

QUARTERLY BUSINESS REPORT - Q1 2024

TechCorp Industries Inc.

EXECUTIVE SUMMARY

TechCorp Industries delivered strong performance in Q1 2024, with revenue growing 15% year-over-year to \$12.4 million. Net profit margin improved to 18.2%, up from 16.8% in Q1 2023. Customer acquisition increased by 22% with 1,847 new customers added during the quarter. Our strategic focus on AI-enhanced products and cloud solutions continues to drive sustainable growth across all market segments.

KEY PERFORMANCE INDICATORS

Metric	Q1 2024	Q1 2023	Change
Total Revenue	\$12,400,000	\$10,783,000	+15.0%
Net Profit	\$2,256,800	\$1,811,544	+24.6%
Net Profit Margin	18.2%	16.8%	+1.4pp
New Customers	1,847	1,513	+22.1%
Customer Retention	94.2%	92.8%	+1.4pp
Average Order Value	\$185.50	\$169.25	+9.6%
Employee Count	245	217	+12.9%

PRODUCT PERFORMANCE

Our flagship product line, SmartWidget Pro, continues to dominate market share with 38% of total revenue. The new AI-Enhanced Analytics module launched in February has exceeded expectations, generating \$890,000 in revenue within its first month. Customer feedback has been overwhelmingly positive, with 89% of users rating the new features as "excellent" or "very good". The DataFlow Suite maintained strong performance with consistent enterprise adoption. We've seen particular strength in the healthcare and financial services sectors, where compliance features have been well-received.

Product Line	Q1 2024 Revenue	% of Total	YoY Growth
SmartWidget Pro	\$4,712,000	38%	+18%
DataFlow Suite	\$3,596,000	29%	+12%
AI Analytics Module	\$2,232,000	18%	New
Legacy Products	\$1,860,000	15%	-8%

REGIONAL PERFORMANCE

North America remains our strongest market, contributing 62% of total revenue. European expansion shows promising growth at 28% increase, driven by successful partnerships in Germany and France. Asia-Pacific operations grew by 45% though from a smaller base, with particular strength in Singapore and Australia markets.

Region	Q1 2024	% of Total	YoY Growth
North America	\$7,688,000	62%	+12%
Europe	\$2,976,000	24%	+28%
Asia-Pacific	\$1,240,000	10%	+45%
Other	\$496,000	4%	+8%

CUSTOMER ANALYSIS

Customer satisfaction scores remain high at 4.6/5.0, with particular strength in product reliability and customer service responsiveness. The average customer lifetime value increased to \$2,847, up from \$2,654 in Q1 2023. Our enterprise customer segment (1000+ employees) continues to show strong growth, now representing 58% of total revenue. Mid-market customers (100-999 employees) represent 28% of revenue, while small business customers account for 14%. Customer churn rate improved to 5.8% from 7.2% in the previous quarter, indicating better retention and satisfaction. The implementation of our new customer success program has shown measurable impact.

CHALLENGES AND OPPORTUNITIES

Supply chain disruptions in Q1 resulted in a 3-day average delay in product delivery. We've implemented new logistics partnerships with FedEx and UPS to mitigate this issue. Early results show improvement in delivery times. The upcoming launch of our cloud-based CloudMax platform in Q2 is expected to drive significant growth, with early beta testing showing 89% positive feedback from enterprise clients. Pre-orders have already exceeded \$2.1 million. Talent acquisition remains challenging in the competitive tech market. We've increased our recruitment budget by 25% and are expanding our remote work policies to access broader talent pools.

FINANCIAL OUTLOOK

Management projects Q2 2024 revenue of \$13.8-14.2 million, representing 18-22% year-over-year growth. The company is well-positioned to achieve full-year revenue guidance of \$58-62 million. Key drivers for Q2 include: • CloudMax platform launch expected to contribute \$1.5-2.0 million • Continued strength in enterprise segment • European market expansion • New partnership agreements in Asia-Pacific We remain confident in our ability to deliver strong shareholder value while investing in future growth.