

Half-Year Report

January 1–June 30, 2021

Second quarter: Comparable net sales nearly doubled, we raise net sales outlook in comparable currencies to 40-50 percent.

April–June 2021

- Net sales increased by 87.6 percent to EUR 33,925 thousand (18,081)*. The effect of exchange rates on the comparison period's net sales was negative EUR 906 thousand. At comparable exchange rates, net sales increased by 97.5 percent.
- The operating profit (EBITA) was EUR 11,417 thousand (3,721) or 33.7 (20.6) per cent of net sales.
- The operating profit (EBIT) was EUR 10,634 thousand (3,620) or 31.3 (20.0) per cent of net sales.
- Earnings per share were EUR 0.34 (0.12).
- The company signed on 13 April, 2021 an agreement to acquire all the shares in Germany-based froglogic GmbH. Froglogic is a major provider of software quality assurance tools.

January–June 2021

- Net sales increased by 57.2 percent to EUR 57,288 thousand (36,437). The effect of exchange rates on the comparison period's net sales was negative EUR 1,866 thousand. At comparable exchange rates, net sales increased by 65.7 percent.
- The operating profit (EBITA) was EUR 16,331 thousand (5,997) or 28.5 (16.5) per cent of net sales.
- The operating profit (EBIT) was EUR 15,445 thousand (5,794) or 27.0 (15.9) per cent of net sales.
- Earnings per share were EUR 0.49 (0.19).

* the figures in brackets refer to the comparison period, i.e. the corresponding period in the previous year.

Business Report

Financial performance:

Qt's net sales for the second quarter amounted to EUR 33,925 thousand (EUR 18,081 thousand), up 87.6 percent. License sales and consulting grew by 119.6 percent, while maintenance revenue increased by 5.8 percent. The effect of exchange rates on the comparison period's net sales was negative EUR 906 thousand. At comparable exchange rates, net sales increased by 97.5 percent.

Qt's net sales for the first half of the year amounted to EUR 57,288 thousand (EUR 36,437 thousand), up 57.2 percent. License sales and consulting grew by 79.2 percent, while maintenance revenue decreased by -0.7 percent. The effect of exchange rates on the comparison period's net sales was negative EUR 1,866 thousand. At comparable exchange rates, net sales increased by 65.7 percent.

Qt's operating profit (EBITA) in the second quarter was EUR 11,417 thousand (EUR 3,721 thousand). Qt's operating profit (EBIT) in the second quarter was EUR 10,634 thousand (EUR 3,620 thousand). The operating profit (EBITA) for the first half of the year was EUR 16,331 thousand (EUR 5,997 thousand). The operating profit (EBIT) for the first half of the year was EUR 15,445 thousand (EUR 5,794 thousand). The Group had 455 employees at the end of the first half of 2021, compared to 351 a year earlier. The increase in the number of employees has been strongest in the sales and research and development organization on top of the acquisition of froglogic.

The Group's financial position is very good.

Juha Varelius, President and CEO:

Qt Group's second quarter could even be characterized as exceptionally strong. Growth was accelerated particularly by the very strong sales of developer licenses in all of the company's geographical operating regions and a significant multi-year license deal closed with a large international software company in North America in April. Net sales of approximately EUR 6 million were recognized on the deal in the second quarter. The company has also been able to continue to systematically increase the average value of the deals it has closed. The sales of distribution licenses also continued to develop favorably in the second quarter. The depreciation of the US dollar had a negative effect on the growth of net sales. About two-thirds of Qt's sales are USD-based.

In the review period, we have successfully continued transition to the subscription invoicing model in the new developer license sales. In this model, the customer pays a fixed annual fee for the right to use the software and customer support. The amount of maintenance is smaller for the developer license that is based on the subscription invoicing model, and the revenue is recognized mainly on the time of license release, while the maintenance revenue recognized over the license contract period decreases. This change increases the license revenue and correspondingly decreases the maintenance revenue that the company reports.

