

# Financial statement bulletin January 1 – December 31, 2022



# Fourth quarter 2022: Strong net sales growth and EBIT more than doubled

## October-December 2022

- Net sales increased 38.9 percent to EUR 51,349 thousand (EUR 36,960 thousand). The effect of exchange rates on the comparison period's net sales was EUR 2,078 thousand and at comparable exchange rates, net sales increased by 31.5 percent
- Operating profit (EBITA) was EUR 18,811 thousand (EUR 9,022 thousand) or 36.6 percent (24.4 %) of net sales
- Operating profit (EBIT) was EUR 16,803 thousand (EUR 8,106 thousand) or 32.7 percent (21.9 %) of net sales
- Earnings per share were EUR 0.53 (EUR 0.24).

## January-December 2022

- Net sales increased 28.2 percent to EUR 155,318 thousand (EUR 121,139 thousand). The effect of exchange rates on the comparison period's net sales was EUR 8,284 thousand and at comparable exchange rates, net sales increased by 20.0 percent.
- Operating profit (EBITA) was EUR 42,249 thousand (EUR 31,534 thousand) or 27.2 percent (26.0 %) of net sales
- Operating profit (EBIT) was EUR 36,870 thousand (EUR 28,812 thousand) or 23.7 percent (23.8 %) of net sales
- Earnings per share were EUR 1.36 (EUR 0.91).

*The figures in brackets refer to the comparison period, i.e., the corresponding period in the previous year. The percentage of change in net sales at comparable exchange rates is calculated by translating the net sales from the comparison period of 2021 with the actual exchange rates of the reporting period of 2022 and by comparing the reported net sales in 2022 with the calculated 2021 net sales at comparable exchange rates*

## Key figures

EUR 1,000	10-12/2022	10-12/2021	Change, %	1-12/2022	1-12/2021	Change, %
Net sales	51,349	36,960	38.9%	155,318	121,139	28.2%
Operating profit (EBITA)	18,811	9,022	108.5%	42,249	31,534	34.0%
EBITA, %	36.6%	24.4%		27.2 %	26.0 %	
Operating profit (EBIT)	16,803	8,106	107.3%	36,870	28,812	28.0%
EBIT, %	32.7%	21.9%		23.7 %	23.8%	
Return on equity, %	19.3 %	14.5 %		49.6 %	55.0 %	
Return on investment, %	16.2 %	16.0 %		41.5 %	57.0 %	
Interest-bearing liabilities <sup>1</sup>	28,159	17,028	65.4%	28,159	17,028	65.4%
Cash and cash equivalents <sup>1</sup>	8,815	17,374	-49.3%	8,815	17,374	-49.3%
Net gearing, % <sup>1</sup>	22.3 %	-0.7 %		22.3 %	-0.7%	
Equity ratio, % <sup>1</sup>	52.8 %	51.1 %		52.8%	51.1 %	
Earnings per share (EPS), EUR	0.53	0.24	121.2%	1.36	0.91	50.0%
Diluted earnings per share, EUR	0.53	0.23	127.5%	1.36	0.88	54.3%
Personnel, on average	675	486	38.8%	603	445	35.5%

<sup>1</sup> At the end of the period

## Juha Varelius, President and CEO

The last quarter of 2022 was the best in our company's history. Qt Group's net sales in October-December 2022 were EUR 51.3 million, increasing by 38.9 percent against a tough comparison period in 2021. Growth at comparable currencies was 31.5 percent. Both developer and distribution license sales had strong growth in all geographical areas. EBIT in the last quarter amounted to 32.7 percent of net sales, or EUR 16.8 million.

Full year net sales increased 28.2 percent and amounted to EUR 155.3 million. Net sales increased at comparable currencies 20.0 percent. In 2022 distribution license revenue amounted to EUR 29.5 million, which equals 37.7 percent growth year-on-year. Full year net sales were impacted by the weakening global economic situation and rising energy prices, which caused some of Qt Group's customers to decrease their manufacturing volumes and reevaluate the timing of new product development processes. Despite the challenging operating environment, we saw great demands towards our productivity improving tools, and we won several new customer accounts during the year. Revenue growth was supported by strengthening US dollar. In total the impact from exchange rates to full year 2022 revenue was positive EUR 8.3 million. Growth has been particularly strong in medical technology, which has quickly grown to a meaningful customer industry next to automotive.

