

TIE Kinetix AGM 26 March 2021



AGENDA

2020 in numbers

- Development of revenues and costs in 2020
- Balance sheet and equity

– Michiel Wolfswinkel

3 jaars outlook (organic)

Organic growth plan and implementation

– Jan Sundelin

2020 profit and loss account

	FY2020				FY2019			
	AR: Total Operations (excl TIE Intl.)	Effect Impartner deal	Divested TCMA	Total Continued Business	AR	Divested International	Divested TCMA	Total Continued Business
TOTAL INCOME	15.555		802	14.753	15.307	977	1.527	12.804
TOTAL DIRECT PURCHASE COSTS	-6.137		-121	-6.015	-6.734	-510	-157	-6.067
TOTAL GROSS MARGIN	9.418		681	8.738	8.573	467	1.370	6.737
Gross Margin in %				59%				53%
TOTAL OPERATING EXPENSES	-7.111		-516	-6.595	-8.280	-283	-663	-7.334
OPEX in %				45%				57%
EBITDA	2.308		165	2.143	294	183	707	-597
DEPRECIATION AND AMORTIZATION								
Depreciation	-656			-656	-175			-175
Amortization	-1.531	-298		-1.233	-1.122			-1.122
TOTAL DEPRECIATION AND AMORTIZATION	-2.187	-298		-1.889	-1.298			-1.298
EBIT	121	-298	165	254	-1.004	183	707	-1.894
TOTAL INTEREST				-37				-57
OPERATING INCOME INCL INTEREST				217				-1.951

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Improved EBITDA + € 2.740k, thorough:

More revenue in 2020 versus 2019:
+ 1.949k or 15,2%

Lower Opex in 2020 - €739k :
- € 481k is IFRS 16 (from opex to depreciation)
- € 258k is lower opex

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Most important number in 2020 is the increase in net result from € - 1.315k to € 6.511k: an increase of € 7.826k

Important part of the increase (€ 6.582) is caused by the sale of TCMA/GoogleAds

But also important is the strong improvement of the results of the so-called continued business -> table

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Revenu development continued business

	FY2020			FY2019			
	Con't Ops (excl TIE Intl.) per annual report	Divested TCMA	Continued Bussiness	Annual report	Divested TIE Intl.	Divested TCMA	Continued Bussiness
Revenue Software License	646		646	350			350
Revenue Maintenance and Support	2.639		2.639	2.793			2.793
Revenue Consultancy	2.991	5	2.986	3.219	315	343	2.562
Revenue SaaS	9.275	807	8.468	8.929	662	1.183	7.084
Other Income	4	-10	14	16		1	15
TOTAL INCOME	15.555	802	14.753	15.307	977	1.527	12.804

In 2020 revenu increased with €1.949k or 15% caused by:

Increase in SaaS: + 19,5% more Business to Government and more implementations (following strong 2019 order intake). Customers a.o. GiZ (Germany) and HDA (US).

Increase in Consultancy: + 16,5% through better project management

Development Order Intake continued business

	FY20	FY19
Licenses	614.459	340.952
M&S	294.694	399.265
SaaS	5.675.469	8.359.448
Consultancy	3.542.636	3.544.111
Grand Total	10.147.721	12.715.468

	FY20	FY19
TIE Nederland	3.843.695	5.027.393
TIE Commerce	4.100.129	4.095.496
TIE France	943.024	959.030
TIE Germany	1.260.873	2.633.549
Grand Total	10.147.721	12.715.468

2019 was exceptionally strong through HUBS

2020 less strong than 2019 – less Hubs in NL en lower analytics orders in Germany

2020 lower new business and more migrations

Effect COVID-19 in 2020:

Immediate measures taken – effective but largely unused

Various deals from 2020 pipeline postponed to 2021 and (in the process of being) closed in 2021

Kosten ontwikkeling

selected items in continued business (excl GoogleAdwords)

