



**QPR**

The Sixth Sense of Business Processes

# **QPR Software Plc: Half Year Financial Report January-June 2025**

# **QPR Software Plc's Half Year Financial report January–June 2025**

QPR SOFTWARE PLC

STOCK EXCHANGE RELEASE

18 July 2025, AT 9.00 AM EET

**QPR Software Plc Half-Year Report January–June 2025: The company's SaaS net sales grew by 1%. QPR ProcessAnalyzer's SaaS net sales continued its good double-digit growth. Total revenue declined by 11%, and software revenue decreased by 14%. Planned growth investments impacted profitability. A new Senior Vice President for the Americas was appointed.**

## **FINANCIAL DEVELOPMENT BRIEFLY**

### **APRIL-JUNE 2025**

- Strong growth investments weighed down the result.
- SaaS net sales grew by 4%.
- QPR ProcessAnalyzer SaaS net sales continued its good, double-digit growth.
- Software net sales declined by 12% due to a low number of license deals during the quarter.
- Net sales totaled 1,382 thousand euros, down 6% (1,473).
- EBITDA was -223 thousand euros (181), a change of -404 thousand euros compared to the corresponding period.
- The operating profit was -469 thousand euros (-66), a change of -403 thousand euros compared to the corresponding period.
- The result before taxes was -489 thousand euros (-87), a change of EUR -402 thousand euros.
- The net result was -454 thousand euros (-87), a change of -367 thousand euros to the corresponding period.
- Earnings per share were -0.023 thousand euros (-0.005).
- Cash flow from operations was -779 thousand euros (-243), a change of -536 thousand euros to the corresponding period.
- The rapid weakening of the US dollar had a negative impact on net sales and growth.

### **JANUARY-JUNE 2025**

- Strong growth investments weighed down the result.
- SaaS net sales grew by 1%.
- QPR ProcessAnalyzer SaaS net sales continued its good, double-digit growth.
- Software net sales decreased by 14%.
- Net sales totaled 2,901 thousand euros, down 11% (3,242).

- EBITDA was EUR -216 thousand (476), a change of EUR -692 thousand compared to the corresponding period.
- The operating profit was -710 thousand euros (-34), a change of -676 thousand euros to the corresponding period.
- The result before taxes was -749 thousand euros (-74), a change of -675 thousand euros to the corresponding period.
- Net result was -720 thousand euros (-74), a change of -646 thousand euros to the corresponding period.
- Earnings per share were -0.037 euros (-0.004).
- Cash flow from operations was -557 thousand euros (-248), a change of -309 thousand euros to the corresponding period.
- The rapid weakening of the US dollar had a negative impact on net sales and growth.

## **OUTLOOK FOR 2025 (Unchanged)**

Global economic uncertainty and geopolitical tensions continue to pose challenges to the business environment, making long-term forecasting difficult.

In 2025, as part of its turnaround strategy, the company is shifting its focus to investing in growth and business development, which will impact profitability during the financial year. Growth will be driven primarily in the United States, Europe, and the Middle East, supported by the strengthening of the partner network.

The process mining market is evolving from a product-centric business model towards a platform economy. QPR ProcessAnalyzer is the only process mining solution designed for the Snowflake AI Data Cloud environment and is also available as an application on the Snowflake Marketplace. This opens new growth opportunities for the company, but achieving commercial breakthroughs will require time and investments.

Due to the nature of the business and long sales cycles, quarterly fluctuations may be significant. Growth in the first half of the year is expected to be moderate, as some legacy product customer contracts ended at the turn of the year.

The company forecasts that SaaS revenue will grow, and that the EBITDA will remain positive despite growth investments.

## **CEO REVIEW**

The first half of 2025 fell short of our business targets, although the SaaS net sales of our flagship product, QPR ProcessAnalyzer, continued its good double-digit growth, which further accelerated in the second quarter. Total revenue amounted to EUR 2.9 million, representing an 11% decline compared to the corresponding period last year.

We are in a transformation phase where the growth of our new SaaS and cloud-based business is offsetting the decline in revenue from legacy software products. SaaS revenue grew by 1%. Software revenue decreased by 14%, and our planned growth investments pushed both EBITDA and net result into negative territory.

The weaker result was mainly impacted by the expiration of customer contracts related to older products at the turn of the year, as well as the inherently long and further slowing sales cycles as customers evaluate their investments more carefully. Furthermore, the first and second quarters did not include significant license deals similar to those in the comparison period.

### **International growth and the Snowflake ecosystem**

Our investments in international growth and the Snowflake ecosystem progressed as planned. During the first half of the year, we had a strong presence at Snowflake events in Riyadh, Dubai, and San Francisco. This visibility strengthened our position as a trusted partner for data-driven organizations and created new opportunities for customer and partner collaborations. Our goal is to continue an active presence at Snowflake events throughout the remainder of the year.

The positive development in the Middle East market continued during the second quarter. Relocating our VP Middle East to Riyadh, Saudi Arabia, has supported deeper collaboration with partners and strengthened our position in the region. The market is undergoing a shift from one-time license sales to a recurring subscription model, which is expected to bring more stable and predictable revenue, as well as longer customer relationships—while at the same time reducing the share of revenue recognized upfront. Demand for our process mining solutions continues to grow in the region, and the Middle East is becoming an increasingly important part of our international growth strategy.

