

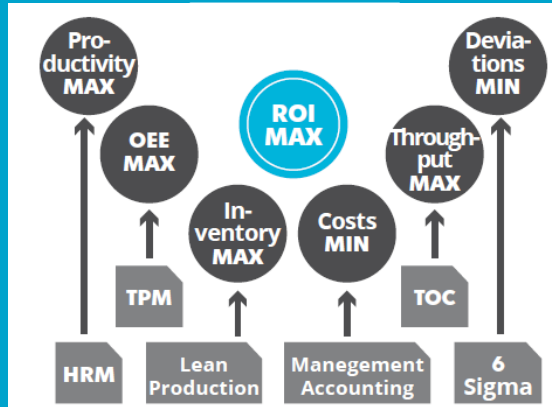
MANUFACTURING DIGITAL CFO

PPROI

GLOBAL PROBLEM

The main purpose of any business is to
MAXIMIZE RETURN ON INVESTMENT (ROI)

No ERP or BI system on the multi-billion market
has provided production managers information
about the **DIRECT IMPACT** of their decisions on ROI







Lost in the **JUNGLE** of different KPIs, managers
can only guess effects of their actions on ROI –
WASTING CAPITAL

MODERN SCIENCE BACKGROUND

The measurement of capital employed in money-time units
by **definite integral**

First of its kind information system that calculates
capital employed and therefore **ROI for individual products.**

	ERP SAP, Oracle, Dynamics	BI / Costing IS	Excel Hell	PPROI
Cost calculation	<ul style="list-style-type: none"> ■ Direct cost ■ Overhead 	<ul style="list-style-type: none"> ■ Direct cost ■ Overhead 	<ul style="list-style-type: none"> ■ Direct cost ■ Overhead 	<ul style="list-style-type: none"> ■ Direct cost ■ Indirect cost 
Capital in process calculation	X	X	X	Fixed & Current ✓
Product profitability	✓	✓	✓	✓
Product ROI	X	X	X	✓

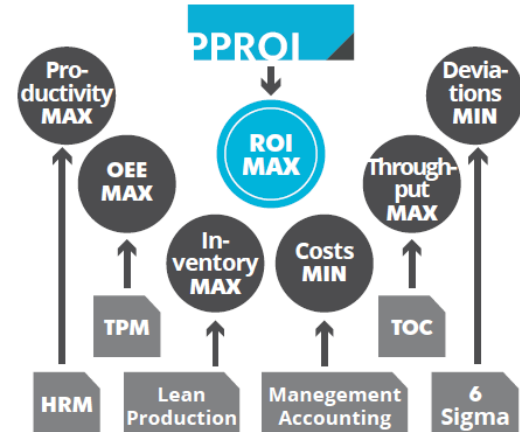
SOLUTION

PPROI Industrial Digital CFO

First of its kind Information system for production managers to run in real time every part of their business according to the crucial KPI: ROI. **Calculates, analyses, simulates the impact of any physical / financial change in a production plant on each product ROI & company ROI.**

Radek Páleník, CFO, HZP Prostějov:

*"PPROI's characteristics describes our production processes economically with amazing precision by methods of science - mathematics in particular, in a way we had never heard of, had never thought about, had never dreamed of. The **true integration of data navigates everything in the company to the same financial aim.**"*



SOLVING PRODUCTION DECISIONS

No OTHER company information system on the market can calculate neither capital employed in processes for products nor ROI for individual products.

Supply chain optimization

Process improvements

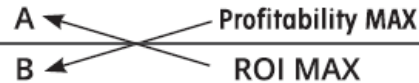
Product portfolio

Make or buy

Process automation

Interest rate vs. ROI etc....

Which product is more advantageous?



