



PLANET Technology Corporation Investor Conference

Stock code: 6263

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Agenda

- **Company Overview**
- **Networking Industry Overview**
- **Business Performance**
- **Financial Result**
- **Future Business Strategy**
- **Recent Achievements and Milestones**



Company Overview



PLANET Technology

A Global Leading Brand in Network Infrastructure Solutions

**Established
in 1993**

**Publicly listed
in TPEX in 2003**
(Stock code: 6263)

**Capital
NT\$ 625 Million**

**Concrete R&D
Capability;
Made in Taiwan**

**Distribution
Channels in
more than 140
countries**

Networking Industry Overview

Internet of Everything

Before 2005



**Close and Centralized
IoT Networks**

Today



**Open Access to IoT Network &
Centralized Cloud**

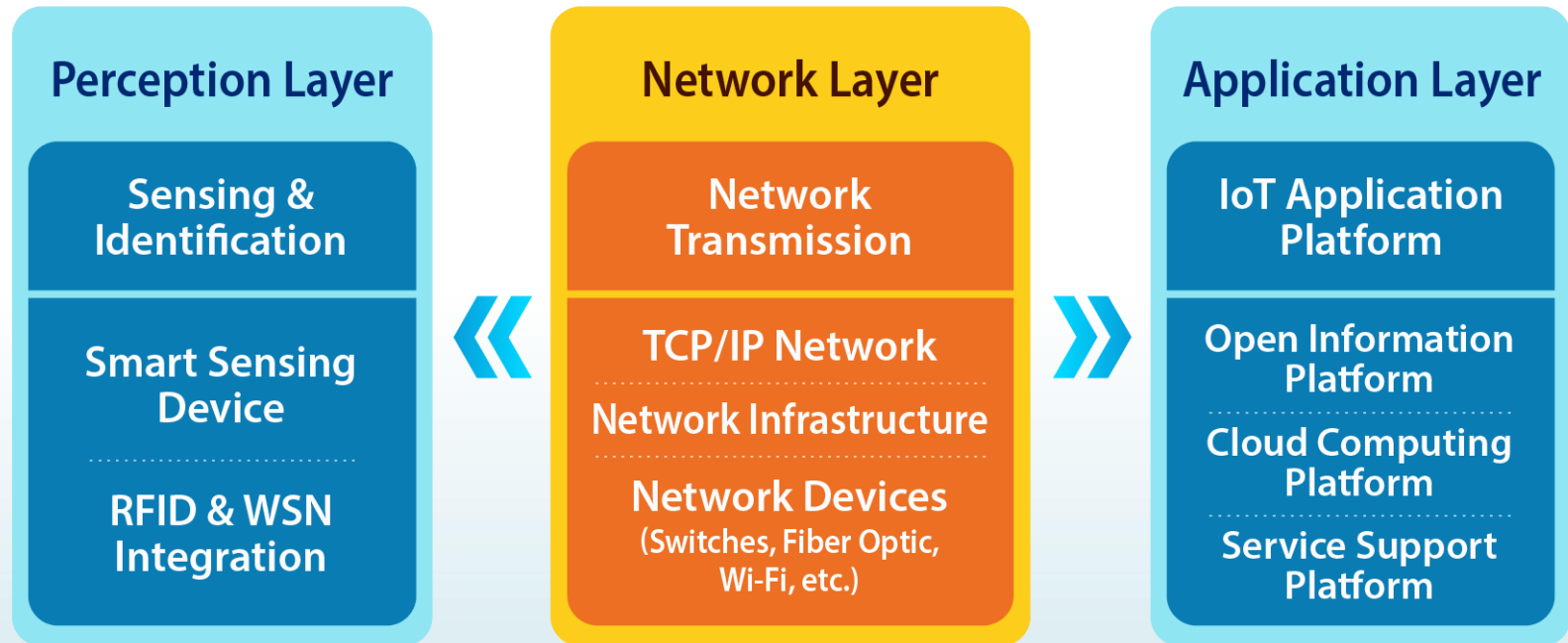
2025 and beyond



**Open Access to IoT Network &
Distributed Cloud**

Brand Positioning of PLANET

A global professional provider of Network Transmission Equipment



Comprehensive IP-based Networking Infrastructure Solution

Universal Network
Management System



Industrial Ethernet



Power over
Ethernet (PoE)



LAN Switches



Fiber-optic
Connectivity



Network Security, Broadband
Communications, Wireless
LANs, VoIP, IP Surveillance,
Network Peripherals



One-stop Network Infrastructures solution to Smart Networks, Telecoms, Industries,
Transportations, Enterprises, Communities, etc.

