

SCANFIL

Scanfil plc
January-December 2024
Financial Statement

21 FEBRUARY 2025



Scanfil Group's financial statement for 2024

Navigating challenges, delivering strong margins, and poised for growth in 2025

October–December

- Turnover totaled EUR 212.3 million (220.8), a decrease of 3.9%
- Adjusted operating profit was EUR 14.0 (13.4) million, an increase of 4.4 %. Reported operating profit was EUR 13.8 (13.4) million, an increase of 2.9 %
- Adjusted operating profit margin was 6.6% (6.1%). Reported operating profit margin was 6.5% (6.1%)
- Earnings per share were EUR 0.14 (0.17)

January–December

- Turnover totaled EUR 779.9 million (901.6), a decrease of 13.5%
- Adjusted operating profit was EUR 53.1 (61.3) million, a decrease of 13.4%. Reported operating profit was EUR 52.6 (61.3) million, a decrease of 14.2%
- Adjusted operating profit margin was at 6.8% (6.8%). Reported operating profit margin was at 6.7% (6.8%)
- Earnings per share were EUR 0.59 (0.74)
- Net debt/EBITDA was 0.43 (0.64)
- Dividend proposal 0.24 (0.23) euro per share

Outlook for 2025

Scanfil estimates its turnover to be EUR 780-920 million and operating profit EUR 53-66 million in 2025.

	Q4 2024	Q4 2023	Change,%	1-12 2024	1-12 2023	Change,%
Turnover, EUR million	212.3	220.8	-3.9	779.9	901.6	-13.5
Operating Profit, EUR million	13.8	13.4	2.9	52.6	61.3	-14.2
Operating Profit, adjusted, EUR million	14.0	13.4	4.4	53.1	61.3	-13.4
Operating Profit, %	6.5	6.1		6.7	6.8	
Operating Profit, adjusted, %	6.6	6.1		6.8	6.8	
Net Profit, EUR million	9.2	10.9	-15.0	38.6	48.2	-19.9
Net Profit, adjusted, EUR million	9.5	10.9	-13.1	39.1	48.2	-18.9
Earnings per Share, EUR	0.14	0.17	-17.6	0.59	0.74	-20.3
Earnings per Share, adjusted, EUR	0.14	0.17	-17.6	0.60	0.74	-18.9
Return on Equity, %				13.9	19.6	-29.2
Return on Equity, adjusted, %				14.0	19.6	-28.2
Equity Ratio, %				55.5	53.7	3.4
Net Gearing, %				7.3	19.4	-62.5
Net debt / EBITDA				0.43	0.64	-32.8
Net Cash Flow from Operations, EUR million	23.4	34.9	-32.8	92.1	68.9	33.7
Employees, Average				3,593	3,671	-2.1

Adjusted items are non-recurring significant items that deviate from normal business operations, which affects the comparability between different periods. Adjusted items in January-December include costs related to the acquisition of SRXGlobal Pty Ltd. (EUR 0.5 million).

CEO CHRISTOPHE SUT:

“The fourth quarter was the best quarter of the year, and we delivered an adjusted operating profit of EUR 14 million. In absolute terms, the improvement was EUR 0.6 million compared to the same period last year. The adjusted operating margin was 6.6%, an increase of 0.5 percentage points from last year.

The fourth quarter closed a full year where Scanfil demonstrated an ability to defend its operating margin and maintain a solid 6.8% adjusted operating margin in a challenging market situation. Excluding full-year impacts of foreign exchange rates, layoff costs, and material consignment sales, the full-year operating margin reached our long-term target of 7.0% and demonstrated great operational performance throughout the year.

At the end of the fourth quarter, our financial position was solid. Gearing was 7.3% (19.4%), and the equity ratio was 55.5% (53.7%). Inventory management improved, and inventories were reduced by EUR 5.8 million in the fourth quarter. Compared to the end of December last year inventories decreased by EUR 51.4 million (Cash flow impact of inventory reduction). Our net debt level was 0.43 times EBITDA, well below our long-term target of 1.5.

The Board of Directors' dividend proposal per share is EUR 0.24, which is 41% of the earnings per share. We aim to pay our shareholders an increasing dividend and keep our balance sheet strong to be able to carry out all strategically important growth investments. If the Annual General Meeting approves the proposal, the dividend has increased for 12 consecutive years.

On the customer side, we continued to focus on winning new contracts and had another very active quarter in sales, winning new projects with a record annualized value of EUR 61.0 million in the fourth quarter and EUR 187.5 million in 2024.

The Industrial segment remained slightly negative compared to last year, with turnover decreasing by 5.0%. The market was soft, and volumes stabilized at a lower level. However, our new sales activity was strong, and we won new projects with an annualized value of EUR 31.6 million in the fourth quarter and EUR 83.2 million in 2024.

The Energy & Cleantech segment stabilized at lower levels. Turnover development was -7.8% for the fourth quarter and -13.9% for the full year compared to the same period in 2023. The long-term outlook remains positive, and we won projects in the fourth quarter with an annualized value of EUR 19.9 million and EUR 73.7 million in 2024.