In line with our growth strategy, we have continued to have a strong focus on the recruitment of sales, consulting and product development personnel. Thanks to the growth of net sales, the company's business was highly

profitable. The operating result was EUR 10,634 thousand and the operating profit margin was 31.3 percent in spite of the growth investments made during the period.

On April 13, 2021, we announced we had acquired the entire share capital of the Germany-based company froglogic GmbH for EUR 30 million. The acquisition brings froglogic's test automation tools into the Qt product portfolio to provide customers with a more comprehensive product range that encompasses the entire software development process. At the same time, the acquisition makes it possible for Qt's global sales network to be used as a distribution channel for froglogic's products. The integration of froglogic's operations into Qt and the Qt offering has progressed according to plan, and there are already clear signs of the improved efficiency and development of the acquired business as part of Qt. We believe that, going forward, we can continue to grow and develop the acquired business into a significant element of Qt's entire offering and business.

The COVID-19 pandemic continues to have a negative impact on many of our customers. There are challenges in the market with regard to the availability of electronic components. If prolonged, this situation may lead to reductions in the production capacity of our customers and delays in deliveries. Restrictions on movement have also slowed down the progress of our consulting projects, especially in Asia.

Future Outlook

Operating environment and market outlook

The company estimates the growth prospects for its business in the next few years as very promising. The Group's business development efforts will focus on desktop applications as well as embedded systems in the automotive industry, consumer electronics, medical devices, and industrial automation sectors. Product development efforts will also focus on the value-added features and tools needed in the creation of embedded systems. Sales growth associated with embedded systems will also reflect on the earnings logic. Volume-based distribution license revenue from these sales accumulates over the long term. Accordingly, it is typical of Qt as a company that quarterly net sales and growth may vary significantly between quarters. In addition to organic growth, the company also pursues growth opportunities through acquisitions that support its strategy. The froglogic GmbH acquisition announced in April is a good example of this.

The COVID-19 pandemic continues to cause increased uncertainty for the company's short-term outlook. As vaccinations progress, the pandemic is being gradually brought under control in many of the company's main markets and society is starting to reopen and return to normal. The pandemic has created pent-up demand for many products, which is now becoming released, accelerated by unprecedented stimulus measures. However, the global shortage of components has emerged as a factor that slows down growth. This shortage is likely to affect at least some of the company's customers in the form of delayed projects and lower production volumes, which would continue to slow down the company's accrual of net sales from distribution licenses. It is obvious that recovery from the pandemic will be uneven between different industries and geographical regions and the recovery may be a long process.

Outlook 2021

In the stock exchange release published on 29 July 2021, we raised the full-year net sales outlook for 2021 and estimated that it would increase by 35–45 percent year-on-year at comparable exchange rates. After re-assessing the outlook for the rest of the year, we raise our net sales outlook again and estimate that the full-year net sales for 2021 will increase by 40–50 percent year-on-year at comparable exchange rates and our operating profit margin will be at least 15 percent.

Financial reporting

Net sales and profit performance

Qt's net sales for the second quarter amounted to EUR 33,925 thousand (EUR 18,081 thousand), up 87.6 percent. License sales and consulting grew by 119.6 percent, while maintenance revenue increased by 5.8 percent. The effect of exchange rates on the comparison period's net sales was EUR -906 thousand. At comparable exchange rates, net sales increased by 97.5 percent.

Qt's net sales for the first half of the year amounted to EUR 57,288 thousand (EUR 36,437 thousand), up 57.2 percent. License sales and consulting grew by 79.2 percent, while maintenance revenue decreased by 0.7 percent. The effect of exchange rates on the comparison period's net sales was EUR -1,866 thousand. At comparable exchange rates, net sales increased by 65.7 percent.

Qt's operating profit (EBITA) in the second quarter was EUR 11,417 thousand (EUR 3,721 thousand). Qt's operating profit (EBIT) in the second quarter was EUR 10,634 thousand (EUR 3,620 thousand). The operating profit (EBITA) for the first half of the year was EUR 16,331 thousand (EUR 5,997 thousand). The operating profit (EBIT) for the first half of the year was EUR 15,445 thousand (EUR 5,794 thousand).