The transition to subscription licensing, which began in 2020, has progressed according to our expectations. Approximately 80 percent of our license base is now subscription licensing. We estimate that the conversions from perpetual and term licenses to the new licensing model will continue in 2023, but that some of the license holders of older software versions are not likely to transition to the new model at all. They are likely to continue their software development with older Qt-versions.

EBIT-margin was 23.7 percent or EUR 36.9 million in 2022. During the year, we executed significant growth investments to sales and R&D organizations in particular. Our personnel on December 31, 2022 totaled at 688 employees. During the year, our personnel grew organically by 151 employees, in addition to the 41 employees who joined Qt Group from the acquisition of Axivion.

During October-December 2022 we published several new releases such as Squish 7.1, Axivion Suite 7.5, Qt Design Studio 3.9 and Qt Creator 9. Squish 7.1 improved user experience and the integration to Qt development environment. Axivion 7.5. release on the other hand featured new functionalities and UI enhancements as well as added support to the new coding standard (MISRA C++ 202x) for safety-critical devices, used for example in automotive, industrial automation and medical industries.

The global economic slowdown will continue to bring uncertainty to Qt Group's short term growth outlook. However, launching new products and increasing productivity in the product development process are critical for successfully performing companies regardless of industry. Demand for Qt Group's products and solutions is on a strong level, and we estimate that especially in long term we have an excellent opportunity to become a more meaningful solutions provider in the global software development, testing and quality assurance tools markets.

## Outlook for 2023

We estimate that our full-year net sales for 2023 will increase by 20-30 percent year-on-year at comparable exchange rates and that our operating profit margin (EBITA-%) will be 20-30 percent in 2023.

## News conference

A news conference, where CEO Juha Varelius and CFO Jouni Lintunen will present the results, will be held on February 16, 2023, at 11.00–12.00 noon EET in Helsinki, Finland and as a webcast at <http://www.qt.io/investors>. Analysts and investors can participate in the news conference in person and via conference call at <http://palvelu.flik.fi/teleconference/?id=10010158>

## Financial information

### NET SALES

EUR 1,000	10- 12/2022	10- 12/2021	Change, %	1-12/2022	1-12/2021	Change, %
License sales and consulting	46,919	31,447	49.2%	136,355	100,384	35.8%
Maintenance revenue	4,430	5,513	-19.6%	18,963	20,755	-8.6%
Total	51,349	36,960	38.9%	155,318	121,139	28.2%
Of which distribution licenses				29,509	21,431	37.7%

Qt Group Plc's net sales for the fourth quarter amounted to EUR 51,349 thousand (EUR 36,960 thousand), up 38.9 percent. License sales and consulting increased by 49.2 percent and maintenance revenue decreased by 19.6 percent. The effect of exchange rates on the comparison period's net sales was positive at EUR 2,078 thousand, at comparable exchange rates, net sales increased by 31.5 percent.

Qt Group's net sales for full year 2022 amounted to EUR 155,318 thousand (EUR 121,139 thousand), up 28.2 percent. License sales and consulting grew by 35.8 percent and maintenance decreased by 8.6 percent. The effect of exchange rates on the comparison period's net sales was EUR 8,284 thousand. At comparable exchange rates, net sales increased by 20.0 percent.

### FINANCIAL PERFORMANCE

EUR 1,000	10- 12/2022	10- 12/2021	Change, %	1-12/2022	1-12/2021	Change, %
Net sales	51,349	36,960	38.9%	155,318	121,139	28.2%
Other operating income	13	56	-76.2%	64	424	-84.9%
Materials and services	-1,919	-1,792	7.0%	-6,915	-6,435	7.5%
Personnel expenses	-21,701	-18,777	15.6%	-74,816	-60,595	23.5%
Depreciation, amortization and impairment	-2,761	-1,494	84.8%	-8,382	-4,515	85.7%
Other operating expenses	-8,179	-6,847	19.5%	-28,400	-21,206	33.9%
Operating result (EBIT)	16,803	8,106	107.3%	36,870	28,812	28.0%

In the last quarter of 2022, the operating profit (EBITA) amounted to EUR 18,811 thousand (EUR 9,022 thousand).

