

Earnings back on growth track

DT's outlook is turning much brighter now as security CT volumes are recovering after the slump seen last year.

Sales are now growing at a double-digit rate in H1'26

DT's EUR 29.7m Q4 revenue was in line with the EUR 29.4m/29.2m Evli/cons. estimates, and the EUR 3.7m EBITA also matched the EUR 3.7m/4.1m Evli/cons. estimates despite the sales mix being more tilted towards medical than we expected. Lower volumes within the traditional higher margin security CT area hurt DT's profitability throughout last year, but now the business is staging a volume recovery. DT also won some big TFT business in China, where the outlook now seems relatively stable from the company's perspective. In Q1'26 underlying revenue is growing at some 15% y/y rate in terms of fixed FX.

We estimate 10% growth and 12.5% EBITA margin for FY'26

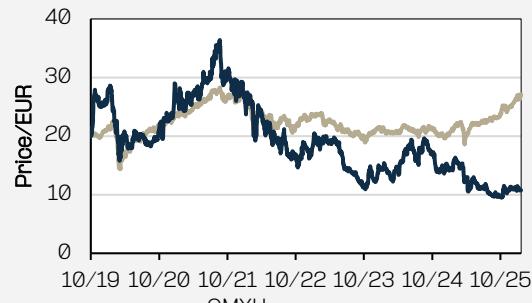
The Q4 revenue decline was due to FX; Q1 should still be impacted by a similar size 5% headwind, but the effect could fade by Q2. We expect DT's underlying growth to decline a bit in Q2 to 10%, but this should still drive significant earnings growth as security is likely to grow the fastest. FY'26 looks strong for DT as its traditional security CT volumes are recovering after the many setbacks seen last year, but its traction within TFT also looks promising. We estimate FY'26 EBITA to gain EUR 4m y/y; in our view DT's gross margin should stay flat at about 45% this year as we expect all the three product areas to grow at least at a high single-digit rate. This would leave EBITA margin at 12.5%, some 300bps higher y/y but still about 150bps short of the level seen in FY'24 when security was the largest application area.

Attractive multiples on growing earnings

DT was not the only company having trouble in its sector last year as peer group sales also declined by some 10%. Their revenue is expected to rebound this year at a high single-digit rate; we estimate DT to grow 10% this year, and it has good potential to continue at a similar rate also in FY'27 considering only some 15–20% of global carry-on baggage CT systems have been deployed so far. Such a security CT-driven growth, in addition to the growing TFT volumes, should take DT closer to its 15% EBITA margin target next year. DT is valued 11x EV/EBIT on our FY'26 estimates, and continued earnings growth could take the multiple down to about 8.5x next year. Our new TP is EUR 13.0 (12.0); our rating is now BUY (ACCUMULATE).

Rating

++ Buy



Share price, EUR (Last trading day's closing price)	11.30
Target price, EUR	13.0
Latest change in recommendation	06–Feb–26
Latest report on company	27–Jan–26
Research paid by issuer:	YES
No. of shares outstanding, '000's	14 656
No. of shares fully diluted, '000's	14 656
Market cap, EURm	166
Free float, %	—
Exchange rate	—
Reuters code	DETEC.HE
Bloomberg code	DETEC FH
Average daily volume, EURm	0.1
Next interim report	23–Apr–26
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++ BUY + ACCUMULATE - REDUCE - SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2024	107.5	13.8	12.8%	16.9	0.76	20.2	18	14.3	7.5%	0.50
2025	101.0	8.1	8.0%	8.9	0.44	25.4	14	17.0	5.5%	0.30
2026E	111.0	12.8	11.6%	3.6	0.60	18.8	1.3	11.1	2.2%	0.41
2027E	121.1	16.6	13.7%	8.6	0.91	12.4	1.1	8.4	5.2%	0.62
2028E	128.3	18.7	14.6%	11.9	1.03	11.0	1.1	7.3	7.2%	0.71
Market cap, EURm	166	Gearing 2026E, %				-29.3 %	CAGR EPS 2025–28, %			33.0 %
Net debt 2026E, EURm	-24	Price/book 2026E				2.0	CAGR Sales 2025–28, %			8.3 %
Enterprise value, EURm	142	Dividend yield 2026E, %				3.7 %	ROE 2026E, %			11.0 %
Total assets 2026E, EURm	114	Tax rate 2026E, %				29.0 %	ROCE 2026E, %			15.6 %
Goodwill 2026E, EURm	0	Equity ratio 2026E, %				71.9 %	PEG, P/E 26/CAGR			0.8

