

# Q1

January–March 2024

## Business review

President and CEO Hannu Martola | 25 April 2024





Q1 2024

22.7

net sales, €m  
(22.8)

-0.2

net sales change-%  
(12.0)

2.3

EBITA, €m  
(1.5)

10.0

EBITA-%  
(6.5)



# Strong sales in Security, improved financial performance



## Industrial sales +5%

- Demand recovered towards the end of Q1, positive signs especially in the food sector
- Sales were more modest than expected due to customer stocks, growth was driven by NDT applications and mainly attributed to TFT flat panel sales in Asia

## Medical sales -21%

- Demand was weaker than expected
- Sales was curbed by the healthcare reform and the anticorruption campaign in China, fiercer price competition, and turmoil in the global medical market

## Security sales +32%

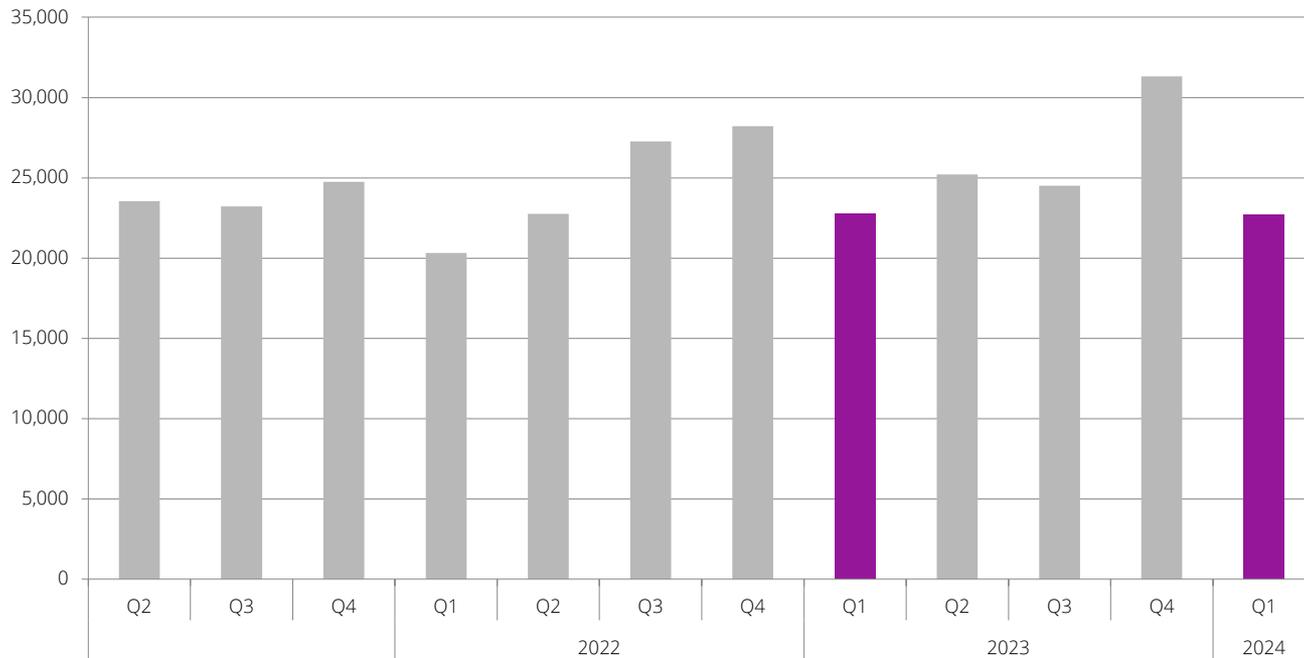
- Demand increased in markets outside China, particularly in Europe and India
- Sales growth was driven by CT applications for the aviation market