Operating profit (EBIT) in the last quarter of 2022 was EUR 16,803 thousand (EUR 8,106 thousand). Qt continued its growth investments in sales and research and development organizations, which increased personnel expenses. Personnel expenses growth rate was impacted by exceptionally high wages and incentive bonuses in the comparison period.

Other operating expenses increase consists of IT and recruitment service expenses and increase in travel.

Qt Group's earnings before tax for the fourth quarter totaled EUR 14,699 thousand (EUR 8,446 thousand) and the result was EUR 13,326 thousand (EUR 5,905 thousand). Income taxes for October-December amounted to EUR 1,373 thousand (EUR 2,541 thousand).

Earnings per share in the fourth quarter amounted to EUR 0.53 (EUR 0.24).

In 2022, the operating profit (EBITA) amounted to EUR 42,249 thousand (EUR 31,534 thousand).

Operating profit (EBIT) in 2022 was EUR 36,870 thousand (EUR 28,812 thousand). Qt continued its growth investments in sales and research and development organizations, which increased personnel expenses. Other operating expenses increased due to various projects in the Ventures business unit and an increase in IT and recruitment services and travel.

Qt Group's earnings before tax for the fourth quarter totaled EUR 37,646 thousand (EUR 29,284 thousand) and the result was EUR 34,301 thousand (EUR 22,410 thousand). Income taxes for the period amounted to EUR 3,345 thousand (EUR 6,873 thousand).

Earnings per share in 2022 amounted EUR 1.36 (EUR 0.91).

## FINANCING AND INVESTMENTS

In 2022 cash flow from operating activities was EUR -3,896 thousand (EUR 16,035 thousand), mainly due to the payment of share-based incentives to key personnel. Qt Group's cash and cash equivalents totaled EUR 8,815 thousand (EUR 17,374 thousand) at the end of December 2022.

Qt Group's consolidated balance sheet total at the end of December 2022 stood at EUR 178,102 thousand (EUR 117,216 thousand). Net cash flow from investments in 2022 was EUR -27,016 thousand (EUR -25,000 thousand), mainly due to the acquisition of Axivion in August 2022 and the earn-out payment related to the froglogic acquisition in 2021.

Equity ratio was 52.8 percent (51.1%) and gearing 22.3 percent (-0.7%). Interest-bearing liabilities amounted to EUR 28,159 thousand (EUR 17,028 thousand), of which short-term loans accounted for EUR 2,024 thousand (EUR 15,862 thousand).

In 2022, return on investment was 41.5 percent (57.0%) and return on equity was 49.6 percent (55.0%).

## PERSONNEL

Geographical distribution of personnel:

Personnel, on average	10-12/2022	10-12/2021	Change, %	1-12/2022	1-12/2021	Change, %
Finland	186	139	34.4%	169	123	38.0%
Rest of Europe & APAC	380	278	36.9%	336	258	30.5%
North America	108	70	55.5%	97	64	50.5%
Total	675	486	38.8%	603	445	35.5%

## Other events during the reporting period

### GOVERNANCE

Qt Group Plc's Annual General Meeting (AGM), held on March 15, 2022, adopted the company's annual accounts, including the consolidated annual accounts for the accounting period 1 January – 31 December 2021, reviewed the Remuneration Report for the company's governing bodies and discharged the Members of the Board and the Chief Executive Officer from liability. The AGM decided that based on the balance sheet to be adopted for the accounting period ended December 31, 2021, no dividend will be paid.

The AGM decided to elect five members to the Board. Robert Ingman, Leena Saarinen, Jaakko Koppinen and Mikko Marsio were re-elected and Mikko Välimäki was elected as a Board member. At the Organizing Meeting held after the General Meeting, Robert Ingman was elected as Chair of the Board and Leena Saarinen was elected as Vice Chair of the Board.

The AGM authorized the Board to decide on the repurchase and/or acceptance as pledge of a maximum of 2,000,000 of the company's own shares by using funds in the unrestricted equity. The Board shall decide on how the shares will be repurchased. The shares may be repurchased otherwise than in proportion to the shareholdings of the current shareholders. The authorization also includes the acquisition of shares through public trading organized by Nasdaq Helsinki Ltd in accordance with its and Euroclear Finland Ltd's rules and instructions, or through offers made to shareholders.

