

Q3 Business review

January–September 2025



DETECTION TECHNOLOGY PLC BUSINESS REVIEW JANUARY-SEPTEMBER 2025

Detection Technology Q3 2025: A challenging quarter, but the sentiment is improving**July-September 2025 highlights**

- Net sales decreased by -8.8% to EUR 24.7 million (27.1)
- Net sales of Americas decreased by -67.7% to EUR 0.6 million (2.0)
- Net sales of APAC (Asia-Pacific) decreased by -5.8% to EUR 16.6 million (17.6)
- Net sales of EMEA (Europe, Middle East, India and Africa) decreased by -0.2% to EUR 7.5 million (7.5)
- Net sales of industrial applications decreased by -9.2% to EUR 4.5 million (4.9)
- Net sales of medical applications decreased by -4.5% to EUR 10.4 million (10.9)
- Net sales of security applications decreased by -12.8% to EUR 9.8 million (11.3)
- Operating profit (EBITA) excluding non-recurring items (NRI) was EUR 2.8 million (4.2)
- Operating margin (EBITA-%) excluding NRI was 11.4% of net sales (15.3%)
- Operating profit (EBITA) was EUR 2.5 million (4.2)
- Operating margin (EBITA-%) was 10.0% of net sales (15.3%)
- Return on investment (ROI, 12-month rolling) was 12.2% (17.0%)

January-September 2025 highlights

- Net sales decreased by -6.0% to EUR 71.3 million (75.9)
- Net sales of Americas decreased by -32.9% to EUR 3.0 million (4.5)
- Net sales of APAC increased by 1.5% to EUR 50.8 million (50.0)
- Net sales of EMEA decreased by -18.0% to EUR 17.6 million (21.4)
- Net sales of industrial applications decreased by -0.5% to EUR 13.8 million (13.9)
- Net sales of medical applications increased by 7.1% to EUR 31.8 million (29.7)
- Net sales of security applications decreased by -20.4% to EUR 25.8 million (32.3)
- Operating profit (EBITA) excluding non-recurring items (NRI) was EUR 5.9 million (9.7)
- Operating margin (EBITA-%) excluding NRI was 8.3% of net sales (12.8%)
- Operating profit (EBITA) was EUR 5.6 million (9.7)
- Operating margin (EBITA-%) was 7.8% of net sales (12.8%)

(Figures in brackets refer to the corresponding period of the previous year.)

Business outlook

Detection Technology expects a single-digit year-on-year decline in total net sales for Q4 2025 and double-digit growth in Q1 2026.

The geopolitical situation, new U.S. import tariffs, U.S. relations with other countries, China's healthcare reform, and price competition especially in China create uncertainty.

Detection Technology aims to increase its sales by at least 10% per annum and to achieve an operating margin (EBITA) of 15% in the medium term.

President and CEO, Hannu Martola:

The third quarter was as challenging as anticipated. Sales declined across all application areas and geographical markets. Although nearly half of the decrease was due to currency fluctuations, we have taken actions to turn the tide and refocused our resources. We are now moving toward renewed growth as the markets are picking up.

The largest dent in our sales came from security applications. In the Americas, the sales outcome was temporarily weak in Q3, mirroring the sales development of certain key customers. In Europe, a major OEM customer was temporarily depleting its inventories. However, EMEIA's total net sales remained flat as growth in industrial applications offset the decline in security.

The decline in APAC sales was mainly due to the loss of legacy industrial line scanner sales in China because of intense competition. Demand for medical CT (computed tomography) applications continued to grow in China, but material constraints limited our delivery capability. In contrast, sales of security applications increased. Currency exchange rate fluctuations weakened the already soft performance, and total net sales in the APAC region fell slightly short of expectations.

A bright spot of the review period was the strong growth in industrial flat panel detector sales in China. Our position also remained strong in medical and security CT applications in both the APAC and EMEIA regions.

Our profitability improved compared to the previous quarter, and the EBITA margin was double digits. However, it fell short of the comparison period due to the decline in sales and a change in the product mix. We have implemented the necessary cost-saving measures to reach our target level and to focus resources on growth areas that support our long-term strategy. The one-time costs (NRI) related to these changes were EUR 0.3 million.

We believe that we have passed the turning point. Medical and security CT applications are expected to see stronger demand toward the end of the year and into 2026. Industrial demand should remain robust, particularly for our flat panel detectors.

