

Stark Technology Inc.(2480)

2021Q3 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**
- **545+ 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

- ❑ **Awarded the 2021 Supplier Conference "Hand in Hand with Sustainability Pioneer-Best Partner" award by Far EastTone Telecom**
- ❑ **System Products**
 - **IBM_2020 Best LinuxOne Breakout Award**
 - **Lenovo_2020 Best Solution Sales Award**
 - **DELL_2020 Highest Growth Partner Award**
 - **HPE_FY20 Best partner Award**
- ❑ **Storage Products**
 - **NetApp_FY20 Best partner Award**
 - **NetApp_ FY21 Best Partner Award**
 - **VMware_2020 Highest Growth Partner Award**
 - **VEEAM_FY20 Gold Partner of the Year Award**

Awards(Continued)

□ Info. Security/ Data comm. Products

- Cisco_FY20 Rising Star Award
- HPE Aruba _FY20 Best Platinum partner of the Year
- Ruckus _2020 Best Manufacturing Sector Partner
- Fortinet_2020 Outstanding Regional Distribution Partner Award
- Palo Alto_FY21 Top Performer in Driving Business Growth

□ Other Products

- INFINITIES_2021 Beat Distributor of the Year. Best Sales Award
- Nutanix_FY20 Best Market Opportunity Development Award

STI Service Network

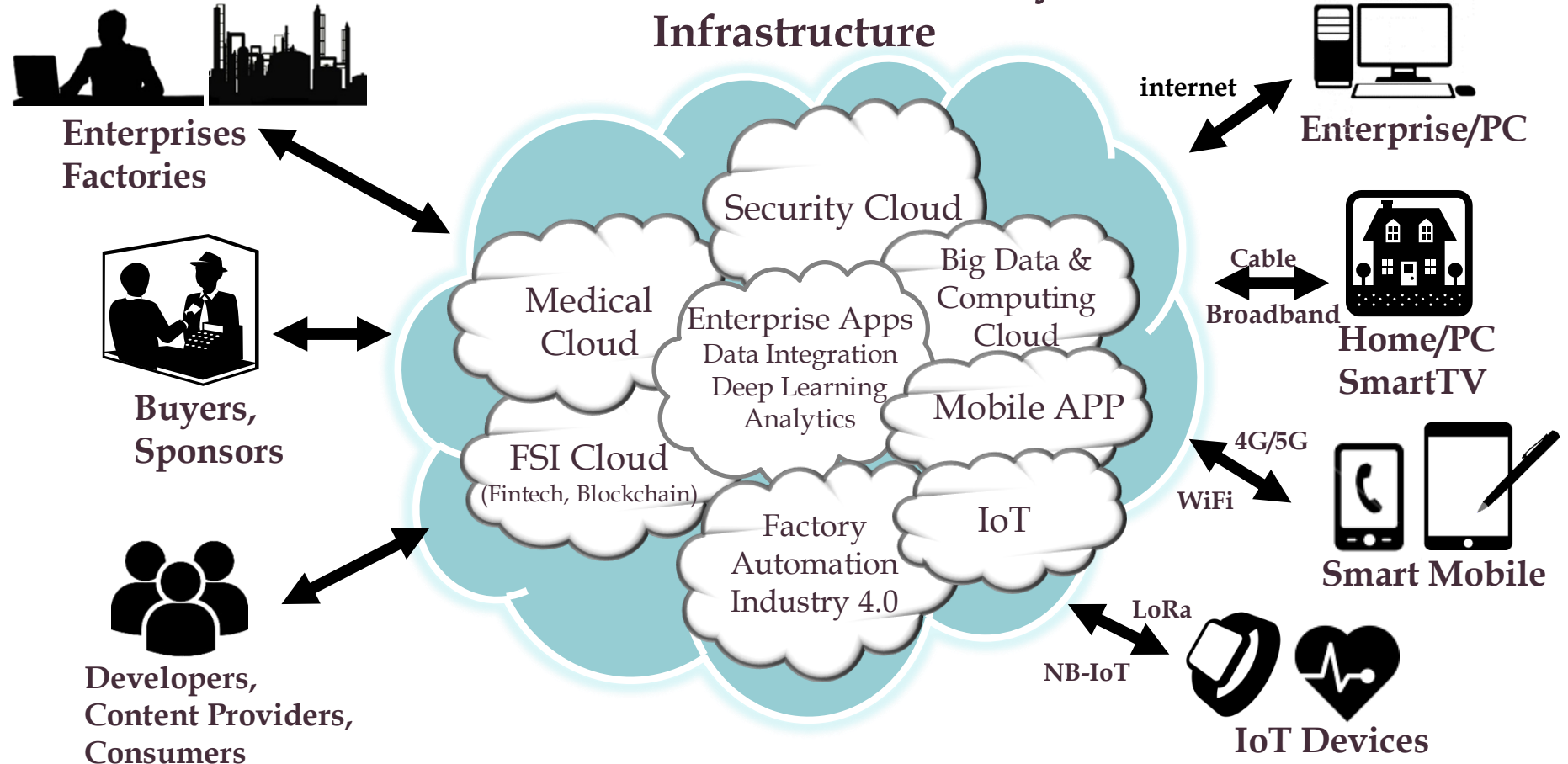


Sales Operation – by Industries

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*

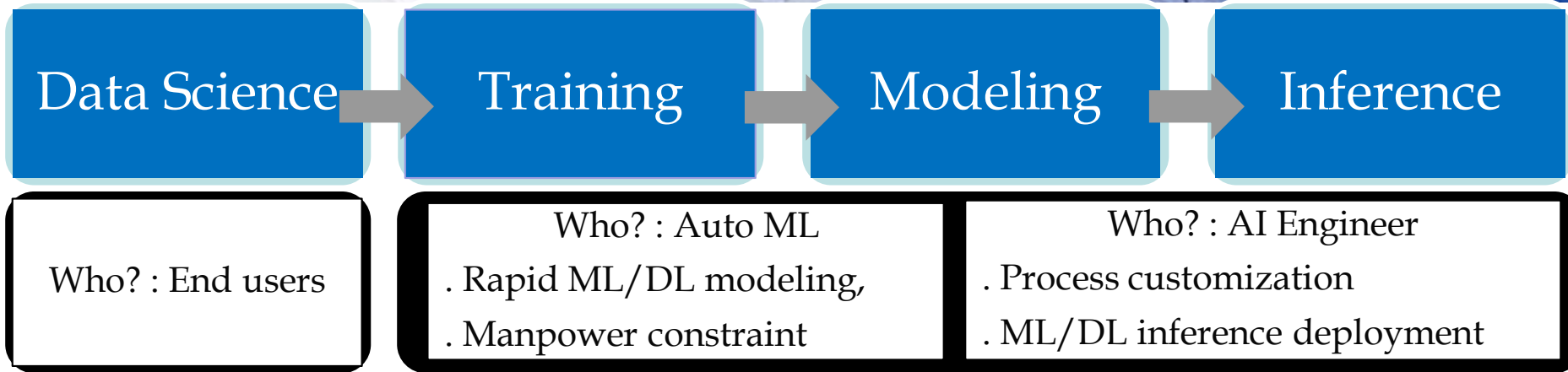
Data Mgmt.

Security

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

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

AI(Machine · Deep Learning)



