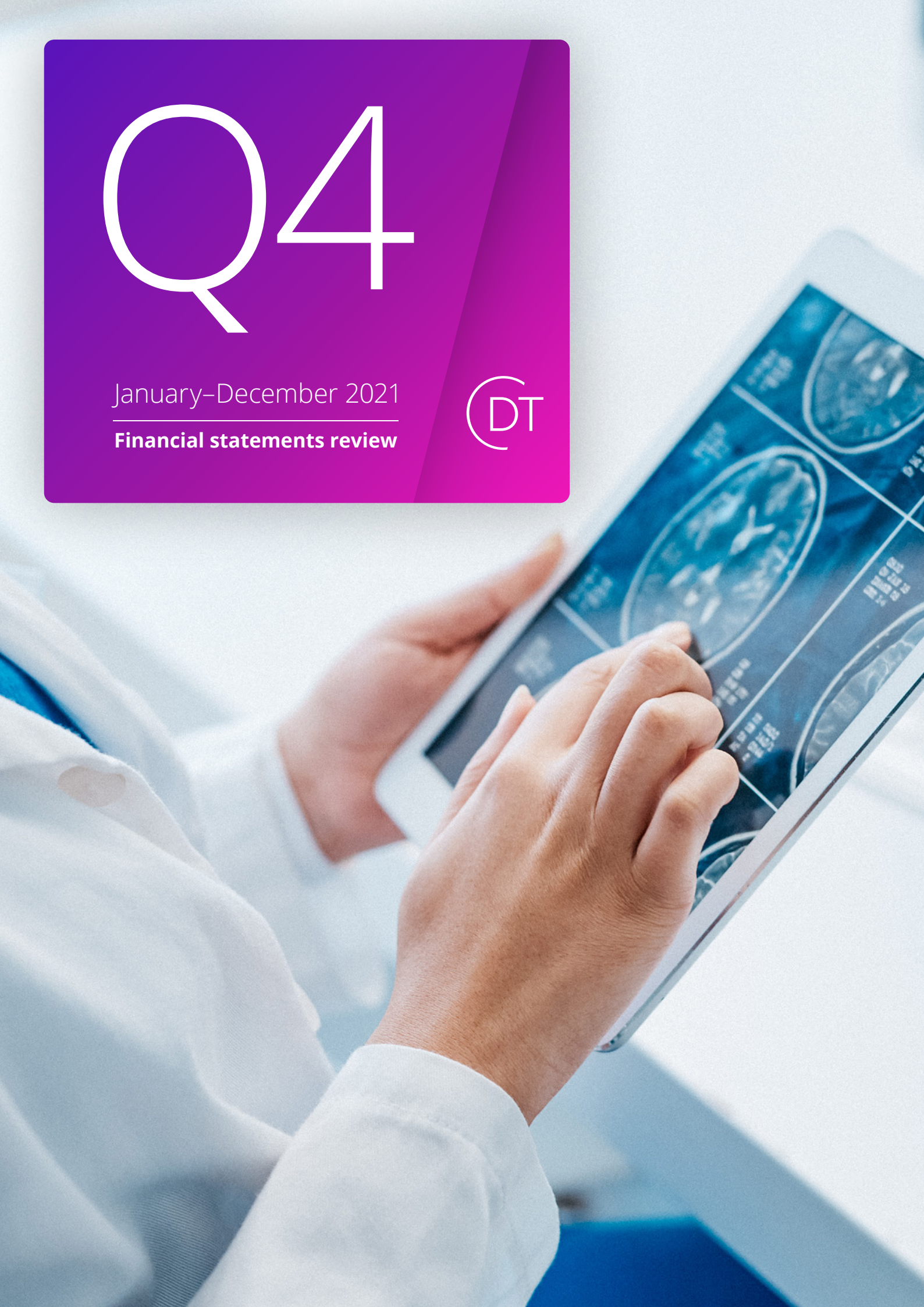


Q4

January–December 2021

Financial statements review



DETECTION TECHNOLOGY PLC FINANCIAL STATEMENTS REVIEW JANUARY-DECEMBER 2021

Detection Technology Q4 2021: Growth accelerated in all businesses, shortage of components has an impact on sales**October-December 2021 highlights**

