

ARTIFICIAL
SOLUTIONS

Q1 2024 Results | Presentation

Per Ottosson | CEO
Fredrik Törgren | CFO

Friday, April 26, 2024



Presenters



Per Ottosson | CEO

*Has +25 years of experience from leading positions in the software and SaaS industry
Most recently spent 10 years with IPSoft (Amelia) - US based vendor of enterprise AI solutions - as Chief Revenue Officer
M.Sc. Business & Administration, Stockholm School of Economics*



Fredrik Törgren | CFO

*Various CFO & Finance roles in large corporates and in Private Equity-backed Technology and SaaS companies
Former Investment Banking experience with Handelsbanken Capital Markets and Pareto Securities.
M.Sc. Business & Administration, Stockholm School of Economics*

**ARTIFICIAL
SOLUTIONS**

Business Update



ASAI in a Nutshell

FOUNDED IN 2001. HQ: STOCKHOLM

Our vision is a world without queues, without keypad navigation, with instant service.

We transform customer experience for consumers around the world, powering millions of interactions every day across our enterprise client base. Teneo, our Conversational AI platform, runs across 86 languages and their dialects and is fully integrated with contact center systems.



99%
NLU Accuracy

Teneo can help you get over 99% accuracy in understanding and addressing customer needs with our TLML.

98%
OP-EX Cost Saving

Cut your AI operational expenses in AI by up to 98% by integrating Teneo's Generative AI into your ecosystem.

+90%
Reduced Misrouting

Teneo does intelligent routing to direct queries to the right agent, decreasing wait times.

-2 min
Reduction in AHT

Teneo improves live agent metrics: decreasing Average Handle Time and improving First Call Resolution (FCR).

40%
Containment

40% of calls do not need a human to solve.



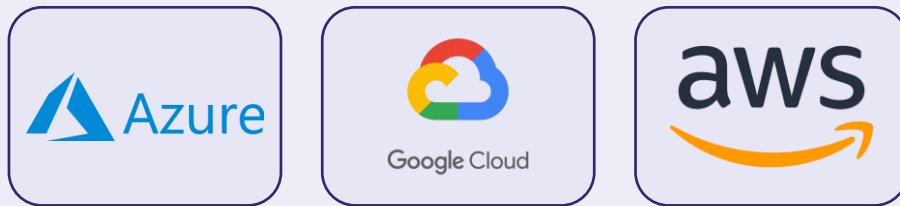
The SaaS Journey



Positioned to Cater to Large-scale Enterprises

Partnerships with Hyperscalers

Three leading tech stacks dominate the global software market, creating significant network benefits connected services



Microsoft leads in AI services, AWS in Contact Center, Google runner up in Contact Center and AI services,

teneo.ai

Integrates latest AI technology in your organization.



Azure

Enterprises are scrambling to integrate GPT into Contact Center and Internal Services

Source: Company information

... provides access to blue chip enterprise customers



"Conversational AI has improved Customer Recovery rates by 15% vs the previous base line, using the same tools that were already available to human care agents. It avoids shipping field technicians to houses."

Raj Raheja | AT&T Digital, product owner virtual assistant



"Our Customer enquiry hotline will be considerably more productive thanks to human spoken interaction with our systems. Our voice-controlled hotline system improves the customer experience by assigning enquiries quickly and accurately, maximizing the valuable resources of our hotline agents." **Christoph Aeschlimann** | CEO



Access to huge pool of new potential customers



Credibility by being on the Hyperscaler Marketplaces



Unique relationship with Microsoft in the AI space



Artificial Solutions is the only player within the CAI space that answers millions of phone calls per month in several customers.

Welcome to Customer Care

LISTEN & CHOOSE CAREFULLY

62%

Traditional IVRS' used by
62% of all Enterprises in
the U.S.



Customer Delight

1-800-MICROSOFT

Teneo OpenQuestion is a cutting-edge AI IVR that enables contact center transformation with one simple SaaS module integration.

Teneo will initially route to the correct human and, overtime, be taught to automatically answer complex questions like this live support case.



