

## Positioned to grow more

**DT already achieved a strong year in terms of profitability, and although earnings growth may no longer continue quite that steep going forward there's still potential due to MBU.**

### Earnings gains now more challenging without sales growth

DT's EUR 31.6m Q4 revenue was in line with the EUR 32.0m/31.5m Evli/cons. estimates, and the EUR 5.2m EBITA was also not a big surprise relative to the EUR 4.8m/5.2m Evli/cons. estimates. Q4 EBITA improved by EUR 0.6m y/y, driven by better productivity and continued favorable sales mix (higher share of SBU relative to MBU). DT already achieved cost reductions some time ago and so in our view EBITA may not grow much further in Q1'25 as temporary issues within the SBU market limit growth, however we believe the expected double-digit growth from Q2 onwards should again help profitability to improve by almost EUR 1m y/y every quarter.

### Further growth should drive higher earnings from Q2'25

The US tariffs are not expected to interfere significantly with business (there is no local detector manufacturing in the US), at least not so long as they are kept within the current proposed scale. The lumpy nature of SBU sales means the unit may again be the fastest growing one after Q1, and the encouraging MBU market signs (growth in China but also beyond) after a prolonged cool period in our view indicate DT has realistic chances of reaching a streak of double-digit growth for many quarters following the recent years' volume headwinds. We estimate DT to grow 9% this year, which should help earnings to gain by another EUR 2–3m (to around 15% margin) since costs are kept mostly in check as e.g. the site in India and general capex are not that high.

### Earnings multiples remain quite low

We estimate DT's EBITA margin to gain some 100bps more this year and also next, assuming top line continues to grow at mid-to-high single digit rates. DT is now valued 12x EV/EBIT on our FY'25 estimates, which remains a low multiple relative to peers. The largest earnings gains from the recent years' bottom levels are now behind, but DT seems well-positioned to grow also next year especially if MBU begins to pick up pace after the last few challenging years. DT is thus valued only 10x EV/EBIT on our FY'26 estimates. We retain our TP of EUR 17.0 and BUY rating.

Rating ++ Buy



**Share price, EUR** (Last trading) **15.45**  
day's closing price)  
Target price, EUR 17.0

Latest change in recommendation 03-Feb-25

Latest report on company 03-Feb-25

Research paid by issuer: YES

No. of shares outstanding, '000's 14 656

No. of shares fully diluted, '000's 14 656

Market cap, EURm 226

Free float, % –

Exchange rate –

Reuters code DETEC.HE

Bloomberg code DETEC FH

Average daily volume, EURm 0.1

Next interim report 24-Apr-25

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**++ BUY** **+** ACCUMULATE **-** REDUCE **--** SELL

## KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2023	103.8	8.2	7.9%	21.1	0.38	29.3	1.8	23.1	10.5%	0.23
2024	107.5	13.8	12.8%	16.9	0.76	20.2	1.8	14.3	7.5%	0.50
2025E	117.0	16.4	14.1%	12.9	0.88	17.6	1.7	11.7	5.7%	0.58
2026E	125.4	19.2	15.3%	9.2	1.03	15.0	1.5	10.0	4.1%	0.68
2027E	131.7	19.8	15.0%	13.1	1.07	14.5	1.4	9.6	5.8%	0.70

Market cap, EURm	226	Gearing 2025E, %	–38.5 %	CAGR EPS 2024–27, %	12.1 %
Net debt 2025E, EURm	–34	Price/book 2025E	2.6	CAGR Sales 2024–27, %	7.0 %
Enterprise value, EURm	193	Dividend yield 2025E, %	3.7 %	ROE 2025E, %	15.1 %
Total assets 2025E, EURm	111	Tax rate 2025E, %	20.0 %	ROCE 2025E, %	18.9 %
Goodwill 2025E, EURm	0	Equity ratio 2025E, %	79.1 %	PEG, P/E 25/CAGR	1.8

