



SYSTEMX A DATA SOFTWARE COMPANY

SYSTEMX Profile

CFO & Company Spokesman
Larry Chung

2022.8.31

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 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%

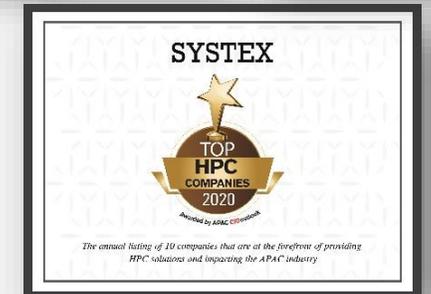
Biz Software Service

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/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

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

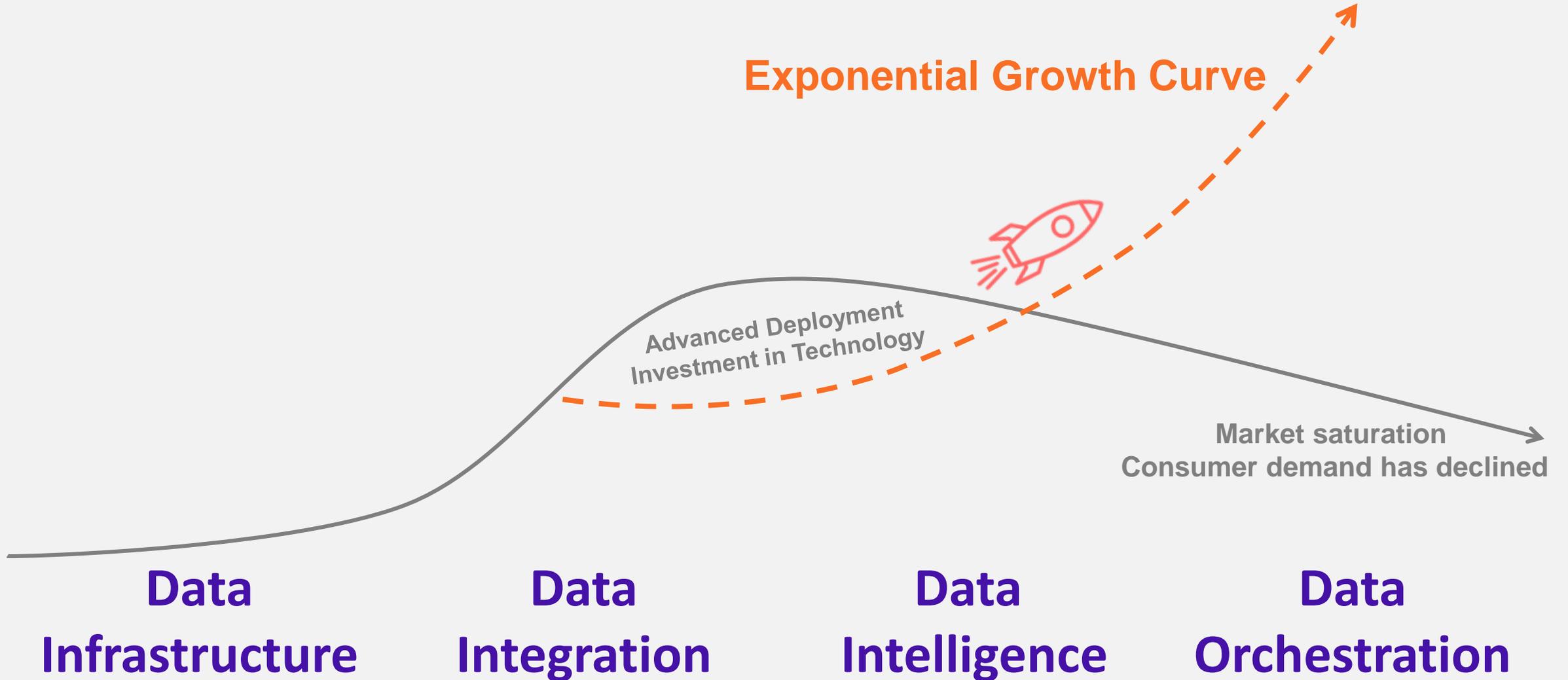
Biz Software Service

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

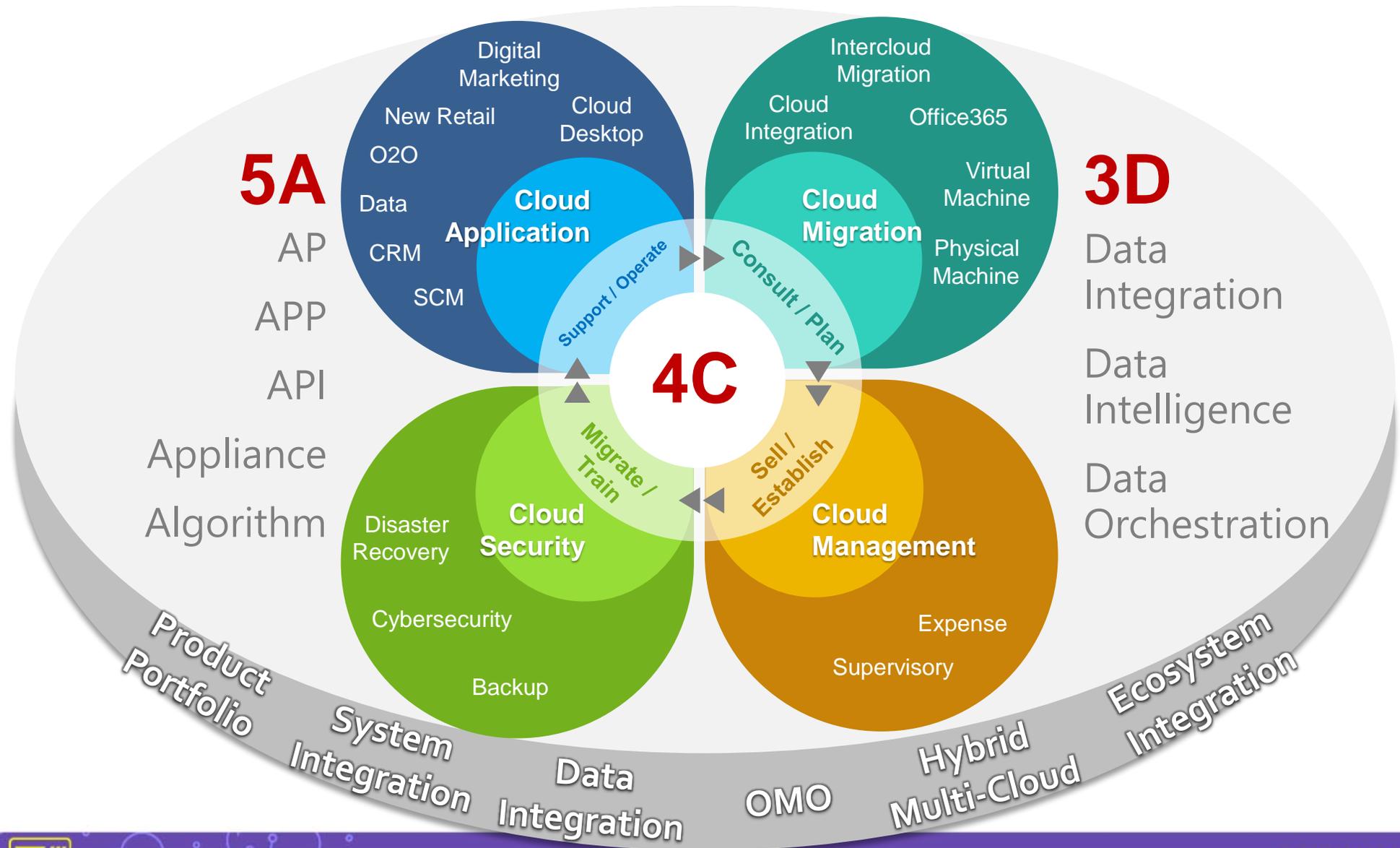
China

- SYSTEX China
- SYSTEX Information(SH)
- Rainbow Tech
- Sysware Shenlong Info
- SYSTEX Information(HK)

Exponential Business Growth Curve

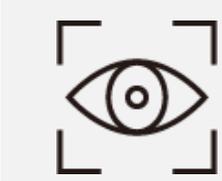


Core Competence : 5A@4C.3D



Data Orchestration

Data	Software	Algorithm
Data Integration	Data Intelligence	Data Orchestration
Data Consolidation	Online Merge Offline	Hybrid Multi-Cloud