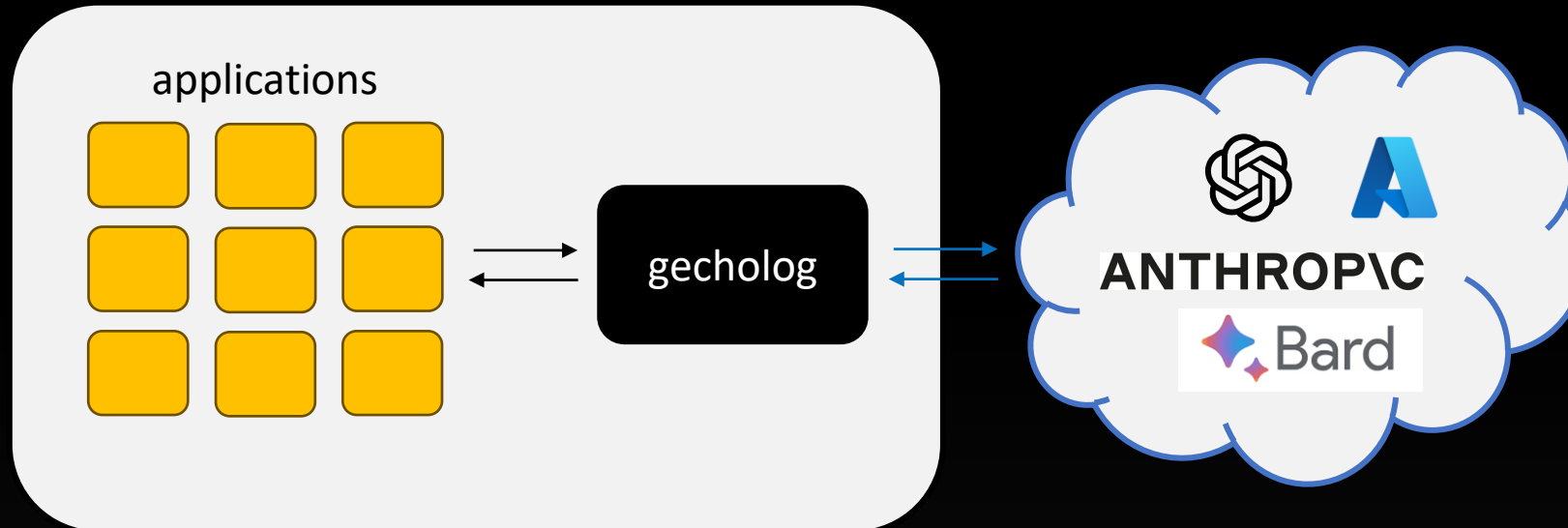
Accuracy Is The Reason

BANKING77

Platform	F1
Teneo	0.95
Amazon Lex	0.89
Cognigy	0.80
Microsoft CLU	0.70
IBM Watson	0.81
Google DialogFlow	0.74



gecholog



Efficiency / Optimization / Transparency / Risk management

Why gecholog?

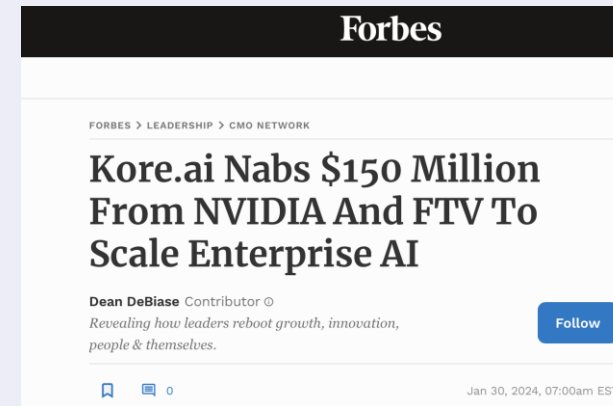
- > Gecholog.ai is optimized for processing language data.
- > Create customized micro-services for any business process or specific requirement.
- > Fully configurable following your governance requirements



- I A prominent player, with strong industrial backing, and the Largest references in a high growth AI market.
- II NRR of 141% - testament to Customer Satisfaction
- III Highly scalable business model with gross margins on fully onboarded customers approaching 95%
- IV Quality of offering paired with material switching costs support revenue retention
- V Lets customer leverage the latest AI technologies like GPT

The Market is on Fire - on the Investment side

1. Competition is heating up with new entrants.
2. LLMs slow down adoption
3. Teneo.ai is the only solution with live large scale references
4. Investors are scrambling
5. Some established players under threat

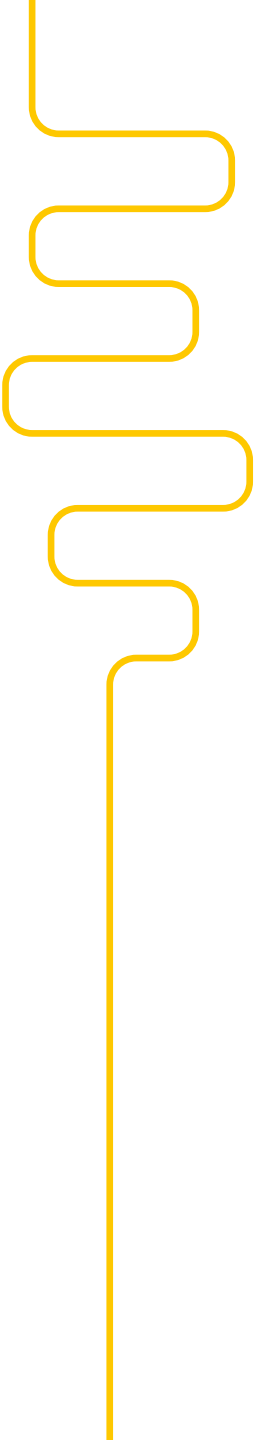


Strategic Review by Board of Directors

REVIEW ONGOING

Status Update

- The board of directors of Artificial Solutions announced on October 26, 2023, that it initiates a review of strategic alternatives to maximize shareholder value, because of the rapidly evolving market landscape in the field where Artificial Solutions is present.
- The review is still ongoing with interested parties and the board of directors has not set a timetable for completion of its review and has not committed to any obligation to make any further announcements until final decisions are made by the company's board of directors.
- The board of directors emphasizes based on the ongoing strategic review discussions that our company is a leading player in the AI and Contact Center Software verticals and that we are recognized by many larger players in the industry as a leader.



