

Stark Technology Inc.(2480)

2022Q3 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**
- **The largest domestic system integrator in Taiwan**
- **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 8th 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%

Awards

- Awarded the 2021 Supplier Conference "Hand in Hand with Sustainability Pioneer-Best Partner" award by Far EastTone Telecom
- 2020 "Enterprise Human Resource Improvement Plan" by the Taozhumiao Branch of the Labor Development Agency of the Ministry of Labor
- Fubon Financial Holdings was named "Sustainable Performance Excellent Supplier" in 2021
- Chunghwa Telecom 2021 "Supplier Corporate Social Responsibility Information Disclosure Excellence Award"

得獎事蹟

□ System Products

【DELL】FY22 Platinum Partner of the Year Award

【HPE】FY21 Best partner Award

【HPE】FY21 Excellent distribution partner

【IBM】FY21 BEST Storage Systems Selling

【Lenovo】FY20 Best Solution Sales Award



得獎事蹟(續)

Storage Products

【NetApp】 FY22 Best partner Award

【VMware】 FY20 Highest Growth Partner Award

【VEEAM】 FY21 Platinum Partner of the Year Award

【Hitachi Vantara】 F21 Reseller of the Year



得獎事蹟(續)

Info. Security/ Data comm. Products

- 【Aruba】FY21 HPE Aruba Best Platinum partner
- 【Cisco】FY21 Reseller of the Year
- 【F5】FY21 Best Information Security Contribution
- 【Fortinet】FY21 Excellence Award
- 【Palo Alto】FY22 Most Valuable Reseller
- 【MicroFocus】FY21 Outstanding Contribution Award
- 【Checkpoint】FY20 & 21 Best New Customer Contribution



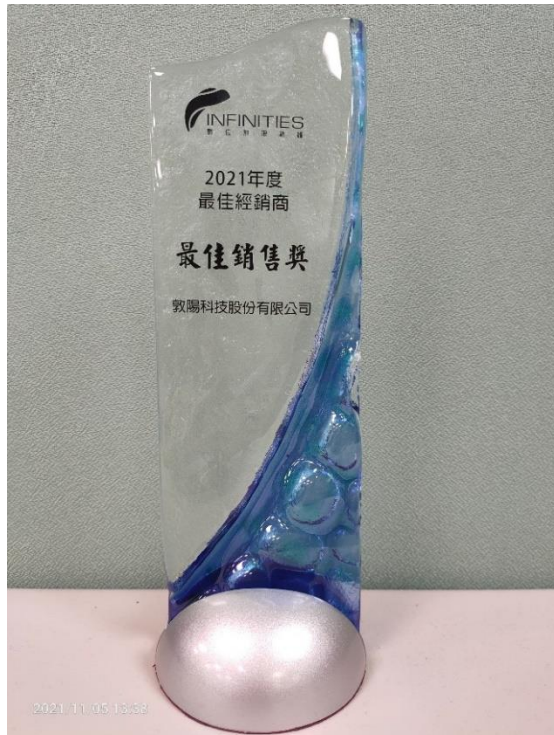
得獎事蹟(續)

□ Other Products

【INFINITIES】 FY21 Beat Distributor of the Year. Best Sales Award

【NUTANIX】 FY22 New Logo Focus Reseller of the Year

【NUTANIX】 FY22 Best Reseller of the Year



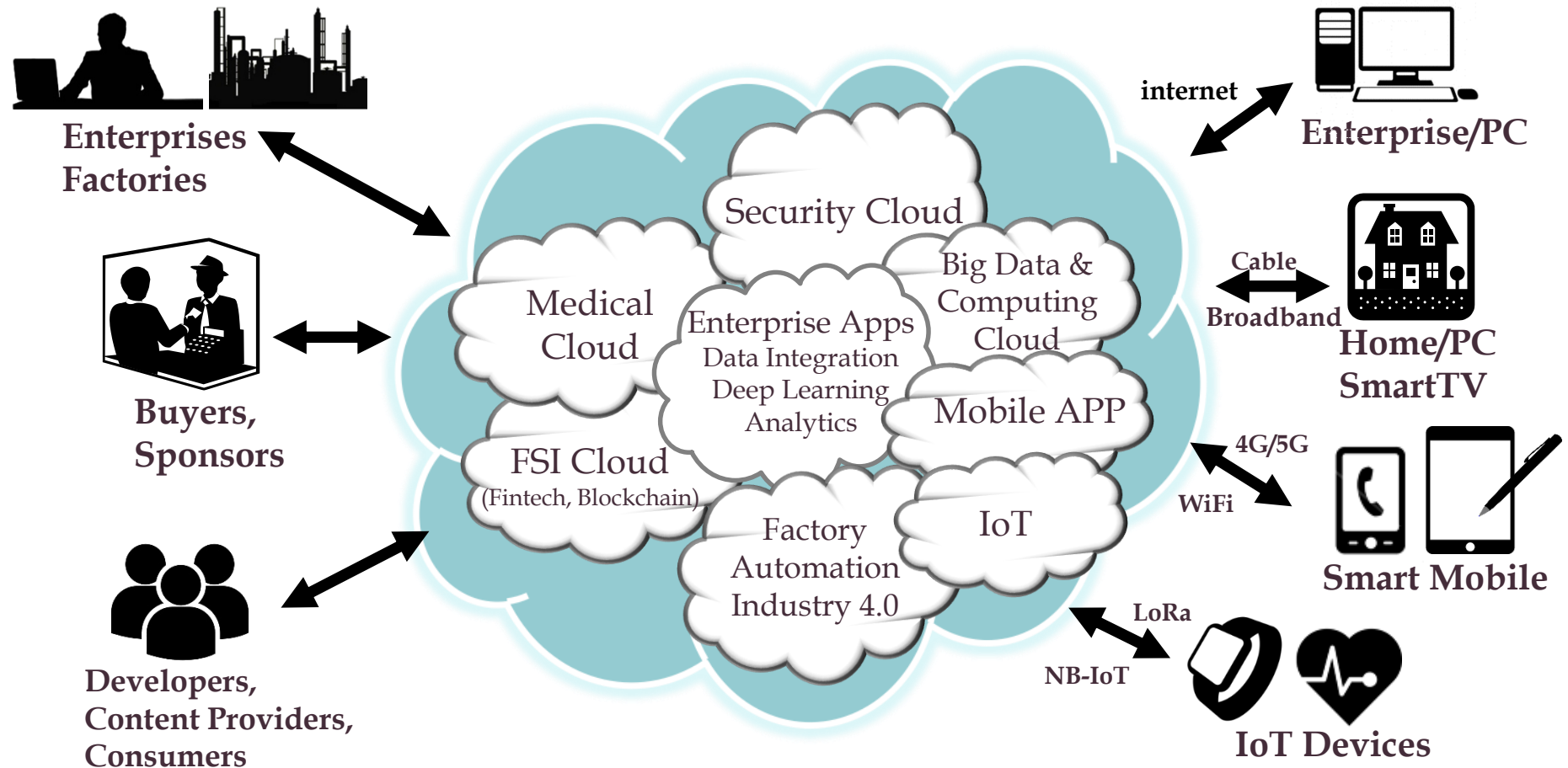
STI Service Network



Sales Operation – by Industries

Sales BU	Industry / Product / Region
BU1	IBM products, High-tech industries, E-commerce, Finance, and Automobiles, the main area in Hsinchu and middle Taiwan.
BU2	High-tech manufacturing, Defense, Military, and Traditional production, Education, the main area in Hsinchu、Taoyuan and South 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

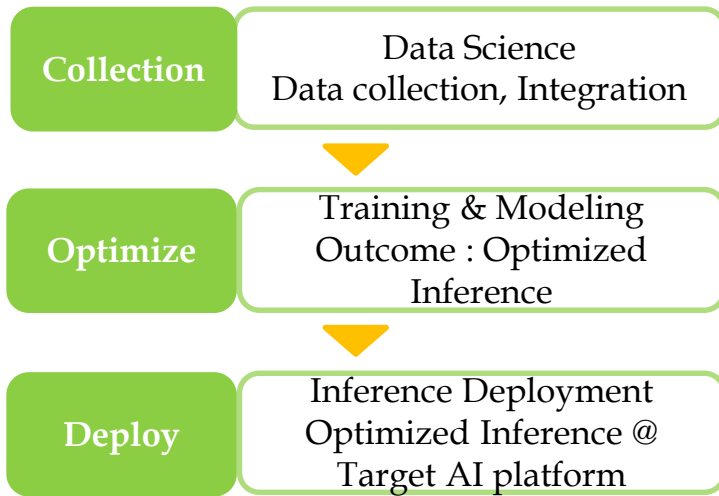
System & Platform *Resource Mgmt (CPU/GPU/VM/Container/Bare Metal)*

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

AI(Machine · Deep Learning)



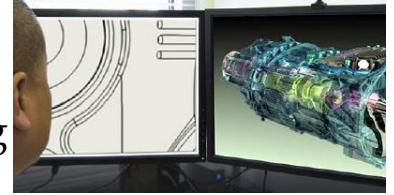
Customer Requirements



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

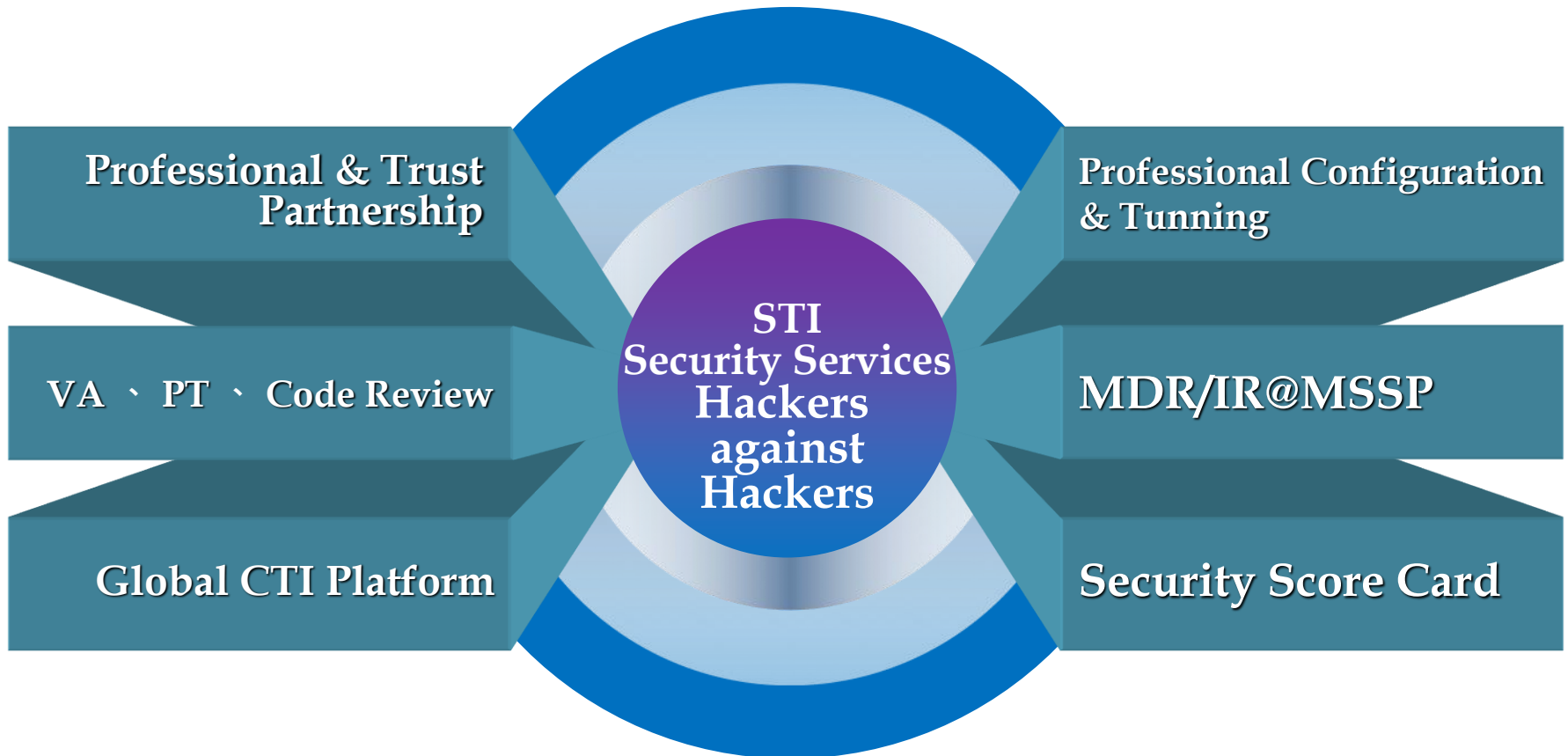
Academic Alliance to
redefine enterprise AI
smart technology



Stark Technology Inc.

