

Surge Components, Inc.

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Surge Components rockets after posting surge in fiscal 1Q revenue and profit

Surge Components Inc (OTCMKTS:SPRS), a supplier of electronic products and components, on Monday reported a surge in both its revenue and profit in the fiscal first quarter, driven by improved sales.

The news triggered a sharp rise in the company's share price, which popped by 46% to close at \$2.75 Monday.

In the three months until February 28, the Deer Park, New York company's net income jumped to \$691,297, or \$0.13 per share, compared to \$33,057, or \$0.01 per share, in the year-ago quarter. Its sales, meanwhile, climbed by 20% to \$8.4 million, up from \$7 million in the year-ago quarter.

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In a statement, Surge's CEO Ira Levy attributed the robust performance to an influx of more profitable customers. "Surge is off to an excellent start to 2019," Levy said in a statement. "We delivered year-over-year growth in net sales of 20.4% and a 28.1% increase in gross profit in the first quarter. Driven by a strong sales pipeline of more profitable customers, we also generated a 27.6% gross profit margin."

Looking ahead, Levy is focused on positioning Surge, which makes capacitors, discrete semi-conductors, switches and audible devices, as a top supplier of electronic products and components.

In the wake of the launch of a new sales program in Brazil, Surge's management is now training local sales teams in the region and expects to generate more business there in the coming year. It has also shifted some customer deliveries directly to Hong Kong this year to mitigate the impact of Chinese tariffs on US goods.

In other news, the company's engineering teams are also continuing to develop a pipeline of products within the US to drive sales.

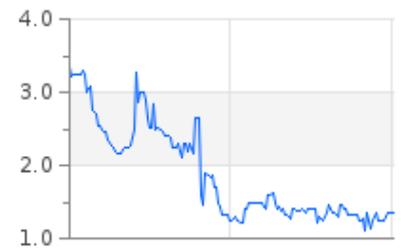
Founded in 1981, Surge has grown into a top supplier of electronic component products. Its product portfolio includes aluminum electrolytic capacitors, film capacitors, discrete semiconductors and switches.

Contact Ellen Kelleher at ellen@proactiveinvestors.com

Price: 1.34

Market Cap: \$7.29 m

1 Year Share Price Graph



September 2019 March 2020 September 2020

Share Information

Code: SPRS

Listing: PINK

52 week	High	Low
	3.35	1.1

Sector: Hardware & electrical equipment

Website: www.surgecomponents.com

Company Synopsis:

Surge Components, Incorporated was founded in 1981, and has grown into a leading supplier of electronic component products. Surge's current product portfolio includes aluminum electrolytic capacitors, film capacitors, MLCC, discrete semiconductors, and switches.

action@proactiveinvestors.com.au

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Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

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