Universal Network Management System

- Centrally manage all wired and wireless networking devices and the surveillance system
- **User-friendly Touch Pad Design**
- Automatic Nodes Discovery of network topology
- Event Report and Alert
- Intuitive Graphic Dashboard
- Obtained **3 Patents**



Applications



IIoT, Smart Manufacturing



FTTx



Smart Transportation



Metropolitan Network



Enterprises Network



Data Center



Core Product and Technology

Touchable Network Management System



World's First Network Management Touch Pad

200 Sites 200 Floor Maps 100,000 Devices

Industrial Ethernet, Industrial Automation

- Information Level
- Control Level
- Device Level



802.3bt 95W Power over Ethernet



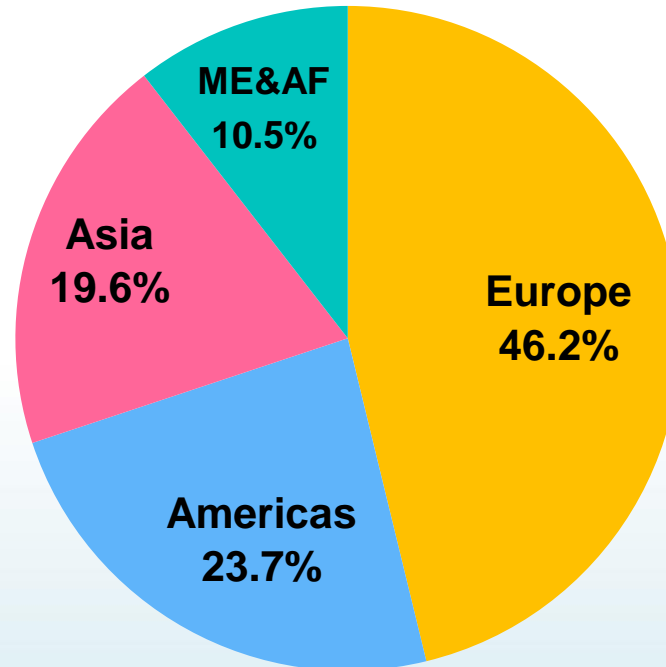
- Touch LCD Control
- Intelligent PoE Management
- 10G Uplink
- Green Power Management