As previously estimated, our Q4 total net sales are expected to decline by a single-digit percentage, which means a flat outcome in comparable currencies. APAC sales are expected to remain at the level of the comparison period, while sales in EMEIA and the Americas are expected to decline. When estimating sales development by main applications, we expect medical and industrial to grow, and security to decline. All regions and applications are nevertheless expected to grow compared to the previous quarter. We expect total net sales in Q4 to grow by double digits compared to Q3. Based on our outlook, Q1 of 2026 will mark a return to growth, and we anticipate double-digit growth in total net sales.

Key figures

(EUR 1,000)	7-9/2025	7-9/2024	1-9/2025	1-9/2024	1-12/2024
Net sales	24,717	27,103	71,338	75,901	107,514
Change in net sales, %	-8.8%	10.6%	-6.0%	4.7%	3.6%
EBITA excluding NRI	2,807	4,157	5,908	9,726	14,892
EBITA excluding NRI, %	11.4%	15.3%	8.3%	12.8%	13.9%
Non-recurring items (NRI)	-342	0	-342	0	0
EBITA	2,465	4,157	5,566	9,726	14,892
EBITA, %	10.0%	15.3%	7.8%	12.8%	13.9%
R&D costs	2,723	2,694	8,504	8,255	11,379
R&D costs, % of net sales	11.0%	9.9%	11.9%	10.9%	10.6%
Cash flow from operating activities	492	6,415	2,389	13,242	20,133
Net interest-bearing debt at end of period	-19,800	-20,797	-19,800	-20,797	-27,767
Investments	504	248	2,052	1,733	2,218
Return on investment (ROI), %	12.2%	17.0%	12.2%	17.0%	17.4%
Gearing, %	-26.5%	-27.1%	-26.5%	-27.1%	-33.6%
Earnings per share, EUR	0.11	0.22	0.22	0.48	0.76
Earnings per share (diluted), EUR	0.11	0.22	0.22	0.48	0.76
Number of shares at the end of the period	14,655,630	14,655,930	14,655,630	14,655,930	14,655,930
Weighted average number of shares outstanding	14,655,630	14,655,930	14,655,697	14,655,930	14,655,930
Weighted average number of shares outstanding, diluted	14,655,630	14,666,184	14,657,172	14,661,289	14,660,744

The development of net sales

In Q3 2025, Detection Technology's total net sales decreased by -8.8% (10.6%) and amounted to EUR 24.7 (27.1) million. Net sales decreased across all application areas and geographical markets. The decline was mainly due to exchange rate fluctuations and a decrease in demand for security applications.

Sales in security applications declined significantly in the Americas due to the sales development of certain key customers and in Europe as a result of temporary inventory reductions by an OEM customer. However, EMEA sales remained at the level of the comparison period, supported by growth in industrial sales.

The decline in legacy industrial line-scan application sales had a significant impact on the decrease in APAC sales. Demand for medical CT applications continued to grow in China, but material constraints limited deliveries. Sales in security applications increased, and sales of flat panel detectors strengthened in China, but these were not sufficient to offset the overall loss in APAC sales.

The APAC business unit's net sales decreased by -5.8% (6.5%) to EUR 16.6 (17.6) million. The EMEA business unit's net sales decreased by -0.2% (33.1%) to EUR 7.5 (7.5) million. The Americas business unit's net sales decreased by -67.7% (-14.5%) to EUR 0.6 (2.0) million. APAC accounted for 67.1% (65.0%) of the company's total net sales, EMEA 30.2% (27.6%), and the Americas 2.6% (7.4%).

Net sales from medical applications decreased by -4.5% (0.6%) to EUR 10.4 (10.9) million. Net sales from security applications decreased by -12.8% (16.2%) to EUR 9.8 (11.3) million. Net sales from industrial applications decreased by -9.2% (24.0%) to EUR 4.5 (4.9) million. Medical applications accounted for 42.0%

(40.2%) of the company's total net sales, security applications 39.8% (41.7%), and industrial applications 18.1% (18.2%).

In Q3, the share of the five largest customers in Detection Technology's total net sales was 53.4% (56.9%).

In January–September 2025, the company's total net sales decreased by -6.0% (4.7%) and were EUR 71.3 (75.9) million. Net sales of APAC increased by 1.5% (3.7%) to EUR 50.8 (50.0) million. Net sales of EMEA decreased by -18.0% (35.4%) to EUR 17.6 (21.4) million. Net sales of Americas decreased by -32.9% (-46.9%) to EUR 3.0 (4.5) million. APAC accounted for 71.2% (65.9%) of the company's total net sales, EMEA 24.6% (28.2%), and the Americas 4.2% (5.9%).

