



TIE Kinetix AGM 31 March 2016

AGENDA

EB presentation topics:

1. Developments in 2015
2. EU Projects
3. TIE Product Development in future
4. Three year perspective (2016-2018)

Operational Performance in FY 2015

In € x 1.000	Operations	EU projects	Total
Licenses and hardware	804	-	804
Maintenance and support	3.019	-	3.019
Consultancy and Implementation	6.897	-	6.897
Software as a service	9.180	-	9.180
Other income and intercompany	498	1.865	2.363
Total Revenue	20.398	1.865	22.263
Total cost of sales	(9.959)	(1.606)	(11.565)
Gross margin	10.439	259	10.698
	51%		
Employee Benefits	(5.069)	-	(5.069)
Other operating expenses	(3.335)	(435)	(3.770)
Total Operating expenses	(8.404)	(435)	(8.839)
EBITDA (excl. one-time expenses)	2.034	(176)	1.859
	10%		
One-time expenses	(672)	(1.321)	(1.993)
EBITDA	1.363	(1.497)	(134)
	7%		
Depreciation and amortization	(1.171)	(1)	(1.172)
Impairment	(84)	-	(84)
EBIT	108	(1.498)	(1.390)
	0,5%		

Operations:

- 51% gross margin
- 10% normalized EBITDA

EU projects:

- 14% gross margin
- Negative EBITDA
- High one time expenses

Operational performance last six quarters

	FY14	FY15				FY16
Operations	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	5.455	4.787	4.708	5.187	5.713	5.148
EBITDA (normalized)	702	270	270	646	903	502
	13%	6%	6%	12%	16%	10%

- Healthy core operations
- Consistent, yet volatile, operational profitability
- Volatility caused by consultancy performance

TIE Kinetix share price development since last AGM



Share price:
from € 6.90 to € 10.40 (yesterday)



+ 43.88% TIE Kinetix
- 9.34 % AEX

Market capitalization:
from € 7.6 mln to € 16.6 mln

Revenue by Business Line

Business line	FY15	FY14
Integration	9.804	9.327
E-Commerce	3.217	3.445
Analytics & Optimization	3.334	2.215
Demand Generation	4.566	4.584
Elimination	-523	-211
Total	20.398	19.360

EU Projects	1.865	1.114
Total incl EU	22.263	20.474

YoY growth 2015
5%
-7%
51%
0%
5%

67%
9%

E-Commerce: loss of KPN
Demand Generation: portals

Revenue by type

Type	FY15	FY14
Software License	804	1.053
Maintenance and Support	3.019	2.844
Consultancy	6.897	7.362
SaaS	9.180	7.959
Total	19.900	19.218

YoY growth 2015
-24%
6%
-6%
15%
4%

Other	2.363	1.256
Total incl EU	22.263	20.474

9%
9%

Consultancy:

Loss of Ascention revenue (€650k) and lower KPN revenue (€450k) exceeds higher operational performance in US (€ 200k), Germany (€ 420k) and France (€65k)

SaaS:

Strong performance in Integration (+15%) and Demand Generation (+15%)

Expenses

Organisation costs		FY15	FY14
Opex	Employment costs	5.069	5.084
	Other Opex costs	3.770	3.322
Depreciation & Amortization		1.172	857
One time costs		1.993	727
Impairment customer base		84	0
Total		12.088	9.990

2014/2015: years of transition

2016: limited one time costs

One time costs	EUR
Restructuring (incl. advisory)	371
EU claim	1.085
EU advisory & support	202
Samar	334

EU Damages / subsequent event

Initial Claim	: € 705k, paid € 715k	(€ 0k remaining)
Extrapolation	: € 403k, paid € 0	(€ 403k remaining)
Costs	: € 202k, paid € 202k	(€ 0 remaining)

Coverage through issue of 170.536 shares

Open items:

