

**SCANFIL**

Scanfil plc  
January-September 2023  
Third Quarter Report

27 OCTOBER 2023



## Scanfil Group's Third Quarter Report for January–September 2023

# Strong profitability driven by operational efficiency

### July–September

- Turnover totaled EUR 212.8 million (7-9 2022: 211.9), an increase of 0.4%
- Operating profit was EUR 15.2 (11.5) million, an increase of 32.2%
- Operating profit margin was at 7.2% (5.4%)
- Net profit was EUR 11.0 (9.4) million, an increase of 17.1%
- Earnings per share were EUR 0.17 (0.15)

### January–September

- Turnover totaled EUR 680.7 million (1-9 2022: 621.4), an increase of 9.5%
- Operating profit was EUR 47.9 (32.0) million, an increase of 49.6%
- Operating profit margin was at 7.0% (5.1%)
- Net profit was EUR 37.3 (24.6) million, an increase of 51.9%
- Earnings per share were EUR 0.57 (0.38)

### Outlook for 2023

Scanfil revised its outlook for turnover and adjusted operating profit on 10 October.

Scanfil estimates that its turnover for 2023 will be EUR 880–920 (previously issued 10 July 2023: 900–950) million, and an adjusted operating profit of EUR 60–66 (61–68) million.

KEY FIGURES	Q3 2023	Q3 2022	Change	1-9 2023	1-9 2022	Change	2022
Turnover, EUR million	212.8	211.9	0.4%	680.7	621.4	9.5%	843.8
Operating Profit, EUR million	15.2	11.5	32.2%	47.9	32.0	49.6%	45.4
Operating Profit, %	7.2	5.4	1.8pp	7.0	5.1	1.9pp	5.4
Net Profit, EUR million	11.0	9.4	17.1%	37.3	24.6	51.9%	35.0
Earnings per Share, EUR	0.17	0.15	13.3%	0.57	0.38	50,0%	0.54
Return on Equity, %				21.0	15.4	5.6pp	16.1
Equity Ratio, %				47.8	42.5	5.3pp	45.3
Net Gearing, %				32.6	44.2	-11.6pp	37.8
Net Cash Flow from Operations, EUR million				34.1	-3.7	-	10.2
Employees, Average				3,716	3,374	10.1%	3,403

**CHRISTOPHE SUT, CEO:**

“I am proud and happy to present Scanfil’s quarterly report for the third quarter of 2023, which is my first quarterly report at the company. Since I joined, I have had the chance to visit our factories as well as meet some of our key customers around the world. It has been a great opportunity to see the close relationship we have with our customers and the strong partnership between our companies.

In the third quarter, Scanfil delivered strong profitability improvement and increased turnover compared to the third quarter of last year.

Overall demand for EMS returned to more historical industry growth levels. Our third quarter turnover was EUR 212.8 million compared to EUR 211.9 million last year. The turnover growth excluding spot-market purchases was 9%. The overall turnover increased by 0.4% during the third quarter. The turnover growth excluding spot-market purchases for the first nine months was 19.7%, and the overall turnover increased by 9.5%.

Our biggest customer segment, Energy & Cleantech, grew by 37.7%. It confirms the trend related to sustainability and the good positioning of Scanfil in that customer segment with leading customers from the sector.

Operating profit in the third quarter was strong, EUR 15.2 million compared to EUR 11.5 million last year translated into an operating margin of 7.2%, which was 5.1% in the third quarter of 2022. In 2022, operating margin was negatively impacted by spot-market purchases.

Profitability was driven by the continuation of good customer demand and the easing of supply chain challenges. Our continuous focus on automation and digitalization has helped us to improve operational efficiency.

Our financial position is strong, our net gearing was 32.6%, and our equity ratio was 47.8%. Our solid balance sheet enables us to make the investments required to develop our business.

Net cash flow from operations was positive EUR 9.8 million in the third quarter and for the first nine months, it was EUR 34.1 million and at the all-time high level.