- Net sales increased by 24.3% to EUR 24.7 million (19.9)
- Net sales of Industrial Solutions Business Unit (IBU) increased by 21.7% to EUR 3.4 million (2.8)
- Net sales of Medical Business Unit (MBU) increased by 23.8% to EUR 13.6 million (10.9)
- Net sales of Security Business Unit (SBU) increased by 26.5% to EUR 7.8 million (6.1)
- Operating profit (EBIT) excluding non-recurring items (NRI) was EUR 3.0 million (2.3)
- Operating margin (EBIT-%) excluding NRI was 12.0% of net sales (11.8%)
- Operating profit (EBIT) was EUR 3.0 million (2.3)
- Operating margin (EBIT-%) was 12.0% of net sales (11.8%)
- Earnings per share were EUR 0.19 (0.16)
- Earnings per share (diluted) were EUR 0.19 (0.16)

January-December 2021 highlights

- Net sales increased by 10.1% to EUR 89.8 million (81.6)
- Net sales of IBU increased by 10.1% to EUR 12.8 (11.6)
- Net sales of MBU increased by 25.1% to EUR 49.1 million (39.3)
- Net sales of SBU decreased by -9.1% to EUR 27.9 million (30.7)
- Operating profit (EBIT) excluding NRI was 10.6 EUR million (8.9)
- Operating margin (EBIT-%) excluding NRI was 11.8% of net sales (10.9%)
- Operating profit (EBIT) was EUR 10.6 million (8.7)
- Operating margin (EBIT-%) was 11.8% of net sales (10.7%)
- Earnings per share were EUR 0.64 (0.47)
- Earnings per share (diluted) were EUR 0.63 (0.47)
- Dividend EUR 0.35 per share* (0.28)

(Figures in parentheses refer to the corresponding period of the previous year.) (*The Board of Directors' proposal to the AGM.)

President and CEO, Hannu Martola:

"Our sales increased by over 20% in all our businesses in Q4 2021, although the shortage of materials and components curbed some of the growth. Demand in medical and industrial applications remained at a good level, and it was particularly positive to see demand growing in security applications, too. We expect fast growth to continue, even though the supply issues are increasingly limiting growth.

IBU had double-digit sales in Q4, but it still lagged behind our expectations. Demand remained unchanged, but some deliveries had to be postponed to 2022 due to the shortage of components. Despite these challenges, IBU saw record annual sales. In our view, demand for all our main applications will remain at a good level, and we have secured our position in the industrial market. We have also strengthened our position in new areas in line with our "Beyond hardware" principle.

Medical market drivers and strong demand in computed tomography (CT) applications remained unchanged, but the direct and indirect impacts of component shortages were reflected in MBU sales in Q4. MBU sales

increased 24% year-on-year, and growth exceeded the figures of the previous review period, but we expected more. Despite fierce price competition, our position in the CT market is stable. We won new customers thanks to our standard solutions, and we developed our competitiveness to meet demand even more effectively. We published the X-ACE product family for value and mainstream CT imaging, and we are now the only supplier that can offer standard solutions for all CT imaging modalities.

Growth in the security market gained speed. Although growth in SBU sales still mainly originated from non-aviation applications, demand in the aviation segment has now taken a positive turn. Our security market sales were less impacted by the material shortage than our other businesses, but risks related to SBU deliveries have increased, too. The so-called Green Channel applications are new and interesting growth drivers in China. China has started a certification procedure for imaging equipment that is used to inspect heavy-duty vehicles for road tolls. The commissioning of the equipment is estimated to take place in H2 of 2022. This business opportunity offers significant sales potential.

Our profitability improved from the comparison period but was slightly below that in Q3 due to increased fixed costs. Investments in product development increased, and there were some one-time costs associated with the ceramic process ramp up at the Wuxi site. Our cashflow took an upward turn despite the increase in stock. Due to preparedness to and because of component shortage, the value of the company's stock is high.