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

**Estimates and peer valuation**

Estimates	2022	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024	Q1'25E	Q2'25E	Q3'25E	Q4'25E	2025E
<b>Net sales</b>	<b>98.6</b>	<b>103.8</b>	22.7	26.1	27.1	31.6	<b>107.5</b>	22.8	28.7	29.9	35.5	<b>117.0</b>
Medical	48.1	48.4	9.5	9.3	10.9	12.5	42.2	9.8	9.8	12.0	14.4	45.9
Security	34.4	39.3	9.6	11.5	11.3	13.9	46.3	8.9	13.0	12.7	15.3	49.9
Industrial	16.1	16.2	3.6	5.3	4.9	5.2	19.0	4.1	5.9	5.2	5.9	21.1
<b>Adj. EBITA</b>	<b>6.1</b>	<b>9.7</b>	2.3	3.3	4.2	5.2	<b>15.0</b>	2.4	4.1	4.9	6.1	<b>17.4</b>
<i>Net sales growth—%</i>	<i>10%</i>	<i>5%</i>	<i>0%</i>	<i>3%</i>	<i>11%</i>	<i>1%</i>	<i>4%</i>	<i>0%</i>	<i>10%</i>	<i>11%</i>	<i>12%</i>	<i>9%</i>
<i>Medical</i>	<i>-2%</i>	<i>0%</i>	<i>-21%</i>	<i>-25%</i>	<i>1%</i>	<i>-5%</i>	<i>-13%</i>	<i>3%</i>	<i>5%</i>	<i>10%</i>	<i>15%</i>	<i>9%</i>
<i>Security</i>	<i>23%</i>	<i>14%</i>	<i>32%</i>	<i>27%</i>	<i>16%</i>	<i>5%</i>	<i>18%</i>	<i>-7%</i>	<i>13%</i>	<i>13%</i>	<i>10%</i>	<i>8%</i>
<i>Industrial</i>	<i>26%</i>	<i>1%</i>	<i>5%</i>	<i>42%</i>	<i>23%</i>	<i>4%</i>	<i>18%</i>	<i>13%</i>	<i>12%</i>	<i>7%</i>	<i>13%</i>	<i>11%</i>
<i>Adj. EBITA margin</i>	<i>6.2%</i>	<i>9.3%</i>	<i>10%</i>	<i>13%</i>	<i>15%</i>	<i>16%</i>	<i>13.9%</i>	<i>11%</i>	<i>14%</i>	<i>16%</i>	<i>17%</i>	<i>14.9%</i>

DETECTION TECHNOLOGY PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E			
		23	24	25	23	24	25	23	24	25	
Hamamatsu Photonics	3790	12.0x	10.0x	11.2x	15.7x	15.8x	18.6x	15.6x	24.8x	27.2x	
OSI Systems	3308	11.0x	12.7x	13.9x	14.5x	15.5x	17.0x	28.5x	23.4x	21.0x	
Varex Imaging	580	9.3x	9.8x	9.0x	14.3x	21.5x	17.3x	13.4x	25.9x	21.5x	
ams-OSRAM	716	5.6x	3.3x	3.4x	12.2x	8.5x	8.3x	5.8x		12.2x	
Analog Devices	100465	17.2x	19.3x	22.4x	18.9x	28.4x	24.7x	22.2x	32.3x	28.4x	
Keysight Tech	29627	16.4x	20.2x	20.6x	17.9x	22.4x	22.3x	22.2x	27.8x	24.9x	
Emerson Electric	68585	17.4x	17.2x	16.1x	19.3x	18.8x	17.7x	26.5x	22.2x	20.5x	
Texas Instruments	159891	18.6x	25.4x	21.6x	21.7x	32.8x	29.1x	25.7x	34.9x	33.8x	
Oxford Instruments	1410	14.3x	13.4x	11.7x	16.3x	15.7x	13.9x	18.7x	18.9x	17.9x	
Trimble	17810	16.6x	18.4x	20.1x	17.4x	19.7x	21.5x	28.2x	26.4x	25.9x	
Hexagon	29670	17.3x	13.8x	15.1x	22.3x	18.4x	19.8x	25.5x	26.1x	23.3x	
Konica Minolta	1906	9.5x	13.2x	8.2x			21.3x			18.0x	
iRay Technology Company	1918	45.2x	28.7x	25.2x	50.0x	27.5x	23.1x	20.8x	25.2x	19.9x	
Vieworks	128	9.9x	6.4x	5.0x	13.6x	8.4x	6.3x	14.2x	11.4x	8.8x	
Peer Group Average	29986	15.7x	15.1x	14.5x	19.5x	19.5x	18.6x	20.6x	24.9x	21.7x	
Peer Group Median	3549	15.3x	13.6x	14.5x	17.4x	18.8x	19.2x	22.2x	25.6x	21.3x	
Detection Technology (Evli est.)	226	16.1x	11.6x	9.4x	23.1x	14.3x	11.7x	29.3x	20.2x	17.6x	
<i>Detection Technology prem./disc. to peer median</i>			<i>5%</i>	<i>-15%</i>	<i>-35%</i>	<i>33%</i>	<i>-24%</i>	<i>-39%</i>	<i>32%</i>	<i>-21%</i>	<i>-17%</i>