On 10 October, we adjusted our turnover and operating profit guidance for the full year 2023 to EUR 880–920 million in turnover and EUR 60–66 million in operating profit. We foresee double-digit growth for the full year and our continuous focus on efficiency will help us to improve the profit level.

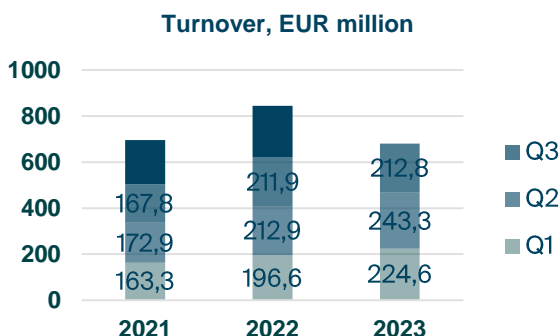
Our solid performance in the third quarter reflects Scanfil’s robust operations and solid customer demand. Scanfil continues to rebalance the customer mix and exposure to faster-growing segments.

We are now working on our annual strategy update, which will allow us to continue and accelerate our profitable growth journey. The updated strategy will be announced in early 2024.

I am proud to report on my first quarter as the CEO of Scanfil, and I would like to thank our employees, customers, and other business partners for our successful collaboration.”

# Scanfil Group's Interim Report January–September 2023

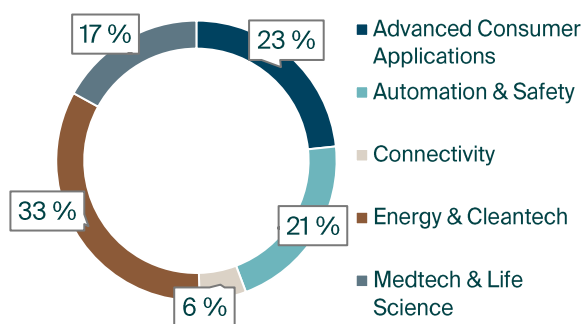
## TURNOVER



The turnover for **July–September** was EUR 212.8 (211.9) million, an increase of 0.4% compared to the previous year's comparison period. Turnover includes EUR 3.1 (19.6) million invoicing of spot-market purchases, which were low or no margin to Scanfil. Turnover excluding the spot-market purchases increased by 9.0%.

The turnover for **January–September** was EUR 680.7 (621.4) million, an increase of 9.5% compared to the previous year's comparison period. Turnover includes EUR 16.2 (66.1) million invoicing of spot-market purchases. Turnover excluding the spot-market purchases increased by 19.7%.

## TURNOVER BY CUSTOMER SEGMENT



### Advanced Consumer Applications

Turnover in **July–September** was EUR 49.8 (67.8) million, a decrease of 26.5% compared to the same period in 2022. Turnover in **January–September** was EUR 159.1 (191.6) million, a decrease of 17.0% compared to the same period in 2022. The turnover in 2022 was heavily impacted by spot-market operations. Excluding the spot-market purchases turnover decreased by 7.3% in **July–September** and by 2.4% in **January–September**.

### Automation & Safety

Turnover in **July–September** was EUR 42.2 (44.2) million, a decrease of 4.6%. Turnover in **January–September** was EUR 142.2 (132.5) million, an increase of 7.4% compared to the same period in 2022. Excluding the spot-market purchases turnover increased by 1.1% in **July–September** and 14.0% in **January–September**.

### Connectivity

Turnover in **July–September** was EUR 10.9 (7.8) million, an increase of 40.2%. Turnover in **January–September** was EUR 36.7 (27.7) million, an increase of 32.8%. Demand increased, especially for advanced hearing protection.

### Energy & Cleantech

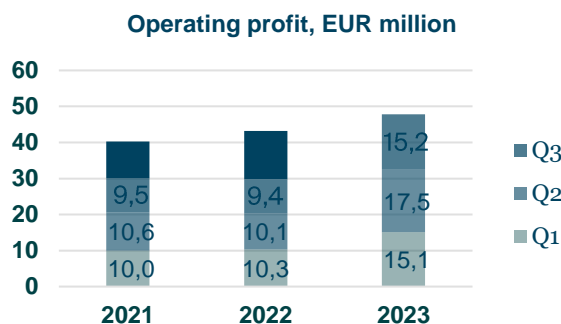
Turnover in **July–September** was EUR 73.5 (53.1) million, an increase of 38.5%. Turnover in **January–September** was EUR 227.1 (161.1) million, an increase of 40.9%. Demand was good for recycling, green energy, and energy efficiency solutions.

