

Stark Technology Inc.(2480)

2023Q4 Investor Conference

Safe Harbor Notice

There are variety of factors which may influence statements or contents been drafted within this presentation, therefore we strongly recommend audience to refer to the information published on MOPS website in case any adjustment has been made.

STI General Information

- **Founded in 1993, public traded in 2001**
- **573+ Employees**
- **One of the largest domestic system service integrator**
- **One of Taiwan's top 500 service enterprises company**
- **Dedication to service and maintain 1,600+ majority of the 2,000+ company enterprise business**
- **Providing more than 40 products & solutions to service our customers**
- **Our vision is to assist our customers to become a Information Service Provider**

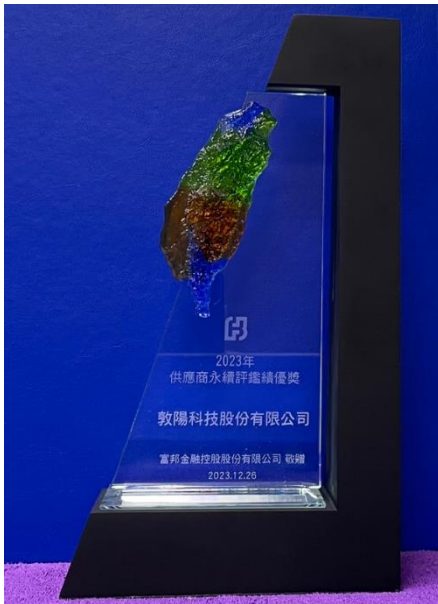
Corporate Governance Evaluation

- Rated as Taiwan's top 21%-35% company over the 9th Corporate Governance Evaluation

Year	Announce Results	STI Percentage	The evaluation results of the market value of more than 5 billion to 10 billion (NTD\$)
2014(1 st .)	The top 20%	6%-20%	NA
2015(2 nd .)	The top 50%	6%-20%	NA
2016(3 rd .)	100%	6%-20%	NA
2017(4 th .)	100%	6%-20%	NA
2018(5 th .)	100%	6%-20%	NA
2019(6 th .)	100%	6%-20%	NA
2020(7 th .)	100%	6%-20%	6%~10%
2021(8 th .)	100%	21%-35%	11%-20%
2022(9 th .)	100%	21%-35%	11%-20%

Awards

- Fubon Financial Holdings was named "Sustainable Performance Excellent Supplier" in 2023
- Taishin Financial Holdings was named "Excellent Supplier" in 2022



Awards(Continued)

System Products

- 【Cisco】FY22 Reseller of the Year
- 【DELL】2022 Best Hybrid Cloud Solution
- 【IBM】2022 Best overall hardware and software sales
- 【Lenovo】FY22&23 Best Solution Sales Award
- 【HPE】FY23 Best strategic partner
- 【HPE】FY23-Best partner Award



Awards(Continued)

Storage Products

【FUJITSU】 2022 Most Valuable Partner

【VMware】 2022-VMware Excellent partner in the central and southern markets

【HDS】 FY22 Best Elite Reseller

【Veeam】 FY22 Platinum Partner of the Year Award

【NetApp】 FY23 Outstanding Partner Award

【NetApp】 GCASK Partner Summit 2023 - Solution Innovation Award



Awards(Continued)

Info. Security/ Data comm. Products

【 Palo Alto】 FY23 DIAMOND AWARD

【 CITRIX】 2023 Best Service Provider Award

【 CITRIX】 2023 Annual Best Contribution Award

【 OpenText 】 2023 Outstanding Cross-Selling Award

【 Cisco】 Cisco-SMB FY23 Sales Star of the Year

【 HPE ARUBA】 FY23 HPE Aruba Champion Partner the Year

【 HPE ARUBA】 FY23 Best SEATH Wired Reseller Award

【 Fortinet】 2023 Best Horse Award



Awards(Continued)

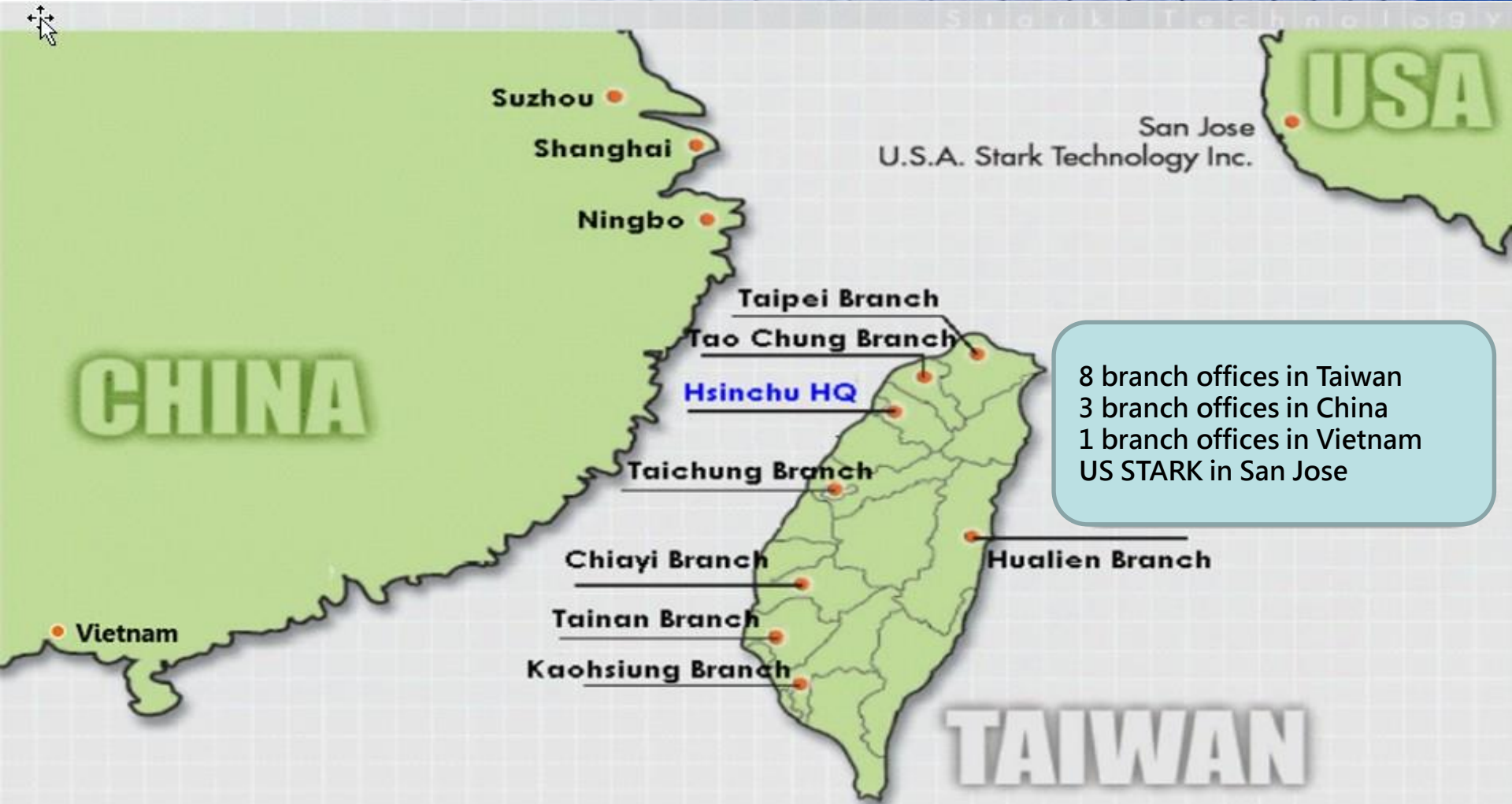
Other Products

【DELL】 2022 Best Hybrid Cloud Solution

【NUTANIX】 FY23 Best Reseller partnert



STI Service Network

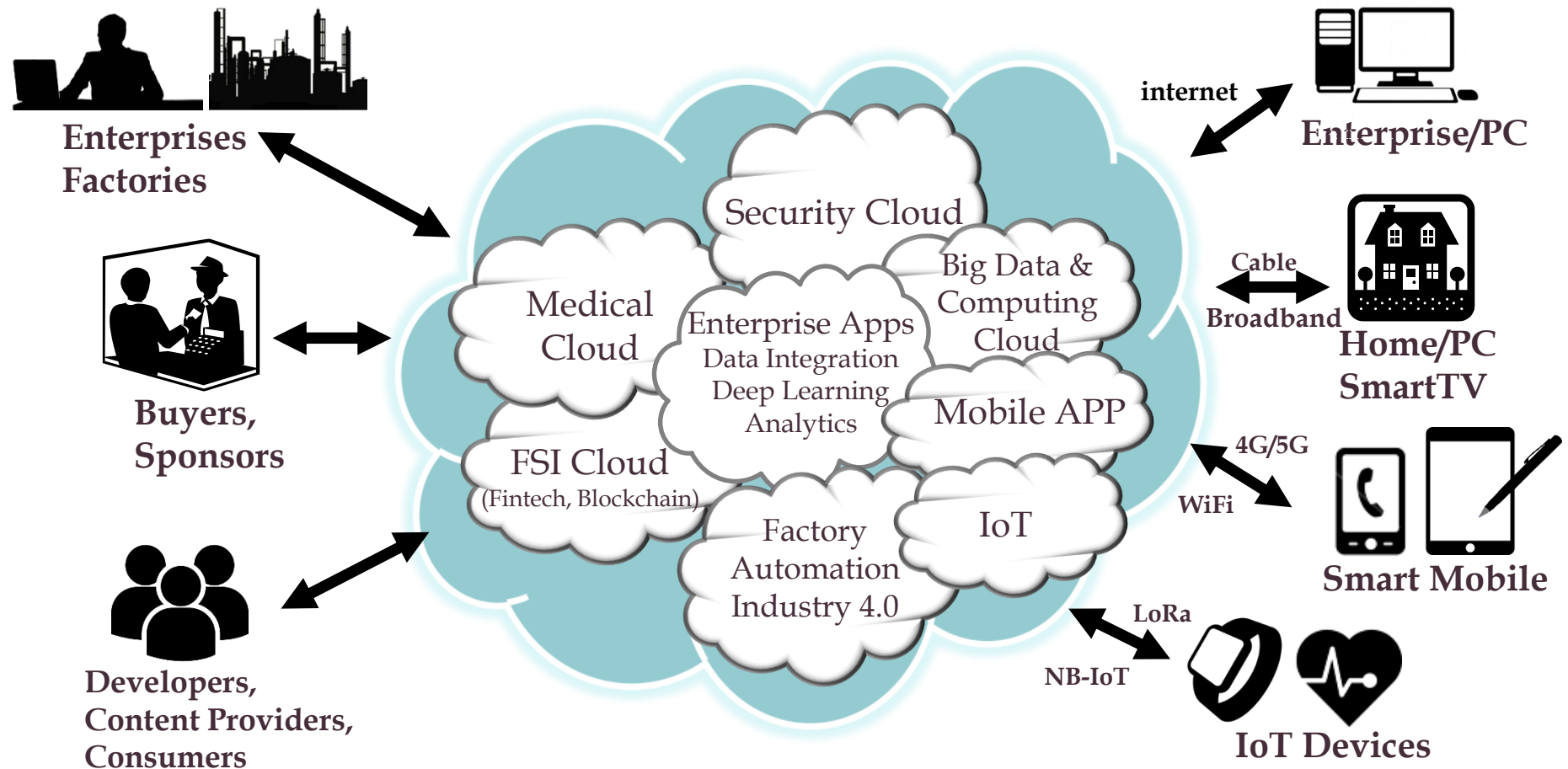


8 branch offices in Taiwan
3 branch offices in China
1 branch offices in Vietnam
US STARK in San Jose

Sales Operation – by Industries

Sales BU	Industry / Region
BU1	High-tech industries, E-commerce, Finance, Automobiles, Government, and Education, the main area in Hsinchu and middle Taiwan.
BU2	High-tech manufacturing, Defense, Military, Traditional production, Education, and Medical care, the main area in Hsinchu 、 Taoyuan 、 middle and south Taiwan
BU5	All industries in Taiwan
BU6	Finance, insurance, telecommunications, small and medium enterprises, manufacturing in Taipei The public sector including government, medical care, and education. The main area in Taipei and East Taiwan
BU8	Private telecommunications, film and television media, energy, water and electricity, the main area in Taipei
BU9	Chunghwa Telecom

We've involved & worked on:



Inter-connect : Telecomm 、 Broadband/Cable 、 Internet

Information Technologies

Professional Services

- Consulting
- Design
- Deployment
- Integration

Portal *Personalization* *Content Mgmt* *Single sign-on*

Enterprise Apps
ERP, CRM, SCM
MES, PLM

OSS, VAS
Probe/CEM

eCommerce
High Freq. Trade
by Trade
AML

Vertical Apps.

