

Q4

January–December 2023

Financial statements review

President and CEO Hannu Martola | 1 February 2024





Q4 2023

31.3

net sales, €m
(28.2)

10.9

net sales change-%
(14.1)

4.6

EBITA excluding NRI, €m
(2.8)

14.8

EBITA-% excluding NRI
(9.9)



Record-breaking sales, results at target level



Industrial sales +7%

- Demand showed signs of recovery
- Growth driven by quality inspection in the automotive industry
- Sales increased thanks to the new TFT flat panel detector portfolio

Medical sales +4%

- Despite uncertainty in the global market and the Chinese government's ongoing anti-corruption campaign sales grew slightly
- Demand improved toward the end of the year, as the Chinese public administration's annual budgets closed

Security sales +21%

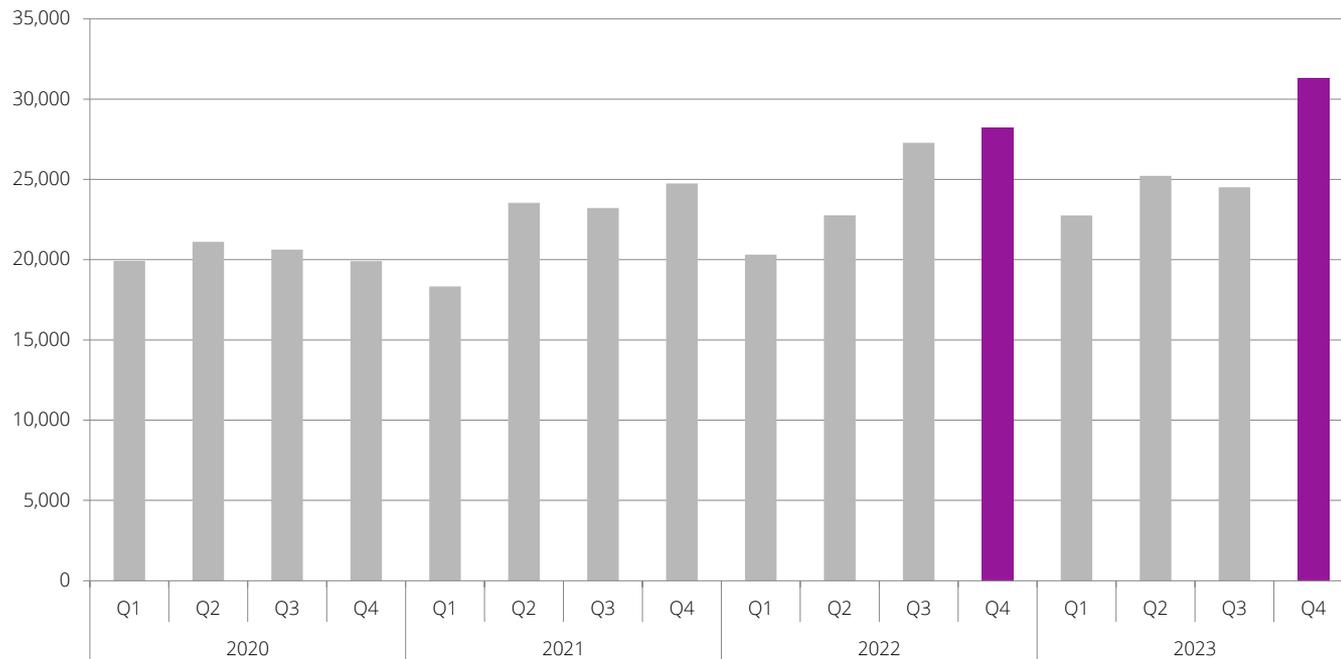
- Growth in demand continued to take off in aviation CT and line scanner applications in India and particularly in the Americas
- Demand also recovered in other applications

The focus and efficiency measures carried out in Q3 along with good growth in sales boosted profitability to the target level.

