

QUARTERLY REPORT: JANUARY TO MARCH 2025

More Than Doubled Pipeline since Q4 2024 Report

JANUARY TO MARCH 2025

- SaaS API Call revenues amounted to 14.6 (5.1) MSEK, +185%
- SaaS API Call volumes amounted to 60.6 million (23.8), +154 %
- SaaS ARR amounted to 74.7 MSEK (37.2), +101%
- Total ARR amounted to 101.1 MSEK (66.9), +51%
- Recurring revenues amounted to 25.3 MSEK (17.0), +49%
- Net Revenue Retention Rate (NRR) +142% (141)
- Net sales amounted to 25.3 MSEK (17.1), +47%
- Gross margin amounted to 86% (79)
- EBITDA adjusted amounted to -1.4 MSEK (-8.4), +83%
- Earnings per share amounted to -0.1 SEK (-0.0)

EVENTS DURING THE QUARTER

- Pipeline more than doubled since Q4 2024 report
- Teneo.ai successfully raises 60 MSEK through an oversubscribed directed share issue
- Raizor and Teneo.AI join forces to deliver Generative AI and Conversational AI for Enterprise Contact Centers
- Renewal of SaaS agreement with Medtronic, one of the largest medical device companies in the world
- Renewal of SaaS agreement with Global American Tech company

EVENTS AFTER THE QUARTER

- CloudHesive and Teneo.ai Partner to Supercharge Amazon Connect and ConnectPath CX with AI-Driven Automation
- Renewal of license agreement with Swisscom, the leading Swiss telecom operator
- Two years renewal of license agreement with AT&T, an American multinational telecommunications company
- Successful completion of SOC 2 Type II audit, underscoring the highest standards of data security for our clients

KEY FIGURES (FOR DEFINITIONS PLEASE SEE PAGE 18)

	JAN-MAR 2025	JAN-MAR 2024	JAN-DEC 2024
Net sales (MSEK)	25.3	17.1	84.1
Recurring revenues (MSEK)	25.3	17.0	83.5
ARR (MSEK)	101.1	66.9	103.9
SaaS ARR (MSEK)	74.7	37.2	75.1
SaaS ARR constant currency (MSEK)	74.7	37.8	74.6
SaaS API Call Revenues (MSEK)	14.6	5.1	36.3
SaaS API Call Volumes (average Million)	60.6	23.8	60.3
NRR %	142%	141%	135%
Gross margin %	86%	79%	79%
Gross margin % (excl. commission)	86%	79%	83%
EBITDA adjusted (MSEK)	-1.4	-8.5	-22.3
Earnings per share (SEK)	-0.1	-0.0	-0.2
Cash flow from operating activities before changes in working capital (MSEK)	-9.3	-4.0	-30.6

CEO STATEMENT



Per Ottosson
CEO

Dear Shareholders, Team Teneo.ai and Partners,

The first quarter 2025 marked a strategic period focused on Recruitment, Pipeline Development, and Customer Renewals. I'm pleased to report that our team at Teneo.ai delivered outstandingly across all these areas.

MARKET OVERVIEW

In the first quarter 2025, the generative AI space continued to evolve rapidly, introducing significant advancements such as realistic video generation, document-driven podcasts, and extensive context windows capable of handling entire books. However, enterprise integration of these capabilities continues to face persistent hurdles regarding security, accuracy, and performance. Teneo remains uniquely positioned in the market, effectively managing high-volume telephony operations and automating up to 80% of incoming calls, offering unmatched efficiency and reliability. In the fourth quarter 2024, Genesys, a market leader in enterprise telephony, validated our solution's substantial cost-saving and quality improvement benefits, further underscoring Teneo's industry leadership.

Teneo.ai has a large proportion of our business with US customers. The company maintains a stable outlook, with no immediate risks identified from current U.S. administrative actions or proposed economic measures, including toll tariffs. The positive side of the current development for Teneo is an increased focus on cost reductions which increases the interest in adding AI Agents into the workforce.

RECRUITMENT INITIATIVES

We concluded 2024 on strong foundations, demonstrating the efficacy of our business model in delivering robust margins and sustainable cash flow. To further leverage our growth momentum, we strategically expanded our Go-To-Market capabilities, notably through key recruitments. Our EMEA organization is now complemented by a dedicated US team consisting of seven seasoned go-to-market specialists who all had joined us by March 1st, contributing immediately to pipeline growth. This new US organization not only expands our geographical reach but also strategically positions us to address future regulatory landscapes by deploying services from region-specific clouds.

PIPELINE DEVELOPMENT

Sales and Marketing in the first quarter 2025 prioritized US pipeline creation and advancing our existing opportunities within EMEA. In EMEA, we observed a growing trend of enterprises coming to Teneo after encountering deployment challenges with alternative technologies and increasing dissatisfaction with traditional chatbots. This has broadened our opportunities beyond our core UK and US market, notably enhancing our partnership with Microsoft, which has become a valuable lead generation channel. While we will opportunistically pursue business across EMEA, the US and UK markets remain our primary strategic focus.

STRATEGIC SALES EVENTS

In the first quarter 2025, we were honoured to participate in two important sales kick-offs: Genesys and NWN.

Genesys, processing over five billion calls on its platform during Q1 alone, highlighted Teneo as a pivotal value-added solution for their customers. Our joint approach to sales enablement significantly strengthened our US pipeline.

