Update and full year financial statements
Financial information in this press release is unaudited

TIE KINETIX completes transition to FLOW with substantially increased order intake
- update and full year 2019 performance -

Breukelen, the Netherlands, November 20, 2019, 08.00

Fiscal year 2019 (period Oct. 1, 2018 – Sept. 30, 2019).

in euro '000	fiscal year 2019		fiscal year 2018
	incl adjustments IFRS 9 and IFRS 15	excl adjustments IFRS 9 and IFRS 15	excl adjustments IFRS 9 and IFRS 15
total revenue	€ 15.307	€ 15.796	€ 16.892
Subscription based	€ 11.722	€ 11.610	€ 12.218
EBITDA	€ 294	€ 617	€ 1.737
EBIT	€ -1.004	€ 681	€ 508
Net Result	€ -1.315	€ -992	€ 184

	fiscal year 2019 excl. adj. IFRS 9 and IFRS 15		
	FLOW	non-FLOW	total
total revenue	€ 15.609	€ 186	€ 15.796
Subscription based	€ 11.303	€ 311	€ 11.610
EBITDA			€ 617
EBIT			€ 681
Net Result			€ -992

	fiscal year 2018 excl. adj. IFRS 9 and IFRS 15		
	FLOW	non-FLOW	total
total revenue	€ 15.498	€ 1.394	€ 16.892
Subscription based	€ 10.911	€ 1.307	€ 12.218
EBITDA			€ 1.737
EBIT			€ 508
Net Result			€ 184

Jan Sundelin (CEO) said: “we are very happy that we are near the end of our transition phase. After 3 years, we have succeeded in making the turn from a hosted/outsourcing and EU funded operation into a dedicated SaaS EDI company. In 2019 our subscription based revenue has increased to over 75%, from less than 50% when we started this journey in 2016. The turnaround is also in visible in our increased order intake and our boosted sales funnel. This order intake consists of 3-5 year subscription revenue and needs to be implemented and turned into revenue. That will be our focus in FY 2020. In FY 2020 we are planning for revenue and gross margin growth. We also are planning to invest additional funds into marketing, sales and operations, effectively financing organic growth. As a result, we do not plan for bottom line growth“.

TIE Kinetix, the leading provider of Software as a Service managed solutions for EDI, Analytics, Demand Generation and E-Commerce today released the results for its fiscal year 2019, covering the period October 1, 2018 – September 30, 2019. In its fiscal year 2019 financial statements the company mandatorily adopts IFRS 9 and IFRS 15 for the first time. The first time adoption of IFRS 15 results in a negative revenue adjustment of € 489k in 2019. This adjustment will be reversed into (positive) revenue in future years. The IFRS 9 and IFRS 15 adjustments have been incorporated in the consolidated financial statements of 2019.

FLOW is a SaaS based PA – a Partner Automation – solution that supports organizations with exchanging trading information/documents with their suppliers and with selling through partners. FLOW consists of a platform with 45 applications, including demand generations, E-Commerce, EDI and Analytics applications. TIE Kinetix has a history and strong market position in the supply chain integration, including e-invoicing and EDI-solutions and continues to provide these solutions in the FLOW portal.

From time to time, connecting and setting up customers and trading partners to the FLOW portal may require certain (limited) mapping and other set-up activities. Such ‘set-up’ revenues historically have been reported under Consultancy Revenue, recognized with the set-up work performed. As from FY 2019, with the mandatory first time adoption of IFRS 15, set-up revenues are allocated to SaaS revenue and recognized over time with the duration of the SaaS contract (typically 3 years). In order to facilitate comparison, the first table on page 1 of the press release shows both the IFRS 15 adjusted and unadjusted condensed profit and loss statement for FY 2019.