IoT
(Environmental Monitoring)

MFG

Telco

FSI

Travel

Medical

Gov't

EAI@SOA *Middleware* *Data Integration@BI*

Data Mgmt.

Security

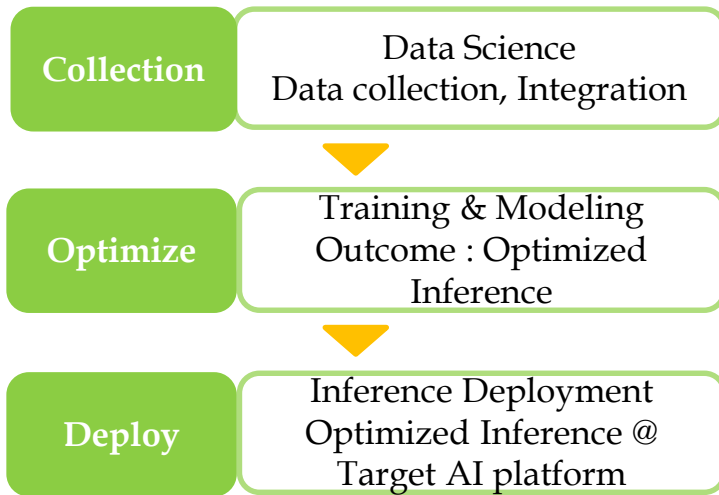
System & Platform *Resource Mgmt (CPU/GPU/VM/Container/Bare Metal)*

Networking *Platform* *Load Balancing* *Network Mgmt*

AI(Machine · Deep Learning)



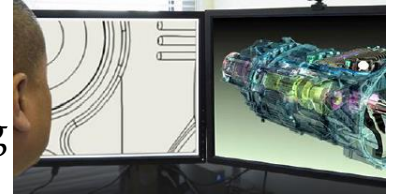
Customer Requirements



Highlights

Post Pandemic

WFH : Secure access
Backend AI processing
power via VDI



Industrial Application

Leveraging AI platform to
improve productivity and yield



Industry-Academia Alliance

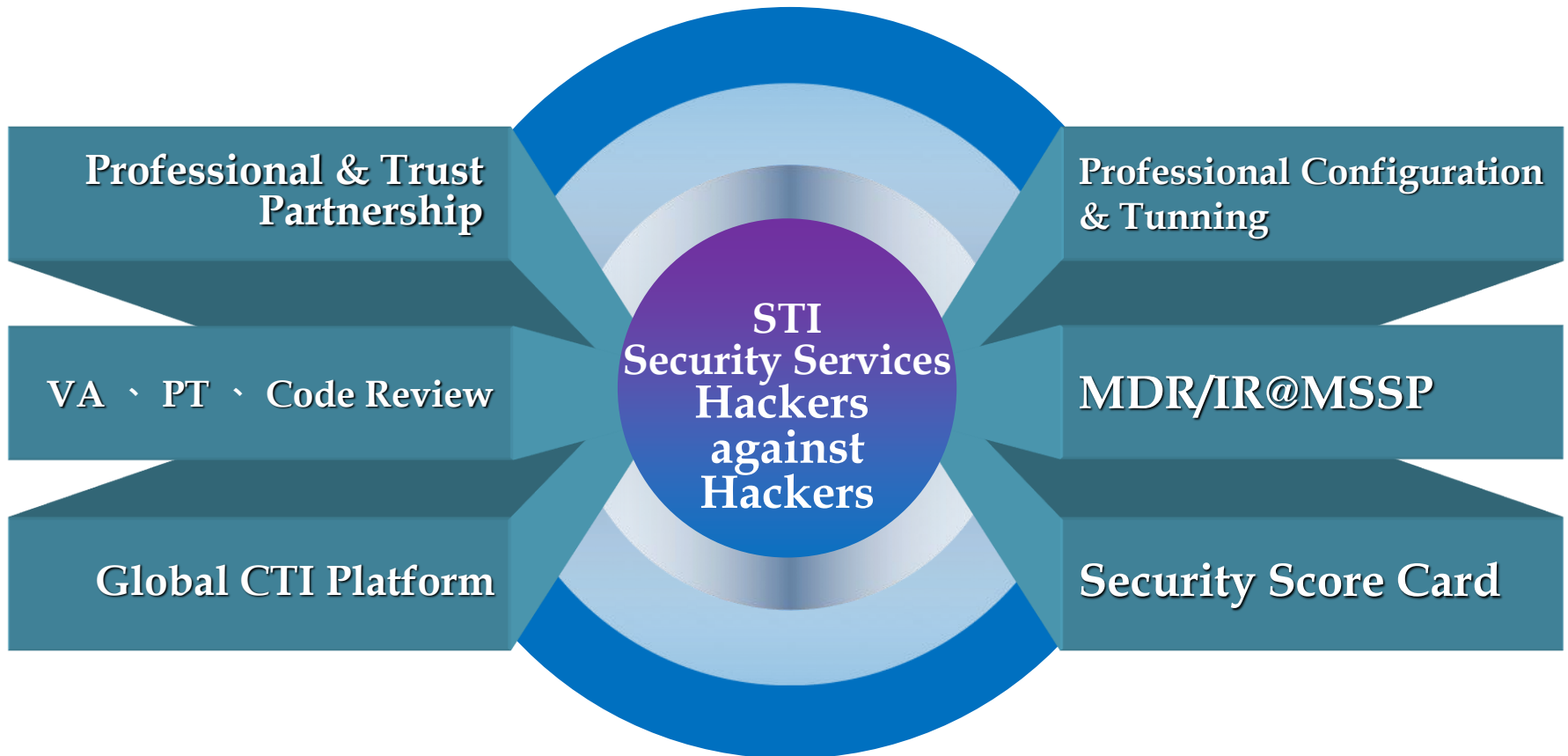
Academic Alliance to
redefine enterprise AI
smart technology



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- ✓ NVIDIA Elite Partner
- ✓ AI Platform Solution Provider

Information Security



MSSP Architecture

Security Cloud Services

Security Access
Service Edge
(SASE)

API Security

Security Score
Card

Global CTI
Platform

Professional & Proactive Security Risk Investigation & Threat Analysis Services

VA

PT

Code Review

MDR

IR

In Depth & customized on Devices/Services tuning & configuration

Network
Security

System
Security

Apps.
Security

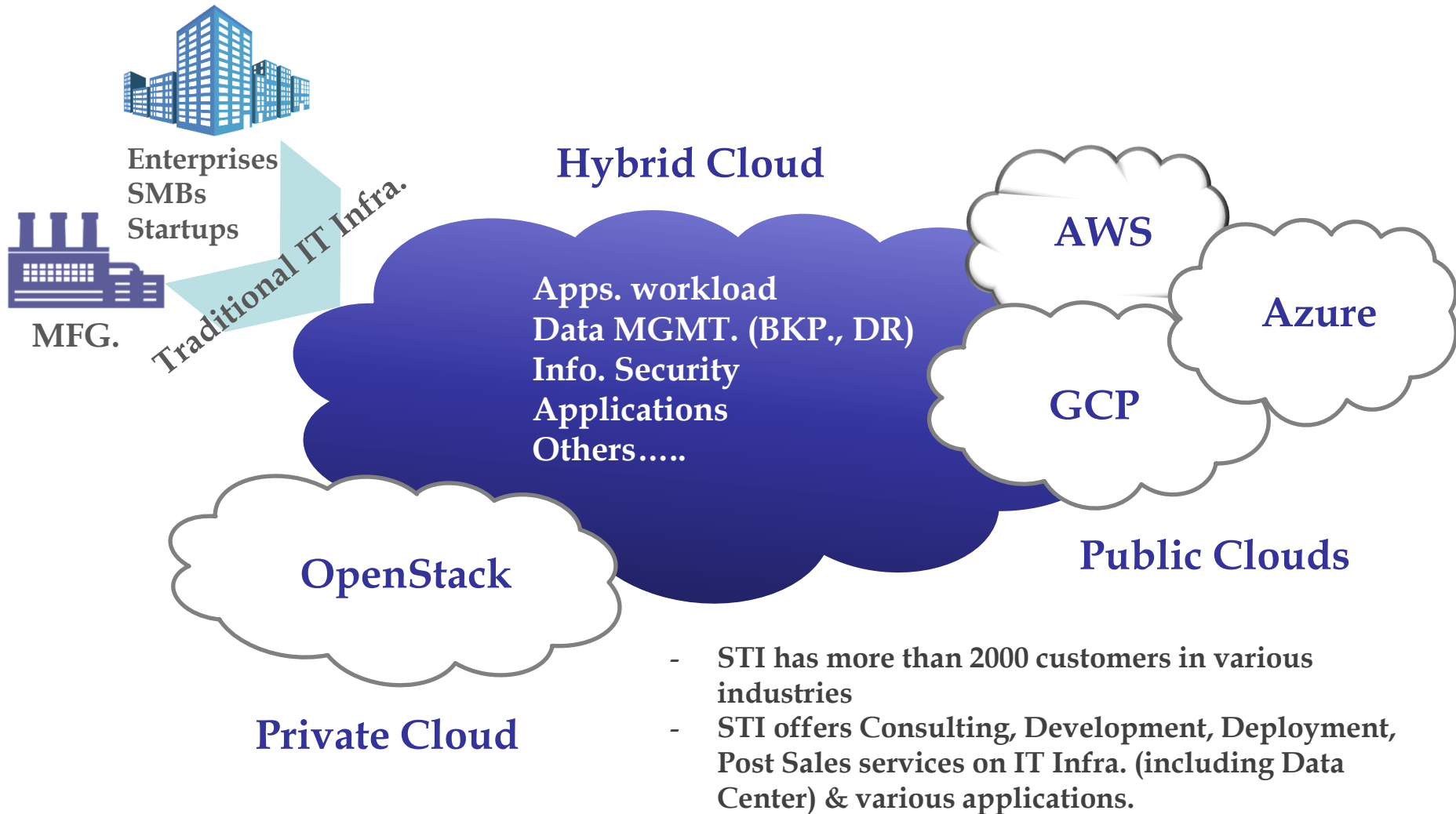
Endpoint
Security

Data
Security

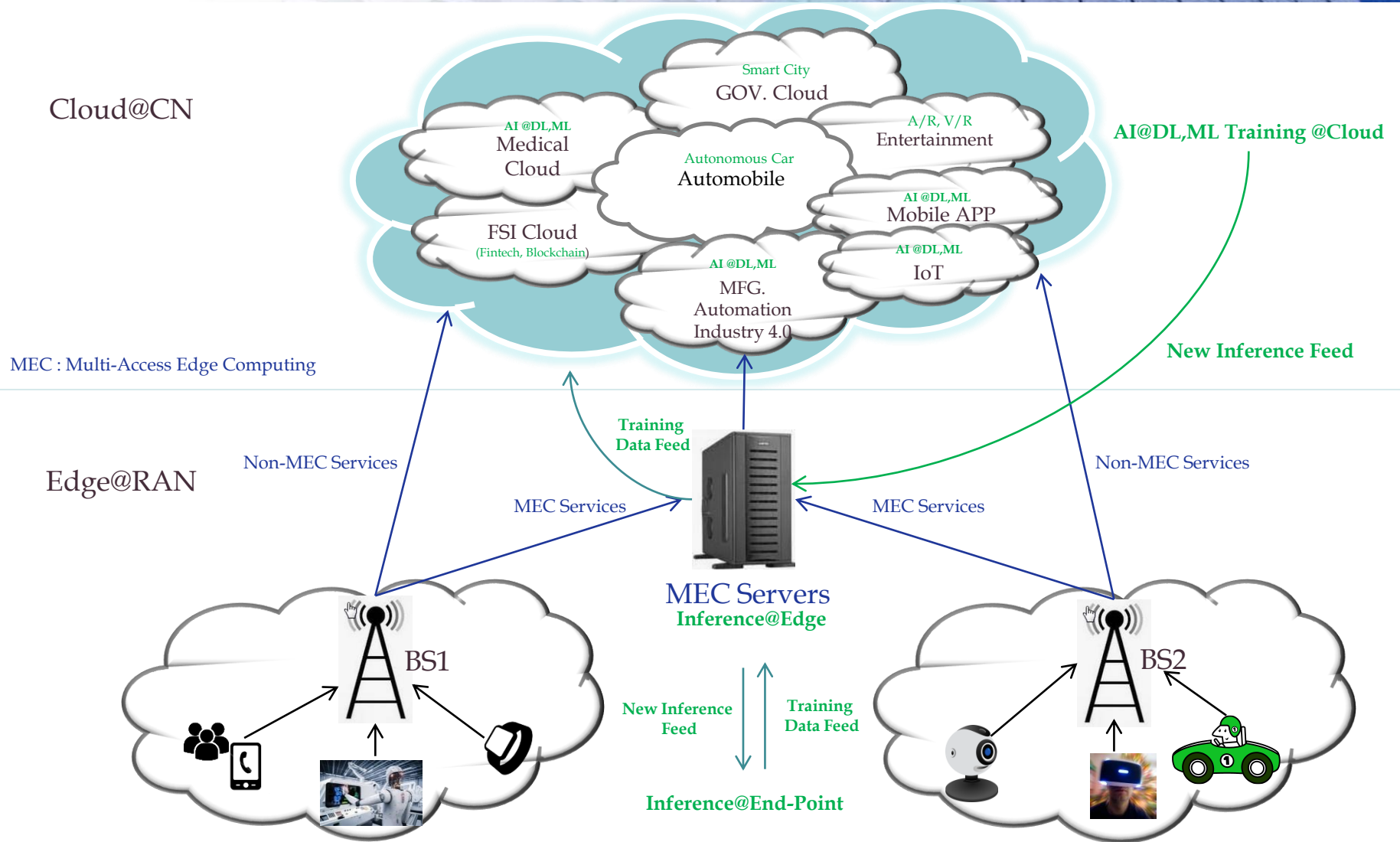
Mobile
Security

IT Infra. (Network、OS、Storage....)