### **New SVP Americas appointed to drive North American business**

A significant milestone in the second quarter was the appointment of (Daniel Hughes, SVP, Americas) to lead our business operations in North America. Based in the United States, he brings a strong background in the process mining market, along with local expertise in sales, customer relationship development, and partner ecosystem expansion.

With this appointment, we are well positioned to accelerate growth in the region—one of the key markets for process mining.

### **Expanding partner network and focus areas of growth investments**

During the first half of the year, we continued to strengthen our partner network not only in the Middle East and Europe but also in the U.S. Collaborating with partners expands our market and customer reach and accelerates new customer acquisition in strategically important regions. Our aim is to build a scalable distribution model together with partners and drive international growth.

Our growth investments have been focused especially on marketing and sales activities to strengthen our visibility and enhance customer acquisition within the Snowflake ecosystem. In addition, we have invested in product development—particularly in AI solutions and Snowflake integration—to strengthen our competitiveness and deliver even greater value to our customers.

### **AI strengthens competitiveness and customer value**

During the first half of the year, we advanced our AI capabilities as part of our growth investments. The process mining market is increasingly shifting toward a platform-based, cloud-native application model. Snowflake Summit 2025 reinforced a message we have long recognized: AI needs reliable data and deep process understanding to succeed.

QPR ProcessAnalyzer is the first — and still the only — process mining application published on Snowflake Marketplace. It offers customers a fast, secure, and scalable way to analyze processes directly where the data resides — without complex integrations or data transfers. The application gained its first customers early in the year, and additional users have been engaged through trial periods and proof-of-concept projects.

AI is an integral part of our product development, and its importance continues to grow in enhancing analytics, automation, and user experience. Market trends are strongly aligned with the direction we have consistently pursued.

### **We are heading in the right direction**

Although our first-half result fell short of expectations, we have made progress on many fronts: stronger international visibility, a new leader appointed in the U.S., positive business development in the Middle East, and a growing presence in the Snowflake ecosystem. At the same time, our ongoing business transformation is proceeding as planned.

Our goal is for the growth investments, marketing and sales efforts, partner network development, and product innovation—to begin translating into positive development in revenue and customer acquisition during the second half of the year.

A warm thank you to our customers, partners, shareholders, and employees for your continued commitment and collaboration. We remain focused and determined in our efforts to accelerate international growth and increase the value we deliver to our customers.

**Heikki Veijola**

**CEO**

### **KEY FIGURES**

EUR in thousands, unless otherwise indicated	April- June, 2025	April- June, 2024	<i>Change,</i> %	Jan- June, 2025	Jan- June, 2024	<i>Change,</i> %	Jan- Dec, 2024
Net sales	1,382	1,473	-6	2,901	3,242	-11	6,614
EBITDA	-223	181	-223	-216	476	-145	1,020
% of net sales	-16.1	12.3		-7.4	14.7		15.4
Operating result	-469	-66	-609	-710	-34	-2,007	-16
% of net sales	-33.9	-4.5		-24.5	-1.0		-0.2
Result before tax	-489	-87	-463	-749	-74	-911	-103
Result for the period	-454	-87	-423	-720	-74	-871	-82
% of net sales	-32.8	-5.9		-24.8	-2.3		-1.2

Earnings per share, EUR (basic and diluted)	-0.023	-0.005	-378	-0.037	-0.004	-784	-0.005
Equity per share, EUR	0.071	0.019	264	0.071	0.020	263	0.022
Cash flow from operating activities	-779	-243	-220	-557	-248	-125	806
Cash and cash equivalents	1,180	31	3,683	1,180	31	3,741	825
Net borrowings	-295	1,482	-120	-295	1,482	-120	577
Gearing, %	-21.0	420.4	-105	-21.0	420	-105	143.9
Equity ratio, %	36.9	10.7	244	36.9	10.7	244	11.9
Return on equity, %	-113.1	-99.1	-14	-159.8	-21.1	-656	-21.8
Return on investment, %	-91.7	-1.2	-7,858	-74.2	-1.2	-6,340	-14.3

## REPORTING AND BUSINESS OPERATIONS

QPR Software Plc is a pioneer in business process optimization solutions and has positioned itself as a leading player in Digital Twin of an Organization (DTO) technology and one of the most advanced process mining software companies in the world.

QPR innovates, develops, and delivers software for analyzing, monitoring and modeling the operations of organizations. The company also offers consulting services to ensure that customers get full value from the software and associated methods.

QPR Software reports one business segment, which is Organizational Development of organizations. In addition to this, the Company reports revenue from products and services as follows: Software licenses, Renewable software licenses, Software maintenance services, Cloud services, and Consulting.