In 2019, total revenue (consisting of applications in EDI, Demand Generation and Analytics) amounted to € 15.609k (2018: € 15.498k) included FLOW SaaS revenue of € 8.518k (increase of 4% versus € 8.152k in 2018), and FLOW maintenance revenue of € 2.784k (2018: € 2.782k). SaaS revenue and maintenance revenue are both subscription-based with 1, 3 or 5 year subscription contracts. FLOW consists of a set of applications, generating fully subscription based revenue. Since the introduction of FLOW in 2016, the company has increased the % of subscription based revenue from less than 50% to over 75%.

In 2019 the transition towards an integrated EDI/e-invoicing and Demand Generation business, called FLOW, was finalized. All non-FLOW business activities (former EU projects, German news portals, German internal IT services, T-Mobile/KPN webshops in the Netherlands, etc.) have been discontinued during FY 2019, resulting in a decline in revenue compared to FY 2018. For FY 2019 revenue of these discontinued businesses amounted to € 419k (of which € 346k in SaaS revenue).

In 2019 further investments have been made in marketing and sales specifically for EDI/e-invoicing, resulting in a strong order intake in FY 2019 of € 16.3 mln (2018: € 11.1 mln) and in an increased sales funnel. Upgrade programs for our US customer base have been initiated and worldwide our customers are migrating to the FLOW SaaS offering.

In 2019 our order intake increased with 45% compared to 2018 to an all-time high level of € 16.3 mln, primarily as a result of:

- Higher order intake for our Google Adwords offering; in FY 2019 this offering has brought in substantially more business and the first results of our cross sell strategy are materializing, with Google Adwords customers signing up for other FLOW modules. In the second half year the Google Adwords business has grown out of the incubator phase and has become profitable.
- More orders for EDI/e-invoicing in the Netherlands and Germany; in the second half year a large SaaS subscription customer was signed up in Germany. In principle, this customer will benefit from the same portal functionality as our Dutch e-invoicing to government customers, bringing our BtG portal coverage to Germany. Also in the Netherlands more e-invoicing customers have been signed up. However, actual use of the platform by Dutch suppliers sending invoices is slightly below plan causing revenue to lag slightly behind plan. The German contract has a fixed monthly subscription fee.
- The corporate account team closing various landmark transactions with sizable enterprise level customers. As part of our ‘Hub-Spoke’ strategy the corporate account team focusses on large enterprise level customers in selected vertical markets. Through these ‘hubs’ we are able to sell to their connected suppliers and partners, so as to establish footprint in the entire respective ecosystem. In 2019 ‘hub’ size customers were HDA (automotive US), LEM (automotive Europe) and Xerox (technology US and Europe).

The company reports full year revenue of € 15.307k, including an IFRS 15 adjustment of €-489k. Excl. IFRS 15 adjustments, TIE Kinetix closed FY 2019 with revenue amounting to € 15.796k, and EBITDA of € 617k (4%)., representing a 6,5% decrease against 2018 level of €

16.892k. The decrease is largely attributable to discontinued non-FLOW business. As in prior years, in FY 2019 the company discontinued certain non-core businesses, unrelated to FLOW. The 2019 revenue of these discontinued businesses was € 419k (2018: € 1,7 million, 2017: € 3,3 million). After 2020 the company does not anticipate a further decline of revenue caused by discontinued businesses.

Consultancy revenue declined caused by discontinued businesses (€ - 264k) and lower Analytics business (€ -345k) and also because we generated lower customer set up revenue. The latter effect is caused since our FLOW proposition requires less consultancy efforts to onboard customers. Our total consultancy revenue declined to € 3.820k (2018: € 4.138k, 2017: € 4.987k). The company constantly monitors its cost base and takes measures to align costs with the development of its product mix. The purpose is to counter lower volumes of consultancy work and maintain healthy overall company performance. Staff utilization and performance is monitored closely and changes are made if and when necessary. Since the introduction of FLOW we have continuously built our marketing, sales and operational team towards our subscription based FLOW business.

