



Detection Technology

Financial statements
and Report of the Board of Directors

2024

Report of the Board of Directors

Financial year 2024 in brief

The year 2024 underscores the resilience and efficiency of Detection Technology's operations, even in a turbulent environment. Its competitiveness strengthened, profitability improved, and cash flow increased significantly. The company is well-positioned for new initiatives and future growth.

As in the previous year, the company's business environment was challenging for growth and difficult to predict. Geopolitical situations, superpower relations, the global economy, wars, China's healthcare reform, and price competition created uncertainty. Despite the challenges, the company and its business developed well.

The global competitive landscape was intense, and demand was weak in the medical market in China. Despite growth challenges, the company's total net sales grew, except for Q1, but fell short of the medium-term target. The company's annual total net sales increased by 3.6% to EUR 107.5 million in 2024. The growth was mainly driven by strong demand for security applications but also by industrial sales.

The industrial market returned to a growth path. In addition to the food industry, demand was good in industrial computed tomography (CT) imaging and the specialty tire industry. The annual sales of the Industrial Solutions Business Unit (IBU) grew by 18.2% to EUR 19.0 million. The growth was driven by legacy and TFT (thin-film transistor) flat panel detector sales. IBU's share of total net sales was 17.7%.

The sharp decline in demand for medical X-ray imaging solutions, which began in July 2023, levelled off towards the end of the year. However, China's healthcare reform and the related anti-corruption campaign targeting end operators delayed purchasing decisions throughout the year. Additionally, intensified price competition and uncertainty in the global market reduced the company's medical sales. The revenue of the Medical Business Unit (MBU) decreased by -12.8% to EUR 42.2 million. MBU's share of total net sales was 39.2%.

The security market grew more strongly than previously estimated, with an annual market growth of around 8%. The net sales of the Security Business Unit (SBU) grew significantly in developed markets outside China. Key growth drivers included airport system modernizations and increased global investments in border security. SBU's net sales grew by 17.8% to EUR 46.3 million. SBU's share of total net sales was 43.1%.

There were no significant changes in the geographical distribution of revenue. Although the share of the Asia-Pacific (APAC) countries declined slightly, it remained the company's most significant market with its 67.2% share. Similarly, the share of the five largest customers in total net sales did not change significantly and stood at 52.0%.

Despite moderate net sales growth, Detection Technology's profitability improved throughout the year, both on a year-on-year and quarter-on-quarter basis. The company's operating profit (EBITA) for the 2024 fiscal year was EUR 14.9 million, accounting for 13.9% of net sales. The strong profitability development was primarily driven by improved productivity and a favourable sales mix.

In addition to the profit improvement, the decrease in working capital and strong cash flow are noteworthy. The good profit and strong cash flow enabled the early repayment of the long-term loan taken for the acquisition of Haobo Imaging.

The company decided to expand its production to India, where significant infrastructure investments are being made in healthcare, transportation, and manufacturing industries. The company established a service and production site in the Greater Delhi area, with shipments scheduled to begin in mid-2025. The project is significant from the perspectives of developing local customer service and competitiveness as well as risk management.

Other main events of the financial year included the expansion of EU-origin production. A new facility was opened in Oulu, and the production ramp-up progressed as planned, enabling the company to manufacture 10% of its global product sales in Finland. These measures enhance the customer experience and reduce risks related to macroeconomic uncertainties.

Additionally, Detection Technology made important product launches. The company introduced an all-in-one CT detector system that scales from static CT systems to rotating systems, as well as to future photon-counting CT imaging (PCCT). The company also launched 60 flat-panel detector solutions for global sales.

At the end of the fiscal year, the company announced a new operating model, which came into effect at the beginning of 2025. The new regional business units have taken full responsibility for promoting sales and strengthening customer relationships. This change creates a strong foundation for future growth.

Despite increased turbulence in global markets and intense price competition in China, the year-on-year market outlook has shown improvement. In 2025, the growth drivers will remain the same across all of the company's key markets. Detection Technology has the prerequisites for profitable growth also in 2025.

Net sales and financial result development

The company's total net sales grew by 3.6% (5.3%), totaling EUR 107.5 (103.8) million in January–December 2024. IBU's net sales grew by 18.2% (0.2%), totaling EUR 19.0 (16.1) million. MBU's net sales decreased by -12.8% (0.5 %), totaling EUR 42.2 (48.4) million. SBU's net sales grew by 17.8% (14.3%), totaling EUR 46.3 (39.3) million. IBU generated a total of 17.7% (15.5%) of the company's net sales, MBU a total of 39.2% (46.6%) and SBU a total of 43.1% (37.9%).

Asia-Pacific's (APAC) share of total net sales was 67.2% (68.3%), Europe, Middle East, Africa's (EMEA) 26.7% (18.6%), and the Americas' 6.1% (13.1%) in January–December 2024. The five largest customers accounted for 52.0% (50.7%) of the company's total net sales.

For the review period January–December 2024, the operating profit (EBITA) was EUR 14.9 (8.8) million, 13.9% (8.5%) of net sales. Non-recurring items (NRI) in the review period were EUR 0.0 (0.9) million. EBITA excluding NRI was EUR 14.9 (9.7) million, 13.9% (9.3%) of net sales.

In January–December 2024, the company reversed sales credit loss provisions of EUR 0.2 million. At the end of the review period, the sales credit loss provisions totaled EUR 1.5 (1.7) million.

Financial items totaled EUR -0.4 (-0.9) million, and income taxes were EUR -2.2 (-1.8) million.

The result for the year 2024 was EUR 11.1 (5.5) million. Earnings per share were EUR 0.76 (0.38).

Financial position

Cash flow from operations in January–December 2024 amounted to EUR 20.1 (9.7) million. The company's working capital decreased by EUR 4.9 million during the financial period. Stocks decreased by EUR 1.6 million. Current receivables decreased by EUR 2.9 million. Short-term payables increased by EUR 0.4 million.

Cash flow from financing activities in January–December 2024 was EUR -9.3 (0.6) million. The company repaid loans of EUR 6.0 million from financial institutions. The share of the non-current loans was EUR 4.2 million and the share of the current loans was EUR 1.8 million. A dividend of EUR 3.4 (2.9) million, resolved at the Annual General Meeting on 27 March 2024, was paid.

At the end of the review period, the company's net interest-bearing debt totaled EUR -27.8 (-12.7) million, and gearing was -33.6% (-17.4%).

Cash and cash equivalents amounted to EUR 28.3 (19.1) million at the end of the year 2024.

The company has secured its liquidity by agreeing with banks on lines of credit totaling EUR 24.8 (17.7) million at the closing rate of the review period. At the end of the review period, the unused line of credit was EUR 24.3 (16.7) million.

The loans taken by the company and the parent company's commitments to related entities are presented in the notes to balance sheet.

