Press Release
Full Year 2022 Performance

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Notice

This press release and the financial information in the annexes are unaudited.

All figures are stated in thousands of euro, unless indicated otherwise.

About TIE Kinetix

TIE Kinetix N.V. is an international integration software company. The Company provides **Software as a Service (SaaS) solutions** to companies, governmental institutions, and their trading partners and suppliers, to help them exchange all business documents electronically and simplify supply chain processes as a result. The solutions are delivered through FLOW Partner Automation, its own software platform, and empowers users to engage in smart business exchanges and streamline communication through seamless integration with any existing system.

In business since 1987, TIE Kinetix has supported all EDI and e-invoicing standards and communication methods worldwide. Today, its global team of over 125 experts share their knowledge with 2,500+ customers.

With all major ERP's moving to the cloud, the digitalization of the supply chain is a high growth market in the coming years. In addition, through offices in the Netherlands, France, Germany, and the United States, TIE Kinetix is well positioned to benefit from the strong growth of the e-invoicing market.

Our cloud-native FLOW Partner Automation platform is designed to completely eliminate paper from the supply chain, enabling our customers to focus on three corporate initiatives that drive true organizational change: business process efficiency, compliance, and corporate social responsibility (CSR).

We believe that digitalization (not digitization) is the future. We believe in conscious development, and we believe in moving ourselves and our customers forward.

Financial calendar

Date	Event
1 February 2023	Publication Q1 2023 Trading update
24 March 2023	Annual General Meeting
10 May 2023	Publication of half year 2023 report
2 August 2023	Publication of Q3 2023 Trading update
15 November 2023	Publication of 2023 full year press release

Sales increase on the back of 2022 high growth plan

Breukelen, 16 November 2022, 08.00 – TIE Kinetix, the leading provider of Software as a Service managed solutions for supply chain digitization with EDI, announces its full year financial results for FY 2021 today.

Message from Jan Sundelin, CEO

The financial year 2022 (October 1, 2021 - September 30, 2022) has been a year of accelerated investments by TIE Kinetix. Our goal is to offer 100% digitalization of all in and outgoing documents between companies and/or government organizations. In line with this goal we have now completed our 100% digitalization proposition, and focused on investing for high growth and accelerated roll out. During the past year, we have built an organization that can both accelerate and sustain high SaaS growth in future years over and above historic growth rates.

The roll-out of our high growth plan called for increased investments in **marketing**, in **staff** and in **indirect sales channels**.

I am delighted to see that we have been able to bring a significant influx of new staff. This includes some very experienced sales staff, as well as partner managers who will be further rolling out our channel strategy. Our customer success teams and new business teams are driving our operations as a true SaaS-company. Over the course of the past year, the Company's staff has grown from 104 FTE as at 30 September 2021 to 123 FTE as at 30 September 2022, and to 130 FTE currently.

Our marketing teams are executing ambitious marketing plans in the Netherlands and Germany. Our channel strategy is shored up with new and strengthened alliances, including with major ERP's Microsoft and Oracle and with several major IT-consultancy firms including Avanade and To-Increase, both part of the Microsoft ecosystem. As we speak we are already reaping the benefits of these alliances with a step up in partner sales at the end of FY 2022 and the first month of 2023. This provides a solid fundament under our accelerated SaaS plan.

We expect that the full effect of increased channel sales will materialize in 2023 leading to 20%+ SaaS growth in 2024. Over the past months we have signed major new deals with various household names, including:

» HG International
» FUJIFILM Europe
» Schutt Sports
» Clopay Corporation
» Whole Earth Brands
» Advasur
» CooperSurgical
» Volkswagen Financial Services

Our aim is to scale the use of our excellent FLOW platform - which we continue to improve on every day - towards many more customers and their trading partners.

We are proud to be able to report that our FLOW platform has the highest level of security as evidenced with the succesfull completion of a SOC 2 audit/SOC 3 certificate for cloud security, and our ISO 2001, 27017 and 27018 certificates. Our customers can rely on our FLOW platform with the highest level of security, privacy and transparancy.

Key developments

Growth acceleration

2022 Plan: Investing to accelerate growth of our 100% SaaS business

Effective October 1, 2021 (the start of the Company's financial year 2022) management decided to direct the Company's business model entirely to the delivery and use of its SaaS solution called FLOW. This strengthens the position of the Company as a 100% SaaS company with a focus on long term subscription contracts and annual recurring revenue. As a consequence of this direction, the Company has stepped up its 2022 expenditures and investments in new staff, in marketing programs, and in sales and onboarding to lay the foundation for accelerated growth in all of its markets. This is geared towards one thing: accelerating organic revenue growth.