FTE per department	2019	2018
Research and Development *	8	8
Sales and Marketing	32	34
Consulting and Support	47	51
General and Administrative	16	17
Total	**103**	**110**

* excluding development in operations/off shore development (16)

FLOW is principally run in a SaaS model. Only rarely certain FLOW modules are sold as a license. FLOW license revenue declined to € 361k (2018: € 415k).

In 2019 the Order Intake in FLOW applications from existing and new customers amounted to € 16,3 million (2018: € 11,2 million) an 38% increase compared to FY 2017. Total order intake is 100% related to our FLOW applications.

In financial year 2019, the Company reported the following highlights:

02-11-2018 FLOW recognized by independent research firm

21-11-2018 Full Year financial statements

04-12-2018 Publication of Annual Report 2018

08-01-2019 TIE Kinetix adds Artificial Intelligence to its FLOW Platform

15-01-2019 TIE Kinetix adds block chain technology to its FLOW Platform

14-02-2019 Convocation Annual General Meeting of shareholders

19-03-2019 TIE Kinetix achieves Oracle PartnerNetwork Cloud Standard Designation

18-04-2019 Tie Kinetix announces new FLOW functionality in 'spring release'

15-05-2019 First Half Year 2019 results

28-05-2019 TIE Kinetix recognized by Gartner

04-06-2019 Tie Kinetix realizes break-through in US automotive sector

12-06-2019 TIE Kinetix launches e-invoicing to the German Government market

18-06-2019 TIE Kinetix closes a sizable FLOW contract with US contract with worldwide copier company

Country report:

Country operations are the primary reporting segment, and the company applies intercompany pricing to account for the various roles country operations have in developing, marketing, selling and delivering our products to the customers. As the case may be, the company identifies sales roles, product ownership roles and development roles, with each role rewarded commensurate with its place in the value chain. For statutory reporting and tax reporting country segments are used as well. For all segment reporting, the same accounting rules have been applied as mentioned in our accounting policies. The Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS. Inter-segment sales are only monitored by the company on a CGU level and not for the purpose of business line segment reporting. Segment items included in the Segment Statement of Financial Position as of September 30, 2019 or further details of items in the segment Statement of Income account are:

TIE Netherlands/TIE Mambo 5: in FY 2019 operations and staff of TIE Netherlands and TIE Mambo 5 were merged. In FY 2019 revenue growth was achieved in SaaS and consultancy revenue from e-invoicing to Government (around € 0.5 mln.), however balanced out with the loss of non-extended 2018 Google Search and Analytics contracts (around € 400k). With a clear focus on growing the e-invoicing to government business in the Netherlands, investing in a supplier onboarding team and providing support to the e-invoicing to government business in Germany, the company plans for revenue growth in FY 2020.

TIE France: in FY 2019 TIE France successfully closed larger deals with LEM (automotive) and Remy Cointreau (worldwide). This provides a stable and growing revenue stream as a healthy fundament for future growth. In FY 2019 TIE France was EBITDA positive and projects further growth with more customers migrations planned in FY 2020.

TIE Germany (DACH): the historically strong Analytics profile is slowly changing towards an EDI/e-invoicing profile with the closing of the GiZ contract in June. The non-FLOW business has been terminated, and non-FLOW staff has either been retrained or has left the company. In FY 2019 the German operation was EBITDA negative (€ - 531k). Even though we expect better performance in FY2020 with more EDI/e-invoicing business, we do not plan to have the German operation EBITDA positive in FY 2020, with insufficient revenue coming in to provide a positive return for the minimum size operation we currently run in Münich.

TIE Commerce (US): the US operation is combines EDI business and demand generation customers. The US EDI product Evision is in the course of being replaced by our worldwide TieSmartBridge (TSBX) – part of FLOW - solution. Existing customers are migrated and new customers are onboarded to the FLOW platform. The HDA contract provided a break-through in the US automotive market, and we expect to have more traction in the market in the future as a result. In the US we intend to reorganize our operations following the phase out of the Evision product.

