



# Interim Report Q1 2021

## January–March 2021

*"Increased  
business activity across  
the board and a strong  
earnings improvement"*

*Henrik Eskilsson, CEO*

### JANUARY–MARCH

- Revenue was SEK 339 million (380), corresponding to organic growth of 1%.
- Gross margin was 71% (71%).
- The Group's operating result improved to SEK -9 million (-23). Tobii Dynavox contributed SEK 27 million (36) and Tobii Pro SEK 2 million (1) to earnings, while investments in Tobii Tech had an impact of SEK -40 million (-61) on the Group's operating result.
- The operating result for the period amounted to SEK -3 million (-16).
- Earnings per share amounted to SEK -0.03 (-0.17).

### BUSINESS DEVELOPMENT

- The Group achieved organic growth despite significant headwinds from the pandemic and supply chain disruptions.
- The operating result continued to improve, taking Tobii at a good pace toward achieving full-year profitability in 2021.
- Tobii Tech received six design wins in several application areas, including personal computing, eye disease treatment, radiology workstations, and ADHD screening and therapy.
- Tobii launched several new and improved products, including [Tobii Horizon for head tracking in computer games](#) and a [solution for reading research](#) in the Pro Lab analysis software.
- The Board of Directors initiated a review of the group's structure and started preparations to distribute Tobii Dynavox to Tobii's shareholders with a subsequent public listing.

### FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q1 2021	Q1 2020	Change	Organic change	Full year 2020
<b>REVENUE</b>					
Tobii Dynavox	203.3	241.2	-16 %	-6 %	894.0
Tobii Pro	97.7	96.1	2 %	13 %	365.7
Tobii Tech	50.0	59.2	-16 %	-1 %	229.7
Eliminations and other, net	-12.3	-16.9	-	-	-63.2
<b>Total</b>	<b>338.7</b>	<b>379.6</b>	<b>-11 %</b>	<b>1 %</b>	<b>1,426.3</b>
<b>OPERATING PROFIT/LOSS (EBIT)</b>					
Tobii Dynavox	27.4	36.4	-25 %	-20 %	125.3
Tobii Pro	2.3	1.2	95 %	-176 %	-10.2
Tobii Tech	-39.6	-60.8	-	-	-221.4
Other	0.5	0.7	-	-	3.4
<b>Operating profit/loss from continuing operations</b>	<b>-9.3</b>	<b>-22.6</b>	<b>-</b>	<b>-</b>	<b>-102.9</b>
Profit/loss from discontinued operations	2.7	0.1	-	-	-9.8
<b>Net profit/loss for the period</b>	<b>-2.6</b>	<b>-15.9</b>	<b>-</b>	<b>-</b>	<b>-133.9</b>
Earnings per share (SEK)	-0.03	-0.17			-1.36

# Comments from the CEO

During the first quarter, business activity continued to increase in all three divisions. However, the pandemic continues to have a substantial negative impact on sales and Tobii Dynavox was also negatively affected by supply chain disruptions.

Today we are announcing plans to create two independent companies – Tobii Dynavox and Tobii. Thanks to good performance and a strong outlook, we are now ready to take this step and I am optimistic about the potential to thereby create even stronger conditions for our long-term growth and success.

During the first quarter, our business continued to gradually recover from the effects of the pandemic, which was reflected by increased customer activity in all divisions. Both our own ability to drive sales and operations, as well as that of our customers, has however continued to be negatively affected by the constraints in society. Overall, the Group achieved 1 percent organic growth and improved the operating result by SEK 14 million to SEK -9 million.

**Tobii Dynavox** decreased revenue by 6 percent organically. This decline was a result of the pandemic, which did not affect revenue in the first quarter of 2020, in combination with the effects of the previously announced supply chain disruptions for our flagship product, the I-series, which we have seen since mid-March. Our sales pipeline continued to develop strongly and was unusually high at the end of the quarter. This indicates strong underlying demand and lays the foundation to make up for deferred revenue in the second half of 2021.

The positive trend in reimbursement for assistive technology for communication continues and during the quarter President Biden signed a law allowing ALS patients in the US to receive reimbursement for assistive technology for communication five months faster.

Intensive work is ongoing to resolve the supply chain disruptions, including a small product re-design. Our assessment remains that this will result in deferred revenues of SEK 40-80 million, primarily from the second to the third quarter of 2021.

**Tobii Pro** increased revenue by 13 percent organically. Very large geographical differences were evident, with the US lagging and a strong performance in Asia. These trends make us optimistic about the prospects for good growth once the US and Europe open up after the pandemic.

Tobii Pro launched a new language and reading module in its Pro Lab analysis software, aimed at academic research. This effort is part of a larger initiative to drive advances in applied reading research and educational psychology. Eye tracking enables better treatment and earlier detection of diagnoses such as dyslexia, as well as contributes to better reading comprehension and faster reading.

**Tobii Tech's** business activity continued to strengthen after a downturn during the pandemic. During the quarter, we received six new design wins, existing customer projects have made good progress and several new engagements have been added. External revenue increased by 4 percent organically, while total revenue was 1 percent lower organically, mainly due to the supply chain disruptions for Tobii Dynavox. Tobii Tech continued to improve its operating result during the quarter at a good pace to SEK -40 million, from SEK -61 in the first quarter of 2020.

**Twenty years of development have built a solid foundation and world-leading positions**  
Since Tobii was founded 20 years ago, we have been a driving force behind the development of eye tracking technology and applications. Our vision at the start was "An eye tracker in every computer". However, neither the technology nor the world was ready for mass market adoption 20 years ago. We therefore focused on applications and markets where the technology at the time could deliver high value. In recent years, eye tracking has matured – both as a technology and how it is used in different applications. We have therefore accelerated our investment in realizing our original vision, which has evolved to include a wide range of intelligent devices.

Thanks to these investments, we have positioned Tobii as a clear world leader in the core eye tracking technology, and in the market segments in which we operate. Today, the technology enables new innovative solutions, higher performance, transformative experiences



**Henrik Eskilsson**  
President and CEO, Tobii

Read more:

[Tobii Tech launches Tobii Horizon](#)  
[Tobii Pro launches reading research solution](#)  
[EyeJustRead enables reading assessment and training for school children with Tobii eye tracking](#)

and valuable insights across a wide range of industries and application areas. The kettle is boiling with new applications enabled by eye tracking as a core technology. Many of the verticals that were still far away just a few years ago are now much closer to large-scale commercialization.

**The time is right for the next step in Tobii's development**

Following the past few years solid development and a positive outlook, the time is now right to start the process of splitting Tobii into two companies – Tobii Dynavox and Tobii. This move is a natural step in Tobii's evolution and I am very optimistic about the effects of creating two stand-alone companies, each with a greater focus on its respective mission, with organizations that are even more agile and able to pursue their strategies with greater vigor. Two clean-cut, differentiated and strong investment alternatives are formed, that are easy to understand and appreciate for investors. Both companies are well positioned as world leaders in attractive markets, with good prospects to drive strong growth for a long time to come.

