Scanfil plc: Quarter unfold as expected confirming positive view on the year

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Scanfil plc   Interim report Q1 2025   April 24, 2025 at 8.00 a.m. EEST

Scanfil plc: Quarter unfold as expected confirming positive view on the year

January-March

- Turnover totaled EUR 192.6 million (198.9), a decrease of -3.2%
- Comparable EBITA was EUR 12.6 million (13.1), a decrease of -4.1%
- Comparable EBITA margin was at 6.5% (6.6%)
- Operating profit (EBIT) was EUR 11.9 million (12.7), a decrease of -6.6%
- Operating profit (EBIT) margin was at 6.2% (6.4%)
- Net profit was EUR 8.3 (9.8) million, a decrease of -15.0%
- Earnings per share were EUR 0.13 (0.15)
- Net debt/EBITDA was 0.35 (0.60)
- Dividend proposal of EUR 0.24 (0.23) per share

Outlook for 2025

Scanfil estimates that its turnover for 2025 will be EUR 780–920 million, and comparable EBITA of EUR 55-68 million. On February 21, 2025, the company published an outlook of EUR 53-66 million for adjusted operating profit. Scanfil replaces adjusted operating profit with comparable EBITA as of the first quarter.

KEY FIGURES	1-3 2025	1-3 2024	Change,%	1-12 2024
Turnover, EUR million	192.6	198.9	-3.2	779.9
EBITA*, EUR million	12.6	13.1	-4.1	54.4
EBITA, %	6.5	6.6		7.0
Comparable EBITA**, EUR million	12.6	13.1	-4.1	54.9
Comparable EBITA, %	6.5	6.6		7.0
Operating Profit (EBIT), EUR million	11.9	12.7	-6.6	52.6
Operating Profit (EBIT), %	6.2	6.4		6.7
Net Profit, EUR million	8.3	9.8	-15.0	38.6
Earnings per Share, EUR	0.13	0.15	-15.0	0.59
Return on Equity, %	11.2	14.5	-22.8	13.9
Equity Ratio, %	54.9	55.5	-1.1	55.5
Net Gearing, %	5.3	17.1	-69.0	7.3
Net debt / EBITDA	0.35	0.60	-41.7	0.43
Net Cash Flow from Operations, EUR million	11.0	9.7	14.0	92.1
Personnel, at the end of period	3,976	3,725	6.7	3,997

*EBITA=Operating profit + Amortization and impairment of Purchase Price Allocations

**Comparable EBITA = Operating profit + Amortization and impairment of Purchase Price Allocations + Transaction and integration costs + other items affecting comparability

SRXGlobal Pty.Ltd was consolidated into Scanfil Group on October 1, 2024. Therefore January - March 2024 comparison period does not include SRXGlobal's figures.

CEO Christophe Sut:

“I am pleased to say that Scanfil’s first quarter unfolded as expected despite the challenging changes in the macro environment. This quarter was a transition quarter where many of our factories were affected by ramp-up of new customer projects, temporarily impacting operational efficiency. However, as the quarter progressed, we saw improvements in both operational efficiency and our business outlook.

Our turnover reached EUR 192.6 million, a decrease of 3.2%, compared to last year. To increase transparency towards the market and allow better understanding of the company’s underlying performance, we have started to report EBITA. EBITA is a good indicator to follow company performance as we are now on an acquisitive journey.

Ramping up numerous projects impacted profitability, however we managed to mitigate the impact on margins, achieving comparable EBITA margin of 6.5% compared to 6.6% last year. We continued to focus on inventory management. Inventories increased by EUR 1.6 million compared to the year-end, driven by project ramp-ups and an improved demand outlook.

The Industrial customer group decreased by 3.2% compared to last year, but stabilized with new contract wins, showcasing the strength of our customer portfolio. New won customer projects in the quarter totaled EUR 15.4 million.

Energy & Cleantech decreased by 11.2% compared to last year’s strong comparison period. Volumes have normalized and are expected to increase, as we won a significant number of new projects totaling EUR 24.8 million in the quarter.

Medtech & Life Science continued its recovery seen in the previous quarter and was positive 13.3%. New won customer projects in the quarter totaled EUR 6.4 million.

The pipeline of new business remains strong and translated into new wins of EUR 46.7 million in the quarter. This creates us confidence for the future.

The first quarter of 2025 we started operating according to the new regional segment organization. We could see it increasing the activity level and building momentum as we went through the quarter with several improvement activities and customer-focused implementations.