Cash Position and solvency:

During FY 2019 the Company generated cash in operations amounting to € 2.702k (2018: € 631k) and on September 30, 2017 the Company held a cash position of € 2.041k (2018: € 580k). Shareholders' Equity amounts to € 4.010k on September 30, 2019 (2018: € 4.916k). The company is fully equity financed and has no short term or long term debt.

Credit Agreement

The Company has an unused € 1,25 million senior revolving credit facility with RABO Bank. The facility includes a pledge on all receivables, has an indefinite term and bears interest at a rate of EURIBOR plus a margin. No drawings are scheduled, although the Company intends to use any funds borrowed under the Credit Facility from time to time for general corporate purposes, which may include working capital needs, capital expenditures, and satisfaction of other obligations of the Company.

Segments and Impairment testing:

Country operations are the primary reporting segment, and the company applies intercompany pricing to account for the various roles country operations have in developing, marketing, selling and delivering our products to the customers. As the case may be, the company identifies sales roles, product ownership roles and development roles, with each role rewarded commensurate with its place in the value chain. For statutory reporting and tax reporting country segments are used as well. For all segment reporting, the same accounting rules have been applied as mentioned in our accounting policies. The Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS. Inter-segment sales are only monitored by the company on a CGU level and not for the purpose of business line segment reporting.

Segment items included in the Segment Statement of Financial Position as of September 30, 2019 or further details of items in the segment Statement of Income account are: TIE Nederland/TIE Mambo5, TIE France, TIE Commerce (US), TIE Germany and TIE Product Development.

Management has conducted annual impairment testing and assessed that for all cash generating units the Value in Use [IAS 36.30-57] exceeds Carrying Value [IAS 36.8-9].

Furthermore, management has no indications that individual assets other than CGU TIE Germany of any cash generating units may be impaired.

CGU TIE Germany

TIE Germany was acquired by TIE Kinetix in December 2013. As at acquisition date TIE Germany was acquired for a consideration including Goodwill. At year end 2017 100% of the Goodwill of TIE Germany (amounting to € 2.286k) was impaired.

CGU Mambo 5:

In FY 2019 TIE has further expanded its reach in the e-invoicing to government market both in the Netherlands and in Germany. With our SaaS based service our client, municipalities and government bodies are able to receive electronic invoices from their suppliers through connecting with our portal on the FLOW platform. TIE receives revenue both for the onboarding of suppliers to our FLOW portal as well as a usage based fee per message sent over the portal. In FY 2019 some 7000 suppliers have been onboarded to our platform. However, actual usage of the platform is depending on the suppliers' willingness to migrate from conventional billing towards e-invoicing to municipalities and governments. To date this willingness is below our expectations and, hence, our revenue for e-invoicing to government is behind plan. With the large Germany contract concluded in June 2019, a large part of future revenue growth required to satisfy the impairment model will be assured. Increased political pressure from Dutch municipalities towards suppliers to use e-invoicing will further enhance our e-invoicing to government revenue. The company intends to further invest in marketing, sales and onboarding expenses to grow this business in FY 2020 and beyond.

The future growth of the Mambo 5 operation is estimated to be around 50% in the first 4 years (2018-2022) and flat thereafter. It is assessed that the 10 Year Cumulative Cash flow includes sufficient headroom over the carrying value of Goodwill.

In FY 2019, TIE Mambo5 and TIE Nederland have been merged.

Income Taxes:

The carrying value of the Deferred Tax Asset in the US amounts to € 299k ($327k) in the US (2018: € 372k / $ 431k). The carrying value of the Deferred Tax Liability in Germany amounts to € nil (2018: € 2k) and in the Netherlands € 5k (2018 6k).

Order Intake

The company focuses on long term value creation with FLOW and strives to increase the % of SaaS Order Intake year on year. In FY 2019 total FLOW Order Intake amounted to €

16.260k, with 69% SaaS (2018: 11.243k with 57% SaaS). We are succeeding to report a growing SaaS order intake since the introduction of our FLOW proposition.

