



QPR Software Annual General Meeting

June 8, 2020

QPR Software

In Brief

- Software accounts for 70%, implementation 10% and consulting 20% of net sales.
- Software product portfolio renewed in recent years, funded from cashflow
- Several patents in the US for process mining technology.



Business Models

GROWTH
BUSINESS,
SOFTWARE

Process Mining
QPR ProcessAnalyzer

HIGHLY
PROFITABLE,
ESTABLISHED SW
BUSINESS

Performance
Management sw
QPR Metrics

Modeling
Software
QPR ProcessDesigner
QPR EnterpriseArchitect

CONSULTING
BUSINESS

Business
Optimization

Financial results 2019

- Net sales amounted to EUR 9,513 thousand (2018: 10,047).
 - Process mining software QPR ProcessAnalyzer's net sales growth was strong, +49%
 - Group net sales decreased 5% due to decline in modeling and performance management software and consulting net sales.
- Investments and outlays into growth business areas continued.
 - Operating profit (EBIT) EUR -213 thousand (521).
 - Result for the financial year EUR -161 thousand (320)
- Strong financial position
 - No long-term interest-bearing bank loans

Outlook 2020

- QPR expects net sales to grow in 2020 (2019: EUR 9,513 thousand).
- The most significant sources of growth are process mining and performance management software sales and deliveries.
- Operating result (EBIT) is estimated to be negative due to investments in growth
 - Increase in European sales personnel.
 - Growth investments in software products.
- EBITDA is expected to be positive (2019: EUR 1,036 thousand).

Mid-Term Financial Targets

- Target in 2020-2022 is to grow net sales by an average of 15-20% per annum in the next three years.
- The target is mainly based on international net sales growth in process mining.
 - In process mining, we target an annual growth of over 50%.

January – March 2020

- Net sales increased to EUR 2,789 thousand (Q1 2019: 2,748).
 - International net sales increased by 13%, driven by software license sales
- Growth investments continued.
 - EBITDA EUR 390 thousand (497)
 - Operating profit (EBIT) EUR 45 thousand (187).
- Strong financial position
 - No long-term interest-bearing bank loans
 - Equity ratio 51% (53)

Effects of coronavirus pandemic

- In the first quarter, the effects of coronavirus pandemic were limited.
 - Negative impact on private sector consulting
 - Delays in software purchases
- Despite the apparent negative effects to its business due to corona virus pandemic, we have not changed our initial outlook for 2020, published on February 27, 2020.
- Based on current information, we estimate that the pandemic will have negative effects on our business mainly on the second and third quarter of this year.



Significant recent deals



- The Finnish Government ICT Centre Valtori selected QPR Software as its enterprise architecture service provider.
 - The agreement period is three years
 - Estimated total value of the agreement during the agreement period is approximately EUR 3.6 million.
- A large central government organization from the Middle East selected QPR Software as a successful bidder to deliver strategy management solution.
 - The value of the deal is approximately EUR 1.3 million
 - The letter of award is conditional and a signed purchase agreement between the parties is required, among other things, for the realization of the deal.



Dare to improve.



Dare to improve.

Founded

1991

Stock symbol

QPR1V: Nasdaq, Helsinki

Customers

Over 2000

Corporate headquarters

Helsinki, Finland

Sold licenses

Over 1 million worldwide

Industry recognitions

Gartner, Ventana Research,
Palladium, Forrester Research

Products

QPR ProcessAnalyzer
QPR Metrics
QPR ProcessDesigner
QPR EnterpriseArchitect