### Medtech & Life Science

Turnover in **July–September** was EUR 36.3 (39.0) million, a decrease of 6.8%. Turnover in **January–September** was EUR 115.7 (108.7) million, an increase of 6.5%. Demand continued to grow steadily.

In **July–September** of 2023, the largest customer accounted for about 13,2% (20%) of turnover and the top ten customers accounted for about 57,2% (55%) of turnover.

## OPERATING PROFIT



The operating profit for **July–September** was EUR 15.2 (11.5) million, 7.2% (5.4%) of turnover. The

operating profit was positively affected by the continuation of good customer demand and improved component availability, which had a positive impact on operational efficiency.

The operating profit for **January–September** was EUR 47.9 (32.0) million, 7.0% (5.1%) of turnover. The operating profit was positively affected by good customer demand and improved component availability. The comparison figure for 2022 January–September was also negatively affected by EUR 2.0 million of foreign exchange changes and April–May COVID-19 lockdowns in China.

### NET PROFIT AND EARNINGS

The net profit for **July–September** was EUR 11.0 (9.4) million, an increase of 17.1%. Earnings per share were EUR 0.17 (0.15). The net profit for **January–September** was EUR 37.3 (24.6) million, an increase of 51.9%. Earnings per share were EUR 0.57 (0.38). Return on investment was 19.9% (13.7%).

The effective tax rate in **January–September** was 21.4% (15.2%). The tax rate was slightly negatively affected by the recognition of the deferred taxes of intercompany dividend payments. In 2022 the recognition of the deferred taxes had some positive impact.

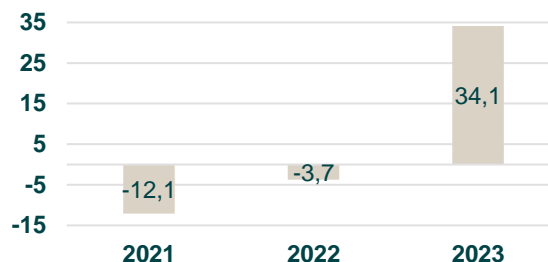
### FINANCING AND CAPITAL EXPENDITURE

Scanfil has a stable financing position. The consolidated balance sheet total was EUR 541.8 (541.4) million **at the end of the review period**. Cash and cash equivalents totaled EUR 13.6 (19.9) million. Liabilities amounted to EUR 294.0 (323.4) million, of which non-interest-bearing liabilities totaled EUR 199.8 (207.0) million and interest-bearing liabilities totaled EUR 94.4 (116.3) million. Interest-bearing liabilities consisted of EUR 73.1 (90.2) million in financial liabilities and EUR 21.2 (26.2) million in leasing liabilities. The Group has EUR 60.6 million in unused credit facilities.

The equity ratio **at the end of the period** was 47.8% (42.5%), and net gearing was 32.6% (44.2%). Equity per share was EUR 3.79 (3.36).

The Group's financial arrangement includes discharge covenants related to equity ratio and interest-bearing net debt/EBITDA ratio. The terms of the covenants are reviewed quarterly. At the end of the period under review, the terms have been clearly complied with.

### NET CASH FLOW FROM OPERATIONS, EUR million in January–September



The net cash flow from operating activities for **January–September** was EUR 34.1 (-3.7) million. Positive cash flow was mainly driven by strong profitability.

The net cash flow from investing activities in **January–September** was EUR -17.8 (-14.9) million. The increase in investing activities was driven by the new capacity investments in electronics manufacturing in Poland and USA.

The cash flow from financing activities was EUR -23.0 (12.7) million, including a EUR -13.6 (-12.3) million dividend payment, EUR -6.0 (-6.0) million repayments of long-term loans and change in overdraft facility EUR -1.5 (33.7) million.

