


Sercomm Corporation

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Sercomm Announces 3rd Quarter Financial Results

Taipei, Taiwan, 10th November 2022 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the third quarter of year 2022.

On consolidated basis, net sales for the third quarter of year 2022 were NT\$18.3 billion, which represents a 65% year-over-year increase compared to NT\$11.1 billion for 3Q'21. Operating profit for 3Q'22 were NT\$688 million, which represents a 194% increase over NT\$234 million for the third quarter of year 2021. Net income attributable to owners of parent for 3Q'22 were NT\$528 million, which also represents a 189% increase compared to NT\$183 million for the 3Q 2021. Based on 252 million weighted average shares, earnings per share (EPS) were reported as NT\$2.09 for the 3rd quarter of year 2022.

Consolidated net sales from January to September of year 2022 were reported as NT\$46.2 billion, which represents a 50% increase over NT\$30.7 billion for the first three quarters of 2021. Operating profit for the first three quarters of 2022 were NT\$1.6 billion, which represents a 170% year-over-year increase over NT\$603 million for the same period of last year. Net income attributable to owners of parent for first three quarters of 2022 were NT\$1.3 billion, which also represents a 168% increase compared to NT\$488 million for the same period of last year. Based on 252 million weighted average shares, EPS for the first three quarters of year 2022 were reported as NT\$5.18.

Table 1: 3Q 2022 Statement of Comprehensive Income

(In NT\$MN)	3Q 2022		3Q 2021		Change
	Amount	%	Amount	%	
Net Revenue	18,277	100.0%	11,100	100.0%	64.7%
Cost of Goods Sold	15,854	86.7%	9,643	86.9%	64.4%
Gross Profit	2,423	13.3%	1,457	13.1%	66.3%
Operating Expenses	1,735	9.5%	1,223	11.0%	41.9%
Operating Profit	688	3.8%	234	2.1%	194.0%
Non-operating Income & Expenses	-50	-0.3%	8	0.1%	-725.0%
Income before Tax	638	3.5%	242	2.2%	163.6%
Net Income Attributable to Owners of Parent	528	2.9%	183	1.6%	188.5%
EPS (NTD\$1)*	2.09		0.73		

* Based on weighted average shares: 252,390 thousand shares for Q3 2022 and 250,112 thousand shares for Q3 2021

Table 2: Cumulative Statement of Comprehensive Income

(In NT\$MN)	Jan.-Sep. 2022		Jan.-Sep. 2021		Change
	Amount	%	Amount	%	
Net Revenue	46,167	100.0%	30,702	100.0%	50.4%
Cost of Goods Sold	40,096	86.9%	26,676	86.9%	50.3%
Gross Profit	6,071	13.2%	4,026	13.1%	50.8%
Operating Expenses	4,443	9.6%	3,423	11.1%	29.8%
Operating Profit	1,628	3.5%	603	2.0%	170.0%
Non-operating Income & Expenses	-61	-0.1%	-14	0.0%	-335.7%
Income before Tax	1,567	3.4%	589	2.0%	166.0%
Net Income Attributable to Owners of Parent	1,306	2.8%	488	1.6%	167.6%
EPS (NTD\$1)*	5.18		1.95		

* Based on weighted average shares: 252,390 thousand shares for Jan.-Sep. 2022 and 250,112 thousand shares for Jan.-Sep. 2021

Table 3: Balance Sheet

(In NT\$MN)	Sep 30, 2022		Dec 31, 2021		Sep 30, 2021	
	Amount	%	Amount	%	Amount	%
Cash Equivalents	7,577	16.8%	5,473	15.9%	6,231	17.8%
A/R	10,254	22.7%	6,300	18.3%	5,747	16.4%
Inventory	18,172	40.3%	14,215	41.3%	14,866	42.4%
Other Current Assets	2,284	5.1%	1,956	5.7%	2,197	6.3%
Non-current Assets	6,822	15.1%	6,450	18.8%	6,003	17.1%
Total Assets	45,109	100.0%	34,394	100.0%	35,044	100.0%
Short-term Borrowings	2,956	6.6%	3,209	9.3%	5,103	14.6%
A/P	18,536	41.1%	13,041	37.9%	14,181	40.5%
Other Current Liabilities	5,942	13.1%	4,504	13.1%	3,975	11.3%
Total Current Liabilities	27,434	60.8%	20,754	60.3%	23,259	66.4%
Non-current Liabilities	8,041	17.8%	5,396	15.7%	4,031	11.5%
Total Liabilities	35,475	78.6%	26,150	76.0%	27,290	77.9%
Total Equity	9,634	21.4%	8,244	24.0%	7,754	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\$43.9 BN in 2021 (approximately US\$1.6 BN). For more information, please visit www.sercomm.com.

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