Key figures of financial performance

	Group	Group	Group	Parent	Parent	Parent
	2024	2023	2022	company	company	company
				2024	2023	2022
Net sales, EUR 1,000	107,514	103,794	98,580	39,281	30,470	27,462
EBITA excluding NRI, EUR 1,000	14,892	9,656	6,135	6,688	2,884	3,217
EBITA excluding NRI, %	13.9%	9.3%	6.2%	17.0%	9.5%	11.7%
EBITA, EUR 1,000	14,892	8,784	5,801	6,688	2,884	3,217
EBITA, %	13.9%	8.5%	5.9%	17.0%	9.5%	11.7%
Return on investment (ROI), %	17.4%	9.9%	7.5%	35.1%	12.1%	-3.3%
Earnings per share, EUR	0.76	0.38	0.35	-	-	-
Earnings per share (diluted), EUR	0.76	0.38	0.35	-	-	-
Equity ratio, %	82.6%	77.3%	79.9%	91.9%	79.6%	90.4%

*EBITA = EBIT less goodwill amortization according to Finnish Accounting Standards (FAS).
Earnings per share has been calculated based on weighted average number of shares outstanding.
Earnings per share (diluted) has been calculated based on weighted average number of shares outstanding, diluted.*

Number of shares

	2024	2023	2022
Number of shares at the end of the period	14,655,930	14,655,930	14,655,930
Weighted average number of shares outstanding	14,655,930	14,655,930	14,655,930
Weighted average number of shares outstanding, diluted	14,659,106	14,655,930	14,655,930

Research and development

During the financial year January-December 2024, R&D expenses were EUR 11.4 million (11.7), corresponding to 10.6 % of net sales (11.3 %). All R&D costs are written off as expenses.

Personnel

At the end of December 2024, Detection Technology employed 487 people (478). A total of 378 people worked in China, 95 in Finland, 10 in France and 4 in the US. In January-December 2024, personnel expenses totaled EUR 23.9 million (24.1).

Headcount, salaries and rewards

	Group	Group	Group	Parent	Parent	Parent
	2024	2023	2022	company	company	company
				2024	2023	2022
Average headcount	474	484	464	95	103	100
Salaries and rewards (EUR 1,000)	19,058	18,938	18,275	7,685	7,405	7,282

Personnel by geography

	31.12.2024	31.12.2023	Change, %
APAC	378	369	2.4%
Americas	4	4	0%
EMEA	105	105	0%
Total	487	478	1.9%

Board of Directors and management

The Annual General Meeting resolved that the Board of Directors consists of six (6) members. Marion Björkstén, Richard Ingram, Henrik Roos and Hannu Syrjälä were re-elected while Amy Chen and Jyrki Vainionpää were elected as new members to the Board of Directors.

In its organizing meeting, the Board of Directors elected Hannu Syrjälä as the Chair in accordance with the recommendation of the Shareholders' Nomination Board and Henrik Roos as the Vice Chair of the Board until the next Annual General Meeting.

The Board of Directors has appointed Remuneration and Auditing Committees from amongst its number. The members of the Remuneration Committee have been Hannu Syrjälä, Amy Chen and Henrik Roos. The Remuneration Committee appointed Hannu Syrjälä to chair the committee. The members of the Auditing Committee have been Jyrki Vainionpää, Marion Björkstén and Richard Ingram. Jyrki Vainionpää has acted as the Chair of the Auditing Committee.

The company's President and CEO was Hannu Martola. The company's auditor was Authorised Public Accounting firm KPMG Oy Ab, and Petri Kettunen, Authorised Public Accountant, acted as the Responsible Auditor.

At the end of the financial year, the company's management group members were President and CEO Hannu Martola, CFO Matti Nylander, Vice President of Medical Business Unit (MBU) Chen Wu, Vice President of Security Business Unit (SBU) Arve Lukander, Vice President of Industrial Solutions Business Unit (IBU) Juha Talasmäki, Vice President of People and Culture Sari Holopainen, CTO Jyrki Still and Vice President of Operations Kai Utela.

The company announced on 30 January 2024 that Matti Nylander (M.Sc. Eng., born in 1978) has been appointed Chief Financial Officer (CFO) and a member of the management group at Detection Technology. Mr. Nylander started in his new role on 13 May 2024, and he is responsible for the financial management and information systems of the Group, as well as their global development. Tiina Välkky acted as interim Chief Financial Officer and member of the management group from 1 December 2023 to 12 May 2024.

New operating model and changes in the management group

Detection Technology announced on 29 October 2024, that it will change its operating model and Group's management group in order to advance the implementation of its strategy and meet its growth targets. The new organization and reporting structure entered into force as of 1 January 2025.

The company's new sales and product organization consists of three regional business units: Asia-Pacific (APAC), Europe, Middle East, India and Africa (EMEIA), and the Americas. The Group level functions, which include research and development (R&D), operations, HR, financial administration and IT have remained the same. In addition, a member responsible for business development was appointed to the management group.

On 1 January 2025, Bree Allen started as President of the Americas Business Unit and became a new member of the management group. Arve Lukander started as President of the EMEA Business Unit, Chen Wu as President of the APAC Business Unit, and Juha Talasmäki as Vice President of Business Development.

As of 1 January 2025, the members of the management group have been President and CEO Hannu Martola, CFO Matti Nylander, President of the Americas Business Unit Bree Allen, President of the EMEA Business Unit Arve Lukander, President of the APAC Business Unit Chen Wu, Vice President of Business Development Juha Talasmäki, Vice President of People and Culture Sari Holopainen, CTO Jyrki Still, and Vice President of Operations Kai Utela.

Starting from Q1 of 2025, the company will adjust the net sales split reporting method used in its financial reporting to correspond to its new operating model. In the future, the company will report net sales for each region in line with the new geographical division as well as for its three main applications, namely, medical, industrial and security.

Report on the Corporate Governance

A report on the company's Corporate Governance (CG) has been given for FY 2024. The report can be found on the company's website.

Annual General Meeting

Annual General Meeting (AGM) 2024 of Detection Technology Plc was held on 27 March 2024. The following matters were handled and resolved in the AGM, in addition to the matters referred to in the company's Articles of Association:

1. The company's Board of Directors was authorized to acquire the company's own shares. This authorization amounts to 732,795 shares and is valid until the conclusion of the following Annual General Meeting, but no later than 30 June 2025. At the end of FY 2024, the authorization had not been used.
2. The company's Board of Directors was authorized to issue a total of 1,465,593 new shares in the company. This authorization is valid until the conclusion of the following Annual General Meeting, but no later than 30 June 2025. At the end of FY 2024, the authorization had not been used.

Shareholders' Nomination Board

Based on the holdings on 2 September 2024, the Nomination Board has consisted of the Chair of the Nomination Board Peter Seligson as the representative of Ahlstrom Capital BV; and Head of Investments Tomi Viia representing the OP mutual funds and Director, Sustainability of Aktia Bank Markus Lindqvist representing the Aktia mutual funds. The Chair of Detection Technology's Board of Directors Hannu Syrjälä has served as an expert member of the Nomination Board.

The proposals of the Nomination Board to the Annual General Meeting were published on 17 December 2024. The proposals and the Charter of the Nomination Board are available on the company's website.

Shares and shareholders

The average share price of Detection Technology was EUR 15.84 in January–December 2024. The highest price for 2024 was EUR 20.00 and the lowest EUR 12.15. The closing price at the end of December was EUR 15.30, and the company had a market capitalization of approximately EUR 224 million.