We also commenced a promising partnership with NWN, the largest reseller of Genesys Cloud services. NWN stands to benefit significantly by reselling Teneo licenses and providing integration services, making this partnership strategically beneficial for both parties.

Additionally, to strengthen our presence in the AWS ecosystem, we established a partnership with CloudHesive, aiming to deliver combined solutions leveraging AWS Connect and Teneo technology. Although formalized after the first quarter 2025 concluded, this partnership represents an essential channel for future growth, reinforcing our technological edge in the AWS Connect market.

Our new sales pipeline is measured as a 12-month subscription value, excluding future API calls—though API calls make up most of our revenue. The pipeline is weighted based on the sales stage of each opportunity and does not include additional revenue from existing customers.

For example, consider a sales opportunity for a new customer similar to one of our large existing clients. If this opportunity is in the *qualified* sales stage, it would be valued at:

$9,900 \text{ times } 12 \text{ months times } 20 \% \text{ (weight for qualified stage)} = \text{approximately } 24,000 \text{ EUR.}$

While the long-term potential revenue from such a customer could be 3.5 MEUR per year, our pipeline reflects only 24,000 EUR at this stage.

Since our fourth quarter 2024 report, our weighted pipeline has more than doubled to 1 050 000 EUR from 461 000 EUR in our fourth quarter 2024 report. Our pipeline includes major enterprises across various sectors, driven by factors such as the discontinuation of Nuance (the foundation for traditional keypad navigation systems) and an anticipated surge in AI-driven call center interactions where the end customer uses an AI agent to call on his/her behalf.

TECHNOLOGY ADVANCEMENTS

Our technology continues to advance significantly, ensuring we maintain a competitive edge. Key developments this quarter included transitioning the operational management of our SaaS platform from an external provider back in-house, enhancing our agility and responsiveness, while also improving gross margins on revenues. Additionally, our Genesys integration achieved a deeper integration level than industry standards, fully utilizing internal Genesys services at multiple stages of the process. This comprehensive integration was officially certified by Genesys during the first quarter 2025.

RENEWALS AND CUSTOMER RETENTION

The first quarter 2025 also marked our peak period for subscription renewals, with the vast majority of our customer contracts reaching renewal points. Despite the increased regulatory demands and necessary updates to Master Service Agreements, alongside proposed price adjustments, we successfully secured 100% customer renewals. This achievement reflects exceptional dedication from our Customer Sales and Engagement teams, supported by Teneo's superior product reliability. Customer feedback underscored our value proposition with comments like: "It just works!" and "We had 100% availability over 100 million calls—unprecedented."

Looking ahead, I want to express my sincere gratitude to our dedicated team, our valued partners, and exceptional customers for their continued collaboration. Additionally, I extend special thanks to our shareholders, whose recent infusion of 60 MSEK significantly bolsters our strategic expansion into the US market.

Thank you all for your continued support and confidence.

Sincerely,

Per Ottosson, CEO
Teneo.ai

Sales Development

REVENUE MODEL, KPI'S AND FINANCIAL TARGETS

In the third quarter of 2022, the company introduced four new financial targets. Two of these financial targets were successfully met during 2024 and the remaining two financial targets are:

- >200 MSEK in ARR during 2025
- A long-term EBITA margin exceeding 30% in a mature state

Business Revenue Model

In our SaaS business model, revenue recognition happens at the actual usage/consumption of the product/services and any increases/decreases in the monthly recurring revenues are instantly captured in the SaaS ARR metric.

The revenue streams in the SaaS business and delivery model are primarily:

1. Subscription revenues from **Teneo Studio** – based on number of users (License & Support on the Non-SaaS business).
2. API calls generated in **Teneo Engine** – based on number of API calls (Usage on the Non-SaaS business).
3. **Teneo Data** – analytics platform to review users' conversations and enhance the conversational AI solutions. Revenues based on searchable data.

Recurring revenues consist of 1 to 3 above. On top of it, revenues can also be generated from provision of Professional and Expert services. These are no longer in focus for Teneo.ai as a company as we prefer our partners to provide these services to customers.

SAAS ARR AND SAAS API CALL VOLUMES KEY METRICS/KPI'S

The company measures ARR as the average monthly recurring revenues over the quarter multiplied by 12. This way of measuring ARR provides a more accurate representation of the annual recurring revenues as it removes impact from potential monthly fluctuations caused by seasonality and similar.

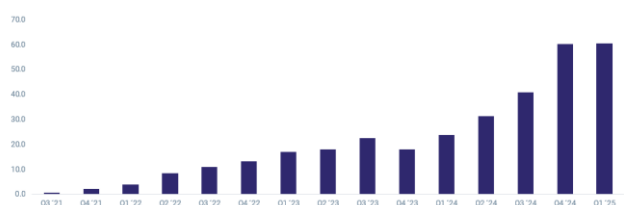
Our SaaS and total ARR will grow as we: add more customers to the SaaS model, ramp up existing customers in terms of API call volumes, and continue to convert existing customers to the SaaS model. Our Expert Services revenues are low and will be limited going forward as well due to our focus on recurring revenues.

