

Stark Technology Inc.(2480)

2021Q2 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**
- **530+ 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 6% - 20% company over the 7th Corporate Governance Evaluation
- 2020/07 Included in the "Corporate Governance 100 Index"

Year	Announce Results	STI Percentage	
2014(1 st .)	The top 20%	6%-20%	
2015(2 nd .)	The top 50%	6%-20%	
2016(3 rd .)	100%	6%-20%	
2017(4 th .)	100%	6%-20%	
2018(5 th .)	100%	6%-20%	
2019(6 th .)	100%	6%-20%	
2020(7 th .)	100%	6%-20%	Note: The evaluation results of the market value of more than 5 billion to 10 billion (NTD\$) are listed as 6%~10%

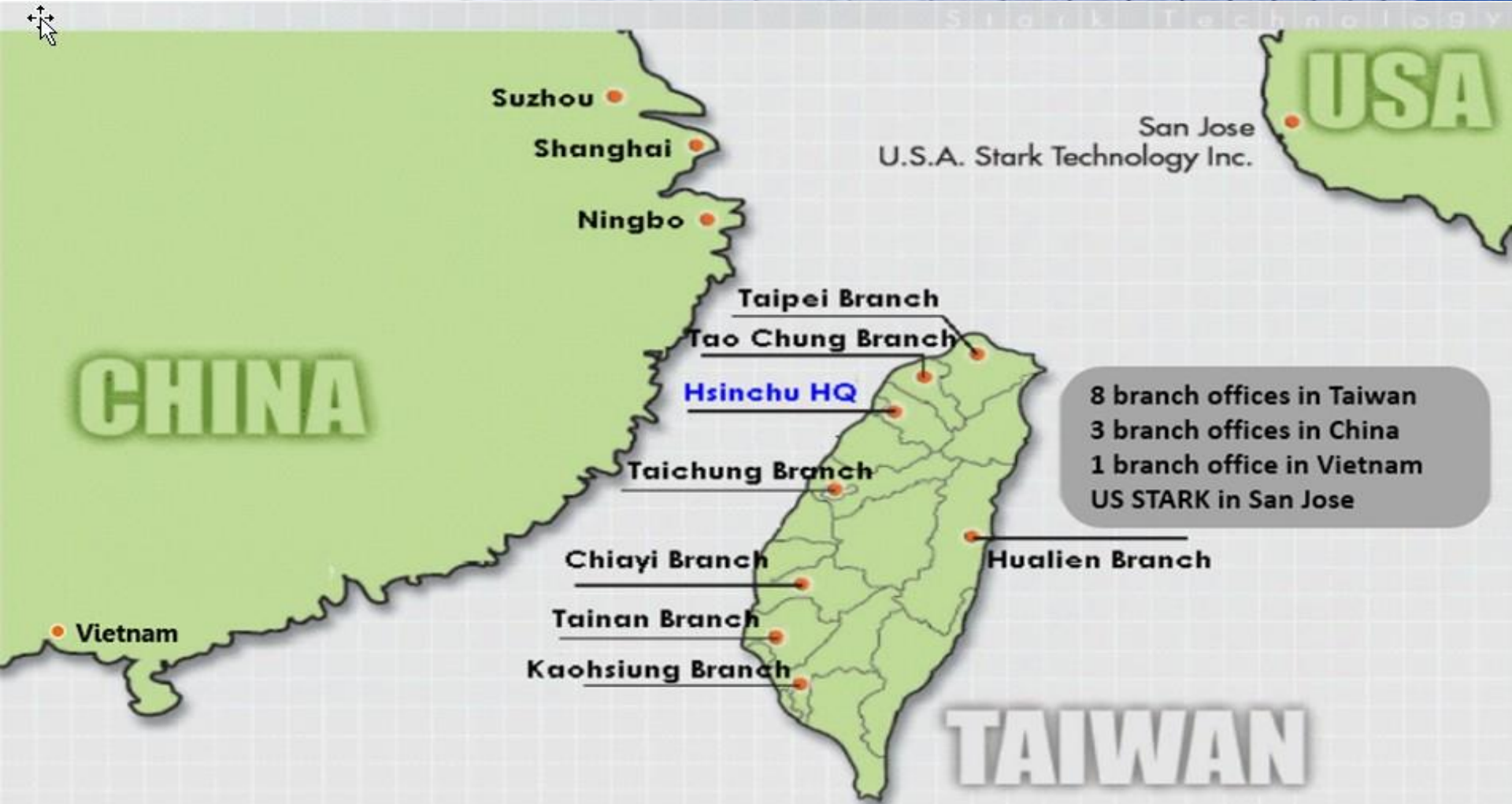
Awards

- **2020/10 Won the two awards of "2020 Executive Performance Evaluation" and "2020 Best Partner" by Far EastOne Telecom**
- **2019 Best Supplier of Taiwan Mobile and 2020 Best Supplier of Fubon Financial**
- **Fortinet _2019 Self-improvement Award**
- **Hitachi Vantara_FY19 Top Reseller of the Year**
- **VMware_2020 Highest Growth Partner Award**
- **HPE_FY20 Top Reseller of the Year**
- **Cisco_FY20 Rising Star Award**
- **Fujitsu_Best Select Partner of the Year 2019**
- **Lenovo_2020 Best Solution Sales Award**

Awards(Continued)

- **IBM_2020 Best LinuxOne Breakout Award**
- **NetApp_FY20 Best partner Award**
- **HPE FY20 Best partner Award**
- **DELL_2020 Highest Growth Partner Award**
- **Palo Alto_FY21 Top Performer in Driving Business Growth**
- **VEEAM_FY20 Gold Partner of the Year Award**
- **Nutanix_FY20 Best Market Opportunity Development Award**
- **Fortinet_2020 Outstanding Regional Distribution Partner Award**
- **NetApp_ FY21 Best Partner Award**
- **Ruckus _2020 Best Manufacturing Sector Partner**
- **HPE Aruba _FY20 Best Platinum partner of the Year**

STI Service Network

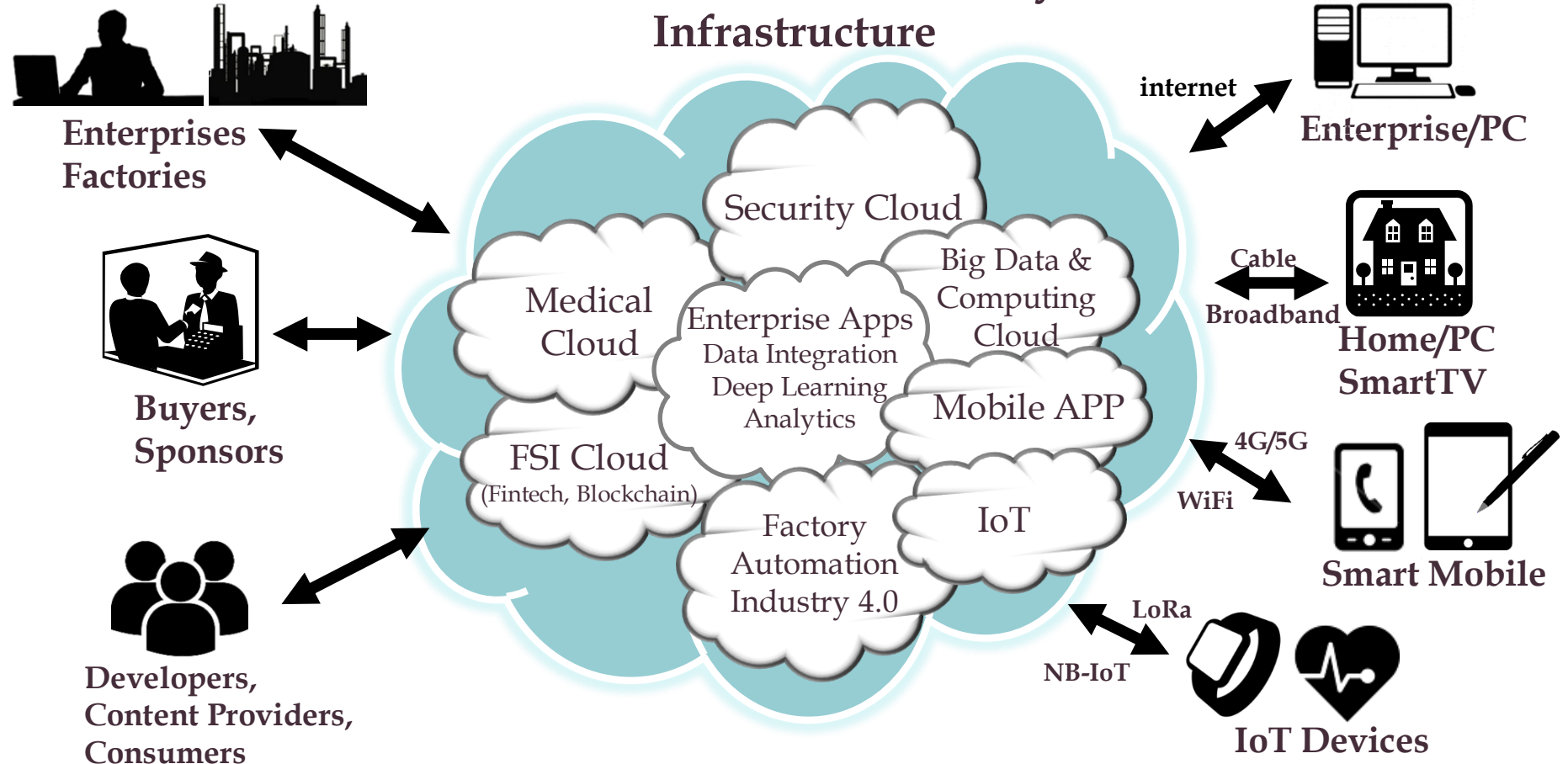


Sales Operation – by Industries

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 been worked and working on:

Cloud Services & Data Analytics Infrastructure



Inter-connect : Telecomm 、 Broadband/Cable 、 Internet

Multi-Screens : PC 、 NB/Pad 、 Smartphone 、 SmartTV

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)

Data Science

Training

Modeling

Inference

Who? : End users

Who? : Auto ML

- . Rapid ML/DL modeling,
- . Manpower constraint

Who? : AI Engineer

- . Process customization
- . ML/DL inference deployment

STI : ML, DL computing hardware/software framework integration

3rd party alliance : Industrial domain consultant, Semi-auto. Tool vendor

AI Solution Consultant

- ✓ Stack holder lead project
- ✓ End-to-end solution planning
- ✓ DL@GPU
- ✓ Tech. staff training



工業技術研究院
Industrial Technology
Research Institute



Auto ML

- ✓ IT lead project
- ✓ Manpower constraint
- ✓ Time to deployment
- ✓ min. data input, max.
- ✓ Workload@CPU or @GPU



