

SYSCOM COMPUTER ENGINEERING CO.

**Best System Integration Company
for Business Competitiveness**

2024.3.27

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Disclaimer

The presentation and discussion contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation.

The forward-looking statements are subject to known and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements. Such risks and uncertainties include but are not limited to the impact of competitive products and pricing, timely project acceptance by our customers, timely introduction of new technologies, ability to ramp new needs into products, financial stability in end markets, and other risks that Syscom can not control.

The forward-looking statements in this release reflect the current belief of Syscom as of the date of this release and Syscom undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.

Outline

- **About Syscom**
 - **Market and Business Outline**
 - **Business Achievement**
 - **Vision**
 - **ESG Sustainable Development**
 - **Q&A**

About Syscom

Established

1975

IPO

2001

Business

- **System Integration & Professional Services**
- **IT Consulting & Training**
- **Software & Hardware Sales and Service**
- **E-Commerce & Information Security Services**
- **Network & Wireless Design & Construction**
- **R&D for Smart Service-based Robot, AYUDA**
- **Artificial Intelligence Services**
- **Cloud Application & Services**
- **Solutions for ESG sustainable development**

**Customer
Domains**

**Finance, Telecom, Public Sector/ Defense, Healthcare,
Transportation, Manufacturing, Education, Retail**



Achievements and Awards

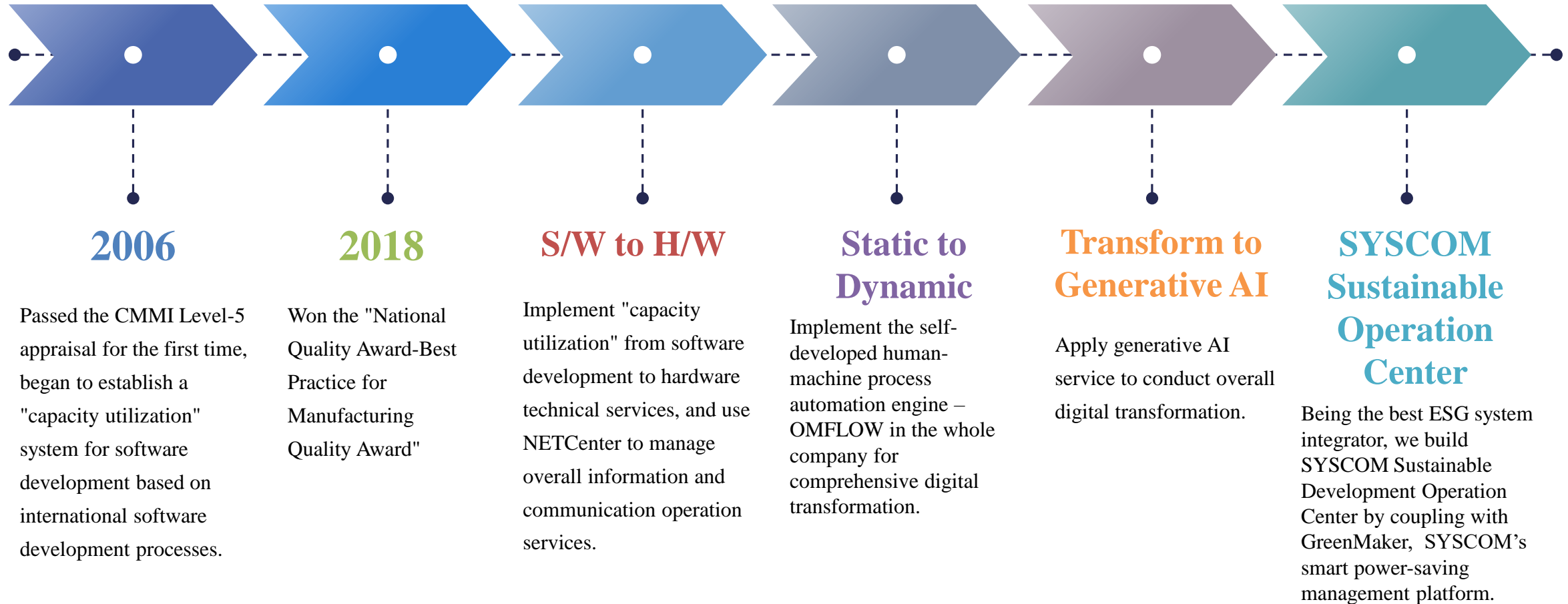
- ◆ The 27th National Quality Award-BEST PRACTICE AWARD FOR INDUSTRIAL SUPPORT(2024)
- ◆ Self-developed Syscom Computer Products Win the "Taiwan Excellence Award" .
 - ◆ OMFLOW(2023/2024)
 - ◆ Smart Service Robot Ayuda (2021 Silver Award /2023/ 2024 Silver Award)
 - ◆ NETCenter(2021-2023)
 - ◆ DBMaker (2013-2015/2017/2020-2023)
- ◆ Wins the first place of "Service Innovation Award" of the Ministry of Communications' "5G-driven Intelligent Transportation Technology, Service Innovation and Industrial Development Program" (2022)
- ◆ Honored with "Information Security Management Excellence Award" by SGS (2020)
- ◆ The only information service provider listed in the 50th Anniversary Book of the Industrial Development Bureau of the Ministry of Economic Affairs (2020)
- ◆ SYSCOM wins the 25th National Quality Award - BEST PRACTICE AWARD FOR MANUFACTURING QUALITY(2018)
- ◆ SYSCOM's robot Ayuda Wins "2017 Cloud IOT Innovation Champion Award" with its smart robot platform (2017)
- ◆ "Dedicated Enterprise Cloud Hosting Services – Pracla" Given "2016 Cloud Service Award" by Industrial Development Bureau, Ministry of Economic Affairs (2016)
- ◆ Wins the 2nd annual Taiwan Mittelstand Award (2014)
- ◆ Given "Taiwan ICT Best Practice Award" in Asia Pacific ICT Summit (2010)
- ◆ Honored with "Best Partner of Information Security" by BSI (2006)
- ◆ Passes the certification of "CNS 27001:2014" (2023-2025) and "ISO/IEC 27001:2013" (Applicability version 5: 2023-2025).
- ◆ Passes the certification of " ISO/IEC 20000-1:2018 " (2023-2026)
- ◆ Passes the certification of "ISO/ISE27701:2019 "(2023-2025)
- ◆ Passes the appraisal of "CMMI-DEV v1.3 Maturity Level 3" (2023)
- ◆ Passes the certification of "BS 10012:2017"(2022-2025)
- ◆ Passes the appraisal of "CMMI-DEV v1.2 Maturity Level 5" (2011)
- ◆ SYSCOM is the first Taiwanese company passing the globally top level software quality appraisal "CMMI-Maturity Level 5"(2006)
- ◆ Honored with "Best Partner of Information Security" by BSI (2006)
- ◆ Passes the certification of "ISO 9001:2000" (2003) and ISO 9001:1994" (2000)
- ◆ Passes the certification of "ISO 9002:1994" (1999) and ISO 9002(1996)