- ✓ 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

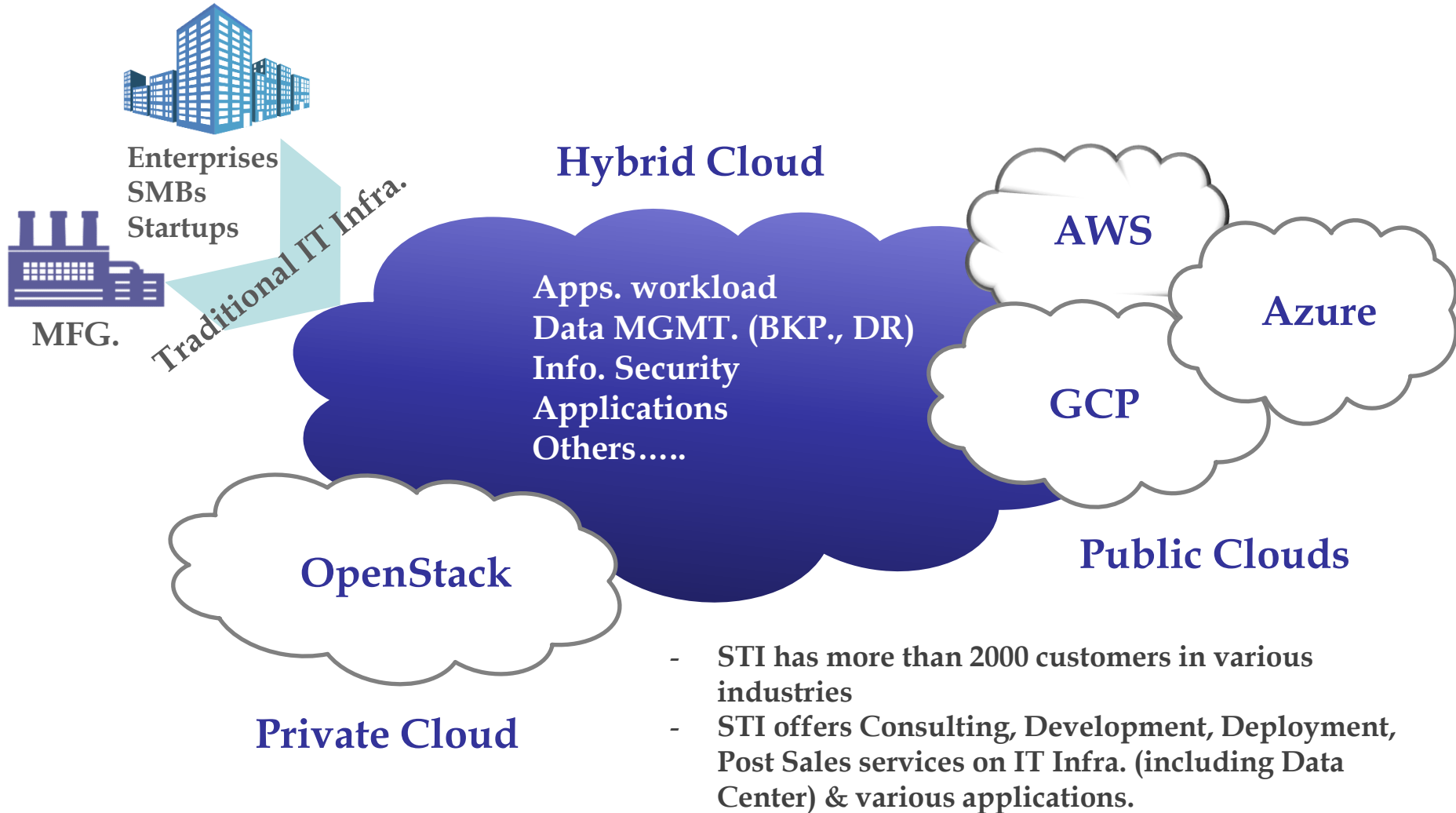
Endpoint
Security

Data
Security

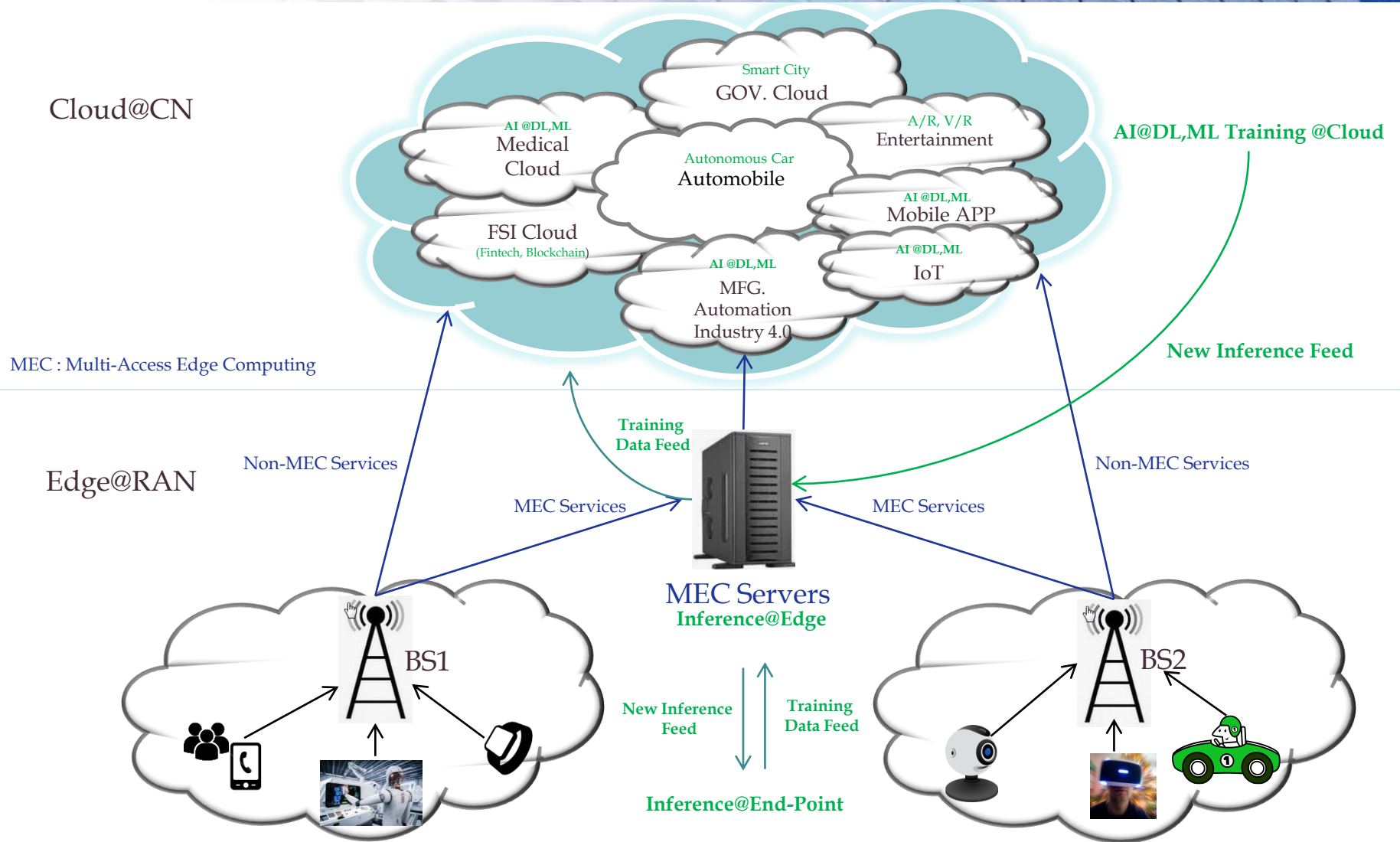
Mobile
Security

IT Infra. (Network、OS、Storage....)

STI's Strength on Hybrid Cloud



Meet up 5G + MEC@AI@Cloud



Products & Solutions

Info. Security



Data Comm.



Software Development Tools



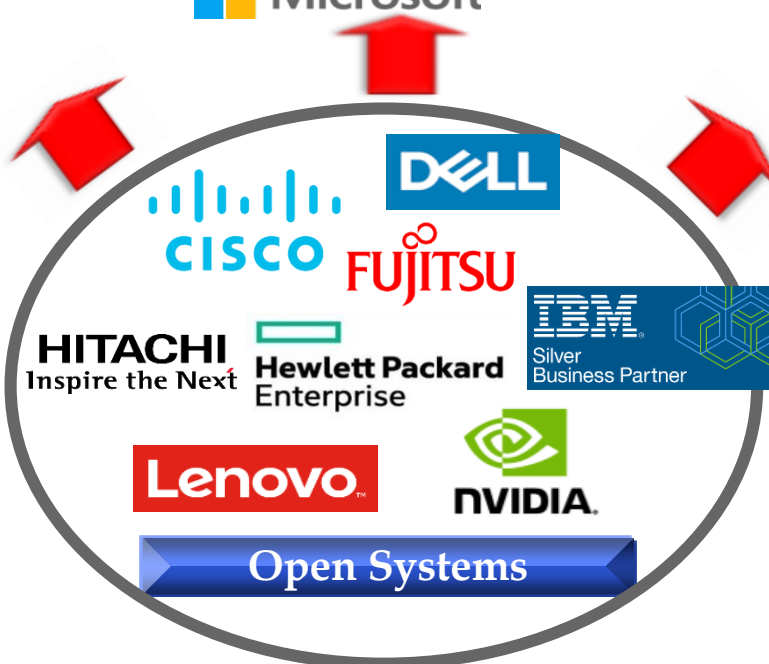
Resource MGMT.



Data MGMT.



Telcomm.