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

Estimates and peer valuation

Estimates	2022	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26E	Q2'26E	Q3'26E	Q4'26E	2026E
Net sales	98.6	103.8	107.5	22.2	24.4	24.7	29.7	101.0	24.5	26.8	27.1	32.5	111.0
Medical	48.1	48.4	42.2	10.8	10.6	10.4	14.9	46.7	11.7	11.4	11.1	16.0	50.2
Security	34.4	39.3	46.3	7.7	8.2	9.8	10.0	35.7	8.7	9.3	11.0	11.3	40.3
Industrial	16.1	16.2	19.0	3.8	5.6	4.5	4.8	18.6	4.2	6.1	4.9	5.2	20.5
Adj. EBITA	6.1	9.7	14.9	1.4	1.7	2.8	3.7	9.6	2.4	2.7	3.9	4.8	13.8
<i>Net sales growth-%</i>	<i>10%</i>	<i>5%</i>	<i>4%</i>	<i>-2%</i>	<i>-7%</i>	<i>-9%</i>	<i>-6%</i>	<i>-6%</i>	<i>11%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>	<i>10%</i>
<i>Medical</i>	<i>-2%</i>	<i>0%</i>	<i>-13%</i>	<i>14%</i>	<i>14%</i>	<i>-5%</i>	<i>19%</i>	<i>11%</i>	<i>8%</i>	<i>8%</i>	<i>7%</i>	<i>8%</i>	<i>8%</i>
<i>Security</i>	<i>23%</i>	<i>14%</i>	<i>18%</i>	<i>-20%</i>	<i>-28%</i>	<i>-13%</i>	<i>-28%</i>	<i>-23%</i>	<i>14%</i>	<i>13%</i>	<i>13%</i>	<i>13%</i>	<i>13%</i>
<i>Industrial</i>	<i>26%</i>	<i>1%</i>	<i>18%</i>	<i>4%</i>	<i>4%</i>	<i>-8%</i>	<i>-8%</i>	<i>-2%</i>	<i>12%</i>	<i>10%</i>	<i>9%</i>	<i>9%</i>	<i>10%</i>
<i>Adj. EBITA margin</i>	<i>6.2%</i>	<i>9.3%</i>	<i>13.9%</i>	<i>6%</i>	<i>7%</i>	<i>12%</i>	<i>12%</i>	<i>9.6%</i>	<i>10%</i>	<i>10%</i>	<i>14%</i>	<i>15%</i>	<i>12.5%</i>

DETECTION TECHNOLOGY PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
Hamamatsu Photonics	2886	11.8x	11.5x	10.0x	28.0x	25.2x	20.9x	37.0x	33.3x	28.4x
OSI Systems	3539	16.8x	15.5x	14.1x	20.4x	18.9x	17.2x	25.5x	23.0x	20.5x
Varex Imaging	496	6.3x	7.1x			11.0x	9.6x	15.7x	15.7x	13.1x
ams—OSRAM	882	4.4x	4.1x	3.7x	8.8x	8.4x	7.0x	36.3x		5.5x
Analog Devices	132902	20.5x	20.7x	19.2x	28.9x	27.3x	24.2x	39.3x	31.3x	27.1x
Keysight Tech	32262	23.1x	22.1x	19.9x	25.3x	24.2x	21.8x	30.3x	26.8x	23.6x
Comet Holding	2438	35.3x	24.6x	16.8x	64.3x	33.9x	21.1x	104.4x	41.6x	25.9x
Texas Instruments	171925	20.9x	22.5x	19.5x	27.7x	29.9x	25.2x	40.9x	34.8x	29.2x
Oxford Instruments	1579	13.7x	15.3x	13.8x	15.9x	17.8x	16.2x	24.7x	22.6x	20.0x
Trimble	13135	19.4x	15.1x	13.7x	20.6x	15.8x	14.6x	21.0x	18.8x	16.3x
Hexagon	24111	16.3x	13.7x	12.6x	22.0x	18.5x	16.8x	22.2x	21.2x	18.7x
Konica Minolta	1753	8.4x	6.4x	6.2x	30.8x	12.8x	12.2x	33.1x	11.4x	10.6x
iRay Technology Company	3140	26.5x	23.8x	19.2x	33.5x	31.0x	25.0x	38.2x	30.0x	24.6x
Vieworks	129	6.8x	7.7x	6.7x	9.5x	10.3x	8.6x	15.8x	11.8x	10.1x
Peer Group Average	27941	16.4x	15.0x	13.5x	25.8x	20.3x	17.2x	34.6x	24.8x	19.5x
Peer Group Median	3013	16.6x	15.2x	13.8x	25.3x	18.7x	17.0x	31.7x	23.0x	20.3x
Detection Technology (Evli est.)	166	12.6x	8.8x	6.9x	17.0x	11.1x	8.4x	25.4x	18.8x	12.4x
<i>Detection Technology prem./disc. to peer median</i>		<i>-24%</i>	<i>-42%</i>	<i>-50%</i>	<i>-33%</i>	<i>-41%</i>	<i>-51%</i>	<i>-20%</i>	<i>-19%</i>	<i>-39%</i>

