

Stark Technology Inc.(2480)

2023Q1 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 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

- Awarded the “Badge of Accredited Healthy Workplace” by Health Promotion Administration, Ministry of Health and Welfare in 2022
- Fubon Financial Holdings was named "Sustainable Performance Excellent Supplier" in 2022
- Chunghwa Telecom "Gold Level Certified in accordance with the Chunghwa Telecom Supply Chain Sustainability Qualifications" in 2022

Awards

系統產品

【IBM】 FY21 BEST Storage Systems Selling

【HPE】 FY22 Best partner Award

【HPE】 FY22 Excellent distribution partner

【Cisco】 FY22 Reseller of the Year

【DELL】 2022 Best Hybrid Cloud Solution



Awards(Continued)

儲存產品

【NetApp】 FY22 Best partner Award

【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



Awards(Continued)

網路資安產品

- 【F5】 FY21 Best Information Security Contribution
- 【Palo Alto】 FY22 Most Valuable Reseller
- 【Ruckus】 2021 Best ICT Solution Guru
- 【Cisco】 Cisco-FY22 Reseller of the Year
- 【Aruba】 FY22 HPE Aruba Champion partner of the Year
- 【TEAM T5】 2022 Best sales partner
- 【Fortinet】 2022 Best Horse Award
- 【CYBERARK】 2022 Best Reseller
- 【Checkpoint】 2022 Best Outstanding Partner



Awards(Continued)

其他整合產品

【NUTANIX】 FY22 New Logo Focus Reseller of the Year

【NUTANIX】 FY22 Best Reseller of the Year



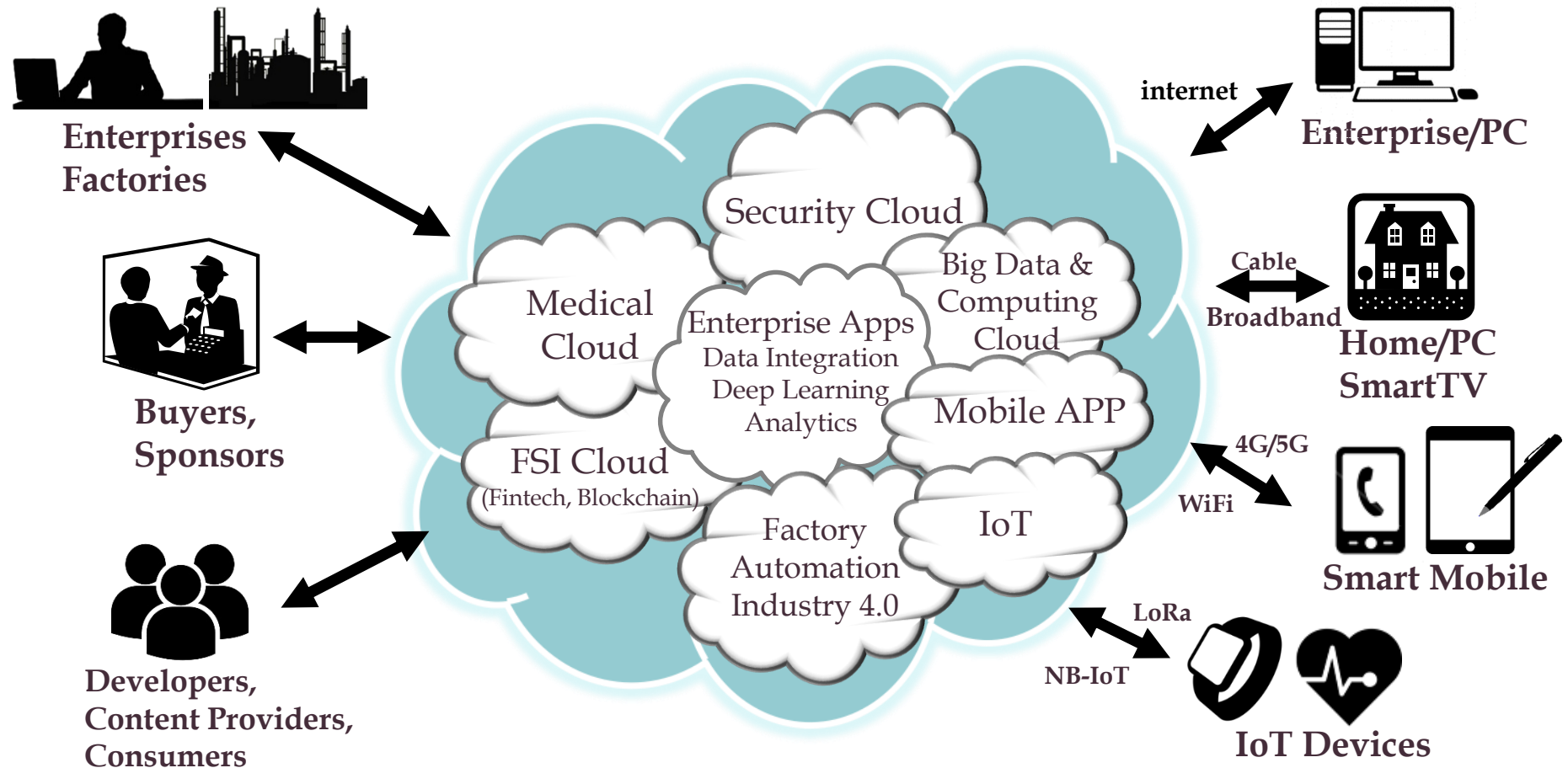
STI Service Network



Sales Operation – by Industries

Sales BU	Industry / Region
BU1	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
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

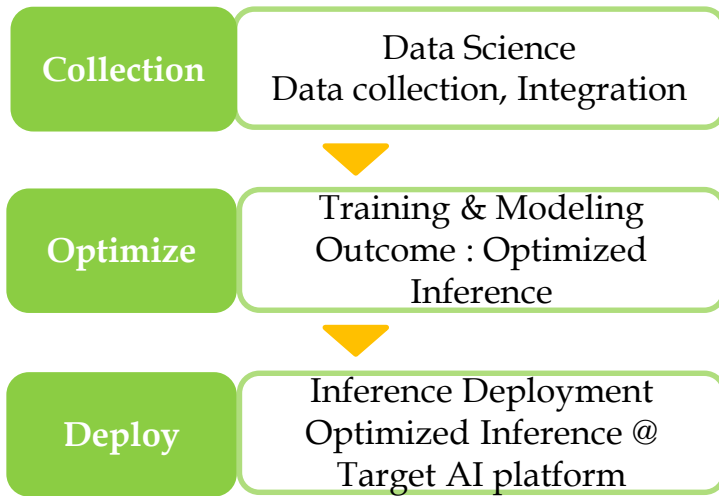
System & Platform *Resource Mgmt (CPU/GPU/VM/Container/Bare Metal)*

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

AI(Machine · Deep Learning)



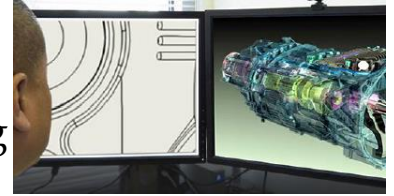
Customer Requirements



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

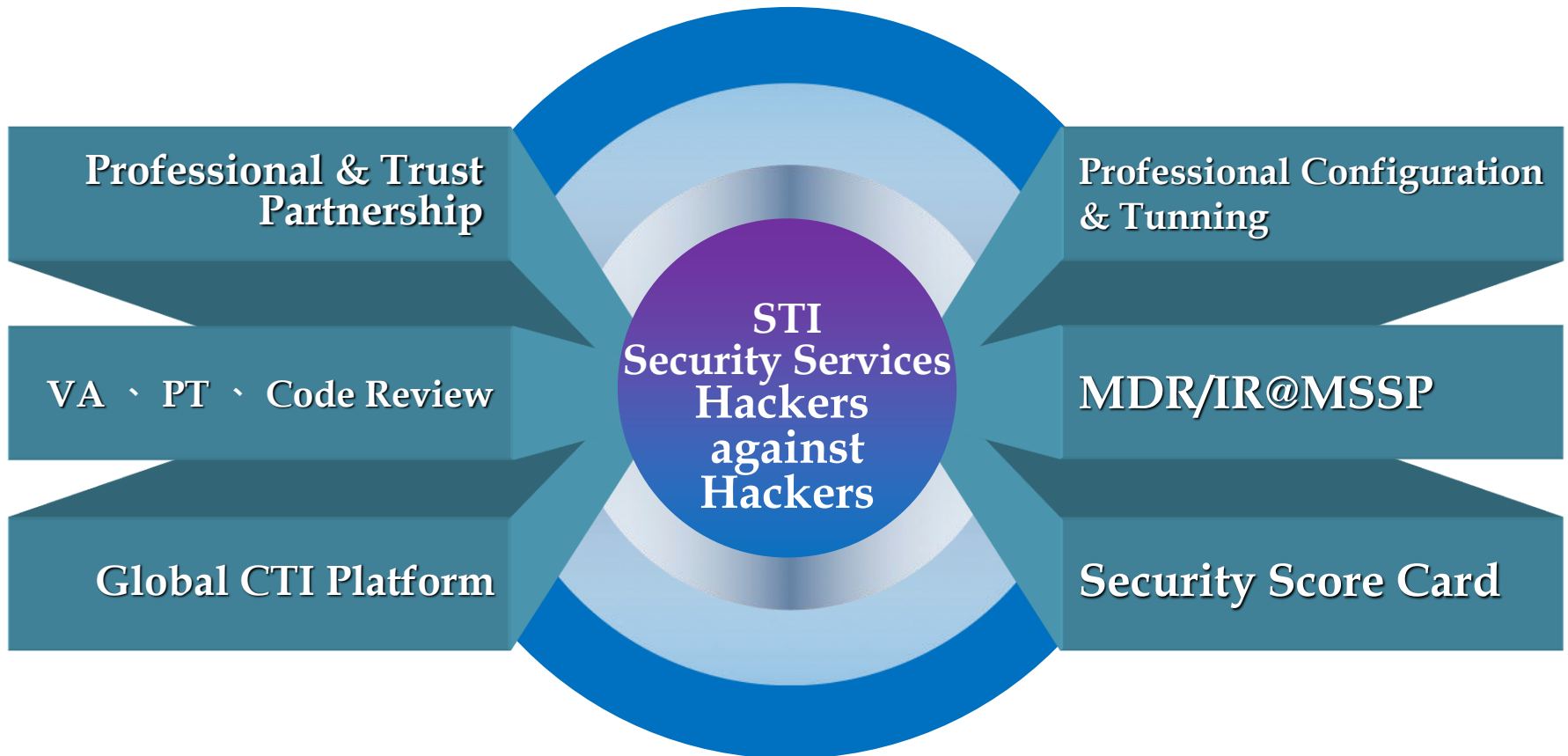
Academic Alliance to
redefine enterprise AI
smart technology