Open Systems



Balance Sheet Overview (Consolidated)

Units:NT\$ thousand

Item	2022/9/30		2021/12/31		2021/9/30	
	AMT	%	AMT	%	AMT	%
Cash and cash equivalents	1,147,370	19%	1,450,910	25%	1,255,135	23%
Accounts receivable (including contract assets)	897,367	15%	962,617	17%	948,060	17%
Inventories	2,520,840	41%	1,991,209	34%	1,964,452	35%
Property, Plant and equipment	438,700	7%	446,238	8%	448,098	8%
Total Assets	6,135,530	100%	5,786,869	100%	5,562,087	100%
Current Liabilities	3,100,890	51%	2,665,481	46%	2,667,200	48%
Total Liabilities	3,216,416	52%	2,766,996	48%	2,771,071	50%
Equity	2,919,114	48%	3,019,873	52%	2,791,016	50%

Source: Market Observation Post System

Income Statements Overview (Consolidated)

Units: NT\$ thousand

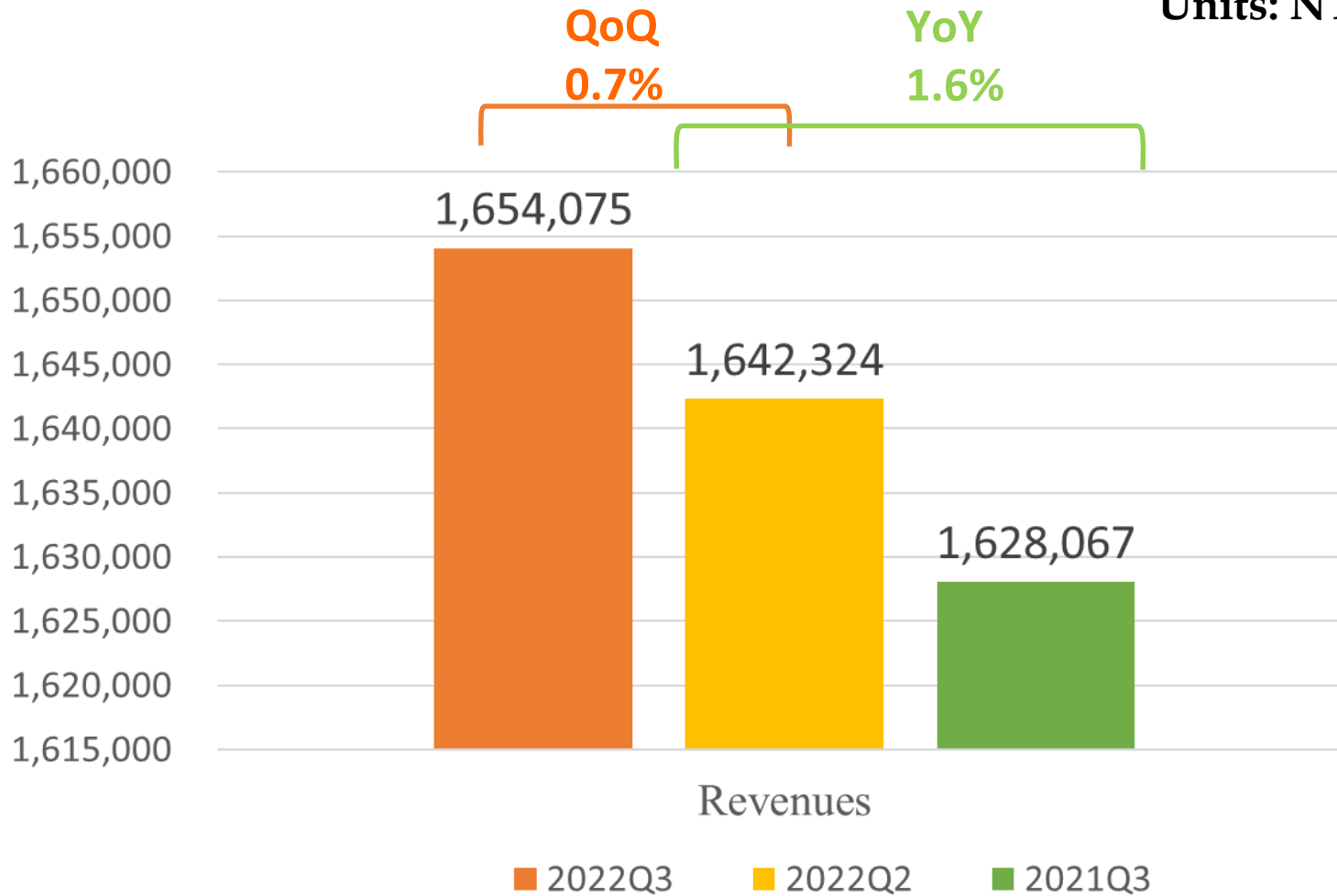
Item	2022 Jan.-Sep.		2021 Jan.-Sep.		YOY
	AMT	%	AMT	%	
Revenues	4,870,642	100%	4,591,024	100%	6.1%
Gross profit	1,243,993	26%	1,109,916	24%	12.1%
Operating expense	669,424	14%	616,443	13%	8.6%
Operating income	574,569	12%	493,473	11%	16.4%
Other income	82,848	2%	29,977	1%	176.4%
Pre-tax income	657,417	14%	523,450	12%	25.6%
Net income	535,226	11%	415,462	9%	28.8%
EPS(NT\$)	5.03		3.91		28.6%

Source: Market Observation Post System

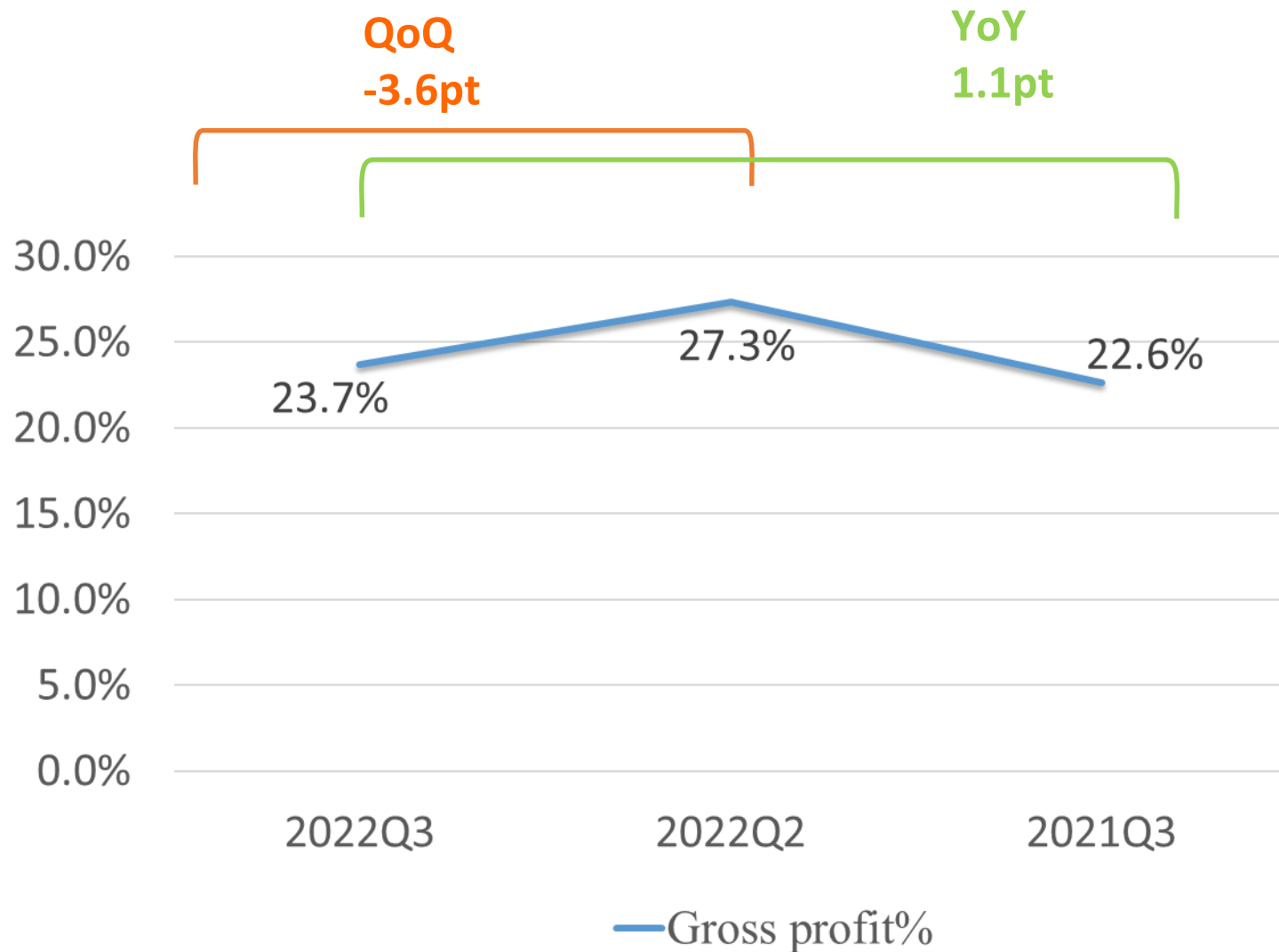
Note:China subsidiary's revenue of consolidated: 2022Q3 2.60%;2021Q3 3.08%