DETECTION TECHNOLOGY PEER GROUP	Sales 22	Sales gr.			EBIT—%			Div. yield		
		23	24	25	23	24	25	23	24	25
Hamamatsu Photonics	1439	-7.3%	-3.8%	10.5%	23.3%	14.9%	13.0%	2.0%	2.0%	2.0%
OSI Systems	1178	8.7%	17.8%	10.7%	12.7%	13.9%	13.9%			0.0%
Varex Imaging	826	-2.1%	-4.0%	2.6%	9.0%	5.1%	6.2%			
ams-OSRAM	4819	-25.5%	-5.0%	-2.9%	6.4%	6.8%	7.5%	0.0%	0.0%	0.0%
Analog Devices	11682	-6.9%	-16.0%	9.5%	47.9%	41.1%	42.8%	1.6%	1.8%	1.9%
Keysight Tech	5231	-5.4%	-3.3%	6.4%	29.2%	25.2%	26.5%	0.0%	0.0%	0.0%
Emerson Electric	19860	-26.2%	11.8%	7.0%	23.4%	24.7%	25.5%	1.7%	1.7%	1.7%
Texas Instruments	18370	-12.5%	-7.5%	10.5%	41.8%	34.7%	34.6%	2.7%	2.9%	3.0%
Oxford Instruments	519	5.4%	7.0%	5.1%	17.2%	16.4%	16.6%	1.0%	1.1%	1.1%
Trimble	3428	2.9%	-0.9%	-5.8%	24.6%	25.5%	26.3%	0.0%	0.0%	0.0%
Hexagon	5161	5.3%	-0.6%	7.0%	26.8%	28.3%	29.0%	1.1%	1.7%	1.8%
Konica Minolta	7621	-7.5%	1.8%	1.1%	-0.3%	-0.1%	2.9%	1.0%	0.3%	0.8%
iRay Technology Company	212	14.5%	1.1%	17.4%	36.7%	29.8%	31.9%	1.3%	0.0%	0.0%
Vieworks	169	-10.1%	-0.4%	9.3%	8.5%	10.5%	12.6%	1.7%	1.7%	1.7%
Peer Group Average	6592	-4.8%	-0.1%	6.3%	21.9%	19.8%	20.7%	1.2%	1.1%	1.1%
Peer Group Median	4819	-6.1%	-0.7%	7.0%	23.3%	20.5%	21.1%	1.2%	1.4%	1.1%
Detection Technology (Evli est.)	99	5.3%	3.6%	8.8%	7.9%	12.8%	14.1%	1.7%	3.3%	3.7%

