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Qt in Brief
The Future is Built with Qt

Touch screens expanding everywhere

- Qt is used to create software, and especially user experiences

Seamless User Experience across all devices

- Software built with Qt works in all end user devices, it’s cross-platform

Need to reach markets faster and more cost efficiently

- Qt is a powerful software framework that helps you reach your markets faster

Software platforms and control of data and ecosystem

- Qt is used to create these software platforms and ecosystems
Most of the Top 10 Automotive brands use Qt today.

Qt is part of everyday life, like smart TVs

Even the future of digital maritime is built with Qt
Some of the Over 5000 Customers Using Qt Today

- LG
- Panasonic
- sky
- SENNHEISER
- ubuntu
- RIMAC
- BLUESCAPE
- ABB
- formlabs
- MAGNET-MARELLI
- navico
- Pitney Bowes
Qt at a Glance

- **32.4 M€**
  - 2016 Revenue

- **20%**
  - 2016 YoY Growth

- **-1.7 M€**
  - 2016 EBIT

- **>220**
  - Professionals in eight countries

- **>5000**
  - Customers

- **>70**
  - Industries

- **>1M**
  - Users

**Trolltech IPO to Oslo exchange**

**Trolltech acquired by Nokia**

**Digia acquired "All rights to Qt" from Nokia**

**Qt Group Plc demerger from Digia, listed independently in NASDAQ Helsinki**

**First public version of Qt released by Trolltech (Norway)**

**Digia acquired Qt Commercial licensing business from Nokia**

"The Qt Company" becomes its own entity, a subsidiary of Digia
Qt Business Model

Developer Licenses

Each developer using commercial Qt libraries requires a developer license.
Steady revenue stream, coming mostly from desktop licenses. Embedded is growing much faster.

Growing moderately, targeting # of developers.

Distribution Licenses

Each device shipped with commercial Qt libraries requires a distribution license, and brings in a per-device runtime fee.

Strong growth potential because of # of devices.

Services


Growing as the licensing business grows – specifically to ensure the large distribution license deals with major OEMs.

Support & Maintenance

Annual maintenance fees and need for support access grow as the license business grow.

Steady revenue stream from large existing customer base.
Markets: The market for embedded systems is the single greatest potential area of commercial growth for Qt

Global software development tools market 2016

$10B

US dollars (Gartner)

Number of software developers globally 2016

20M

developers (IDC)

Internet of Things and exponential growth of connected devices

IoT

Market growth forecast for embedded systems development tools

%10%

(IDC)

The global software development tools market is estimated to be USD 10B in 2016 (Gartner).

This is expected to grow to approximately 25 million by 2020 (Evans Data Corp).

For Qt, the most important sectors of the software development market are currently desktop and mobile application development, and especially the embedded systems/Internet of Things (IoT) development.

As embedded systems become more common, the number of different devices they serve grows as well.

This presents a huge opportunity for a provider of cross-platform development tools.

The value for users increasingly comes from the software rather than the device.

In 2014, the market size for embedded systems development tools was valued at approximately 1 billion USD (IDC, Grand View Research).

8-10% growth is expected to continue until at least 2020.
Exponential Growth of Connected Devices Provides a Scalable Business Opportunity for Qt

The number of devices that will be made is growing much faster than the number of developers that are educated and brought into the industry

1. Biggest growth potential for Qt lies in connected device volumes

   The IoT trend leads to a higher demand for creating devices; with less costs and with fewer people

2. Powerful cross-platform frameworks and tools are required for the change to take place.
Strategy
Sales network expansion

› Attracting large companies
› Adding local presence for outbound sales activities and industry relationships
› Expanding reseller network

Embedded systems and industries

› Automotive
› Automation & IoT
› Set-Top-Box/Digital-TV
› Medical and Other Verticals

Dual-licensing

› Cultivating strong ecosystem
› Independence and control for OEMs on platform strategy
› Improving the commercial conversion especially for commercial closed embedded devices
Accelerating Growth through Embedded Industries

ACCELERATED GROWTH FROM INDUSTRIES
- More $/device
- Industry position
- Market share

EMBEDDED
- Steady growth through dev seats
- Large growth potential (# of devices)
- Outbound

SERVICES
- Customer success
- Supporting Sales

MOBILE
- Supporting technology
- Maintenance

AUTOMOTIVE

INDUSTRIAL AUTOMATION

SET-TOP-BOX DTV

OTHERS

DESKTOP
- Current revenue streams
- Moderate growth (# of developers)
- Staying relevant, mostly maintenance
- Inbound

