

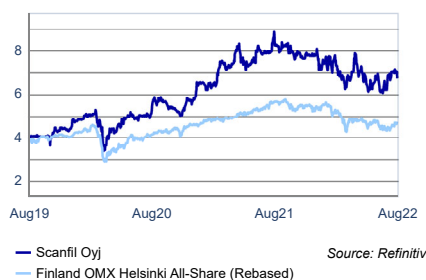
Scanfil Oyj

Capital Goods
Finland

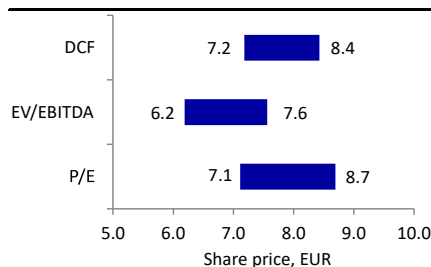
KEY DATA

| | |
|---------------------|-------------------|
| Stock country | Finland |
| Bloomberg | SCANFL.FH |
| Reuters | SCANFL.HE |
| Share price (close) | EUR 6.76 |
| Free Float | 25% |
| Market cap. (bn) | EUR 0.43/EUR 0.43 |
| Website | www.scanfil.com/ |
| Next report date | |

PERFORMANCE



VALUATION APPROACH



ESTIMATE CHANGES

| Year | 2022E | 2023E | 2024E |
|------------|-------|-------|-------|
| Sales | -1% | -2% | -2% |
| EBIT (adj) | -4% | 0% | 0% |

Source: Nordea estimates

Nordea Markets - Analysts

Pasi Väisänen
Senior Analyst

Weak profitability in Q2, full-year guidance intact

Revenue growth was in line with expectations but operating profit was 10% lower than Refinitiv consensus for Q2. We lower our 2022 EBIT estimate by 4% due to weak profitability. End demand appears healthy in the short term. Our forecast of a 5% decline in 2023 net sales relates more to the increased availability of electronic components rather than declining sales volumes. A potential economic downturn in 2023, however, could lead to a y/y decline in net sales of more than 10%. Our fair value range for Scanfil remains at EUR 6.8-8.2, based on three equally weighted valuation approaches (DCF, EV/EBITDA and P/E).

Q2 2022 EBIT margin was the lowest in the last five years

Operating profit totalled EUR 10.1m in Q2, matching the quarterly EBIT average for the past three years. The earnings improvement trend has not been strong; higher component prices, which have helped sales growth in 2021-22E, do not carry the same relative margin. Scanfil expects EBIT to improve in H2 2022, which seems to be a realistic assumption, if underlying demand does not weaken. The extraordinary market situation also led the value of inventory to increase by 65% y/y in Q2. Scanfil's end customers have committed to buying the components they ordered, so there is no apparent writedown risk for inventory when component prices decrease.

2022 guidance indicates 15-26% y/y revenue growth

Full-year revenue is guided at EUR 800-880m and EBIT is guided at EUR 43-48m. Our 2022 revenue and EBIT forecasts are below the guidance midpoints. Global economic concerns could have an impact in Q4, lowering delivery volumes, but Scanfil's customer base is well diversified, which should reduce earnings volatility if the operating environment deteriorates. Ultimately, Scanfil's success depends on its customers' success.

2022E-23E EV/EBITDA valuation is close to peer group median

The company is proactive with input costs, so underlying profitability should recover without excess billing next year. We believe clean EBIT could also improve y/y in 2023. The company-related risks are not remarkably high, so there is no need for Scanfil to trade below the sector's average valuation. The company's 2022-23E EV/EBITDA multiples are in line with those of our peer group. For now, our fair value range remains EUR 6.8-8.2 per share.

SUMMARY TABLE - KEY FIGURES

| EURm | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E | 2024E |
|--------------------------|-------|-------|-------|-------|-------|-------|-------|
| Total revenue | 563 | 580 | 595 | 696 | 830 | 787 | 817 |
| EBITDA (adj) | 47 | 53 | 55 | 56 | 60 | 64 | 67 |
| EBIT (adj) | 38 | 39 | 39 | 40 | 44 | 49 | 51 |
| EBIT (adj) margin | 6.7% | 6.7% | 6.6% | 5.8% | 5.3% | 6.2% | 6.3% |
| EPS (adj, EUR) | 0.45 | 0.49 | 0.49 | 0.48 | 0.53 | 0.59 | 0.62 |
| EPS (adj) growth | 26.5% | 8.4% | 0.0% | -3.5% | 10.7% | 11.4% | 5.8% |
| DPS (ord, EUR) | 0.13 | 0.15 | 0.17 | 0.19 | 0.21 | 0.23 | 0.25 |
| EV/Sales | 0.5 | 0.6 | 0.7 | 0.8 | 0.6 | 0.6 | 0.5 |
| EV/EBIT (adj) | 7.1 | 9.3 | 11.3 | 13.5 | 11.6 | 9.3 | 8.4 |
| P/E (adj) | 8.2 | 9.9 | 13.2 | 15.7 | 12.8 | 11.5 | 10.9 |
| P/BV | 1.7 | 1.9 | 2.3 | 2.3 | 1.9 | 1.7 | 1.6 |
| Dividend yield (ord) | 3.5% | 3.1% | 2.6% | 2.5% | 3.1% | 3.4% | 3.7% |
| FCF Yield bef A&D, lease | 8.1% | 8.2% | 5.5% | -5.8% | 0.3% | 15.5% | 8.6% |
| Net debt | 30 | 46 | 18 | 60 | 71 | 17 | -6 |
| Net debt/EBITDA | 0.6 | 0.9 | 0.3 | 1.1 | 1.2 | 0.3 | -0.1 |
| ROIC after tax | 16.5% | 14.9% | 13.9% | 12.8% | 11.6% | 12.8% | 14.2% |