To further accelerate organic growth, the plan called for expanding our indirect sales channel. The spearhead of our indirect sales strategy is our worldwide partnership with major ERP vendors Microsoft and Oracle, and with IT-consultancy firm Avanade. In addition, we are partnering with local ERPs in Europe and North America.

2022 Delivered on plan

Management is proud to be able to report that the expansion of the Company's staff and resources has been delivered on plan. During 2022, staff levels increased with almost 20%, from 104 FTE to 123 FTE as at 30 September 2022 (and this has grown since). The Company has very successfully recruited and attracted top talent in a very tense labor market. All new staff is trained through the modules in our FLOW Academy upon entry in the Company.

While in an early stage, the actions of the customer success teams are already becoming visible in higher account revenue in the accounts managed by these teams. Although we were initially not planning to see increased business sales before 2023, we are excited to already report new business. Over the summer months, we have signed new contracts in the Netherlands with HG International and FUJIFILM Europe, and in the United States with Schutt Sports, Clopay Corporation and Whole Earth Brands. After the balance sheet date, we've also signed new contracts in the United States with Advasur and CooperSurgical, and in Germany with Volkswagen Financial Services.

Acquisitive growth

In addition to the organic growth plans, the Company has formulated acquisitive growth targets. The aim of acquisitive growth is to strengthen our existing operations within our current geographical footprint (the Netherlands, US, Germany and France) with additional customers that can be brought onto the FLOW Platform. Management is actively looking for opportunities in the German market that will provide a greater customer base access to the benefits provided by our SaaS solutions. In FY 2022 various opportunities have been explored in detail but this has not lead to a transaction. We will continue our quest in 2023.

Publication of 'first-ever' ESG report

TIE Kinetix has always acknowledged the importance of corporate social responsibility, benefitting the Company, our employees, the environment and society at large. Furthermore, our FLOW solutions are ideally positioned to support our customers' ESG strategies.

With our upcoming ESG reporting we are taking the next logical step. Our first ever ESG report will be issued at year end FY 2022 simultaneously with the FY 2022 Annual report. With this ESG report, we clearly acknowledge the importance of reporting on environmental, social and governance aspects to our stakeholders.

We are proud to be one of the early adopters of ESG reporting in our industry.

Payment of 'first-ever' dividend

After shareholder approval at the AGM of 25 March 2022, the Company has paid its first-ever dividend of € 0.50 per share. On 29 April 2022, this FY 2022 interim dividend in the amount of € 954k was distributed to the shareholders, consisting of a portion paid in cash and a portion paid in shares, as elected by the shareholders. The Company strives for a stable dividend payout. Our dividend policy can be found on our website.

Key figures

(€ x 1,000)

	2022	2021	Variance (%)
SaaS Revenues	11,127	9,688	15%
Total Revenues	14,357	14,856	-3%
EBITDA	(1,615)	1,911	-184%
Operating income (EBIT)	(3,174)	249	-1,377%
Net income	(1,674)	632	-365%

Financial highlights 2022 - Performance on plan

» SaaS revenue growth from € 9,688k (2021) to € 11,127k (increase of 15%);
» Total revenues decreased from € 14,856k (2021) to € 14,357k (decrease of 3%), decrease attributable to strategic changes impacting the revenue recognition of consultancy activities (see the Analysis of results, starting on page 5);
» Gross margin decreased with 3.5% point from 61% (2021) to 58%;
» EBITDA margin decreased with 24% points from 13% (2021) to -11% following investments/expenditures to accellerate growth (see the Analysis of results, starting on page 5);
» Net income decreased from € 632k (2021) to € (1,674k) (decrease of 365%);
» Operating cash flows of € (269k) (2021: € 2,114k);
» Basic earnings per share decreased from € 0.38 (2021) to € (0.92) (decrease of 339%);
» Dividend per share of € 0.50 (2021: nil).

Company Performance

Analysis of results

Revenues

(€ x 1,000)

	2022	2021	Variance (%)
Software as a Service	11,127	9,688	15%
Maintenance and Support	1,206	1,846	-35%
Consultancy	1,934	2,991	-35%
Licenses	91	331	-73%
Total Revenues	**14,357**	**14,856**	**-3%**

With the focus on 100% SaaS revenue, our US operations have completed the End-of-Life program of our legacy US on-premises solution. Such on-premises solutions in the past have been sold as license product with an annual maintenance fee. The End-of-Life program therefore led to a - planned - reduction of US maintenance revenue. At the same time, with on-premises customers not requiring support we will be planning for the associating cost reductions. The decline in maintenance revenue in 2022 versus 2021 is entirely attributable to the US End-of-Life program. In the future, some maintenance revenue will remain with a limited amount of customers asking for FLOW functionality in an on-premises license model.