The company's reported recurring revenues consist of SaaS net sales, maintenance services, as well as revenue from renewable licenses. Licenses are sold to customers for perpetual use or for an agreed, limited period. The revenue from SaaS and maintenance services is recorded monthly as recurring revenue over the contract period. Renewable software licenses are sold to customers as a user right with an indefinite-term contract. These contracts are automatically renewed at the end of the agreed period, usually one year, unless the agreement is terminated within the notice. Renewable license revenue is recognized at one point in time, in the beginning of the invoicing period, yet at the earliest on the delivery.

The geographical areas reported are Finland, the rest of Europe (including Turkey), and the rest of the world. Net sales are reported according to the location of the customer's headquarters.

## NET SALES DEVELOPMENT

### NET SALES BY PRODUCT GROUP

EUR in thousands	April- June, 2025	April- June, 2024	Change, %	Jan- June, 2025	Jan- June, 2024	Change, %	Jan- Dec, 2024
Software licenses	27	87	-69	106	321	-67	926
Renewable software licenses	43	66	-34	212	291	-27	420
Software maintenance services	326	427	-24	715	838	-15	1,717
SaaS	713	686	4	1,365	1,347	1	2,721
Consulting	274	207	32	503	445	13	830
Total	1,382	1,473	-6	2,901	3,242	-11	6,614

## NET SALES BY GEOGRAPHIC AREA

EUR in thousands	April- June, 2025	April- June, 2024	Change, %	Jan- June, 2025	Jan- June, 2024	Change, %	Jan- Dec, 2024
Finland	563	658	-14	1,148	1,328	-14	2,579
Europe incl. Turkey	637	611	4	1,343	1,403	-4	2,656
Rest of the world	181	204	-11	410	510	-20	1,379
Total	1,382	1,473	-6	2,901	3,242	-11	6,614

## APRIL-JUNE 2025

The net sales for April to June was 1,382 thousand euros (1,473), and it decreased by 6 percent compared to the same period last year. The decline in net sales was primarily driven by a low number of license deals during the quarter and foreign exchange rate fluctuations. The proportion of recurring revenue in total revenue was 78 percent (80). During the quarter, retrospective reclassifications were made between maintenance and SaaS revenue for a few customers.

SaaS net sales, which is at the core of our strategy, grew by 4%, and software net sales decreased by 12%.

The net sales from software licenses was 27 thousand euros (87), representing a decrease of 69% from the comparison period. The comparison period included several significant license deals. The net sales consisted mainly of additional sales through the partner network to both existing and new customers, direct sales to existing customers, and the expansion of the partner network.

The net sales from renewable software licenses was 43 thousand euros (66), a decrease of 34%. The decline in net sales was affected partially by the termination of customer license agreements.

The net sales from software maintenance services was 326 thousand euros (427). The net sales were weakened by currency exchange rate changes, especially the US dollar, an adjustment made in the second quarter related to the transition to the SaaS business model, and also partly by the termination of some customer relationships.

SaaS net sales grew by 4% and amounted to 713 thousand euros (686). Net sales from the QPR ProcessAnalyzer solution grew at a double-digit rate, while net sales from legacy products declined compared to the reference period. Growth was supported by new customer agreements and additional sales to existing customers.

The net sales from consulting was 274 thousand euros (207), a 32% increase. The growth in consulting net sales was influenced by, among other things, larger consulting projects where the workforce is outsourced, as well as increased customer projects.

Of the Group's net sales, 41% (45) came from Finland, 46% (41) from the rest of Europe (including Turkey), and 13% (14) from the rest of the world.

## **JANUARY-JUNE 2025**

The net sales for January-June was 2,901 thousand euros (3,242), which represents a 11% decrease compared to the same period last year. The decline in net sales was particularly influenced by an exceptional one-time license sale that occurred during the comparison period, as well as currency exchange rate fluctuations. The share of recurring revenue of the total net sales was 79% (76).

SaaS net sales, which is at the core of our strategy, increased by 1% and software net sales decreased by 14%.

The net sales from software licenses was 106 thousand euros (321), a decrease of 67% from the comparison period. The decrease was due to a significant license deal that occurred during the comparison period and a reduction in license deals. In the Middle East, a shift from one-time licenses to recurring licenses is observable. The net sales consisted mainly of additional sales through the partner network to both existing and new customers, direct sales to existing customers, and the expansion of the partner network. The growth of the partner network opened up new business opportunities and customer relationships.

The net sales from renewable software licenses was 212 thousand euros (291), which represents a 27% decrease. The decline in net sales was influenced by less favorable currency exchange rates than in the previous year and a larger single deal that occurred during the comparison period. The renewed contract for this significant deal was allocated to the previous quarter due to billing cycles and is therefore not included in the net sales for the review period.

The net sales from software maintenance services was 715 thousand euros (838). The net sales were weakened by a correction made during the second quarter for a few larger customers as they transitioned to the SaaS business model. Additionally, the termination of some customer relationships and currency exchange rate fluctuations reduced net sales. These effects were compensated by new customer acquisition.



SaaS net sales grew by 1% and amounted to 1,365 thousand euros (1,347). The net sales from the QPR ProcessAnalyzer solution grew at a double-digit rate, while net sales from legacy products declined compared to the reference period. Growth was driven by new customer agreements and additional sales to existing customers.