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

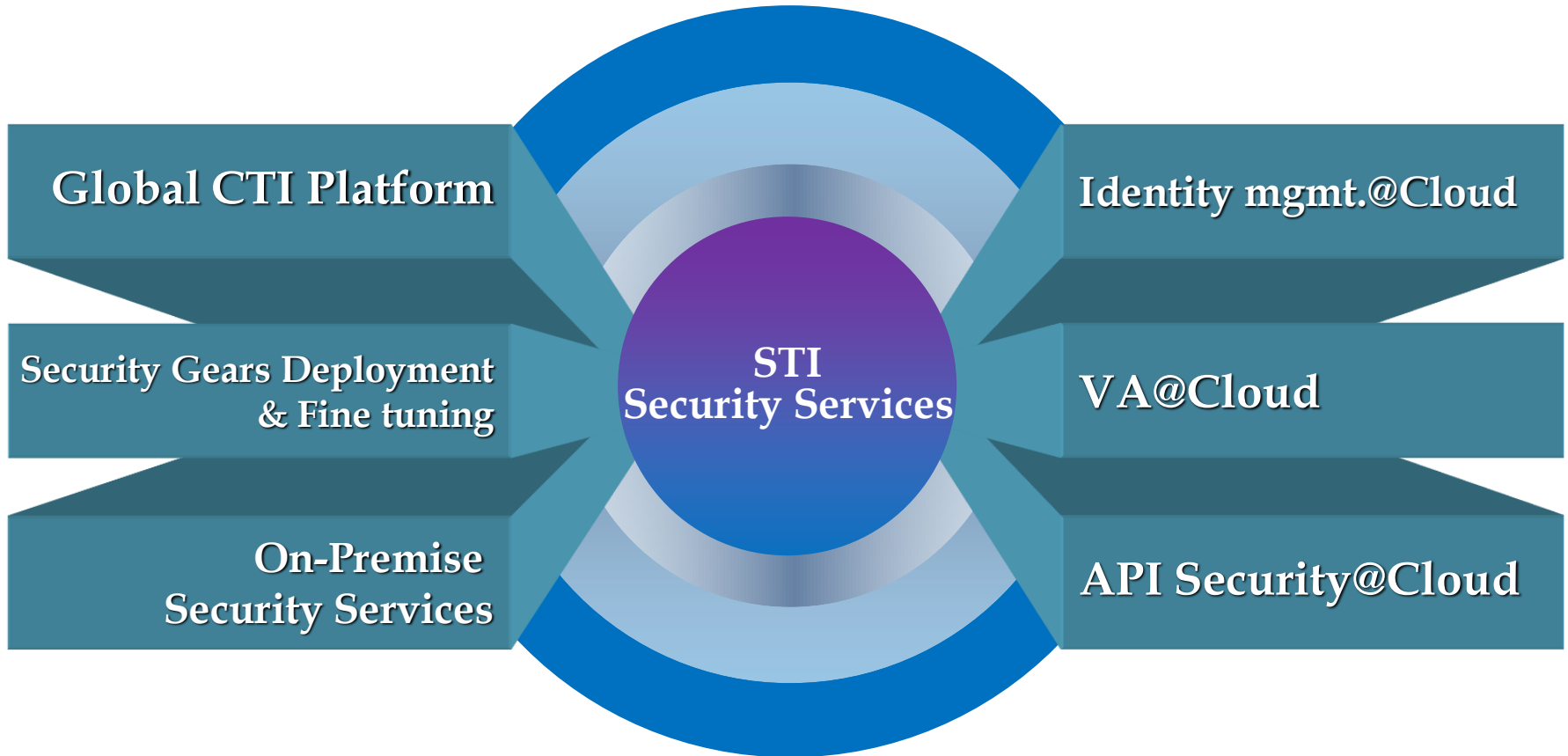


Auto ML

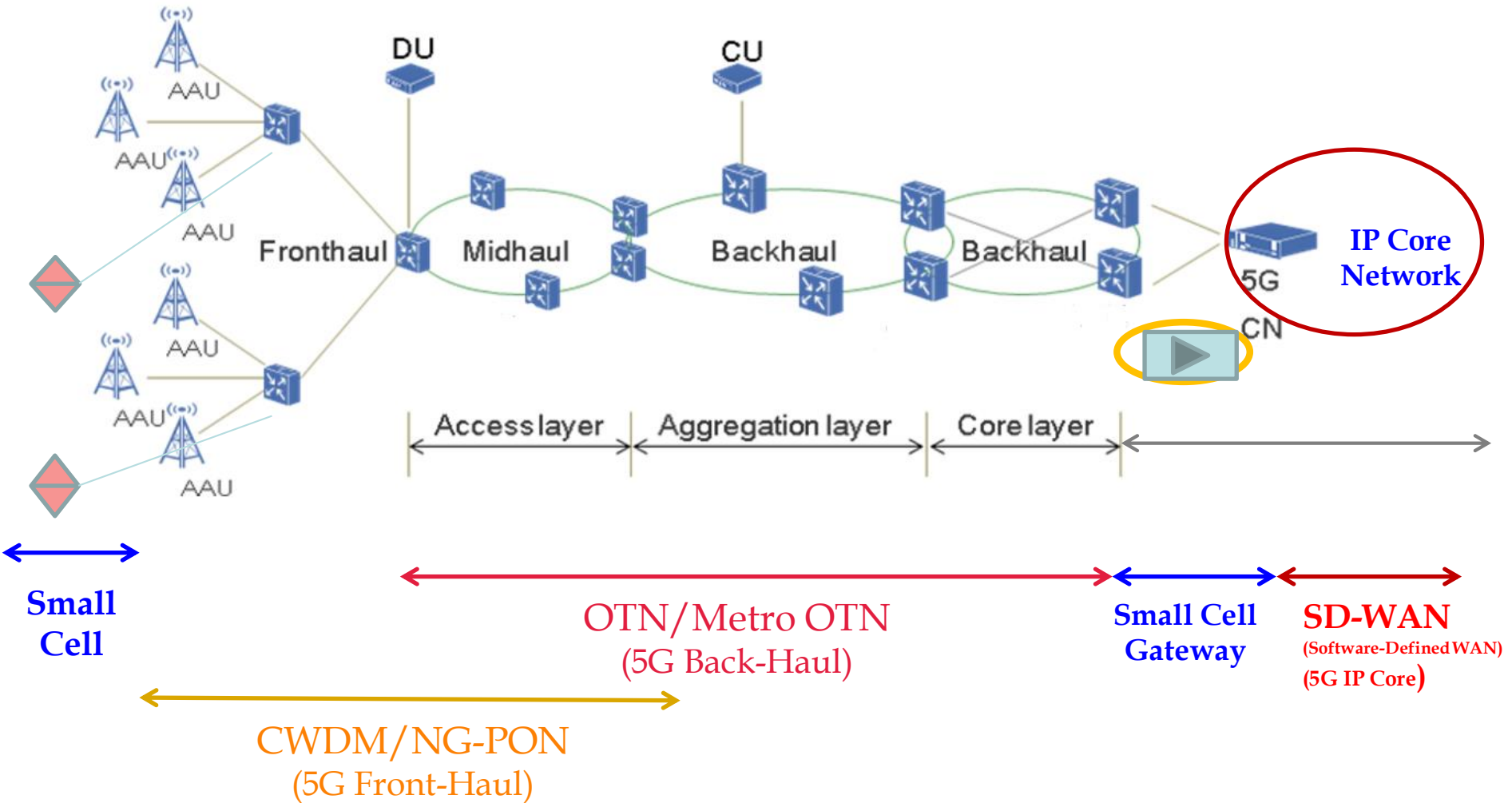
- ✓ IT lead project
- ✓ Manpower constraint
- ✓ Time to deployment
- ✓ min. data input, max.
- ✓ Workload@CPU or @GPU



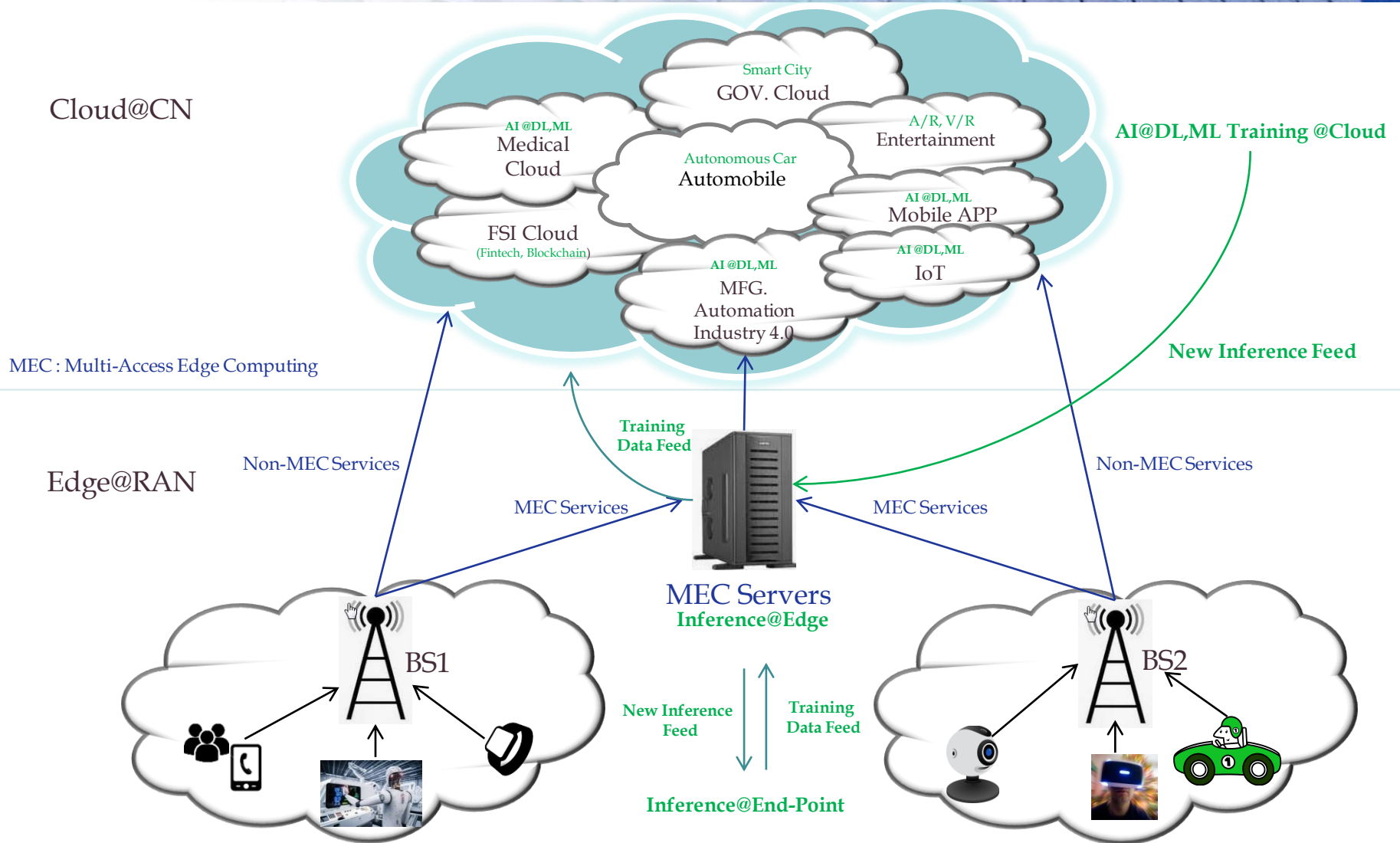
Managed Security Service Provider (MSSP)



Tel-Communication Technologies (5G)



Meet up 5G + MEC@AI@Cloud



Products & Solutions

Info. Security



Data Comm.



Software Development Tools



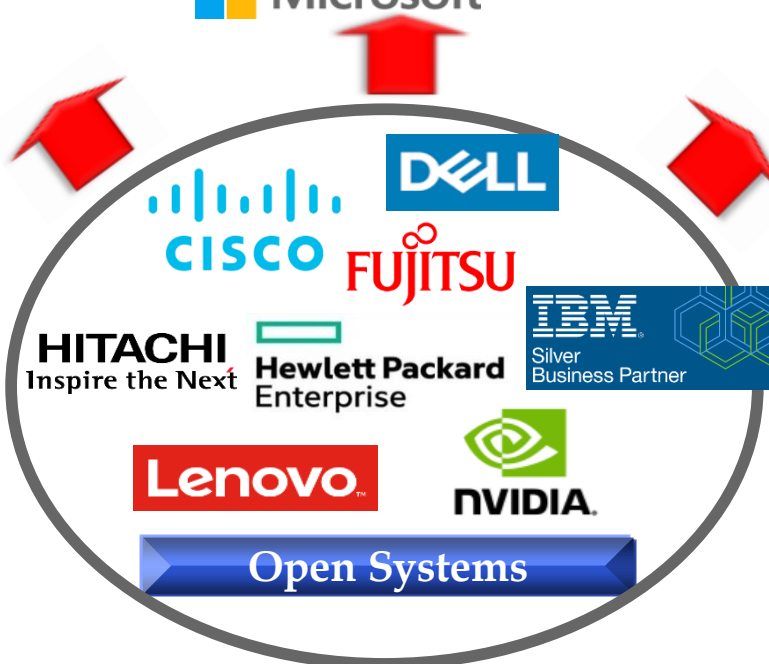
Resource MGMT.



Data MGMT.



Telcomm.