Following the “25th National Quality Award-Best Practice Award for Manufacturing Quality”(2018), we continued to improve and won the "27th National Quality Award-Best Practice Award for Industrial Support” (2024)

The only CMMI Level 5 service provider in Taiwan

Winning the award in 2018 is recognition of SYSCOM's comprehensive optimization achievements



Well use IT systems to achieve overall digital transformation



Capacity Utilization Digital Dashboard



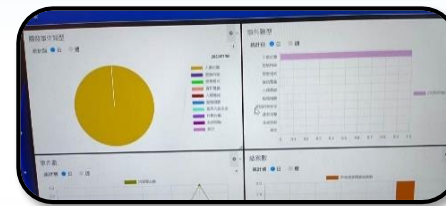
Resource monitoring digital dashboard



Process Automation Supply and Installation Engine Digital Dashboard



Power monitoring digital dashboard



Information Security Event Management Platform Digital Dashboard

SYSCOM Sustainable Development Operation Center



Committed to Sustainable Development

- Starting from 2020, we reduce the company's overall per capita carbon emissions year by year through overall computer room monitoring and automation tools.
- SYSCOM cooperated with Evercomm to publish the "Smart Carbon Reduction Strategy Plan" on the first day of the 2023 Smart City Exhibition and declared 2023 as the "First Year of SYSCOM's Carbon Reduction".
- Integrate and launch products and complete solutions including energy management, greenhouse gas inventory, carbon neutral and low-carbon equipment, environmental testing and energy saving, cloud database and cloud services, paperless meetings and contract management, and more to share with customers.



The 25th National Quality Award-

Best Practice Award for Manufacturing Quality

Being committed to improving software quality, SYSCOM is the only CMMI Level 5 service provider in Taiwan.