The Medtech & Life Science segment developed positively in the second half of 2024 and returned to growth. Turnover increased by 7.6% in the fourth quarter, but the full-year turnover development was still slightly negative at 5.1% compared to 2023. Investments in sales resources started to pay off, and we signed several new contracts. In the fourth quarter, the annualized value was EUR 9.5 million and EUR 30.2 million in 2024.

The strategic changes announced during the third quarter are now fully implemented. At the beginning of 2025, our new regional operating model and supporting Management Team were fully operational.

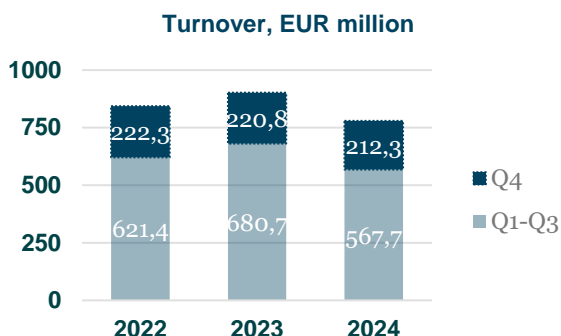
The SRXGlobal acquisition was completed early in the quarter, and we focused on integrating and leveraging the newly acquired assets. Anticipating strong customer demand and a promising long-term outlook, we have decided to invest EUR 4.3 million in the Malaysian factory. Our financial position will allow us to continue to look for new M&A opportunities.

We see customer demand stabilizing and rebounding; this was the case with Medtech & Life Science. We believe demand will gradually speed up in 2025, and in the first quarter of the year, we will focus on ramping up customer projects won in 2024. Our outlook for 2025 in turnover is EUR 780–920 million and an operating profit EUR 53–66 million. The first quarter of 2025 is a ramp-up quarter of projects we won in 2024. It builds-up a momentum for a brisk remainder of the year.

In 2024 our team has shown strong commitment to implementing the strategy and reaching our targets in a challenging market situation. We are building our strength through efficiency improvements, new customer contracts, and M&A”.

Scanfil Group's financial statement for 2024

TURNOVER

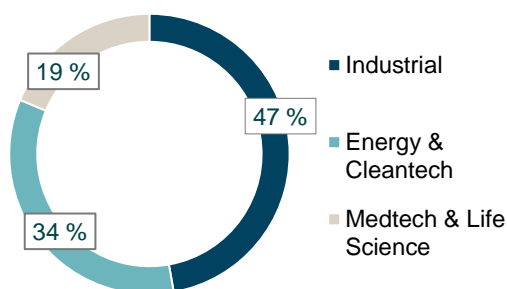


The turnover for **October–December** was EUR 212.3 (220.8) million, a decrease of 3.9% compared to the previous year's comparison period. The revenue included EUR 14.5 million of material sales to consignment inventory with low margin. The turnover decreased by EUR 8.6 million, of which EUR 2.4 million were spot market purchases. Excluding spot market purchases impact, turnover decreased by 2.9%.

The turnover for **January–December** was EUR 779.9 (901.6) million, a decrease of 13.5% compared to the previous year. The turnover decreased by EUR 121.7 million, of which EUR 14.5 million were spot market purchases. Excluding spot market purchases, turnover decreased by 12,1%.

In **January–December**, the largest customer accounted for about 13% (13%) of turnover and the top ten customers accounted for about 55% (55%) of turnover.

TURNOVER BY CUSTOMER SEGMENT



Industrial

Turnover in **October–December** was EUR 99.9 (105.2) million, a decrease of 5.0% compared to the same period in 2023. Turnover in **January–December** was EUR 368.3 (427.6) million, a decrease of 13.9%

compared to 2023. The general economic situation had a negative impact on certain end-customers' demand.

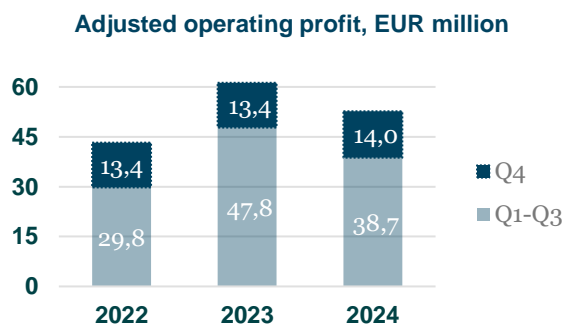
Energy & Cleantech

Turnover in **October–December** was EUR 72.4 (78.5) million, a decrease of 7.8% compared to the same period in 2023, which was caused by cyclic demand variation with certain customers. Turnover in **January–December** was EUR 265.8 (320.2) million, a decrease of 17.0% compared to 2023. Improved semiconductor availability in the second half of 2023 boosted the demand and drove to overstock, which impacted the turnover.

