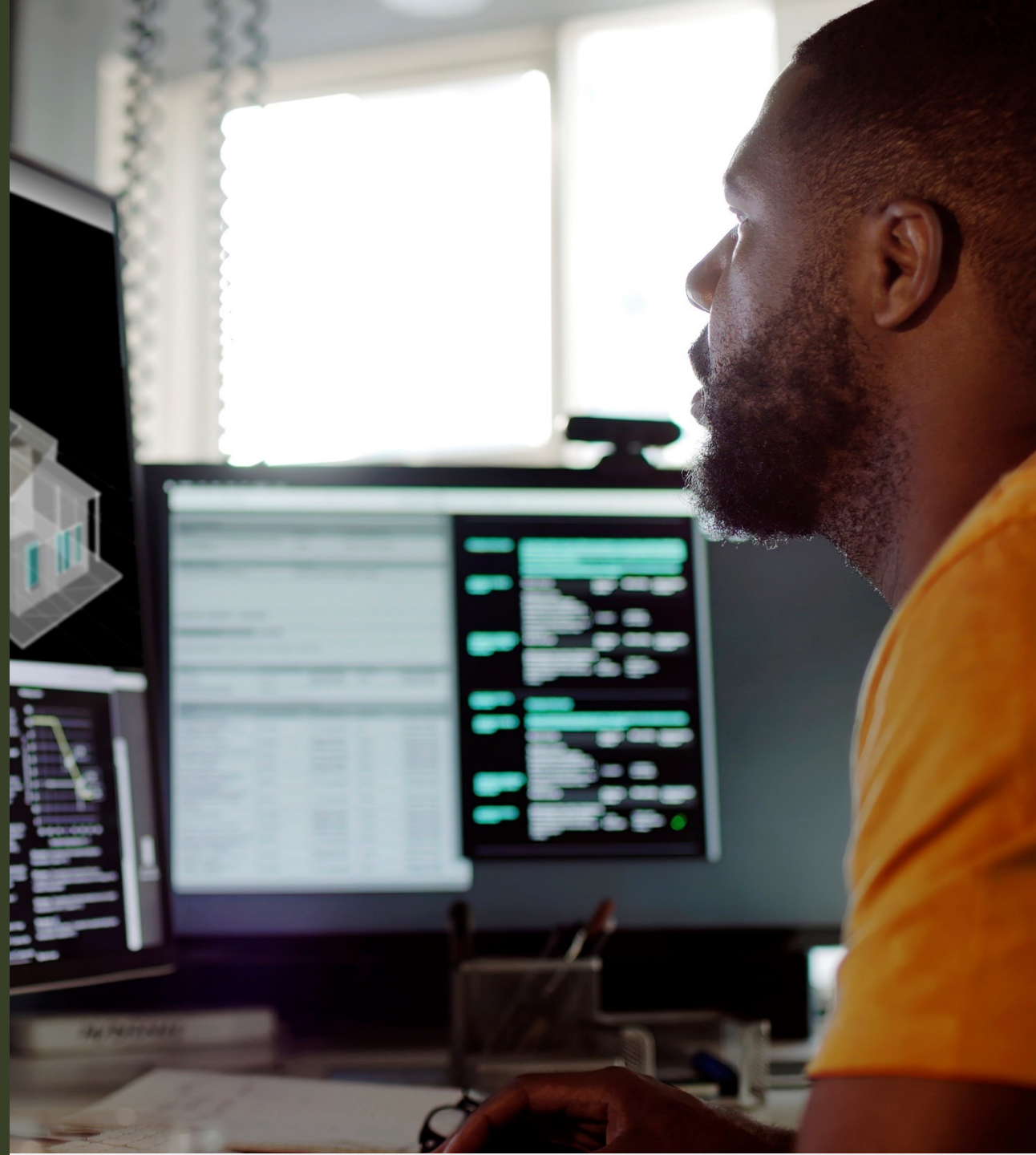


# Q4 2023 and FY 2023 results

Juha Varelius, CEO

Jouni Lintunen, CFO

February, 16, 2024





# Agenda

1. Q4/23 and FY 2023 business highlights
2. Financials
3. Outlook and guidance for 2024

# Q4/23 and FY 2023 business highlights

Juha Varelius, CEO



# Q4/23 – Net sales growth slightly lower than estimated, operating profit at a record level

## Net sales growth **18.3% at comparable currencies**

- Reached EUR 59.3 million quarterly net sales, increase of 15.4%
- Steady subscription license base growth, shorter average license maturity effects revenue negatively

## EBITA-margin at **43.8%**

- EBITA was EUR 25.9 million, increase of 37.8%
- Profitability developing in line with business plans

Personnel totaled **775** on December 31

- Increase of 29 employees during Q4/23
- Growth investments continued

# Q4 Event Highlight

## Qt World Summit 2023 Berlin very well perceived

- Over 1300 participants, mostly developers and Tech/Product Management
- Attendees from 38 countries
- Presentations from our customers and partners: Sky, Konecranes, Mercedes-Benz, KDAB



# FY/23 – A successful year for Qt Group's growth strategy

## Operating profit margin above estimates

- EBITA-% was 30.6% in 2023 and 43.8% in Q4/2023
- Net sales EUR 180.7 million, increase of 18.5 at comparable currencies
- Achieving quantitative targets in both developer and distribution license sales
- Growth especially strong in the automotive, consumer electronics, security, defense and aerospace, and industrial automation industries

## Expanding outside Qt Ecosystem

- Investments to expand Qt Quality Assurance portfolio
- Expanded sales to software development markets outside the Qt ecosystem
- Independently competitive products in the market

