



FLOW
by TIE Kinetix

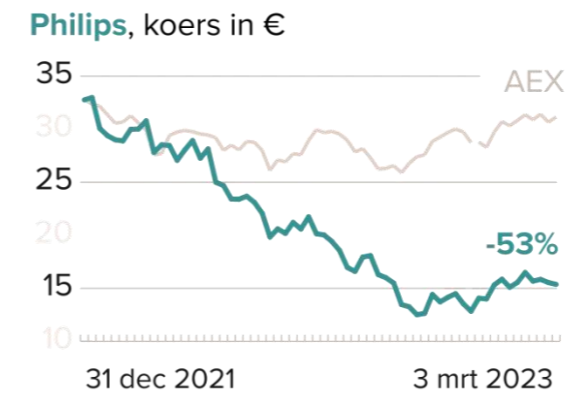
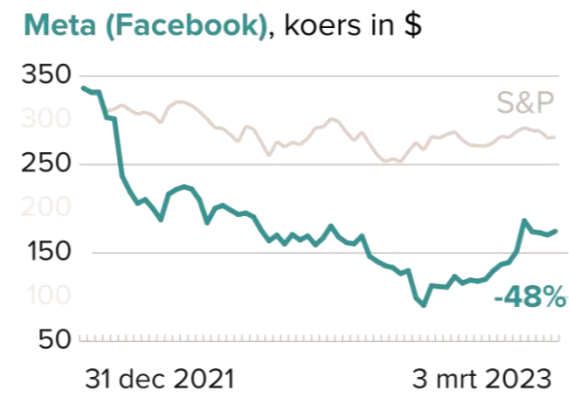
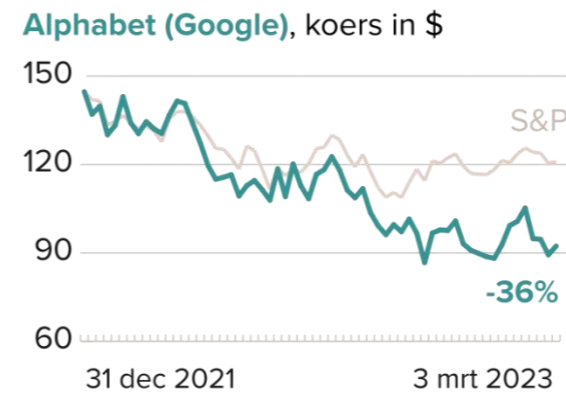
PARTNER
AUTOMATION™