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

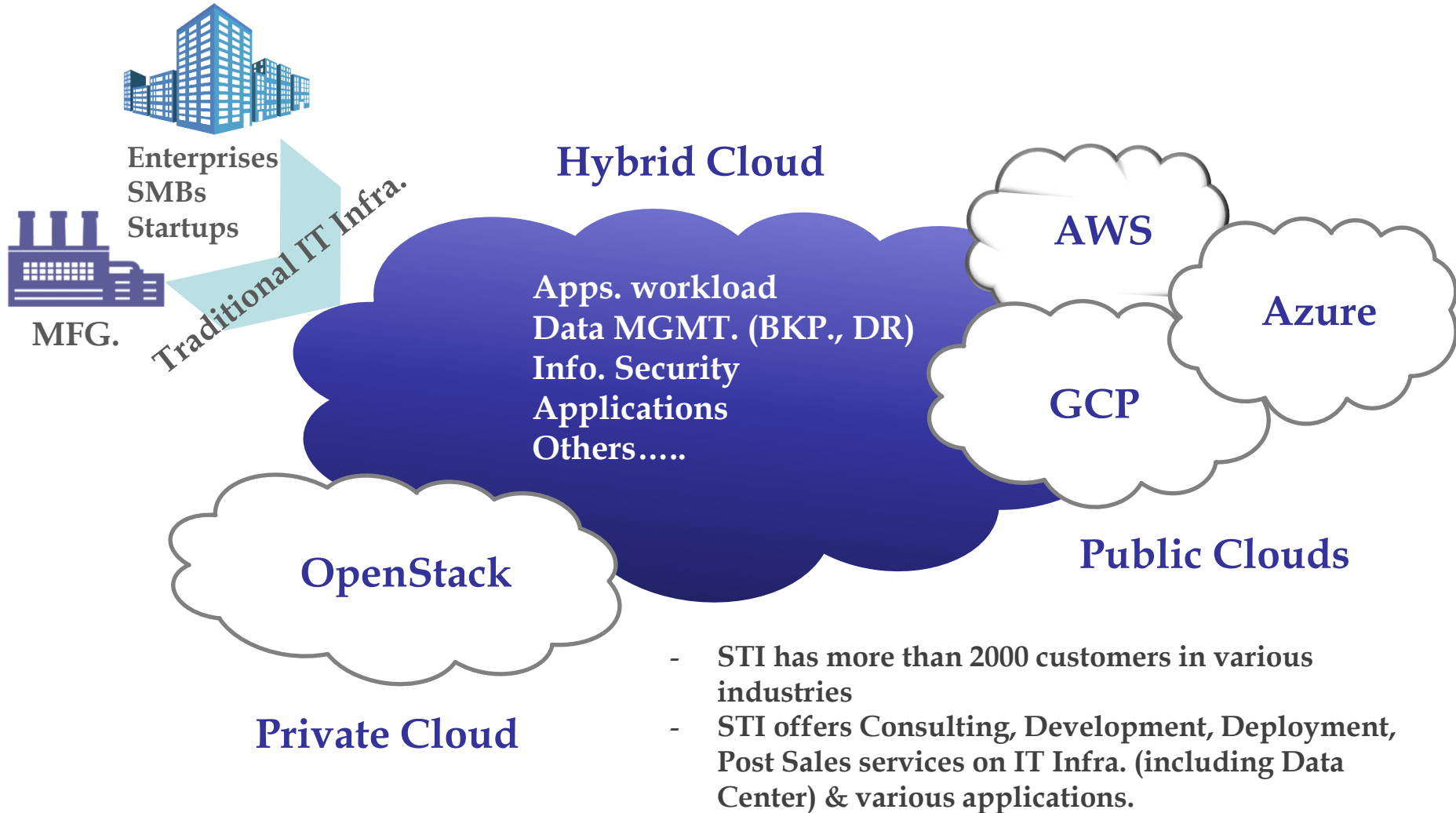
Endpoint
Security

Data
Security

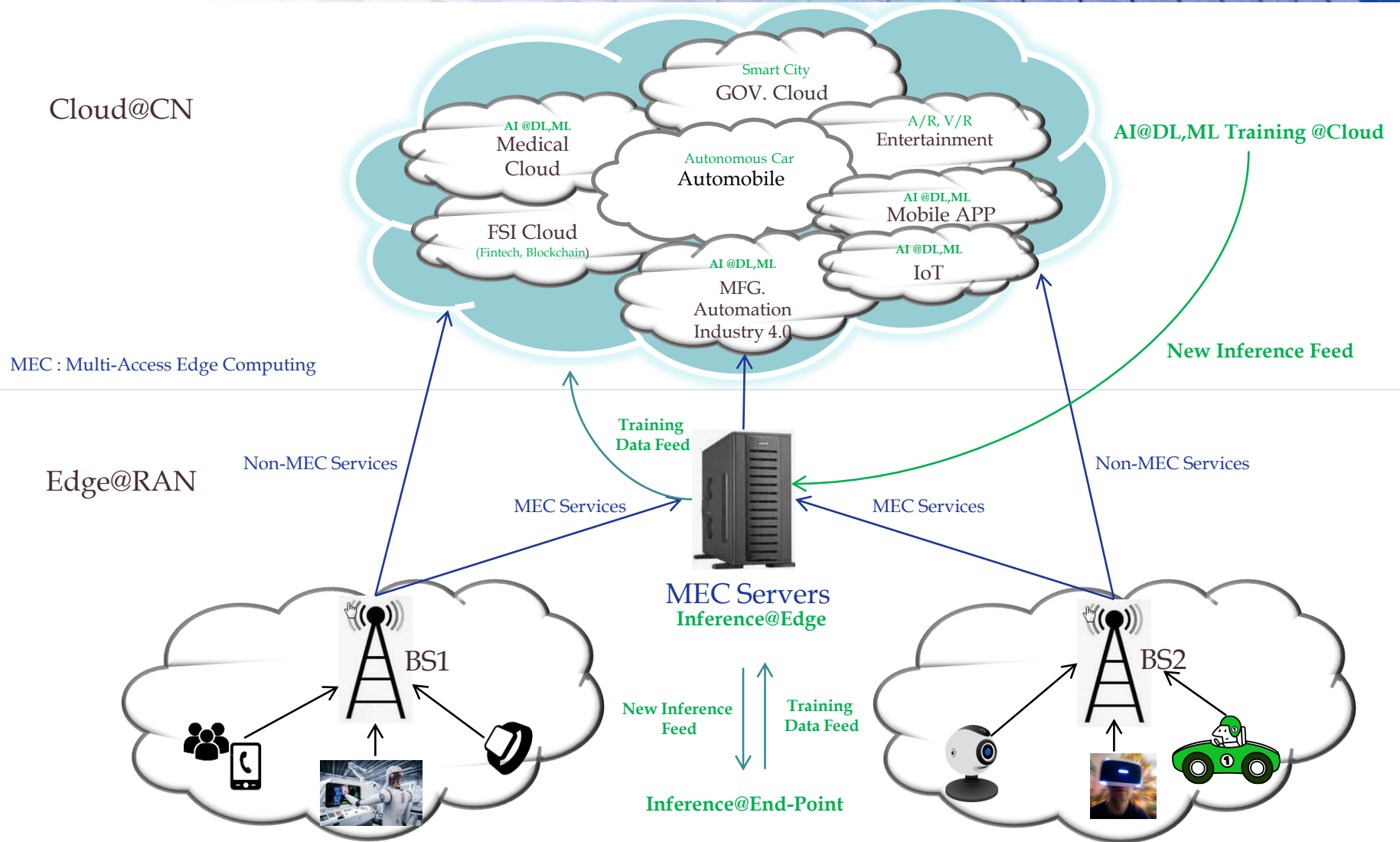
Mobile
Security

IT Infra. (Network、OS、Storage....)

STI's Strength on Hybrid Cloud



Meet up 5G + MEC@AI@Cloud



Products & Solutions

Info. Security



Software Development Tools



Resource MGMT.



Data MGMT.



Data Comm.



Open Systems



Telcomm.



Balance Sheet Overview (Consolidated)

Units:NT\$ thousand

ITEM	2023/3/31		2022/12/31		2022/3/31	
	AMT	%	AMT	%	AMT	%
Cash and cash equivalents	1,496,255	23%	1,534,624	24%	1,730,816	30%
Accounts receivable(including contract assets)	911,922	14%	893,949	14%	694,325	12%
Inventories	2,541,604	39%	2,530,729	39%	1,799,001	31%
Property,Plant and equipment	438,319	7%	440,151	7%	442,925	8%
Total Assets	6,571,002	100%	6,508,298	100%	5,770,508	100%
Current Liabilities	3,772,789	57%	3,274,528	50%	3,061,640	53%
Total Liabilities	3,878,611	59%	3,382,971	52%	3,164,175	55%
Equity	2,692,391	41%	3,125,327	48%	2,606,333	45%

Source: Market Observation Post System

Income Statements Overview (Consolidated)

Units: NT\$ thousand

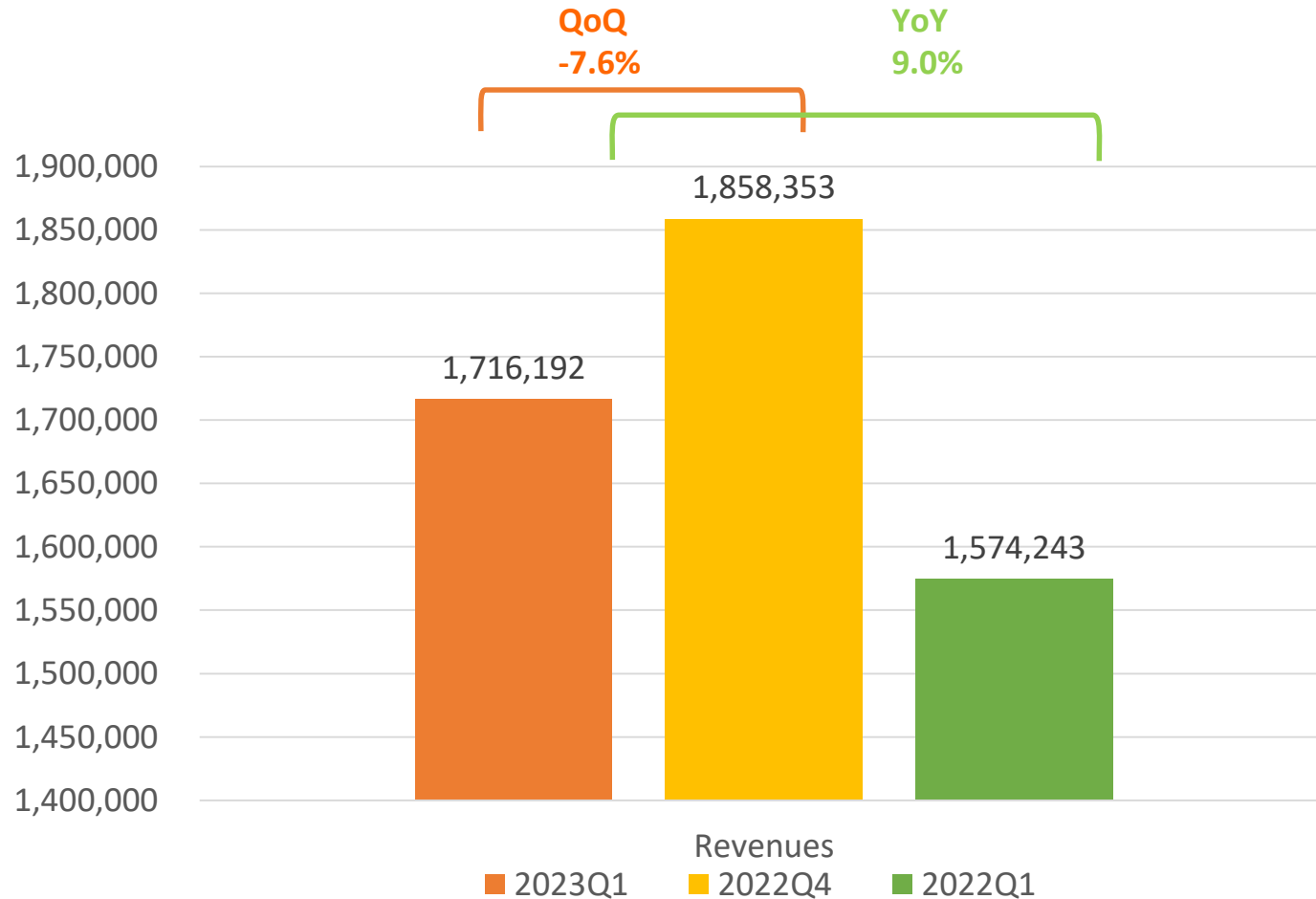
Item	2023 Jan.-Mar.		2022 Jan.-Mar.		YOY
	AMT	%	AMT	%	
Revenues	1,716,192	100%	1,574,243	100%	9.0%
Gross profit	444,119	26%	403,917	26%	10.0%
Operating expense	206,072	12%	198,143	13%	4.0%
Operating income	238,047	14%	205,774	13%	15.7%
Other income	19,147	1%	14,457	1%	32.4%
Pre-tax income	257,194	15%	220,231	14%	16.8%
Net income	211,515	12%	182,395	12%	16.0%
EPS(NT\$)	1.99		1.71		16.4%

