

Financial statements bulletin

January 1–December 31, 2020

Fourth quarter: Growth continued and profitability improved more than expected

Fiscal year 2020

- Net sales increased by 36.1 percent to EUR 79,455 thousand (58,373)*. At comparable exchange rates, net sales increased by 37.7 percent.
- Net sales of distribution licenses grew by 4.8 percent to EUR 15,255 thousand (14,556).
- The operating result was EUR 17,017 thousand (219).
- The operating margin (EBIT-%) was 21.4 percent (0.4%).
- Earnings per share were EUR 0.53 (-0.01).

October–December 2020

- Net sales increased by 40.9 percent to EUR 23,819 thousand (16,907)*. At comparable exchange rates, net sales increased by 46.6 percent.
- The operating result was EUR 6,134 thousand (-48).
- The operating margin (EBIT-%) was 25.8 percent (-0.3%).
- Earnings per share were EUR 0.19 (-0.01).

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

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 17 February 2021.

BOARD OF DIRECTORS' DIVIDEND PROPOSAL

The Board of Directors of Qt Group Plc proposes to the Annual General Meeting that no dividend be paid for the fiscal year that ended on December 31, 2020.

Business Report

Financial performance:

Qt's net sales for the fourth quarter amounted to EUR 23,819 thousand (EUR 16,907 thousand), up 40.9 percent. License sales and consulting grew by 55.3 percent, while maintenance revenue increased by 4.0 percent. The effect of exchange rates on the comparison period's net sales was EUR -663 thousand and at comparable exchange rates, net sales increased by 46.6 percent.

Full-year net sales for 2020 increased by 36.1 percent year-on-year and amounted to EUR 79,455 thousand (EUR 58,373 thousand). License sales and consulting grew by 46.9 percent, while maintenance revenue increased by 11.7 percent. As part of license sales and consulting, the net sales of distribution licenses grew by 4.8 percent to EUR 15,255 thousand (14,556 thousand). The effect of exchange rates on the comparison period's net sales was EUR -662 thousand and at comparable exchange rates, net sales increased by 37.7 percent.

Qt's operating result for October–December 2020 was EUR 6,134 thousand (EUR -48 thousand). The operating result for the financial year was EUR 17,017 thousand (EUR 219 thousand). Expenses for the financial period were particularly increased by subcontracting costs, which were allocated on consulting and product development, among other things, and an increase in wages due to an increase in personnel. Travel and marketing expenses were lower than in the comparison period.

The Group had 366 employees at the end of 2020, compared to 340 a year earlier. The increase in the number of employees has been strongest in the sales organization and the Asian consulting organization.

Juha Varelius, President and CEO:

The fiscal year 2020 was exceptional in many ways due to the global COVID-19 pandemic, but a very successful one as a whole for Qt Group. The company succeeded in increasing its net sales very strongly throughout the year, while the profitability of operations remained at a very good level. Excellent sales of developer licenses was a particular

growth driver. Sales of developer licenses were particularly good in the EMEA region. The demand for consulting services also remained even surprisingly strong despite the COVID-19 epidemic during the fiscal year.

The growth rate of distribution license revenue, on the other hand, fell short of the company's expectations during the fiscal year. Starting from the spring 2020, the COVID-19 epidemic has led to project postponements and production interruptions of various degrees to many of the company's customers, which has meant that the customer companies have not been able to launch their products as they have previously scheduled. As a result, also the company's distribution license revenue from the sales of customers' products was lower than expected. During the second half of the fiscal year, growth in net sales also faced difficulty due to the impact of exchange rates.

Following the publication of the new major product version, Qt 6.0, in December, the company will migrate to a new recurring invoicing model in developer license sales. The updated pricing model is expected to have a positive effect on the net sales of developer licenses in 2021–2023.

In response to the COVID-19 epidemic, the company widely adopted remote work arrangements already in the spring 2020. As shown by the company's success, remote work has gone well in the company. However, remote work has had a negative impact on the number and quality of customer meetings. We slowed down recruitment efforts early in the COVID-19 crisis but restored the normal level of recruitment towards the end of the year. The COVID-19 epidemic has also resulted in many marketing events being cancelled, postponed, or replaced by virtual events.

