

INTERIM REPORT Q1 2019

Revenue and results on plan, strong order backlog growth

First quarter

- Order Intake amounted to 16.8 MSEK (18.4) and order Backlog increased to 40.8 MSEK (31.7)
- Net Sales amounted to 12.6 MSEK (12.4)
- Adjusted EBITDA amounted to -27.7 MSEK (-20.9)
- One-off expenses of -26.2 MSEK, refer to written down goodwill of 22.1 MSEK and 4.1 MSEK relate to the reverse takeover
- Earnings per share was negative -2.7 SEK

Events

- Increased and extended contractual relationships with several long-standing customers
- Partners related revenue rose by 85% to 50% (27%)
- In April, major platform release of Teneo Fusion and Teneo Developer an important release facilitating business scalability

Key Figures (for definitions, see page 18)

MSEK	Jan-Mar		Jan-Dec
	2019	2018	2018
Order Intake	16.8	18.4	55.4
Order Backlog	40.8	31.7	35.2
Net Sales	12.6	12.4	44.9
Gross Margin %	50%	55%	45%
Adjusted EBITDA	-27.7	-20.9	-100.3
Partner Revenue %	50%	27%	32%
Earnings per share, SEK	-2.7	n/a	n/a
Cash flow from operations	-32.7	-28.0	-122.0

CEO STATEMENT

The new era as a publicly listed company for Artificial Solutions, brings a new status which we can take to our new and existing customers with increased confidence. With this we also gained three new members of our Board who will support us through the next stage. We are all excited by the journey ahead.

Results

The Revenue and Order Intake for the quarter are in line with expectations. This is of course unsurprising given the proximity of our listing (12th March) but there is always variability at the end of the quarter in closing specific transactions. The first quarter last year was very strong in this regard and thus we are modestly behind 2018 in terms of Order Intake but ahead in terms of revenues and backlog. We also note that as set out in the Company Description, our customers are generally major multi-national organisations and at times it is difficult to accurately predict the timing of closing particular agreements. In Q1 some negotiations were slightly delayed, thus reducing the related Order Intake for the quarter. We continue to predict that we will see increased Order Intake above 40% growth on 2018 on a full year basis. The 28% increase in Order Backlog (contracts won but not yet taken to revenue) is very encouraging.

Teneo Fusion

Since the end of the reported quarter we have announced a very significant product release of Teneo Fusion, the latest version of the Teneo Platform, including the launch of Teneo Developers, a new comprehensive resource to allow enterprise developers and partners fast access to experience the power of Teneo. I am particularly excited by this milestone release which will now fully enable us to scale without significant increase of our overheads. Already it is attracting interest from new partners looking to use Teneo to develop applications for their customers.

Customers

During the quarter we signed up with new customers in the National Government, Postal Services and Airline industries as well as successfully increasing and extending our contractual relationships with several existing customers such as AT&T, Shell, and Vodafone who have all renewed and extended their long-term commitment to the Teneo Platform with increased volumes. This is a positive endorsement of both our technology and commercial strategy.

These additional contracts were with customers where the company has a direct relationship rather than one involving a partner. In this way, the mix during the first quarter has shifted somewhat to direct order intake compared to partner revenues, which we believe will be balanced out during the year.

In the Company Description produced as part of the reverse takeover, our stated strategy is to build a partner-led model in which our partners deliver to our customers the majority of the lower-margin Professional Services, leaving Artificial Solutions to concentrate on the higher-margin licence and usage revenues. It will take some time for new customers supported by this partner-lead model to generate meaningful volumes of usage revenues, but growth will come from both new customers and from existing customers increasing volumes through our platform. I am confident that, the mix of partner to direct business will continue to reflect the growth in Partner Orders we have already seen.

Partners

Building on the theme of Partners, we have expanded our partner network during the quarter adding new partnerships with globally significant companies including Capgemini and Deloitte. We also continue to see new projects coming to us from the Partners and we know of a number of new pilots and proofs of concept underway which will be concluded in 2019.