STI's Strength on Hybrid Cloud



Meet up 5G + MEC@AI@Cloud



Products & Solutions

Info. Security

Software Development Tools

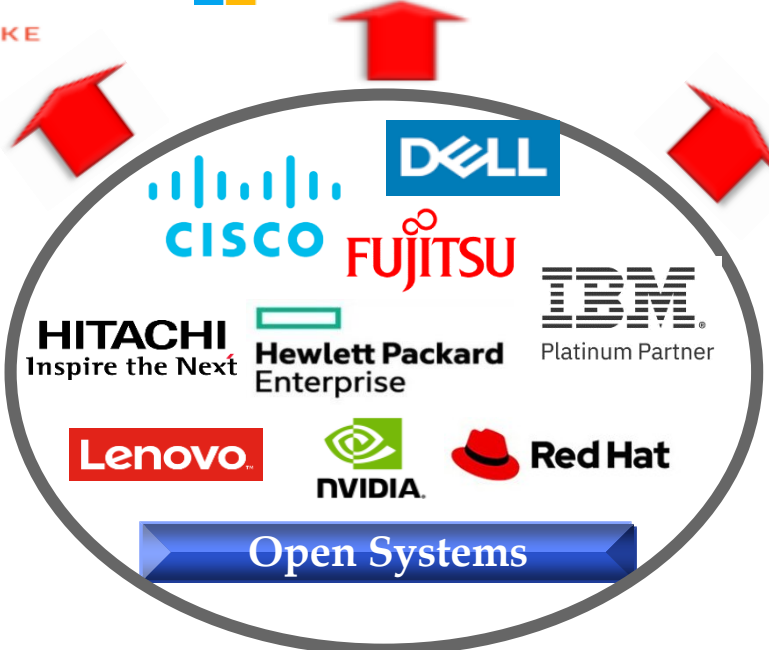
Resource MGMT.

Data MGMT.

Data Comm.

Open Systems

Telcomm.



Balance Sheet Overview (Consolidated)

Units:NT\$ thousand

ITEM	2023/12/31		2022/12/31		2021/12/31	
	AMT	%	AMT	%	AMT	%
Cash and cash equivalents	1,834,358	28%	1,534,624	24%	1,450,910	25%
Accounts receivable (including contract assets)	874,580	13%	893,949	14%	962,617	17%
Inventories	2,282,771	34%	2,530,729	39%	1,991,209	34%
Property, Plant and equipment	495,515	7%	440,151	7%	446,238	8%
Total Assets	6,668,449	100%	6,508,298	100%	5,786,869	100%
Current Liabilities	3,315,201	50%	3,274,528	50%	2,665,481	46%
Total Liabilities	3,398,498	51%	3,382,971	52%	2,766,996	48%
Equity	3,269,951	49%	3,125,327	48%	3,019,873	52%

Source: Market Observation Post System

Income Statements Overview (Consolidated)

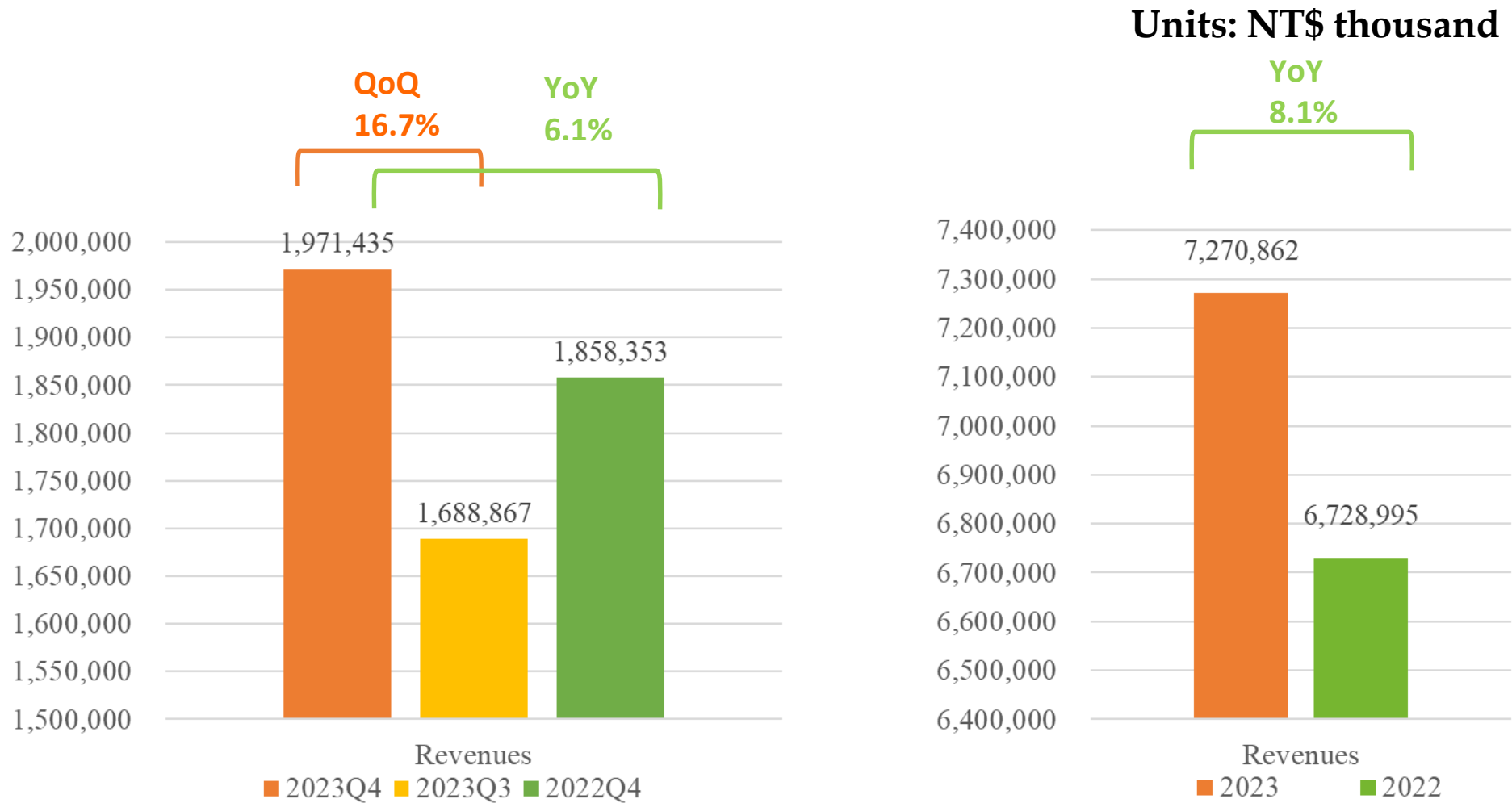
Units: NT\$ thousand

Item	2023 Jan.-Dec.		2022 Jan.-Dec.		YOY
	AMT	%	AMT	%	
Revenues	7,270,862	100%	6,728,995	100%	8.1%
Gross profit	1,786,367	25%	1,734,978	26%	3.0%
Operating expense	922,686	13%	931,366	14%	-0.9%
Operating income	863,681	12%	803,612	12%	7.5%
Other income	108,866	2%	105,698	2%	3.0%
Pre-tax income	972,547	14%	909,310	14%	7.0%
Net income	783,241	11%	735,171	11%	6.5%
EPS(NT\$)	7.36		6.91		6.5%

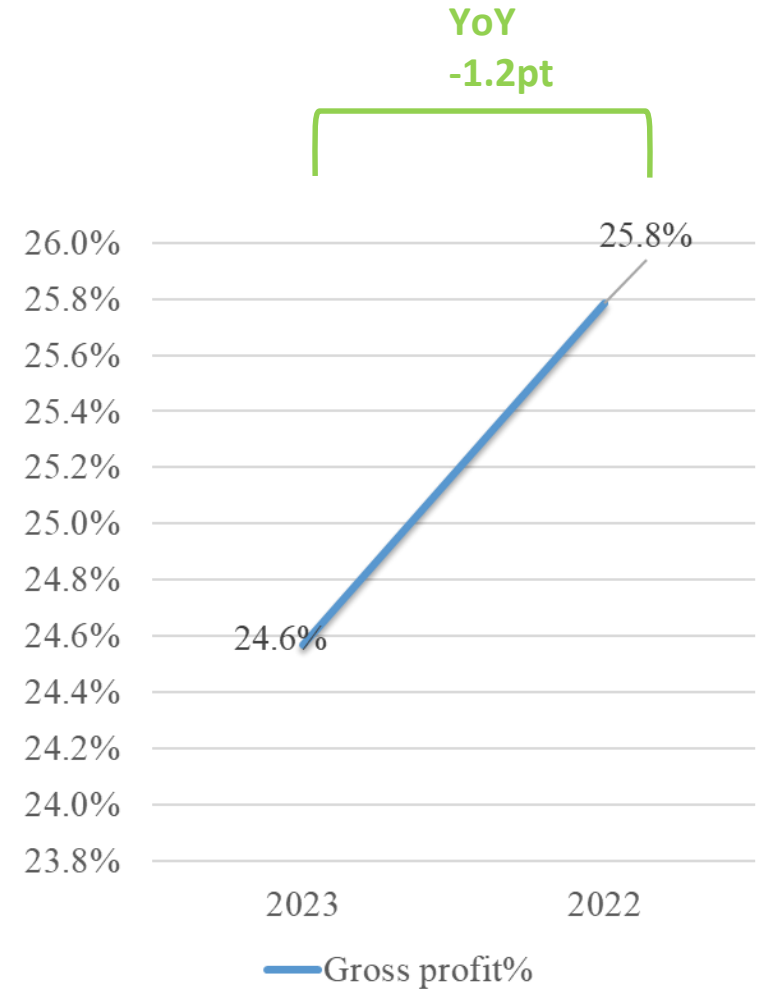
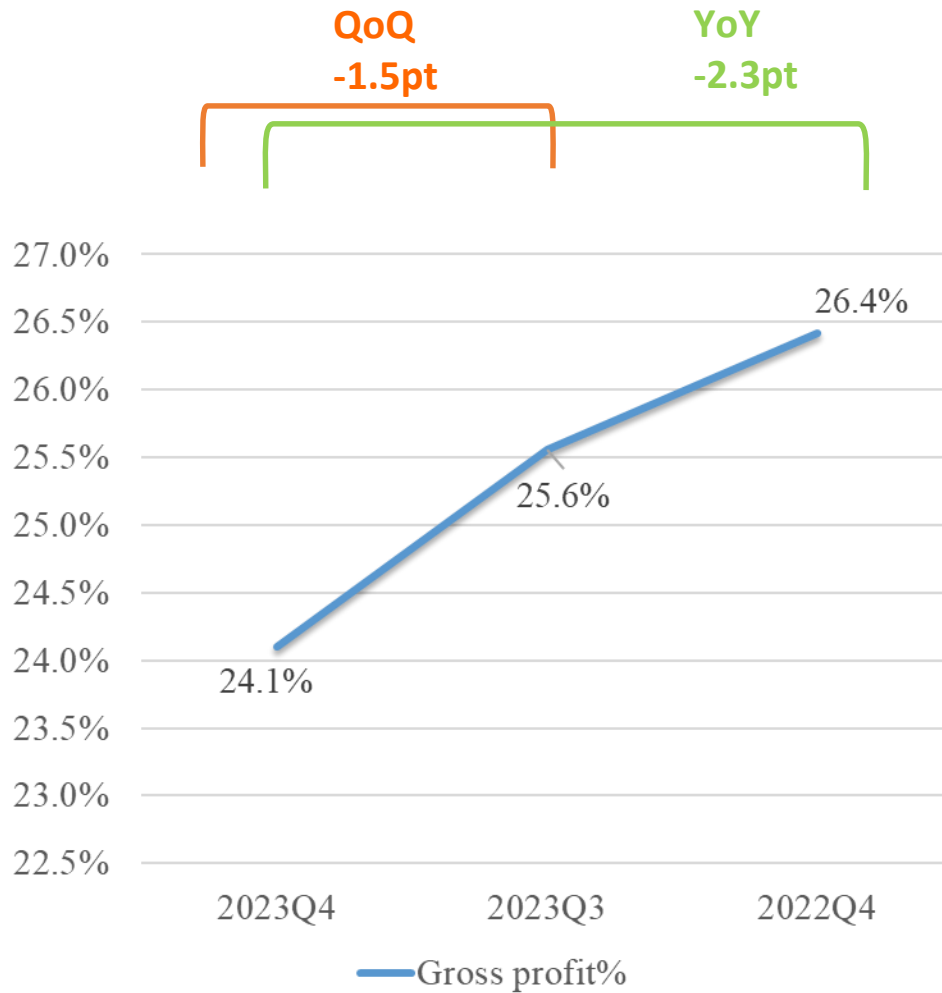
Source: Market Observation Post System