Decrease in:	FY20	FY19	Diff	Diff %
Employee Benefits	4.893	4.670	223	5%
Carlease	46	205	-159	-78%
Office Rent	-25	462	-487	-105%
Payroll Settlement	0	55	-55	-100%
Marketing Expenses	341	468	-127	-27%
Travel	147	305	-158	-52%
Infrastructure expenses	407	476	-69	-14%
Bad Debt & collection	23	162	-139	-86%
Total	5.832	6.803	-971	-14%

notes:

increase variable OTE
IFRS16 moved to Depreciation
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one off
scaled down during pandemic
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private and public cloud
2019 program finished early 2020

Increase in:	FY20	FY19	Diff	Diff %
Miscellaneous Op exp	73	0	73	N/A
Audit Expenses	262	162	100	62%
Impairment TCMA	298	26	272	1046%
depreciation	1.889	1.298	591	46%
Total	2.522	1.486	1.036	70%

notes:

3rd party software one off
BDO audit costs
divestiture TCMA related
IFRS 16 reclassification

Effect COVID: lower costs - less marketing and travel expenses
Higher costs through variable salaries and higher audit expenses
Overall slight increase a.o. caused by write off intangible asset in TCMA
divestiture € 298 k

Balance sheet 2020

Ultimo 2020:

- Cash position € 5,886 mln
- Working capital facility € 1,25 mln - unused
- Impartner loan: € 3 mln, fully secured, 10% interest per year, maturity aug 2021

Equity per share: from € 2,14 per share (2019) to € 6,05 per share (2020)

Solvancy increased: from 30,1% (2019) to 55,0% (2020)

Effect COVID-19:

No effect on the valuation of assets (e.g. receivables position) in 2020

3 jaars organisch groei plan

<i>[EUR in millions]</i>	2019	2020	2021	2022	2023
SaaS	8.038,4	8.729,2	9.695,5	12.017,7	14.388,6
<i>[% Growth]</i>		8,6%	11,1%	24,0%	19,7%
Consultancy	2.916,3	2.985,8	3.470,2	3.532,9	3.891,4
<i>[% Growth]</i>		2,4%	16,2%	1,8%	10,1%
Licences	350,4	646,0	444,2	535,4	359,7
<i>[% Growth]</i>		84,4%	-31,2%	20,5%	-32,8%
Maintenance and Support	2.793,2	2.639,9	2.241,5	2.048,4	1.896,5
<i>[% Growth]</i>		-5,5%	-15,1%	-8,6%	-7,4%
Total Revenues	14.350,4	14.998,0	15.848,4	18.131,5	20.533,3
<i>[%Growth]</i>		4,5%	5,7%	14,4%	13,2%

Focus on:

- SaaS growth, CAGR of 21,6%
- Profitability: maintain and expand healthy margin to generate cash flow for investments

Organic growth plan does not include non-organic growth through acquisitions

Acquisition plan to be developed in 2021

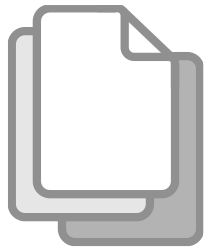
HAND OVER TO JAN SUNDELIN



3-year Growth plan TIE Kinetix

Document Exchange Evolution

1980 - 2000



0 % Digital

- Paper documents: manual processing
- Cost of incoming:
€ 25 - € 35 per document
- Cost for sending document between € 1,50
- € 2,50 per document

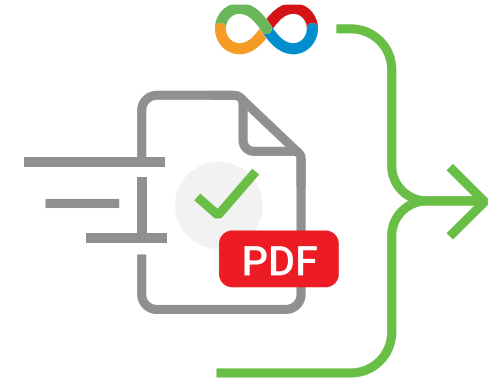
2000 - 2020



50 % Digital

- Still errors and manual handling
- Human review is required
- Cost of incoming:
€ 15-20 per document
- Cost of sending PDF to
a local printer € 0,25
- Still creates all cost for your receiving part
- Lack of data accuracy/quality