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	15.45 PV of Free Cash Flow	99 Long-term growth, %	2.6 % Risk-free interest rate, %
DCF share value	19.05 PV of Horizon value	153 WACC, %	8.5 % Market risk premium, %
Share price potential, %	23.3 % Unconsolidated equity	0 Spread, %	0.0 % Debt risk premium %
Maximum value	19.1 Marketable securities	28 Minimum WACC, %	8.5 % Equity beta coefficient
Minimum value	19.1 Debt – dividend	0 Maximum WACC, %	8.5 % Target debt ratio, %
Horizon value, %	60.8 % Value of stock	279 No. of shares, Mn	14.7 Effective tax rate, %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	108	117	125	132	138	145	152	157	162	167	171	175
Sales growth (%)	3.6%	8.8%	7.2%	5.0%	5.0%	5.0%	5.0%	3.0%	3.0%	3.0%	2.6%	2.6%
Operating income (EBIT)	14	16	19	20	21	23	24	24	25	26	26	27
Operating income margin %	12.8%	14.1%	15.3%	15.0%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%
+ Depreciation+amort.	3	4	3	4	5	5	5	5	5	6	6	
EBITDA	17	20	22	24	26	27	29	30	30	31	32	
- Paid taxes	-2	-3	-4	-4	-4	-5	-5	-5	-5	-5	-5	
- Change in NWC	5	-1	-3	-2	-2	-2	-3	-2	-2	-2	-2	
NWC / Sales, %	35.0%	33.8%	33.9%	33.9%	34.0%	34.0%	34.1%	34.1%	34.1%	34.2%	34.2%	
+ Change in other liabs												
- Operative CAPEX	-2	-3	-6	-5	-5	-5	-5	-5	-5	-6	-6	
opCAPEX / Sales, %	2.1%	2.6%	4.7%	3.6%	3.6%	3.6%	3.6%	3.4%	3.4%	3.4%	3.3%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	17	13	9	13	14	15	16	18	18	19	20	342
= Discounted FCFF		12	8	10	10	10	10	10	10	9	9	153
= DFCF min WACC		12	8	10	10	10	10	10	10	9	9	153
= DFCF max WACC		12	8	10	10	10	10	10	10	9	9	153

**Sensitivity analysis, EUR**

	Terminal WACC				
	6.46 %	7.46 %	8.46 %	9.46 %	10.46 %
13.50 %	25.03	20.33	17.23	15.02	13.37
14.50 %	26.69	21.54	18.14	15.73	13.94
15.50 %	28.36	22.74	19.05	16.44	14.51
16.50 %	30.03	23.95	19.97	17.16	15.07
17.50 %	31.70	25.16	20.88	17.87	15.64