Source: Company data and Nordea estimates

Quarterly segment estimates

| P&L (EURm; EPS IN EUR) | | | | | | | | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | Q120 | Q220 | Q320 | Q420 | Q121 | Q221 | Q321 | Q421 | Q122 | Q222 | Q322E | Q422E |
| Advanced Consumer Applications | | | | | | | | | | | | |
| Net sales (EURm) | 31.1 | 40.1 | 38.6 | 41.4 | 42.9 | 53.4 | 55.4 | 52.9 | 55.0 | 68.7 | 69.8 | 62.2 |
| Sales growth y/y (%) | | | | | 38% | 33% | 44% | 28% | 28% | 29% | 26% | 18% |
| Automation & Safety | | | | | | | | | | | | |
| Net sales (EURm) | 37.9 | 36.6 | 33.7 | 34.0 | 34.5 | 36.8 | 32.5 | 41.1 | 42.6 | 45.6 | 46.2 | 42.4 |
| Sales growth y/y (%) | | | | | -9% | 1% | -4% | 21% | 23% | 24% | 42% | 3% |
| Connectivity | | | | | | | | | | | | |
| Net sales (EURm) | 7.4 | 7.7 | 7.1 | 6.5 | 8.1 | 7.3 | 7.3 | 10.4 | 10.8 | 9.1 | 10.0 | 10.2 |
| Sales growth y/y (%) | | | | | 9% | -5% | 3% | 60% | 33% | 25% | 37% | -2% |
| Energy & Cleantech | | | | | | | | | | | | |
| Net sales (EURm) | 34.4 | 33.8 | 30.0 | 37.4 | 40.3 | 44.8 | 43.5 | 53.4 | 54.6 | 53.5 | 54.4 | 52.3 |
| Sales growth y/y (%) | | | | | 17% | 33% | 45% | 43% | 35% | 19% | 25% | -2% |
| Medtec & Life Science | | | | | | | | | | | | |
| Net sales (EURm) | 27.0 | 25.4 | 26.0 | 29.5 | 29.1 | 28.5 | 29.1 | 33.9 | 33.7 | 36.0 | 36.7 | 35.9 |
| Sales growth y/y (%) | | | | | 8% | 12% | 12% | 15% | 16% | 26% | 26% | 6% |
| Discontinued | | | | | | | | | | | | |
| Net sales (EURm) | 6.3 | 12.0 | 6.3 | 5.3 | 8.5 | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sales growth y/y (%) | | | | | 35% | -83% | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Group summary | | | | | | | | | | | | |
| | Q120 | Q220 | Q320 | Q420 | Q121 | Q221 | Q321 | Q421 | Q122 | Q222 | Q322E | Q422E |
| Group sales | 144.1 | 155.6 | 141.6 | 154.1 | 163.4 | 172.9 | 167.8 | 191.7 | 196.6 | 212.9 | 217.0 | 203.1 |
| Sales growth % | 10.9% | 9.1% | -7.0% | -0.4% | 13.4% | 11.1% | 18.5% | 24.4% | 20.3% | 23.1% | 29.3% | 5.9% |
| Other operating income | 0.2 | 0.2 | 11.8 | 0.3 | 0.3 | 0.1 | 0.4 | 0.3 | 0.2 | 0.3 | 0.3 | 0.3 |
| Depreciation and amortisation | -3.8 | -3.8 | -3.7 | -4.8 | -3.8 | -3.8 | -3.8 | -4.0 | -4.0 | -4.2 | -4.1 | -4.1 |
| Reported EBIT | 8.6 | 10.2 | 21.2 | 4.3 | 10.0 | 10.6 | 9.5 | 9.5 | 10.3 | 10.1 | 11.9 | 11.6 |
| Reported EBIT margin | 6.0% | 6.6% | 15.0% | 2.8% | 6.1% | 6.1% | 5.7% | 5.0% | 5.2% | 4.7% | 5.5% | 5.7% |
| Group adj. EBIT | 8.6 | 10.2 | 9.9 | 10.4 | 10.0 | 10.6 | 9.5 | 10.2 | 10.3 | 10.1 | 11.9 | 11.6 |
| Adj. EBIT margin | 6.0% | 6.6% | 7.0% | 6.7% | 6.1% | 6.1% | 5.7% | 5.3% | 5.2% | 4.7% | 5.5% | 5.7% |
| Net financials | 0.1 | -0.6 | -0.8 | -1.3 | 0.0 | -0.1 | -0.6 | -0.3 | -0.2 | -0.8 | 1.4 | -1.7 |
| Pre-tax profit | 8.7 | 9.6 | 20.4 | 3.0 | 10.0 | 10.5 | 8.9 | 9.2 | 10.1 | 9.3 | 13.3 | 9.9 |
| Income tax | -1.2 | -1.2 | -2.5 | 0.1 | -1.7 | -1.8 | -3.4 | -0.9 | -1.3 | -2.7 | -2.3 | -2.2 |
| Tax rate % | 14% | 13% | 12% | -3% | 17% | 17% | 38% | 10% | 13% | 29% | 17% | 22% |
| Reported net profit for the period | 7.5 | 8.4 | 29.2 | -3.0 | 7.6 | 8.6 | 5.2 | 7.7 | 8.0 | 7.1 | 9.1 | 8.9 |
| Adj net profit for the period | 7.5 | 8.4 | 17.9 | 3.1 | 7.6 | 8.6 | 5.2 | 8.4 | 8.0 | 7.1 | 9.1 | 8.9 |
| Reported EPS | 0.12 | 0.13 | 0.28 | 0.05 | 0.13 | 0.13 | 0.09 | 0.13 | 0.14 | 0.10 | 0.17 | 0.12 |
| Adj. EPS | 0.12 | 0.13 | 0.10 | 0.14 | 0.13 | 0.13 | 0.09 | 0.13 | 0.14 | 0.10 | 0.17 | 0.12 |