KPI's per products

Product no.	ROI	Profitability	Total Cost	Total profit	Total capital	Total current capital	Total fixed capital
Scooter A	0,10	9,04%	383 002	38 078	377 966	28 456	349 509
Scooter B	0,06	9,52%	847 934	89 266	1 448 112	66 607	1 381 505
Scooter SA	0,10	3,18%	3 030 344	99 656	1 020 539	242 045	778 494
Scooter SB	0,12	3,52%	3 154 859	115 141	987 470	246 452	741 018

KPIs never seen before

CONTRIBUTION

PPROI provides answers to production managers questions e. g.:

What

- product portfolio we produce
- price mix we set
- production shifts system we apply

...**TO MAXIMIZE ROI?**

Should we

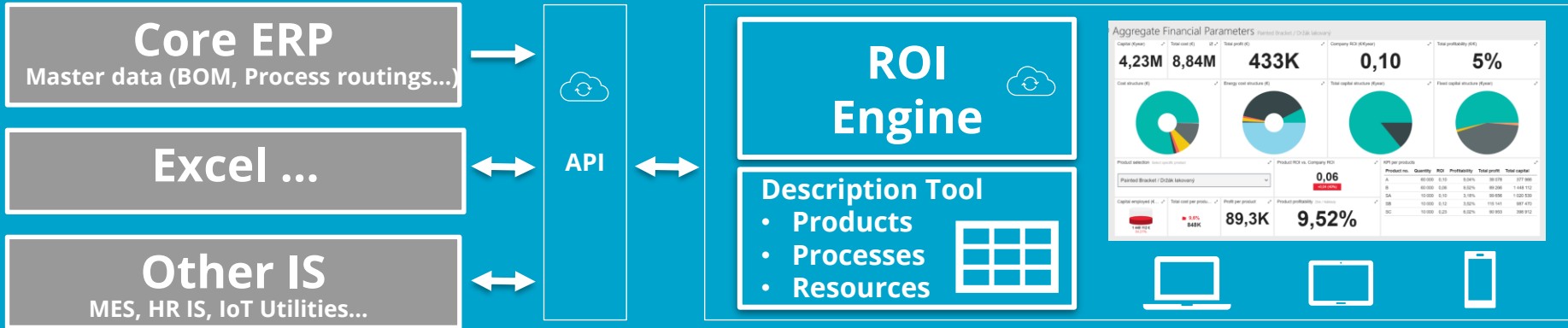
- make or buy components for our production
- have manual or automatic operations
- have separated or line operations

...**TO MAXIMIZE ROI?**

What will be the **IMPACT** on **PRODUCT ROI** from

- salary increases?
 - new equipment purchases?
 - production volume increases / decreases?
 - processes improvement?
 - material cost fluctuations?
 - higher quality requirements?
- ...etc.

Operational Model



Stand-alone or Complementary to ERP

Compatible with SAP / Oracle / MS Dynamics

CUSTOMERS / AWARDS

„Our productivity after half a year since PPROI implementation has increased by 27%.“

Zdeněk Krofta, CEO

Edscha

Automotive Industry

600+ employees

128M in sales (USD)

“Our annual financial benefit from new cost calculation of one product was higher than our annual investment into PPROI.”

Radek Páleník, CFO,

HZP Prostějov

Automotive / Railway Industry

300 employees

30M in sales (USD)

“Direct costing and indirect cost allocation provided us with the right information for product portfolio management and pricing policy.”

Jan Vrba, investor

Tonak

Textile Industry

550 employees

21M in sales (USD)

IT PROJECT OF THE YEAR (for the successfully tested PPROI concept)