The number of our active customers increased, being 370 at the end of the year. Warm thanks go to our team! The most important events in Q4 2021 were the expansion of our product portfolio with strategically important standard solutions, and the establishment of the new unit in Nanjing, China. The Nanjing unit is profiled as a talent hub for software, algorithm, and electronics engineering, and it will improve our ability to respond to the growing demand in higher-end detector solutions. Other significant events in the review period included the value project in which we redefined our value descriptions and how they translate to behaviors. In addition, we restructured our global R&D structure to better support the management of the competence areas that are critical to us. We also had the pleasure of celebrating virtually the 30th anniversary of our company.

Demand will continue strongly in all our main markets and in each of our three businesses. We expect single-digit growth in medical sales and boosted double-digit growth in the sales of our security and industrial applications both in Q1 and Q2 of 2022. We expect overall double-digit growth for the company in Q1 and Q2 of 2022, although the supply issues are expected to curb some of the growth.

Risks related to the availability of special materials and electronic components have intensified. Challenges in availability and longer delivery times will have an impact on our ability to meet the growing demand. We have intensified our measures to mitigate these risks. We are, for example, taking actions for alternative suppliers and components, and designing modifications to our products."

Key figures

(EUR 1,000)	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	24,747	19,909	89,813	81,561
Change in net sales, %	24.3%	-20.4%	10.1%	-20.4%
Operating profit excluding NRI	2,962	2,349	10,580	8,877
Operating margin excluding NRI, %	12.0%	11.8%	11.8%	10.9%
Non-recurring items (NRI)	0	0	0	163
Operating profit	2,962	2,349	10,580	8,714
Operating margin, %	12.0%	11.8%	11.8%	10.7%
R&D costs	2,924	2,239	10,480	9,827
R&D costs, % of net sales	11.8%	11.2%	11.7%	12.0%
Cash flow from operating activities	3,288	3,429	7,121	7,953
Net interest-bearing debt at end of period	-27,633	-19,364	-27,633	-19,364
Investments	664	1,529	1,359	3,226
Return on investment (ROI), %			15.1%	13.6%
Gearing, %	-37.6%	-33.1%	-37.6%	-33.1%
Earnings per share, EUR	0.19	0.16	0.64	0.47
Earnings per share (diluted), EUR	0.19	0.16	0.63	0.47
Number of shares at the end of the period	14,655,930	14,375,430	14,655,930	14,375,430

Net sales

Demand for both medical and industrial applications in Q4 continued strong, and demand for security applications also improved. As a result, Detection Technology's total net sales increased by 24.3% (-20.4%) year-on-year, even though the global shortage of materials and components curbed some of the growth. The company's net sales were EUR 24.7 million (19.9).

Demand for Detection Technology's industrial applications continued to be strong in all of the company's main segments: food, pharmaceutical and mining. Due to the global shortage of materials and components, some orders were postponed. Nevertheless, the net sales of the Industrial Solutions Business Unit (IBU) grew by 21.7%, totalling EUR 3.4 million (2.8). IBU generated a total of 13.9% (14.2%) of the company's net sales.

The growth drivers of the medical X-ray imaging market remained unchanged compared to Q3. Investments in healthcare infrastructure globally and particularly in China, as well as demand for higher-end computed tomography (CT) equipment, continued. The net sales of the Medical Business Unit (MBU) increased by 23.8% (27.7%) year-on-year, although the direct and indirect impacts of the component shortage had an impact on the growth. Net sales of MBU totaled EUR 13.6 million (10.9). MBU generated a total of 54.8% (55.0%) of the company's net sales.

Growth in the security market increased compared to the previous review period. The growth in the net sales of the Security Business Unit (SBU) were mainly generated by applications other than aviation, such as cargo scanning solutions. However, a positive trend also gained ground in the aviation sector, which has resulted in growing demand in security CT detector solutions. The component shortage impacted the SBU sales less than that of the company's other business units, but delivery challenges were also reflected in the demand for security applications. SBU's net sales increased by 26.5% (-45.5%) year-on-year, totalling EUR 7.8 million (6.1). SBU generated a total of 31.3% (30.8%) of the company's net sales.

Asia-Pacific's (APAC) share of the company's net sales increased by five percentage points in Q4, and it was geographically the company's largest market with its 78.5% (73.5%) share. Europe, Middle East, Africa's (EMEA) share was 14.2% (21.0%) and Americas' 7.3% (5.5%). In Q4, Detection Technology's top five customers accounted for 63.3% (56.2%) of the company's total net sales.