A total of 1.71 million shares, which is 11.7% of the total number of shares, were traded between 2 January and 30 December. The number of shares outstanding in Detection Technology was 14,655,930 at the end of the review period. The company does not hold its own shares, and the authorization given to the Board of Directors by the Annual General Meeting to acquire the company's own shares has not been used.

The number of shareholders at the end of the review period was 4,441. Approximately 73.1% of the shares were held by the ten largest shareholders. The nominee-registered foreign holding of shares in the company was 14.1%.

Detection Technology has one share series, and all shares bear equal voting rights. The company's shares are listed on the Nasdaq First North Growth Market Finland marketplace under the ticker symbol DETEC.

The largest, registered shareholders on 31 December 2024

	Shares	%
AHLSTROM CAPITAL BV	5,280,167	36.0%
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINGIN SIVUKONTTORI	1,938,162	13.2%
OP-SUOMI -SIIJOITUSRAHASTO	617,376	4.2%
KESKINÄINEN TYÖELÄKEVAKUUTUSYHTIÖ VARMA	515,000	3.5%
SIIJOITUSRAHASTO AKTIA CAPITAL	463,654	3.2%
KESKINÄINEN ELÄKEVAKUUTUSYHTIÖ ILMARINEN	443,000	3.0%
MARTOLA HANNU VEIKKO	431,690	2.9%
PENSIONSFRÖRSÄKRINGSAKTIEBOLAGET VERITAS	389,387	2.7%
EVLI FINNISH SMALL CAP FUND	355,000	2.4%
OP FIN SMALL CAP	274,936	1.9%
SÄÄSTÖPANKKI KOTIMAA -SIIJOITUSRAHASTO	260,000	1.8%
SIIJOITUSRAHASTO SÄÄSTÖPANKKI PIENYHTIÖT	206,904	1.4%
NACAWI AB	186,025	1.3%
FONDITA NORDIC MICRO CAP SIIJOITUSRAHASTO	186,000	1.3%
SIIJOITUSRAHASTO AKTIA NORDIC SMALL CAP	140,000	1.0%
NORDEA HENKIVAKUUTUS SUOMI OY	136,200	0.9%
CHEN WU	103,875	0.7%
KIRKON ELÄKERAHASTO	100,500	0.7%
DRUMBO OY	70,000	0.5%
STILL JYRKI MATTI KRISTIAN	65,960	0.5%
The 20 largest shareholders in total	12,163,836	83.0%
Other shareholders	2,492,094	17.0%
Shares in total	14,655,930	100.0%

Breakdown of share ownership on 31 December 2024

Number of shares	Owners	%	Shares	%
1-100	2,453	55.2%	106,022	0.7%
101-500	1,443	32.5%	347,696	2.4%
501-1,000	262	5.9%	200,315	1.4%
1,001-5,000	189	4.3%	386,857	2.6%
5,001-10,000	29	0.7%	216,555	1.5%
10,001-50,000	41	0.9%	1,016,670	6.9%
50,001-100,000	6	0.1%	353,939	2.4%
100,001-	18	0.4%	12,027,876	82.1%
	4,441	100.0%	14,655,930	100.0%

Shareholding of the management and their controlled entities on 31 December 2024

	Shares	%
Members of the Board	27,269	0.2%
President and CEO	466,690	3.2%
Other members of the management team	221,914	1.5%

Stock option program 2020

The subscription period of Detection Technology's stock options 2020A1 and 2020A2 terminated on 31 May 2024. The subscription period of stock options 2020B1 and 2020B2 started on 2 May 2024 and will end on 31 May 2025. No subscriptions have been made under the stock option program 2020 during the review period January–December 2024.

The company has one ongoing stock option program 2020. The description and terms of the stock option programs can be found on the company's website.

Share-based long-term incentive scheme

On 1 February 2024, the company announced the decision by the Board of Directors to launch a third PSP program. The performance period of PSP 2024–2026 started in the beginning of January 2024, and it will end at the end of 2026. The potential awards under the performance share plan will be paid in H1 of 2027 as listed shares of Detection Technology.

The primary performance measure on the basis of which the potential share rewards under the PSP 2024–2026 program will be paid is the total shareholder return (absolute TSR) of Detection Technology's share. In addition, performance is evaluated with a sustainability metric, which is connected to the reduction of carbon dioxide emissions.

If all the performance targets set for the PSP 2024–2026 program are fully achieved, the aggregate maximum number of shares to be paid as a reward under the plan is approximately 270,000 (gross earnings before the applicable withholding tax). Approximately 60 people, including the members of Detection Technology's management group, are eligible to participate in the PSP 2024–2026 program.

The PSP 2024–2026 program is part of Detection Technology's share-based long-term incentive scheme established for the company's management and other key employees in 2022. This incentive scheme consists of separate stock award plans, which the company's Board of Directors resolve each year. The performance period of the first performance share plan, PSP 2022–2024, started in the beginning of August 2022, and ended at the end of 2024. The performance period of the second performance share plan, PSP 2023–2025, started in the beginning of January 2023, and it will end at the end of 2025.

Notifications of major holdings

As a result of the amendment in the scope of application of Chapter 9 of the Finnish Securities Markets Act the obligation to notify and disclose major holdings and proportions of voting rights, the so-called flagging obligation, was extended to cover the Nasdaq First North Growth Market Finland market as of 19 April 2024. During the two-month transition period from 19 April to 19 June 2024, current shareholders notified the reaching and exceeding of the 5 percent flagging threshold in their holdings and proportions of voting rights that took place prior to 19 April 2024. Any reaching, exceeding, or falling below the flagging thresholds during and after the transition period must have been notified in compliance with the new regulations. The issuer has the obligation to publish any flagging notifications it receives by means of a company announcement without undue delay.

Detection Technology received a notification intended in Chapter 9, Section 5 of the Finnish Securities Markets Act from OP-Rahastoyhtiö Oy on 22 April. According to the notification, the combined share of the investment funds managed by OP-Rahastoyhtiö Oy in Detection Technology's shares and votes exceeded the 5 percent flagging threshold before 19 April 2024. Detection Technology received a notification intended in Chapter 9, Section 5 of the Finnish Securities Markets Act from Ahlstrom Capital B.V. on 6 June. According to the notification, its share of Detection Technology's shares and votes had exceeded the 30 percent flagging threshold before 19 April 2024.

Detection Technology received a notification intended in Chapter 9, Section 5 of the Finnish Securities Markets Act from Aktia Rahastoyhtiö Oy on 27 June. According to the notification, the combined share of the investment funds managed by Aktia Rahastoyhtiö Oy in Detection Technology's shares and votes decreased below the 5 percent flagging threshold on 27 June 2024.

In H2 of 2024, Detection Technology did not receive any flagging notifications.

Risks and uncertainties

The company's most significant short-term direct and indirect risk factors and uncertainties are changes in geopolitics, in particular changes in the US policies and tariffs by the new Trump administration, changes in the US-China and the EU-China relations, global economic uncertainty, the Russian war in Ukraine and the unrest in the Middle East, along with their ramifications on the global and European security and economy, availability and prices of energy and raw materials and the consequent increase in global political uncertainty may have an adverse impact on the company's business. In addition, challenges in the availability of special materials and electronic components may have an adverse impact on the company's business.