Annual Accounts:

The financial results of TIE presented here are unaudited. The audit of the Financial Statements will not be completed until the publication thereof (latest at the end of January 2018).

Forward looking statement/Guidance

This report contains information as referred to in the articles 5.59 jo. 5:53, 5:25d and 5:25 w of the Dutch Financial Supervision Act (Wet op het financieel toezicht). Forward looking statements, which can form a part of this report refer to future events and may be expressed in a variety of ways, such as ‘expects’, ‘projects’, ‘anticipates’, ‘intends’ or similar words. The Company has based these forward looking statements on its current expectations and projections about future events.

Risks and uncertainties

Risks and TIE Kinetix’ risk management strategy are detailed in the 2018 annual report and have not changed during Financial Year 2019.

Forward looking statement/Guidance

The forward looking statements, which can form a part of this document / report refer to future events and may be expressed in a variety of ways, such as ‘expects’, ‘projects’, ‘anticipates’, ‘intends’ or similar words. TIE Kinetix NV (the Company) has based these forward looking statements on its current expectations and projections about future events.
This document / report may contain expectations about the financial state of affairs and results of the activities of the Company as well as certain related plans and objectives. Such expectations for the future are naturally associated with risks and uncertainties to factors that are beyond the Company’s ability to control or estimate precisely, because they relate to future events, and as such depend on certain circumstances that may or 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 the Company in important markets, change in future market and economic conditions, the behavior of other market participants, changes in customer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, statutory changes and changes in financial markets, in the EU grant regime, in the salary levels of employees, in future borrowing costs, in exchange rates, in tax rates, in future divestitures and the pace of technological developments. The Company

therefore cannot guarantee that the expectations or forward looking statements will be realized and denies any obligation to update statements made in this document / report.

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About TIE Kinetix

TIE Kinetix (Euronext Amsterdam: TIE) transforms the digital supply chain by providing Total Integrated E-commerce solutions. These solutions maximize revenue opportunities by minimizing the energy required to market, sell, deliver, and analyze online. Customers and partners of TIE Kinetix constantly benefit from innovative, field-tested, state-of-the-art technologies, which are backed by over 30 year of experience and prestigious awards. TIE Kinetix makes technology to perform, such that customers and partners can focus on their core business. For more information visit www.TIEKinetix.com.

Unaudited condensed Full Year 2019

Financial Statements

1. Consolidated income statement
Fiscal 2019 (October 1, 2018 – September 30, 2019)

Revenues (€ x 1,000)	2019		2018	
Licences	350		415	
Maintenance and Support	2.793		2.798	
Consultancy	3.220		4.138	
Software as a Service	8.929		9.420	
Revenues subtotaal		15.291		16.771
EU projects		-		107
Other income		16		14
Total Revenue		**15.307**		**16.892**
Third party hire		(407)		(482)
Direct Employee Costs		(3.696)		(4.212)
Direct Purchase Costs		(2.632)		(2.691)
Total Gross Margin		**8.573**		**9.507**

Operating Expenses				
Employee Benefits	(5.151)		(5.243)	
Acquisition Costs and Other Items	(26)		403	
Depreciation and amortization	(1.298)		(1.229)	
Impairment	-		-	
Other Operating Expense	(3.102)		(2.930)	
Total Operating Expenses		**(9.577)**		**(8.999)**
Operating Income/(loss)		**(1.004)**		**508**
Interest and Other Financial Income		(2)		2
Interest and Other Financial Expense		(55)		34
Income/(loss) before Tax		**(1.061)**		**544**
Coporate Income Tax		(254)		(360)
Net Income/(loss)		**(1.315)**		**184**

Comprehensive Income	2019	2018
Net Income/(loss)	(1.315)	184
Exchange differences on translating of foreign operations	23	(21)
Total Comprehensive Income/(loss) net after Tax	(1.292)	163

The 2019 numbers stated in this press release are unaudited

2. Segment reporting

Fiscal 2019 (October 1, 2018 – September 30, 2019)