The company's net sales for January-December 2021 increased by 10.1% to EUR 89.8 million (81.6). Net sales of MBU increased by 25.1% (16.9 %), and totaled EUR 49.1 million (39.3). Net sales of SBU decreased by -9.1% (-38.6 %) to EUR 27.9 million (30.7). Net sales of IBU increased by 10.1% to EUR 12.8 million (11.6). MBU's share of total net sales was 54.7% (48.1%), SBU's 31.1% (37.7%) and IBU's 14.2% (14.2%).

In January-December 2021, APAC'S share of total net sales was 74.2% (67.9%), EMEA's 17.8% (22.2%) and Americas' 8.0% (9.9%). The share of the five largest customers accounted for 55.7% (53.0%) of total net sales.

NET SALES BY BUSINESS UNITS

(EUR 1,000)	10-12/2021	10-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
IBU	3,444	2,831	21.7%	12,770	11,596	10.1%
MBU	13,551	10,949	23.8%	49,123	39,253	25.1%
SBU	7,751	6,129	26.5%	27,921	30,712	-9.1%
TOTAL	24,747	19,909	24.3%	89,813	81,561	10.1%

NET SALES BY GEOGRAPHY

(EUR 1,000)	10-12/2021	10-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
APAC	19,420	14,640	32.7%	66,631	55,361	20.4%
Americas	1,807	1,093	65.4%	7,227	8,063	-10.4%
EMEA	3,521	4,176	-15.7%	15,955	18,137	-12.0%
TOTAL	24,747	19,909	24.3%	89,813	81,561	10.1%

Operating result and profitability

The company's operating profit (EBIT) in Q4 amounted to EUR 3.0 million (2.3), 12.0% (11.8%) of net sales. Non-recurring items (NRI) in the review period were EUR 0.0 million (0.0).

Q4 fixed costs were EUR 9.8 million (7.6), out of which personnel expenses totaled EUR 5.4 (4.3), depreciation EUR 0.8 (0.8) and other operating expenses EUR 3.6 (2.5) million. Financial items amounted to EUR 0.3 million (-0.1), and income taxes were EUR -0.5 million (0.1).

The impact of tax reliefs attributed to the High and New Technology (HNTE) classification granted to the company's Chinese subsidiary on the Group's net result was approximately EUR 0.4 million (0.5) in Q4. The company no longer received government grants to employment contributions, which it received a total of about EUR 0.4 million due to the COVID-19 pandemic in the comparison period October-December 2020.

The Q4 result totaled EUR 2.8 million (2.4). Earnings per share were EUR 0.19 (0.16). Diluted earnings per share were EUR 0.19 (0.16).

In the review period January-December 2021 EBIT was EUR 10.6 million (8.7), 11.8% (10.7%) of net sales. Non-recurring items (NRI) in the review period were EUR 0 million (0.2). EBIT excluding NRI was EUR 10.6 million (8.9), 11.8% (10.9%) of net sales.

In January-December 2021, fixed costs totaled EUR 33.5 (31.3) million, out of which personnel expenses totaled EUR 19.2 (17.4), depreciation EUR 3.3 (3.3) and other operating expenses EUR 11.1 (10.7) million. Financial items totaled EUR 0.8 million (-0.6), and income taxes were EUR -2.0 million (-1.4).

In January-December 2021, the impact of tax reliefs attributed to the HNTE classification on the Group's net result was approximately EUR 1.3 million (0.5). The company no longer received government grants to employment contributions, which it received a total of about EUR 1.2 million due to the COVID-19 pandemic in the comparison period January-December 2020.

The result for the year 2021 was EUR 9.3 million (6.7). Earnings per share were EUR 0.64 (0.47). Diluted earnings per share were EUR 0.63 (0.47).

Cash flow and financing

Cash flow from operations in Q4 was EUR 3.3 million (3.4). Cash flow from operations in January-December 2021 amounted to EUR 7.1 million (8.0).

Reporting of deferred conversion differences in the Group cash flow statement has been changed during the financial year. Material deferred conversion differences have been eliminated from cash flows both in current and comparable reporting period.

Cash flow from financing activities in Q4 2021 was EUR 1.1 million (-0.0). Cash flow from financing activities in January-December 2021 was EUR -2.4 million (-5.1).