Other risks are related to business operations in developing markets, the changes in the competitive landscape, the ongoing healthcare anti-corruption campaign in China, price competition, a significant share of net sales being generated by the five largest customers, APAC countries' large share of sales, customer liquidity, product quality, the startup of production of new products, exchange rate fluctuations, overall cost development particularly in China, the permanence and competence of personnel, recruitment of experts and organizational efficiency.

The Group has not hedged foreign exchange risks because the Group's sales in various currency areas are sufficiently balanced by purchases in the same areas. Group loans are not covered by interest rate hedging instruments, and consequently possible interest rate changes may impact the company results. The Group has taken measures to protect against material and immaterial damage by obtaining sufficient insurance coverage for its operations.

The Group manufactures high-tech X-ray detectors that meet rigorous quality standards and that are used for the critical applications of the medical and the security industry, in particular. It is possible that, despite on-going quality and assurance mechanisms, errors may occur in the company's design, manufacture and testing processes, due to which the quality of the products may not fully meet customer requirements and thereby cause additional quality

costs for the company. Every product is tested in production, in addition to which statistical design and manufacturing process monitoring systems along with various quality assurance and testing methods are used in both production and product development. The company's management regard these to be adequate to ensure the good quality of products under normal conditions. The Group's key processes in China and Finland are certified to comply with ISO 9001:2015, 14001:2015 and 13485:2016.

The company takes continuous measures to manage the aforementioned risks. Through normal control and precautionary measures, the Company management aims to reduce the impact of risks affecting the company's operational continuity.

Sustainability

Detection Technology is committed to working towards a more sustainable future. The company continued to develop its operating model based on the framework of the Responsible Business Alliance (RBA) and operations so that they would better support the company's sustainable development goals.

In 2024, the themes and subitems of Detection Technology's sustainability agenda remained unchanged from 2023. The company has decided to keep the structure the same in 2025 as well.

Detection Technology achieved all the sustainable development goals set for 2024, except the energy intensity reduction target. Over the years, the company has achieved significant reductions in its energy intensity through various initiatives, including technological upgrades, implementation of best practices, and facilities improvement. From 2025, the company expects a more stable performance in this key area as the most significant opportunity areas have been addressed.

Detection Technology did not receive information on any environmental infringements in the 2024 fiscal year. The company has not received notifications of any infringements of EU or national laws or the company's Code of Conduct through its whistleblowing channel or other reporting channels.

To ensure a strong focus in driving transformation and the achievement of sustainable development goals, sustainability KPIs are included in the company's incentive plans. Short-term incentive (STI) plans apply to all DT employees, and sustainability is integrated as a key metric also in the share-based long-term incentive (LTI) scheme.

The outcomes of the 2024 sustainable development KPIs and the targets set for 2025 are described in more detail in the company's 2024 annual review. In addition, highlights related to the outcome of measures to support corporate social responsibility and the company's RBA framework for sustainable development are also described in the annual review.

In the fiscal year 2024, Detection Technology started preparations for reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD). According to the original EU regulation, Detection Technology is set to fall under the CSRD reporting obligation in 2026 when it publishes the financial statements for the year 2025.

The EU Commission announced on 26 February 2025 legislative proposals aiming to simplify the CSRD reporting obligation. If these proposals are put into effect, they will most likely have an impact on the company's CSRD reporting obligation. In 2025, Detection Technology closely monitors how the situation unfolds and adjusts its CSRD project accordingly.

Events after financial year ended

After the financial year 2024, the company's business has continued as usual, and there have been no exceptional events affecting the business.

Hannu Syrjälä, Chairman of the Board of Detection Technology Plc, passed away due to an illness on 24 February 2025. Detection Technology's Board continues with five members, and Vice Chairman Henrik Roos serves as Chairman until the Annual General Meeting.

Business outlook

Detection Technology expects its year-on-year total net sales to remain stable in Q1 and to achieve double-digit growth in Q2 of 2025.

Geopolitical situation, possible new US import tariffs, U.S.–China relations, global economy, China's healthcare reform, price competition especially in China, the indirect impacts of the war in Ukraine, and events in the Middle East create uncertainty.

Financial targets

Detection Technology aims to increase sales by at least 10% per annum and to achieve an operating margin (EBITA) at or above 15% in the medium term. The company aims to distribute approximately 30–60% of the Group's annual result (earnings per share) to shareholders either in the form of dividend or returned capital.

Board of Directors' profit distribution proposal

The distributable funds of the parent company Detection Technology Plc are EUR 47,714,419, of which EUR 15,177,502 represents the net profit for the financial year. The company's funds eligible for dividend distribution total EUR 19,309,333. After the end of the financial year, there have not been significant changes in the company's financial situation, nor does the solvency test referred to in Chapter 13, Section 2 of the Companies Act affect the amount of distributable funds.

The Board of Directors proposes to the Annual General Meeting to be held on 27 March 2025 that, based on the balance sheet adopted for 2025, a dividend of EUR 0.50 (0.23) per share be paid. The number of shares entitling to dividend is 14,655,930, which means that the total amount of the dividend would be EUR 7,327,965.

Group income statement

(EUR)

	1.1.-31.12.2024	1.1.-31.12.2023
NET SALES	107,513,799	103,794,164
Change in inventories of finished goods and work in progress	2,487,599	-413,278
Other operating income	1,248,934	749,964
Materials and services	-58,811,643	-55,274,764
Personnel expenses	-23,919,970	-24,084,058
Depreciations	-3,193,846	-3,543,161
Other operating expenses	-11,561,503	-13,009,406
OPERATING PROFIT	13,763,370	8,219,461
Financial income and expenses	-416,520	-917,682
PROFIT BEFORE TAXES	13,346,850	7,301,779
Income taxes	-2,235,472	-1,785,440
Minority interest	598	-14,455
PROFIT FOR THE FINANCIAL YEAR	11,111,976	5,501,884

Group balance sheet

(EUR)

	31.12.2024	31.12.2023
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	11,243,807	11,907,377
Tangible assets	4,426,765	4,792,318
Investments	10,500	10,501
TOTAL NON-CURRENT ASSETS	15,681,072	16,710,197
CURRENT ASSETS		
Inventories	22,792,668	23,600,526
Non-current receivables	370,322	594,170
Current receivables	33,067,202	34,515,954
Cash and cash equivalents	28,265,545	19,101,101
TOTAL CURRENT ASSETS	84,495,737	77,811,751
TOTAL ASSETS	100,176,809	94,521,948
EQUITY AND LIABILITIES		
EQUITY		
Share capital	80,000	80,000
Share premium account	5,130,025	5,130,025
Invested non-restricted equity fund	28,405,085	28,405,085
Retained earnings	37,633,856	33,687,748
Profit for the financial period	11,111,976	5,501,884
TOTAL EQUITY	82,360,941	72,804,742
Minority interest	194,858	188,496
Non-current liabilities	0	4,200,000
Current liabilities	17,621,010	17,328,710
TOTAL LIABILITIES	17,621,010	21,528,710
TOTAL EQUITY AND LIABILITIES	100,176,809	94,521,948

Group cash flow statement

(EUR)