2019

Revenues (€ x 1,000)	Nederland/ Mambo 5/ International	TIE US	TIE France	TIE Germany	TIE Product Development	Holding and Eliminations	IFRS	Total
Licences	18	218	67	47	-			350
Maintenance and Support	341	1.995	165	292	-			2.793
Consultancy	1.507	781	407	1.126	-		(601)	3.220
Software as a Service	3.909	3.129	660	1.118	-		112	8.929
Revenues	**5.776**	**6.123**	**1.298**	**2.583**	**-**		(489)	**15.291**
Other Income	1	(0)	3	12	-			16
Intercompany Sales	38	155	-	6	-	(199)		**0**
Intercompany & Other Income	39	154	3	19	-	(199)		**16**
Total Revenue	**5.815**	**6.277**	**1.301**	**2.601**	**-**	**(199)**	**(489)**	**15.307**
Cost of Sales	(1.880)	(2.962)	(363)	(1.903)	-		166	(6.734)
Gross Margin	**3.935**	**3.315**	**939**	**699**	**-**	**(199)**	**(323)**	**8.573**
								-
Operating Expenses								-
Employee Benefits	(1.072)	(453)	(480)	(765)	(213)	(2.169)		(5.151)
Other expenses	-	(0)	(52)	-	-	26		(26)
Other Operating expense	(1.499)	(2.135)	(453)	(754)	82	1.656		(3.102)
Total Operating Expenses	**(2.571)**	**(2.588)**	**(985)**	**(1.518)**	**(131)**	**29**		**(8.279)**
EBITDA	**1.364**	**727**	**(47)**	**(820)**	**(131)**	**(170)**	**(323)**	**294**

2018

Revenues (€ x 1,000)	Nederland/ Mambo International	TIE US	TIE France	TIE Germany	TIE Product Development	Holding and Eliminations	Total
Licences	1	314	51	49	0	0	415
Maintenance and Support	405	1.992	168	232	0	0	2.798
Consultancy	1.275	994	402	1.468	0	0	4.138
Software as a Service	3.976	2.906	763	1.774	0	0	9.420
Revenues	**5.658**	**6.206**	**1.384**	**3.524**	**0**	0	**16.771**
Other Income							
Intercompany Sales	123	693	-2	405	536	-1.633	121*
Intercompany Income	**123**	**693**	**-2**	**405**	**536**	**-1.633**	**121***
Total Revenue	**5.781**	**6.899**	**1.382**	**3.929**	**536**	**-1.633**	**16.892**
Cost of Sales	-2.505	-2.863	-444	-2.488	-665	1.580	-7.385
Gross Margin	**3.276**	**4.036**	**938**	**1.440**	**-129**	**-53**	**9.507**
Operating Expenses							
Employee Benefits	-1.147	-1.172	-589	-846	433	-1.923	-5.243
Other expenses	403	0	0	0	0	0	403
Other Operating expense	-1.349	-1.981	-355	-801	-341	1.898	-2.930
Total Operating Expenses	**-2.093**	**-3.153**	**-944**	**-1.647**	**92**	**-25**	**-7.770**
EBITDA	**1.183**	**884**	**-6**	**-208**	**-37**	**-78**	**1.737**

* remaining amount is related to EU projects income

3. Consolidated statement of financial position

As at September 30, 2019

Assets

€ * 1000				
Non Current Assets	**2019**		**2018**	
Intangible fixed assets				
Goodwill	2.278		2.250	
Other Intangible Fixed Assets	3.673		3.772	
		5.951		6.022
Tangible Fixed Assets				
Property, Plant and Equipment	107		176	
		107	-	176
Financial Fixed Assets				
Loans and Receivables	-		13	
Deferred Tax Asset	299		372	
Contract Asset	139		-	
		438		385
Total Non Current Assets		**6.496**		6.583
Current Assets				
Trade Debtors	2.156		2.901	
Income Tax Receivable	46		-	
Taxation and Social Security	65		95	
Contract Asset (Current)	127		-	
Other Receivables and Prepayments	664		957	
		3.059		3.953
Cash and Cash Equivalents	2.041		580	
Total Current Assets		**5.100**		4.533
Total Assets		**11.597**		**11.116**