Supporting Global Customers

I am also pleased to be able to report that we have opened a new subsidiary sales office in Singapore to cover the Asia Pacific region. We have been encouraged to establish an office in the region by customers such as Singapore Post and Shell, as well as a number of our Partners who have operations and customers in the region who will benefit from local support. We expect a positive contribution to Order Intake and Revenues from the region already in 2019.

Growing Awareness

Awareness of our technology continues to grow. The Teneo Fusion launch generated well over 200 mentions in the press including AiThORITY, Speech Technology, AIBusiness and even an appearance by myself on Cheddar, the online news streaming service that comes live from Nasdaq's trading floor in New York.

Our team of experts have also been addressing audiences across the globe at several major AI conferences and digital events. Judging by the response at our booths after live demonstrations of Teneo, our technology still puts our nearest competitors into the shadows.

Our Focus for 2019 remains to build on successes with existing customers to increase the volume of business from those customers by increasing the number of use cases, platforms, and languages that they use. We will focus on bringing on board a small number of strategic accounts who we believe will help bring other customers as a result of their success. Perhaps most important, we will continue to build on successes with our Partners both by signing new customers and increasing the numbers of Partners that work with the Teneo Platform.

In summary, I am pleased to be announcing an on plan set of results for our first quarter as a public company and look forward to delivering even better performance in the quarters ahead.

Lawrence Flynn

CEO

ABOUT ARTIFICIAL SOLUTIONS

Artificial Solutions® is the leading specialist in enterprise-strength Conversational AI, a form of Artificial Intelligence that allows people to communicate with applications, websites and devices in everyday, human-like natural language via voice, text, touch or gesture input.

Designed for the global enterprise, the company's advanced conversational AI platform, Teneo®, allows business users and developers to collaborate on creating sophisticated, highly intelligent applications that run across 35 languages, multiple platforms and channels in record time. The ability to analyze and make use of the enormous quantities of conversational data is fully integrated within Teneo, delivering unprecedented levels of insight that reveal what customers are truly thinking.

Artificial Solutions' conversational AI technology makes it easy to implement a wide range of natural language applications such as virtual assistants, chatbots, speech-based conversational UIs for smart devices and more. It is already used daily by millions of people across hundreds of private and public sector deployments worldwide.

Artificial Solutions at a glance



11 Offices



10 Partners



104 Employees



8 Industries

FINANCIAL OVERVIEW GROUP

The reporting currency for Artificial Solutions International AB is Swedish Kronor. Prior to the reverse takeover, the reporting currency of Artificial Solutions Holdings ASH AB was Euros. In order to enable comparison in this report we have provided summary numbers in both SEK and EUROS. Detailed reports of P&L, Balance Sheet and Cash Flow are provided in SEK only.

Immediately following the reverse takeover Artificial Solutions International AB formerly, Indentive AB the Group distributed its subsidiary Indentive Värdepapper AB as a non-cash dividend to its shareholders. In order to provide comparatives on a like for like basis for the prior year the comparative numbers for the Group are provided for the former holding company Artificial Solutions Holdings ASH AB and do not include any of the Indentive AB operations.

KEY FIGURES

MSEK	Jan-Mar		Jan-Dec
	2019	2018	2018
Net sales	12.6	12.4	44.9
Gross profit	6.3	6.9	20.2
Gross margin %	50%	55%	45%
EBITDA	-31.8	-20.9	-100.3
<i>Adjusted EBITDA</i>	-27.7	-20.9	-100.3
Operating loss	-56.9	-28.1	-118.8
<i>Adjusted Operating loss</i>	-30.7	-28.1	-118.8
Net loss per share	-2.7	n/a	n/a
Equity ratio	1.6	1.5	0.8

MEUR	Jan-Mar		Jan-Dec
	2019	2018	2018
Net sales	1.2	1.2	4.4
Gross margin	0.6	0.7	2.0
Gross margin %	50%	55%	45%
EBITDA	-3.0	-2.1	-9.8
<i>Adjusted EBITDA</i>	-2.6	-2.1	-9.8
Operating loss	-5.4	-2.8	-11.6
<i>Adjusted Operating loss</i>	-2.9	-2.8	-11.6
Net loss per share	-0.3	n/a	n/a
Equity ratio	1.6	1.5	0.8

THE GROUP IN BRIEF

First quarter

Order Intake amounted to 16.8 MSEK (18.4), and Order Backlog increased to 40.8 MSEK (31.7). During the quarter a number of existing customers have renewed and extended their agreements with Artificial Solutions. Many of these renewals have come from customers with whom we have a direct relationship and as a result the percentage of Order Intake closed with Partners during the quarter has reduced in comparison to recent quarters but is in line with the same quarter last year. Net Sales increased to 12.6 MSEK (12.4).