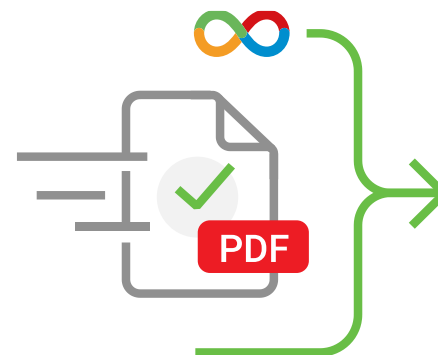
2020 -



100 % Digital

- FLOW: 100% Digital, no errors, no manual handling, reduced costs, save time, get paid faster, reduce paper consumption, easier to keep track of invoices
- Incoming document support any incoming document as EDI, PDF, XML, PEPPOL and any communication protocol average around € 0,25 - € 0,75 per document
- Outgoing document support any format and transportation as EDI, XML, PEPPOL and AS2 communication average € 0,10 - € 0,20 € per document
- Structured invoice data

Total Cost of Ownership comparison

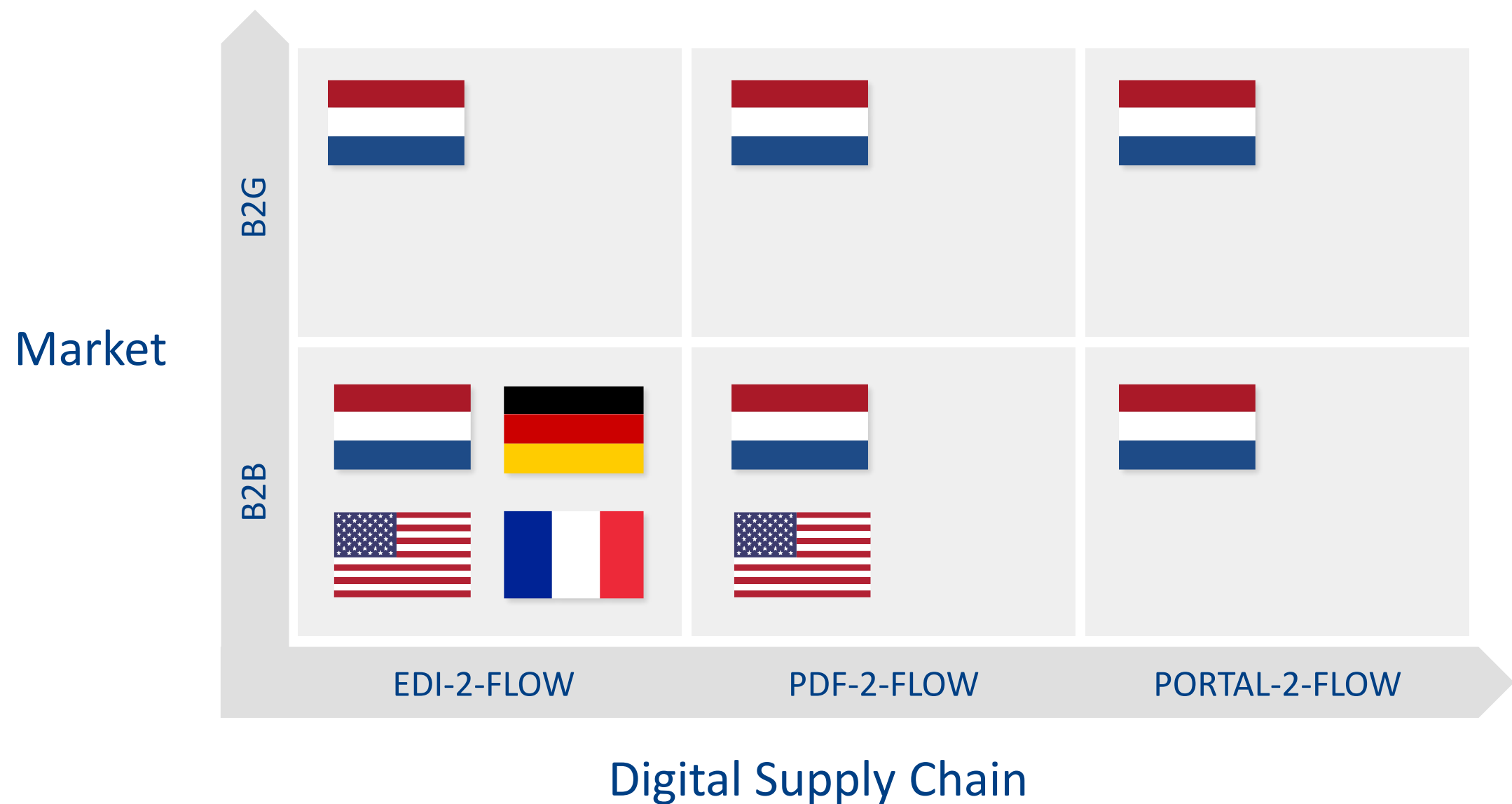


	Paper	(AI) OCR	EDI-2-FLOW PDF-2-FLOW PORTAL-2-FLOW
Processing document	manual	scanning	automated
Errors	human errors (20?? %)	scan errors (2-3%)	- (0%)
Human involvement	*****	***	-
Cost receiving document	35,00	20,00	0,75
Cost sending document	2,50	0,25	0,20
Real Digital	-	***	*****