A total of 77,500 new shares in the company were subscribed using Detection Technology Plc's stock options 2018A in Q4. The total subscription price was EUR 1.6 million. A total of 280,500 new shares in the company were subscribed with stock options 2018A in January-December. The total subscription price was EUR 6.0 million. The proceeds from the subscriptions were recorded in the parent company's reserve for invested unrestricted equity.

The company's working capital increased by EUR 6.3 million during the financial period at comparable exchange rates. Stocks increased by EUR 5.0 million due to the timing of production and deliveries and the component shortage. Current receivables increased by EUR 4.5 million. This was mainly due to the timing of deliveries and their accumulation at the end of Q4. This was offset by increase of short-term payables that amounted to EUR 3.2 million.

Net interest-bearing debt totaled EUR -27.6 million at the end of the year (-19.4). Gearing was -37.6% (-33.1%).

Cash and cash equivalents amounted to EUR 29.8 million (25.2) at the end of the year 2021.

The company has secured its liquidity by agreeing with banks on lines of credit totaling EUR 16.9 million (15.5). At the end of the review period, the unused line of credit was EUR 14.7 million (9.7).

Investments

Investments in Q4 totaled to EUR 0.7 million (1.5). Investments were mainly made in production and measuring equipment, and modifications of premises. Investments in January-December 2021 totaled EUR 1.4 million (3.2).

Research and development

Research and development (R&D) costs in Q4 totaled EUR 2.9 million (2.2), 11.8% of net sales (11.2%). During the review period January-December 2021, R&D expenses were EUR 10.5 million (9.8), corresponding to 11.7% of net sales (12.0%). All R&D costs are recognized as expenses.

Personnel

At the end of December 2021 Detection Technology employed 451 people (444). A total of 336 people worked in China, 95 in Finland, in 15 France and 5 in the US. Personnel expenses in Q4 amounted to EUR 5.4 million (4.3). In the review period January-December 2021, personnel expenses totaled EUR 19.2 million (17.4).

PERSONNEL BY GEOGRAPHY

	31.12.2021	31.12.2020	Change, %
APAC	336	340	-1.2%
Americas	5	4	25.0%
EMEA	110	100	10.0%
TOTAL	451	444	1.6%

Strategy implementation

Detection Technology continued to develop its business on many fronts in line with its DT-2025 strategy in Q4 2021. The most important events in Q4 2021 designed to secure competitiveness and future growth were the expansion of the company's product portfolio with strategically important standard solutions and the establishment of a new unit in Nanjing, China.

In November, Detection Technology released a standardized detector product family X-ACE for value and mainstream CT imaging. The product family is the first in its field. The company has previously released the X-Tile standard solution for the highest tier volumetric medical CT imaging. Thanks to the X-ACE product release, Detection Technology strengthened its position in the medical X-ray imaging market. The company is the first – and so far the only – detector supplier in the world with a product portfolio that includes standard solutions for all medical CT imaging modalities from the value to the premium segment. Sales and shipments of the X-ACE product family have already started.

The plug-and-play-type X-ACE is available as separate detector boards, namely X-ACE 16 and X-ACE 32, or alternatively as a complete detector subsystems that include the detector boards, data combiner board, software libraries and other necessary accessories. The X-ACE product family is built on the well-proven and modular platform characterized by a high level of integration. The investment-free X-ACE brings notable total cost savings and speeds up the time-to-market of CT systems. X-ACE 16 has shown its importance in the value CT imaging segment during the COVID-19 pandemic, which triggered the renaissance of 16-slice imaging systems used for the diagnosis and treatment of COVID patients.

In November, Detection Technology also published an addition to its strategically important X-Panel product family and presented the X-Panel 2222s flat panel detector series in the surgical imaging segment. The detectors in the series are optimized for mobile and mini C-arm systems. According to the company's view, the X-Panel 2222s, based on the complementary metal oxide semiconductor (CMOS) technology, will be a new trendsetter for dynamic, ultra-low dose imaging in its target markets.

