



Sercomm Corporation

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Sercomm Announces 2nd Quarter Financial Results

Taipei, Taiwan, 5th August 2022 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the second quarter of year 2022.

Consolidated net sales for the second quarter of year 2022 were NT\$15.2 billion, which represents a 52% year-over-year increase compared to NT\$10 billion for 2Q 2021. Operating profit for 2Q'22 was \$565 million, which represents a 191% year-over-year increase over NT\$194 million for the second quarter of year 2021. Net income attributable to owners of parent for 2Q'22 were NT\$452 million, which represents a 174% increase compared to NT\$165 million for the 2Q 2021. Based on 252 million weighted average shares, EPS were reported as NT\$1.79 for the 2nd quarter of year 2022.

On consolidated basis, net sales for the first half of year 2022 were reported as NT\$27.9 billion, which represents a 42% year-over-year increase over NT\$19.6 billion for the first half of year 2021. Operating profit for the 1H'22 were NT\$940 million, which represents a 155% year-over-year increase over NT\$369 million for the 1H'21. Net income attributable to owners of parent for 1H'22 were NT\$779 million, which represents a 155% increase compared to NT\$305 million for the same period of last year. Based on 252 million weighted average shares, earnings per share (EPS) for the first half of year 2022 were reported as NT\$3.09.

Table 1: 2Q 2022 Statement of Comprehensive Income

(In NT\$MN)	2Q 2022		2Q 2021		Change
	Amount	%	Amount	%	
Net Revenue	15,216	100.0%	10,004	100.0%	52.1%
Cost of Goods Sold	13,209	86.8%	8,710	87.1%	51.7%
Gross Profit	2,007	13.2%	1,294	12.9%	55.1%
Operating Expenses	1,442	9.5%	1,100	11.0%	31.1%
Operating Profit	565	3.7%	194	1.9%	191.2%
Non-operating Income & Expenses	-17	-0.1%	-19	-0.2%	10.5%
Income before Tax	548	3.6%	175	1.7%	213.1%
Net Income Attributable to Owners of Parent	452	3.0%	165	1.6%	173.9%
EPS (NTD\$1)*	1.79		0.66		

* Based on weighted average shares: 252,390 thousand shares for 2Q 2022 and 250,112 thousand shares for 1Q 2021

Table 2: 1H 2022 Statement of Comprehensive Income

(In NT\$MN)	1H 2022		1H 2021		Change
	Amount	%	Amount	%	
Net Revenue	27,890	100.0%	19,602	100.0%	42.3%
Cost of Goods Sold	24,242	86.9%	17,033	86.9%	42.3%
Gross Profit	3,648	13.1%	2,569	13.1%	42.0%
Operating Expenses	2,708	9.7%	2,200	11.2%	23.1%
Operating Profit	940	3.4%	369	1.9%	154.7%
Non-operating Income & Expenses	-11	0.0%	-22	-0.1%	50.0%
Income before Tax	929	3.4%	347	1.8%	167.7%
Net Income Attributable to Owners of Parent	779	2.8%	305	1.6%	155.4%
EPS (NTD\$1)*	3.09		1.22		

* Based on weighted average shares: 252,390 thousand shares for 1H 2022 and 250,112 thousand shares for 1H 2021

Table 3: Balance Sheet

(In NT\$MN)	June 30, 2022		Dec 31, 2021		June 30, 2021	
	Amount	%	Amount	%	Amount	%
Cash Equivalents	6,135	15.0%	5,473	15.9%	6,156	19.2%
A/R	8,235	20.0%	6,300	18.3%	5,634	17.5%
Inventory	17,955	43.8%	14,215	41.3%	11,956	37.2%
Other Current Assets	1,980	4.8%	1,956	5.7%	2,303	7.2%
Non-current Assets	6,712	16.4%	6,450	18.8%	6,085	18.9%
Total Assets	41,017	100.0%	34,394	100.0%	32,134	100.0%
Short-term Borrowings	3,712	9.1%	3,209	9.3%	3,028	9.4%
A/P	15,976	38.9%	13,041	37.9%	12,715	39.6%
Other Current Liabilities	4,732	11.5%	4,504	13.1%	4,216	13.1%
Total Current Liabilities	24,420	59.5%	20,754	60.3%	19,959	62.1%
Non-current Liabilities	7,730	18.9%	5,396	15.7%	4,033	12.6%
Total Liabilities	32,150	78.4%	26,151	76.0%	23,992	74.7%
Total Equity	8,867	21.6%	8,243	24.0%	8,142	25.3%

About Sercomm Corporation

Sercomm Corporation (TWSE: 5388) is a worldwide leading manufacturer of telecom and broadband equipment. Founded in 1992, Sercomm has focused on developing embedded solutions to make networking simple and affordable. Headquartered in Taipei, Taiwan, Sercomm's global operation network covers markets in North America, Europe, and the Asia Pacific region. Its customer base includes the world's top ODMs, telecommunication vendors, and system integrators. Sercomm posted sales revenue of NT\$43.9 BN in 2021 (approximately US\$1.6 BN). For more information, please visit www.sercomm.com.

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