STRATEGY UPDATES
Q4 2018 FINANCIAL RESULTS
UPDATED STRATEGY
GROWTH FROM INTERNATIONAL SOFTWARE SALES AND CONSULTING IN FINLAND

➤ Our target is to reach in average 15 – 20% annual growth in the next three years.
  • The target is mainly based on growth in international software sales and growth in consulting services in our home market Finland.

➤ We see significant growth potential especially in process mining business, where we aim at over 50% annual growth. We see strong growth also in our strategy management business in Middle East.

➤ Strong consulting support and new QPR UserInterface (QPR UI*) are used in retaining and growing our process and enterprise architecture modeling customer accounts.

*QPR UI is a user interface platform for all QPR products

VISION 2025
QPR is an international software company providing its customers process analytics & modeling software. In Finland we have a strong synergistic consulting business.
OUR BUSINESSES

Software Product Business
- Process Mining: QPR ProcessAnalyzer

Software Application Business
- Strategy Management: QPR Metrics
- Business Management: QPR EnterpriseArchitect

Consulting Business
- Business Optimization
Process mining market is growing strongly
- Recent forecast sees 50.3% compound market growth 2018-2023 to over USD 1.4 billion
- According to Gartner Market Guide for Process Mining, QPR ProcessAnalyzer is "one of the leading offerings" in the market

Demand for Strategy management software remains strong in Middle East
- QPR plans to build on recently won large reference customers. Sales focus is in United Arab Emirates and Saudi Arabia.

Digital transformation drives demand for consulting business in Finland
- Our focus is on recently won public sector frame agreements and major private sector accounts.
QPR SOFTWARE’S
STRATEGIC TARGETS

➢ In **process mining** we aim at leading position in this rapidly growing **international software product market** and target over 50% annual sales growth.

➢ In **strategy management software applications** we further strengthen our position in **Middle East** (KSA and Emirates).

➢ In **Finland** we renew our software business by providing **software applications** to private sector customers aiming at digitalizing their businesses, using new QPR User Interface. With **Business Management System application**, we strengthen our position in large customer segment.

➢ In **consulting**, we aim to grow by expanding the size of customer accounts in **Finland** and supporting our customers in **business optimization**.
NET SALES AND OPERATING RESULT IMPROVED
FINANCIAL RESULTS 2018

JANUARY - DECEMBER

- Net sales increased 12% to EUR 10,047 thousand (2017: 8,942)
- Recurring revenue 54% of net sales (54)
- Operating result EUR 521 thousand (-110)
- QPR estimates that its net sales will grow in 2019 (2018: EUR 10,047 thousand)

OCTOBER– DECEMBER

- Net sales increased 27% to EUR 2,671 thousand (2017: 2,107)
  - Software licenses 626 keur (389), +61%
  - Sw maintenance 739 keur (772), -4%
  - Cloud services 347 keur (210), +65%
  - Consulting 959 keur (737), +30%
- Recurring revenue 48% of net sales (51)
- Operating result EUR 130 thousand (-322)
We focused on strengthening our products’ competitiveness and launched a common user interface for all our products.

Number of SaaS deliveries continued to grow.

We increased the size of our customer accounts.

We made, among others, the following new customer deals:

- Process Mining Software to Fennovoima
- Saudi Railway Company chooses QPR Software
- Large Central Government Organization in Abu Dhabi chooses QPR
- Process Mining Software to Piraeus Bank
- QPR delivers software to a Central Government Organization in Dubai
- Process Mining Software to a global bank operating in over 30 countries
- Process Mining Software to a global medical device company
- QPR delivers Process Mining software and professional services to a global leading high tech company
- QPR delivers software to a major global electrical equipment company
- QPR delivers software to a large Eastern European telecommunications operator
- QPR delivers Process Mining software to a leading European telecommunications operator
Dare to improve.