ARTIFICIAL
SOLUTIONS

Financials



Q1 2024

Operations & Numbers

+141%

NRR in Q1 2024

67M

SEK ARR in
Q1 2024

+40%

Growth in SaaS API
Calls YoY

1.6BSEK

Valuation Patents
& IP Rights

79%

Gross Margin

166%

Subscription Rate
on Rights Issue



Q1 2024 Operational Highlights

- **Record Quarter** – +40 % YoY growth in SaaS API call volumes and +32 % SaaS ARR growth
- Expansion of our solution to Japan with our Global American Tech company customer
- A **number of renewal agreements** on SaaS and on License signed. **New logo win** in April 24 - **Medhelp**
- **Teneo 7.4 + Copilot** released in January 2024
- **Teneo.ai** Now Available in the **Microsoft Azure Marketplace**, making it accessible for all Azure customers
- Teneo.ai Unveils Advanced RAG Solutions for Enterprise AI: Mastering Complex Customer Service Operations
- Successfully launched and close a **rights issue of 26 MSEK** on Q1 2024



swisscom

Medtronic

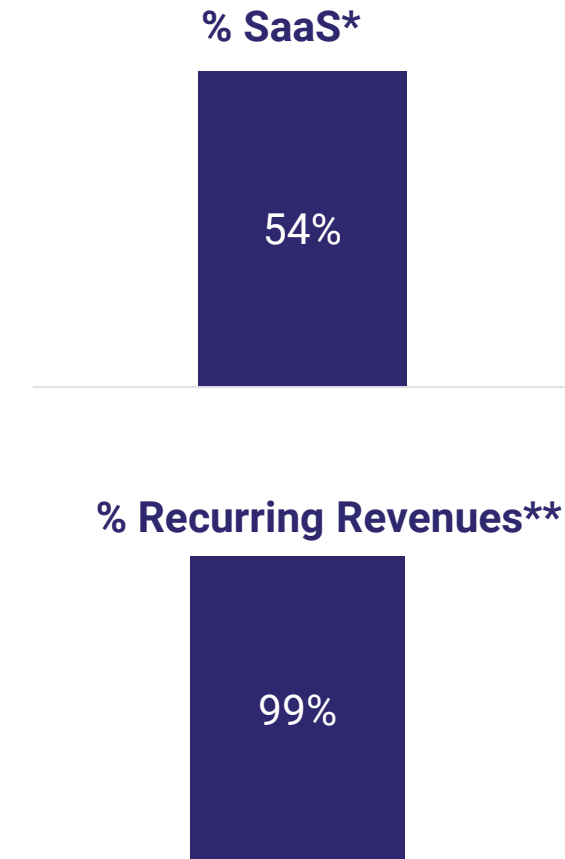
 **MedHelp**

Key Financial Highlights In Q1 2024

GROWTH IN RECURRING REVENUES AND IMPROVED EBITDA

Key Metrics

- Recurring revenues amounted to 17.0 MSEK (13.4), +27%
- SaaS ARR amounted to 37.2 (28.3) MSEK, + 32%
- Total ARR amounted to 66.9 MSEK (53.7), +25%
- Net Revenue Retention 141% (134)
- Net sales amounted to 17.1 MSEK (13.6), + 26%
- Gross margin amounted to 79% (56)
- EBITDA adjusted amounted to -8.5 MSEK (-18.1)
- Monthly adj. OPEX -9.1 MSEK (-9.9 MSEK)
- Cash position : 25 MSEK (29 MSEK Adj.)