The 27th National Quality Award- Best Practice Award for Industrial Support

Won “National Quality Award” for the second time



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- **Business Achievements**
- **Vision**
- **ESG Sustainable Development**
- **Q&A**

Major Trends for Taiwan ICT industry in 2024

The next wave of development of GenAI technology: comprehensive industrialization

Personal devices with stronger AI computing power are available, and LLM models can be executed on local devices

Combining information security maintenance and GenAI to achieve network security autonomy

The rise of new thinking about FinOps that attaches importance to cloud financial management

Establishing a next-generation supply chain carbon management trust mechanism

Data Source: IDC, Dec. 2023

Core Technology R&D

- **Innovative Application Development, SaaS Cloud Service, Big Data Analysis and Storage Repository**
- **Integrate GenAI results to enhance the competitive advantage and add value of large-scale system projects**



Solutions and Business Achievements



Finance

- E-trade Risk Control & Management
- High-Frequency Trading planning, construction and maintenance services
- Digital account online opening system
- Banking, Securities, Futures, Insurance Core Business Systems
- Payment System
- Wealth Management
- System Test & Performance Tuning
- Service-based Robot, Ayuda
- Financial Services Channel Integration Platform
- Smart & Integrated Information



Telecom

- Hybrid cloud planning and construction
- Network-management integrated monitoring platform
- Network-Cloud network architecture planning and construction
- SDDC overall planning and construction design services
- IP Core, Network Convergence, Network Access Planning & Construction
- Cloud Data Center Planning & Construction
- Cross-Brand Network Management System
- Integrated Network Management & Monitoring Platform
- Information Security Planning & Design
- Brand Sales & Maintenance Service



Public Sector

- Cloud Services
- Public sector shared data center planning, construction, and maintenance services
- AI platform storage system planning and construction
- Service-based Robot, Ayuda
- Human Resource & Payroll Management System
- IT/OT Outsourcing Services
- E-Government Planning, Construction & Maintenance Services
- Information Security Architecture Consulting, Planning, and Construction Services

Solutions and Business Achievements



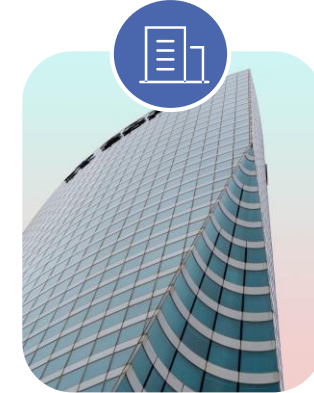
Healthcare

- Long-term Care System
- Cloud Service
- Service-based Robot, Ayuda/Ayuda cute
- Hospital Information Systems (HIS)
- Dr. Rounds
- Women & Children Health Mobile Nursing System
- Health Care System
- Smart Wards
- Smart Care Platform



Transportation

- 5G integrated with AIoT applied to smart traffic control program
- ICT construction and maintenance services of Taoyuan Airport ICT system
- Real-time Integration, Automation, and Operations Environment
- Smart Transportation /Bus Terminal Information System
- ETC & traffic control system
- Highway Supervision Information System
- Ticket vending machine
- ICT System construction and maintenance



Others

- Intelligent customer service
- eCommerce/Retail Cloud/Smart Recipes
- Integrated Cloud Computing Solution & Services
- Information Security Management System-Consulting, Planning and Implementation
- Energy Monitoring and Saving System)
- Service-based Robot, Ayuda
- Smart Sales, and Smart Security

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Application of Leading Technology

5G Communication

- **Get license for 5G private network**
- **Smart Transportation Verification Project for Suhua Road Corridor**

GenAI Application

- **Smart Transportation**
- **Smart Healthcare**
- **Smart Finance**
- **Government Service**

Cloud Service

- **Planning and construction services for private cloud and hybrid cloud**
- **Enterprise-level commercial cloud services**
- **Managed Service Provider**