Consolidated Revenues

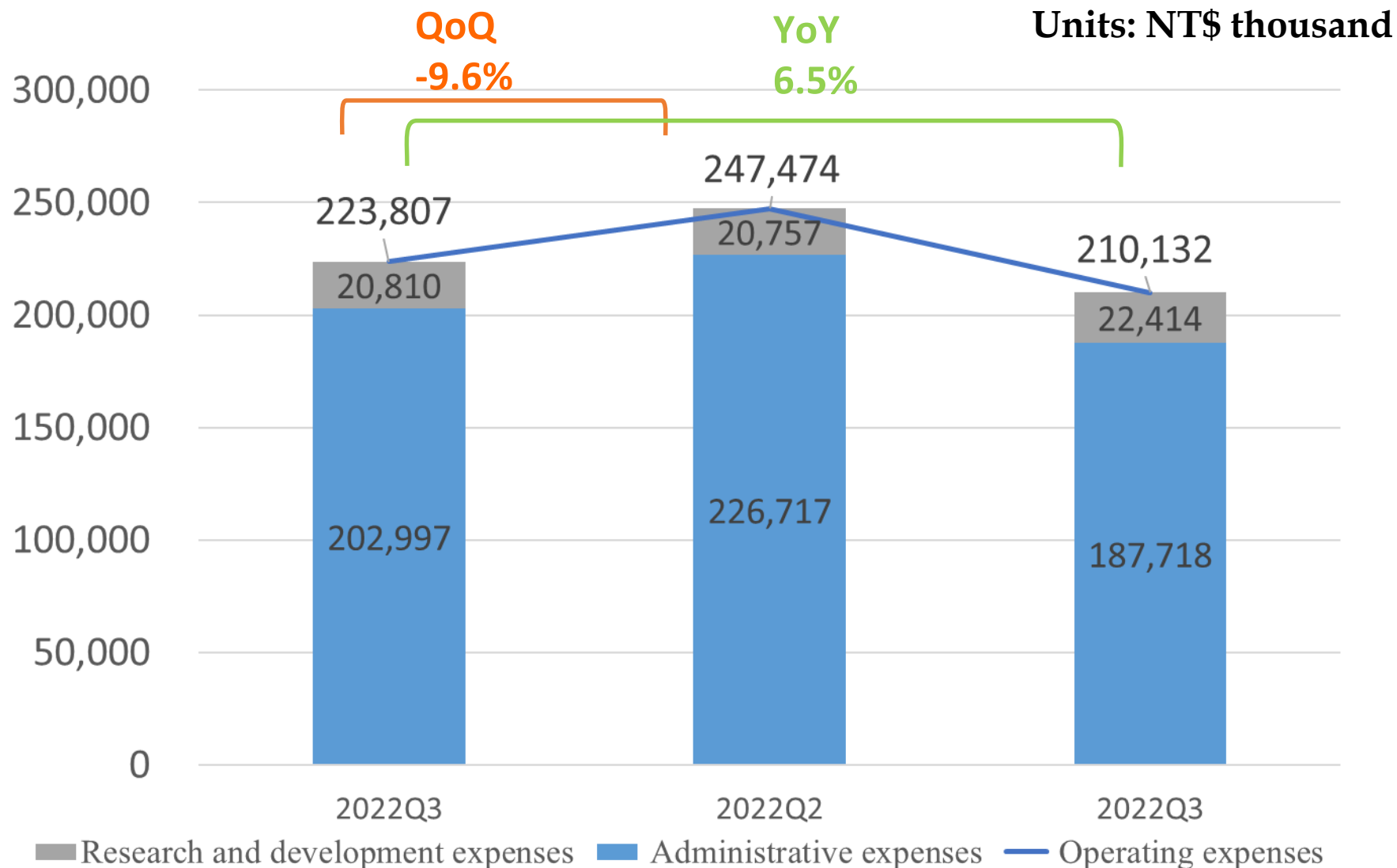
Units: NT\$ thousand



Consolidated Gross profit%

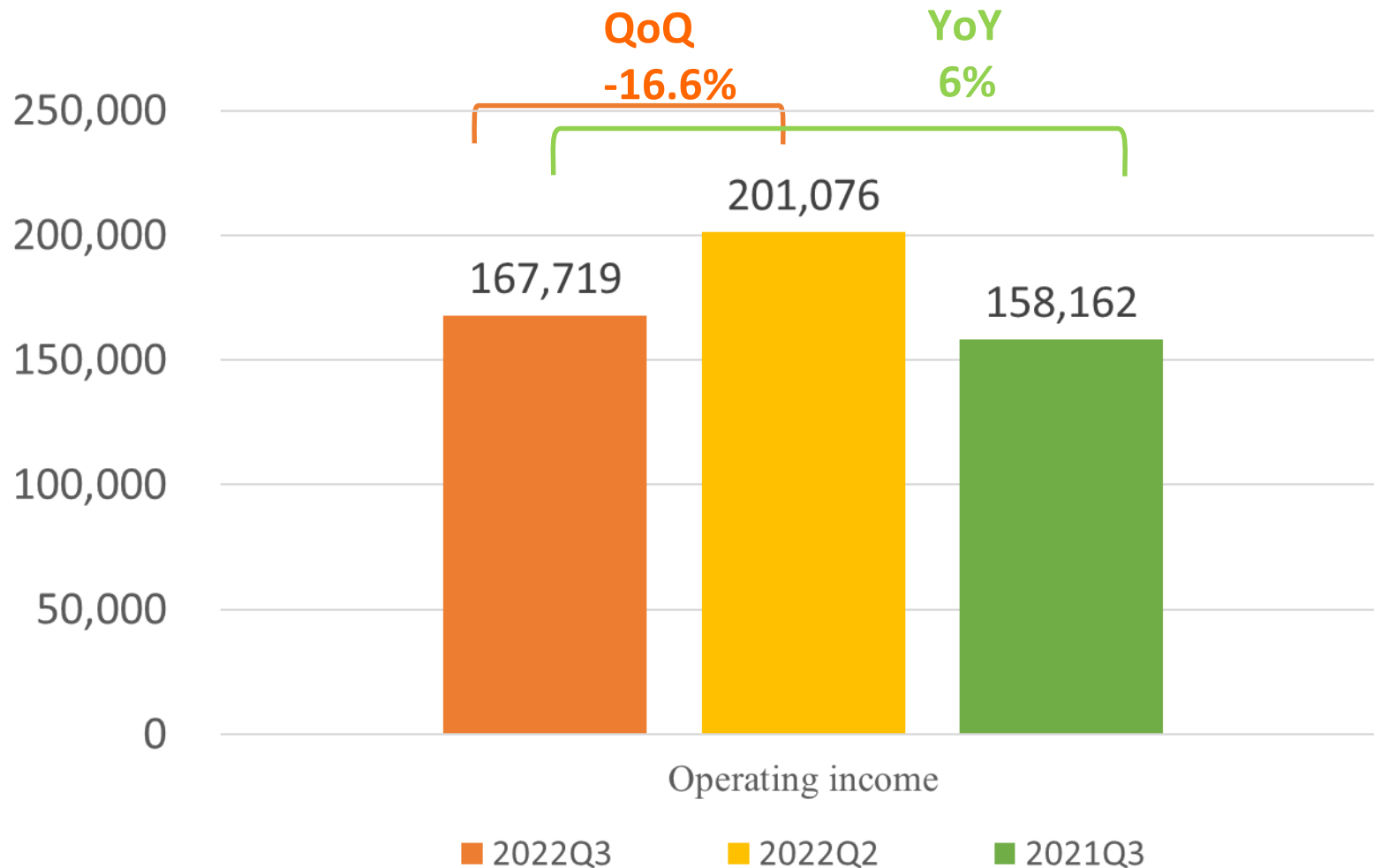


Consolidated Operating expenses

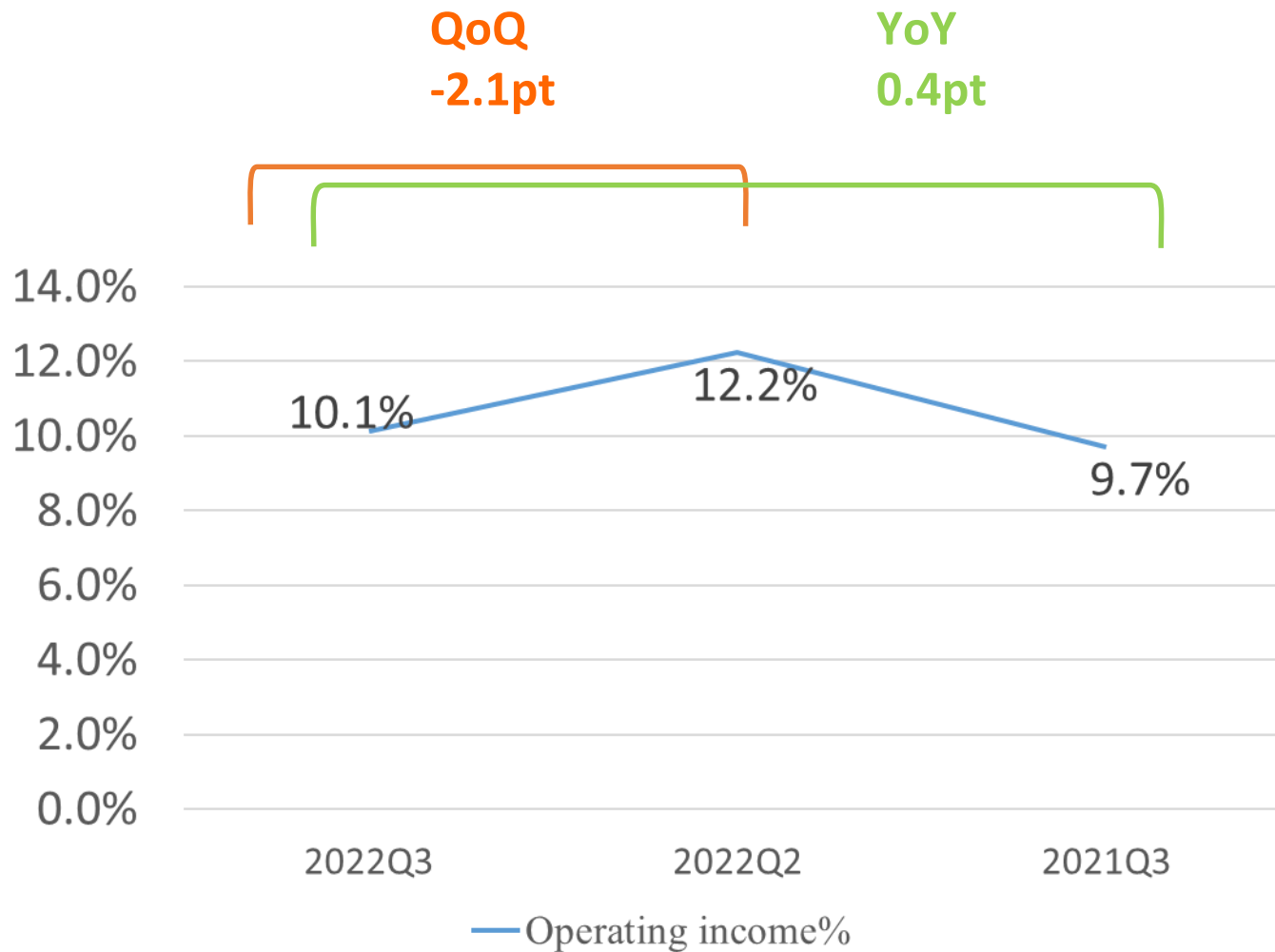


Consolidated Operating income

Units: NT\$ thousand

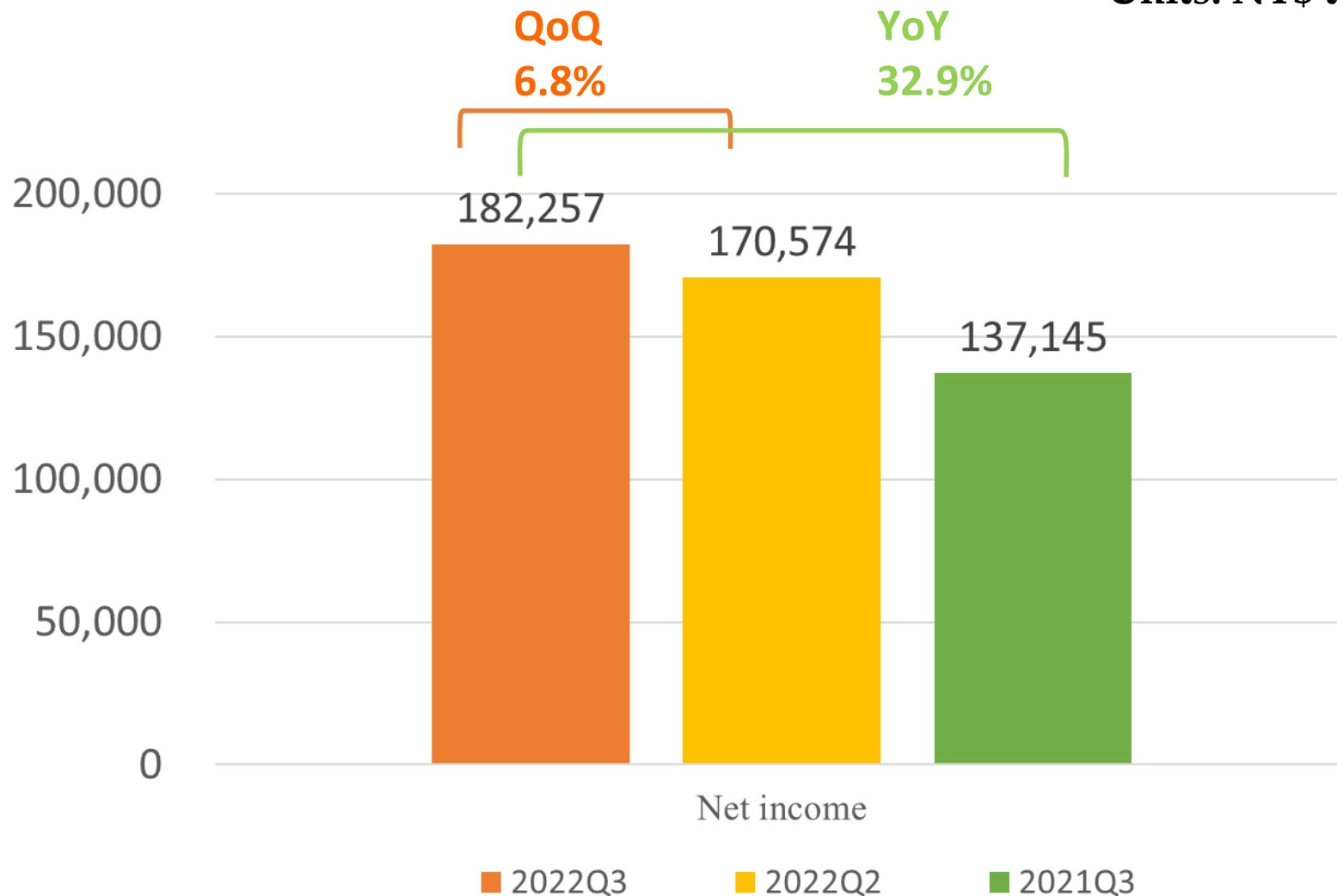