Virtualization



Container



Micro services



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

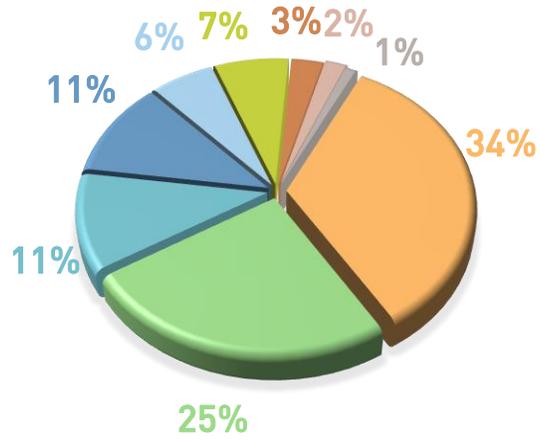


Utilities

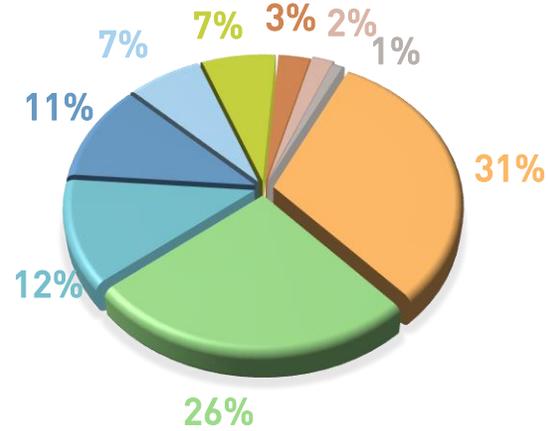


Revenue breakdown by industrial classification

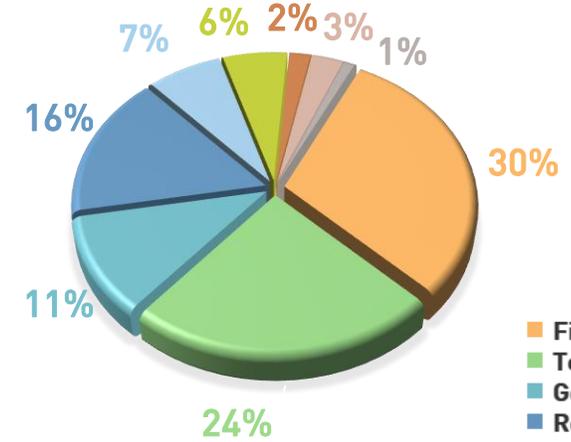
1H20



1H21

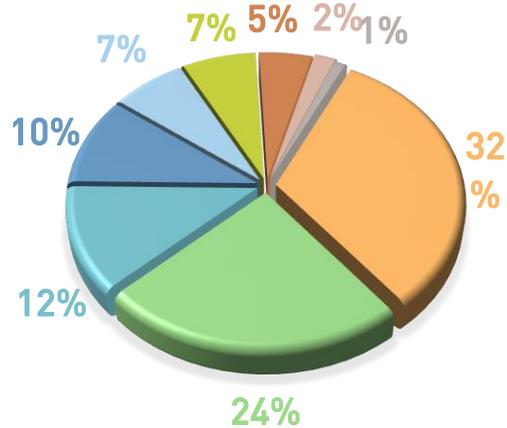


1H22

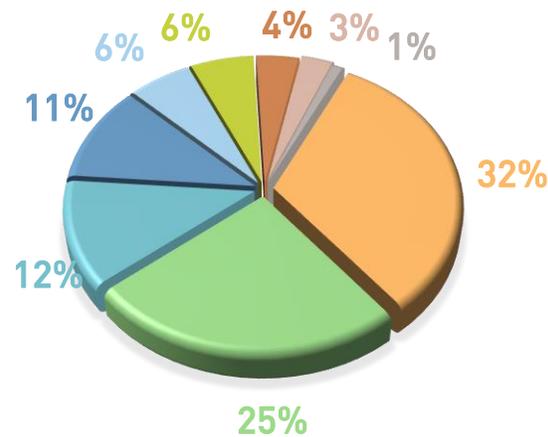


- Financial/Insurance
- Technology industry
- Government/Education
- Retail/Transportation
- Manufacturing
- Service
- Telecommunication/network
- Medical
- Other