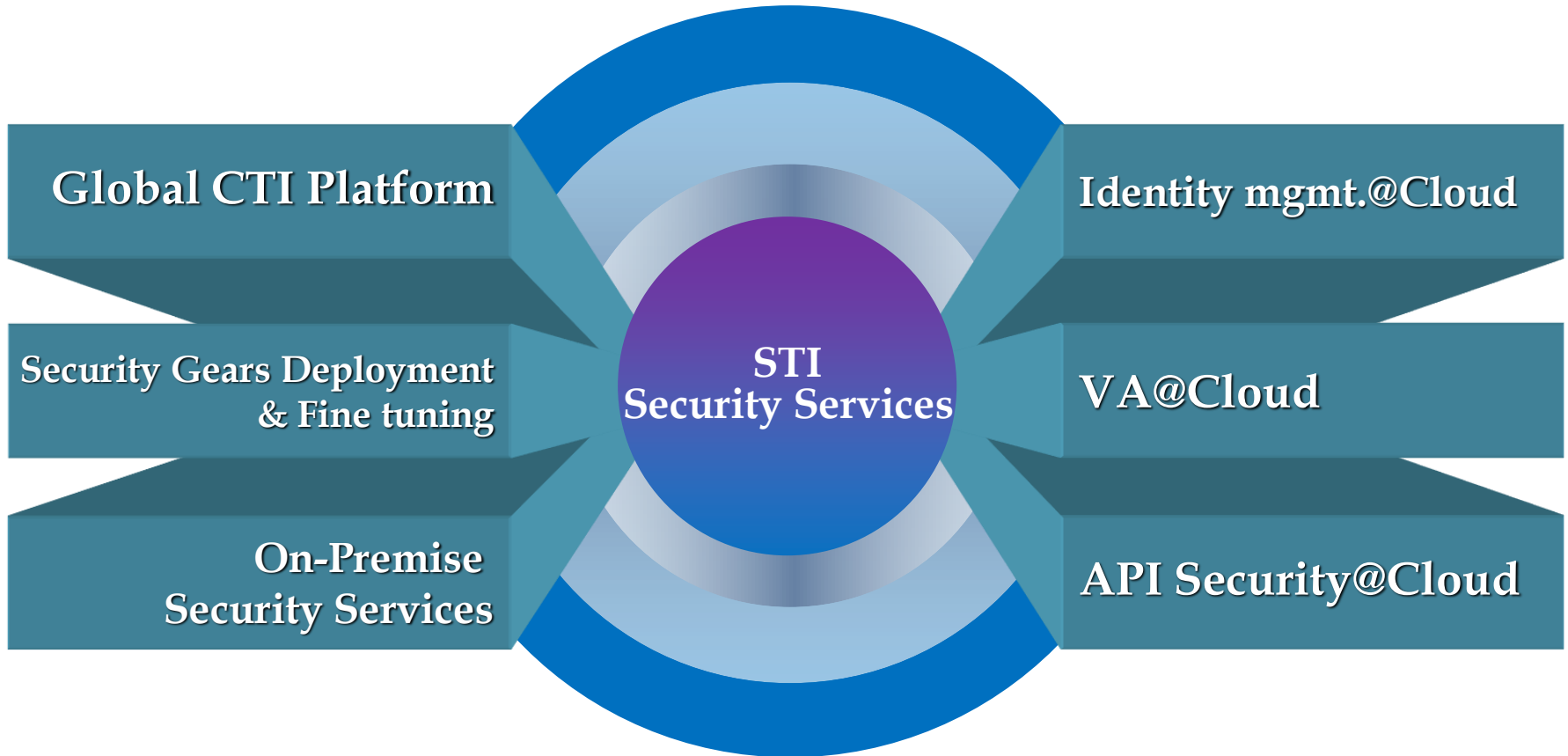
探智立方
Intelligence Qubic



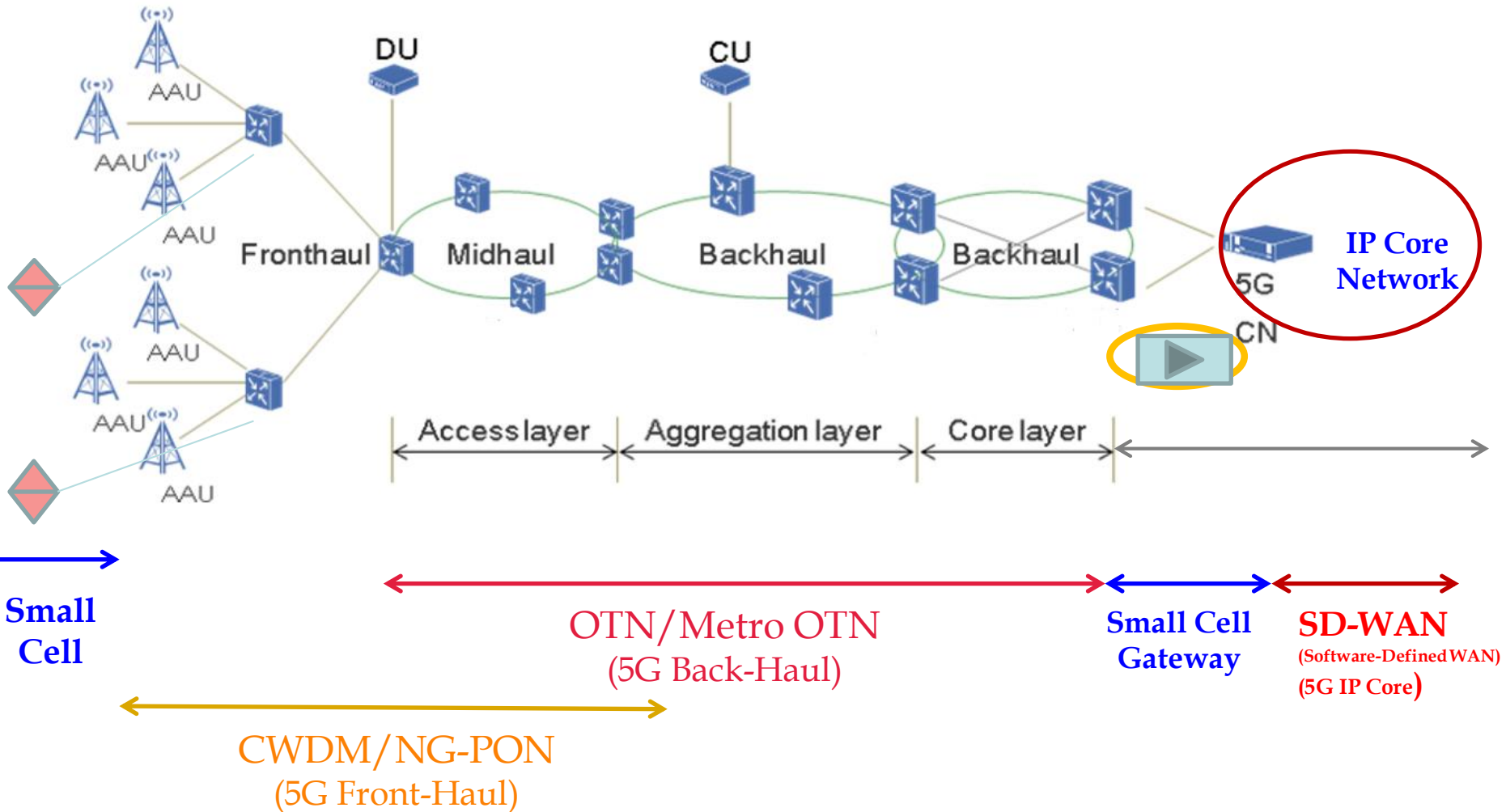
Stark Technology Inc.

敦陽科技股份有限公司

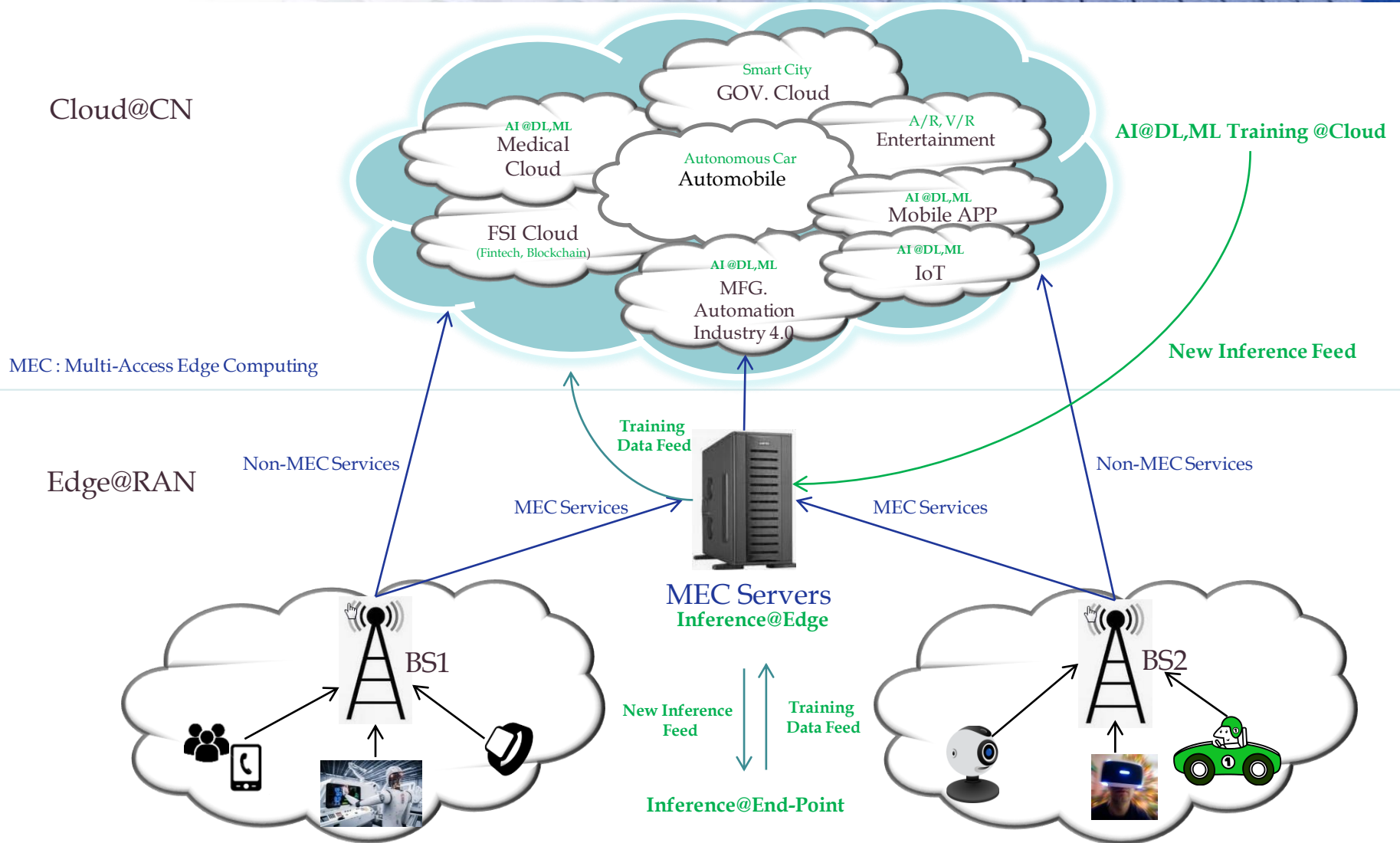
Managed Security Service Provider (MSSP)