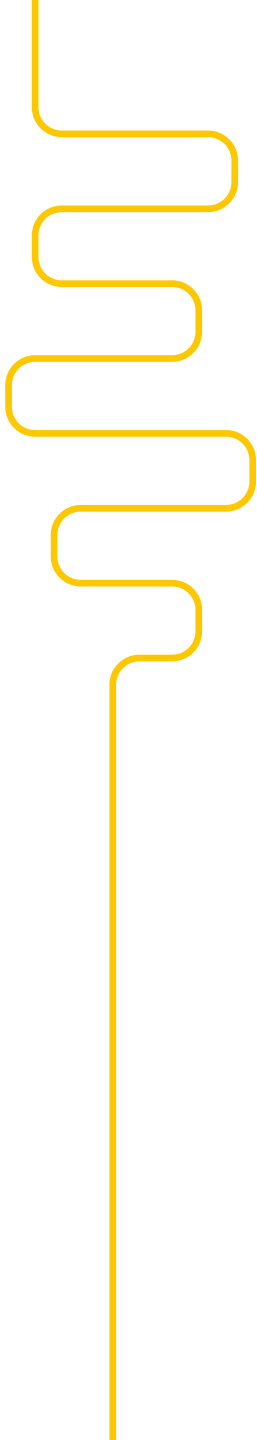
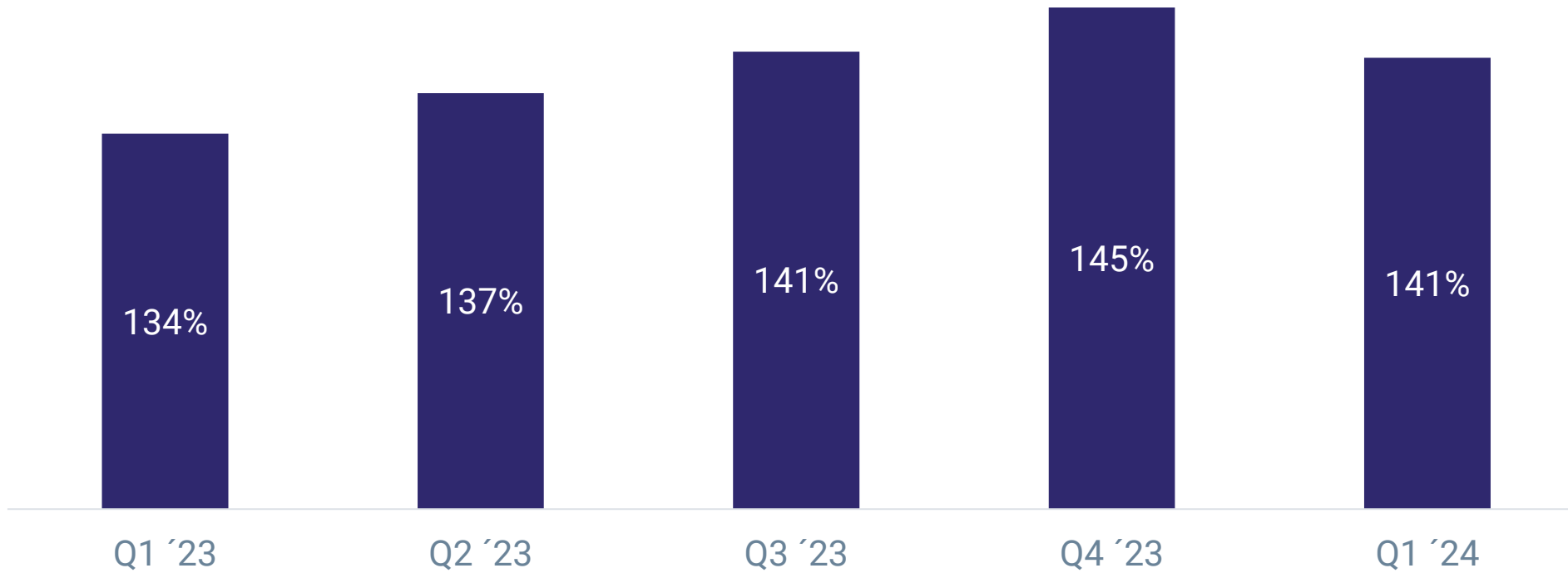
* SaaS Recurring Revenues as % of Total Recurring Revenues.

** % Recurring Revenues as % of Total Net Sales.

Net Revenue Retention

EXCELLENT +141%

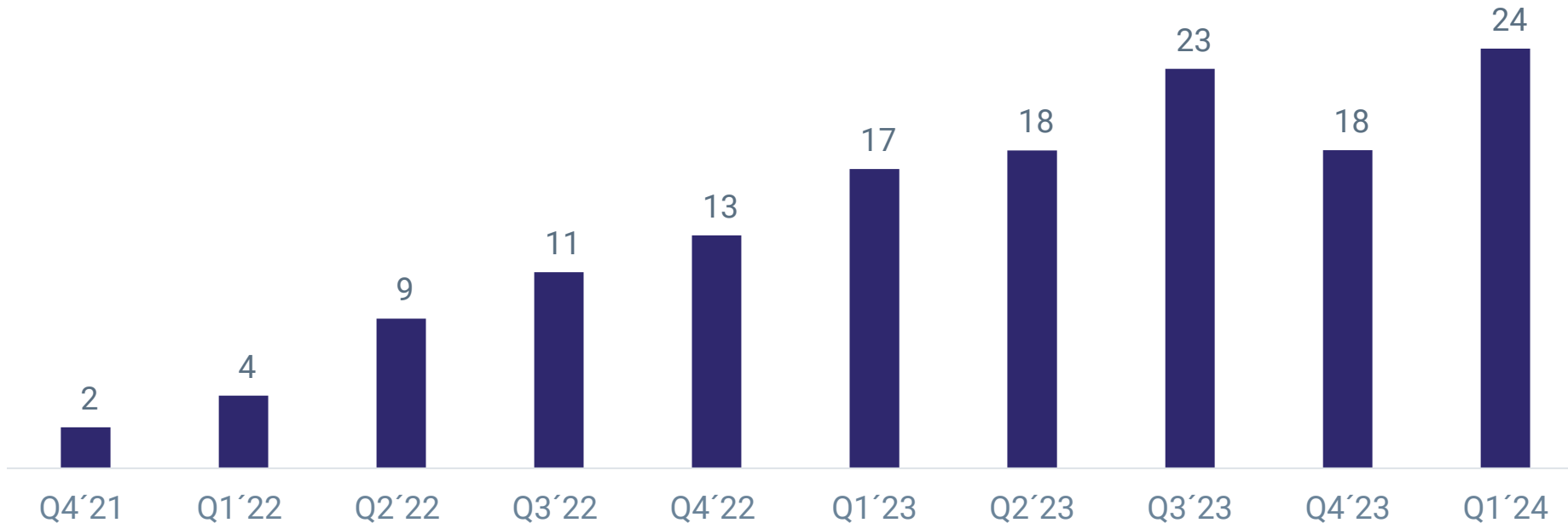
NRR (%) – Driven by Growth in Existing Accounts