Consolidated Operating income⁰%

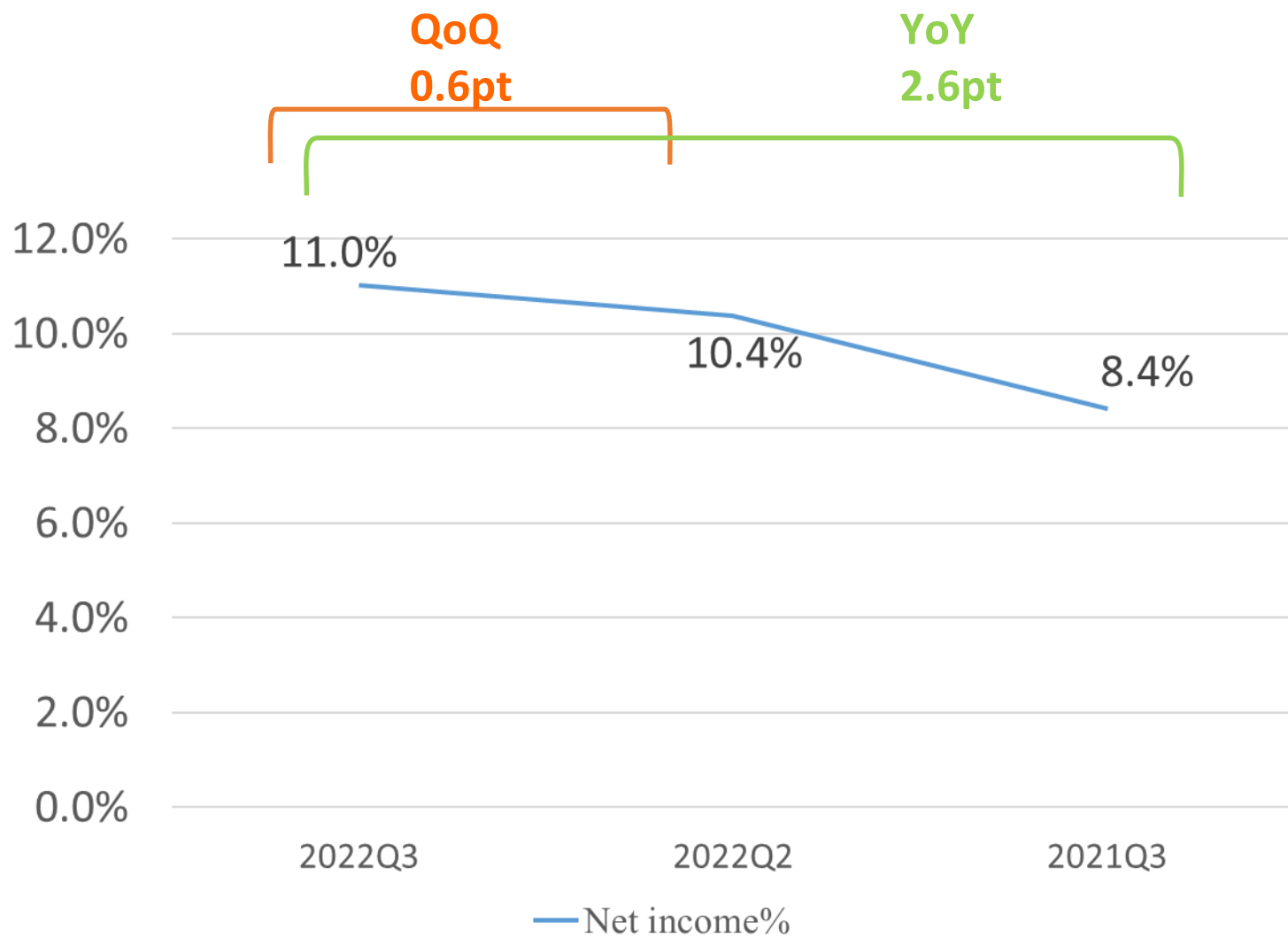


Consolidated Net income

Units: NT\$ thousand

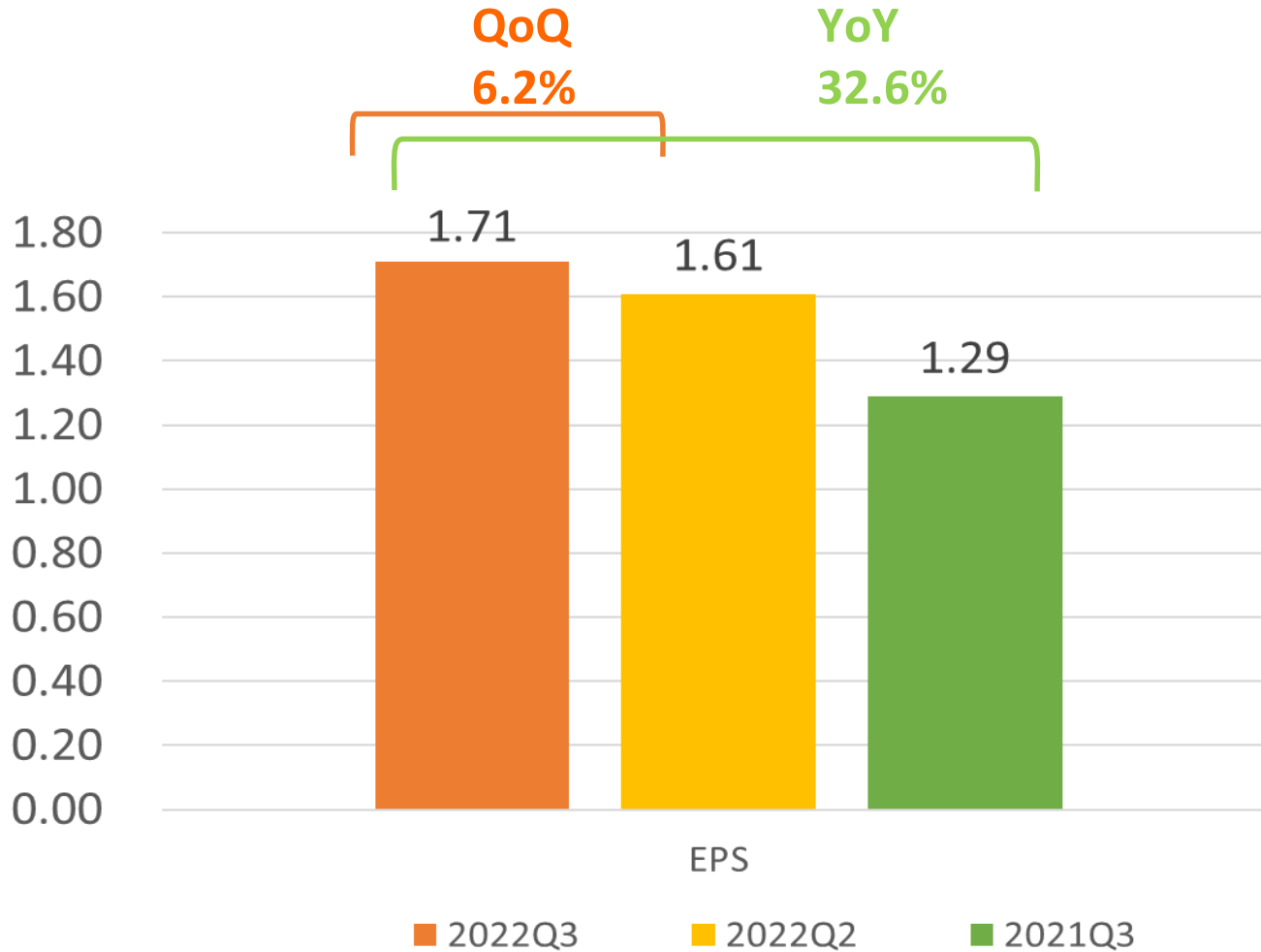


Consolidated Net income⁰%



Consolidated EPS

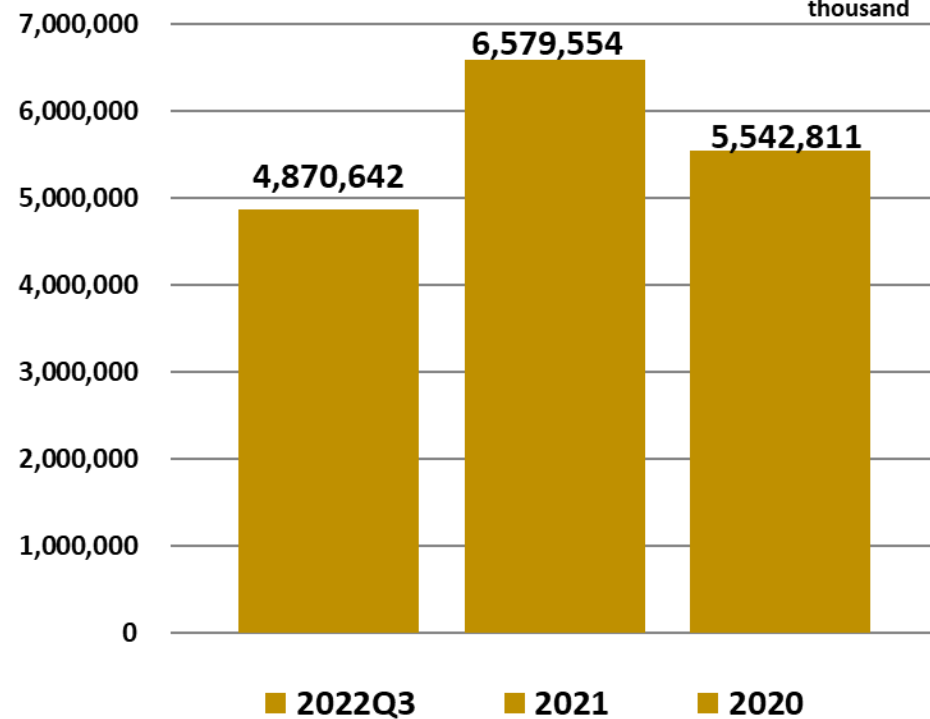
Units: NT\$



Sales Revenue & Net Income

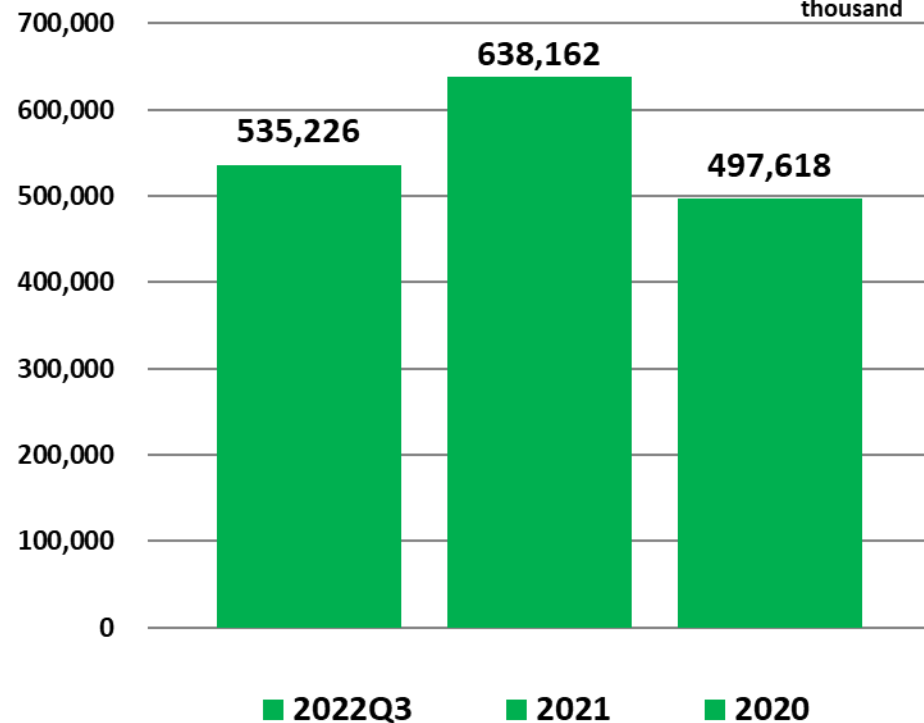