The shares may be repurchased in order to improve the capital structure of the company, to finance or carry out acquisitions or other arrangements, to carry out the company's share-based incentive schemes, to be transferred for other purposes, or to be cancelled. The shares shall be repurchased for a price based on the fair value quoted in public trading. The authorization shall be valid for 18 months from the issue date of the authorization, i.e. until September 15, 2023 and it replaces any earlier authorizations on repurchase and/or acceptance as pledge of company's own shares.

The AGM authorized the Board to decide on share issue and granting of special rights pursuant to Chapter 10 Section 1 of the Companies Act, subject to or free of charge, in one or several tranches on the following terms: The maximum total number of shares to be issued by virtue of authorization is 2,000,000. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares. By virtue of the authorization, the Board of Directors is entitled to

decide on share issues and granting of special rights waiving the pre-emptive subscription rights of the shareholders (directed issue). The authorization may be used in order to finance or carry out acquisitions or other arrangements, to carry out the company's share-based incentive schemes and to improve the capital structure of the company, or for other purposes decided by the Board of Directors. The authorization includes the Board of Directors' right to decide on all terms relating to the share issue and granting of special rights including the subscription price, its payment and its entry into the company's balance sheet. The authorization shall be valid for 18 months from the issue date of the authorization, i.e. until September 15, 2023 and it replaces any earlier authorizations on share issue and granting of special rights.

By virtue of the authorization granted to it by the general meeting, the Board of Directors of Qt Group Plc resolved at its meeting on February 16, 2022, on the program for key persons' share rewards. Within this program, a reward corresponding to the value of 130,000 shares of the company at a maximum can be granted to key persons in the company or its group companies. The governance, security and execution of the incentive scheme has been outsourced to Evli Awards Management Oy. According to the outsourcing arrangement, the company shall fund the acquisition of shares required for paying out rewards in the manner permitted by Chapter 13, Section 10, Clause 2 of the Limited Liability Companies Act, and Evli Awards Management shall independently perform the acquisition of such shares in the stock market. In relation to the company's previous incentive scheme, Evli Awards Management still holds 79,000 of the company's shares to be used for the payment of rewards under the company's future incentive schemes.

## ACQUISITIONS

Qt Group acquired the entire share capital of Axivion GmbH on August 11, 2022. The acquisition expands Qt Group's quality assurance offering with solutions for static analysis and software architecture analysis. The state-of-the-art quality assurance solutions from Axivion improve productivity in the software development process by detecting software erosion factors such as defects, cycles, and violations of programming rules. Qt Group aims to leverage its global sales network to sell Axivion products to new and existing customers, and to expand its sales to the C/C++ software development markets outside the Qt ecosystem. At the end of September, the company employed approximately 41 people in Germany and Austria, and is headquartered in Stuttgart, Germany. The Company's net sales in 2021 amounted to EUR 5,007 thousand and its operating profit for the same period was EUR 1,520 thousand.

The purchase price consideration recorded at the time of acquisition, EUR 44,082 thousand, includes an earn-out, the preliminary estimated fair value of which as of the acquisition date is EUR 9,984 thousand. EUR 8,273 thousand of the purchase price is paid in Qt Group shares and the rest is paid in cash. The fair value of the shares issued was based on the closing share price on the acquisition date, 11 August 2022, which was EUR 63.3 per share.

By virtue of the share issue authorization of the Annual General Meeting held on 15 March 2022, the Qt Group's Board of Directors has decided to pay the agreed share purchase price by way of issuing shares in a directed share issue to the sellers according to the agreement between the parties. Accordingly, a total of 130 700 new Qt Group's shares was subscribed by the sellers. The new shares were entered in the Trade Register on 12 August 2022, and they were admitted to public trading together with the company's old shares on the official list of Nasdaq Helsinki on 16 August 2022. After the registration of the shares subscribed for in the share issue, the total number of Qt Group's shares was 25,398,398. The number of shares subscribed for in the share issue corresponds to approximately 0.51 percent of Qt Group's share capital after the registration of the new shares.

Based on the initial accounting, the acquisition created goodwill of EUR 17,971 thousand from the technical expertise of the acquired company and the company's operating model. None of the goodwill recognized on the acquisition is tax-

deductible. The expenses related to the acquisition, EUR 316 thousand, are included in other operating expenses in the consolidated income statement.