Source: Company data and Nordea estimates

Yearly segment estimates

| P&L (EURm, EPS IN EUR) | | | | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Segments | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E |
| Advanced Consumer Applications | | | | | | | | |
| Net sales (EURm) | | | | | 151.2 | 204.6 | 255.8 | 235.3 |
| Sales growth y/y (%) | | | | | | 35% | 25% | -8% |
| Automation & Safety | | | | | | | | |
| Net sales (EURm) | | | | | 142.2 | 144.9 | 176.8 | 166.2 |
| Sales growth y/y (%) | | | | | | 2% | 22% | -6% |
| Connectivity | | | | | | | | |
| Net sales (EURm) | | | | | 28.7 | 33.1 | 40.1 | 37.6 |
| Sales growth y/y (%) | | | | | | 15% | 21% | -6% |
| Energy & Cleantech | | | | | | | | |
| Net sales (EURm) | | | | | 135.6 | 182.0 | 214.8 | 208.3 |
| Sales growth y/y (%) | | | | | | 34% | 18% | -3% |
| Medtec & Life Science | | | | | | | | |
| Net sales (EURm) | | | | | 107.9 | 120.6 | 142.3 | 139.5 |
| Sales growth y/y (%) | | | | | | 12% | 18% | -2% |
| Discontinued | | | | | | | | |
| Net sales (EURm) | | | | | 29.9 | 10.5 | 0.0 | 0.0 |
| Sales growth y/y (%) | | | | | | -65% | n.a. | n.a. |
| Group | | | | | | | | |
| Net sales | 508.0 | 529.8 | 563.0 | 579.5 | 595.4 | 695.7 | 829.6 | 786.9 |
| Sales growth % | 34.6% | 4.3% | 6.3% | 2.9% | 2.7% | 16.8% | 19.3% | -5.2% |
| Other operating income | 1.0 | 2.7 | 0.4 | 1.0 | 12.5 | 1.1 | 1.1 | 1.1 |
| Depreciation and amortisation | -8.8 | -6.7 | -7.5 | -15.7 | -14.1 | -13.4 | -13.6 | -13.7 |
| Reported EBIT | 7.2 | 31.3 | 37.8 | 35.3 | 44.3 | 39.6 | 44.0 | 48.8 |
| Reported EBIT margin | 1.4% | 5.9% | 6.7% | 6.1% | 7.4% | 5.7% | 5.3% | 6.2% |
| Group adj. EBIT | 22.3 | 31.3 | 37.8 | 38.9 | 39.1 | 40.3 | 44.0 | 48.8 |
| Adj. EBIT margin | 4.4% | 5.9% | 6.7% | 6.7% | 6.6% | 5.8% | 5.3% | 6.2% |
| Net financials | -1.2 | 1.3 | -1.7 | -1.3 | -2.6 | -1.9 | -1.9 | -1.9 |
| Pre-tax profit | 6.1 | 32.6 | 36.1 | 34.0 | 41.7 | 37.7 | 42.1 | 46.9 |
| Income tax | -6.0 | -6.8 | -7.1 | -5.9 | -4.8 | -7.8 | -8.2 | -9.1 |
| Tax rate % | 99% | 21% | 20% | 17% | 12% | 21% | 20% | 20% |
| Reported net profit for the period | 0.1 | 25.8 | 29.0 | 28.1 | 36.9 | 29.9 | 33.9 | 37.7 |
| Adj net profit for the period | 15.2 | 22.9 | 29.0 | 31.7 | 31.7 | 30.6 | 33.9 | 37.7 |
| Reported EPS | 0.00 | 0.40 | 0.45 | 0.44 | 0.57 | 0.47 | 0.53 | 0.59 |
| Adj. EPS | 0.24 | 0.36 | 0.45 | 0.49 | 0.49 | 0.48 | 0.53 | 0.59 |