In accordance with K3 accounting policies we have expensed the full value of Goodwill, arising as an effect of the reversed take over, of 22.1 MSEK as Other Operating expenses. Operating Expenses for the quarter also include certain one-off costs in respect of Professional Services and other costs relating to the reverse takeover of 4.1 MSEK. These are considered to be non-recurring costs and we have provided adjusted EBITDA and Operating Loss to allow comparison with previous quarters. It should be stressed that these items are non-recurring and the 22.1 MSEK has no cash impact.

Personnel Costs have increased over the same quarter last year, whilst the headcount has decreased since Q1 2018, this increase is mainly due to annual salary reviews, one-time redundancy costs incurred in 2019, and the increased cost of new employees in the USA and Asia Pacific.

Depreciation and Amortisation has decreased to 3.0 MSEK (7.2) as Goodwill in Artificial Solutions Holdings ASH AB had been written off in full by the 31 December 2018 and as such there is no charge for amortising Goodwill in 2019.

Operating Expenses increased to 71.8 MSEK (43.4) and Adjusted Operating Expenses increased to 45.6 MSEK (43.4).

Operating loss (EBIT) amounted to -56.9 MSEK (-28.1) and the adjusted operating loss was -30.7 MSEK (-28.1).

Financial items and tax

The Loss for the quarter was -59.3 MSEK (-27.5), the adjusted loss for the quarter after adjusting the non-recurring costs was -33.1 MSEK (-27.5). Due to the value of accumulated tax losses there is no tax payable in relation to the quarter in 2018 or 2019. Interest Expense has increased to 7.8 MSEK (2.0) in Q1 2019. Of this, 5.6 MSEK are interests from a loan contracted in Q4 2018, the remainder is unrealised currency expenses.

Interest Income has increased to 5.4 MSEK (2.6) mainly due to unrealised currency gains.

Cash flow, working capital and financial position

Cash Flow from operating activities decreased to -32.7 MSEK (-28.0) in Q1 2019. Whilst the Operating Loss increased to -56.9 MSEK (-28.1), of this increase -22.1 MSEK related to the write down of Goodwill as an effect of the reverse takeover, this is not a cash transaction and has been excluded from cash flows.

In Q1 2018 Artificial Solutions received convertible Loans of 35.3 MSEK.

OTHER INFORMATION

Accounting policies

The interim report for the group and the parent company have been prepared using the accounting policies, formats etc as stated by the Swedish Annual Accounts Act and BFNAR 2012:1 Annual Reporting and Consolidated reports (K3).

Parent Company

The Parent Company Artificial Solutions International AB formerly, Indentive AB. On 5th March, Indentive AB distributed its subsidiary Indentive Värdepapper AB as a non-cash dividend to its shareholders. As such for comparison purposes, the Parent Company excludes all Indentive Värdepapper transactions.

In Q1 2019 there was no operating income in the Parent Company Artificial Solutions International AB. Other external costs in Q1 2019 of 1.2 MSEK (14.4 MSEK) relate to transaction costs incurred as a result of the reverse takeover. These costs will not be repeated.

As a result of the reverse takeover Artificial Solutions International AB acquired the investments in the Artificial Solutions group subsidiaries of 1,119.2 MSEK (8.7 MSEK) and carries a share premium reserve of 1,047.1 MSEK (52.4 MSEK).

Changes in working capital related to intercompany transactions with group companies.

Significant risks and uncertainties

Through its operations, the Group is exposed to a range of operational and financial risks. These risks could have a material adverse effect on Artificial Solutions' operations, financial position and/or results. For further information about risks and uncertainties, see page 2-12 in the Company Description (only available in Swedish), which you can find on www.artificial-solutions.com.