Net sales from medical applications increased by 7.1% (-15.9%) to EUR 31.8 (29.7) million. Net sales from security applications decreased by -20.4% (24.1%) to EUR 25.8 (32.3) million. Net sales from industrial applications decreased by -0.5% (24.5%) to EUR 13.8 (13.9) million. Medical applications accounted for 44.6% (39.1%) of the company's total net sales, security applications 36.1% (42.6%), and industrial applications 19.3% (18.3%).

In January–September 2025, the share of the five largest customers in Detection Technology's total net sales was 54.6% (52.1%).

NET SALES BY BUSINESS UNITS

(EUR 1,000)	7-9/2025	7-9/2024	Change, %	1-9/2025	1-9/2024	Change, %
Americas	647	2,003	-67.7%	3,003	4,476	-32.9%
APAC	16,596	17,610	-5.8%	50,758	49,998	1.5%
EMEA	7,473	7,490	-0.2%	17,577	21,427	-18.0%
TOTAL	24,717	27,103	-8.8%	71,338	75,901	-6.0%

NET SALES BY MAIN APPLICATIONS

(EUR 1,000)	7-9/2025	7-9/2024	Change, %	1-9/2025	1-9/2024	Change, %
Industrial	4,478	4,930	-9.2%	13,797	13,872	-0.5%
Medical	10,391	10,882	-4.5%	31,783	29,680	7.1%
Security	9,848	11,291	-12.8%	25,758	32,349	-20.4%
TOTAL	24,717	27,103	-8.8%	71,338	75,901	-6.0%

Events during the review period

In Q3, Detection Technology took measures to improve profitability and competitiveness. The company adjusted its business to invest in focus areas that strengthen its competitiveness and position in international markets. The purpose of these changes is to streamline and accelerate business operations, enhance the offering, and improve customer focus.

As part of these actions, the company launched change negotiations in Finland under the Act on Co-operation within Undertakings, citing production-related and financial reasons. The negotiations were concluded on 2

September 2025, leading to a total of seven position reductions, an organizational change, and some task reallocations.

The company implemented efficiency and reorganization measures across its global sites. Consequently, a total of six employments were terminated in China. All measures were completed by the end of the review period.

Following the cost-saving program, the company recorded non-recurring items (NRI) totaling EUR 0.3 million (0.0) in Q3. The NRI was related to the reduction in personnel. The company estimates that the measures will result in total cost savings of approximately EUR 0.4 million in H2 of 2025 and EUR 1.5 million in fiscal year 2026.

DT2030 strategy and Capital Markets Day

Detection Technology's current strategy period will end at the close of 2025, and the new strategy will extend through 2030. In line with the DT2030 strategy, the company aims to outgrow the market.

The DT2030 strategy builds on the company's core strengths and reinforces its position as a global leader in X-ray detector solutions. The company focuses on its main application areas and seeks new growth through smarter and higher value-added solutions to provide its customers with exceptional usability and service experience.

Detection Technology will host the Capital Markets Day on 18 November 2025. At the event, the company's new DT2030 strategy will be introduced, along with its business, market developments, growth opportunities, and the technological and production capabilities that strengthen its competitiveness. The event program and registration details are available on the company's website.

Financial statements review 2025

Detection Technology will publish its financial statements review for 2025 on Thursday 5 February 2026.

Espoo, Finland 29 October 2025

Board of Directors
Detection Technology Plc

CALCULATION OF KEY FINANCIAL RATIOS

EBITA	= Operating profit (EBIT) - Amortizations
Change in net sales, %	= (Net sales - Previous financial year's net sales) / Previous financial year's net sales x 100
EBITA, %	= EBITA / Net sales x 100
Net interest-bearing debt	= Interest-bearing liabilities - Cash and cash equivalents
Return on investment (ROI), %	= (Net result + Financial expenses + Taxes (12 months)) / (Equity + Interest-bearing liabilities (average 12 months)) x 100
Gearing, %	= (Interest-bearing liabilities - Cash and cash equivalents) / Equity x 100
Earnings per share, EUR	= Profit for the reporting period / Weighted average number of shares outstanding
Earnings per share (diluted), EUR	= Profit for the reporting period / Weighted average number of shares outstanding, diluted



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