



QPR SOFTWARE PLC

INTERIM REPORT
JANUARY-MARCH 2025

QPR Software Plc's Interim report January–March 2025

QPR SOFTWARE PLC

STOCK EXCHANGE RELEASE

24 April 2025, AT 9.00 AM EET

QPR Software Plc Interim Report, January–March:

SaaS revenue decreased by 1% due to the expiration of some legacy product customer agreements at the turn of the year. Software business revenue declined by 16%. Growth investments have been started. EBITDA remained positive. A directed share issue raised EUR 1.7 million.

FINANCIAL DEVELOPMENT BRIEFLY

JANUARY-MARCH 2025

- Investments in growth have started.
- SaaS net sales declined by 1%, even though QPR ProcessAnalyzer continued its strong growth.
- Software net sales decreased by 16%.
- Net sales were 1,519 thousand euros, down 14% (1,769).
- EBITDA was 7 thousand euros (295), -288 thousand euros change compared to the corresponding period.
- The operating profit was -241 thousand euros (33), -273 thousand euros change compared to the corresponding period.
- Profit before taxes was -260 thousand euros (13), -273 thousand euros change compared to the corresponding period.
- The result was -266 thousand euros (13), -273 thousand euros change compared to the corresponding period.
- Earnings per share was -0.014 euros (0.001)
- Cash flow from operations 222 thousand euros (-5), +217 thousand euros change compared 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 quarter of 2025 was weak in business, although our flagship product QPR ProcessAnalyzer's SaaS business continued its strong growth. We fell short of our overall objectives. Net sales were 1.52 million euros, which is 14% less than the previous year. There were significantly fewer license deals with a strong impact on net sales during the quarter compared to the previous year. EBITDA remained positive at 7 thousand euros, but the result was a loss of 266 thousand euros. SaaS net sales decreased by 1% and software net sales by 16%.

The weaker result was mainly due to the expiration of certain customer contracts related to legacy products at the turn of the year, as well as the long sales cycles typical of our business, which cause fluctuations in the timing of individual deals.

Growth Investments and Successful Share Issue

During the first quarter, we carried out a directed share issue, resulting in the company raising EUR 1.62 million to finance growth. Investments in strengthening our sales, marketing, and partner network were launched immediately and have partly impacted profitability at the beginning of the year. The effects of these actions are expected to gradually reflect in customer acquisition and revenue development toward the end of the year.

Growing Interest in North America and the Middle East

During the first quarter, we made progress in several strategically important initiatives that support our long-term growth. The QPR ProcessAnalyzer application, launched on the Snowflake Marketplace in October 2024, gained its first users during the beginning of the year. Interest in the application has been promising, and new discussions are actively ongoing with several organizations.

Development in the Middle East market continued positively at the beginning of the year. At the end of 2024, we signed several new customers in Saudi Arabia, and the region is becoming increasingly important as part of our international expansion. We have deepened our collaboration with local partners, and at the beginning of the year, the location of the VP for QPR's Middle East business was moved to Saudi Arabia. This relocation contributed to a one-time increase in costs during the first quarter.

The growing demand for process mining solutions and local commitment provide a strong foundation for further expanding operations in both the Middle East and North America.

Strengthening the Partner Network and Sales

Developing international partnerships is a key part of QPR's growth strategy. Our partner network has grown during the beginning of the year, and we have increased resources for partner cooperation. At the same time, we are looking for reinforcements for our sales team to respond to the European and United States markets. Our goal is to expand market and customer coverage in strategically important regions and accelerate new customer acquisition in cooperation with partners.

We have also actively invested in the Snowflake ecosystem. In the first quarter, we prepared to participate in Snowflake's April events in Dubai and Riyadh, as well as the main event in June, the Snowflake Summit in San Francisco.

In 2025, our presence at Snowflake events in the United States, Europe, and the Middle East will be broader than ever before. Our goal is to strengthen our position in the Snowflake ecosystem, increase our awareness in new markets, and thereby reach a wealth of new prospects and customers. These measures support our strategy of building a scalable, AI- and cloud-based business together with the world's leading technology partners.