Source: Market Observation Post System

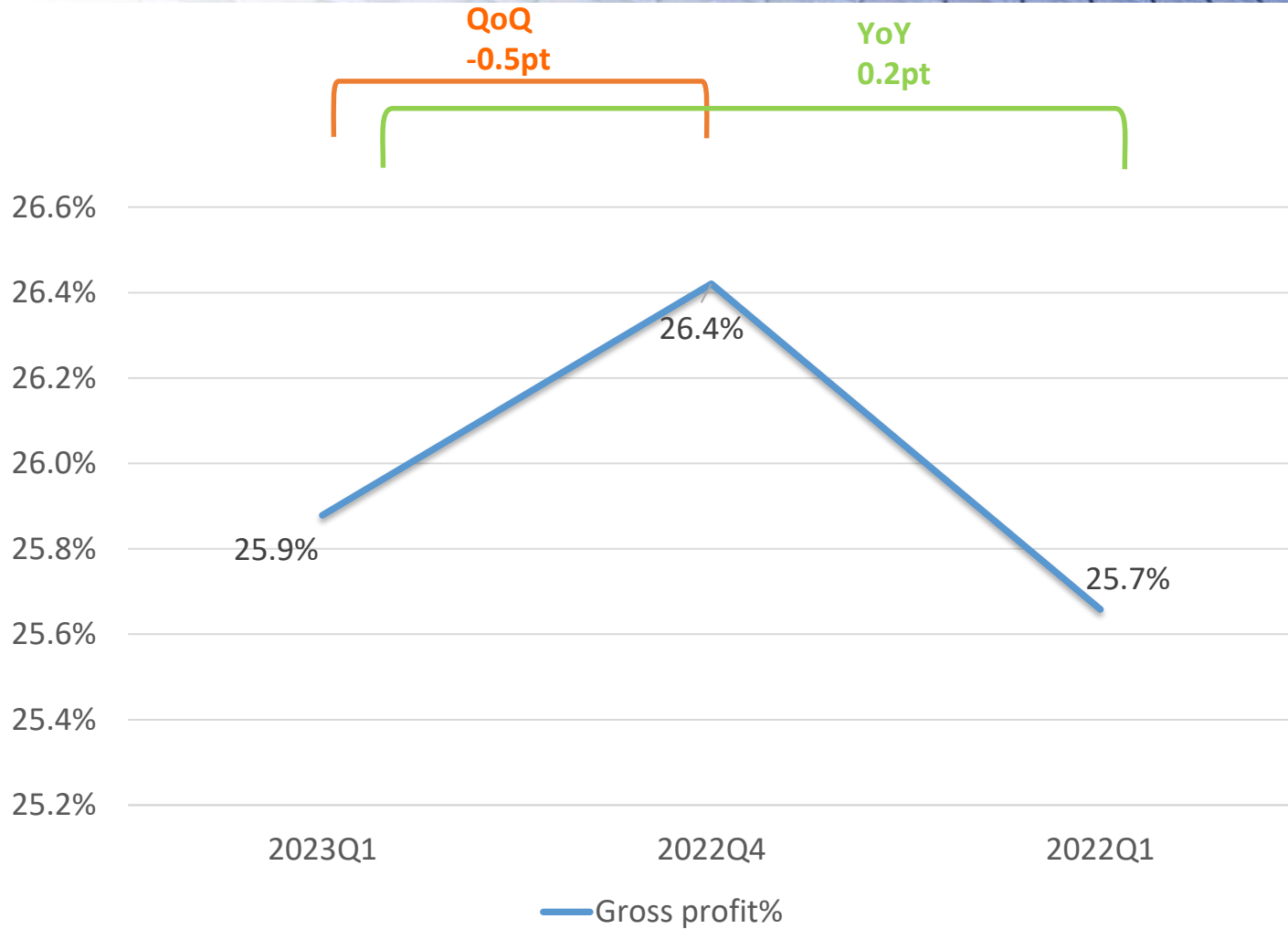
Note:China subsidiary's revenue of consolidated: 2023Q1 1.56%;2022Q1 2.01%