At the end of December, Detection Technology announced that it will establish a talent hub in Nanjing. The objective of the talent hub is to improve the company's ability to respond to the megatrends of the market and the increasing demand targeted particularly at higher-end detector solutions in which software and algorithms play a central role. According to its "Beyond hardware" principle, the company is constantly looking for opportunities to commercialize not only hardware but also software and services. The company has profiled its Nanjing unit as a talent hub of software, firmware, algorithm, and electronics development.

Operations in the new site, located in Nanjing city center, started in the beginning of 2022. Nanjing was selected as the location for the new talent hub thanks to its many high-level universities, research institutes and renowned international businesses that create an ecosystem suitable for Detection Technology to acquire talent and create partnerships. In addition, several Detection Technology customers are located in the area. A local presence will promote the strengthening of customer relations and further enhance customer experience. Nanjing is also within easy reach from the company's Wuxi production and service site.

Other significant events in Q4 2021 included the value project in which Detection Technology redefined its value descriptions and how they translate to behaviors. In addition, Detection Technology restructured the operating model of its global research and development (R&D) in order to boost the rollout of its DT-2025 strategy. In the new operating model, R&D is organized to global competence centers.

Sustainability

In H2 2021, Detection Technology continued its endeavor to recognize the essential sustainability aspects of the company's business, business environment, and operations. The company has prepared further improvements to develop its sustainability themes and agenda. One highlight from the review period was that the company put more emphasis on sustainability in the updated descriptions of its values, and the defined values-based behaviors.

Detection Technology continued to focus on measuring and improving its environmental performance. The company kicked off a project to reduce the environmental impact of its operations at the Wuxi service and production site. Renovations have been started to make the Wuxi site more energy efficient. Detection Technology also signed a contract to start using renewable energy at the site from beginning of 2022. The company is not aware of any environmental infringements in FY 2021.

In H2, Detection Technology made a decision to launch a whistleblowing channel during 2022 as an additional feedback mechanism for reporting any practices or events that are inconsistent with its Code of Conduct. The Code of Conduct comprises the company's quality, environmental, business ethics, people, and occupational health and safety policies. No infringements of the Code of Conduct were reported in H2 2021. The Code of Conduct is regularly communicated to internal and external stakeholders, and is available on the company's website.

Detection Technology's corporate social responsibility complies with its certified quality management system, and the Code of Conduct of the Responsible Business Alliance (RBA). In H2 2021, the company satisfactorily

completed all the external audits for its management system against the requirements of ISO 9001:2015, ISO 14001:2015, and ISO 13485:2016 standards at all certified sites.

The company will describe its measures to support sustainable development and corporate social responsibility in more detail in its annual review for 2021. In the annual review, the company will also publish the outcomes of its 2021 sustainable development goals, and the targets set for 2022.

Shares and shareholders

Detection Technology Plc's Board of Directors confirmed in its meeting on 26 October 2021 that the share subscription price with the stock options 2020B1 and 2020B2 is EUR 31.32. At the same time, the Board also decided to grant a total of 364,300 stock options within the stock option series 2020B1 and 2020B2 to key personnel. The share subscription period is from 2 May 2024 until 31 May 2025.

The total number of stock options granted within the stock option program 2020 is 724,300. On 24 August 2020, the Board of Directors decided to grant a total of 360,000 stock options in the series 2020A1 and 2020A2.

Between 2 May 2021 and 9 June 2021, a total of 203,000 new shares in Detection Technology Plc were subscribed with the company's stock options 2018A1 and 2018A2. A total of 2,500 new shares were subscribed with the series 2018A1 between 22 July 2021 and 14 October 2021, and a total of 75,000 new shares were subscribed with the series 2018A1 and 2018A2 between 15 October 2021 and 8 December 2021. At the end of the review period, the total number of the company's shares was 14,655,930. The terms and conditions of the stock options 2018 and 2020 can be downloaded from the company's website.

The average share price of Detection Technology was EUR 28.98 in Q4 and EUR 28.95 in January–December 2021. The highest share price for Q4 was EUR 31.60 and the lowest EUR 26.00. The highest price for 2021 was EUR 36.40 and the lowest EUR 24.30.

The closing price at the end of December was EUR 29.30, and the company had a market capitalization of approximately EUR 429 million. A total of 1.35 million shares, which is 9.1% of the total number of shares, were traded between 4 January and 30 December.