Open Systems



Balance Sheet Overview (Consolidated)

Units:NT\$ thousand

Item	2021/9/30		2020/12/31		2020/9/30	
	AMT	%	AMT	%	AMT	%
Cash and cash equivalents	1,255,135	23%	1,348,404	24%	1,284,930	26%
Accounts receivable(including contract assets)	948,060	17%	1,108,125	20%	805,543	16%
Inventories	1,964,452	35%	1,957,859	34%	1,625,709	33%
Property,Plant and equipment	448,098	8%	453,651	8%	456,244	9%
Total Assets	5,562,087	100%	5,743,047	100%	4,997,445	100%
Current Liabilities	2,667,200	48%	2,807,884	49%	2,206,159	44%
Total Liabilities	2,771,071	50%	2,914,035	51%	2,309,340	46%
Equity	2,791,016	50%	2,829,012	49%	2,688,105	54%

Source: Market Observation Post System

Income Statements Overview (Consolidated)

Units: NT\$ thousand

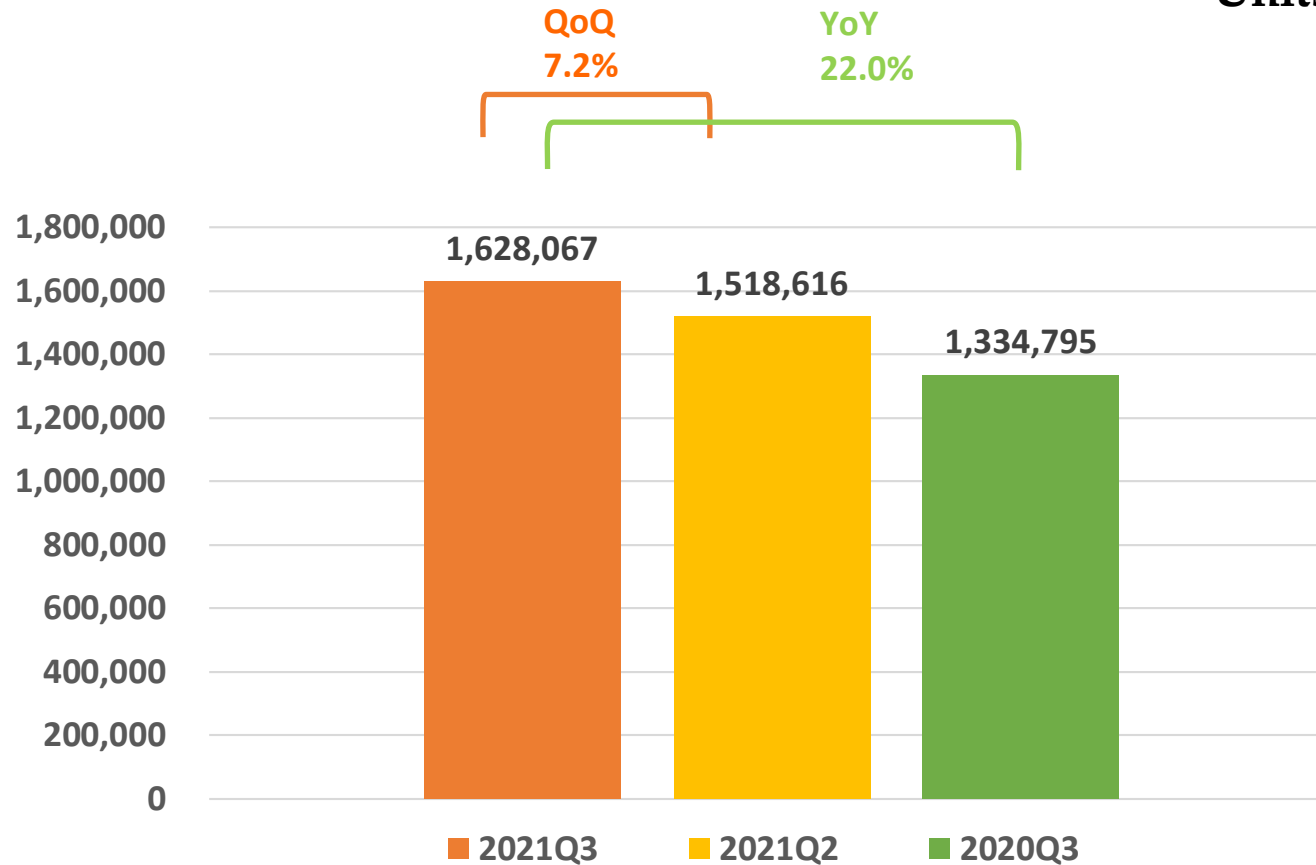
Item	2021 Jan.-Sep.		2020 Jan.-Sep.		YOY
	AMT	%	AMT	%	
Revenues	4,591,024	100%	3,968,879	100%	15.7%
Gross profit	1,109,916	24%	979,473	25%	13.3%
Operating expense	616,443	13%	580,945	15%	6.1%
Operating income	493,473	11%	398,528	10%	23.8%
Other income	29,977	1%	39,922	1%	-24.9%
Pre-tax income	523,450	12%	438,450	11%	19.4%
Net income	415,462	9%	360,176	9%	15.3%
EPS(NT\$)	3.91		3.39		15.3%

Source: Market Observation Post System

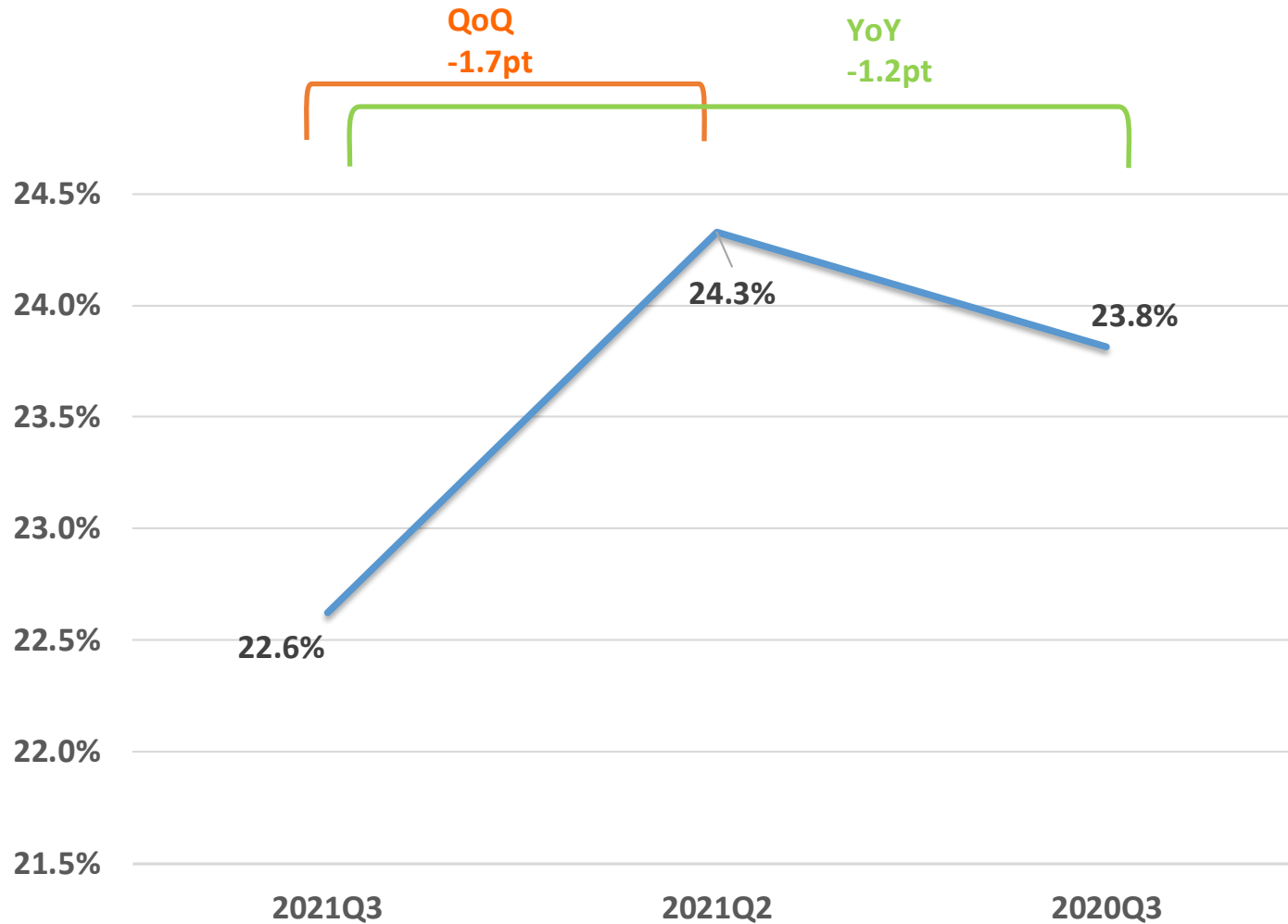
Note: China subsidiary's revenue of consolidated: 2021Q3 3.09%; 2020Q3 5.38%