Medtech & Life Science

Turnover in **October–December** was EUR 40.0 (37.1) million, an increase of 7.6% compared to the same period in 2023. The increase resulted from a positive development with certain end customer demand. Turnover in **January–December** was EUR 145.8 (153.7) million, a decrease of 5.1% compared to 2023. The decrease was mainly caused by a strong comparison period in 2023.

OPERATING PROFIT



The adjusted operating profit for **October–December** was EUR 14.0 (13.4) million. With a strong focus on reducing operational costs, the operating profit increased by EUR 0.6 million from the previous year, and the adjusted operating margin improved to 6.6% (6,1%) of turnover. The adjusted operating margin was impacted by an EUR 0.4 million negative change in foreign exchange rates and EUR 14.5 million in consignment sales, resulting in a 0.7% negative impact on the operating margin. Operating profit was adjusted with EUR 0.2 million acquisition costs related to SRX transaction in the fourth quarter of 2024. The operating

profit for **October–December** was EUR 13.8 (13.4) million, 6.5% (6.1%) of turnover.

The adjusted operating profit for **January–December** was EUR 53.1 (61.3) million, 6.8% (6.8%) of turnover. Operating profit was adjusted for EUR 0.5 million acquisition costs related to the SRX transaction. The adjusted operating margin was affected by EUR 1.0 million change in foreign exchange rates, EUR 0.5 million in lay-off costs, and EUR 14.5 million in consignment revenue, resulting in a total impact of -0.3%. The operating profit for **January–December** was EUR 52.6 (61.3) million, 6.7% (6.8%) of turnover.

NET PROFIT AND EARNINGS

The net profit for **October–December** was EUR 9.2 (10.9) million, a decrease of 15.0%. Earnings per share were EUR 0.14 (0.17). The net profit for **January–December** was EUR 38.6 (48.2) million, a decrease of 19.9%. Earnings per share were EUR 0.59 (0.74). The return on investment was 15.4% (19.4%).

The effective tax rate in **January–December** was 24.4% (21.7%). The difference in the rates is due to a negative adjustment of taxes in the Poland Special Economic Zone and a tax refund resulting from a mutual agreement process in 2023 concerning the 2014 tax year in Poland. These factors had a total impact of 1.4% on the tax rate. Otherwise, the tax rate reflects the weighted average tax rates, including withholding taxes on dividends.

FINANCING AND CAPITAL EXPENDITURE

Scanfil has a strong financial position. The consolidated balance sheet total was EUR 539.1 (518.0) million at the end of the review period. Cash and cash equivalents totaled EUR 48.5 (21.2) million. Liabilities amounted to EUR 248.0 (252.0) million, of which non-interest-bearing liabilities totaled EUR 178.3 (179.0) million and interest-bearing liabilities totaled EUR 69.7 (73.0) million. Interest-bearing liabilities consisted of EUR 42.7 (50.4) million in liabilities from financial institutions and EUR 27.0 (22.6) million in leasing liabilities. The Group has a strong liquidity position with EUR 91.5 million in unused credit facilities.

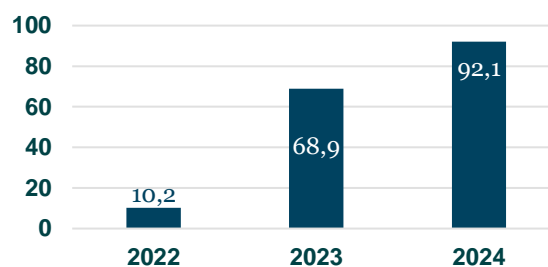
The equity ratio **at the end of the period** was 55.5% (53.7%), and net gearing was 7.3% (19.4%). Net debt to EBITDA was 0.43 (0.64). Equity per share was EUR 4.46 (4.08).

The Group's financial arrangement includes discharge covenants related to equity ratio and interest-bearing net

debt/EBITDA ratio. Compliance with the terms of the covenants is reviewed quarterly. At the end of the period under review, the terms have been clearly complied with.

On October 3, 2024, Scanfil plc acquired the entire share capital of SRXGlobal Pty Ltd., an Australian electronics contract manufacturer. The purchase price was EUR 33.2 million. SRXGlobal has two factories in Melbourne, Australia and Johor Bahru, Malaysia. Factories have in total 8 automated SMT lines and ca. 300 employees. Information on the acquired net assets is provided in Note 4.

NET CASH FLOW FROM OPERATIONS, EUR million in January–December



The net cash flow from operating activities for **January–December** was EUR 92.1 (68.9) million. The positive change resulted from the EUR 50.4 million impact of the reduction in inventory values.

The net cash flow from investing activities in **January–December** was EUR -37.6 (-21.9) million, which includes a cash flow effect of EUR -22.3 million related to the acquisition of SRXGlobal Pty Ltd. Furthermore, Scanfil invested in the Dream Factory manufacturing efficiency program and necessary capacity replacements. Sieradz factory expansion was postponed due to the prevailing demand environment.

Free cash flow was EUR 54.5 (46.8) million.