- EC position on extrapolation
- recovery of damages

EU Projects

Cost control measures

- Spain office closed
- ban on travel
- no hires

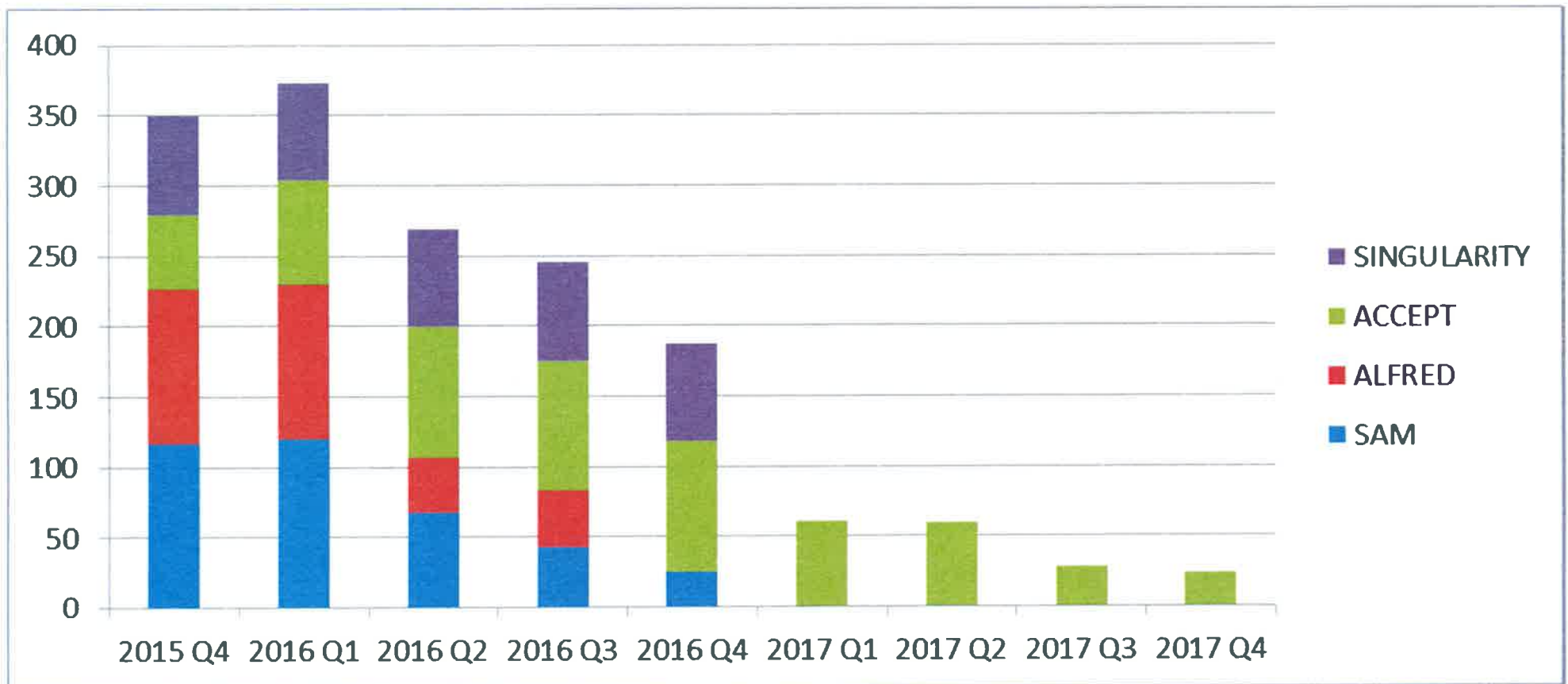
Quality Control measures

- external accounting specialist
- Deloitte signs off on all subsidy submissions

No new projects

Development Team refocussed to own products

EU Projects



Per 31 December 2016 most projects are finished. Only ACCEPT continues.