With most of the company's revenues being generated in USD (+60%), the appreciation of the Swedish Krona versus USD but also EUR during the first quarter 2025 impact the revenues negatively and consequently also the ARR. The appreciation of the Swedish Krona in the second quarter 2025 may have slightly negative impact on our revenues versus the first quarter 2025. We focus our operations on growing existing customers API call volumes combined with adding new customers and increasing prices for our software when we renew contracts. That is key to increasing the revenues, ARR and the value of our company in the long term.

An important KPI to follow is therefore the API call volume development on the SaaS model as this metric is linked to the API call revenues generated by SaaS customers.

The graph below shows that monthly average SaaS API call volumes increased from 23.8 million in the first quarter 2024 to 60.6 million in the first quarter 2025, equivalent to a growth of 154% and surpassing SaaS API call volumes from our record fourth quarter 2024 with 1% growth rate, 3% on like for like basis in terms of number of days between the quarters.

SaaS API Calls Quarterly Average (million) + 154% YoY



A SaaS customer is a subscription base customer that reports on API calls generated. If we add one customer at the end of a quarter, the actual revenues generated may be limited or even zero.

An important part of the company strategy is to focus on partnerships. The distribution channels of the company through its partners means that one subscription would entitle the partner to have multiple customers, representing one customer for Teneo.ai even if revenues were multiplied. For instance, Valcon and BSL are already working on that model, and we see more partners picking that up. This means that one partner can have several customers that have smaller or larger volumes but still represent a large API call volume for the total. The most important metric for us therefore is the total number of API calls generated.

The SaaS business model is growing in importance. The recurring revenues derived from SaaS customers for the first quarter 2025 amounted to 18.7 MSEK (9.3) and constituted 73% (54) of total recurring revenues, 25.3 MSEK (17.0), and 74% (54) of net sales.

The SaaS ARR in the first quarter 2025 amounted to 74.7 MSEK, an increase from 37.2 MSEK in the same period 2024, equivalent to a growth of 101%. ARR for total business amounted to 101.1 MSEK in the first quarter 2025, an increase from 66.9 MSEK in the same period 2024, equivalent to a growth of 51%. Graphical details can be found on the chart below.

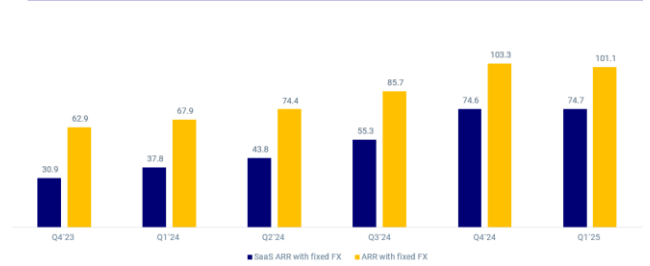
SaaS and Total ARR Quarterly Average (MSEK) + 101% SaaS YoY



The SaaS ARR in the first quarter 2025 in constant currency amounted to 74.7 MSEK, an increase from 37.8 MSEK in the same period 2024, equivalent to a growth of 98%. ARR for total business amounted to 101.1 MSEK in the first quarter 2025, an increase from 67.9 MSEK in the same period 2024, equivalent to a growth of 49%.

In constant currency, SaaS ARR grows in the first quarter 2025 versus the fourth quarter 2024, as detailed in the graph below.

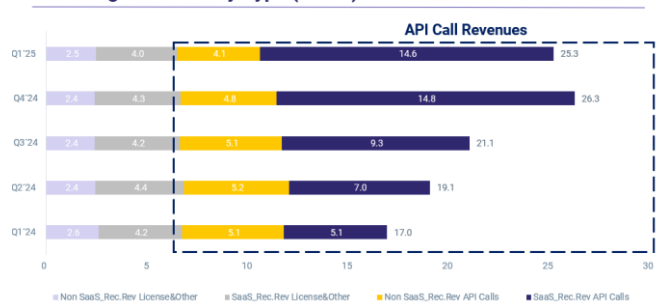
SaaS and Total ARR Quarterly Average (MSEK) Constant Currency



SPLIT OF RECURRING REVENUES

The recurring revenues for the first quarter 2025 amounted to 25.3 MSEK (17.0), equivalent to 99% (99) of net sales and an increase of 49% compared with the same period last year. The API call revenues (API Calls plus Data Searchable and other revenues derived from usage of the Platform) for SaaS and non-SaaS combined for the first quarter 2025 amounted to 18.9 MSEK (10.3), equivalent to 73% (54) of total net sales and an increase of 84% compared with the same period last year. The SaaS API call revenues in the first quarter amounted to 14.6 MSEK (5.1), equivalent to an increase of 185% compared with the same period last year. The SaaS API call revenues in the first quarter 2025 are negatively impacted with 1,5% versus the fourth quarter 2024 due to currency changes and number of days. On the graphic below, the development and growth in the recurring revenues by type is highlighted.

Recurring Revenues by Type (MSEK)

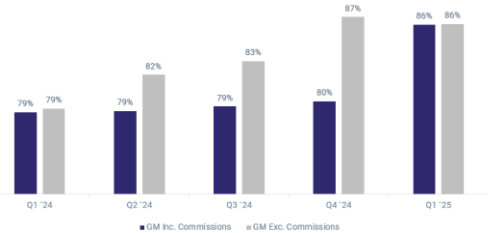


For non-SaaS customers, the revenues on API calls amounted to 4.1 MSEK (5.1) in the first quarter of 2025. The reason for the decline is related to currency, seasonality together with one client divesting one unit where the customer previously used Teneo.

