

## EBITA topped estimates

DT's Q1 earnings were clearly above estimates even though revenue was basically as expected. MBU revenue fell more than expected, while SBU grew a lot more than was estimated. SBU outlook continues to be strong, and while MBU weakness will still limit Q2 growth DT should see revenue increase in H2.

- DT Q1 revenue decreased by 0.2% y/y to EUR 22.7m, compared to the EUR 22.6m/22.5m Evli/consensus estimates. Adjusted EBITA landed at EUR 2.3m vs our EUR 1.6m estimate.
- Medical (MBU) revenue fell by 20.9% y/y to EUR 9.5m vs our EUR 10.6m estimate. Sales fell more than expected. MBU demand is expected to be muted also in Q2 while a positive turn is expected at the beginning of Q3.
- Security (SBU) grew by 31.5% y/y to EUR 9.6m, compared to our EUR 8.4m estimate. Europe and India grew strong, driven by CT applications for the aviation market. Demand was also solid for line scanner applications. Medium term market growth rate is seen to be around 8%.
- Industrial (IBU) grew by 5.3% y/y to EUR 3.6m vs our EUR 3.7m estimate. Demand recovered towards the end of Q1 as the food sector showed positive signs of recovery. Destocking nevertheless caused sales to remain below target.
- DT expects its revenue to remain stable in Q2 y/y and turn to growth in Q3. SBU and IBU are to see double-digit growth in Q2 while MBU is to decrease. Improved productivity, sales mix, and growth in sales continue to lift results.

| Rating                                              |        |       |          | + BUY                   |
|-----------------------------------------------------|--------|-------|----------|-------------------------|
| Q1'24                                               | Actual | Evli  | Year ago | Q4'23                   |
| Revenue                                             | 22.7   | 22.6  | 22.8     | 31.3                    |
| MBU                                                 | 9.5    | 10.6  | 12.0     | 13.1                    |
| SBU                                                 | 9.6    | 8.4   | 7.3      | 13.2                    |
| IBU                                                 | 3.6    | 3.7   | 3.4      | 5.0                     |
| Adj. EBITA                                          | 2.3    | 1.6   | 1.5      | 4.6                     |
| Adj. EBITA-margin                                   | 10.0 % | 7.2 % | 6.5 %    | 14.8 %                  |
| Share price, EUR (Last trading day's closing price) |        |       |          | 14.50                   |
| Target price, EUR                                   |        |       |          | 17.0                    |
| Latest change in                                    |        |       |          | 31-Jul-23               |
| Latest report on company                            |        |       |          | 16-Apr-24               |
| 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                                    |        |       |          | 213                     |
| Free float, %                                       |        |       |          | -                       |
| Exchange rate                                       |        |       |          | -                       |
| Reuters code                                        |        |       |          | DETEC.HE                |
| Bloomberg code                                      |        |       |          | DETEC FH                |
| Average daily volume, EURm                          |        |       |          | 0.1                     |
| Next interim report                                 |        |       |          | 25-Apr-24               |
| Web site                                            |        |       |          | deetee.com/investors/   |
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+ BUY    + HOLD    - SELL

## PRE-REPORT KEY FIGURES

|       | Sales<br>EURm | EBIT<br>EURm | EBIT<br>% | FCF<br>EURm | EPS<br>EUR | P/E<br>(x) | EV/Sales<br>(x) | EV/EBIT<br>(x) | FCF yield<br>% | DPS<br>EUR |
|-------|---------------|--------------|-----------|-------------|------------|------------|-----------------|----------------|----------------|------------|
| 2022  | 98.6          | 5.8          | 5.9%      | -1.9        | 0.35       | 45.3       | 2.3             | 39.2           | -0.8           | 0.20       |
| 2023  | 103.8         | 8.2          | 7.9%      | 21.1        | 0.38       | 29.3       | 1.8             | 23.1           | 10.5           | 0.23       |
| 2024E | 111.4         | 13.8         | 12.4%     | 10.4        | 0.71       | 20.4       | 1.7             | 14.0           | 4.9            | 0.36       |
| 2025E | 121.8         | 18.7         | 15.4%     | 15.2        | 1.00       | 14.5       | 1.5             | 9.8            | 7.2            | 0.50       |
| 2026E | 132.2         | 20.7         | 15.7%     | 11.6        | 1.11       | 13.0       | 1.4             | 8.6            | 5.4            | 0.56       |

|                          |     |                         |       |                       |      |
|--------------------------|-----|-------------------------|-------|-----------------------|------|
| Market cap, EURm         | 213 | BV per share 2024E, EUR | -24.9 | CAGR EPS 2023-26, %   | 33.3 |
| Net debt 2024E, EURm     | -20 | Price/book 2024E        | 2.7   | CAGR sales 2023-26, % | 8.4  |
| Enterprise value, EURm   | 193 | Dividend yield 2024E, % | 2.5   | ROE 2024E, %          | 13.7 |
| Total assets 2024E, EURm | 101 | Tax rate 2024E, %       | 20.0  | ROCE 2024E, %         | 16.9 |
| Goodwill 2024E, EURm     | -1  | Equity ratio 2024E, %   | 79.7  | PEG, P/E 24/CAGR      | 1.2  |

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

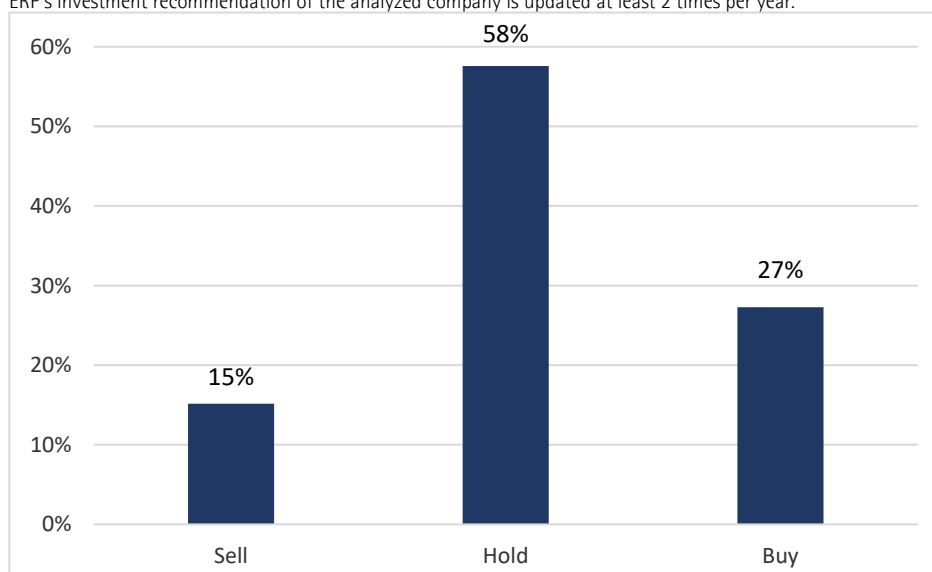
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| Target price compared to share price | Recommendation |
|--------------------------------------|----------------|
| < -10 %                              | SELL           |
| -10 – (+10) %                        | HOLD           |
| > 10 %                               | BUY            |

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