Following the 100% focus on SaaS delivery, the Company has revisited its consultancy activities to prioritize activities that support SaaS growth. As a result, the Company has reclassified certain activities previously reported under consultancy revenue to (future) SaaS revenue, as previously reported in our quarterly Trading Updates and Half Year Report. The reclassification is a presentation matter where revenue (and costs) of certain consultancy activities is presented under SaaS revenue, and recognized over 36 months (and costs amortized accordingly). This time allocation does not led to lower or different revenue/margins over the life of the contract. To illustrate this effect, out of € 4,067k invoiced to customers on active consultancy projects in 2022 (2021: € 3,438k), an amount of € 3,261k shall be allocated to (future) SaaS revenue (2021: € 759k). As at 30 September 2022, a total amount of € 1,123k (or € 31k SaaS revenue per month) is accumulated within the deferred revenue position on the balance sheet related to setup fees for projects awaiting completion.

The focus on SaaS is becoming visible in the growth of our SaaS revenues, showing a strong year-on-year growth. The decreases in maintenance and support revenues as well as license revenues are fully expected as outlined above and consistent with this strategy.

Due to accounting effects described above, which have also led to a decrease in the consultancy revenues, total revenues for year are down compared to last year, despite the considerable increase in SaaS revenues.

At the end of Q2 (March, effective April) the Company decided to increase all its customer pricing to adjust for increased inflation. Hourly rates were increased with 5%, subscription prices with 7.2% and overage with 5%. This is a company-wide policy that was applied to all contracts with customers. The Company will continue its policy to inflation adjust its prices in line with its general conditions of sales.

Expenses

Analysis of expenses by function

(€ x 1,000)

	2022	2021	Variance (%)
Cost of Sales	6,054	5,751	5%
Gross Margin	**8,303**	**9,105**	**-9%**
Gross Margin (% of Adjusted Revenues)	58%	61%	-3%
Operating expenses			
Research & Development	1,481	1,387	7%
Selling & Marketing	3,833	2,533	51%
General & Administrative	6,190	5,391	15%
Total Operating Expenses	**11,504**	**9,311**	**24%**

In 2022, the Company incurred higher expenses in line with plan. Costs for hosting and traffic have grown given the growth of the FLOW platform and increased usage thereof. This is visible in the cost of sales. The significant increase in staff (refer to the paragraph Personnel in the section) has translated to both higher cost of sales as well as higher operating expenses (higher payroll costs and recruitment costs). The Company has stepped up its marketing efforts significantly across all channels leading to higher expenditures.

Comparing the expenses to 2021, these increases are visible in the cost of sales, selling & marketing and general & administrative expenses line items, while research & development expenses have remained relatively stable.

Financial efficiencies

The Company has largely continued working digitally even after COVID-19 government measures were lifted in the jurisdictions we operate in. As a result, less office space was needed for our operations. From April onwards, approximately 1/3rd of the floor space of the Breukelen head office has been subleased, reducing the cost pro-rata. The lease of our office in Germany has ended in FY 2021 and has not been renewed, with German employees working fully remote. The lease of our Tewksbury office in the U.S. ended during the summer and we have not renewed this lease as our U.S. employees continue to work fully remote.

Given the Company's ample cash reserves, the undrawn € 1.2m working capital facility was terminated, adding to the cost savings. The Company furthermore has taken swift benefit from the sudden strengthening of the US dollar and converted nearly all its US dollar cash balances to euro.

EBITDA

Our planned investments in future growth (significant marketing expenditures, additional payroll expenses and recruitment fees due to the significant influx of new personnel) have resulted in an increase of expenses in 2022, and have affected EBITDA. In addition, when comparing to prior year, EBITDA for 2021 was positively impacted by a one-off gain of € 455k, related to a corona-related government grant in the United States.

Net income

The net loss in 2022 amounts to € 1,674k, comparing to a net profit of € 632k in 2021. The decrease is driven mainly by higher expenses for the year as outlined above, offset by the net income tax benefit for the year (€ 1,321k). This income tax benefit is driven by capitalization of deferred tax assets for tax losses carried forward, following the positive outlook of the Company.