Equity and Liabilities

Equity	**2019**		**2018**	
Shareholders' Equity	3.490		4.871	
Convertible Bonds	-		45	
Total Equity		**3.490**		4.916
Non Current Liabilities				
Deferred Tax Liability	5		8	
Deferred Revenue	555		25	
Provisions	184		184	
Total Non Current Liabilities		**744**		217
Current Liabilities				
Trade Creditors	797		812	
Deferred Revenue (Current)	4.807		3.133	
Taxation and Social Security, Income Tax	352		658	
Other Payables and Accruals	1.407		1.380	
Total Current Liabilities		**7.362**		5.983
Total Equity and Liabilities		**11.597**		11.116

4. Consolidated statement of changes in equity
Fiscal 2019 (October 1, 2018 – September 30, 2019)

(€ x 1,000)	Share Capital (incl Surplus)	Retained Earnings	Foreign Currency translation	Shareholders Equity	Convertible Bonds	Total Equity
Balance per September 30. 2017	**61.393**	**(56.759)**	**75**	**4.710**	**45**	**4.755**
Foreign Currency translation reserve			(22)	(22)		(22)
Net Income		184		184	-	184
Total Comprehensive Income (loss)	**-**	**184**	**(22)**	**162**	**-**	**162**
Shares issued and Share Premium	0			0		0
Balance per September 30. 2018	**61.393**	**(56.575)**	**53**	**4.871**	**45**	**4.916**
IFRS 15 adjustment opening balance		(159)		(159)		(159)
Adjusted balance at October 1, 2018	**61.393**	**(56.735)**	**53**	**4.711**	**45**	**4.756**
Foreign Currency translation reserve			23	23		23
Net Income		(1.315)		(1.315)		(1.315)
Total Comprehensive Income (loss)	**-**	**(1.315)**	**23**	**(1.292)**	**-**	**(1.292)**
Conversion of Convertible Bonds				-	(45)	(45)
Shares issued and Share Premium	70			70		70
Balance per September 30. 2019	**61.464**	**(58.049)**	**76**	**3.490**	**-**	**3.490**

5. Consolidated cash flow statement
Fiscal 2019 (October 1, 2018 – September 30, 2019)

		2019		2018
Income before tax		-1.061		544
(€ x 1,000)				
Adjustments:				
Depreciation and amortization	1.298		1.229	
Increase (decrease) provisions			(190)	
		1.298		**1.039**
Working Capital Movements				
(Increase) decrease in debtors and other receivables	862		342	
(Decrease) increase in deferred revenue	1.975		(402)	
(Decrease) increase in current liabilities	(321)		(892)	
		2.516		**(952)**
Cash generated (applied) in operations		**2.753**		**631**
Interest paid		(15)		(4)
Interest received		-		2
Income tax paid		(175)		(229)
Net Cash flow from operating activities		**2.563**		**399**
Investments in intangible fixed assets	(1.073)		(1.302)	
Investments in tangible fixed assets	(108)		(41)	
Net Cash flow generated / (used) in investing activities		**(1.181)**		**(1.343)**
Increase (decrease) long term loans	-		(8)	
Issue of new shares	70		-	
Net Cash flow generated / (used) by financing activities		**70**		**(8)**
Net increase (decrease) in Cash and Cash Equivalents		**1.452**		**(953)**
Currency Exchange Rate Difference on opening balance				
Cash and Cash Equivalents		10		(6)
Opening balance Cash and Cash Equivalents		580		1.538
Closing balance Cash and Cash Equivalents		**2.041**		**580**

About TIE Kinetix

TIE Kinetix (Euronext Amsterdam: TIE) transforms the digital supply chain by providing Total Integrated E-commerce solutions. These solutions maximize revenue opportunities by minimizing the energy required to market, sell, deliver, and analyze online. Customers and partners of TIE Kinetix constantly benefit from innovative, field-tested, state-of-the-art technologies, which are backed by over 30 year of experience and prestigious awards. TIE Kinetix makes technology to perform, such that customers and partners can focus on their core business. For more information visit www.TIEKinetix.com.

