

Clear top line beat

Scanfil's Q1 was a clear positive surprise in terms of revenue. Profitability was more in line with expectations. Scanfil did not revise its guidance but updated the segment structure.

- Scanfil Q1 revenue was EUR 163m vs the EUR 152m/151m Evli/consensus estimates. Top line grew by 13% y/y.
- Scanfil updated its segment structure. The new five segments are called Advanced Consumer Applications, Automation & Safety, Connectivity, Energy & Cleantech, and Medtech & Life Science. Q1 growth was strongest in Advanced Consumer Applications, the largest segment that also includes elevators business. Energy & Cleantech, the second largest (includes e.g. reverse vending machines), also developed well.
- Scanfil Q1 EBIT amounted to EUR 10.0m, compared to the EUR 10.5m/10.0m Evli/consensus estimates. Operating margin was therefore 6.1% (6.0% a year ago).
- Scanfil guides EUR 600–640m in revenue and EUR 40–44m in adjusted EBIT for FY '21 (unchanged). Uncertainty continues with respect to the availability of certain materials, especially semiconductors. The pandemic may also have a negative impact on customer demand and supply chain delivery capability.
- Scanfil says there was scarcity in certain materials, however this did not have any major impact.

Rating					+ BUY
Q1'21	Actual	Evli	Year ago	Q4'20	
Revenue	163.3	152.0	144.1	154.1	
Adj. EBIT	10.0	10.5	8.6	10.4	
Adj. EPS	0.12	0.12	0.12	0.14	
Deviation	Actual	Evli	Year ago	Q4'20	
Revenue		7 %	13 %	6 %	
Adj. EBIT		-5 %	16 %	-4 %	
Adj. EPS		0 %	0 %	-14 %	
Share price, EUR (Last trading day's closing price)					8.38
Target price, EUR					8.0
Latest change in recommendation					19-Feb-21
Latest report on company					19-Feb-21
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					535
Free float, %					46.6
Exchange rate					-
Reuters code					SCANFLHE
Bloomberg code					SCANFL FH
Average daily volume, EURm					0.1
Next interim report					23-Apr-21
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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
2019	579.4	39.4	6.8%	7.5	0.50	10.4	0.7	9.6	2.2	0.15
2020	595.3	39.1	6.6%	43.5	0.49	13.2	0.7	11.0	10.4	0.17
2021E	625.0	42.2	6.8%	38.5	0.48	17.4	0.8	12.4	7.2	0.18
2022E	661.0	46.3	7.0%	29.6	0.55	15.4	0.8	10.9	5.5	0.19
2023E	697.0	48.8	7.0%	30.1	0.58	14.6	0.7	10.0	5.6	0.20
Market cap, EURm	535		BV per share 2021E, EUR		-6.5		CAGR EPS 2020-23, %		5.2	
Net debt 2021E, EURm	-13		Price/book 2021E		2.6		CAGR sales 2020-23, %		5.4	
Enterprise value, EURm	522		Dividend yield 2021E, %		2.1		ROE 2021E, %		16.0	
Total assets 2021E, EURm	344		Tax rate 2021E, %		24.0		ROCE 2021E, %		19.0	
Goodwill 2021E, EURm	8		Equity ratio 2021E, %		58.9		PEG, P/E 21/CAGR		2.3	

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

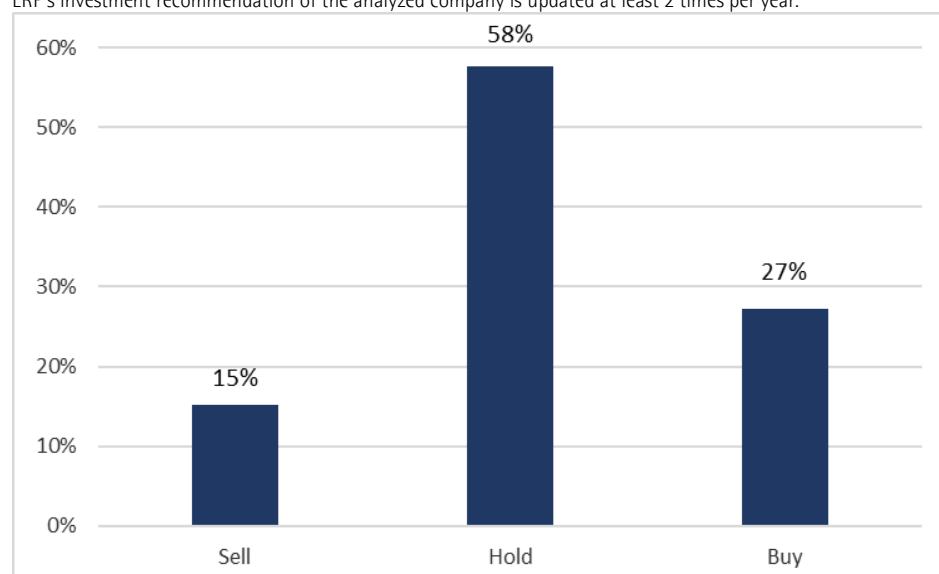
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Investment recommendations are defined as follows:

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

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

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