STABLE GROSS MARGIN AT +86%

The growth in API calls is key for our gross margin to improve from current levels. Short-term commission costs, especially for new customers, can impact negatively and we therefore also report gross margin excluding commission costs. The graphic below shows the evolution of our gross margin as our API call volumes grow and proves the stability of the model with two consecutive quarters with +86% gross margin levels.

Strong Performance: 86% Gross Margin Highlights SaaS Model Efficiency



JANUARY TO MARCH 2025

Net sales for the first quarter 2025 amounted to 25.3 MSEK (17.1), equivalent to an increase of 47% compared to the same period last year. The recurring revenues in the first quarter 2025 amounted to 25.3 MSEK (17.0), equivalent to 99% (99) of total net sales and an increase of 49% compared with the same period last year. A high percentage of recurring revenues of total net sales provides stability and visibility and is the foundation of our SaaS model.

Personnel costs in the first quarter 2025 amounted to -22.9 MSEK (-21.0). The increase in personnel costs in the first quarter 2025 compared to same period last year is primarily due to non-recurring costs of 4.1 MSEK, mainly associated cost linked to the payment of variables in Sweden, which amounted to -2.4 MSEK. Total headcount end of March 2025 amounted to 62 (58). In addition to the employed staff, the company also has commitments with specialized contractors and the total cost in the first quarter of 2025 amounted to -4.1 MSEK (-2.9 MSEK). These costs are recorded under Other Operating Expenses. Total number of consultants end of March 2025 amounted to 11 (5).

Depreciation and amortization in the first quarter 2025 amounted to -4.6 MSEK (-4.1).

Capitalized R&D for the period amounted to 6.0 MSEK (5.5). The increase is due to a slightly higher capitalization rate.

Total operating expenses, including depreciation and amortization, in the first quarter 2025 amounted to -41.8 MSEK (-37.8).

The annual operating expenses run rate in the first quarter 2025, excluding depreciation and amortization, non-recurring items of -4.5 MSEK and cost of sales of -3.6 MSEK amounted to -117 MSEK (110) in the first quarter 2025. The average monthly operating expenses in the first quarter 2025, excluding depreciation and amortization, non-recurring cost items and cost of sales amounted to -9.7 MSEK (-9.1). As announced, the company keeps on investing in sales, marketing and staff, so the operating expenses run rate will increase in the second quarter 2025 in line with what was communicated in the fourth quarter 2024 report.

FINANCIAL ITEMS AND TAX

Net financial items for the first quarter 2025 amounted to -18.3 MSEK (4.0). The interest income and costs for the first quarter 2025 amounted to -3.5 MSEK (-3.5). The interest cost for the credit facility in the first quarter 2025 amounted to -3.7 MSEK (-3.6) of which -2.7 MSEK correspond to real interest and -0.9 MSEK to the capitalized costs related to the transaction. The interest rate of the credit facility is a 4.00% fixed interest rate and is not payable until maturity in December 2026. The net financial items for the first quarter were impacted with -14.8 MSEK of currency exchange rate differences, of which -13.6 MSEK are unrealized exchange rate differences, and -1.2 MSEK are realized.

Due to the value of accumulated tax losses carried forward there is no tax payable in relation to 2024 and 2025.

CASH FLOW, WORKING CAPITAL AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital in the first quarter 2025 amounted to -9.3 MSEK (-4.0). Up until the first quarter 2024, the company has annually received tax refund associated to R&D activities in Spain of approximately 5 MSEK annually. This tax refund will, as expected, not materialize going forward. In the first quarter January 2024, the tax refund represented cash inflow of 4.3 MSEK while there is no such cash inflow in the first quarter 2025.

In the first quarter 2025, adjustments for items not affecting cash flow amounted to -2.1 MSEK (3.8) which mainly correspond to currency differences from consolidation.

Cash flow from operating activities for the first quarter 2025 amounted to -13.9 MSEK (-7.9).

Cash flow from investing activities in the first quarter 2025 amounted to -6.0 MSEK (-5.6). It relates mainly to capitalized R&D expenditures. The increase in investing activities is an effect of a higher capitalization rate.

Cash flow from financing activities for the first quarter 2025 amounted to 55.4 MSEK (0.0). In the first quarter 2025, the company received proceeds related to the directed share issue, a total of 60 MSEK before transactional costs, of which approximately 37.3 MSEK were received through Tranche 1 and 22.7 MSEK through Tranche 2.

The company's cash and bank position as of March 31, 2025, amounted to 53.9 MSEK (24.6). Adjusted for 9.7 MSEK from payments of customer receivables in the second quarter 2025, the cash and bank position would have amounted to 63.6 MSEK.

With the steps mentioned before, it is the board of directors' expectation that the Group cash requirements have been adequately addressed.

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).

The parent company applies the same accounting principles as the group, if not otherwise indicated. The accounting principles remain unchanged compared to the previous year.

PARENT COMPANY

The parent company is Teneo AI AB (publ).

In the first quarter of 2025 net sales amounted to 0.4 MSEK (0.4), all being recurring revenues. These are revenues from a single customer agreement entered into with the parent company.

In the first quarter of 2025, operating expenses amounted to -3.8 MSEK (-5.3). The parent company centralizes the contract with the group supplier of cloud services. From 2025, those costs are reallocated on a quarterly basis to the group sales entities, and that justifies the decrease compared to same period previous year at parent company level.