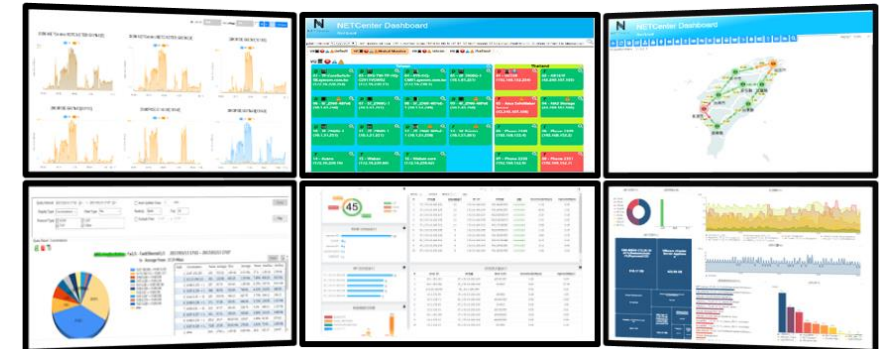
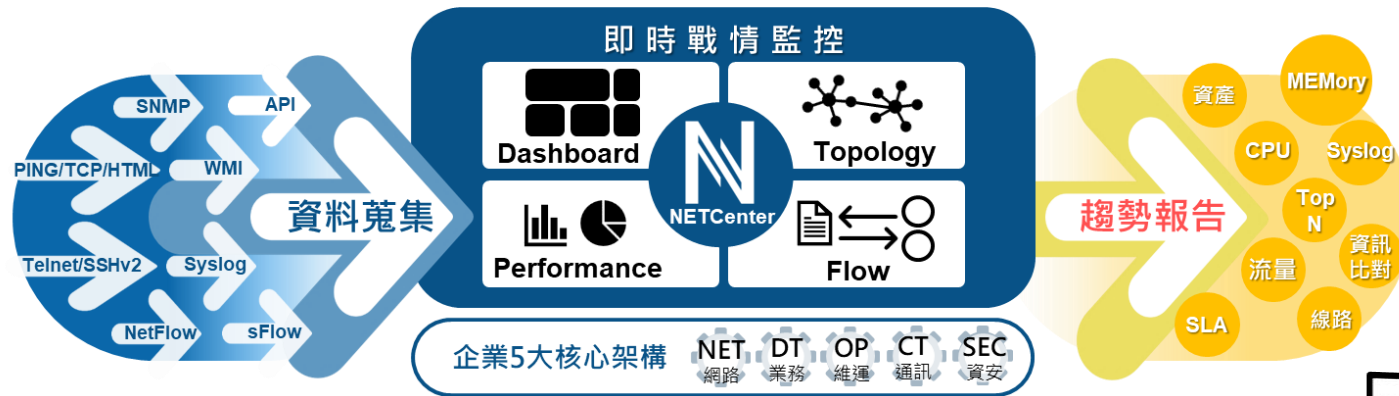
ICT Security

- **Overall information security architecture planning**
- **Information security inspection services**

NETCenter

IT Infra Network Monitoring Management Center

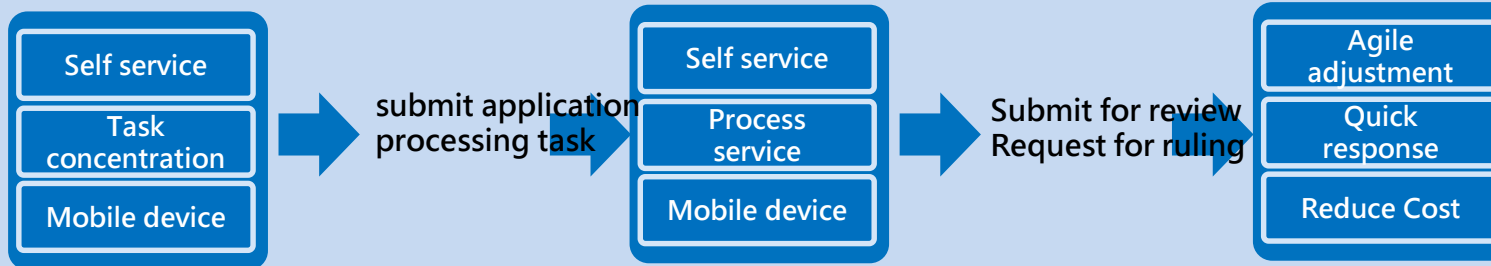
- Private brand, sold to major public sector and financial institutions
- Let IT managers fully control the operational and service status of server/network/database/application system
 - Dashboard allows managers and related personnel to see clearly at a glance



OMFLOW- Information Process Automation

- Private brand, sold to major public sector and financial institutions
- Higher-degree integration of IT and human being - process information and mobile phones
- An excellent tool for enterprises to achieve "net-zero carbon emissions" and "environmental sustainability"

Simplify software complexity and help enterprises standardize IT through four main axes