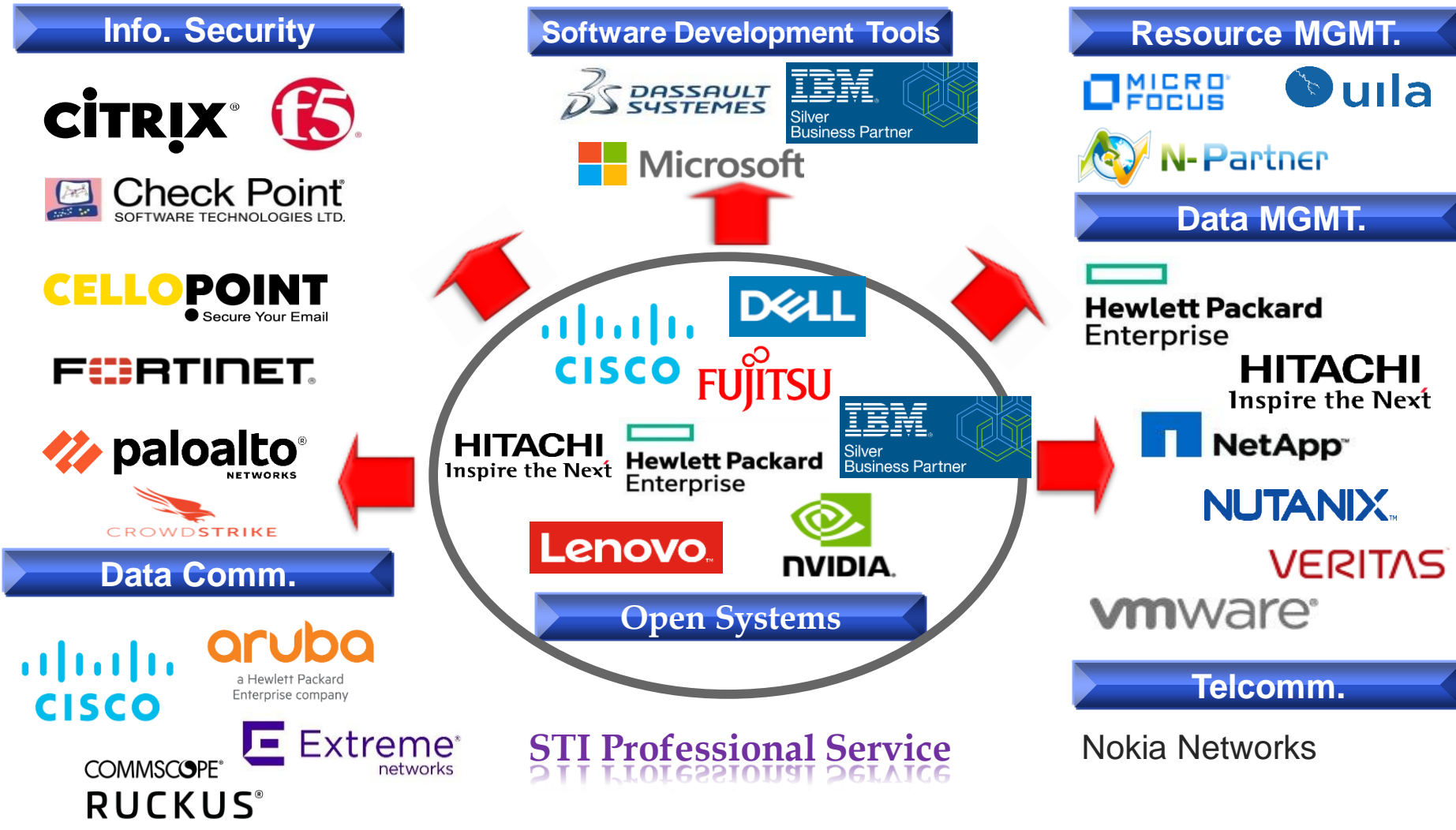
Tel-Communication Technologies (5G)



Meet up 5G + MEC@AI@Cloud



Products & Solutions



Balance Sheet Overview (Consolidated)

Units:NT\$ thousand

Item	2021/6/30		2020/12/31		2020/6/30	
	AMT	%	AMT	%	AMT	%
Cash and cash equivalents	1,073,022	19%	1,348,404	24%	1,510,047	29%
Accounts receivable(including contract assets)	1,014,741	18%	1,108,125	20%	863,120	17%
Inventories	2,111,513	38%	1,957,859	34%	1,516,008	29%
Property,Plant and equipment	448,098	8%	453,651	8%	449,882	9%
Total Assets	5,604,828	100%	5,743,047	100%	5,188,744	100%
Current Liabilities	2,845,905	51%	2,807,884	49%	2,505,391	48%
Total Liabilities	2,951,715	53%	2,914,035	51%	2,611,763	50%
Equity	2,653,113	47%	2,829,012	49%	2,576,981	50%

Source: Market Observation Post System

Income Statements Overview (Consolidated)

Units: NT\$ thousand

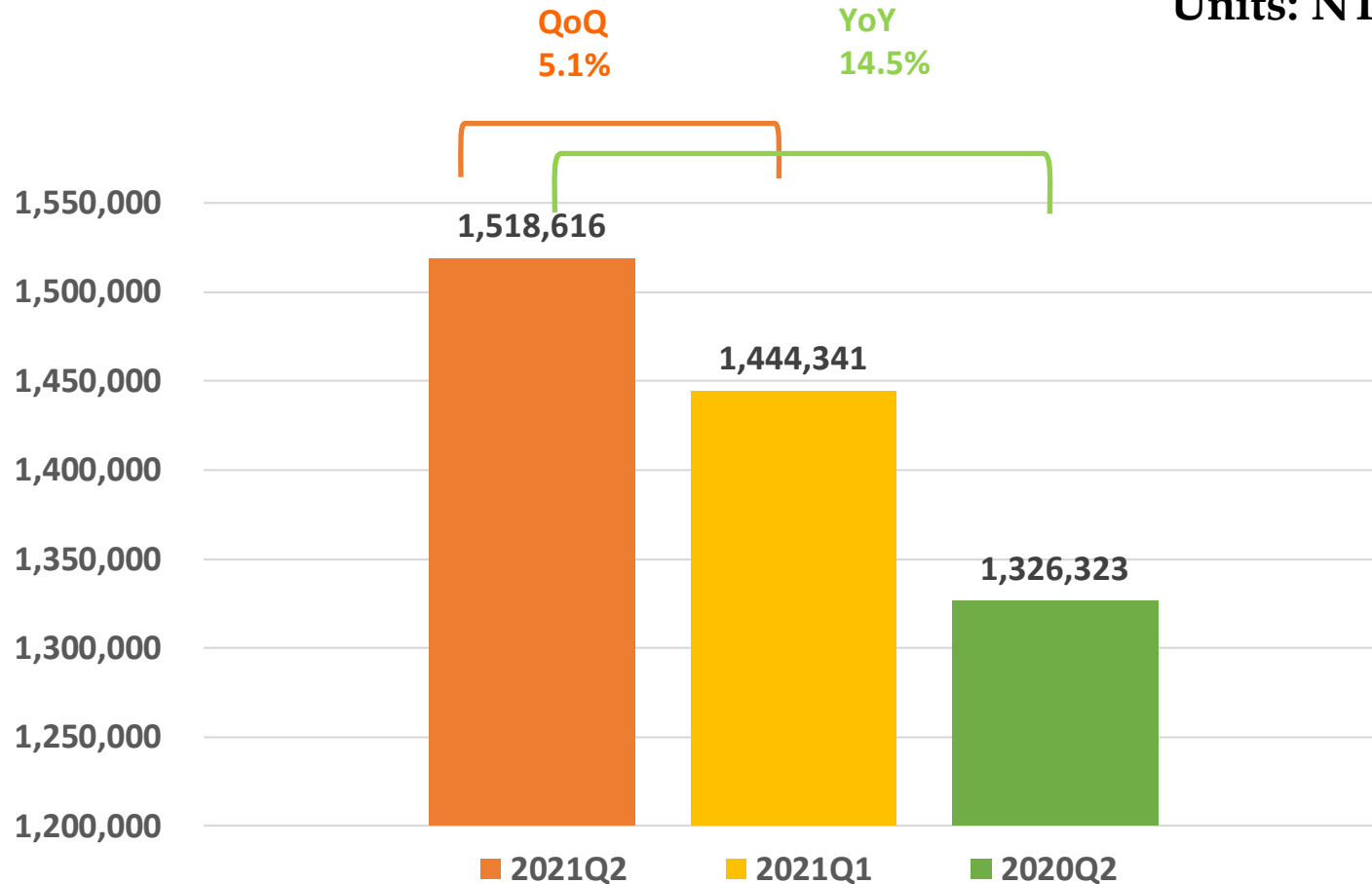
Item	2021 Jan.-June		2020 Jan.-June		YOY
	AMT	%	AMT	%	
Revenues	2,962,957	100%	2,634,084	100%	12.5%
Gross profit	741,622	25%	661,584	25%	12.1%
Operating expense	406,311	14%	379,508	14%	7.1%
Operating income	335,311	11%	282,076	11%	18.9%
Other income	16,026	1%	30,620	1%	-47.7%
Pre-tax income	351,337	12%	312,696	12%	12.4%
Net income	278,317	10%	243,813	9%	14.2%
EPS(NT\$)	2.62		2.29		14.4%

Source: Market Observation Post System

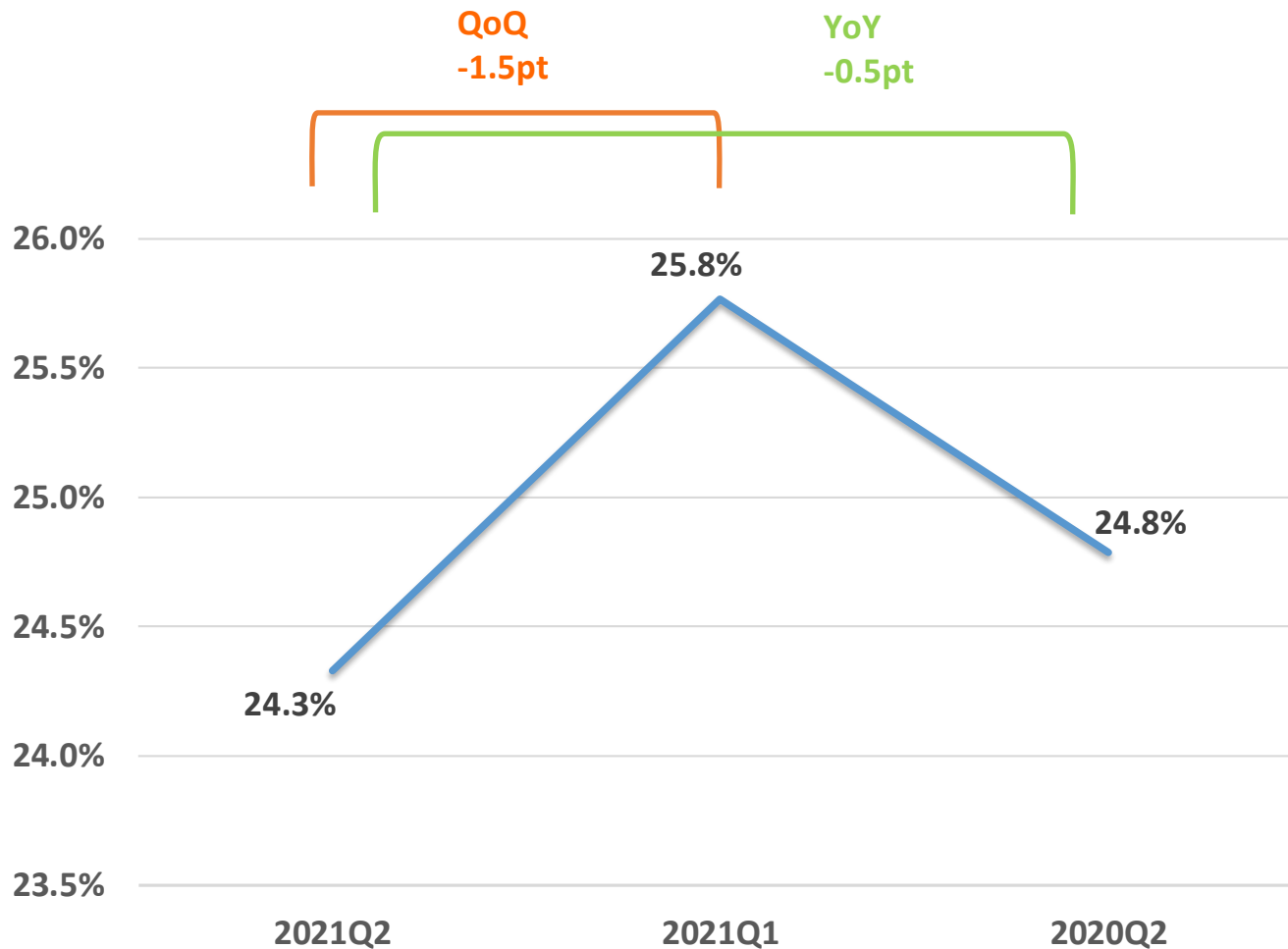
Note:China subsidiary's revenue of consolidated: 2021Q2 3.08%;2020Q2 5.74%