Consolidated Revenues

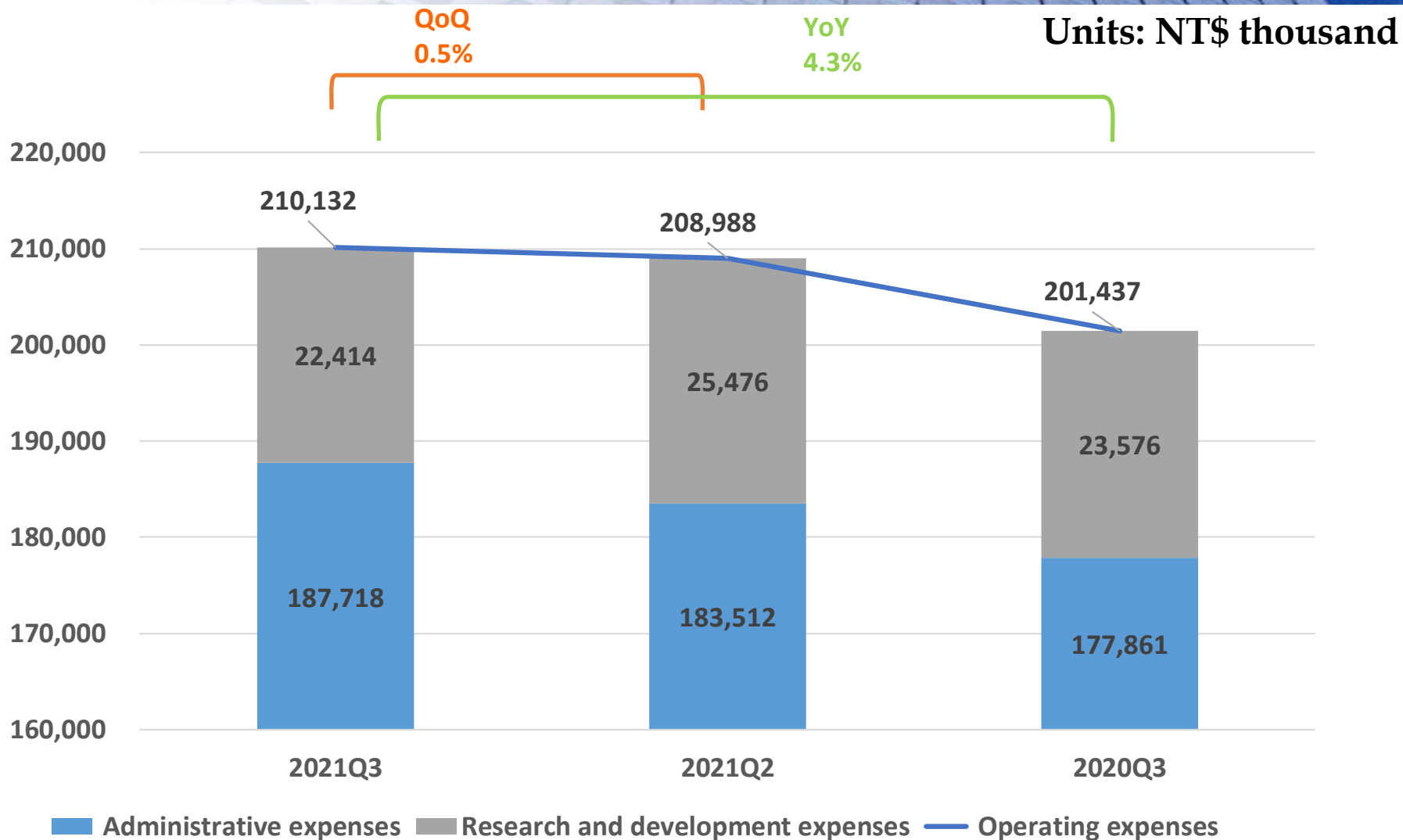
Units: NT\$ thousand



Consolidated Gross profit⁰%

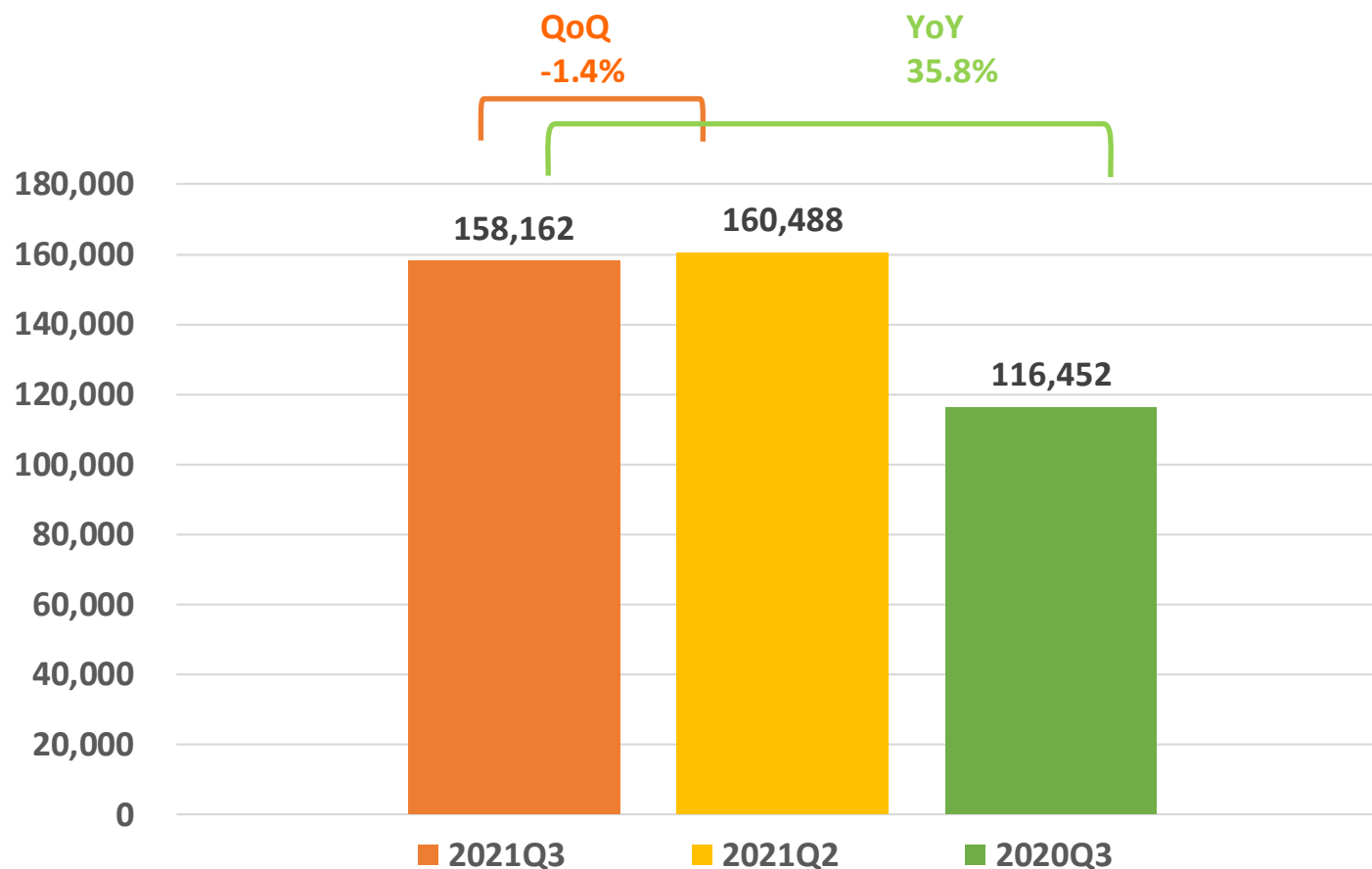


Consolidated Operating expenses