	1.1.–31.12.2024	1.1.–31.12.2023
CASH FLOW FROM OPERATIONS		
Operating profit	13,763,370	8,219,461
Depreciations	3,193,846	3,543,161
Other non-cash business activities	1,112,390	1,037,082
Change in working capital	4,906,489	-1,100,030
Financial income and expenses	-755,183	-569,538
Income taxes paid	-2,087,601	-1,458,111
CASH FLOW FROM OPERATIONS	20,133,312	9,672,025
CASH FLOW FROM INVESTMENTS		
Investments in intangible and tangible assets	-2,217,889	-2,118,952
Payment for shares in subsidiaries	0	-12,306,905
CASH FLOW FROM INVESTMENTS	-2,217,889	-14,425,857
FREE CASH FLOW	17,915,423	-4,753,831
CASH FLOW FROM FINANCING		
Change in non-current loans	-4,200,000	4,200,000
Change in current loans	-1,765,088	-694,472
Dividend paid	-3,370,995	-2,931,186
CASH FLOW FROM FINANCING	-9,336,083	574,342
CHANGE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the period	19,101,101	23,710,094
Foreign exchange rate effect	585,103	-429,503
Cash and cash equivalents at the end of the period	28,265,545	19,101,101
CHANGE IN CASH AND CASH EQUIVALENTS	8,579,340	-4,179,490
CHANGE IN WORKING CAPITAL		
Change in current receivables	2,938,630	-1,134,985
Change in inventories	1,597,520	1,777,020
Change in current liabilities	370,340	-1,742,065
CHANGE IN WORKING CAPITAL	4,906,489	-1,100,030

Detection Technology Plc income statement

(EUR)

	1.1.-31.12.2024	1.1.-31.12.2023
NET SALES	39,280,963	30,469,647
Change in inventories of finished goods and work in progress	381,267	357,879
Other operating income	6,936,894	7,464,727
Materials and services	-22,519,146	-18,461,932
Personnel expenses	-9,012,614	-9,000,733
Depreciations	-466,999	-896,815
Other operating expenses	-7,912,427	-7,048,792
OPERATING PROFIT	6,687,939	2,883,982
Financial income and expenses	10,073,188	3,625,626
PROFIT BEFORE APPROPRIATIONS AND TAXES	16,761,127	6,509,608
Group contributions	-50,000	-1,650,000
Income taxes	-1,533,625	-804,432
PROFIT FOR THE FINANCIAL YEAR	15,177,502	4,055,176

Detection Technology Plc balance sheet

(EUR)

ASSETS	31.12.2024	31.12.2023
NON-CURRENT ASSETS		
Intangible assets	1,413,732	639,970
Tangible assets	857,623	694,003
Investments	19,683,600	19,666,785
TOTAL NON-CURRENT ASSETS	21,954,955	21,000,759
CURRENT ASSETS		
Inventories	4,337,317	2,886,553
Non-current receivables	1,298,600	3,667,324
Current receivables	14,241,478	14,867,259
Cash and cash equivalents	15,786,216	9,219,922
TOTAL CURRENT ASSETS	35,663,611	30,641,058
TOTAL ASSETS	57,618,566	51,641,817
EQUITY AND LIABILITIES		
EQUITY		
Share capital	80,000	80,000
Share premium account	5,130,025	5,130,025
Invested non-restricted equity fund	28,405,085	28,405,085
Retained earnings	4,131,832	3,447,520
Profit for the financial year	15,177,502	4,055,176
TOTAL EQUITY	52,924,443	41,117,806
LIABILITIES		
Non-current liabilities	0	4,200,000
Current liabilities	4,694,123	6,324,012
TOTAL LIABILITIES	4,694,123	10,524,012
TOTAL EQUITY AND LIABILITIES	57,618,566	51,641,817

Detection Technology Plc cash flow statement

(EUR)

	1.1.–31.12.2024	1.1.–31.12.2023
CASH FLOW FROM OPERATIONS		
Operating profit	6,687,939	2,883,982
Depreciations	466,999	896,815
Other non-cash business activities	680,064	-451,245
Change in working capital	-3,210,175	-1,730,056
Financial income and expenses	9,759,857	4,006,879
Income taxes paid	-1,045,723	-1,161,222
CASH FLOW FROM OPERATIONS	13,338,960	4,445,154
CASH FLOW FROM INVESTMENTS		
Investments in intangible and tangible assets	-1,487,551	-379,558
Investment in shares in subsidiaries	-16,815	-12,800,255
CASH FLOW FROM INVESTMENTS	-1,504,366	-13,179,813
CASH FLOW FROM FINANCING		
Change in non-current loans	-4,200,000	4,200,000
Change in non-current loans to group companies	2,368,724	540,699
Change in current loans	-1,200,000	1,200,000
Change in current loans to group companies	1,183,840	263,910
Group contributions	-50,000	-1,650,000
Dividend paid	-3,370,864	-2,931,186
CASH FLOW FROM FINANCING	-5,268,300	1,623,423
CHANGE IN CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at the beginning of the period	9,219,922	16,331,158
Cash and cash equivalents at the end of the period	15,786,216	9,219,922
CHANGE IN CASH AND CASH EQUIVALENTS	6,566,294	-7,111,237
CHANGE IN WORKING CAPITAL		
Change in current receivables	-370,284	-1,955,802
Change in inventories	-1,537,591	-721,388
Change in current liabilities	-1,302,300	947,134
CHANGE IN WORKING CAPITAL	-3,210,175	-1,730,056

Accounting principles for consolidated financial statements

Principles for consolidated financial statements

The consolidated financial statements of Detection Technology Group have been prepared in accordance with Finnish Accounting Standards (FAS) and include all Group companies. Intercompany transactions, receivables and liabilities as well as internal shareholding have been eliminated from consolidated financial statements. The income statements of subsidiaries have been converted to euros by using monthly average exchange rates for the financial period, and balance sheets have been converted by using the official rates at the end of the financial period. Differences arising from the currency conversion as well as the translation of foreign subsidiaries' equity are included in the retained earnings. Cash flow statements of the Group and Detection Technology Plc have been prepared in compliance with the indirect cash flow reporting method described in the general instructions of the Finnish Accounting Board (KILA).

Company shares

Share's basic information

Trading code	DETEC
ISIN -code	FI4000115464
Votes/share, pcs	1
Share capital, EUR	80,000
Share amount, pcs	14,655,930

Group companies

		Ownership	Country
Detection Technology Plc	Parent company		Finland
Detection Technology Holding Oy	Subsidiary	100 %	Finland
DTF (H.K.) Ltd.	Subsidiary	100 %	Hong Kong
DT Detection Technology India Pvt. Ltd.	Subsidiary	100 %	India
DT Electronic Manufacturing (Beijing) Co., Ltd.	Subsidiary	100 %	China
DT Electronic Technology (Wuxi) Co., Ltd.	Subsidiary	100 %	China
DT Imaging Technology (Shanghai) Co., Ltd.	Subsidiary	89.75 %	China
Detection Technology S.A.S.	Subsidiary	100 %	France
Detection Technology, Inc.	Subsidiary	100 %	United States

Associated companies

The company does not have any associated companies.

