

A microscopic view of a circuit board with various components and a white bar chart overlay on the right side. The bar chart consists of four white rectangular boxes of increasing size, arranged in a descending staircase pattern from top-left to bottom-right. The background is a blue-tinted image of a circuit board with a microscope lens visible in the upper left.

**SCANFIL**

## **Q4 and January – December 2020**

Solid performance in exceptional year. Customer demand picked up towards the year end.

Petteri Jokitalo, CEO, Scanfil Plc

# Highlights Q4

## Q4 2020

154.1 M€ / -0.4%  
Turnover

10.4 M€ / 6.8%  
Adjusted Operating Profit

4.3 M€ / 2.8 %  
Reported operating profit

0.14 / 0.05 €  
adjusted/reported  
Earnings per share

- Customer demand picked up towards year end driven by the Medtec & Life Science, Energy & Automation and Consumer Applications” segments.
- Robust profitability even COVID-19 still caused some extraordinary costs and loss of productivity.
- Consultation negotiations concerning Hamburg ended and the factory will be closed down.

# Highlights 2020

2020

595.3 M€ / 2.7%

Turnover

39.1 M€ / 6.6%

Adjusted Operating Profit

44.4 M€ / 7.5%

Reported Operating Profit

0.50 / 0.57 €

adjusted/reported  
Earnings per share

Q1 – Q4

35.2 M€ / 9.9%

Net cash flow from Operations /  
Net Gearing

- Solid performance in exceptional year
- Hangzhou factory divestment. The decision to close Hamburg factory and continue production in Scanfil's other factories.
- Positive progress in sales and global agreements with Central European customers
- The Board of Directors proposes a dividend of EUR 0.17 (0.15) for the year 2020.

# Q1- Q4: COVID-19 Impacts to Scanfil

- Impacts to Sales: negative impact, mainly on Consumer Applications segments

- Impacts to Operating Profit

- Factory shutdowns in China (Q1): EUR -0.5 million
- Temporary shutdown of the Myslowice factory (Q2): EUR -0.5 million
- Extraordinary costs caused by pandemic: EUR -1,3 million
- Productivity decrease due to sudden changes / loss of sales (partly covered by governments subsidies)