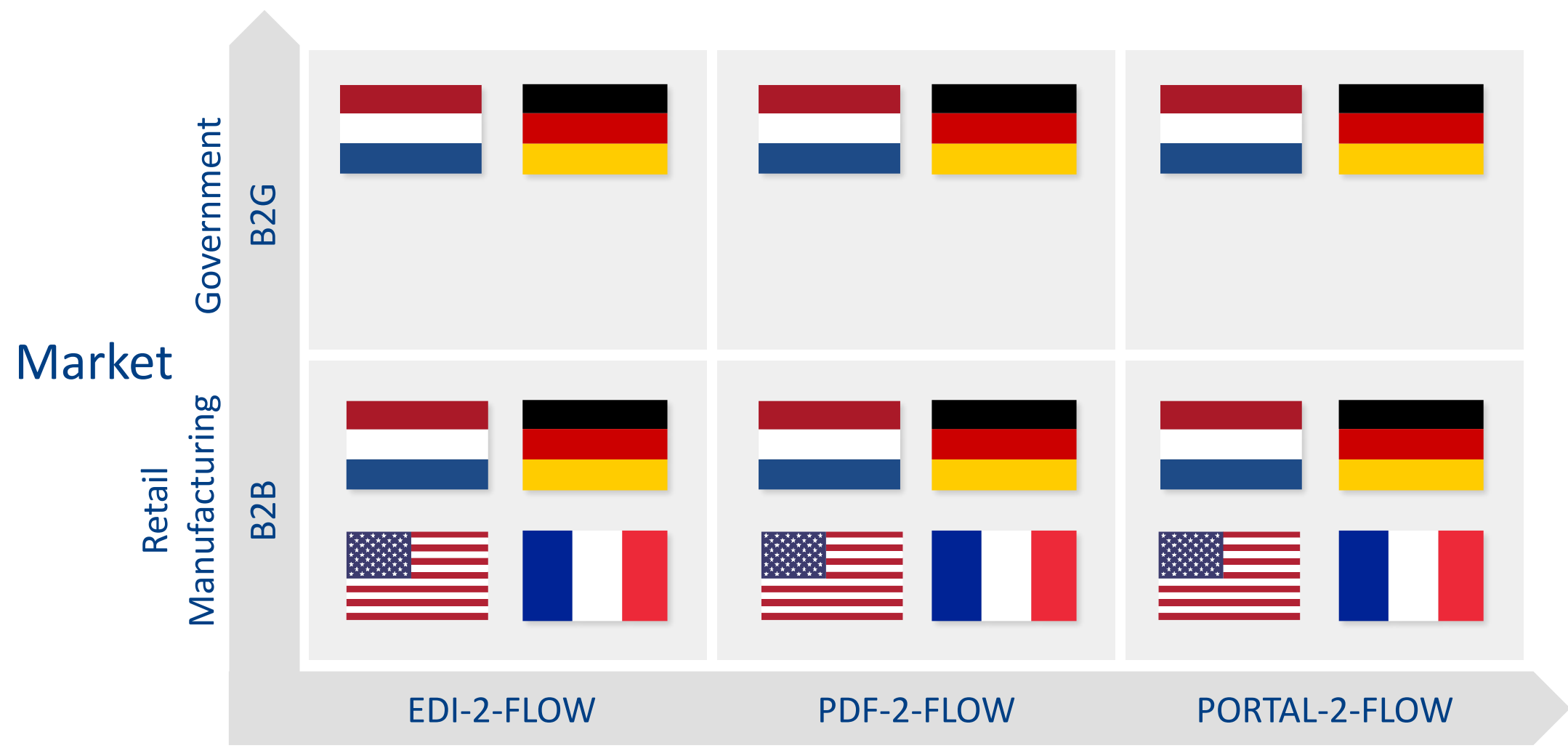
Different strategies

- **Adding new geographical markets?**
 - **EDI market is a replacement market**
 - **Local players in local market for B2G**
 - **Not now – maybe later with a bigger customer base to offer new products/services to when we can do acquisition**
- **Adding new industries?**
 - **Focus on the market we are expand to all market we have offices and support Manufacturing, Retail and Government**
 - **Health care and finance are already taken in most market we are in**
 - **Prepare to when the B2G market open in USA**
- **Higher share of wallet?**
 - **We have over 2,500 account at TIE Kinetix and need to focus on this account**
 - **We can propose new functions and help to sell more with 100% digitalization by adding new spook we can also find new customers**
 - **Her we need to focus with upsell to 100% digitalization**
 - **Use our Hubs to find new accounts**