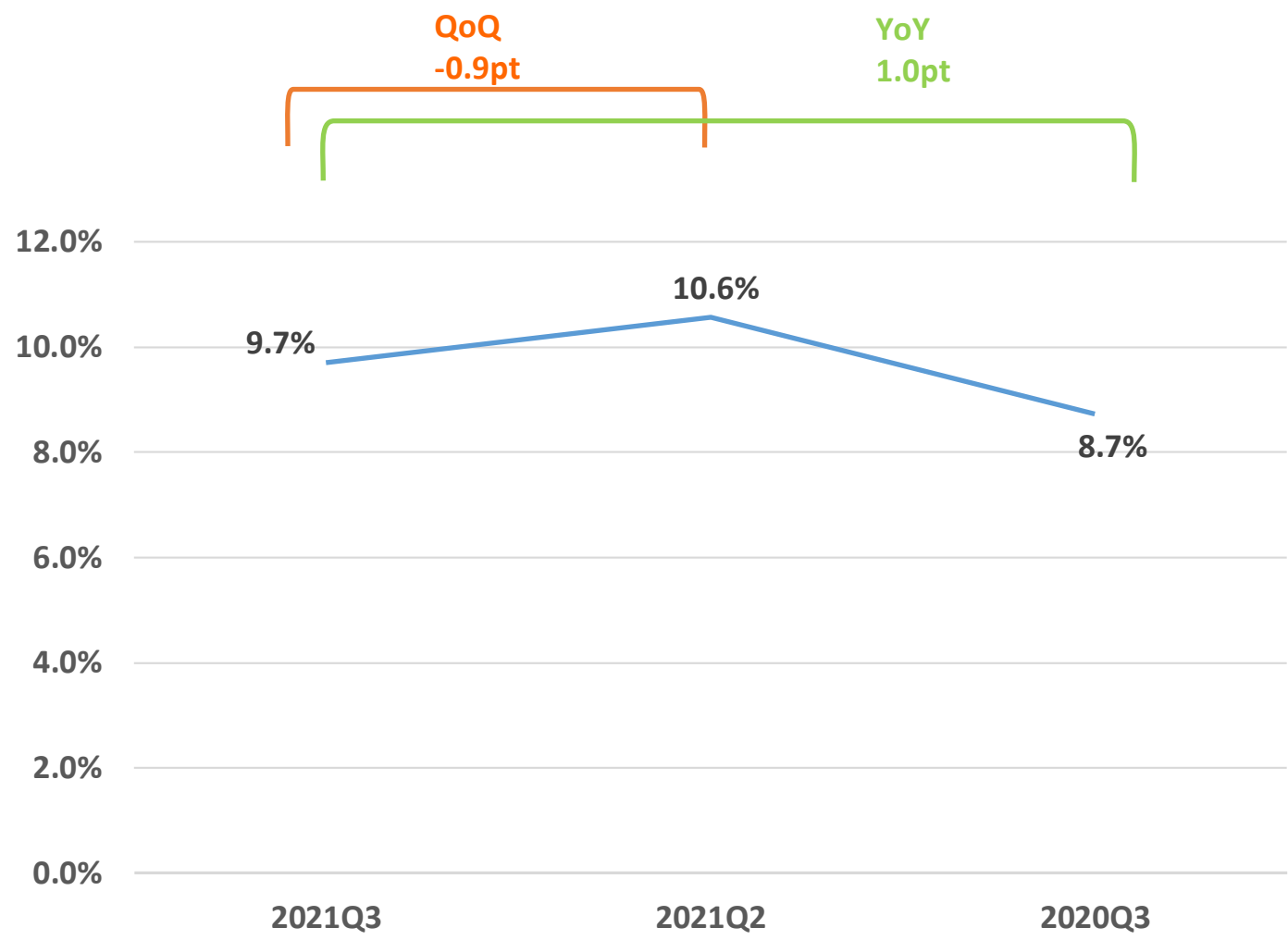


Consolidated Operating income

Units: NT\$ thousand

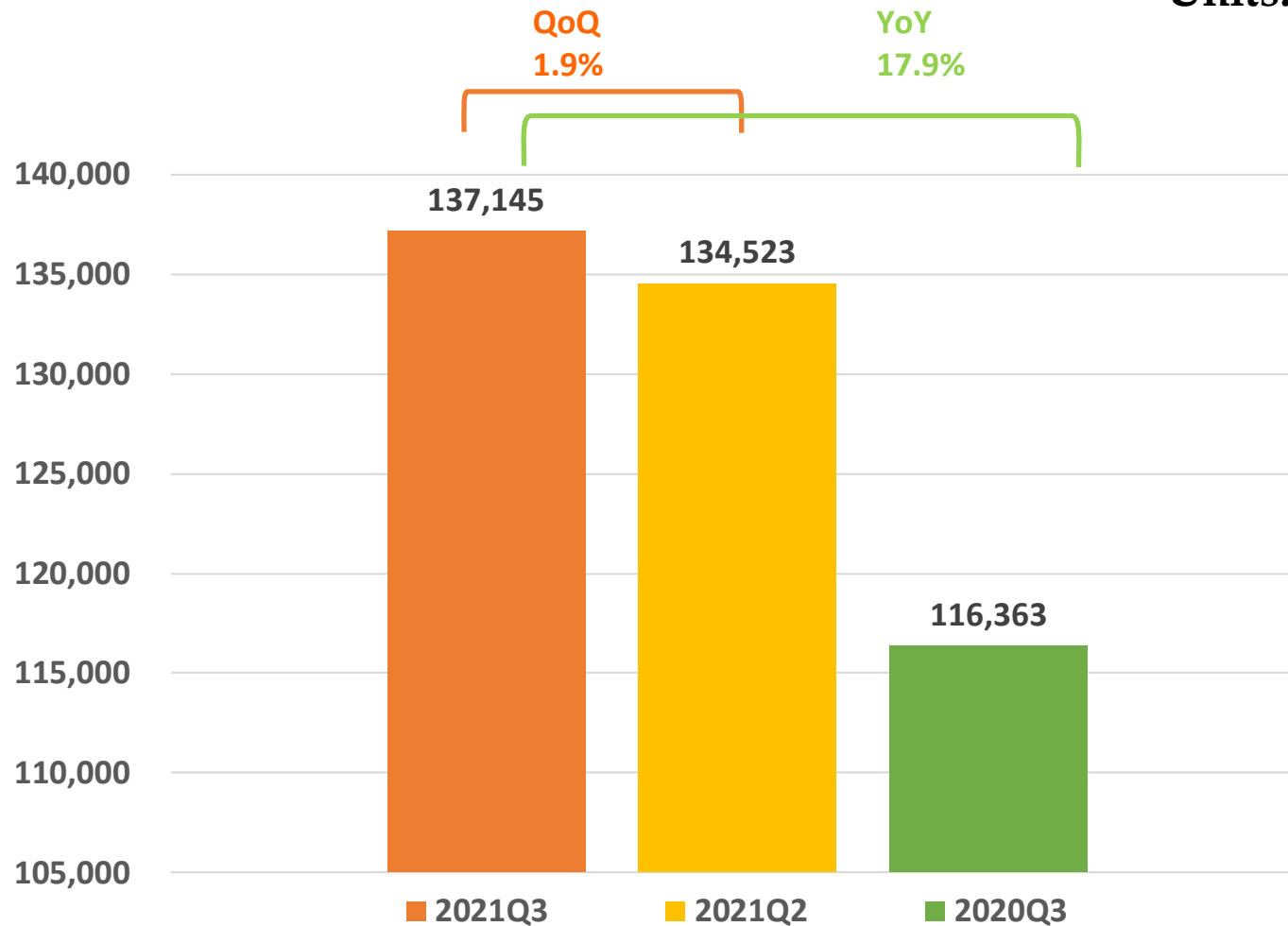


Consolidated Operating income⁰%

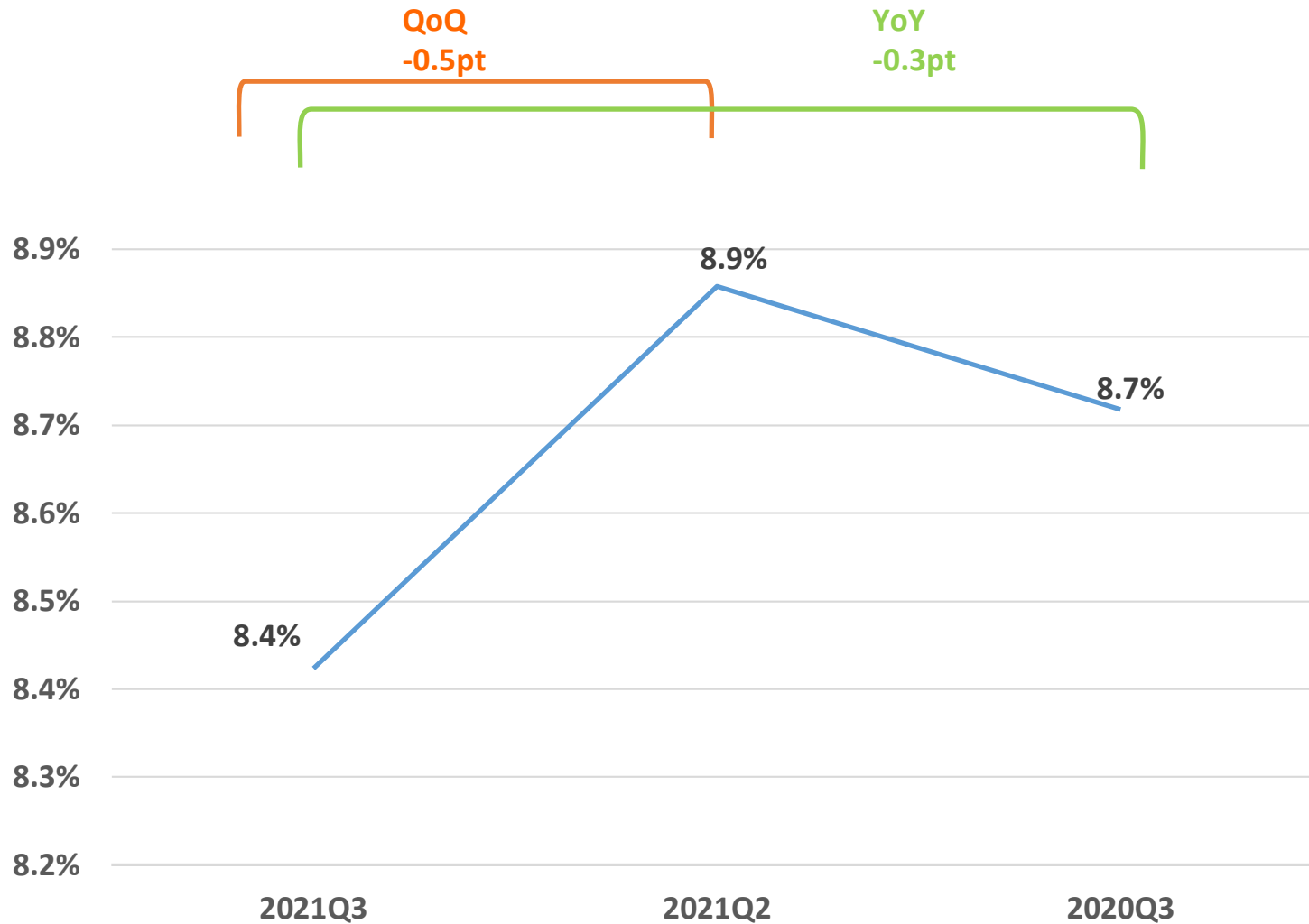