User self-service



Drag-and-drop form design process



Modular process

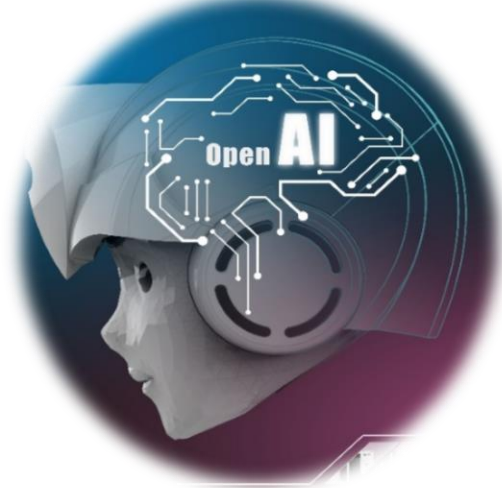


Mobile application



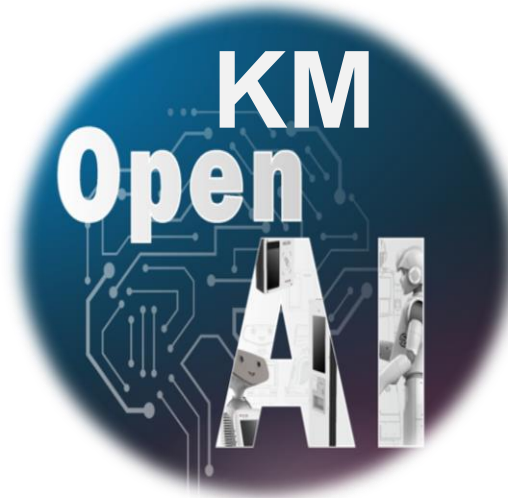
OpenAI- Integrated Application

- **Apply GenAI for Integration**
 - Enterprise Knowledge Management
 - Code Generator
 - Ayuda + OpenAI



Ayuda + OpenAI

- Smart robots combine LLM to become **smarter** and **more humane**



OpenAI Enterprise KM

- Establish a **corporate knowledge base**, and integrate enterprises' internal tools and systems



OpenAI Code Generator

- Combined with OpenAI Codex, **program code is automatically generated** to help engineers quickly develop programs

2023 AIoT Show “5G and GenAI Application”

- Time: 2023/10/25-27
- Venue: Nangang Exhibition Hall 1
- Seven Themes Presented
 - ESG
 - 5G Application
 - AI Application
 - Smart Retail
 - Smart Security
 - Smart Healthcare
 - Digital Transformation



2024 Smart City Expo

“ESG and AI+ Smart Sustainability”

- Focus on AI and ESG, and more than 20 smart sustainable applications were exhibited.

七大主題、展出逾20項智慧永續解方

凌羣主題館 聚焦AI及ESG主題



【台北訊】2024智慧城市展昨（19）日開幕，凌羣電腦規畫主題館展出AI及ESG主題，安排「大師開講」論壇，邀請專家用戶分享經驗。展會上並舉辦數位部數位產業署「數位科技應用整合輸出旗艦隊凌羣館」開場儀式。

凌羣電腦總經理劉瑞隆致詞，感謝數位產業署致力推動數據結合AI，協助企業數位轉型與創新。在台灣微軟支持下，凌羣運用最新Copilot技術，陸續應用於程式開發，已獲致具體成效。凌羣明年即將邁向50周年，日前再次獲得第27屆國家品質獎。

此次主題館呼應今年大會AI議題，共規畫七大主題，包括：生成式AI、智慧服務、ESG永續發展、數位轉型、智慧資安、智慧零售、智慧醫療等，與英業達、訊舟、巴西INTERON、義大利VERYANT及日本TSH等協力廠商及新創團隊，共同展出20多項聚焦AI及ESG主題的智慧永續解決方案。

展出前兩日下午分別舉辦「大師開講」，邀請專家與用戶與談分享經驗。繼昨（19）日HPE業務開發協理詹興傑、英業達博士郭憲誌、凌羣電腦總處長邵成武與用戶共同分享AI科技的企業應用。

今（20）日下午2點，將邀請Evercomm首席執行官陳秋豪、中國信託協理陳詩薇、工研院副組長蔡孟男等，主講「走向淨零：在綠色金融與低碳技術的實踐」，歡迎前往南港展覽2館1樓P區213A參加。（李炎奇）

Business Achievements

BALANCE SHEET HIGHLIGHTS (Consolidated)

(Unit : NT\$ Thousand)

Item	December 31, 2023	%	December 31, 2022	%
Cash and cash equivalents	884,494	18%	600,941	13%
Contract assets-current	483,322	10%	486,381	11%
Notes and accounts receivable	1,437,760	30%	1,491,770	34%
Inventories	473,593	10%	453,997	10%
Investments	100,884	2%	95,255	2%
Property, plant and equipment	362,728	8%	357,328	8%
TOTAL ASSETS	4,846,270	100%	4,434,940	100%
Short term loan	190,855	4%	180,922	4%
Notes and accounts payable	1,453,664	30%	1,416,049	32%
TOTAL LIABILITIES	2,728,966	56%	2,380,127	54%
SHAREHOLDERS' EQUITY	2,117,304	44%	2,054,813	46%

Business Achievements

INCOME STATEMENT(Consolidated)

(Unit : NT\$ Thousand)

Item	2023	%	2022	%	YoY
Net Operating Revenues	6,383,820	100%	5,950,524	100%	7.28%
Gross Profit	1,660,878	26%	1,518,500	25%	9.38%
Operating Expenses	1,375,419	22%	1,254,095	21%	9.67%
Operating Income	285,459	4%	264,405	4%	7.96%
Net Nonoperating Income and Expenses	44,048	1%	40,251	1%	9.43%
Net Income	276,638	4%	244,945	4%	12.94%
Net Income Attributable to the Shareholders of the Parent	278,293	4%	250,730	4%	10.99%
EPS(NTD)	2.78		2.51		10.99%

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Operating Strategy

Make of the most use of system energy to create a high-quality customer service experience.