The other operating income includes tax-free research and development investment grants received by the company in Norway, totaling EUR 316 thousand (EUR 221 thousand). The grants concern the applicable personnel expenses related to the research and development activities of Qt's Norwegian company, and they will be paid to the company in the second half of 2021.

The Group's operating expenses, including materials and services, personnel expenses, depreciation and other operating expenses, amounted to EUR 42,185 thousand (EUR 30,996 thousand) in the first half of the year, up 36.1 percent year-on-year. Personnel expenses accounted for 65.9 percent (66.7%) of operating expenses, or EUR 27,810 thousand (EUR 20,666 thousand).

Qt's earnings before tax for the first half of the year totaled EUR 15,334 thousand (EUR 5,621 thousand) and the result was EUR 12,100 thousand (EUR 4,420 thousand). Taxes for the first half of the year amounted to EUR 3,234 thousand (EUR 1,202 thousand).

Earnings per share were EUR 0.49 in the first half of the year (EUR 0.19).

Financing and investments

Cash flow from operating activities was EUR 10,804 thousand (EUR 7,032 thousand) in the first half of the year due to the improved result driven by the strong license sales in the review period.

Qt's cash and cash equivalents totaled EUR 20,073 thousand (EUR 18,017 thousand) at the end of the first half of the year.

Qt Group's consolidated balance sheet total at the end of the first half of the year stood at EUR 111,926 thousand (EUR 55,278 thousand). Net cash flow from investments in the first half of the year was EUR -24,359 thousand (EUR -515 thousand). The largest investment in the review period was the acquisition of all the shares in Germany-based froglogic GmbH on 13 April 2021.

The equity ratio was 49.2 percent (61.7%) and gearing was 3.7 percent (-67.0%). Interest-bearing liabilities amounted to EUR 21,772 thousand (EUR 3,347 thousand) of which short-term loans accounted for EUR 1,307 thousand (EUR 1,679 thousand). Liabilities increased due to a new loan arrangement made in the second quarter.

In the first half of the year, return on investment was 30.8 percent (25.0%) and return on equity was 31.9 percent (22.8%).

Personnel

The number of Qt's personnel was 414 (344) on average during the first half of the year and 455 (351) at the end of the quarter. At the end of the review period, international personnel represented 72 percent (73%) of the total.

Other events in the review period

Governance

Qt Group Plc's general meeting held on March 16, 2021, adopted the company's annual accounts, including the consolidated annual accounts for the accounting period January 1–December 31, 2020, reviewed the Remuneration Report for company's governing bodies and discharged the Members of the Board and the Chief Executive Officer from liability. The general meeting resolved, in accordance with the Board's proposal, that no dividend will be paid based on the balance sheet adopted for the accounting period that ended on December 31, 2020.

The general meeting resolved on the remuneration of the company's Board of Directors and auditors, decided that the number of members on the Board of Directors would be five (5) and elected the company's Board of Directors. Robert Ingman, Jaakko Koppinen, Mikko Marsio, Leena Saarinen and Tommi Uhari were re-elected as members of Qt Group Plc's Board of Directors. At its organizing meeting held after the general meeting, the Board of Directors elected Robert Ingman as its Chairman and Tommi Uhari as the Vice Chairman.

The general meeting granted the following authorizations to the Board of Directors of Qt Group Plc:

Authorizing the Board of Directors to decide on repurchasing the company's own shares and/or accepting them as collateral

The general meeting authorized the Board of Directors to decide on the repurchase and/or acceptance as collateral of a maximum of 2,000,000 of the company's own shares by using funds in the unrestricted equity.

According to the authorization, the Board will decide on how these shares are to be purchased. The shares may be repurchased in a proportion other than that of the shares held by 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.

Shares may be acquired in order to improve the company's capital structure, to finance or carry out acquisitions or other arrangements, to implement 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 is valid for 18 months from the issue date of the authorization, i.e. until September 16, 2022, and it replaces any earlier authorizations on the repurchase and/or acceptance as collateral of the company's own shares.