SAAS Business Model Growth

SAAS API CALL VOLUMES - UP YoY

SaaS API Calls Quarterly Average (million) + 40% YoY



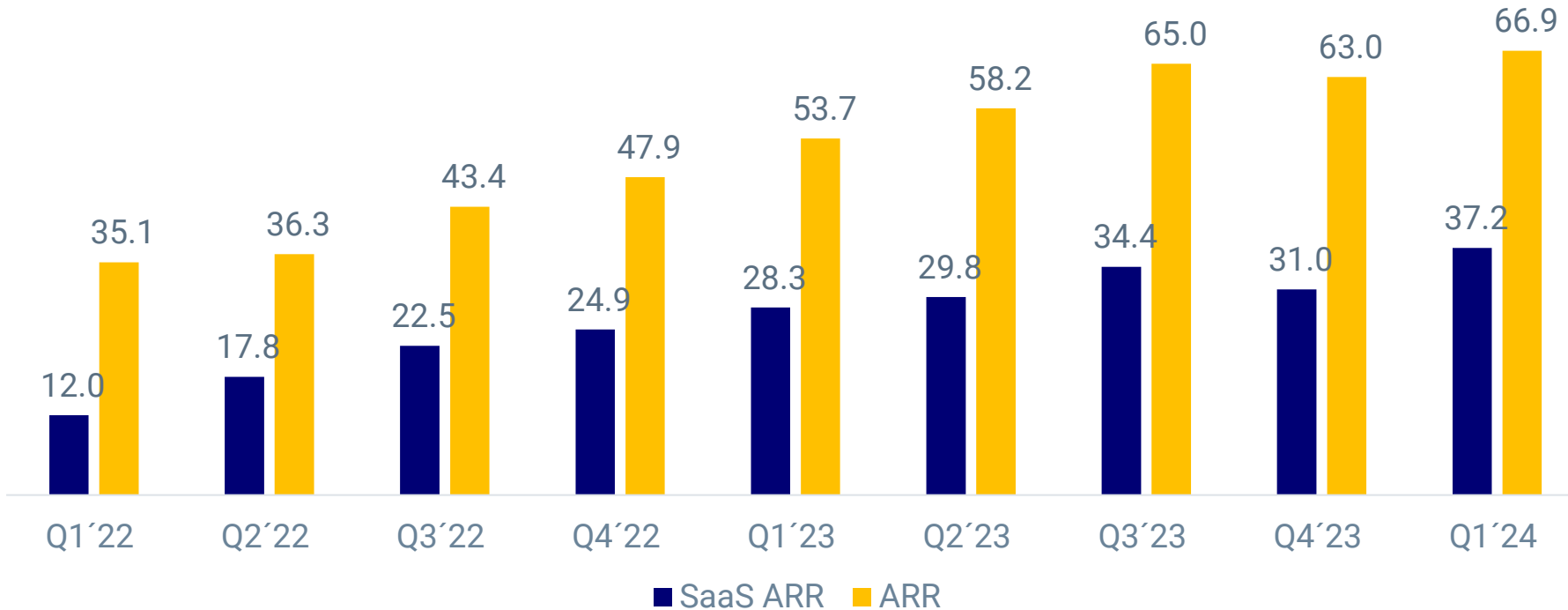
*API Calls Active Customers

**SaaS API call volumes
above Q3 '23 levels**

ARR Growth

AVERAGE ARR – A NEW WAY TO MEASURE

