

SYSTEMX A DATA SOFTWARE COMPANY

SYSTEMX Profile

CFO & Company Spokesman
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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%

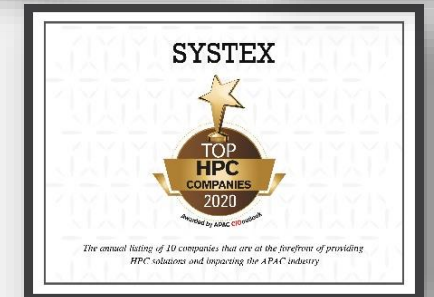
Biz Software Service

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 27001 Information Security Management
 - ✓ ISO 223001 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
- 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

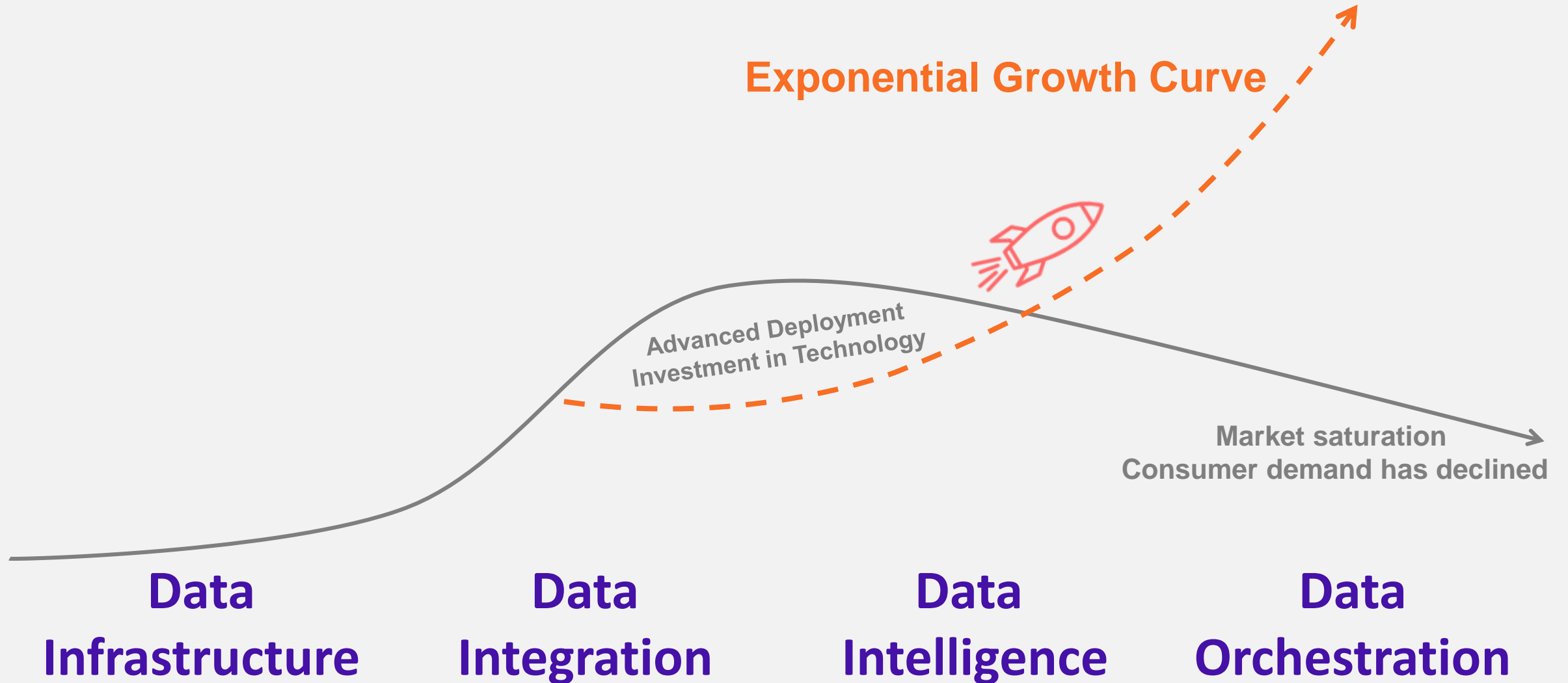
Biz Software Service

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