| Scanfil Covid-19 Counter measures usage             |   | Hamb.      | Mahn.      | Myslo.     | Plm.       | Sierad.    | Sievi.     | Suzhou.    | Wuxi.      |
|---|---|------------|------------|------------|------------|------------|------------|------------|------------|
| Latest Review Date (NEXT review before 12th March): |   | 17/01/2020 | 21/02/2020 | 17/02/2020 | 02/03/2020 | 17/02/2020 | 11/03/2020 | 02/03/2020 | 17/02/2020 |
| 00  | <b>Leadership</b>   | X          | X          | X          | X          | X          | X          | X          | X          |
| 01  | Covid-19 crisis management team established / agile decision making                     | X          | X          | X          | X          | X          | X          | X          | X          |
| 02  | Local authorities rules/recommendations followed  | X          | X          | X          | X          | X          | X          | X          | X          |
| 03  | Covid-19 safety plan reviewed locally in weekly basis                                   | X          | X          | X          | X          | X          | X          | X          | X          |
| 04  | Covid-19's in use (Covid cases in Scanfil, incidence rate in country)                   | X          | X          | X          | X          | X          | X          | X          | X          |
| 05  | Instruction on place: People don't come to work if any Covid related symptoms           | X          | X          | X          | X          | X          | X          | X          | X          |
| 06  | Track Covid cases, quarantine and test potentially exposed (or related symptoms)        | X          | X          | X          | X          | X          | X          | X          | X          |
| 07  | Business trips restricted, only with GMT member / MQO approval                          | X          | X          | X          | X          | X          | X          | X          | X          |
| 08  | Minimize visits in factory, only with MQO's approval                                    | X          | X          | X          | X          | X          | X          | X          | X          |
| 09  | Plan to mitigate quarantine / self isolation times by Covid-19 testing (where possible) | X          | X          | X          | X          | X          | X          | X          | X          |
| 10  | Preferential follow up strategies on shop floor by management                           | X          | X          | X          | X          | X          | X          | X          | X          |
| 11  | Rearrange people transportations / guidance   | X          | X          | X          | X          | X          | X          | X          | X          |
| 12  | Recommendation to use national Covid-19 application                                     | X          | X          | X          | X          | X          | X          | X          | X          |
| 13  | <b>Communication</b>  | X          | X          | X          | X          | X          | X          | X          | X          |
| 14  | Weekly face-to-face Covid communication, general information etc.                       | X          | X          | X          | X          | X          | X          | X          | X          |
| 15  | Frequent contacts with infected people  | X          | X          | X          | X          | X          | X          | X          | X          |
| 16  | Enhanced communication with employees for regional Covid situation (min weekly)         | X          | X          | X          | X          | X          | X          | X          | X          |
| 17  | Cooperation model signed and implemented each local authorities / industries            | X          | X          | X          | X          | X          | X          | X          | X          |
| 18  | Active communication with customers and sales team for Covid situation                  | X          | X          | X          | X          | X          | X          | X          | X          |
| 19  | <b>Isolated</b>   | X          | X          | X          | X          | X          | X          | X          | X          |
| 20  | Additional shifts in use based on local risk analysis                                   | X          | X          | X          | X          | X          | X          | X          | X          |
| 21  | Adjustment number of shifts or use / breaks in shifts                                   | X          | X          | X          | X          | X          | X          | X          | X          |
| 22  | Employees separated to isolated groups in the factory                                   | X          | X          | X          | X          | X          | X          | X          | X          |
| 23  | Isolation shift model in use (no T2)  | X          | X          | X          | X          | X          | X          | X          | X          |
| 24  | Personnel who are from business areas marked to get distinguished                       | X          | X          | X          | X          | X          | X          | X          | X          |
| 25  | Additional entrance/exit/food premises in use   | X          | X          | X          | X          | X          | X          | X          | X          |
| 26  | <b>Social</b>   | X          | X          | X          | X          | X          | X          | X          | X          |
| 27  | No handshaking rule on place  | X          | X          | X          | X          | X          | X          | X          | X          |
| 28  | Max 10 people groups inside of 2m social distance (meetings, work stations)             | X          | X          | X          | X          | X          | X          | X          | X          |
| 29  | Max 5 people groups inside of 2m social distance (meetings, work stations)              | X          | X          | X          | X          | X          | X          | X          | X          |
| 30  | Floor markings installed to remind for keeping distances                                | X          | X          | X          | X          | X          | X          | X          | X          |
| 31  | Signs safety instructions (safety distances, hand washing, hand sanitizers, PPE use)    | X          | X          | X          | X          | X          | X          | X          | X          |
| 32  | Layout planned with >2m distance (where possible)                                       | X          | X          | X          | X          | X          | X          | X          | X          |
| 33  | Flex screens on production if social distance <2m                                       | X          | X          | X          | X          | X          | X          | X          | X          |
| 34  | Flex screens on office if social distance <2m   | X          | X          | X          | X          | X          | X          | X          | X          |
| 35  | Carpeters reorganized to keep social distance >2m                                       | X          | X          | X          | X          | X          | X          | X          | X          |
| 36  | Smoking arranged for keeping social distance  | X          | X          | X          | X          | X          | X          | X          | X          |
| 37  | Breaks arranged in smaller separated groups   | X          | X          | X          | X          | X          | X          | X          | X          |
| 38  | People flow planned to minimize T2 (layout plan with one direction corridors)           | X          | X          | X          | X          | X          | X          | X          | X          |
| 39  | <b>Personal protection</b>  | X          | X          | X          | X          | X          | X          | X          | X          |
| 40  | Visible safety instructions ( safety distances, hand washing, hand sanitizers, PPE use) | X          | X          | X          | X          | X          | X          | X          | X          |
| 41  | PPE available   | X          | X          | X          | X          | X          | X          | X          | X          |
| 42  | Safety plans available for different Covid-19 incidence rate levels (green, yellow/red) | X          | X          | X          | X          | X          | X          | X          | X          |
| 43  | Mandatory to use masks (the medical regions face shields/visors can be used)            | X          | X          | X          | X          | X          | X          | X          | X          |
| 44  | Over-pressured masks in use (where applicable)  | X          | X          | X          | X          | X          | X          | X          | X          |
| 45  | One-time gloves in use (where applicable)   | X          | X          | X          | X          | X          | X          | X          | X          |
| 46  | Body temperature measurement in entrances   | X          | X          | X          | X          | X          | X          | X          | X          |
| 47  | Body measurement and masks to visitors  | X          | X          | X          | X          | X          | X          | X          | X          |
| 48  | <b>Cleanliness &amp; Hygiene</b>  | X          | X          | X          | X          | X          | X          | X          | X          |
| 49  | Hygiene responsible assigned  | X          | X          | X          | X          | X          | X          | X          | X          |
| 50  | Enhanced ventilation  | X          | X          | X          | X          | X          | X          | X          | X          |
| 51  | Enhanced sanitation for premises  | X          | X          | X          | X          | X          | X          | X          | X          |
| 52  | Enhanced disinfection of entrance (min weekly basis)                                    | X          | X          | X          | X          | X          | X          | X          | X          |
| 53  | Sensor entrance/exit between shifts   | X          | X          | X          | X          | X          | X          | X          | X          |
| 54  | Disinfection of receiving goods   | X          | X          | X          | X          | X          | X          | X          | X          |
| 55  | Hand drying machines switched off or disinfected twice a day                            | X          | X          | X          | X          | X          | X          | X          | X          |
| 56  | Entrance door handles allow open doors with elbows                                      | X          | X          | X          | X          | X          | X          | X          | X          |
| 57  | Touchless door openings / time card stampings   | X          | X          | X          | X          | X          | X          | X          | X          |
| 58  | Keep doors constantly open where possible   | X          | X          | X          | X          | X          | X          | X          | X          |
| 59  | Use disposable, one-time cutlery  | X          | X          | X          | X          | X          | X          | X          | X          |
| <b># OF MEASURES IN USE</b>                         |   | 50         | 48         | 49         | 51         | 51         | 53         | 51         | 50         |
| <b>TOTAL USAGE SCORE</b>                            |   | 91%        | 89%        | 89%        | 93%        | 93%        | 96%        | 93%        | 91%        |