Source: Company data and Nordea estimates

Peer group

EMS PEER GROUP: FINANCIALS

| | SALES (EURm) | | | | GROWTH | | | | EBIT MARGIN | | | |
|--|--------------|---------|---------|---------|-------------|-------------|--------------|--------------|-------------|-------------|-------------|-------------|
| | 2020 | 2021 | 2022E | 2023E | 2020 | 2021 | 2022E | 2023E | 2020 | 2021 | 2022E | 2023E |
| Hon Hai Precision Industry Co Ltd | 156,265 | 190,273 | 204,865 | 212,834 | 0% | 12% | 5% | 4% | 2% | 2% | 3% | 3% |
| Delta Electronics Inc | 8,242 | 9,989 | 11,996 | 13,082 | 5% | 11% | 17% | 9% | 11% | 10% | 11% | 12% |
| Pegatron Corp | 40,811 | 40,114 | 43,170 | 43,956 | 2% | -10% | 7% | 2% | 1% | 1% | 2% | 2% |
| Venture Corporation Ltd | 1,868 | 2,026 | 2,413 | 2,571 | -17% | 3% | 14% | 7% | 11% | 11% | 12% | 12% |
| Universal Scientific Industrial | 5,985 | 7,658 | 9,590 | 10,676 | 28% | 16% | 20% | 11% | 4% | 4% | 4% | 4% |
| Jabil Inc | 22,844 | 24,803 | 32,465 | 33,599 | 8% | 7% | 11% | 3% | 3% | 4% | 5% | 5% |
| Compal Electronics Inc | 30,592 | 39,224 | 38,705 | 38,047 | 7% | 18% | -3% | -2% | 1% | 1% | 1% | 1% |
| Foxconn Interconnect Technology | 3,533 | 3,950 | 4,484 | 4,681 | -1% | 4% | 8% | 4% | 4% | 3% | 3% | 4% |
| Inventec Corp | 14,824 | 16,498 | 18,410 | 18,765 | 1% | 2% | 8% | 2% | 1% | 1% | 1% | 1% |
| Micro-Star International Co Ltd | 4,273 | 6,406 | 6,735 | 7,100 | 22% | 38% | 3% | 5% | 7% | 10% | 8% | 8% |
| Plexus Corp | 2,895 | 2,906 | 3,556 | 3,954 | 7% | -1% | 6% | 11% | 5% | 5% | 4% | 5% |
| Accton Technology Corp | 1,588 | 1,892 | 2,351 | 2,622 | -2% | 9% | 19% | 13% | 12% | 9% | 11% | 12% |
| Sanmina Corp | 5,942 | 5,828 | 7,572 | 7,968 | -15% | -3% | 13% | 5% | 4% | 5% | 5% | 5% |
| Incap Oyj | 106 | 170 | 245 | 267 | 50% | 59% | 44% | 9% | 10% | 15% | 15% | 15% |
| Celestica Inc | 4,707 | 4,957 | 6,662 | 7,105 | -2% | -2% | 20% | 7% | 3% | 4% | 5% | 5% |
| SIIX Corp | 1,440 | 1,734 | 1,874 | 2,087 | -19% | 25% | 19% | 10% | 2% | 2% | 0% | 0% |
| Fabrinet | 1,464 | 1,575 | 2,124 | 2,491 | 4% | 14% | 21% | 11% | 9% | 9% | 10% | 10% |
| Sercomm Corp | 1,053 | 1,393 | 1,899 | 2,170 | 14% | 22% | 33% | 15% | 3% | 2% | 3% | 4% |
| TT Electronics | 483 | 567 | 642 | 674 | -10% | 10% | 13% | 5% | 6% | 7% | 8% | 9% |
| Alpha Networks Inc | 938 | 884 | 1,036 | n.a. | 103% | -13% | n.a. | n.a. | 3% | 3% | 4% | n.a. |
| Ducommun Inc | 515 | 568 | 684 | 726 | -13% | 3% | 8% | 6% | 8% | 8% | 7% | 9% |
| Valuetronics Holdings Ltd | 275 | 250 | 234 | 262 | -17% | -3% | n.a. | 0% | 7% | 9% | 6% | 6% |
| Unable to collect data for the field 'TR | 0 | 0 | 0 | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% |
| Lacroix Group SA | 566 | 501 | 668 | 715 | -9% | 14% | 33% | 7% | 2% | 3% | 4% | 5% |
| Hanza AB | 215 | 245 | 315 | 327 | 4% | 17% | 34% | 4% | 2% | 5% | 6% | 7% |
| Group median | | | | | 1.5% | 9.4% | 13.3% | 5.7% | 3.8% | 4.2% | 4.6% | 4.9% |
| Scanfil (Nordea) | 595 | 696 | 830 | 787 | 2.7% | 16.8% | 19.3% | -5.2% | 6.6% | 5.8% | 5.3% | 6.2% |
| diff. from median (pp) | | | | | 1.3 | 7.4 | 5.9 | -10.9 | 2.8 | 1.6 | 0.7 | 1.3 |