- **Adding new products/services?**
 - **Connection with Partner in all our existing market**
 - **Possible new market via ERP partner connection we have a close relation to Syspro, CGS, Microsoft, Exact, SAP, Oracle**
- **Change of business model?**
 - **Current business model is highly valued**
 - **Not of interest focus on subtraction and get paid per document our transaction.**

Focus per geography - 2020 situation



Focus per geography - 2021



Digital Supply Chain

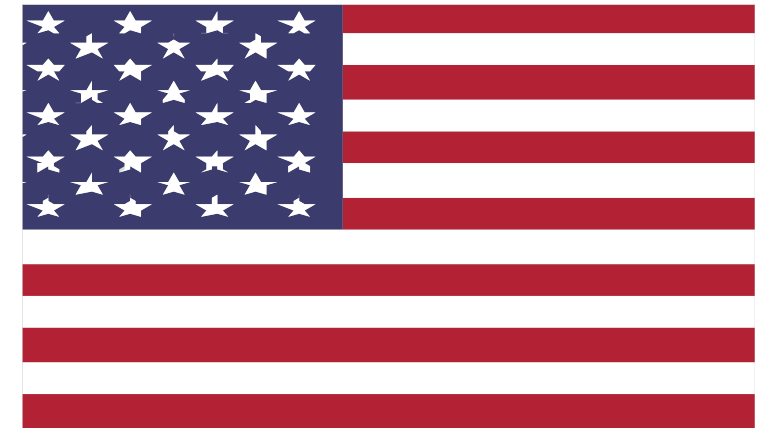
TIE Netherlands Focus

- Build on to the B2G opportunity
 - New Business development manager on board all ready
- Onboarding Program for Spokes B2B and B2G
- Upsell program PDF-2-FLOW and PORTAL-2-FLOW
- Expand our Partner program and focus on existing partners
- Build a better customer care and support team
 - Hire support manager
 - Hire operations manager
- Defend our position as leader in EDI and expand this to leader in e-invoicing