Goodwill

The company recognizes goodwill in its balance sheet resulting from acquisition of a subsidiary, in accordance with Finnish Accounting Standards (FAS).

Deferred taxes

The company recognizes material and probable deferred income tax receivables and liabilities. According to the precautionary principle, deferred income tax receivables have not been recognized from subsidiaries operating on loss.

Valuation methods and principles

Inventories under current assets have been valued at variable acquisition cost in accordance with principles in Chapter 5, Section 6 of the Finnish Accounting Act.

Depreciation according to plan has been deducted from the acquisition cost of intangible and tangible assets recorded in the balance sheet. The variable costs incurred from the acquisition and commissioning of the assets have been included in the acquisition cost. Planned depreciations have been recorded as straight-line depreciation based on the economic service life of assets.

Planned depreciation periods for different asset types are as follows:

Intangible rights	straight-line depreciation 3-10 years
Goodwill	straight-line depreciation 10 years
Other capitalized expenses	straight-line depreciation 3-5 years
Machines and equipment	straight-line depreciation 3-10 years

Net sales recognition principles

The sales of products and services are recognized as revenue on delivery.

Conversion of foreign currency items

Foreign currency denominated receivables and liabilities have been converted into euros using the exchange rates on the end date of the financial period.

Detection Technology Plc

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Business ID 0878389-8

Copies of Detection Technology Plc consolidated financial statement can be obtained from the company's offices in Espoo and Oulu, Finland.

Notes to group's financial statements

1.1.-31.12.2024 (EUR)

NOTES TO INCOME STATEMENT

NET SALES	2024	2023
Net sales by geography		
Finland	3,651,801	3,869,475
Other EMEA	25,060,241	15,417,895
APAC	72,211,123	70,929,950
Americas	6,590,634	13,576,844
Total	107,513,799	103,794,164
Net sales by business unit		
Industrial Solutions Business Unit (IBU)	19,038,492	16,102,392
Medical Business Unit (MBU)	42,189,819	48,385,855
Security Business Unit (SBU)	46,285,487	39,305,916
Total	107,513,799	103,794,164

Five largest customers accounted for 52% (51%) of total sales in the financial year 2024.

MATERIALS AND SERVICES	2024	2023
Materials, supplies and goods	54,791,290	53,731,206
Change in inventories	3,295,457	834,924
External services	724,896	708,634
Total	58,811,643	55,274,764

PERSONNEL	2024	2023
Personnel expenses		
Salaries and wages	19,057,775	18,937,957
Pension expenses	2,669,679	2,938,949
Other indirect personnel expenses	2,192,517	2,207,152
Total	23,919,970	24,084,058
Board of Directors' rewards and CEO's salaries and benefits		
Board of Directors' rewards	327,500	268,000
CEO's salaries and benefits	344,689	345,621
Total	672,189	613,621

President and CEO has a voluntary pension scheme provided by the company.

Key personnel's share-based incentive schemes

The company's key personnel have share-based incentive schemes that have not been recorded in financial statements. Stock options enable a share issue of a maximum of 380,000 new shares during 2025. The performance share plan launched in 2022 enables a share issue of a maximum of 414,600 new shares by the end of 2027 if the set targets are achieved. The incentive schemes do not have a material impact on the company's profit or its financial position.

Average number of personnel during the financial year	2024	2023
Officers	271	273
Workers	203	211
Total	474	484

DEPRECIATIONS	2024	2023
Intangible rights	213,280	776,019
Goodwill	1,128,612	564,306
Other capitalized expenses	396,689	600,611
Machinery and equipment	1,455,265	1,602,225
Total	3,193,846	3,543,161

OTHER OPERATING EXPENSES

In the financial year 2024, the company recognized a provision change for sales credit loss with value of EUR -136,126 (1,338,697) based on management assessment.

AUDITING SERVICES	2024	2023
Annual audits	184,190	197,898
Other services	35,963	41,623
Total	220,154	239,521

FINANCIAL INCOME AND EXPENSES	2024	2023
Financial income	322,658	346,164
Interest expenses	-184,070	-337,464
Other financial expenses	-580,078	-41,201
Conversion items	24,970	-885,181
Total	-416,520	-917,682

In the comparison year 2023, conversion items consisted mainly of realized and unrealized foreign exchange conversion losses related to the parent company's currency position of CNY and USD, the foreign exchange rates of which weakened against the EUR. The impacts of changes in the said currencies during the financial year 2024 have been insignificant.

INCOME TAXES	2024	2023
Income taxes	2,235,472	1,785,440
Total	2,235,472	1,785,440

In the financial year 2024, the company recognized current taxes with EUR 2,095,336 (2,027,806) and deferred income tax receivables of EUR -140,136 (242,366) related to cost provisions of sales credit loss and inventory write off.

NOTES TO BALANCE SHEET

INTANGIBLE ASSETS	2024	2023
Immaterial rights		
Carrying amount at 1.1.	392,737	1,201,746
Increases	46,962	9,895
Decreases	0	-29,500
Conversion items	4,335	-13,385
Depreciations	-213,280	-776,019
Carrying amount at 31.12.	230,754	392,737
Goodwill		
Carrying amount at 1.1.	10,721,813	0
Increases	0	11,286,119
Amortizations	-1,128,612	-564,306
Carrying amount at 31.12.	9,593,201	10,721,813
Other capitalized expenses		
Carrying amount at 1.1.	404,332	956,986
Increases	123,189	15,879
Reclassification	1,252,554	68,982
Decreases	-22,483	0
Conversion items	5,805	-36,904
Depreciations	-396,689	-600,611
Carrying amount at 31.12.	1,366,708	404,332
Prepayments for intangible assets		
Carrying amount at 1.1.	388,496	6,155
Increases	917,163	456,263
Reclassification	-1,252,554	-73,922
Conversion items	39	0
Carrying amount at 31.12.	53,144	388,496
Total	11,243,807	11,907,377

TANGIBLE ASSETS	2024	2023
Machinery and equipment		
Carrying amount at 1.1.	3,969,903	3,853,929
Increases	220,335	495,352
Reclassification	1,216,016	1,376,388
Decreases	-117,640	-18,074
Conversion items	108,840	-135,467
Depreciations	-1,455,265	-1,602,225
Carrying amount at 31.12.	3,942,189	3,969,903
Other tangible assets		
Carrying amount at 1.1.	3,000	3,000
Increases	4,300	0
Carrying amount at 31.12.	7,300	3,000
Prepayment for tangible assets		
Carrying amount at 1.1.	819,416	1,152,736
Increases	905,939	1,186,716
Reclassification	-1,216,016	-1,399,556
Decreases	-46,056	-63,263
Conversion items	13,993	-57,218
Carrying amount at 31.12.	477,276	819,416
Total	4,426,765	4,792,318
INVESTMENTS	2024	2023
Other shares		
Carrying amount at 1.1.	10,501	10,501
Decreases	-1	0
Carrying amount at 31.12.	10,500	10,501
INVENTORIES	2024	2023
Materials and supplies	14,459,619	17,755,076
Work in progress	1,275,008	989,547
Finished goods	7,058,042	4,855,904
Total	22,792,668	23,600,526

RECEIVABLES	2024	2023
Non-current receivables		
Other receivables	370,322	594,170
Total	370,322	594,170
Current receivables		
Trade receivables	30,368,314	31,496,705
Other receivables	818,356	713,593
Accrued income		
Tax receivables	425,222	784,065
Other accrued income	1,455,310	1,521,591
Accrued income total	1,880,532	2,305,656
Total	33,067,202	34,515,954

Other non-current receivables include a corporate income tax refund of EUR 370,332 (594,170) that French subsidiary Detection Technology S.A.S. will receive in future years, either as a deduction against payable income tax or as a cash refund in the fourth year from the financial year on which the tax refund was confirmed. Tax receivables contain current income tax receivables EUR 82,411 (356,791) and deferred tax receivables EUR 342,811 (427,275).