The strong growth in net sales was also favorably reflected in the development of the operating result. The positive development of the operating result was in part supported by costs being lower than budgeted, as growth investments could not be made in all respects as planned due to the COVID-19 pandemic. The operating result showed a profit by a clear margin throughout the fiscal year, and the operating margin even exceeded 25% during the second half of the fiscal year.

The company launched new versions of several products during the fiscal year 2020. In addition to the new major product version Qt6, the company released new versions of Qt for MCUs 1.4, Qt Design Studio 1.6 and Qt Automotive Suite 5.15 products, among others, to improve compatibility between the different tools and enable customers to further enhance their development of embedded systems.

The company has systematically progressed in accordance with the growth targets set in 2016 and is in an excellent position to reach its goals going forward as well, both during its current strategy period ending in 2021 and the new strategy period extending to 2025.

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 future outlook involves increased short-term uncertainty due to the coronavirus epidemic. The coronavirus epidemic has caused diverse negative impacts of varying degrees to the business of many companies globally. From the company's point of view, these impacts have mainly been visible in the form of slower growth in net sales from distribution license sales for the time being. If the epidemic continues, these impacts on the company's operations will presumably also continue. Should it be prolonged, the negative impacts of the epidemic may also extend to the consulting services provided by the company. Going forward, in the event the company succeeds in pursuing its growth investments according to plans, associated costs will burden the development of the operating result more than in the past fiscal year.

Outlook 2021

We estimate that the impacts of the COVID-19 epidemic on the general market situation as well as the company's business will continue during the first half of 2021, after which the situation will start to get better during the second half of the year. We estimate that our full-year net sales for 2021 will increase by 25–35 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 fourth quarter amounted to EUR 23,819 thousand (EUR 16,907 thousand), up 40.9 percent. License sales and consulting grew by 55.3 percent, while maintenance revenue increased by 4.0 percent. The effect of exchange rates on the comparison period's net sales was EUR -663 thousand and at comparable exchange rates increased by 46.6 percent.

Qt's operating result for the period under review October–December 2020 was EUR 6,134 thousand (EUR -48 thousand). The company's operating expenses, including materials and services, personnel expenses, depreciation and other operating expenses, amounted to EUR 17,781 thousand (EUR 17,636 thousand) in the fourth quarter, up 0.8 percent year-on-year. Personnel expenses accounted for 65.1 percent (62.6%) of operating expenses, or EUR 11,572 thousand (EUR 11,040 thousand).

The company's net financial expenses in the fourth quarter amounted to EUR 442 thousand (EUR 66 thousand positive), due to translation differences in currency-denominated internal receivables and debts related to the financing of international subsidiaries.

Qt's earnings before tax for the fourth quarter totaled EUR 5,691 thousand (EUR 18 thousand) and the result was EUR 4,462 thousand (EUR -205 thousand). Taxes for the period under review amounted to EUR 1,229 thousand (EUR -222 thousand).

Earnings per share totaled EUR 0.19 during the fourth quarter (EUR -0.01).

Full-year net sales for 2020 increased by 36.1 percent year-on-year and amounted to EUR 79,455 thousand (EUR 58,373 thousand). License sales and consulting grew by 46.9 percent, while maintenance revenue increased by 11.7 percent. As part of license sales and consulting, the net sales of distribution licenses grew by 4.8 percent to EUR 15,255 thousand (EUR 14,556 thousand). The effect of exchange rates on the comparison period's net sales was EUR -662 thousand and at comparable exchange rates, net sales increased by 37.7 percent.

The operating result for the financial year was EUR 17,017 thousand (EUR 219 thousand). The company's operating expenses, including materials and services, personnel expenses, depreciation and other operating expenses, amounted to EUR 62,901 thousand (EUR 59,434 thousand), up 5.8 percent year-on-year. Personnel expenses accounted for 67.0 percent (66.2%) of operating expenses, or EUR 42,140 thousand (EUR 39,359 thousand). Expenses for the period under review were particularly increased by subcontracting costs, which were allocated on consulting and product development, higher salary expenses driven by increased number of personnel and a performance-based bonus scheme for revenue growth. Travel and marketing expenses were lower than in the comparison period.

The company's net financial expenses for the financial year amounted to EUR 657 thousand (EUR 102 thousand), due to translation differences in currency-denominated internal receivables and debts related to the financing of international subsidiaries.

