

Figures stand high

Scanfil's Q1 was expected to be strong, however the results still clearly topped estimates by many percentage points. In our view it wouldn't seem too difficult for the company to reach the higher end of its guidance range for the year.

- Scanfil Q1 revenue grew by 14.2% y/y to EUR 224.6m vs the EUR 205.9m/216.1m Evli/consensus estimates. The figure includes EUR 7.9m of spot market component purchases.
- Advanced Consumer Applications was EUR 51.3m vs our EUR 53.9m estimate, whereas Energy & Cleantech amounted to EUR 67.5m, compared to our EUR 56.2m estimate. Automation & Safety was EUR 52.5m, compared to our EUR 48.1m estimate.
- EBIT amounted to EUR 15.1m, compared to the EUR 13.7m/13.8m Evli/consensus estimates. EBIT margin was thus 6.7%, matching our estimate. High capacity utilization rate, increased efficiency due to improving component availability and successful cost inflation management helped produce the highest quarterly margin in two years.
- Scanfil guides revenue for FY '23 to amount to EUR 880-940m and EBIT of EUR 56-64m (outlook revised on Apr 12).

Rating				+ BUY
Q1'23	Actual	Evli	Year ago	Q4'22
Revenue	224.6	205.9	196.6	222.3
EBIT	15.1	13.7	10.3	13.4
EPS	0.18	0.15	0.12	0.16
Deviation	Actual	Evli	Year ago	Q4'22
Revenue		9 %	14 %	1 %
EBIT		10 %	47 %	13 %
EPS		20 %	50 %	13 %
Share price, EUR (Last trading day's closing price)				9.45
Target price, EUR				10.0
Latest change in recommendation				14-Oct-21
Latest report on company				14-Apr-23
Research paid by issuer:				YES
No. of shares outstanding, '000's				63,895
No. of shares fully diluted, '000's				63,895
Market cap, EURm				604
Free float, %				46.6
Exchange rate				-
Reuters code				SCANFLHE
Bloomberg code				SCANFL FH
Average daily volume, EURm				0.1
Next interim report				26-Apr-23
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+ BUY + HOLD - SELL

PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2021	695.7	40.3	5.8%	-31.7	0.48	15.6	0.8	13.2	-6.7	0.19
2022	843.8	45.4	5.4%	-7.2	0.55	12.0	0.6	11.0	-1.7	0.21
2023E	900.8	59.0	6.5%	83.8	0.67	14.0	0.7	10.4	13.9	0.23
2024E	945.8	63.4	6.7%	37.1	0.74	12.7	0.6	9.3	6.2	0.25
2025E	978.9	66.6	6.8%	41.9	0.78	12.1	0.6	8.5	6.9	0.27
Market cap, EURm	604		BV per share 2023E, EUR		4.2		CAGR EPS 2022-25, %		12.6	
Net debt 2023E, EURm	11		Price/book 2023E		2.4		CAGR sales 2022-25, %		5.1	
Enterprise value, EURm	615		Dividend yield 2023E, %		2.4		ROE 2023E, %		17.8	
Total assets 2023E, EURm	483		Tax rate 2023E, %		24.0		ROCE 2023E, %		18.4	
Goodwill 2023E, EURm	8		Equity ratio 2023E, %		53.1		PEG, P/E 23/CAGR		2.1	

All the important disclosures can be found on the last pages of this report.

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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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The graph above shows the distribution of ERP's recommendations of companies under coverage in 11th of May 2020. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Ilvonen

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