Source: Refinitiv and Nordea estimates

EMS PEER GROUP: VALUATION

| | P/E | | | | EV/EBITDA | | | | P/B | | | |
|--|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|
| | 2020 | 2021 | 2022E | 2023E | 2020 | 2021 | 2022E | 2023E | 2020 | 2021 | 2022E | 2023E |
| Hon Hai Precision Industry Co Ltd | 12.6 | 10.5 | 10.1 | 9.0 | 5.7 | 6.5 | 5.7 | 5.1 | 1.1 | 1.1 | 1.0 | 1.0 |
| Delta Electronics Inc | 26.9 | 26.8 | 21.9 | 18.9 | 14.8 | 15.3 | 12.1 | 10.5 | 4.5 | 4.2 | 3.8 | 3.4 |
| Pegatron Corp | 8.8 | 9.1 | 10.4 | 8.8 | 5.0 | 6.8 | 5.0 | 4.7 | 0.9 | 0.9 | 0.9 | 0.9 |
| Venture Corporation Ltd | 19.0 | 17.1 | 14.6 | 13.6 | 12.5 | 11.7 | 10.3 | 9.6 | 2.0 | 1.9 | 1.8 | 1.7 |
| Universal Scientific Industrial | 24.2 | 19.3 | 17.0 | 15.0 | 15.9 | 11.7 | 11.1 | 9.7 | 3.5 | 3.1 | 2.6 | 2.3 |
| Jabil Inc | 98.4 | 13.5 | 8.2 | 7.7 | 4.0 | 5.2 | 4.1 | 4.0 | 5.7 | 4.5 | 3.7 | 2.9 |
| Compal Electronics Inc | 9.8 | 8.5 | 10.3 | 10.4 | 7.0 | 9.2 | 8.7 | 8.6 | 1.0 | 0.9 | 0.9 | 0.9 |
| Foxconn Interconnect Technology | 56.2 | 9.8 | 9.4 | 8.6 | 8.9 | 4.5 | 4.4 | 4.0 | 0.5 | 0.5 | 0.5 | 0.4 |
| Inventec Corp | 11.5 | 13.8 | 13.7 | 12.8 | 12.5 | 14.8 | 12.3 | 10.9 | 1.5 | 1.6 | 1.5 | 1.5 |
| Micro-Star International Co Ltd | 14.2 | 8.1 | 7.0 | 7.1 | 9.4 | 5.4 | 4.9 | 4.8 | 2.8 | 2.2 | 2.0 | 1.8 |
| Plexus Corp | 18.2 | 19.1 | 21.9 | 17.0 | 9.7 | 10.6 | 12.1 | 10.0 | 2.9 | 2.6 | 2.4 | 2.1 |
| Accton Technology Corp | 35.2 | 31.1 | 23.3 | 19.0 | 23.6 | 22.5 | 16.3 | 13.2 | 9.8 | 9.4 | 8.0 | 6.9 |
| Sanmina Corp | 13.5 | 9.8 | 10.4 | 9.2 | 4.2 | 5.4 | 5.3 | 4.9 | 1.1 | 1.3 | n.a. | n.a. |
| Incap Oyj | 9.1 | 21.8 | 16.4 | 14.1 | 7.1 | 15.7 | 11.5 | 10.4 | 10.8 | 7.0 | 5.3 | 4.0 |
| Celestica Inc | 17.2 | 13.6 | 6.5 | 5.9 | 4.8 | 6.0 | 4.1 | 3.9 | 0.7 | 1.0 | n.a. | n.a. |
| SIIX Corp | 43.6 | 14.7 | 8.2 | 6.8 | 9.3 | 9.9 | 6.5 | 5.7 | 0.8 | 0.8 | 0.7 | 0.6 |
| Fabrinet | 19.7 | 24.1 | 16.3 | 15.0 | 11.7 | 16.0 | 12.0 | 10.6 | 3.8 | 3.2 | 2.8 | 2.4 |
| Sercomm Corp | 21.9 | 22.9 | 14.5 | 11.6 | 9.6 | 11.5 | 9.6 | 7.9 | 2.9 | 2.8 | 2.5 | n.a. |
| TT Electronics | 265.2 | 35.6 | 10.4 | 8.7 | 9.3 | 9.9 | 7.8 | 6.8 | 0.9 | 1.0 | 0.9 | 0.9 |
| Alpha Networks Inc | 30.5 | 42.0 | 18.8 | n.a. | 11.0 | 14.4 | n.a. | n.a. | 1.7 | 1.7 | n.a. | n.a. |
| Ducommun Inc | 22.0 | 4.2 | 13.6 | 12.0 | 11.5 | 9.8 | 8.7 | 7.7 | 1.8 | 1.7 | 1.1 | 1.0 |
| Valuetronics Holdings Ltd | 6.8 | 8.1 | 11.9 | 11.3 | 0.5 | 1.5 | 2.2 | 2.5 | 1.1 | 1.1 | 1.0 | 0.9 |
| Unable to collect data for the field 'TR | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Lacroix Group SA | 23.1 | 9.6 | 8.2 | 7.8 | 14.0 | 10.2 | 6.0 | 5.1 | 1.2 | 1.0 | 1.0 | 0.9 |
| Hanza AB | 0.0 | n.a. | 17.5 | 13.4 | 5.1 | 12.7 | 8.9 | 7.5 | 3.9 | 3.5 | 2.7 | 2.3 |
| Group median | 19.0 | 13.7 | 11.9 | 10.8 | 9.3 | 9.9 | 8.2 | 7.2 | 1.7 | 1.7 | 1.7 | 1.5 |
| Scanfil (Nordea) | 13.2 | 15.7 | 13.5 | 12.1 | 8.0 | 9.7 | 8.7 | 6.9 | 2.3 | 2.3 | 1.9 | 1.7 |
| diff. from average | -30% | 14% | 13% | 12% | -14% | -2% | 6% | -3% | 39% | 38% | 17% | 14% |

Source: Refinitiv and Nordea estimates

Reported numbers and forecasts

INCOME STATEMENT

| EURm | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E | 2024E |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total revenue | 215 | 377 | 508 | 530 | 563 | 580 | 595 | 696 | 830 | 787 | 817 |
| Revenue growth | 13.8% | 75.9% | 34.6% | 4.3% | 6.3% | 2.9% | 2.7% | 16.8% | 19.3% | -5.2% | 3.9% |
| of which organic | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| of which FX | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| EBITDA | 25 | 27 | 18 | 40 | 47 | 53 | 60 | 55 | 60 | 64 | 67 |
| Depreciation and impairments PPE | -6 | -8 | -9 | -7 | -8 | -16 | -14 | -13 | -14 | -14 | -14 |
| of which leased assets | 0 | 0 | 0 | 0 | 0 | -3 | -3 | -3 | -3 | -3 | -3 |
| EBITA | 19 | 19 | 9 | 33 | 40 | 37 | 46 | 42 | 46 | 51 | 53 |
| Amortisation and impairments | -2 | -5 | -2 | -2 | -2 | -2 | -2 | -2 | -2 | -2 | -2 |
| EBIT | 16 | 14 | 7 | 31 | 38 | 35 | 44 | 40 | 44 | 49 | 51 |
| of which associates | -2 | -1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Associates excluded from EBIT | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net financials | 0 | -1 | -1 | 1 | -2 | -1 | -3 | -2 | -2 | -2 | -2 |
| of which lease interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Changes in value, net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Pre-tax profit | 16 | 14 | 6 | 33 | 36 | 34 | 42 | 38 | 42 | 47 | 50 |
| Reported taxes | -4 | -5 | -6 | -7 | -7 | -6 | -5 | -8 | -8 | -9 | -10 |
| Net profit from continued operations | 12 | 8 | 0 | 26 | 29 | 28 | 37 | 30 | 34 | 38 | 40 |
| Discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Minority interests | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net profit to equity | 12 | 8 | 0 | 26 | 29 | 28 | 37 | 30 | 34 | 38 | 40 |
| EPS, EUR | 0.21 | 0.15 | 0.00 | 0.40 | 0.45 | 0.44 | 0.57 | 0.47 | 0.53 | 0.59 | 0.62 |
| DPS, EUR | 0.07 | 0.08 | 0.09 | 0.11 | 0.13 | 0.15 | 0.17 | 0.19 | 0.21 | 0.23 | 0.25 |
| of which ordinary | 0.07 | 0.08 | 0.09 | 0.11 | 0.13 | 0.15 | 0.17 | 0.19 | 0.21 | 0.23 | 0.25 |
| of which extraordinary | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Profit margin in percent