HAND OVER TO JAN SUNDELIN

Achievements FY 2015

- Highest revenue in the company history

From 20.4 million to 22.4 million Euro

- Highest 3 year contract value in the history

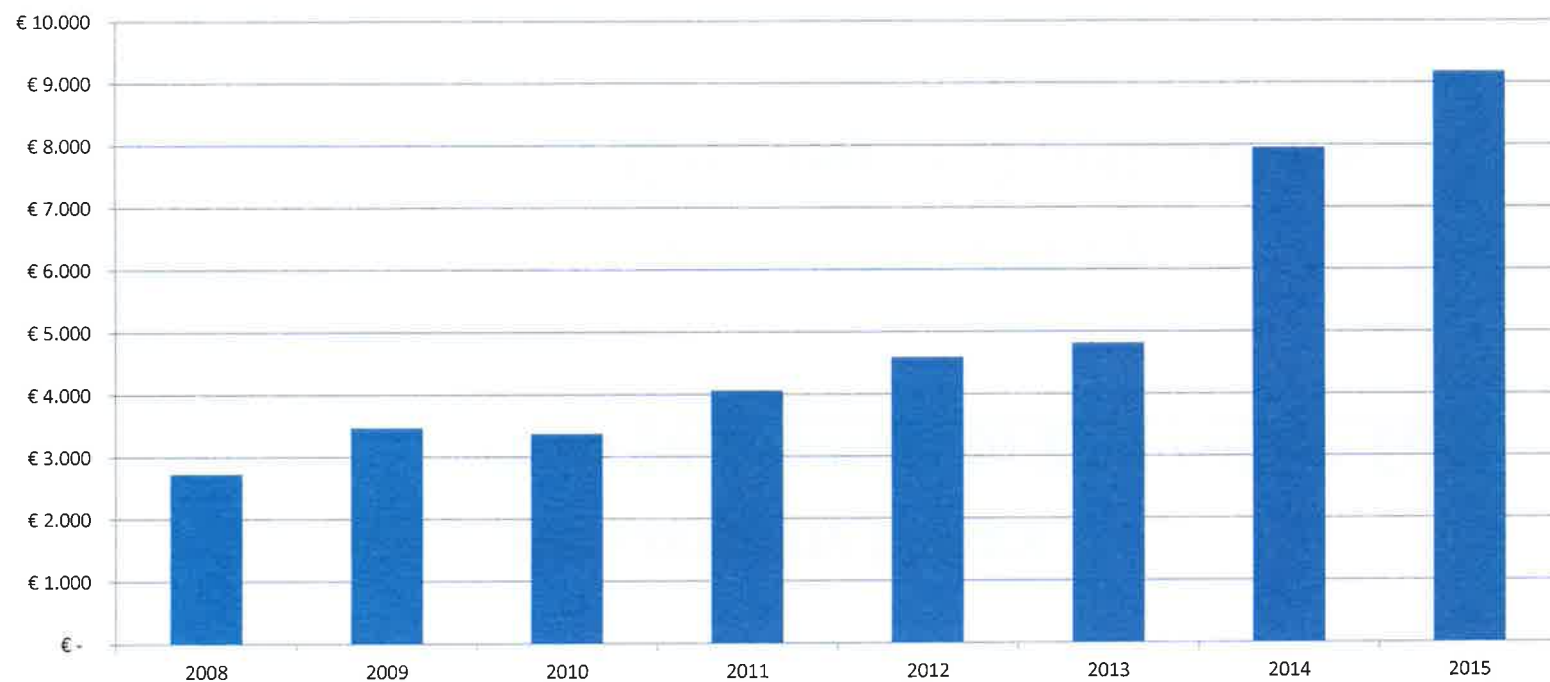
32 million to 33 million Euro

- Highest recurrent revenue in the history

10.8 million to 12.2 million

SaaS revenue 2008 - 2015

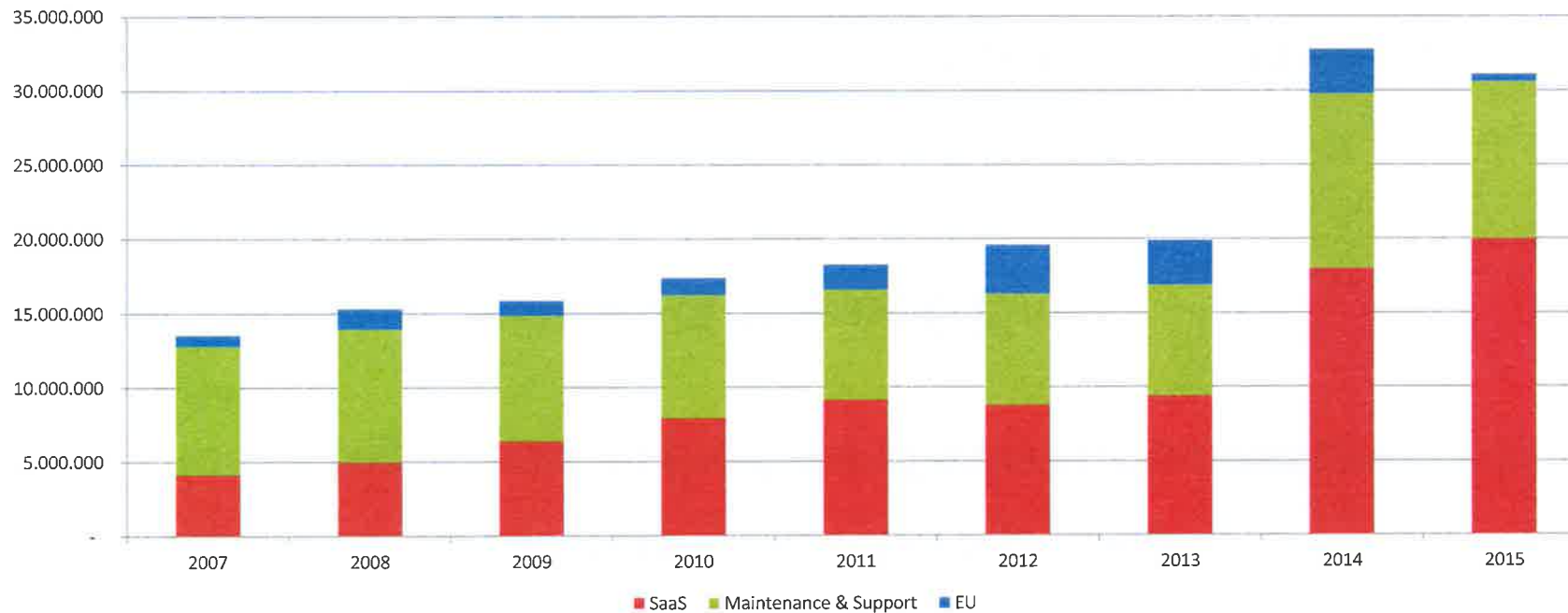
Software as a Service



2015
2008-2015

Growth	
in total	average/year
15%	15%
236%	34%

Recurring Revenue 2007-2015 (3 year contract value)



For the future we expect:

Continued increase in SaaS

Decrease in Maintenance and EU

Goals & Strategy

3 year goals

- To become a true global software solutions provider.
- To be a technology leader in the field of information exchange within the supply chain.
- To generate annual revenues of at least € 25mln.

TIE Kinetix strategy

- Further globalize operations and sales activities through acquisitions and partnerships.
- Continue to focus on technology and research and development.
- Further streamline and optimize the internal organization.