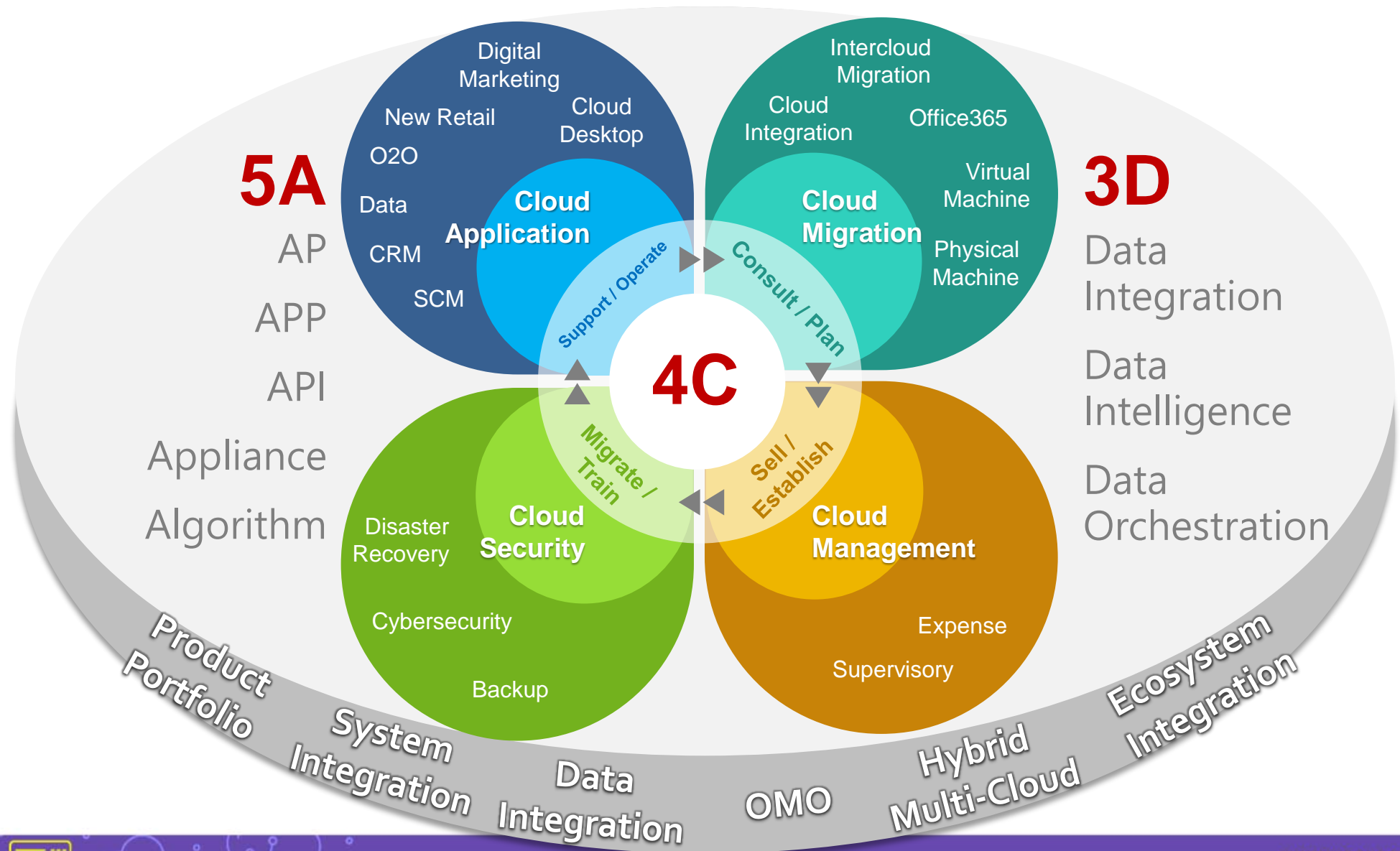
China

- 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
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



























































































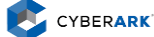




















Smart Service, Better Life



Smart Healthcare

Comprehensive Medical Care Solutions

Global Ecosystem Partners

AI	            
Analytics	                  
HCI	      
Edge	           
Cloud	                        
Security	                                  