Note:China subsidiary's revenue of consolidated: 2023 1.7%;2022 2.6%

Consolidated Revenues

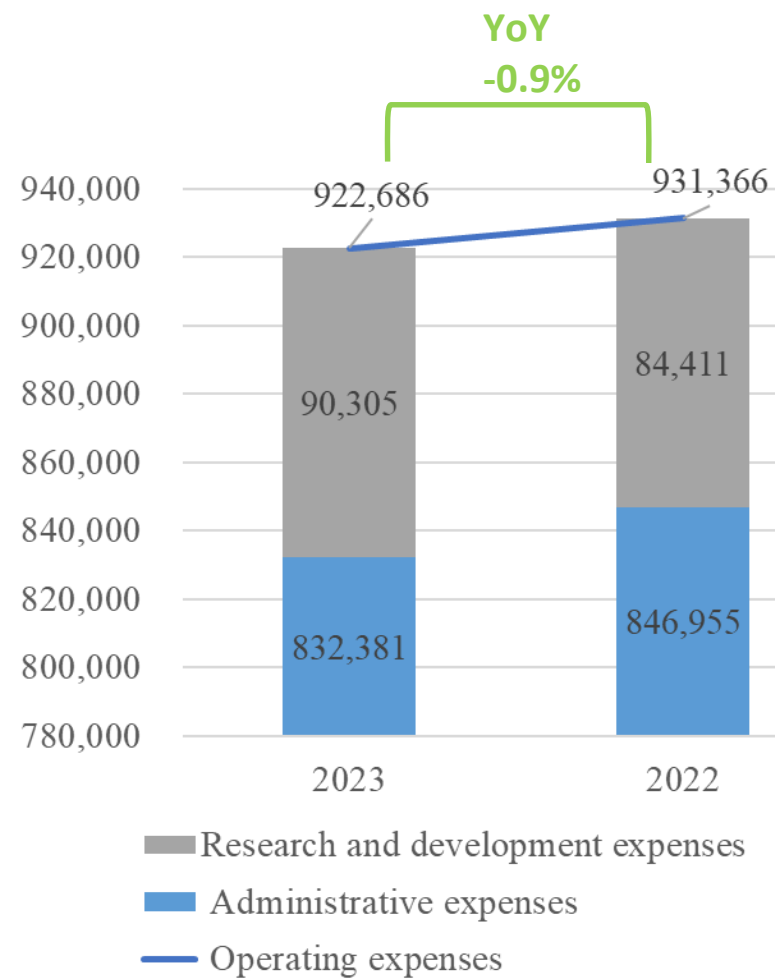
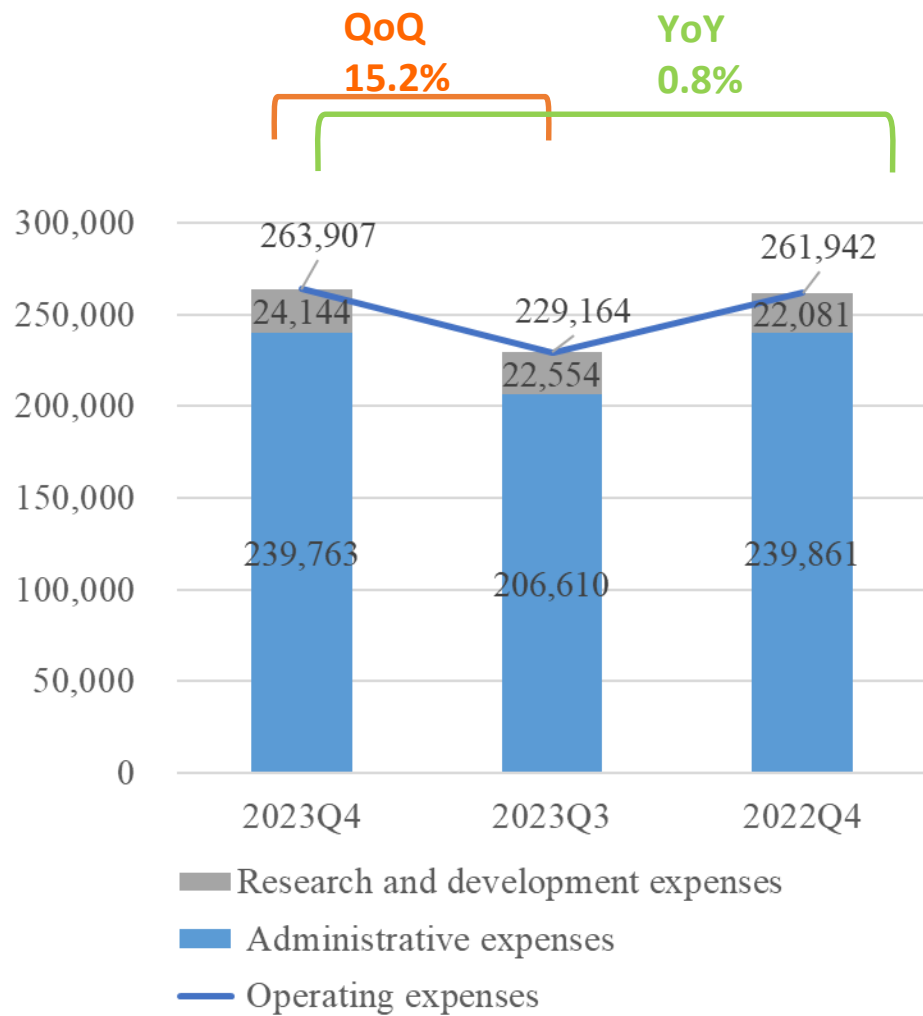


Consolidated Gross profit%



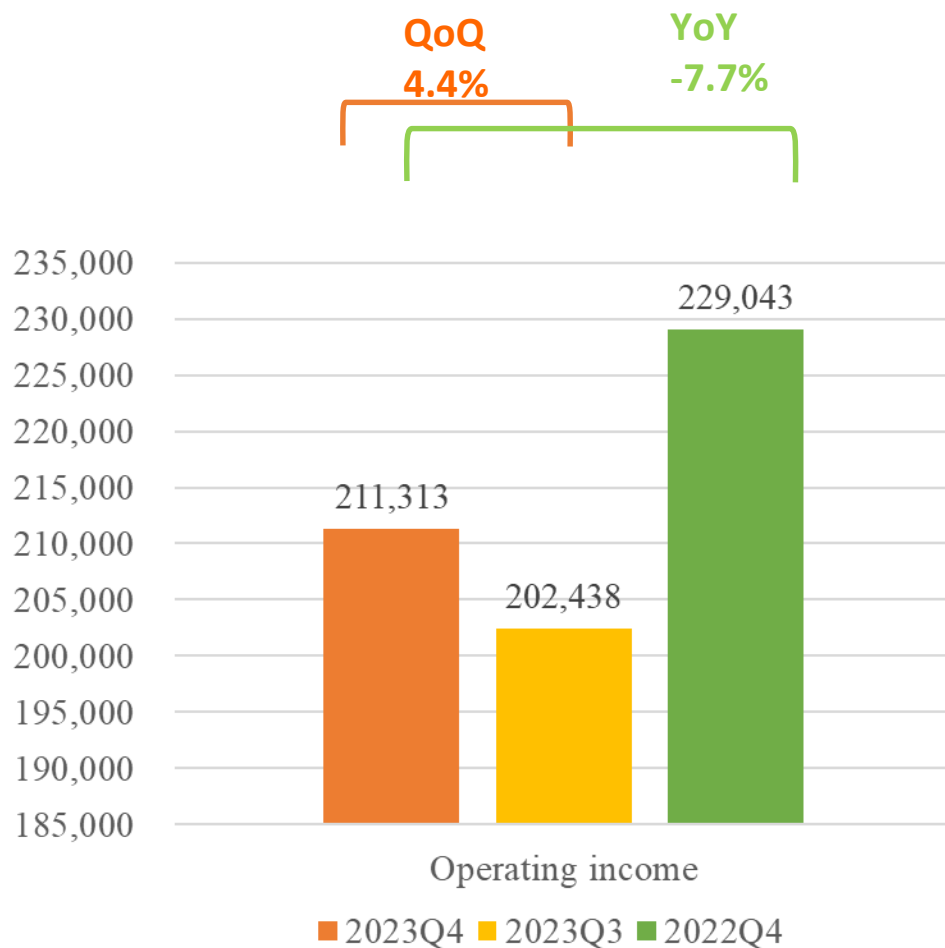
Consolidated Operating expenses

Units: NT\$ thousand



Consolidated Operating income

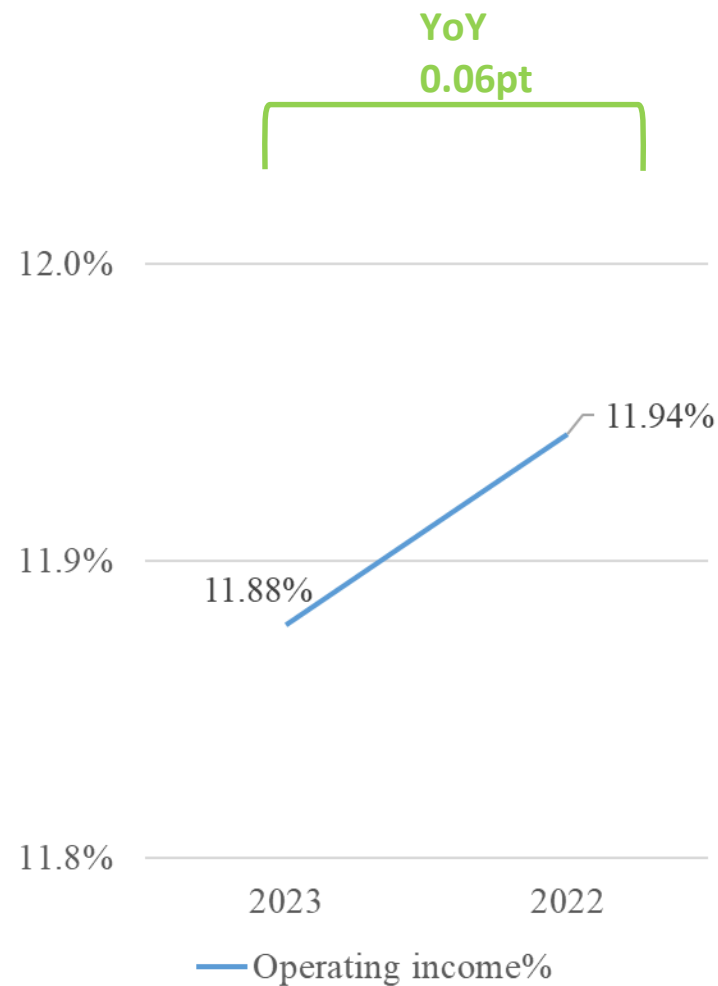
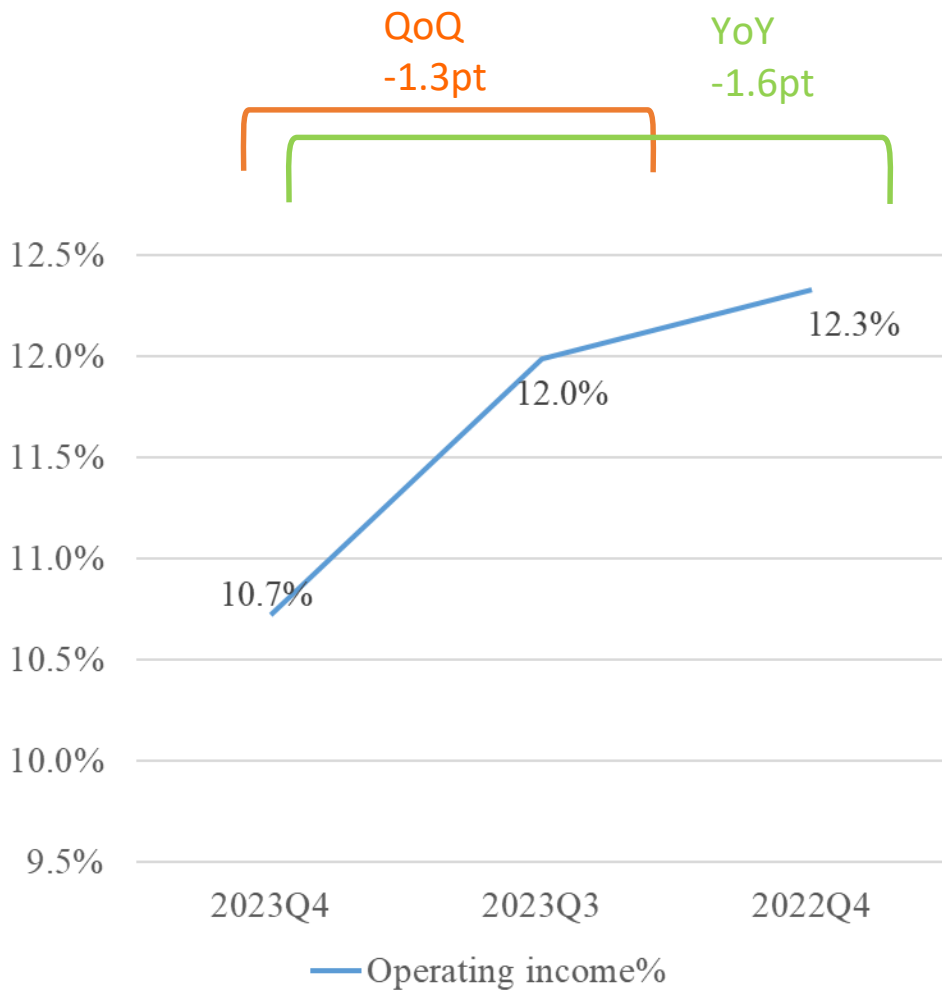
Units: NT\$ thousand