Goals & Strategy FY 2015

Targets and Priorities for the coming financial year:

- » Grow the SaaS revenue line with 15% year on year. **YES**
- » Improve our 3 year order contract value in better margin EU and TF contract. **YES**
- » New partner program for all markets we act in. **YES**
- » Target a minimum of 30% new order intake in 2015 vs 2014. **YES**
- » Focus on aggressive marketing and sales program in US, NL, UK, France and Germany. **YES**
- » Become the first global Google partner. **YES**
- » Bring down our EU development focus and focus more on our offering. **YES**
- » Complete the EU case. **YES**
- » Start moving customers application to Google cloud. **YES**
- » Introduce 5 new SaaS product together with Objectif Lune world wide. **IN USA**

Goals & Strategy FY 2016



Targets and Priorities for the coming financial year:

- » Grow the SaaS revenue year on year.
- » Continue to Improve our 3 year order contact value in better margin.
- » Target a minimum of 30% new customer order intake in 2016 vs 2015.
- » Expand our Google partnership to Adwords.
- » Introduce a NEW FLOW product offering in all our existing markets.
- » Down size further EU development grants.
- » Start moving customers application and take down hosting cost world wide.
- » Introduce minimum of 5 new SaaS product apps in FLOW.

Consistently Driving Partner Automation Globally



About TIE Kinetix



High Customer Satisfaction (+3,500)
& Employee Retention (160)



We Facilitate Over 3 Billion Orders,
Invoices and Content Requests per Year.



Product Vision and Agility for
Long Term Customer Success



Over 25 Years in Business

“Long-Term Viability Is Strong”

Sirius Decisions

Research: SiriusView Channel Management &
Marketing Platforms, 2015

“A Strong Performer”

Forrester

Research: Through-Channel Marketing
Automation Platforms, Q3 2015

“Effective Vision of the Nexus of Forces”