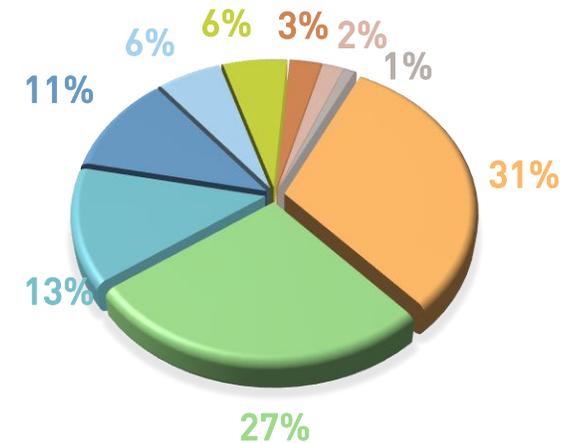
Y2019



Y2020

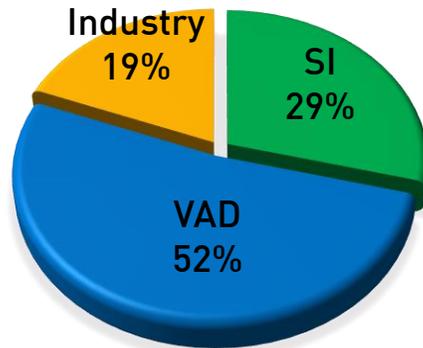


Y2021

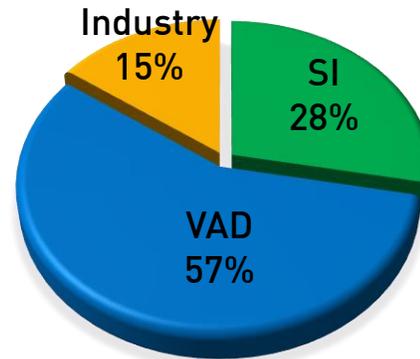


Revenue breakdown by business type

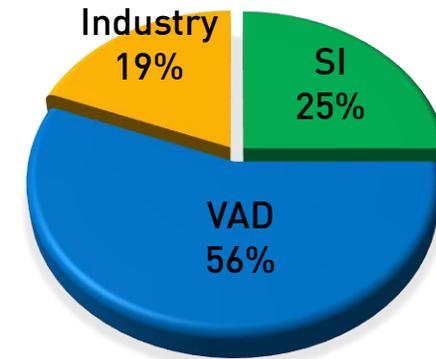
1H20



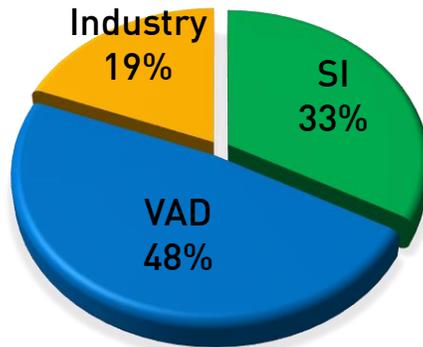
1H21



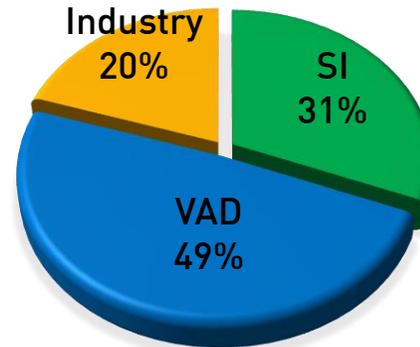
1H22



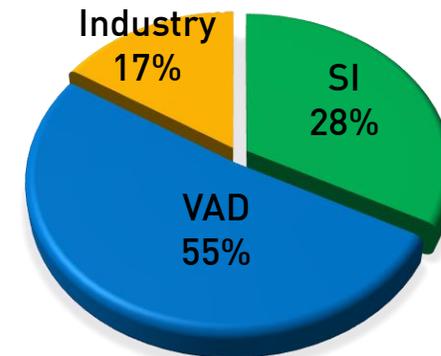
Y2019



Y2020



Y2021



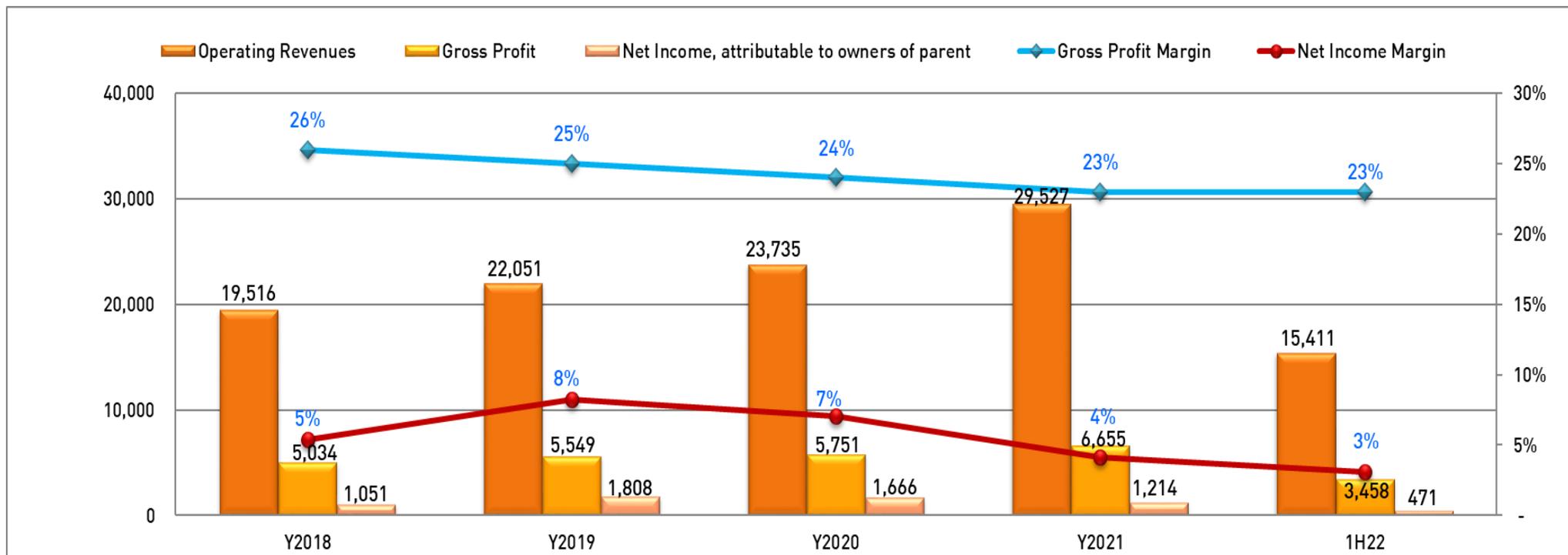
BALANCE SHEETS

UNIT : NT\$ million ,%

ITEM	2022/6/30	%	2021/12/31	%	2021/6/30	%
Cash and cash equivalents	4,081	14%	4,068	15%	3,793	16%
Current financial assets at fair value through profit or loss	3,416	12%	4,564	17%	2,661	11%
Trade and other current receivables	5,673	20%	4,856	19%	4,679	19%
Inventories	4,899	17%	3,251	12%	3,578	15%
Other current assets	2,645	10%	2,534	10%	2,213	9%
Total current assets	20,714	73%	19,273	73%	16,924	70%
Financial assets at fair value through profit or loss - non-current	1,837	7%	1,700	6%	1,658	7%
Financial assets at fair value through other comprehensive income - non-current	532	2%	302	1%	255	1%
Financial assets measured at amortized cost- non-current	500	2%	500	2%	500	2%
Investments accounted for using equity method	1,794	6%	1,782	7%	1,682	7%
Property, plant and equipment	2,126	8%	2,088	8%	2,107	9%
Right-of-use assets	359	1%	277	1%	295	1%
Intangible assets	126	-	136	-	220	1%
Total other non-current assets	434	1%	502	2%	492	2%
Total non-current assets	7,708	27%	7,287	27%	7,209	30%
Total assets	28,422	100%	26,560	100%	24,133	100%