TIE KINETIX

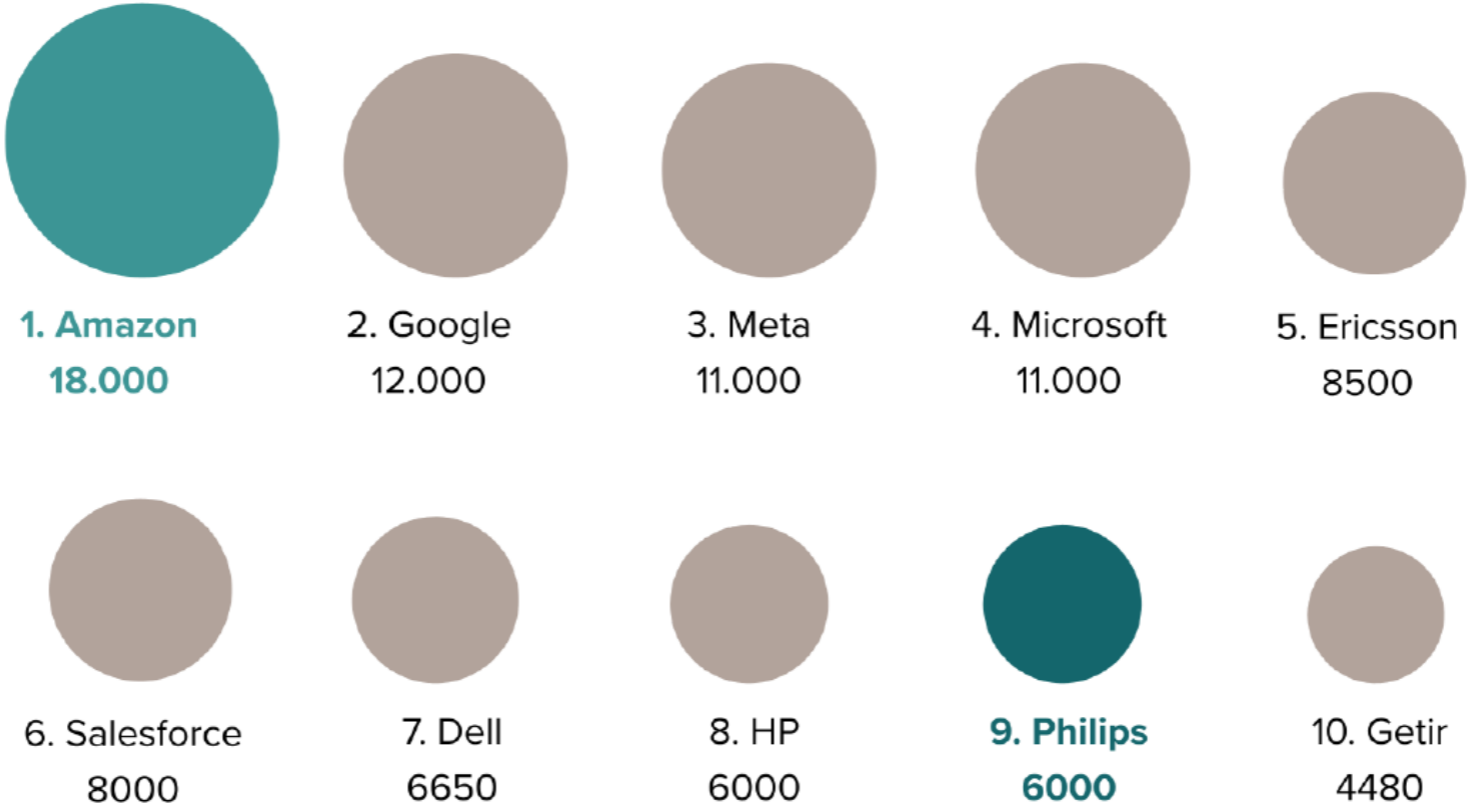


**TIE Kinetix NV 2022
Annual shareholder meeting
March 24**

Value development of major Tech fund during 2022

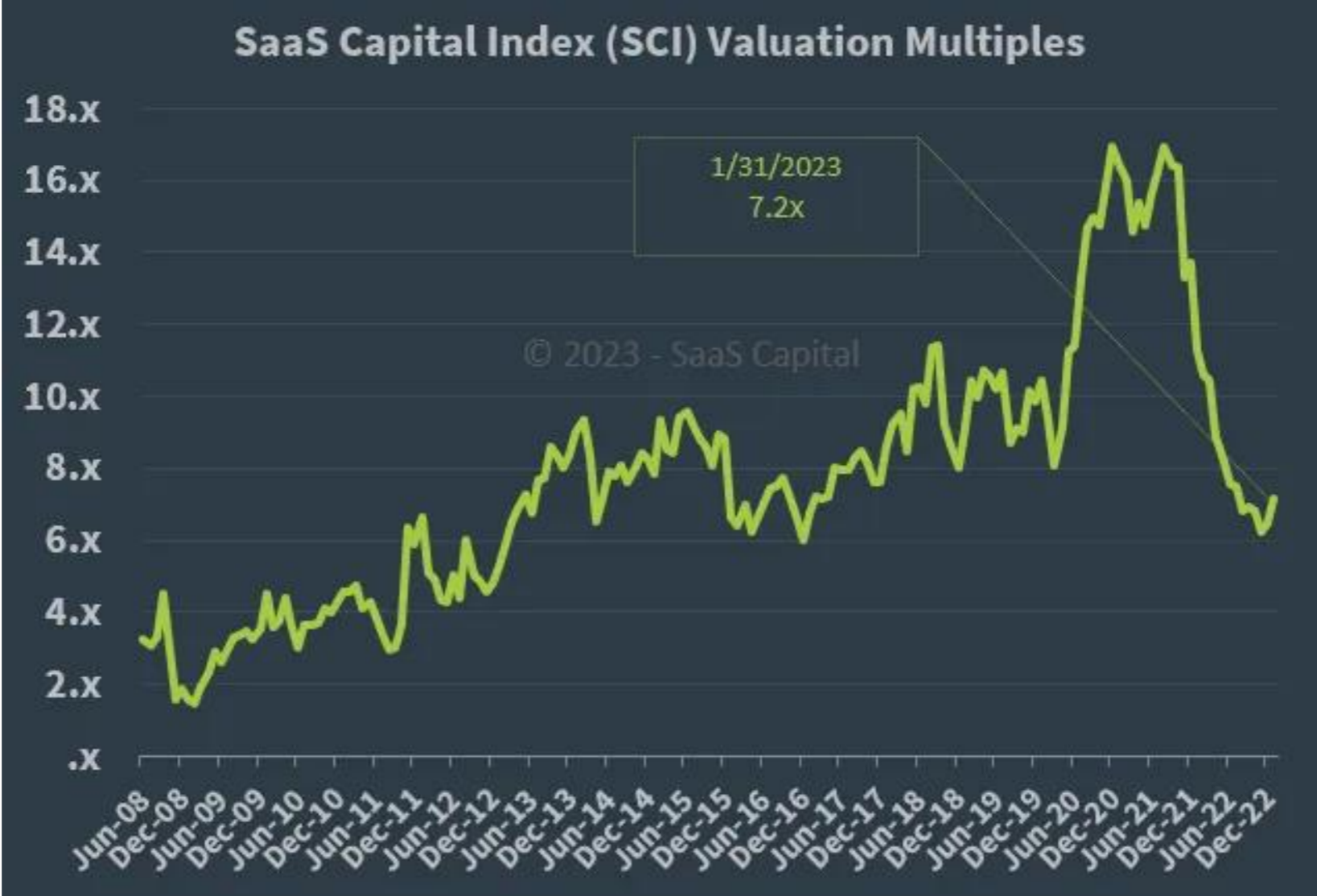


Termination of employees in the Tech Sector in 2022

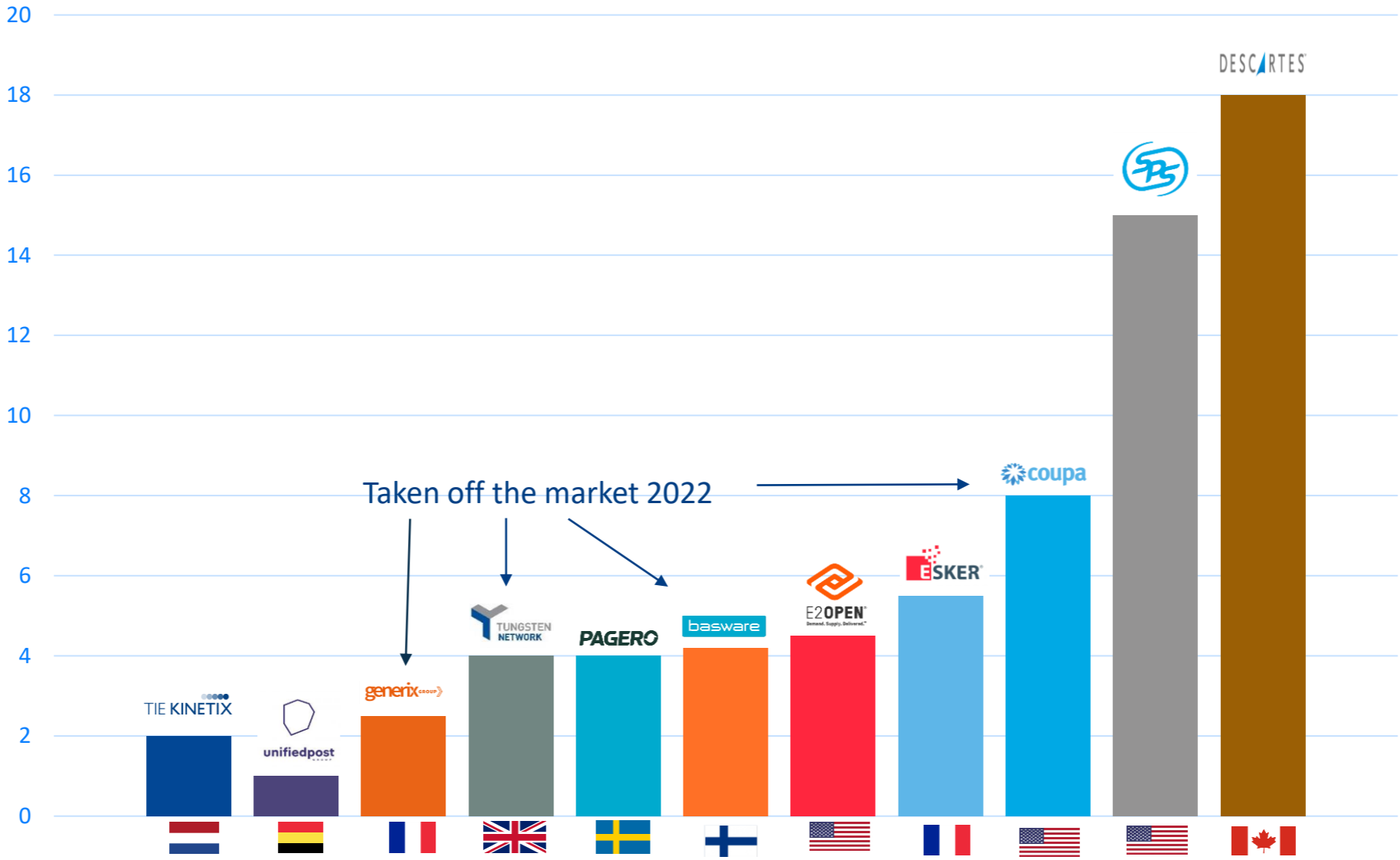


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Valuation SaaS, b2b companies X revenue



Valuation of our peers X revenue in our sector

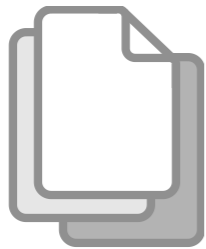


TIE Kinetix 2022 middle of rebuilding



Document exchange evolution in the supply chain

1980 - 2000



0 % Digital

Paper based processes

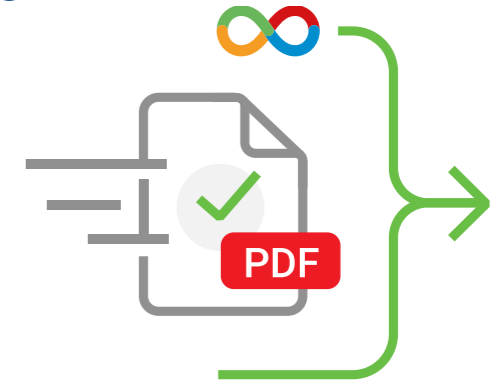
2000 - 2020



50 % Digital

Receive, scan and copy
(Digitizing)

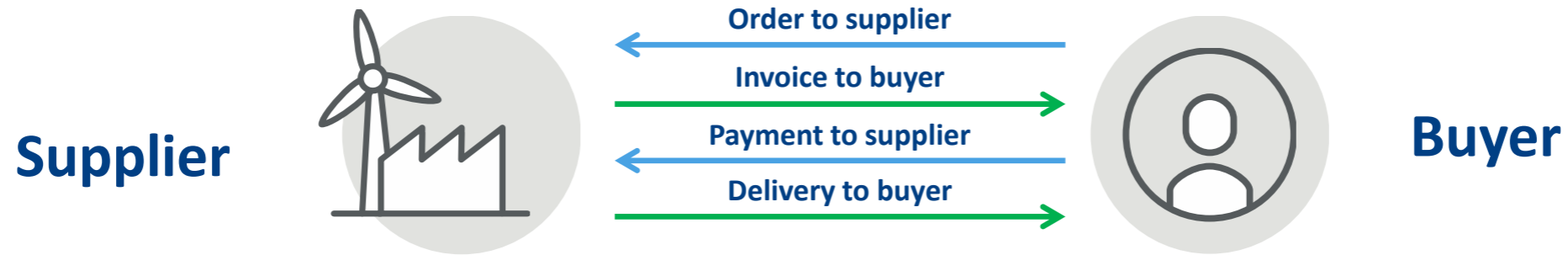
2020 -



100 % Digitalized

100% electronic
document exchange

Our mission



Our mission:

