



Sercomm Corporation

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Sercomm Announces fourth Quarter Financial Results

Taipei, Taiwan, 5th March 2024 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the fourth quarter of year 2023.

Consolidated net sales for the fourth quarter of year 2023 were NT\$15.6 billion, which represents a 15.1% year-over-year decrease compared to NT\$18.4 billion for 4Q 2022. Operating profit for 4Q'23 was NT\$888.9 million, which represents a 12.6 % year-over-year increase over NT\$789.7 million for the fourth quarter of year 2022. Net income attributable to owners of parent for 4Q'23 was NT\$698.1 million, which represents a 13.9 % increase compared to NT\$613 million for the 4Q 2022. Based on 260 million weighted average shares, EPS were reported as NT\$2.68 for the fourth quarter of year 2023.

On consolidated basis, net sales for the year 2023 were reported as NT\$62.58 billion, which represents a 3.1 % year-over-year decrease over NT\$64.57 billion for the year 2022. Operating profit for the year of 2023 were NT\$3,113.5 million, which represents a 28.8 % year-over-year increase over NT\$2,417.6 million for the year 2022. Net income attributable to owners of parent for the year 2023 were NT\$2,386.3 million, which represents a 24.3 % increase compared to NT\$1,919.4 million for the same period of last year. Based on 260 million weighted average shares, earnings per share (EPS) for the year 2023 were reported as NT\$9.17.

Table 1: 4Q 2023 Statement of Comprehensive Income

(In NT\$MN)	4Q 2023		4Q 2022		Change
	Amount	%	Amount	%	
Net Revenue	15,634	100.0%	18,407	100.0%	-15.1%
Cost of Goods Sold	12,587	80.5%	15,859	86.2%	-20.6%
Gross Profit	3,047	19.5%	2,548	13.8%	19.6%
Operating Expenses	2,158	13.8%	1,758	9.6%	22.7%
Operating Profit	889	5.7%	790	4.3%	12.6%
Non-operating Expenses	6	0.0%	-47	-0.3%	112.0%
Income before Tax	895	5.7%	742	4.0%	20.5%
Net Income Attributable to Owners of Parent	698	4.5%	613	3.3%	13.9%
EPS (NTD\$1)*	2.68		2.42		

* Based on weighted average shares: 260,359 thousand shares for 2023 and 253,558 thousand shares for 2022

Table 2: 2023 Statement of Comprehensive Income

(In NT\$MN)	2023		2022		Change
	Amount	%	Amount	%	
Net Revenue	62,584	100.0%	64,574	100.0%	-3.1%
Cost of Goods Sold	52,322	83.6%	55,955	86.7%	-6.5%
Gross Profit	10,262	16.4%	8,619	13.3%	19.1%
Operating Expenses	7,149	11.4%	6,201	9.6%	15.3%
Operating Profit	3,114	5.0%	2,418	3.7%	28.8%
Non-operating Expenses	-128	-0.2%	-98	-0.2%	30.6%
Income before Tax	2,986	4.8%	2,320	3.5%	28.7%
Net Income Attributable to Owners of Parent	2,386	3.8%	1,919	3.0%	24.3%
EPS (NTD\$1)*	9.17		7.57		

* Based on weighted average shares: 260,359 thousand shares for 2023 and 253,558 thousand shares for 2022

Table 3: Balance Sheet

(In NT\$MN)	Dec. 31, 2023		Sep. 30, 2023		Dec 31, 2022	
	Amount	%	Amount	%	Amount	%
Cash Equivalents	8,831	18.5%	7,586	17.0%	8,023	18.1%
A/R	11,581	24.2%	11,892	26.7%	10,718	24.2%
Inventory	17,533	36.7%	16,556	37.2%	16,844	38.0%
Other Current Assets	2,315	4.9%	1,218	2.7%	1,793	4.1%
Non-current Assets	7,505	15.7%	7,297	16.4%	6,898	15.6%
Total Assets	47,765	100.0%	44,549	100.0%	44,276	100.0%
Short-term Borrowings	430	0.9%	2,076	4.7%	1,640	3.7%
A/P	17,009	35.6%	17,204	38.6%	18,777	42.4%
long-term liabilities, Current Portion	2,300	4.8%	2,300	5.2%	-	-
Other Current Liabilities	8,598	18.0%	6,729	15.1%	6,254	14.1%
Total Current Liabilities	28,337	59.3%	28,309	63.6%	26,671	60.2%
Non-current Liabilities	6,211	13.0%	4,777	10.7%	7,803	17.6%
Total Liabilities	34,548	72.3%	33,086	74.3%	34,474	77.9%
Total Equity	13,217	27.7%	11,463	25.7%	9,802	22.1%

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\$62.6 BN in 2023 (approximately US\$2 BN). For more information, please visit <https://www.sercomm.com>.

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