Industry Clients

Financial



Manufacturing



Service



Government



Medical



Education



Utilities



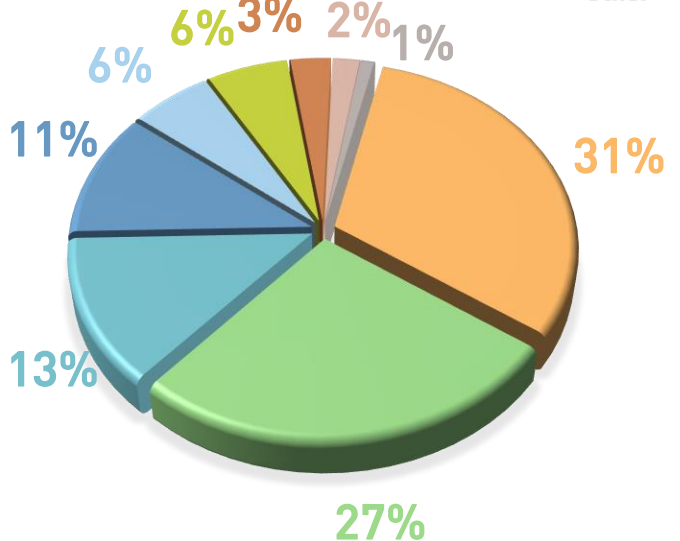
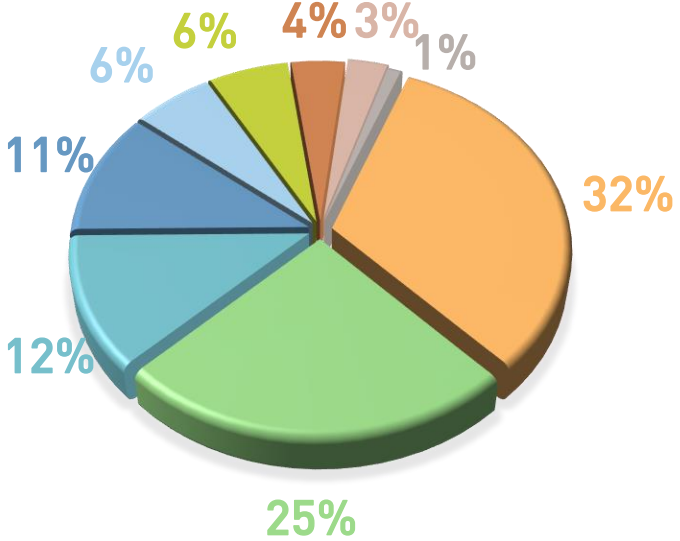
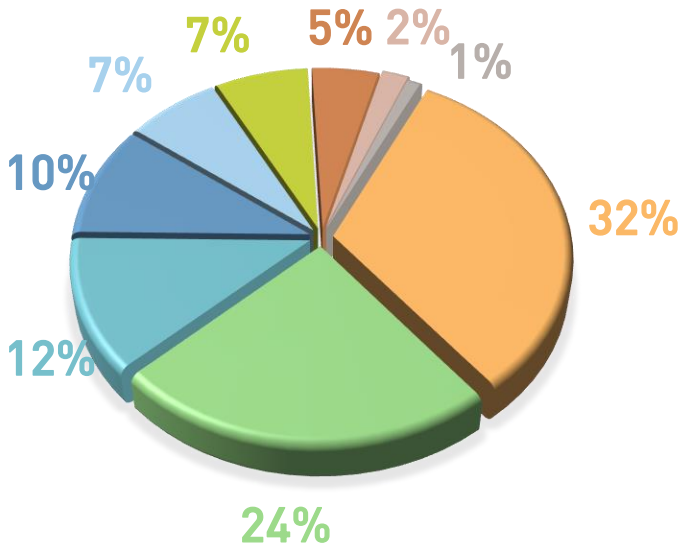
Revenue breakdown by industrial classification

