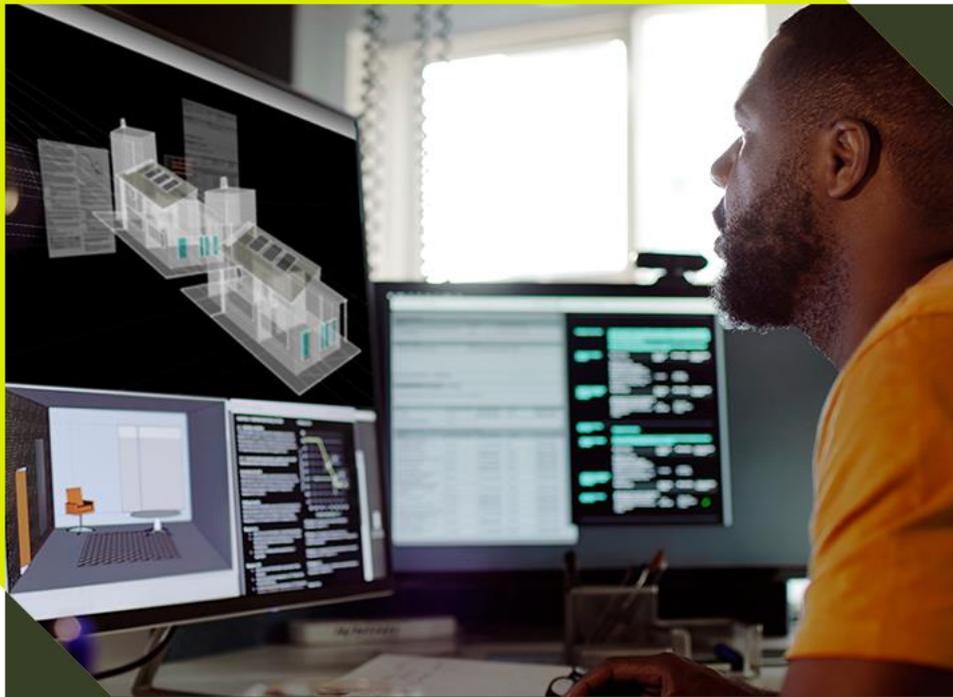


Interim statement January-March 2023



First quarter 2023: Strong start for the year – revenue increased 27 percent, and EBITA increased 40 percent

January–March 2023

- Net sales increased 26.6 percent to EUR 40.0 million (EUR 31.6 million). The effect of exchange rates on the comparison period's net sales was EUR 0.7 million, and at comparable exchange rates, net sales increased by 24.0 percent.
- Operating profit (EBITA) was 7.8 million (EUR 5.6 million) or 19.5 percent (17.7%) of net sales.
- Operating profit (EBIT) was 5.8 million (EUR 4.7 million) or 14.5 percent (14.8%) of net sales.
- Earnings per share were EUR 0.17 (EUR 0.15).

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 2022 with the actual exchange rates of the reporting period of 2023 and by comparing the reported net sales in 2023 with the calculated 2022 net sales at comparable exchange rates.

Key figures

EUR 1,000	1-3/2023	1-3/2022	Change, %	1-12/2022
Net sales	39,971	31,572	26.6%	155,318
Operating profit (EBITA)	7,800	5,586	39.6%	42,249
EBITA, %	19.5%	17.7%		27.2%
Operating profit (EBIT)	5,792	4,667	24.1%	36,870
EBIT, %	14.5%	14.8%		23.7%
Return on equity, %	4.9%	7.9%		49.6%
Return on investment, %	4.7%	6.9%		41.5%
Interest-bearing liabilities ¹	28,271	20,472	38.1%	28,159
Cash and cash equivalents ¹	23,071	35,315	-34.7%	8,815
Net gearing, % ¹	5.7%	-32.6%		22.3%
Equity ratio, % ¹	54.2%	37.7%		52.8%
Earnings per share (EPS), EUR	0.17	0.15	11.9%	1.36
Diluted earnings per share, EUR	0.17	0.15	14.8%	1.36
Personnel, on average	699	535	30.7%	603

¹ At the end of period

Juha Varelius, President and CEO

Qt Group's net sales developed well and according to our expectations in the first quarter of 2023. In January–March 2023, net sales were EUR 40 million, and net sales growth at comparable currencies was 24 percent.