Short-term loans	2,165	8%	1,260	5%	1,810	7%
Notes and accounts payable	4,765	17%	4,341	16%	4,308	18%
Other current liabilities	4,555	16%	3,659	14%	4,249	18%
Total current liabilities	11,485	41%	9,260	35%	10,367	43%
Bonds payable	3,000	10%	3,000	11%	0	-
Premium (discount) on bonds payable	(5)	-	(6)	-	0	-
Long-term loans	85	-	88	-	91	-
Other non-current liabilities	416	2%	407	2%	395	2%
Total non-current liabilities	3,496	12%	3,489	13%	486	2%
Total liabilities	14,981	53%	12,749	48%	10,853	45%
Total share capital	2,694	9%	2,694	10%	2,694	11%
Capital surplus	6,577	23%	6,606	25%	6,491	27%
Retained earnings	5,192	18%	5,860	22%	5,518	23%
Other equity	(408)	-1%	(729)	-3%	(660)	-3%
Treasury shares	(928)	-3%	(928)	-3%	(928)	-4%
Total equity attributable to owners of Corporation	13,127	46%	13,503	51%	13,115	54%
Non-controlling interests	314	1%	308	1%	166	1%
Total liabilities and equity	28,422	100%	26,560	100%	24,133	100%
Book Value Per Share	52.94		54.45		52.89	

Historical INCOME STATEMENT

UNIT : NT\$ million ,%



	Y2018	Y2019	Y2020	Y2021	1H22
Operating Revenues	19,516	22,051	23,735	29,527	15,411
Gross Profit	5,034	5,549	5,751	6,655	3,458
Gross Profit Margin	26%	25%	24%	23%	23%
Operating Expenses	4,346	4,942	4,826	5,522	2,722
Operating Income	688	607	925	1,133	736
Operating Income Margin	3%	3%	4%	4%	5%
Non-Operating Items	553	1,596	926	318	(105)
Net Income, attributable to owners of parent	1,051	1,808	1,666	1,214	471
Net Income Margin	5%	8%	7%	4%	3%
EPS	4.27	7.31	6.72	4.90	1.90

