

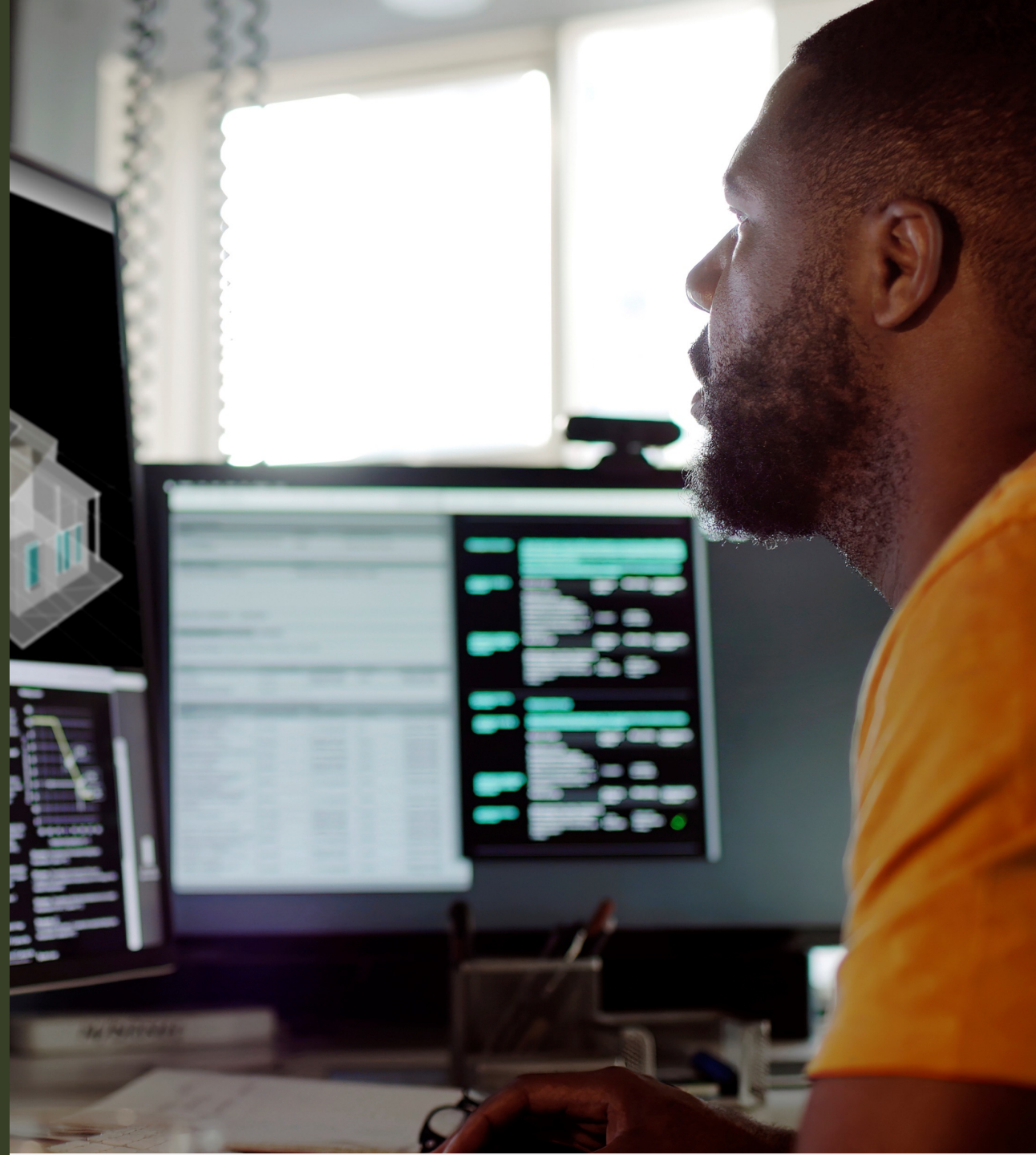
# Q2 2024 results

Juha Varelius, CEO

Jouni Lintunen, CFO

August 8, 2024

**Qt** Group





# Agenda

1. Q2/24 business highlights
2. Financials
3. Outlook and guidance for 2024

# Q2/24 business highlights

Juha Varelius, CEO



# Improved growth in the second quarter of 2024

- Net sales growth 23%
  - Reached EUR 53 million quarterly net sales
  - Growth of 22% at comparable currencies
- EBITA-margin at 35%
  - EBITA was EUR 19 million, increase of 48.3%
  - Scalability of the business shows improved EBITA-margin