TIE Kinetix offers a SaaS Solution to

To digitalize the exchange of




All business documents

Between 2 independent companies

Acting as trading partners

In the supply chain

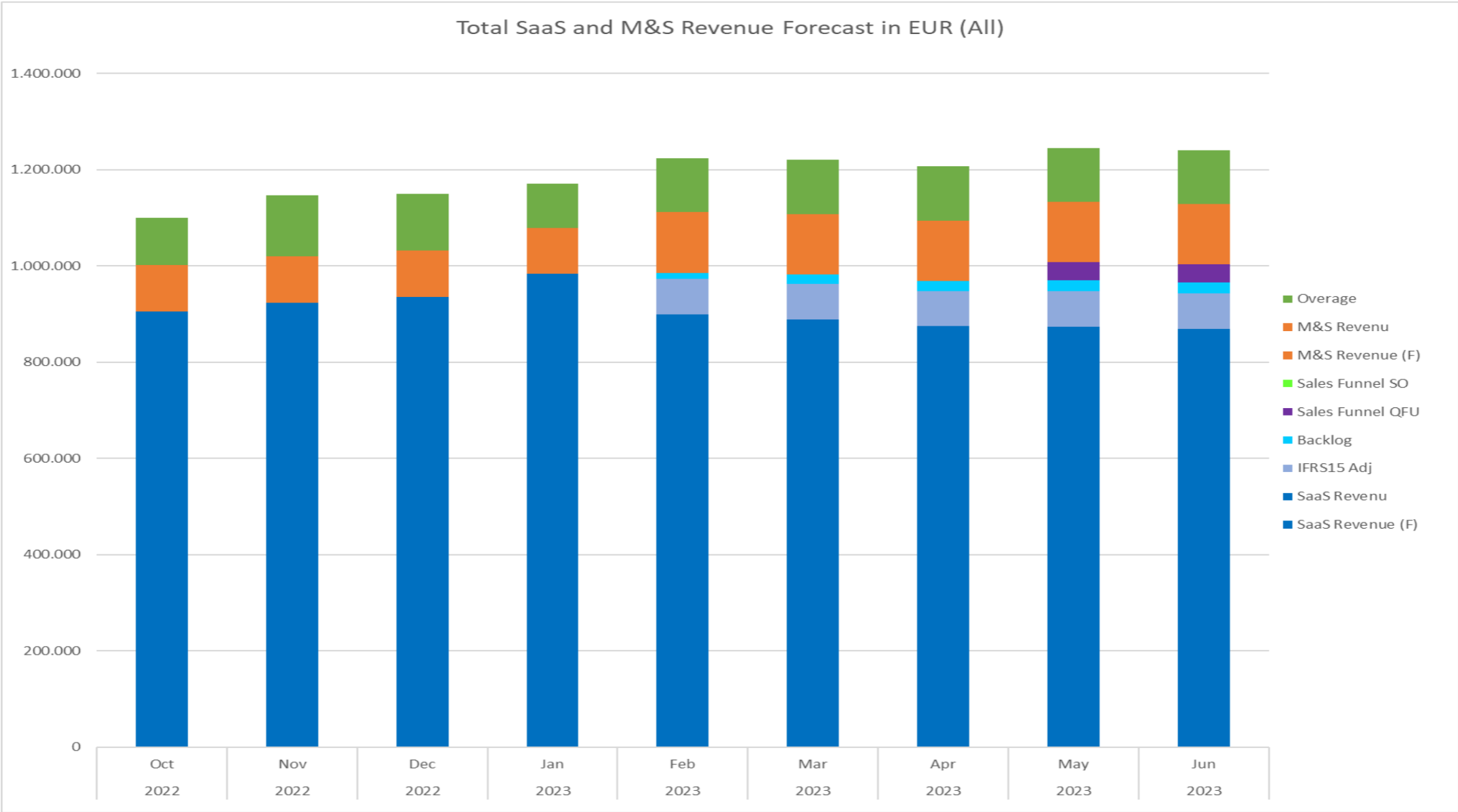
Our focus 2022

1. Educate our self on FLOW and 100% digitalization FLOW Academy
2. build new organization for New sales and Customer Success for existing account
3. Self-service for all SME that need to send document Portal2FLOW and PDF2FLOW
4. Self-service for EDI2FLOW in larger vertical markets (food, Government PEPPOL)
5. Configuration for Midsize companies so they can do 100% digitalization
6. Work and find larger Hub that we can offer 100% digitalization
7. New Business through ERP migration projects:  Microsoft  

