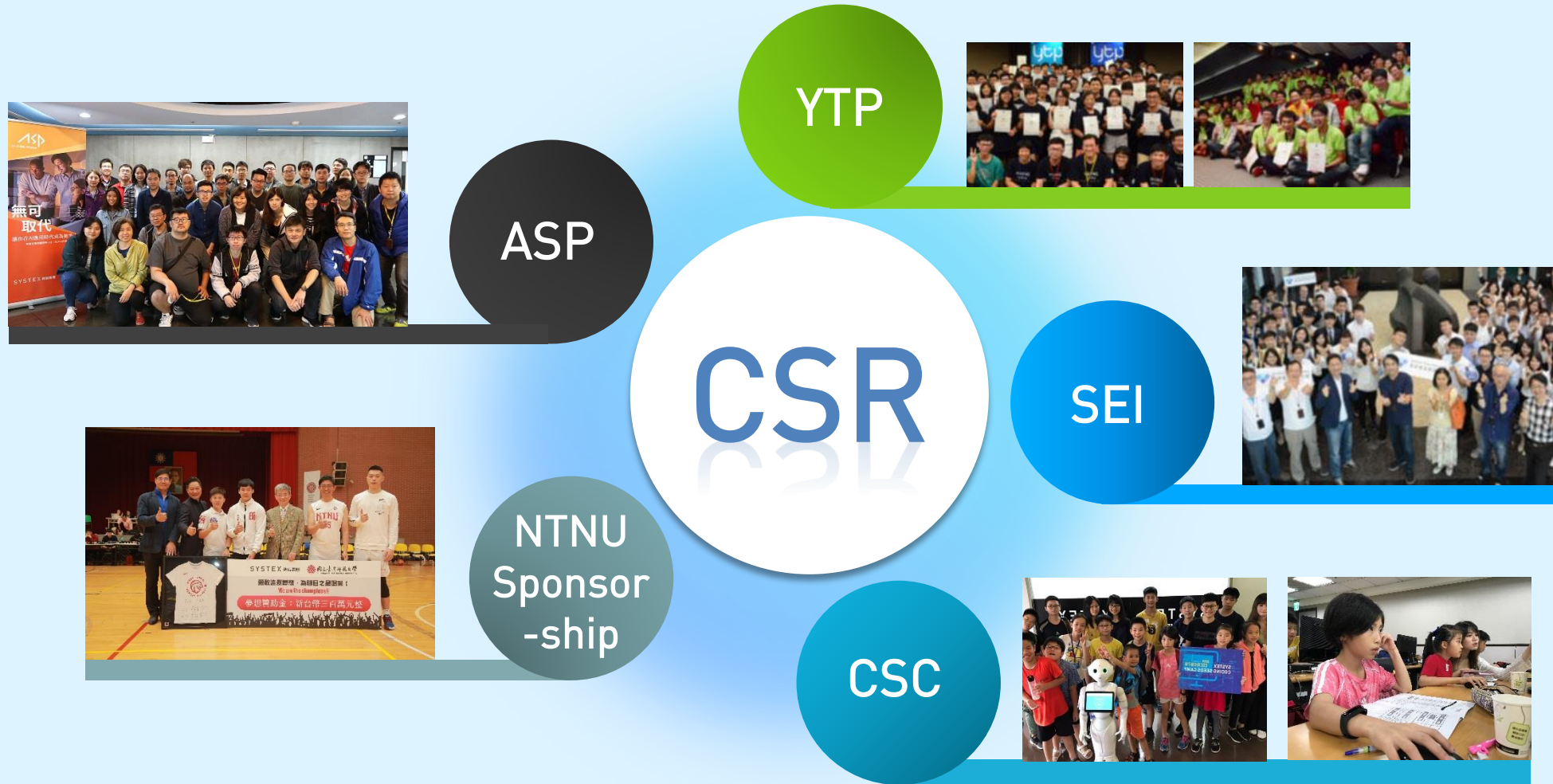
Donated NTD 2 million to NTNU MASTER Men's Basketball team, to support their daily training program.



Young Talents are the Key to Future



Cultivating Software Talents for Taiwan





SYSTEMX

Data Software **Orchestration**

Thank You