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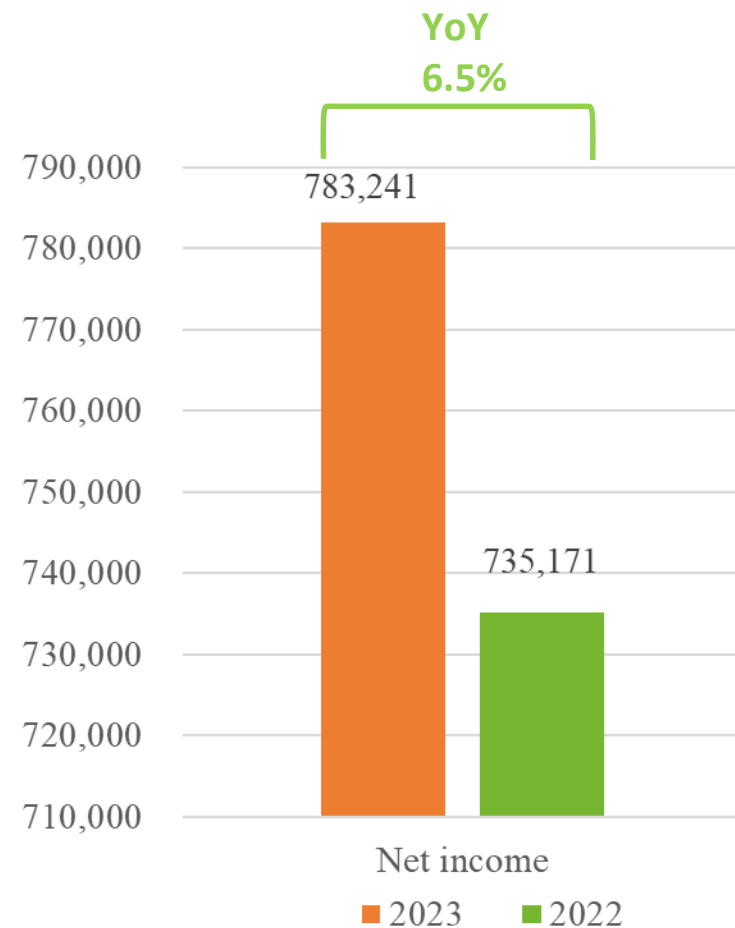
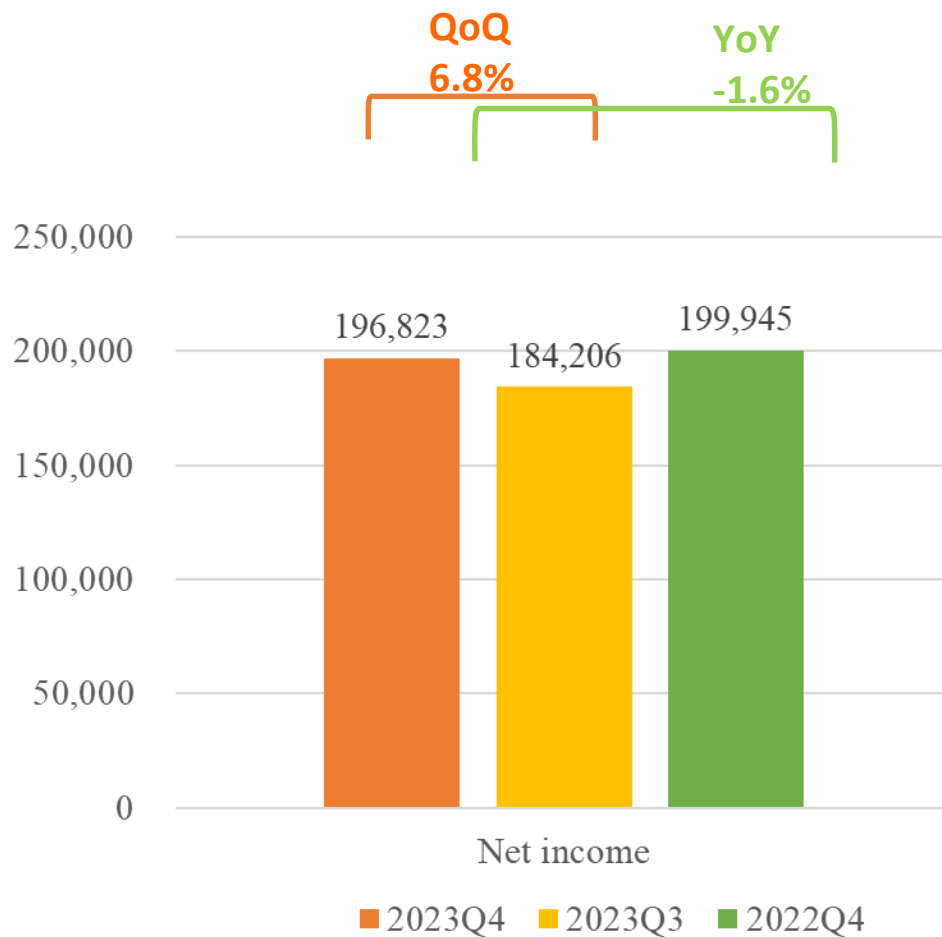
敦陽科技股份有限公司

Consolidated Operating income⁰%

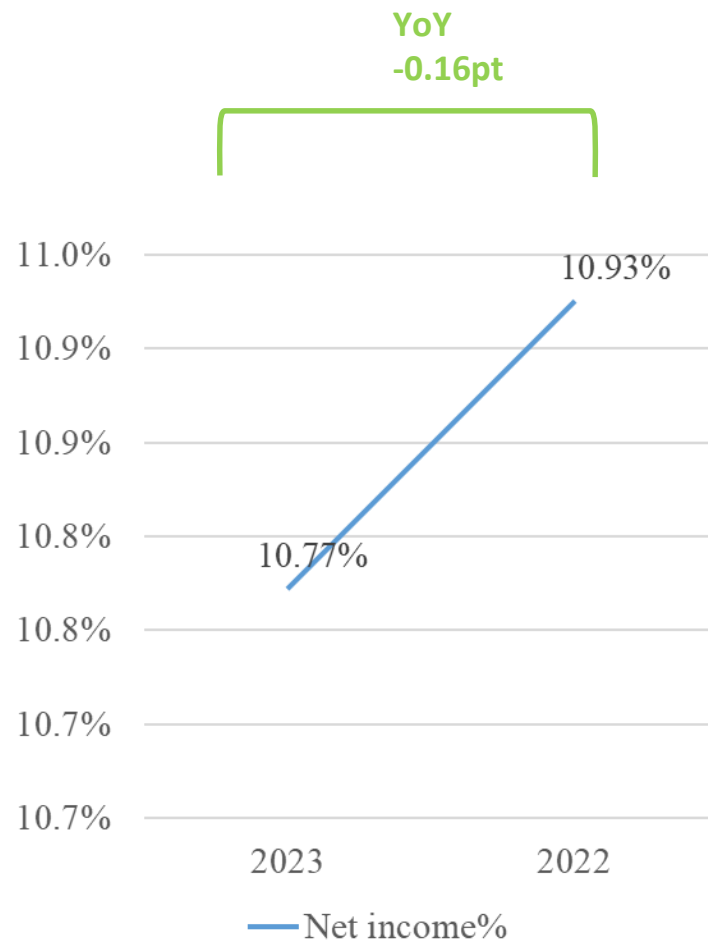
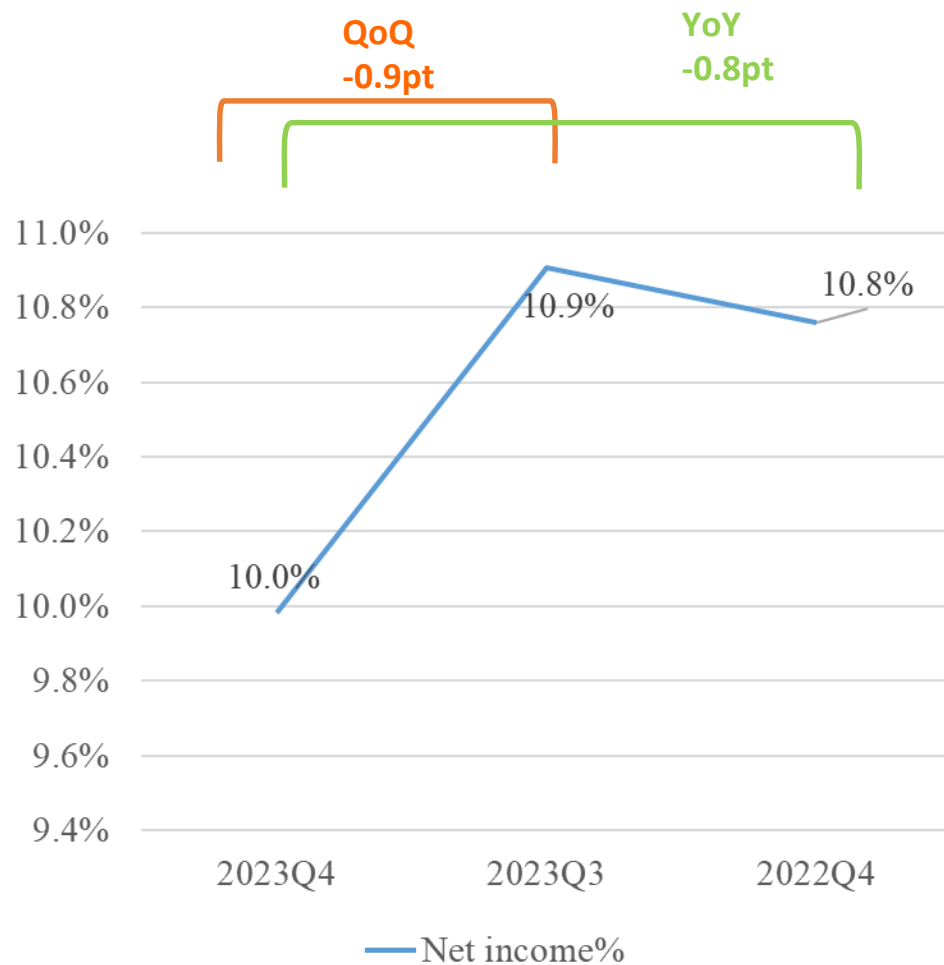


