Financial results
January – September, 2020

Interim Report

QPR Software

In Brief

- Software and solution provider specialized in process mining, process and enterprise architecture modeling and performance management.

- Founded in 1991. Listed on NASDAQ Helsinki.

- Customers in over 50 countries.

- Software product portfolio renewed in recent years, funded from cashflow
  - New process mining software and new User Interface for all software products.
  - Extension of process modeling product to enterprise architecture product.

- Several patents in the US for process mining technology.

- Software accounts for 70%, implementation 10% and consulting 20% of net sales.

QPR

January - September 2020

- Net sales amounted to EUR 6,630 thousand (January-September 2019: 7,015).

- Net sales decreased 5 % due to a decline in software license and maintenance services sales.

- During the coronavirus pandemic, sales cycles for new software deals have been significantly longer than usually and have not yet been normalized.

- Cloud services and consulting net sales increased.

- EBITDA was EUR 221 thousand (838).

- Operating result (EBIT) amounted to EUR -752 thousand (-90).

- Good financial position: no interest-bearing long-term bank loans.

QPR

July – August 2020

- Net sales amounted to EUR 1,801 thousand (July-September 2019: 1,981).

- Net sales decreased 9 % due to a decline in software license and maintenance services sales.

- Cloud services and consulting net sales increased.

- EBITDA was EUR -109 thousand (188).

- Operating result (EBIT) amounted to EUR -413 thousand (-119).

  - The decrease in operating result was due to decrease in net sales, as well as outlays in growth business areas.

QPR

Net Sales Distribution

EUR in thousands	Jul-Sep, 2020	Jul-Sep, 2019	Change, %	Jan-Sep, 2020	Jan-Sep, 2019	Change, %	Jan-Dec, 2019
Software licenses	271	261	4	937	1,093	-14	1,552
Renewable software licenses	125	175	-29	733	908	-19	1,102
Software maintenance services	519	761	-32	1,677	2,044	-18	2,731
Cloud services	284	269	5	820	788	4	1,068
Consulting	602	515	17	2,463	2,182	13	3,061
Total	1,801	1,981	-9	6,630	7,015	-5	9,513

Outlook

Markets and Business Outlook

- In recent years, QPR has made significant investments in developing its process mining software, as well as in renewing the user interfaces of its software products.

- The demand for process mining software and related services will continue to grow rapidly in 2020.

- In developed markets, we expect the competition for process and enterprise architecture modeling software, as well as for performance management software to remain tight.

  - However, there is still growth potential for these products in emerging markets, especially for performance management software.

Outlook for 2020

- QPR expects net sales to decrease in 2020 (2019: EUR 9,513 thousand).

- Operating result (EBIT) is estimated to be negative (2019: -213 thousand).

  - Investments in growth areas

  - Increase in European sales personnel.

- 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.

- The target is mainly based on international net sales growth in process mining.

  - In process mining, we target an annual growth of over 50%.

QPR

Customers

A Sample of our Customers

QPR

Dare to improve.

Founded
1991

Corporate headquarters
Helsinki, Finland

Stock symbol
QPR1V: Nasdaq, Helsinki

Sold licenses
Over 1 million worldwide

Customers
Over 2000

Industry recognitions
Gartner, Ventana Research,
Palladium, Forrester Research

Products
QPR ProcessAnalyzer
QPR Metrics
QPR ProcessDesigner
QPR EnterpriseArchitect