Artificial Intelligence and Strategic Product Development

The process mining market is moving towards a platform economy where software and data services are combined with the ecosystems of large technology platforms. QPR is actively involved in this transformation by focusing in particular on Snowflake technology, which supports long-term growth and strengthens our international position.

The QPR ProcessAnalyzer application, launched in the Snowflake Marketplace in October 2024, gained its first users during the beginning of the year.

Artificial intelligence has long been a central part of our product development, and its role continues to grow, especially in analytics, automation, and enhancing the user experience.

Our latest innovation, the QPR ProcessAnalyzer AI Agent, helps customers gain insights and recommendations from process data in natural language. It detects patterns, explains results, and provides suggestions — essentially automating the analysis and supporting data-driven decision-making. The solution is easy to deploy and can be tailored to meet customer-specific needs.

AI will continue to be a key part of strengthening our competitiveness and our strategic development path.

Customer Engagement and Outstanding Feedback from QPR Summit

One of the highlights of the beginning of the year was QPR Summit 2025, an event organized for our customers and partners after a break of several years. The summit brought together participants from multiple countries, provided an opportunity to deepen dialogue and share experiences, and showcased our latest innovations.

Customer feedback was exceptionally positive: the event's Net Promoter Score (NPS) was 84, reflecting strong customer satisfaction and trust in QPR.

Heading in the Right Direction

Although the result at the beginning of the year fell short of our expectations, we have achieved significant progress - including new customer agreements, strengthened partnerships, and excellent feedback from the customer event. Our Snowflake-compatible solution has attracted wide interest, especially in data-driven organizations, and we see significant growth potential in this area.

We have strong confidence in the international growth of our business, and the growth investments made possible by the share issue provide a solid foundation for it.

A warm thank you to our customers, partners, shareholders, and employees for your commitment and collaboration. We will continue our determined efforts toward sustainable growth and the ongoing development of customer value.

Heikki Veijola

CEO

KEY FIGURES

EUR in thousands, unless otherwise indicated	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Net sales	1,519	1,769	-14	6,614
EBITDA	7	295	-98	1,020
% of net sales	0.5	16.7		15.4
Operating result	-241	32	-841	-16
% of net sales	-15.9	1.8		-0.2
Result before tax	-260	13	-2,147	-103
Result for the period	-266	13	-2,192	-82
% of net sales	-17.5	0.7		-1.2
Earnings per share, EUR (basic and diluted)	-0.014	0.001	-2,085	-0.005
Equity per share, EUR	0.091	0.021	343	0.022
Cash flow from operating activities	222	-5	4,252	806
Cash and cash equivalents	2,051	264	677	825
Net borrowings	-1,158	1,032	-212	577
Gearing, %	-64.0	275.7	-123	143.9
Equity ratio, %	45.4	13.6	234	11.9
Return on equity, %	-98.4	14.1	-800	-21.8
Return on investment, %	-26.14	1.7	-1,618	-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	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Software licenses	79	234	-66	926
Renewable software licenses	169	225	-25	420
Software maintenance services	389	411	-5	1,717
SaaS	653	661	-1	2,721
Consulting	229	237	-3	830
Total	1,519	1,769	-14	6,614

NET SALES BY GEOGRAPHIC AREA

EUR in thousands	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Finland	584	701	-17	2,579

Europe incl. Turkey	706	767	-8	2,656
Rest of the world	229	302	-24	1,379
Total	1,519	1,769	-14	6,614

JANUARY-MARCH 2025

The net sales for January-March were 1,519 thousand euros (1,769), which represents a decrease of 14 percent compared to the reference period. The decrease in net sales was particularly affected by an exceptional one-time license sale in the comparison period and exchange rate fluctuations. The proportion of recurring net sales of total net sales was at the level of the comparison period, i.e., 73 percent (73).

SaaS net sales, which is at the core of our strategy, decreased by 1% and software net sales by 16%.

Net sales of software licenses were 79 thousand euros (234), decreasing 66% from the comparison period. The decrease was due to a significant license sale in the comparison period. The net sales mainly consisted of additional sales through the partner network to both existing and new customers, direct sales to existing customers, and expansion of the partner network. The growth of the partner network opened up new business opportunities and customer relationships.