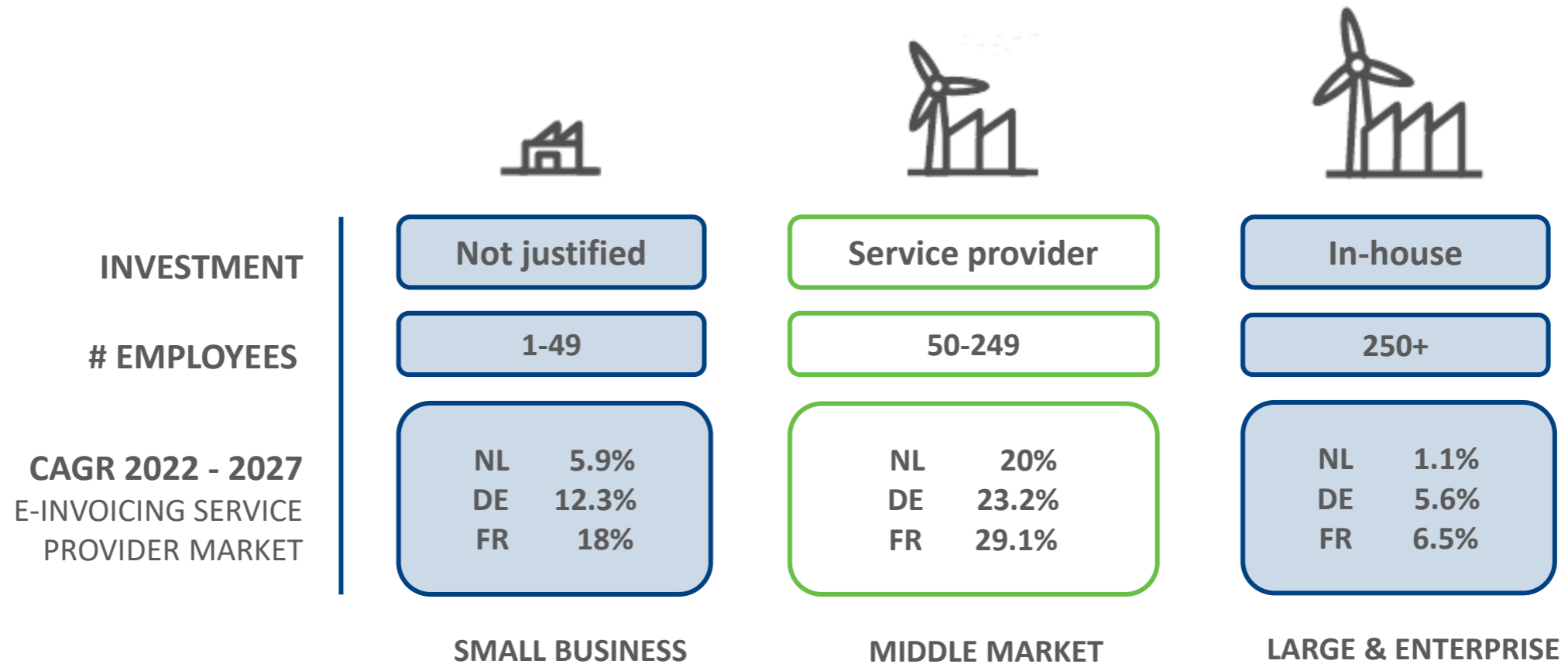
ISP YTD 2023



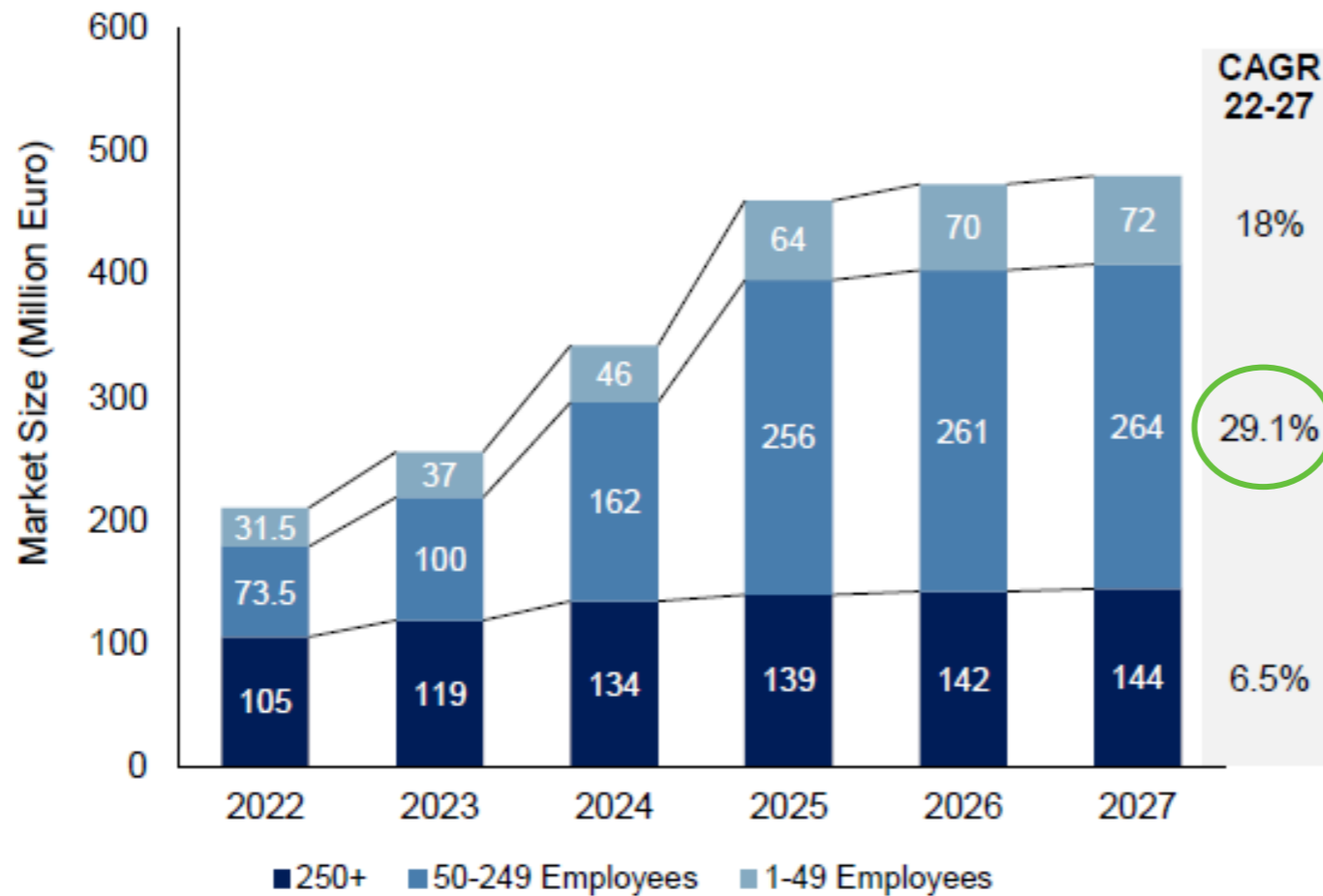
SaaS and M&S Revenue ARR €



Mid-Market Opportunity & Significant White Space



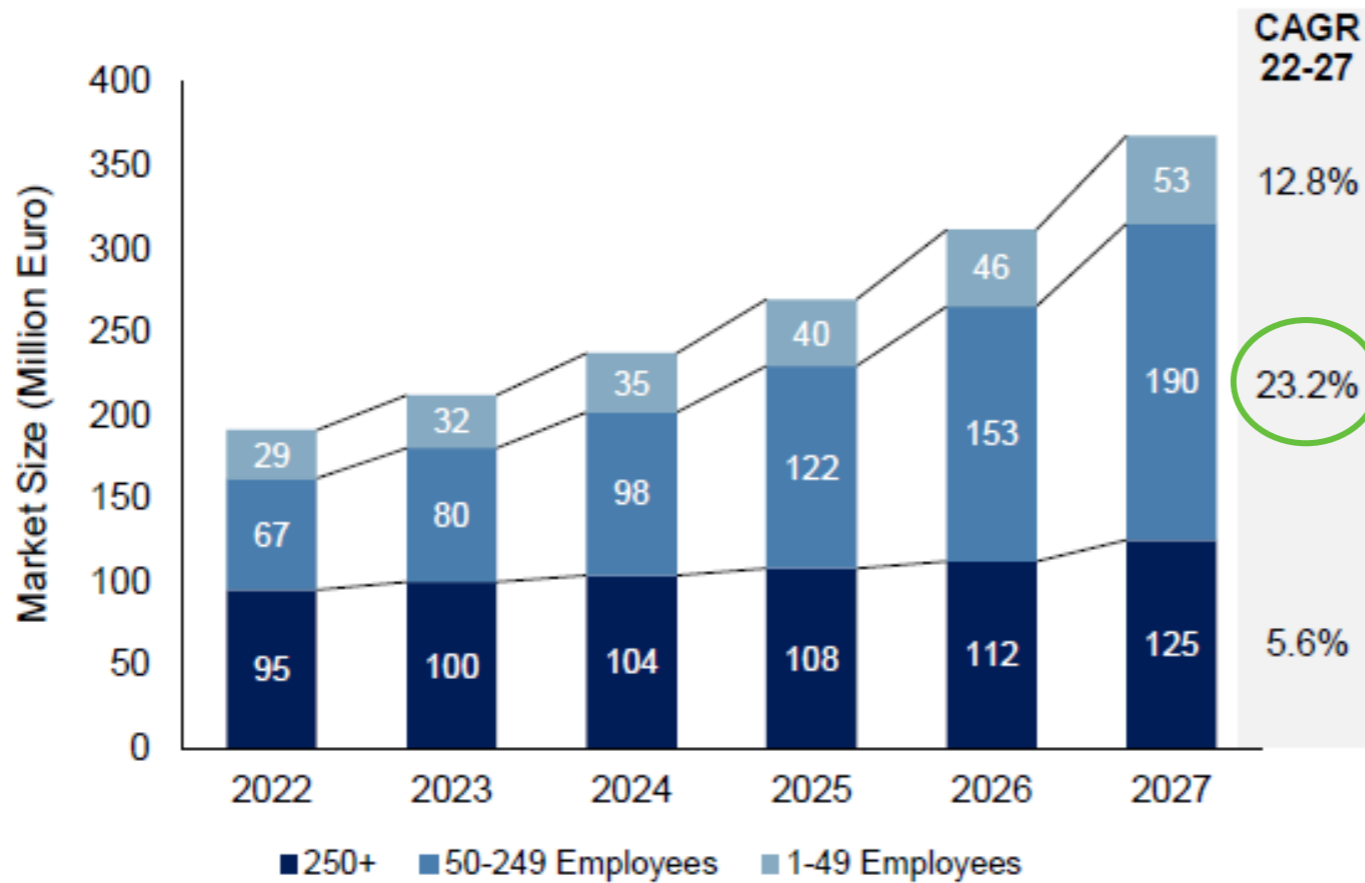
E-Invoicing Service Provider Market Size in France



B2B e-invoicing mandate
in place for 2023



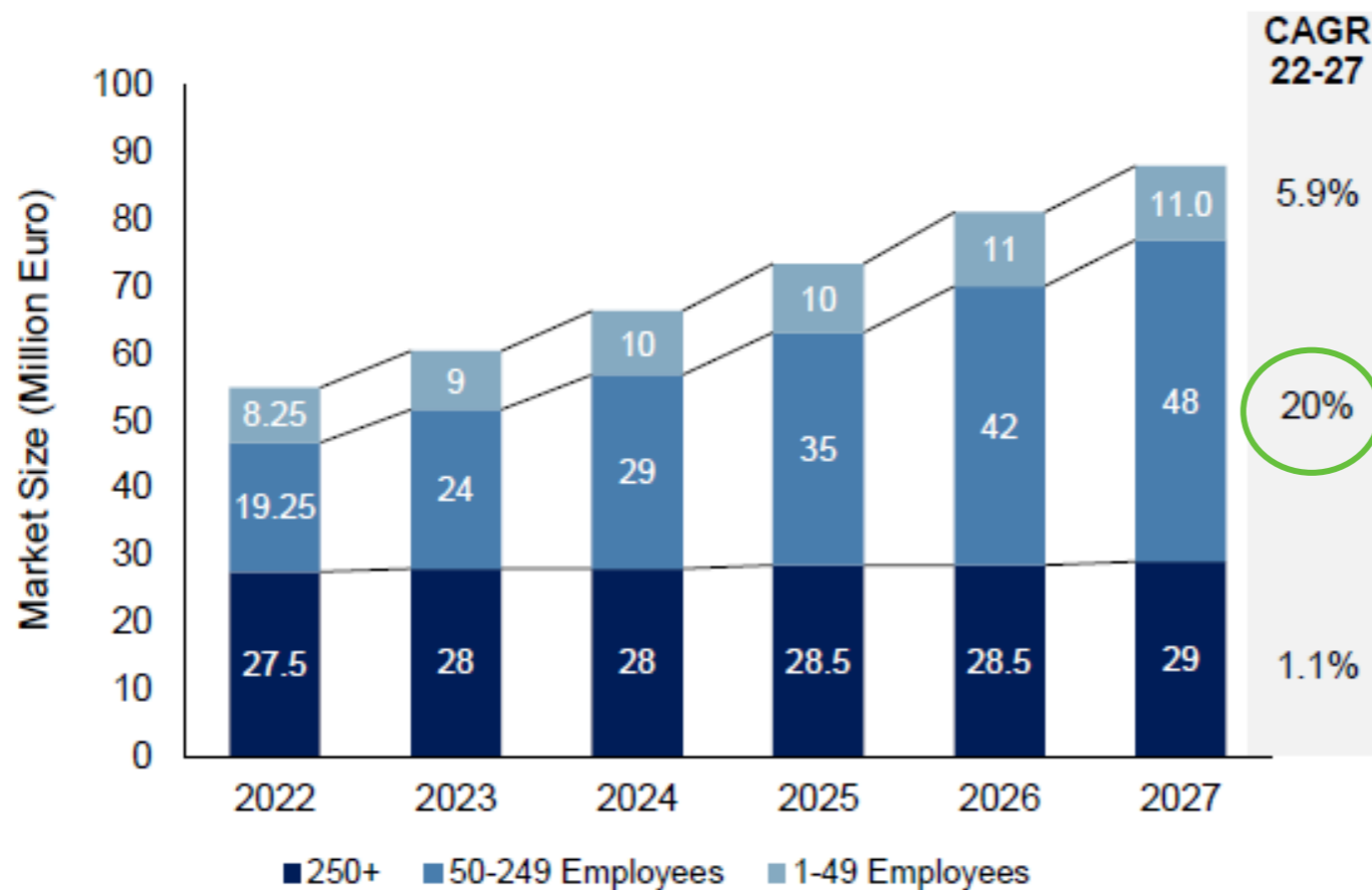
E-Invoicing Service Provider Market Size in Germany