Sales Revenue

Units:NT\$
thousand

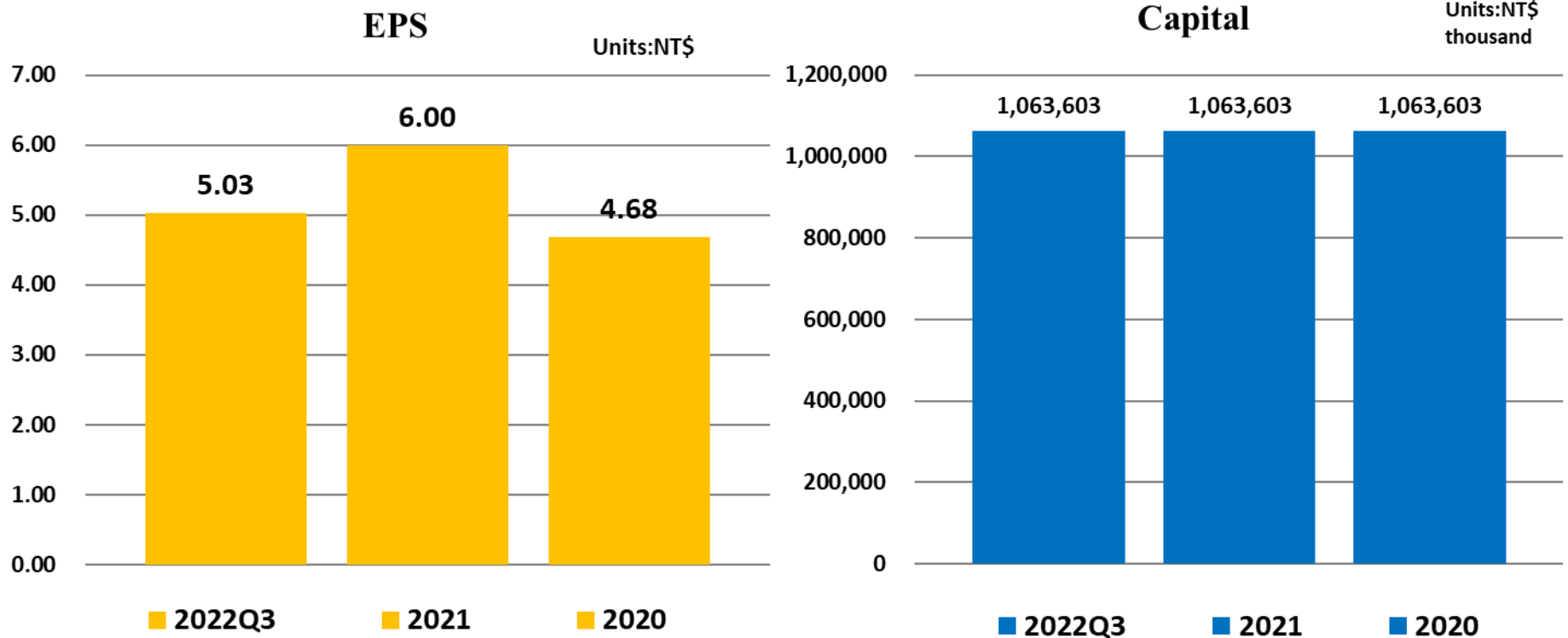


Net Income

Units:NT\$
thousand



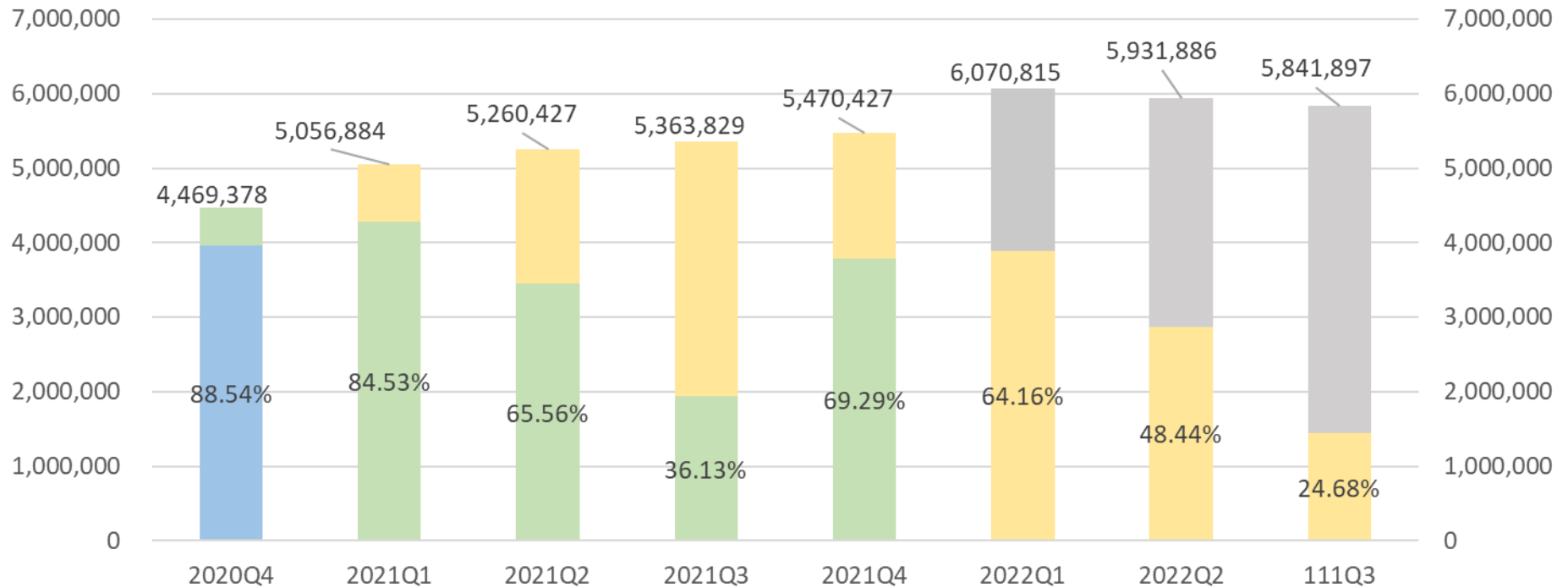
EPS & Capital



	2022Q3	2021	2020
ROE	18.02	21.82	17.69

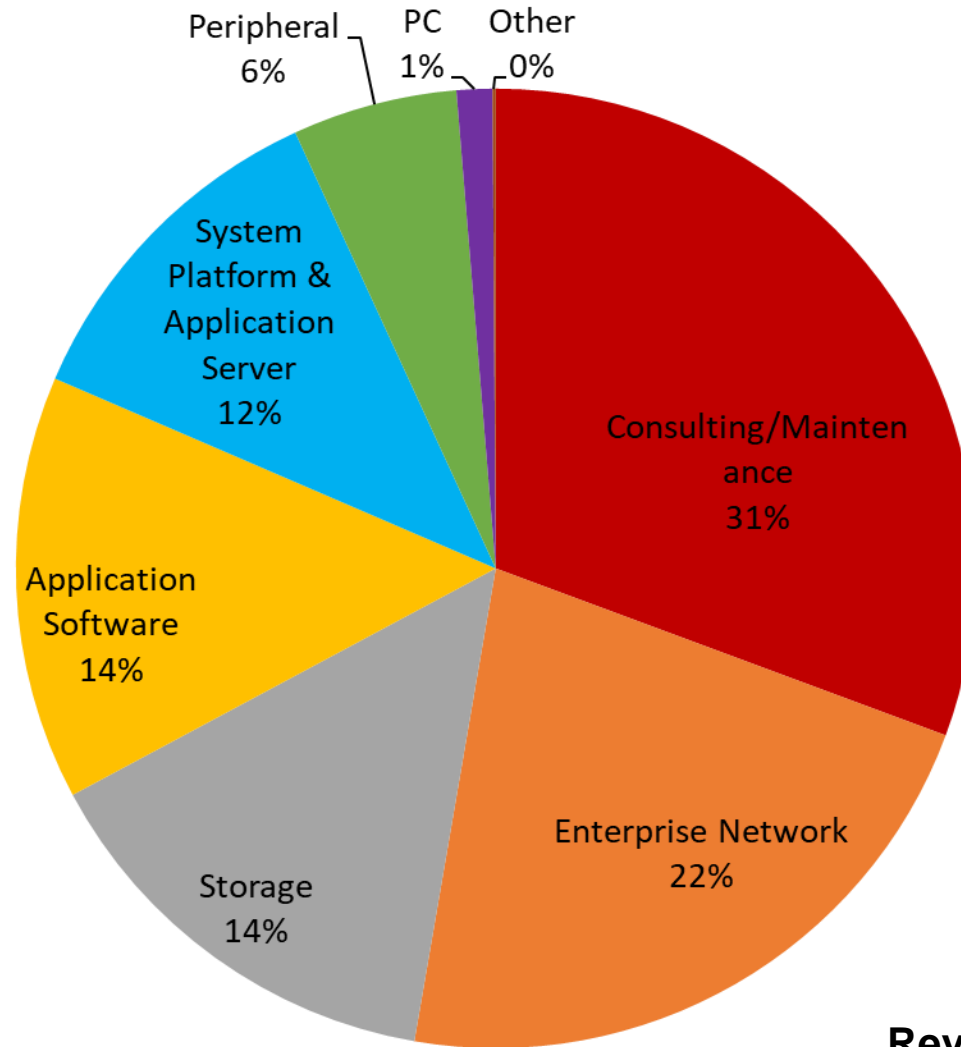
Allocation of transaction price into unfulfilled contractual obligations