Consolidated Revenues

Units: NT\$ thousand

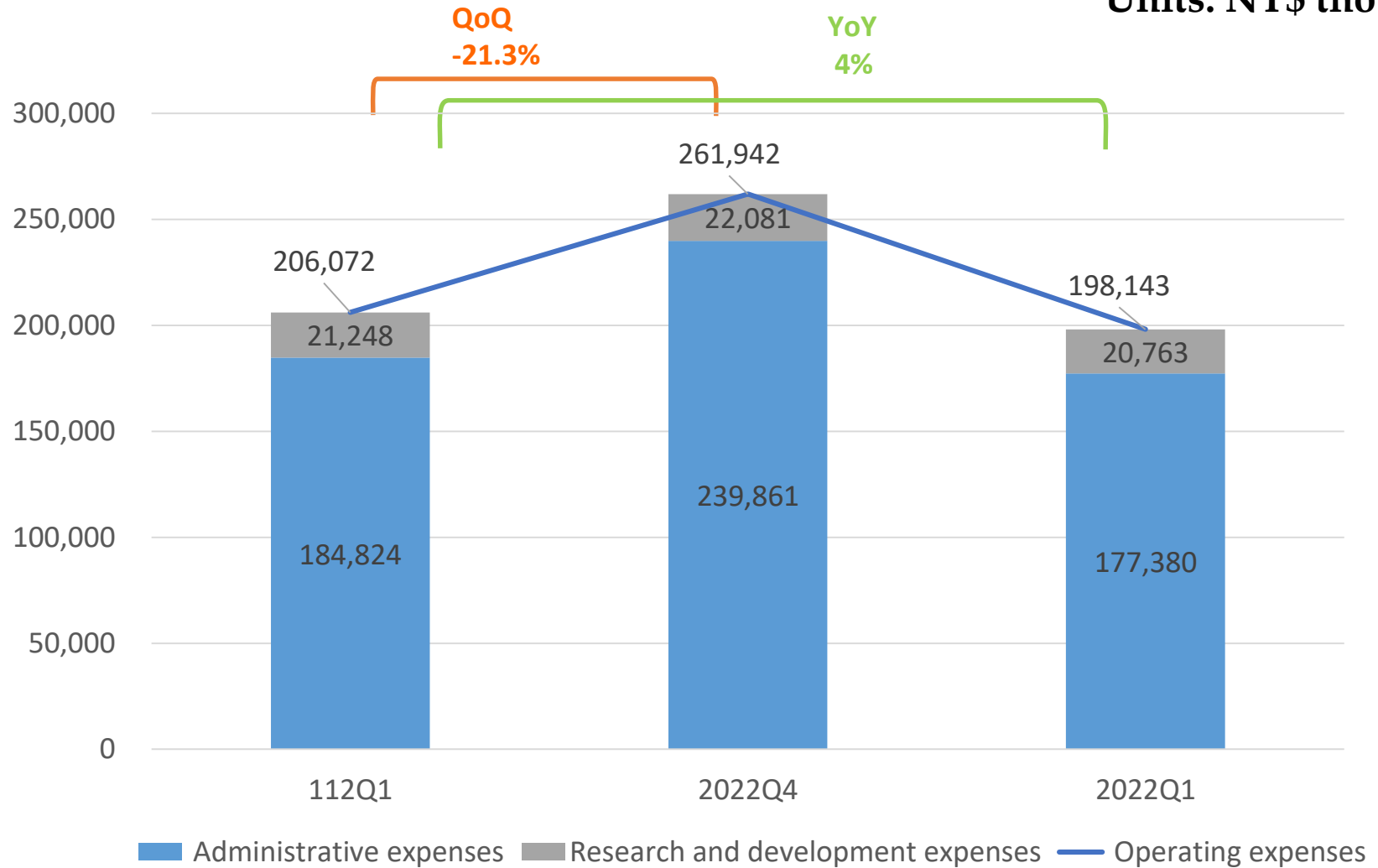


Consolidated Gross profit%



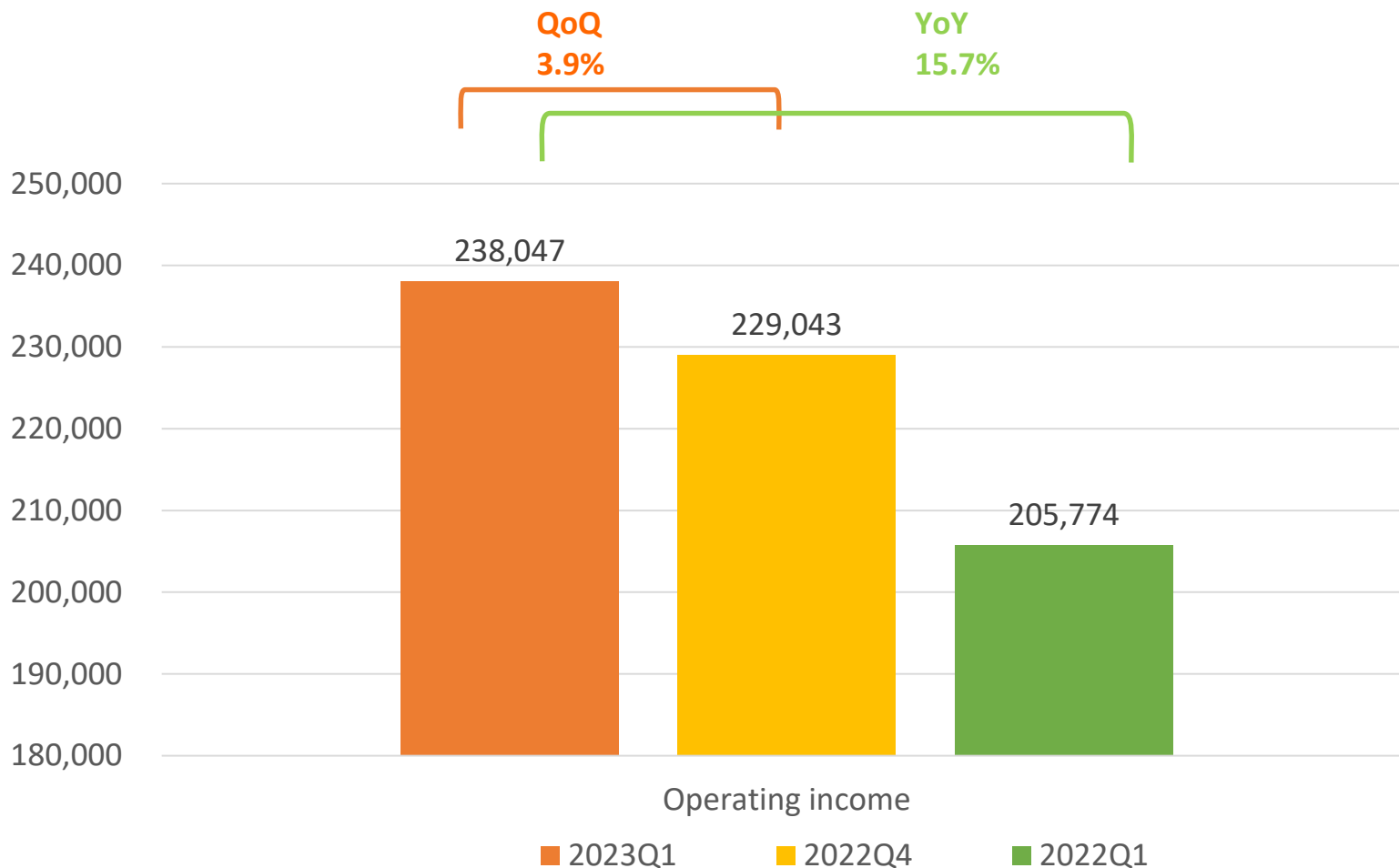
Consolidated Operating expenses

Units: NT\$ thousand

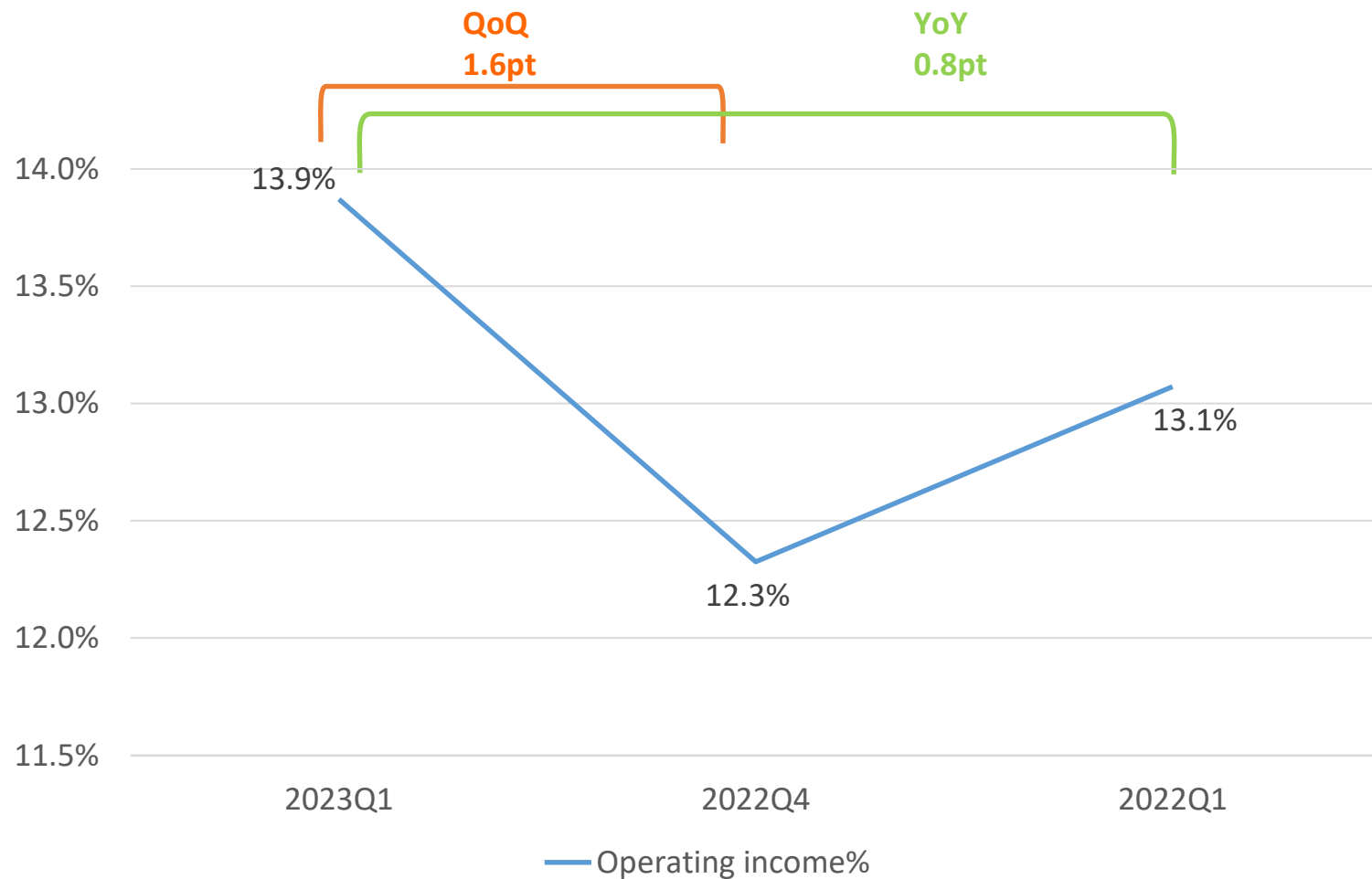


Consolidated Operating income

Units: NT\$ thousand

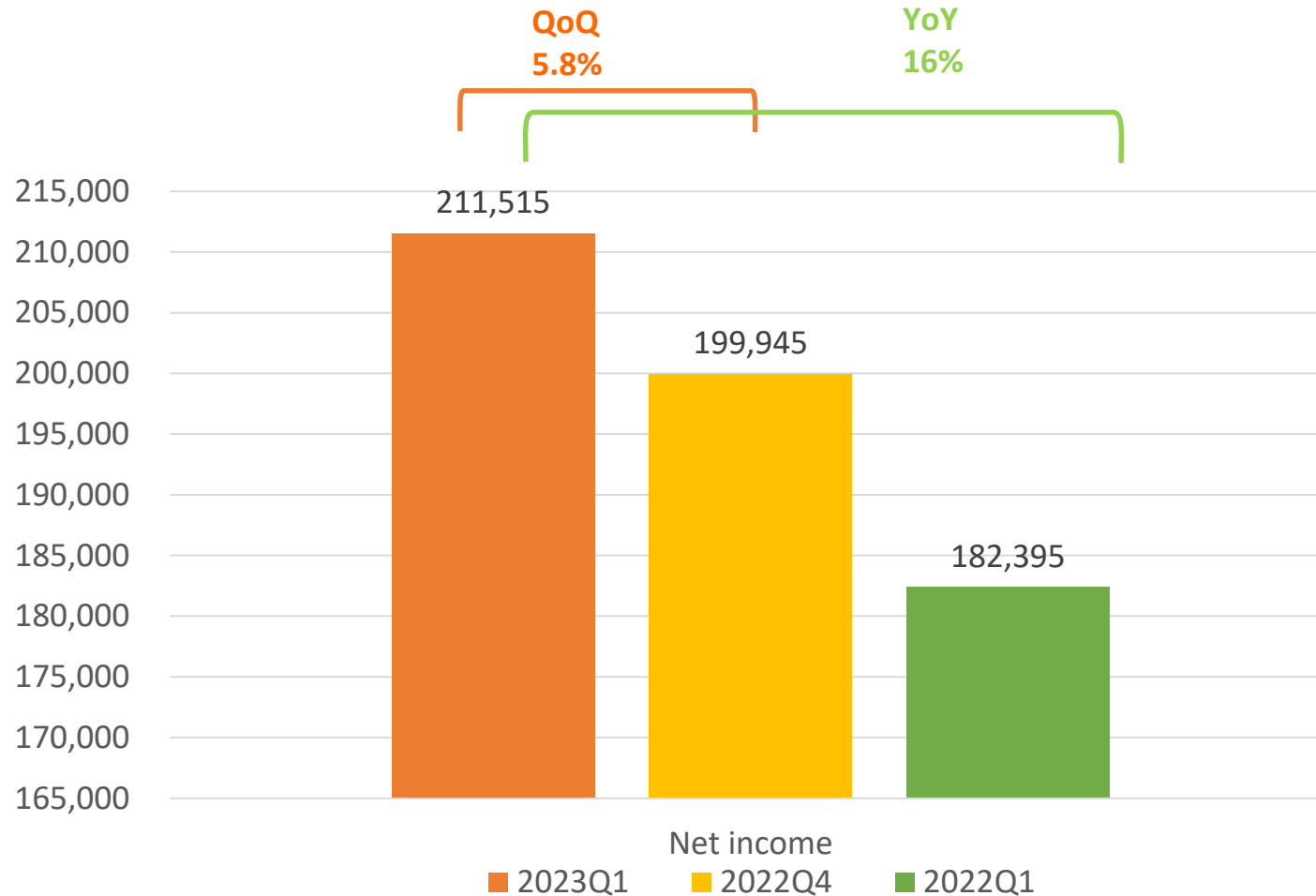


Consolidated Operating income⁰%

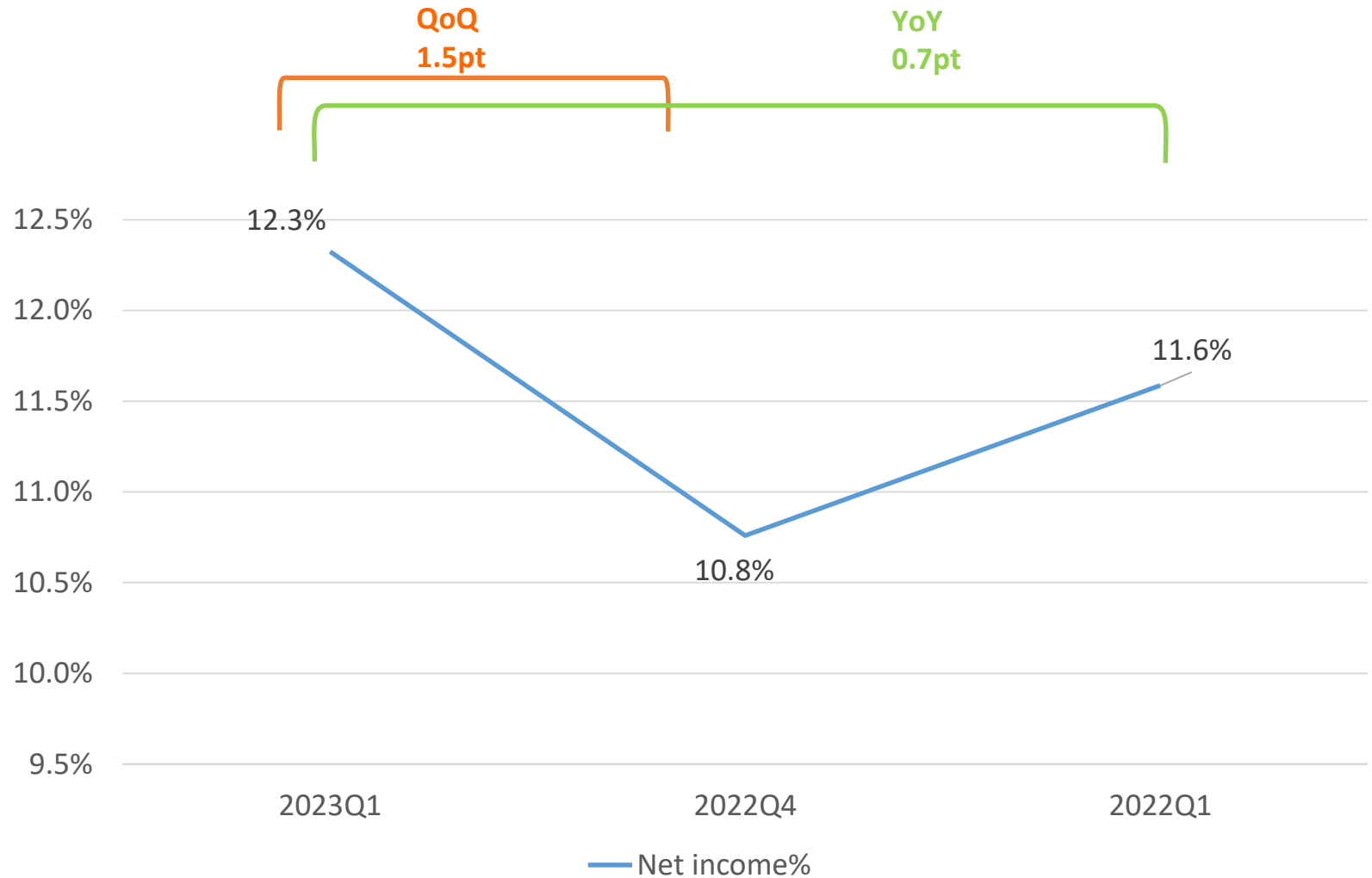


Consolidated Net income

Units: NT\$ thousand

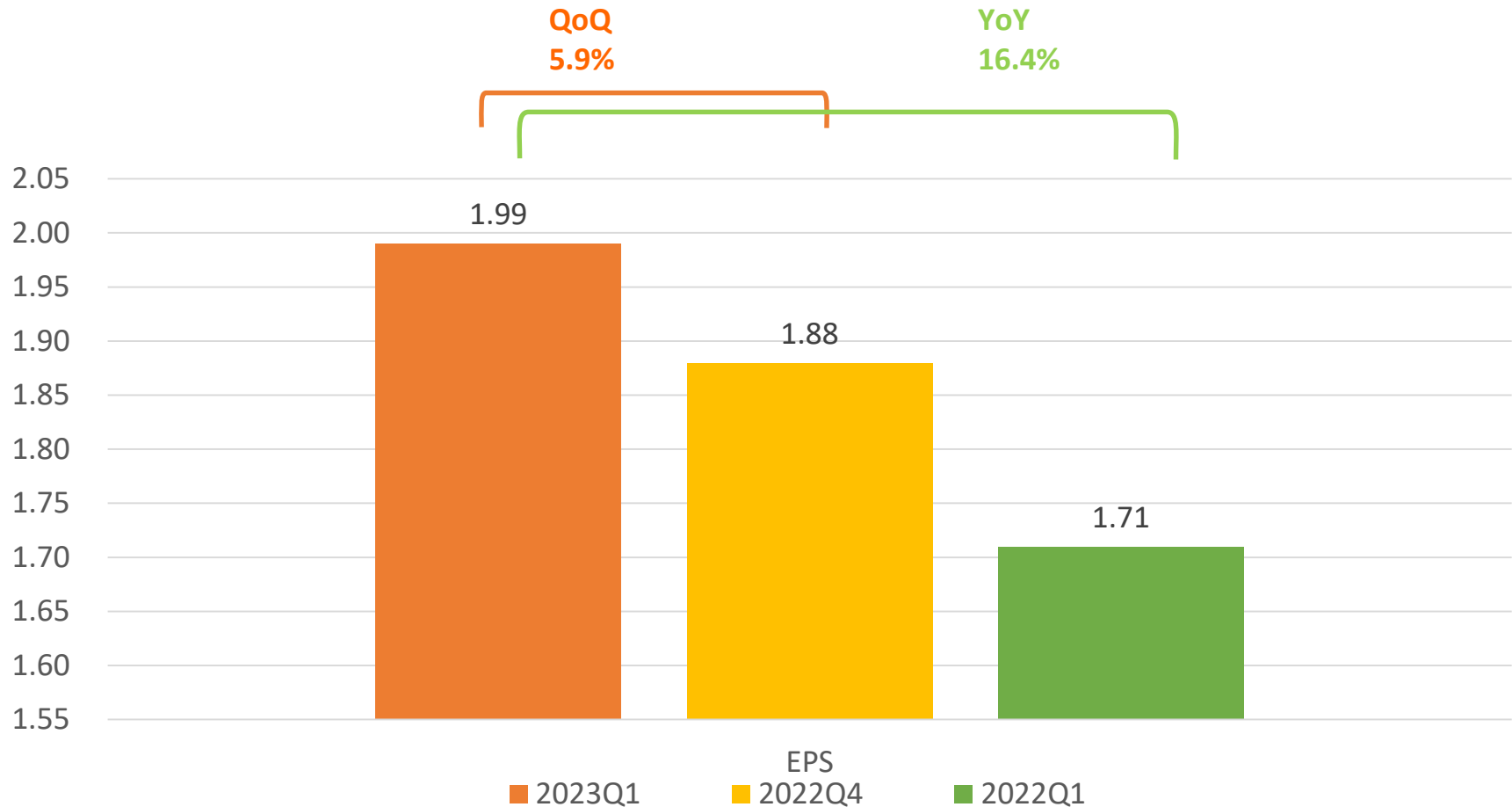


Consolidated Net income⁰%