The number of shareholders at the end of the review period was 3,471. Approximately 71.2% of the shares were held by the ten largest shareholders. The nominee-registered foreign holding of shares in the company was 12.4% at the end of the review period.

The company 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.

Risks and uncertainties

The most significant short-term risks and uncertainties of the company are the development of the relationship between the US and China, the development of international security, the availability of special materials and electronic components as well as the prolongation of the COVID-19 pandemic due to viral mutations, as well as the coverage and efficiency of vaccinations. Other short-term risks are related to political and trade policy uncertainty, and operating in emerging markets.

Other risks are related to the changes in the competitive landscape, price competition, a significant share of net sales being generated by the five largest customers, APAC countries' large share of sales, product quality, the start-up of the production of new products, customer liquidity, exchange rate fluctuations, an overall cost development particularly in China, the permanence and competence of personnel, and organizational efficiency.

The company takes continuous measures to mitigate the aforementioned risks. Other risks related to the company and its business operations will be described in more detail in the company's financial statements for 2021.

Board of Directors' profit distribution proposal

The distributable funds of the parent company Detection Technology Plc are EUR 42,181,467, of which EUR 8,069,574 represents the net profit for the financial year. The company's funds eligible for dividend distribution total EUR 13,776,382. 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 30 March 2022 that, based on the balance sheet adopted for 2021, a dividend of EUR 0.35 per share be paid (0.28). The number of shares entitling to dividend is 14,655,930, which means that the total amount of the dividend would be EUR 5,129,575.50.

Business outlook

According to Detection Technology's view, the medical and industrial markets will grow in line with the pre-pandemic estimates by the experts, on average about 5% per year. The market disturbance caused by the pandemic is passing in the security market, as demand has taken an upward turn also in the aviation segment, but the normalization of growth to the pre-pandemic level of 6% will be slow.

According to Detection Technology's view, demand will continue to be strong in all of the company's main markets. The company expects double-digit growth in total net sales both in Q1 and Q2 of 2022, although the shortage of materials and components is expected to curb some of the growth.

Due to the pandemic, global economy and the company's business have faced exceptional and temporary uncertainty. Predictability of the company's target markets is still lower than usual, and risks related to the availability of materials have increased. The effect of material and component shortage has been acknowledged as a limiting factor in the outlook, however a further degradation in supply chain might affect the business outlook.

Detection Technology aims to increase sales by at least 10% per annum and to achieve an operating margin at or above 15% in the medium term.

Financial reporting schedule in 2022

Detection Technology Plc will disclose the following financial releases in 2022:

- Business review January–March 2022: 27 April 2022
- Half-yearly report January–June 2022: 3 August 2022
- Business review January–September 2022: 26 October 2022

The financial statements and annual review for 2021 will be published at the latest on 9 March 2022 on the company's website. The Annual General Meeting is scheduled for 30 March 2022 at 15:00 (EEST). The Board of Directors of the company will convene the meeting. Detection Technology Plc's financial calendar can be found on the company's website.

SUMMARY OF FINANCIAL STATEMENTS AND APPENDICES

ACCOUNTING PRINCIPLES

This unaudited financial statements review for the period 1.1.-31.12.2021 has been prepared according to the Finnish Accounting Standards (FAS).

CONSOLIDATED INCOME STATEMENT (FAS)

(EUR 1,000)	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Net sales	24,747	19,909	89,813	81,561
Other operating income	130	457	376	1,017
Materials and services	-12,114	-10,370	-46,069	-42,606
Personnel expenses	-5,393	-4,331	-19,205	-17,352
Depreciations	-798	-835	-3,279	-3,254
Other operating expenses	-3,609	-2,481	-11,055	-10,653
Operating profit	2,962	2,349	10,580	8,714
Financial income and expenses	335	-137	770	-628
Profit before taxes	3,297	2,212	11,350	8,085
Income taxes	-471	146	-2,041	-1,350
Profit for the reporting period	2,826	2,358	9,309	6,735

CONSOLIDATED BALANCE SHEET (FAS)