Gartner Research

Research: Magic Quadrant for Integration Brokerage, 2014

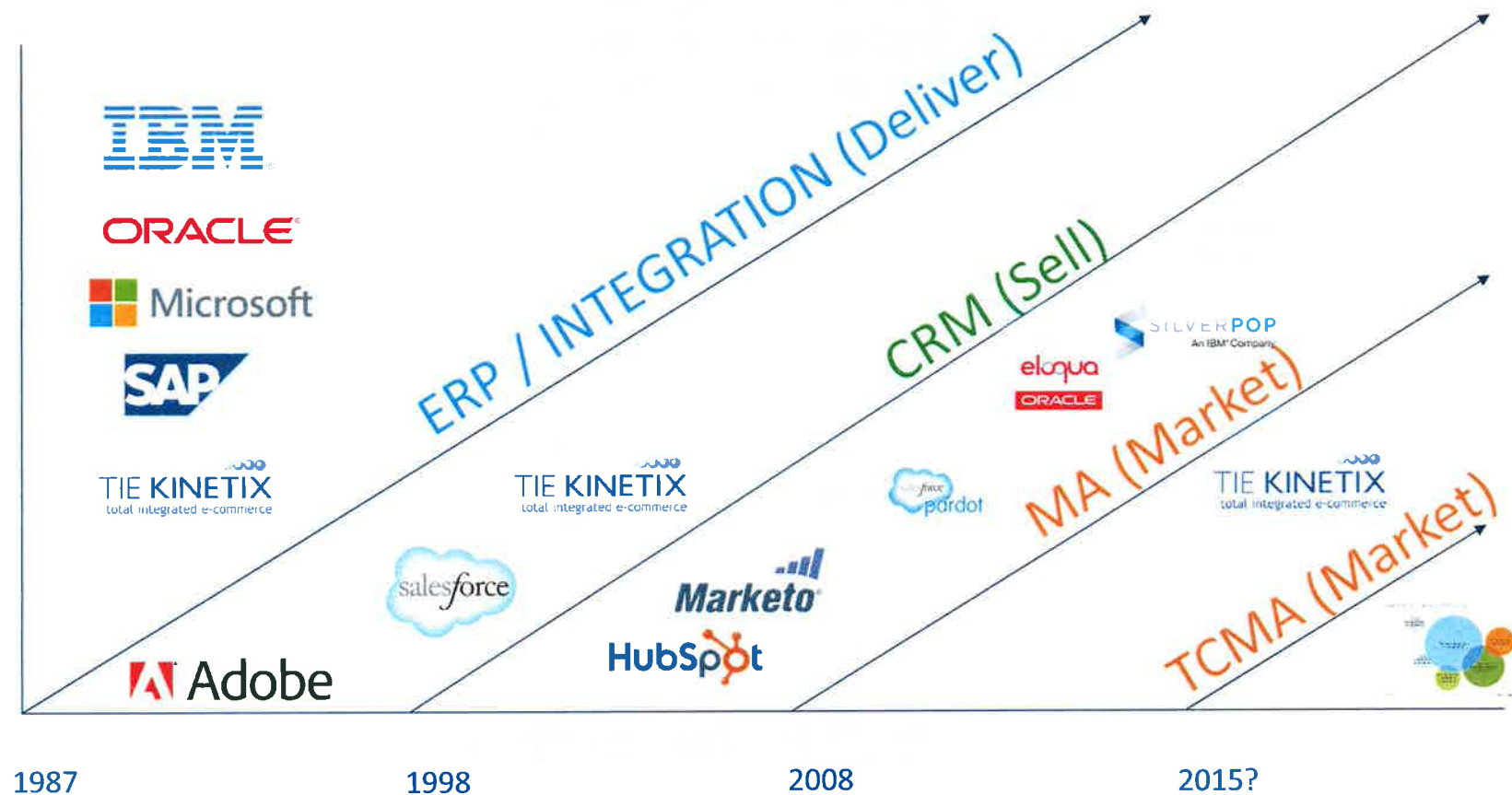
TIE Kinetix Goals and Strategy



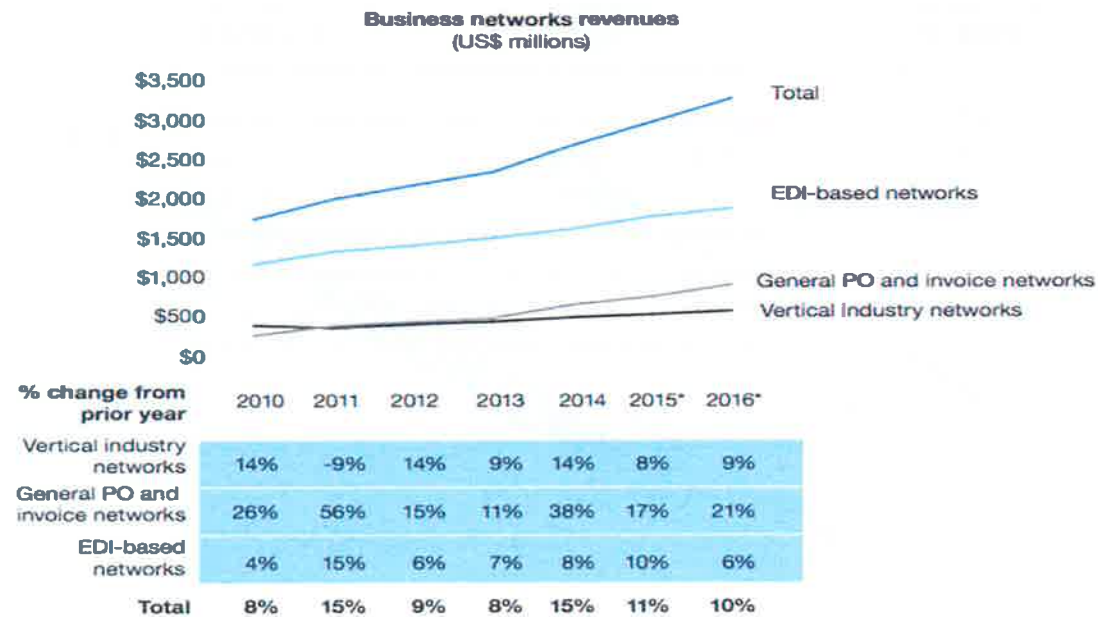
- Become a global player in delivering SaaS based solutions for companies that sell online through the supply chain. The solution will increase their revenue and lower the costs.
- To execute this strategy, TIE Kinetix combines its 4 business lines:
 - Demand Generation/Through-Channel Marketing Automation (TCMA)
 - E-Commerce/Webshops
 - Integration
 - Analytics & Optimization
- To the overlaying TIE Kinetix Total Integrated E-Commerce framework to
Market - Sell - Deliver - Optimize

New Market - Is TCMA the Next Wave?

Market - Sell - Deliver - Optimize



Forrester: Total Revenue Business Networks in USA



*Forrester forecast

Market Size

- Integration service market world wide is close to 5 Billion US\$ 2016
- Marketing Automation market will hit 5.5 billion US\$ 2019
- TCMA market start now and indication show a 220 million size US\$ 2015

➤ Forrester:

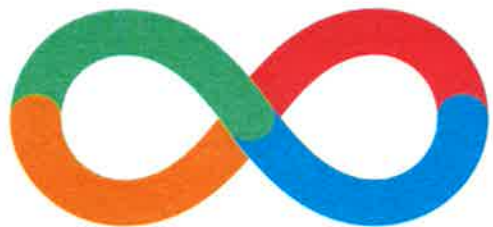
“Some customers of both TCMA and enterprise marketing automation solutions report that they are using their TCMA solution more and more, and their corporate marketing automation solution less and less. The TCMA vendors’ encroaching footprint will be a significant challenge to the leading corporate marketing automation vendors in the future.”

Channel Automation Market can be as big as 10 billion US\$ 2019

TIE Kinetix: New Way of Offering



- Enterprises report to Forrester that they use TCMA more than their internal Marking Automation tool (MA)
- TCMA vendors will be a significant challenge for leading MA vendors
- Forrester labeling TIE Kinetix as a **strong contender** - with highest ratings in **geographical coverage strategy** category
- Gartner states that TIE Kinetix has **the potential to take advantage of cloud B2B new API economy**