Consolidated Revenues

Units: NT\$ thousand

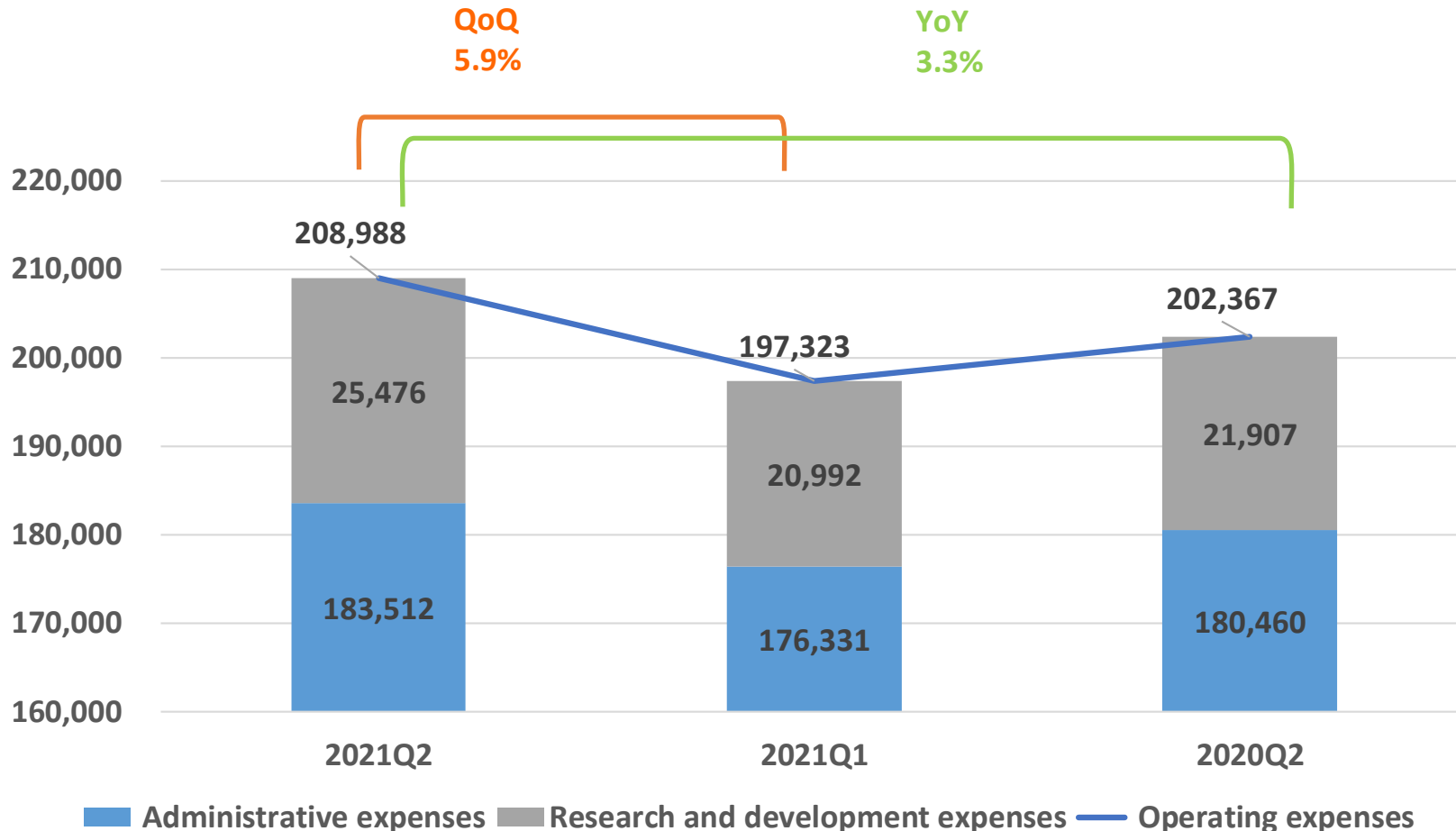


Consolidated Gross profit%



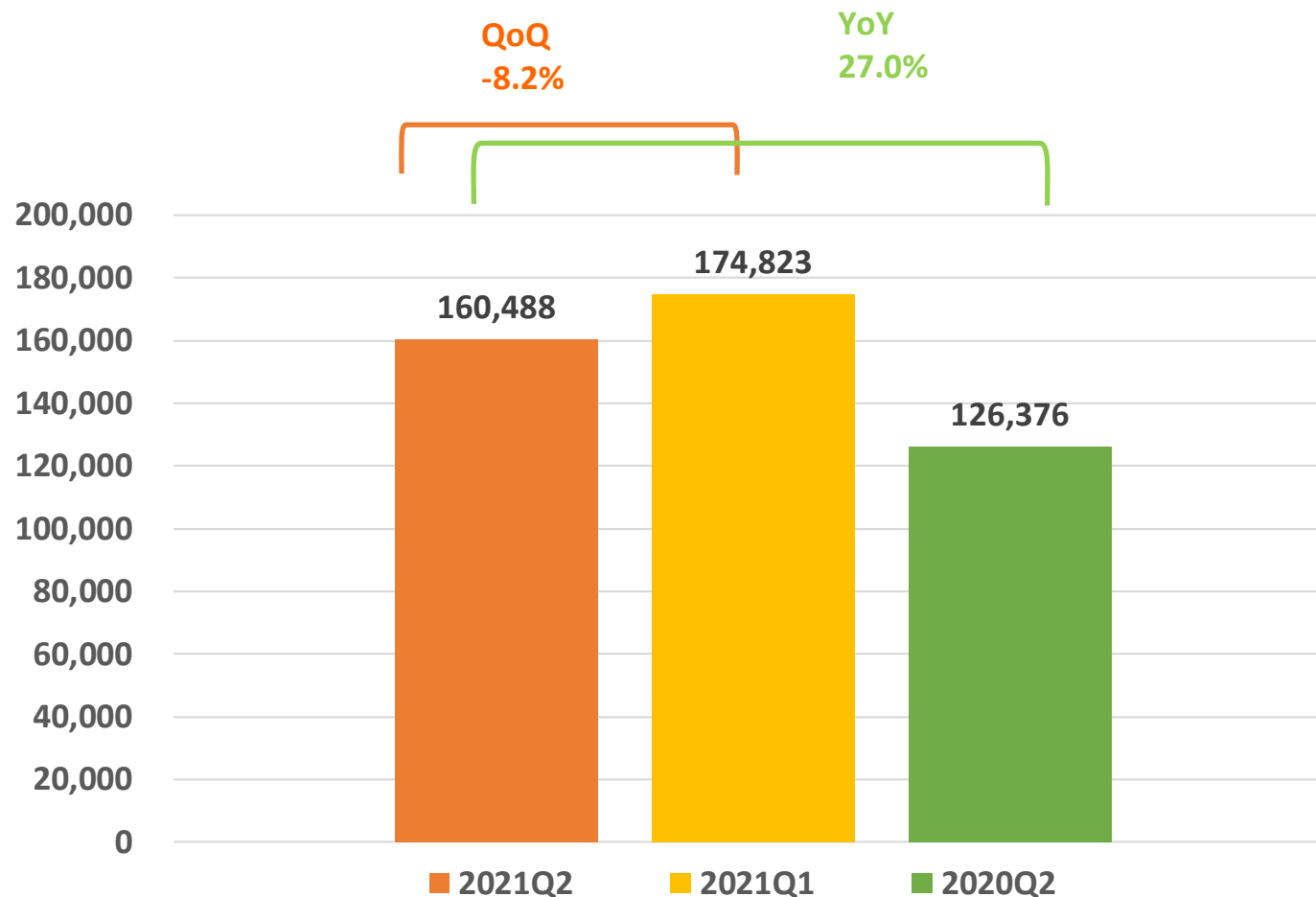
Consolidated Operating expenses

Units: NT\$ thousand

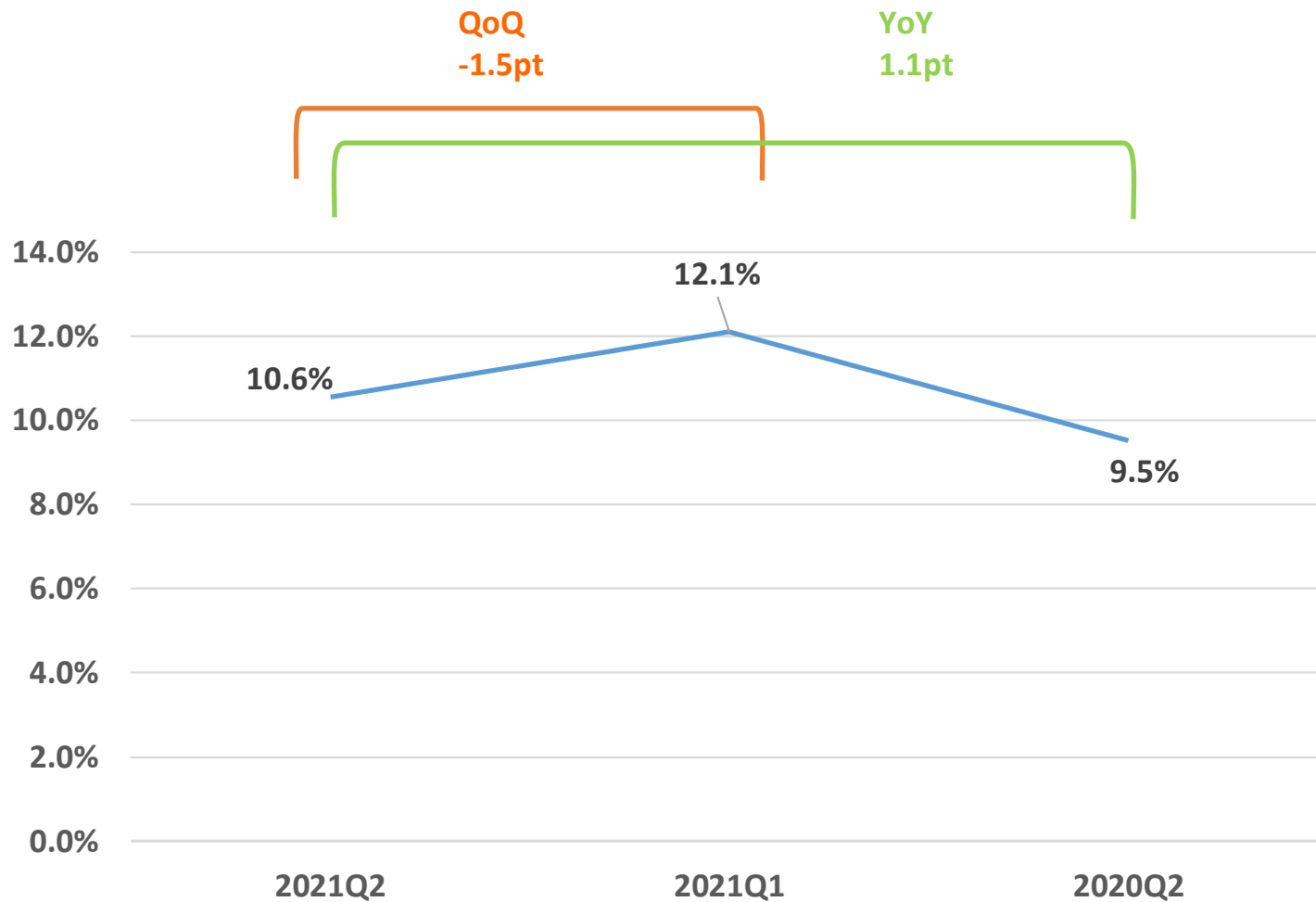


Consolidated Operating income