DETECTION TECHNOLOGY PEER GROUP	Sales 25	Sales gr.			EBIT-%			Div. yield		
		25	26	27	25	26	27	25	26	27
Hamamatsu Photonics	1196	-16.9%	2.8%	6.5%	7.9 %	9.0 %	10.2 %	2.1 %	2.2 %	2.3 %
OSI Systems	1520	29.0%	5.8%	5.9%	14.2 %	14.3 %	14.8 %		0.0 %	
Varex Imaging	732	-11.3%	1.5%	4.5%	-0.2 %	8.7 %	9.6 %			
ams—OSRAM	3297	-31.6%	0.9%	4.6%	8.5 %	9.0 %	10.2 %	0.0 %	0.0 %	0.0 %
Analog Devices	9799	-16.1%	15.4%	9.3%	42.5 %	45.2 %	46.6 %	1.2 %	1.3 %	1.5 %
Keysight Tech	4748	-9.2%	11.6%	6.2%	25.9 %	25.9 %	27.1 %	0.0 %	0.0 %	0.0 %
Comet Holding	505	-14.1%	16.6%	18.0%	5.9 %	12.2 %	16.6 %	0.4 %	0.9 %	1.3 %
Texas Instruments	14804	-19.4%	11.9%	10.1%	34.2 %	36.4 %	39.2 %	2.5 %	2.6 %	2.7 %
Oxford Instruments	514	-0.9%	-0.4%	5.5%	16.8 %	18.0 %	18.8 %	0.9 %	1.0 %	1.1 %
Trimble	3024	-11.8%	7.6%	8.7%	27.3 %	27.7 %	27.6 %			
Hexagon	5427	5.2%	1.2%	5.8%	26.4 %	27.3 %	28.4 %	1.5 %	1.6 %	1.8 %
Konica Minolta	5992	-21.4%	-5.1%	0.0%	2.0 %	4.9 %	5.1 %	1.1 %	2.1 %	2.5 %
iRay Technology Company	268	26.7%	47.3%	22.5%	29.4 %	25.8 %	26.1 %	0.0 %	0.0 %	0.0 %
Vieworks	138	-18.3%	7.8%	8.8%	8.6 %	9.7 %	10.6 %	2.3 %	2.5 %	2.7 %
Peer Group Average	3712	-7.9%	8.9%	8.3%	17.8 %	19.6 %	20.8 %	1.1 %	1.2 %	1.4 %
Peer Group Median	2272	-12.9%	6.7%	6.3%	15.5 %	16.2 %	17.7 %	1.1 %	1.2 %	1.5 %
Detection Technology (Evli est.)	101	-6.0%	9.9%	9.1%	8.0 %	11.6 %	13.7 %	2.7 %	3.7 %	5.5 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	11.30 PV of Free Cash Flow	88 Long-term growth, %	2.6 % Risk-free interest rate, %	2.25 %
DCF share value	18.02 PV of Horizon value	151 WACC, %	8.5 % Market risk premium, %	5.8 %
Share price potential, %	59.5 % Unconsolidated equity	0 Spread, %	0.0 % Debt risk premium %	2.8 %
Maximum value	18.0 Marketable securities	25 Minimum WACC, %	8.5 % Equity beta coefficient	110
Minimum value	18.0 Debt – dividend	0 Maximum WACC, %	8.5 % Target debt ratio, %	20 %
Horizon value, %	63.2 % Value of stock	264 No. of shares, Mn	14.7 Effective tax rate, %	18 %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	101	111	121	128	136	144	148	153	157	162	166	171
<i>Sales growth (%)</i>	<i>-8.1%</i>	<i>9.9%</i>	<i>9.1%</i>	<i>5.9%</i>	<i>6.0%</i>	<i>6.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>2.6%</i>	<i>2.6%</i>
Operating income (EBIT)	8	13	17	19	21	22	23	24	24	25	26	26
<i>Operating income margin %</i>	<i>8.0%</i>	<i>11.6%</i>	<i>13.7%</i>	<i>14.6%</i>	<i>15.5%</i>							
+ Depreciation+amort.	3	3	4	4	4	5	5	5	5	5	5	5
EBITDA	11	16	20	23	26	27	28	29	30	30	31	
- Paid taxes	-1	-4	-3	-3	-4	-4	-4	-4	-4	-5	-5	
- Change in NWC	1	-4	-4	-3	-3	-3	-2	-2	-2	-2	-2	
<i>NWC / Sales, %</i>	<i>37.0%</i>	<i>37.1%</i>	<i>37.2%</i>	<i>37.3%</i>	<i>37.3%</i>	<i>37.4%</i>	<i>37.4%</i>	<i>37.5%</i>	<i>37.5%</i>	<i>37.5%</i>	<i>37.5%</i>	
+ Change in other liabs												
- Operative CAPEX	-2	-5	-4	-5	-5	-5	-5	-5	-5	-5	-5	
<i>opCAPEX / Sales, %</i>	<i>1.6%</i>	<i>4.1%</i>	<i>3.7%</i>	<i>3.6%</i>	<i>3.6%</i>	<i>3.6%</i>	<i>3.3%</i>	<i>3.3%</i>	<i>3.3%</i>	<i>3.3%</i>	<i>3.3%</i>	
- Acquisitions												
+ Divestments												
- Other items												
= FOFF	10	4	9	12	14	15	17	18	18	19	19	339
= Discounted FCF	4	8	10	10	10	11	10	10	10	9	9	151
= DFCF min WACC	4	8	10	10	10	11	10	10	10	9	9	151
= DFCF max WACC	4	8	10	10	10	11	10	10	10	9	9	151