The Americas region continued to show strong momentum and achieved a record EUR 11.7 million turnover, an increase of 35.8% compared to last year, as we ramped up manufacturing of electronics for the US market. The electronics assembly line we invested in 2023 is now gaining speed. At the same time, our customers continued to show interest in our Atlanta manufacturing capabilities. As we progressed during the quarter, our outlook for the future became more and more solid.

The APAC region was very active. Chinese operations focused on implementing a few significant programs for our customer and gained speed and momentum as the quarter progressed. Meanwhile, we worked closely with SRXGlobal to win the first Scanfil customer for our new Malaysian operations and finalized a plan for expansion that should be fully in place by the summer.

Central Europe turnover decreased 17.8% and landed at EUR 69.5 million, which is in the range of the previous three quarters. The region is strongly dependent on Energy & Cleantech customers, which were still sluggish in the quarter. We are getting a lot of interest in our Sieradz site for new business and ramp-ups, which negatively impacted profitability when the rest of the manufacturing volume remained low. However, a lot of focus was put on improving the factory shop floor and it is prepared for future growth.

Northern Europe turnover was at lower level, mainly impacted by Industrial customers. The team managed to defend profitability well, with a comparable EBITA margin of 1 percentage point above last year’s performance for the same quarter. The outlook is positive for the rest of the year, driven by Defense customers and Energy & Cleantech projects, that we won in the first quarter.

Scanfil’s M&A pipeline remains very active, and we continue to look for potential targets either to complement our coverage in identified geography or gain new customer portfolios in line with our strategy.

We maintain our full-year outlook with a small exception. EBITA will replace operating profit in the outlook. We estimate our turnover for 2025 to be EUR 780–920 million, and comparable EBITA to be EUR 55-68 million.

Despite external turbulence, our team stayed focused on customers and implementing actions that support our future. I am confident this will help us to deliver 2025 in line with our current expectations.“

Turnover

The turnover for January–March was EUR 192.6 (198.9) million, a decrease of 3.2% and EUR 6.3 million compared to the previous year's comparison period. Turnover increased in Americas by 35.8% and APAC by 30.2% and decreased in Central Europe by 17.8% and Northern Europe by 12.3%.

SRXGlobal was consolidated into Scanfil Group on October 1, 2024. SRXGlobal's impact on the turnover was EUR 7.6 million in the first quarter of 2025.

Comparable EBITA and operating profit (EBIT)

The comparable EBITA for January–March was EUR 12.6 (13.1) million, 6.5% (6.6%) of turnover. The comparable EBITA was impacted by the lower turnover. Scanfil was able to decrease operational costs by -3.1%, which nearly compensated the lower turnover. The comparable EBITA margin in Americas was 7.3% (5.4%), APAC 6.9% (7.4%), Central Europe 7.5% (8.2%), and Northern Europe 5.0% (4.0%).

The operating profit (EBIT) for January–March was EUR 11.9 (12.7) million, 6.2% (6.4%) of turnover. EBIT was impacted by higher amortization of purchase price allocation. The EBIT margin in Americas was 7.3% (5.4%) APAC 6.3% (7.4%), Central Europe 7.1% (7.8%) and Northern Europe 4.9% (3.9%).

Net profit and earnings

The net profit for January–March was EUR 8.3 (9.8) million, a decrease of 15.0%. Earnings per share were EUR 0.13 (0.15). The return on investment was 13.2% (15.9%).

The effective tax rate in January–March was 22.1% (24.2%). The reduction in the effective tax rate was due to the varying tax rates applied to the subsidiaries.

Publication of financial releases

This stock exchange release is a summary of the Scanfil Group's Q1 2025 interim report release and includes the most relevant information of the report. The complete report is attached to this release as a pdf. file and is also available on the company's website at www.scanfil.com.

Investor and media conference

The report will be presented on April 24, 2025, by the CEO Christophe and CFO Kai Valo in an English online event starting at 9:00 a.m. CEST (10:00 a.m. EEST). You can join the meeting here.

A recording of the webcast and the presentation material will be available on the company's website later the same day.

Scanfil plc

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Scanfil Plc is Europe's largest 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 nine production facilities across three continents. www.scanfil.com reliance on forward-looking statements as a prediction of actual results. The forward-looking information contained in this stock exchange release is current only as of the date of this stock exchange release. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised, except as provided by the law or obligatory regulations, whether as a result of new information, changing circumstances, future events or otherwise.

Attachments

- Download announcement as PDF.pdf
- Scanfil Q1 2025 interim report.pdf