Units: NT\$ thousand

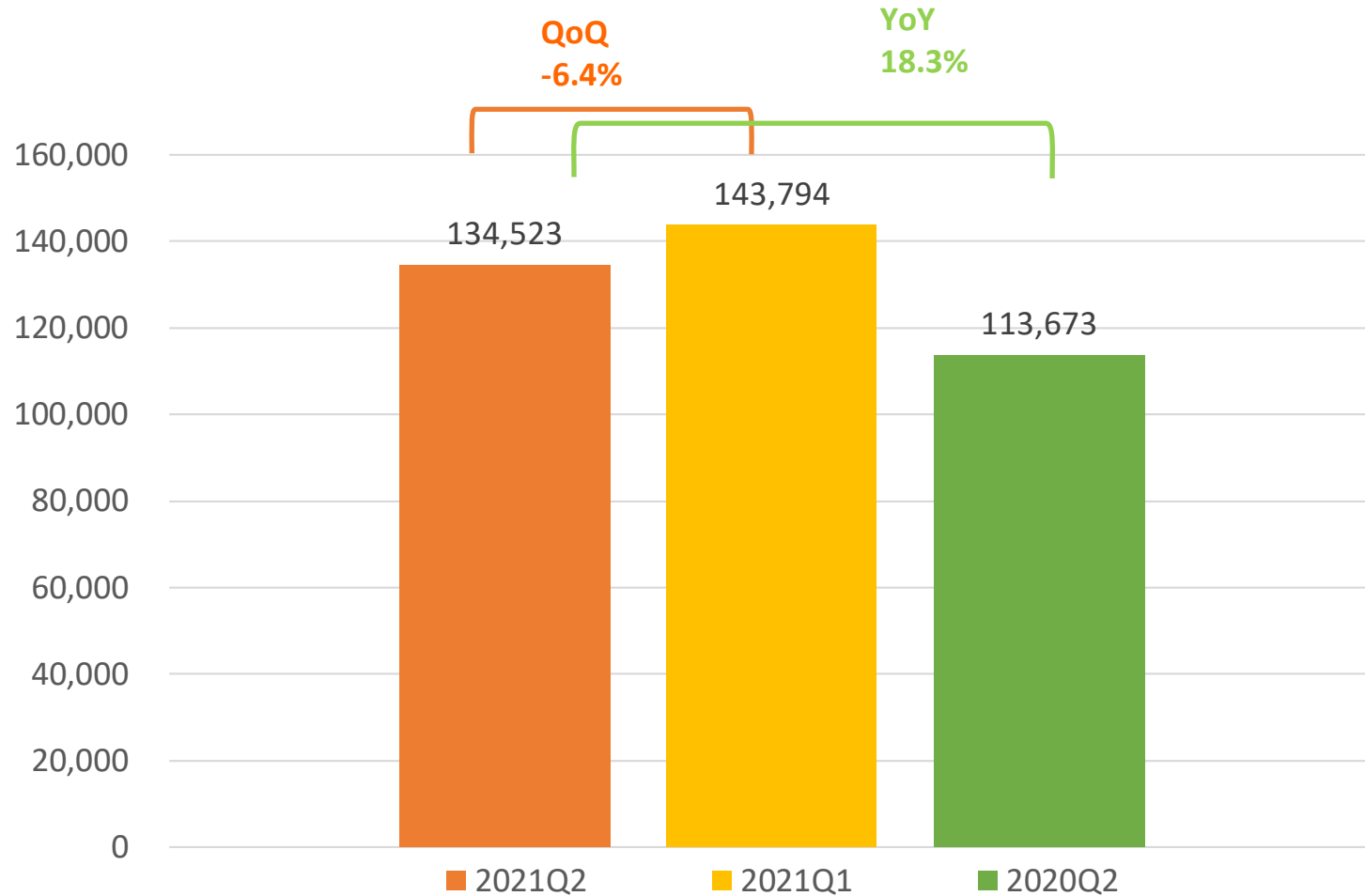


Consolidated Operating income⁰%

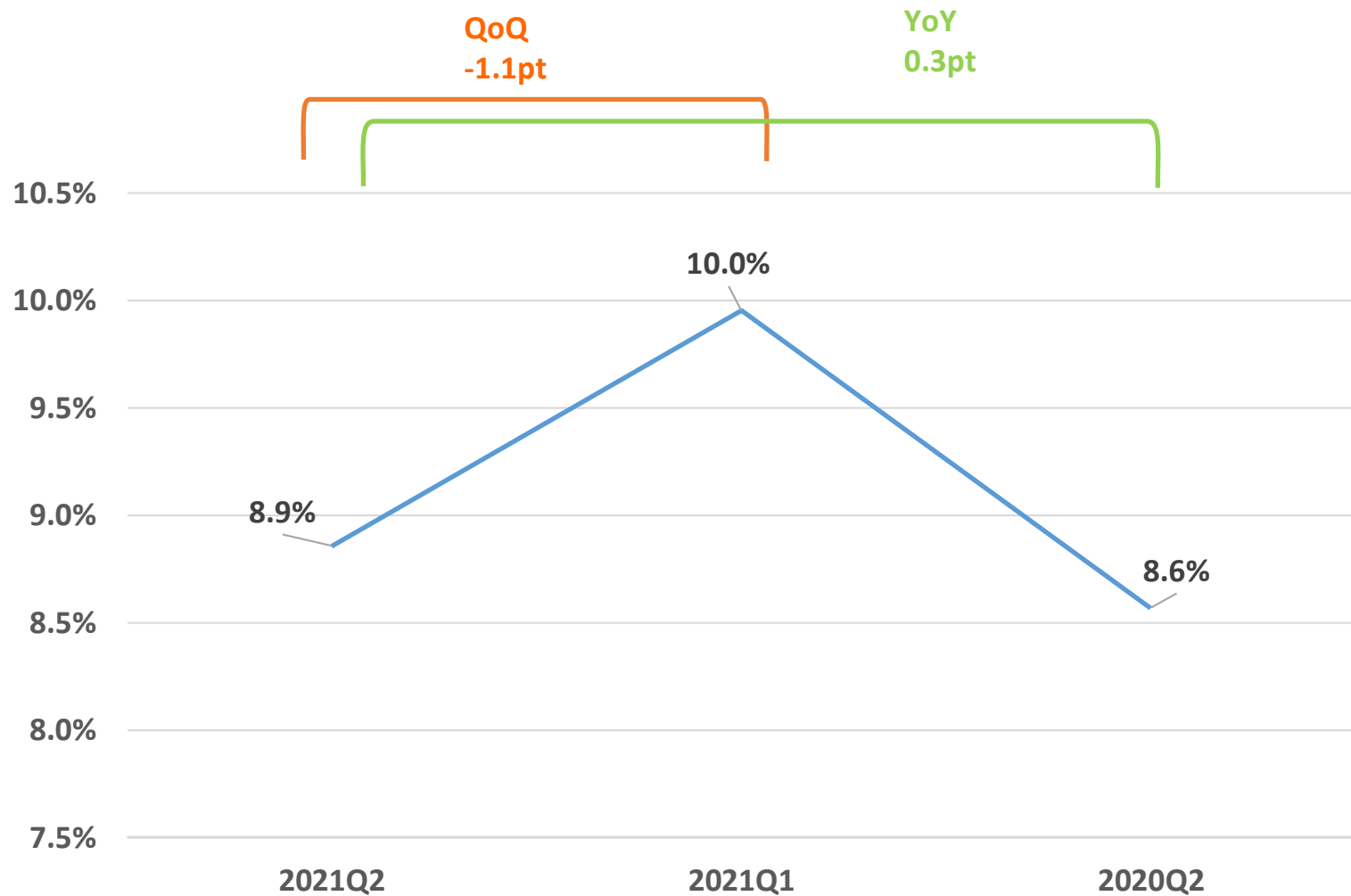


Consolidated Net income

Units: NT\$ thousand

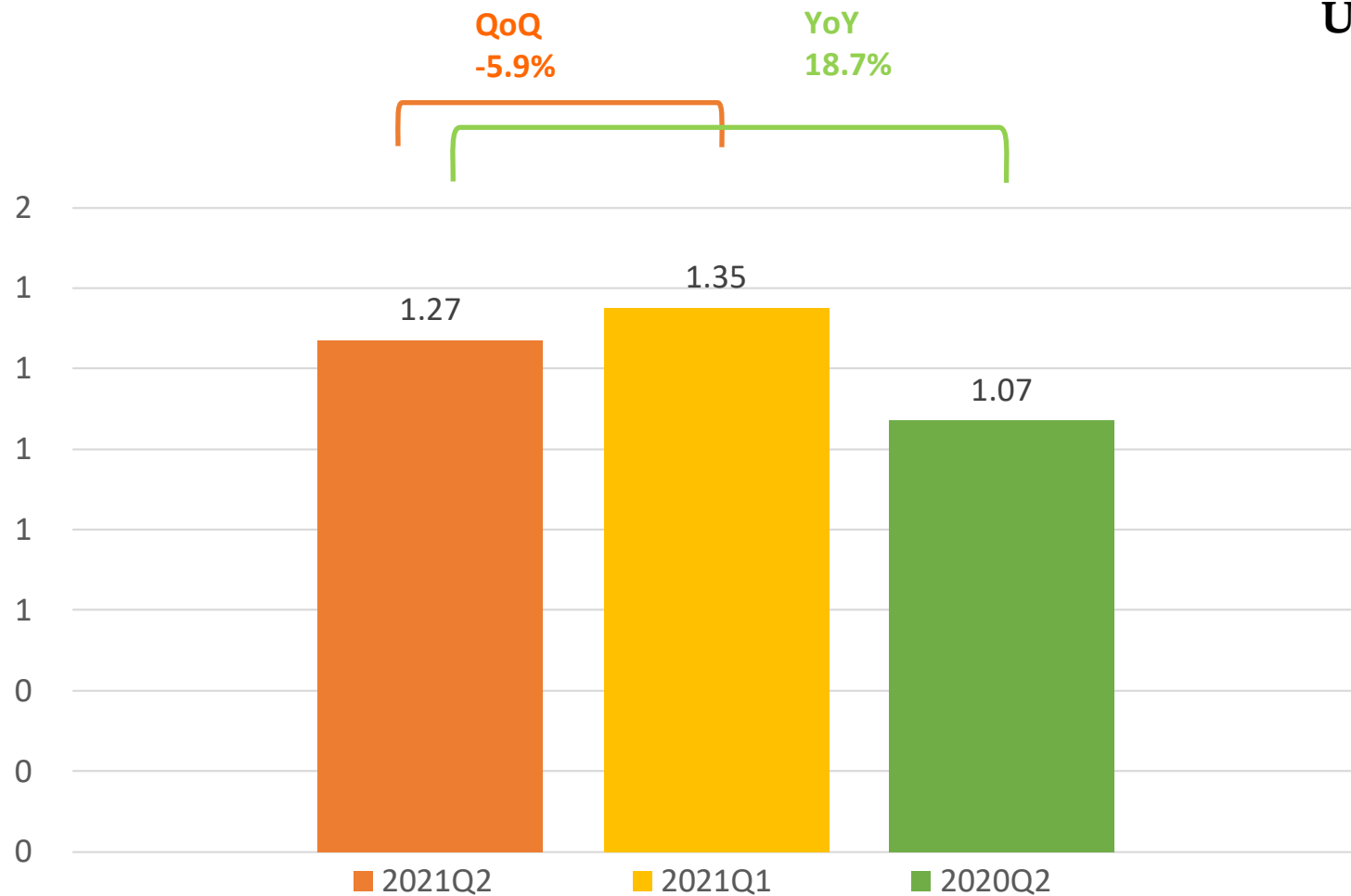


Consolidated Net income⁰%