**INTERIM FIGURES**

<b>EVLI ESTIMATES, EURm</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	22.7	26.1	27.1	31.6	107.5	22.8	28.7	29.9	35.5	117.0	125.4	131.7
EBITDA	3.1	4.1	4.9	4.8	17.0	3.2	4.8	5.7	6.8	20.4	22.2	24.2
<i>EBITDA margin (%)</i>	<i>13.8%</i>	<i>15.9%</i>	<i>18.2%</i>	<i>15.1%</i>	<i>15.8%</i>	<i>13.9%</i>	<i>16.7%</i>	<i>18.9%</i>	<i>19.1%</i>	<i>17.5%</i>	<i>17.7%</i>	<i>18.3%</i>
EBIT	2.2	3.3	4.0	4.2	13.8	2.2	3.8	4.7	5.8	16.4	19.2	19.8
<i>EBIT margin (%)</i>	<i>9.8%</i>	<i>12.8%</i>	<i>14.9%</i>	<i>13.1%</i>	<i>12.8%</i>	<i>9.6%</i>	<i>13.3%</i>	<i>15.6%</i>	<i>16.3%</i>	<i>14.1%</i>	<i>15.3%</i>	<i>15.0%</i>
Net financial items	-0.2	-0.3	-0.1	0.1	-0.4	-0.1	-0.1	-0.1	-0.1	-0.4	-0.2	-0.1
Pre-tax profit	2.1	3.1	3.9	4.2	13.3	2.1	3.7	4.6	5.7	16.0	19.0	19.7
Tax	-0.4	-0.9	-0.7	-0.2	-2.2	-0.8	-0.8	-0.8	-0.8	-3.2	-3.9	-4.0
<i>Tax rate (%)</i>	<i>19.2%</i>	<i>29.1%</i>	<i>17.8%</i>	<i>5.6%</i>	<i>16.8%</i>	<i>38.5%</i>	<i>21.6%</i>	<i>17.5%</i>	<i>14.0%</i>	<i>20.0%</i>	<i>20.0%</i>	<i>20.0%</i>
Net profit	1.7	2.2	3.2	4.0	11.1	1.3	2.9	3.8	4.9	12.8	15.1	15.6
EPS	0.11	0.15	0.22	0.27	0.76	0.09	0.20	0.26	0.33	0.88	1.03	1.07
EPS adj. (diluted)	0.11	0.15	0.22	0.27	0.76	0.09	0.20	0.26	0.33	0.88	1.03	1.07
Dividend per share					0.50					0.58	0.68	0.70
<b>SALES, EURm</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
MBU	9.5	9.3	10.9	12.5	42.2	9.8	9.8	12.0	14.4	45.9	49.1	51.6
SBU	9.6	11.5	11.2	14.0	46.3	8.9	13.0	12.7	15.3	49.9	53.7	56.4
IBU	3.6	5.3	5.0	5.1	19.0	4.1	5.9	5.2	5.9	21.1	22.6	23.7
Total	22.7	26.1	27.1	31.6	107.5	22.8	28.7	29.9	35.5	117.0	125.4	131.7
<b>SALES GROWTH, Y/Y%</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
MBU	-21.2%	-25.1%	0.5%	-4.6%	-12.8%	3.0%	5.0%	10.0%	15.0%	8.8%	7.0%	5.0%
SBU	31.8%	26.9%	14.9%	6.1%	17.8%	-7.0%	13.0%	13.5%	9.2%	7.8%	7.5%	5.0%
IBU	5.2%	41.5%	27.2%	2.0%	18.0%	13.0%	12.0%	4.9%	15.2%	11.2%	7.0%	5.0%
Total	-0.3%	3.5%	10.5%	10%	3.6%	0.4%	10.0%	10.5%	12.5%	8.8%	7.2%	5.0%
<b>EBIT, EURm</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
MBU												7.7
SBU												8.5
IBU												3.6
Group	2.2	3.3	4.0	4.2	13.8	2.2	3.8	4.7	5.8	16.4	19.2	
Total	2.2	3.3	4.0	4.2	13.8	2.2	3.8	4.7	5.8	16.4	19.2	19.8
<b>EBIT margin %</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2E	2025Q3E	2025Q4E	2025E	2026E	2027E
MBU												15.0%
SBU												15.0%
IBU												15.0%
Group	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	
Total	9.8%	12.8%	14.9%	13.1%	12.8%	9.6%	13.3%	15.6%	16.3%	14.1%	15.3%	15.0%

