



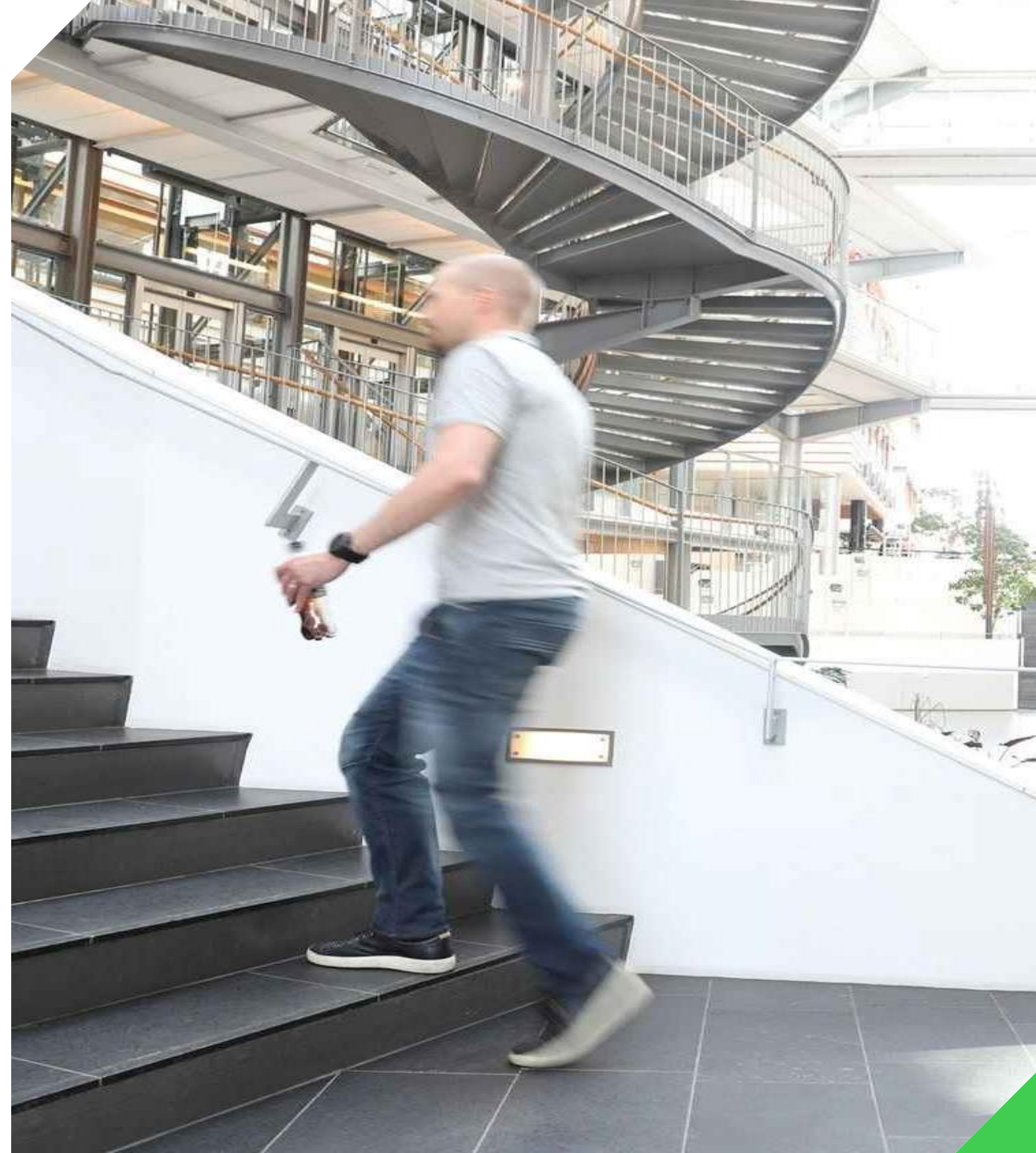
Q2 2019

Revenue grew according to expectations

9.8.2019 Juha Varelius, President and CEO

Contents

- 1 Key Messages Q2 2019
- 2 Financials
- 3 Strategy and Outlook 2019





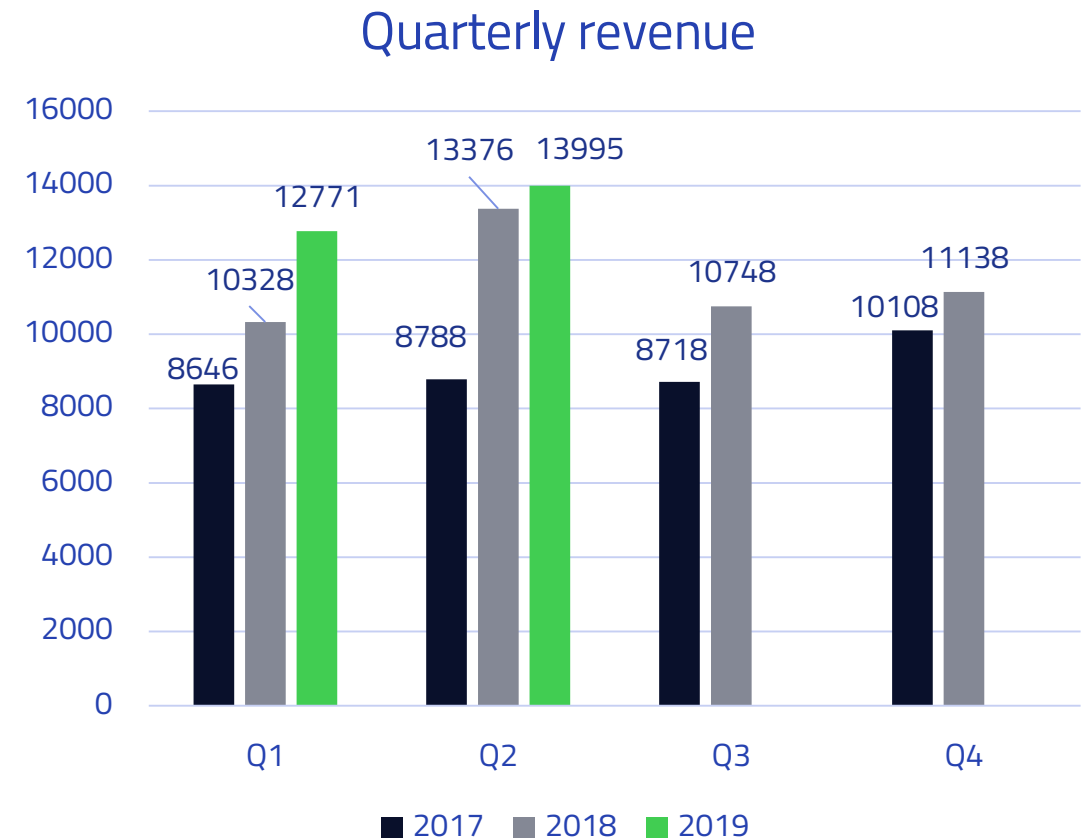
Key Messages Q2 2019



Net sales continues to grow

- › Revenue grew consistently in spite of the exceptionally strong comparison figures of last year
 - › Q2 revenue EUR 14 million, growth of 5%
 - › H1 revenue EUR 27 million, growth of 13%
- › Strong growth especially from APAC industry automation and automotive customers
- › H1 performance provides a solid position for achieving full year 2019 targets and further executing on the growth strategy
- › Expect revenue growth to accelerate in H2
- › In comparable currencies, revenue in 2019 is estimated to increase by over 15 per cent year-on-year