Over the past few years, the collaboration between Tobii Pro and Tobii Tech has gradually increased and clear benefits of the divisions working more closely together have become evident. We have therefore taken the decision that it is now appropriate to begin work on the deeper integration of these two divisions.

After 20 years of hard work laying the foundations for Tobii in its current form, we are excited to embark on the next major phase of the company's journey. I look forward to seeing Tobii Dynavox blossom as an independent publicly traded company, while Tobii continues to capture the opportunities that emerge as eye tracking gains broad traction in society.

Henrik Eskilsson  
CEO

# The Tobii Group

Tobii is the world leader in eye tracking. Our vision is a world where all technology works in complete harmony with natural human behavior. Tobii operates in three divisions: Tobii Dynavox is the world leader in assistive technology for communication, Tobii Pro is the world leader in eye tracking solutions used to study human behavior and Tobii Tech is the world-lead supplier in eye tracking technology for integration customers in fields such as PC, VR and Niche Applications. The Group, which has about 1,000 employees, had sales of SEK 1,426 million for full-year 2020.

## KEY RATIOS

SEK m	Q1 2021	Q1 2020	Full year 2020
Revenue	338.7	379.6	1,426.3
Revenue change:	-11%		
- of which organic	1%		
- of which currency	-12%		
Gross margin*	71 %	71 %	70 %
EBITDA	51.6	28.4	116.4
EBITDA margin	15 %	7 %	8 %
Operating profit/loss (EBIT)	-9.3	-22.6	-102.9
EBIT change	-		
EBIT margin	-3 %	-6 %	-7 %

\*) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 20

## JANUARY–MARCH

### Revenue

Consolidated revenue was SEK 339 million (380), corresponding to organic growth of 1%. The pandemic continued to have a significant dampening effect on sales in all three business divisions. The supply chain disruptions at Tobii Dynavox are estimated to have negatively impacted the consolidated revenue of the Group by about 5 percentage points.

The North American market accounted for 52% (60%) of consolidated revenue, the European market 22% (20%), and the rest of the world 26% (20%).

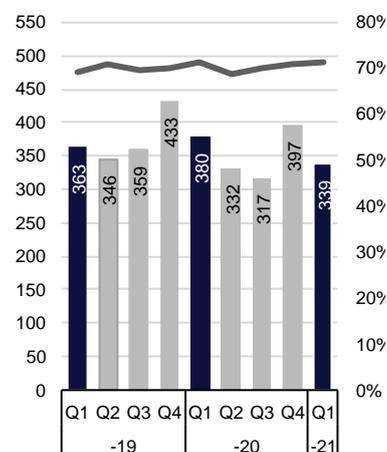
### Performance

The Group's gross margin was 71% (71%). The operating result for the Group improved to SEK -9 million (-23) and the operating margin was -3% (-6%). The cost reduction measures announced in 2020, SEK 7 million (9) in currency translation effects as well as SEK 2 million in government support related to Covid-19 had a positive impact on earnings. Operating costs were 9% lower organically compared with the same period the previous year.

Capitalization of R&D for the quarter was higher than in the comparative quarter, while R&D amortization increased by an equal amount. The impact on the operating result compared with the same quarter the previous year was therefore neutral.

Pretax loss was SEK -5 million (-15). Net financial items amounted to SEK 4 million (7) and mainly include SEK 12 million (15) in currency translation effects on balance sheet items, as well as interest expenses related to bond loans and finance leases under IFRS 16 of SEK -8 million (-7). Profit from discontinued operations was SEK 3 million (0). The result for the period was SEK -3 million (-16) and earnings per share reached SEK -0.03 (-0.17).

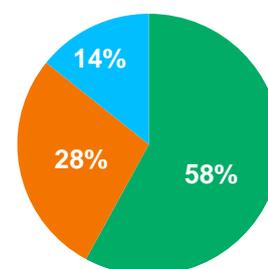
## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q1\*

SEK m	2021	2020
Total R&D expenditures	-100	-122
Capitalization	51	42
Amortization	-46	-37
R&D expenses in the income statement	-95	-117

## PERCENTAGE OF GROSS REVENUE PER DIVISION Q1



■ Tobii Dynavox ■ Tobii Pro  
■ Tobii Tech

**Cash flow, liquidity and financial position**

Cash flow from operating activities before changes in working capital amounted to SEK 51 million (19). Change in working capital amounted to SEK -10 million (-27).

Current investments amounted to SEK 46 million (54), including SEK 51 million (42) in capitalization of R&D costs. Cash flow after current investments was SEK -4 million (-62).

At the close of the period, the Group had SEK 422 million (278) in cash. Consolidated net debt totaled SEK 187 million (258), including SEK 145 million (94) in IFRS 16 finance leases.

Tobii has an established plan to refinance its current bond loan of SEK 450 million, which matures in February 2022.

**Organization**

The number of employees recalculated to full-time equivalents at the close of the period was 965 (1,045).

**EVENTS AFTER THE END OF THE PERIOD**

After the end of the quarter, the Board announced that it is conducting a review of the group's structure and has initiated work to distribute Tobii Dynavox to Tobii's shareholders in accordance with the rules of Lex Aseat. The Lex Asea provision provides tax exemption for the distribution of shares in subsidiaries in certain cases.

# Tobii Dynavox

Tobii Dynavox is the world's leading provider of assistive technology for people with impaired ability to communicate due to conditions such as ALS, autism, aphasia, cerebral palsy, or spinal cord injuries. The products include eye-controlled and touchscreen-based assistive technology for communication, as well as a variety of software.

## KEY RATIOS

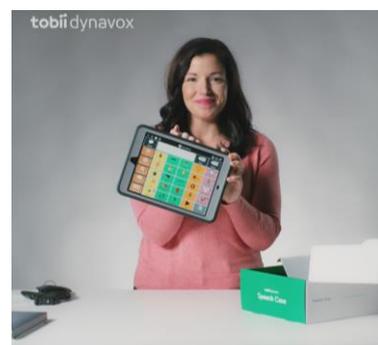
SEK m	Q1 2021	Q1 2020	Full year 2020
Revenue	203.3	241.2	894.0
Revenue change:	-16%		
- of which organic	-6%		
- of which currency	-10%		
Gross margin	68 %	68 %	66 %
EBITDA	46.5	57.3	202.7
EBITDA margin	23 %	24 %	23 %
Operating profit/loss (EBIT)	27.4	36.4	125.3
EBIT change	-25 %		
EBIT margin	13 %	15 %	14 %

- During the quarter, Tobii informed the market of supply chain disruptions for certain products that were expected to impact revenue primarily in the second quarter of 2021. The effects of the supply chain disruptions already had a negative impact on revenue at the end of March. Deliveries are expected to resume towards the end of the second quarter of 2021. Based on the current situation, the delay is expected to result in deferred revenue in the range of SEK 40-80 million, mainly from the second to the third quarter of 2021.
- An important factor for the growth of Tobii Dynavox's underlying markets is the development of replacement systems for assistive technology for communication. During the quarter, President Biden signed an executive order strengthening reimbursement rights to assistive technology for communication for ALS patients in the US.