The cash flow from financing activities was EUR -27.6 (-46.4) million, including EUR -15.0 (-13.6) million dividend payment, EUR -6.0 (-6.0) million in repayments of long-term loans, changes in the leasing liabilities of EUR -4.4 (-4.2) million and change in overdraft facility EUR -2.2 (-23.9) million.

Gross investments in **January–December** totaled EUR 48.6 (22.2) million, which was 6.2% (2.5%) of the turnover. Depreciations, including impairments, totaled EUR 21.1 (19.1) million. The gross investments include EUR 33.9 million in acquisition expenses related to the share capital of SRXGlobal Pty Ltd.

DECISIONS BY THE ANNUAL GENERAL MEETING AND BOARD OF DIRECTORS' AUTHORIZATION

The Annual General Meeting held on 25 April 2024 authorized the Board of Directors to decide on the acquisition of the company's own shares and to decide on share issues, granting shares and issuing special rights entitled to shares.

The Board of Directors' proposals for the General Meetings and the minutes are available on the company's website at www.scanfil.com/agm.

OWN SHARES

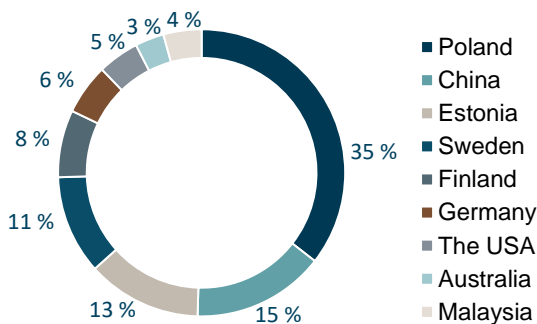
On 31 December 2024, the company owned 78,738 of its own shares, representing 0.1% of all shares.

SHARE TRADING AND SHARE PERFORMANCE

The number of Scanfil shares was 65,269,993 in total as of 31 December 2024 with the market value of EUR 538.5 million.

The highest trading price during **January–December** was EUR 8.7 and the lowest was EUR 6.72, with the closing price for the period standing at EUR 8.25 and the volume weighted average price at EUR 7.73.

PERSONNEL



At the end of the period the Group employed 3,997 (3,797). The change was driven by the acquisition of SRXGlobal. The average number of Group employees during the review period was 3,593 (3,671) people.

CHANGES IN GROUP STRUCTURE

Scanfil acquired SRXGlobal Pty Ltd. on 3 October 2024.

FUTURE OUTLOOK

Scanfil estimates its turnover to be EUR 780–920 million, and an adjusted operating profit of EUR 53–66 million.

The outlook is based on customer forecasts and Scanfil's normal forecasting process. The outlook is associated with uncertainty related to global economic development.

LONG-TERM TARGETS

Scanfil is aiming for 10% annual turnover growth and 7%-8% operating profit level while keeping its net debt/EBITDA ≤1.5. Scanfil aims to pay an increasing dividend of approximately 1/3 of the earnings per share.

OPERATIONAL RISKS AND UNCERTAINTIES

Current recognized risks are strategic risks such as uncertainties in the global economy and risks in the political environment which might prevent the company from achieving its economic targets.

Other recognized risks are related to inflation, materials prices and availability, exchange rates and cyber security. Scanfil is also involved in a few claims that may lead to or are in arbitration proceedings and legal proceedings. If the group estimates that the outcome of the proceedings has a potential financial impact, it is reflected in the accounting.

The negative development of the global economy may have an impact on Scanfil's revenue and profitability in the short to midterm. It may also have an impact on companies' financing and therefore increase the risk of credit losses.

If conflicts in Ukraine and the Middle East continue and escalate further, it might impact Scanfil and the business environment of its customers. Furthermore, other political and trade tension as well as related actions might impact Scanfil's business environment.

Overall inflation also influences the company's cost structure.

Materials availability in the market has normalized. However, any disruption in the external material supply chain could impact on the company's revenue and profitability.

The changes in foreign exchange rates are a risk to profitability. Scanfil mitigates the risk by using foreign exchange forward contracts.

Mergers and acquisitions have risks e.g. related to acquisition price, integration and future profitability of the acquired company.

Cyber security is recognized as an increasing risk. Scanfil is continuously monitoring and developing its ICT environment and systems to mitigate the risk.

The risk of energy availability and potential increases in energy costs are not expected to have a significant impact on short-term revenue or profitability.

The company's risks and risk management are described on the company's website under Corporate Governance and in the Sustainability report 2023 and notes to the consolidated financial statement for 2023.