Related-party transactions

There were no related-party transactions during the period.

Employees

The number of full-time equivalent employees in the Group at 31 March 2019 amounted to 104 (110).

Management and board changes

Three new Directors joined the Board during the Quarter: Åsa Hedin (Chairman), Bodil Ericsson and Johan Ekesioo. Further details regarding these and the remaining members of the Board can be found at www.artificial-solutions.com/board-of-directors

Chris Tew has joined the Senior Management Team as VP Sales Asia Pacific and will head up our new team in Asia Pacific

Events

On March 5th The reverse takeover of Artificial Solutions Holding ASH AB by Indentive AB was completed. Immediately following the acquisition, Indentive AB changed its name to Artificial Solutions International AB and was listed on NASDAQ First North with its first day of trading on 12th March 2019.

On April 9th, 2019 Artificial Solutions announced the release of Teneo Fusion the latest version of the company's revolutionary conversational AI development platform blends significant enhancements to its technology, with business value measurements to deliver the ultimate conversational AI experience.

The company's major shareholders

The Artificial Solutions share is listed on Nasdaq First North Stockholm under the symbol "ASAI". Number of shares as of March 31, 2019 was 21.959.646 shares. The largest owner is Scope, which holds 49.3% of the number of shares.

	Jan-Mar		Jan-Dec
	2019	2018	2018
Number of Shares at the end of the period	21,959,646	6,469,492	14,215,572
Average number of shares before dilution	6,753,717	6,231,825	10,283,115
Average number of shares after dilution	7,091,887	6,965,158	10,536,765

Share-related incentive program

Incentive Program 2019/2022

At the Annual General Meeting of Artificial Solutions on 28 February 2019, it was resolved to introduce a long-term incentive program in the form of a warrant program, Incentive Program 2019/2022. The incentive program is directed to Artificial Solutions' Board members. Artificial Solutions issued 195,628 warrants to the subsidiary Artificial Solutions Holding ASH AB, which subscribed for all warrants. As of 31 March 2019, Artificial Solutions Holding ASH AB has allocated 195,628 warrants to the board members of the Company for SEK 4.58 per warrant.

The warrants of Serie 2019/2022 give the right to subscribe for one new share in the Company at a subscription price of 150 per cent of SEK 32.87, which corresponds to the volume-weighted average price for the Company's share on Nasdaq First North during the period from 11 March 2019 to 22 March 2019 ("VWAP"). The maximum dilution under Incentive Program 2019/2022 is estimated to amount to a maximum of approximately 0.89 per cent of the total number of shares and votes in Artificial Solutions. The warrants can be exercised during the period from 1 February 2022 until 15 June 2022.

Incentive Program 2019/2024

At the Annual General Meeting of Artificial Solutions on 28 February 2019, it was resolved to introduce a long-term incentive program in the form of a warrant program, Incentive Program 2019/2024. The incentive program is directed to senior executives and other key personnel. Artificial Solutions issued 978,135 warrants to the subsidiary Artificial Solutions Holding ASH AB, which subscribed for all warrants. As of 31 March 2019, Artificial Solutions Holding ASH AB has allocated 859,720 warrants to employees within the Group for SEK 11.26 per warrant to employees in Sweden and without consideration to employees outside of Sweden.

The warrants of Serie 2019/2022 give the right to subscribe for one new share in the Company at a subscription price of 100 per cent of SEK 32.87, which corresponds to VWAP as defined above. The maximum dilution effect under Incentive Program 2019/2024 is estimated to amount to a maximum of approximately 4.44 percent of the total number of shares and votes in Artificial Solutions. The warrants can be exercised during the period from 1 February 2022 until 15 June 2022. However, no UK employees received any warrants but instead EMI options giving the right to the same number of shares as the UK employee should have received right to under the Incentive Program 2019/2024, on substantially the same terms and conditions as under Incentive Program 2019/2024.

Audit review report

This interim report has not been reviewed by the Company's auditors.