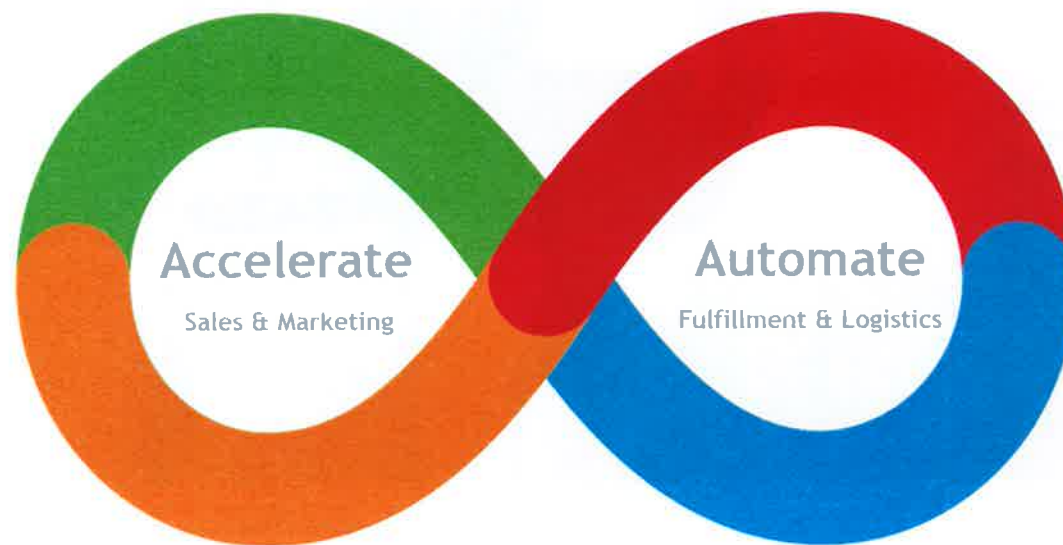


FLOW

PARTNER
AUTOMATION

What is Our Goal?

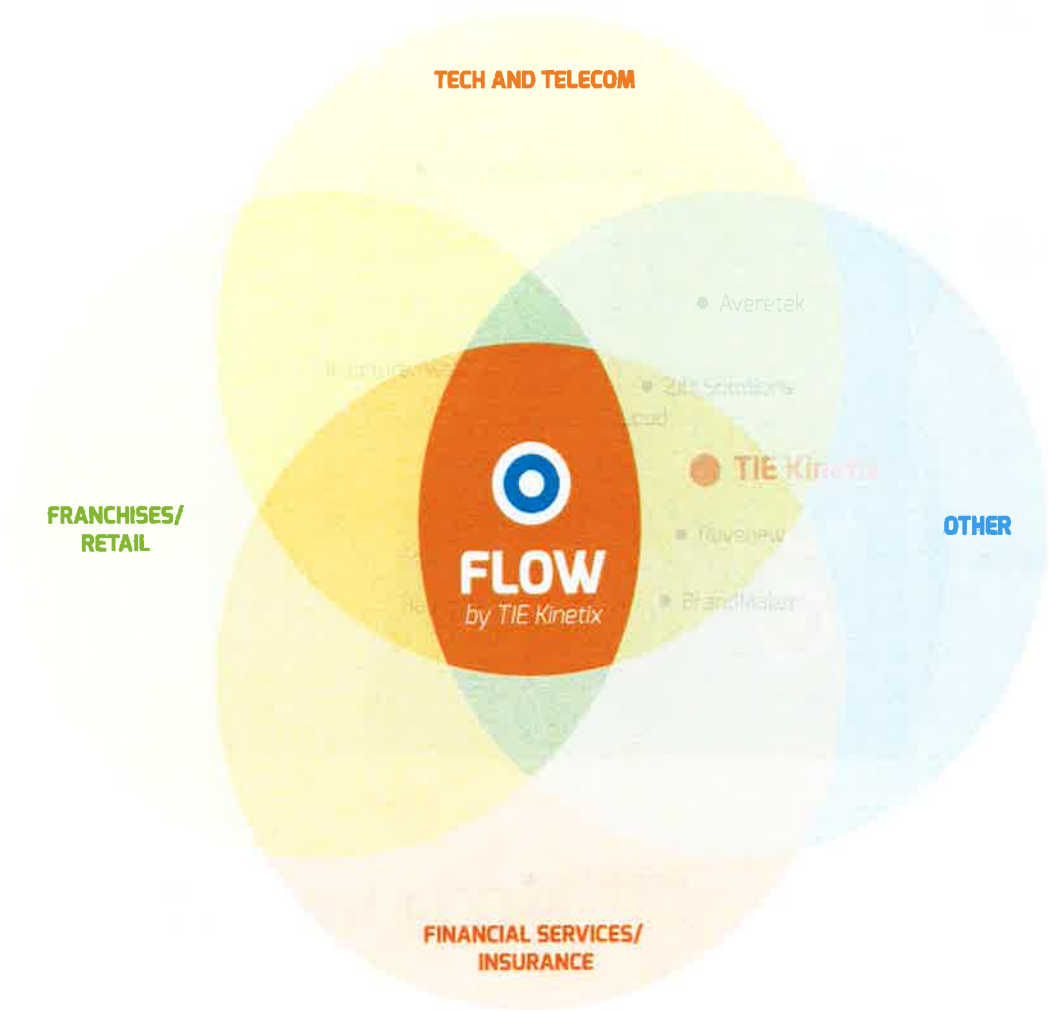
Automate and Accelerate Business with Partners.