KEY INDICATORS

	1 -12	1 -12
	2024	2023
Return on equity, %	13.9	19.6
Return on investment, %	15.4	19.4
Interest-bearing liabilities, EUR million	69.7	73.0
Gearing, %	7.3	19.4
Equity ratio, %	55.5	53.7
Gross investments, EUR million	48.6	22.2
% of net turnover	6.2	2.5
Personnel, average	3 593	3 671
Earnings per share, EUR	0.59	0.74
Shareholders' equity per share, EUR	4.46	4.08
Dividend per share, EUR	0.24	0.23
Dividend per earnings, %	40.7	31.1
Effective dividend yield, %	2.91	2.94
Price-to-earnings ratio (P/E)	14.0	10.6
Year's lowest share price, EUR	6.72	6.40
Year's highest share price, EUR	8.70	11.58
Average share price for year, EUR	7.73	8.6
Share price at year's end, EUR	8.25	7.83
Market capitalization at end of year, EUR million	538.5	511.1
Number of shares at the end of period, 000's		
- not counting own shares	65 191	65 191
- weighted average	65 191	64 864

Owing to the nature of the sector, the company's order book covers only a short period of time and does not give an accurate picture of future development.

KEY INDICATORS QUARTERLY

	Q4/24	Q3/24	Q2/24	Q1/24	Q4/23	Q3/23	Q2/23	Q1/23	Q4/22
Turnover, MEUR	212.3	173.3	195.5	198.9	220.8	212.8	243.3	224.6	222.3
Operating profit, MEUR	13.8	12.1	13.9	12.7	13.4	15.2	17.5	15.1	13.4
Operating profit, %	6.5	7.0	7.1	6.4	6.1	7.2	7.2	6.7	6.0
Net income, MEUR	9.2	8.7	10.8	9.8	10.9	11.0	14.5	11.8	10.5

CALCULATION OF KEY INDICATORS

Return on equity, %	$\frac{\text{Net profit for the period}^* \times 100}{\text{Shareholders' equity (average)}}$
Adjusted return on equity %	$\frac{\text{Adjusted net profit for the period}^* \times 100}{\text{Adjusted shareholders' equity (average)}}$
Return on investment, %	$\frac{(\text{Profit before taxes} + \text{interest and other financial expenses})^* \times 100}{\text{Balance sheet total} - \text{non-interest-bearing liabilities (average)}}$
Net gearing (%)	$\frac{(\text{Interest-bearing liabilities} - \text{cash and other liquid financial assets}) \times 100}{\text{Shareholders' equity}}$
Equity ratio (%)	$\frac{\text{Shareholders' equity} \times 100}{\text{Balance sheet total} - \text{advance payments received}}$
Net debt	Interest-bearing liabilities + lease liabilities - cash and cash equivalents
EBITDA	Operating Profit + Depreciations and amortizations
Earnings per share	$\frac{\text{Net profit for the period}}{\text{Average adjusted number of shares during the year}}$
Shareholders' equity per share	$\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at the end of the financial period}}$
Dividend per share	$\frac{\text{Dividend to be distributed for the period (Board's proposal)}}{\text{Number of shares at the end of year}}$
Dividend per earnings (%)	$\frac{\text{Dividend per share} \times 100}{\text{Earnings per share}}$
Effective dividend yield (%)	$\frac{\text{Dividend per share} \times 100}{\text{Share price at the end of year}}$
Price-to-earnings ratio (P/E)	$\frac{\text{Share price at the end of year}}{\text{Earnings per share}}$
Average share price	$\frac{\text{Total share turnover}}{\text{Number of shares traded}}$
Market capitalization	Number of shares x last trading price of the financial period
Adjusted item	A non-recurring significant item that deviates from normal business operations, which affects the comparability between different periods

* Year-to-date annualized

CONDENSED CONSOLIDATED INCOME STATEMENT

		10 - 12 2024	10 - 12 2023	1 - 12 2024	1 - 12 2023
EUR million	Note				
Turnover	1	212.3	220.8	779.9	901.6
Other operating income		0.5	0.2	1.2	0.9
Changes in inventories of finished goods and work in progress		-2.0	-3.9	-3.1	-0.3
Expenses		-190.9	-198.7	-704.3	-821.7
Depreciation and amortization		-6.0	-4.9	-21.1	-19.1
Operating profit		13.8	13.4	52.6	61.3
Financial income and expenses		-1.5	0.6	-1.5	0.3
Profit before taxes		12.3	14.1	51.1	61.6
Income taxes		-3.1	-3.2	-12.5	-13.4
Net profit for the period		9.2	10.9	38.6	48.2
Attributable to:					
Equity holders of the parent		9.2	10.9	38.6	48.2
Earnings per share for profit attributable to shareholders of the parent:					
undiluted (EUR)		0.14	0.17	0.59	0.74
diluted (EUR)		0.14	0.17	0.59	0.74