Units: NT\$ thousand



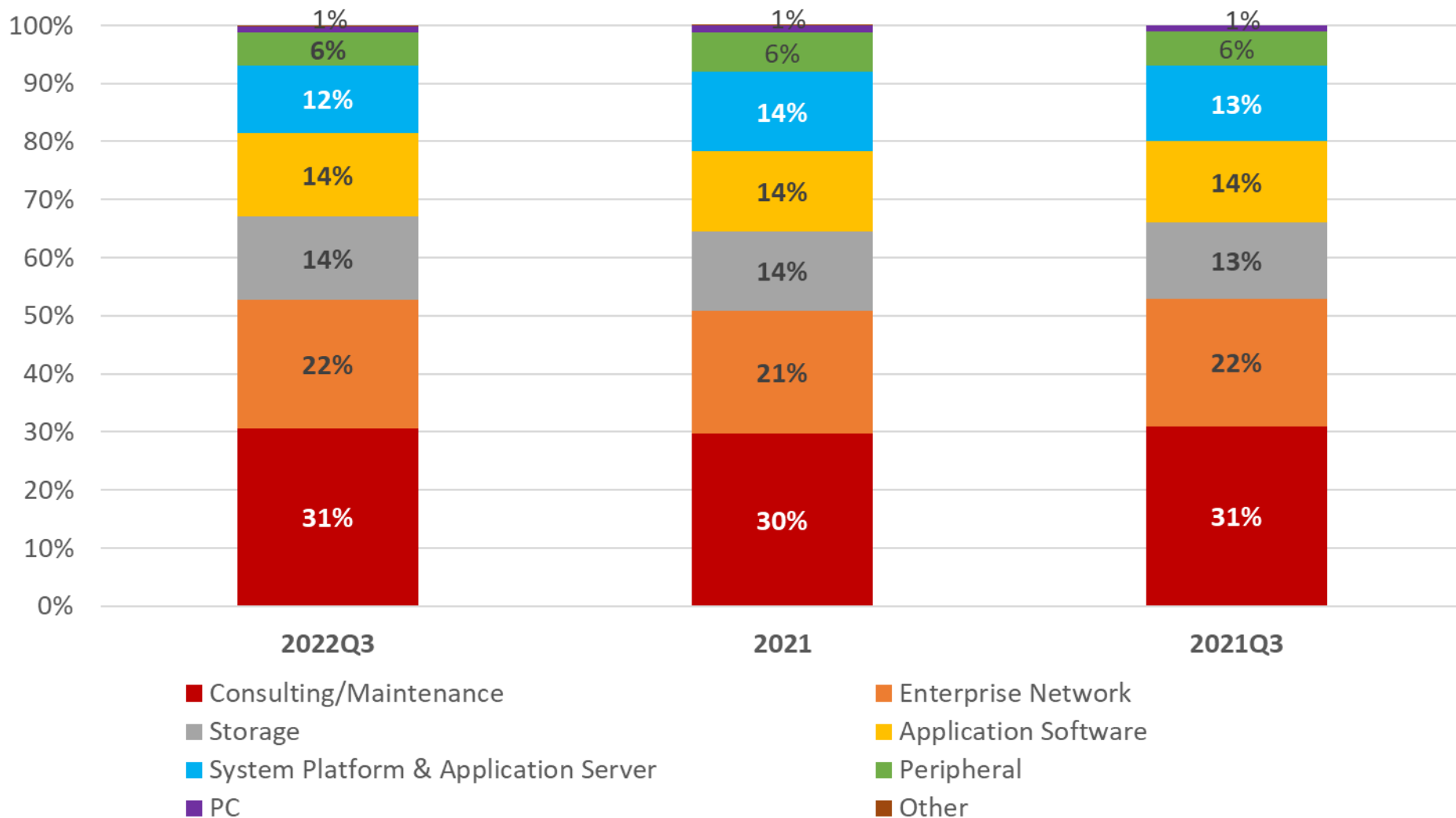
	2020Q4	2021Q1	2021Q2	2021Q3	2021Q4	2022Q1	2022Q2	2022Q3
Allocation of transaction price into unfulfilled contractual obligations	4,469,378	5,056,884	5,260,427	5,363,829	5,470,427	6,070,815	5,931,886	5,841,897
Estimated Fulfill Ratio of 2021/2022	88.54%	84.53%	65.56%	36.13%	69.29%	64.16%	48.44%	24.68%
Estimated Fulfill Amount of 2021/2022	3,957,187	4,274,584	3,448,736	1,937,951	3,790,459	3,895,035	2,873,406	1,441,780
Estimated Fulfill Amount After 2021/2022/2023	512,191	782,300	1,811,691	3,425,878	1,679,968	2,175,780	3,058,480	4,400,117

2022Q3 Sales Revenues by Type

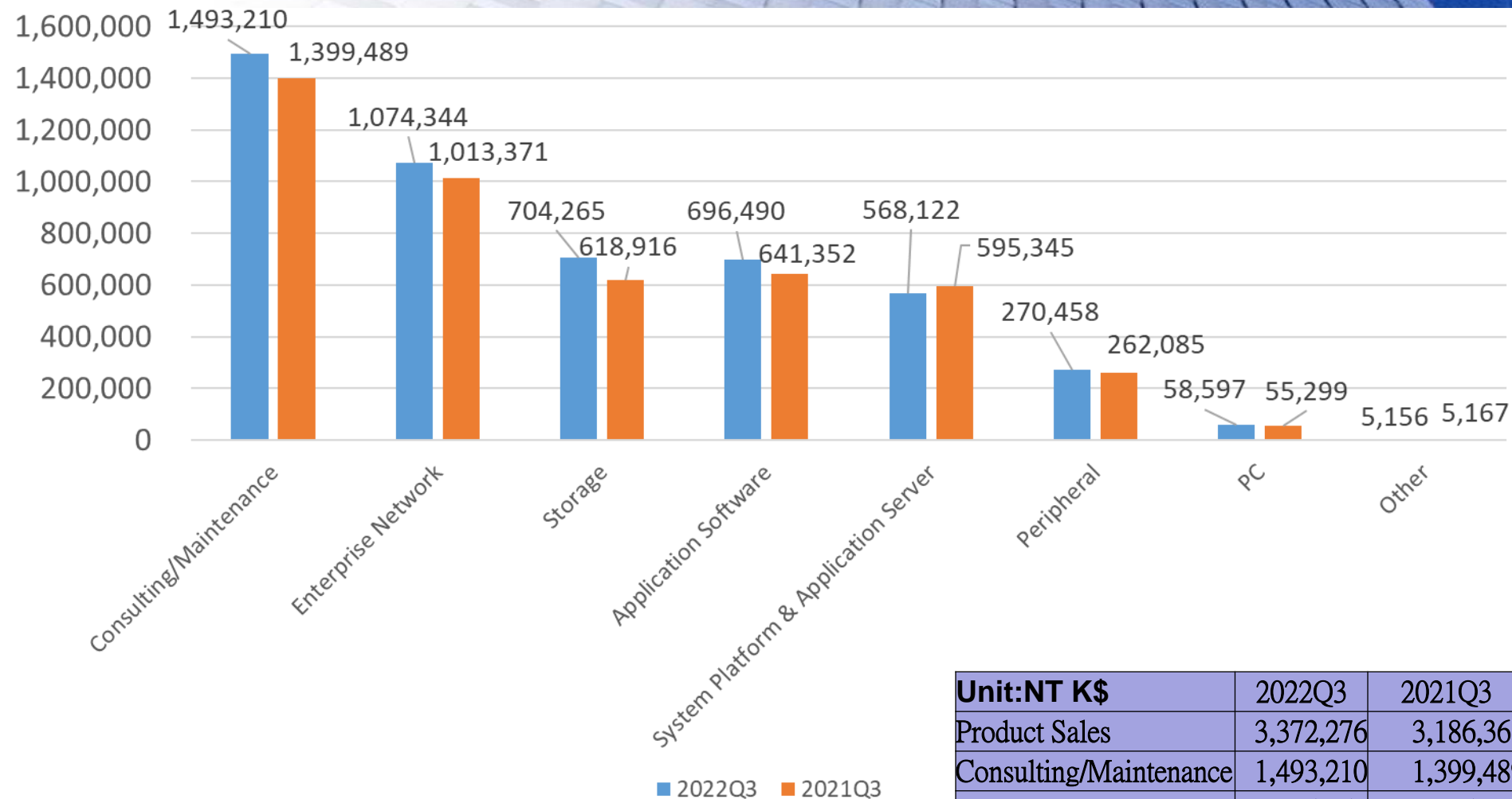


Revenue:4.871billion

Comparison of Sales Revenues by Type



Compare Sales Revenues by Type



Revenue: 4.871billion

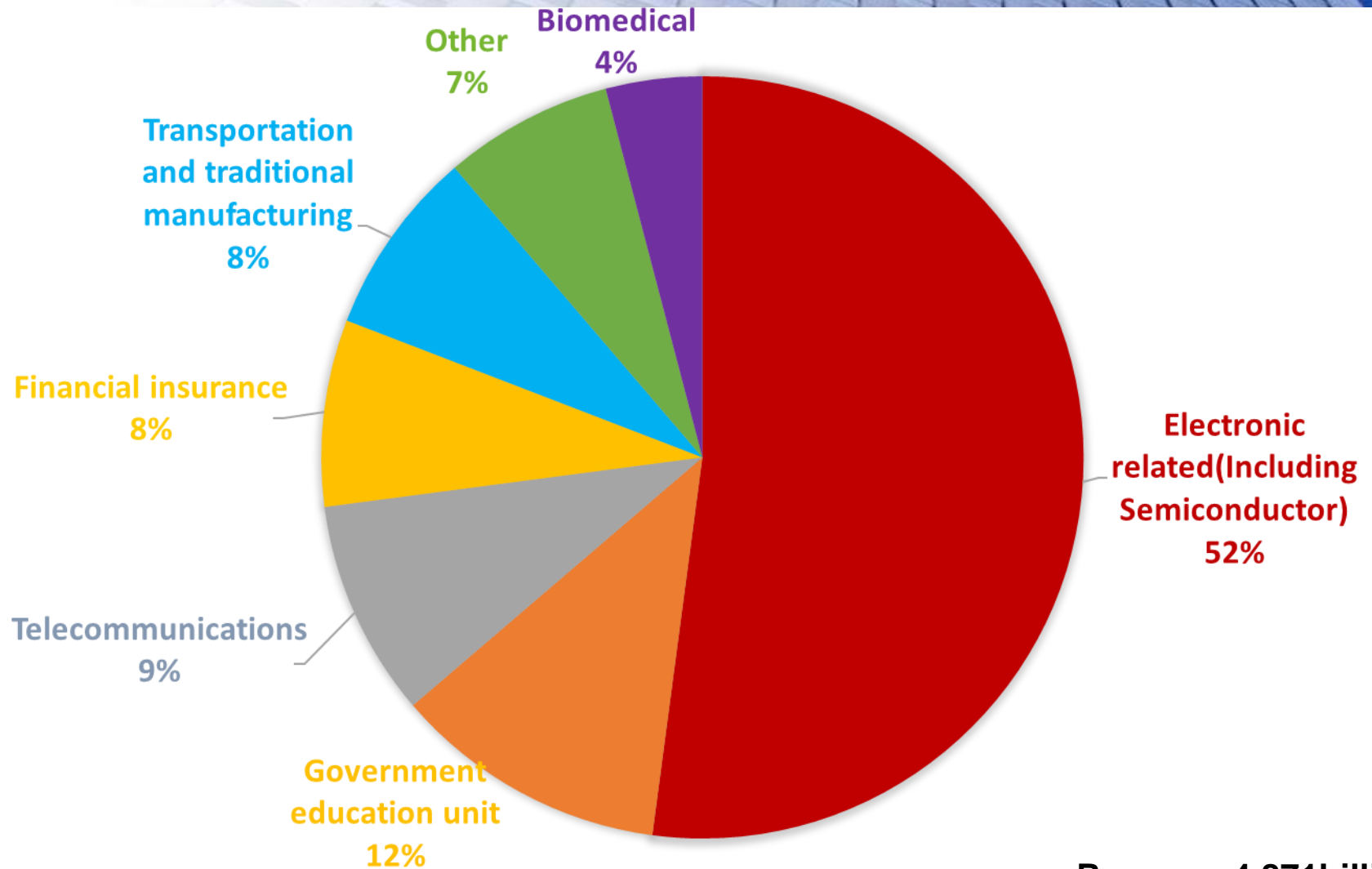
Revenue: 4.591billion

Unit:NT K\$	2022Q3	2021Q3
Product Sales	3,372,276	3,186,368
Consulting/Maintenance	1,493,210	1,399,489
Other	5,156	5,167
Total	4,870,642	4,591,024