Y2019

Y2020

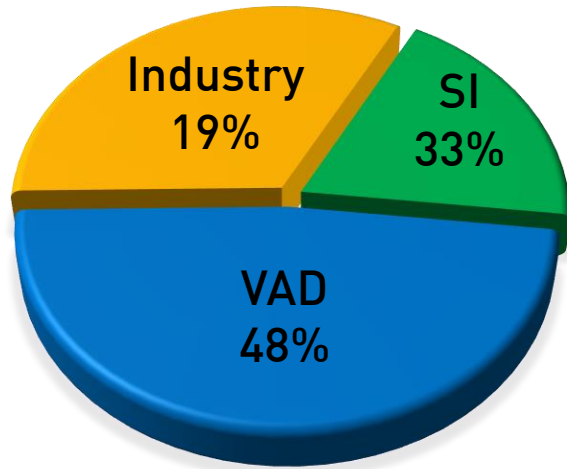
Y2021

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

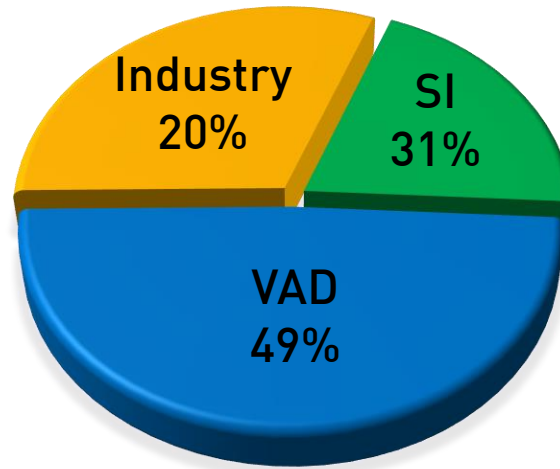


Revenue breakdown by business type

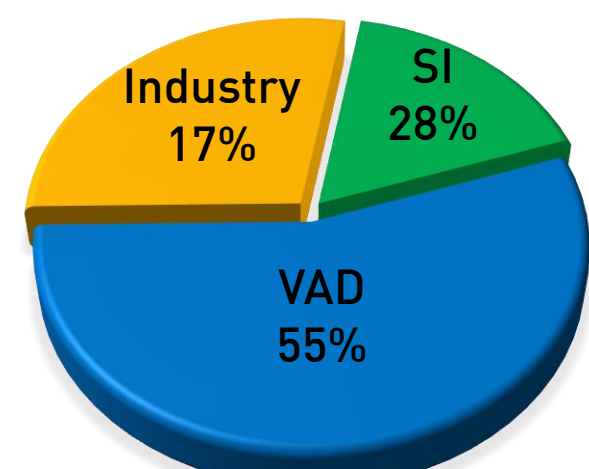
Y2019



Y2020



Y2021



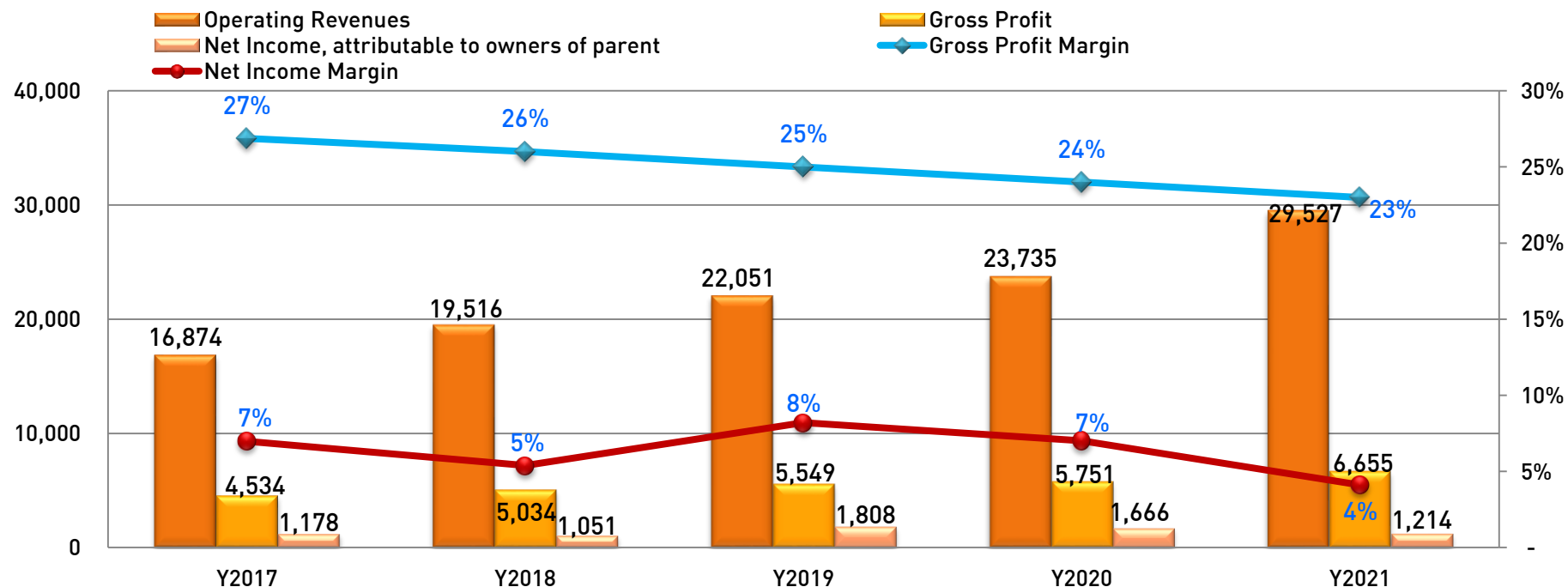
BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2021/12/31	%	2020/12/31	%
Cash and cash equivalents	4,068	15%	3,590	16%
Current financial assets at fair value through profit or loss	4,564	17%	3,243	15%
Trade and other current receivables	4,856	19%	3,795	17%
Inventories	3,251	12%	3,166	14%
Other current assets	2,534	10%	1,832	9%
Total current assets	19,273	73%	15,626	71%
Financial assets at fair value through profit or loss - non-current	1,700	6%	1,575	7%
Financial assets at fair value through other comprehensive income - non-current	302	1%	683	3%
Financial assets measured at amortized cost- non-current	500	2%	500	2%
Investments accounted for using equity method	1,782	7%	656	3%
Property, plant and equipment	2,088	8%	2,099	10%
Right-of-use assets	277	1%	260	1%
Intangible assets	136	-	131	1%
Total other non-current assets	502	2%	499	2%
Total non-current assets	7,287	27%	6,403	29%
Total assets	26,560	100%	22,029	100%
Short-term loans	1,260	5%	797	4%
Notes and accounts payable	4,341	16%	3,639	16%
Other current liabilities	3,659	14%	3,407	16%
Total current liabilities	9,260	35%	7,843	36%
Bonds payable	3,000	11%	0	-
Premium (discount) on bonds payable	(6)	-	0	-
Long-term loans	88	-	100	-
Other non-current liabilities	407	2%	437	2%
Total non-current liabilities	3,489	13%	537	2%
Total liabilities	12,749	48%	8,380	38%
Total share capital	2,694	10%	2,694	12%
Capital surplus	6,606	25%	6,494	29%
Retained earnings	5,860	22%	6,018	27%
Other equity	(729)	-3%	(769)	-3%
Treasury shares	(928)	-3%	(928)	-4%
Total equity attributable to owners of Corporation	13,503	51%	13,509	61%
Non-controlling interests	308	1%	140	1%
Total liabilities and equity	26,560	100%	22,029	100%
Book Value Per Share	54.45		54.48	

Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2017	Y2018	Y2019	Y2020	Y2021
Operating Revenues	16,874	19,516	22,051	23,735	29,527
Gross Profit	4,534	5,034	5,549	5,751	6,655
Gross Profit Margin	27%	26%	25%	24%	23%
Operating Expenses	3,995	4,346	4,942	4,826	5,522
Operating Income	539	688	607	925	1,133
Operating Income Margin	3%	3%	3%	4%	4%
Non-Operating Items	761	553	1,596	926	318
Net Income, attributable to owners of parent	1,178	1,051	1,808	1,666	1,214
Net Income Margin	7%	5%	8%	7%	4%
EPS	4.79	4.27	7.31	6.72	4.90

INCOME STATEMENT

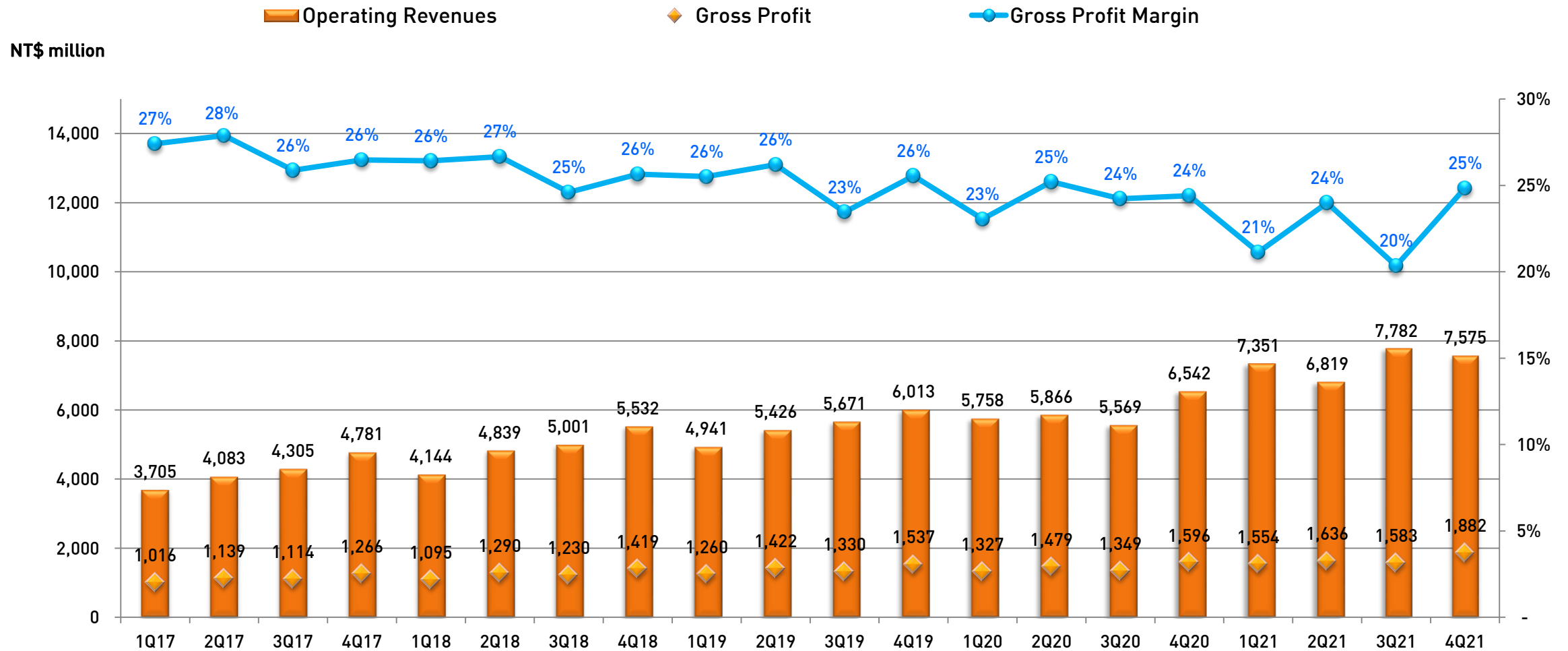
UNIT : NT\$ million ,%

ITEM	4Q21	3Q21	DIFF	4Q20	DIFF	Y2021	Y2020	DIFF
Operating Revenues	7,575	7,782	(207)	6,542	1,033	29,527	23,735	5,792
Operating Costs	5,693	6,199	(506)	4,946	747	22,872	17,984	4,888
Gross Profit	1,882	1,583	299	1,596	286	6,655	5,751	904
Gross Profit Margin	25%	20%	5%	24%	1%	23%	24%	-1%
Operating Expenses	1,632	1,331	301	1,390	242	5,522	4,826	696
Operating Income	250	252	(2)	206	44	1,133	925	208
Operating Income Margin	3%	3%	-	3%	-	4%	4%	-
Non-Operating Items (Notes 1)	(71)	42	(113)	170	(241)	318	926	(608)
Income Before Income Tax	179	294	(115)	376	(197)	1,451	1,851	(400)
Income Tax Expense	31	60	(29)	29	2	228	175	53
Net Income	148	234	(86)	347	(199)	1,223	1,676	(453)
Net Income, attributable to non-controlling interests	5	3	2	7	(2)	9	10	(1)
Net Income, attributable to owners of parent	143	231	(88)	340	(197)	1,214	1,666	(452)
EPS	0.58	0.93	(0.35)	1.38	(0.80)	4.90	6.72	(1.82)