Financial calendar

Interim Report January–June 2019 will be published on 14 August 2019

Interim Report January–September 2019 will be published on 14 November 2019

Year-end Report January–December 2019 will be 27 February 2020

Stockholm, 14 May 2019

Lawrence Flynn

CEO

This information is such that Artificial Solutions International AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 07.30 CET on May 14, 2019.

Erik Penser Bank AB (publ), is the company's Certified Adviser.

GROUP FINANCIAL STATEMENTS
GROUP CONSOLIDATED INCOME STATEMENTS

MSEK	Jan - Mar		Jan-Dec
	2019	2018	2018
Operating income, etc.			
Net sales	12.6	12.4	44.9
Capitalized amount for own accounts	2.3	2.9	12.2
Other operating income	-	-	5.3
	14.9	15.3	62.4
Operating expenses			
Other external costs	-17.7	-9.9	-51.5
Personnel costs	-29.0	-26.3	-105.9
Depreciation and amortisation on fixed assets	-3.0	-7.2	-23.7
Other operating expenses	-22.1	-0.0	-0.1
Operating loss	-56.9	-28.1	-118.8
Result from financial investment			
Interest income and similar items	5.4	2.6	3.6
Interest expenses and similar items	-7.8	-2.0	-30.9
Loss after financial items	-59.3	-27.5	-146.1
Tax on profit for the period	-	-	-
NET RESULT FOR THE PERIOD	-59.3	-27.5	-146.1

GROUP CONSOLIDATED BALANCE SHEET

MSEK	31 Mar		31 Dec
	2019	2018	2018
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalized expenditure for licensed software and content development	29.3	31.1	29.4
Goodwill	-	4.5	-
	29.3	35.6	29.4
<i>Tangible fixed assets</i>			
Equipment, furniture and fitting	1.8	2.2	1.8
	1.8	2.2	1.8
<i>Financial fixed assets</i>			
Other non-current receivables	5.6	5.4	5.5
Total fixed assets	36.7	43.1	36.7
Current assets			
Current receivables			
Accounts receivable - trade	6.4	6.5	5.7
Current tax receivable	5.4	3.8	9.1
Other receivables	11.9	0.5	3.4
Prepaid expenses and accrued income	8.9	5.6	4.8
	32.6	16.3	23.0
Cash and bank balances	9.6	9.3	46.8
Total current assets	42.2	25.6	69.8
TOTAL ASSETS	78.9	68.7	106.5
EQUITY AND LIABILITIES			
Equity			
Share capital	39.5	31.8	37.4
Share premium reserve	1,047.1	645.5	774.9
Other equity including result for the period	-1,215.0	-783.7	-898.7
Total equity	-128.4	-106.4	-86.4
Non-current liabilities			
Liabilities to other lenders	52.9	26.1	52.3
Total long-term liabilities	52.9	26.1	52.3
Current liabilities			
Liabilities to other lenders	99.6	116.0	93.7
Accounts payable – trade	6.7	2.4	3.7
Current tax payable	0.1	0.0	0.0
Other liabilities	4.2	2.4	3.6
Accrued expenses and deferred income	43.7	28.2	39.6
Total current liabilities	154.3	149.1	140.6
TOTAL EQUITY AND LIABILITIES	78.9	68.7	106.5

GROUP CONSOLIDATED CASH FLOW STATEMENT

MSEK	Jan-Mar		Jan-Dec
	2019	2018	2018
Operating activities			
Operating loss	-56.9	-28.1	-118.8
Depreciation/amortisation on assets	3.0	7.22	23.7
Adjustments for non-cash items	18.8	-1.2	-0.6
	-35.1	-22.1	-95.6
Interest received	0.0	1.9	3.1
Interest paid	-2.3	-5.3	-17.9
Taxation paid and received	3.7	0.0	0.0
Cash flow from operating activities before changes in working capital	-33.6	-25.5	-110.5
<i>Cash flow from changes in working capital</i>			
(Increase)/Decrease in receivables	-13.5	3.2	-20.0
Increase/(Decrease) in liabilities	14.4	-5.6	8.5
Cash flow from operating activities	-32.7	-28.0	-122.0
Investing activities			
Payments to acquire tangible fixed assets	-0.1	0.0	-0.3
Payments to acquire intangible fixed assets	-2.3	-3.0	-12.8
Cashflow from investing activities	-2.4	-3.0	-13.1
Financing activities			
New share issue	-	-	132.2
Cost of new share issue	-2.0	-0.1	-3.6
Change in loans	-0.1	35.3	48.2
Cash flow from financing activities	-2.1	35.2	176.8
Net change in cash and cash equivalents	-37.2	4.2	41.8
Cash and cash equivalents beginning of the period	46.8	5.0	5.0
Cash and cash equivalents end of the period	9.6	9.3	46.8