## ▪ Overview

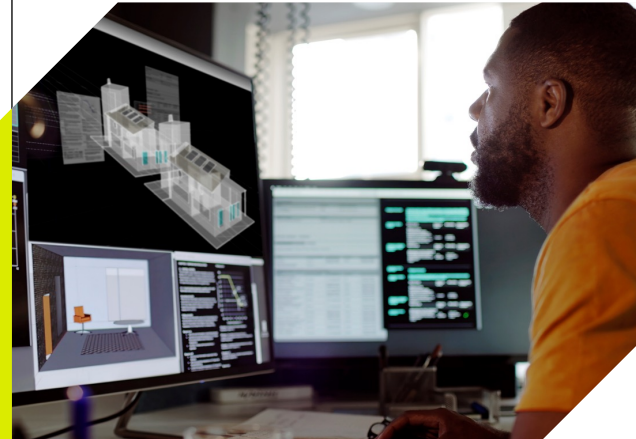
- Clear net sales and EBITA improvement from Q1
- License sales on a very good level
- Large deal in North America won in June

- Personnel 837 on June 30
  - Increase of 31 employees during Q2/24
  - Continued focus on investing in sales and other key strategic areas

# Financials

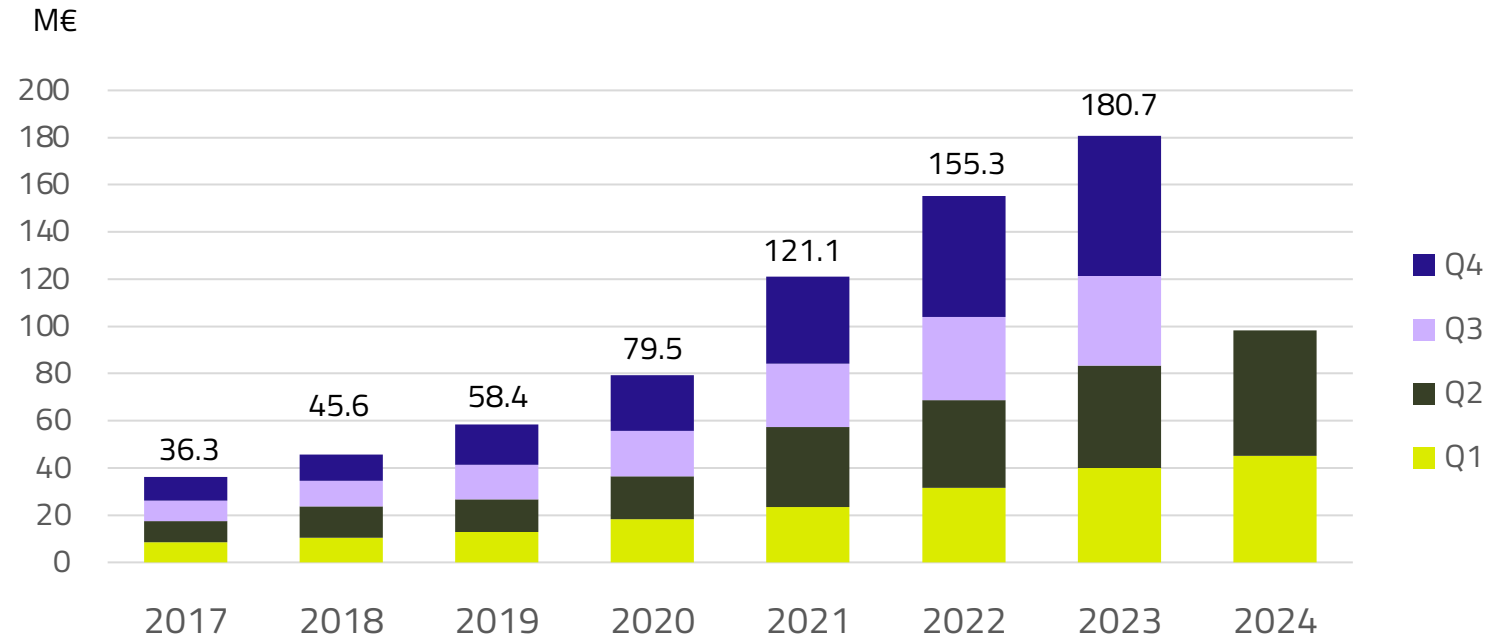
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# Net sales growth continued

- Net sales increased 22.7% in Q2/24, and 22.3% in comparable currencies
  - Exchange rate impact EUR 0.1 million
  - License sales and consulting EUR 50.5 million, growth 26.2%
- Strong quarterly fluctuation and exchange rate impact expected to continue



EUR 1,000	4-6/2024	4-6/2023	Change, %	1-6/2024	1-6/2023	Change, %	1-12/2023
License sales and consulting	50,457	39,981	26.2 %	92,680	76,130	21.7 %	167,776
Maintenance revenue	2,871	3,488	-17.7 %	5,727	7,309	-21.6 %	12,967
<b>Total</b>	<b>53,329</b>	<b>43,469</b>	<b>22.7 %</b>	<b>98,407</b>	<b>83,440</b>	<b>17.9 %</b>	<b>180,743</b>