Consolidated Net income

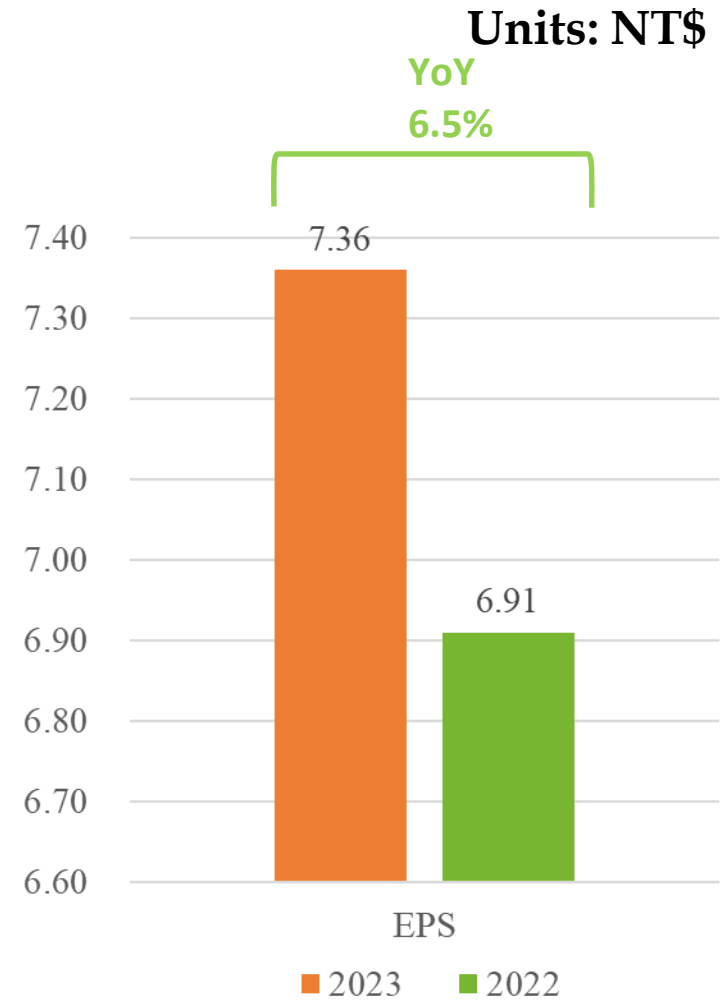
Units: NT\$ thousand



Consolidated Net income⁰%



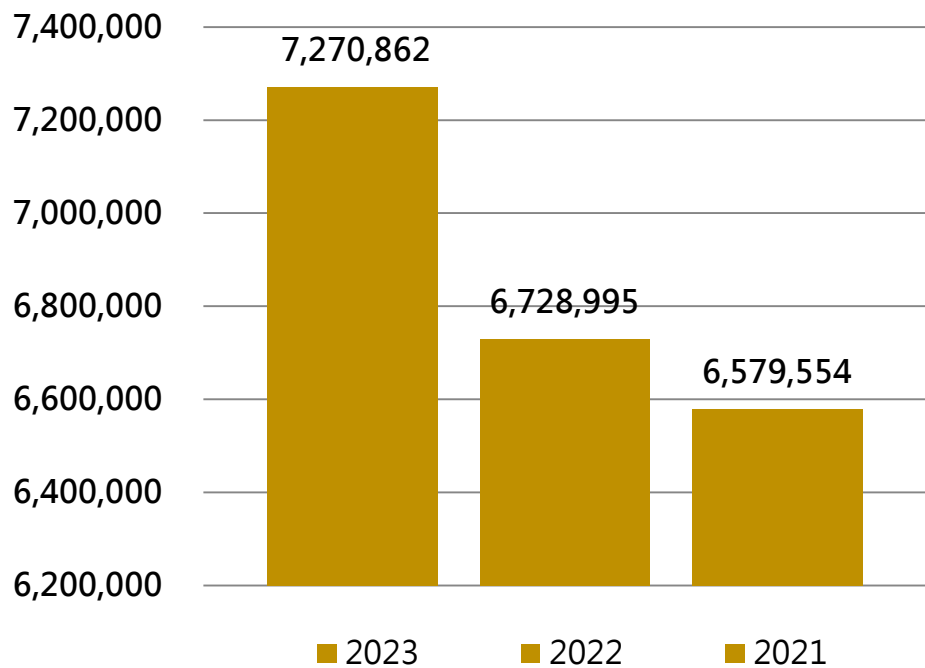
Consolidated EPS



Sales Revenue & Net Income

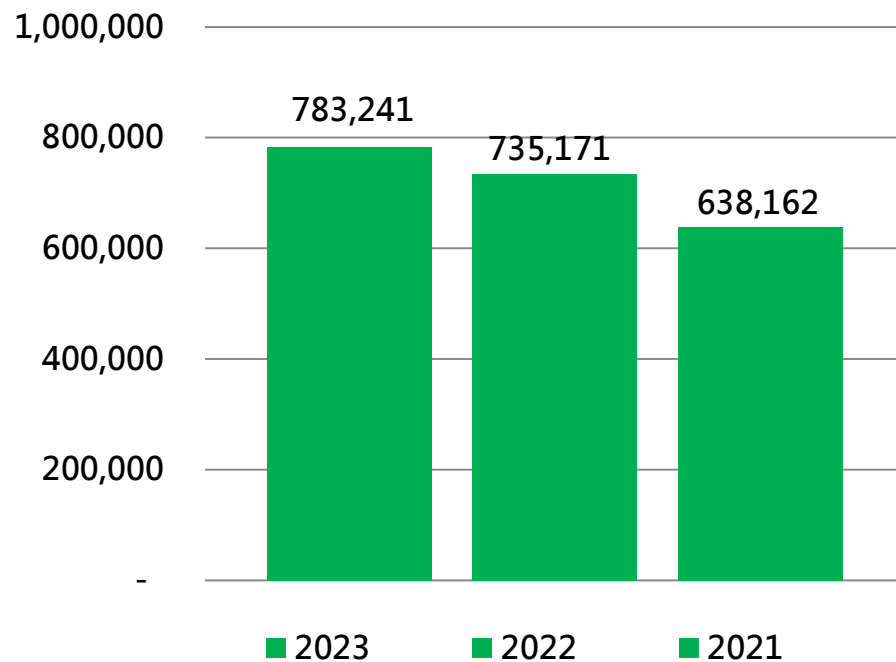
Sales Revenue

Units:NT\$
thousand



Net Income

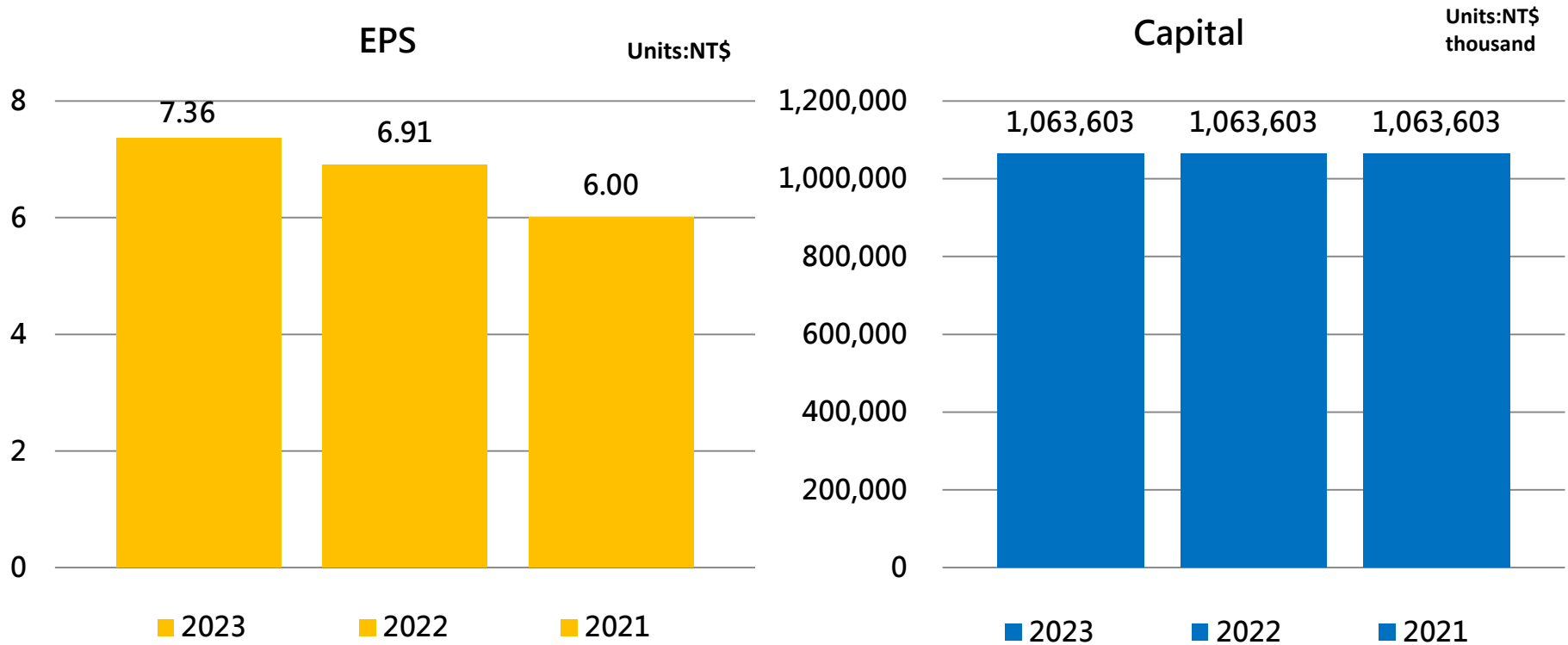
Units:NT\$
thousand



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敦陽科技股份有限公司

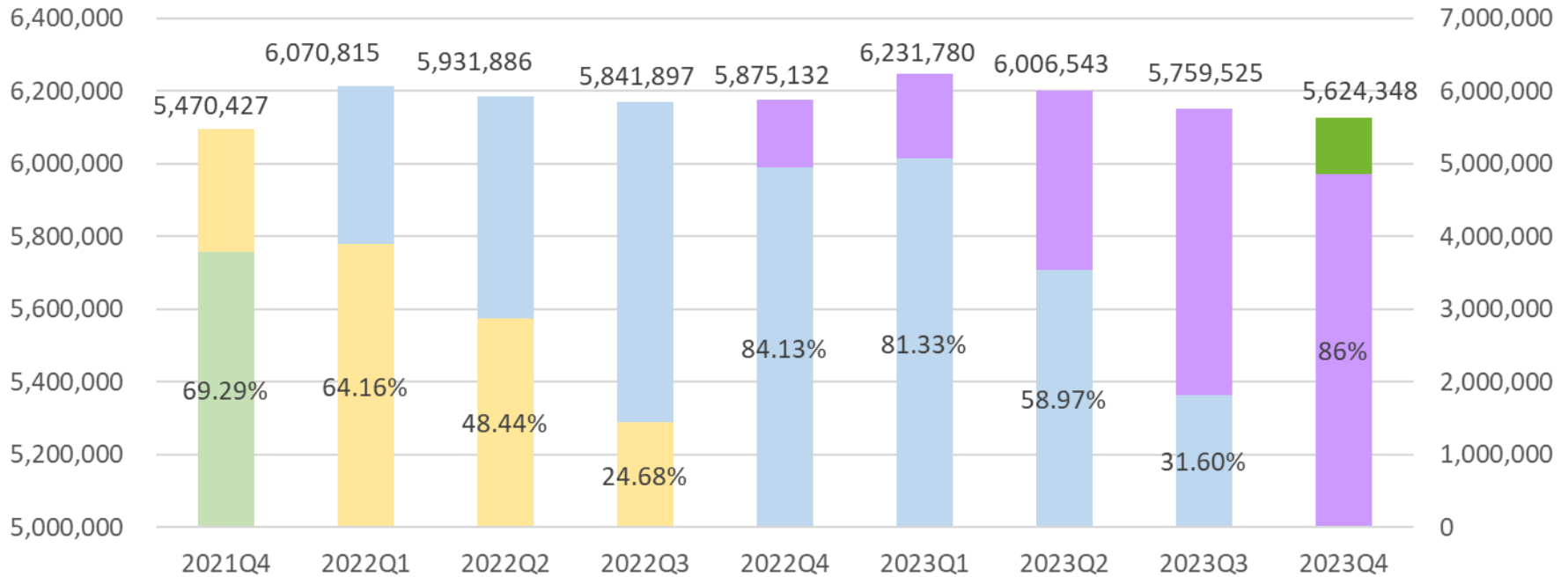
EPS & Capital



	2023	2022	2021
ROE	24.49	23.93	21.82

Allocation of transaction price into unfulfilled contractual obligations

Units: NT\$ thousand



	2021Q4	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1	2023Q2	2023Q3	2023Q4
Allocation of transaction price into unfulfilled contractual obligations	5,470,427	6,070,815	5,931,886	5,841,897	5,875,132	6,231,780	6,006,543	5,759,525	5,624,348
Estimated Fulfill Ratio of 2022/2023/2024	69.29%	64.16%	48.44%	24.68%	84.13%	81.33%	58.97%	31.60%	86.45%
Estimated Fulfill Amount of 2022/2023/2024	3,790,459	3,895,035	2,873,406	1,441,780	4,942,749	5,068,307	3,542,058	1,820,010	4,862,249
Estimated Fulfill Amount After 2023/2024/2025	1,679,968	2,175,780	3,058,480	4,400,117	932,383	1,163,473	2,464,485	3,939,515	762,099

Dividends Policy

※ Dividends in recent years

Units:NT\$

Year	2023	2022	2021	2020	2019	2018	2017	2016
Amount	6.64	6.26	5.62	4.3	4.45	3.42	2.62	2.1