INCOME STATEMENT

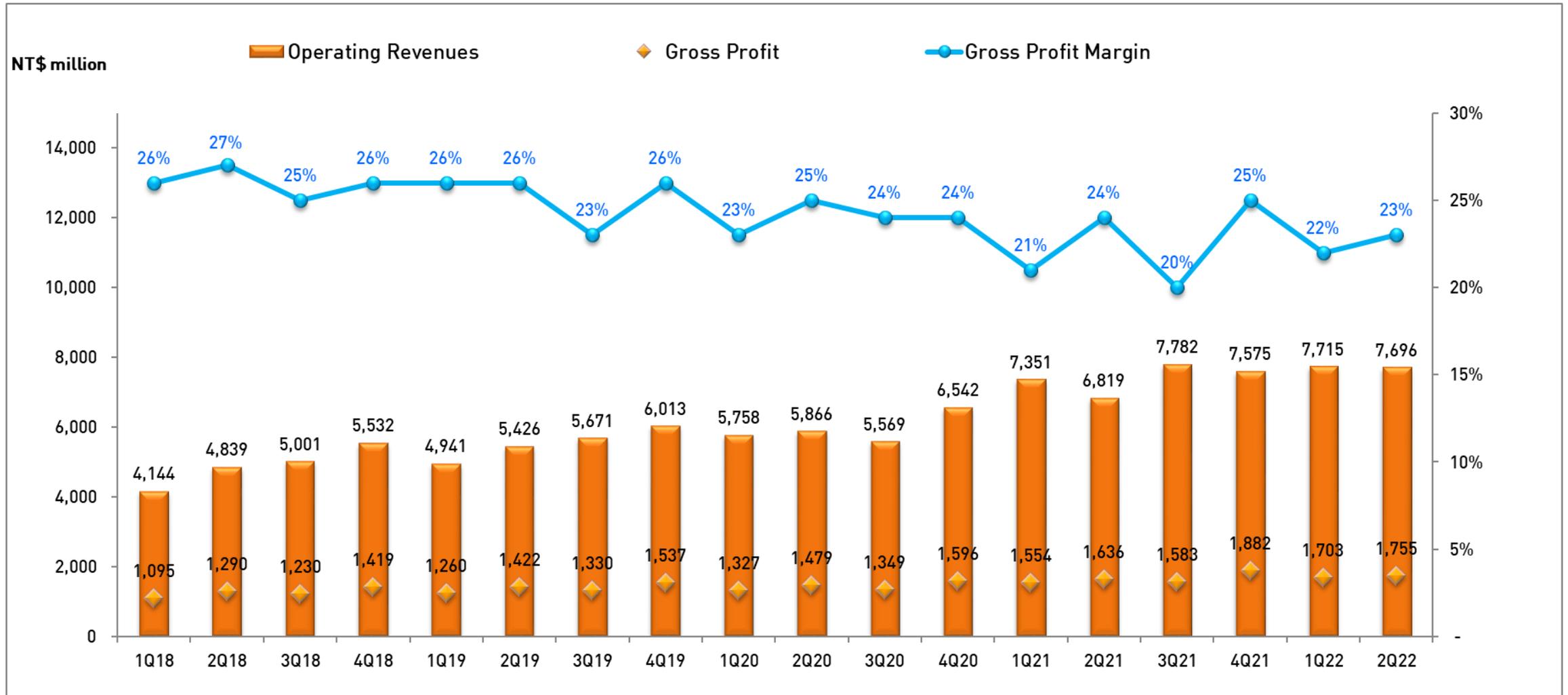
UNIT : NT\$ million ,%

ITEM	2Q22	1Q22	DIFF	2Q21	DIFF	1H22	1H21	DIFF
Operating Revenues	7,696	7,715	(19)	6,819	877	15,411	14,170	1,241
Operating Costs	5,941	6,012	(71)	5,183	758	11,953	10,980	973
Gross Profit	1,755	1,703	52	1,636	119	3,458	3,190	268
Gross Profit Margin	23%	22%	1%	24%	-1%	23%	22%	1%
Operating Expenses	1,382	1,340	42	1,313	69	2,722	2,559	163
Operating Income	373	363	10	323	50	736	631	105
Operating Income Margin	5%	5%	-	5%	-	5%	4%	1%
Non-Operating Items (Notes 1)	(127)	22	(149)	98	(225)	(105)	347	(452)
Income Before Income Tax	246	385	(139)	421	(175)	631	978	(347)
Income Tax Expense	82	68	14	84	(2)	150	137	13
Net Income	164	317	(153)	337	(173)	481	841	(360)
Net Income, attributable to non-controlling interests	8	2	6	0	8	10	1	9
Net Income, attributable to owners of parent	156	315	(159)	337	(181)	471	840	(369)
EPS	0.63	1.27	(0.64)	1.36	(0.73)	1.90	3.39	(1.49)