Net financial items for the first quarter of 2025 amounted to -3.9 MSEK (-3.2), of which -2.6 MSEK (-2.6) relate to interest income and costs, -0.9 MSEK (-0.9) to capitalized transaction costs.

FINANCING

On February 5, 2025, Teneo AI carried out a directed issue of 120,000,000 shares, corresponding to 60 MSEK, of which 74,628,848 shares were resolved by the board of directors within the authorization granted by the annual general meeting on 26 June 2024 ("Tranche 1"), while 45,371,152 shares were resolved by the board of directors subject to approval from a subsequent extraordinary general meeting ("Tranche 2"). The subscription price of the shares in the directed share issue amounted to SEK 0.50 per share and was determined through an accelerated book building procedure led by Pareto Securities AB. Total proceeds after transaction costs amounted to 55.4 MSEK.

The company has a 5-year 250 MSEK loan maturing in December 2026 at an annual 4.00% flat interest rate. With the contemplated directed share issue, the company ensures that the company will capture the growth momentum in the operations in the US as well as meeting its 30 MSEK minimum liquidity covenant starting on March 31, 2025. The minimum liquidity covenant is recurring quarterly until maturity of the loan and has been met by the company with a position of cash on bank end of March 2025 of 53.9 MSEK.

SIGNIFICANT RISKS AND UNCERTAINTIES

The company is not experiencing any direct negative impact due to the current active Political and Geopolitical conflicts. The company has no operations nor customers in conflict zones. The company is not experiencing disruption on its operations due to regulatory shifts concerning data privacy, security, or compliance.

The company maintains a stable outlook, with no immediate risks identified from current U.S. administrative actions or proposed economic measures, including toll tariffs.

For further information about risks and uncertainties, see page 54 in the 2023 Annual report, which you can be found on <https://www.teneo.ai/investors/financial-information/financial-reports>.

RELATED-PARTY TRANSACTIONS

The company does not have any agreement with any related party.

EMPLOYEES

The headcount end of March 2025 amounted to 62 (58). The number of full-time equivalent employees in the group in March 2025, amounted to 61 (58). In addition to the staff employed, the company also has commitments with specialized contractors, 11 (5) consultants in total at the end of March 2025.

EVENTS DURING THE QUARTER

Directed Share Issue Raises 60 MSEK

On February 5, 2025, the board of directors of Teneo.ai resolved a directed share issue, partly based on the authorization granted by the annual general meeting on 26 June 2024 of 74,628,848 shares (Tranche 1), and (ii) partly conditional upon approval by an extraordinary general meeting of the board's resolution for a directed share issue of 45,371,152 shares (Tranche 2). On EGM celebrated on February 27, 2025, Tranche 2 was approved.

The subscription price in the directed share issue was SEK 0.50 per share and was determined through an accelerated book building procedure carried out by the company's financial advisor Pareto Securities AB. It was therefore the board of directors' assessment that the terms for the directed share issue and the subscription price per share reflected prevailing market conditions and investor

demand. The directed share issue amounted to a total of 60 MSEK before transactional costs, of which approximately 37.3 MSEK were received through Tranche 1 and 22.7 MSEK through Tranche 2.

Through the directed share issue, the number of outstanding shares in the company increased by 120,000,000 shares, from 373,144,240 shares to 493,144,240 shares and the share capital increased by SEK 52,688,356.176213, from SEK 163,836,305.185187 to SEK 216,524,661.361400. The directed share issue entailed a dilution of approximately 24.3 percent of the number of shares and votes in the company based on the number of shares and votes following the directed share issue.

A large number of Swedish and international institutional investors participated in the directed share issue, which was heavily oversubscribed, including existing shareholders Arpeggio AB, Martin Bjäringer, SEB-Stiftelsen and Stockhorn Capital AB as well as new investors including funds managed by Claesson & Anderzén.

Renewals Existing Customers

- Renewal of SaaS agreement with Medtronic, one of the largest medical device companies in the world, incorporating an additional subscription to the existing.
- Renewal of Global American Tech SaaS agreement.

Employees

Teneo.ai appointed Lee A. Kayne as Director of Partnerships and Strategic Accounts for North America. At quarter end, the US sales team was completed consisting of seven seasoned go-to-market specialists.

EVENTS AFTER THE QUARTER

CloudHesive and Teneo.ai Partner to Supercharge ConnectPath CX with AI-Driven Automation

CloudHesive's, ConnectPath CX platform powered by Amazon Connect now has Teneo.ai integrated, which provides Next-Generation Conversational AI capabilities.

- 30% **Cost Reduction** for Contact Centers
- 99% **AI Accuracy** in Customer Intent Recognition
- **Fully Automated** Level 1 & 2 Customer Support

This collaboration brings Teneo's advanced automation capabilities—including its NLU Accuracy Booster™ (Natural Language Understanding Accuracy Booster) —to the ConnectPath CX, CloudHesive's next-generation Contact Center as a Service (CCaaS) platform powered by Amazon Connect.