B2B e-invoicing mandate predicted in 2026



E-Invoicing Service Provider Market Size in the Netherlands

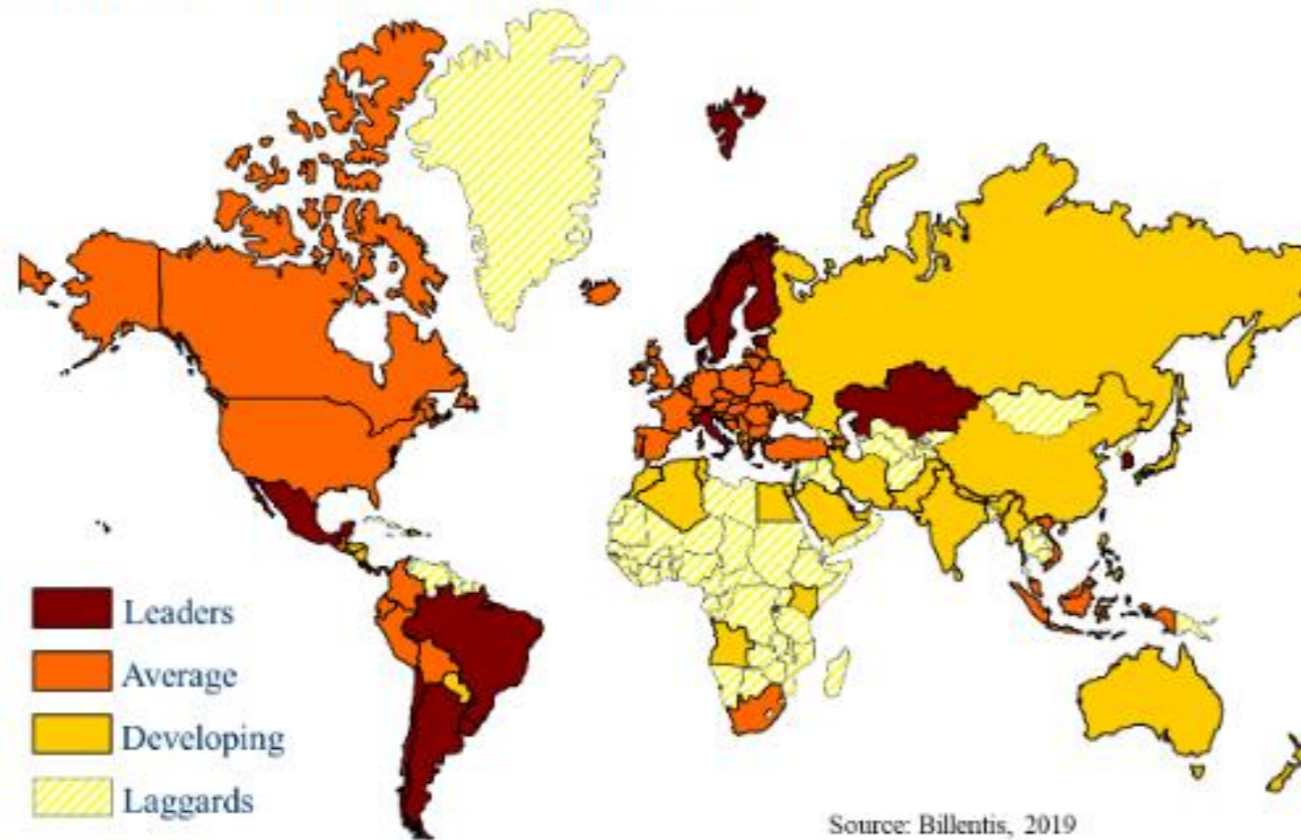


B2B e-invoicing mandate predicted in 2028



E-Invoicing Market Size in the U.S.

Figure 14: Market maturity for electronic invoices/bills



¹
25 billion
B2B invoices
exchanged
annually

²
75%
still require
manual
processing



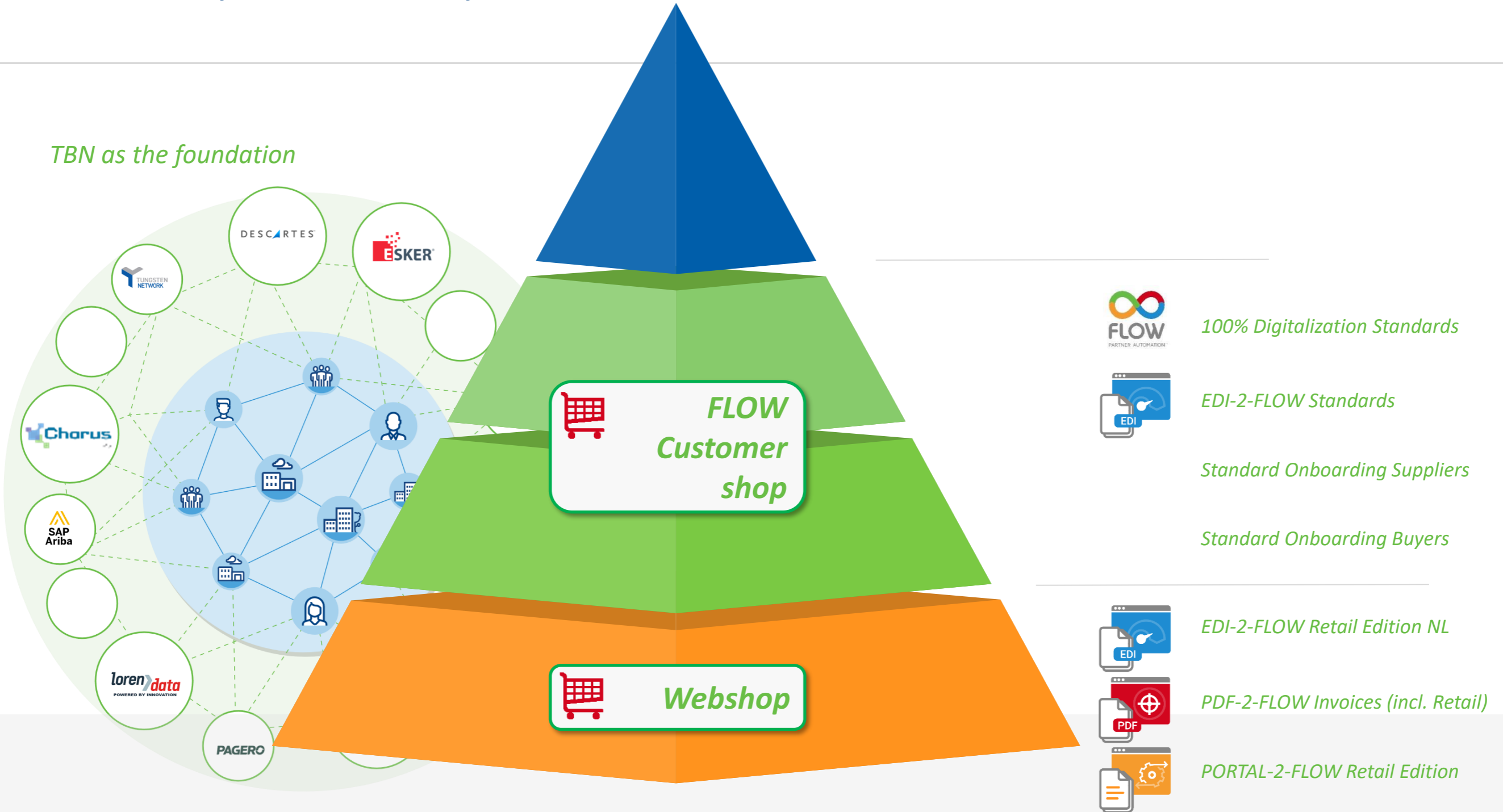
^{1,2} Source: FedPayments 2021, B2B Payments Modernization: Transformation Brings Benefits



Building the Pyramid

Demo “Pyramid Ready to Go”

TBN as the foundation

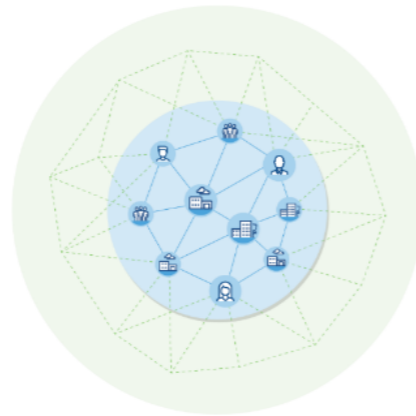


Find Your Solution

Document exchange doesn't have to be complicated. Simply buy online to start sending and/or receiving the documents you need, to the trading partners you need to reach.