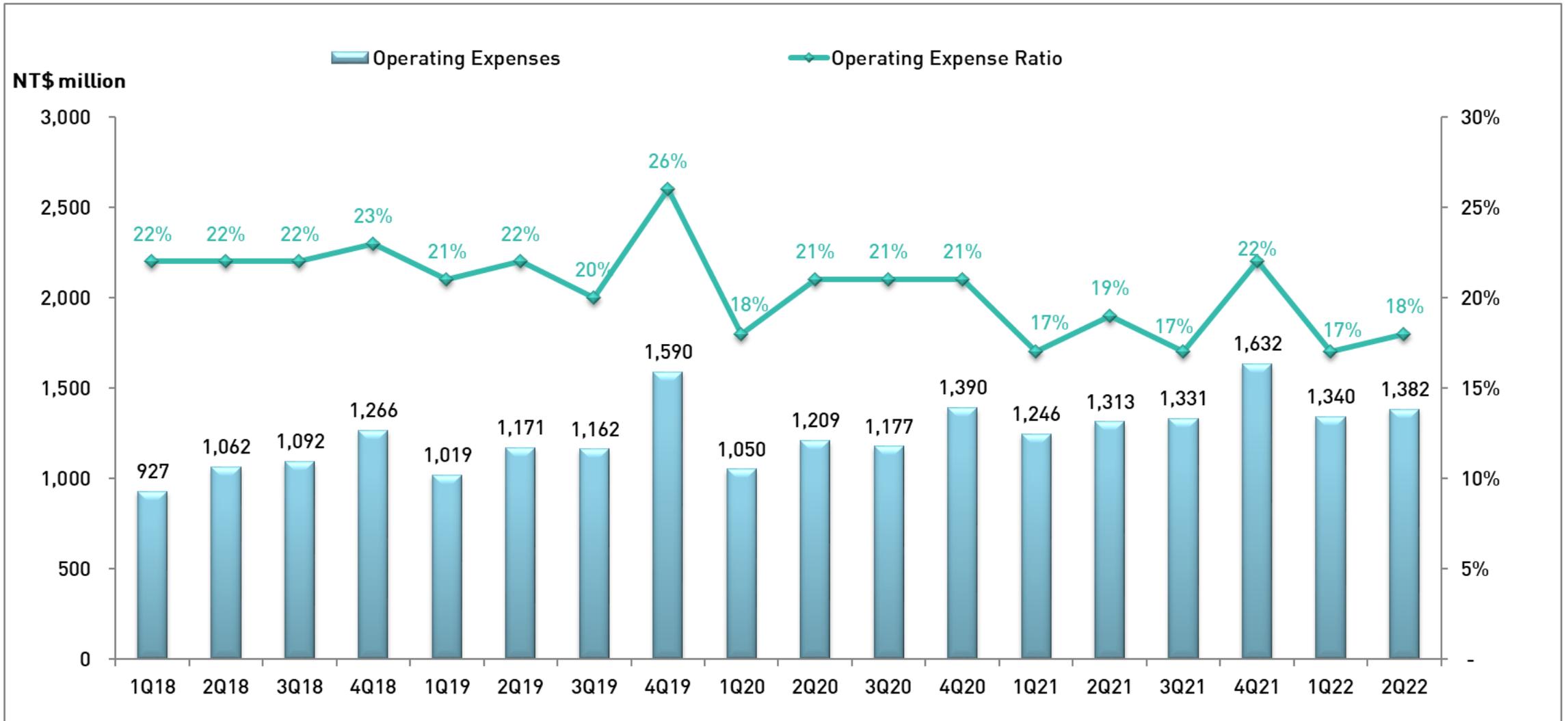
Notes1 : Non-Operating Items

	2Q22	1Q22	DIFF	2Q21	DIFF	1H22	1H21	DIFF
Interest income and expense	(12)	(11)	(1)	0	(12)	(23)	1	(24)
Share of profit of associates	2	(0)	2	65	(63)	2	74	(72)
Gains on disposals of investments	1	1	(0)	2	(1)	2	13	(11)
Gains on financial assets at fair value through profit or loss	(189)	9	(198)	14	(203)	(180)	231	(411)
Dividend income	46	0	46	0	46	46	0	46
Foreign exchange gain(loss) , net	3	2	1	8	(5)	5	10	(5)
Gain (loss) on disposal of property, plant and equipment, net	2	(0)	2	(0)	2	2	0	2