Key Benefits of Teneo's integration to ConnectPath CX

- **Agentless Contact Center** – Automates 100% of Level 1 and 50% of Level 2 support inquiries, reducing costs by up to 30%
- **NLU Accuracy Booster™** – Powered by TLML™ (Teneo Linguistic Modeling Language), delivering 99% AI accuracy in intent recognition
- **Conversational IVR for Amazon Connect** – Reduces misrouted calls by 90%, enabling instant and intelligent call routing
- **Seamless CRM & Platform Integration** – Pre-built compatibility with Salesforce, Microsoft Dynamics, Zendesk, Epic, and more.

Renewals Existing Customers

In the second quarter of 2025, the company extended existing agreements with two customers, Swisscom, The Swiss Telecom Incumbent, for one year and with AT&T, an American multinational telecommunications company, for two years.

Achieves SOC 2 Type II Attestation

In May 2025, Teneo.ai announced the successful completion of its System and Organization Controls (SOC) 2 Type II audits. This attestation, specifically covering the Security Trust Service Principle, underscores Teneo.ai's unwavering commitment to maintaining the highest standards of data security for its enterprise clients utilizing the Teneo Platform for sophisticated AI-driven automation and customer experiences.

Achieving SOC 2 compliance demonstrates that Teneo.ai has implemented and maintains rigorous internal controls, validated through an independent audit process, to ensure the security of its platform and the customer data it processes. This is particularly crucial for scalable, reliable, and secure AI interactions.

The SOC 2 framework, developed by the American Institute of Certified Public Accountants (AICPA), sets criteria for managing customer data based on Trust Services Criteria. Teneo.ai's attestation focuses on the Security principle, confirming that the Teneo Platform is protected against unauthorized access, unauthorized disclosure of information, and damage to systems that could compromise the availability, integrity, confidentiality, and privacy of information or systems.

SHARE-RELATED INCENTIVE PROGRAM

Incentive Programs Summary

On the date of this report, there are three existing warrant programs available:

Programs	Number of warrants	Strike Price (SEK)
2020/2025:1	3,900	8.0
2023/2026	11,381,010	1.5
2024/2027	9,256,786	0.842

The 2023/2026 Program entitles the warrant holders to subscribe for 23,943,101 new shares, equivalent to a dilutive impact of 4.5%.

The 2024/2027 Program entitles the warrant holders to subscribe for 9,256,786 new shares, equivalent to a dilutive impact of 1.8%.

At the current share price, 2020/2025:1 Program is not likely to have any dilutive impact.

The Company's Major Shareholders

Teneo.ai's shares are traded on Nasdaq First North Growth Market Stockholm under the ticker "TENE0".

The number of outstanding shares as of March 31, 2025, amounted to 493,144,240.

	31 MAR 2025	31 MAR 2024
Number of shares at the end of the period	493,144,240	273,144,240
Average number of shares before dilution	405,549,390	273,144,240
Average number of shares after dilution	405,549,390	273,144,240

The 10 largest shareholders on March 31, 2025, are listed below:

Shareholders	Capital %
Stockhorn Capital AB	16.1%
Sven Härgestam	11.0%
SEB-Stiftelsen	10.7%
Martin Bjäringer med bolag	7.1%
Theodor Jeansson Jr.	5.5%
Avanza Pension	4.0%
AB Couronne	2.3%
Claesson & Anderzén	2.0%
Staffan Bohman	1.8%
Sunhold B.V.	1.6%

AUDIT REVIEW REPORT

This Interim Report has not been reviewed by the company's auditors.

FINANCIAL CALENDAR

Annual Report Publication June 2, 2025

Annual General Meeting 2025 June 25, 2025

Interim Report for the second quarter of 2025 August 19, 2025

Interim Report for the third quarter of 2025 October 23, 2025

Interim Report for the fourth quarter of 2025 February 18, 2026

Stockholm, May 6, 2025

Per Ottosson, CEO

Teneo.ai financial reports are available at the corporate website: www.teneo.ai/investors. Teneo.ai is listed on Nasdaq First North Growth Market in Stockholm with short name TENE0. Redeye Certified Adviser is the Company's Certified Adviser ([Redeye - Nordic Growth](#), tel. +46 (0)8 121 576 90, e-mail certifiedadviser@redeye.se).

GROUP FINANCIAL STATEMENTS

GROUP CONSOLIDATED INCOME STATEMENTS

MSEK	JAN-MAR 2025	JAN-MAR 2024	JAN-DEC 2024
Net Sales	25.3	17.1	84.1
Capitalized amount for own accounts	6.0	5.5	24.2
Other operating income	0.0	1.3	2.1
Total operating income	31.3	23.9	110.5
Personnel costs	-22.9	-21.0	-90.6
Other external costs	-14.3	-12.7	-55.9
Depreciation and amortization on fixed assets	-4.6	-4.0	-20.0
Other operating expenses	0.0	-0.0	0.0
Total operating expenses	-41.8	-37.8	-166.5
Operating loss	-10.6	-13.9	-56.0
Net financial items	-18.3	4.0	-9.5
Loss after financial items	-28.9	-9.9	-65.5
Tax on result for the period	0.0	0.0	0.0
NET RESULT FOR THE PERIOD	-28.9	-9.9	-65.5