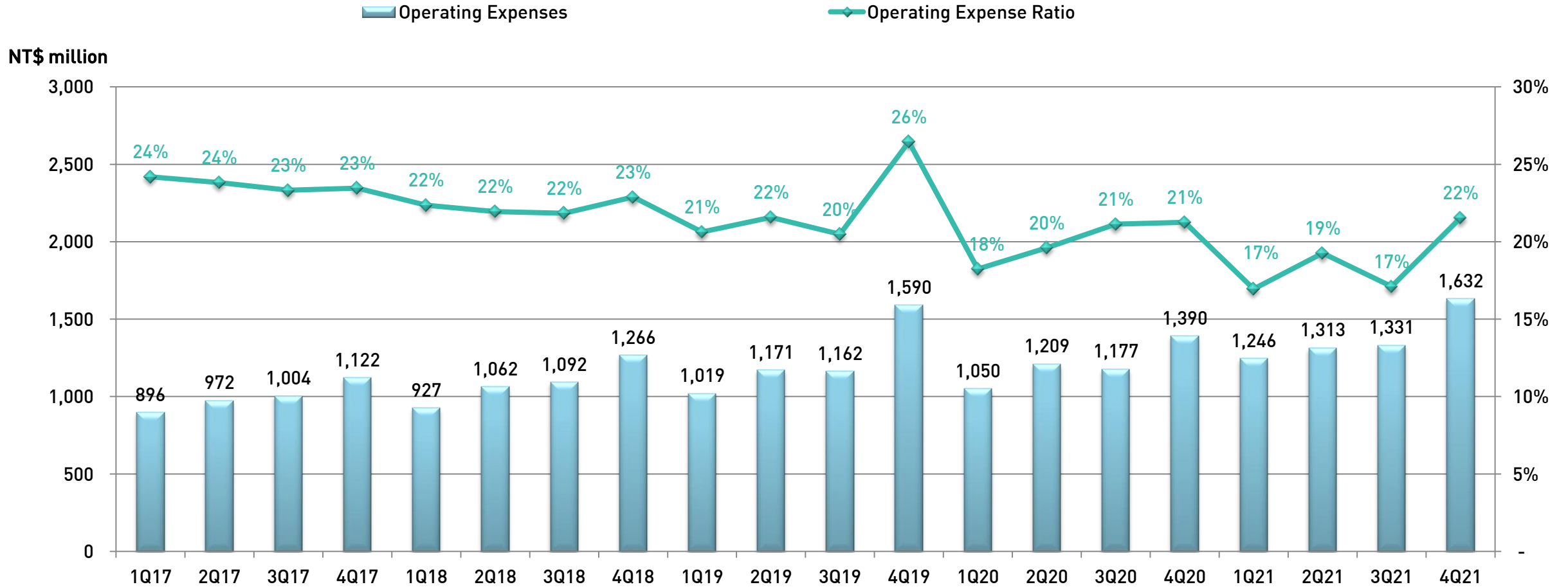
Notes1 : Non-Operating Items

	4Q21	3Q21	DIFF	4Q20	DIFF	Y2021	Y2020	DIFF
Interest income and expense	(10)	(8)	(2)	(2)	(8)	(16)	(4)	(12)
Share of profit of associates	37	(39)	76	65	(28)	72	98	(26)
Gains on disposals of investments	30	1	29	13	17	44	262	(218)
Gains on financial assets at fair value through profit or loss	36	16	20	105	(69)	284	480	(196)
Dividend income	2	47	(45)	1	1	50	49	1
Foreign exchange gain(loss) , net	3	3	(0)	27	(24)	17	49	(32)
Gain (loss) on disposal of property, plant and equipment, net	6	0	6	(0)	6	6	(0)	6