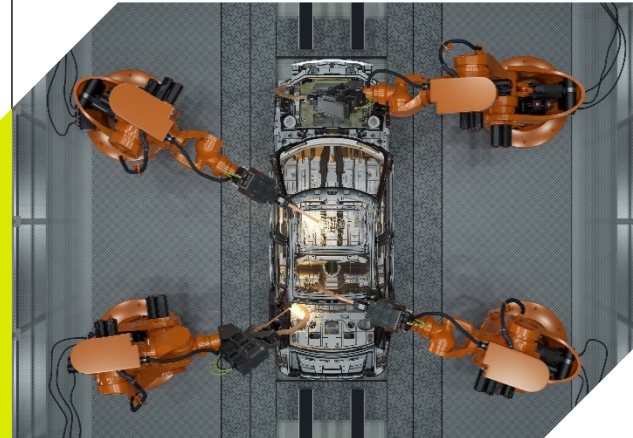
## Significant Growth Investments

- Continued investments in R&D and sales
- Headcount added during the year: 87

# Financials

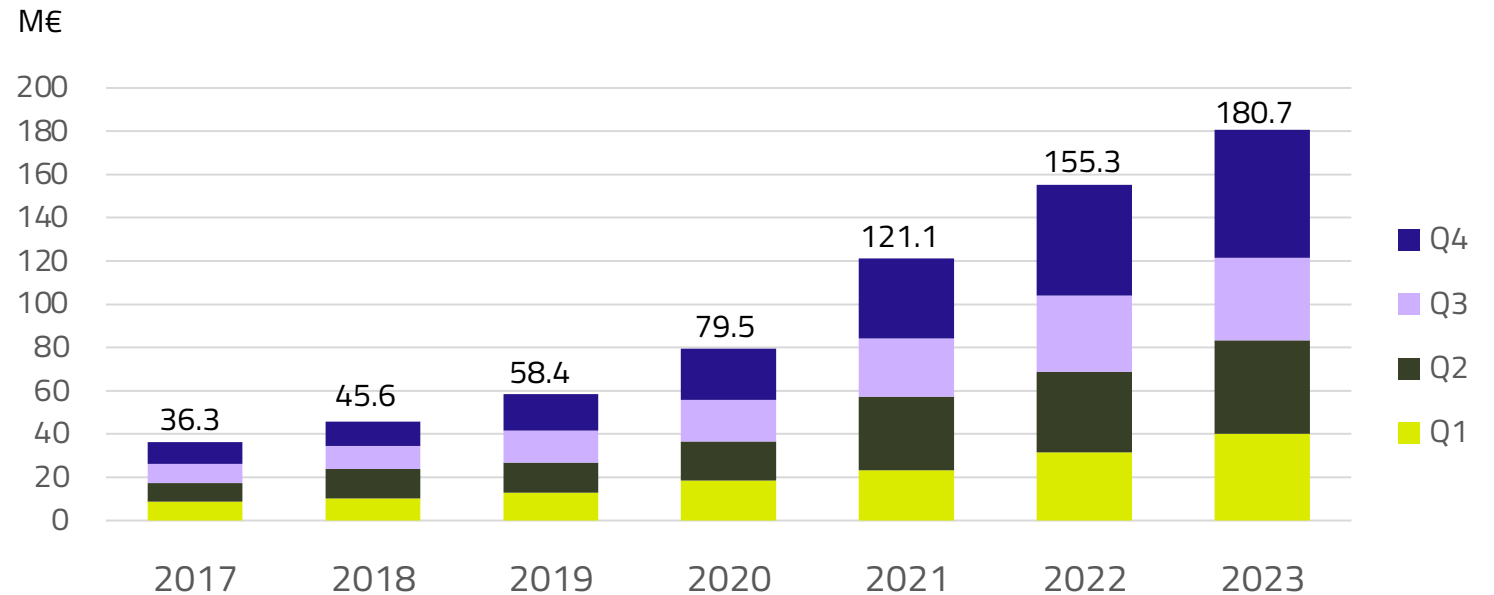
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# Net sales growth continued

- Net sales increased 15.4% in Q4/23, and 18.3% in comparable currencies
  - Exchange rate impact EUR -1.2 million
  - License sales and consulting EUR 56.4 million, growth 20.2%
- FY 2023 net sales increased 16.4%, and 18.5% in comparable currencies
  - Exchange rate impact EUR -2.8 million
  - License sales and consulting EUR 167.8 million, growth 23.0%
- Strong quarterly fluctuation and exchange rate impact expected to continue



EUR 1,000	Q4/23	Q4/22	Change, %	2023	2022	Change, %
License sales and consulting	56,409	46,919	20.2%	167,776	136,355	23.0%
Maintenance revenue	2,855	4,430	-35.5%	12,967	18,963	-31.6%
<b>Total</b>	<b>59,264</b>	<b>51,349</b>	<b>15.4%</b>	<b>180,743</b>	<b>155,318</b>	<b>16.4%</b>
Of which distribution licenses				44,115	29,509	49.5%