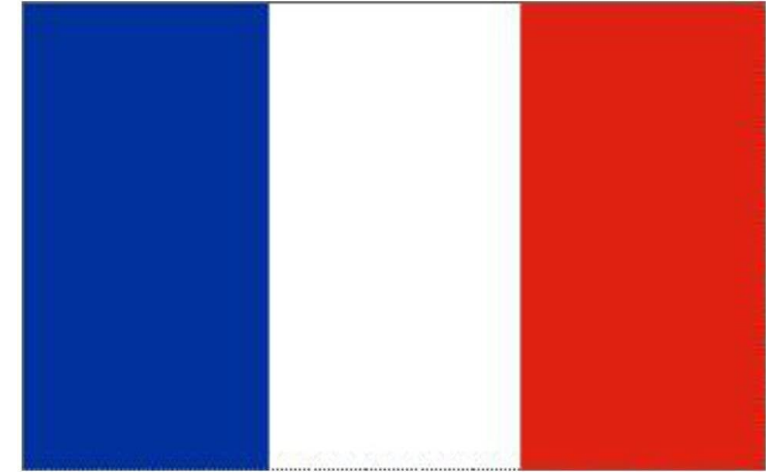
TIE America Focus

- Rebuild the delivery organization new Operational manager as of October 26
- Onboarding Program for Spokes B2B (like HDA)
- Continue the upgrade program to FLOW and TSBx
- Continue to build direct relation with all existing Epicor business
- Sign new partner expand with CGS, Columbus (Microsoft ERP) and TI
- Build a better customer care and support team



TIE France Focus

- Rebuild sales organization new MD as of January
- Continue to upgrade to FLOW and TSBx for all accounts we still need to upgrade
- Sign and start a new program with Prismasoft for new accounts
- Push 100% Digitalization to existing accounts