Operating profit (EBITA) was EUR 8 million or 20 percent of net sales during the first quarter, an increase of 40 percent compared to the first quarter of 2022. In January–March 2023, our personnel increased by 18 employees and totaled 706 at

the end of March. Compared to the end of March last year, our personnel has increased by 26 percent. As part of our growth strategy, we are continuing to recruit employees for sales and R&D teams.

We launched Qt Insight 1.0 analytics solution at the beginning of the year 2023 to offer actionable data for companies on the usage and performance of their applications and devices. Understanding user behavior and how they navigate applications is essential to deliver an outstanding customer experience. However, particularly in embedded devices, it can be challenging to collect and analyze the data. Our analytics solution is a great example of our customer-focused R&D, where we aim to increase customers' productivity through the entire product development lifecycle. We also released Design Studio 4.0, Qt Creator 10, and Coco 6.1 during the first quarter. The completely renewed, intuitive UI in Design Studio is designed for non-technical users, and the update brings significant improvements to the use of various photorealistic materials and moving between 2D and 3D views.

Qt Group's first-quarter results create a great foundation for business development in 2023. Despite the market uncertainty, we have an excellent opportunity to grow our position in software development tools and quality assurance markets. By executing our growth strategy with agility and precision, we are confident that we can create added value for our customers and shareholders in both the short and long term.

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 April 28, 2023, at 11.00–12.00 noon EEST 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=10010160>

Financial information

NET SALES

EUR 1,000	1-3/2023	1-3/2022	Change, %	1-12/2022
License sales and consulting	36,149	27,055	33.6%	136,355
Maintenance revenue	3,822	4,516	-15.4%	18,963
Total	39,971	31,572	26.6%	155,318

Qt Group Plc's net sales for the first quarter amounted to EUR 40.0 million (EUR 31.6 million), up 26.6 percent. License sales and consulting increased by 33.6 percent, and maintenance revenue decreased by 15.4 percent. The effect of exchange rates on the comparison period's net sales was EUR 0.7 million; at comparable exchange rates, net sales increased by 24.0 percent.

FINANCIAL PERFORMANCE

EUR 1,000	1-3/2023	1-3/2022	Change, %	1-12/2022
Net sales	39,971	31,572	26.6%	155,318
Other operating income	5	12	-54.8%	64
Materials and services	-1,312	-1,802	-27.2%	-6,915
Personnel expenses	-22,591	-16,987	33.0%	-74,816
Depreciation, amortization and impairment (excl. Intangible assets arising from business combinations)	-762	-726	4.9%	-3,003
Other operating expenses	-7,511	-6,481	15.9%	-28,400
Operating result (EBITA)	7,800	5,586	39.6 %	42,249
EBITA-%	19.5 %	17.7 %		27.2 %
Depreciation (Intangible assets arising from business combinations)	-2,008	-919	118.5 %	-5,378
Operating result (EBIT)	5,792	4,667	24.1%	36,870
EBIT-%	14.5 %	14.8 %		23.7 %

In the first quarter of 2023, the operating profit (EBITA) amounted to EUR 7.8 million (EUR 5.6 million).

Operating profit (EBIT) in the first quarter was EUR 5.8 million (EUR 4.7 million).

Qt Group's earnings before tax for the first quarter totaled EUR 5.3 million (EUR 4.9 million). The result was EUR 4.4 million (EUR 3.8 million). Income taxes for January-March amounted to EUR 0.9 million (EUR 1.1 million).

Earnings per share in the first quarter amounted to EUR 0.17 (EUR 0.15).

FINANCING AND INVESTMENTS

In January-March 2023, cash flow from operating activities was EUR 15.0 million (EUR 6.4 million). Qt Group's cash and cash equivalents totaled EUR 23.1 million (EUR 35.3 million) at the end of March 2023.

Qt Group's consolidated balance sheet total at the end of March 2023 stood at EUR 181.0 million (EUR 137.4 million). Net cash flow from investments in January-March 2023 was EUR -0.1 million (EUR -0.3 million).