VISIONARY AWARD awarded to the best SME innovation in the CZE

EUROPEAN COMMISSION HORIZON 2020 GRANT

TECHNOLOGICAL AGENCY OF CZECH REPUBLIC GRANT

GO TO MARKET STRATEGY

SCALE-UP PROJECT granted by



Technology Agency of the Czech Republic
We support research and innovation

2020

2021

2022

**Implementation
PARTNERS**

Unique, awarded game changing
methodology and software

Tested in different type of
industries

First paying **customers**

On-premise implementation
model

Ready for further development
and modularization

Cloud based platform enabling
SaaS business model

Rapid on-premise & on-demand
implementation

Smart database for business
optimization

Customers and implementors
**user friendly platform for other
BI modules**

BI / ERP systems integrators
SAP, Oracle, MS Dynamics

Consulting Companies
Digital Transformation
and Industrial IoT projects

Micro-consulting firms
SMEs

TRACTION

Total cumulative PPROI revenue to date **US\$1.2M**

Total PPROI investment to tested and awarded prototype **US\$1.0M**

Current funding of scale up project (grant + bank loan) **US\$550K**

FUNDING NEEDS US\$1.5M

US\$500K investment for **accelerating** the scale-up project

US\$1M additional investment for **business development**

EXIT STRATEGY

Large ERP or Business Intelligence providers

BUSINESS PLAN OVERVIEW

2021 2022 2023 2024

Number of Customers

Self-implementation / cloud		8	32	80
Freelancers / cloud		12	48	120
System Integrators / on premise	4	20	80	200
Total	4	40	160	400

Net Revenue (Infrastructure Costs Included)

Commercial Net Revenue	77 829	1 286 400	5 145 600	12 864 000
Bank loan	200 000			
Grant	118 120	14 800		
Total Net Revenue	395 949	1 301 200	5 145 600	12 864 000

SaaS KPI (Monthly)

Monthly Recurring Revenue (MRR, gross)		138 000	552 000	1 380 000
Monthly Active Users (MAU)		40	160	400
Average Revenue Per User (ARPU, gross)	N/A	3 450	3 450	3 450
Average Margin Per User		2 680	2 680	2 680
Average Margin Per User in %		78	78	78
Monthly Marketing & Sales Costs per user		1 088	493	358
Average Margin Per User incl. Infrastructure & Marketing & Sales Costs	N/A	1 593	2 187	2 322
Average Margin Per User incl. Infrastructure & Marketing & Sales Costs in %		46	63	67

Costs

Marketing	14 980	173 200	421 200	937 200
Sales	10 000	348 800	525 600	779 200
International Support	0	259 200	518 400	883 200
IT	151 200	682 800	1 060 800	1 641 600
R&D	50 304	91 200	134 400	134 400
Management	36 482	144 000	144 000	144 000
HW, Office, External Services	46 600	131 300	179 200	192 000
Indirect Costs (10% of direct cost)	62 113	366 500	597 320	943 120
Total Costs	371 679	2 197 000	3 580 920	5 654 720

Profit before tax

24 270 € - 895 800 € 1 564 680 € 7 209 280 €

To fund the business plan PPROI is looking to raise US\$1.5M at a pre-money valuation of US\$15M.

This capital raise is expected to get PPROI to profitability.

Manufacturing companies using ERP / BI systems is a US\$92 billion market.

TEAM



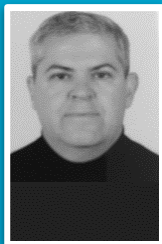
Marcel Matějka PhD.
CEO

Co-author of algorithms and methodology. 20+ years experience as production consultant



Vlastislav Mika
COO

Mastered Toyota production and management system while working in Toyota for 15+ years



Elviro Amaral
CTO

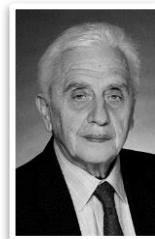
20+ years of international experience with ERP implementation and integration



Daniel Matějka
Co-founder

20+ years of experience in consulting

ADVISORY BOARD



Prof. Milan Matějka
Co-Founder, R&D Director

Author of breakthrough methodology, algorithms and capital employment calculations



Prof. Vladimír Púčik
Co-founder, Advisor

Internationally recognized professor (IMD Lausanne, Aalto....) and consultant (AGC, Canon, Shell, Toyota...)



**PRODUCTS
PROCESSES
AND RESOURCES
RETURN ON
INVESTMENT**

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