Net sales of renewable software licenses were 169 thousand euros (225), which means a 25% decrease. The decrease in net sales was affected by less favourable exchange rates compared to the previous year and a larger individual transaction in the comparison period. The renewed agreement for this significant transaction was scheduled for the previous quarter due to invoicing periods and is therefore not included in the net sales for the review period.

Net sales of software maintenance services were 389 thousand euros (411). Net sales were weakened by exchange rate changes, a gradual transition to the SaaS business model, and partly also by the termination of some customer relationships. These effects were compensated by new customer acquisition.

SaaS net sales decreased by 1 % and were 653 thousand euros (661). For QPR ProcessAnalyzer, there was double-digit growth, while net sales of older products decreased compared to the comparison period. The decrease in SaaS net sales was affected by customer agreements terminated at the end of last year and the expiration of fixed-term agreements. The conclusion of new agreements and the partial transfer of maintenance to SaaS net sales had a positive impact.

Consulting net sales were 229 thousand euros (237), which represents a 3% decrease. Consulting services are closely linked to software solutions, and because software license sales were lower than the previous year, consulting net sales also decreased somewhat.

Of the Group's net sales, 38% (40) came from Finland, 46% (43) from the rest of Europe (including Turkey), and 15% (17) from the rest of the world.

FINANCIAL DEVELOPMENT

JANUARY-MARCH 2025

The Group's EBITDA for January-March was 7 thousand euros (295), 288 thousand euros less than in the comparison period. The operating profit was -241 thousand euros (33), which represents a decrease of 274 thousand euros compared to the corresponding period of the previous year. The result for the period was -266 thousand euros (13).

The Group's variable expenses were 269 thousand euros (260). The increase is mainly explained by higher partner commissions related to license sales in the Middle East and the increased use of sub-consultants.

The company's fixed expenses were 1243 thousand euros (1214), which represents a 2% increase compared to the reference period. Personnel expenses, on the other hand, decreased, which was mainly due to personnel reductions made as a result of the change negotiations held during 2024. The effects of these cost-saving measures began to materialize from the third quarter of 2024.

Other operating expenses increased compared to the reference period, mainly due to higher administrative costs and, to some extent, growth investments initiated by the company in the final quarter of 2024. During the second quarter of the year, the company will launch a cost-saving program for administrative services, which aims to replace outsourced financial administration services with its own personnel resources. The program aims to achieve cost savings from the second half of the year.

Earnings per share were -0.014 (0.001) euros per share.

FINANCE AND INVESTMENTS

During the review period, the company's free cash flow, which includes cash flow from operations and investments, as well as office leases, was 103 thousand euros (-123). The significant improvement in free cash flow is mainly due to the improvement in cash flow from operations.

The cash flow from operating activities for the review period was 222 thousand euros (5). The main reason for this change compared to the previous period was the decrease in personnel-related payments and, in particular, successful collection during the review period.

Net financial expenses were 19 thousand euros (16), including exchange losses of 1 thousand euros (2).

Investments were 111 thousand euros (105), consisting mainly of product development investments.

The company's net cash flow from financing activities during January-March was 1,116 thousand euros (-512). The positive net cash flow was mainly due to the company carrying out a share issue during the review period. The company raised net assets of 1.62 million euros from the issue.

The Group's financial situation is stable. At the end of the review period, the Group's cash assets were 2051 thousand euros (264). Short-term trade receivables amounted to 1,024 thousand euros (1126).

Euro-denominated trade receivables accounted for 63%, and 92% of the invoices were not yet due. Of the total amount of short-term trade receivables, the share of receivables overdue by 1–30 days was approximately 4%, 30–60 days 0.3% and more than 60 days 3%.

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 45.4% (13.6%). 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.

Total product development expenses for the period amounted to 238 thousand euros (332), with 111 thousand euros (105) capitalized on the balance sheet. Product development depreciation was recorded at 231 thousand euros (226). The amortization period for capitalized development costs is four years.

PERSONNEL

At the end of the review period, the group employed 32 people (35). The average number of personnel in the review period was 32 (39).

The average age of the personnel is 45 (44) years. Women account for 27% (31) of employees, and men for 73% (69). Of all personnel, 23% (17) work in sales and marketing, 30% (28) in consulting and customer care, 38% (41) in product development, and 10% (14) in administration.