## JANUARY–MARCH

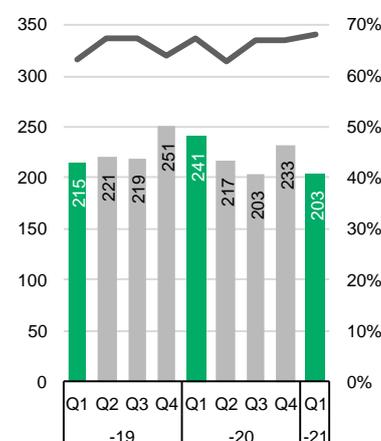
Revenue was SEK 203 million (241), corresponding to an organic decrease of 6%. The strong underlying momentum in this division continued to be clearly counteracted by pandemic-related restrictions on institutions such as schools and healthcare facilities. Sales activity was high, while reported revenue decreased because of the supply chain disruptions mentioned above. The value of the division's sales pipeline was at a significantly higher level than usual at the end of the quarter. The supply chain disruptions are estimated to have negatively impacted organic growth by around 7% percentage points. The gross margin was 68% (68%).

The operating profit was SEK 27 million (36) and the operating margin dropped 1.6 percentage points to 13% (15%). The operating margin was positively impacted by R&D capitalization and currency translation effects, but negatively impacted by lower sales due to supply chain disruptions. Adjusted for these effects, the underlying operating margin would have been more than one percentage point higher than the first quarter last year.



During the quarter, social media engagement increased by 202% to a total of 5 million interactions. This was driven in part by unboxing videos, such as [Unboxing the New Speech Case](#)

## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q1

SEK m	2021	2020
Total R&D expenditures	-33	-34
Capitalization	21	19
Amortization	-15	-16
R&D expenses in the income statement	-26	-30

# Tobii Pro

Tobii Pro is the world's leading provider of eye tracking solutions for studying human behavior. Over 3,500 companies and 2,500 research institutions are Tobii Pro customers, including several leading corporations such as Procter & Gamble, Facebook, Ipsos and Toyota, as well as 98 of the world's 100 top-ranked universities.



Tobii Pro has introduced a new more powerful solution for reading research in its Pro Lab analysis software.

## KEY RATIOS

SEK m	Q1 2021	Q1 2020	Full year 2020
Revenue	97.7	96.1	365.7
Revenue change:	2%		
- of which organic	13%		
- of which currency	-11%		
Gross margin	75 %	72 %	73 %
EBITDA	21.1	13.2	48.1
EBITDA margin	22 %	14 %	13 %
Operating profit/loss (EBIT)	2.3	1.2	-10.2
EBIT change	95 %		
EBIT margin	2 %	1 %	-3 %

- During the quarter, Tobii Pro launched a solution with expanded and more powerful tools for reading research, creating new opportunities in applied reading research and educational psychology. The tool can also be used in research to detect abnormal reading patterns, which can contribute to a better understanding of diagnoses such as dyslexia. This launch is part of the Tobii Group's efforts to expand our offering in education, which has led to a strong increase in interest in education applications from Tobii Tech integration partners.

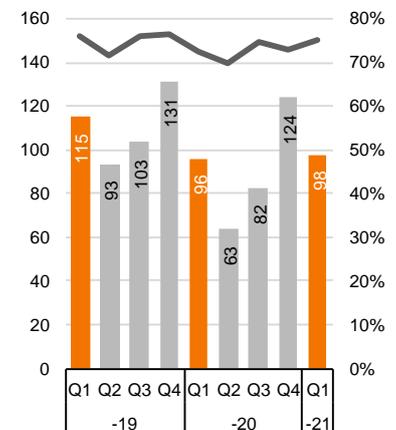
## JANUARY–MARCH

Revenue was SEK 98 million (96), corresponding to organic growth of 13%. The pandemic clearly continued to hamper sales. Strong sales growth was noted in regions where the effects of the pandemic have diminished, especially in Asia, while sales in North America continue to lag.

Gross margin was 75% (72%). The increase in gross margin is mainly attributable to organic growth.

The operating result was SEK 2 million (1) and the operating margin was 2% (1%). The operating margin has been negatively impacted by higher amortization and lower R&D capitalization.

## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q1

SEK m	2021	2020
Total R&D expenditures	-22	-22
Capitalization	13	15
Amortization	-17	-11
R&D expenses in the income statement	-25	-18

# Tobii Tech

Tobii Tech is the world-leading provider of eye tracking technology for integration into consumer electronics and other products. Customers can be found primarily in the PC, VR and Niche Applications segments. Tobii Tech's overarching objective is to maintain its world-leading position and in the long-term to achieve revenue in the billions with good profitability. This development requires major investments in technology and marketing.

## KEY RATIOS\*

SEK m	Q1 2021	Q1 2020	Full year 2020
Revenue	50.0	59.2	229.7
Revenue change:	-16%		
- of which organic	-1%		
- of which currency	-14%		
Gross margin	59 %	64 %	63 %
EBITDA	-25.6	-50.4	-168.0
EBITDA margin	-51 %	-85 %	-73 %
Operating profit/loss (EBIT)	-39.6	-60.8	-221.4
EBIT change	-		
EBIT margin	-79 %	-103 %	-96 %

\*Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross margin and R&D expenses. For more information see "Other information" on page 20

- Tobii Tech's ambition is to maintain and strengthen its position as the world's leading supplier of eye tracking technology that is integrated into a wide range of products and applications. Tobii Tech received six new design wins during the quarter, two in PC with our Tobii Aware software solution and four in medical device application areas, including eye disease screening, treatment and rehabilitation, increased efficiency and ergonomics for radiologists at their workstation, and ADHD screening and therapy.
- One of Tobii Tech's focus areas is the PC segment, where Tobii offers the Eye Tracker 5 gaming accessory. This product is important for promoting the use of eye tracking and represents a great business opportunity. Strong sales growth of Eye Tracker 5 was recorded in 2020 and this trend has continued in the first quarter of 2021.
- In order to address as large a part of the PC market as possible and to stimulate the ecosystem of applications, Tobii has been providing the Tobii Aware software for some time. After the quarter end, Tobii Horizon was launched, a PC application for computer gamers that builds on Tobii Aware, providing users with an enhanced gaming experience. During the quarter, an agreement with Lenovo was announced for the integration of Tobii Horizon into their flagship product Lenovo Legion™ 7 Gaming PC.

## JANUARY–MARCH

Total revenue was SEK 50 million (59), corresponding to an organic decrease of 1%. Sales were negatively impacted by lower internal sales during the quarter, primarily due to supply chain disruptions at Tobii Dynavox. External sales increased organically by 4%. A general improvement in underlying trends was evident. However, the delayed effects of the temporary reduced activity during 2020 continued to impede external revenue.