The net sales from consulting was 503 thousand euros (445), which represents a 13% increase. The growth in consulting net sales was influenced by, among other things, larger consulting projects where the workforce is outsourced, as well as increased customer projects.

Of the Group's net sales, 40% (41) came from Finland, 46% (43) from the rest of Europe (including Turkey), and 14% (16) from the rest of the world.

## **FINANCIAL DEVELOPMENT**

### **APRIL-JUNE 2025**

The Group's EBITDA for April-June was -223 thousand euros (181), 404 thousand euros less than in the comparison period. The operating profit was -469 thousand euros (-66), which represents a decrease of 403 thousand euros compared to the corresponding period of the previous year. The result for the period was -454 thousand euros (-87).

The Group's variable expenses were 241 thousand euros (223). The increase is mainly explained by the increased use of sub-consultants.

The company's fixed expenses were 1,364 thousand euros (1,069), which represents a 28% increase compared to the reference period. The growth in personnel expenses is mainly explained by an increase in the number of employees.

Other operating expenses increased compared to the reference period, which was mainly due to the growth investments initiated in the final quarter of 2024.

During the second quarter of the year, the company implemented a cost-saving program for administrative services, which replaced outsourced financial administration services with its own personnel resources. Thanks to the program, cost savings were achieved faster than expected already by the end of the second quarter and will be fully reflected starting from the third quarter.

Earnings per share was -0,023 (-0,005) euros per share.

### **JANUARY-JUNE 2025**

The Group's EBITDA for January-June was -216 thousand euros (476), 692 thousand euros less than in the comparison period. The operating profit was -710 thousand euros (-34), which represents a decrease of 676 thousand euros compared to the corresponding period of the previous year. The result for the period was -720 thousand euros (-74).

The Group's variable expenses were 511 thousand euros (483). The increase is mainly explained by the increased use of sub-consultants.

The company's fixed expenses were 2,607 thousand euros (2,283), which represents a 14% increase compared to the reference period. The growth in personnel expenses is mainly explained by an increase in the number of employees.

Other operating expenses increased compared to the reference period, which was mainly due to the growth investments initiated by the company in the final quarter of 2024. However, thanks to the implemented cost-saving program for administrative services, savings were already achieved during the review period.

Earnings per share was -0,037 (-0,004) euros per share.

## **FINANCE AND INVESTMENTS**

During the review period, the company's free cash flow — including cash flows from operations, investments, and lease payments — amounted to -769 thousand euros (-449). The decrease was mainly due to weaker profitability compared to the reference period.

Cash flow from operations during the review period was -557 thousand euros (-248), primarily due to lower profitability compared to the reference period.

Net financial expenses totaled 39 thousand euros (40), including exchange losses of 7 thousand euros (-2).

Investments totaled 191 thousand euros (189), consisting mainly of product development investments.

The company's net cash flow from financing activities was 1,103 thousand euros (-417), primarily due to the share issue carried out during the review period. The company raised net assets of 1.62 million euros from the issue.

The Group's financial position is stable. At the end of the review period, the Group's cash assets totaled 1,180 thousand euros (31), and short-term trade receivables amounted to 945 thousand euros (1,357).

Of the euro-denominated trade receivables, 55% were denominated in euros, and 62% of invoices were not yet due. Of the total short-term trade receivables, approximately 9% of overdue invoices were 1–30 days past due, 9% were 30–60 days past due, and 20% were more than 60 days past due.

The Group has a credit limit of 500,000 euros available, which was not in use at the end of the review period.

At the end of the review period, the Group had EUR 500,000 in bank loans, all classified as short-term. The loan matures in January 2026. The loan is no longer subject to any covenant terms.

The equity ratio increased to 36.9% (10.7%). The increase was mainly due to the directed share issue carried out during the review period.

## PRODUCT DEVELOPMENT

QPR has positioned itself as a leading player in Digital Twin of an Organization (DTO) technology. The company innovates and develops software products that analyze, measure, and model the operations of organizations. The Company develops the following software products: QPR ProcessAnalyzer, QPR EnterpriseArchitect, QPR ProcessDesigner, and QPR Metrics.

Product development expenses for the second quarter amounted to 228 thousand euros (332), and 80 thousand euros (72) of development costs were capitalized on the balance sheet. Amortization of capitalized product development costs totaled 228 thousand euros (233).

In the first half of the year, product development expenses amounted to 465 thousand euros (557), and 191 thousand euros (189) of these expenses were capitalized on the balance sheet. Amortization of capitalized product development expenses totaled 459 thousand euros (459). The amortization period for capitalized development costs is four years.

Product development focused especially on AI-based solutions that address the market shift toward a platform economy and support process analytics, automation, and user experience development.

## PERSONNEL

At the end of the review period, the group employed a total of 32 people (29). The average number of personnel during January–June was 32 (35).

The average age of personnel was 45 (45) years. Women accounted for 28% (23) and men for 72% (77) of the personnel. Of all personnel, 22% (16) worked in sales and marketing, 28% (31) in consulting and customer service, 37% (42) in product development, and 13% (11) in administration.