Consolidated EPS

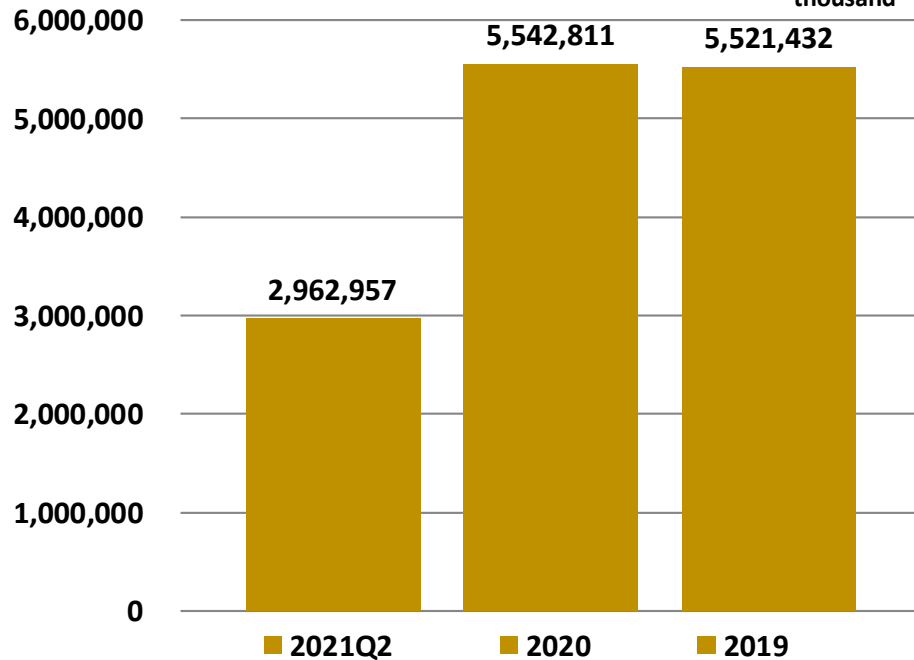
Units: NT\$



Sales Revenue & Net Income

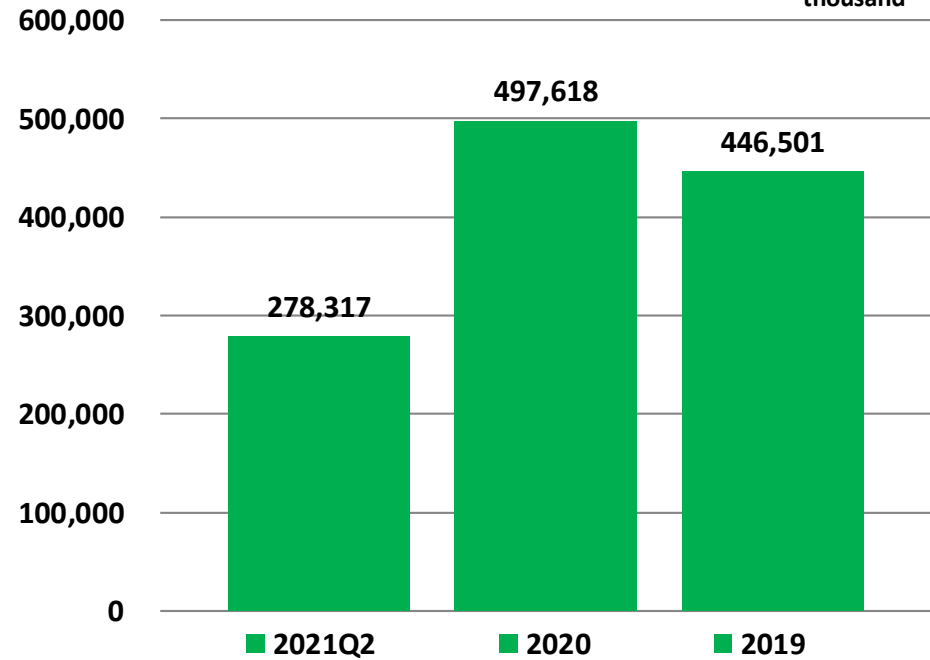
Sales Revenue

Units:NT\$
thousand

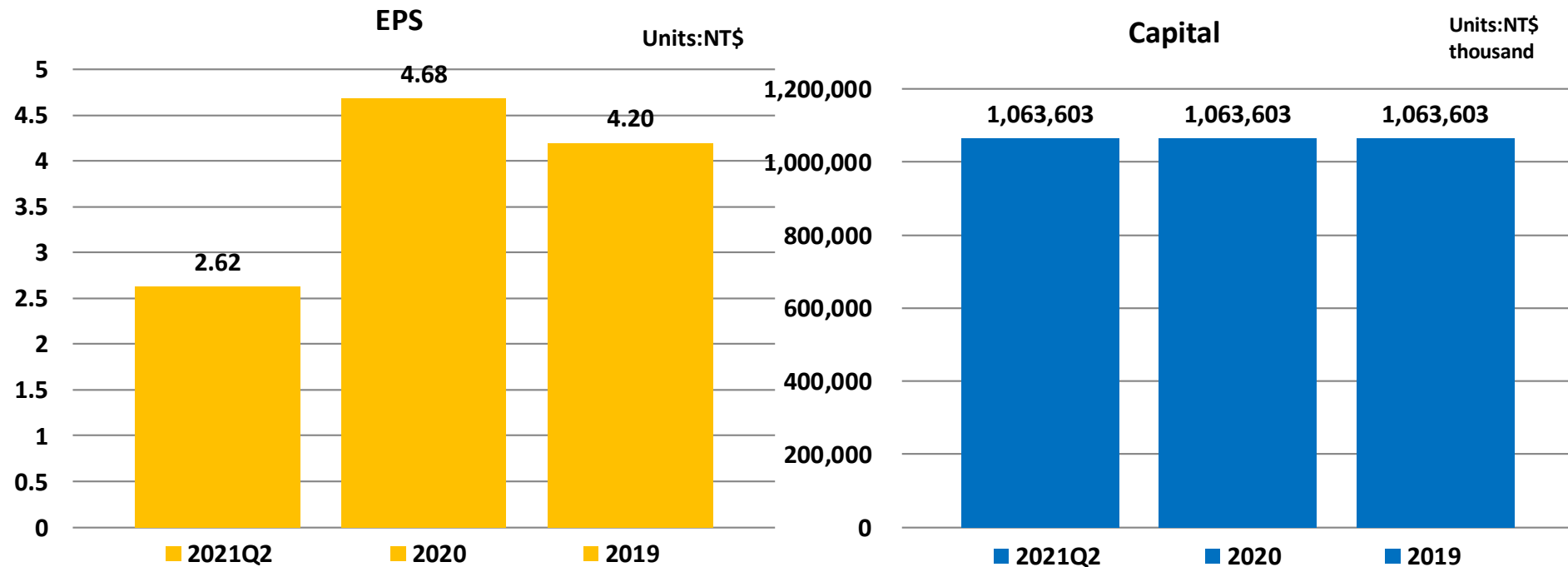


Net Income

Units:NT\$
thousand