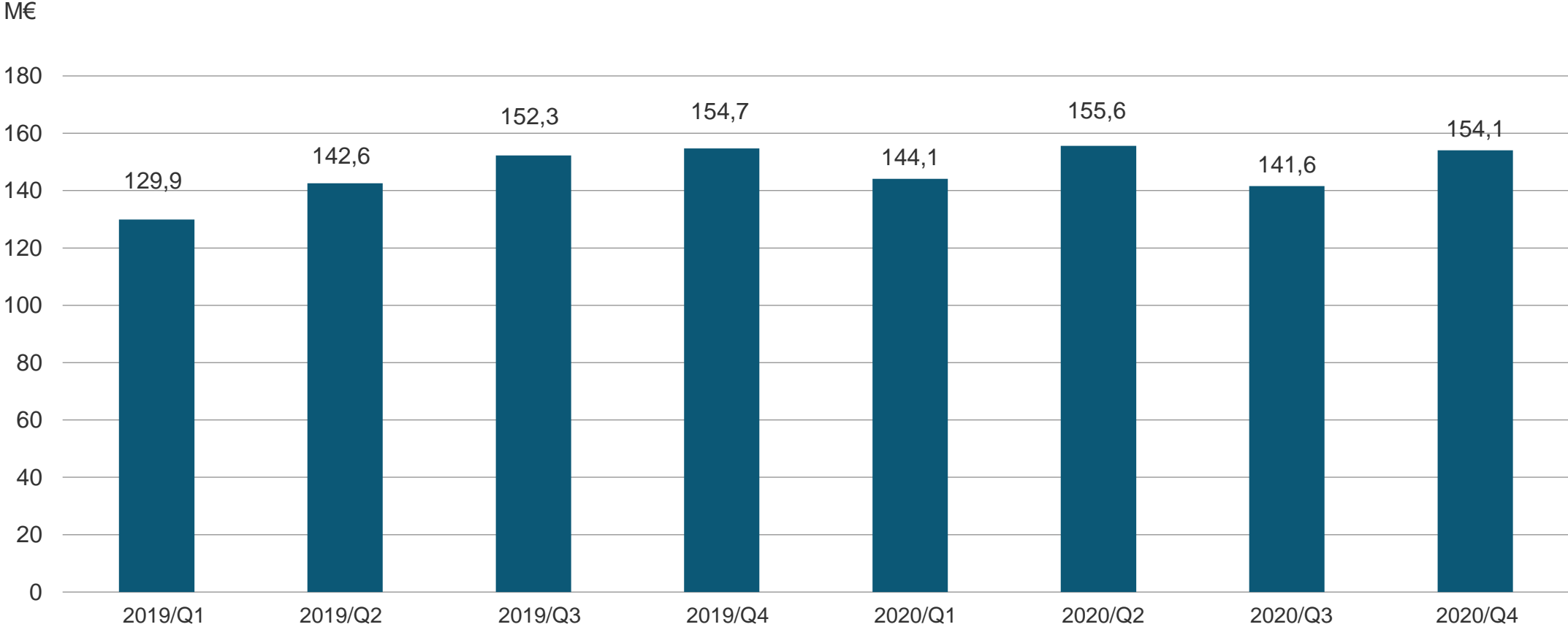
# Customer Segments

| EUR million           | Q4/2019      | 2019         | Q1/2020      | Q2/2020      | Q3/2020      | Q4/2020      | 2020         | % of turnover 2020 |
|-----------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------------|
| Communication         | 20.7         | 79.4         | 22.4         | 28.9         | 20.7         | 19.5         | 91.4         | 15.3 %             |
| Consumer Applications | 28.3         | 107.3        | 18.7         | 20.3         | 21.3         | 27.5         | 87.8         | 14.7 %             |
| Energy & Automation   | 29.4         | 111.3        | 30.7         | 32.6         | 28.9         | 34.6         | 126.7        | 21.3 %             |
| Industrial            | 46.8         | 173.3        | 45.6         | 48.5         | 44.7         | 43.2         | 182.0        | 30.6 %             |
| Medtec & Life Science | 29.4         | 108.1        | 26.7         | 25.3         | 26.1         | 29.3         | 107.4        | 18.0 %             |
| <b>Total</b>          | <b>154.7</b> | <b>579.4</b> | <b>144.1</b> | <b>155.6</b> | <b>141.6</b> | <b>154.1</b> | <b>595.3</b> | <b>100 %</b>       |