SaaS and Total ARR Quarterly Average (MSEK) + 32% SaaS YoY

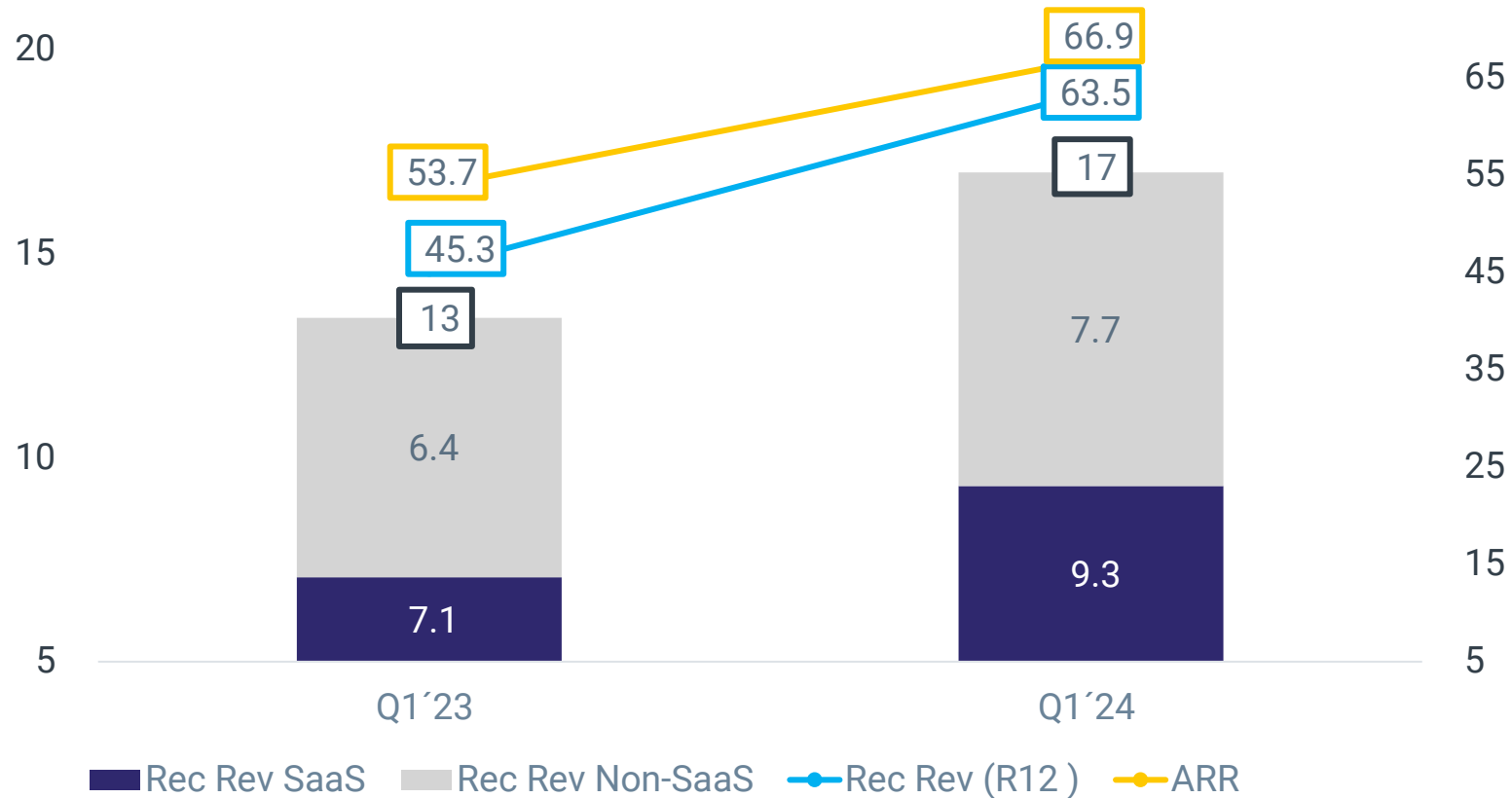


SaaS ARR +32% YoY
Total ARR +25% YoY

Growth In Recurring Revenues & ARR YoY

GROWTH YoY

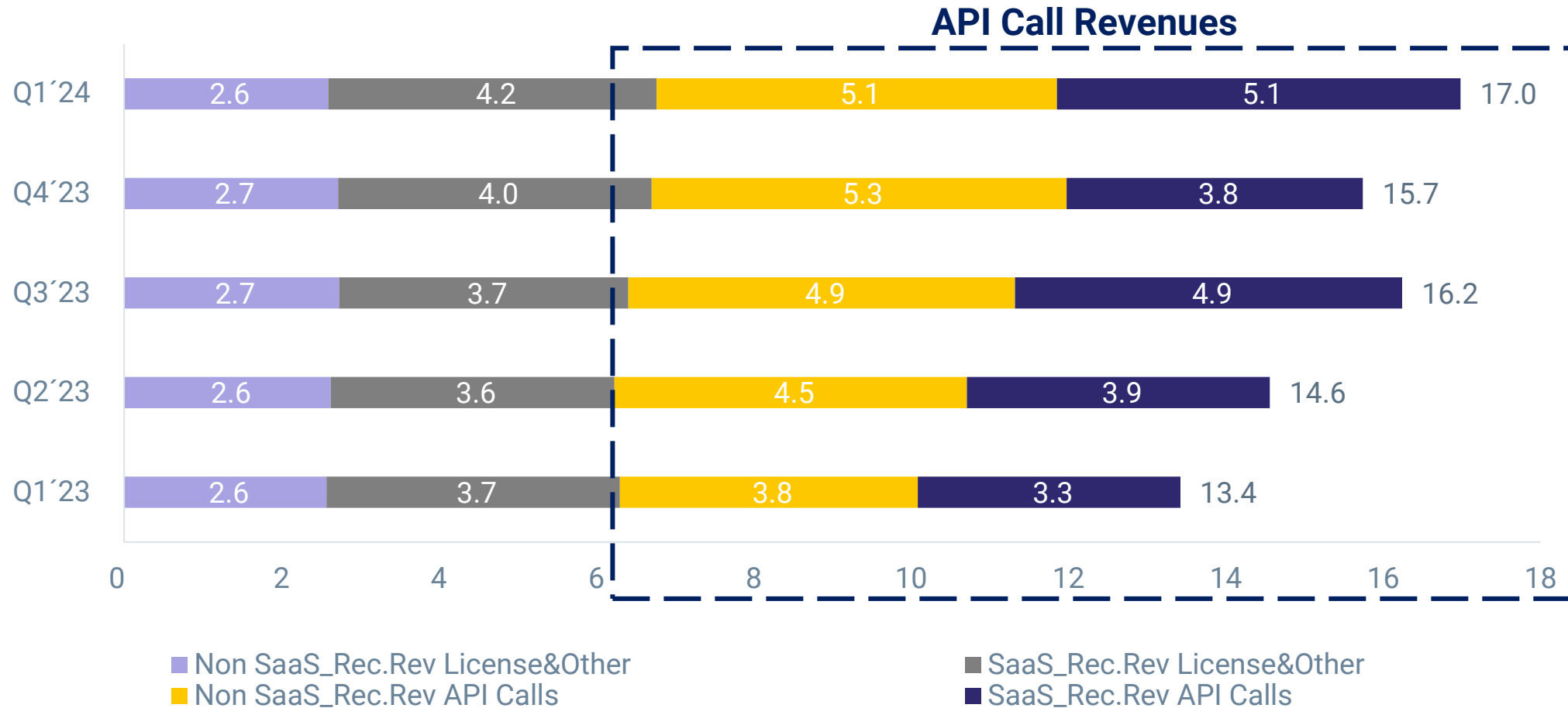
YoY Recurring Revenues, SaaS and Total ARR (MSEK)