Personnel expenses were 1,900 thousand euros (1,841), of which salaries and fees accounted for 1,633 thousand euros (1,571).

For incentive purposes, the company has a bonus program covering the entire personnel. The short-term compensation of the executive management consists of a base salary, fringe benefits, and a potential performance-based bonus. Additionally, the company has a stock option program for key personnel.

## SHARES AND SHAREHOLDER

Trading of shares	Jan-June, 2025	Jan-June, 2024	Change, %	Jan-Dec, 2024
Shares traded, pcs	2,365,522	2,843,442	-17	3,842,304
Volume, EUR	2,355,078	1,370,778	72	1,964,351
% of shares	12.1	15.9	-24	21.4
Average trading price, EUR	1.00	0.48	107	0.51
Average trading value per day, EUR	19,304	11,145	73	7,857
Treasury shares acquired during the year, pcs	0	0	0	0

Shares and market capitalization	Jan-June, 2025	Jan-June, 2024	Change, %	Dec 31, 2024
Total number of shares, pcs	19,850,578	18,175,192	9	18,175,192
Treasury shares, pcs	256,849	256,849	0	256,849
Book counter value, EUR	0.11	0.11	-	0.11
Outstanding shares, pcs	19,593,729	17,918,343	9	17,918,343
Number of shareholders	2,524	2,058	23	2,174
Closing price, EUR	0.81	0.57	42	0.81
Market capitalization, EUR	15,870,920	10,213,456	55	14,513,858
Book counter value of all treasury shares, EUR	28,253	28,253	0	28,253
Total purchase value of all treasury shares, EUR	244,349	244,349	0	244,349
Treasury shares, % of all shares	1.3	1.4	-8	1.4

## GOVERNANCE

The Annual General Meeting of QPR Software Plc was held today on June 18, 2025 in Espoo. The General Meeting adopted the Company's financial statements for the financial year 2024 and discharged the members of the Board of Directors and the CEO from liability. The General Meeting resolved that no dividend be paid based on the balance sheet adopted for the financial year ended on December 31, 2024, and adopted the Company's Remuneration Report. Further, the General Meeting resolved to authorise the Board of Directors to decide on share issues and on the issues of special rights entitling to shares as well as on the acquisition of own shares.

### Annual accounts and the use of the profit shown on the balance sheet

The General Meeting adopted the Company's financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period January 1 – December 31, 2024. The General Meeting resolved that no dividend be paid based on the balance sheet adopted for the financial year ended on December 31, 2024.

### Remuneration of the members of the Board of Directors and the Auditor

The General Meeting resolved that the Chairman of the Board of Directors be paid EUR 45,000 per year and the other members of the Board of Directors EUR 25,000 per year. Approximately 40 percent of the remuneration will be paid in shares and 60 percent in cash. The shares will be transferred at the earliest after the General Meeting election and in accordance with the insider trading regulations. The members of the Board of Directors will also be reimbursed for travel and other expenses incurred while they are managing the Company's affairs.

The remuneration of the auditor will be paid according to a reasonable invoice.

### Board of Directors and Auditor

The General Meeting confirmed that the number of Board members is four (4). Pertti Ervi was re-elected as the Chairman of the Board of Directors and Antti Koskela and Jukka Tapaninen were re-elected as members of the Board of Directors. Maija Hovila was elected as a new member of the Board of Directors.

Authorised Public Accountants Ernst & Young Oy was elected as the Company's auditor. Ernst & Young Oy has announced that Maria Onniselkä, Authorised Public Accountant, will act as the principal auditor.

### **Authorisation of the Board of Directors to decide on share issues and on the issues of special rights entitling to shares**

The General Meeting resolved to authorise the Board of Directors to decide on issuances of new shares and conveyances of own shares held by the Company (share issue) either in one or more instalments. The share issues can be carried out against payment or without consideration on terms to be determined by the Board of Directors. The authorisation also includes the right to issue special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act, which entitle to the Company's new shares or own shares held by the Company against consideration. Based on the authorisation, the maximum number of new shares that may be issued and own shares held by the Company that may be conveyed in share issues and/or on the basis of special rights is 1,985,057 shares. The authorisation includes the right to deviate from the shareholders' pre-emptive subscription right. The authorisation is in force until the next Annual General Meeting.

### **Authorisation of the Board of Directors to decide on the acquisition of own shares**

The General Meeting resolved to authorise the Board of Directors to decide on the acquisition of the Company's own shares. Based on the authorisation, an aggregate maximum amount of 500,000 own shares may be acquired, either in one or more instalments. The authorisation includes the right to acquire own shares otherwise than in proportion to the existing shareholdings of the Company's shareholders, using the Company's non-restricted shareholders' equity. The authorisation is in force until the next Annual General Meeting.

## **SHORT-TERM RISKS AND UNCERTAINTIES**

Internal control and risk management at QPR Software aims to ensure that the Company operates efficiently and effectively, distributes reliable information, complies with regulations and operational principles, reaches its strategic goals, reacts to changes in the market and operational environment, and that business continuity is secured considering the financial position.