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Financials
# Key Financials 2015-2016

<table>
<thead>
<tr>
<th>Thousand EUR</th>
<th>1-12 / 2015</th>
<th>1-12 / 2016</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>26,934</td>
<td>32,395</td>
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<tr>
<td>Growth%</td>
<td>32 %</td>
<td>20 %</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1,821</td>
<td>528</td>
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<tr>
<td>Total expenses</td>
<td>26,967</td>
<td>34,658</td>
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<tr>
<td>EBIT</td>
<td>1,786</td>
<td>-1,736</td>
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<tr>
<td>EBIT%</td>
<td>6.6 %</td>
<td>-5.4 %</td>
</tr>
<tr>
<td>Average number of employees</td>
<td>180</td>
<td>209</td>
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<tr>
<td>Trade receivables</td>
<td>5,411</td>
<td>7,741</td>
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<tr>
<td>Operating cash flow</td>
<td>1,166</td>
<td>-1,385</td>
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<tr>
<td>Cash reserves</td>
<td>3,577</td>
<td>6,420</td>
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Revenue Thousand EUR

- **2015**: 26,934 +32%
- **2016**: 32,395 +20%

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2016 Strong growth in the global market continued

Revenue by products & services

License sales & consulting:
› Developer licenses, distribution licenses (runtimes)
› Consulting & other services

Support & maintenance:
› Annual maintenance fees

**One-off Nokia revenue**
› 1 850k€ in the 12 months of 2014
› 1 388k€ in the first nine months of 2015
2021 Goal: 100M€ Revenue, >15% EBIT

License Sales & Consulting (target 80% of revenue):
- 60%-p. of Revenue from License Sales
  - Build scalable business model with recurring revenue from Distribution licenses
- 20%-p. of Revenue from sustainable stand-alone Consulting & Premium Support business
- Mainly from organic growth, but selective use of M&A is possible to support the growth

Support & Maintenance (target 20% of revenue):
- Sustainable business model with automatically renewing annual maintenance for the Developer license installed base
- Auto-renewals defend the existing business from customer churn and bring efficiency gains in Business Operations
Additional Growth Investment 2017 - 2018

› Up to €10M year-on-year increase in total expenses in 2017 and 2018 each
› Investment supports local geographic presence, industry focus of growing the business and product quality

1. Growing the global sales network and
2. Product offering in selected industries
› Investment funded by raising capital with rights issue
› Additional investment realized in phases, investment decisions subject to the growth plan being successfully executed by the management
Strategic Goals for 2017 - 2021

Revenue
› Delivering on growth strategy is the most important goal
› Selective use of M&A to support the growth

Total expenses
› Executing growth investments to enable top-line growth

EBIT
› Deliver positive EBIT in FY2019
› Reach EBIT higher than 15% of Net Sales in FY2021

Dividend policy
› The company’s aim is to refrain from the distribution of dividends until further notice

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<tbody>
<tr>
<td>Net Sales</td>
<td>€32,4M</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
<td>€100M</td>
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<tr>
<td>Total expenses</td>
<td>€34,7M</td>
<td>Increase up to 10M€</td>
<td>Increase up to 10M€</td>
<td>Moderate increase</td>
<td>Moderate increase</td>
<td>Moderate increase</td>
</tr>
<tr>
<td>Investment funding</td>
<td>Existing loan</td>
<td>Rights issue Q2/2017</td>
<td>Rights issue Q2/2017</td>
<td>Cash flow</td>
<td>Cash flow</td>
<td>Cash flow</td>
</tr>
<tr>
<td>EBIT</td>
<td>-€1,7M</td>
<td>↓</td>
<td>↓</td>
<td>Positive</td>
<td>↑</td>
<td>&gt; 15% of Net Sales</td>
</tr>
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Summary

ListModel {
  id: cupList

ListComponent {
  name: "doppio"
  image: "qrc:doppio"
  states: []
}
Qt Investment Highlights

› Operating in large and growing markets
› Internet of Things driving the growth
  › More devices
  › Touch screen everywhere
  › Need for cross-platform tools
› Already matching market needs in over 70 industries with a mature product
› Scalable technology and business model
› Large ecosystem and strong network of partners
THE FUTURE is written with Qt