Consolidated EPS

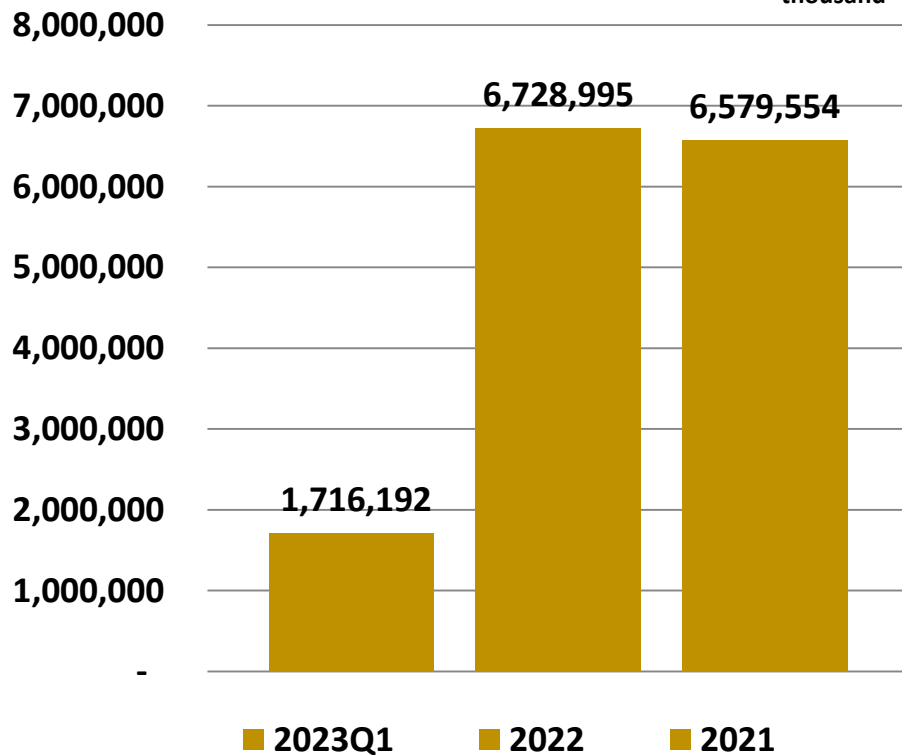
Units: NT\$



Sales Revenue & Net Income

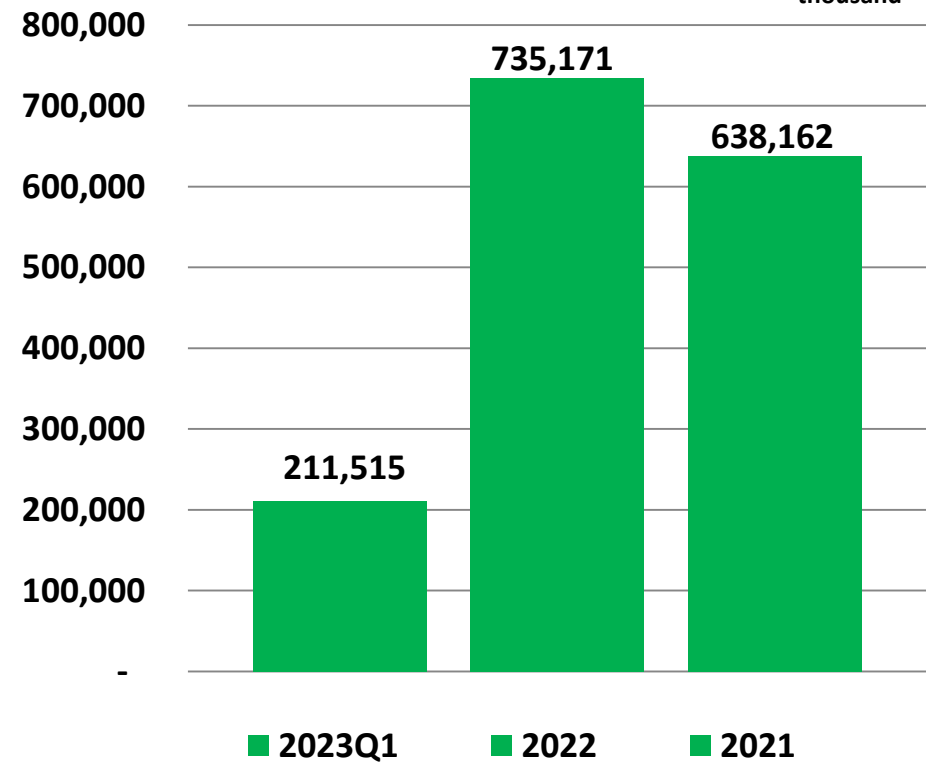
Sales Revenue

Units:NT\$
thousand



Net Income

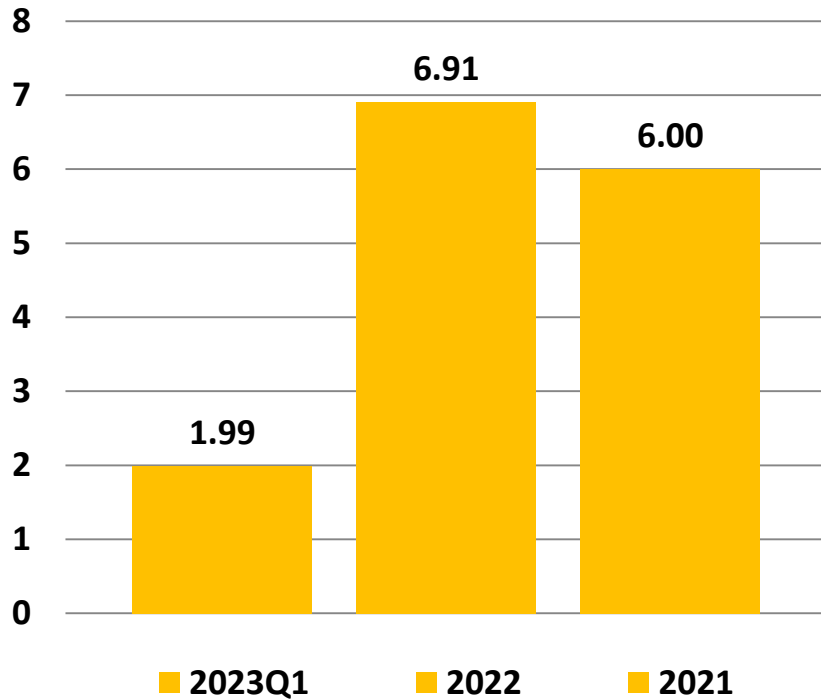
Units:NT\$
thousand



EPS & Capital

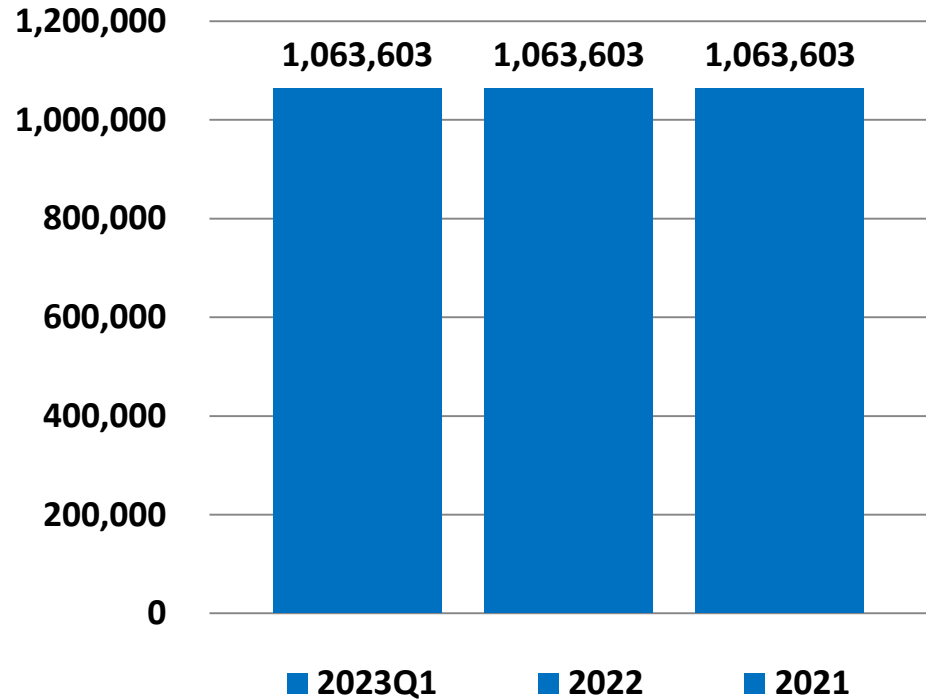
EPS

Units:NT\$



Capital

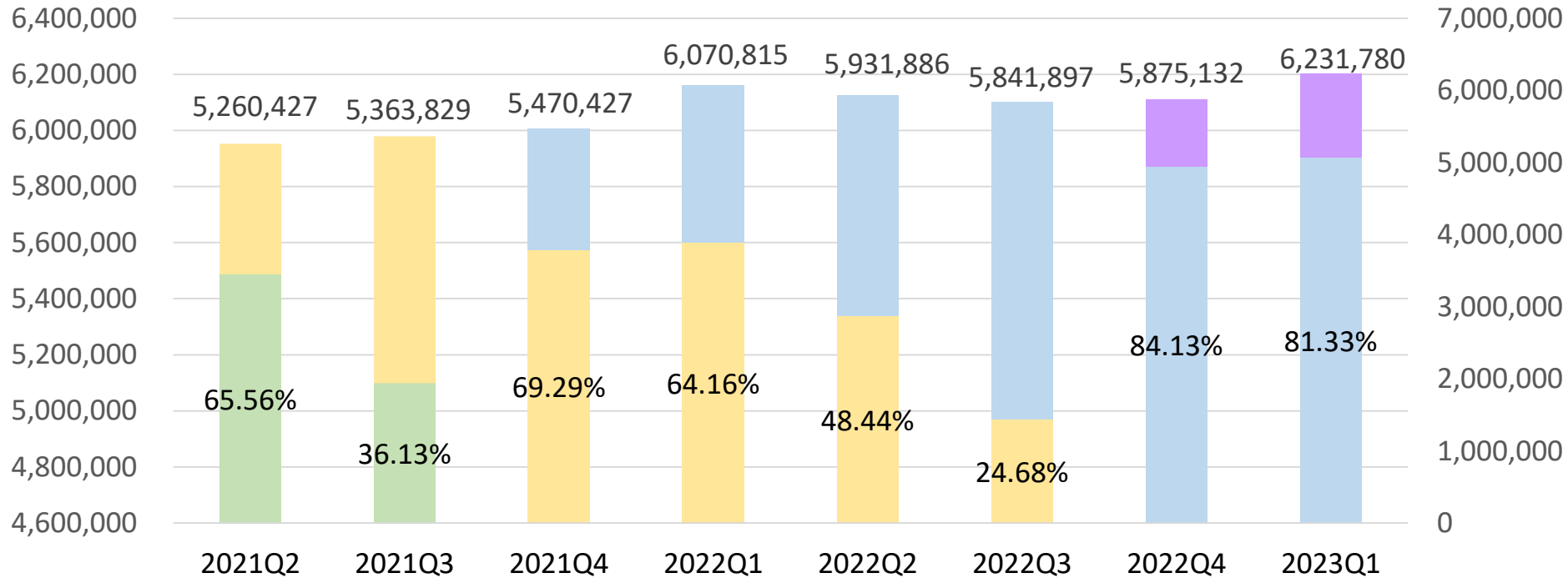
Units:NT\$
thousand



	2023Q1	2022	2021
ROE	7.27	23.93	21.82

Allocation of transaction price into unfulfilled contractual obligations

Units: NT\$ thousand



	2021Q2	2021Q3	2021Q4	2022Q1	2022Q2	2022Q3	2022Q4	2023Q1
Allocation of transaction price into unfulfilled contractual obligations	5,260,427	5,363,829	5,470,427	6,070,815	5,931,886	5,841,897	5,875,132	6,231,780
Estimated Fulfill Ratio of 2021/2022/2023	65.56%	36.13%	69.29%	64.16%	48.44%	24.68%	84.13%	81.33%
Estimated Fulfill Amount of 2021/2022/2023	3,448,736	1,937,951	3,790,459	3,895,035	2,873,406	1,441,780	4,942,749	5,068,307
Estimated Fulfill Amount After 2022/2023/2024	1,811,691	3,425,878	1,679,968	2,175,780	3,058,480	4,400,117	932,383	1,163,473