NOTES TO EQUITY AND LIABILITIES

EQUITY	2024	2023
Share capital 1.1.	80,000	80,000
Share capital 31.12.	80,000	80,000
Share premium account 1.1.	5,130,025	5,130,025
Share premium account 31.12.	5,130,025	5,130,025
Total restricted equity	5,210,025	5,210,025
Invested non-restricted equity fund 1.1.	28,405,085	28,405,085
Invested non-restricted equity fund 31.12.	28,405,085	28,405,085
Retained earnings 1.1.	39,189,632	39,142,996
Adjustments to Retained earnings	0	184,909
Conversion items	1,815,087	-2,708,970
Dividend payment	-3,370,864	-2,931,186
Profit for the financial year	11,111,976	5,501,884
Retained earnings 31.12.	48,745,831	39,189,632
Total	82,360,941	72,804,742

In the comparison year 2023 adjustments to Retained earnings consist of deferred tax receivables arising from provisions on sales credit losses and inventory write-offs recognized in prior fiscal years.

LIABILITIES	2024	2023
Non-current liabilities		
Loans from financial institutions	0	4,200,000
Total	0	4,200,000
Current liabilities		
Loans from financial institutions	498,294	2,235,771
Advances received	247,353	107,967
Trade payables	10,910,282	9,150,302
Other liabilities	655,208	1,967,920
Accrued liabilities		
Accrued salaries	3,389,109	1,969,521
Accrued indirect personnel expenses	452,231	312,418
Accrued tax payables	366,805	535,424
Warranty provision	498,144	481,165
Other accrued liabilities	603,582	568,220
Accrued liabilities total	5,309,873	3,866,749
Total	17,621,010	17,328,710

Warranty provision equals to approximately 0.5% of the Group's net sales, according to the estimate by the management.

PLEDGES AND COMMITMENTS	2024	2023
Pledges		
Enterprise mortgages provided as collateral	10,734,913	10,734,913
Total	10,734,913	10,734,913
Credit limit		
Credit limit granted	24,780,307	17,737,393
Credit limit in use	498,294	1,035,771
Credit limit available	24,282,012	16,701,622
Other commitments		
Bank guarantee	21,606	70,748
Total	21,606	70,748
Lease commitments		
Payable in the following financial year	1,862,392	2,076,559
Payable in later years	3,773,534	4,732,377
Total	5,635,926	6,808,936

Credit limit granted contains a credit limit arrangement to the Chinese subsidiaries with an amount of CNY 150,000,000 (100,000,000) and in the end of financial year 2024, the value was EUR 19,780,307 (12,737,393).

Notes to parent company's financial statements

1.1.-31.12.2024 (EUR)

NOTES TO INCOME STATEMENT

NET SALES	2024	2023
Finland	3,651,801	3,869,475
Rest of the world	35,629,162	26,600,172
Total	39,280,963	30,469,647
OTHER OPERATING INCOME	2024	2023
Royalty income from group companies	6,301,520	6,941,136
Other income from group companies	24,443	77,973
Subsidies from public institutions	604,352	444,551
Other income	6,579	1,067
Total	6,936,894	7,464,727
MATERIALS AND SERVICES	2024	2023
Materials, supplies and goods	22,935,288	18,572,348
Change in inventories	-1,069,497	-351,431
External services	653,354	241,015
Total	22,519,146	18,461,932
PERSONNEL	2024	2023
Personnel expenses		
Salaries and wages	7,685,432	7,405,219
Pension expenses	1,143,306	1,267,331
Other indirect personnel expenses	183,876	328,183
Total	9,012,614	9,000,733
Board of Directors' rewards and CEO's salaries and benefits		
Members of the Board of Directors' rewards	327,500	268,000
CEO's salaries and benefits	344,689	345,621
Total	672,189	613,621

President and CEO has a voluntary pension scheme provided by the company.

Key personnel's share-based incentive schemes

The company's key personnel have share-based incentive schemes that have not been recorded in financial statements. Stock options enable a share issue of a maximum of 380,000 new shares during 2025. The performance share plan launched in 2022 enables a share issue of a maximum of 414,600 new shares by the end of 2027 if the set targets are achieved. The incentive schemes do not have a material impact on the company's profit or its financial position.

Average number of personnel during the financial year	2024	2023
Officers	90	99
Workers	5	4
Total	95	103
DEPRECIATIONS	2024	2023
Intangible rights	113,692	670,398
Other capitalized expenses	101,610	14,200
Machinery and equipment	251,697	212,217
Total	466,999	896,815
AUDITING SERVICES	2024	2023
Annual audits	74,200	69,300
Total	74,200	69,300
FINANCIAL INCOME AND EXPENSES	2024	2023
Dividend income from group companies	11,564,649	3,949,031
Financial income from group companies	422,999	529,284
Financial income from others	243,849	300,574
Interest expenses	-151,350	-172,844
Other financial expenses	-581,001	-42,719
Amortization of investment in group companies	-1,550,000	0
Conversion items	124,043	-937,700
Total	10,073,188	3,625,626

In the financial year 2024, the parent company converted loan receivables into investment and recognized an equivalent amortization of EUR 1,550,000 for the benefit of its French subsidiary Detection Technology S.A.S., in order to meet local statutory requirements regarding equity. In the comparison year 2023, conversion items consisted mainly of realized and unrealized foreign exchange conversion losses related to the currency positions of CNY and USD, the foreign exchange rates of which weakened against EUR. The impacts of changes in the said currencies during the financial year 2024 were insignificant.

GROUP CONTRIBUTIONS	2024	2023
Group contributions	-50,000	-1,650,000
Total	-50,000	-1,650,000

In the financial year 2024 and in the comparison year 2023 the parent company granted a group contribution to its French subsidiary Detection Technology S.A.S.