Expand developing the leading technologies and accelerate implementing application services.

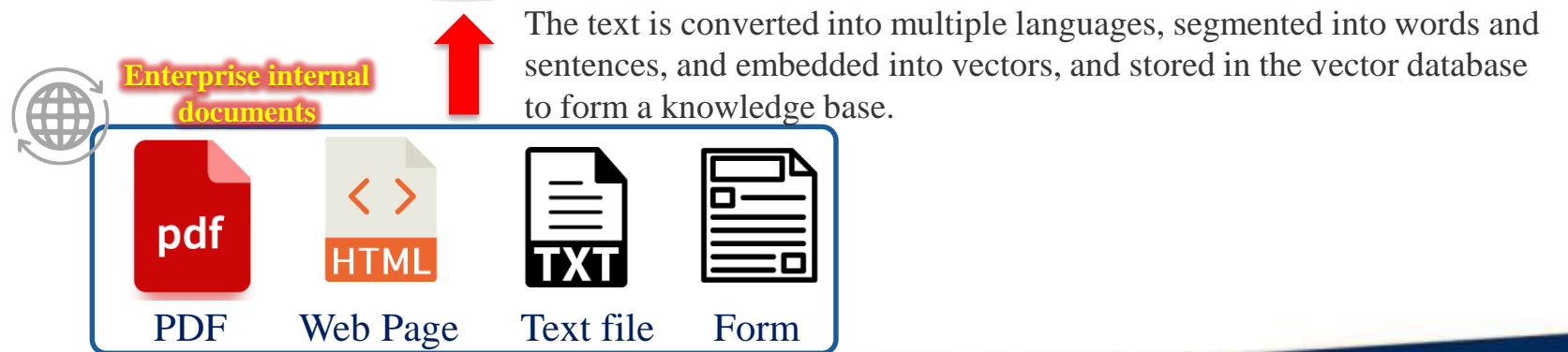
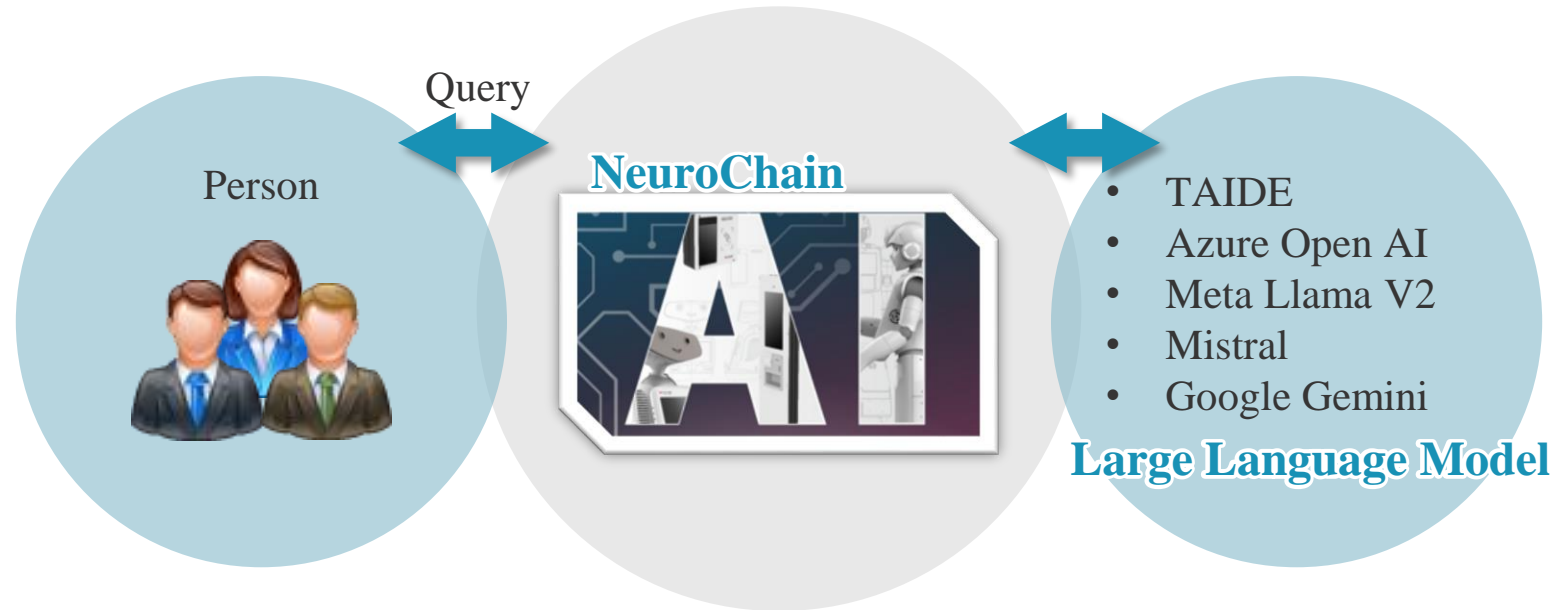
Drive R&D capacity and expand fields for core product