Impairment loss on l assets	(168)	0	(168)	(47)	(121)	(168)	(47)	(121)
Other non-operating income and expenses	(7)	22	(29)	9	(16)	29	39	(10)
Total non-operating income and expenses	(71)	42	(113)	170	(241)	318	926	(608)

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

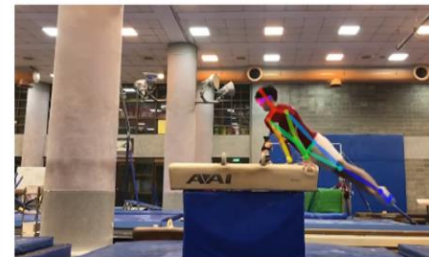


Coding Seeds Camp, focusing on sparking engineering education for school kids

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

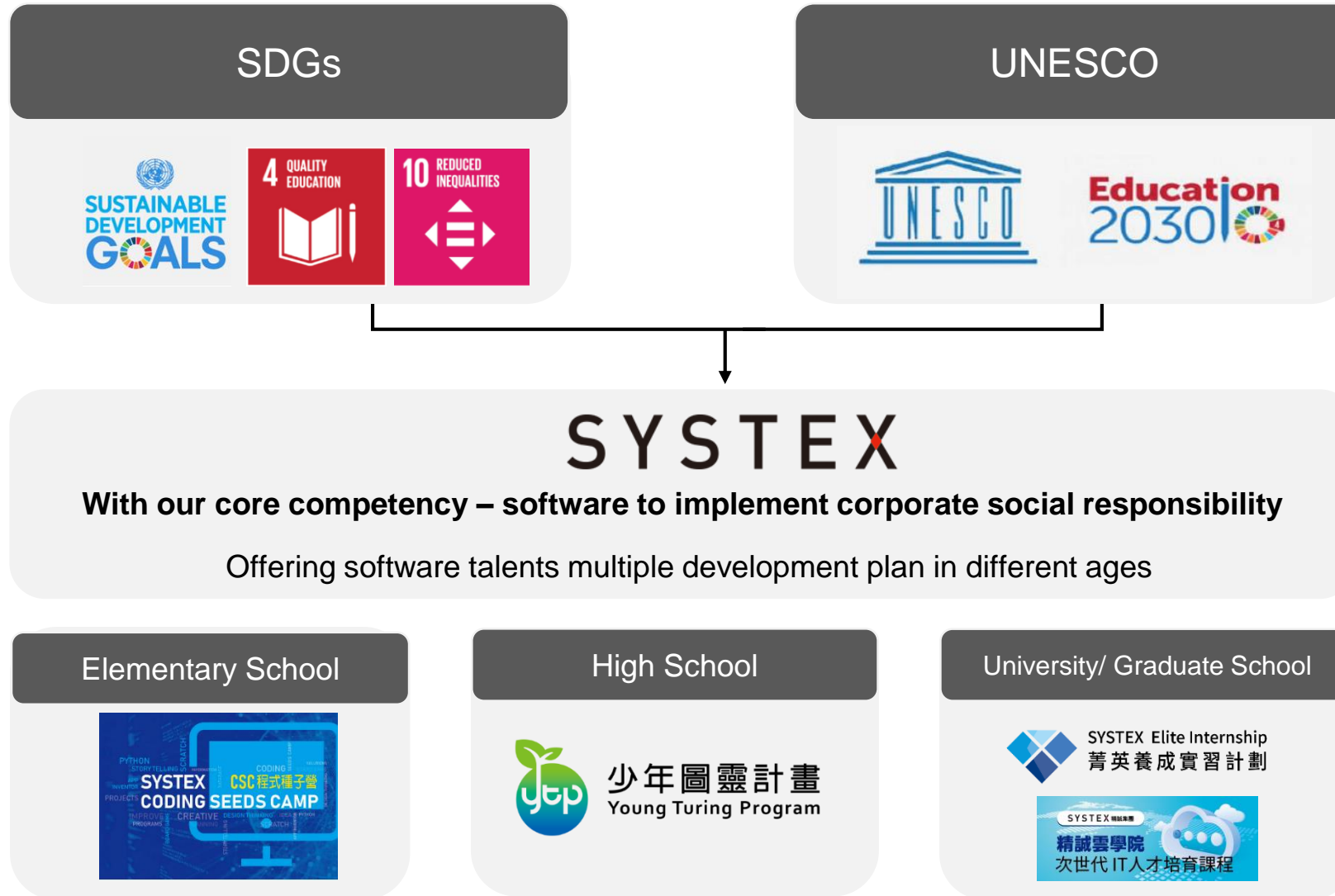
Sponsored two rural elementary and junior high school students to elevate their reading comprehension ability through online self-learning platform