NOTES TO BALANCE SHEET

INTANGIBLE ASSETS	2024	2023
Intangible rights		
Carrying amount at 1.1.	227,808	898,206
Depreciations	-113,692	-670,398
Carrying amount at 31.12.	114,116	227,808
Other capitalized expenses		
Carrying amount at 1.1.	23,666	37,866
Increases	114,096	0
Reclassification	1,232,803	0
Decreases	-42,317	0
Depreciations	-81,777	-14,200
Carrying amount at 31.12.	1,246,471	23,666
Prepayments for intangible rights		
Carrying amount at 1.1.	388,496	6,155
Increases	897,451	387,281
Reclassification	-1,232,803	-4,940
Carrying amount at 31.12.	53,144	388,496
Total	1,413,732	639,970

TANGIBLE ASSETS	2024	2023
Machinery and equipment		
Carrying amount at 1.1.	570,240	611,573
Increases	108,182	35,255
Reclassification	323,037	145,213
Decreases	-14,695	-12,701
Depreciations	-251,634	-209,100
Carrying amount at 31.12.	735,129	570,240
Other tangible assets		
Carrying amount at 1.1.	3,000	3,000
Increases	4,300	0
Carrying amount at 31.12.	7,300	3,000
Prepayments for tangible assets		
Carrying amount at 1.1.	120,764	218,950
Increases	363,523	78,276
Reclassification	-323,037	-143,390
Decreases	-46,056	-33,073
Carrying amount at 31.12.	115,194	120,764
Total	857,623	694,003

INVESTMENTS	2024	2023
Shares in Group companies		
Carrying amount at 1.1.	19,656,285	6,856,031
Increases	1,566,815	12,800,255
Amortizations	-1,550,000	0
Carrying amount at 31.12.	19,673,100	19,656,285
Other shares		
Carrying amount at 1.1.	10,500	10,500
Carrying amount at 31.12.	10,500	10,500
Shares in subsidiaries and other companies:		
Detection Technology Holding Oy	300	0
Detection Technology, Inc.	862	862
Detection Technology S.A.S.	2,500	2,500
DT Detection Technology India Pvt. Ltd.	16,515	0
DT Electronic Manufacturing (Beijing) Co., Ltd.	2,814,721	2,814,721
DT Electronic Technology (Wuxi) Co., Ltd.	3,874,485	3,874,485
DTF (H.K.) Ltd.	163,463	163,463
DT Imaging Technology (Shanghai) Co., Ltd.	12,800,255	12,800,255
Virpiniemi Golf Oy	10,500	10,500
Total	19,683,600	19,666,785

In the financial year 2024, the parent company converted loan receivables into investment and recognized an equivalent amortization of EUR 1,550,000 for the benefit of its French subsidiary Detection Technology S.A.S., in order to meet local statutory requirements regarding equity.

INVENTORIES	2024	2023
Materials and supplies	2,596,500	1,524,316
Work in progress	170,026	38,075
Finished goods	1,570,792	1,324,162
Total	4,337,317	2,886,553

RECEIVABLES	2024	2023
Non-current receivables from group companies		
Loan receivables	1,298,600	3,667,324
Total	1,298,600	3,667,324
Current receivables from group companies		
Accounts receivable	68,653	58,446
Loan receivables	2,637,380	3,821,220
Other receivables	1,607,235	1,859,732
Accrued income		
Interest receivables	560,323	1,179,011
Accrued income total	560,323	1,179,011
Total	4,873,591	6,918,408
Current receivables from others		
Accounts receivable	8,093,227	6,330,243
Other receivables	185,303	125,763
Accrued income		
Deferred tax receivables	0	356,790
Other accrued income	1,089,357	1,136,055
Accrued income total	1,089,357	1,492,845
Total	9,367,887	7,948,851

At the end of the financial year 2024, other accrued income included receivables from public funding EUR 231,428 (318,911). In the financial year 2024, the parent company converted loan receivables into investment and recognized an equivalent amortization of EUR 1,550,000 for the benefit of its French subsidiary Detection Technology S.A.S., in order to meet local statutory requirements regarding equity.

NOTES TO EQUITY AND LIABILITIES

EQUITY	2024	2023
Share capital 1.1.	80,000	80,000
Share capital 31.12.	80,000	80,000
Share premium account 1.1.	5,130,025	5,130,025
Share premium account 31.12.	5,130,025	5,130,025
Total restricted equity	5,210,025	5,210,025
Invested non-restricted equity fund 1.1.	28,405,085	28,405,085
Invested non-restricted equity fund 31.12.	28,405,085	28,405,085
Retained earnings 1.1.	7,502,696	6,378,706
Dividend payment	-3,370,864	-2,931,186
Profit for financial year	15,177,502	4,055,176
Retained earnings 31.12.	19,309,333	7,502,696
Total	52,924,443	41,117,806
Distributable equity at the end of the period		
Invested non-restricted equity fund	28,405,085	28,405,085
Retained earnings 1.1.	7,502,696	6,378,706
Dividend payment	-3,370,864	-2,931,186
Profit for the financial year	15,177,502	4,055,176
Distributable equity at the end of the period	47,714,419	35,907,781

LIABILITIES	2024	2023
Non-current liabilities to others		
Loans from financial institutions	0	4,200,000
Total	0	4,200,000
Current liabilities to others		
Loans from financial institutions	0	1,200,000
Trade payables	523,035	1,141,523
Other payables	620,687	1,302,247
Accrued liabilities		
Accrued salaries	1,910,768	1,199,991
Accrued indirect personnel expenses	162,244	211,638
Income tax liabilities	131,112	0
Other accrued liabilities	117,945	40,738
Total accrued liabilities	2,322,070	1,452,367
Total	3,465,793	5,096,136
Current liabilities to group companies		
Trade payables	1,228,330	1,227,875
Total	1,228,330	1,227,875

PLEDGES AND COMMITMENTS	2024	2023
Pledges		
Enterprise mortgages provided as collateral	10,734,913	10,734,913
Total	10,734,913	10,734,913
Credit limit		
Credit limit granted	5,000,000	5,000,000
Credit limit in use	0	0
Credit limit available	5,000,000	5,000,000
Other commitments		
Collateral on behalf of subsidiaries	19,780,307	12,737,393
Bank guarantee	21,606	70,748
Total	19,801,912	12,808,141
Lease commitments		
Payable in the following financial year	653,914	630,945
Payable in later years	2,309,488	2,932,252
Total	2,963,402	3,563,197

Collateral on behalf of subsidiaries consists entirely of a credit limit arrangement to Chinese subsidiaries, with an amount of CNY 150,000,000 (100,000,000) at the end of the financial year 2024.

Events after financial year ended

After the financial year 2024, the company's business has continued as usual, and there have been no exceptional events affecting the business. Hannu Syrjälä, Chairman of the Board of Detection Technology Plc, passed away due to an illness on 24 February 2025. Detection Technology's Board continues with five members, and Vice Chairman Henrik Roos serves as Chairman until the Annual General Meeting.

Signatures for the financial statements and the report of the Board of Directors

Espoo 5 March 2025

Henrik Roos

Chair of the Board

Marion Björkstén

Member of the Board

Amy Chen

Member of the Board

Richard Ingram

Member of the Board

Jyrki Vainionpää

Member of the Board

Hannu Martola

President and CEO

The Auditor's note to the financial statements

Auditor's report has been given on the date of signature

Espoo 5 March 2025

Petri Kettunen, Authorized Public Accountant

KPMG Oy Ab

Authorized Public Accountant Firm

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

Auditor's Report

To the Annual General Meeting of Detection Technology Oyj

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Detection Technology Oyj (business identity code 0878389-8) for the year ended 31 December 2024. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Review but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Espoo, 5 March 2025

KPMG OY AB

Petri Kettunen

Authorised Public Accountant, KHT



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