Long Reach Power over Ethernet/Coaxial



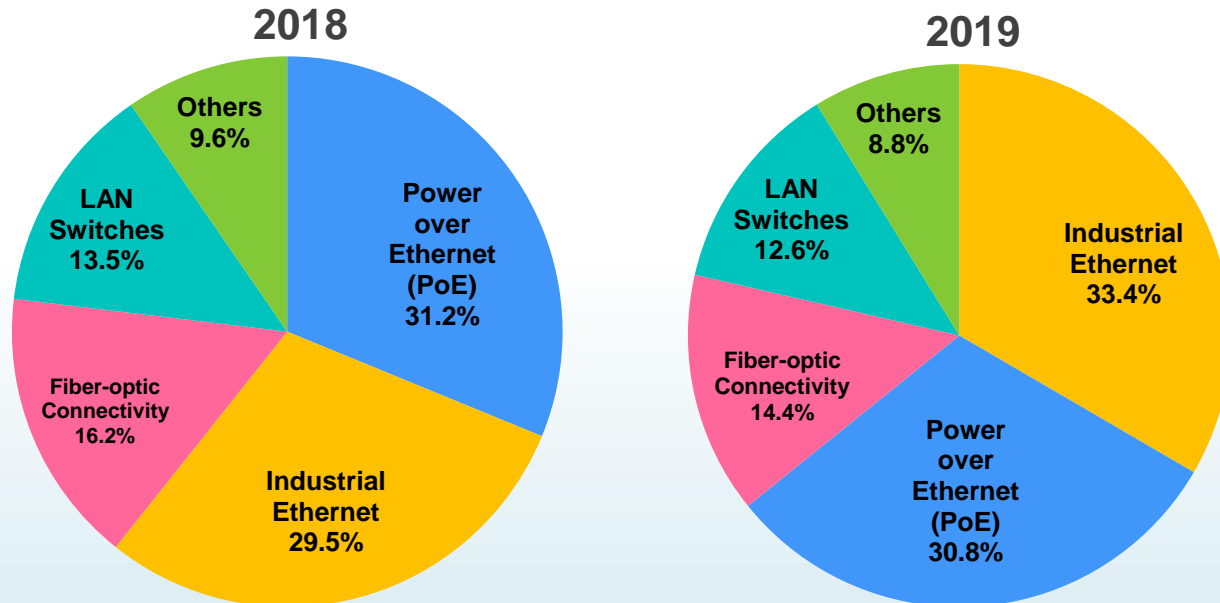
Business Performance

2019 Revenues Classified by Area



2019 Revenues Classified by Product

- 2019's Industrial Ethernet revenue growth increased by 11.8%, compared to 2018



Remarks: "Others" include Network Security, Broadband Communication, Wireless LANs, VoIP, IP Surveillance, Network Peripherals.