Net sales by quarter

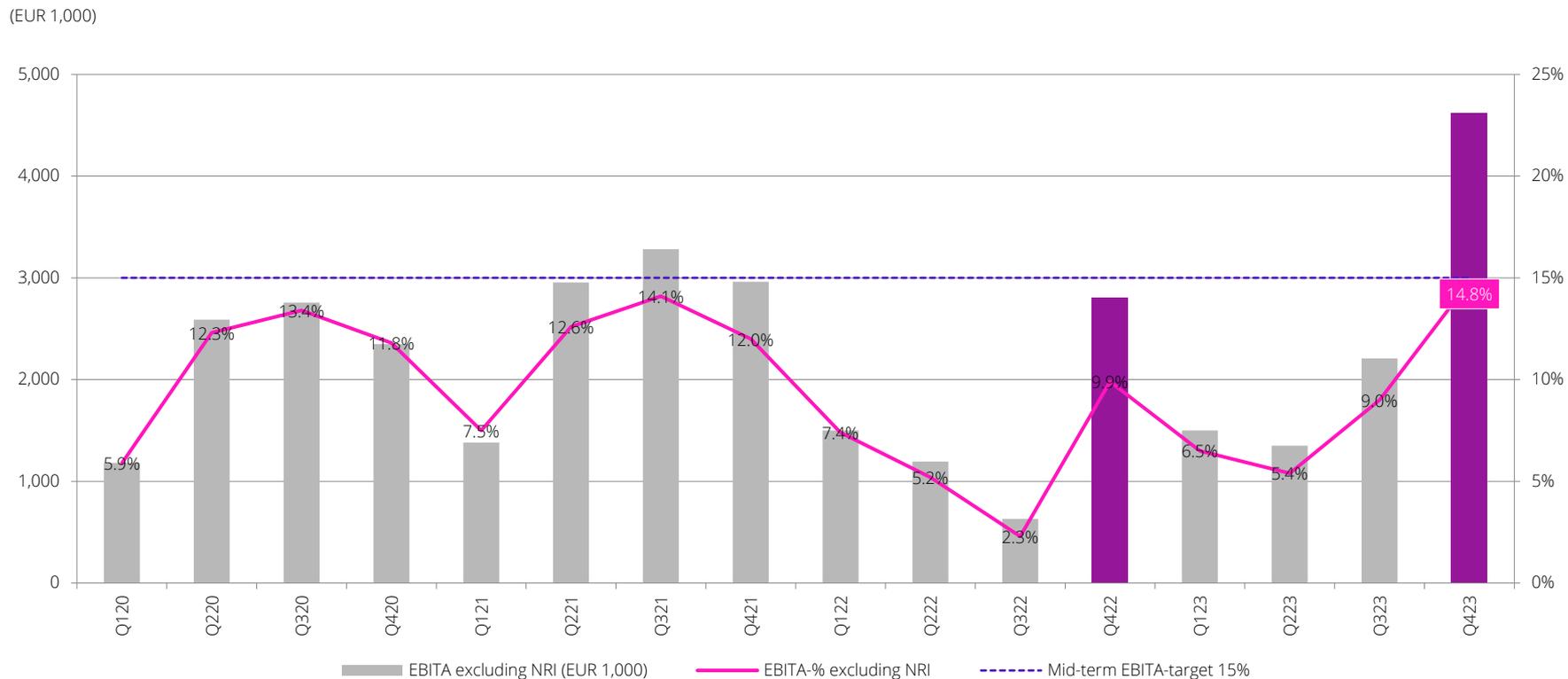


(EUR 1,000)

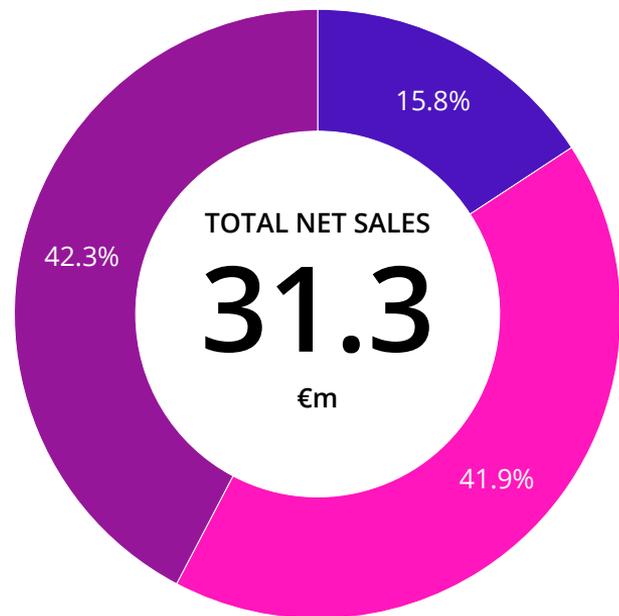


10.9
(YOY change-%)