Dividends Policy

※ Dividends in recent years

Units:NT\$

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

※ EPS in recent years

Units:NT\$

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

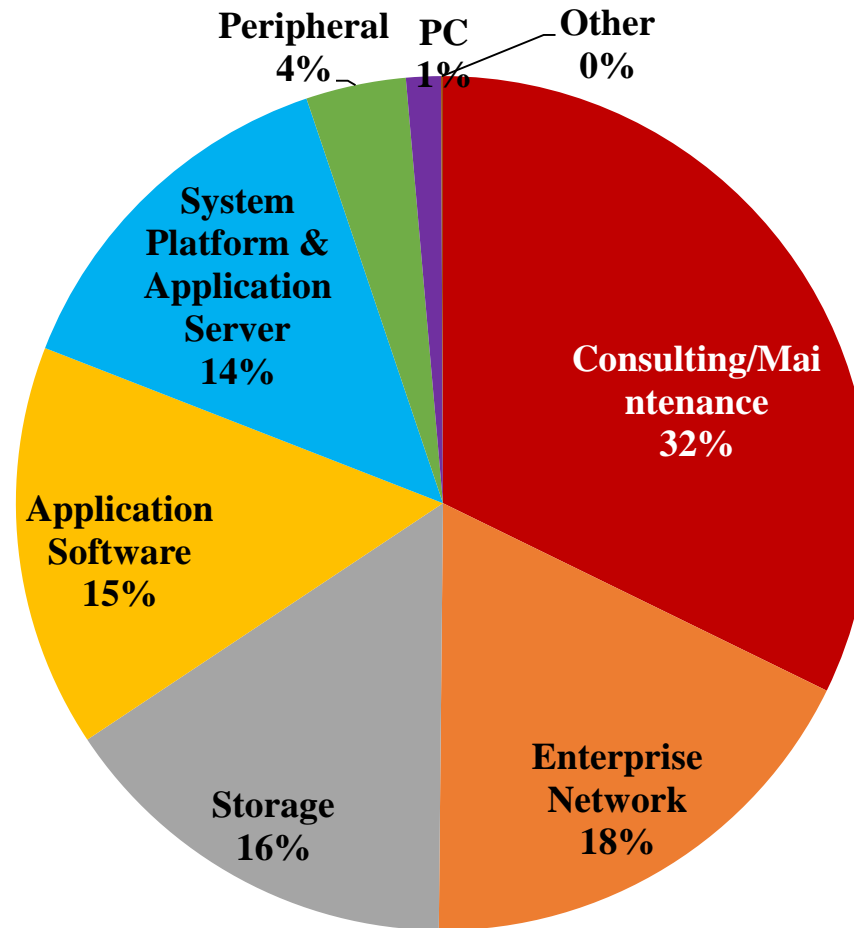
※ Payout ratio in recent years

Units:%

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

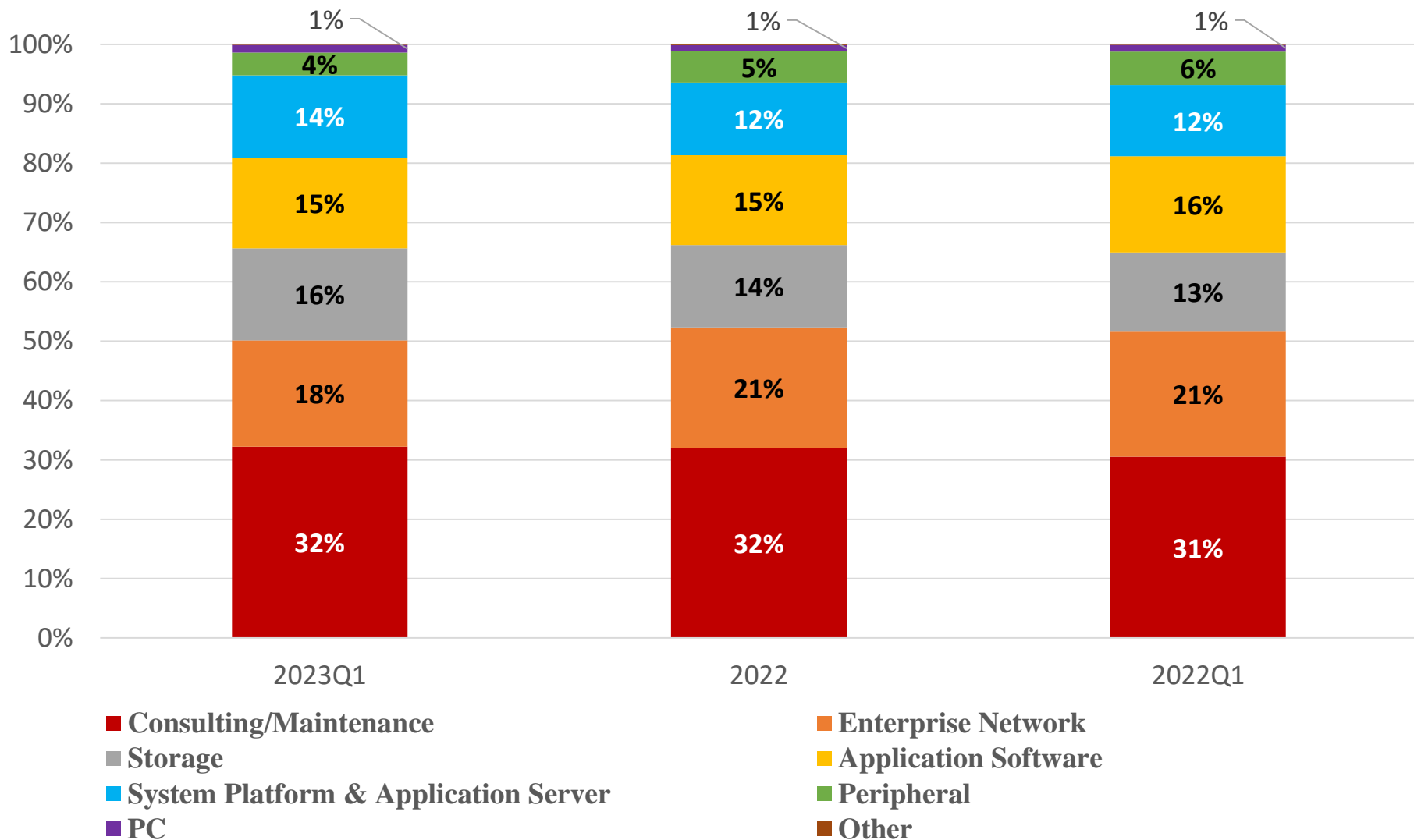
Note : Payout ratio in year 2019 due to the adjustment of IFRSs to shareholders' equity which can be part of distribution

2023Q1 Sales Revenues by Type

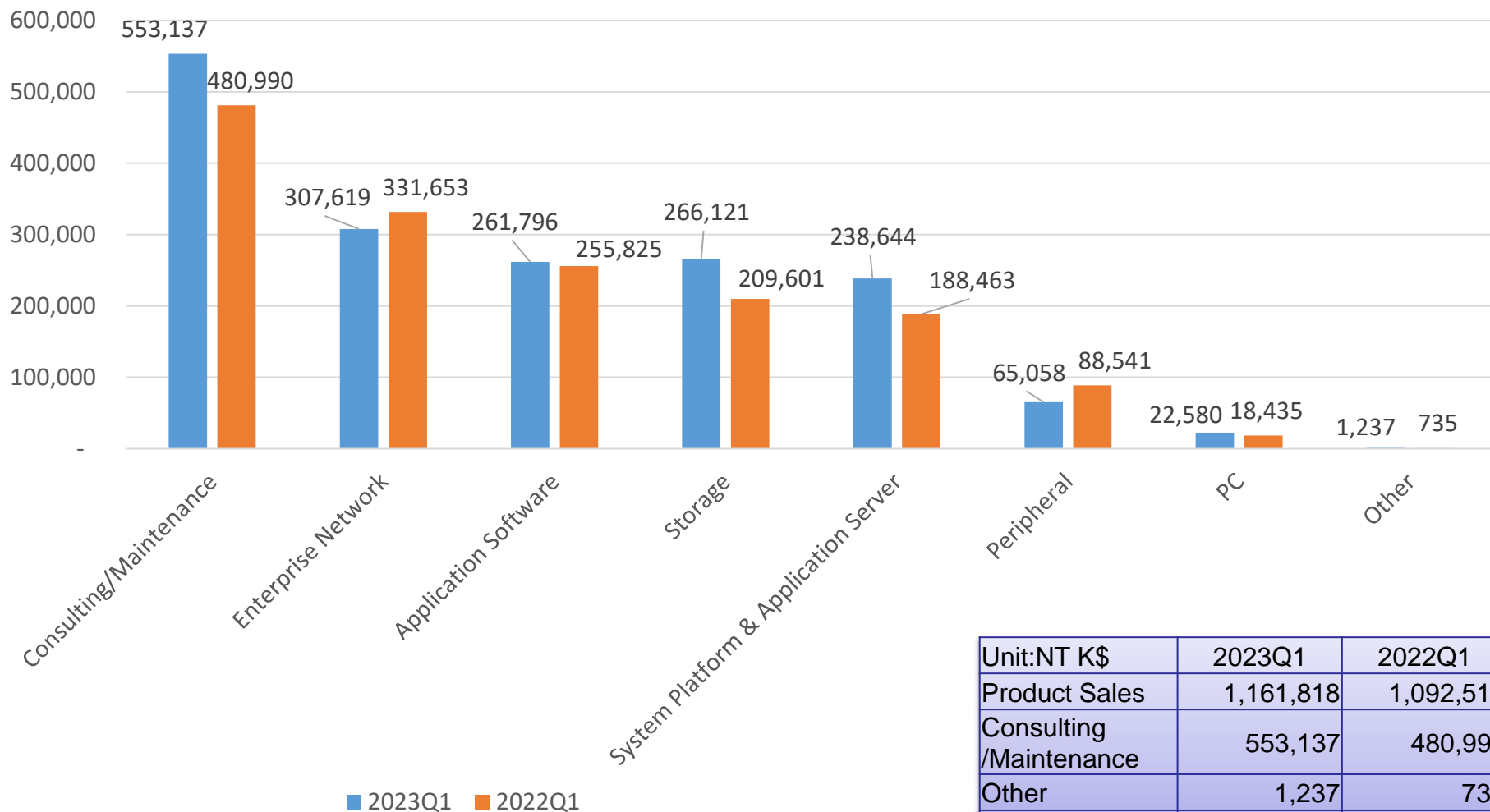


Revenue:1.716billion

Comparison of Sales Revenues by Type



Compare Sales Revenues by Type



Revenue:1.716billion

Revenue:1.574billion

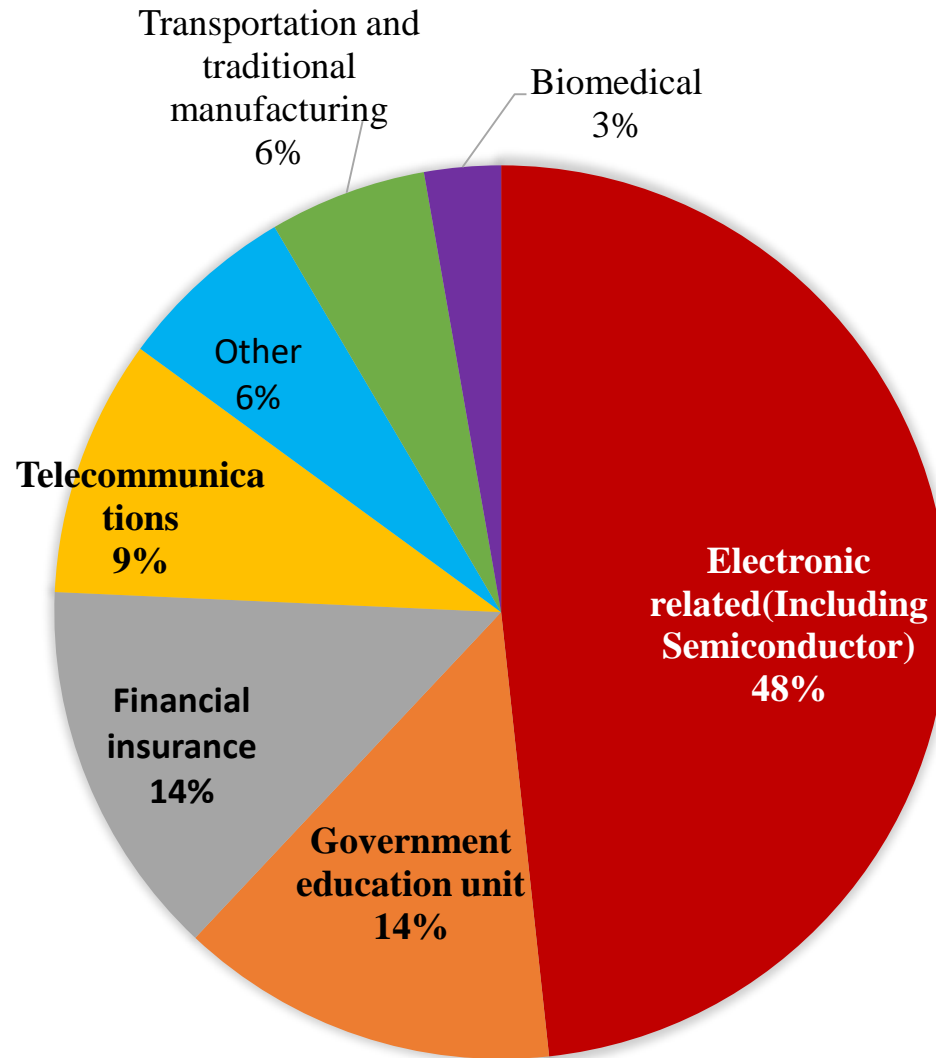
Unit:NT K\$	2023Q1	2022Q1
Product Sales	1,161,818	1,092,518
Consulting /Maintenance	553,137	480,990
Other	1,237	735
Total	1,716,192	1,574,243



Stark Technology Inc.