## Events after the reporting period

On January 3, 2023, Qt Group issued a release to disclose that, during the period September 13–December 9, 2022, a total of 66,187 new shares in the company had been subscribed for with the company's stock options 2016. For subscriptions made with the stock options, the subscription price of EUR 320,345.08 will be entered in its entirety in the reserve for invested unrestricted equity. After the new shares are entered in the Trade Register, the total amount of shares is 25,464,585. The shares subscribed for under the stock options were entered in the Trade Register on January 2, 2023. The new shares carry shareholder rights from the date they were entered in the Trade Register. The shares are traded on Nasdaq Helsinki Oy together with the old shares starting from January 3, 2023.

The company had no other significant events deviating from normal business operations after the end of the review period.

## Risks and business uncertainties

Qt Group's risks and uncertainties are related to potential significant changes in the operating environment of the company and its customers, and Qt Group's ability to execute its strategy.

Qt Group's solutions increase productivity in the product development process of mobile and desktop applications, and embedded devices with graphical user interfaces from user interface design to software development, quality assurance and deployment. Qt Group operates in a highly competitive industry that is characterized by the rapid emergence and development of various new technologies. The emergence and widespread adoption of significant new technology can potentially reduce the demand for Qt's technology.

Qt Group's distribution license revenue depends on the ability and capacity of the company's customers to manufacture products and devices with graphical user interfaces for the market. Disruptions in the customers' global supply chains may create delays in the production processes of equipment manufacturers and reduce their production volume, which particularly affects net sales accrued from distribution licenses.

In addition to organic growth, the company also actively pursues inorganic growth through acquisitions that support its strategy. Qt Group may be subject to risks related to new markets as a result of acquisitions. The integration of acquired products, business operations and personnel also involves various risks.

Exchange rate fluctuations, particularly between the US dollar and euro, may have a large impact on the development of the company's net sales. Another factor contributing to considerable fluctuation in quarterly net sales and profitability in particular is the contract turnaround times which, in the major customer segment, are very long at up to 18 months.

## Operating environment and market outlook

The company estimates the growth prospects for its business in the next few years as very promising. Qt Group expects that there will be strong demand for design, development and quality assurance tools, especially in the automotive, consumer electronics, medical devices and industrial automation industries.



Qt's solutions for improving the productivity of software development and user interface design provide companies with the ability to respond to the growing requirements in the software market, driven by the exponential growth of the IoT market and the increasing speed of software development life cycles. As software becomes 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.

Growth in the sales of developer licenses for devices with graphical user interfaces will also be reflected in the growth of net sales from distribution licenses. Distribution license revenue is based on the customer's production volume, which is why Qt Group's net sales can vary significantly from one quarter to the next.

The company estimates that the logistics problems in world trade and the global component shortage will continue to affect at least some of the company's customers, which can be reflected in project delays and reduced production volumes. These challenges in the operating environment may slow down the accumulation of net sales from distribution licenses, in particular.

Russia's armed attack on Ukraine, combined with the EU's sanctions against Russia, add to the general uncertainty in the operating environment. The war has not had significant impacts on the company's business, at least for the time being.

Increasing energy prices and a general economic slowdown may reduce the demand for the products of Qt's customers and, consequently, slow the growth of Qt Group's business. The weakening of the global economic situation may also affect the solvency of the company's customers.

## Board of Directors' dividend proposal

Qt Group Plc's distributable funds on December 31, 2022, were EUR 44,911,314.45 of which the net profit for 2022 was EUR 3,285,430.16. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the fiscal year that ended on December 31, 2022.

Espoo, February 15, 2023

Qt Group Plc

Board of Directors

# Financial information for January 1– December 31, 2022

## Accounting principles

This financial statement bulletin was prepared in compliance with IAS 34 Interim Financial Reporting. The amounts from the financial statements presented in this bulletin are based on the company's audited financial statements. The Auditor's Report was issued on February 15, 2023.

The preparation of IFRS financial statements requires the application of judgement by the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the balance sheet date and the reported amounts of income and expenses for the financial year. The management also has to make judgements when applying the accounting policies of the Group. As the estimates and related assumptions are based on the management's view at the end of the review period, they include risks and uncertainties. Actual results may differ from the estimates and assumptions used. The figures shown in the income statement and balance sheet are consolidated figures. As the figures in this report are independently rounded, the sums of individual figures may deviate from the sum figures shown.