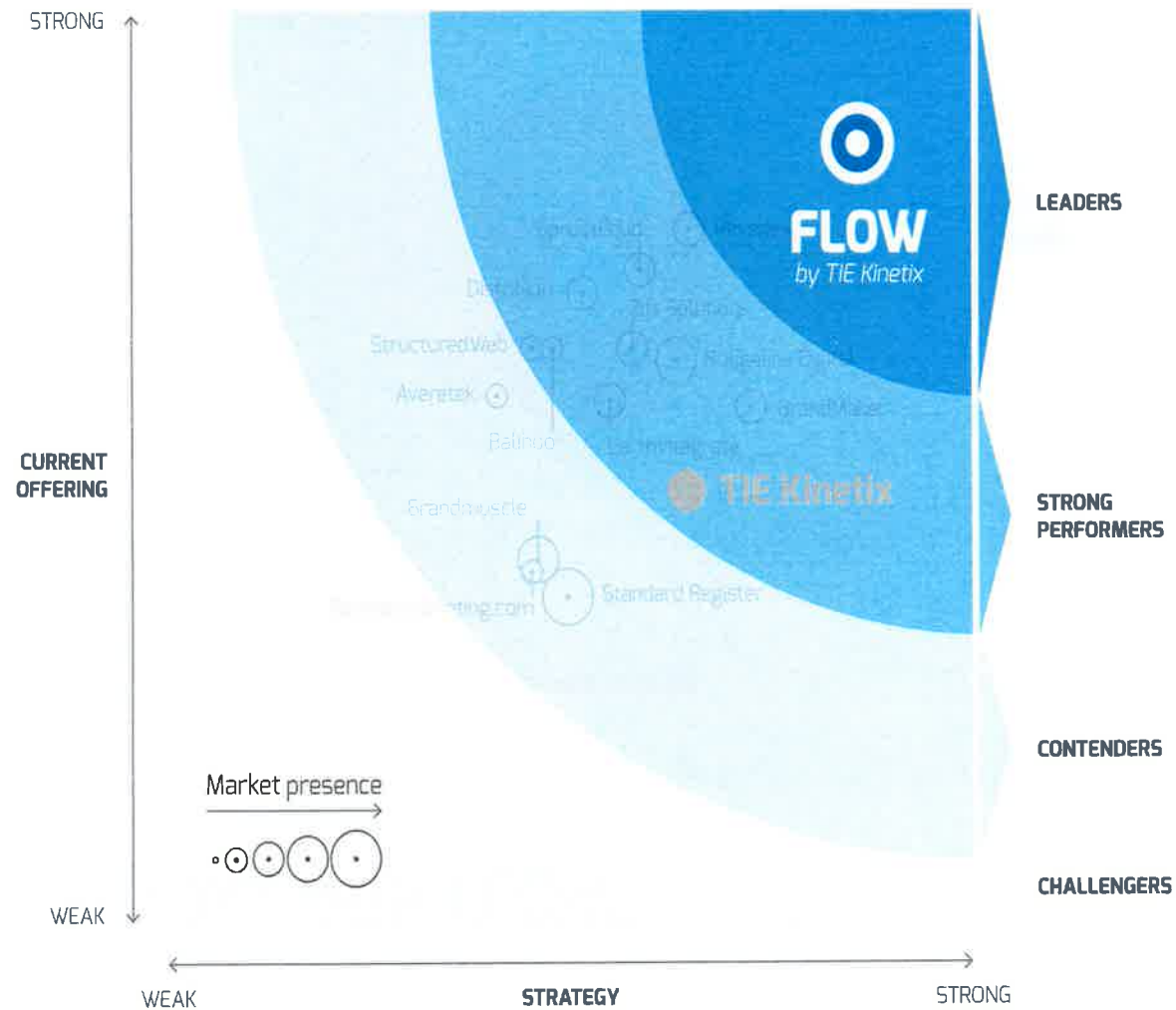




How does FLOW fit in the Market?

Forrester Wave™ TCMA with FLOW





Our Customers today that use a part of FLOW


TIE KINETIX
total integrated e-commerce

UNIFY

AVAYA

 **birst**

WEBROOT

OBJECTIF LUNE


CHANEL

 **MITEL**


digium
The Astensk Company


fatboy
DELETING DULL

Clarks

burdadigital
the future of digital media


MOTOROLA

SAMSUNG

 **onage**
Business Solutions™

sodexo
zippo

infor

**Rentokil
Initial**

T-Mobile

HolidayCheck.de
★★★★★

 **Clopay**

WD-40


THE HARTFORD


EUROPEAN PARLIAMENT

into*telecom
excellente service - scherp geprijsd

EPICOR

zooplus

Alegri

FEGA & SCHMITT
ELEKTROGROSSHANDEL

TELECOM

REVLON


NIVEA

Zetta-net

CHRIST
Juweliere und Uhrmacher seit 1863

Blick.ch

TOMORROW FOCUS

orsay
SIEMENS

 **swisscom**

HANDOVER TO MICHIEL WOLFSWINKEL

Three year outlook (2016-2018)

Business planning potential:

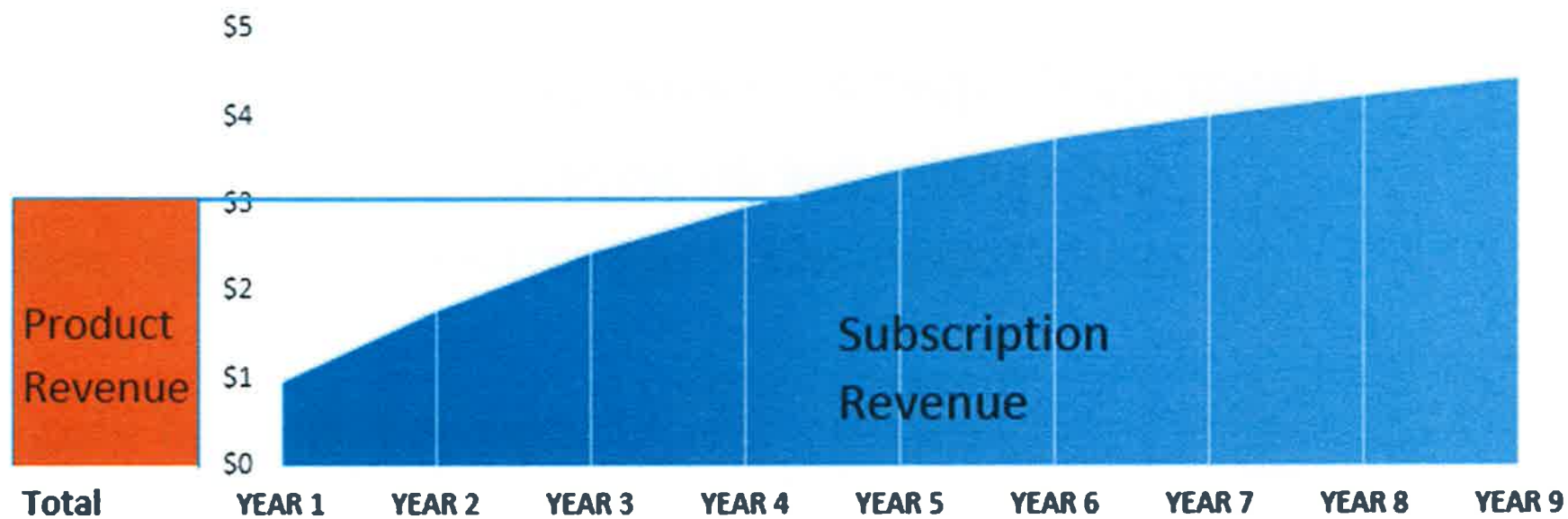
License growth : opportunistic, dependency Epicor

Consultancy : not core/set up and support only

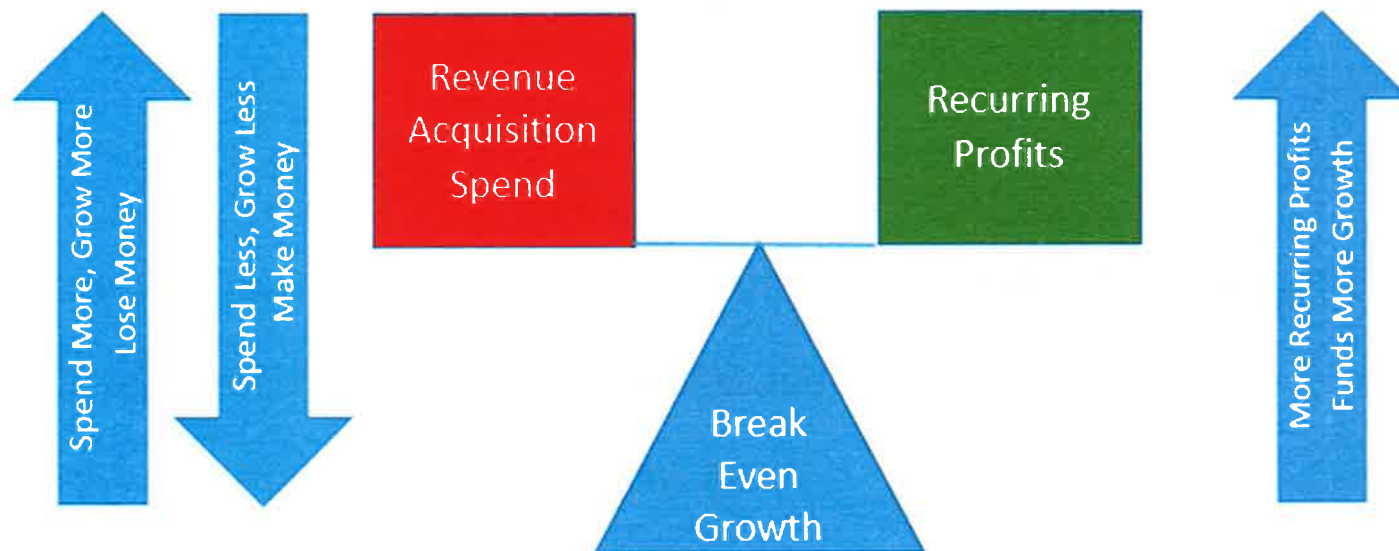
SaaS growth : tradeoff between growth - profitability

Overall: potential to grow organically has limitations

Difference between License revenue and SaaS



Tradeoff between growth and profitability



History at TIE

Limitation to organic growth:

- SaaS growth max 15% per year
- insufficient funding for customer acquisition
- Growth limited by the loss of major customers CBS, KPN etc.

M&A Strategy remains important to scale TIE to its next phase

Three year perspective: ‘invest to grow’

Company perspective

- Focus on SaaS growth (FLOW)
- Development (FLOW) funded externally
- Profitable growth (YoY EBITDA growth)

Capital market perspective

- Dividend policy to support TSR, share price reflection of value

Shares/equity a method of payment for controlled growth through acquisitions

Questions



Thank you!



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Demand Generation | E-Commerce | Integration | Analytics & Optimization