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	10 - 12 2024	10 - 12 2023	1 - 12 2024	1 - 12 2023
EUR million				
Net profit for the period	9.2	10.9	38.6	48.2
Items that may later be recognized in profit or loss				
Translation differences	1.6	6.6	2.1	3.0
Cash flow hedges	-0.3	0.8	-1.0	0.0
Other comprehensive income, net of tax	1.3	7.4	1.1	2.9
Total Comprehensive Income	10.6	18.3	39.7	51.2
Attributable to:				
Equity holders of the parent	10.6	18.3	39.7	51.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Note	31.12.2024	31.12.2023
Assets			
Non-current assets			
Property, plant and equipment	2	68.4	62.7
Right-of-use asset	2	26.5	22.6
Goodwill	3,4	29.1	7.7
Other intangible assets		20.0	10.4
Available-for-sale investments		0.5	0.5
Deferred tax assets		7.7	7.7
Total non-current assets		152.2	111.6
Current assets			
Inventories		168.1	209.0
Trade and other receivables		165.4	173.5
Advance payments		0.7	0.9
Current tax		4.2	1.8
Cash and cash equivalents		48.5	21.2
Total current assets		386.8	406.4
Total assets		539.1	518.0
		31.12.2024	31.12.2023
Shareholder's equity and liabilities			
Equity attributable to equity holders of the parent			
Share capital		2.0	2.0
Reserve for invested unrestricted equity fund		33.3	34.8
Fair value reserve		0.0	0.9
Other reserves		2.6	2.6
Translation differences		-2.5	-4.6
Retained earnings		255.6	230.2
Total equity		291.0	266.0
Non-current liabilities			
Deferred tax liabilities		9.7	5.7
Provisions		1.8	1.1
Interest bearing liabilities		20.0	
Lease liability		21.9	18.6
Non-interest-bearing liabilities		10.3	
Total non-current liabilities		63.6	25.4
Current liabilities			
Trade and other liabilities		153.7	166.7
Current tax		2.1	4.9
Provisions		0.7	0.6
Interest bearing liabilities		22.7	50.4
Lease liability		5.1	3.9
Total current liabilities		184.4	226.6
Total liabilities		248.0	252.0
Total shareholder's equity and liabilities		539.1	518.0

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

Equity attributable to equity holders of the parent company

EUR million	Share capital	Reserve for invested unrestricted equity fund	Fair value reserve	Reserve fund	Translation differences	Retained earnings	Equity total
Equity 1.1.2024	2.0	34.8	0.9	2.6	-4.6	230.2	266.0
Total comprehensive income			-1.0		2.1	38.6	39.7
Paid dividend						-15.0	-15.0
Option scheme						0.3	0.3
Share options exercised*		-1.5				1.5	
Equity 31.12.2024	2.0	33.3	0.0	2.6	-2.5	255.6	291.0

* 1.1.2024 The cumulative effect of entries related to exercised share options has been reclassified as retained earnings from the reserve for invested unrestricted equity fund.

Equity attributable to equity holders of the parent company

EUR million	Share capital	Reserve for invested unrestricted equity fund	Fair value reserve	Reserve fund	Translation differences	Retained earnings	Equity total
Equity 1.1.2023	2.0	33.4	1.0	2.6	-7.6	195.1	226.6
Total comprehensive income			0.0		3.0	48.2	51.2
Option scheme						0.5	0.5
Paid dividend						-13.6	-13.6
Share options exercised		1.4					1.4
Equity 31.12.2023	2.0	34.8	0.9	2.6	-4.6	230.2	266.0

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	1.1.-31.12.2024	1.1.-31.12.2023
EUR million		
Cash flow from operating activities		
Net profit	38.6	48.2
Adjustments for the net profit	36.2	35.7
Change in net working capital	36.2	-2.6
Paid interests and other financial expenses	-2.4	-3.6
Received interest and other financial income	1.0	0.5
Taxes paid	-17.5	-9.2
Net cash from operating activities	92.1	68.9
Cash flow from investing activities		
Acquisition of subsidiary less cash at the time of acquisition	-22.3	
Investments in tangible and intangible assets	-15.7	-22.2
Sale of tangible and intangible assets	0.3	0.3
Net cash from investing activities	-37.6	-21.9
Cash flow from financing activities		
Related-party investment company shares	0	1.4
Repayment of long-term loans	-6.0	-6.0
Proceeds from short term loans	-2.2	0
Repayment of short-term loans	0	-24.0
Repayment of lease liabilities	-4.4	-4.2
Dividends paid	-15.0	-13.6
Net cash from financing activities	-27.6	-46.4
Net increase/decrease in cash and cash equivalents	26.9	0.6
Cash and cash equivalents at beginning of period	21.2	20.8
Changes in exchange rates	0.4	-0.2
Cash and cash equivalents at end of period	48.5	21.2

ADJUSTMENT CALCULATIONS TO OPERATING AND NET PROFIT, AND EQUITY

	10 - 12 2024	10 - 12 2023	1 - 12 2024	1 - 12 2023
EUR million				
Operating profit	13.8	15.2	52.6	61.3
Operating profit, % of turnover	6.5 %	7.2 %	6.7 %	6.8 %
Adjustment items:				
<i>Expenses</i>	0.2		0.5	
Total adjustment items	0.2		0.5	
Adjusted operating profit	14.0	15.2	53.1	61.3
Adjusted operating profit, % of turnover	6.6 %	7.2 %	6.8 %	6.8 %
Financial income and expenses	-1.5	-0.7	-1.5	0.3
Profit before taxes	12.3	14.6	51.1	61.6
Income taxes	-3.1	-3.5	-12.5	-13.4
Net profit for the period	9.2	11.0	38.6	48.2
Earnings per share, EUR	0.14	0.17	0.59	0.74
Adjusted net profit for the period	9.5	11.0	39.1	48.2
Adjusted earnings per share, EUR	0.14	0.17	0.60	0.74
Equity			291.0	266.0
Return on equity, %			13.6 %	19.6 %
Adjustment items:				
<i>Net profit for the period</i>			0.5	
Adjusted equity			291.6	266.0
Adjusted return on equity, %			14.0 %	19.6 %