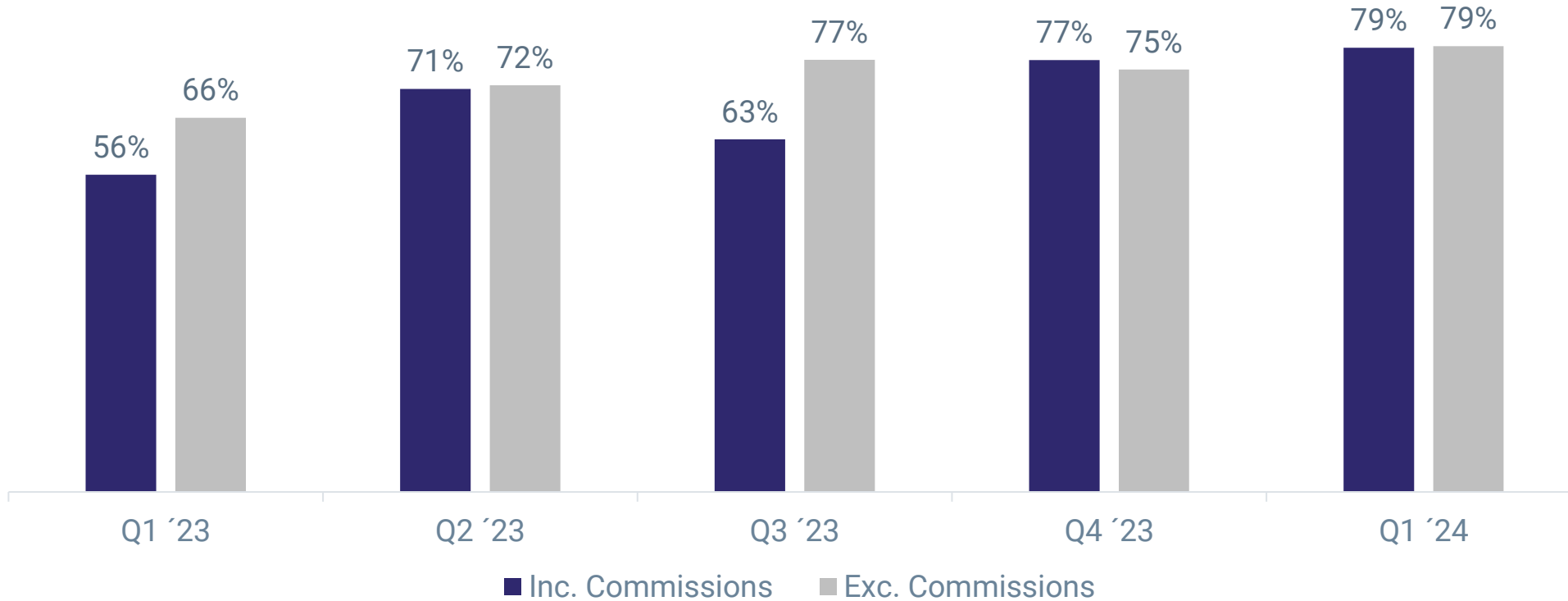
API Calls driver of Revenue Growth

Record Quarter on SaaS API Calls Revenues

Recurring Revenues by Type (MSEK)



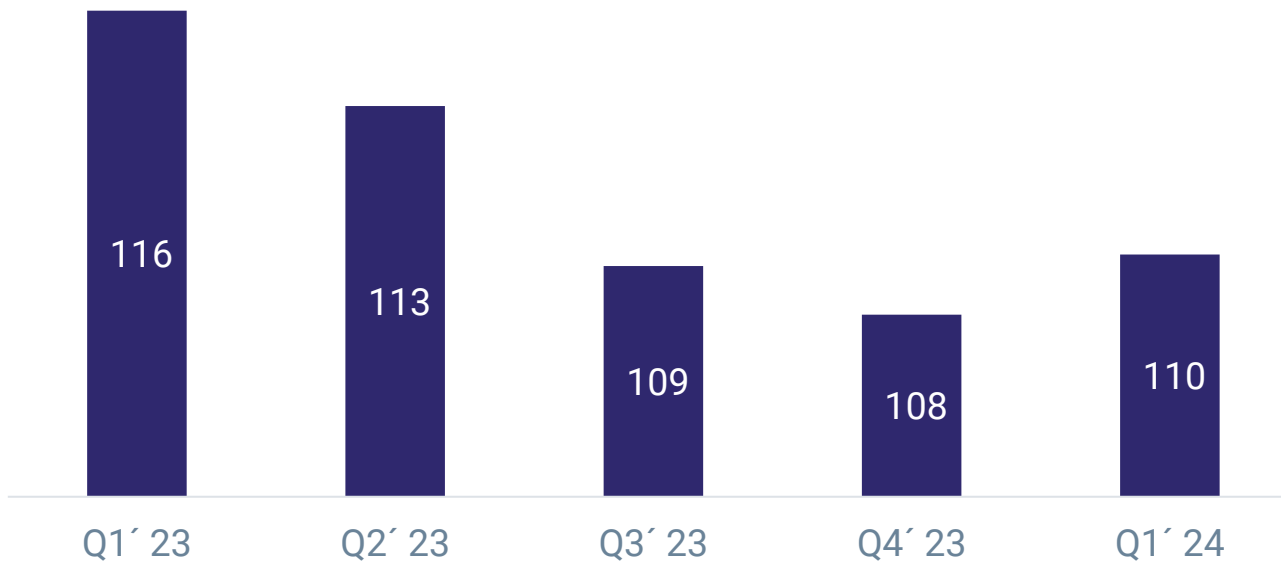
Improved Gross Margin % with Higher API Call Volumes



OPEX RunRate Q1 2024

Reduction in Costs YoY

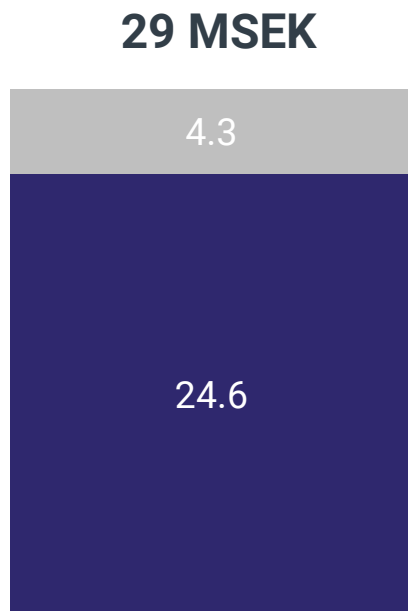
Annual OPEX Run Rate* MSEK



- Monthly OPEX(*) in Q1 2024 of 9.1 MSEK (9.0 MSEK Q4 2023)
- OPEX(*) run rate of 116 MSEK in Q1 2023 vs. 110 MSEK Q1 2024
- Reported OPEX decrease visible YoY following simplification actions and headcount reductions during the year
- Slight increase in OPEX expected going forward due to marketing and sales activities

* OPEX adjusted for non-recurring items and cost of sales

Cash Position Mar 31, 2024 – Adjusted



- March 31, 2024, cash and bank position amounted to 24.6 MSEK
- Adjustments following the quarter end:
 - Cash received from collected ARs in April of 4.3 MSEK
- Adjusted cash & bank position would have amounted to **approximately 29 MSEK**

Q&A

+141%

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Thank You!

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