| | | | | | | | | | | | |
|--------|-------|------|------|------|------|------|-------|------|------|------|------|
| EBITDA | 11.6% | 7.2% | 3.6% | 7.6% | 8.4% | 9.1% | 10.1% | 7.9% | 7.2% | 8.2% | 8.2% |
| EBITA | 8.7% | 5.1% | 1.8% | 6.3% | 7.1% | 6.4% | 7.8% | 6.0% | 5.5% | 6.5% | 6.5% |
| EBIT | 7.6% | 3.8% | 1.4% | 5.9% | 6.7% | 6.1% | 7.4% | 5.7% | 5.3% | 6.2% | 6.3% |

Adjusted earnings

| | | | | | | | | | | | |
|----------------|------|------|------|------|------|------|------|------|------|------|------|
| EBITDA (adj) | 25 | 33 | 33 | 40 | 47 | 53 | 55 | 56 | 60 | 64 | 67 |
| EBITA (adj) | 19 | 25 | 24 | 33 | 40 | 37 | 41 | 42 | 46 | 51 | 53 |
| EBIT (adj) | 16 | 20 | 22 | 31 | 38 | 39 | 39 | 40 | 44 | 49 | 51 |
| EPS (adj, EUR) | 0.22 | 0.24 | 0.24 | 0.36 | 0.45 | 0.49 | 0.49 | 0.48 | 0.53 | 0.59 | 0.62 |

Adjusted profit margins in percent

| | | | | | | | | | | | |
|--------------|-------|------|------|------|------|------|------|------|------|------|------|
| EBITDA (adj) | 11.7% | 8.7% | 6.6% | 7.6% | 8.4% | 9.1% | 9.3% | 8.0% | 7.2% | 8.2% | 8.2% |
| EBITA (adj) | 8.8% | 6.6% | 4.8% | 6.3% | 7.1% | 6.4% | 6.9% | 6.1% | 5.5% | 6.5% | 6.5% |
| EBIT (adj) | 7.6% | 5.3% | 4.4% | 5.9% | 6.7% | 6.7% | 6.6% | 5.8% | 5.3% | 6.2% | 6.3% |

Performance metrics

| | | | | | | | | | | | |
|-----------------------|--------|-------|--------|-------|-------|-------|-------|--------|-------|-------|-------|
| CAGR last 5 years | | | | | | | | | | | |
| Net revenue | 1.7% | 11.5% | 19.2% | 24.0% | 24.5% | 22.0% | 9.6% | 6.5% | 9.4% | 6.9% | 7.1% |
| EBITDA | 3.4% | 7.0% | -4.8% | 14.2% | 16.3% | 16.4% | 17.3% | 24.8% | 8.3% | 6.4% | 4.9% |
| EBIT | 0.4% | 0.0% | -4.5% | 31.0% | 26.1% | 16.8% | 25.2% | 40.5% | 7.0% | 5.2% | 7.8% |
| EPS | -2.8% | -5.1% | -58.0% | 32.7% | 26.1% | 15.5% | 31.7% | 218.0% | 5.4% | 5.2% | 7.3% |
| DPS | -10.2% | -7.8% | 8.4% | 22.4% | 21.1% | 16.5% | 16.3% | 16.1% | 13.8% | 12.1% | 10.8% |
| Average last 5 years | | | | | | | | | | | |
| Average EBIT margin | 5.9% | 5.1% | 3.9% | 4.5% | 4.9% | 4.9% | 5.6% | 6.4% | 6.2% | 6.1% | 6.1% |
| Average EBITDA margin | 10.9% | 10.1% | 7.7% | 7.3% | 7.2% | 7.3% | 7.9% | 8.6% | 8.4% | 8.4% | 8.2% |

VALUATION RATIOS - ADJUSTED EARNINGS

| EURm | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E | 2024E |
|-----------------|------|------|------|------|------|------|------|------|-------|-------|-------|
| P/E (adj) | 11.4 | 15.7 | 14.6 | 11.8 | 8.2 | 9.9 | 13.2 | 15.7 | 12.8 | 11.5 | 10.9 |
| EV/EBITDA (adj) | 5.3 | 8.7 | 7.9 | 7.8 | 5.7 | 6.8 | 8.0 | 9.7 | 8.5 | 7.0 | 6.4 |
| EV/EBITA (adj) | 7.0 | 11.6 | 10.7 | 9.4 | 6.8 | 9.7 | 10.7 | 12.8 | 11.1 | 8.9 | 8.1 |
| EV/EBIT (adj) | 7.2 | 13.6 | 11.7 | 10.0 | 7.1 | 9.3 | 11.3 | 13.5 | 11.6 | 9.3 | 8.4 |