Basic earnings per share from continuing operations decreased from a gain of € 0.38 per share in 2021 to a loss of € 0.92 per share (decrease of 339%).

Cash flows and cash position

Operating cash flows from continuing operations amounted to € 269k negative, compared to € 2,114k positive in 2021. The main driver behind the decrease in operating cash flows is the net loss for the year and an increase in contract cost assets, offset by an increase in liabilities, mainly deferred revenue.

Cash flows from investing activities amounted to € 1,223k negative, compared to € 2,100k positive in 2021. This decrease is explained by the fact that in 2021 the remaining € 3 million receivable from the 2020 sale of the Google AdWords for Channel and TCMA business lines was received, contributing to the cash flows from investing activities in a positive manner. Adjusted for this, investing cash flows have remained relatively stable.

Cash flows from financing activities amounted to € 882k positive, compared to € 249k negative in 2021. This improvement is a result of consideration received for new shares upon the exercise of warrants by their holders, offset by the cash dividend paid to shareholders. Also, lease payments were reduced compared to prior year, impacting cash flows positively.

The Group's cash position as at 30 September 2022 is € 9.6 million compared to € 9.9 million as at 30 September 2021.

Financial position

The Company's working capital (calculated as current assets including cash and cash equivalents, less current liabilities) decreased from € 5.9 million as at 30 September 2021 to € 4.4 million as at 30 September 2022. This decrease is mainly driven by the decrease in cash and increase in liabilities (particularly deferred revenue), somewhat offset by the fact that more costs related to the execution of setup projects (referred to as contract costs, specifically the current portion) have been capitalized. These costs are amortized over the course of the contracts with customers.

The Company's equity position decreased from € 11.2 million as at 30 September 2021 to € 10.9 million as at 30 September 2022 - as a result of the negative net result for the year and dividend paid, offset by consideration received for new shares issued upon exercise of warrants by their holders during the year. On November 3, 2022 the company issued 9.001 new shares to management under the LTI (Long Term Incentive) program subject to a three year lock up period, bring the total amount of issued shares to 1.950.539.

Order intake

We have realized a solid order intake for 2022. In this context it should be noted that in 2021, the Company was able to sign many new contracts which had been delayed because of the COVID-19 pandemic and as such realized a record-high order intake that year.

ISP

(€ x 1,000)

	2022	2021	Variance (%)
Total order intake	12,974	11,366	14%
Of which: SaaS subscription order intake	8,682	6,819	27%
As % of Total order intake	67%	60%	7%

We are planning for the full effects of our high growth plan to become visible in the order intake during 2023, due to the length of our sales cycle (6-9 months on average). In turn, the effects on SaaS revenues will generally follow over the course of a 3-year period upon signing and implementing such sales. We are, therefore, planning for the revenue effect of our high growth plan to become visible toward the end of 2023 and from 2024 onwards.

Segment performance

The following tables detail the segments' results for the year and the comparative year.

2022 Segment information
(€ x 1,000)

Revenues	TIE NL	TIE US	TIE France	TIE Germany	TIE Product Development	Holding and Eliminations	Total
Software as a Service	4,621	3,900	1,222	1,385	-	-	11,127
Maintenance and Support	245	803	128	29	-	-	1,206
Consultancy	782	698	69	380	-	6	1,934
Licenses	28	60	1	2	-	-	91
Revenues	**5,675**	**5,460**	**1,419**	**1,796**	**-**	**6**	**14,357**
Other Income	-	-	-	-	-	27	27
Intercompany Sales	18	-	-	-	1,031	(1,049)	-
Total Income	**5,693**	**5,460**	**1,419**	**1,796**	**1,031**	**(1,016)**	**14,384**
Cost of Sales	(1,658)	(2,809)	(332)	(1,265)	(1,015)	1,025	(6,054)
Gross Margin	**4,035**	**2,651**	**1,087**	**532**	**16**	**10**	**8,330**
Operating Expenses							
Employee Benefits	(1,442)	(1,223)	(773)	(357)	-	(2,979)	(6,773)
Other Operating Expenses	(2,099)	(2,376)	(609)	(635)	-	2,548	(3,171)
Total Operating Expenses	**(3,541)**	**(3,599)**	**(1,382)**	**(991)**	**-**	**(432)**	**(9,945)**
EBITDA	**494**	**(948)**	**(295)**	**(460)**	**16**	**(422)**	**(1,615)**

