



Q4 2018

Strong performance in 2018

15.2.2019 Juha Varelius, President and CEO

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Key Messages Q4 2018

Double digit revenue growth continued

- › Quarterly variation in revenue growth has been expected due to timing of large deals
 - › Q4 revenue EUR 11.1 million, growth of 10%
- › Full year 2018 revenue EUR 45.6 million, growth of 26%
 - › Full year 2018 distribution license revenue 12.0 M€, growth of 28%
- › In comparable currencies, revenue in 2019 is estimated to increase by over 15 per cent year-on-year

Strategy execution is on track

- › Operating result was negative as expected
 - › Q4 at EUR -1.7 million (-0.7)
 - › Full year 2018 at EUR -2.3 million (-3.2)
- › Growth investment focus on expanding our sales and consulting network
 - › Number of personnel 306 (276) at the end of Q4
- › Operating result is expected to show a loss in 2019 due to growth investments

Qt World Summit gathered 1 500 Qt enthusiasts



Michel Min, Global Marketing Manager IPC, **Omron**



Sunghyun Cho, Product Manager, **LG Electronics**



Mykhaylo Chayka, Head of UI/UX development, **Daimler**



Bruno Abinader, Software Engineer, **Mapbox**



Fabrizio Monaco, PM Automotive HMI, **TomTom**



Paul Chen, Global Software Product Director, **Yuneec**



David Johnsen, Staff Engineer, **Mentor, A Siemens Business**



Euan Cameron, CTO, Runtime and Applications Group, **Esri**



Jeffrey Cotter, Feature Eng., **Ford Motor Company**

Harman customer video on web



Qt presented in the LG's CES keynote



Dr. I.P. Park
President and Chief
Technology Officer
LG Electronics



Consumer
Technology
Association™

Performance improvements and new features

- › Qt for Python was launched
 - › Qt for Python doubles the potential number of Qt users
- › Designer Developer workflow developed
 - › Qt Design Studio 1.0
 - › Qt 3D Studio 2.2
- › Qt 5.12. was released
 - › focusing on quality and performance



Qt for Python video on web





Financials



2018 revenue grew by 26 per cent

EUR 1,000	10–12/2018	10–12/2017	Change, %	1–12/2018	1–12/2017	Change, %
License sales and consulting	7,036	6,712	4.8%	30,635*	23,030*	33.0%
Maintenance revenue	4,102	3,395	20.8%	14,955	13,230	13.0%
Total net sales	11,138	10,108	10.2%	45,590	36,259	25.7%
*of which distribution licenses				11,990	9,396	27.6%

- › Developer licenses, distribution licenses and consulting as well as maintenance all contributed to growth at strong double-digit growth rates
 - › Full year 2018 distribution license revenue 12.0 M€, growth of 28%
- › Full year 2019 revenue growth estimated to be over 15 per cent in comparable currencies
 - › Continued strong demand provides a solid foundation for 2019

Full year 2018: Profit and loss

+25.7%

Revenue
growth

Consolidated Statement of Income		
M€	2018	2017
Net sales	45,6	36,3
Other operating income	1,2	1,1
Material and services	-1,7	-1,1
Employee expenses	-32,9	-27,0
Depreciation, amortization and impairment	-1,1	-0,9
Other operating expenses	-13,4	-11,6
Operating result	-2,3	-3,2
Net financial expenses	-0,2	-0,5
Profit before taxes	-2,5	-3,7
Income taxes	0,1	0,5
Net profit for the financial period	-2,4	-3,2

Implementation of growth strategy on track

- › Full year growth +28% in comparable currencies
- › Expected quarterly variation in growth emphasized in 2018
- › Revenue growth was based on a broad global customer base representing many different industries

Investment

- › Investments required for growth have been pursued systematically
 - › The number of personnel on average 295 (255)

Profitability

- › Full year operating result was negative as expected
- › Operating result for the first half positive due to strong growth in H1
 - › Q2 includes EUR 0.4 million (0.4) R&D grant in other operating income

2018 Balance Sheet

9.7 M€

Cash at hand

Consolidated Balance Sheet		
M€	December 31, 2018	December 31, 2017
Non-current assets	15,5	14,8
Current assets		
Trade receivables	9,4	7,8
Other receivables	4,2	3,1
Cash and cash equivalents	9,7	11,7
Total current assets	23,3	22,6
Total assets	38,8	37,5
Total equity	18,3	20,3
Total non-current liabilities	1,8	1,5
Current liabilities		
Interest-bearing debt	0,4	0,3
Advances received	11,9	9,1
Trade payables	1,0	1,4
Other liabilities	5,4	5,0
Total current liabilities	18,7	15,7
Total equity and liabilities	38,8	37,5

Non-current assets

- › No capitalized product development expenses in balance sheet

Current assets

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

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



Strategy & Outlook 2019



Qt is fast, fun and flexible

Why?

- › We believe that exciting future user experiences will be built by productive teams

How?

- › We make software development fun, fast and flexible and bring designers and developers closer together.

What?

- › Cross-platform framework with libraries and tools for designing, developing and deploying software

› Qt is FAST

- Time to market
- Applications
- Cost savings

› Qt is FUN

- Developer experience
- Libraries and tools
- Community

› Qt is FLEXIBLE

- Cross-platform
- Choice of languages
- Framework

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 still 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

- › 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.



A nighttime photograph of a city skyline across a body of water. In the foreground, a multi-lane bridge stretches towards the horizon, with a single car driving away in the center lane. The city lights are reflected in the water. The text 'THE FUTURE IS WRITTEN WITH' is overlaid in white, sans-serif font.

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