Operating margin (EBITA) excluding NRI

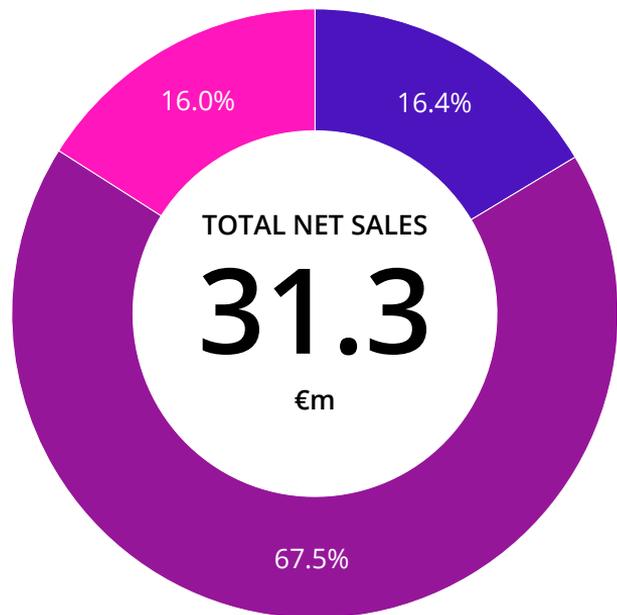


Q4 2023 sales split by business units



	NET SALES €m	YOY CHANGE-%
IBU	5.0	7.1
MBU	13.1	3.6
SBU	13.2	21.1

Q4 2023 sales split by region



	NET SALES €m	YOY CHANGE-%
AMERICAS	5.1	57.0
APAC	21.2	12.6
EMEA	5.0	-18.7



FY 2023

103.8

net sales, €m
(98.6)

5.3

net sales change-%
(9.8)

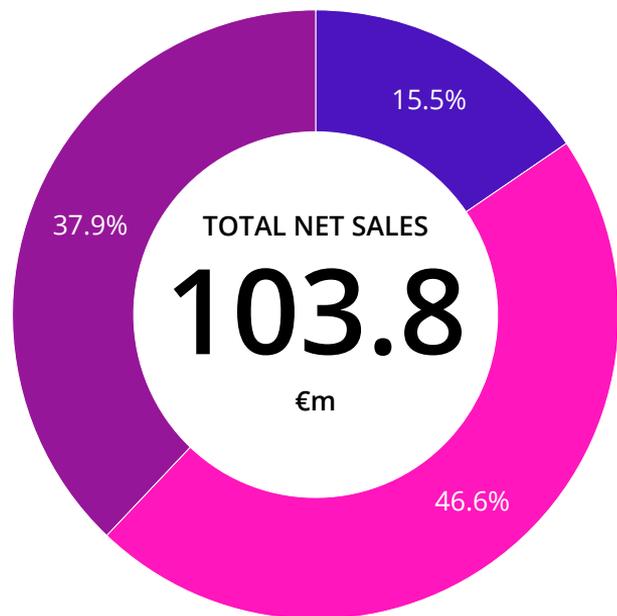
9.7

EBITA excluding NRI, €m
(6.1)

9.3

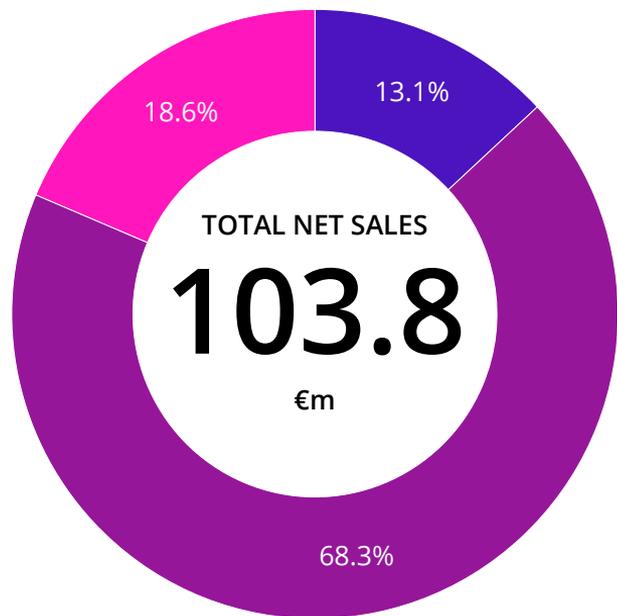
EBITA-% excluding NRI
(6.2)