Gross investments in **January–September** totaled EUR 18.1 (15.3) million, which was 2.7% (2.5%) of the turnover. Investments mainly consist of Poland and USA electronics production line capacity investments as well as other new and replacement manufacturing capacity investments. Depreciations, including impairments, totaled EUR 14.2 (12.8) million.

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

The Annual General Meeting held on April 27, 2023 authorized the Board of Directors to decide on the acquisition of the company's own shares and to decide on share issue, granting shares and issue special rights entitling to shares.

The Board of Directors' proposals to the General Meetings and the minutes are available on the company website at [www.scanfil.com/aggm](http://www.scanfil.com/aggm).

### OWN SHARES

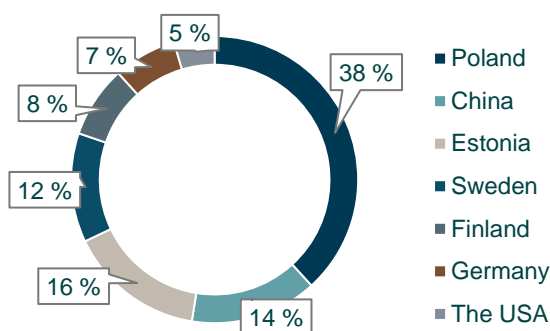
On September 30, 2023, the company owned 98,738 of its own shares, representing 0.2% of all shares.

## SHARE TRADING AND SHARE PERFORMANCE

The number of Scanfil shares was 65,269,993 in total as of September 30, 2023.

The highest trading price during January–September was EUR 11.58 and the lowest was EUR 6.40, with the closing price for the period standing at EUR 8.37. A total of 4,706,862 shares were traded during the period, corresponding to 7.2% of the total number of shares. As of September 30, 2023, the market value of the shares was EUR 546.3 million.

## PERSONNEL



At the end of the period under review, the Group employed 3,692 (3,487) people, 3,394 (3,177) of whom worked outside Finland and 298 (301) in Finland. The average number of Group employees during the review period was 3,716 (3,374) people.

## CHANGES IN GROUP STRUCTURE

There have been no changes in the Group structure during the reporting period.

## FUTURE OUTLOOK

Scanfil revised its outlook for 2023 on 10 October. Scanfil estimates that its turnover for 2023 will be EUR 880–920 (previously issued 10 July 2023: 900–950) million, and an adjusted operating profit of EUR 60–66 (61–68) million.

The outlook is based on customer forecasts and Scanfil's normal forecasting process. The development of the general economic situation and the war in Ukraine are causing risks and uncertainty.

## LONG-TERM TARGET

Scanfil is organically aiming for 5%–7% annual turnover growth and 7% operating profit level. Scanfil aims to pay an increasing dividend of approximately 1/3 of the earnings per share.

## OPERATIONAL RISKS AND UNCERTAINTIES

Current recognized risks have 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 high inflation, materials prices and availability, exchange rates and cyber security.

The negative development of the global economy may have an impact on Scanfil revenue and profitability in midterm.

If conflicts in Ukraine and the Middle East continue and escalate, it might impact Scanfil and its customers business environment. Also, other political and trade political tense and related actions might impact Scanfil's business environment.

The overall inflation influences the company's cost structure. Changes in the costs are reflected in the customer prices.

Material availability, especially semiconductors, was challenging in 2021–2022. The situation started to improve as of the end of 2022, but it has not fully returned to the pre-2021 levels. To solve these challenges, Scanfil used, among other actions, spot market purchases to secure materials for customer deliveries.

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

Cyber security is recognized as an increasing risk. Scanfil is making continuous monitoring and development on the ICT environment and systems to mitigate the risk.

The risk of energy availability and cost increase is not expected to have significant impact on the short-term revenue or profitability. However, in the long run the risk might arise again.

The company's risks and risk management are described on the company's website under Corporate Governance and in the notes to the consolidated financial statements for 2022.