(EUR 1,000)	31.12.2021	31.12.2020
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	3,246	4,136
Tangible assets	5,578	5,991
Investments	11	11
TOTAL NON-CURRENT ASSETS	8,835	10,138
CURRENT ASSETS		
Inventories	22,225	15,909
Other long-term receivables	488	391
Trade receivables	29,045	22,017
Other receivables	670	819
Accrued income	1,084	1,338
Cash and cash equivalents	29,810	25,187
TOTAL CURRENT ASSETS	83,322	65,661
TOTAL ASSETS	92,158	75,799
EQUITY AND LIABILITIES		
EQUITY		
Share capital	80	80
Share premium account	5,130	5,130
Invested unrestricted equity fund	28,405	22,453
Retained earnings	30,623	24,062
Profit for the financial period	9,309	6,735
TOTAL EQUITY	73,547	58,460
LIABILITIES		
Current liabilities		
Loans from financial institutions	2,177	5,823
Trade payables	10,477	7,386
Other liabilities	1,780	816
Accrued liabilities	4,178	3,314
Total	18,611	17,339
TOTAL LIABILITIES	18,611	17,339
TOTAL EQUITY AND LIABILITIES	92,158	75,799

CONSOLIDATED CASH FLOW STATEMENT (FAS)

(EUR 1,000)	10-12/2021	10-12/2020	1-12/2021	1-12/2020
Cash flow from operations				
Operating profit	2,962	2,349	10,580	8,714
Depreciations	798	835	3,279	3,254
Other non-cash business activities	566	-839	590	-1,382
Change in working capital	-1,339	1,653	-6,281	289
Financial income and expenses	93	60	20	-394
Income taxes paid	209	-629	-1,067	-2,528
Cash flow from operations	3,288	3,429	7,121	7,953
Cash flow from investments				
Investments in intangible and tangible assets	-664	-1,529	-1,359	-3,226
Cash flow from investments	-664	-1,529	-1,359	-3,226
Free cash flow	2,624	1,900	5,761	4,727
Cash flow from financing				
Change in current loans	-528	-5	-4,314	338
Share issue	1,645	0	5,952	0
Dividend paid	0	0	-4,025	-5,463
Cash flow from financing	1,117	-5	-2,387	-5,125
Change in cash and cash equivalents	3,741	1,895	3,374	-398
Cash and cash equivalents at the beginning of the reporting period	25,649	23,419	25,187	26,012
Foreign exchange rate effect	421	-127	1,249	-427
Cash and cash equivalents at the end of the reporting period	29,810	25,187	29,810	25,187
Change in working capital				
Change in current receivables	-825	-677	-4,539	2,029
Change in inventories	-3,965	834	-4,964	-2,132
Change in current liabilities	3,450	1,495	3,222	391
Change in working capital	-1,339	1,653	-6,281	289

STATEMENT OF EQUITY CHANGES

(EUR 1,000)	Share capital	Share premium	Invested unrestricted equity fund	Retained earnings	Profit for the period	Total
Equity 1.1.2021	80	5,130	22,453	30,797	0	58,460
Share issue	0	0	5,952	0	0	5,952
Dividend paid	0	0	0	-4,025	0	-4,025
Conversion differences	0	0	0	3,851	0	3,851
Profit for the period	0	0	0	0	9,309	9,309
Equity 31.12.2021	80	5,130	28,405	30,623	9,309	73,547
 Equity 1.1.2020	 80	 5,130	 22,453	 30,692	 0	 58,355
Dividend paid	0	0	0	-5,463	0	-5,463
Conversion differences	0	0	0	-1,167	0	-1,167
Profit for the period	0	0	0	0	6,735	6,735
Equity 31.12.2020	80	5,130	22,453	24,062	6,735	58,460

Espoo, Finland 1 February 2022

Board of Directors
Detection Technology Plc

CALCULATION OF KEY FINANCIAL RATIOS

Change in net sales, % = (Net sales - previous financial year's net sales) / previous financial year's net sales x 100

$$\text{Operating margin, \%} = \text{Operating profit} / \text{net sales} \times 100$$
$$\text{Net interest-bearing debt} = \text{Interest-bearing liabilities} - \text{cash and cash equivalents}$$

Return on investment (ROI), % = (Net result + financial items + taxes (12 months)) / (equity + interest-bearing liabilities (average 12 months)) x 100

Gearing, % = (Interest-bearing liabilities - cash and cash equivalents) / equity x 100



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