FY 2023 sales split by business units



	NET SALES €m	YOY CHANGE-%
IBU	16.1	0.2
MBU	48.4	0.5
SBU	39.3	14.3

FY 2023 sales split by region



	NET SALES €m	YOY CHANGE-%
AMERICAS	13.6	59.8
APAC	70.9	0.0
EMEA	19.3	0.7

Key figures



	Q4 2023	Q4 2022	FY 2023	FY 2022
Net sales, EUR 1,000	31,315	28,226	103,794	98,580
Change in net sales, %	10.9%	14.1%	5.3%	9.8%
EBITA excluding NRI, EUR 1,000	4,622	2,804	9,656	6,135
EBITA excluding NRI, %	14.8%	9.9%	9.3%	6.2%
Non-recurring items (NRI), EUR 1,000	0	0	-873	-335
EBITA, EUR 1,000	4,622	2,804	8,784	5,801
EBITA, %	14.8%	9.9%	8.5%	5.9%
R&D costs, EUR 1,000	2,723	3,069	11,702	12,549
R&D costs, % of net sales	8.7%	10.9%	11.3%	12.7%
Cash flow from operating activities, EUR 1,000	2,987	3,730	9,672	-294
Investments, EUR 1,000	1,121	654	14,426	1,628
Return on investment (ROI), %	9.9%	7.5%	9.9%	7.5%
Earnings per share, EUR	0.24	0.16	0.38	0.35

Strategy highlights

- The facility project to expand production in Oulu for a wider range of EU Origin products and risk mitigation progressed as planned
 - Production commencing in Q1 2024
 - Will build manufacturing capability for photon-counting detector solutions
- Completed the integration of Haobo Imaging
 - Has continued the development and sales of new TFT flat panel detector solutions
 - Estimates that the new business will grow faster than its traditional businesses

Other events



Received an **Excellence Supplier Award — Quality** from a key medical customer

Its Chinese subsidiary was re-certified as a High and New Technology Enterprise (HNTE) for the upcoming three-year period

Main manufacturing site was listed in the top 10 for Outstanding Organizational Units and Best Practice Activity categories out of 884 enterprises assessed by Beijing Economic-Technological Development Area (BDA)

Continued its work for children's rights and global education as a member of the ACI-UNICEF network



Sales expectation Q1 and H1 2023



Industrial

to grow double-digit
in Q1 and H1



Medical

to decrease
in Q1 and H1



Security

to grow double-digit
in Q1 and H1



Year-on-year total net sales to remain stable in Q1 and H1 of 2024.

Business outlook

Detection Technology expects its **year-on-year total net sales to remain stable in Q1 and H1 of 2024.**

Geopolitical situation, U.S.–China relations, global economy, inflation, the high stocks of some of the company's customers, the indirect impacts of the war in Ukraine, and events in the Middle East create uncertainty.