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

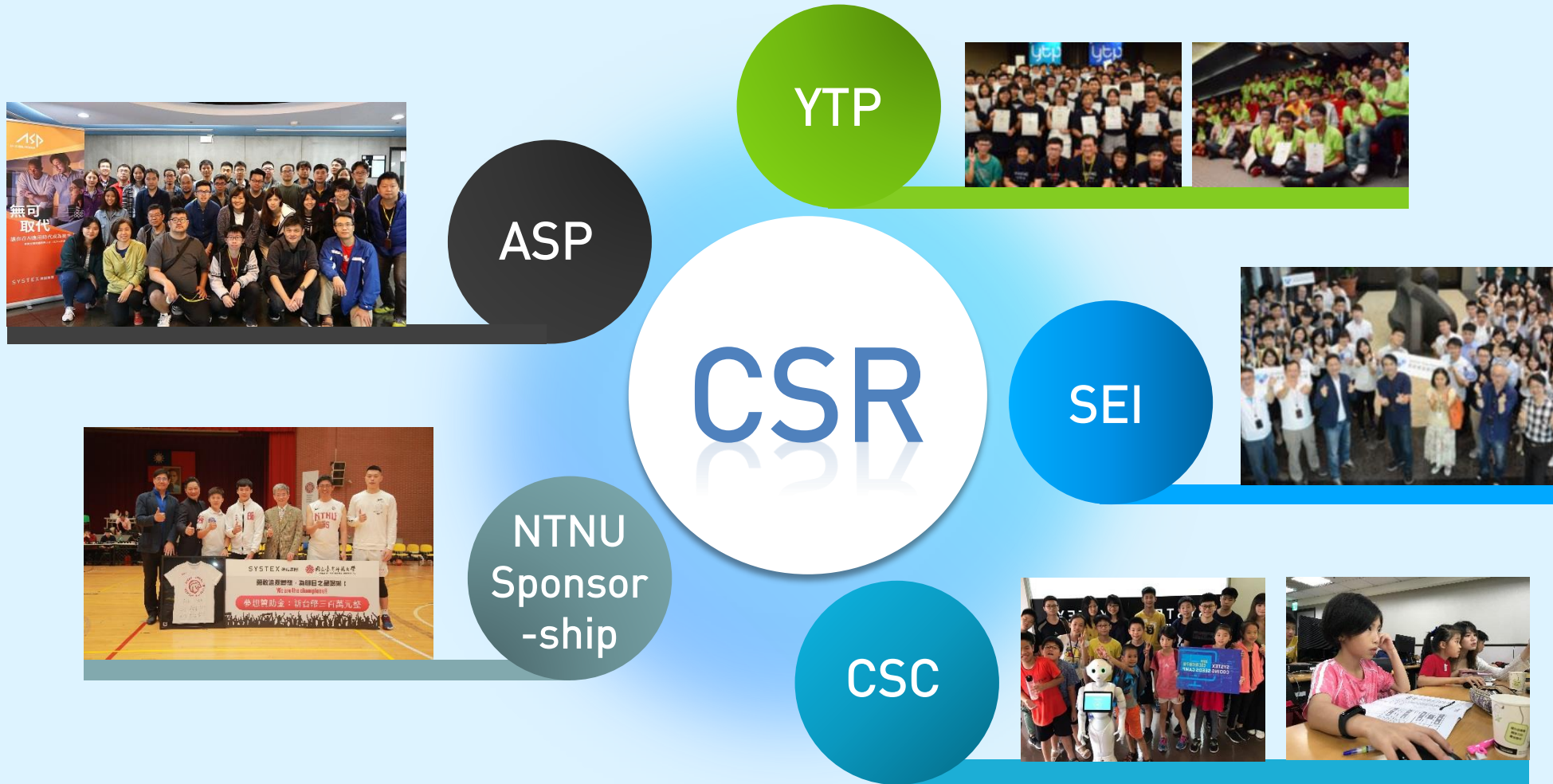
Cooperated with NYCU to contribute and foster future BioTIC research talent



Young Talents are the Key to Future



Cultivating Software Talents for Taiwan



SYSTEMX A DATA SOFTWARE COMPANY

Thank You