Sensitivity analysis, EUR

Terminal WACC					
	6.48 %	7.48 %	8.48 %	9.48 %	10.48 %
Terminal EBIT-%	13.50 %	23.97	19.33	16.25	14.07
	14.50 %	25.58	20.50	17.14	14.76
	15.50 %	27.20	21.66	18.02	15.45
	16.50 %	28.81	22.83	18.91	16.14
	17.50 %	30.42	24.00	19.79	16.83
					14.64

INTERIM FIGURES

EVLI ESTIMATES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	222	24.4	24.8	29.6	101.0	24.5	26.8	27.1	32.5	111.0	121.1	128.3
EBITDA	1.8	2.1	2.9	4.1	10.9	3.0	3.3	4.5	5.3	16.0	20.2	22.9
<i>EBITDA margin (%)</i>	<i>8.1%</i>	<i>8.6%</i>	<i>11.7%</i>	<i>14.0%</i>	<i>10.8%</i>	<i>12.2%</i>	<i>12.2%</i>	<i>16.5%</i>	<i>16.3%</i>	<i>14.4%</i>	<i>16.7%</i>	<i>17.9%</i>
EBIT	1.1	1.4	2.4	3.2	8.1	2.2	2.5	3.7	4.5	12.8	16.6	18.7
<i>EBIT margin (%)</i>	<i>5.0%</i>	<i>5.7%</i>	<i>9.7%</i>	<i>10.8%</i>	<i>8.0%</i>	<i>9.0%</i>	<i>9.2%</i>	<i>13.5%</i>	<i>13.8%</i>	<i>11.6%</i>	<i>13.7%</i>	<i>14.6%</i>
Net financial items	-0.2	-0.6	-0.1	0.2	-0.7	-0.1	-0.1	-0.1	-0.1	-0.4	-0.2	-0.2
Pre-tax profit	0.9	0.8	2.3	3.4	7.4	2.1	2.4	3.6	4.4	12.4	16.4	18.5
Tax	-0.2	0.2	-0.5	-0.4	-0.9	-0.9	-0.9	-0.9	-0.9	-3.6	-3.1	-3.4
<i>Tax rate (%)</i>	<i>22.2%</i>	<i>-23.5%</i>	<i>20.8%</i>	<i>12.2%</i>	<i>12.4%</i>	<i>42.9%</i>	<i>38.1%</i>	<i>25.3%</i>	<i>20.4%</i>	<i>29.0%</i>	<i>18.0%</i>	<i>18.0%</i>
Net profit	0.7	1.0	1.8	2.9	6.4	1.2	1.5	2.7	3.5	8.8	13.3	15.1
EPS	0.05	0.07	0.13	0.20	0.44	0.08	0.10	0.18	0.24	0.60	0.91	1.03
EPS adj. (diluted)	0.05	0.07	0.13	0.20	0.44	0.08	0.10	0.18	0.24	0.60	0.91	1.03
Dividend per share					0.30					0.41	0.62	0.71
SALES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
MBU	10.8	10.6	10.4	14.9	46.7	11.7	11.4	11.1	16.0	50.2	54.0	56.7
SBU	7.7	8.2	9.9	9.9	35.7	8.7	9.3	11.0	11.3	40.3	45.2	48.6
IBU	3.8	5.6	4.5	4.8	18.6	4.2	6.1	4.9	5.2	20.5	22.0	23.1
Total	22.2	24.4	24.8	29.6	101.0	24.5	26.8	27.1	32.5	111.0	121.1	128.3
SALES GROWTH, Y/Y%	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
MBU	13.7%	13.9%	-4.5%	19.2%	10.7%	7.7%	8.0%	6.9%	7.5%	7.5%	7.5%	5.0%
SBU	-20.0%	-28.2%	-12.0%	-29.3%	-22.9%	13.3%	13.0%	11.5%	14.1%	13.0%	12.0%	7.5%
IBU	4.2%	4.3%	-9.6%	-5.9%	-2.1%	12.0%	9.9%	9.5%	9.0%	10.0%	7.5%	5.0%
Total	-2.0%	-6.6%	-8.6%	-6.3%	-6.1%	10.4%	10.1%	9.2%	10.0%	9.9%	9.1%	5.9%
EBIT, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Group	1.1	1.4	2.4	3.2	8.1	2.2	2.5	3.7	4.5	12.8	16.6	18.7