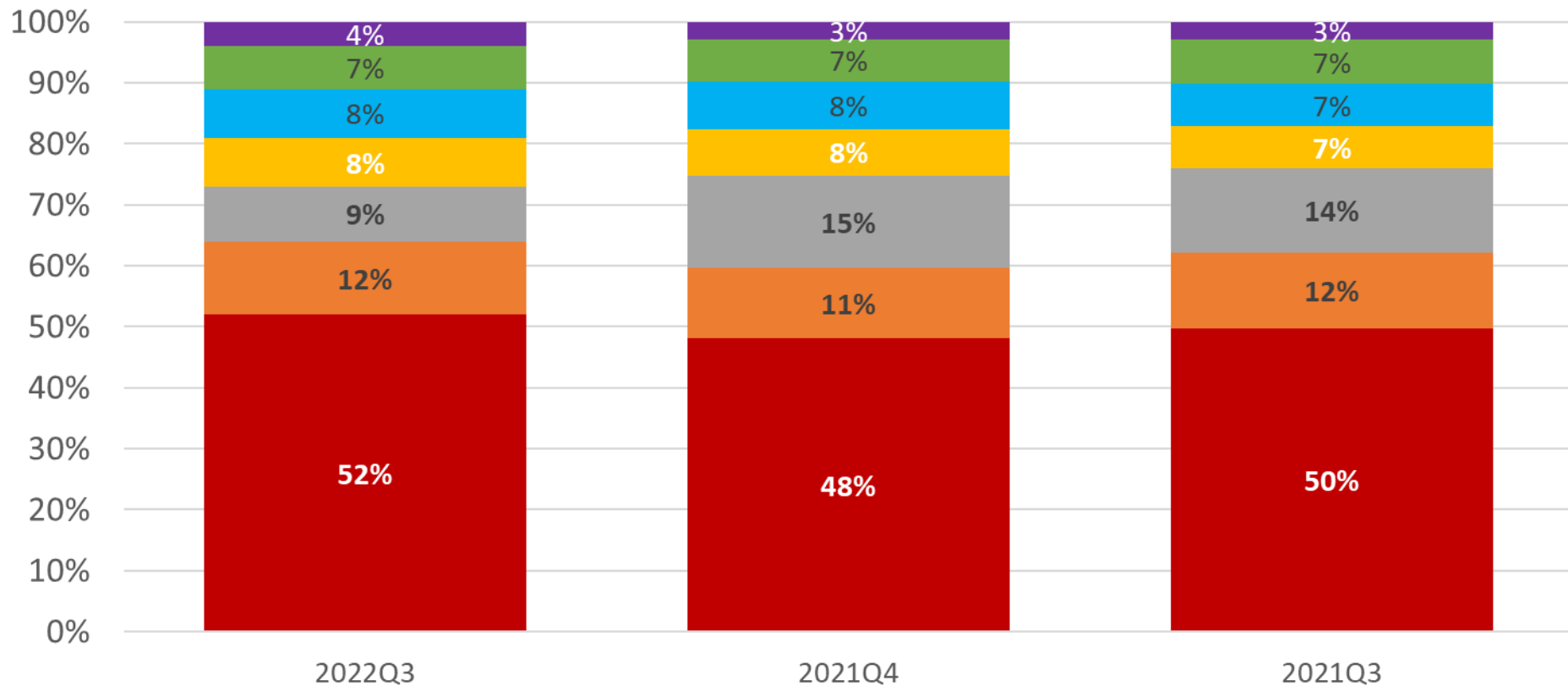
Stark Technology Inc.
 敦陽科技股份有限公司

2022Q3 Sales Revenues by Industry



Revenue: 4.871 billion

Comparison of Sales Revenues by Industry(Accumulated)



■ Electronic related(Including Semiconductor)

■ Government education unit

■ Telecommunications

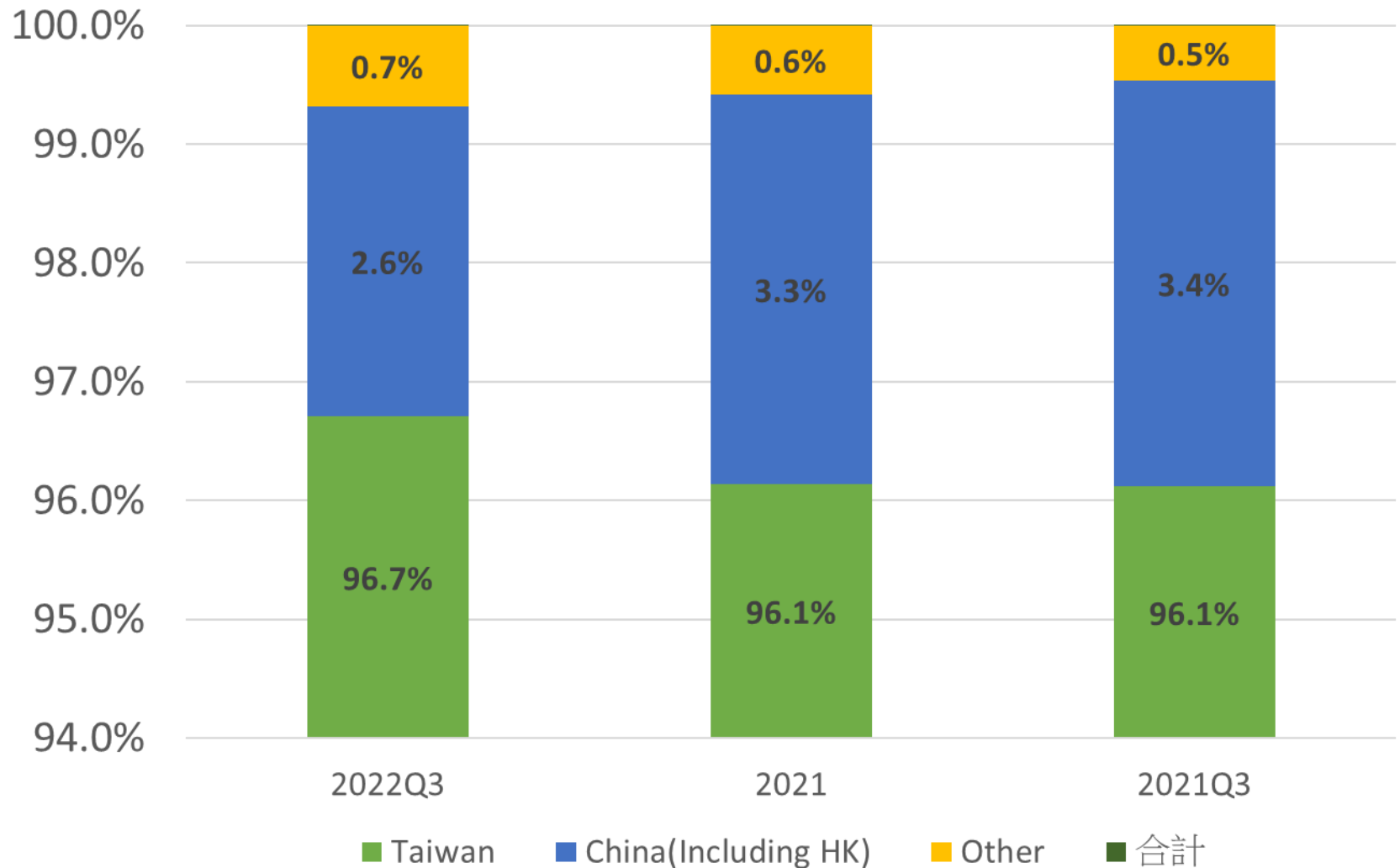
■ Transportation and traditional manufacturing

■ Financial insurance

■ Other

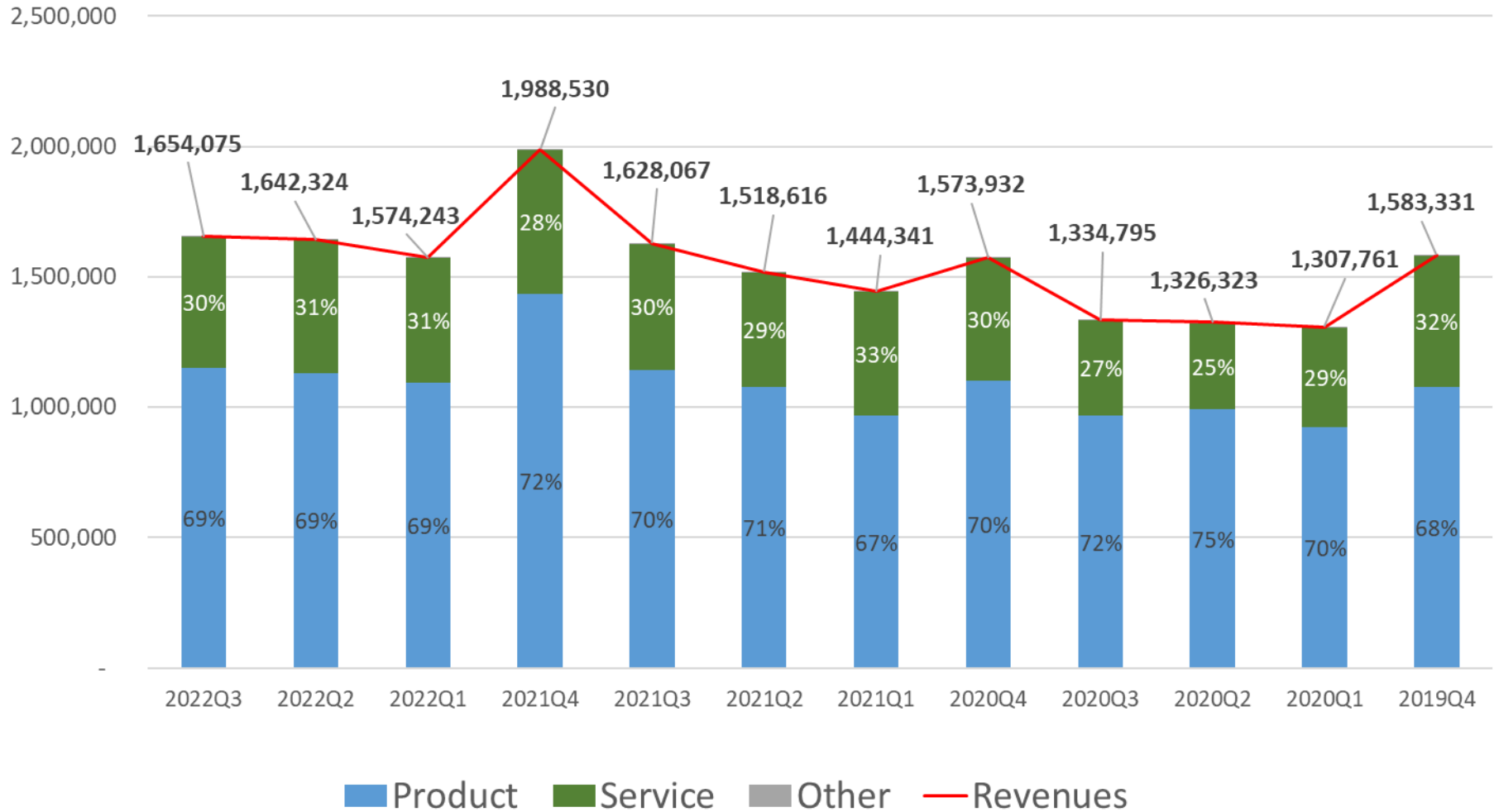
■ Biomedical


Comparison of Sales Revenues by Region(Accumulated)



Quarterly revenue status

Units:NT\$
thousand





Q & A
Thank you!!