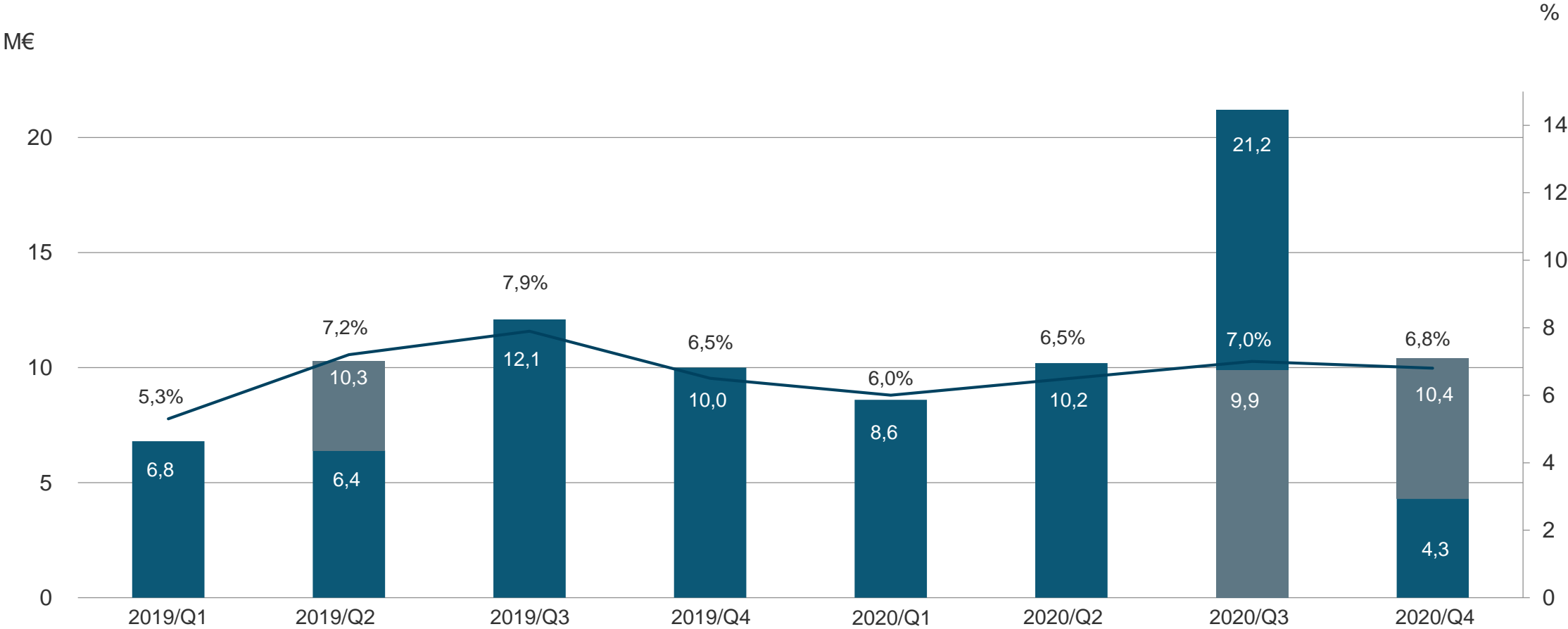
# Key Figures

|  | Q4/2020 | Q4/2019 | Change% | 2020  | 2019  | Change % |
|--|---------|---------|---------|-------|-------|----------|
| Turnover, EUR million                      | 154.1   | 154.7   | -0.4 %  | 595.3 | 579.4 | 2.7 %    |
| Operating Profit, EUR million              | 4.3     | 10.0    | -56.9 % | 44.4  | 35.3  | 25.5 %   |
| Operating Profit, Adjusted, EUR million    | 10.4    | 10.0    | 3.9 %   | 39.1  | 39.4  | -0.7 %   |
| Operating Profit, %                        | 2.8     | 6.5     |         | 7.5   | 6.1   |          |
| Operating Profit, Adjusted, %              | 6.8     | 6.5     |         | 6.6   | 6.8   |          |
| Net Profit, EUR million                    | 3.1     | 9.8     | -68.1 % | 36.9  | 28.1  | 31.4 %   |
| Net Profit, Adjusted, EUR million          | 7.5     | 9.8     | -23.2 % | 32.5  | 32.1  | 1.2 %    |
| Earnings per Share, EUR                    | 0.05    | 0.15    | -67.6 % | 0.57  | 0.44  | 31.2 %   |
| Earnings per Share, Adjusted, EUR          | 0.14    | 0.15    | -4.6 %  | 0.50  | 0.50  | 1.1 %    |
| Return on Equity, %                        |         |         |         | 21.1  | 18.0  |          |
| Return on Equity, Adjusted, %              |         |         |         | 18.4  | 20.4  |          |
| Equity Ratio, %                            |         |         |         | 54.3  | 49.1  |          |
| Net Gearing, %                             |         |         |         | 9.9   | 27.7  |          |
| Net Cash Flow from Operations, EUR million |         |         |         | 35.2  | 35.9  | -1.8 %   |
| Employees (Average)                        |         |         |         | 3 387 | 3 530 | -4.1 %   |