※ EPS in recent years

Units:NT\$

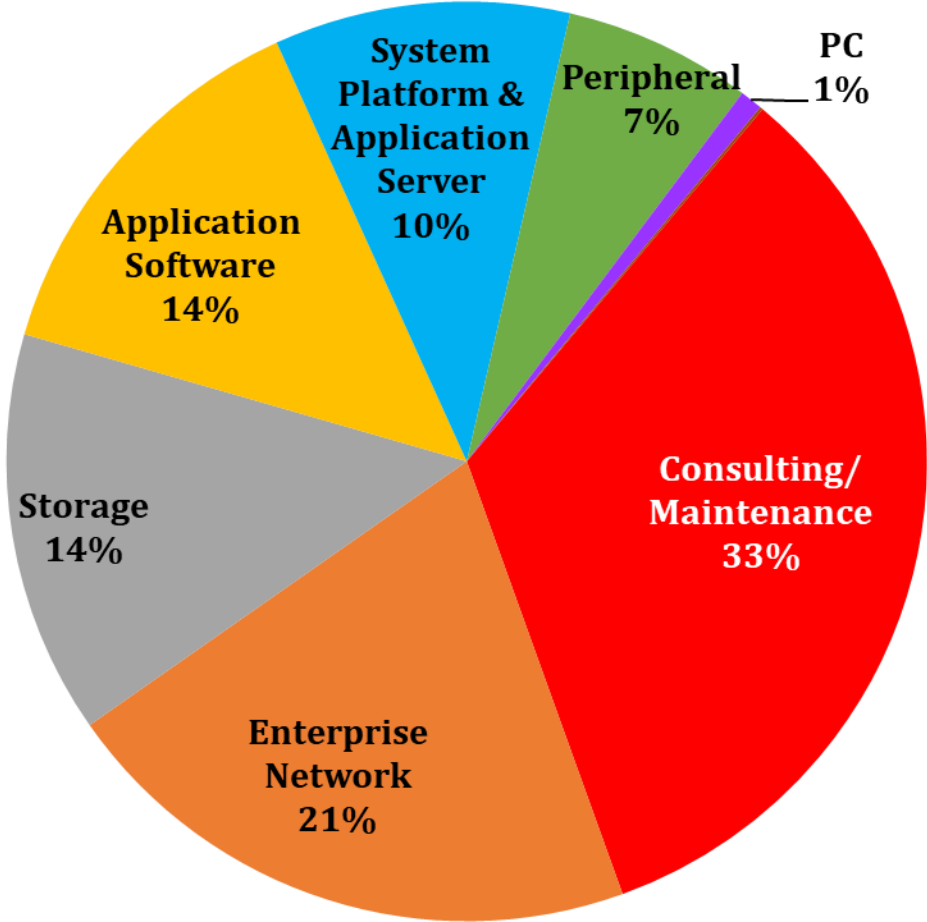
Year	2023	2022	2021	2020	2019	2018	2017	2016
Amount	7.36	6.91	6.0	4.68	4.2	3.8	2.56	2.25

※ Payout ratio in recent years

Units:%

Year	2023	2022	2021	2020	2019	2018	2017	2016
Ratio	90.2%	90.6%	93.7%	91.9%	106.0%	90.0%	102.3%	93.3%