The Company has identified the following three groups of risks related to its operations: risks related to business operations (country, customer, personnel, legal), risks related to information and products (QPR products, IPR, data privacy, and security), and risks related to financing and liquidity (foreign currency, short-term cash flow). The company's liquidity risk has significantly decreased as a result of the share issue carried out during the review period.

The Company has an insurance policy covering property, operational, and liability risks. Financial risks include reasonable credit risk concerning individual business partners, which is characteristic of any international business. QPR seeks to limit this credit risk by continuously monitoring standard payment terms, receivables, and credit limits.

The company has described its risk factors in more detail in the 2024 financial statements and annual report.

At the end of the reporting period, 55% (63) of the Group's trade receivables were denominated in euros. The company had no foreign currency-denominated trade receivables hedged at the end of the quarter.

## **FINANCIAL REPORTING AND ANNUAL GENERAL MEETING**

In 2025, QPR will publish the following financial reports:

- Interim Report January-September 2025 on Friday, October 31, 2025

QPR Software's financial statement bulletin, activity report, audit report, and report on the corporate governance system for the financial year 2024 were published on Friday, February 16, 2024.

QPR's Annual Report 2024 was published on April 3, 2025, and QPR's Annual General Meeting for 2025 was held on June 18, 2025, in Espoo. The Annual Report 2024 and the resolutions of the Annual General Meeting are available on the company's website in the Investors section.

## **QPR SOFTWARE PLC**

### **BOARD OF DIRECTORS**

#### **For further information:**

Heikki Veijola

Chief Executive Officer

QPR Software Plc

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#### **QPR Software in Brief**

QPR Software (Nasdaq Helsinki) is a leading player in the Digital Twin of an Organization (DTO) use case and one of the most advanced process mining software companies in the world. The company innovates, develops, and delivers software for analyzing, monitoring, and modeling organizational operations. Additionally, QPR provides consulting services to ensure its customers derive full benefits from the software and associated methodologies.

[www.qpr.com](http://www.qpr.com)

## **DISTRIBUTION**

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Key medias

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## HALF-YEAR FINANCIAL REPORT JANUARY-JUNE 2025

QPR Software's Board of Directors has approved this financial bulletin for January 1 – June 30, 2025, to be published.

The full-year financial figures for 2024 presented in the numerical section of this release have been audited, while the half-year financial report figures are unaudited.

## FINANCIAL STATEMENT INFORMATION

### CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

EUR in thousands, unless otherwise indicated	April- June, 2025	April- June, 2024	<i>Change,</i> %	Jan- June, 2025	Jan- June, 2024	<i>Change,</i> %	Jan- Dec, 2024
Net sales	1,382	1,473	-6	2,901	3,242	-11	6,614
Other operating income	-	-	-	-	-	-	132
Materials and services	241	223	8	511	483	6	1,026
Employee benefit expenses	935	820	14	1,900	1,841	3	3,467
Other operating expenses	429	249	72	707	442	60	1,234
EBITDA	-223	181	-223	-216	476	-145	1,020
Depreciation and amortization	246	247	-1	493	510	-3	1,036
Operating result	-469	-66	-609	-710	-34	-2,007	-16
Financial income and expenses	-20	-21	3	-39	-40	3	-87
Provisions	0	0	-	0	0	-	0
Result before tax	-489	-87	-463	-749	-74	-911	-103
Income taxes	35	0	-	29	0	-	21
Result for the period	-454	-87	-423	-720	-74	-871	-82
Profit for the period attributable: To the Owners' of the Parent Company	-454	-87		-720	-74		-82

Earnings per share, EUR (basic and diluted)	-0.023	-0.005	-378	-0.037	-0.004	-818	-0.005
Consolidated statement of comprehensive income:							
Result for the period	-454	-87	-423	-720	-74	-871	-82
Exchange differences on translating foreign operations	9	0	-	3	-1	359	-2
Total comprehensive income	-445	-87	-413	-717	-75	-855	-84

## CONDENCED CONSOLIDATED BALANCE SHEET

EUR in thousands	June 30, 2025	June 30, 2024	Change, %	Dec 31, 2024
Assets				
Non-current assets:				
Intangible assets	1,373	1,962	-30	1,641
Goodwill	358	358	0	358
Tangible assets	7	56	-87	20
Right-of-use assets	356	404	-12	377
Other non-current assets	329	277	19	329
Total non-current assets	2,424	3,058	-21	2,726
Current assets:				
Trade and other receivables	1,417	1,832	-23	2,355
Cash and cash equivalents	1,180	31	3,683	825
Total current assets	2,597	1,863	39	3,180
Total assets	5,021	4,921	2	5,906
Equity and liabilities				
Equity:				
Share capital	80	80	0	80
Other funds	21	21	0	21
Treasury shares	-244	-244	0	-244
Translation differences	-62	-60	-3	-65
Invested non-restricted equity fund	6,548	4,925	33	4,925
Retained earnings	-4,943	-4,369	-13	-4,316
Equity attributable to shareholders of the parent company	1,400	352	298	401
Total equity	1,400	352	298	401