<b>INCOME STATEMENT, EURm</b>	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	81.6	89.8	98.6	103.8	107.5	117.0	125.4	131.7
<i>Sales growth (%)</i>	-20.4%	10.1%	9.8%	5.3%	3.6%	8.8%	7.2%	5.0%
EBITDA	11.9	13.9	9.1	11.8	17.0	20.4	22.2	24.2
<i>EBITDA margin (%)</i>	14.6%	15.4%	9.2%	11.3%	15.8%	17.5%	17.7%	18.3%
Depreciation	-3.2	-3.3	-3.3	-3.6	-3.2	-4.0	-2.4	-3.8
EBITA	8.7	10.6	5.8	8.2	13.8	16.4	19.8	20.3
Goodwill amortization / writedown							-0.6	-0.6
EBIT	8.7	10.6	5.8	8.2	13.8	16.4	19.2	19.8
<i>EBIT margin (%)</i>	10.7%	11.8%	5.9%	7.9%	12.8%	14.1%	15.3%	15.0%
Reported EBIT	8.7	10.6	5.8	8.2	13.8	16.4	19.2	19.8
<i>EBIT margin (reported) (%)</i>	10.7%	11.8%	5.9%	7.9%	12.8%	14.1%	15.3%	15.0%
Net financials	-0.6	0.8	-0.2	-0.9	-0.4	-0.4	-0.2	-0.1
Pre-tax profit	8.1	11.4	5.6	7.3	13.3	16.0	19.0	19.7
Taxes	-1.4	-2.1	-0.4	-1.8	-2.2	-3.2	-3.9	-4.0
Minority shares								
Net profit	6.7	9.3	5.1	5.5	11.1	12.8	15.1	15.6
Cash NRIs								
Non-cash NRIs								
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	10	9	7	17	16	15	18	19
Goodwill							-1	-1
Right of use assets								
Inventory	16	22	25	24	23	22	24	25
Receivables	25	31	36	35	33	36	39	41
Liquid funds	25	30	24	19	28	37	38	38
Total assets	76	92	91	95	100	111	118	122
Liabilities								
Shareholders' equity	58	74	73	73	82	88	95	100
Minority interest				0	0	0	0	0
Convertibles								
Lease liabilities								
Deferred taxes								
Interest bearing debt	6	2	3	6		4	3	
Non-interest bearing current liabilities	11	15	14	14	16	18	19	20
Other interest-free debt	1	1	1	1	1	1	1	1
Total liabilities	76	92	91	95	100	111	118	122
<b>CASH FLOW, EURm</b>								
+ EBITDA	12	14	9	12	17	20	22	24
- Net financial items	-1	3	-6	-1	0	0	0	0
- Taxes	-3	-1	-2	-2	-2	-3	-4	-4
- Increase in Net Working Capital	0	-6	-9	2	5	-1	-3	-2
+/- Other	-1	-3	7					
= Cash flow from operations	8	7	0	11	19	16	15	18
- Capex	-3	-1	-2	-2	-2	-3	-6	-5
- Acquisitions				12				
+ Divestments								
= Free cash flow	4	6	-2	21	17	13	9	13
+/- New issues/buybacks	-1	10	-1	-2	2			
- Paid dividend	4	5	3	3	7	8	10	10
+/- Other	1	-7	2	-20	-6	4	-1	-3
Change in cash	-1	5	-6	-5	9	9	0	0

<b>KEY FIGURES</b>	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	429	248	202	224	226	226	226
Net debt (excl. convertibles)	-28	-21	-13	-28	-34	-35	-38
Enterprise value	402	227	189	196	193	192	189
Sales	90	99	104	108	117	125	132
EBITDA	14	9	12	17	20	22	24
EBIT	11	6	8	14	16	19	20
Pre-tax	11	6	7	13	16	19	20
Earnings	9	5	5	11	13	15	16
Equity book value (excl. minorities)	74	73	73	82	88	95	100

<b>Valuation multiple</b>	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	4.5	2.3	1.8	1.8	1.7	1.5	1.4
EV/EBITDA	29.0	25.0	16.1	11.6	9.4	8.7	7.8
EV/EBITA	38.0	39.2	23.1	14.3	11.7	9.7	9.3
EV/EBIT	38.0	39.2	23.1	14.3	11.7	10.0	9.6
EV/OCF	56.4	-772.5	17.7	10.3	12.1	12.7	10.6
EV/FCF	78.5	-132.7	8.7	11.4	14.6	20.5	14.4
P/FCFR	74.5	-128.9	9.6	13.3	17.6	24.5	17.3
P/E	46.4	45.3	29.3	20.2	17.6	15.0	14.5
P/BV	5.8	3.4	2.8	2.7	2.6	2.4	2.3
Target EV/EBITDA					10.5	9.7	8.8
Target EV/EBIT					13.1	11.2	10.7
Target EV/FCFF					16.7	23.2	16.2
Target P/BV					2.8	2.6	2.5
Target P/E, diluted	44.4	49.2	36.8	23.4	19.4	16.5	16.0

<b>Per share measures</b>	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	14.66	14.66	14.66	14.66	14.66	14.66	14.66
Number of shares (diluted, million)	15.16	15.16	14.66	14.66	14.66	14.66	14.66
EPS	0.63	0.35	0.38	0.76	0.88	1.03	1.07
Operating cash flow per share	0.49	-0.02	0.73	1.30	1.08	1.03	1.22
Free cash flow per share	0.39	-0.13	1.44	1.15	0.88	0.63	0.89
Book value per share	5.02	4.96	4.97	5.62	6.00	6.45	6.83
Dividend per share	0.35	0.20	0.23	0.50	0.58	0.68	0.70
Dividend payout ratio, %	55.4%	57.0%	61.3%	66.0%	66.0%	66.0%	66.0%
Dividend yield, %	1.2%	1.2%	1.7%	3.2%	3.7%	4.4%	4.6%
FCF yield, %	1.3%	-0.8%	10.5%	7.5%	5.7%	4.1%	5.8%