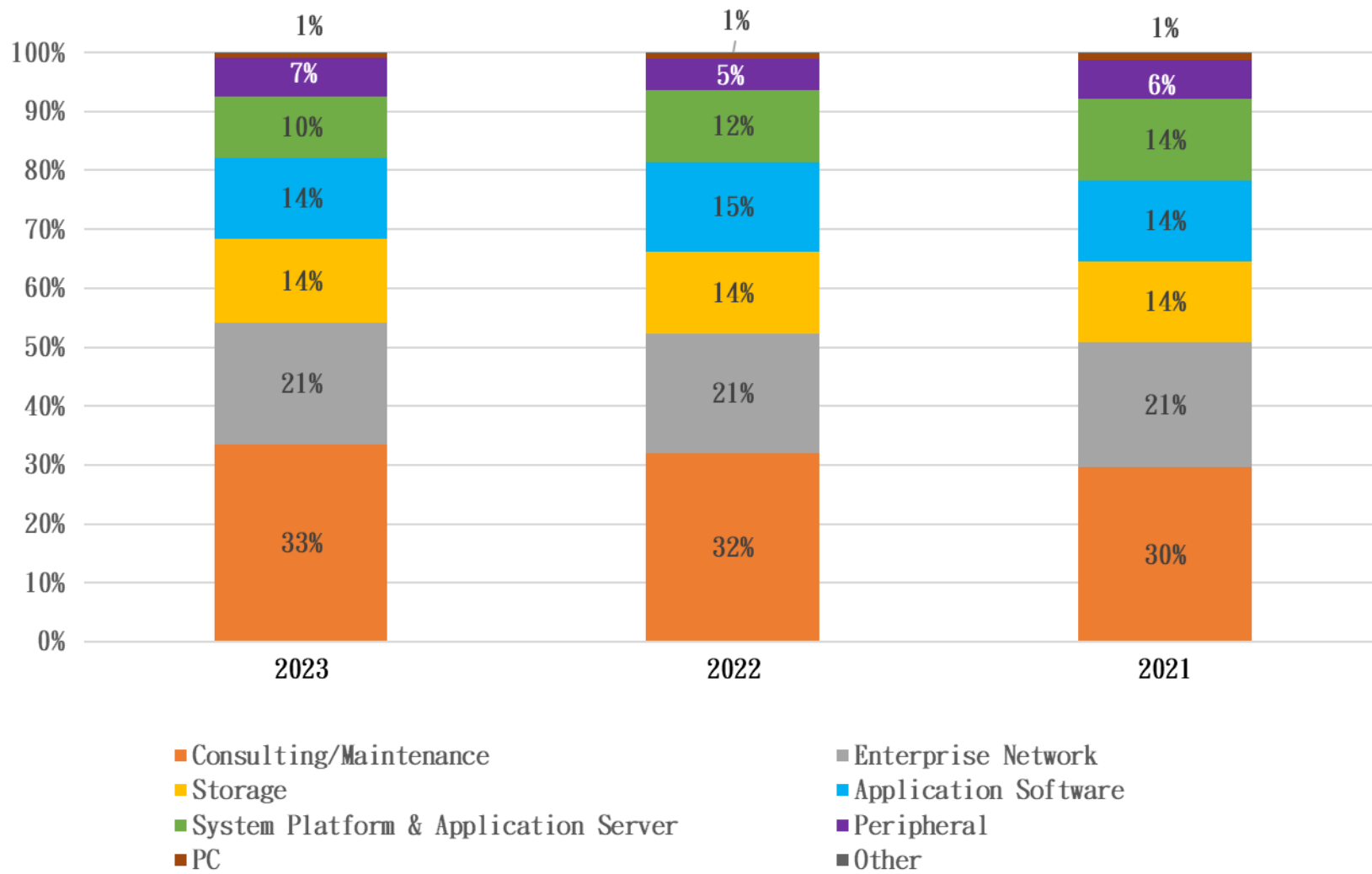
2023 Sales Revenues by Type



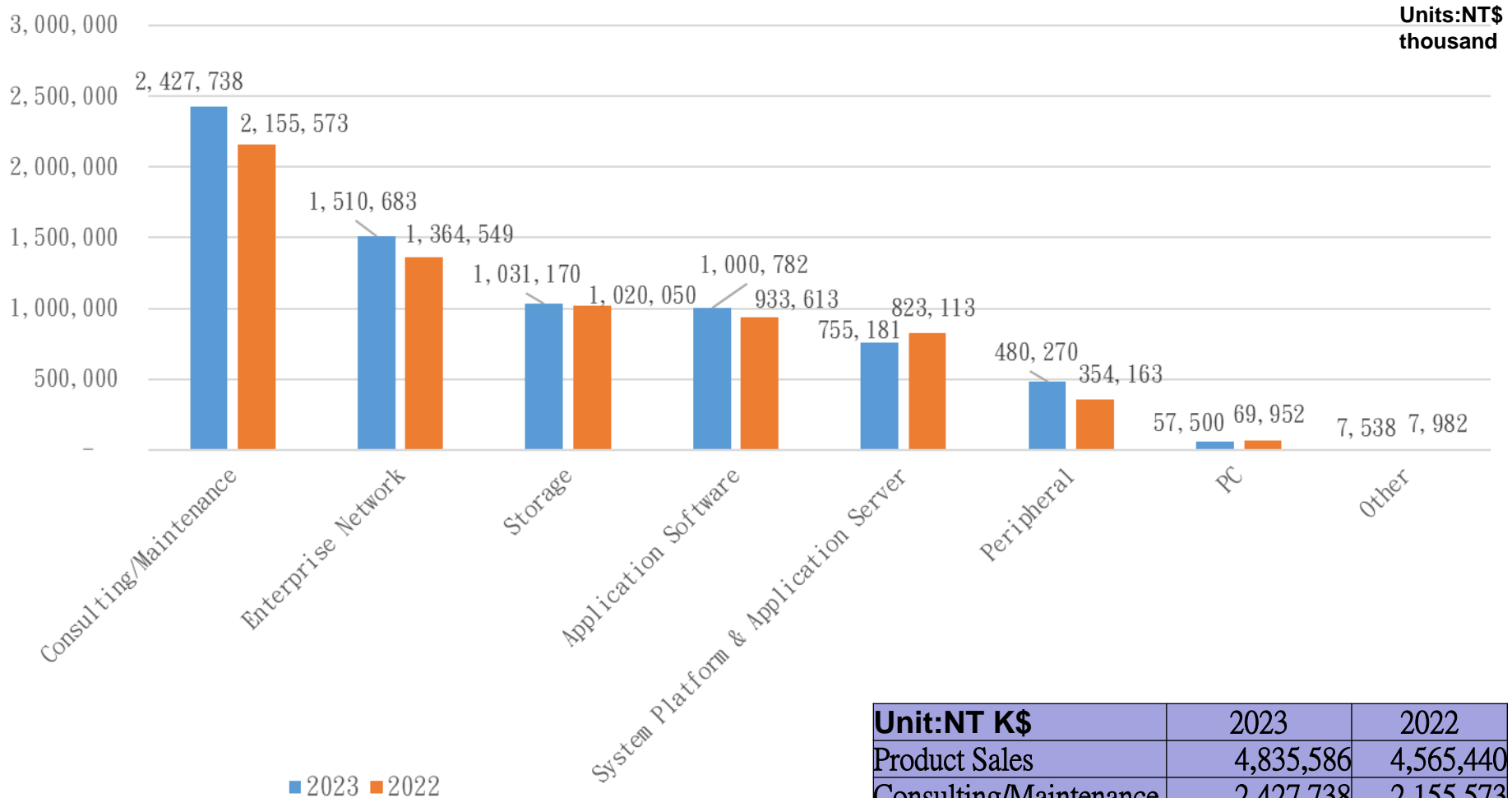
Revenue: 7.271 billion



Comparison of Sales Revenues by Type



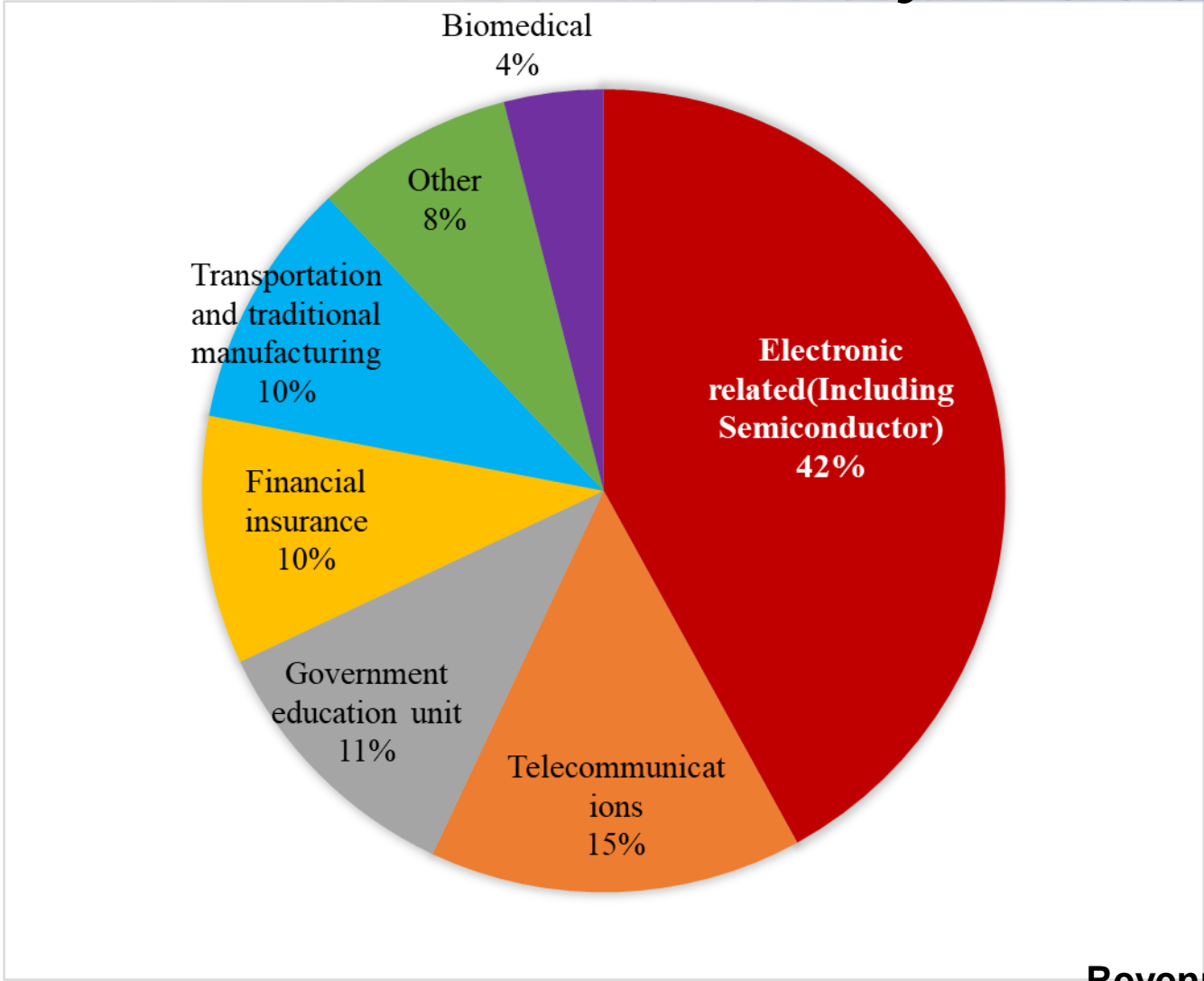
Compare Sales Revenues by Type



Revenue: 7.271 billion Revenue: 6.729 billion

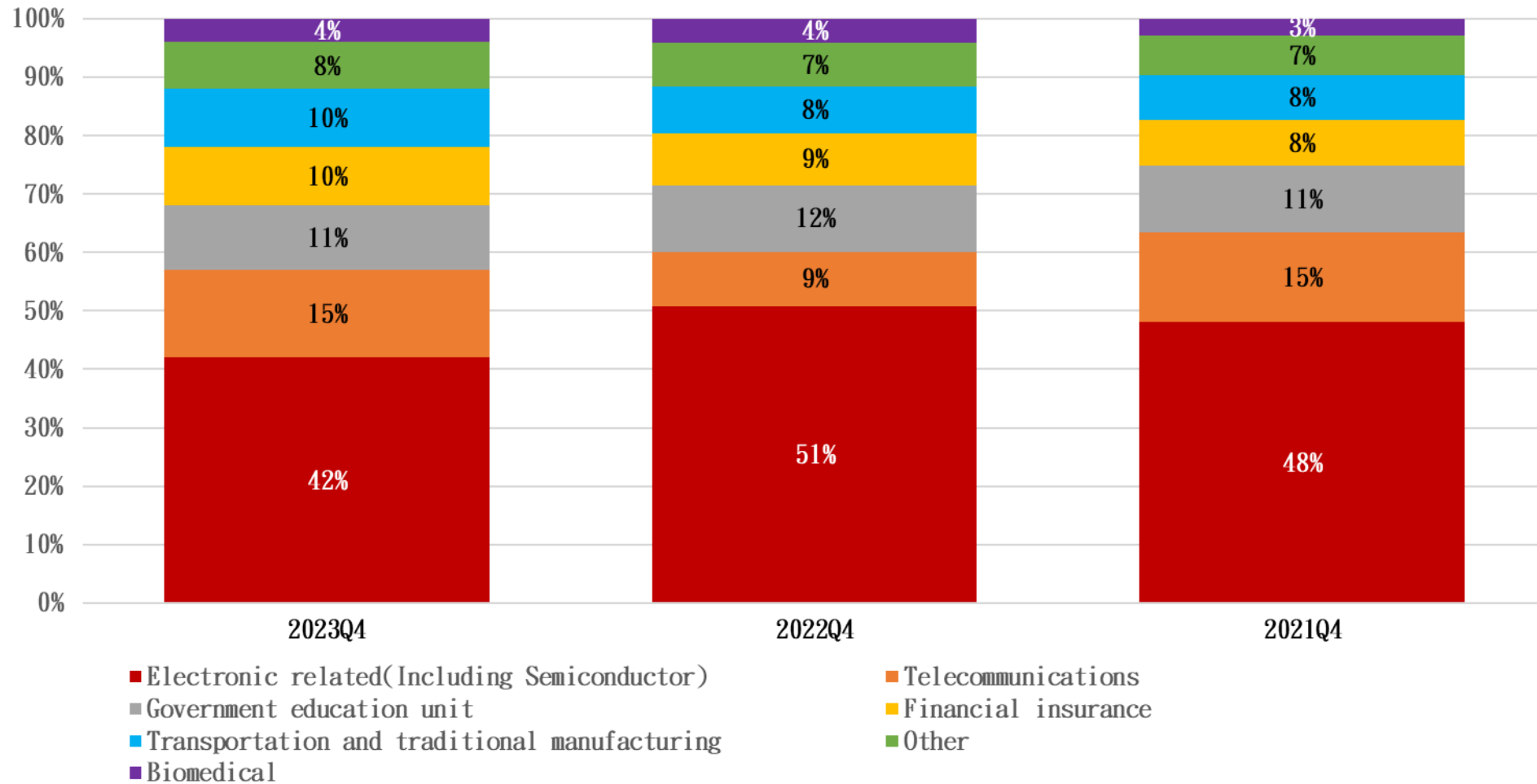
Unit: NT K\$	2023	2022
Product Sales	4,835,586	4,565,440
Consulting/Maintenance	2,427,738	2,155,573
Other	7,538	7,982
Total	7,270,862	6,728,995

2023 Sales Revenues by Industry

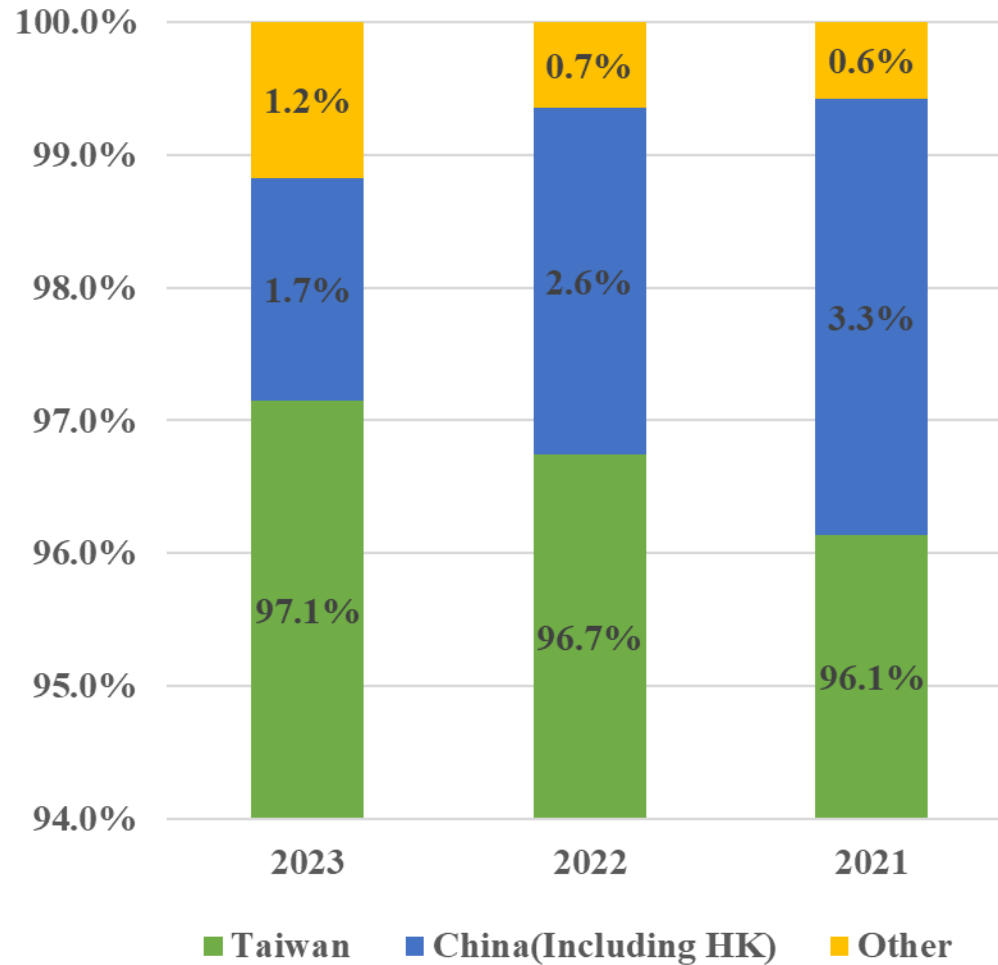


Revenue: 7.271 billion

Comparison of Sales Revenues by Industry(Accumulated)

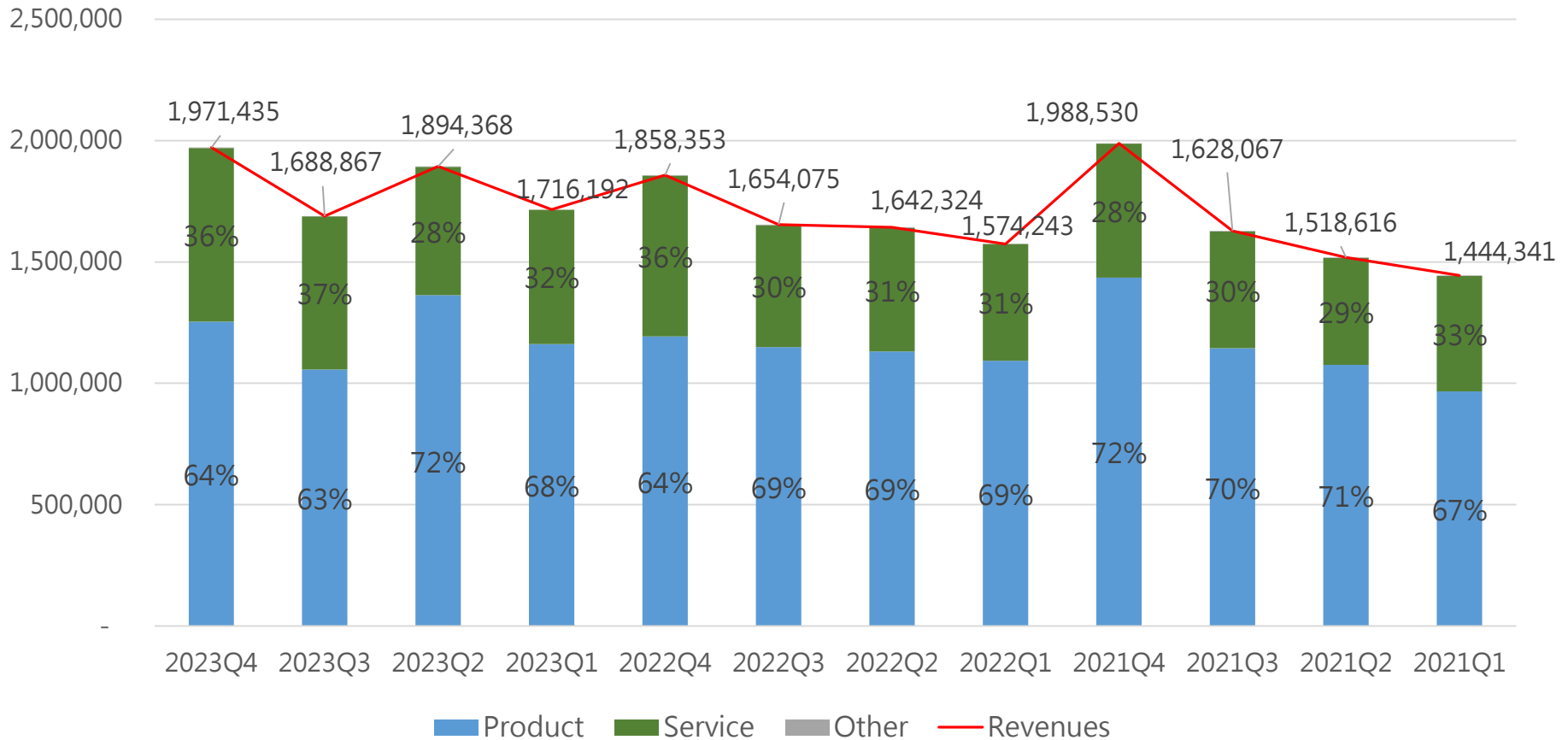



Comparison of Sales Revenues by Region(Accumulated)



Quarterly revenue status

Units:NT\$
thousand





Q & A
Thank you!!



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