Authorizing the Board of Directors to decide on a share issue and the granting of special rights entitling to shares

The general meeting authorized the Board to decide on a share issue and the 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 the authorization is 2,000,000.

The authorization concerns both the issuance of new shares and the transfer of shares held by the company. By virtue of the authorization, the Board of Directors is entitled to decide on share issues and the 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 is valid for 18 months from the issue date of the authorization, i.e. until September 16, 2022, and it replaces any earlier authorizations on the granting of shares or special rights entitling to shares.

On April 13, 2021, the company announced it had acquired the entire share capital of the Germany-based company froglogic GmbH for EUR 30 million, of which EUR 24 million will be paid in cash and EUR 6 million in Qt Group shares. By virtue of the share issue authorization of the Annual General Meeting held on March 16, 2021, the company's Board of Directors has decided to pay the agreed share purchase price by issuing shares in a directed share issue to

the sellers. A total of 62,184 new Qt Group shares will be subscribed for by the sellers at a subscription price of EUR 96.49 per share. The subscription price corresponds to the volume-weighted average share price of Qt Group Plc's shares during the period April 1–April 9, 2021. The new Qt Group shares were entered in the Trade Register on April 15, 2021, and they were admitted to public trading together with the company's old shares on NASDAQ Helsinki Oy on April 16, 2021. Following the registration of the shares subscribed for in the share issue, the total number of Qt Group shares is 24,922,140, with the new shares representing approximately 0.25 percent of that total.

Events after the review period

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

Risks and uncertainties

The company's short-term risks and uncertainties are related to potential significant changes in the company's business operations as well as the retention and recruitment of the personnel required for business development. Furthermore, the prolongation of the coronavirus epidemic may slow down the growth of the business and affect the valuation of assets. The epidemic has not affected the valuation of assets thus far.

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.

The company's business risks and preparations for them are also described on the company website at www.qt.io.

Espoo, August 6, 2021

Qt Group Plc

Board of Directors

Communications

Qt Group will hold a briefing on this half-year report for analysts via MS Teams on Friday, August 6, 2021, at 11:00 a.m. Advance registration is kindly requested by Friday, August 6, 2021 at 10:00 by sending the request to jouni.lintunen@qt.io. The participation link will be sent prior to the briefing.

The half-year report and CEO's presentation will be available in the Investors section at www.qt.io from 11:00 am on 6 August 2021.

Further information

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Summary of financial statements and notes to the financial statements 1 January–30 June 2021

Accounting principles

This half-year financial report was prepared in compliance with IAS 34 Interim Financial Reporting. The information presented in this half-year financial report has not been audited.

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.

Alternative performance measures

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. 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 2020 with the actual exchange rates of the reporting period of 2021 and by comparing the reported net sales in 2021 with the calculated 2020 net sales at comparable exchange rates.

EUR 1,000	4-6/2021	4-6/2020	Change, %	1-6/2021	1-6/2020	Change, %
Net sales	33,925	18,081	87.6%	57,288	36,437	57.2%
Effect of exchange rates		-906			-1,866	
Net sales at comparable exchange rates	33,925	17,174	97.5%	57,288	34,570	65.7%

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 revenue. The table below shows a reconciliation between Operating profit (EBITA) and Operating profit (EBIT).

EUR 1,000	4-6/2021	4-6/2020	1-6/2021	1-6/2020	1-12/2020
Operating profit (EBIT)	10,634	3,620	15,445	5,794	17,017

Amortization on fair value adjustments at acquisitions	783	101	886	203	406
Operating profit (EBITA)	11,417	3,721	16,331	5,997	17,422

Segment reporting

Qt 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 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	4-6/2021	4-6/2020	Change %	1-6/2021	1-6/2020	Change %	1-12/2020
License sales and consulting	28,554	13,002	119.6%	47,329	26,407	79.2%	59,494
Maintenance revenue	5,372	5,079	5.8%	9,959	10,030	-0.7%	19,961
Group total	33,925	18,081	87.6 %	57,288	36,437	57.2 %	79,455