Consolidated Net income

Units: NT\$ thousand

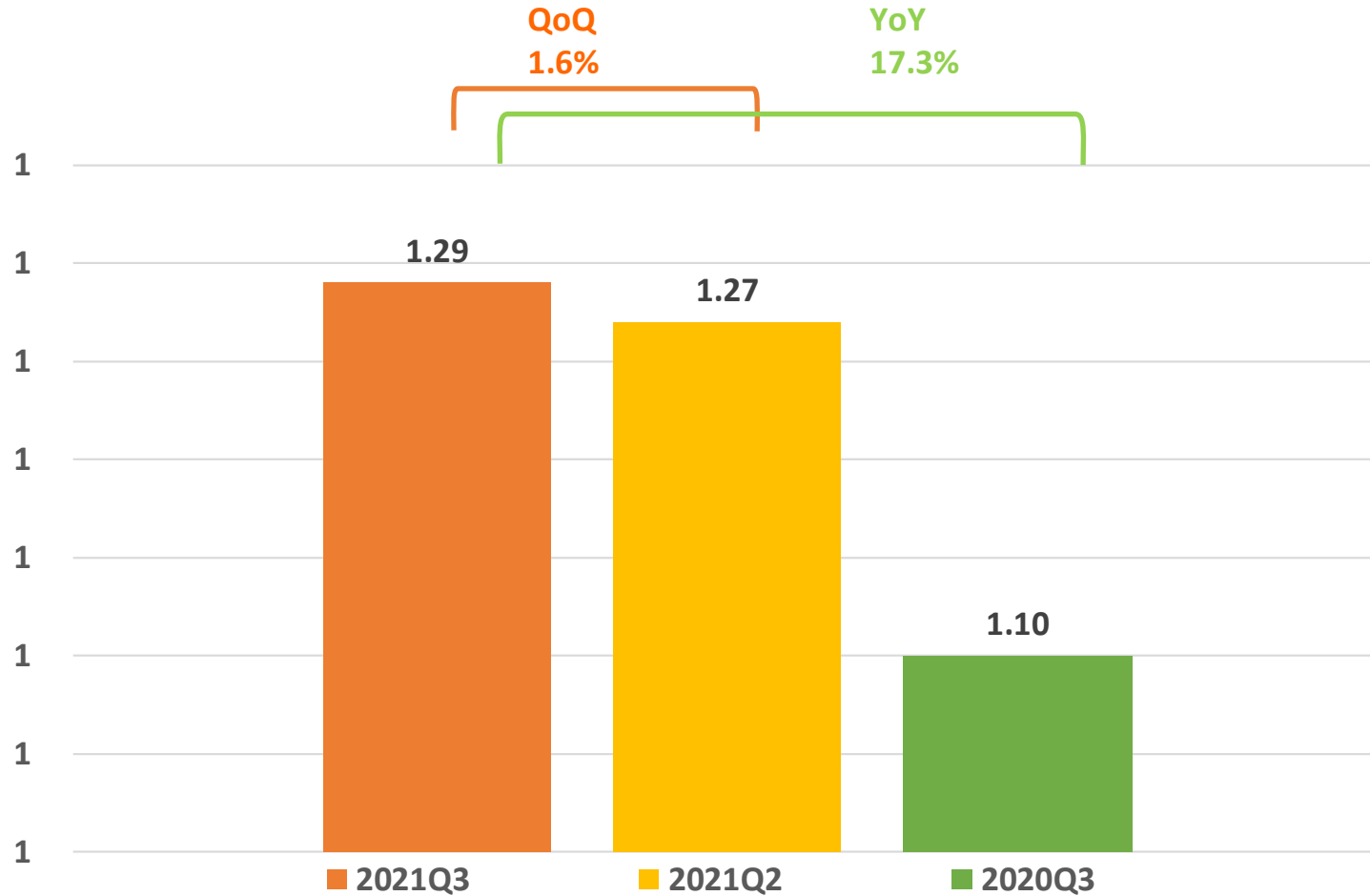


Consolidated Net income⁰%

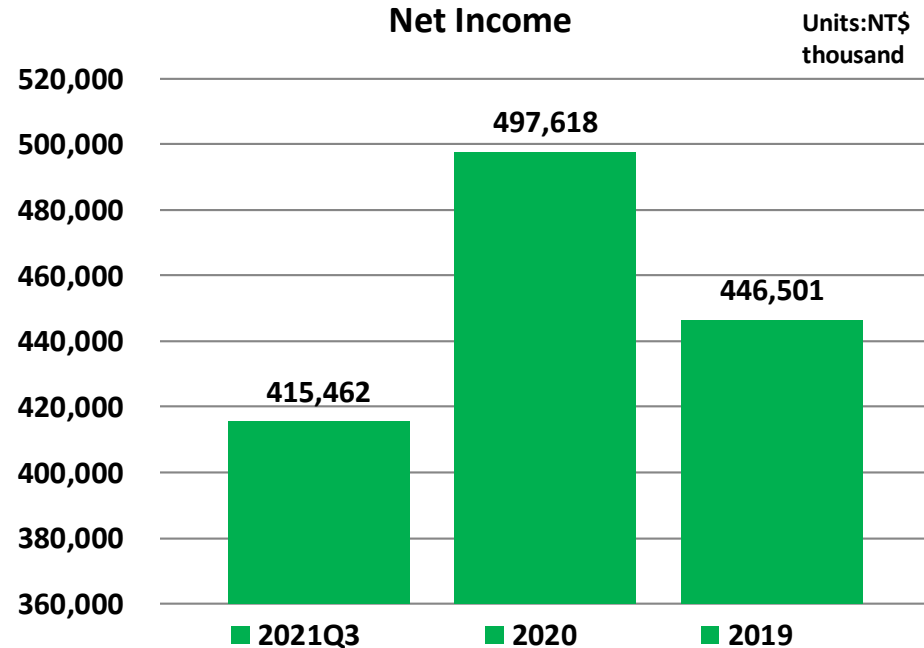
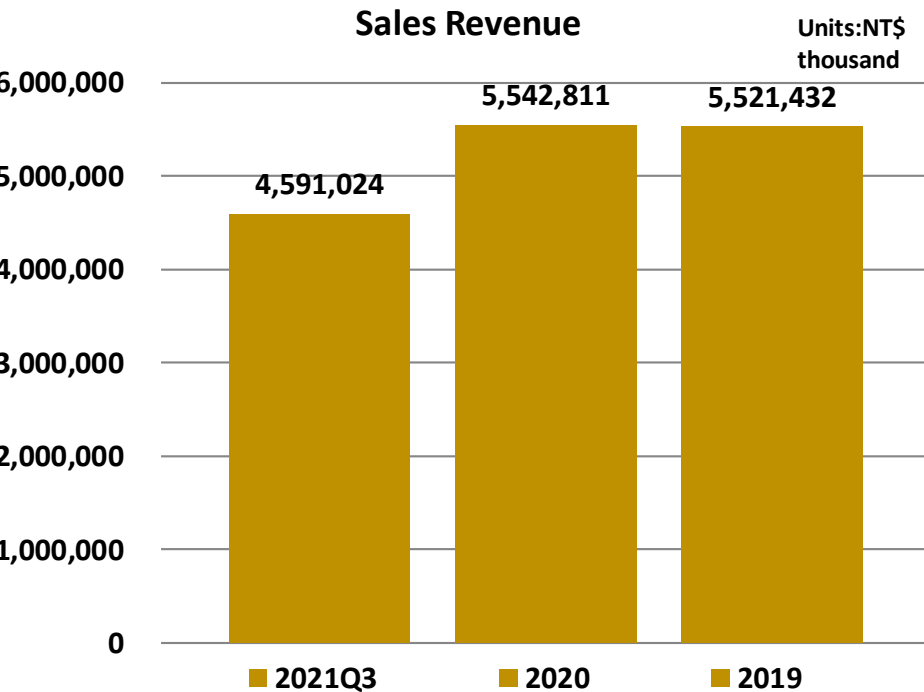


