Qt Group Plc
FINANCIAL RESULTS Q4 AND FULL YEAR 2016

16 February 2017
Highlights

Strong growth continued

- 10-12 / 2016: 8,8M€ (7,4):
  - 19,8% growth
- 1-12 / 2016: 32,4M€ (26,9):
  - 20,3% growth

Business on wide ground

- Operating in over 70 industries
- Automotive growing: Qt has business operations with most of Top 10 Automotive brands

New Strategy and Goals

- 2021: 100M€ revenue, >15% EBIT
- Additional 15M€ funding by a rights issue
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
Financials
## Key Financials Q4 / 2016

<table>
<thead>
<tr>
<th>Thousand EUR</th>
<th>10-12 / 2015</th>
<th>10-12 / 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>7,383</td>
<td>8,845</td>
</tr>
<tr>
<td>Growth%</td>
<td>19.8%</td>
<td></td>
</tr>
<tr>
<td>Other operating income</td>
<td>400</td>
<td>476</td>
</tr>
<tr>
<td>Total expenses</td>
<td>7,696</td>
<td>9,625</td>
</tr>
<tr>
<td>EBIT</td>
<td>86</td>
<td>-305</td>
</tr>
<tr>
<td>Comparable operating profit*</td>
<td>146</td>
<td>-98</td>
</tr>
<tr>
<td>EBIT%</td>
<td>1.2%</td>
<td>-3.4%</td>
</tr>
<tr>
<td>Average number of employees</td>
<td>182</td>
<td>218</td>
</tr>
</tbody>
</table>

*Items affecting comparability | 60 | 207 |

### Revenue

- **Q4 2015**: 7,383 Thousand EUR
- **Q4 2016**: 8,845 Thousand EUR
- **Growth**: +19.8%

### EBIT and Comparable operating profit

- **Q4 2015**: 86 Thousand EUR, -98 Thousand EUR
- **Q4 2016**: -305 Thousand EUR

### Average number of employees

- **Q4 2015**: 182
- **Q4 2016**: 218
### Key Financials 2014-2016

<table>
<thead>
<tr>
<th>Thousand EUR</th>
<th>1-12 / 2014</th>
<th>1-12 / 2015</th>
<th>1-12 / 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong>*</td>
<td>20 406</td>
<td>26 934</td>
<td>32 395</td>
</tr>
<tr>
<td><strong>Growth %</strong></td>
<td></td>
<td></td>
<td>+32 %</td>
</tr>
<tr>
<td>Other operating income</td>
<td>1 184</td>
<td>1 821</td>
<td>528</td>
</tr>
<tr>
<td>Total expenses</td>
<td>23 591</td>
<td>26 967</td>
<td>34 658</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>-2 001</td>
<td>1 786</td>
<td>-1 736</td>
</tr>
<tr>
<td><strong>Comparable operating profit</strong>**</td>
<td>-1 850</td>
<td>1 922</td>
<td>291</td>
</tr>
<tr>
<td><strong>EBIT %</strong></td>
<td>-9,8 %</td>
<td>6,6 %</td>
<td>-5,4 %</td>
</tr>
<tr>
<td>Average number of employees</td>
<td>176</td>
<td>180</td>
<td>209</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>-1 540</td>
<td>1 166</td>
<td>-1 385</td>
</tr>
<tr>
<td><strong>Trade receivables</strong></td>
<td>3 859</td>
<td>5 411</td>
<td>7 741</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>-1 540</td>
<td>1 166</td>
<td>-1 385</td>
</tr>
<tr>
<td>Cash reserves</td>
<td>2 857</td>
<td>3 577</td>
<td>6 420</td>
</tr>
<tr>
<td><strong>Short-term interest bearing debt</strong>**</td>
<td>674</td>
<td>1 243***</td>
<td>6 152</td>
</tr>
</tbody>
</table>

*One-off Nokia revenue: 1 850
**Items affecting comparability: 151
***1,1M€ loan from Digia paid back in June 2016
2017 Financial Reporting

› Revenue by products and services will be reported as follows
  › License sales and consulting
  › Support and maintenance

› 2016 comparison figures

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</tr>
</thead>
<tbody>
<tr>
<td>License sales and consulting</td>
<td>4 435</td>
<td>6 215</td>
<td>4 567</td>
<td>5 855</td>
<td>21 073</td>
</tr>
<tr>
<td>Support and maintenance</td>
<td>2 713</td>
<td>2 720</td>
<td>2 900</td>
<td>2 989</td>
<td>11 322</td>
</tr>
<tr>
<td>Total revenue</td>
<td>7 148</td>
<td>8 935</td>
<td>7 467</td>
<td>8 845</td>
<td>32 395</td>
</tr>
</tbody>
</table>
Renewed Strategy and Goals 2017-2021
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.
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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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>€32,4M</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
<td>↑</td>
<td>€100M</td>
</tr>
<tr>
<td><strong>Total expenses</strong></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><strong>Investment funding</strong></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><strong>EBIT</strong></td>
<td>-€1,7M</td>
<td>↓</td>
<td>↓</td>
<td>Positive</td>
<td>↑</td>
<td>&gt; 15% of Net Sales</td>
</tr>
</tbody>
</table>
2017 Full Year Outlook
2017 Full Year Outlook

The company estimates that its net sales in 2017 will increase by 15–20 per cent year-on-year.

Due to investments in growth, the company’s operating result (EBIT) will show a substantial loss in 2017.
THE FUTURE
is written with

Qt