


Sercomm Corporation

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Sercomm Announces Full Year 2020 Financial Results

Taipei, Taiwan, 24th March 2021 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the fourth quarter and full year 2020.

Consolidated net sales for 2020 were reported as NT\$36.1 billion, which represents a 14% increase over NT\$31.8 billion for year 2019. Operating profit for 2019 were NT\$1.14 billion, which represents a 15% year-over-year increase over NT\$987 million for 2019. Net income attributable to owners of parent for 2020 were NT\$907 million, which represents a 12% decrease compared to NT\$1.03 billion for 2019. Based on 248 million weighted average shares, earnings per share (EPS) for year 2020 were reported as NT\$3.66.

On consolidated basis, net sales for the fourth quarter of year 2020 were NT\$10.58 billion, which represents a 11% increase compared to NT\$9.56 billion for the fourth quarter of year 2019. Operating profit for 4Q'20 were NT\$380 million, which represents a 56% year-over-year increase over NT\$244 million for 4Q'19. Net income attributable to owners of parent for 4Q'20 were NT\$302 million, which represents a 14% decrease compared to NT\$351 million for 4Q'19. Based on 248 million weighted average shares, EPS were reported as NT\$1.22 for the 4th quarter of year 2020.

Table 1: 2020 Statement of Comprehensive Income

(In NT\$MN)	2020		2019		Change
	Amount	%	Amount	%	
Net Revenue	36,096	100.0%	31,797	100.0%	13.5%
Cost of Goods Sold	30,657	84.9%	26,718	84.0%	14.7%
Gross Profit	5,439	15.1%	5,079	16.0%	7.1%
Operating Expenses	4,304	11.9%	4,092	12.9%	5.2%
Operating Profit	1,135	3.2%	987	3.1%	15.0%
Non-operating Income & Expenses	-26	-0.1%	291	0.9%	-108.9%
Income before Tax	1,109	3.1%	1,278	4.0%	-13.2%
Net Income Attributable to Owners of Parent	907	2.5%	1,033	3.2%	-12.2%
EPS (NTD\$1)*	3.66		4.21		

* Based on weighted average shares: 247,872 thousand shares for 2020 and 245,582 thousand shares for 2019.

Table 2: 4Q 2020 Statement of Comprehensive Income

(In NT\$MN)	4Q 2020		4Q 2019		Change
	Amount	%	Amount	%	
Net Revenue	10,579	100.0%	9,559	100.0%	10.7%
Cost of Goods Sold	8,996	85.0%	8,147	85.2%	10.4%
Gross Profit	1,583	15.0%	1,412	14.8%	12.1%
Operating Expenses	1,203	11.4%	1,168	12.2%	3.0%
Operating Profit	380	3.6%	244	2.6%	55.7%
Non-operating Income & Expenses	-27	-0.3%	192	2.0%	-114.1%
Income before Tax	353	3.3%	436	4.6%	-19.0%
Net Income Attributable to Owners of Parent	302	2.9%	351	3.7%	-14.0%
EPS (NTD\$1)*	1.22		1.43		

* Based on weighted average shares: 247,872 thousand shares for 4Q20 and 245,582 thousand shares for 4Q19.

Table 3: Balance Sheet

(In NT\$MN)	December 31, 2020		December 31, 2019	
	Amount	%	Amount	%
Cash Equivalents	7,219	23.6%	7,275	27.8%
A/R	5,800	19.0%	5,737	21.9%
Inventory	8,805	28.8%	5,897	22.5%
Other Current Assets	2,559	8.3%	2,515	9.6%
Non-current Assets	6,196	20.3%	4,753	18.2%
Total Assets	30,579	100.0%	26,177	100.0%
Loan	1,745	5.7%	1,257	4.8%
A/P	12,970	42.4%	10,676	40.8%
Leasehold Payable	161	0.5%	397	1.5%
Corporate Bond Payable	3,700	12.1%	2,300	8.8%
Other Payable & Liabilities	4,283	14.1%	3,871	14.8%
Total Liabilities	22,859	74.8%	18,501	70.7%
Total Equity	7,720	25.2%	7,676	29.3%

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\$36.1 BN in 2020 (approximately US\$1.27 BN). For more information, please visit www.sercomm.com.

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