Consolidated EPS

Units: NT\$



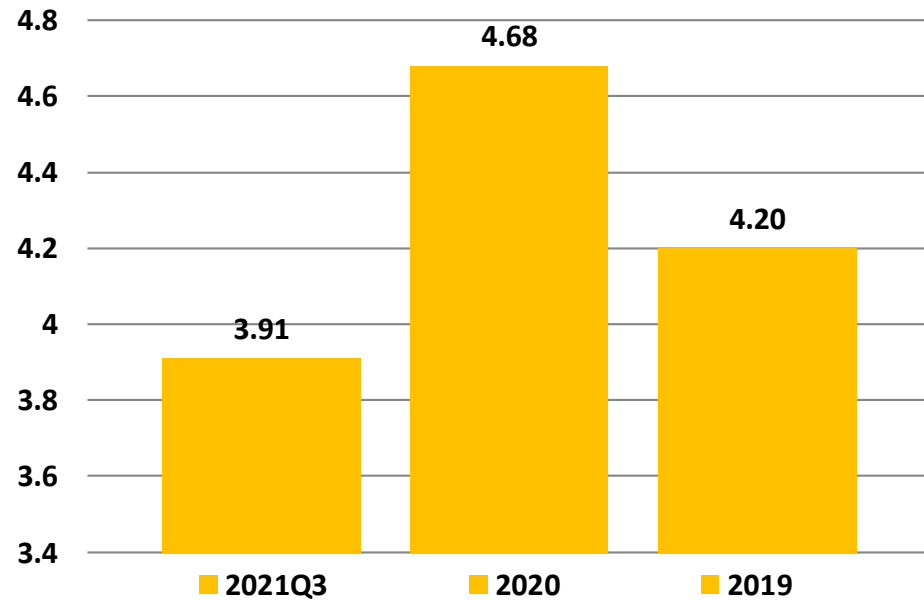
Sales Revenue & Net Income



EPS & Capital

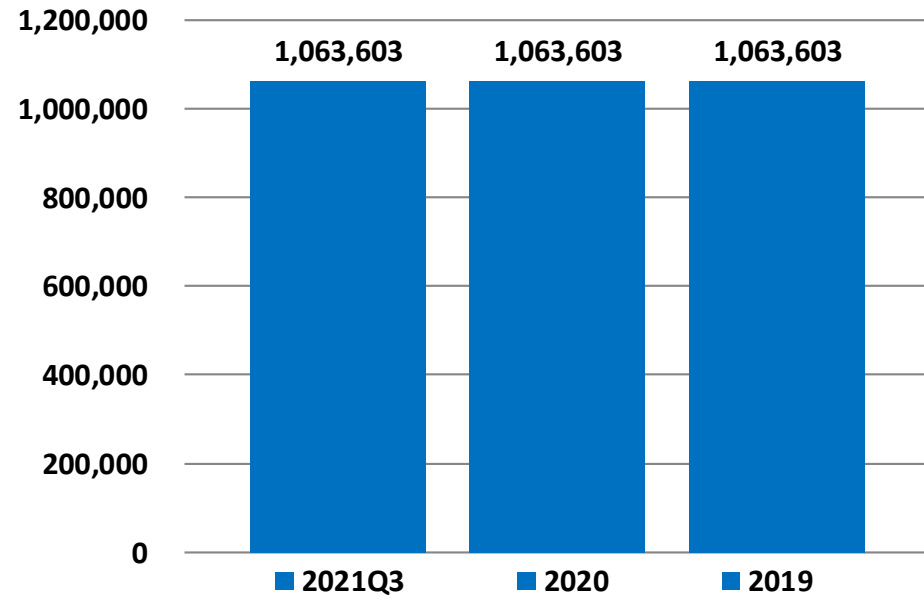
EPS

Units:NT\$



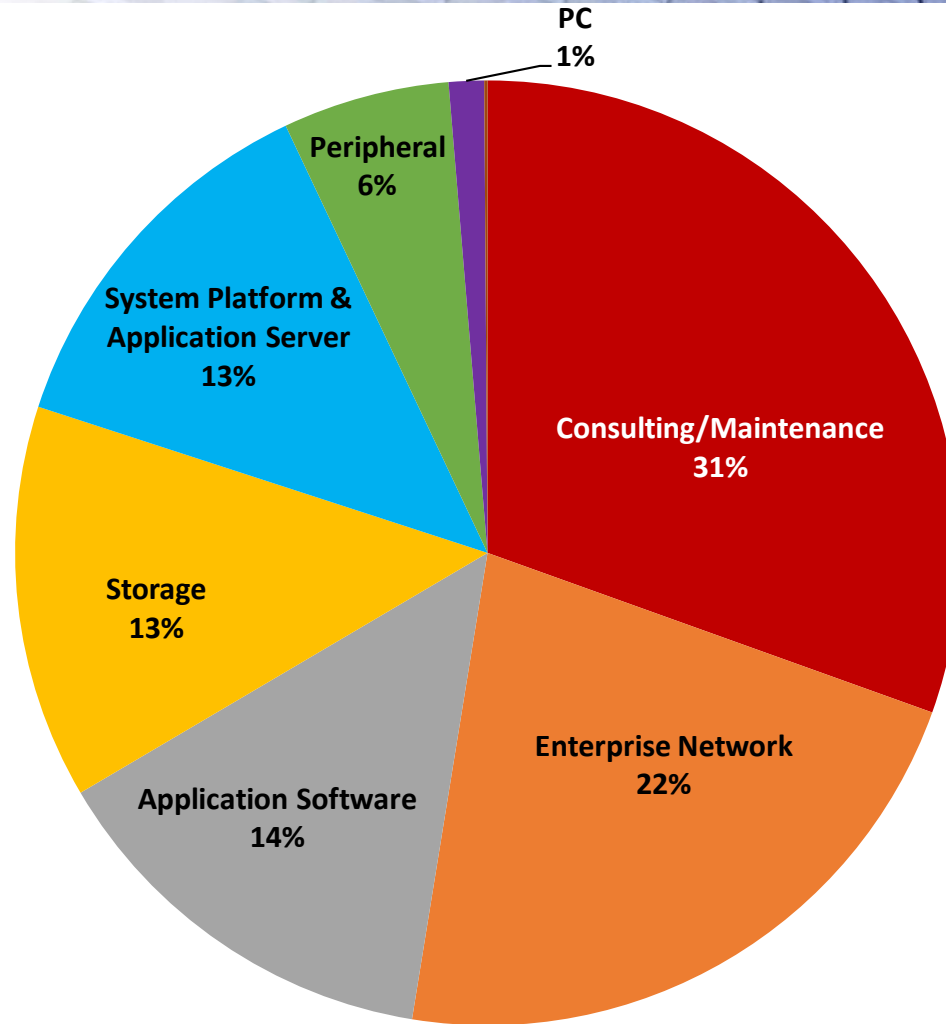
Capital

Units:NT\$ thousand



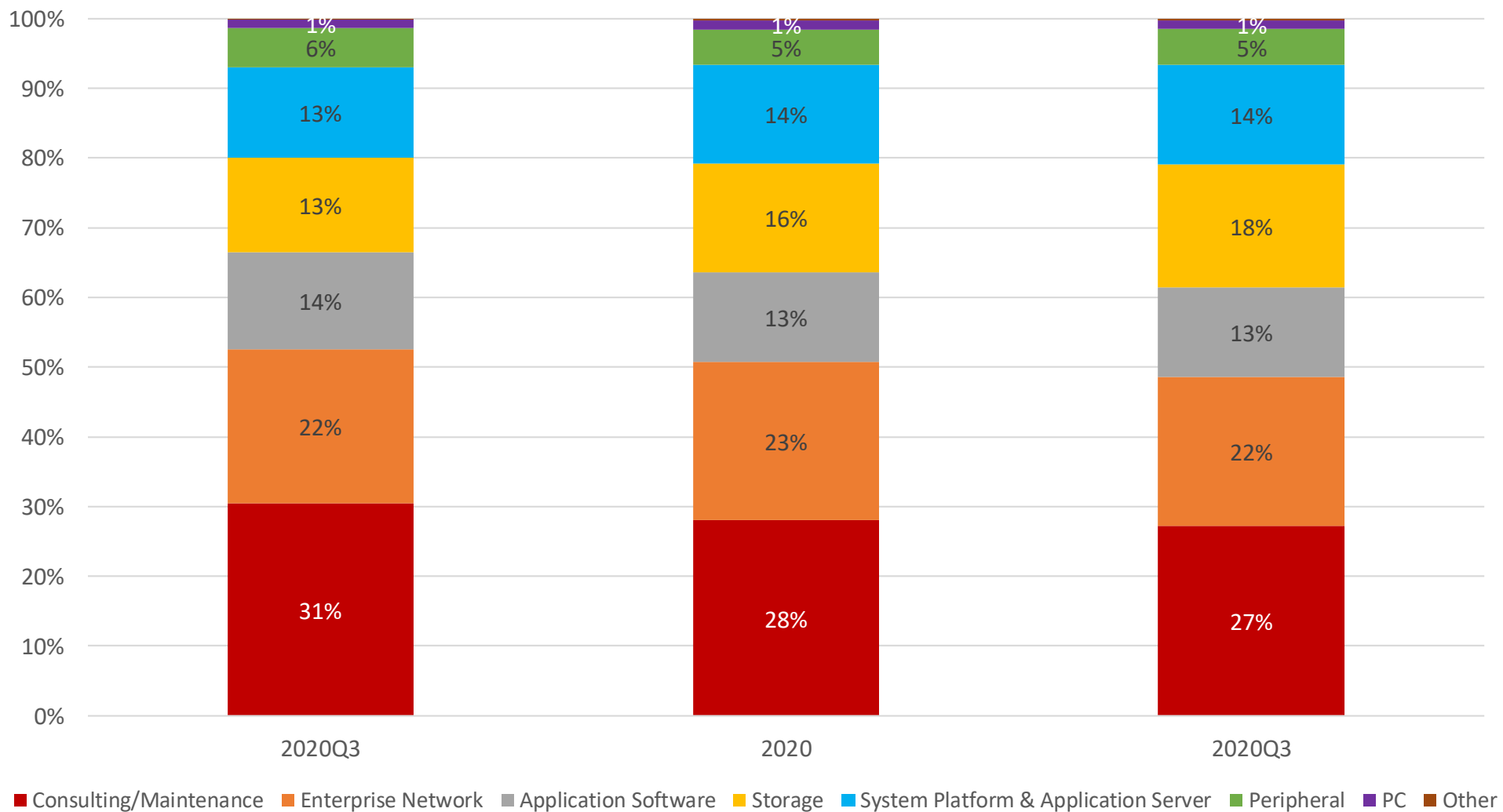
	2021Q3	2020	2019
ROE	14.79	17.69	16.42

2021Q3 Sales Revenues by Type



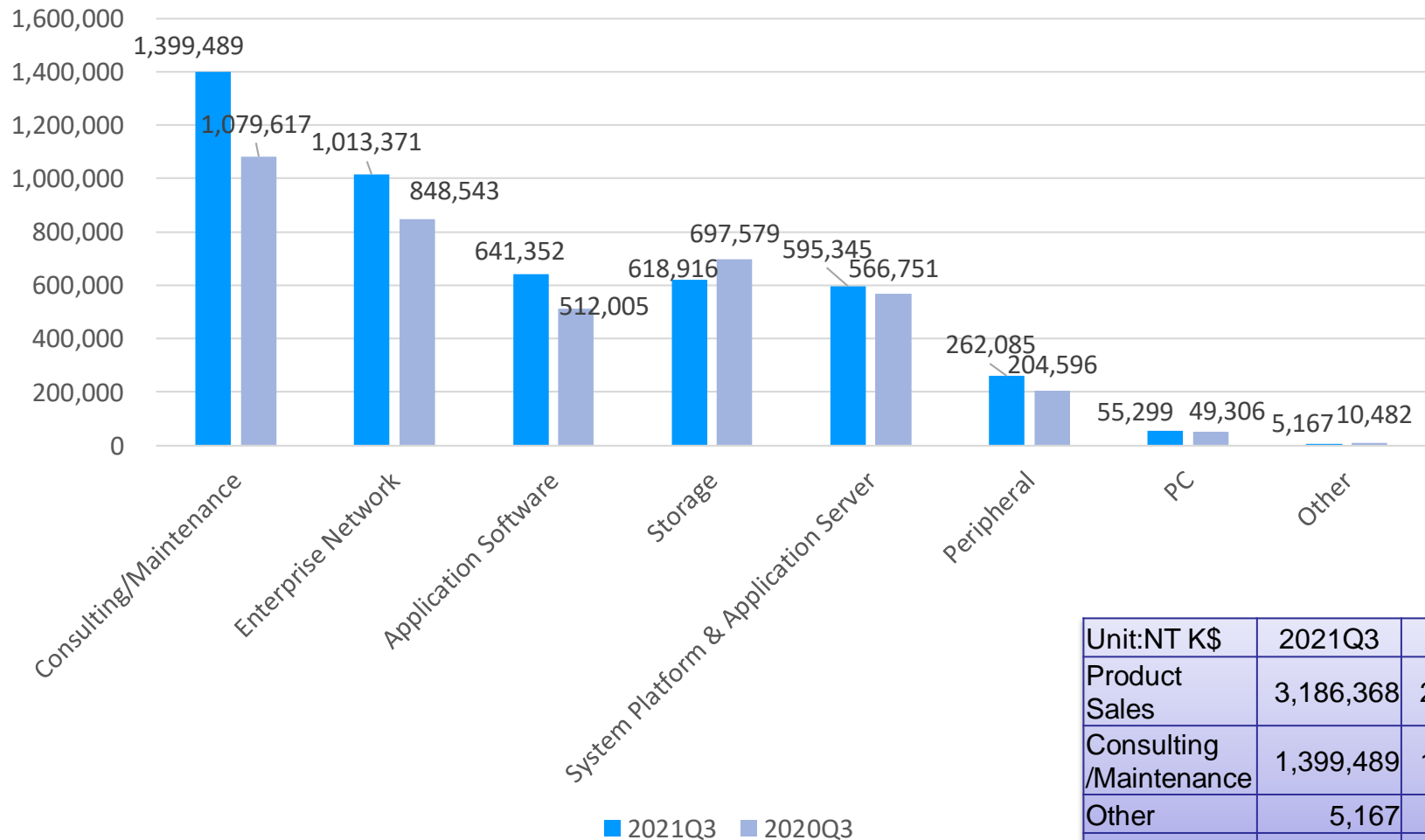
Revenue:4.591billion

Comparison of Sales Revenues by Type(Accumulated)