Total	1.1	1.4	2.4	3.2	8.1	2.2	2.5	3.7	4.5	12.8	16.6	18.7
EBIT margin %	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Group	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	5.0%	5.7%	9.7%	10.8%	8.0%	9.0%	9.2%	13.5%	13.8%	11.6%	13.7%	14.6%

INCOME STATEMENT, EURm	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	89.8	98.6	103.8	107.5	101.0	111.0	121.1	128.3
<i>Sales growth (%)</i>	10.1%	9.8%	5.3%	3.6%	-6.1%	9.9%	9.1%	5.9%
EBITDA	13.9	9.1	11.8	17.0	10.9	16.0	20.2	22.9
<i>EBITDA margin (%)</i>	15.4%	9.2%	11.3%	15.8%	10.8%	14.4%	16.7%	17.9%
Depreciation	-3.3	-3.3	-3.6	-3.2	-2.8	-3.2	-3.1	-3.6
EBITA	10.6	5.8	8.2	13.8	8.1	12.8	17.2	19.3
Goodwill amortization / writedown							-0.6	-0.6
EBIT	10.6	5.8	8.2	13.8	8.1	12.8	16.6	18.7
<i>EBIT margin (%)</i>	11.8%	5.9%	7.9%	12.8%	8.0%	11.6%	13.7%	14.6%
Reported EBIT	10.6	5.8	8.2	13.8	8.1	12.8	16.6	18.7
<i>EBIT margin (reported) (%)</i>	11.8%	5.9%	7.9%	12.8%	8.0%	11.6%	13.7%	14.6%
Net financials	0.8	-0.2	-0.9	-0.4	-0.7	-0.4	-0.2	-0.2
Pre-tax profit	11.4	5.6	7.3	13.3	7.4	12.4	16.4	18.5
Taxes	-2.1	-0.4	-1.8	-2.2	-0.9	-3.6	-3.1	-3.4
Minority shares					-0.1			
Net profit	9.3	5.1	5.5	11.1	6.4	8.8	13.3	15.1
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	9	7	17	16	16	17	19	20
Goodwill						-1	-1	-1
Right of use assets								
Inventory	22	25	24	23	29	32	35	37
Receivables	31	36	35	33	34	38	41	43
Liquid funds	30	24	19	28	25	27	30	32
Total assets	92	91	95	100	104	114	124	131
Liabilities								
Shareholders' equity	74	73	73	82	78	82	90	96
Minority interest			0	0	0	0	0	0
Convertibles								
Lease liabilities								
Deferred taxes								
Interest bearing debt	2	3	6			3	3	2
Non-interest bearing current liabilities	15	14	14	16	25	27	29	31
Other interest-free debt	1	1	1	1	1	1	1	1
Total liabilities	92	91	95	100	104	114	124	131
CASH FLOW, EURm								
+ EBITDA	14	9	12	17	11	16	20	23
- Net financial items	3	-6	-1	0	-1	0	0	0
- Taxes	-1	-2	-2	-2	-1	-4	-3	-3
- Increase in Net Working Capital	-6	-9	2	5	1	-4	-4	-3
+/- Other	-3	7			0			
= Cash flow from operations	7	0	11	19	10	8	13	17
- Capex	-1	-2	-2	-2	-2	-5	-4	-5
- Acquisitions			12					
+ Divestments								
= Free cash flow	6	-2	21	17	9	4	9	12
+/- New issues/buybacks	10	-1	-2	2	-3			
- Paid dividend	5	3	3	7	4	6	9	10
+/- Other	-7	2	-20	-6	-1	3	0	-1
Change in cash	5	-6	-5	9	-3	2	3	2