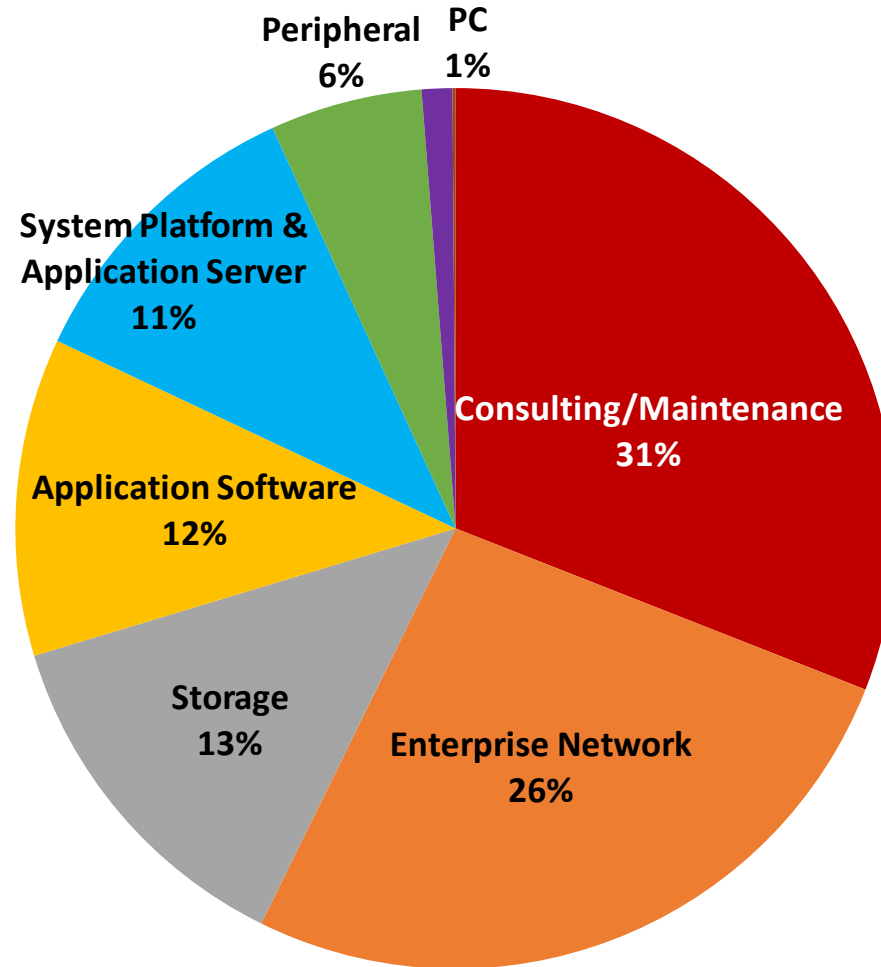


EPS & Capital



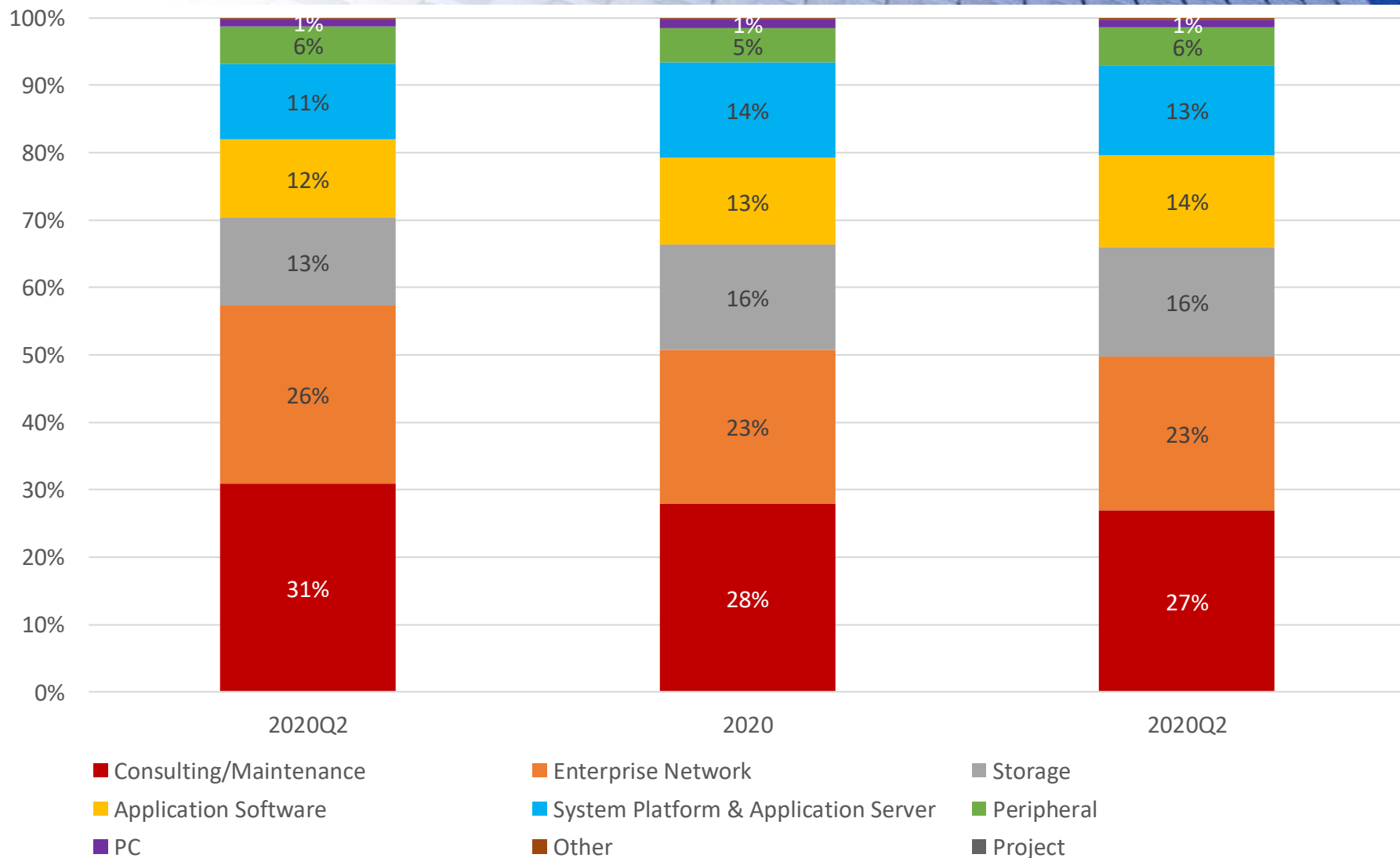
	2021Q2	2020	2019
ROE	10.15	17.69	16.42

2021Q2 Sales Revenues by Type

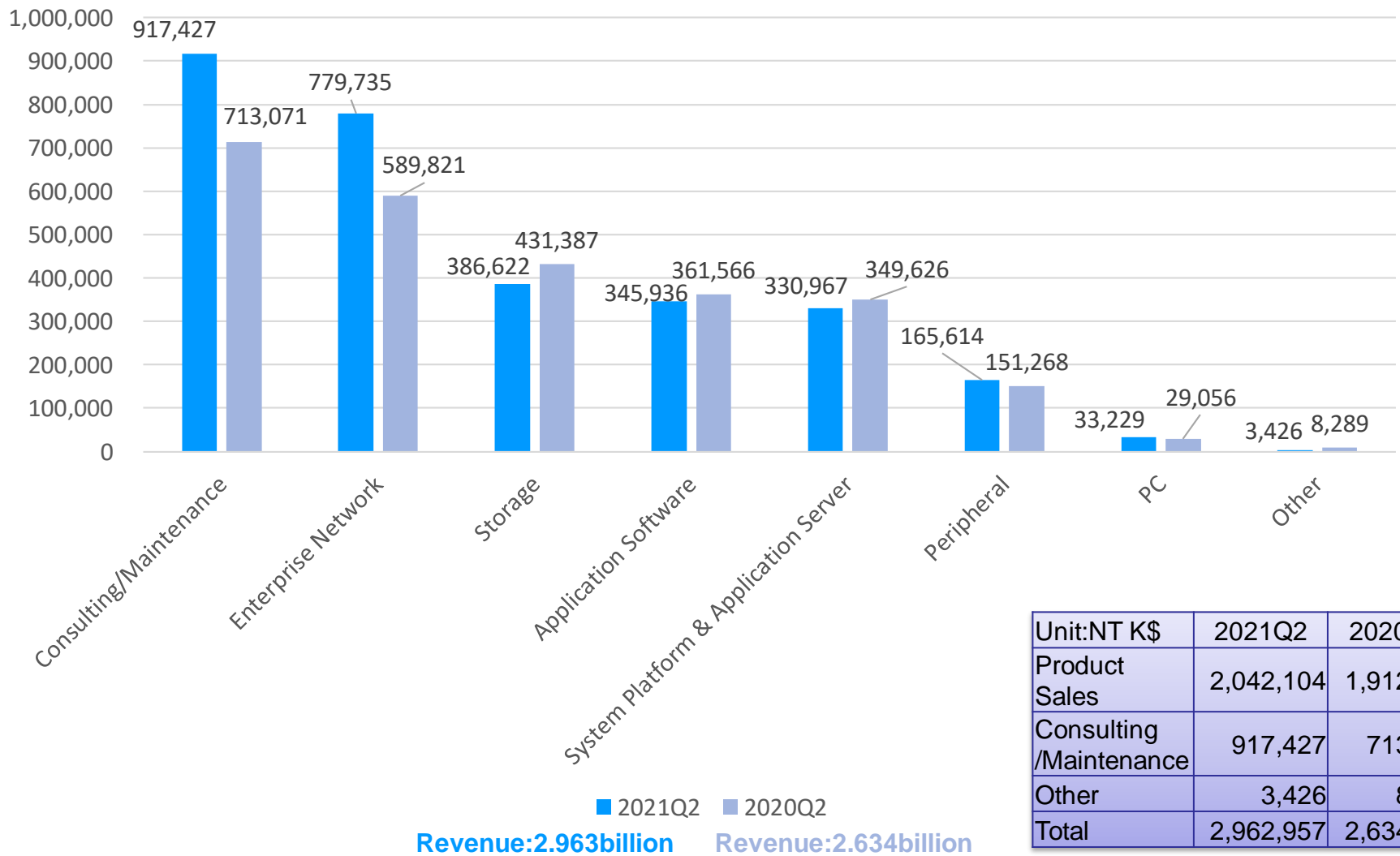


Revenue:2.963billion

Comparison of Sales Revenues by Type(Accumulated)