Revenue grew according to expectations

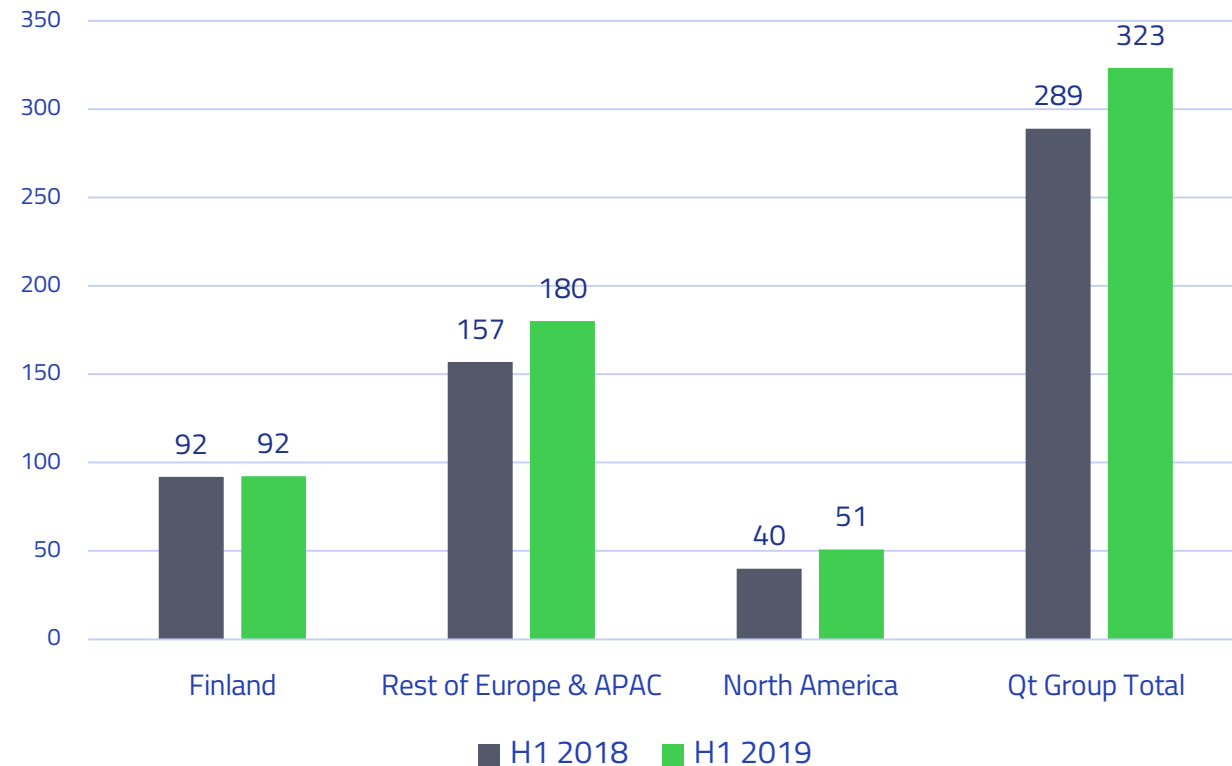


Operating result positive

- › Operating result was positive
 - › Q2 EUR 714 thousand (1 321)
 - › H1 EUR 195 thousand (375)
- › Growth investment focus on expanding our sales and consulting network
 - › Headcount increase primarily in APAC and North America
 - › Number of personnel at the end of H1 was 323 (286)
- › Operating result is expected still in 2019 to show a loss due to growth investments

Headcount grew especially in APAC and North America

Number of employees (average)



Video about LG webOS



Strategic Partnership to strengthen webOS Ecosystem

June 25th, 2019



Qt

Financials



Quarterly variation in revenue growth has been expected due to timing of large deals

EUR 1,000	4-6/2019	4-6/2018	Change, %	1-6/2019	1-6/2018	Change, %	1-12/2018
Licence sales and consulting	9,630	9,777	-1.5 %	18,164	16,683	8.9 %	30,635
Maintenance revenue	4,365	3,599	21.3 %	8,602	7,021	22.5 %	14,955
Group total	13,995	13,376	4.6 %	26,766	23,704	12.9 %	45,590

- › Q2 revenue grew by 4.6%, isolated quarterly growth affected by the exceptionally strong growth figures of last year
- › Continued strong demand provides a solid foundation for the second half of the year, expect growth to accelerate in H2 2019

First half 2019 Profit and Loss

+12.9 %
Revenue growth

Consolidated Statement of Income

M€	H1/2019	H1/2018
Net sales	26,8	23,7
Other operating income	0,5	0,6
Material and services	-1,2	-0,5
Employee expenses	-18,4	-16,7
Depreciation, amortization and impairment	-1,2	-0,5
Other operating expenses	-6,3	-6,1
Operating result	0,2	0,4
Net financial expenses	-0,1	-0,1
Profit before taxes	0,1	0,2
Income taxes	-0,1	0,1
Net profit for the financial period	0,0	0,3

Expected quarterly variation in growth emphasized in Q2

- > First half growth +8.3% in comparable currencies

Investment

- > Investments required for growth have been pursued systematically
- > The number of personnel was 331 (296) at the end of the first half

Profitability

- > Operating result for the first half positive
- > Q2 includes EUR 0.4 million (0.4) R&D grant in other operating income

H1 2019 Balance Sheet

10.1 M€

Cash at hand

Consolidated Balance Sheet