VALUATION RATIOS - REPORTED EARNINGS

| EURm | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E | 2024E |
|------------------------------|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| P/E | 11.5 | 26.3 | n.m. | 10.5 | 8.2 | 11.2 | 11.4 | 16.0 | 12.8 | 11.5 | 10.9 |
| EV/Sales | 0.62 | 0.76 | 0.52 | 0.59 | 0.48 | 0.63 | 0.74 | 0.78 | 0.61 | 0.58 | 0.53 |
| EV/EBITDA | 4.9 | 10.1 | 14.4 | 7.8 | 5.7 | 6.8 | 7.3 | 9.9 | 8.5 | 7.0 | 6.4 |
| EV/EBITA | 6.4 | 14.2 | 28.0 | 9.4 | 6.8 | 9.7 | 9.5 | 13.0 | 11.1 | 8.9 | 8.1 |
| EV/EBIT | 7.3 | 18.5 | 36.2 | 10.0 | 7.1 | 10.3 | 9.9 | 13.7 | 11.6 | 9.3 | 8.4 |
| Dividend yield (ord.) | 2.8% | 2.1% | 2.6% | 2.6% | 3.5% | 3.1% | 2.6% | 2.5% | 3.1% | 3.4% | 3.7% |
| FCF yield | 2.1% | -17.3% | 5.8% | 3.9% | 8.1% | 5.8% | 9.3% | -5.2% | 0.9% | 16.2% | 9.3% |
| FCF Yield bef A&D, lease adj | 2.1% | -17.3% | 5.8% | 3.9% | 8.1% | 8.2% | 5.5% | -5.8% | 0.3% | 15.5% | 8.6% |
| Payout ratio | 32.3% | 33.1% | 37.7% | 30.6% | 28.6% | 30.4% | 34.5% | 39.9% | 39.9% | 39.2% | 40.3% |

Source: Company data and Nordea estimates

BALANCE SHEET

| EURm | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E | 2024E |
|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Intangible assets | 11 | 29 | 27 | 25 | 22 | 25 | 23 | 21 | 19 | 17 | 15 |
| of which R&D | n.a. | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| of which other intangibles | 5 | 18 | 16 | 15 | 12 | 17 | 14 | 13 | 11 | 9 | 7 |
| of which goodwill | 6 | 11 | 11 | 10 | 10 | 8 | 8 | 8 | 8 | 8 | 8 |
| Tangible assets | 27 | 48 | 41 | 48 | 49 | 72 | 65 | 72 | 80 | 86 | 92 |
| of which leased assets | 0 | 0 | 0 | 0 | 0 | 21 | 18 | 22 | 22 | 22 | 22 |
| Shares associates | n.a. | n.a. | n.a. | n.a. | 0 | 1 | 1 | 1 | 1 | 1 | 1 |
| Interest bearing assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred tax assets | 0 | 3 | 2 | 4 | 4 | 6 | 7 | 9 | 9 | 9 | 9 |
| Other non-IB non-current assets | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other non-current assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total non-current assets | 38 | 80 | 70 | 77 | 76 | 103 | 95 | 102 | 108 | 112 | 116 |
| Inventory | 36 | 91 | 85 | 101 | 99 | 102 | 103 | 193 | 216 | 165 | 153 |
| Accounts receivable | 41 | 105 | 88 | 106 | 108 | 112 | 113 | 149 | 174 | 157 | 162 |
| Short-term leased assets | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other current assets | 0 | 2 | 4 | 2 | 2 | 3 | 2 | 4 | 4 | 4 | 4 |
| Cash and bank | 19 | 22 | 20 | 21 | 19 | 20 | 26 | 25 | 19 | 58 | 66 |
| Total current assets | 96 | 220 | 197 | 230 | 228 | 237 | 245 | 372 | 412 | 384 | 384 |
| Assets held for sale | 0 | 1 | 0 | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. |
| Total assets | 134 | 302 | 267 | 307 | 304 | 340 | 339 | 474 | 520 | 496 | 500 |
| Shareholders equity | 95 | 100 | 108 | 125 | 145 | 167 | 183 | 207 | 229 | 253 | 278 |
| Of which preferred stocks | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Of which equity part of hybrid debt | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Minority interest | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Equity | n.a. | n.a. | n.a. | 125 | 145 | 167 | 183 | 207 | 229 | 253 | 278 |
| Deferred tax | 0 | 3 | 3 | 5 | 6 | 7 | 6 | 5 | 5 | 5 | 5 |
| Long term interest bearing debt | 1 | 50 | 38 | 27 | 17 | 25 | 18 | 42 | 42 | 32 | 21 |
| Pension provisions | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other long-term provisions | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other long-term liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Non-current lease debt | 0 | 0 | 0 | 0 | 0 | 19 | 16 | 20 | 23 | 23 | 23 |
| Convertible debt | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Shareholder debt | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hybrid debt | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total non-current liabilities | 1 | 55 | 41 | 33 | 23 | 51 | 40 | 67 | 71 | 61 | 50 |
| Short-term provisions | 0 | 0 | 5 | 0 | 0 | 0 | 4 | 2 | 2 | 2 | 2 |
| Accounts payable | 30 | 108 | 90 | 113 | 104 | 96 | 100 | 172 | 192 | 159 | 152 |
| Current lease debt | 0 | 0 | 0 | 0 | 0 | 4 | 4 | 3 | 0 | 0 | 0 |
| Other current liabilities | n.a. | n.a. | n.a. | n.a. | 0 | 3 | 2 | 1 | 2 | 2 | 2 |
| Short term interest bearing debt | 9 | 38 | 22 | 36 | 33 | 20 | 6 | 20 | 25 | 20 | 16 |
| Total current liabilities | 38 | 146 | 117 | 149 | 136 | 122 | 116 | 199 | 221 | 182 | 172 |
| Liabilities for assets held for sale | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total liabilities and equity | 134 | 302 | 267 | 307 | 304 | 340 | 339 | 473 | 520 | 496 | 500 |
| Balance sheet and debt metrics | | | | | | | | | | | |
| Net debt | -10 | 66 | 40 | 43 | 30 | 46 | 18 | 60 | 71 | 17 | -6 |
| of which lease debt | 0 | 0 | 0 | 0 | 0 | 22 | 20 | 23 | 23 | 23 | 23 |
| Working capital | 47 | 90 | 87 | 96 | 105 | 118 | 117 | 173 | 200 | 166 | 164 |
| Invested capital | 85 | 170 | 157 | 173 | 181 | 221 | 212 | 275 | 308 | 278 | 280 |
| Capital employed | 104 | 188 | 168 | 188 | 194 | 233 | 227 | 293 | 319 | 328 | 338 |
| ROE | 14.0% | 8.6% | 0.1% | 22.2% | 21.5% | 18.0% | 21.1% | 15.3% | 15.5% | 15.7% | 15.0% |
| ROIC | 16.2% | 12.1% | 10.5% | 14.6% | 16.5% | 14.9% | 13.9% | 12.8% | 11.6% | 12.8% | 14.2% |
| ROCE | 16.7% | 17.3% | 18.9% | 23.1% | 19.8% | 18.3% | 17.0% | 15.6% | 14.4% | 15.1% | 15.5% |
| Net debt/EBITDA | -0.4 | 2.4 | 2.2 | 1.1 | 0.6 | 0.9 | 0.3 | 1.1 | 1.2 | 0.3 | -0.1 |
| Interest coverage | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. | n.m. |
| Equity ratio | 70.6% | 33.2% | 40.6% | 40.7% | 47.6% | 49.0% | 53.9% | 43.8% | 44.0% | 51.0% | 55.6% |
| Net gearing | n.a. | n.a. | n.a. | 34.4% | 20.7% | 27.7% | 10.0% | 28.9% | 31.2% | 6.7% | -2.1% |