Personnel expenses were 965 thousand euros (1,021), of which the share of salaries and bonuses was 827 thousand euros (872).

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

	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Trading of shares				

Shares traded, pcs	1,477,922	1,856,283	-20	3,842,304
Volume, EUR	1,534,753	768,482	100	1,964,351
% of shares	7.5	10.4	-28	21.4
Average trading price, EUR	1.04	0.41	151	0.51
Average trading value per day, EUR	24,754	12,198	103	7,857
Treasury shares acquired during the year, pcs	0	0	0	0
Shares and market capitalization	Mar 31, 2025	Mar 31, 2024	Change, %	Dec 31, 2023
Total number of shares, pcs	19,850,578	18,175,192	9	18,175,192
Treasury shares, pcs	256,849	339,471	-24	256,849
Book counter value, EUR	0.11	0.11	-	0.11
Outstanding shares, pcs	19,593,729	17,835,721	10	17,918,343
Number of shareholders	2,614	2,008	30	2,174
Closing price, EUR	1.02	0.69	48	0.81
Market capitalization, EUR	19,985,604	12,306,647	62	14,513,858
Book counter value of all treasury shares, EUR	28,253	37,342	-24	28,253
Total purchase value of all treasury shares, EUR	244,349	347,552	-30	244,349
Treasury shares, % of all shares	1.3	1.9	-32	1.4

GOVERNANCE

The Annual General Meeting of QPR Software Plc was held on May 15, 2024, in Helsinki. The General Meeting adopted the Company's financial statements for the financial year 2023 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, 2023, and adopted the Company's Remuneration Report and Remuneration Policy. Further, the General Meeting resolved to authorize the Board of Directors to decide on share issues and on the issue of other 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, 2023. The General Meeting resolved that no dividend be paid based on the balance sheet adopted for the financial year ended on December 31, 2023.

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 45,000 euros per year and the other members of the Board of Directors 25,000 euros per year. Approximately 40 percent of the remuneration will be paid in shares and 60 percent in cash. The shares will be granted as soon as possible after the Annual General Meeting and if the insider regulations

allow it. 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 shall be paid according to the 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. Linda von Schantz was elected as a new member of the Board of Directors.

Authorised Public Accountants KPMG Oy Ab was re-elected as the Company's auditor. KPMG Oy Ab has announced that Petri Kettunen, Authorized Public Accountant, will act as the principal auditor.

Authorization of the Board of Directors to decide on share issues and on the issue of other special rights entitling to shares

The General Meeting resolved to authorize the Board of Directors to decide on issuances of new shares and conveyances of the 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 authorization 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 authorization, the maximum number of new shares that may be issued and own shares held by the Company that may be conveyed in share issues or on the basis of special rights is 6,361,317 shares. The authorization includes the right to deviate from the shareholders' pre-emptive subscription right. The authorization is in force until the next Annual General Meeting.

Authorization of the Board of Directors to decide the acquisition of own shares

The General Meeting resolved to authorize the Board of Directors to decide on the acquisition of the Company's own shares. Based on the authorization, an aggregate maximum amount of 500,000 own shares may be acquired, either in one or more instalments. The authorization 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 authorization is in force until the next Annual General Meeting.

Nomination Committee

The Shareholders' Nomination Board of QPR Software Plc (the "Nomination Committee") is a body of QPR Software's shareholders responsible for preparing proposals to the Annual General Meeting for the election and remuneration of the members of the Board of Directors, and the remuneration of the Board committees. The Nomination Committee consists of three members who represent QPR Software's three largest shareholders who, on August 30 preceding the next year's Annual General Meeting, hold the largest number of votes calculated of all shares in QPR Software.

The Nomination Committee is chaired by Roger Kempe, representing Oy FinnCorp Ab, and its members are Erkki Myllärniemi, representing UMO Capital Oy, and Eero Leskinen, representing Vesa-Pekka Leskinen.

The Nomination Committee submits the following proposals to the Annual General Meeting, which is planned to be held on June 18, 2025. The proposals will also be included in the notice to the Annual General Meeting, which will be published separately later.