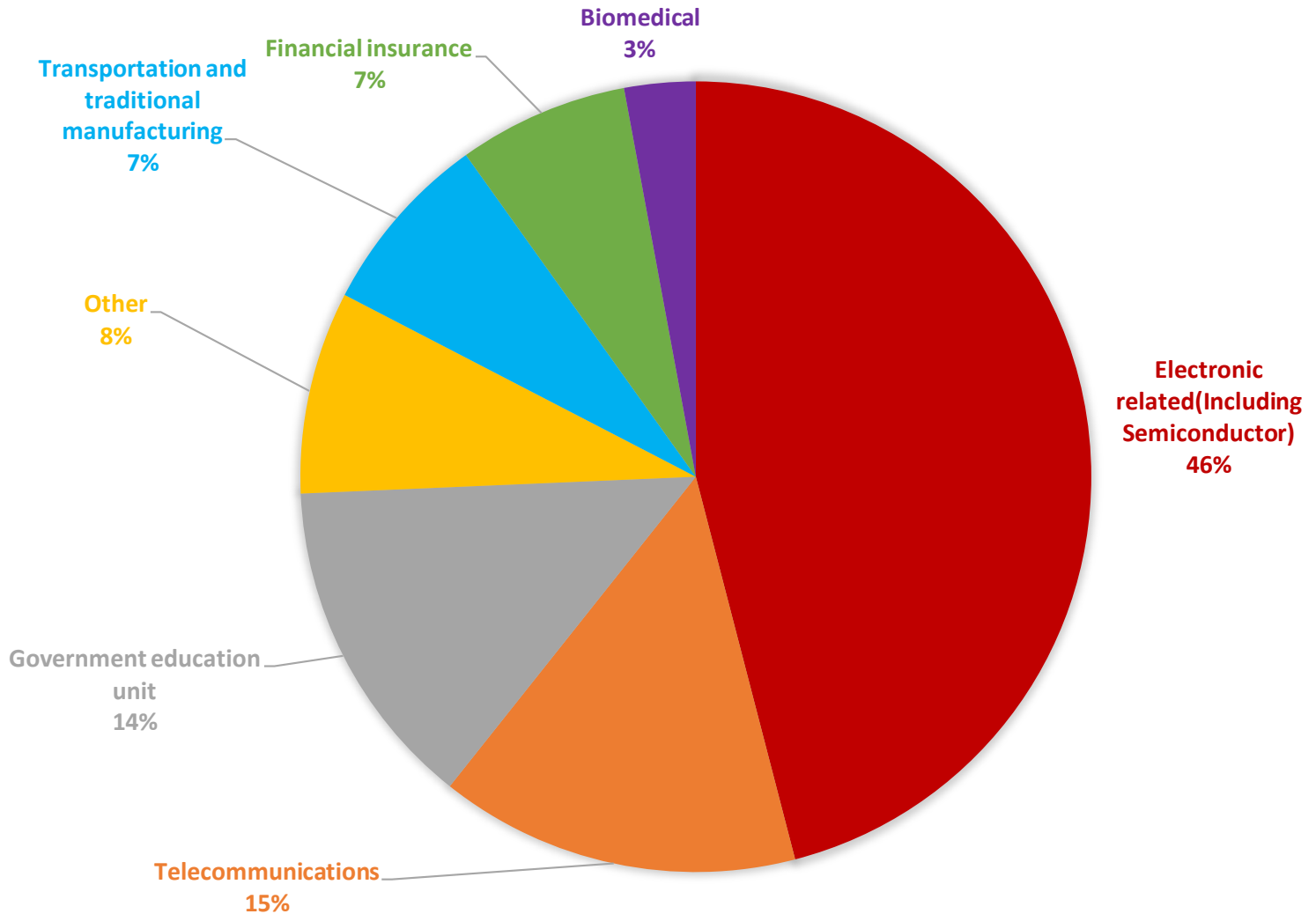


Compare Sales Revenues by Type



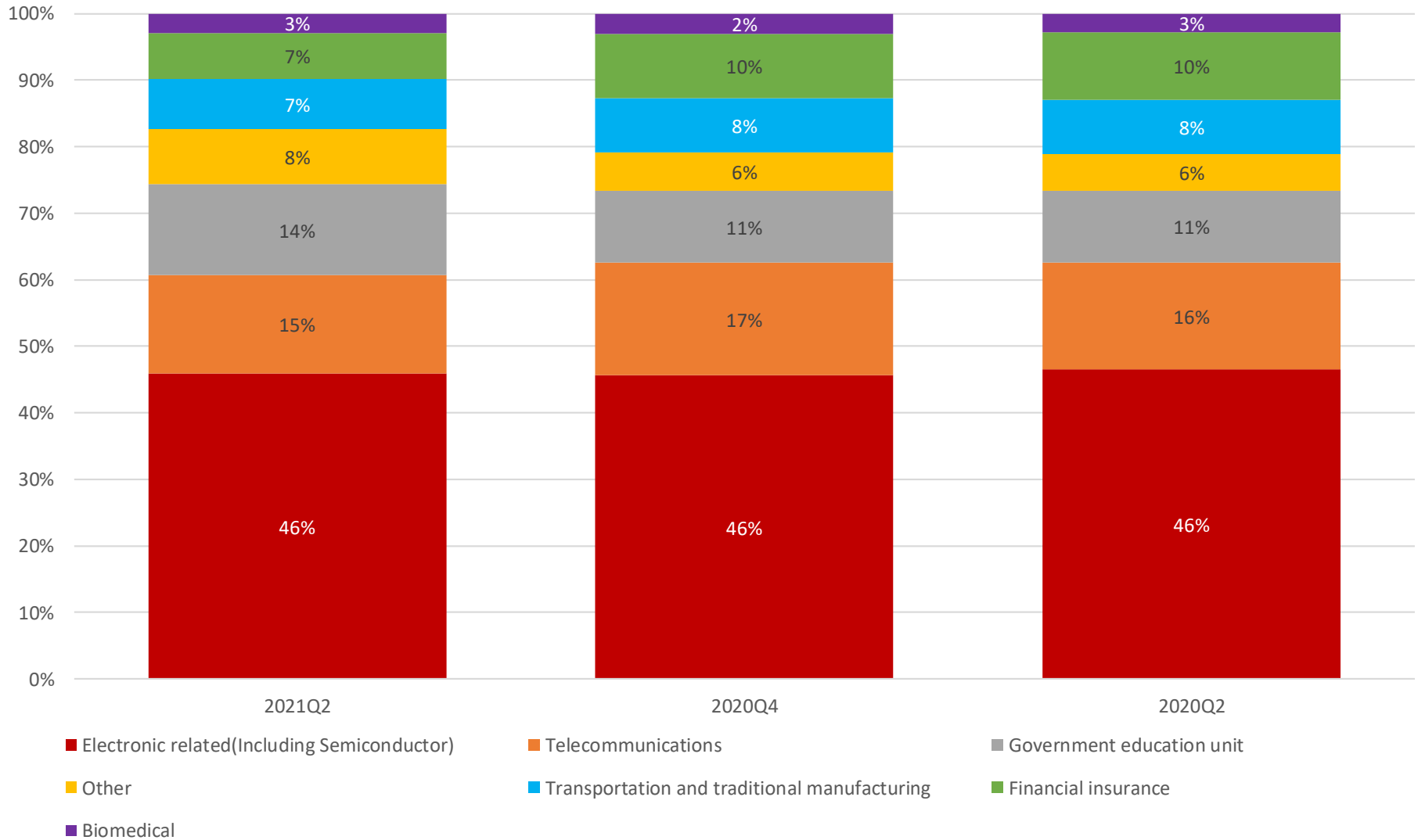
Unit: NT K\$	2021Q2	2020Q2
Product Sales	2,042,104	1,912,724
Consulting /Maintenance	917,427	713,071
Other	3,426	8,289
Total	2,962,957	2,634,084

2021Q2 Sales Revenues by Industry

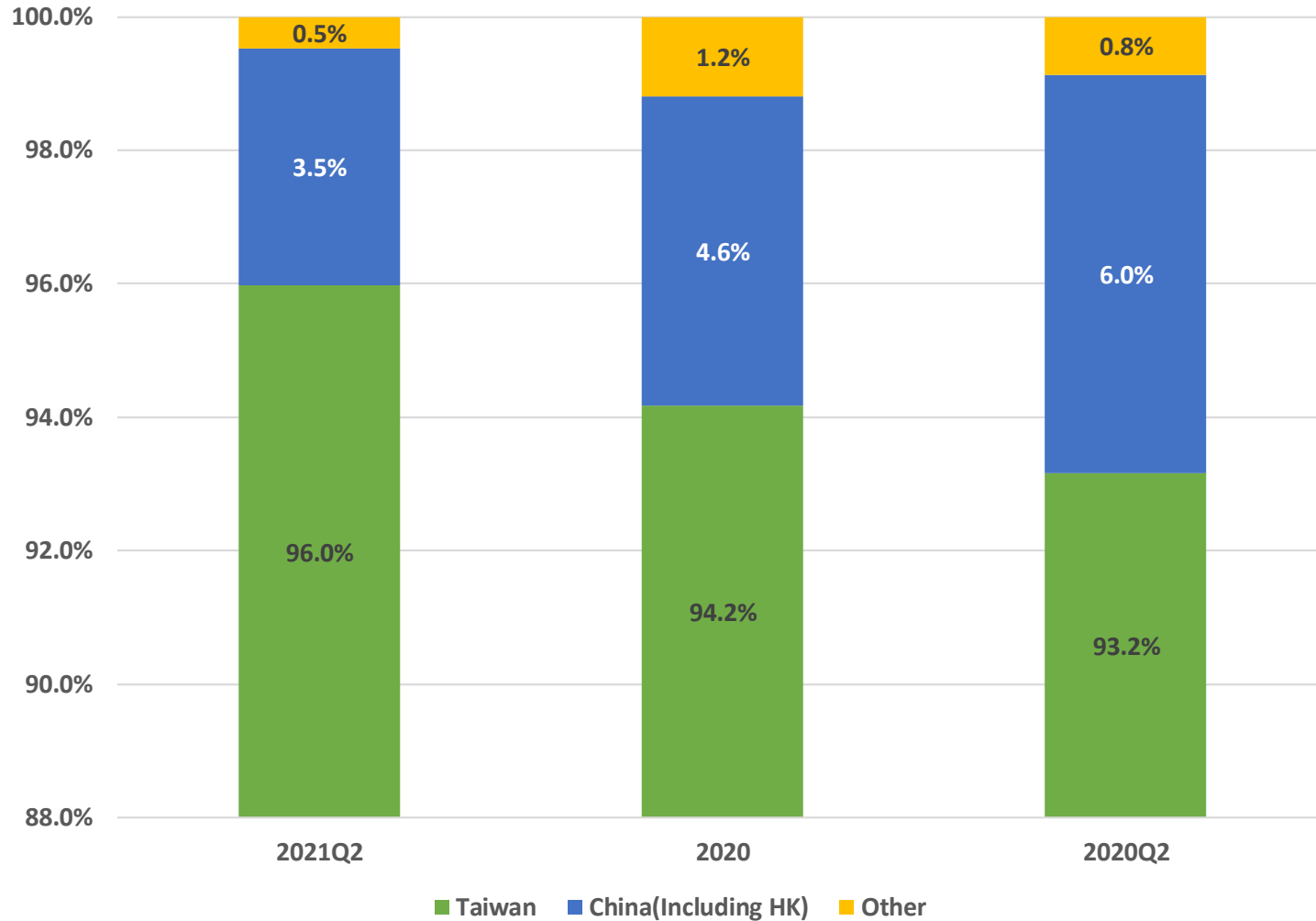


Revenue:2.963billion

Comparison of Sales Revenues by Industry(Accumulated)

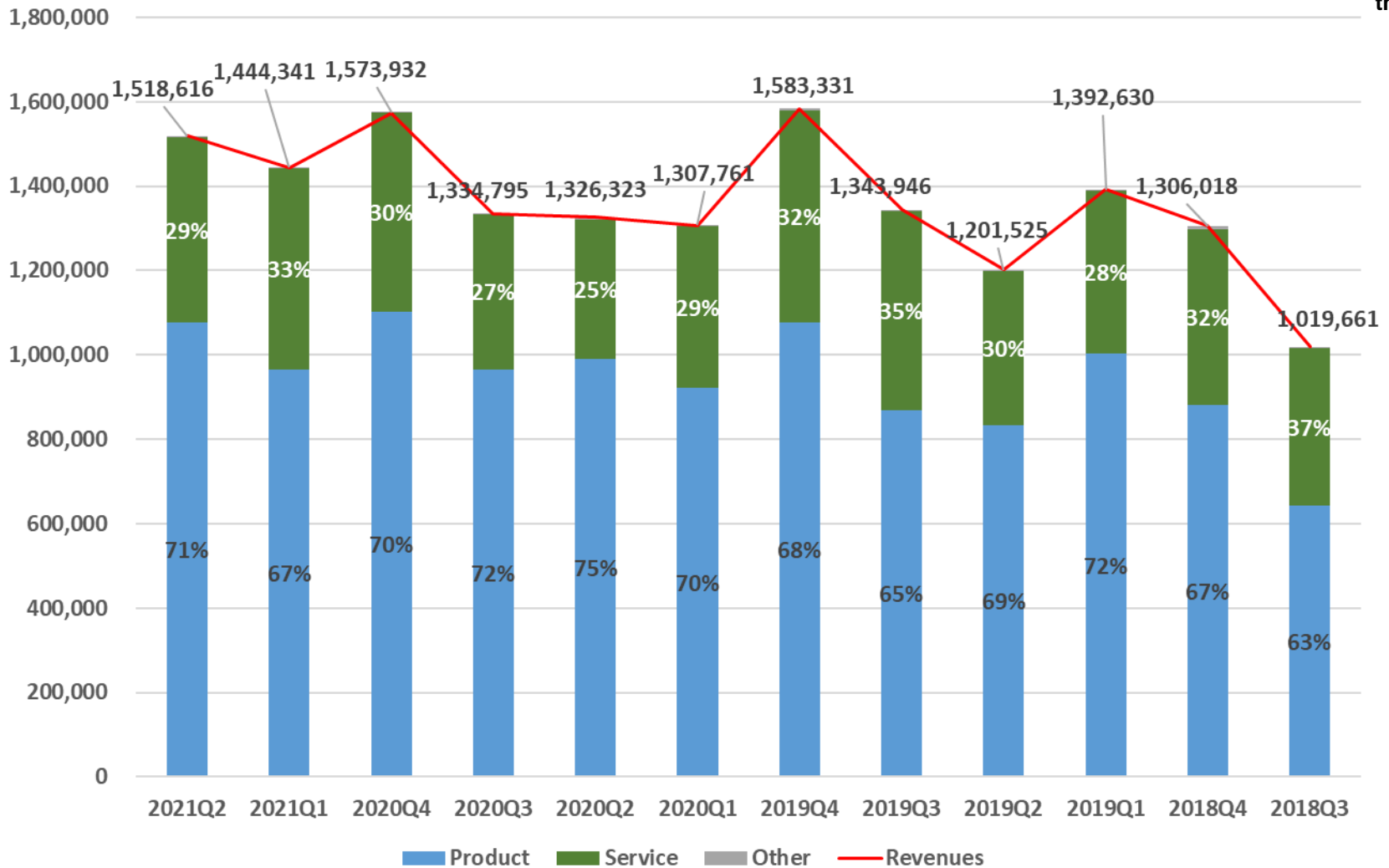


Comparison of Sales Revenues by Region(Accumulated)



Quarterly revenue status

Units:NT\$ thousand





Q & A
Thank you!!