Geographical information

Geographical distribution of personnel:

PERSONNEL	4-6/2021	4-6/2020	Change %	1-6/2021	1-6/2020	Change %	1-12/2020
(number of employees, on average)							
Finland	119	95	25%	112	96	16%	96
Rest of Europe & APAC	266	200	33%	241	197	22%	199
North America	63	53	18%	62	51	22%	54
Group total	446	348	28%	414	344	20%	348

Consolidated income statement

EUR 1,000	4-6/2021	4-6/2020	Change %	1-6/2021	1-6/2020	Change %	1-12/2020
Net sales	33,925	18,081	87.6%	57,288	36,437	57.2%	79,455
Other operating income	332	231	43.9%	342	353	-3.0%	463
Materials and services	-1,704	-955	78.5%	-3,104	-2,324	33.6%	-4,484
Personnel expenses	-15,824	-10,540	50.1%	-27,810	-20,666	34.6%	-42,140
Depreciation, amortization and impairment	-1,183	-650	82.0%	-1,642	-1,311	25.3%	-2,432
Other operating expenses	-4,914	-2,548	92.9%	-9,629	-6,695	43.8%	-13,845
Operating result	10,634	3,620	193.8%	15,445	5,794	166.6%	17,017

Financial expenses (net)	-127	-199	-36.2%	-112	-173	-35.2%	-657
Profit before taxes	10,507	3,420	207.2%	15,334	5,621	172.8%	16,360
Income taxes	-2,240	-620	261.4%	-3,234	-1,202	169.1%	-3,534
Net profit for the review period	8,267	2,801	195.2%	12,100	4,420	173.8%	12,826
Other comprehensive income:							
Items which may be reclassified subsequently to profit or loss:							
Exchange differences on translation of foreign operations	-63	118	%	71	-101	%	-110
Total comprehensive income for the review period	8,204	2,918	181.1%	12,171	4,319	181.8%	12,717
Distribution of comprehensive income for the review period:							
Parent company shareholders	8,267	2,801	195.2%	12,100	4,420	173.8%	12,826
Distribution of comprehensive income for the review period:							
Parent company shareholders	8,204	2,918	181.1%	12,171	4,319	181.8%	12,717
Earnings per share (EPS), EUR	0.34	0.12		0.49	0.19		0.53
EPS adjusted for dilution, EUR	0.32	0.11		0.47	0.18		0.51

Consolidated statement of financial position

Assets

EUR 1,000	30 June 2021	30 June 2020	31 December 2020
Non-current assets			
Goodwill	25,412	6,562	6,562
Other intangible assets	28,192	3,954	3,706
Tangible assets	2,843	3,921	3,180
Long-term receivables	310	336	306
Deferred tax assets	797	2,613	683
Total non-current assets	57,555	17,386	14,438

Current assets			
Trade receivables	20,032	13,537	17,772
Other receivables	14,266	6,338	7,160
Cash and cash equivalents	20,073	18,017	22,046
Total current assets	54,372	37,892	46,978
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Total assets	111,926	55,278	61,416

Shareholders' equity and liabilities

EUR 1,000	30 June 2021	30 June 2020	31 December 2020
Shareholders' equity			
Share capital	500	500	500
Unrestricted shareholders' equity reserve	35,582	26,039	28,714
Own shares	-11,137	-3,982	-7,284
Translation difference	501	440	431
Retained earnings	8,426	-5,512	-5,310
Net profit for the review period	12,100	4,420	12,826
Total shareholders' equity	45,973	21,904	29,878
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Liabilities			
Long-term interest-bearing liabilities	20,465	1,669	1,373
Deferred tax liabilities	7,948	474	504
Other long-term liabilities	2,181	2,378	2,416
Total long-term liabilities	30,595	4,521	4,292
Short-term interest-bearing liabilities	1,307	1,679	1,282
Other short-term liabilities	34,052	27,175	25,964
Total short-term liabilities	35,359	28,853	27,246
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Total liabilities	65,954	33,374	31,538
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Total shareholders' equity and liabilities	111,926	55,278	61,416