## KEY INDICATORS

	1 - 9 2023	1 - 9 2022	1 - 12 2022
Return on equity, %	21,0	15,4	16,1
Return on investment, %	19,9	13,7	14,6
Interest-bearing liabilities, EUR million	94,4	116,3	106,3
Gearing, %	32,6	44,2	37,8
Equity ratio, %	47,8	42,5	45,3
Gross investments, EUR million	18,1	15,3	19,0
% of net turnover	2,7	2,5	2,3
Personnel, average	3 716	3 374	3 403
Earnings per share, EUR	0,57	0,38	0,54
Shareholders' equity per share, EUR	3,79	3,36	3,49
Number of shares at the end of period, 000's			
- not counting own shares	65 171	65 079	64 861
- weighted average	65 095	64 824	64 830

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

	Q3/23	Q2/23	Q1/23	Q4/22	Q3/22	Q2/22	Q1/22	Q4/21	Q3/21
Turnover, MEUR	212,8	243,3	224,6	222,3	211,9	212,9	196,6	191,7	167,8
Operating profit, MEUR	15,2	17,5	15,1	13,4	11,5	10,1	10,3	9,5	9,5
Operating profit, %	7,2	7,2	6,7	6,0	5,4	4,8	5,3	5,0	5,7
Net income, MEUR	11,0	14,5	11,8	10,5	9,4	7,1	8,0	8,4	5,1

## CALCULATION OF KEY INDICATORS

Return on equity, %	$\frac{\text{Net profit for the period} \times 100}{\text{Shareholders' equity (average)}}$
Return on investment, %	$\frac{(\text{Profit before taxes} + \text{interest and other financial expenses}) \times 100}{\text{Balance sheet total} - \text{non-interest-bearing liabilities (average)}}$
Gearing (%)	$\frac{(\text{Interest-bearing liabilities} - \text{cash and other liquid financial assets}) \times 100}{\text{Shareholders' equity}}$
Equity ratio (%)	$\frac{\text{Shareholders' equity} \times 100}{\text{Balance sheet total} - \text{advance payments received}}$
Earnings per share	$\frac{\text{Net profit for the period}}{\text{Average adjusted number of shares during the year}}$
Shareholders' equity per share	$\frac{\text{Shareholders' equity}}{\text{Adjusted number of shares at the end of the financial period}}$
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



## CONDENSED CONSOLIDATED INCOME STATEMENT

		7 - 9 2023	7 - 9 2022	1 - 9 2023	1 - 9 2022	1 - 12 2022
EUR million	Note					
<b>Turnover</b>	1	<b>212,8</b>	<b>211,9</b>	<b>680,7</b>	<b>621,4</b>	<b>843,8</b>
Other operating income		0,4	0,2	0,7	0,7	0,9
Changes in inventories of finished goods and work in progress		2,1	0,2	3,6	-0,2	0,3
Manufacturing for own use						
Expenses		-195,3	-196,2	-623,0	-577,1	-782,0
Depreciation and amortization		-4,8	-4,5	-14,2	-12,8	-17,5
<b>Operating profit</b>		<b>15,2</b>	<b>11,5</b>	<b>47,9</b>	<b>32,0</b>	<b>45,4</b>
Financial income and expenses		-0,7	-1,7	-0,3	-3,0	-3,7
<b>Profit before taxes</b>		<b>14,6</b>	<b>9,9</b>	<b>47,5</b>	<b>29,0</b>	<b>41,7</b>
Income taxes		-3,5	-0,4	-10,2	-4,4	-6,7
<b>Net profit for the period</b>		<b>11,0</b>	<b>9,4</b>	<b>37,3</b>	<b>24,6</b>	<b>35,0</b>
Attributable to:						
Equity holders of the parent		11,0	9,4	37,3	24,6	35,0
Earnings per share for profit attributable to shareholders of the parent:						
undiluted (EUR)		0,17	0,15	0,57	0,38	0,54
diluted (EUR)		0,17	0,14	0,57	0,38	0,53