2021 Segment information (continuing operations)
(€ x 1,000)

Revenues	TIE NL	TIE US	TIE France	TIE Germany	TIE Product Development	Holding and Eliminations	Total
Software as a Service	4,157	3,345	957	1,229	-	-	9,688
Maintenance and Support	294	1,239	153	161	-	-	1,846
Consultancy	1,094	696	406	737	-	59	2,991
Licenses	39	230	42	20	-	-	331
Revenues	**5,584**	**5,509**	**1,557**	**2,146**	**-**	**59**	**14,856**
Other Income	-	455	-	-	-	-	455
Intercompany Sales	18	-	-	-	879	(897)	-
Total Income	**5,602**	**5,965**	**1,557**	**2,146**	**879**	**(838)**	**15,311**
Cost of Sales	(1,732)	(2,366)	(409)	(1,258)	(890)	904	(5,751)
Gross Margin	**3,870**	**3,598**	**1,148**	**889**	**(11)**	**66**	**9,560**
Operating Expenses							
Employee Benefits	(726)	(787)	(471)	(490)	-	(3,000)	(5,473)
Other Operating expense	(1,668)	(1,938)	(552)	(520)	-	2,502	(2,176)
Total Operating Expenses	**(2,394)**	**(2,725)**	**(1,023)**	**(1,009)**	**-**	**(498)**	**(7,649)**
EBITDA	**1,476**	**874**	**125**	**(121)**	**(11)**	**(432)**	**1,911**

Our segment reporting is based on countries of operations. The Executive Board evaluates segment performance on the basis of EBITDA as reported internally. Reconciliations of total EBITDA to the IFRS statement of comprehensive income are included in the annex Reconciliations of Segment Information, starting on page 21.

The Netherlands

SaaS revenues have grown strongly in line with plan. Several new large customers have been set up in the FLOW platform. The corresponding set-up fees have been capitalised and will be amortized in line with IFRS 15 'Revenue from contracts with customers'. Therefore, consultancy revenue shows a decrease. More on the re-alignment of our consultancy activities and consequently the reporting of revenues for these activities is outlined in the Analysis of results, starting on page 5.

Operating expenses have increased, driven mainly by higher personnel costs as a consequence of the increased number of staff, as well as increased holding charges to support the expenditures to accelerate growth at the group level. This resulted in a decrease in EBITDA.

United States

SaaS revenues of the US segment have grown, but below plan. In 2022 we have migrated our on-premises customers to our FLOW platform. This has led to a planned decrease of our maintenance revenues, following this so-called 'End of Life' of the legacy eVision product. Existing customers were offered a migration to our FLOW SaaS solution (with revenue being recognized over time) or, as the case may be, our on-premises Smartbridge license.

The 2021 result of the US segment was strongly impacted by the recognition of a € 455k gain related to the COVID-19-related PPP loan from the US government that was converted into a government grant. Together with increased expenses in 2022 (mainly as a consequence of the increased number of staff), this has resulted in a sharp decrease of EBITDA.

France

The French segment has also shown a notable increase in SaaS revenues, in line with the Company's strategy in this respect. Also here, consultancy revenues show a decrease, similar to and as explained under the heading for the Netherlands.

As in the other segments, operating expenses have increased as a result of the staff expansion, together resulting in a decrease in the country's EBITDA.

Germany

SaaS revenues in Germany strongly increased, in line with the other segments, coupled with a decrease in consultancy revenues, similar to and as explained under the heading for the Netherlands.

Since the staff of the German segment did not grow and more personnel costs relating to setup of customers were capitalized (as contract cost assets), expenses decreased slightly overall, limiting the decrease in EBITDA for the segment.

Product Development

The operations of the Product Development segment have remained stable, with the segment continuing to improve functionalities of the FLOW portal and investing in research and development efforts.

Personnel

The Group's workforce is monitored and managed on a continuous basis to ensure timely roll-out of the FLOW platform to new customers and service and support existing customers to our high-quality standards, while maintaining a healthy productivity.

As outlined earlier, the Company has invested significantly in bringing in new staff in 2022. While the majority of new staff has joined the new business or customer success teams, teams have been strengthened across the board. This is also visible in the table below, representing the number of full-time-equivalents by territory. In the expansion of its staff, the Company has been mindful not to onboard too many new employees too quickly so they were able to receive proper training and properly integrate to become a valued member of our staff.

FTE by country

	30 September 2022	30 September 2021	Delta
The Netherlands	65	55	10
United States	33	25	8
Germany	11	12	(1)
France	15	12	3
Total	**123**	**104**	**20**

Press releases issued

The following tables detail the press releases issued by TIE Kinetix since 1 October 2021 up until the date of this press release, that have or are reasonably expected to may have financial relevance. All press releases can be accessed through our website.