SECURITY MARKET
annual growth rate

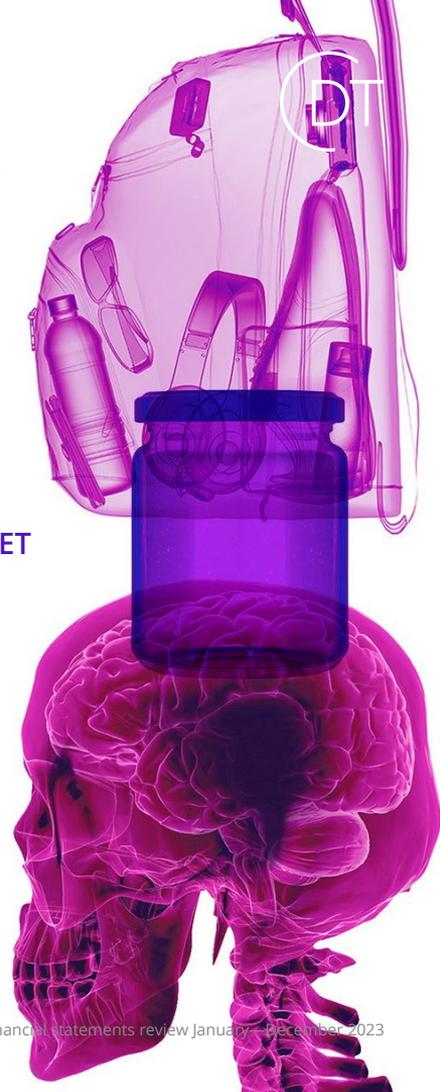
5%

INDUSTRIAL MARKET
annual growth rate

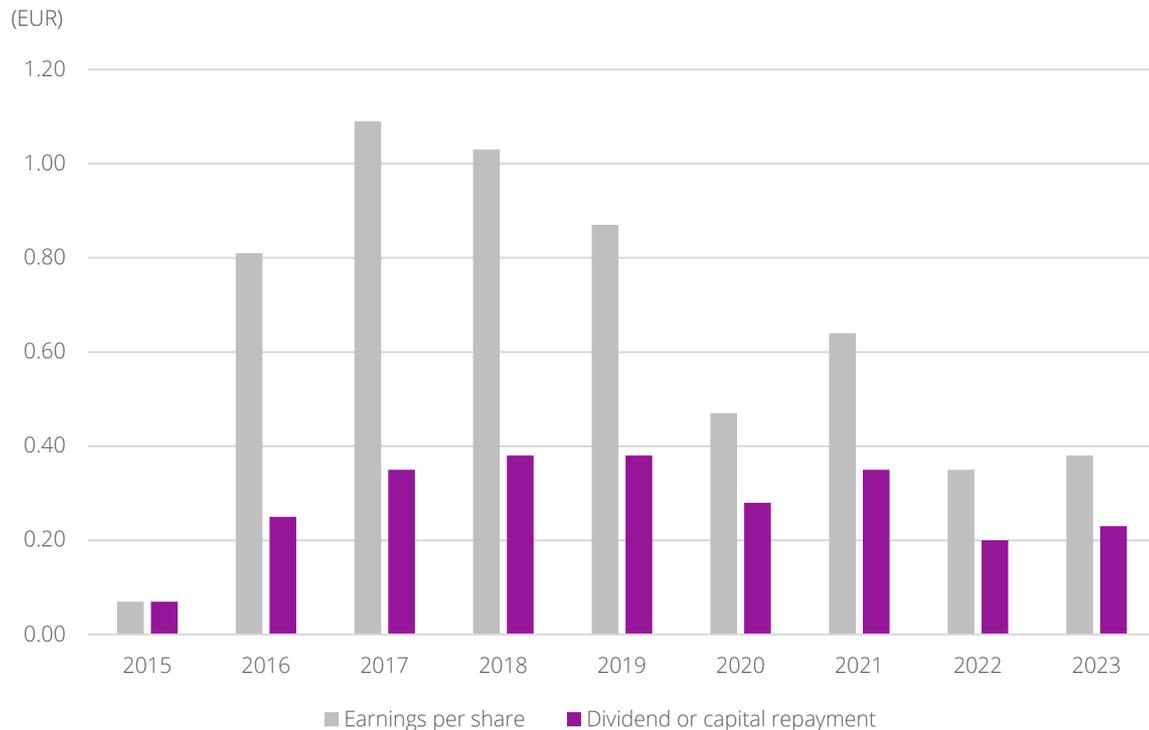
6%

MEDICAL MARKET
annual growth rate

5%



EPS and payout



0.23 € dividend (0.20)

61% payout (57%)

The Board's proposal to the AGM

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.



FINANCIAL TARGETS

MEDIUM TERM
Annual
sales growth
>10%

MEDIUM TERM
Operating
margin (EBITA)
15%

ANNUAL
Dividend or
returned capital
30-60%



Detection Technology

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