Number of Board Members

The Nomination Committee proposes to the Annual General Meeting that the number of Board members be confirmed as four (4).

Election of Board Members and the Chairman

The Nomination Board proposes to the Annual General Meeting that Pertti Ervi, Antti Koskela and Jukka Tapaninen be re-elected as Board members. The Nomination Board further proposes that Maija Hovila be elected as a new Board member. All the nominees have given their consent to the position, and they are independent of the Company and of the Company's significant shareholders.

Furthermore, the Nomination Board proposes that Pertti Ervi be re-elected as the Chairman of the Board.

The curriculum vitae of the proposed new member of the Board, Maija Hovila, is attached to this stock exchange release. Information on the experience and previous positions of the proposed Board members is available on the company's website at www.qpr.com/company/board-of-directors.

Deciding on the Remuneration of the Board Members

The Nomination Committee proposes that the remuneration of the members of the Board be kept unchanged. According to the proposal, the Chairman of the Board will be paid EUR 45,000 per year and the other Board members EUR 25,000 per year. Approximately 40% of the above-mentioned Board remuneration is paid in shares and 60% in cash. The shares will be transferred as soon as possible after the election by the Annual General Meeting and when insider regulations permit it.

The Nomination Committee proposes that the members of the Board be reimbursed for travel and other expenses incurred while they are managing the company's affairs.

SHORT-TERM RISKS AND UNCERTAINTIES

Internal control and risk management at QPR Software aim 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 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.

At the end of the reporting period, 63% (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.

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

Successful Directed Share Issue Completed by QPR Software Plc

On March 4, 2025, QPR Software Plc successfully carried out a directed share issue, raising approximately EUR 1.74 million in gross proceeds. The share issue was targeted at a limited number of institutional and qualified investors through an accelerated book-building process. The subscription price was EUR 1.04 per share, and the issue was based on an authorization granted to the Board of Directors by the Annual General Meeting on May 15, 2024.

The purpose of the share issue was to raise additional funding to accelerate the company's growth, particularly through investments in sales and marketing, and to strengthen its financial position. The share issue generated broad interest, with over ten percent of the shares subscribed by Oy Fincorp Ab.

Other key participants included First Fellow Oy and Oy Formikafinn Ab, which, together with Fincorp, provided the company with irrevocable subscription commitments for a total of at least EUR 1.4 million.

The lead manager of the share issue was Evli Plc.

You can read the related stock exchange release on the company's website at <https://www.qpr.com/company/investors>.

EVENTS AFTER THE REVIEW PERIOD

Change to the Nomination Committee's Proposals for the 2025 Annual General Meeting

On April 11, 2025, the Shareholders' Nomination Board of QPR Software Plc changed its proposal to the 2025 Annual General Meeting regarding the election of members of the Board of Directors. The change is intended to strengthen the company's expertise in the utilization of artificial intelligence, which plays an increasingly central role in the company's products and operations.

The Nomination Committee proposes that Maija Hovila, who has strong experience in the application of artificial intelligence, be elected as a new member of the Board in place of Linda von Schantz. The other proposals of the Nomination Committee remain unchanged and will be included in the notice of the Annual General Meeting to be published later. The Annual General Meeting is scheduled to be held on June 18, 2025.

You can read the related stock exchange release on the company's website at <https://www.qpr.com/company/investors>.

FINANCIAL REPORTING AND ANNUAL GENERAL MEETING

In 2025, QPR will publish the following financial reports:

- Half-year Report January-June 2025 on Friday, July 18, 2025
- Interim Report January-September 2025 on Friday, October 31, 2025

QPR's Annual General Meeting 2025 is scheduled to be held on Wednesday, June 18, 2025. The Board of Directors will convene the Annual General Meeting with a notice to be published later.

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.

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DISTRIBUTION

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Key medias

www.qpr.com

INTERIM REPORT JANUARY-MARCH 2025

QPR Software's Board of Directors has approved this financial bulletin for January 1 – March 31, 2025, to be published.