GROUP CONSOLIDATED CHANGE IN EQUITY

MSEK	31 Mar		31 Dec
	2019	2018	2018
Amount brought forward	-86.4	-74.1	-74.1
New Issue of shares	22.6	-0.1	136.8
Translation differences	-5.4	-4.8	-3.0
Result for the Period	-59.3	-27.5	-146.1
Amount Carried Forward	-128.4	-106.4	-86.4

KEY FIGURES

MSEK	Jan-Mar		Jan-Dec
	2019	2018	2018
Order Intake	16.8	18.4	55.4
Order Backlog	40.8	31.7	35.2
Net Sales	12.6	12.4	44.9
Gross Margin	6.3	6.9	20.2
Gross Margin %	50%	55%	45%
Adjusted EBITDA	-27.7	-20.9	-100.3
Usage Revenue	1.5	1.5	5.3
Usage Revenue %	12%	12%	12%
Partner Order Intake %	10%	6%	50%
Partner Revenue %	50%	27%	32%

FINANCIAL STATEMENTS, PARENT COMPANY

PARENT COMPANY INCOME STATEMENT

MSEK	Jan - Mar		Jan-Dec
	2019	2018	2018
Operating income, etc.			
Other operating income	-	7.9	17.4
	-	7.9	17.4
Operating expenses			
Other external costs	-1.2	-14.4	-38.1
Operating loss	-1.2	-6.5	-20.7
Result from financial investment			
Interest income and similar items	0.1	-	-
Interest expenses and similar items	-0.3	-0.1	-1.3
Loss after financial items	-1.5	-6,6	-22.0
Appropriations			
Result before tax	-1.5	-6.6	-22.0
Tax on result for the Period	-	-	-
NET RESULT FOR THE PERIOD	-1.5	-6.6	-22.0

PARENT COMPANY BALANCE SHEET

MSEK	31 Mar		31 Dec
	2019	2018	2018
ASSETS			
Fixed assets	-	21.5	-
Financial fixed assets			
Participations in Group companies	1,119.2	8.7	21.8
Receivables from Group companies	0.0	-	-
	1,119.2	8.7	21.8
Total fixed assets	1,119.2	30.2	21.8
Current assets			
Current receivables			
Other receivables	3.5	3.3	3.0
Prepaid expenses and accrued income	3.5	6.0	5.2
	7.0	9.3	8.2
Cash and bank balances	-	4.2	-
Total current assets	7.0	13.5	8.2
TOTAL ASSETS	1,126.1	43.6	30.0
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	39.5	21.6	2.8
	39.5	21.6	2.8
Non-restricted equity			
Share premium reserve	1,047.1	52.4	58.9
Losses carried forward	33.4	-37.7	-15.1
Result for the period	-1.5	-6.6	-22.0
	1,079.0	8.1	21.8
Total equity	1,118.6	29.7	24.7
Non-current liabilities			
Liabilities to other lenders	0.3	3.3	0.4
Total non-current liabilities	0.3	3.3	0.4
Current liabilities			
Liabilities to other lenders	1.1	2.2	0.7
Accounts payable – trade	4.0	3.0	2.3
Liabilities to Group companies	1.0	-	0.3
Other liabilities	0.2	1.2	-
Accrued expenses and deferred income	1.1	4.1	1.7
Total current liabilities	7.3	10.6	4.9
TOTAL EQUITY AND LIABILITIES	1,126.1	43.6	30.0