FY 2022 press releases

Date	Topic
26 October 2021	TIE Kinetix earns Microsoft Co-Sell Ready status
28 October 2021	Rabobank deploys FLOW Partner Automation to achieve a 100% digital supply chain
1 November 2021	Dutch Employee Insurance Agency (UWV) deploys FLOW Partner Automation to support STAP budget execution
17 November 2021	TIE Kinetix reports full year 2021 performance
18 November 2022	TIE Kinetix partners with EDI Support LLC to maximize customer value via EDI integration in any ERP
1 December 2021	Publication of Annual Report 2021
1 December 2021	Partinc Capital Invests in Dutch SaaS company TIE Kinetix
20 December 2021	TIE Kinetix concludes major E-Invoicing contract in Germany
22 December 2021	TIE Kinetix expands its partner network in the DACH region
18 January 2022	TIE Kinetix earns ISO 27017 and ISO 27018 certifications
2 February 2022	Publication of Q1 2022 Trading Update
10 February 2022	Convocation of Annual General Meeting of shareholders
2 March 2022	TIE Kinetix Capital Markets Day
21 March 2022	TIE Kinetix issued share capital
24 March 2022	TIE Kinetix invests to accelerate SaaS growth
25 March 2022	Voting results Annual General Meeting of shareholders
30 March 2022	FY 2022 Interim dividend distribution
5 April 2022	TIE Kinetix sponsors Factuurcongres 2022 as Platinum Partner
25 April 2022	Majority of shareholders follow TIE Kinetix in its exciting journey towards higher growth; announcement FY 2022 interim dividend stock fraction
29 April 2022	TIE Kinetix issued share capital
5 April 2022	TIE Kinetix offers same-day, self-serve e-invoicing solution to SME suppliers
11 May 2022	First six months of 2022 on plan; publication of half year report 2022
16 May 2022	TIE Kinetix recognized as top performer in the EDI software category by FeaturedCustomers
24 May 2022	TIE Kinetix appoints new Partner Manager for Benelux, Nordics & UK
9 June 2022	TIE Kinetix appoints new Partner Manager for France
16 June 2022	TIE Kinetix relaunches PDF invoicing solution to simplify compliance for SME suppliers
16 June 2022	TIE Kinetix signs new contract with HG International for 100% digitalization
21 June 2022	TIE Kinetix adds new Seniro Sales Executive to the Benelux team
28 June 2022	TIE Kinetix appoints new Senior Account Manager for the United States
6 July 2022	TIE Kinetix is accredited as Peppol Acces Point in Australia and New Zealand
19 July 2022	Oracle Fusion cloud supply chain & manufacturing cloud customers can access the Peppol network - Now available on Oracle Cloud Marketplace
27 July 2022	TIE Kinetix signs contract with FUJIFILM for a 100% cloud-based supply chain
3 August 2022	TIE Kinetix reports Q3 2022 Trading Update
1 September 2022	TIE Kinetix signs contract with Schutt Sports LLC for a 100% cloud-based supply chain
20 September 2022	TIE Kinetix signs contract with Clopay Building Products for a 100% cloud-based supply chain
27 September 2022	TIE Kinetix Signs Contract with Whole Earth Brands to Move Towards a 100% Cloud-Based Supply Chain

FY 2023 press releases

Date	Topic
4 October 2022	TIE Kinetix and Ceyoniq Enter Into Strategic Partnership for DACH Region
11 October 2022	TIE Kinetix Signs Contract with Advasur for a 100% Cloud-Based Supply Chain
26 October 2022	TIE Kinetix Signs Contract with CooperSurgical for a 100% Cloud-Based Supply Chain
28 October 2022	Volkswagen Financial Services Contracts TIE Kinetix for 100% Digitalization of Incoming Invoices
1 November 2022	TIE Kinetix NV appoints new Country Managing Director for the American markets
3 November 2022	TIE Kinetix Successfully Completes SOC 2 Audit for Information Security and Receives SOC 3 Report
8 November 2022	TIE Kinetix and SYSPRO Enter Global Alliance to Augment Supply Chain Optimization

Annual report

The 2022 financial information presented in this press release is unaudited. This information as well as the financial statements included in the annexes to this press release is derived from the 2022 Annual Report of the Company. The audit of the Company's financial statements by PricewaterhouseCoopers Accountants N.V. in accordance with article 2:393 of the Dutch Civil Code will not be completed until the authorization for issue of such financial statements. When the financial statements are authorized for issue they will be published by law as part of the 2022 Annual Report. The financial statements will then still need to be adopted by the Annual General Meeting of shareholders, to be held on March 24, 2023. In addition, please note that additional disclosures on certain alternative performance measures that are included in this press release will be provided in the 2022 Annual Report.