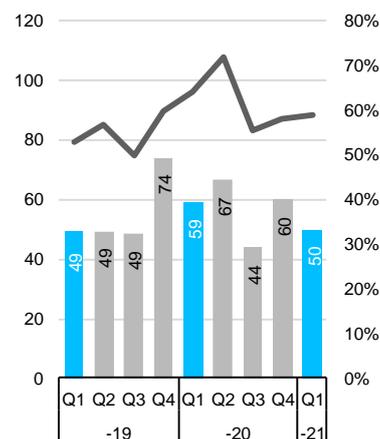
The gross margin decreased to 59% (64%), due to the sales mix.

Operating profit amounted to SEK -40 million (-61), an improvement attributable to the slightly lower investment rate implemented in the second quarter of 2020 because of the expected impact of the Covid-19 pandemic.



Tobii announced an agreement with Lenovo for integration of Tobii Horizon into their flagship product Lenovo Legion 7 Gaming PC.

## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q1\*

SEK m	2021	2020
Total R&D expenditures	-47	-66
Capitalization	16	8
Amortization	-14	-10
R&D expenses in the income statement	-45	-69

# Group

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q1 2021	Q1 2020	Full year 2020
<b>Continuing operations</b>			
Revenue	338.7	379.6	1,426.3
Cost of goods and services sold <sup>4</sup>	-97.3	-109.2	-423.6
<b>Gross profit<sup>4</sup></b>	<b>241.3</b>	<b>270.4</b>	<b>1,002.6</b>
Selling expenses	-125.7	-148.3	-530.4
Research and development expenses <sup>4</sup>	-94.7	-117.2	-427.2
Administrative expenses	-38.0	-36.2	-141.2
Other operating income and operating expenses <sup>1</sup>	7.8	8.7	-6.7
<b>Operating profit/loss</b>	<b>-9.3</b>	<b>-22.6</b>	<b>-102.9</b>
Net financial items <sup>2</sup>	4.3	7.2	-59.2
<b>Profit/loss before tax</b>	<b>-5.0</b>	<b>-15.4</b>	<b>-162.1</b>
Tax	-0.3	-0.7	37.9
<b>Net profit/loss for the period from continuing operations</b>	<b>-5.3</b>	<b>-16.0</b>	<b>-124.1</b>
<b>Discontinued operations</b>			
Net profit/loss for the period from discontinued operations	2.7	0.1	-9.8
<b>Net profit/loss for the period</b>	<b>-2.6</b>	<b>-15.9</b>	<b>-133.9</b>
<b>Other comprehensive income</b>			
Items that may subsequently be reclassified to profit or loss for the period:			
Translation differences	-4.9	-13.8	4.9
Other comprehensive income for the period, net after tax	-4.9	-13.8	4.9
Total comprehensive income for the period	-7.5	-29.7	-129.0
Of which depreciation and amortization, continuing operations	-60.9	-50.9	-212.8
Of which write-down of non-current assets, continuing operations <sup>3</sup>	-0.0	-	-6.5
Earnings per share, SEK	-0.03	-0.17	-1.36
Earnings per share, diluted, SEK	-0.03	-0.17	-1.36
Net profit/loss for the period attributable to:			
Parent company shareholders	-3.3	-16.9	-134.2
Non-controlling interests	0.7	1.0	0.3
Net profit/loss for the period	-2.6	-15.9	-133.9
Total comprehensive income for the period attributable to:			
Parent company shareholders	-8.2	-30.7	-129.4
Non-controlling interests	0.7	1.0	0.3
Total comprehensive income for the period	-7.5	-29.7	-129.0

1) For the first quarter, the item mainly consists of positive currency translation differences on receivables denominated primarily in USD. The comparative quarter mainly included currency translation differences. For full-year 2020, the largest sub-items consist of government support received without any direct connection to cost items of SEK 8 million, the reversal of contingent purchase considerations of SEK 3 million and currency translation differences of SEK -22 million.

2) Financial items for the first quarter include interest expenses related to bond loans and finance leases in accordance with IFRS 16 of SEK -8 million (-7). For full-year 2020 the corresponding interest expenses amounted to SEK -34 million.

The item otherwise mainly consists of positive currency translation differences on receivables, primarily in USD.

3) The non-recurring impairment charges for full-year 2020 relate to certain patents held by the Group's parent company Tobii AB.

4) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 20

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	Mar 31 2021	Mar 31 2020	Dec 31 2020
<b>NON-CURRENT ASSETS</b>			
Intangible assets	615.9	620.7	604.5
Tangible fixed assets	42.2	56.0	46.3
Right-of-use assets	145.3	95.3	87.7
Financial and other non-current assets	125.5	87.8	122.0
<b>Total non-current assets</b>	<b>928.8</b>	<b>859.8</b>	<b>860.5</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	174.3	240.2	199.0
Inventories	81.0	90.7	88.0
Other current receivables	116.9	70.9	97.5
Cash and cash equivalents	422.2	278.4	409.6
Assets held for sale	-	194.3	-
<b>Total current assets</b>	<b>794.4</b>	<b>874.4</b>	<b>794.1</b>
<b>Total assets</b>	<b>1,723.2</b>	<b>1,734.2</b>	<b>1,654.6</b>
<b>SHAREHOLDERS' EQUITY</b>			
Shareholders' equity, Parent Company shareholders	565.2	648.6	555.2
Non-controlling interests	1.9	2.1	1.2
<b>Total shareholders' equity</b>	<b>567.1</b>	<b>650.7</b>	<b>556.4</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing loans	15.8	441.8	463.8
Leasing liabilities	111.5	64.5	62.7
Other non-current liabilities	115.4	123.3	96.7
<b>Total non-current liabilities</b>	<b>242.6</b>	<b>629.5</b>	<b>623.3</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing loans <sup>1)</sup>	448.1	-	-
Leasing liabilities	33.8	29.8	25.7
Other current liabilities	431.6	393.5	449.2
Liabilities directly related to assets held for sale	-	30.7	-
<b>Total current liabilities</b>	<b>913.5</b>	<b>454.0</b>	<b>474.9</b>
<b>Total liabilities</b>	<b>1,156.1</b>	<b>1,083.5</b>	<b>1,098.2</b>
<b>Total equity and liabilities</b>	<b>1,723.2</b>	<b>1,734.2</b>	<b>1,654.6</b>

1) Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on the 31<sup>st</sup> of March.