The equity ratio was 54.2 percent (37.7%), and the gearing was 5.7 percent (-32.6%). Interest-bearing liabilities amounted to EUR 28.3 million (EUR 20.5 million), of which short-term loans accounted for EUR 2.1 million (EUR 18.2 million).

In January-March, the return on investment was 4.7 percent (6.9%), and the return on equity was 4.9 percent (7.9%).

PERSONNEL

Geographical distribution of personnel:

Personnel, on average	1-3/2023	1-3/2022	Change, %	1-12/2022
Finland	195	152	28.2%	169
Rest of Europe & APAC	388	296	31.1%	336
North America	116	87	33.8%	97
Total	699	535	30.7%	603

Other events during the reporting period

GOVERNANCE

Qt Group Plc's Annual General Meeting (AGM) held on March 14, 2023, adopted the company's financial statements, including the consolidated financial statements for the accounting period 1 January – 31 December 2022, reviewed the Remuneration Report for 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, 2022, no dividend will be paid. The AGM decided to elect six members to the Board. Robert Ingman, Leena Saarinen, Mikko Marsio and Mikko Välimäki were re-elected and Marika Auramo and Matti Heikkonen were elected as Board members. 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 14, 2024 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 14, 2024 and it replaces any earlier authorizations on share issue and granting of special rights.

Events after the reporting period

The company had no 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.

Espoo, April 27, 2023

Qt Group Plc

Board of Directors

Financial information for January 1– March 31, 2023

Accounting principles

This interim report is not prepared according to the IAS 34 Interim Financial Reporting standard. Qt Group applies the statutes of the Finnish Securities Markets Act for half-yearly financial reporting, and publishes interim reports in the first and third quarter of the year to present the key information of its financial development. The information presented in the interim report has not been audited.

SEGMENT REPORTING

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

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	1-3/2023	1-3/2022	Change, %	1-12/2022
License sales and consulting	36,149	27,055	33.6%	136,355
Maintenance revenue	3,822	4,516	-15.4%	18,963
Total	39,971	31,572	26.6%	155,318

NET SALES AT COMPARABLE EXCHANGE RATES

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

The purpose of the alternative performance measure, 'net sales at comparable exchange rates', 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 2022 with the actual exchange rates of the reporting period of 2023 and by comparing the reported net sales in 2023 with the calculated 2022 net sales at comparable exchange rates.

EUR 1,000	1-3/2023	1-3/2022	Change, %
Net sales	39,971	31,572	26.6%
Effect of exchange rates		668	
Net sales at comparable exchange rates	39,971	32,239	24.0%

Consolidated income statement

EUR 1,000	1-3/2023	1-3/2022	Change, %	1-12/2022
Net sales	39,971	31,572	26.6%	155,318
Other operating income	5	12	-54.8%	64
Materials and services	-1,312	-1,802	-27.2%	-6,915
Personnel expenses	-22,591	-16,987	33.0%	-74,816
Depreciation, amortization and impairment	-2,769	-1,645	68.3%	-8,382
Other operating expenses	-7,511	-6,481	15.9%	-28,400
Operating result	5,792	4,667	24.1%	36,870
Financial income and expenses (net)	-480	257		776
Profit before taxes	5,312	4,925	7.9%	37,646
Income taxes	-923	-1,080	-14.5%	-3,345
Net profit for the review period	4,389	3,845	14.1%	34,301
Other comprehensive income:				
Items which may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	-279	39		-162
Total comprehensive income for the review period	4,109	3,883	5.8%	34,138
Distribution of net profit for the review period:				
Parent company shareholders	4,389	3,845	14.1%	34,301
Distribution of comprehensive income for the review period:				
Parent company shareholders	4,109	3,883	5.8%	34,138
Earnings per share (EPS), EUR	0.17	0.15	11.9%	1.36
EPS adjusted for dilution, EUR	0.17	0.15	14.8%	1.36