Compare Sales Revenues by Type

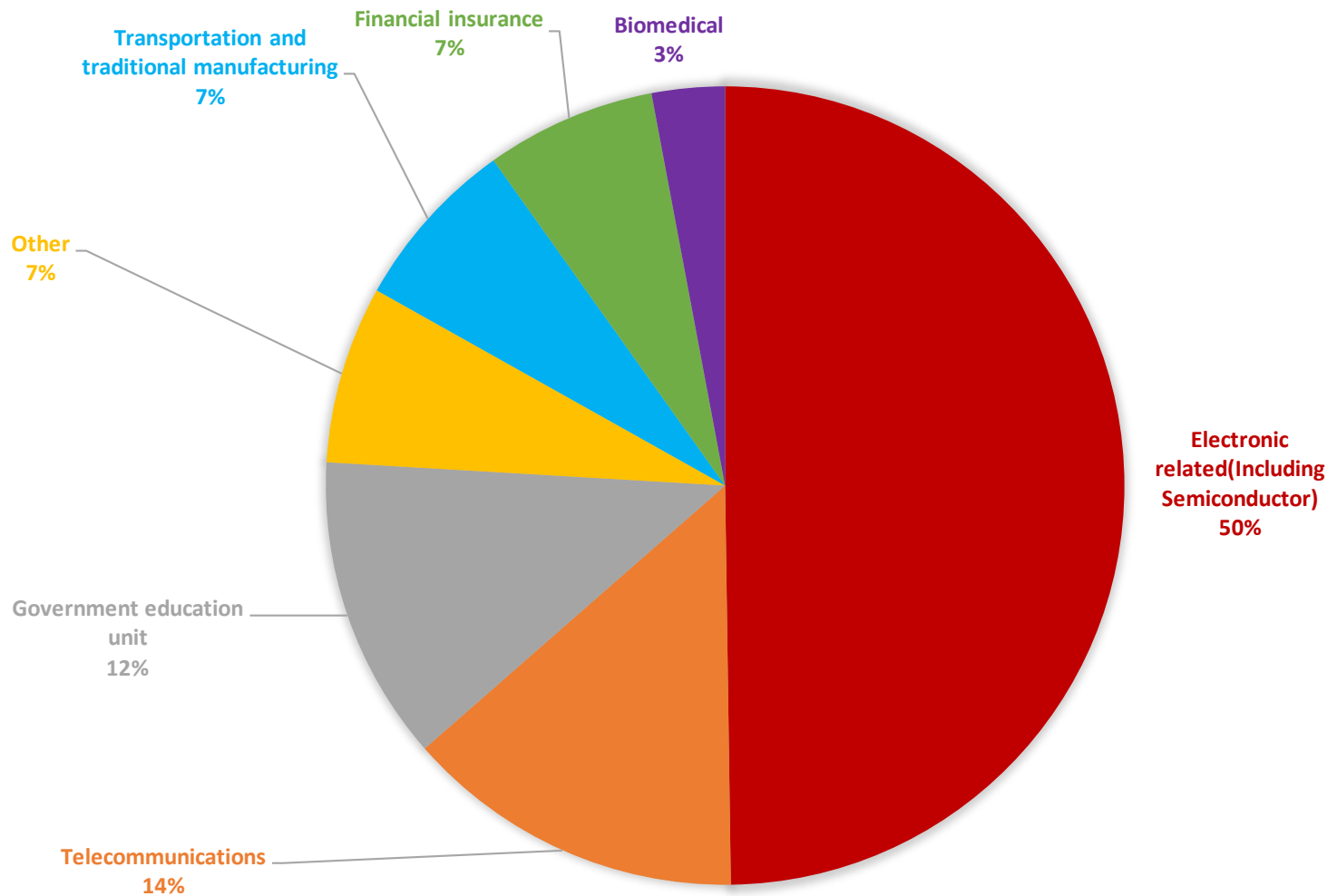
Units:NT\$ thousand



Revenue:4.591billion Revenue:3.969billion

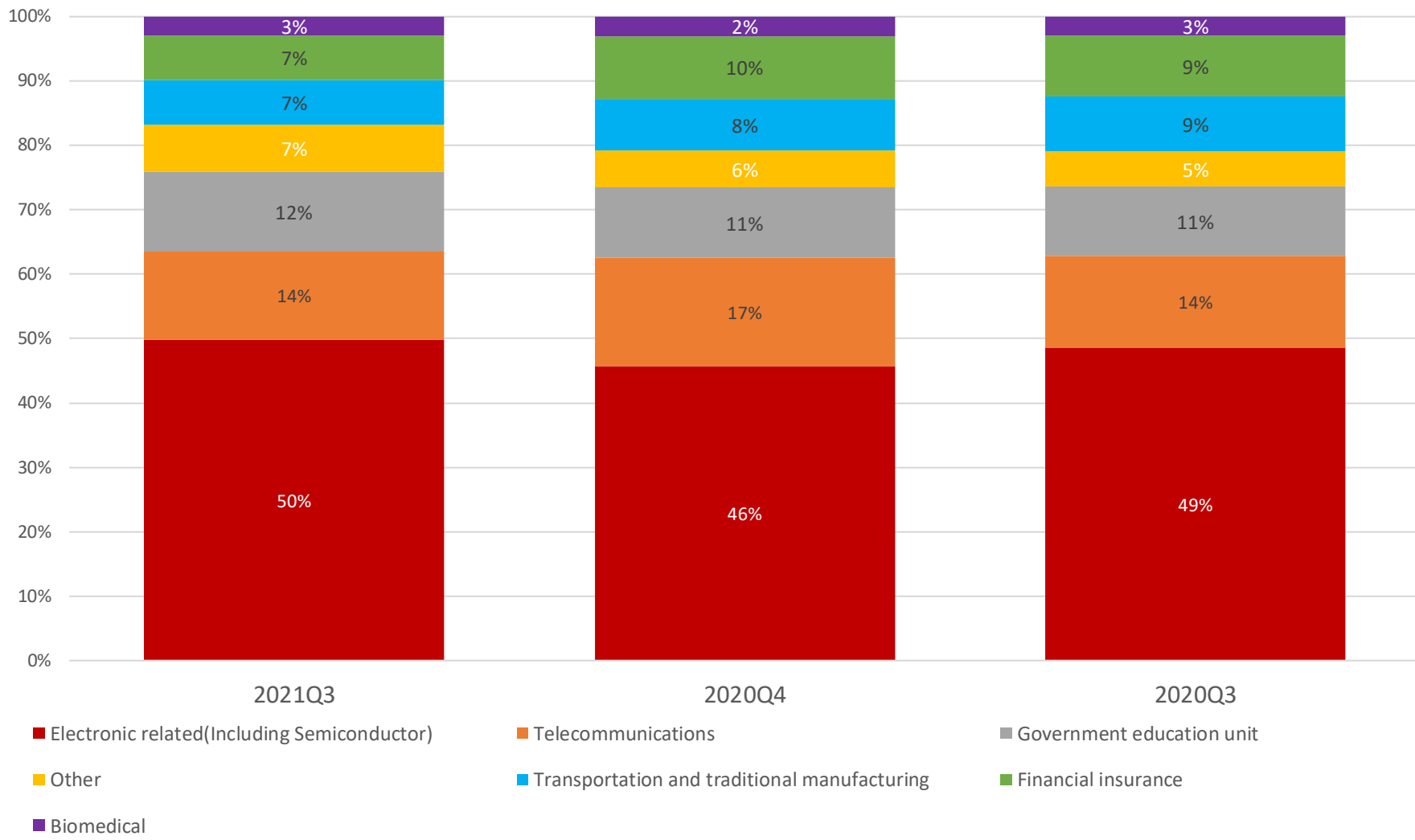
Unit:NT K\$	2021Q3	2020Q3
Product Sales	3,186,368	2,878,780
Consulting /Maintenance	1,399,489	1,079,617
Other	5,167	10,482
Total	4,591,024	3,968,879

2021Q3 Sales Revenues by Industry

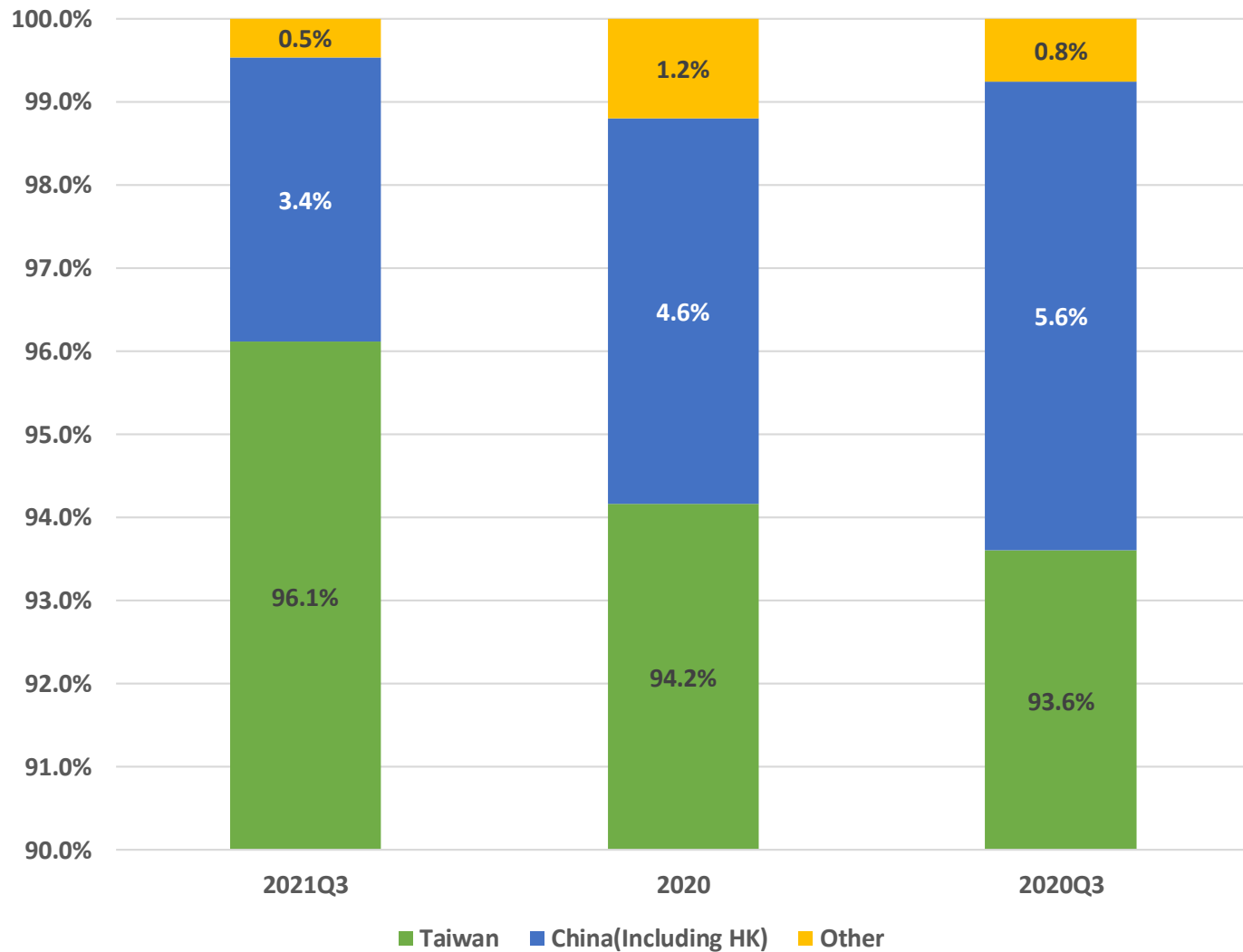


Revenue: 4.591 billion

Comparison of Sales Revenues by Industry(Accumulated)

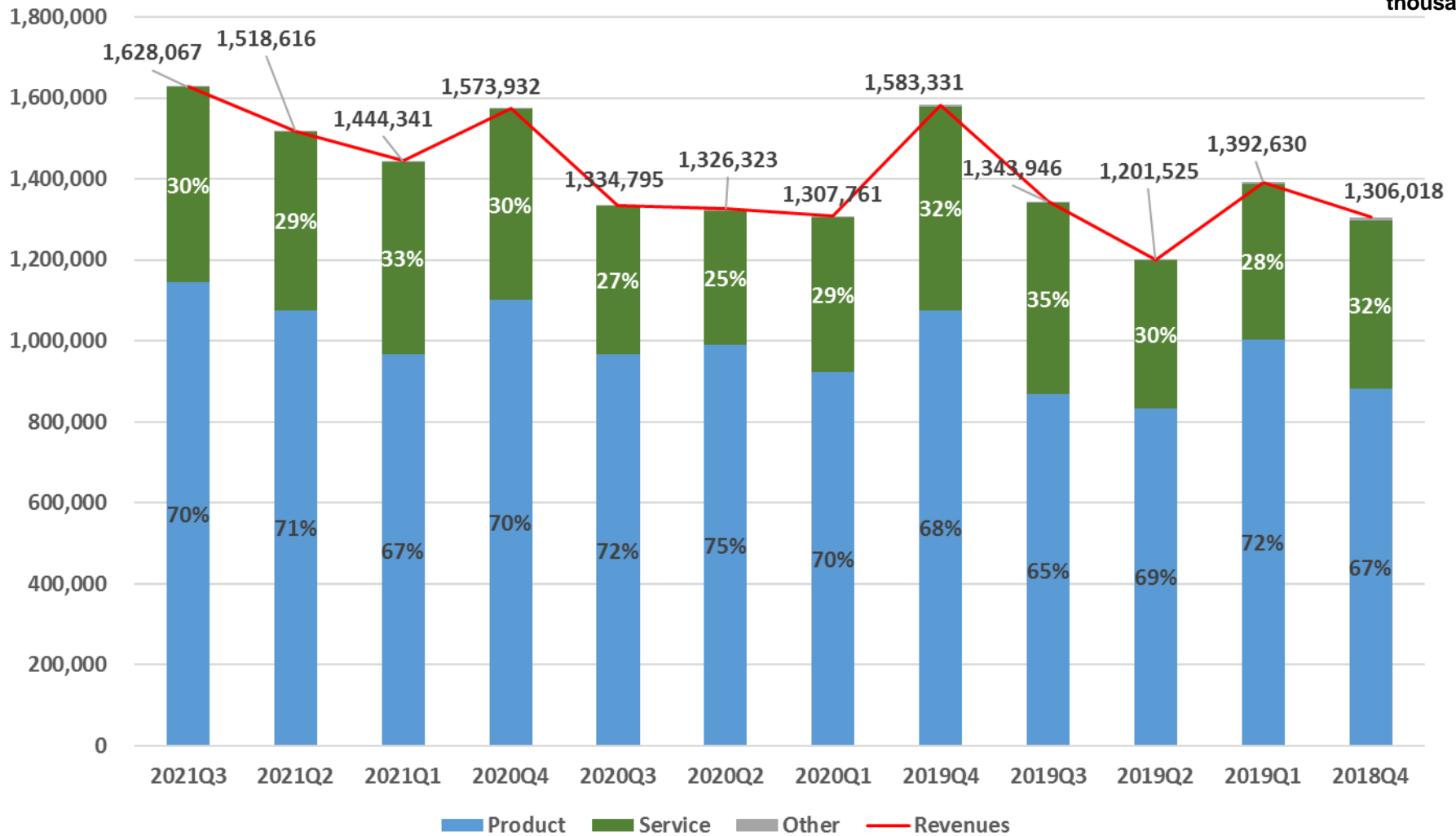



Comparison of Sales Revenues by Region(Accumulated)



Quarterly revenue status

Units:NT\$
thousand





Q & A
Thank you!!



Stark Technology Inc.

敦陽科技股份有限公司