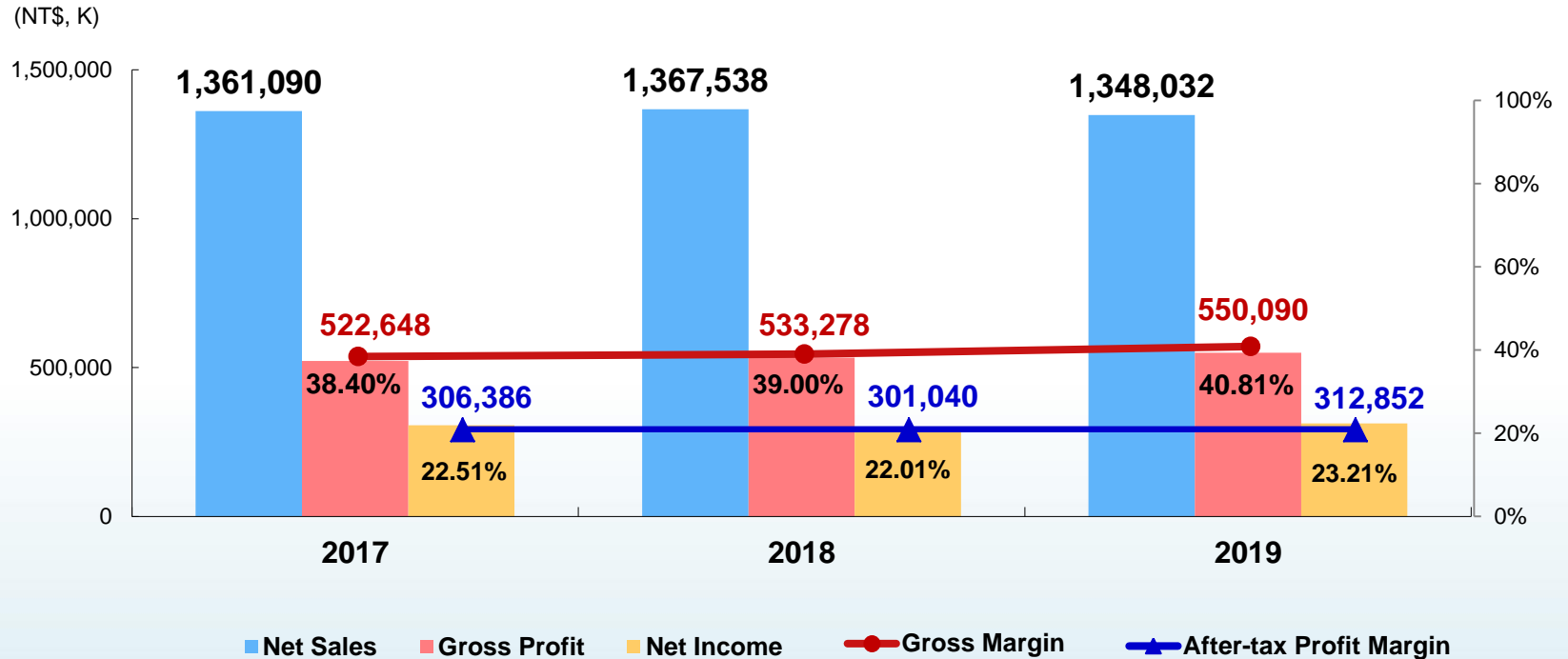
Financial Result

Consolidated Financial Results 2019

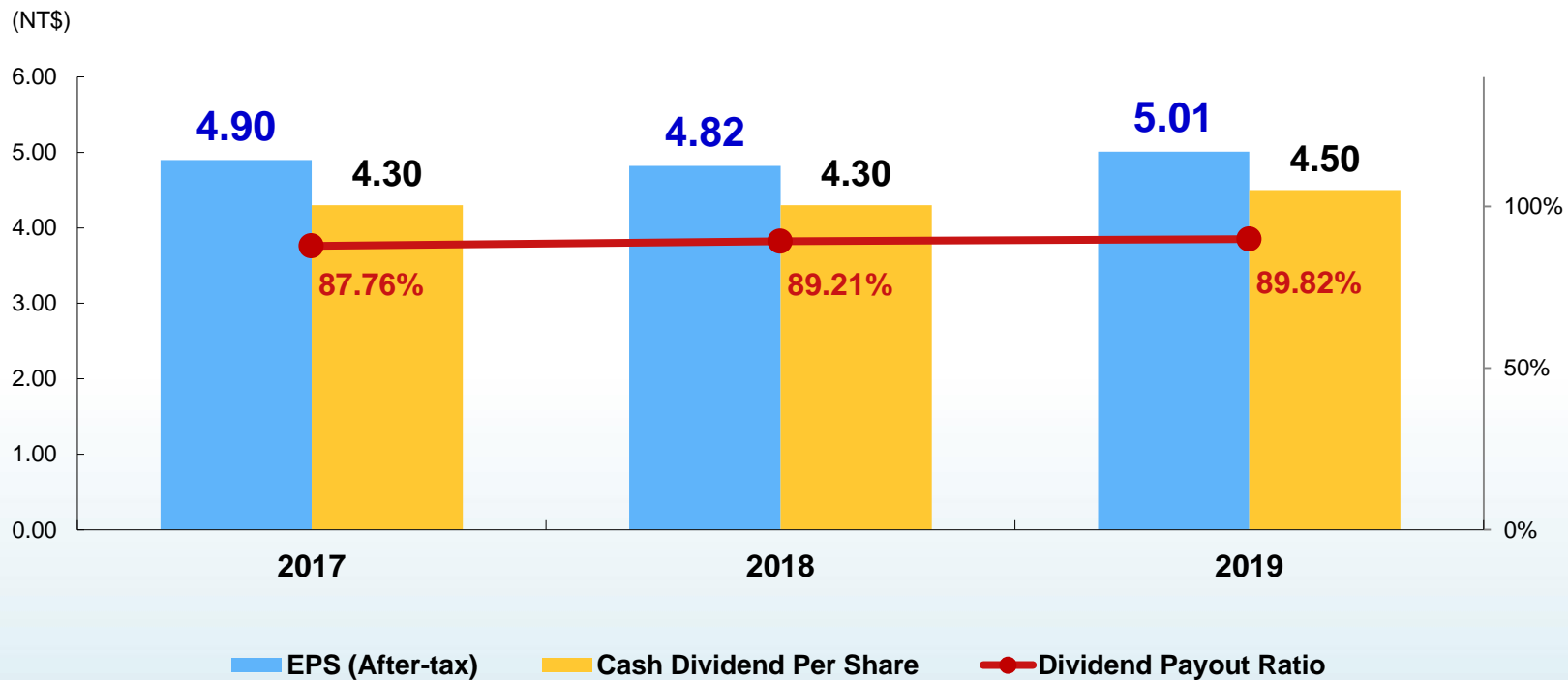
(NT\$, K)

Indicator \ Year	2018	%	2019	%	YoY
Net Sales	1,367,538	100.00%	1,348,032	100.00%	-1.43%
Cost of Goods sold	834,260	61.00%	797,942	59.19%	-4.35%
Gross Profit	533,278	39.00%	550,090	40.81%	3.15%
Operating Expense	183,571	13.42%	185,250	13.74%	0.91%
Operating Income	349,707	25.58%	364,840	27.07%	4.33%
Net of Non-operating Income (Loss)	17,283	1.26%	16,488	1.22%	-4.60%
Income Before Taxes	366,990	26.84%	381,328	28.29%	3.91%
Net Income	301,040	22.01%	312,852	23.21%	3.92%
EPS (After taxes)	4.82		5.01		

Consolidated Financial Results 2019



Cash Dividend 2019



* The distribution of cash dividend of 2019 profits has been approved by the Board of Directors on 2020/04/30.