# Turnover Q1/2019 – Q4/2020



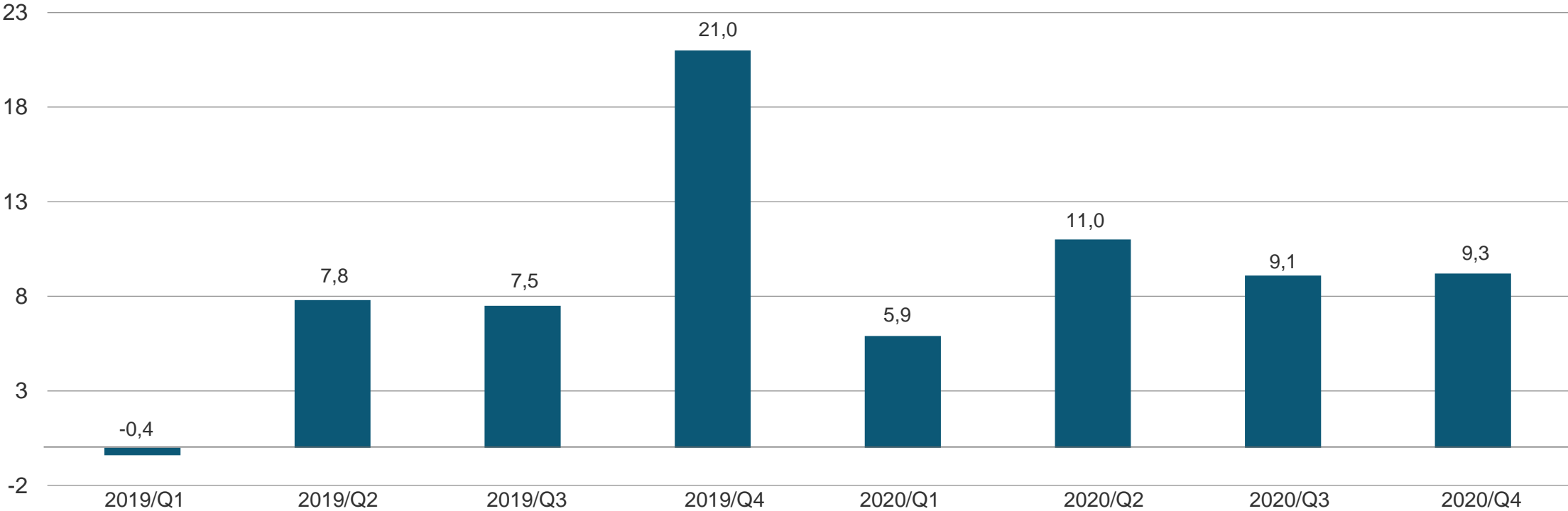
# Operating Profit Q1/2019 – Q4/2020





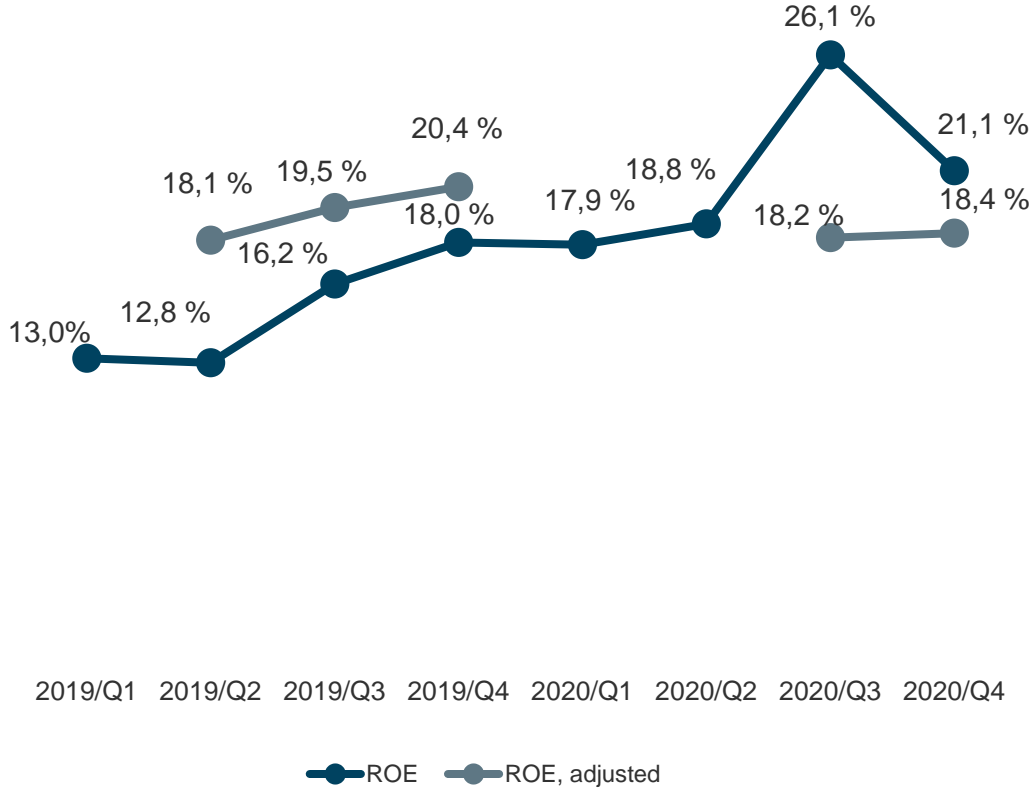
# Cash Flow from Operations Q1/2019 – Q4/2020