<b>Efficiency measures</b>	2021	2022	2023	2024	2025E	2026E	2027E
ROE	14.0%	7.0%	7.6%	14.3%	15.1%	16.5%	16.0%
ROCE	15.1%	7.7%	10.6%	17.0%	18.9%	20.3%	20.0%

<b>Financial ratios</b>	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	24.8%	25.2%	22.7%	21.2%	19.0%	19.0%	19.0%
Receivables as % of sales	34.8%	36.2%	33.8%	31.1%	31.1%	31.1%	31.1%
Non-int. bearing liabilities as % of sales	17.1%	14.2%	13.4%	15.1%	15.1%	15.1%	15.1%
NWC/sales, %	41.3%	45.6%	41.8%	35.9%	33.8%	33.9%	33.9%
Operative CAPEX/Sales, %	1.5%	1.7%	1.9%	2.1%	2.6%	4.7%	3.6%
CAPEX/sales (incl. acquisitions), %	1.5%	1.7%	13.9%	2.1%	2.6%	4.7%	3.6%
FCFF/EBITDA	0.4	-0.2	1.9	1.0	0.6	0.4	0.5
Net Debt/EBITDA, book-weighted	-2.0	-2.3	-1.1	-1.7	-1.7	-1.6	-1.6
Debt/equity, market-weighted	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Equity ratio, book-weighted	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Gearing, %	-37.6%	-28.3%	-17.7%	-34.2%	-38.5%	-36.6%	-37.7%

**COMPANY DESCRIPTION:** Detection Technology is a global provider of off-the-shelf and customized X-ray imaging solutions for medical, security and industrial applications. DT's product portfolio ranges from photodiodes to complete detector systems with ASICs, electronics, mechanics and software. The company was established in 1991 and it listed on Nasdaq First North Finland in 2015. The company is headquartered in Finland and has volume production in Beijing, China. Detection Technology has ~450 employees in Finland, China, France and USA, serving 370 active customers in over 40 countries.

**INVESTMENT CASE:** Demand for Detection Technology's detector solutions is increasing due to expansion of healthcare to a wider share of population in the emerging economies, aging population, growth in travelling and freight transport, urbanization, increased security concerns and increasing need for X-ray imaging applications in industrial inspection. We see investment case attractive due to strong market drivers, especially in China, as well as DT's compelling strategy and execution capabilities, which should enable DT to grow faster than the market and maintain above target level margins. Supported by the underlying megatrends and market expansion in TFT-flat panel markets, DT has lots of long-term potential in our view. Low valuation compared to historical multiples and peers provides a decent yield also on a short-term in our view.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Ahlstrom Capital Bv	5 280 167	81.579	36.0 %
OP-Finland Fund	617 376	9.538	4.2 %
Varma Mutual Pension Insurance Company	515 000	7.957	3.5 %
Sijoitusrahassto Aktia Capital	463 654	7.163	3.2 %
Iimarinen Mutual Pension Insurance Company	435 737	6.732	3.0 %
Martola Hannu Veikko	431 690	6.670	2.9 %
Veritas Pension Insurance Company Ltd.	389 387	6.016	2.7 %
Evli Finnish Small Cap Fund	352 000	5.438	2.4 %
OP-Finland Small Firms Fund	330 019	5.099	2.3 %
Säästöpankki Kotimaa	260 000	4.017	1.8 %
Ten largest	9 075 030	140.209	61.9 %
Residual	5 580 900	86.225	38.1 %
Total	14 655 930	226.434	100%

#### EARNINGS CALENDAR

April 24, 2025	Q1 report
August 07, 2025	Q2 report
October 30, 2025	Q3 report

#### OTHER EVENTS

#### COMPANY MISCELLANEOUS

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CFO: Matti Nylander	Tel: +358 20 766 9700
IR: Johanna Tarkiainen	