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		7 - 9 2023	7 - 9 2022	1 - 9 2023	1 - 9 2022	1 - 12 2022
EUR million						
<b>Net profit for the period</b>		<b>11,0</b>	<b>9,4</b>	<b>37,3</b>	<b>24,6</b>	<b>35,0</b>
Items that may later be recognized in profit or loss						
Translation differences		-1,8	-1,5	-3,6	-2,2	-5,2
Cash flow hedges		-1,3	0,3	-0,8	0,1	1,0
Other comprehensive income, net of tax		-3,1	-1,3	-4,5	-2,1	-4,2
<b>Total Comprehensive Income</b>		<b>7,9</b>	<b>8,1</b>	<b>32,9</b>	<b>22,5</b>	<b>30,9</b>
Attributable to:						
Equity holders of the parent		7,9	8,1	32,9	22,5	30,9

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Note	30.9.2023	30.9.2022	31.12.2022
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	2	62,4	55,7	55,6
Right-of-use asset	2	21,2	25,2	24,1
Goodwill	3	7,5	7,8	7,7
Other intangible assets		9,3	11,3	10,8
Available-for-sale investments		0,5	0,5	0,5
Deferred tax assets		8,0	9,8	7,8
<b>Total non-current assets</b>		<b>109,0</b>	<b>110,4</b>	<b>106,5</b>
<b>Current assets</b>				
Inventories		225,3	229,3	229,3
Trade and other receivables		189,8	177,1	164,8
Advance payments		1,6	3,1	2,3
Current tax		2,3	1,6	1,8
Cash and cash equivalents		13,6	19,9	20,8
<b>Total current assets</b>		<b>432,6</b>	<b>431,0</b>	<b>419,0</b>
<b>Total assets</b>		<b>541,6</b>	<b>541,4</b>	<b>525,5</b>
		<b>30.9.2023</b>	<b>30.9.2022</b>	<b>31.12.2022</b>
<b>Shareholder's equity and liabilities</b>				
<b>Equity attributable to equity holders of the parent</b>				
Share capital		2,0	2,0	2,0
Reserve for invested unrestricted equity fund		34,7	33,3	33,4
Fair value reserve		0,1	0,0	1,0
Other reserves		2,6	2,6	2,6
Translation differences		-11,2	-4,5	-7,6
Retained earnings		219,3	184,6	195,1
<b>Total equity</b>		<b>247,6</b>	<b>218,0</b>	<b>226,6</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities		5,4	5,3	4,6
Provisions	6	1,0	0,8	0,8
Interest bearing liabilities		30,0	36,0	36,0
Lease liability		19,3	22,4	20,4
<b>Total non-current liabilities</b>		<b>55,7</b>	<b>64,6</b>	<b>61,9</b>
<b>Current liabilities</b>				
Trade and other liabilities		187,3	197,8	183,7
Current tax		5,4	2,8	3,1
Provisions	6	0,5	0,4	0,4
Interest bearing liabilities		43,1	54,2	45,5
Lease liability		1,9	3,7	4,4
<b>Total current liabilities</b>		<b>238,2</b>	<b>258,8</b>	<b>237,0</b>
<b>Total liabilities</b>		<b>294,0</b>	<b>323,4</b>	<b>298,9</b>
<b>Total shareholder's equity and liabilities</b>		<b>541,6</b>	<b>541,4</b>	<b>525,5</b>

## 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
<b>Equity 1.1.2023</b>	2,0	33,4	1,0	2,6	-7,6	195,1	226,6
Total comprehensive income			-0,8		-3,6	37,3	32,9
Option scheme						0,5	0,5
Share options exercised		1,3					1,3
Paid dividend						-13,6	-13,6
<b>Equity 30.9.2023</b>	2,0	34,7	0,1	2,6	-11,2	219,3	247,6

## 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
<b>Equity 1.1.2022</b>	2,0	33,2	-0,1	2,6	-2,4	172,0	207,4
Total comprehensive income			0,1		-2,2	24,6	22,5
Option scheme						0,2	0,2
Share options exercised		0,2					0,2
Paid dividend						-12,3	-12,3
<b>Equity 30.9.2022</b>	2,0	33,3	0,0	2,6	-4,5	184,6	218,0