Year-on-year result improved, and cash flow turned positive

# Net sales by quarter

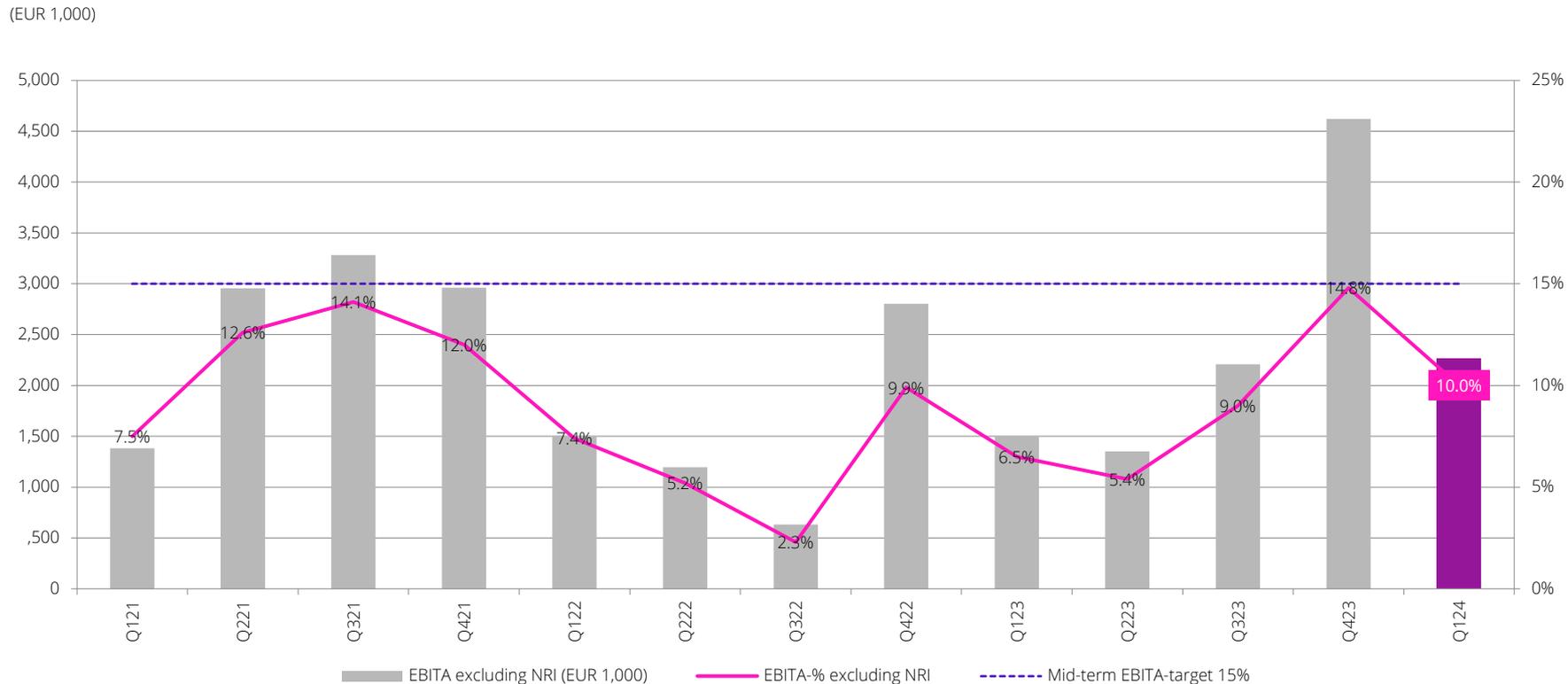


(EUR 1,000)