Our standard e-invoicing and EDI solutions for small and mid-size businesses are available for purchase online and provide you with instant access to the TIE Business Network (TBN). That means you can begin exchanging documents with thousands of trading partners from day one.

[FIND YOUR TRADING PARTNERS](#)



Shop Our E-Invoicing Solutions



EDI-2-FLOW Peppol Edition for Suppliers

AKA, Peppol Access Point (AP). Send invoices and other Peppol BIS documents via the Peppol network directly from your ERP. ISO 27001 certified.

[VIEW SOLUTION](#)



PDF-2-FLOW for Suppliers

Drag and drop your PDF invoices into our online portal, and we'll convert them to the Peppol BIS standard format. Send to anyone in the Peppol network.

[VIEW SOLUTION](#)



PORTAL-2-FLOW B2G Edition NL for Suppliers

Gain limited access to the Peppol network to send compliant e-invoices to all Dutch government bodies and more using a simple web form with our online EDI solution.

[VIEW SOLUTION](#)

FLOW Partner Automation Solutions



FLOW Online Training Consultancy Services

Want to become a FLOW expert? Order a fixed amount of training hours online and we'll work with you to define a custom program.

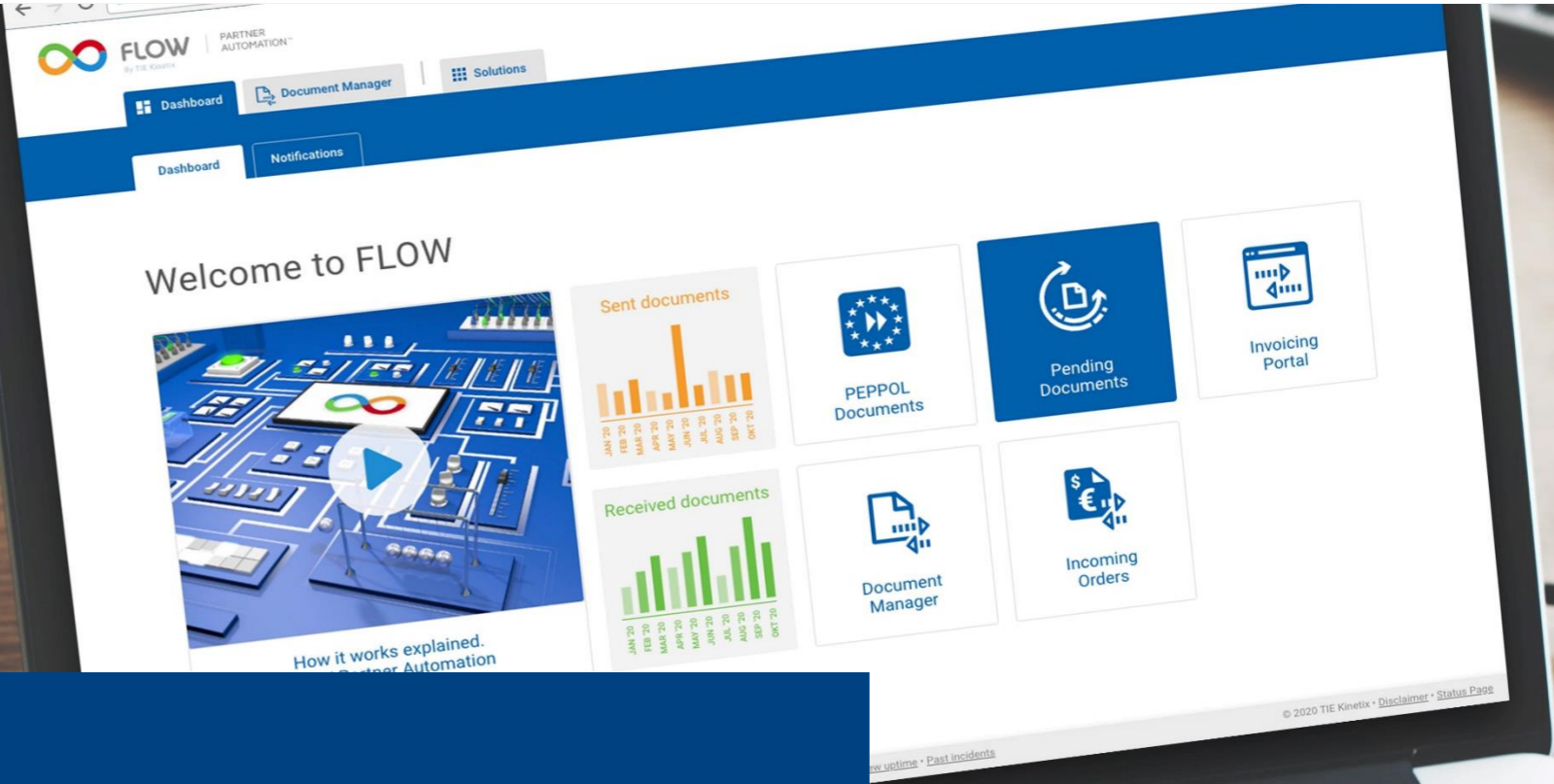
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Hours Bundle Consultancy Services

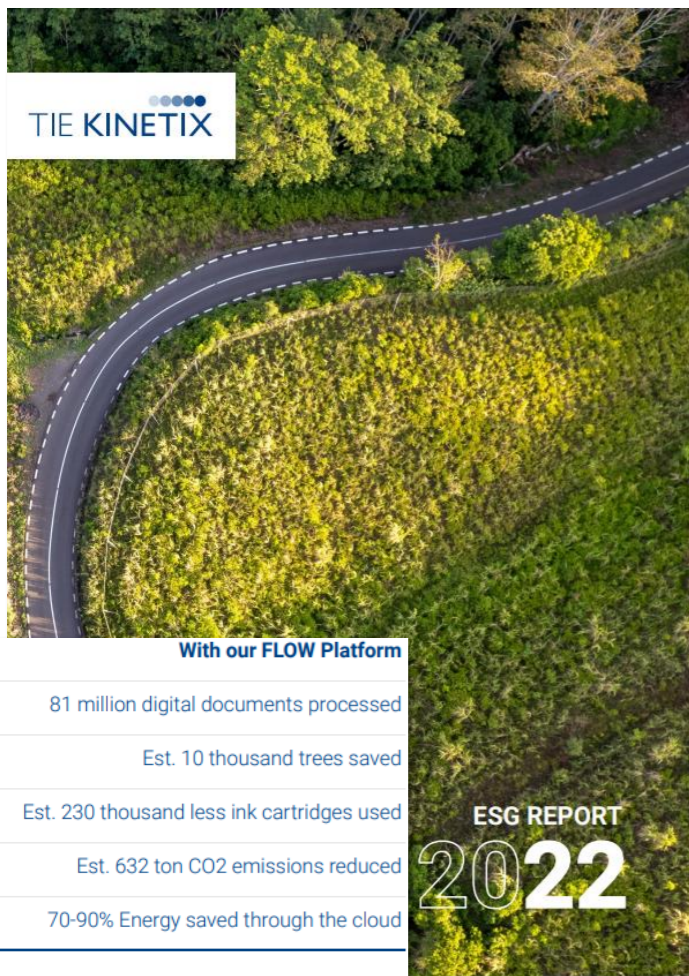
Place an order for a set number of consultancy hours for a fixed price. Shorten project lead time as a result.

[VIEW SOLUTION](#)



ESG Environment Social Governance





With our FLOW Platform

- 81 million digital documents processed
- Est. 10 thousand trees saved
- Est. 230 thousand less ink cartridges used
- Est. 632 ton CO2 emissions reduced
- 70-90% Energy saved through the cloud

ESG REPORT
2022

Within our organization

- Est. 379 ton less CO2 by working remotely
- 55% Reduction in office floor space realized
- 17 Nationalities across 4 countries
- 26% Female employees
- 1/3 Females in the Supervisory Board



- 2,386,965** digital documents processed
- Est. **295** trees saved
- Est. **6,683** less ink cartridges used
- Est **19** CO₂ emissions reduced
- 70% - 90%** energy saved through the cloud



- 3,03 million** digital documents processed
- Est. **374** trees saved
- Est. **8,5 thousand** less ink cartridges used
- Est. **23,6 ton** CO₂ emissions reduced
- 70% - 90%** energy saved through the cloud

Breukelen, the Netherlands – March 14, 2023 at 8 AM CEST – TIE Kinetix, a leader in 100% supply chain digitalization, announced today a new 5-year, € 479,000 contract with SPAR Holding B.V., a leading international brand of independently owned and operated food retailers and wholesalers. By choosing TIE Kinetix to provide their digitalization upgrades, SPAR Holding will adopt the FLOW Partner Automation platform and their supply chain solution will move 100% to the cloud. Additionally, SPAR Holding will be adding KPI dashboard functionality to their FLOW Platform, which will help meet the company's growth goals.