## SEGMENT REPORTING

Qt Group reports one business segment. The reported segment covers the entire Group, and its figures are congruent with the consolidated figures.

## INFORMATION ON PRODUCTS AND SERVICES

Qt Group reports its net sales by type as follows: License sales and consulting, and support and maintenance revenue. License sales includes developer licenses and distribution licenses (runtimes).

EUR 1,000	10- 12/2022	10- 12/2021	Change, %	1-12/2022	1-12/2021	Change, %
License sales and consulting	46,919	31,447	49.2%	136,355	100,384	35.8%
Maintenance revenue	4,430	5,513	-19.6%	18,963	20,755	-8.6%
Total	51,349	36,960	38.9%	155,318	121,139	28.2%
Of which distribution licenses				29,509	21,431	37.7%

## NET SALES AT COMPARABLE CURRENCIES

Qt Group Plc has applied the guidance from ESMA (European Securities and Markets Authority) on Alternative Performance Measures and presents the following alternative performance measures in addition to its consolidated IFRS financial statements: Net sales at comparable exchange rates and EBITA.

Net sales at comparable exchange rates. The purpose of this alternative performance measure is to provide investors with information for comparison between reporting periods by illustrating the company's operative net sales development independent of exchange rates. The percentage of change in net sales at comparable exchange rates is calculated by translating the net sales from the comparison period of 2021 with the actual exchange rates of the reporting period of 2022 and by comparing the reported net sales in 2022 with the calculated 2021 net sales at comparable exchange rates.

EUR 1,000	10-12/2022	10-12/2021	Change, %	1-12/2022	1-12/2021	Change, %
Net sales	51,349	36,960	38.9%	155,318	121,139	28.2%
Effect of exchange rates		2,078			8,284	
Net sales at comparable exchange rates	51,349	39,038	31.5%	155,318	129,424	20.0%

## OPERATING PROFIT EBITA AND EBITA-%

Operating profit (EBITA) and EBITA %. Operating profit (EBITA) is presented because it reflects the Group's operational performance better than Operating profit (EBIT). Operating profit (EBITA) does not include amortization of fair value adjustments at acquisitions. EBITA, % presents Operating profit (EBITA) as a percentage share of the revenue. The table below shows a reconciliation between Operating profit (EBITA) and Operating profit (EBIT).

EUR 1,000	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Operating profit (EBIT)	16,803	8,106	36,870	28,812
Amortization on fair value adjustments at acquisitions	2,008	917	5,378	2,722
Operating profit (EBITA)	18,811	9,022	42,249	31,534

## Consolidated income statement

EUR 1,000	10-12/2022	10-12/2021	Change, %	1-12/2022	1-12/2021	Change, %
Net sales	51,349	36,960	38.9%	155,318	121,139	28.2%
Other operating income	13	56	-76.2%	64	424	-84.9%
Materials and services	-1,919	-1,792	7.0%	-6,915	-6,435	7.5%
Personnel expenses	-21,701	-18,777	15.6%	-74,816	-60,595	23.5%
Depreciation, amortization and impairment	-2,761	-1,494	84.8%	-8,382	-4,515	85.7%
Other operating expenses	-8,179	-6,847	19.5%	-28,400	-21,206	33.9%
Operating result	16,803	8,106	107.3%	36,870	28,812	28.0%
Financial income and expenses (net)	-2,104	340		776	472	64.3%
Profit before taxes	14,699	8,446	74.0%	37,646	29,284	28.6%
Income taxes	-1,373	-2,541	-46.0%	-3,345	-6,873	-51.3%
Net profit for the review period	13,326	5,905	125.7%	34,301	22,410	53.1%
Other comprehensive income:						
Items which may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	110	20		-162	176	
Total comprehensive income for the review period	13,436	5,925	126.8%	34,138	22,587	51.1%
Distribution of net profit for the review period:						
Parent company shareholders	13,326	5,905	125.7%	34,301	22,410	53.1%
Distribution of comprehensive income for the review period:						
Parent company shareholders	13,436	5,925	126.8%	34,138	22,587	51.1%
Earnings per share (EPS), EUR	0.53	0.24	121.2%	1.36	0.91	50.0%
EPS adjusted for dilution, EUR	0.53	0.23	127.5%	1.36	0.88	54.3%