Non-current liabilities:				
Interest-bearing liabilities	-	500	-	500
Interest-bearing lease liabilities	358	389	-8	372
Total non-current liabilities	358	889	-60	872
Current liabilities:				
Interest-bearing liabilities	500	595	-16	500
Interest-bearing lease liabilities	28	29	-5	29
Advances received	1,224	1,122	9	2,363
Accrued expenses and prepaid income	1,005	1,375	-27	707
Trade and other payables	507	559	-9	1,033
Total current liabilities	3,264	3,680	-11	4,633
Total liabilities	3,621	4,569	-21	5,505
Total equity and liabilities	5,021	4,921	2	5,906

## CONSOLIDATED CONDENSED CASH FLOW STATEMENT

EUR in thousands	April- June, 2025	April- June, 2024	Change, %	Jan- June, 2025	Jan- June, 2024	Change, %	Jan- Dec, 2024
Cash flow from operating activities:							
Result for the period	-454	-87	-423	-720	-74	-871	-82
Adjustments to the result	306	269	14	634	581	9	1,256
Working capital changes*	-618	-422	-46	-430	-737	42	-272
Interest and other financial expenses paid	-7	-3	-140	-31	-19	-61	-78
Interest and other financial income received	0	0	-	1	0	-	0
Income taxes paid	-5	0	-	-11	0	-	-18
Net cash from operating activities	-779	-243	-221	-557	-248	-124	806
Cash flow from investing activities:							
Purchases of tangible and intangible assets	-80	-84	4	-191	-189	-1	-331
Proceeds from sales of tangible and intangible assets	-	-	-	-	-	-	6
Net cash used in investing activities	-80	-84	4	-191	-189	-1	-325
Cash flow from financing activities:							

Proceeds from short term borrowings	-	95	-	-	95	-	95
Repayments of short term borrowings	-	-	-	-500	-500	0	-595
Payment of lease liabilities	-12	-	-	-20	-12	-68	-39
Share issue net	-	-	-	1,624	-	-	-
Net cash used in financing activities	-12	95	-113	1,103	-417	365	-539
Net change in cash and cash equivalents	-871	-232	-275	355	-854	142	-58
Cash and cash equivalents at the beginning of the period	2,051	264	677	825	884	-7	884
Effects of exchange rate changes on cash and cash equivalents	0	-1	100	0	1	-100	-1
Cash and cash equivalents at the end of the period	1,180	31	3,707	1,180	31	3,707	825

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other funds	Translation differences	Treasury shares	Invested non-restricted equity fund	Retained earnings	Total
Equity Jan 1, 2024	80	21	-67	-348	4,925	-4,263	348
Total comprehensive income for the period:							
Profit for the period						-82	-82
Translation differences			2			-9	-7
Total comprehensive income for the period	0	0	2	0	0	-91	-89
Transactions with owners of the Company:							
Disposal of own shares				103		-55	48
Stock option scheme						93	93
Transactions with owners of the Company	0	0	0	103	0	38	141
Equity Dec 31, 2024	80	21	-65	-245	4,925	-4,316	401
Equity Jan 1, 2025	80	21	-65	-245	4,925	-4,316	401
Total comprehensive income for the period							
profit for the period						-720	-720
Translation differences			3				3
Total comprehensive income for the period	0	0	3	0	0	-720	-717

Transactions with owners of the Company:							
Stock option scheme						93	93
Share issue, net					1,624		1,624
Transactions with owners of the Company	0	0	0	0	1,624	93	1,716
Equity March 31, 2024	80	21	-62	-245	6,548	-4,943	1,400

## NOTES TO INTERIM FINANCIAL STATEMENTS

### BASIC INFORMATION

QPR offers services and tools for the development of business processes and enterprise architecture. The parent company of the Group is QPR Software Plc (business ID 0832693-7), which is a Finnish public limited company. QPR Software Plc's share is listed on Nasdaq Helsinki Ltd, in the Technology group. The parent company QPR Software Oy's domicile is Helsinki, Finland, and its registered address is Keilaranta 1, 02150 Espoo.

### ACCOUNTING PRINCIPLES

The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report does not contain the information presented in the financial statements, so it should be read in conjunction with the consolidated financial statements published for 2024.

The same accounting principles have been followed in the preparation of the interim report as in the 2024 annual financial statements.

The preparation of the interim report in accordance with IFRS standards has required the management to make estimates and assumptions that affect the amount of assets and liabilities at the balance sheet date and the amount of income and expenses for the reporting period and future periods. In addition, management has used discretion in applying the accounting policies of the interim report. Estimates and assumptions related to the determination of the carrying amounts of assets and liabilities are based on the views at the time of the interim report, expected outcomes and other assumptions that were available when the interim report was prepared and that are considered appropriate in the circumstances. Estimates involve risks and uncertainties, so actual results may differ from those made and assumptions.

The figures presented in the interim report are group figures, unless otherwise stated. The figures in the release are rounded, so the sum of individual figures may differ from the sum presented.