Notes to the financial statement

ACCOUNTING PRINCIPLES

The Group's financial statement report has been prepared in compliance with the IAS 34 Interim Financial Reporting standard. The report complies with the accounting principles as in the Financial Statement for 2023. All individual figures and totals presented in tables have been rounded, due to which the total sum of individual figures may differ from the sum presented. The key figures have been calculated using precise values. The financial statement is unaudited.

In its meeting held on February 20, 2025, the Board of Directors of Scanfil plc approved this report for publication.

1. DISAGGREGATION OF REVENUES

EUR million	10 -12 2024			10 -12 2023		
	Goods	Services	Total	Goods	Services	Total
Customer Segments						
Industrial	91.2	8.6	99.9	97.2	8.0	105.2
Energy & Cleantech	70.7	1.7	72.4	76.8	1.7	78.5
Medtec & Life Science	37.7	2.3	40.0	34.9	2.2	37.1
Total	199.6	12.6	212.3	208.9	11.9	220.8

Timing of revenue recognition						
Goods and services transferred at a point of time	199.6	11.8	211.4	208.9	11.3	220.2
Services transferred over time		0.9	0.9		0.6	0.6
Total	199.6	12.6	212.3	208.9	11.9	220.8

EUR million	1 - 12 2024			1 - 12 2023		
	Goods	Services	Total	Goods	Services	Total
Customer Segments						
Industrial	334.4	34.0	368.4	393.6	34.1	427.6
Energy & Cleantech	261.5	4.3	265.8	314.8	5.4	320.2
Medtec & Life Science	137.6	8.2	145.8	146.0	7.7	153.7
Total	733.5	46.4	779.9	854.4	47.2	901.6

Timing of revenue recognition						
Goods and services transferred at a point of time	733.5	44.4	777.9	854.4	44.6	899.0
Services transferred over time		2.0	2.0		2.6	2.6
Total	733.5	46.4	779.9	854.4	47.2	901.6

2. CHANGES IN TANGIBLE NON-CURRENT ASSETS

	1 - 12 2024	1 - 12 2023
EUR million		
Book value at the beginning of the period	85.3	79.7
Additions	19.4	20.9
Business Combinations	6.8	0
Deductions	-0.3	-0.2
Depreciations and decreases in value	-18.1	-16.5
Exchange rate differences	1.3	1.4
Book value at the end of the period	94.9	85.3

3. CHANGES IN GOODWILL

	1 - 12 2024	1 - 12 2023
EUR million		
Book value at the beginning of the period	7.7	7.7
Additions, SRXGlobal Pty Ltd.	22.4	0
Exchange rate differences	-1.0	0.0
Book value at the end of the period	29.1	7.7

4. ACQUIRED BUSINESS

On October 3, 2024, Scanfil plc acquired the entire share capital of SRXGlobal Pty Ltd. The purchase price was EUR 33.2 million. It includes a maximum contingent consideration of EUR 10.5 million, measured at fair value, that will expire in 2026. From the purchase price EUR 12.1 million was allocated to long-term customer relationships, where net deferred tax liabilities were EUR 3.6 million and EUR 22.4 million was recognized in unallocated goodwill.

The acquisition increases Scanfil's strategic presence and manufacturing capacity in Southeast Asia with two factories, one in Melbourne, Australia, and one in Johor Bahru, Malaysia. Scanfil's existing customers will also benefit from new locations. The goodwill arising from the acquisition mainly relates to SRXGlobal's skills and processes in PCBA manufacturing, box building, and expected synergies in material sourcing. The value of the acquired assets and liabilities on the date of acquisition were as follows:

EUR million	
Tangible assets	3.5
Right-of-use asset	3.4
Long-term customer relationships	12.1
Deferred tax assets	0.9
Inventories	7.6
Trade and other receivables	5.6
Cash and cash equivalents	0.6
Total assets	33.7

Deferred tax liabilities	4.1
Non-current interest-bearing liabilities	3.2
Trade and other liabilities	15.3
Non-current interest-bearing liabilities	0.5
Total liabilities	23.1
Net assets	10.5
Paid purchase price	23.3
Contingent considered, earn-out	9.6
Acquisition cost	32.9
Goodwill	-22.4
Purchase price in cash	23.3
Cash and cash equivalents of the acquired company	0.6
Cash flow	22.7

According to the acquisition cost calculation, EUR 12.1 million was allocated to long-term customer relationships. The deferred tax liability is EUR 3.6 million. EUR 22.4 million of unallocated goodwill was recognized from the acquisition. SRXGlobal Pty

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Ltd. has been consolidated into Scanfil Group as of 1 October 2024. The effect on the Group's turnover for the reporting period was EUR 10.9 million and the operating profit for the period EUR -0.1 million. If SRXGlobal had been consolidated on January 1, 2024, Scanfil's turnover for 2024 would have been EUR 808.0 million and operating profit EUR 52.9 million.