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

FINANCIAL STATEMENT INFORMATION

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

EUR in thousands, unless otherwise indicated	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Net sales	1,519	1,769	-14	6,614
Other operating income	-	22	-100	132
Materials and services	269	260	4	1,026
Employee benefit expenses	965	1,021	-5	3,467
Other operating expenses	278	215	29	1,234
EBITDA	7	295	-98	1,020
Depreciation and amortization	248	263	-6	1,036
Operating result	-241	32	-853	-16
Financial income and expenses	-19	-20	3	-87
Provisions	0	0	-	0
Result before tax	-260	12	-2,235	-103
Income taxes	-6	0	-	21
Result for the period	-266	12	-2,281	-82
Profit for the period attributable:				
To the Owners' of the Parent Company	-266	12		-82
Earnings per share, EUR (basic and diluted)	-0.014	0.001	-2,085	-0.005
Consolidated statement of comprehensive income:				
Result for the period	-266	12	-2,281	-82
Exchange differences on translating foreign operations	-6	0	-	-2
Total comprehensive income	-272	12	-2,330	-84

CONDENCED CONSOLIDATED BALANCE SHEET

EUR in thousands	Mar 31, 2025	Mar 31, 2024	Change, %	Dec 31, 2024
Assets				
Non-current assets:				
Intangible assets	1,521	2,123	-28	1,641
Goodwill	358	358	0	358
Tangible assets	15	68	-78	20
Right-of-use assets	366	295	24	377
Other non-current assets	329	277	19	329
Total non-current assets	2,589	3,122	-17	2,726
Current assets:				
Trade and other receivables	1,438	1,460	-1	2,355
Cash and cash equivalents	2,051	264	677	825
Total current assets	3,489	1,723	102	3,180
Total assets	6,079	4,845	25	5,906
Equity and liabilities				
Equity:				
Share capital	80	80	0	80
Other funds	21	21	0	21
Treasury shares	-244	-348	-30	-244
Translation differences	-71	-67	-5	-65
Invested non-restricted equity fund	6,548	4,925	33	4,925
Retained earnings	-4,524	-4,237	-7	-4,316
Equity attributable to shareholders of the parent company	1,810	374	384	401
Total equity	1,810	374	384	401
Non-current liabilities:				
Interest-bearing liabilities	-	500	-100	500
Interest-bearing lease liabilities	364	170	115	372
Total non-current liabilities	364	670	-46	872
Current liabilities:				
Interest-bearing liabilities	500	500	0	500
Interest-bearing lease liabilities	29	126	-77	29
Advances received	2,036	1,582	29	2,363
Accrued expenses and prepaid income	716	1,175	-39	707
Trade and other payables	622	419	49	1,033
Total current liabilities	3,904	3,802	3	4,633
Total liabilities	4,268	4,471	-5	5,505
Total equity and liabilities	6,079	4,845	25	5,906

CONSOLIDATED CONDENCED CASH FLOW STATEMENT

EUR in thousands	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Cash flow from operating activities:				
Result for the period	-266	13	-2,192	-82
Adjustments to the result	328	312	5	1,256
Working capital changes*	188	-314	160	-272
Interest and other financial expenses paid	-23	-16	49	-78
Interest and other financial income received	1	-	-	-
Income taxes paid	-6	0	0	-18
Net cash from operating activities	222	-5	4,252	806
Cash flow from investing activities:				
Purchases of tangible and intangible assets	-111	-105	6	-331
Proceeds from sales of tangible and intangible assets	-	-	-	6
Net cash used in investing activities	-111	-105	6	-325
Cash flow from financing activities:				
Proceeds from short term borrowings	-	1,000	-	-
Repayments of short term borrowings	-500	-1,500	-67	-500
Payment of lease liabilities	-8	-12	-33	-39
Share issue net	1,624	-	-	-
Net cash used in financing activities	1,116	-512	318	-539
Net change in cash and cash equivalents	1,226	-623	297	-58
Cash and cash equivalents at the beginning of the period	825	884	-7	884
Effects of exchange rate changes on cash and cash equivalents	0	2	-	-1
Cash and cash equivalents at the end of the period	2,051	264	677	825