Other non-operating income and expenses	20	21	(1)	9	11	41	18	23
Total non-operating income and expenses	(127)	22	(149)	98	(225)	(105)	347	(452)

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

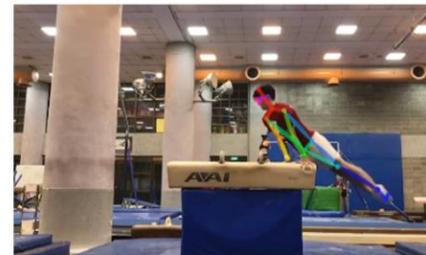


Coding Seeds Camp, focusing on sparking engineering education for school kids

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

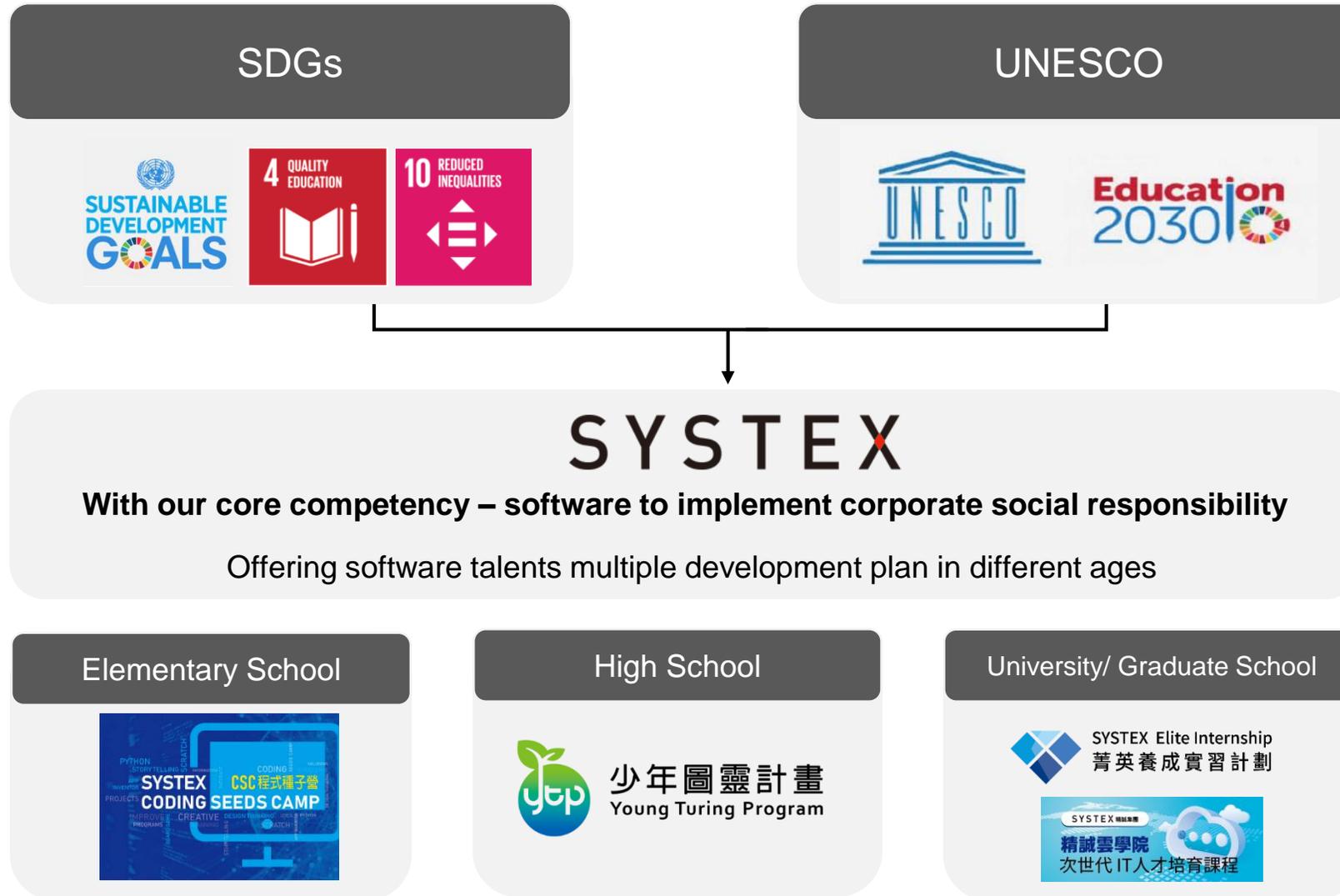
Sponsored two rural elementary and junior high school students to elevate their reading comprehension ability through online self-learning platform