Consolidated statement of financial position

ASSETS

EUR 1,000	31.3.2023	31.3.2022	31.12.2022
Non-current assets			
Goodwill	43,383	25,412	43,383
Other intangible assets	53,322	25,544	55,362
Tangible assets	5,477	6,654	5,430
Long-term receivables	125	298	362
Contract assets ¹	6,105	5,899	6,207
Deferred tax assets	748	468	760
Total non-current assets	109,159	64,275	111,505
Current assets			
Trade receivables	31,467	27,596	39,916
Other receivables	9,847	5,527	10,863
Contract assets ¹	7,458	4,663	7,003
Cash and cash equivalents	23,071	35,315	8,815
Total current assets	71,842	73,101	66,597
Total assets	181,001	137,376	178,102

¹ Additional line items were added to provide more information on contract assets

SHAREHOLDERS' EQUITY AND LIABILITIES

EUR 1,000	31.3.2023	31.3.2022	31.12.2022
Shareholders' equity			
Share capital	500	500	500
Unrestricted shareholders' equity reserve	54,769	45,156	54,742
Own shares	-9,960	-9,960	-9,960
Translation difference	165	646	445
Retained earnings	41,185	5,391	6,700
Net profit for the review period	4,389	3,845	34,301
Total shareholders' equity	91,048	45,578	86,727
Liabilities			
Long-term interest-bearing liabilities	26,145	2,307	26,135
Deferred tax liabilities	15,652	7,475	16,237
Other long-term liabilities	9,851	5,707	12,567
Total long-term liabilities	51,648	15,490	54,939
Short-term interest-bearing liabilities	2,126	18,164	2,024
Accounts payable	1,650	3,341	2,575
Other short-term liabilities	34,529	54,802	31,838
Total short-term liabilities	38,305	76,308	36,436
			-
Total liabilities	89,953	91,798	91,375
Total shareholders' equity and liabilities	181,001	137,376	178,102

Consolidated cash flow statement

EUR 1,000	1.1.-31.3.2023	1.1.-31.3.2022	1.1.-31.12.2022
Result before taxes	5,312	4,925	37,646
Adjustment to net profit			
Depreciation and amortization	2,769	1,645	8,382
Other adjustments	665	599	1,029
Settlement of share-based payment	0	0	-23,314
Change in working capital			
Change in trade and other receivables	9,038	-400	-15,331
Change in accounts payable and other liabilities	-2,295	457	-5,763
Interest paid	-257	-39	-260
Other financial items	-9	-71	527
Tax paid	-260	-673	-6,812
Cash flow from operations	14,964	6,443	-3,896
Purchase of tangible and intangible assets	-114	-309	-1,190
Payment for acquisition of subsidiary, net of cash acquired	0	0	-25,826
Cash flow from investments	-114	-309	-27,016
Changes in lease liabilities	-517	-556	-2,238
Share subscriptions based on stock options 2016	27	0	739
Issue of treasury shares	0	12,240	14,511
Repayment of short-term borrowings	0	0	-15,000
Proceeds from long-term borrowings	0	0	24,000
Cash flow from financing	-489	11,685	22,012
Change in cash and cash equivalents	14,360	17,819	-8,900
Cash and cash equivalents at beginning of period	8,815	17,374	17,374
Net foreign exchange difference	-104	122	341
Cash and cash equivalents at end of period	23,071	35,315	8,815

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	1-3/2023	1-3/2022	1-12/2022
Net sales	39,971	31,572	155,318
Operating profit (EBITA)	7,800	5,586	42,249
EBITA, %	19.5%	17.7%	27.2%
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EBIT, %	14.5%	14.8%	23.7%
Net profit	4,389	3,845	34,301
% of net sales	11.0%	12.2%	22.1%
Return on equity, %	4.9%	7.9%	49.6%
Return on investment, %	4.7%	6.9%	41.5%
Interest-bearing liabilities ¹	28,271	20,472	28,159
Cash and cash equivalents ¹	23,071	35,315	8,815
Net gearing, % ¹	5.7%	-32.6%	22.3%
Equity ratio, % ¹	54.2%	37.7%	52.8%
Earnings per share (EPS), EUR	0.17	0.15	1.36
Diluted earnings per share, EUR	0.17	0.15	1.36
Personnel, on average	699	535	603

¹ At the end of period