## Consolidated statement of financial position

### ASSETS

EUR 1,000	31.12.2022	31.12.2021
Non-current assets		
Goodwill	43,383	25,412
Other intangible assets	55,362	26,489
Tangible assets	5,430	3,046
Long-term receivables	6,569	338
Deferred tax assets	760	1,351
Total non-current assets	111,505	56,635
Current assets		
Trade receivables	39,916	29,116
Other receivables	17,866	14,091
Cash and cash equivalents	8,815	17,374
Total current assets	66,597	60,581
Total assets	178,102	117,216

## SHAREHOLDERS' EQUITY AND LIABILITIES

EUR 1,000	31.12.2022	31.12.2021
Shareholders' equity		
Share capital	500	500
Unrestricted shareholders' equity reserve	54,742	36,072
Own shares	-9,960	-18,351
Translation difference	445	607
Retained earnings	6,700	10,331
Net profit for the review period	34,301	22,410
Total shareholders' equity	86,727	51,570
Liabilities		
Long-term interest-bearing liabilities	26,135	1,166
Deferred tax liabilities	16,237	7,504
Other long-term liabilities	12,567	4,836
Total long-term liabilities	54,939	13,506
Short-term interest-bearing liabilities	2,024	15,862
Accounts payable	2,575	2,169
Other short-term liabilities	31,838	34,109
Total short-term liabilities	36,436	52,140
Total liabilities	91,375	65,646
Total shareholders' equity and liabilities	178,102	117,216

## Consolidated cash flow statement

EUR 1,000	1.1.-31.12.2022	1.1.-31.12.2021
Result before taxes	37,646	29,284
Adjustment to net profit		
Depreciation and amortization	8,382	4,515
Other adjustments	1,029	2,350
Settlement of share-based payment	-23,314	0
Change in working capital		
Change in trade and other receivables	-15,331	-16,784
Change in accounts payable and other liabilities	-5,763	1,566
Interest paid	-260	-149
Other financial items	527	222
Tax paid	-6,812	-4,967
Cash flow from operations	-3,896	16,035
Purchase of tangible and intangible assets	-1,190	-1,014
Payment for acquisition of subsidiary, net of cash acquired	-25,826	-23,985
Cash flow from investments	-27,016	-25,000
Changes in lease liabilities	-2,238	-1,349
Share subscriptions based on stock options 2016	739	1,358
Purchase of treasury shares	0	-11,067
Issue of treasury shares	14,511	0
Repayment of short-term borrowings	-15,000	0
Proceeds from long-term borrowings	24,000	0
Proceeds from issue of short-term borrowings	0	15,000
Cash flow from financing	22,012	3,941
Change in cash and cash equivalents	-8,900	-5,023
Cash and cash equivalents at beginning of period	17,374	22,046
Net foreign exchange difference	341	350
Cash and cash equivalents at end of period	8,815	17,374

## Consolidated statement of changes in shareholders' equity

EUR 1,000	Share capital	Unrestricted shareholders' equity reserve	Own shares	Translation difference	Retained earnings	Total shareholders' equity
Shareholders' equity 1 Jan 2021	500	28,714	-7,284	431	7,516	29,878
Comprehensive income for the period						
Net profit for the review period					22,410	22,410
Comprehensive income				176		176
Stock option and equity incentive program		1,358	- 11,067		2,815	-6,894
Issue of shares as consideration of a business acquisition		6,000				6,000
Shareholders' equity 31 Dec 2021	500	36,072	- 18,351	607	32,742	51,570
Shareholders' equity 1 Jan 2022						
Shareholders' equity 1 Jan 2022	500	36,072	- 18,351	607	32,742	51,570
Comprehensive income for the period						
Net profit for the review period					34,301	34,301
Comprehensive income				-162		-162
Stock option and equity incentive program		739	3,537		-26,042	-21,766
Issue of shares as consideration of a business acquisition		8,273				8,273
Issue of treasury shares		9,657	4,854			14,511
Shareholders' equity 31 Dec 2022	500	54,742	-9,960	445	41,001	86,727

## Group's contingent liabilities

EUR 1,000	31.12.2022	31.12.2021
Pledges given on own behalf		
Guarantees	615	580
Pledges and contingent liabilities total	615	580



# Share and shareholders

At the end of the financial year, Qt Group held 79,000 treasury shares, representing 0.3 percent of the total number of listed shares. On December 30, 2022, the number of Qt Group Plc shares outstanding was 25,319,398 (24,782,648). On December 30, 2022, the company had a total of 45,842 shareholders, including nominee-registered shares, according to Euroclear Finland Oy. The company did not receive any flagging notifications during the financial year 2022.

