


**Sercomm Corporation**

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## Sercomm Announces 3<sup>rd</sup> Quarter Financial Results

Taipei, Taiwan, 10<sup>th</sup> November 2021 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the third quarter of year 2021.

On consolidated basis, net sales for the third quarter of year 2021 were NT\$11.1 billion, which represents an 11% quarter-over-quarter increase compared to NT\$10 billion for 2Q'21. Operating profit for 3Q'21 were NT\$234 million, which represents a 21% increase over NT\$194 million for the second quarter of year 2021. Net income attributable to owners of parent for 3Q'21 were NT\$183 million, which also represents an 11% increase compared to NT\$165 million for the 2Q 2021. Based on 250 million weighted average shares, earnings per share (EPS) were reported as NT\$0.73 for the 3rd quarter of year 2021.

Consolidated net sales from January to September of year 2021 were reported as NT\$30.7 billion, which represents a 20% increase over NT\$25.5 billion for the first three quarters of 2021. Operating profit and net income attributable to owners of parent for the first three quarters of 2021 were NT\$603 million and NT\$488 million. Based on 250 million weighted average shares, EPS for the first three quarters of year 2021 were reported as NT\$1.95.

**Table 1: 3Q 2021 Statement of Comprehensive Income**

(In NT\$MN)	3Q 2021		2Q 2021		Change
	Amount	%	Amount	%	
Net Revenue	11,100	100.0%	10,004	100.0%	11.0%
Cost of Goods Sold	9,643	86.9%	8,710	87.1%	10.7%
Gross Profit	1,457	13.1%	1,294	12.9%	12.6%
Operating Expenses	1,223	11.0%	1,100	11.0%	11.2%
Operating Profit	234	2.1%	194	1.9%	20.6%
Non-operating Income & Expenses	8	0.1%	-19	-0.2%	142.1%
Income before Tax	242	2.2%	175	1.7%	38.3%
Net Income Attributable to Owners of Parent	183	1.6%	165	1.6%	10.9%
EPS (NTD\$1)*	0.73		0.66		

\* Based on weighted average shares: 250,112 thousand shares for Q3 2021 and 250,112 thousand shares for Q2 2021

**Table 2: Cumulative Statement of Comprehensive Income**

(In NT\$MN)	Jan.-Sep. 2021		Jan.-Sep. 2020		Change
	Amount	%	Amount	%	
Net Revenue	30,702	100.0%	25,518	100.0%	20.3%
Cost of Goods Sold	26,676	86.9%	21,662	84.9%	23.1%
Gross Profit	4,026	13.1%	3,856	15.1%	4.4%
Operating Expenses	3,423	11.1%	3,101	12.1%	10.4%
Operating Profit	603	2.0%	755	3.0%	-20.1%
Non-operating Income & Expenses	-14	0.0%	1	0.0%	-1500.0%
Income before Tax	589	2.0%	756	3.0%	-22.1%
Net Income Attributable to Owners of Parent	488	1.6%	606	2.4%	-19.5%
EPS (NTD\$1)*	1.95		2.44		

\* Based on weighted average shares: 250,112 thousand shares for Jan.-Sep. 2021 and 247,881 thousand shares for Jan.-Sep. 2020

**Table 3: Balance Sheet**

(In NT\$MN)	Sep 30, 2021		Dec 31, 2020		Sep 30, 2020	
	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalents	6,231	17.8%	7,219	23.6%	6,475	23.2%
A/R	5,747	16.4%	5,800	19.0%	6,699	24.0%
Inventory	14,866	42.4%	8,805	28.8%	6,939	24.9%
Other Current Assets	2,197	6.3%	2,559	8.3%	1,874	6.7%
Non-current Assets	6,003	17.1%	6,196	20.3%	5,898	21.2%
Total Assets	35,044	100.0%	30,579	100.0%	27,885	100.0%
Loan	5,103	14.6%	1,745	5.7%	1,468	5.3%
A/P	14,181	40.5%	12,970	42.4%	10,691	38.3%
Lease Liability	53	0.1%	161	0.5%	696	2.5%
Corporate Bond Payable	3,700	10.6%	3,700	12.1%	3,700	13.3%
Other Payable & Liabilities	4,253	12.1%	4,283	14.1%	3,974	14.2%
Total Liabilities	27,290	77.9%	22,859	74.8%	20,529	73.6%
Total Equity	7,754	22.1%	7,720	25.2%	7,356	26.4%

**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\$36.1 BN in 2020 (approximately US\$1.27 BN). For more information, please visit [www.sercomm.com](http://www.sercomm.com).

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