## CONDENSED CONSOLIDATED STATEMENT of CHANGES IN EQUITY

SEK m	Attributable to Parent Company shareholders						Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings	Total	Non-controlling interests	
<b>Opening balance, Jan 1, 2020</b>	<b>0.7</b>	<b>1,635.9</b>	<b>-1.8</b>	<b>-959.8</b>	<b>675.1</b>	<b>0.9</b>	<b>676.1</b>
Comprehensive income for the period			-13.8	-16.9	-30.7	1.1	-29.6
New share issue, exercise of warrants incentive programs	0.0				0.0		0.0
Sale of warrants, incentive programs		3.5			3.5		3.5
Share based payments settled using equity instruments				0.7	0.7		0.7
<b>Closing balance, March 31, 2020</b>	<b>0.7</b>	<b>1,639.4</b>	<b>-15.6</b>	<b>-976.0</b>	<b>648.6</b>	<b>2.0</b>	<b>650.7</b>
<b>Opening balance, Jan 1, 2021</b>	<b>0.7</b>	<b>1,639.4</b>	<b>3.1</b>	<b>-1,088.8</b>	<b>555.2</b>	<b>1.2</b>	<b>556.4</b>
Comprehensive income for the period			-4.9	-3.3	-8.2	0.7	-7.5
New share issue, exercise of warrants incentive programs	0.0				0.0		0.0
Sale of warrants, incentive programs		17.8			17.8		17.8
Share based payments settled using equity instruments				0.4	0.4		0.4
<b>Closing balance, March 31, 2021</b>	<b>0.7</b>	<b>1,657.2</b>	<b>-1.8</b>	<b>-1,091.7</b>	<b>565.2</b>	<b>1.9</b>	<b>567.1</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q1 2021	Q1 2020	Full year 2020
<b>Cash flow from operating activities</b>			
Profit/loss after financial items, continuing operations	-5.0	-15.4	-162.1
Profit/loss discontinued operations	2.7	3.5	-4.1
Adjustment for items not included in the cash flow	54.4	32.6	249.2
Taxes paid	-0.6	-2.2	-7.1
<b>Cash flow from operating activities before change in working capital</b>	<b>51.4</b>	<b>18.5</b>	<b>75.9</b>
Cash flow from change in working capital	-9.9	-27.3	113.1
<b>Cash flow from operating activities</b>	<b>41.5</b>	<b>-8.8</b>	<b>189.0</b>
Investments			
Continuous investments			
Investments in intangible, tangible and financial fixed assets	-45.7	-53.6	-199.1
<b>Cash flow after continuous investments</b>	<b>-4.2</b>	<b>-62.4</b>	<b>-10.1</b>
Divestments	-	-	105.0
<b>Cash flow after investments</b>	<b>-4.2</b>	<b>-62.4</b>	<b>94.9</b>
Interest-bearing debt, including Bond issue	-0.0	153.3	171.2
Sale/exercise of warrants, incentive program	17.8	3.5	3.5
Instalments of leasing liability IFRS 16	-8.2	-6.7	-26.4
<b>Cash flow from financing activities</b>	<b>9.6</b>	<b>150.2</b>	<b>148.3</b>
<b>Cash flow for the period</b>	<b>5.4</b>	<b>87.8</b>	<b>243.2</b>
Foreign currency translation, cash and cash equivalents	7.1	5.5	-15.9
Cash and cash equivalents at the beginning of the period	409.6	185.2	185.2
Change in Cash and cash equivalents classified as Assets held for sale	-	-	-2.8
<b>Cash and cash equivalents at the end of the period</b>	<b>422.2</b>	<b>278.4</b>	<b>409.6</b>

## BREAKDOWN OF REVENUE

SEK m	Q1 2021	Q1 2020	Full year 2020
<b>REVENUE BY PRODUCT CATEGORY</b>			
Goods	289.9	325.5	1,221.8
Services	44.8	49.4	188.7
Royalties	3.9	4.7	15.8
<b>Total revenues</b>	<b>338.7</b>	<b>379.6</b>	<b>1,426.3</b>
<b>REVENUE BY TIMING CATEGORY</b>			
At a point in time	317.4	357.2	1,340.3
Over time	21.3	22.4	86.0
<b>Total revenues</b>	<b>338.7</b>	<b>379.6</b>	<b>1,426.3</b>
<b>REVENUE BY GEOGRAPHIC MARKET</b>			
Europe	73.2	77.9	294.7
North America	177.7	226.9	826.0
Other countries	87.9	74.8	305.6
<b>Total revenues</b>	<b>338.7</b>	<b>379.6</b>	<b>1,426.3</b>

## CONSOLIDATED KEY RATIOS

	Q1 2021	Q1 2020	Full year 2020
Earnings per share, SEK	-0.03	-0.17	-1.36
Earnings per share, diluted <sup>*)</sup> , SEK	-0.03	-0.17	-1.36
Equity per share, SEK	5.7	6.6	5.6
EBITDA, continuing operations, SEK m	51.6	28.4	116.4
EBITDA continuing operations; IFRS 16 Leasing excluded	43.2	21.3	88.2
EBIT, continuing operations, SEK m	-9.3	-22.6	-102.9
Cash flow from operating activities, SEK m	41.5	-8.8	189.0
Cash flow after continuous investments, SEK m	-4.2	-62.4	-10.1
Working capital, SEK m <sup>1</sup>	-59.4	8.3	-64.7
Total assets, SEK m	1,723.2	1,734.2	1,654.6
Net cash(+)/net debt (-), SEK m <sup>1</sup>	-187.0	-257.7	-142.6
Net cash(+)/net debt (-); IFRS 16 Leasing excluded, SEK m <sup>1</sup>	-41.7	-163.4	-54.2
Equity, SEK m	567.1	650.7	556.4
Average equity, SEK m	557.3	653.8	584.3
Equity/assets ratio, %	32.9	37.5	33.6
Equity/assets ratio; IFRS 16 Leasing excluded, %	35.9	39.7	35.5
Debt/equity, %	28.4	82.4	99.3
Debt/equity; IFRS 16 Leasing excluded, %	2.8	67.9	83.4
Gross margin, continuing operations, % <sup>2</sup>	71.3	71.2	70.3
EBITDA margin, continuing operations, %	15.2	7.5	8.2
EBITDA margin continuing operations; IFRS 16 Leasing excluded, %	12.7	5.6	6.2
Operating margin, continuing operations, %	-2.7	-5.9	-7.2
Return on total equity, %	-0.5	-2.4	-22.9
Average number of outstanding shares after dilution, million	99	99	99
Average number of outstanding shares, million	103	100	100
Number of outstanding shares at period end, million	99	99	99
Number of outstanding shares after dilution at period end, million	103	99	102
Average number of employees	959	1,025	993

1) Excluding assets held for sale and related liabilities, as at March 31, 2020

2) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 20.