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

| EURm | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022E | 2023E | 2024E |
|--|-----------|------------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| EBITDA (adj) for associates | 27 | 28 | 18 | 40 | 47 | 53 | 60 | 55 | 60 | 64 | 67 |
| Paid taxes | -3 | -4 | -5 | -8 | -7 | -8 | -7 | -11 | -8 | -9 | -10 |
| Net financials | 0 | -2 | -2 | -2 | -2 | -2 | -2 | -1 | -2 | -2 | -2 |
| Change in provisions | 0 | 1 | 4 | -5 | 0 | 0 | 4 | -3 | 1 | 0 | 0 |
| Change in other LT non-IB | 0 | -2 | 1 | -2 | 0 | -1 | -1 | -2 | 0 | 0 | 0 |
| Cash flow to/from associates | n.a. | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Dividends paid to minorities | n.a. | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other adj to reconcile to cash flow | -7 | -1 | 7 | 4 | 0 | 2 | -11 | 2 | 0 | 0 | 0 |
| Funds from operations (FFO) | 16 | 21 | 23 | 27 | 39 | 44 | 43 | 40 | 50 | 53 | 56 |
| Change in NWC | -5 | -8 | -6 | -6 | -10 | -8 | -8 | -53 | -27 | 34 | 2 |
| Cash flow from operations (CFO) | 11 | 13 | 16 | 21 | 29 | 36 | 35 | -13 | 23 | 87 | 58 |
| Capital expenditure | -8 | -51 | -4 | -11 | -10 | -7 | -9 | -13 | -19 | -17 | -17 |
| Free cash flow before A&D | 3 | -38 | 13 | 11 | 19 | 29 | 26 | -25 | 4 | 71 | 41 |
| Proceeds from sale of assets | n.a. | n.a. | n.a. | 0 | 0 | 0 | 13 | 0 | 0 | 0 | 0 |
| Acquisitions | n.a. | n.a. | n.a. | 0 | 0 | -10 | 0 | 0 | 0 | 0 | 0 |
| Free cash flow | 3 | -38 | 13 | 11 | 19 | 18 | 39 | -25 | 4 | 71 | 41 |
| Free cash flow bef A&D, lease adj | 3 | -38 | 13 | 11 | 19 | 26 | 23 | -28 | 1 | 68 | 38 |
| Dividends paid | n.a. | n.a. | n.a. | -6 | -7 | -8 | -10 | -11 | -12 | -14 | -15 |
| Equity issues / buybacks | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net change in debt | -10 | 44 | -26 | -4 | -14 | -43 | -21 | 39 | 5 | -15 | -15 |
| Other financing adjustments | n.a. | n.a. | n.a. | n.a. | 0 | 0 | 0 | 0 | -3 | -3 | -3 |
| Other non-cash adjustments | 1 | 1 | -1 | -1 | 0 | 34 | -3 | -4 | 0 | 0 | 0 |
| Change in cash | -9 | 3 | -2 | 0 | -1 | 1 | 5 | -1 | -6 | 39 | 8 |
| Cash flow metrics | | | | | | | | | | | |
| Capex/D&A | 92.9% | n.m. | 32.3% | n.m. | n.m. | 41.2% | 58.4% | 83.8% | n.m. | n.m. | n.m. |
| Capex/Sales | 3.7% | 13.5% | 0.7% | 2.0% | 1.7% | 1.3% | 1.6% | 1.9% | 2.2% | 2.1% | 2.1% |
| Key information | | | | | | | | | | | |
| Share price year end (/current) | 2 | 4 | 3 | 4 | 4 | 5 | 7 | 7 | 7 | 7 | 7 |
| Market cap. | 142 | 220 | 222 | 271 | 239 | 316 | 422 | 483 | 437 | 437 | 437 |
| Enterprise value | 132 | 286 | 262 | 314 | 269 | 362 | 440 | 543 | 509 | 454 | 432 |
| Diluted no. of shares, year-end (m) | 57.7 | 57.7 | 63.7 | 63.8 | 63.8 | 64.7 | 64.7 | 64.7 | 64.7 | 64.7 | 64.7 |

Source: Company data and Nordea estimates

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