Consolidated cash flow statement

EUR 1,000	1 January–30 June 2021	1 January–30 June 2020	31 December 2020
Result before taxes	15,334	5,621	16,360
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Adjustments to net profit			
Depreciation and amortization	1,642	1,311	2,432
Other adjustments	1,021	489	1,176
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Change in working capital			
Change in trade and other receivables	-8,074	-813	-5,924
Change in accounts payable and other liabilities	1,579	611	-794

Interest paid	-40	-71	-128
Other financial items	-72	168	214
Taxes paid	-586	-286	-590
Cash flow from operations	10,804	7,032	12,745
Purchases of tangible and intangible assets	-374	-515	-630
Acquisition of subsidiaries, net of cash acquired	-23,985		
Cash flow from investments	-24,359	-515	-630
Change in financial leasing liabilities	-568	-734	-1,427
Share subscriptions based on stock options 2016	867	2,388	5,063
Own shares	-3,853	-2,060	-5,362
Issue of new non-current loans	15,000	0	0
Cash flow from financing	11,447	-406	-1,725
Change in cash and cash equivalents	-2,108	6,111	10,390
Cash and cash equivalents at the beginning of the review period	22,046	11,944	11,944
Net foreign exchange difference	135	-38	-289
Cash and cash equivalents at the end of the review period	20,073	18,017	22,046

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 January 2020	500	23,651	-1,922	540	-5,829	16,940
Comprehensive income for the period						
Net profit for the review period					12,826	12,826
Stock option and equity incentive programs		5,063	-5,362		519	221
Comprehensive income				-110		-110
Shareholders' equity 31 December 2020	500	28,714	-7,284	431	7,516	29,878

Shareholders' equity 1 January 2021	500	28,714	-7,284	431	7,516	29,878
Comprehensive income for the period						
Net profit for the review period					12,100	12,100
Stock option and equity incentive programs		867	-3,853		910	-2,076
Share subscriptions		6,000				6,000
Comprehensive income				71		71
Shareholders' equity 30 June 2021	500	35,582	-11,137	501	20,526	45,973

The Group's contingent liabilities

EUR 1,000	30 June 2021	30 June 2020	31 December 2020
Pledges given on own behalf			
Guarantees	479	550	479
Total	479	550	479

Consolidated key figures

EUR 1,000	4-6/2021	4-6/2020	1-6/2021	1-6/2020	1-12/2020
Net sales	33,925	18,081	57,288	36,437	79,455
Operating profit (EBITA)	11,417	3,721	16,331	5,997	17,422
EBITA, %	33.7%	20.6%	28.5%	16.5%	21.9%
Operating profit (EBIT)	10,634	3,620	15,445	5,794	17,017
EBIT, %	31.3%	20.0%	27.0%	15.9%	21.4%
Net profit	8,267	2,801	12,100	4,420	12,826
- % of net sales	24.4%	15.5%	21.1%	12.1%	16.1%
Return on equity, %	21.8%	14.4%	31.9%	22.8%	54.8%
Return on investment, %	21.2%	15.6%	30.8%	25.0%	63.6%
Interest-bearing liabilities	21,772	3,347	21,772	3,347	2,655
Cash and cash equivalents	20,073	18,017	20,073	18,017	22,046
Net gearing, %	3.7%	-67%	3.7%	-67%	-64.9%
Equity ratio, %	49.2%	61.7%	49.2%	61.7%	66.6%
Earnings per share (EPS), EUR*	0.34	0.12	0.49	0.19	0.53
EPS adjusted for dilution, EUR	0.32	0.11	0.47	0.18	0.51

Acquisitions

On April 13, 2021, Qt Group acquired the entire share capital of froglogic GmbH, a company that develops quality assurance tools. The acquisition makes it possible to incorporate froglogic's test automation tools into the Qt product portfolio to provide customers with a more comprehensive product range that encompasses the entire software

development process, from design to development and deployment and now also including testing and quality assurance. The acquisition also makes it possible for Qt's global sales network to be used as a distribution channel for froglogic's products. Froglogic is a developer of testing automation tools for graphical user interfaces (GUI) that specializes in the test automation of applications based on the Qt GUI framework.