M€

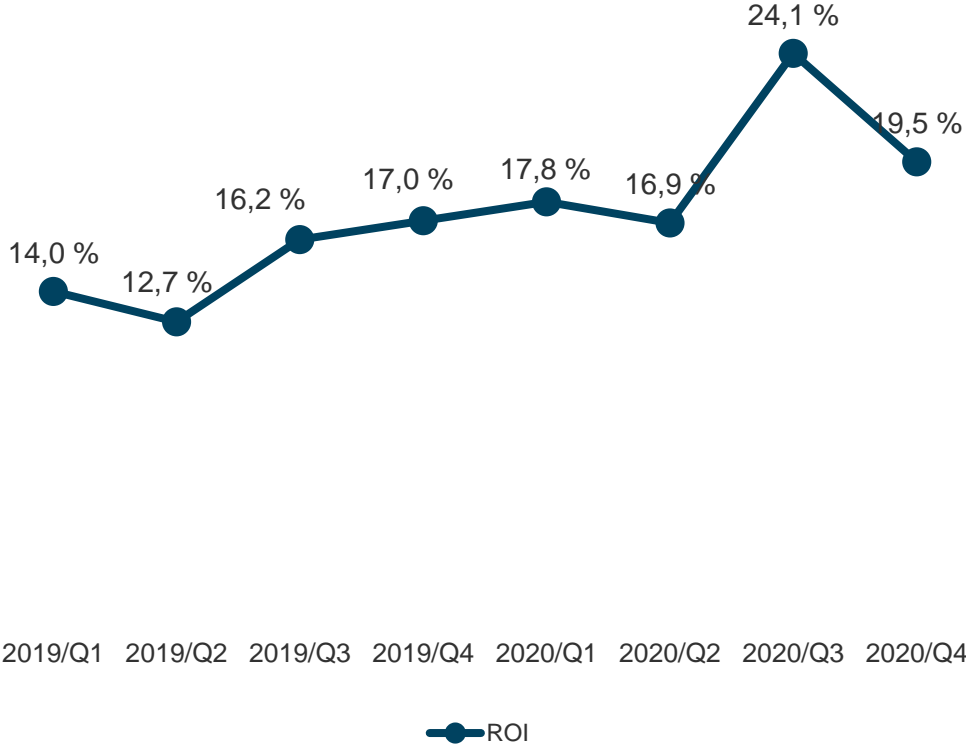


# ROE and ROI Q1/2019 – Q4/2020, Cumulative

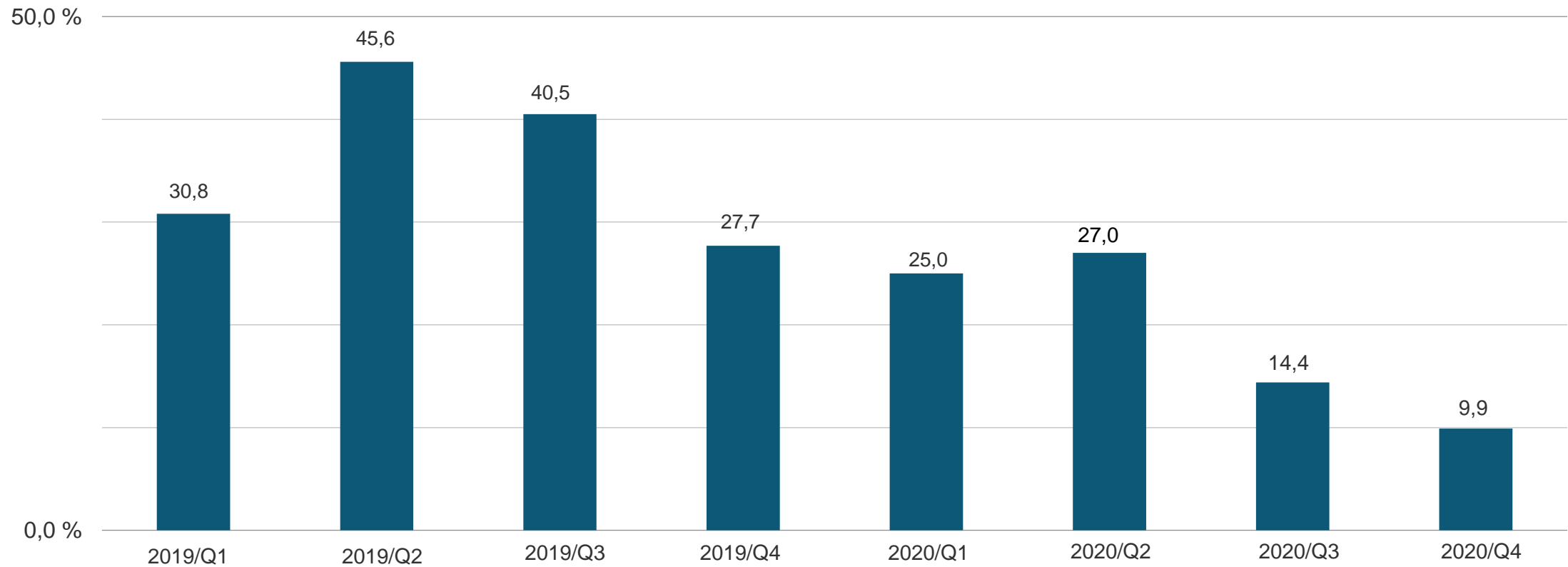
ROE



ROI

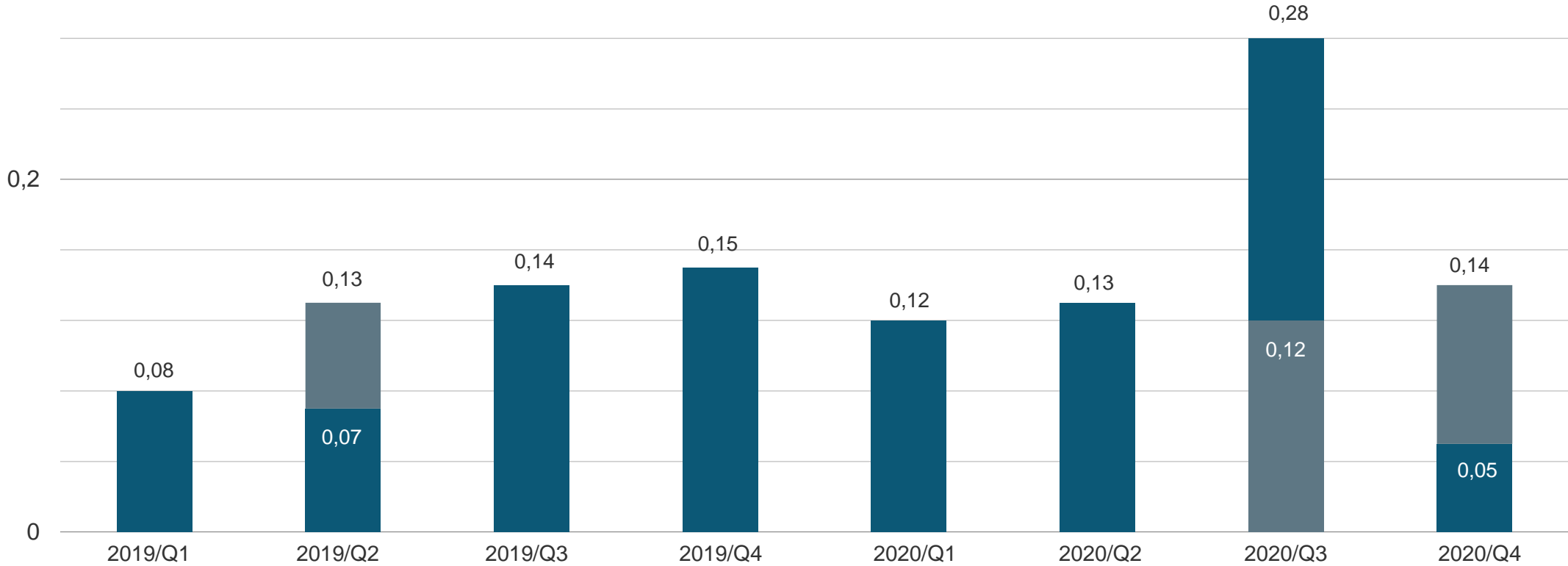


# Gearing Q1/2019 – Q4/2020 Cumulative



# EPS Q1/2019 – Q4/2020

EUR



# 2021 Outlook

Scanfil estimates that its turnover for 2021 will be EUR 600 - 640 million and its adjusted operating profit will be EUR 40 - 44 million.