This contract will enable SPAR Holding and their independent food retailers and wholesalers to optimize their document exchange process and enable them to achieve a fully digital supply chain with TIE Kinetix's next-generation EDI offerings. The decision to utilize TIE Kinetix's FLOW Partner Automation Platform – fully integrated with their Microsoft Dynamics 365 F&SCM environment – is done in close collaboration with TIE Kinetix's partner, Avanade. Now, SPAR Holding has access to experts from both TIE Kinetix and To-Increase as they digitalize all business document transactions seamlessly, securely, and efficiently.

Both companies provide a full understanding of their customers' business environment by working closely with Microsoft Dynamics 365. TIE Kinetix and Avanade are working together to help large companies like SPAR Holding make these major electronic business transactions a swift and simple process—from start to finish. These growth opportunities are extremely important to any business that is looking to digitalize their supply chain completely, no matter what size company they are.

SPAR Holding's decision to choose TIE Kinetix as their service provider shows the need for companies to rely on secure document exchange solutions that enable them to send and receive documents electronically with trading partners of any size. All business partners of SPAR Holding will continue to be able to exchange documents such as purchase orders, order confirmations, packing slips, and invoices – all without interruption. SPAR Holding's investment in TIE Kinetix is also an investment in an environmentally friendly solution. By using FLOW, SPAR will annually save 481 trees, 30 tons of CO₂, 10,920 ink cartridges, and 70-90% of energy through the cloud.

Compliant, Secure and Reliable



Technical Compliance

Invoices, purchase orders, you name it— TIE Kinetix supports any-to-any translation for all document types.



Tax Compliance

Adhere to local and international invoice requirements without second-guessing GST/VAT compliance.



Legal Compliance

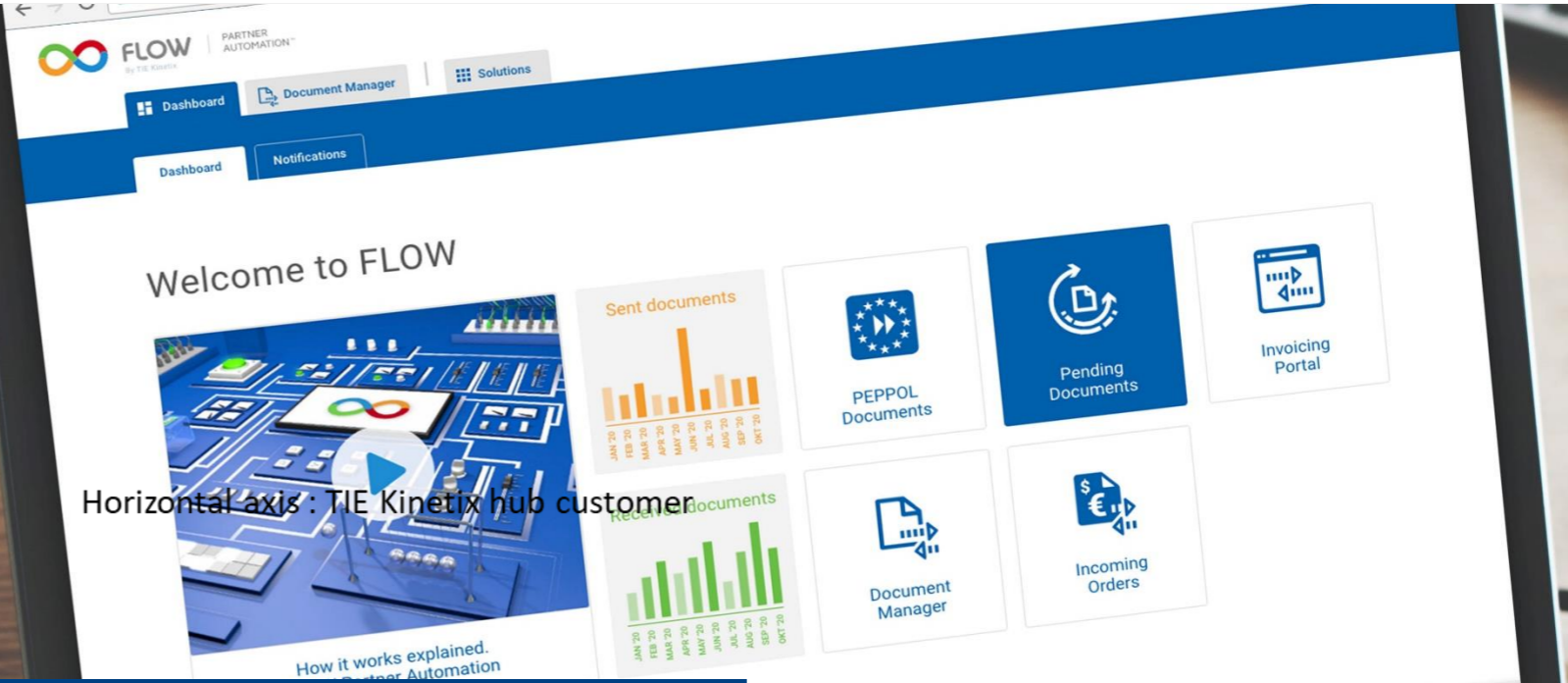
TIE Kinetix provides secure e-archiving services so you can easily meet tax retention obligations.



Data Compliance

TIE Kinetix has the utmost commitment to security and ensures the highest level of information protection.





Horizontal axis: TIE Kinetix hub customer

CFO report



2022 High Growth Plan

Fundamentals for high growth laid in 2022:

Customer Success Teams + New Business teams

Central Dev Ops team for speedy delivery of standard projects

Insource all mission critical development activities

Develop / train Partner Channels Microsoft and Oracle

Marketing programs E-invoicing (Germany + Netherlands)

Higher number of colleagues: +20 ; from 103 (2021) to 123 (2022)

One-off costs in 2022: +/- € 800k for recruitment, professional services, project costs, legal fees etc

Revenues

in €'000	2022	2021	verschil
SaaS Revenues	11.127	9.688	15% 1.439
Maintenance and Support	1.206	1.846	-640
Consultancy	1.934	2.991	-1.057
Licenses	91	331	-240
Total Revenues	14.357	14.856	-499
Other income	27	455	-428
EBITDA	-1.615	1.911	-3.526
Operating income (EBIT)	-3.174	249	-3.423
Net income	-1.674	632	-2.306

SaaS Revenues: growth in Europe and in e-invoicing

Maintenance: end of life E-vision in US, decline stopped in 2022

Consultancy: effect of IFRS 15 approx. € 2.2 mln less consultancy revenue (2021: € 0,6 mln)

Financial Performance 2022

ON PLAN

Margin and costs

in €'000	2022	2021	verschil
Total Revenues	14.357	14.856	-499
Cost of Sales	6.054	5.578	476
Gross Margin	8.330	9.733	-1.403
Opex	11.504	9.484	2.020
Operating income (EBIT)	-3.174	249	-3.423

Cost of Sales: change in sales mix, less maintenance more SaaS

Gross Margin: 2021 included \$455 trump covid subsidy, higher COS due to sales mix change, € 867 is IFRS 15 effect

Opex: higher opex due to more staff and one-off expenses of approx. € 800k (recruitment, legal, project, professional services)

Financial Performance 2022

ON PLAN

Update IFRS 15

IFRS 15: consultancy hours recognized as SaaS revenue over 36 months

Applied to: Customer set-up, migrations, mapping, connecting trading partners, onboarding suppliers

SaaS revenue + Consultancy	FY21			FY22			CAGR FY21-FY22	
in €'000	AR	IFRS15 Adjustment	Before IFRS15	AR	IFRS15 Adjustment	Before IFRS15	AR	Before IFRS15
SaaS	9.688	530	9.158	11.127	718	10.409	14,9%	13,7%
Consultancy	2.991	-596	3.587	1.934	-2.194	4.128	-35,3%	15,1%
Cost of SaaS	-2.095	-198	-1.897	-2.485	-240	-2.245		
Cost of Cons	-3.424	173	-3.597	-3.565	848	-4.413		
Gross margin	7.160	-91	7.251	7.011	-868	7.879		
Break Down of SaaS revenue	FY21			FY22			CAGR FY21-FY22	
in €'000	AR	IFRS15 Adjustment	Before IFRS15	AR	IFRS15 Adjustment	Before IFRS15	AR	Before IFRS15
SaaS Revenue	9.688	530	9.158	11.127	718	10.409	14,9%	13,7%
subscription + volume bundle	8.425	530	7.896	9.881	718	9.163	17,3%	16,0%
overage	1.246	0	1.246	1.246	0	1.246	0,0%	0,0%

Update high growth plan YTD 2023

	Q1, 2023	Q1, 2022	change%	Investments in growth acceleration are paying off:
Total Order Intake	6.055.066	2.824.282	114%	75% from Customer Success Teams 25% from New business / Microsoft partners
of which new business	1.489.423	297.104	401%	