Key Financial Ratios

Indicator \ Year	2017	2018	2019
AR Turnover (Days)	20	24	24
Inventory Turnover (Days)	97	102	107
Current Ratio	585%	559%	565%
Debt Ratio	17%	18%	19%
ROE	25%	23%	24%
Cash Flow Ratio	103%	103%	124%

Consolidated Financial Results

Q1, 2020

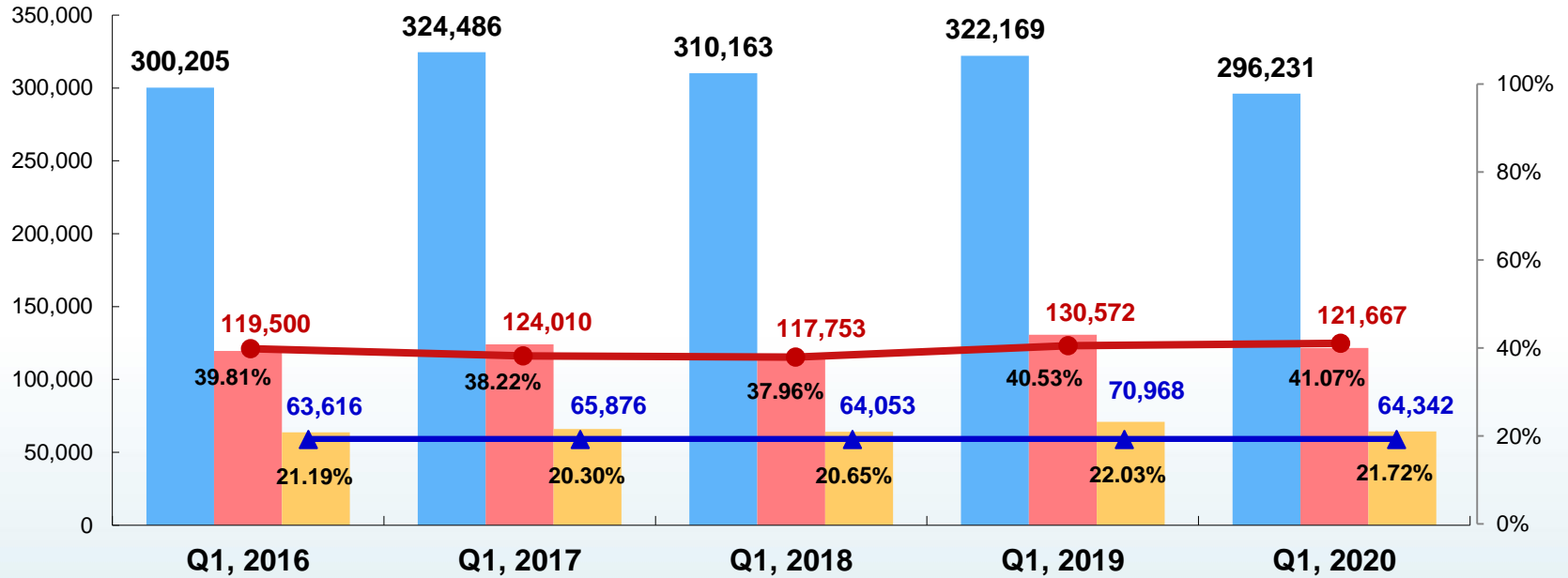
(NT\$, K)

Indicator	Quarter	Q1, 2019	%	Q1, 2020	%	YoY
Net Sales		322,169	100.00%	296,231	100.00%	-8.05%
Cost of Goods sold		191,597	59.47%	174,564	58.93%	-8.89%
Gross Profit		130,572	40.53%	121,667	41.07%	-6.82%
Operating Expense		46,921	14.56%	46,570	15.72%	-0.75%
Operating Income		83,651	25.97%	75,097	25.35%	-10.23%
Net of Non-operating Income (Loss)		4,508	1.40%	4,038	1.36%	-10.43%
Income Before Taxes		88,159	27.37%	79,135	26.71%	-10.24%
Net Income		70,968	22.03%	64,342	21.72%	-9.34%
EPS (After taxes)		1.14		1.03		