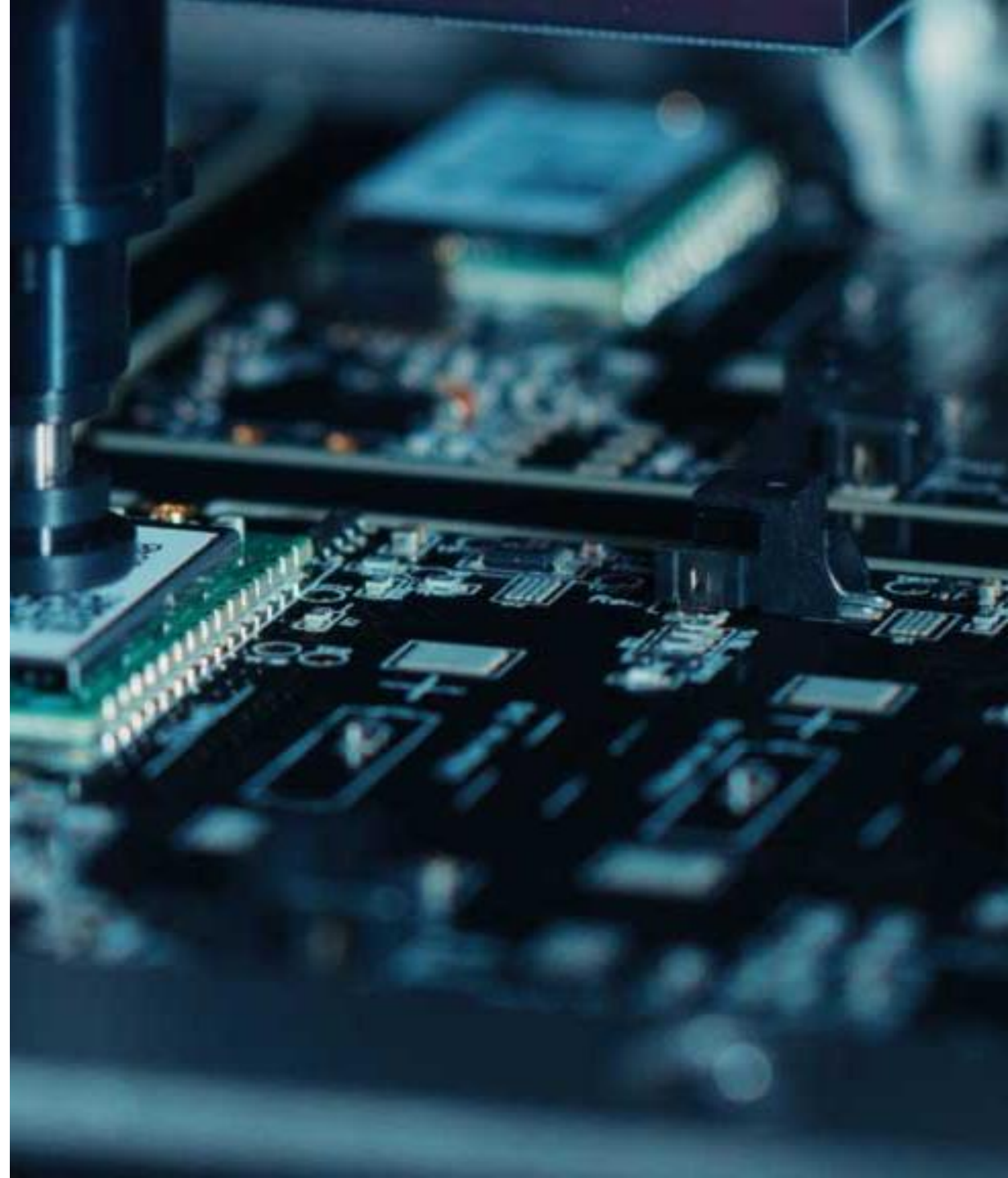
The guidance for 2021 involves uncertainty arising from the potential negative impact of the availability of certain materials, especially semiconductors, and Covid 19 pandemic on customer demand and the delivery capability of the component supply chain.



# Long term target

Scanfil's long-term target: In 2023, Scanfil is organically aiming for EUR 700 million turnover and 7% operating profit.

In addition, Scanfil is actively exploring acquisitions, especially in the Nordic countries and Central Europe.



**SCANFIL**

**Time for questions**

---



# Contact information and analysts

---

PETTERI JOKITALO, CEO

+358 44 7882400

petteri.jokitalo@scanfil.com

MINNA OKSANEN, Communications Director

+358 44 7882409

minna.oksanen@scanfil.com

## Inderes Oy

Antti Viljakainen

+358 44 591 2216

antti.viljakainen(at)nderes.fi

## Evli Pankki Oyj

Joonas Ilvonen

+358 44 430 9071

joonas.ilvonen(at)evli.com

## OP Financial Group

Kim Gorschel'nik

+358 10 252 4351

kim.gorschel'nik(at)op.fi

## Nordea Oyj

Pasi Väisänen

+358 9 5300 5192

pasi.vaisanen(at)nordea.com

**SCANFIL**



# Disclaimer

Not to be published or distributed, directly or indirectly, in any country where its distribution or publication is unlawful.

Forward looking statements: certain statements in this presentation may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of Scanfil Plc to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this presentation, such statements use such words as "may," "will," "expect," "anticipate," "project," "believe," "plan" and other similar terminology. New risk factors may arise from time to time and it is not possible for management to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance and achievements of Scanfil Plc to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. The forward-looking information contained in this presentation is current only as of the date of this presentation. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised, except as provided by the law or obligatory regulations, whether as a result of new information, changing circumstances, future events or otherwise.

# SCANFIL

Your Trusted Manufacturing Partner

# Hamburg Closure

Scanfil announced on 1 July 2020 that Scanfil GmbH, part of the Scanfil Group, is planning to scale down and close its Hamburg factory. The company started a consultation process concerning the entire personnel working at the Hamburg factory.

The consultation process has ended and Scanfil GmbH has decided to close down the Hamburg factory. The production will continue at the Wutha factory in Germany and the Sieradz factory in Poland.

The arrangement results in non-recurring restructuring charges of EUR 6.1 million, which were recognized in the fourth quarter of 2020. The planned action results in annual cost savings of approximately EUR 2.5 million. The measures are scheduled to be completed by the end of the third quarter of 2021.

# Sale of Scanfil Hangzhou

Scanfil sold its subsidiary Scanfil (Hangzhou) Co., Ltd in China, for a selling price of EUR 18.4 million to Hangzhou Cabinet Technology. The transaction closing date was 14 July 2020 and Scanfil reported the transaction in the third quarter of 2020.

Scanfil (Hangzhou) factory is focusing on sheet metal mechanics, with a turnover of EUR 29 million and the operating profit of EUR 2.2 million in 2019 and the number of employees was approximately 400. Scanfil will concentrate its Chinese operations on its factory in Suzhou, focusing on electronics manufacturing and demanding integration.

The non-recurring positive effect of the transaction on operating profit is EUR 11.4 million.