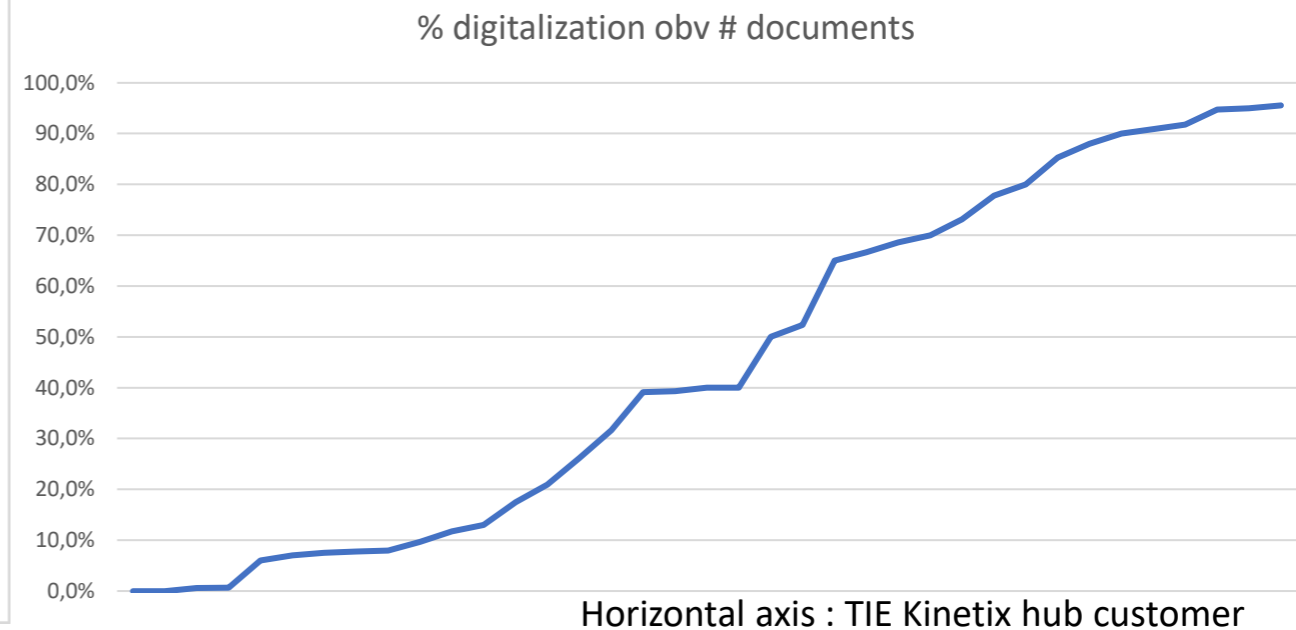
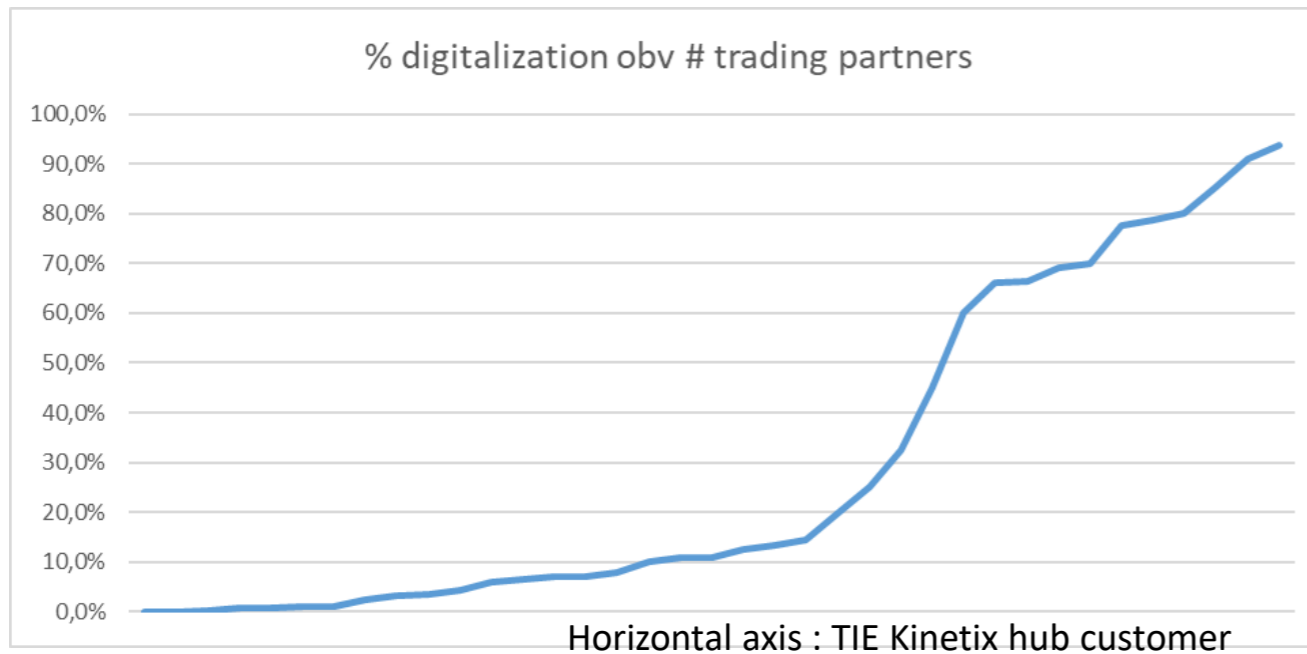
High Q1 Order Intake confirms strategy works

	jan/feb 2023	jan/feb 2022	change%
total Order Intake	2.570.574	1.413.196	82%

2023 YTD order intake is **ahead** of plan (plan called for step up in second half year 2023)

Customer Success : unlock the potential in large hubs

New revenue through customer success teams



Customers want/need to increase % of digitalization of documents
Starting point is current % digitalization (generally << 50%)

SaaS Customer profile

Customer Success

The Goal of our Customer Success Teams is to support our customers in their 100% digitalization ambition, through:

- Onboarding programs for his suppliers
- Increase the number of document types through FLOW
- Increase the use of FLOW
- Combine EDI2FLOW with Portal2FLOW with Pdf2FLOW

= additional revenue for TIE Kinetix

	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Large Wholesaler	€ 133.938	€ 175.303	€ 205.889	€ 209.097	€ 220.750	€ 270.479	€ 278.860
Germany Ministry					€ 163.644	€ 470.313	€ 768.100

Mid term outlook

Short term:

2022 invest to accelerate growth

MARCH 2022 UPDATE: INVESTMENTS IN MARKETING AND IN NEW ORGANIZATION ARE ON PLAN !

2023 return to positive net result

Outlook mid term 2025:

growth acceleration to +20% SaaS growth CAGR

increase EBITDA up to 20% in mid term

possible acquisitions in footprint

Slide from AGM March 25, 2022

Reconfirmed : High Growth plan is on track

M&A update



Rigorous process:

- Definition target selection criteria
- Selection and contracting of M&A broker
- Assessment long list potential targets (60)
- Investigation possible 'fit' target by target
- Assessment short list potential targets (10)
- Assess targets willingness to engage / contacting targets
- TIE Kinetix management presentations to short listed targets
- TIE Kinetix site visit to selected targets (2)
- Assessed discrepancy on valuation by preferred target company
- Move to second target company
- Agree tentative terms / conditions with final target (1)
- Opening dataroom for final target
- Define relevant documents required in dataroom (150)
- Analyse and assess dataroom content with 4 TIE Kinetix teams
- DD reports
- Target visit to TIE Kinetix / in depth assessment technical feasibility

M&A update

Outcome DD and further assessment:

- Data provided in Dataroom does not always reconcile (small company)
- Information provided in visit TIE management to target disproved in dataroom / visit of target to TIE Kinetix
- Significantly large % of on premises CAD business (on prem required by OEM's)
- Relatively small number of EDI customers
- On premises CAD customers not compatible with FLOW Strategy
- 3rd party (Epicor) translator used for majority of customers.
- Epicor conditions unclear (no contract), Epicor controls annual customer activation keys.
- Migration of on premises customers too high risk
- Non migrated customers have to remain on prem in legacy product

Executive Board decision not to further pursue this acquisition

Priority for 2023:
first deliver high organic growth,
next revisit acquisitive growth

Strong Financial position

Intangible fixed assets € 4.9 mln

Cash position € 9.6 mln



Putting our money to work

Shareholder Equity € 10.9 mln

Balance sheet total € 20.0 mln



Increased SaaS growth =
increasing deferred revenue

Capital expenditure € 1.0 mln

Operating Cash Flow € -0.3 mln



Investing in R&D and product development

Current ratio 1.564

Equity ratio 0.54



No loan funding and stable dividend

Concluding

TIE Kinetix financial profile

- ✓ 2022 : successful execution high growth plan
- ✓ 2023 : high growth in Order Intake
- ✓ 2023 : expected high Revenue growth
- ✓ 2023/2024 : return to profitability



e-Invoicing

Strong financial position + confidence in the future: dividend policy continued

Thank you!


TIE KINETIX



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