PARENT COMPANY CASH FLOW STATEMENT

MSEK	Jan-Mar		Jan-Dec
	2019	2018	2018
Operating activities			
Operating loss	-1.2	-6.5	-20.7
Adjustments for non-cash items	-	0.2	1.1
	-1.2	-6.3	-19.6
Interest received	-	-	-
Interest paid	-0.0	-0.1	-0.3
Cash flow from operating activities before changes in working capital	-1.2	-6.4	-19.8
<i>Cash flow from changes in working capital</i>	5.3	0.4	-0.8
Cash flow from operating activities	4.1	-6.0	-20.6
Cash flow from investing activities	-	-2.2	-4.1
Cash flow from financing activities	-4.1	-0.4	12.0
Net change in cash and cash equivalents	0	-8.5	-12.7
Cash and cash equivalents beginning of the period	-	12.7	12.7
Cash and cash equivalents end of the period	-	4.2	-

PARENT COMPANY CHANGE IN EQUITY

MSEK	31 Mar		31 Dec
	2019	2018	2018
Amount brought forward	24.7	27.9	27.9
New Issue of Shares	1,117.1	8.4	16.4
Distributed to shareholders/Indentive Värdepapper	-21.8	-	-
Shareholder Contribution	-	-	2.3
Result for the period	-1.5	-6.6	-22.0
Amount carried forward	1,118.6	29.7	24.7

DEFINITIONS OF KEY PERFORMANCE INDICATORS NOT DEFINED IN ACCORDANCE WITH BFNR

Financial measures	Description
Order Intake	The value of contractually committed orders received from customers in the period.
Order Backlog	The value of contractually committed orders received from customers which have not yet been recognized as revenue.
Usage Revenue	The amount of revenue derived solely from the usage of the Teneo Platform.
Usage Revenue as % Total Revenue	Is calculated as the total usage revenue in the period as a percent of Total Revenue from Operations in the period.
Gross Margin, % Revenue	Gross Margin expressed as a per cent of Total Revenue. Gross Margin is calculated by applying the cost of product delivered, for professional services the cost is taken as the average fully loaded cost of days invoiced to the customer.
Partner % of Order Intake	The value of Order Intake received from Partners as a per cent of the total value of Order Intake in the period.
Partner Revenue %	The value of Revenue recognised from Partners as a per cent of the total value of Revenue in the period.
Net Sales	Revenue derived directly from the delivery of customer projects.
EBITDA	Earnings before interest, tax depreciation and amortization.
<i>Costs related to Research & Development</i>	Total costs related to Research & Development.
Average number of shares before dilution	Average number of shares during the period.
Average number of shares before dilution	Average number of shares during the period including number of shares at full dilution.

Analyst Call

A conference call will be held on 14 May 2019 at 10:00 a.m. CET. Lawrence Flynn, CEO, and Chris Bushnell, CFO, will present the results. The conference call will be held in English.

To participate in the conference, use any of the following dial-in numbers:

International	(+44) 20 7192 8338
UK (local)	(+44) 844 481 9752
Sweden (local)	(+46) 8 56618467
Spain (local)	(+34) 91-4143675
United States (local)	(+1) 646-7413167

Conference ID: 3975519

Please dial in 5–10 minutes ahead in order to complete the short registration process.

CONTACT INFORMATION

Lawrence Flynn, CEO, Tel: +44 (0)1635 523267

ABOUT ARTIFICIAL SOLUTIONS

Artificial Solutions® is the leading specialist in enterprise-strength Conversational AI, a form of Artificial Intelligence that allows people to communicate with applications, websites and devices in everyday, humanlike natural language via voice, text, touch or gesture input.

Designed for the global enterprise, the company's advanced conversational AI platform, Teneo®, allows business users and developers to collaborate on creating sophisticated, highly intelligent applications that run across 35 languages, multiple platforms and channels in record time. The ability to analyze and make use of the enormous quantities of conversational data is fully integrated within Teneo, delivering unprecedented levels of insight that reveal what customers are truly thinking.

Artificial Solutions' conversational AI technology makes it easy to implement a wide range of natural language applications such as virtual assistants, chatbots, speech-based conversational UIs for smart devices and more. It is already used daily by millions of people across hundreds of private and public-sector deployments worldwide.

For more information visit www.artificial-solutions.com.