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

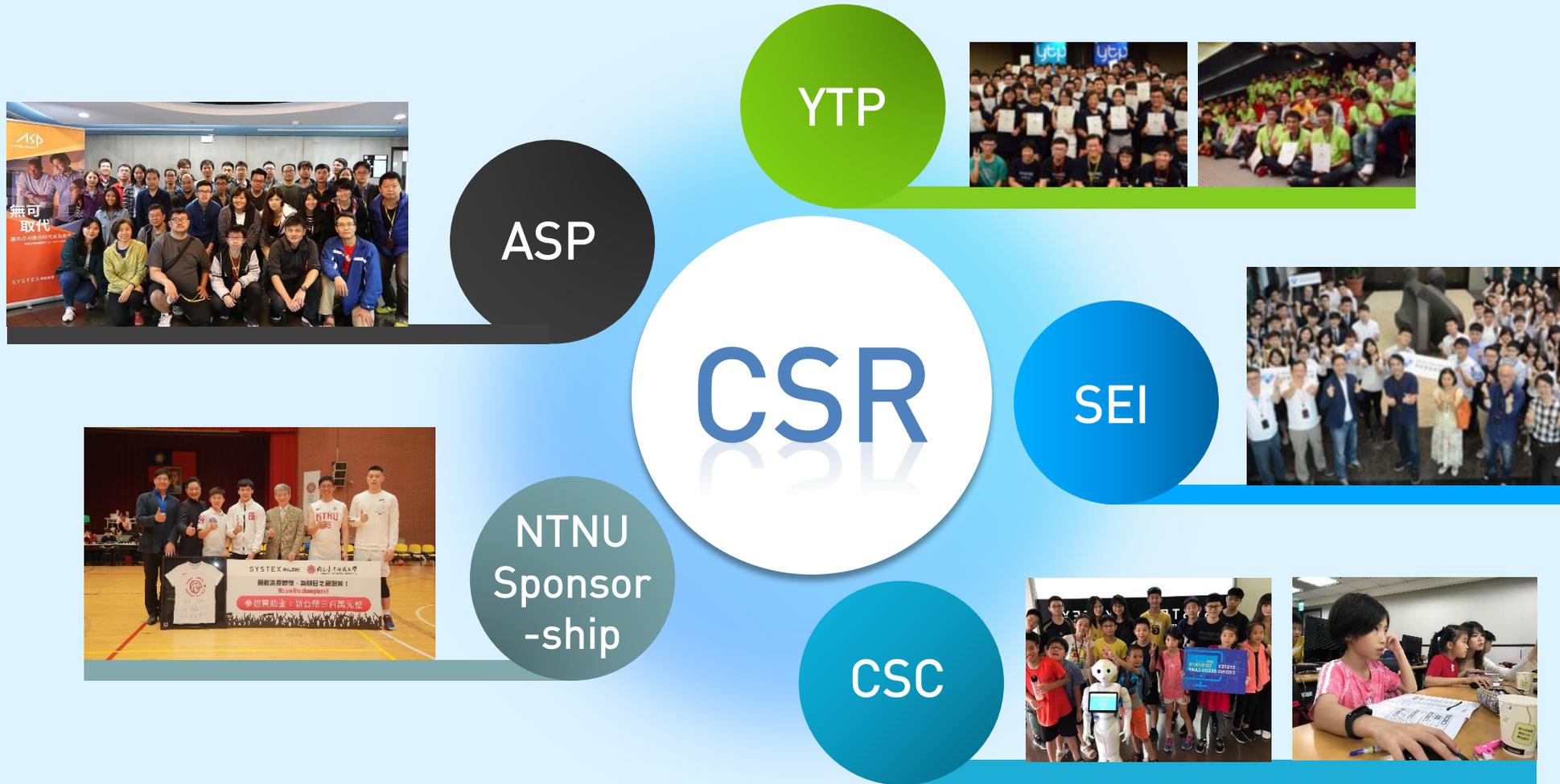
Cooperated with NYCU to contribute and foster future BioTIC research talent



Young Talents are the Key to Future



Cultivating Software Talents for Taiwan



SYSTEMX A DATA SOFTWARE COMPANY

Thank You