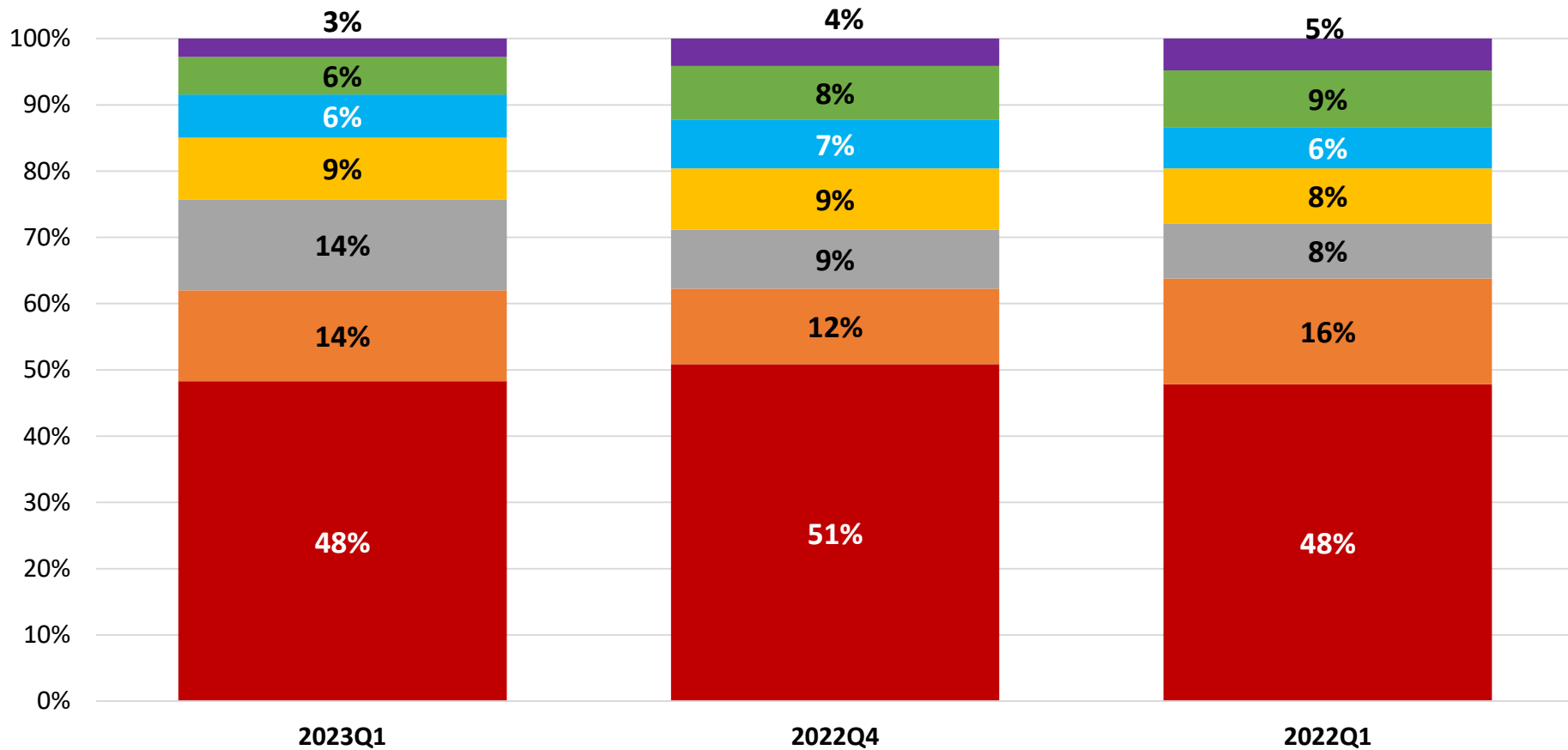
敦陽科技股份有限公司

2023Q1 Sales Revenues by Industry



Revenue: 1.716 billion

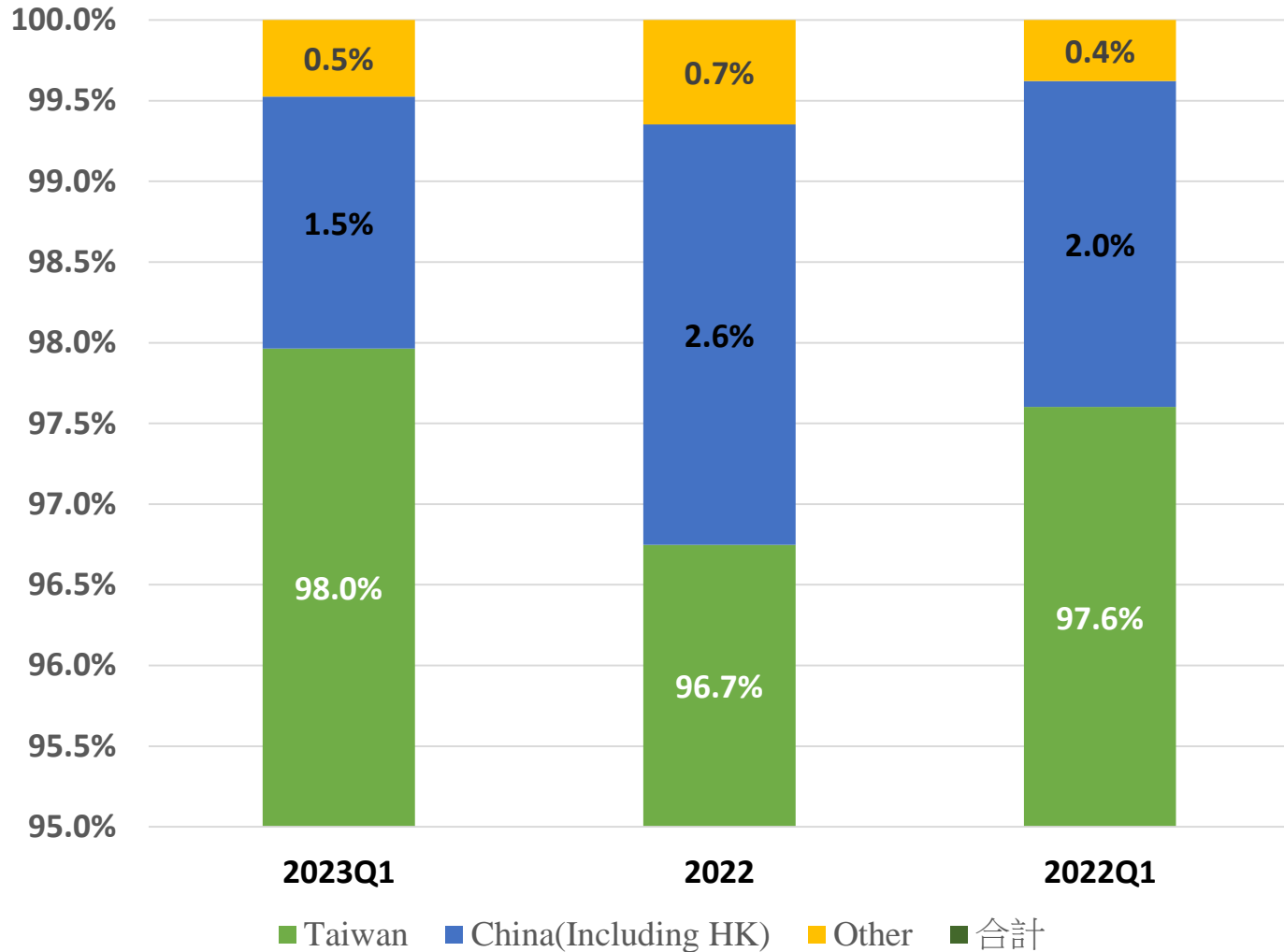
Comparison of Sales Revenues by Industry(Accumulated)



- Electronic related(Including Semiconductor)
- Financial insurance
- Other
- Biomedical

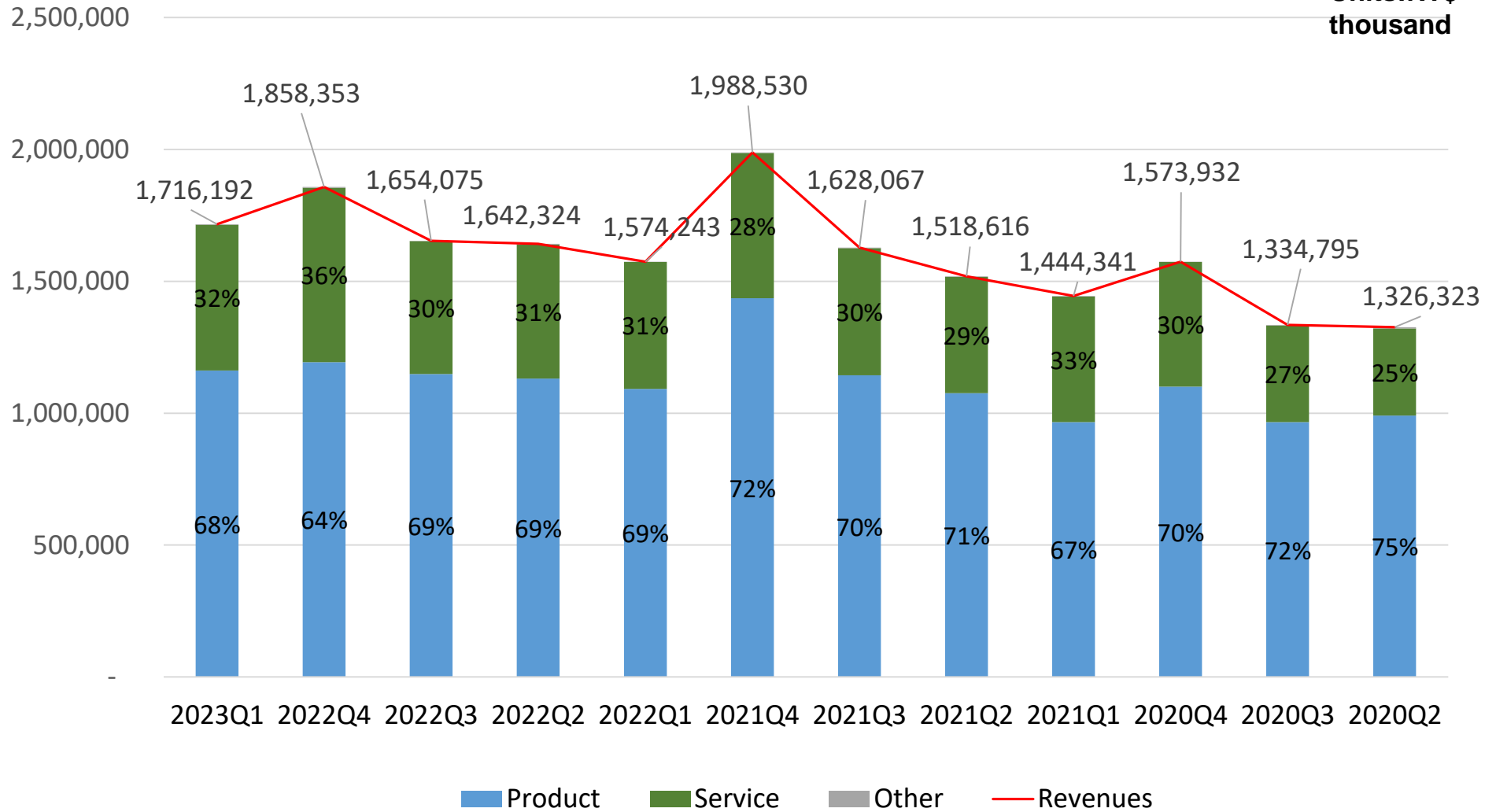
- Government education unit
- Telecommunications
- Transportation and traditional manufacturing


Comparison of Sales Revenues by Region(Accumulated)



Quarterly revenue status

Units:NT\$ thousand





Q & A
Thank you!!



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敦陽科技股份有限公司