5. FINANCIAL ASSETS AND LIABILITIES, CARRYING AMOUNT AND FAIR VALUE

EUR million	31.12.2024 Book values of balance sheet values	31.12.2024 Fair values of balance sheet values
Non-current assets		
Investments	0.5	0.5
Non-current assets total	0.5	0.5
Current assets		
Trade receivables	153.9	153.9
Derivatives	0.3	0.3
Cash and cash equivalents	48.5	48.5
Current assets total	202.7	202.7

Total financial assets	203.2	203.2
Non-current financial liabilities		
Interest-bearing liabilities from financial institutions	20.0	20.0
Contingent consideration	10.3	10.3
Lease liability	21.9	21.9
Non-current financial liabilities total	52.2	52.2
Current financial liabilities		
Interest-bearing liabilities from financial institutions	10.0	10.0
Loans withdrawn from the credit limit	12.7	12.7
Lease liability	5.1	5.1
Trade payables	105.7	105.7
Derivatives	0.1	0.1
Current financial liabilities total	133.7	133.7
Total financial liabilities	185.8	185.8

The valuation of derivatives is based on market data (level 2). The valuation of investments is based on the acquisition cost (level 3) as the fair value of the shares cannot be determined reliably.

6. OPEN DERIVATIVE CONTRACTS

	31.12.2024		31.12.2023	
	Fair net value	Nominal value	Fair net value	Nominal value
EUR million				
Interest rate swaps	-0.1	30.0	0.1	6.0
Forward exchange contracts	-0.1	36.5	1.1	30.4
Forward exchange contracts, outside hedge accounting	0.4	111.4	-0.1	123.6

7. CONTINGENT LIABILITIES

	31.12.2024	31.12.2023
EUR million		
Pledged guarantees	1.2	0.8

In addition to the above commitments, the following guarantees have been given:

Scanfil plc has given guarantees to Nordea Bank Abp as security for payment of the liabilities which Scanfil Sweden AB has created from time to time towards Nordea Bank Abp on the basis of derivative contracts concluded, as well as to Skandinaviska Enskilda Banken AB replacing the previous liabilities of Scanfil Sweden AB. The maximum liability to Skandinaviska Enskilda Banken AB is EUR 3.6 million. Scanfil plc has provided a guarantee to Nordea Bank Abp as security for the performance and payment of obligations under the derivative contracts concluded between Scanfil Electronics GmbH and Nordea Bank Abp. Scanfil plc has given a guarantee for the lease obligations of its subsidiary Scanfil Inc.

Scanfil EMS Oy has given a guarantee to Nordea Bank AB Shanghai Branch of any obligations arising from a loan facility of CNY 180 million between the subsidiary Scanfil (Suzhou) Co., Ltd. and the Nordea Bank AB Shanghai Branch. Scanfil EMS Oy has given a guarantee of any obligations arising from the subsidiary's delivery contracts with its customers. The guarantee is limited to a maximum of EUR 7.5 million and seven years after the expiry of the last product agreement.

Scanfil Sweden AB has given a guarantee to the lessor as security for the liabilities under the lease contract regarding the premises leased by the Polish subsidiary Scanfil Poland Sp. z o.o.

Scanfil EMS Oy and Scanfil Sweden AB have provided guarantees to Nordea Bank Abp and Nordea Bank AB Shanghai Branch as security for the performance and payment of the obligations under the derivative master agreements entered into between the Group companies Scanfil Oü, Scanfil Poland Sp. z o.o., Scanfil Åtvidaberg AB, Scanfil Malmö AB, Scanfil (Suzhou) Co., Ltd. and Nordea Bank Abp.

On behalf of the group companies may be given usual parent company guarantees from time to time as security for the fulfillment of their customer agreement obligations.

EVENTS AFTER THE REVIEW PERIOD

There were no significant events after the review period.

SCANFIL PLC

Christophe Sut, CEO
Tel +46 721 51 75 02

Scanfil plc is Europe's largest stock listed provider of electronics manufacturing services (EMS), whose turnover in 2024 amounted to EUR 780 million. The company serves global sector leaders in the customer segments of Industrial, Energy & Cleantech, and Medtech & Life Science. The company's services include design services, prototype manufacture, design for manufacturability (DFM) services, test development, supply chain and logistics services, circuit board assembly, manufacture of subsystems and components, and complex systems integration services. Scanfil's objective is to grow customer value by improving their competitiveness and by being their primary supply chain partner and long-term manufacturing partner internationally. Scanfil's longest-standing customer account has continued for more than 30 years. The company has global supply capabilities and eleven production facilities across four continents.

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