



Qt Group Plc

HALF-YEAR REPORT 1.1.2017 – 30.6.2017

10.8.2017

Q2/2017 Key Messages



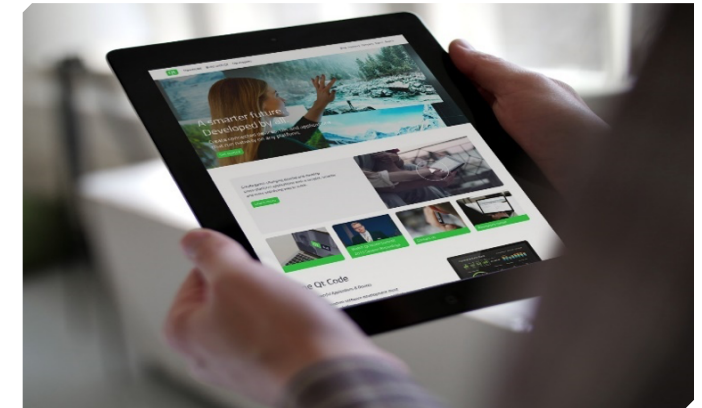
Growth

- › Implementation of growth strategy on track
- › Quarterly variation in revenue growth has been expected due to large deals impacting performance of isolated quarters
- › Outlook for full year 2017 maintained, revenue growth expected to be 15-20%



Investments

- › Investments required for growth have been pursued systematically during the beginning of the year and accelerated after the successfully completed rights issue



Financing

- › The company raised net proceeds of approximately EUR 15.0 million in Q2
- › The company repaid in full EUR 6.0 million loan in Q2

Full year 2017 revenue growth estimated to be 15-20 % despite moderate growth in H1 2017

EUR 1,000	4-6/2017	4-6/2016	Change, %	1-6/2017	1-6/2016	Change, %	1-12/2016
License sales and consulting	5,436	6,215	-12.5%	10,935	10,651	2.7%	21,073
Support and maintenance	3,352	2,720	23.2%	6,499	5,433	19.6%	11,322
Group total	8,788	8,935	-1.6%	17,434	16,084	8.4%	32,395

- › Q2 revenue growth impacted by an exceptionally large license sale recorded in the second quarter of 2016
- › First half license sales growth according to plan but consulting remained behind our targets
- › Continued strong demand provides a solid foundation for the second half of the year and supports the achievement of our growth targets for the full year

Key Figures H1 2017

Consolidated Income Statement

EUR 1,000	1-6/2017	carve out 1-6/2016	Change, %
Net sales	17,434	16,084	8.4%
Other operating income	458	52	779.8%
Materials and services	-821	-679	21.1%
Employee benefits expenses	-12,711	-11,438	11.1%
Depreciation and amortization	-473	-367	28.9%
Other operating expenses	-5,090	-4,183	21.7%
Operating result	-1,204	-530	127.2%
Financial expenses (net)	-243	-287	-15.5%
Profit before taxes	-1,447	-817	77.1%
Income taxes	125	-19	
Net profit for the financial period	-1,322	-837	57.9%

+8.4%

Revenue
growth

Implementation of growth strategy on track

- › Business proceeded as planned, full-year outlook unchanged
- › Revenue growth was based on a broad global customer base representing many different industries

Investment

- › Investments required for growth have been pursued systematically during the beginning of the year and accelerated after the successfully completed rights issue
 - › The number of personnel was 256 (214) at the end of the first half, whereas at the end of 2016 it was 220

Profitability

- › As expected, the operating result for the first half showed a loss due to growth investments
 - › Q2 includes EUR 0.4 million R&D grant in other operating income

Key Figures H1 2017

13.4 M€

Solid cash
position

Consolidated Balance Sheet, Assets

EUR 1,000	30 June 2017	31 December 2016
Non-current assets		
Goodwill	6,562	6,562
Other intangible assets	5,116	5,360
Tangible assets	529	567
Long-term receivables	1,616	952
Total non-current assets	13,823	13,441
Current assets		
Trade and other receivables	10,825	9,582
Cash and cash equivalents	13,362	6,420
Total current assets	24,187	16,002
Total assets	38,010	29,443

Non-current assets

- › No capitalized product development expenses in balance sheet

Current assets

- › No significant, individual risk exposure in accounts receivable
- › Solid cash position
 - › The rights offering was successful and the company raised net proceeds of approximately EUR 15.0 million
 - › Repaid in full EUR 6.0 million loan

Key Figures H1 2017

Consolidated Balance Sheet, Equity and Liabilities

EUR 1,000	30 June 2017	31 December 2016
Total equity	22,098	8,265
Liabilities		
Long-term interest-bearing liabilities	52	55
Deferred tax liabilities	431	293
Other long-term liabilities	461	461
Total long-term liabilities	944	809
Short-term interest-bearing liabilities	108	6,152
Other short-term liabilities	14,861	14,217
Total short-term liabilities	14,969	20,369
Total liabilities	15,913	21,179
Total equity and liabilities	38,010	29,443

15.3 M€

Rights offering
completed in
April

Equity

- › Rights offering completed in April with gross proceeds of approximately EUR 15.3 million

Current interest bearing liabilities

- › EUR 6.0 million loan fully repaid in Q2

Outlook 2017

- › Qt will invest significantly in developing its operations and increasing its sales resources in line with its strategy
- › Revenue in 2017 is estimated to increase by 15–20 per cent year-on-year
- › Due to investments in growth, the company's operating result will show a substantial loss in 2017





- › Interim statement for January-September 2017 will be published on October 23, 2017

THE FUTURE

is written with