Consolidated Financial Results

Q1, 2020

(NT\$, K)



■ Net Sales
 ■ Gross Profit
 ■ Net Income
 —●— Gross Margin
 —▲— After-tax Profit Margin

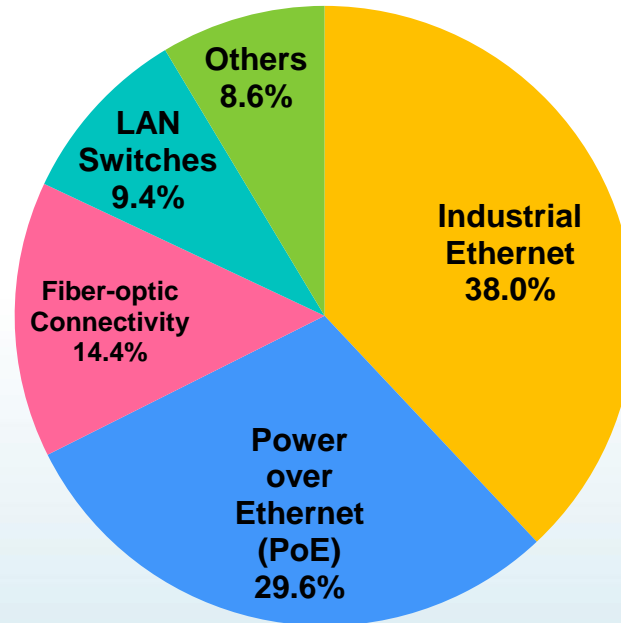
Key Financial Ratios

Q1, 2020

Indicator \ Quarter	Q1, 2016	Q1, 2017	Q1, 2018	Q1, 2019	Q1, 2020
Gross Margin	39.81%	38.22%	37.96%	40.53%	41.07%
Operating Income Margin	24.79%	24.85%	23.63%	25.97%	25.35%
After-tax Profit Margin	21.19%	20.30%	20.65%	22.03%	21.72%
Debt Ratio	15.55%	17.50%	17.25%	19.56%	17.79%
Current Ratio	646.55%	575.61%	586.58%	542.56%	588.54%
EPS	1.02	1.05	1.02	1.14	1.03

Jan.-Apr., 2020 Revenues

- **Jan.-Apr., 2020 Revenues: NT\$372,039K**



Future Business Strategy

Opportunities & Challenges

Opportunities

- **Smart networking, 5G communications**
- **Remote networking for accelerated operations**
- **MIT branding for global market expansion**

Challenges

- **Developments of IoT, cross-domain communication and security**
- **Overall economic development is uncertain amid the COVID-19 outbreak**

Future Business Strategy

- **Strengthen global branding with digital marketing**
- **Flexibly adjust distribution channel strategy corresponding to market changes**
- **Integrate cross-domain communications with innovative technology**
- **Continually extend the product development for IoT and IIoT network infrastructures**

Recent Achievements and Milestones

2019 Achievements and Milestones - Product Innovation

- Received 'Taiwan Excellence Awards' for 17 consecutive years (2004 - 2020)
- Network Management System and Equipment awarded '2020 Taiwan Excellence Award'



2019 Achievements and Milestones - Entrepreneurship & Corporate Governance

- Received 'Potential Taiwan Mittelstand Award' (MOEA, 2019)
- Chairman & CEO granted 'Asia Pacific Entrepreneurship Awards' under the Outstanding category (Enterprise Asia, 2019)
- Chairman & CEO granted 'Taiwan EY Sustainable Leader Entrepreneur Of The Year' (Ernst & Young, 2019)



2019 Achievements and Milestones - CSR

- **Awarded ‘Taiwan Mittelstand for Workplace Friendliness’ again**
(MOEA, 2015, 2019)
- **Received ‘Corporate Citizenship Award’ for 13 consecutive years**
(2007 ~ 2019)
- **Honored ‘Asia Responsible Enterprise Awards’** (Enterprise Asia, 2019)





Thank You

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