# Q2/24 Income statement

EUR 1,000	Q2/24	Q2/23	Change, %	H1/24	H1/23	Change, %
<b>Net sales</b>	<b>53 329</b>	<b>43 469</b>	<b>22,7 %</b>	<b>98 407</b>	<b>83 440</b>	<b>17,9 %</b>
Other operating income	10	12	-10,1 %	12	17	-28,7 %
Materials and services	-720	-980	-26,5 %	-1 748	-2 292	-23,7 %
Personnel expenses	-25 619	-21 544	18,9 %	-49 971	-44 135	13,2 %
Depreciation, amortization and impairment (excl. Intangible assets arising from business combinations)	-879	-763	15,1 %	-1 654	-1 525	8,4 %
Other operating expenses	-7 597	-7 702	-1,4 %	-15 560	-15 213	2,3 %
<b>Operating result (EBITA)</b>	<b>18 525</b>	<b>12 492</b>	<b>48,3 %</b>	<b>29 486</b>	<b>20 292</b>	<b>45,3 %</b>
<i>EBITA-%</i>	<i>34,7 %</i>	<i>28,7 %</i>		<i>30,0 %</i>	<i>24,3 %</i>	
Depreciation (Intangible assets arising from business combinations)	-2 008	-2 008	0,0 %	-4 015	-4 015	0,0 %
<b>Operating result (EBIT)</b>	<b>16 517</b>	<b>10 484</b>	<b>57,5 %</b>	<b>25 471</b>	<b>16 277</b>	<b>56,5 %</b>
<i>EBIT-%</i>	<i>31,0 %</i>	<i>24,1 %</i>		<i>25,9 %</i>	<i>19,5 %</i>	
Financial income and expenses (net)	62	-450		542	-930	
Profit before taxes	16 579	10 034	65,2 %	26 013	15 346	69,5 %
Income taxes	-3 204	-2 129	50,4 %	-5 022	-3 053	64,5 %
<b>Net profit for the period</b>	<b>13 376</b>	<b>7 905</b>	<b>69,2 %</b>	<b>20 991</b>	<b>12 293</b>	<b>70,7 %</b>
<i>% of net sales</i>	<i>25,1 %</i>	<i>18,2 %</i>		<i>21,3 %</i>	<i>14,7 %</i>	

## ■ Expenses

- Personnel expenses development as per headcount increase
- Period end headcount 837, y-o-y +108/+15%
- Expense development according to the growth strategy

## ■ Profitability

- Q2 EBITA up by 48% to 18.5MEUR
- EBIT 16.5MEUR / 31.0%
- Net profit 13.4MEUR / 25.1%
- EPS 0.53EUR

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

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

# Q2/24 Balance sheet

EUR 1,000	30.6.2024	30.6.2023	31.12.2023
<b>Non-current assets</b>			
Contract assets	4 016	4 066	6 257
Other non-current assets	93 907	101 642	98 098
<b>Total non-current assets</b>	<b>97 924</b>	<b>105 707</b>	<b>104 356</b>
<b>Current assets</b>			
Trade receivables	47 887	41 073	47 901
Other receivables	18 821	8 746	11 204
Contract assets	9 283	7 507	9 454
Cash and cash equivalents	40 350	26 821	33 595
<b>Total current assets</b>	<b>116 341</b>	<b>84 148</b>	<b>102 154</b>
<b>Total assets</b>	<b>214 265</b>	<b>189 855</b>	<b>206 510</b>
<b>Total shareholders' equity</b>	<b>143 328</b>	<b>99 057</b>	<b>122 353</b>
<b>Total long-term liabilities</b>	<b>19 544</b>	<b>51 615</b>	<b>27 151</b>
<b>Short term liabilities</b>			
Interest-bearing liabilities	2 111	2 666	18 512
Accounts payable	3 140	2 095	2 249
Other short-term liabilities	46 141	34 422	36 244
<b>Total short-term liabilities</b>	<b>51 393</b>	<b>39 183</b>	<b>57 005</b>
<b>Total shareholders' equity and liabilities</b>	<b>214 265</b>	<b>189 855</b>	<b>206 510</b>

- H1 Operative cashflow +27.6MEUR
- Assets
  - Ending cash balance 40.4MEUR
  - Trade receivables balance 47.9MEUR, at the level of Q4/2023
  - A reduction of 2.4MEUR in contract assets
- Equity and liabilities
  - Interest-bearing liabilities down by 16.4MEUR due to loan repayment in Q1



# 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
- 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 net sales for 2024 will increase by 20-30 percent year-on-year at comparable exchange rates, and
- our operating profit margin (EBITA-%) will be 25-35 percent.

# Thank you!

Get in touch with us: [pr@qt.io](mailto:pr@qt.io)

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