Implement the company's digital and sustainable transformation with GenAI

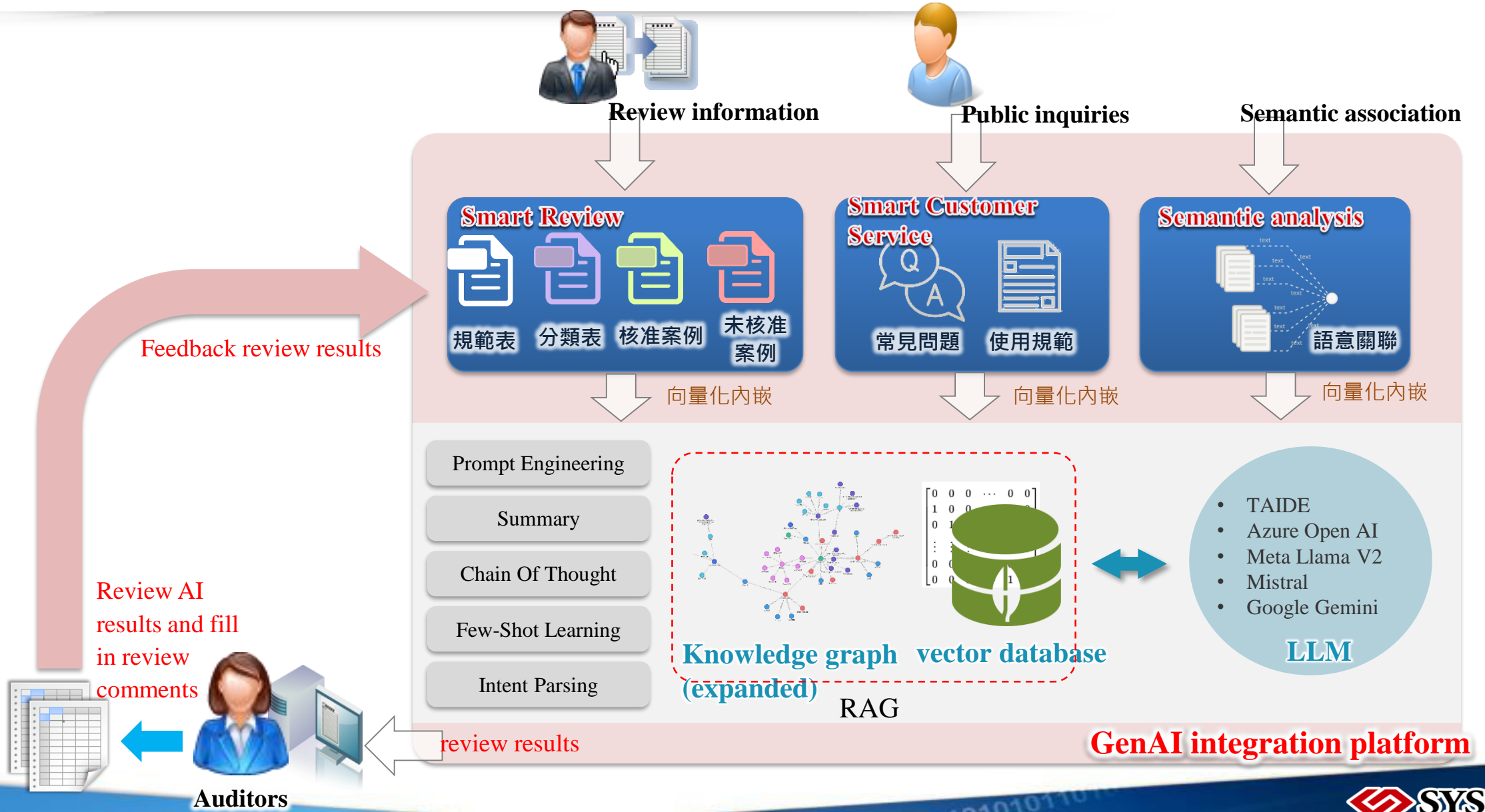
Strengthen international cooperation and expand overseas markets.

