



Sercomm Corporation

8F, No. 3-1, YuanQu St. (Nankang Software Industry Park) Taipei 115, Taiwan
Tel: 886-2-26553988 | Fax: 886-2-66158898 | <http://www.sercomm.com>

Sercomm Announces Full Year 2019 Financial Results

Taipei, Taiwan, 18th March 2020 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipment today announced financial results for the fourth quarter and full year 2019.

Consolidated net sales for 2019 were reported as NT\$31.8 billion, which represents a 5% decrease over NT\$33.39 billion for year 2018. Operating profit for 2019 were NT\$987 million, which represents a 10% year-over-year increase over NT\$900 million for 2018. Net income attributable to owners of parent for 2019 were NT\$1.03 billion, which also represents a 28% increase compared to NT\$808 million for 2018. Based on 246 million weighted average shares, earnings per share (EPS) for year 2019 were reported as NT\$4.21.

On consolidated basis, net sales for the fourth quarter of year 2019 were NT\$9.56 billion, which represents a 6% increase compared to NT\$9.06 billion for the third quarter of year 2019. Operating profit for 4Q'19 were NT\$244 million, which represents a 22% quarter-over-quarter decrease over NT\$312 million for 3Q'19. Net income attributable to owners of parent for 4Q'19 were NT\$351 million, which also represents a 21% increase compared to NT\$290 million for 3Q'19. Based on 246 million weighted average shares, EPS were reported as NT\$1.43 for the 4th quarter of year 2019.

Table 1: 2019 Statement of Comprehensive Income

(In NT\$MN)	2019		2018		Change
	Amount	%	Amount	%	
Net Revenue	31,797	100.0%	33,385	100.0%	-4.8%
Cost of Goods Sold	26,718	84.0%	28,907	86.6%	-7.6%
Gross Profit	5,079	16.0%	4,478	13.4%	13.4%
Operating Expenses	4,092	12.9%	3,578	10.7%	14.4%
Operating Profit	987	3.1%	900	2.7%	9.7%
Non-operating Income & Expenses	291	0.9%	130	0.4%	123.8%
Income before Tax	1,278	4.0%	1,030	3.1%	24.1%
Net Income Attributable to Owners of Parent	1,033	3.2%	808	2.4%	27.8%
EPS (NTD\$1)*	4.21		3.32		

* Based on weighted average shares: 245,582 thousand shares for 2019 and 243,273 thousand shares for 2018

Table 2: 4Q 2019 Statement of Comprehensive Income

(In NT\$MN)	4Q 2019		3Q 2019		Change
	Amount	%	Amount	%	
Net Revenue	9,559	100.0%	9,060	100.0%	5.5%
Cost of Goods Sold	8,147	85.2%	7,730	85.3%	5.4%
Gross Profit	1,412	14.8%	1,330	14.7%	6.2%
Operating Expenses	1,168	12.2%	1,018	11.2%	14.7%
Operating Profit	244	2.6%	312	3.5%	-21.8%
Non-operating Income & Expenses	192	2.0%	43	0.4%	346.5%
Income before Tax	436	4.6%	355	3.9%	22.8%
Net Income Attributable to Owners of Parent	351	3.7%	290	3.2%	21.0%
EPS (NTD\$1)*	1.43		1.18		

* Based on weighted average shares: 245,582 thousand shares for 4Q19 and 245,348 thousand shares for 3Q19

Table 3: Balance Sheet

(In NT\$MN)	December 31, 2019		December 31, 2018	
	Amount	%	Amount	%
Cash Equivalents	7,275	27.8%	5,358	22.9%
A/R	5,737	21.9%	6,541	28.0%
Inventory	5,897	22.5%	5,024	21.5%
Other Current Assets	2,515	9.6%	1,969	8.4%
Non-current Assets	4,753	18.2%	4,476	19.2%
Total Assets	26,177	100.0%	23,368	100.0%
Loan	1,257	4.8%	2,693	11.5%
A/P	10,676	40.8%	9,849	42.2%
Leasehold Payable	397	1.5%	113	0.5%
Corporate Bond Payable	2,300	8.8%	0	0.0%
Other Payable & Liabilities	3,871	14.8%	3,703	15.8%
Total Liabilities	18,501	70.7%	16,358	70.0%
Total Equity	7,676	29.3%	7,010	30.0%

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\$31.8 BN in 2019 (approximately US\$1.1 BN). For more information, please visit www.sercomm.com.

#

Investor Relations Contact

Charlton Chen
Spokesperson
Phone : 886-2-2655-3988
Email : ir@sercomm.com

Grace Liao
Investor Relations Manager
Phone: 886-2-2655-3988 ext. 2103
Email : grace_liao@sercomm.com