The other operating income includes income from events held and tax-free research and development investment grants received by the company in Norway, totaling approximately EUR 222 thousand (EUR 351 thousand). The grants concern the applicable personnel expenses related to the research and development activities of Qt's Norwegian company, and they were paid to the company in the second half of 2020.

Qt's earnings before tax for the financial year totaled EUR 16,360 thousand (EUR 117 thousand) and the result was EUR 12,826 thousand (EUR -352 thousand). Taxes for the period under review amounted to EUR 3,534 thousand (EUR 469 thousand).

Earnings per share for the financial year totaled EUR 0.53 (EUR -0.01).

Financing and investments

Cash flow from operating activities during the financial year was EUR 12,745 thousand (EUR 6,110 thousand) due to positive result. Qt's cash and cash equivalents totaled EUR 22,046 thousand (EUR 11,944 thousand) at the end of the financial year.

Qt Group's consolidated balance sheet total at the end of the financial year stood at EUR 61,416 thousand (EUR 49,996 thousand). Net cash flow from investments in the financial year was EUR -630 thousand (EUR -465 thousand).

The equity ratio was 66.6 percent (54.3%) and gearing was -64.9 percent (-46.4%). Interest-bearing liabilities amounted to EUR 2,655 thousand (EUR 4,081 thousand) of which short-term loans accounted for EUR 1 282 thousand (EUR 1,625 thousand).

The return on investment for the financial year was 63.6 percent (1.1%) and return on equity was 54.8 percent (-2.0%).

Research and development

Product development expenses are included in the result for the fiscal year in their entirety and the company has no capitalised product development expenses on its balance sheet.

Product development expenses during the fiscal year totaled EUR 13,601 thousand (EUR 12,865 thousand), accounting for 17.1 percent (22.0%) of net sales. Product development expenses increased by 5.7 percent year-on-year.

There were, on average, 117 people working in product development during the financial year (119).

Personnel

The number of Group personnel was 361 (342) on average during the fourth quarter and 366 (340) at the end of the financial year. The Group's personnel expenses during the quarter amounted to EUR 11,572 thousand (EUR 11,040 thousand), up 4.8 percent year-on-year. Personnel expenses totaled EUR 42,140 thousand (EUR 39,359 thousand), during the financial year, up 7.1 percent.

At the end of the financial year, international personnel represented 73 percent (71%) of the total.

Other events in the review period

Governance

Qt Group Plc's Annual General Meeting held on March 10, 2020, adopted the company's annual accounts, including the consolidated annual accounts for the accounting period January 1–December 31, 2019, approved the Remuneration Policy of the 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, 2019.

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 10, 2021, 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 10, 2021, and it replaces any earlier authorizations on the granting of shares or special rights entitling to shares.

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, February 18, 2021

Qt Group Plc

Board of Directors

Communications

Qt Group will hold a briefing on this financial statement bulletin for analysts in Finnish via MS Teams on Thursday, February 18, 2020, at 10:00 a.m. Advance registration is kindly requested by Thursday, February 18, 2021 at 9:45 by sending the request to jouni.lintunen@qt.io. The participation link will be sent prior to the briefing.

The financial statement bulletin and presentation will be available in the Investors section at www.qt.io from 10:00 a.m. on February 18, 2020.

Further information

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Summary of financial statements and notes to the financial statements 1 January–31 December 2020

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 17 February 2020.

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 2019 with the actual exchange rates of the reporting period of 2020 and by comparing the reported net sales in 2020 with the calculated 2019 net sales at comparable exchange rates.

EUR 1,000	10-12/2020	10-12/2019	Change, %	1-12/2020	1-12/2019	Change, %
Net sales	23,819	16,907	40,9%	79,455	58,373	36,1%
Effect of exchange rates		-663			-662	
Net sales at comparable exchange rates		16,244	46,6%		57,711	37,7%

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	10-12/2020	10-12/2019	Change %	1-12/2020	1-12/2019	Change %
License sales and consulting	18,860	12,140	55.4%	59,494*	40,503*	46.9%
Maintenance revenue	4,959	4,767	4.0%	19,961	17,870	11.7%
Group total	23,819	16,907	40.9%	79,455	58,373	36.1%
*of which distribution licenses				15,255	14,556	4.8%

Geographical information

Geographical distribution of personnel:

PERSONNEL	10-12/2020	10-12/2019	Change %	1-12/2020	1-12/2019	Change %
(number of employees, on average)						
Finland	97	97	0%	96	95	1%
Rest of Europe & APAC	208	193	8%	199	185	8%
North America	57	51	11%	54	51	5%
Group total	361	342	6%	348	331	5%