# Q4/23 and 2023 Income statement

EUR 1,000	Q4/23	Q4/22	Change, %	2023	2022	Change, %
<b>Net sales</b>	<b>59,264</b>	<b>51,349</b>	<b>15.4%</b>	<b>180,743</b>	<b>155,318</b>	<b>16.4%</b>
Other operating income	333	13	2401.8%	356	64	455.7%
Materials and services	-1,249	-1,919	-34.9%	-4,544	-6,915	-34.3%
Personnel expenses	-23,358	-21,701	7.6%	-87,739	-74,816	17.3%
Depreciation*	-838	-753	11.2%	-3,161	-3,003	5.2%
Other operating expenses	-8,224	-8,179	0.6%	-30,277	-28,400	6.6%
<b>Operating result (EBITA)</b>	<b>25,929</b>	<b>18,811</b>	<b>37.8 %</b>	<b>55,379</b>	<b>42,249</b>	<b>31.1 %</b>
<i>EBITA-%</i>	<i>43.8 %</i>	<i>36.6 %</i>		<i>30.6 %</i>	<i>27.2 %</i>	
Amortization**	-2,008	-2,008	-	-8,030	-5,378	49.3%
<b>Operating result (EBIT)</b>	<b>23,921</b>	<b>16,803</b>	<b>42.4 %</b>	<b>47,349</b>	<b>36,870</b>	<b>28.4 %</b>
<i>EBIT-%</i>	<i>40.4%</i>	<i>32.7 %</i>		<i>26.2 %</i>	<i>23.7 %</i>	
Financial income and expenses (net)	-1,461	-2,104	-30.6%	-2,528	776	
Profit before taxes	22,461	14,699	52.8%	44,820	37,646	19.1%
Income taxes	-4,787	-1,373	248.7%	-9,365	-3,345	180.0%
<b>Net profit for the period</b>	<b>17,674</b>	<b>13,326</b>	<b>32.6%</b>	<b>35,455</b>	<b>34,301</b>	<b>3.4%</b>
<i>% of net sales</i>	<i>29.8 %</i>	<i>26.0 %</i>		<i>19.6 %</i>	<i>22.1 %</i>	

## ■ Expenses

- Growth strategy implementation continues
- Year-end headcount +87 / +13%

## ■ Profitability

- Q4 EBITA margin up to 43.8% of net sales
- Full year EBITA margin 30.6%
- Full year EBIT margin 26.2%
- Net profit 35.5MEUR / 19.6%
- EPS 1.40EUR

\*Depreciation, amortization and impairment (excl. Intangible assets arising from business combinations)

\*\* (Intangible assets arising from business combinations)

# Q4/23 Balance sheet

EUR 1,000	31.12.2023	31.12.2022
<b>Non-current assets</b>		
Contract assets	6,257	6,207
Other non-current assets	98,098	105,298
<b>Total non-current assets</b>	<b>104,356</b>	<b>111,505</b>
<b>Current assets</b>		
Trade receivables	47,901	39,916
Other receivables	11,204	10,863
Contract assets	9,454	7,003
Cash and cash equivalents	33,595	8,815
<b>Total current assets</b>	<b>102,154</b>	<b>66,597</b>
<b>Total assets</b>	<b>206,510</b>	<b>178,102</b>
<b>Total shareholders' equity</b>	<b>122,353</b>	<b>86,727</b>
<b>Total long-term liabilities</b>	<b>27,151</b>	<b>54,939</b>
<b>Short term liabilities</b>		
Interest-bearing liabilities	18,512	2,024
Accounts payable	2,249	2,575
Other short-term liabilities	36,244	31,838
<b>Total short-term liabilities</b>	<b>57,005</b>	<b>36,436</b>
<b>Total shareholders' equity and liabilities</b>	<b>206,510</b>	<b>178,102</b>

- Operative cashflow +40.0MEUR
- Assets
  - Eding cash balance 33.6MEUR
  - Trade receivables +8.0MEUR from end 2022
  - Contract assets +2.5MEUR from end 2022
- Equity and liabilities
  - Long-term liabilities down by loan and part of earn-out move to short term.
  - Short-term interest-bearing liabilities up because of loan move to ST
  - Other short-term liabilities increase driven primarily by earn-out liability move from LT

# Market outlook and guidance for 2024



# Market outlook

## Long-term growth prospects look very promising

- Strong demand for software design, development and quality assurance tools
- Software becoming increasingly complex and incorporated into millions of everyday devices, the demand for quality assurance tools will grow
- Qt Group expects that the quality assurance and testing automation markets will continue to grow in the future

## Challenges in market environment cause uncertainty in short-term

- General uncertainty in the operating environment may reduce the demand for the products of Qt's customers
- The weakening of the global economic situation may also affect the solvency of the company's customers





# Guidance for 2024

We estimate that

- Our full year net sales will increase by 20-30 percent year-on-year at comparable rates, and
- Our operating profit margin (EBITA %) will be 25–35 percent in 2024

# Thank you!

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