Contact and other information

Contact information

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Cautionary statement regarding forward-looking information

This document may contain expectations about the financial state of affairs and results of the activities of TIE Kinetix as well as certain related plans and objectives, and may be expressed in a variety of ways, such as ‘expects’, ‘projects’, ‘anticipates’, ‘intends’ or similar words. TIE Kinetix has based these forward-looking statements on its current expectations and projections about future events. Such expectations for the future are naturally associated with risks and uncertainties because they relate to future events, and as such depend on certain circumstances that may not arise in future. Various factors may cause real results and developments to deviate considerably from explicitly or implicitly made statements about future expectations. Such factors may for instance be changes in expenditure by companies in important markets, in statutory changes and changes in financial markets, in the salary levels of employees, in future borrowing costs, in future take-overs or divestitures and the pace of technological developments. TIE Kinetix therefore cannot guarantee that the expectations will be realized. TIE Kinetix also refuses to accept any obligation to update statements made in this document.

14 Annexes

Consolidated Statement of Financial Position

Assets

(€ x 1,000)

	30 September 2022		30 September 2021	
Non-Current Assets				
Goodwill	2,333		2,250	
Other Intangible Fixed Assets	2,607		2,648	
Tangible Fixed Assets	604		818	
Deferred Tax Asset	1,864		625	
Contract Cost Asset	326		122	
Total Non-Current Assets		**7,735**		**6,463**
Current Assets				
Trade Debtors	1,495		1,442	
Income Tax Receivable	155		31	
Contract Cost Asset (Current)	579		173	
Other Receivables and Prepayments	290		257	
Contract Asset	145		379	
Cash and Cash Equivalents	9,593		9,921	
Total Current Assets		**12,257**		**12,203**
Total Assets		**19,992**		**18,666**

Equity and Liabilities

(€ x 1,000)

	30 September 2022		30 September 2021	
Equity				
Share capital	194		168	
Share premium	60,033		58,462	
Foreign Currency Translation Reserve	83		27	
Other Reserves and Retained Earnings	(49,440)		(47,431)	
Total Equity attributable to Shareholders		**10,869**		**11,225**
Non-Current Liabilities				
Deferred Tax Liability	2		2	
Deferred Revenue	933		571	
Provisions	120		190	
Lease Liability	191		385	
Total Non-Current Liabilities		**1,247**		**1,147**
Current Liabilities				
Trade Creditors	1,304		833	
Deferred Revenue (Current)	3,896		2,992	
Taxation and Social Security Payable	310		475	
Income Tax Payable	4		101	
Other Payables and Accruals	1,865		1,512	
Provisions (Current)	236		-	
Lease Liability (Current)	261		380	
Total Current Liabilities		**7,876**		**6,294**
Total Equity and Liabilities		**19,992**		**18,666**

Consolidated Statement of Comprehensive Income

(€ x 1,000)

		2022		**2021**
Revenues				
Software as a Service	11,127		9,688	
Maintenance and Support	1,206		1,846	
Consultancy	1,934		2,991	
Licenses	91		331	
Total Revenues		**14,357**		**14,856**
Cost of Sales		(6,054)		(5,751)
Total Gross Margin		**8,303**		**9,105**
Other income		27		455
Operating Expenses				
Research & Development	(1,481)		(1,387)	
Selling & Marketing	(3,833)		(2,533)	
General & Administrative	(6,190)		(5,391)	
Total Operating Expenses		**(11,504)**		**(9,311)**
Operating Income/(Loss)		**(3,174)**		**249**
Interest and Other Financial Income		216		307
Interest and Other Financial Expense		(37)		(40)
Income/(Loss) before Tax		**(2,995)**		**515**
Corporate Income Tax		1,321		116
Net Income/(Loss)		**(1,674)**		**632**
Other Comprehensive Income				
Items which may be recycled to profit or loss (net of tax)				
Exchange differences on translation of foreign operations		56		(18)
Total Comprehensive Income attributable to shareholders		**(1,618)**		**614**

Earnings per share	**2022**	**2021**
Net income/(loss) from continuing operations (€ * 1,000)	(1,674)	632
Weighted average shares outstanding (thousands) - basic	1,829	1,649
Basic earnings per share from continuing operations (€)	**(0.92)**	**0.38**
Weighted average shares outstanding (thousands) - fully diluted	1,871	1,839
Diluted earnings per share from continuing operations (€)	**(0.89)**	**0.34**