## 10 largest shareholders on December 30, 2022

Shareholder	Number of shares and votes	Percentage of shares and votes
Ingman Development Oy Ab	5,450,000	21.5
Skandinaviska Enskilda Banken Ab (Publ) Helsinki branch*	4,253,533	16.7
Ilmarinen Mutual Pension Insurance Company	1,149,000	4.5
Varma Mutual Pension Insurance Company	759,491	3.0
Karvinen Kari	700,049	2.8
Citibank Europe Plc*	559,317	2.2
Savolainen Matti	452,785	1.8
Danske Invest Finnish Equity Fund	452,764	1.8
Uhari Tommi	400,620	1.6
Elo Mutual Pension Insurance Company	365,000	1.4
<b>Total</b>	<b>14,542,559</b>	<b>57.3</b>

\*Nominee registered

## Distribution of holdings by number of shares held on December 30, 2022

Number of shares	Percentage of shareholders	Percentage of shares and votes
1–100	79.9	4.1
101–1,000	17.9	9.3
1,001–10,000	1.9	8.5
10,001–100,000	0.2	11.2
100,001–1,000,000	0.0	24.2
1,000,001–9,999,999	0.0	42.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## Shareholding by sector on December 30, 2022

Shareholder by sector	Percentage of shareholders	Percentage of shares
Non-financial corporations	4.3	26.2
Financial and insurance corporations*	0.2	25.4

General government	0.0	10.2
Not-for-profit institutions	0.3	0.5
Households	94.9	34.1
Foreign holding	0.3	3.5
*including nominee-registered	0.1	20.5

Information on shareholding is based on data by Euroclear Finland Oy.

# Calculation formulas for key figures

## RETURN ON EQUITY

$$\frac{(\text{PROFIT/LOSS BEFORE TAXES} - \text{TAXES})}{\text{Shareholders' equity} + \text{minority interest (average)}} \times 100$$

## RETURN ON INVESTMENT

$$\frac{(\text{PROFIT/LOSS BEFORE TAXES} + \text{INTEREST AND OTHER FINANCING COSTS})}{\text{Balance sheet total} - \text{non-interest-bearing liabilities (average)}} \times 100$$

## GEARING

$$\frac{\text{INTEREST-BEARING LIABILITIES} - \text{CASH, BANK RECEIVABLES AND FINANCIAL SECURITIES}}{\text{Shareholders' equity}} \times 100$$

## EQUITY RATIO

$$\frac{\text{SHAREHOLDERS' EQUITY} + \text{MINORITY INTEREST}}{\text{Balance sheet total} - \text{advance payments received}} \times 100$$

# Consolidated key figures

EUR 1,000	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Net sales	51,349	36,960	155,318	121,139
Operating profit (EBITA)	18,811	9,022	42,249	31,534
EBITA, %	36.6%	24.4%	27.2 %	26.0 %
Operating profit (EBIT)	16,803	8,106	36,870	28,812
EBIT, %	32.7%	21.9%	23.7 %	23.8 %
Net profit	13,326	5,905	34,301	22,410
% of net sales	26.0%	16.0%	22.1 %	18.5 %
Return on equity. %	19.3 %	14.5 %	49.6 %	55.0 %
Return on investment. %	16.2 %	16.0 %	41.5 %	57.0 %
Interest-bearing liabilities <sup>1</sup>	28,159	17,028	28,159	17,028
Cash and cash equivalents <sup>1</sup>	8,815	17,374	8,815	17,374
Net gearing. % <sup>1</sup>	22.3 %	-0,7 %	22.3 %	-0.7 %
Equity ratio. % <sup>1</sup>	52.8 %	51,1 %	52.8%	51.1 %
Earnings per share (EPS), EUR	0.53	0.24	1.36	0.91
Diluted earnings per share, EUR	0.53	0.23	1.36	0.88
Personnel, on average	675	486	603	445

<sup>1</sup> At the end of the period