


Sercomm Corporation

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Sercomm Announces 2nd Quarter Financial Results

Taipei, Taiwan, 11th August 2021 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the second quarter of year 2021.

Consolidated net sales for the second quarter of year 2021 were NT\$10 billion, which represents a 4% quarter-over-quarter increase compared to NT\$9.6 billion for 1Q 2021. Operating profit for 2Q'21 was \$194 million, which represents a 12% quarter-over-quarter increase over NT\$174 million for the first quarter of year 2021. Net income attributable to owners of parent for 2Q'21 were NT\$165 million, which represents a 19% increase compared to NT\$139 million for the 1Q 2021. Based on 250 million weighted average shares, EPS were reported as NT\$0.66 for the 2nd quarter of year 2021.

On consolidated basis, net sales for the first half of year 2021 were reported as NT\$19.6 billion, which represents a 22% year-over-year increase over NT\$16.1 billion for the first half of year 2020. Operating profit and net income attributable to owners of parent for the 1H'21 were NT\$369 million and NT\$305 million, respectively. Based on 250 million weighted average shares, earnings per share (EPS) for the first half of year 2021 were reported as NT\$1.22.

Table 1: 2Q 2021 Statement of Comprehensive Income

(In NT\$MN)	2Q 2021		1Q 2021		Change
	Amount	%	Amount	%	
Net Revenue	10,004	100.0%	9,598	100.0%	4.2%
Cost of Goods Sold	8,710	87.1%	8,323	86.7%	4.6%
Gross Profit	1,294	12.9%	1,275	13.3%	1.5%
Operating Expenses	1,100	11.0%	1,101	11.5%	-0.1%
Operating Profit	194	1.9%	174	1.8%	11.5%
Non-operating Income & Expenses	-19	-0.2%	-2	0.0%	-850.0%
Income before Tax	175	1.7%	172	1.8%	1.7%
Net Income Attributable to Owners of Parent	165	1.6%	139	1.4%	18.7%
EPS (NTD\$1)*	0.66		0.56		

* Based on weighted average shares: 250,112 thousand shares for 2Q 2021 and 249,055 thousand shares for 1Q 2021

Table 2: 1H 2021 Statement of Comprehensive Income

(In NT\$MN)	1H 2021		1H 2020		Change
	Amount	%	Amount	%	
Net Revenue	19,602	100.0%	16,056	100.0%	22.1%
Cost of Goods Sold	17,033	86.9%	13,708	85.4%	24.3%
Gross Profit	2,569	13.1%	2,348	14.6%	9.4%
Operating Expenses	2,200	11.2%	1,953	12.2%	12.6%
Operating Profit	369	1.9%	395	2.4%	-6.6%
Non-operating Income & Expenses	-22	-0.1%	10	0.1%	-320.0%
Income before Tax	347	1.8%	405	2.5%	-14.3%
Net Income Attributable to Owners of Parent	305	1.6%	328	2.0%	-7.0%
EPS (NTD\$1)*	1.22		1.32		

* Based on weighted average shares: 250,112 thousand shares for 1H 2021 and 248,293 thousand shares for 1H 2020

Table 3: Balance Sheet

(In NT\$MN)	June 30, 2021		Dec 31, 2020		June 30, 2020	
	Amount	%	Amount	%	Amount	%
Cash Equivalents	6,156	19.2%	7,219	23.6%	6,312	24.2%
A/R	5,634	17.5%	5,800	19.0%	6,512	25.0%
Inventory	11,956	37.2%	8,805	28.8%	6,469	24.9%
Other Current Assets	2,303	7.2%	2,559	8.3%	1,334	5.1%
Non-current Assets	6,085	18.9%	6,196	20.3%	5,417	20.8%
Total Assets	32,134	100.0%	30,579	100.0%	26,044	100.0%
Loan	3,028	9.4%	1,745	5.7%	1,860	7.1%
A/P	12,715	39.6%	12,970	42.4%	9,848	37.8%
Leasehold Payable	117	0.4%	161	0.5%	352	1.4%
Corporate Bond Payable	3,700	11.5%	3,700	12.1%	2,300	8.8%
Other Payable & Liabilities	4,432	13.8%	4,283	14.1%	4,813	18.5%
Total Liabilities	23,992	74.7%	22,859	74.8%	19,173	73.6%
Total Equity	8,142	25.3%	7,720	25.2%	6,871	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.

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