Consolidated Statement of Changes in Equity

(€ x 1,000)

	Share Capital	Share Premium	Foreign Currency Translation Reserve	Other Reserves and Retained Earnings	Group equity
Opening balance at October 1, 2020	**163**	**58,304**	**45**	**(48,590)**	**9,922**
Net Income	-	-	-	632	632
Other Comprehensive Income	-	-	(18)	-	(18)
Total Comprehensive Income	**-**	**-**	**(18)**	**632**	**614**
Shares Issued	5	158	-	-	163
Share-based payments	-	-	-	542	542
Other	-	-	-	(15)	(15)
Balance per September 30, 2021	**168**	**58,462**	**27**	**(47,431)**	**11,225**

Opening balance at October 1, 2021	**168**	**58,462**	**27**	**(47,431)**	**11,225**
Net Income	-	-	-	(1,674)	(1,674)
Other Comprehensive Income	-	-	56	-	56
Total Comprehensive Income	**-**	**-**	**56**	**(1,674)**	**(1,618)**
Shares Issued	23	1,577	-	-	1,600
Dividend paid (€ 0.50 per share)	3	(6)	-	(335)	(338)
Balance per September 30, 2022	**194**	**60,033**	**83**	**(49,440)**	**10,869**

Consolidated Statement of Cash Flows

(€ x 1,000)

		2022		2021
Income before tax		**(2,995)**		**515**
Adjustments for:				
Depreciation and Amortization	1,560		1,659	
Impairments	-		4	
Share-based payment expense	-		542	
Interest and unrealized exchange income and expenses	(179)		(268)	
Increase (decrease) in provisions	167		20	
Total Adjustments		**1,547**		**1,957**
Working Capital Movements:				
(Increase) decrease in debtors, contract (cost) assets and other receivables	(333)		71	
(Decrease) increase in deferred revenue	1,077		180	
(Decrease) increase in current liabilities	570		(634)	
Total Working Capital Movements		**1,314**		**(383)**
Cash generated from (used in) operations		**(134)**		**2,089**
Interest paid		(37)		(40)
Interest received		-		202
Income tax paid		(98)		(136)
Net cash flow from (used in) operating activities		**(269)**		**2,114**
Investments in intangible fixed assets	(1,107)		(844)	
Investments in tangible fixed assets	(116)		(55)	
Loan repayments received	-		3,000	
Net cash flow from (used in) investing activities		**(1,223)**		**2,100**
Lease payments	(383)		(411)	
Issue of new shares	1,600		163	
Dividend paid	(335)		-	
Net cash flow from (used in) financing activities		**882**		**(249)**
Net increase (decrease) in Cash and Cash Equivalents		**(610)**		**3,966**
Opening balance of Cash and Cash Equivalents		**9,921**		**5,886**
Net increase (decrease) in Cash and Cash Equivalents		(610)		3,966
Exchange differences		282		69
Closing balance Cash and Cash Equivalents		**9,593**		**9,921**

20 Basis of Preparation

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and endorsed by the European Union, and Title 9 of Book 2 of the Dutch Civil Code (DCC).

The consolidated financial statements have been prepared under the historical cost convention, unless otherwise indicated in the notes to the consolidated financial statements that are part of the Annual Report 2022.

Reconciliations of Segment Information

The following tables include reconciliations of EBITDA as per the segment information (refer to section: Segment performance, starting on page 8) to the IFRS statement of comprehensive income (refer to annex: Consolidated Statement of Comprehensive Income, starting on page 17).

2022 Reconciliation of total segments EBITDA to profit or loss
(€ x 1,000)

		2022
	EBITDA	**(1,615)**
Depreciation and amortization		(1,560)
Impairment		-
	EBIT	**(3,174)**
Interest and Other Financial Income		216
Interest and Other Financial Expense		(37)
	Income/(Loss) before Tax	**(2,995)**
Corporate Income Tax		1,321
	Net Income	**(1,674)**

2021 Reconciliation of total segments EBITDA to profit or loss
(€ x 1,000)

		2021
	EBITDA	**1,911**
Depreciation and amortization		(1,659)
Impairment		(4)
	EBIT	**249**
Interest and Other Financial Income		307
Interest and Other Financial Expense		(40)
	Income/(Loss) before Tax	**515**
Corporate Income Tax		116
	Net Income	**632**