KEY FIGURES	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	248	202	224	163	166	166	166
Net debt (excl. convertibles)	-21	-13	-28	-25	-24	-27	-30
Enterprise value	227	189	196	138	142	139	136
Sales	99	104	108	101	111	121	128
EBITDA	9	12	17	11	16	20	23
EBIT	6	8	14	8	13	17	19
Pre-tax	6	7	13	7	12	16	19
Earnings	5	5	11	6	9	13	15
Equity book value (excl. minorities)	73	73	82	78	82	90	96
Valuation multiple	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	2.3	1.8	1.8	1.4	1.3	1.1	1.1
EV/EBITDA	25.0	16.1	11.6	12.6	8.8	6.9	6.0
EV/EBITA	39.2	23.1	14.3	17.0	11.1	8.1	7.1
EV/EBIT	39.2	23.1	14.3	17.0	11.1	8.4	7.3
EV/OCF	-772.5	17.7	10.3	13.2	17.3	10.6	8.2
EV/FCF	-132.7	8.7	11.4	14.4	36.2	15.9	11.3
P/FCF	-128.9	9.6	13.3	18.3	46.2	19.2	13.9
P/E	45.3	29.3	20.2	25.4	18.8	12.4	11.0
P/BV	3.4	2.8	2.7	2.1	2.0	1.8	1.7
Target EV/EBITDA					10.4	8.1	7.0
Target EV/EBIT					13.0	9.9	8.6
Target EV/FOCF					46.4	19.0	13.5
Target P/BV					2.3	2.1	2.0
Target P/E, diluted	49.2	36.8	23.4	29.9	21.6	14.3	12.6
Per share measures	2022	2023	2024	2025	2026E	2027E	2028E
Number of shares (million)	14.66	14.66	14.66	14.66	14.66	14.66	14.66
Number of shares (diluted, million)	15.16	14.66	14.66	14.66	14.66	14.66	14.66
EPS	0.35	0.38	0.76	0.44	0.60	0.91	1.03
Operating cash flow per share	-0.02	0.73	1.30	0.72	0.56	0.89	1.13
Free cash flow per share	-0.13	1.44	1.15	0.61	0.24	0.59	0.81
Book value per share	4.96	4.97	5.62	5.32	5.62	6.12	6.53
Dividend per share	0.20	0.23	0.50	0.30	0.41	0.62	0.71
Dividend payout ratio, %	57.0%	61.3%	66.0%	68.5%	68.5%	68.5%	68.5%
Dividend yield, %	1.2%	1.7%	3.3%	2.7%	3.7%	5.5%	6.3%
FCF yield, %	-0.8%	10.5%	7.5%	5.5%	2.2%	5.2%	7.2%
Efficiency measures	2022	2023	2024	2025	2026E	2027E	2028E
ROE	7.0%	7.6%	14.3%	8.0%	11.0%	15.5%	16.3%
ROCE	7.7%	10.6%	17.0%	10.1%	15.6%	18.6%	19.6%
Financial ratios	2022	2023	2024	2025	2026E	2027E	2028E
Inventories as % of sales	25.2%	22.7%	21.2%	28.9%	28.9%	28.9%	28.9%
Receivables as % of sales	36.2%	33.8%	31.1%	33.8%	33.8%	33.8%	33.8%
Non-int. bearing liabilities as % of sales	14.2%	13.4%	15.1%	24.3%	24.3%	24.3%	24.3%
NWC/sales, %	45.6%	41.8%	35.9%	37.0%	37.1%	37.2%	37.3%
Operative CAPEX/Sales, %	1.7%	1.9%	2.1%	1.6%	4.1%	3.7%	3.6%
CAPEX/sales (incl. acquisitions), %	1.7%	13.9%	2.1%	1.6%	4.1%	3.7%	3.6%
FCFF/EBITDA	-0.2	1.9	1.0	0.9	0.2	0.4	0.5
Net Debt/EBITDA, book-weighted	-2.3	-1.1	-1.7	-2.3	-1.5	-1.3	-1.3
Debt/equity, market-weighted	0.0	0.0			0.0	0.0	0.0
Equity ratio, book-weighted	0.8	0.8	0.8	0.8	0.7	0.7	0.7
Gearing, %	-28.3%	-17.7%	-34.2%	-32.0%	-29.3%	-29.8%	-30.8%