\*) On March 31, 2021, a total of 3.6 million warrants and stock units were outstanding, which is a decrease of 0.3 million since the end of 2020 because of the redemption of 257,900 warrants within the framework of the 2017 warrant program LTI 2017\_1 as well as the following employee stock options: 5,000 warrant program 2014/24:1, 16,625 warrant program 2018/2028:1, 5,250 warrant program 2018/2028:2, 10,500 warrant program LTI 2017\_2 and 10,500 warrant program LTI 2019. In addition, the following warrants have expired: 8,750 warrant program 2018/2028:1, 3,500 warrant program 2018/2028:2, 3,600 warrant program LTI 2016:2, 2,625 warrant program LTI 2017\_2, 5,250 warrant program LTI 2017\_4 and 5,187 warrant program LTI 2019 and 8,700 share rights under the LTI 2020 warrant program. The dilution effect of warrants in all of the Company's incentive programs and maximum issuance under LTI 2020 corresponds to a maximum of approximately 3.6%.

## QUARTERLY DATA PER DIVISION AND FOR THE GROUP

## DATA RELATE TO REMAINING OPERATIONS UNLESS OTHERWISE SPECIFIED

	2019				2020				2021
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
REVENUE, SEK m									
Tobii Dynavox	215.1	221.2	219.1	250.8	241.2	216.5	203.5	232.8	203.3
Tobii Pro	115.1	93.1	103.3	131.4	96.1	63.4	82.4	123.7	97.7
Tobii Tech*	49.5	49.4	48.6	74.1	59.2	66.6	43.9	60.0	50.0
Eliminations and other	-17.1	-17.6	-11.5	-23.4	-16.9	-14.1	-12.3	-19.9	-12.3
The Group	362.7	346.2	359.5	432.9	379.6	332.5	317.5	396.7	338.7
*) Of which revenue from sales to Tobii Dynavox och Tobii Pro	17.1	17.6	11.5	23.4	16.9	14.1	12.3	19.9	12.3
GROSS MARGIN, %									
Tobii Dynavox	63.4	67.3	67.6	63.9	67.5	62.9	67.2	66.9	68.1
Tobii Pro	76.0	71.8	75.8	76.3	72.4	69.9	74.7	72.9	75.1
Tobii Tech <sup>2</sup>	53.1	56.8	49.9	59.7	64.0	71.9	55.5	58.0	59.0
The Group <sup>2</sup>	69.0	70.9	69.5	70.3	71.2	68.8	70.1	70.8	71.3
EBITDA, SEK									
Tobii Dynavox	35.4	42.1	45.8	46.2	57.3	47.6	43.9	53.8	46.5
Tobii Pro	30.0	6.3	22.1	32.8	13.2	-11.7	17.4	29.1	21.1
Tobii Tech	-70.0	-65.5	-65.3	-59.4	-50.4	-35.2	-42.5	-39.9	-25.6
Eliminations and other <sup>1</sup>	8.3	9.2	5.8	8.5	8.3	8.0	9.3	8.1	9.6
The Group <sup>1</sup>	3.6	-7.9	8.4	28.2	28.4	8.7	28.1	51.2	51.6
EBIT, SEK m									
Tobii Dynavox	17.2	24.9	29.8	27.6	36.4	28.1	26.5	34.4	27.4
Tobii Pro	23.0	-2.5	13.1	20.2	1.2	-24.4	1.4	11.6	2.3
Tobii Tech	-79.6	-71.6	-73.0	-69.5	-60.8	-49.5	-56.5	-54.7	-39.6
Eliminations and other <sup>1</sup>	1.0	1.8	-1.5	1.1	0.7	0.4	1.7	0.7	0.5
The Group <sup>1</sup>	-38.3	-47.5	-31.6	-20.6	-22.6	-45.4	-26.9	-8.0	-9.3
OPERATING MARGIN, %									
Tobii Dynavox	8.0	11.3	13.6	11.0	15.1	13.0	13.0	14.8	13.5
Tobii Pro	20.0	-2.7	12.7	15.4	1.2	-38.5	1.7	9.4	2.4
Tobii Tech	-	-	-	-	-	-	-	-	-
The Group	-10.6	-13.7	-8.8	-4.8	-5.9	-13.7	-8.5	-2.0	-2.7
PROFIT/LOSS BEFORE TAX, SEK m									
The Group	-31.5	-55.9	-26.6	-36.3	-15.4	-70.7	-43.6	-32.5	-5.0
PROFIT/LOSS FOR THE PERIOD, INCLUDING DISCONTINUED OPERATIONS, SEK m									
The Group	-32.6	-58.6	-31.5	-48.6	-15.9	-73.5	-48.6	4.2	-2.6

1) IFRS 16 Leasing is applied from 2019. The effect is reported on Consolidated Group level only and not allocated on Divisions.

2) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 20

# The Parent Company

The Group's Parent Company, Tobii AB (publ), has primarily focused on Group-wide services such as overarching management, business and funding, legal affairs and IT since January 1, 2019. The number of employees in the Parent Company is approximately 100.

Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on the 31<sup>st</sup> of March. Tobii has formulated a plan to refinance its current bond loan of SEK 450 million.

In January 2020, Tobii entered into a loan agreement for SEK 50 million, intended to cover the Group's working capital needs. The loan facility matures on June 30, 2021.

On October 6, 2020, which is in the fourth quarter of 2020, Tobii sold certain subsidiaries, collectively referred to as Smartbox, to an external buyer. The transaction entailed selling all shares in two foreign subsidiaries, which were owned by the Parent Company Tobii AB as of September 30, 2020. Capital gains from the divestment had a positive impact on net financial income for the year 2020 of SEK 10 million.

The Parent Company's revenue during the first quarter totaled SEK 30 million (34) and the operating loss was SEK -1 million (-1). At the end of the period, the Parent Company had SEK 67 million (130) in cash and cash equivalents.

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q1 2021	Q1 2020	Full year 2020
<b>Revenue</b>	<b>30.2</b>	<b>34.2</b>	<b>133.8</b>
Cost of goods and services sold	-4.6	-10.8	-37.3
<b>Gross profit</b>	<b>25.5</b>	<b>23.5</b>	<b>96.5</b>
Selling expenses	-0.0	-0.1	-0.3
Research and development expenses	-1.7	-0.9	-13.7
Administrative expenses	-25.3	-24.1	-95.6
Other operating income and operating expenses	0.1	0.8	-2.0
<b>Operating profit/loss</b>	<b>-1.4</b>	<b>-0.8</b>	<b>-15.0</b>
Financial items	-3.6	-7.0	26.2
Group Contributions	-	-	61.1
<b>Profit/loss before tax</b>	<b>-5.0</b>	<b>-7.8</b>	<b>72.3</b>
Tax	-	-	-0.1
<b>Profit/loss after tax</b>	<b>-5.0</b>	<b>-7.8</b>	<b>72.2</b>
Depreciation, amortization and write-downs, total	-2.1	-1.2	-12.8