GROUP CONSOLIDATED BALANCE SHEET

MSEK	31 MAR 2025	31 DEC 2024
ASSETS		
Non-current assets		
Capitalized expenditure for licensed software and development	45.2	46.1
Equipment, furniture, and fitting	0.6	0.6
Other non-current receivables	1.1	1.1
Total non-current assets	46.8	47.8
Current assets		
Current receivables	22.4	19.3
Cash and bank balances	53.9	18.4
Total current assets	76.2	37.8
TOTAL ASSETS	123.0	85.6
EQUITY AND LIABILITIES		
Equity		
Share capital	216.5	163.8
Share premium reserve	1,402.7	1,400.0
Other equity including result for the period	-1,802.5	-1,785.1
Total Equity	-183.2	-221.3
Non-current liabilities		
Liabilities to other lenders	268.4	264.8
Total non-current liabilities	268.4	264.8
Current liabilities		
Current liabilities	12.0	9.6
Accrued expenses and deferred income	25.9	32.6
Total current liabilities	37.9	42.1
TOTAL EQUITY AND LIABILITIES	123.0	85.6

GROUP CONSOLIDATED CASH FLOW STATEMENT

MSEK	JAN-MAR 2025	JAN-MAR 2024	JAN-DEC 2024
Operating Activities			
Operating Loss	-10.6	-13.9	-56.0
<i>Items not affecting Cash Flows</i>			
Depreciation/amortization on assets	4.6	4.0	20.0
Other Adjustments	-2.1	3.8	2.8
<i>Items affecting Cash Flows</i>			
Interest Paid and received	-1.1	-2.2	-1.7
Taxation paid and received	-0.2	4.3	4.4
Cash flow from operating activities before changes in working capital	-9.3	-4.0	-30.6
Changes in working capital	-4.6	-3.9	-9.9
Cash flow from operating activities	-13.9	-7.9	-40.4
Cash flow from investing activities	-6.0	-5.6	-24.8
Cash flow from financing activities	55.4	22.9	68.5
Net change in cash and cash equivalents	35.5	9.4	3.2
Cash and cash equivalents beginning of the period	18.4	15.2	15.2
Cash and cash equivalents end of the period	53.9	24.6	18.4

GROUP CONSOLIDATED CHANGE IN EQUITY

MSEK	31 MAR 2025	31 DEC 2024
Amount Brought Forward	-221.3	-220.6
New Issue of Shares	60.0	75.6
Transaction costs	-4.6	-7.0
Warrant premiums	-	0.0
Results for the period	-28.9	-65.5
Translation difference	11.6	-3.8
Amount Carried Forward	-183.2	-221.3

KEY RATIOS

	JAN-MAR 2025	JAN-MAR 2024	JAN-DEC 2024
Net sales (MSEK)	25.3	17.1	84.1
Recurring revenues (MSEK)	25.3	17.0	83.5
ARR (MSEK)	101.1	66.9	103.9
SaaS ARR (MSEK)	74.7	37.2	75.1
SaaS ARR fixed rate ^(*) (MSEK)	74.7	37.8	74.6
SaaS API Call Revenues (MSEK)	14.6	5.1	36.3
SaaS API Call Volumes (average Million)	60.6	23.8	60.3
NRR %	142%	141%	135%
Gross margin %	86%	79%	79%
Gross margin % (excl. commission)	86%	79%	83%
EBITDA adjusted (MSEK)	-1.4	-8.5	-22.3
Earnings per share (SEK)	-0.1	-0.0	-0.2

FINANCIAL STATEMENTS PARENT COMPANY

PARENT COMPANY INCOME STATEMENT

MSEK	JAN-MAR 2025	JAN-MAR 2024	JAN-DEC 2024
Net Sales	0.4	0.4	1.6
Other operating income	-	-	8.4
Total operating income	0.4	0.4	10.0
Other external costs	-3.8	-5.3	-17.9
Total operating expenses	-3.8	-5.3	-17.9
Operating profit	-3.5	-4.9	-7.9
Net financial items	-3.9	-3.2	-7.3
Result after financial items	-7.4	-8.1	-15.2
Tax on result for the period	-	-	0.0
NET RESULT FOR THE PERIOD	-7.4	-8.1	-15.2

PARENT COMPANY BALANCE SHEET

MSEK	31 MAR 2025	31 DEC 2024
ASSETS		
Non-current assets		
Receivable from Group companies	196.1	181.9
Financial assets	283.6	283.6
Other Intangible	0.2	0.2
Total non-current assets	480.0	465.8
Current assets		
Current receivables	1.6	2.1
Cash and bank balances	51.4	12.8
Total current assets	53.0	14.9
TOTAL ASSETS	533.0	480.8
EQUITY AND LIABILITIES		
Equity		
Share capital	216.5	163.8
Share premium reserve	1,402.7	1,400.0
Other equity including result for the period	-1,362.2	-1,354.9
Total Equity	257.0	208.9
Non-current Liabilities		
Liabilities to other lenders	268.4	264.8
Total non-current liabilities	268.4	264.8
Current liabilities		
Current liabilities	4.5	2.7
Accrued expenses and deferred income	3.1	3.2
Total current liabilities	7.6	7.1
TOTAL EQUITY AND LIABILITIES	533.0	480.8