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

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

OWNERSHIP STRUCTURE	SHARES	EURm	%
Ahlstrom Capital Bv	5 280 167	59.666	36.0 %
OP–Finland Fund	617 376	6.976	4.2 %
Varma Mutual Pension Insurance Company	515 000	5.820	3.5 %
Sijoitusrahasto Aktia Capital	463 654	5.239	3.2 %
Ilmarinen Mutual Pension Insurance Company	435 737	4.924	3.0 %
Martola Hannu Veikko	431 690	4.878	2.9 %
Veritas Pension Insurance Company Ltd.	389 387	4.400	2.7 %
Evli Finnish Small Cap Fund	352 000	3.978	2.4 %
OP–Finland Small Firms Fund	330 019	3.729	2.3 %
Säästöpankki Kotimaa	260 000	2.938	1.8 %
Ten largest	9 075 030	102.548	61.9 %
Residual	5 580 900	63.064	38.1 %
Total	14 655 930	165.612	100%

EARNINGS CALENDAR

April 23, 2026	Q1 report
August 06, 2026	Q2 report
October 29, 2026	Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Hannu Martola
CFO: Matti Nylander
IR: Johanna Tarkiainen

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DEFINITIONS

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

Important Disclosures

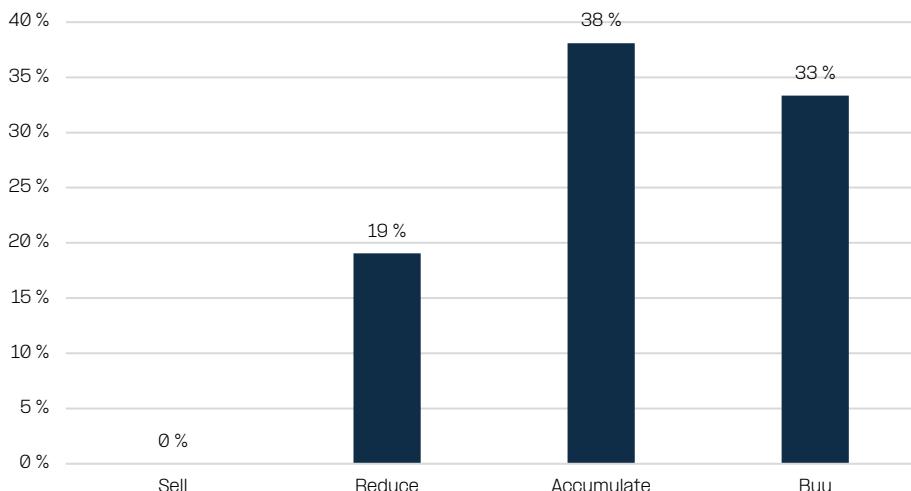
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – 0 %	REDUCE
0 – (+10) %	ACCUMULATE
> 10 %	BUY

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Name(s) of the analyst(s): Joonas Iivonen

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