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other funds	Translation differences	Treasury shares	Invested non-restricted equity fund	Retained earnings	Total
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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			2			-91	-89
Disposal of own shares				103		-55	48
Stock option scheme						93	93
Transactions with owners of the Company				103		38	141
Equity Dec 31, 2024	80	21	-65	-245	4,925	-4,316	401
Equity Jan 1, 2025	80	21	-65	-244	4,925	-4,316	401
Total comprehensive income for the period							
Profit for the period						-266	-266
Translation differences			-6			9	3
Total comprehensive income for the period			-6			-257	-263
Stock option scheme						49	49
Share issue, net					1,624		1,624
Transactions with owners of the Company					1,624	49	1,672
Equity March 31, 2024	80	21	-71	-245	6,548	-4,524	1,810

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-Mar, 2025	Jan-Mar, 2024	Jan-Dec, 2024
Intangible assets			
Book value at the beginning of the period	1,641	2,245	2,245
Increase	111	105	331
Amortizations	-232	-226	-935
Book value at the end of the period	1,520	2,124	1,641
Tangible assets			
Book value at the beginning of the period	20	81	81
Decrease	-	-	-6
Depreciations	-6	-13	-55
Book value at the end of the period	15	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 49 thousand.

CHANGES IN INTEREST-BEARING LIABILITIES

EUR in thousands	Jan-Mar, 2025	Jan-Mar, 2024	Jan-Dec, 2024
Interest-bearing liabilities Jan 1	1,401	1,818	1,818
Proceeds from borrowings	-	1,000	-
IFRS 16 – change in lease liability	-8	-23	83
Repayments	500	1,500	500
Book value at the end of the period	893	1,295	1,401

PLEGDED AND COMMITMENTS

EUR in thousands	Mar 31, 2025	Mar 31, 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	16	30	-47	24
Maturing in 1-5 years	0	19	-100	0
Total	16	49	-67	24
Total pledges and commitments	2,398	2,431	-1	2,406

CONSOLIDATED INCOME STATEMENT BY QUARTER

EUR in thousands	Jan-Mar, 2024	Oct-Dec, 2024	July-Sept, 2024	April-June, 2024	Jan-Mar, 2024
Net sales	1,519	1,963	1,409	1,473	1,769
Other operating income	-	132	-	-	-
Materials and services	269	333	210	223	260
Employee benefit expenses	965	967	658	820	1,021
Other operating expenses	278	520	273	249	193
EBITDA	7	275	269	181	295
Depreciation and amortization	248	252	274	247	263
Operating result	-241	23	-6	-66	32
Financial income and expenses	-19	-19	-28	-21	-20

Result before tax	-260	4	-33	-87	13
Income taxes	-6	21	-	-	-
Result for the period	-266	26	-33	-87	13

GROUP KEY FIGURES

EUR in thousands, unless otherwise indicated	Jan-Mar or Mar, 2025	Jan-Mar or Mar, 2024	Jan-'Dec or 'Dec, 2024
Net sales	1,519	1,769	6,614
Net sales growth, %	-14.1	-20.9	-12.4
EBITDA	7	295	1,020
% of net sales	0.5	16.7	15.4
Operating result	-241	32	-16
% of net sales	-15.9	1.8	-0.2
Result before tax	-260	13	-103
% of net sales	-17.1	0.7	-1.6
Result for the period	-266	13	-82
% of net sales	-17.5	0.7	-1.2
Return on equity (per annum), %	-98.4	14.1	-21.8
Return on investment (per annum), %	-26.1	6.9	-14.3
Cash and cash equivalents	2,051	264	825
Net borrowings	-1,158	1,032	577
Equity	1,810	374	401
Gearing, %	-64	275.7	143.9
Equity ratio, %	45.4	13.6	11.9
Total balance sheet	6,079	4,845	5,906
Investments in non-current assets	111	106	753
% of net sales	7.3	6.0	11.4
Product development expenses	238	332	979
% of net sales	15.7	18.8	14.8
Average number of personnel	32	39	33
Personnel at the beginning of period	32	49	49
Personnel at the end of period	32	35	32
Earnings per share, EUR (basic and diluted)	-0.014	0.001	-0.005
Equity per share, EUR	0.092	0.021	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	Jan-Mar, 2025	Jan-Mar, 2024	Change, %	Jan-Dec, 2024
Organizational development of organizations	1,519	1,769	-14	6,614
Total	1,519	1,769	-14	6,614