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

EUR million	1.1.-30.9.2023	1.1.-30.9.2022	1.1.-31.12.2022
<b>Cash flow from operating activities</b>			
Net profit	37,3	24,6	35,0
Adjustments for the net profit	28,1	16,9	24,6
Change in net working capital	-22,2	-39,8	-43,1
Paid interests and other financial expenses	-2,8	-1,5	-2,3
Interest received	0,4	0,2	0,4
Taxes paid	-6,8	-4,1	-4,4
<b>Net cash from operating activities</b>	<b>34,1</b>	<b>-3,7</b>	<b>10,2</b>
<b>Cash flow from investing activities</b>			
Investments in tangible and intangible assets	-18,1	-15,3	-19,0
Sale of tangible and intangible assets	0,3	0,3	0,5
<b>Net cash from investing activities</b>	<b>-17,8</b>	<b>-14,9</b>	<b>-18,5</b>
<b>Cash flow from financing activities</b>			
Related-party investment company shares	1,3	0,2	0,3
Repayment of long-term loans	-6,0	-6,0	-6,0
Proceeds from short term loans	-1,5	33,7	25,9
Repayment of short-term loans	-0,1	-0,2	-0,2
Repayment of lease liabilities	-3,1	-2,7	-3,7
Dividends paid	-13,6	-12,3	-12,3
<b>Net cash from financing activities</b>	<b>-23,0</b>	<b>12,7</b>	<b>3,9</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-6,8</b>	<b>-5,9</b>	<b>-4,4</b>
Cash and cash equivalents at beginning of period	20,8	25,3	25,3
Changes in exchange rates	-0,4	0,4	-0,2
<b>Cash and cash equivalents at end of period</b>	<b>13,6</b>	<b>19,9</b>	<b>20,8</b>

## Notes to the interim report

### ACCOUNTING PRINCIPLES

The Group's third quarter report has been prepared in compliance with the IAS 34 Interim Financial Reporting standard. The accounting principles applied in this report correspond with those defined in the Group's 2022 Financial Statement. 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. This third quarter report release is unaudited.

In its meeting held on October 26, 2023, the Board of Directors of Scanfil plc approved this report for publication.

#### 1. DISAGGREGATION OF REVENUES

	7 - 9 2023			7 - 9 2022		
	Goods	Services	Total	Goods	Services	Total
<b>Customer Segments</b>						
Advanced Consumer Applications	48,6	1,3	49,8	66,6	1,3	67,8
Automation & Safety	34,9	7,3	42,2	37,3	6,9	44,2
Connectivity	10,7	0,2	10,9	6,5	1,3	7,8
Energy & Cleantech	72,6	0,9	73,5	52,4	0,7	53,1
Medtec & Life Science	35,0	1,3	36,3	37,2	1,8	39,0
<b>Total</b>	<b>201,8</b>	<b>11,0</b>	<b>212,8</b>	<b>199,9</b>	<b>12,0</b>	<b>211,9</b>

<b>Timing of revenue recognition</b>						
Goods and services transferred at a point of time	201,8	10,4	212,2	199,9	11,6	211,6
Services transferred over time		0,6	0,6		0,4	0,4
<b>Total</b>	<b>201,8</b>	<b>11,0</b>	<b>212,8</b>	<b>199,9</b>	<b>12,0</b>	<b>211,9</b>

	1 - 9 2023			1 - 9 2022		
	Goods	Services	Total	Goods	Services	Total
<b>Customer Segments</b>						
Advanced Consumer Applications	155,0	4,0	159,1	187,3	4,3	191,6
Automation & Safety	120,5	21,7	142,2	113,7	18,8	132,5
Connectivity	35,7	1,0	36,7	24,6	3,0	27,7
Energy & Cleantech	223,9	3,1	227,1	157,3	3,8	161,1
Medtec & Life Science	110,3	5,4	115,7	102,7	6,0	108,7
<b>Total</b>	<b>645,5</b>	<b>35,3</b>	<b>680,7</b>	<b>585,6</b>	<b>35,9</b>	<b>621,4</b>