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Mar 31 2021	Mar 31 2020	Dec 31 2020
<b>NON-CURRENT ASSETS</b>			
Intangible assets	38.4	41.9	36.4
Tangible fixed assets	6.4	8.4	7.0
Financial assets	1,706.7	1,421.0	1,658.6
<b>Total non-current assets</b>	<b>1,751.5</b>	<b>1,471.5</b>	<b>1,702.0</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	24.6	49.0	26.8
Inventories	0.1	0.1	0.2
Other current receivables	191.7	132.2	187.5
Cash and bank balances	66.7	129.9	71.6
<b>Total current assets</b>	<b>283.2</b>	<b>311.2</b>	<b>286.0</b>
<b>Total assets</b>	<b>2,034.6</b>	<b>1,782.6</b>	<b>1,988.0</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>1,322.7</b>	<b>1,224.3</b>	<b>1,309.5</b>	
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	0.0	477.8	448.0
Other non-current liabilities	0.1	10.0	0.1
<b>Total non-current liabilities</b>	<b>0.1</b>	<b>487.9</b>	<b>448.1</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing liabilities <sup>1)</sup>	448.1	-	-
Other current liabilities	263.7	70.5	230.4
<b>Total current liabilities</b>	<b>711.8</b>	<b>70.5</b>	<b>230.4</b>
<b>Total liabilities</b>	<b>711.9</b>	<b>558.4</b>	<b>678.5</b>
<b>Total equity and liabilities</b>	<b>2,034.6</b>	<b>1,782.6</b>	<b>1,988.0</b>

Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on the 31<sup>st</sup> of March.

# Notes

## Note 1. Accounting policies

The Interim Report complies with the provisions of IAS 34, and the report for the Parent Company has been prepared pursuant to the provisions of the Swedish Annual Accounts Act and RFR 2. In addition to the financial statements, disclosures under 34.16A also appear in other parts of the interim report. The accounting policies of the Parent Company and the Group, and the calculation principles used in the report, are unchanged from those used in the most recently published Annual Report, with the exception of the application of new standards.

The IASB has published amendments to standards effective from January 1, 2021 or later. These amendments have not had a material impact on the financial statements.

## Note 2. Business combinations

No business combinations occurred during the quarter, nor during the same period last year.

## Note 3. Financial instruments

SEK m	Mar 31 2021		Mar 31 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities measured at amortized cost for which fair value is disclosed for information purposes</b>				
Bond issue	448.1	450.0	441.8	450.0
<b>Financial assets measured at fair value</b>				
Contingent considerations	36.6	36.6	-	-
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	0.9	0.9	13.8	13.8

Fair value for interest-bearing loans is calculated for disclosure purposes by discounting future cash flows at the current interest rate for the remaining maturity.

The Group classifies financial assets and liabilities measured at fair value in a fair value hierarchy based on the information used in the valuation of each asset or liability. For financial instruments in level 3, information that is material to the fair value of the asset or liability is not observable and the Group's own assessments are applied. Both interest-bearing loans and contingent considerations are classified under level 3.

All operations related to Smartbox, which was acquired in 2018, were divested during the fourth quarter of 2020. Receivables for contingent consideration relate in their entirety to the sale of Smartbox.

## Change in contingent consideration

SEK m	
<b>Assets</b>	
Opening balance January 1, 2021	36.6
Translation differences	3.0
Closing balance March 31, 2021	39.6
<b>Liabilities</b>	
Opening balance January 1, 2021	0.8
Translation differences	0.1
Closing balance March 31, 2021	0.9

Other than the contingent consideration, Tobii has no financial instruments that are measured at fair value in the income statement.

## IMPAIRMENT OF GOODWILL

Impairment testing for goodwill was carried out at the end of the 2020 financial year, without any need for impairment being identified.

## Note 4. Pledged assets and contingent liabilities

On February 10, 2020, Tobii announced a subsequent issuance of senior covered bonds of SEK 150 million under its SEK 600 million loan facility, with maturity in February 2022. On February 14, 2019, Tobii announced the first issuance of SEK 300 million within the same loan framework. The total amount of outstanding bonds is thus SEK 450 million. The Parent Company Tobii AB is the issuer of the bond loan. The bonds issued in accordance with the Bond Loan are secured by collateral in shares in Tobii Dynavox AB, Tobii Pro AB and Tobii Tech AB.

## Other information

### RISKS AND UNCERTAINTY FACTORS

Tobii's business risks include the economic climate, the competitive situation, currency risks, credit risks in relation to customers, financing risks, the risk of impairment write-downs of capitalized R&D and other intangible assets, and regulatory risks (Tobii Dynavox in the U.S. is under the supervisory control of the U.S. Food and Drug Administration (FDA)). The Group's risks and risk management are described in greater detail in the risk section on page 42 in the Directors' Report and in note 3 in Tobii's 2020 Annual Report. Tobii is of the opinion that this risk description remains correct.

### TRANSACTIONS WITH RELATED PARTIES

No transactions have occurred between Tobii and related parties that have materially affected the Company's position and earnings.

### DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES (APM) NOT DEFINED BY IFRS

Alternative Performance Measures, (APMs), are financial measures of financial performance, financial position, or cash flows, other than those defined in the applicable financial reporting framework (IFRS). These are considered to be important supplemental measures of the company's performance. These measures may not be comparable to measures used by other companies, since not all companies calculate financial measures in the same way. The key ratios and alternative performance measures that Tobii uses are defined on page 120 of the 2020 annual report.

In 2020 Tobii introduced the new growth measure organic growth, defined as change in revenue adjusted for change due to currency and, where applicable, structural changes. At group level, structural changes are defined as acquisitions or disposals of businesses, and at the division level, it may also include structural changes between divisions. No structural change occurred in the reported period or in comparative periods.

### RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

This section presents only the reconciliation of alternative performance measures that cannot be calculated from information in financial reports in this interim report.

### Operating profit/loss before depreciation, amortization and impairment, EBITDA

SEK m	Q1 2021	Q1 2020	Full year 2020
Operating profit/loss before depreciation, amortization and impairment, (EBITDA)	51.6	28.4	116.4
Amortization and impairment	-45.8	-37.4	-164.7
Depreciation	-15.1	-13.5	-54.6
<i>of which Right-of-use assets (IFRS 16 Leasing)</i>	-8.4	-7.1	-28.2
<b>Operating profit/loss (EBIT)</b>	<b>-9.3</b>	<b>-22.6</b>	<b>-102.9</b>

### CHANGED PRESENTATION OF COST OF SERVICES IN TOBII TECH

Previously, non-recurring revenue has been charged with cost of services sold on a flat-rate basis. From Q1 2021, the reporting has been changed, to enhance consistency. The change has no effect on operating profit, but results in a higher gross profit and higher R&D costs.