### INTANGIBLE AND TANGIBLE ASSETS

EUR in thousands	Jan-June, 2025	Jan-June, 2024	Jan-Dec, 2024
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Intangible assets			
Book value at the beginning of the period	1,641	2,245	2,245
Increase	191	105	331
Amortizations	-460	-226	-935
Book value at the end of the period	1,373	2,124	1,641
Tangible assets			
Book value at the beginning of the period	20	81	81
Decrease	-	-	-6
Depreciations	-13	-13	-55
Book value at the end of the period	7	68	20

## EQUITY

During the review period, QPR Software Plc decided on a directed share issue based on the authorization granted to the Board of Directors by the Annual General Meeting. A total of 1,675,386 shares were subscribed for in the share issue at a subscription price of EUR 1.04 per share. The subscription price is presented in its entirety in the invested unrestricted equity fund. The increase in the invested equity fund during the review period was EUR 1,624 thousand, including the costs incurred from the issue. The new shares were registered in the Trade Register on March 5, 2025. At the end of the review period, the number of shares in the parent company QPR Software Plc was 19,850,578.

## SHARE-BASED PAYMENTS

QPR Software has in place the 2022, 2023 and 2024 share option programs, which are used as part of the Group's incentive and commitment program for key personnel. The impact of share-based payments on the result for the review period was EUR 93 thousand.

## CHANGES IN INTEREST-BEARING LIABILITIES

EUR in thousands	Jan-June, 2025	Jan-June, 2024	Jan-Dec, 2024
Interest-bearing liabilities Jan 1	1,401	1,818	1,818
Proceeds from borrowings	-	95	-
IFRS 16 – change in lease liability	-16	100	83
Repayments	500	500	500
Book value at the end of the period	885	1,513	1,401

## PLEDGED AND COMMITMENTS

EUR in thousands	June 30, 2025	June 30, 2024	Change, %	Dec 31, 2024

Business mortgages	2,382	2,382	0	2,382
Minimum lease payments based on lease agreements:				
Maturing in less than one year	11	30	-64	24
Maturing in 1-5 years	0	11	-100	0
Total	11	41	-74	24
Total pledges and commitments	2,393	2,424	-1	2,406

## CONSOLIDATED INCOME STATEMENT BY QUARTER

EUR in thousands	April- June, 2025	Jan - Mar, 2025	Oct -Dec, 2024	July - Sept, 2024	April - June, 2024
Net sales	1,382	1,519	1,963	1,409	1,473
Other operating income	-	-	132	-	-
Materials and services	241	269	333	210	223
Employee benefit expenses	935	965	967	658	820
Other operating expenses	429	278	520	273	249
EBITDA	-223	7	275	269	181
Depreciation and amortization	246	248	252	274	247
Operating result	-469	-241	23	-6	-66
Financial income and expenses	-20	-19	-19	-28	-21
Result before tax	-489	-260	4	-33	-87
Income taxes	35	-6	21	-	-
Result for the period	-454	-266	26	-33	-87

## GROUP KEY FIGURES

EUR in thousands, unless otherwise indicated	Jan-June or June, 2025	Jan-June or June, 2024	Jan-Dec or Dec, 2024
Net sales	2,901	3,242	6,614
Net sales growth, %	-10.5	-21.8	-12.4
EBITDA	-216	476	1,020
% of net sales	-7.4	14.7	15.4
Operating result	-710	-34	-16
% of net sales	-24.5	-1.0	-0.2
Result before tax	-749	-74	-103

% of net sales	-25.8	-2.3	-1.6
Result for the period	-720	-74	-82
% of net sales	-24.8	-2.3	-1.2
Return on equity (per annum), %	-159.8	-99.1	-21.8
Return on investment (per annum), %	-74.2	-11.6	-14.3
Cash and cash equivalents	1,180	31	825
Net borrowings	-295	1,482	577
Equity	1,400	352	401
Gearing, %	-21.0	420.4	143.9
Equity ratio, %	36.9	10.7	11.9
Total balance sheet	5,021	4,921	5,906
Investments in non-current assets	192	288	753
% of net sales	6.6	8.9	11.4
Product development expenses	466	557	979
% of net sales	16.1	17.2	14.8
Average number of personnel	32	34	33
Personnel at the beginning of period	32	49	49
Personnel at the end of period	32	27	32
Earnings per share, EUR (basic and diluted)	-0.039	-0.004	-0.005
Equity per share, EUR	0.071	0.020	0.022

## SEGMENT INFORMATION

QPR Software reports a single business segment: Business Process Development. In addition, the company presents its revenue breakdown as follows: Software Licenses, Recurring Software Licenses, Software Maintenance Services, Cloud Services, and Consulting. Recurring Software Licenses, together with Software Maintenance Services and Cloud Services, constitute the company's reported recurring revenue. These revenues are based on long-term contracts, either indefinite or fixed for multiple years, and are generally invoiced annually in advance.

The reporting of segment information follows the same accounting principles as applied in the consolidated financial statements.

Thousand euros	April- June, 2025	April- June, 2024	Change, %	Jan- June, 2025	Jan- June, 2024	Change, %	Jan- Dec, 2024
Organizational development of organizations	1,382	1,473	-6	2,901	3,242	-11	6,614
Total	1,382	1,473	-6	2,901	3,242	-11	6,614