**DEFINITIONS**

<p><b>P/E</b></p> $\frac{\text{Price per share}}{\text{Earnings per share}}$	<p><b>EPS</b></p> $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
<p><b>P/BV</b></p> $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	<p><b>DPS</b></p> <p>Dividend for the financial period per share</p>
<p><b>Market cap</b></p> <p>Price per share * Number of shares</p>	<p><b>OCF (Operating cash flow)</b></p> <p>EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments</p>
<p><b>EV (Enterprise value)</b></p> <p>Market cap + net debt + minority interest at market value – share of associated companies at market value</p>	<p><b>FCF (Free cash flow)</b></p> <p>Operating cash flow – Operative CAPEX – acquisitions + divestments</p>
<p><b>EV/Sales</b></p> $\frac{\text{Enterprise value}}{\text{Sales}}$	<p><b>FCF yield, %</b></p> $\frac{\text{Free cash flow}}{\text{Market cap}}$
<p><b>EV/EBITDA</b></p> $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	<p><b>Operative CAPEX / Sales</b></p> $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
<p><b>EV/EBIT</b></p> $\frac{\text{Enterprise value}}{\text{Operating profit}}$	<p><b>Net working capital</b></p> <p>Current assets – current liabilities</p>
<p><b>Net debt</b></p> <p>Interest bearing debt – financial assets</p>	<p><b>Capital employed / Share</b></p> $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
<p><b>Total assets</b></p> <p>Balance sheet total</p>	<p><b>Gearing</b></p> $\frac{\text{Net debt}}{\text{Equity}}$
<p><b>Div yield, %</b></p> $\frac{\text{Dividend per share}}{\text{Price per share}}$	<p><b>Debt/Equity, %</b></p> $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
<p><b>Payout ratio, %</b></p> $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	<p><b>Equity ratio, %</b></p> $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
<p><b>ROCE, %</b></p> $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	<p><b>CAGR, %</b></p> <p>Cumulative annual growth rate = Average growth rate per year</p>
<p><b>ROE, %</b></p> $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	



**Important Disclosures**

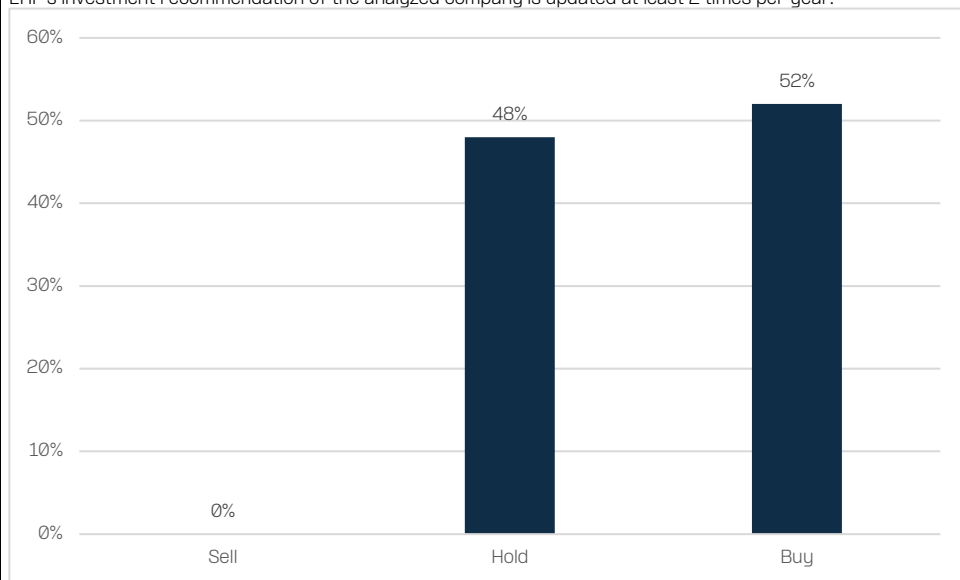
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
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Name(s) of the analyst(s): Joonas Iivonen

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