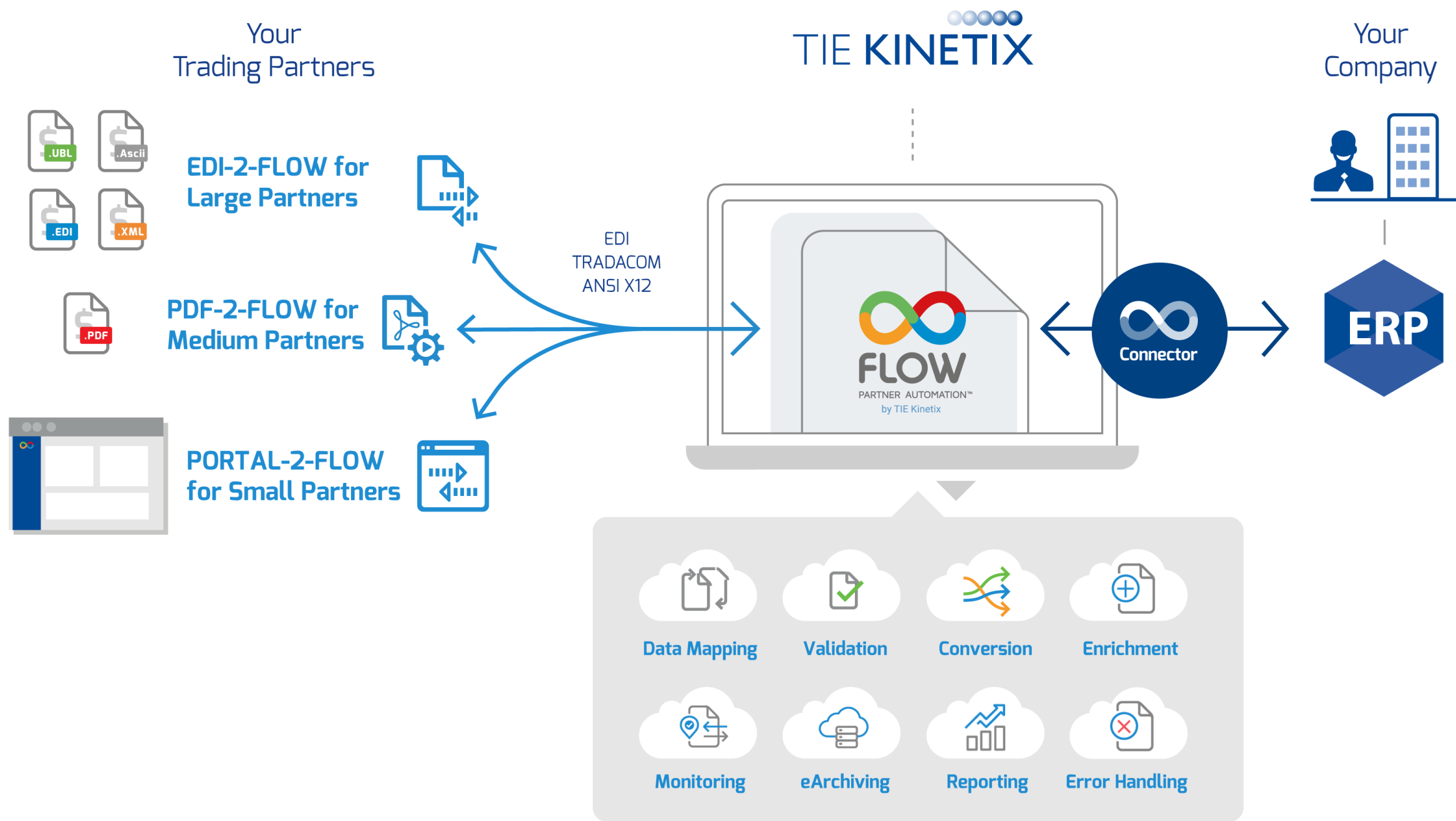


TIE Germany Focus

- Focus on B2G that start to take off in Germany
- Hire additional salesperson
- Expand our Partner program to SAP and Microsoft
- Maintain position in Google Analytics
- Upgrade all TWZ accounts to TSBx or FLOW
- Hub / Spoke model needs to be implemented