Consolidated income statement

EUR 1,000	10-12/2020	10-12/2019	Change %	1-12/2020	1-12/2019	Change %
Net sales	23,819	16,907	40.9 %	79,455	58,373	36.1%
Other operating income	95	681	-86.0%	463	1,279	-63.8%
Materials and services	-1,206	-1,008	19.6%	-4,484	-3,070	46.1%
Personnel expenses	-11,572	-11,040	4.8%	-42,140	-39,359	7.1%
Depreciation, amortization and impairment	-535	-711	-24.7%	-2,432	-2,572	-5.5%
Other operating expenses	-4,467	-4,877	-8.4%	-13,845	-14,433	-4.1%
Operating result	6,134	-48		17,017	219	7,676.5%
Financial expenses (net)	-442	66		-657	-102	545.2%
Profit before taxes	5,691	18	32,419.2%	16 360	117	13,879.3%
Income taxes	-1,229	-222	453.2%	-3,534	-469	653.3%
Net profit for the review period	4,462	-205		12,826	-352	
Other comprehensive income:						
Items which may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	79	-23		-110	17	
Total comprehensive income for the review period	4,541	-228		12,717	-336	
Distribution of comprehensive income for the review period:						
Parent company shareholders	4,462	-205		12,826	-352	
Distribution of comprehensive income for the review period:						
Parent company shareholders	4,541	-228		12,717	-336	
Earnings per share (EPS), EUR	0.19	-0.01		0.53	-0.01	
EPS adjusted for dilution, EUR	0.18			0.51		

Consolidated statement of financial position

Assets

EUR 1,000	31.12.2020	31.12.2019
Non-current assets		
Goodwill	6,562	6,562
Other intangible assets	3,706	4,082
Tangible assets	3,180	4,593
Long-term receivables	306	251
Deferred tax assets	683	3,463
Total non-current assets	14,438	18,952
Current assets		
Trade receivables	17,772	13,772
Other receivables	7,160	5,327
Cash and cash equivalents	22,046	11,944
Total current assets	46,978	31,044
Total assets	61,416	49,996

Shareholders' equity and liabilities

EUR 1,000	31.12.2020	31.12.2019
Shareholders' equity		
Share capital	500	500
Unrestricted shareholders' equity reserve	28,714	23,651
Own shares	-7,284	-1,922
Translation difference	431	540
Retained earnings	-5,310	-5,477
Net profit for the review period	12,826	-352
Total shareholders' equity	29,878	16,940
Liabilities		
Long-term interest-bearing liabilities	1,373	2,456
Deferred tax liabilities	504	445
Other long-term liabilities	2,416	1,742
Total long-term liabilities	4,292	4,643
Short-term interest-bearing liabilities	1,282	1,625
Other short-term liabilities	25,964	26,788
Total short-term liabilities	27,246	28,413
Total liabilities	31,538	33,056
Total shareholders' equity and liabilities	61,416	49,996

Consolidated cash flow statement

EUR 1,000	1.1.-31.12.2020	1.1.-31.12.2019
Result before taxes	16,360	117
Adjustments to net profit		
Depreciation and amortization	2,432	2,572
Other adjustments	1,176	982
Change in working capital		
Change in trade and other receivables	-5,924	-4,838
Change in accounts payable and other liabilities	-794	7,831
Interest paid	-128	-145
Other financial items	214	209
Taxes paid	-590	-618
Cash flow from operations	12,745	6,110
Purchases of tangible and intangible assets	-630	-465
Cash flow from investments	-630	-465
Change in lease liabilities	-1,427	-1,563
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Own shares	-5,362	-1,922
Cash flow from financing	-1,725	-3,485
Change in cash and cash equivalents	10,390	2,161
Cash and cash equivalents at the beginning of the review period	11,944	9,702
Net foreign exchange difference	-289	82
Cash and cash equivalents at the end of the review period	22,046	11,944

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 2019	500	23,651	0	524	-6,357	18,318
Comprehensive income for the period						
Net profit for the					-352	-352

review period						
Stock option and equity incentive program			-1,922		880	-1,042
Comprehensive income				17		17
Shareholders' equity 31						
December 2019	500	23,651	-1,922	540	-5,829	16,940
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