M€	June 30, 2019	December 31, 2018
Non-current assets	19,8	15,5
Current assets		
Trade receivables	10,9	9,4
Other receivables	5,6	4,2
Cash and cash equivalents	10,1	9,7
Total current assets	26,7	23,3
Total assets	46,5	38,8
Total equity	18,2	18,3
Total non-current liabilities	4,4	1,8
Current liabilities		
Interest-bearing debt	2,2	0,4
Advances received	14,1	11,9
Trade payables	1,2	1,0
Other liabilities	6,4	5,4
Total current liabilities	23,9	18,7
Total equity and liabilities	46,5	38,8

Non-current assets

- › Increase in assets (and liabilities) approx. 5,0 M€ in the opening balance sheet as at Jan 1, 2019 due to new IFRS 16 standard
- › No capitalized product development expenses in balance sheet

Current assets

- › No significant, individual risk exposure in accounts receivable
- › Solid cash position

Equity

- › Direct equity bookings from incentive plans in H1/2019 approx. +0,4 M€ (option scheme and new share based plan)
- › Purchase of own shares, relating to the equity incentive program, during H1/2019 approx. -0,5 M€

Current liabilities

- › Growth in advances received reflects growth in developer license deals including maintenance, as well as license renewals, which are recognized over the agreement period

Qt

Strategy & Outlook 2019



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

- › EBIT expected to show a loss in FY2019 due to growth investments
- › 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

	2016	2017	2018	2019	2020	2021
Net Sales	€32,4M	€36,3M	€45,6M			€100M
Total expenses	€34,7M	€40,6M	€49,1M	Additional new investments required for growth	Moderate increase	Moderate increase
Investment funding	Interest bearing debt	Proceeds from share issue	Proceeds from share issue	Cash flow	Cash flow	Cash flow
EBIT	-€1,7M	-€3,2M	-€2,3M	Loss		> 15% of Net Sales

Outlook 2019

- › Expect revenue growth to accelerate in H2
- › In comparable currencies, revenue in 2019 is estimated to increase by over 15 per cent year-on-year
- › The company's operating result is expected still in 2019 to show a loss due to growth investments.
- › Quarterly variation in revenue growth continues due to timing of large deals impacting performance of isolated quarters.



THE FUTURE

IS WRITTEN WITH