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Notes to the UNAUDITED consolidated financial report

General Information

TIE Kinetix N.V. is a public limited company established and domiciled in the Netherlands, with its registered office and headquarters at De Corridor 5d, 3621 ZA in Breukelen. The UNAUDITED Consolidated Financial report of the company for the year ended on September 30, 2019 include the company and all its subsidiaries (jointly called "Tie Kinetix"). The financial year of Tie Kinetix commences on October 1 and closes on September 30. The UNAUDITED Consolidated Financial report for the financial year 2019 has been authorized for issue by both the Supervisory Board and the Executive Board on November 18, 2019.

Auditor's Involvement

The interim financial report has not been audited by our external auditors. The Annual General Meeting of shareholders has appointed BDO on March 29, 2019 as external auditor for the year commencing on October 1, 2018.

Statement of Compliance

This UNAUDITED Consolidated Financial report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual financial statements as at September 30, 2019. We consider the accounting policies applied to the effect that the UNAUDITED condensed consolidated financial statements give a true and fair view of the Group's assets, liabilities and financial position as at September 30, 2019 and of the results of the Group's operations and cash flow in the period October 1, 2018 – September 30, 2019.

General Accounting Principles

The accounting policies used in the preparation of the UNAUDITED Consolidated Financial report are consistent with those followed in the preparation of the Group's annual financial statements for the year ended September 30, 2018. As from October 2018, the company has implemented IFRS 9 and IFRS 15. Details of the impact of these new accounting standards will be given in the annual report 2019. In the 2019 financial statements, IFRS 15 and IFRS 9 are applied on a consolidated basis. This report is presented in € x 1.000 unless otherwise indicated.

Accounting Estimates

The preparation of the financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the determination of results and the reported contingent assets and liabilities. For a list of the judgments, estimates and assumptions, reference is made to the financial statements for 2019.

Risks and Risk Management
In the Annual Report 2018 (pages 79-81) we have outlined the strategic, operational and financial risks we face, the risk management and control mechanisms we have in place and the risk analysis and assessments we conduct regularly. We believe that the nature and potential impact of these risks have not materially changed in 2019. We will continue to monitor the key risks closely and manage our internal control systems as new risks may emerge and current risks may change.

<u>Notes to the consolidated Financial Position as at September 30, 2019</u>

Business Combinations

No acquisitions have been made in FY 2019.

Intangible Assets

Intangible Assets of the company consist of goodwill and acquired customer base amounting to € 2.278k (2018: € 2.250k), and software, capitalized development costs and trade concepts amounting to € 3.722k (2018: € 3.772k).

Tangible Assets

Tangible Assets of the company consist of leasehold improvements, furniture and fixtures, and office equipment/computer equipment amounting to € 107k (2018: € 176k).

Cash
On September 30, 2019 the Company held a cash position of € 2.041k (September 30, 2018 € 580k).

Cash generated in operations in FY 2019 amounted to € 2.702k (2018: €631k).

Options
During the reporting period no movements occurred.

Equity and solvency
In FY 2019 10.000 shares have been issued. The total number of issued shares amounts to 1.627.281 as at September 30, 2019. Shareholders' Equity amounts to € 3.490k (or € 2,14 per share) on September 30, 2019 (2018: € 4.916k, or € 3,04 per share). TIE Kinetix is fully equity financed and does not use any loans or debts from credit institutions.

Breukelen, November 19, 2019

M. Wolfswinkel
J.B. Sundelin
Executive Board