For 100% Digitalization of your supply chain





102
users



47
courses



FLOW
Academy



5M 17d 23h
training time



100.0%
participation



1135
certifications

Focus marketing program for 2021

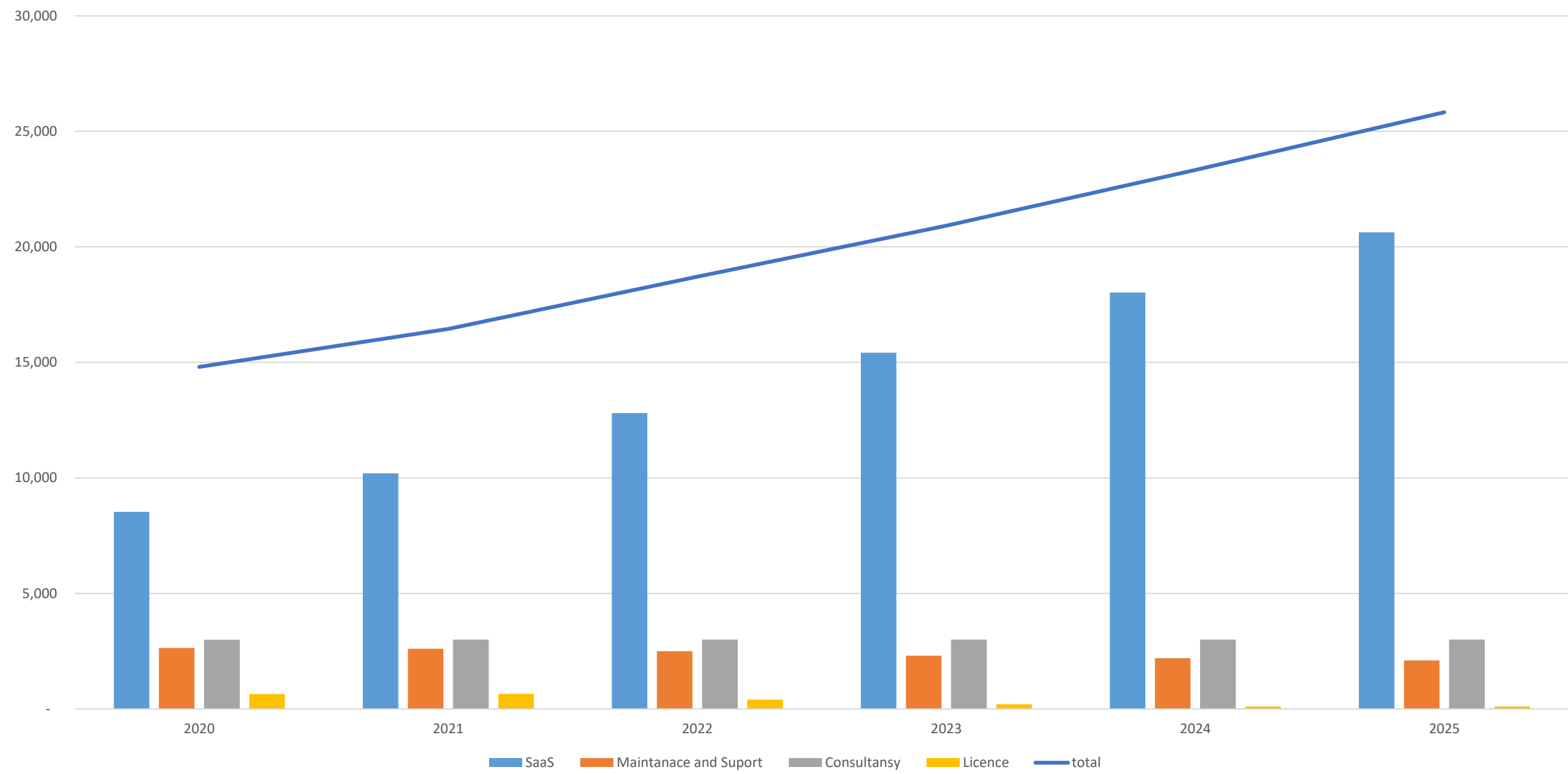
- New central marketing and Sales program for Partner
 - Referral Partner
 - ISV or ERP Partner
 - Connector with ERP suppliers (Microsoft, Oracle, SAP, Exact, SYSPRO, Epicor, CGS, Prismasoft, Sage)
- Marketing plan with focus on
 - Hub spoke model onboarding companies for our largest Hub
 - Website (qualified) traffic, with focus on reference accounts like Bunzl and Amsterdam
- Continue to build out FLOW Academy training institute

Partnerships NEW Business

- A partner program is a strategy to motivate and engage partners to create more value for customers. Partners can create different types of value. They are an extension of our sales force.
- Our focus industries are
 - Manufacturing
 - Retail & Distribution
 - Government
- Our focus is on partners
 - Who have a global and/or local impact
 - Who see the need with their customers/prospects for invoice automation and 100% digitalization
 - Who see the need with their customers/prospects for exchanging all business documents electronically and simplify supply chain processes as a result
 - Focus on vertical ERP SYSPRO, CGS, Exact, Microsoft, SAP, Oracle, Prismasoft, Epicor, Sage

If we keep this going to 2025 average 12% Growth

SaaS Growth 16%



Significant signed contacts YTD 2021

- NEW Intratuin 220k €Retailer 800 suppliers to on board EDI2FLOW
- NEW UWV 500k € e-Invoking contract to on board 600 suppliers Portal2FLOW
- Extension on Amsterdam contract to 2025 28.000 account EDI2FLOW, Portal2FLOW and PDF2FLOW
- Extension on Rotterdam contract to 2024 15.000 account EDI2FLOW, Portal2FLOW and PDF2FLOW
- Extend CGS partner contract to 2026 Still migration to VAN sales on top to 100+ account add 1 million \$ extra revenue 2022 as target EDI2FLOW
- NEW To Increase partner for Microsoft ERP solution minimum of 10 NEW deals in 2021 EDI2FLOW, Portal2FLOW and PDF2FLOW

Questions



Thank you!



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