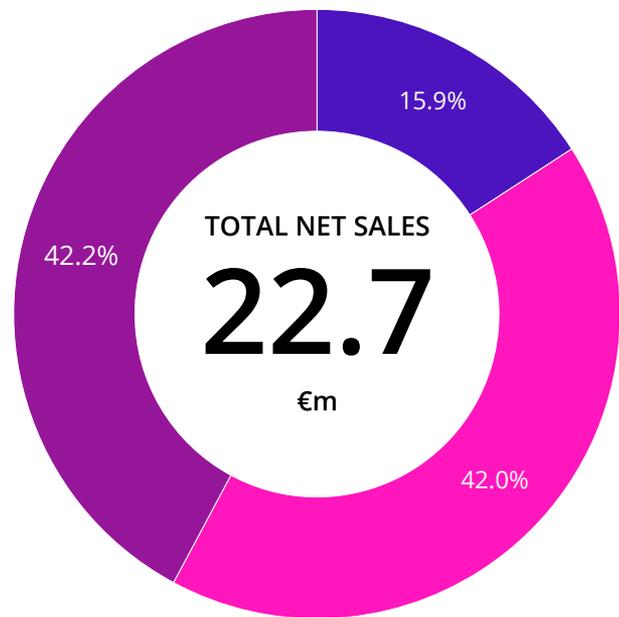


**-0.2**  
(YOY change-%)

# Operating margin (EBITA) excluding NRI

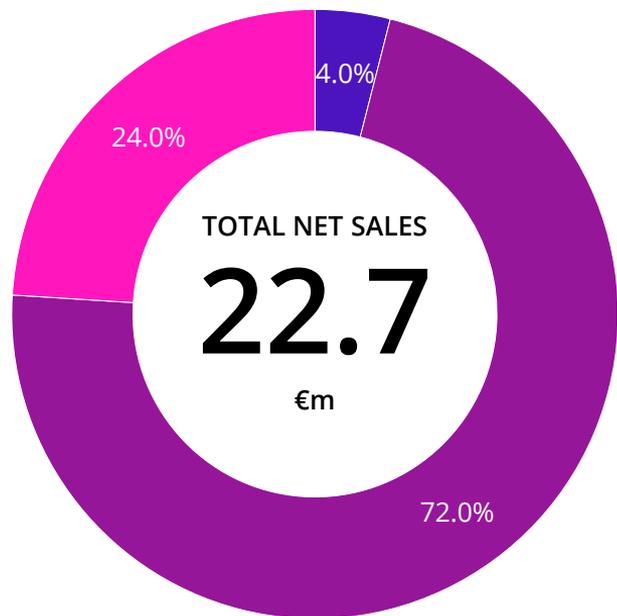


# Q1 2024 sales split by business units



	NET SALES €m	YOY CHANGE-%
IBU	3.6	5.3
MBU	9.5	-20.9
SBU	9.6	31.5

# Q1 2024 sales split by region



	NET SALES €m	YOY CHANGE-%
AMERICAS	0.9	-63.8
APAC	16.4	4.9
EMEA	5.4	16.7

# Key figures



	Q1 2024	Q1 2023	FY 2023
Net sales, EUR 1,000	22,706	22,753	103,794
Change in net sales, %	-0.2%	12.0%	5.3%
EBITA excluding NRI, EUR 1,000	2,263	1,477	9,656
EBITA excluding NRI, %	10.0%	6.5%	9.3%
Non-recurring items (NRI), EUR 1,000	0	0	-873
EBITA, EUR 1,000	2,263	1,477	8,784
EBITA, %	10.0%	6.5%	8.5%
R&D costs, EUR 1,000	2,512	2,962	11,702
R&D costs, % of net sales	11.1%	13.0%	11.3%
Cash flow from operating activities, EUR 1,000	2,980	-485	9,672
Investments, EUR 1,000	1,132	452	14,426
Return on investment (ROI), %	11.2%	7.1%	9.9%
Earnings per share, EUR	0.11	0.06	0.38

# Strategy highlights



Decided to expand its business to India and recruited a local director to develop Indian business

- India is about to make significant infrastructure investments in healthcare, manufacturing industries, and traffic, for example more than 100 airports will be built

Opened its new premises in Oulu, Finland

- Completed the project within set targets
- Ramped up production
- Will increase capacity for EU-origin products based on demand

# Sales expectation Q2



## Industrial

to grow double-digit  
in Q2



## Medical

to decrease  
in Q2



## Security

to grow double-digit  
in Q2



Year-on-year total net sales to remain stable in Q2 and  
turn to growth in Q3 of 2024 for the rest of the year.

# Business outlook

Detection Technology expects its **year-on-year total net sales to remain stable in Q2 and turn to growth in Q3 of 2024.**

Geopolitical situation, U.S.–China relations, global economy, inflation, the measures taken in China to reform its healthcare, price competition especially in China, the indirect impacts of the war in Ukraine, and events in the Middle East create uncertainty.

**SECURITY MARKET**  
annual growth rate

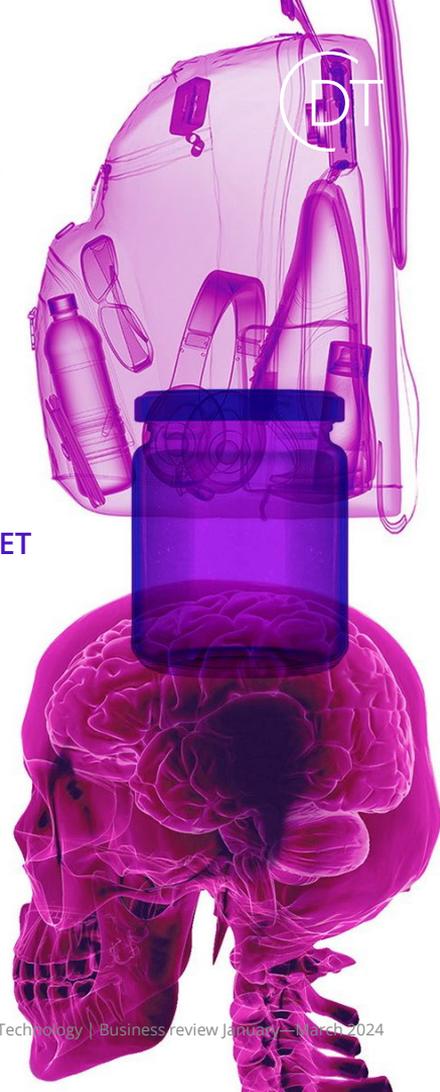
**8%**

**INDUSTRIAL MARKET**  
annual growth rate

**6%**

**MEDICAL MARKET**  
annual growth rate

**5%**



## FINANCIAL TARGETS

MEDIUM TERM  
Annual  
sales growth  
**>10%**

MEDIUM TERM  
Operating  
margin (EBITA)  
**15%**

ANNUAL  
Dividend or  
returned capital  
**30-60%**



# Detection Technology

[www.deetee.com](http://www.deetee.com)