Froglogic GmbH's head office is located in Hamburg, Germany, and the company employs 36 professionals. The company's net sales in 2020 amounted to EUR 6,479 thousand and its operating profit for the same period came to EUR 2,657 thousand.

The purchase price consideration recognized at the time of acquisition, EUR 37,448 thousand, includes an earn-out of EUR 4,685 thousand. EUR 31,448 of the purchase price will be paid in cash and EUR 6,000 in Qt Group shares. The acquisition created goodwill of EUR 18,849 thousand based on 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 table below shows the preliminary amounts of the purchase price consideration as well as the acquired assets and liabilities.

Purchase price consideration:	EUR 1,000
Cash consideration	26,762
Directed share issue	6,000
Earn-out	4,685
Total purchase price consideration	37,448
Assets and liabilities	
Tangible assets	33
Intangible assets	25,400
Trade and other receivables	1,296
Cash and cash equivalents	2,777
Total assets	29,507
Short-term liabilities	3,288
Deferred tax liability	7,620
Total liabilities	10,908
Net assets	18,599
Creation of goodwill in the acquisition:	
Consideration	37,448
Identifiable net assets of the acquired entity	-18,599
Goodwill	18,849

The expenses related to the acquisition, EUR 208 thousand, are included in other operating expenses in the consolidated income statement. Had the company been consolidated from January 1, 2021, the income statement would show revenue of EUR 59,531 thousand and operating profit of EUR 16,585 thousand.

Calculation formulas for key figures

Return on equity

$$\frac{\text{Profit/loss before taxes – taxes)}}{\text{Shareholders' equity + minority interest (average)}} \times 100$$

Return on investment

$$\frac{(\text{Profit/loss before taxes + interest and other financing costs})}{\text{Balance sheet total – non-interest-bearing liabilities (average)}} \times 100$$

Gearing

$$\frac{\text{Interest-bearing liabilities – cash, bank receivables and financial securities}}{\text{Shareholders' equity}} \times 100$$

Equity ratio

$$\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total – advance payments received}} \times 100$$

Share and shareholders

At the end of the review period, the Group held 350,000 treasury shares accounting for 1.4 percent of the total number of listed shares.

On 30 June 2021, the number of Qt Plc shares was 25,079,869 (24,066,860).

According to Euroclear Finland Ltd, the company had 22,040 shareholders on 30 June 2021.

The ten largest shareholders on 30 June 2021

Shareholder	Percentage of shares and votes
INGMAN DEVELOPMENT OY AB	21.4%
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINKI BRANCH	11.7%
NORDEA BANK ABP	11.2%
ILMARINEN MUTUAL PENSION INSURANCE COMPANY	3.9%

VARMA MUTUAL PENSION INSURANCE COMPANY	3.2%
CITIBANK EUROPE PLC	3.0%
KARVINEN KARI JUHANI	3.0%
SAVOLAINEN MATTI ILMARI	2.2%
UHARI TOMMI MARKUS	1.6%
INVESTMENT FUND EVLI FINNISH SMALL CAP	1.2%

Distribution of holdings by number of shares held on 30 June 2021

Number of shares	Shareholders	Percentage of shares and votes
1–100	74.1%	1.9%
101–1,000	22.1%	6.0%
1,001–10,000	3.3%	7.3%
10,001–100,000	0.4%	10.6%
100,001–1,000,000	0.1%	29.9%
1,000,001–9,999,999	0.01%	44.3%

Shareholding by sector on 30 June 2021

Number of shares	Shareholders	Percentage of shares and votes
Non-financial corporations	3.3%	26.6%
Financial and insurance corporations	0.3%	32.0%
General government	0.02%	7.8%
Not-for-profit institutions serving households	0.2%	0.2%
Households	95.9%	29.5%
Foreign holding	0.3%	3.9%