**Timing of revenue recognition**

Goods and services transferred at a point of time	645,5	33,2	678,7	585,6	32,8	618,3
Services transferred over time		2,0	2,0		3,0	3,0
<b>Total</b>	<b>645,5</b>	<b>35,3</b>	<b>680,7</b>	<b>585,6</b>	<b>35,9</b>	<b>621,4</b>

**2. CHANGES IN TANGIBLE NON-CURRENT ASSETS**

	1 - 9 2023	1 - 9 2022	1 - 12 2022
EUR million			
Book value at the beginning of the period	79,7	72,0	72,0
Additions	17,0	20,8	24,1
Deductions	-0,2	-0,2	-0,3
Depreciations and decreases in value	-12,3	-10,8	-14,9
Exchange rate differences	-0,6	-0,9	-1,2
<b>Book value at the end of the period</b>	<b>83,7</b>	<b>80,9</b>	<b>79,7</b>

**3. CHANGES IN GOODWILL**

	1 - 9 2023	1 - 9 2022	1 - 12 2022
EUR million			
Book value at the beginning of the period	7,7	8,2	8,2
Exchange rate differences	-0,2	-0,4	-0,5
<b>Book value at the end of the period</b>	<b>7,5</b>	<b>7,8</b>	<b>7,7</b>

**4. FINANCIAL ASSETS AND LIABILITIES, CARRYING AMOUNT AND FAIR VALUE**

	30.9.2023 Book values of balance sheet values	30.9.2023 Fair values of balance sheet values
EUR million		
<b>Non-current assets</b>		
Investments	0,5	0,5
<b>Non-current assets total</b>	<b>0,5</b>	<b>0,5</b>
<b>Current assets</b>		
Trade receivables	174,2	174,2
Derivatives	0,6	0,6

Cash and cash equivalents	13,6	13,6
<b>Current assets total</b>	<b>188,4</b>	<b>188,4</b>
<b>Total financial assets</b>	<b>188,9</b>	<b>188,9</b>
<b>Non-current financial liabilities</b>		
Interest bearing liabilities from financial institutions	30,0	30,0
<b>Non-current financial liabilities total</b>	<b>30,0</b>	<b>30,0</b>
<b>Current financial liabilities</b>		
Interest bearing liabilities from financial institutions	6,0	6,0
Loans withdrawn from the credit limit	37,1	37,1
Trade payables	129,9	129,9
Derivatives	0,7	0,7
<b>Current financial liabilities total</b>	<b>173,8</b>	<b>173,8</b>
<b>Total financial liabilities</b>	<b>203,8</b>	<b>203,8</b>

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.

## OPEN DERIVATIVE CONTRACTS

	30.9.2023	Fair net value	Nominal value
EUR million			
Interest rate swaps		0,2	6,0
Forward exchange contracts		0,0	31,5
Forward exchange contracts, outside hedge accounting		-0,3	204,9

## 5. CONTINGENT LIABILITIES

	30.9.2023	30.6.2022	31.12.2022
EUR million			
Pledged guarantees	0.8	1.9	1.6

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 137 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

Scanfil revised its outlook for 2023 on 10 October. Scanfil estimates that its turnover for 2023 will be EUR 880–920 (previously issued 10 July 2023: 900–950) million, and an adjusted operating profit of EUR 60–66 (61–68) million.

### SCANFIL PLC

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Scanfil is an international manufacturing partner and system supplier for the electronics industry with over 45 years of experience in demanding manufacturing. Scanfil provides its customers with an extensive array of services, ranging from product design to product manufacturing, material procurement and logistics solutions. Vertically integrated production and a comprehensive supply chain are the foundation of Scanfil's competitive advantages: speed, flexibility and reliability.

Typical Scanfil products are modules or integrated products for e.g. self-service application, automation systems, wireless connectivity modules, climate control systems, collection and sorting systems, analyzers and environmental measurement solutions. Scanfil services are used by numerous international automation, safety, energy, cleantech and health service providers, as well as companies operating in the field of urbanization. Scanfil's network of factories consists of nine production units in Europe, Asia and North America.

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