The Group's contingent liabilities

EUR 1,000	31.12.2020	31.12.2019
Pledges given on own behalf		
Guarantees	479	550
Pledges and contingent liabilities total	479	550

Consolidated key figures

EUR 1,000	10-12/2020	10-12/2019	1-12/2020	1-12/2019
Net sales	23,819	16,907	79,455	58,373
Operating profit	6,134	-48	17,017	219
- % of net sales	25.8%	-0.3%	21.4%	0.4%
Net profit	4,462	-205	12,826	-352
- % of net sales	18.7%	-1.2%	16.1%	-0.6%
Return on equity. %	19.1%	-1.2%	54.8%	-2.0%
Return on investment. %	22.9%	-0.2%	63.6%	1.1%
Interest-bearing liabilities	2,655	4,081	2,655	4,081
Cash and cash equivalents	22,046	11,944	22,046	11,944
Net gearing. %	-64.9%	-46.4%	-64.9%	-46.4%
Equity ratio. %	66.6%	54.3%	66.6%	54.3%
Earnings per share (EPS), EUR*	0.19	-0.01	0.53	-0.01
Diluted earnings per share (EUR)	0.18		0.51	

Calculation formulas for key figures

Return on equity

(Profit/loss before taxes – taxes)

Shareholders' equity + minority interest (average) x 100

Return on investment

(Profit/loss before taxes + interest and other financing costs)

Balance sheet total – non-interest-bearing liabilities (average) x 100

Gearing

Interest-bearing liabilities – cash, bank receivables and financial securities

Shareholders' equity x 100

Equity ratio

Shareholders' equity + minority interest

Balance sheet total – advance payments received x 100

Share and shareholders

At the end of the financial year, the Group held 306,250 treasury shares accounting for 1.25 percent of the total number of listed shares.

On December 31, 2020 the number of Qt Group Plc outstanding shares was 24,218,340 (23,661,062). According to Euroclear Finland Ltd. the company had 14,529 shareholders on December 31, 2020.

The company received the following flagging notifications during the fiscal year 2020.

The company was notified on 19 May 2020 of a change in the ownership as the overall holding of the company's shares and voting rights managed by Ilmarinen Mutual Pension Insurance Company crossed below the 10% flagging threshold. Ownership changed on 19 May 2020.

The company was notified on 14 October 2020 of a change in the ownership as the overall holding of the company's shares and voting rights managed by Aktia Capital Investment Fund crossed below the 5% flagging threshold. Ownership changed on 19 May 2020.

The company was notified on 21 December 2020 of a change in the ownership as the overall holding of the company's shares and voting rights managed by Ilmarinen Mutual Pension Insurance Company crossed below the 5% flagging threshold. Ownership changed on 18 December 2020.

The ten largest shareholders on 31 December 2020

Shareholder	Percentage of shares and votes
INGMAN DEVELOPMENT OY AB	21.0%
NORDEA BANK ABP	10.2%
SKANDINAVISKA ENSKILDA BANKEN AB (PUBL) HELSINKI BRANCH	7.8%
ILMARINEN MUTUAL PENSION INSURANCE COMPANY	4.8%
VARMA MUTUAL PENSION INSURANCE COMPANY	4.5%
KARVINEN KARI JUHANI	3.2%
SAVOLAINEN MATTI ILMARI	2.6%
EVLI FINNISH SMALL CAP FUND	2.0%
AKTIA CAPITAL INVESTMENT FUND	1.7%
UHARI TOMMI MARKUS	1.7%

Distribution of holdings by number of shares held on 31 December 2020

Number of shares	Shareholders	Percentage of shares and votes
1 – 100	62.1%	1.4%
101 – 1,000	31.7%	6.1%
1,001 – 10,000	5.5%	8.3%
10,001 – 100,000	0.6%	10.9%
100,001 – 1,000,000	0.2%	24.9%
1,000,001 – 9,999,999	0.0%	48.4%

Shareholding by sector on 31 December 2020

Number of shares	Shareholders	Shares
Non-financial corporations	3.3%	27.2%
Financial and insurance corporations*	0.3%	11.9%
General government	0.02%	9.5%
Not-for-profit institutions serving households	0.1%	0.5%
Households	95.9%	31.2%
Foreign holding	0.3%	0.1%
*incl. nominee registered	0.1%	19.6%