PARENT COMPANY CASH FLOW STATEMENT

MSEK	JAN-MAR 2025	JAN-MAR 2024	JAN-DEC 2024
Operating Activities			
Operating Loss	-3.5	-4.9	-7.9
<i>Items not affecting Cash Flows</i>			
Depreciation/amortization on assets	0.0	-	-
Other Adjustments		-	-
<i>Other items affecting Cash Flows</i>			
Interest paid and received	0.2	0.0	0.6
Taxation paid and received	-0.2	-	-
Cash flow from operating activities before changes in working capital	-3.4	-4.9	-7.3
Changes in working capital	-13.4	-10.5	-60.0
Cash flow from operating activities	-16.8	-15.4	-67.3
Cash flow from investing activities	0.0	0.0	-0.3
Cash flow from financing activities	55.4	22.8	68.6
Net change in cash and cash equivalents	38.6	7.3	1.0
Cash and cash equivalents beginning of the period	12.8	11.8	11.8
Cash and cash equivalents end of the period	51.4	19.1	12.8

PARENT COMPANY CHANGE IN EQUITY

MSEK	31 MAR 2025	31 DEC 2024
Amount Brought Forward	208.9	155.5
New Issue of Shares	60.0	75.6
Transaction Costs	-4.6	-7.0
Warrants	-	0.0
Results for the period	-7.4	-15.2
Amount Carried Forward	257.0	208.9

DEFINITIONS OF KEY PERFORMANCE INDICATORS NOT DEFINED IN ACCORDANCE WITH BFNAR

FINANCIAL MEASURES	DESCRIPTION
Net Sales	Reported net sales.
Usage Revenues	The amount of revenue derived solely from the usage of the Teneo Platform, both from SaaS and non-SaaS customers.
Recurring Revenues	Combined amount of revenues derived from Usage, License and Support revenues. This also includes SaaS recurring revenues.
SaaS Recurring Revenues	Recurring revenues derived from SaaS revenue model customers, based on the revenues coming from Subscription, API Calls and Searchable Data.
SaaS ARR	Annual recurring revenues based on last quarter's average SaaS Recurring Revenues (Average of quarter Recurring Revenues from SaaS x 12 months).
Net Revenue Retention (NRR)	The percentage of recurring revenues in the last twelve months (deducting recurring revenues from new customers in the period and deducting revenues from lost customers), divided by recurring revenue in the last twelve months on the previous period, all average.
Gross Profit	It is calculated as the total net sales subtracted with the total cost of sales (for direct costs per hosting clients' solutions together with commission paid to sales representatives and personnel cost of staff related to Existing Customers Expansion department).
Gross Margin %	It is calculated as the total Gross Margin expressed as a per cent of total revenue in the period.
EBITDA	Earnings before interest, tax, depreciation, and amortization.
EBITDA Adjusted	Earnings before interest, tax, depreciation, and amortization adjusted for non-recurring items and restructuring costs.
Average number of shares before dilution	Average number of shares during the period.
Average number of shares after dilution	Average number of shares during the period including number of shares at full dilution.
API	Application Programming Interface (API) that allows interaction between two applications.
API Calls	Making an API Call corresponds to the request sent through an endpoint to the server. Volumes are disclosed in millions and calculated on last quarter's average.
SaaS API Calls	Specific API calls solely for SaaS customers. Volumes are disclosed in millions.

CONFERENCE CALL

The report will be presented by Per Ottosson, CEO, and Fredrik Törgren, CFO, via Microsoft Teams Meeting on May 6, 2025, at 13:00 p.m. CET.

Please connect using this [link](#).

CONTACT INFORMATION

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ABOUT TENE0.AI

Teneo.ai (**SSME:TENE0**) delivers the most advanced Agentic AI solutions for contact center automation—helping enterprises resolve customer inquiries faster, reduce wait times, and elevate service quality. Our AI Agents achieve up to **99% accuracy**, automate over **60% of interactions**, and enable up to **50% in operational cost savings**.

Trusted by global leaders like **AT&T**, **HelloFresh**, **Swisscom**, and **Telefónica**, the Teneo platform combines **Conversational AI**, **Generative AI**, and **Large Language Models** to drive measurable improvements in **containment**, **first contact resolution (FCR)**, **CSAT**, **NPS**, and overall CX efficiency.

Teneo-powered AI Agents handle **millions of conversations daily** across voice and digital channels with enterprise-grade scalability and performance. Our patented technology integrates seamlessly with leading CCaaS and CX platforms—including **Genesys**, **Five9**, **Microsoft**, **AWS**, **Google**, and **NICE**—maximizing automation without disrupting existing workflows.

We make your AI Agents the smartest—delivering consistent, human-like experiences that accelerate growth and ROI.

Teneo.ai is listed on the **Nasdaq First North Growth Market** in Stockholm under the ticker **TENE0**. Redeye is the company's Certified Adviser certificateadviser@redeye.se.

To learn more visit www.teneo.ai/investors.



About Us

Diverse Workforce

42%

Percentage of female employees in managing positions; 34% in the whole company.

22

A multicultural workforce with 22 different nationalities.

22

Languages spoken in-house.

Patents & IP

1.6 BSEK

Amazon, Apple, Baidu, Google, Microsoft, Nuance and IBM have made forward citations of our pioneering patents.

AI Agents in Production

17,000

Teneo has surpassed 17,000 customer developed AI agents in production, making it the largest deployment of AI in customer service to date.

NLU Accuracy

99%

High AI accuracy, crucial for voicebots requires at least 90% accuracy to match human effectiveness. Teneo is achieving over 99% accuracy, outperforming AWS Lex, IBM Watson and Google DialogFlow.