Generative AI Application Development

Establish an intermediate layer between humans and AI, and establish a local knowledge base so that the large language model can accurately answer questions **within the scope of the intermediate layer**

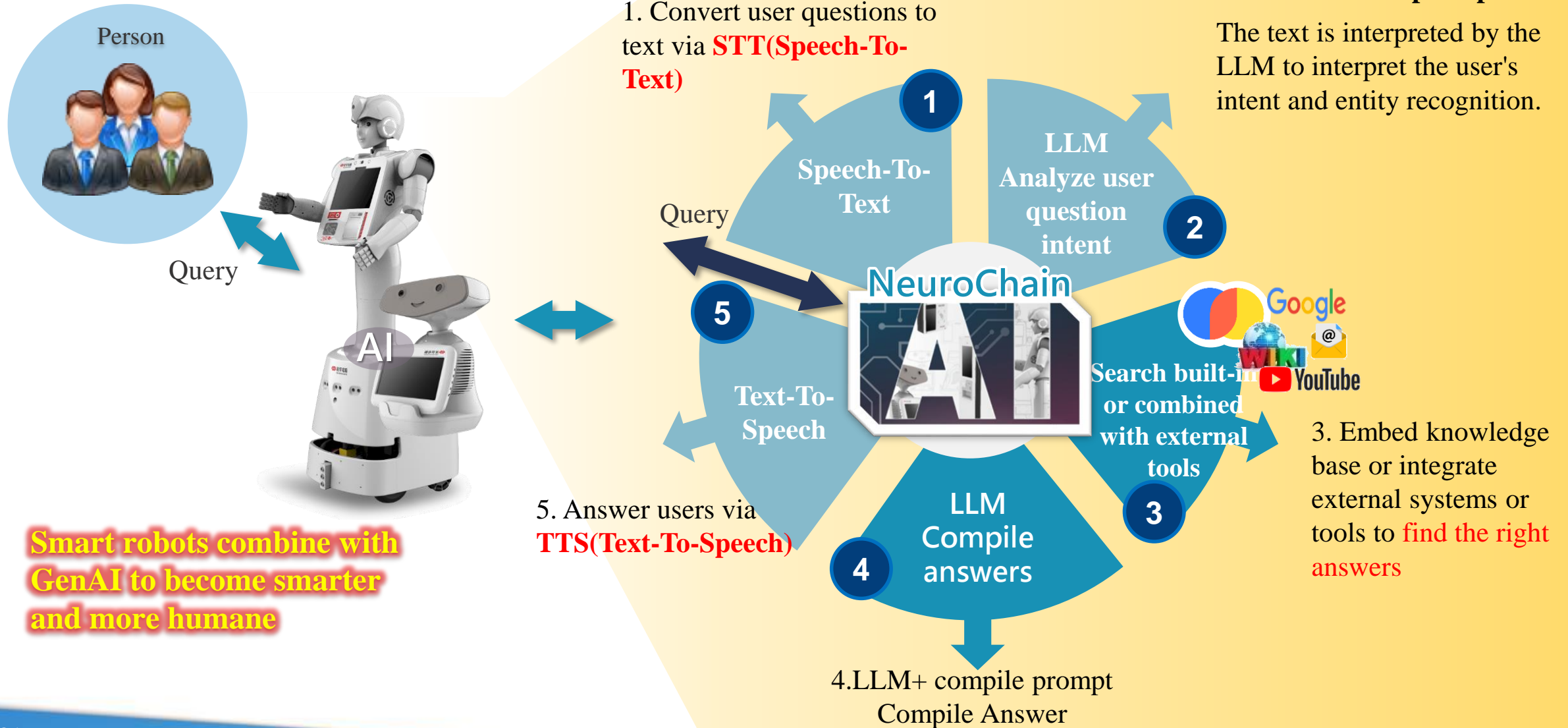


Schematic diagram of scalable AI architecture



Highlights of Artificial Intelligence Applications

Smart Robots + Generative AI



Vision



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ESG Sustainability

Environmental Sustainability	Social Prosperity	Corporate Governance
<ul style="list-style-type: none">• Implement ISO 14064 – Greenhouse Gas Accounting and Verification standard• Develop GreenMaker to monitor corporate energy-saving performance• Develop building energy-saving management system• Continue energy saving and carbon reduction measures• Implement occupational safety and health management	<ul style="list-style-type: none">• Caring for the community and active in public welfare• Increase cooperation opportunities between enterprises and academia• Actively sponsor scholarships to academic groups• Implement human rights and diversity in the workplace• Continuous employee care and safe workplace• Build a sustainable supply chain	<ul style="list-style-type: none">• Strengthen risk management and control -balance mechanism• protect the rights and interests of shareholders• Implement governance practices and integrity management• Ensure legal compliance and information disclosure• Implement information security systems and strengthen information security protection• Encourage employees to innovate and protect intellectual property

Thank you

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