### Effect on previous periods from changed presentation

	2019					2020				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
<b>Group</b>										
Cost of services	-4,4	-4,9	-2,4	-6,2	-17,9	-6,8	-12,7	-4,1	-3,6	-27,3
Gross profit	4,4	4,9	2,4	6,2	17,9	6,8	12,7	4,1	3,6	27,3
<i>Gross margin, percentage points</i>	1,2	1,4	0,7	1,4	1,2	1,8	3,8	1,3	0,9	1,9
RnD costs	4,4	4,9	2,4	6,2	17,9	6,8	12,7	4,1	3,6	27,3
Operating result	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0
<b>Tobii Tech</b>										
Cost of services	-4,4	-4,9	-2,4	-6,2	-17,9	-6,8	-12,7	-4,1	-3,6	-27,3
Gross profit	4,4	4,9	2,4	6,2	17,9	6,8	12,7	4,1	3,6	27,3
<i>Gross margin, percentage points</i>	8,8	9,9	5,0	8,3	8,1	11,5	19,1	9,4	6,0	11,9
RnD costs	4,4	4,9	2,4	6,2	17,9	6,8	12,7	4,1	3,6	27,3
Operating result	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0

Danderyd, April 29, 2021

**Kent Sander**  
Chairman of the Board

**Heli Arantola**  
Board member

**Nils Bernhard**  
Board member

**Mårten Skogö**  
Board member

**Charlotta Falvin**  
Board member

**Åsa Hedin**  
Board member

**Jan Wäreby**  
Board member

**Jörgen Lantto**  
Board member

**Henrik Eskilsson**  
President & CEO

The report has not been subject to review by the Company's auditors.

*This information is information that Tobii 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, on April 29, 2021 at 7:00 a.m. CET.*

Contact person: Henrik Mawby, Head of Investor Relations, Tobii AB, e-mail: [Henrik.mawby@tobii.com](mailto:Henrik.mawby@tobii.com), tel. +46 (0) 72 219 82 15

## Information to shareholders

### WEB PRESENTATION

A conference call and online presentation will be held in English today at 10:30 a.m. (CET). See [tobii.com](http://tobii.com) for more information about the conference. The slides from the presentation will be available for download from the website afterwards.

### CONTACT DETAILS

Henrik Mawby, Head of Investor Relations, [henrik.mawby@tobii.com](mailto:henrik.mawby@tobii.com)  
Henrik Eskilsson, President & CEO, phone: +46 (0)8-663 69 90  
Magdalena Rodell Andersson, CFO, phone: +46 (0)8-663 69 90

Tobii AB (publ) • Corporate ID number: 556613–9654  
Mailing address: Box 743 18217 Danderyd, Sweden  
Tel. +46 (0)8-663 69 90  
[www.tobii.com](http://www.tobii.com)

### FINANCIAL CALENDAR

Annual General Meeting 2021	May 18, 2021
Half-Year Report Q2 2021	August 20, 2021
Interim Report Q3 2021	October 28, 2021
Year End report Q4 2021	February 8, 2022



# Interim Report Q2 2021

April–June 2021

*“We enter the Driving Monitoring Systems market with the ambition of becoming a leader also in this vertical”*

**Henrik Eskilsson, CEO**

*Photo: Tobii’s new product for mass market automotive Driver Monitoring-System, Tobii DMS, increases safety and convenience for the driver.*

## THE QUARTER APRIL-JUNE

- Revenue was SEK 282 million (333), corresponding to organic decline of 4%. In line with previous communication, supply disruptions in Tobii Dynavox resulted in a large deferral of revenue from the second to mainly the third quarter 2021.
- Gross margin was 66% (69%).
- The Group's operating result was SEK -99 million (-45).
- The net profit for the period amounted to SEK -114 million (-74).
- Earnings per share amounted to SEK -1.14 (-0.75).

## BUSINESS DEVELOPMENT

- Order intake was strong with Tobii Pro now back at around the same level as before the pandemic and order intake for Tobii Dynavox was higher than levels seen before the pandemic.
- Tobii Tech received five design wins, including a VR headset and several medical applications.
- [Tobii partnered with Nvidia](#) to, based on Tobii’s Spotlight Technology, introduce a no-code dynamic foveated rendering solution which furthers widespread adoption of eye tracking in VR.
- After the quarter, Tobii [announced its entry into the Automotive Driver Monitoring-Systems market](#).
- After the quarter, [Tobii announced that it has acquired Phasya](#). This acquisition will speed up Tobii’s product roadmap within automotive as well as several other markets that Tobii addresses.
- The preparations for the listing of Tobii Dynavox and the integration of Tobii Tech and Tobii Pro are progressing according to plan.

## FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q2 2021	Q2 2020	Change	Organic change	Half year 2021	Half year 2020	Change	Organic change	Full year 2020
<b>REVENUE</b>									
Tobii Dynavox	165.0	216.5	-24 %	-15 %	368.4	457.7	-20 %	-10 %	894.0
Tobii Pro	80.1	63.4	26 %	40 %	177.8	159.5	11 %	24 %	365.7
Tobii Tech	49.7	66.6	-25 %	-15 %	99.7	125.9	-21 %	-8 %	229.7
Eliminations and other, net	-13.1	-14.1	-	-	-25.4	-31.0	-	-	-63.2
<b>Total</b>	<b>281.7</b>	<b>332.5</b>	<b>-15 %</b>	<b>-4 %</b>	<b>620.4</b>	<b>712.1</b>	<b>-13 %</b>	<b>-2 %</b>	<b>1,426.3</b>
<b>OPERATING PROFIT/LOSS (EBIT)</b>									
Tobii Dynavox	-23.8	28.1	-185 %	-194 %	3.6	64.4	-94 %	-94 %	125.3
Tobii Pro	-27.5	-24.4	12 %	9 %	-25.1	-23.2	-	-	-10.2
Tobii Tech	-48.4	-49.5	-	-	-88.0	-110.3	-	-	-221.4
Other	0.2	0.4	-	-	0.7	1.1	-	-	3.4
<b>Operating profit/loss from continuing operations</b>	<b>-99.5</b>	<b>-45.4</b>	<b>-</b>	<b>-</b>	<b>-108.7</b>	<b>-68.0</b>	<b>-</b>	<b>-</b>	<b>-102.9</b>
Profit/loss from discontinued operations	-0.9	-2.8	-	-	1.7	-2.7	-	-	-9.8
<b>Net profit/loss for the period</b>	<b>-114.1</b>	<b>-73.5</b>	<b>-</b>	<b>-</b>	<b>-116.7</b>	<b>-89.4</b>	<b>-</b>	<b>-</b>	<b>-133.9</b>
Earnings per share (SEK)	-1.14	-0.75			-1.18	-0.92			-1.36

# Comments from the CEO

Our result was severely affected by supply disruptions and the continuing impact of the pandemic. Business activity, however, developed favorably across all divisions, which was demonstrated by good order intake. We now look forward to a strong second half of 2021, which we kick-started with the announcement of our entry into the Automotive DMS market with several partnerships and the acquisition of Phasya. Both investments have a great strategic rationale and are fantastic complements to our current portfolio.

**Tobii Dynavox's** revenue decreased by 15 percent organically. This was a result of the previously announced supply disruptions following component shortages, which led to an exceptionally large order book and sales pipeline. Deferred revenue from the first and second quarter corresponds to approximately SEK 70 million, which will materialize as additional revenue, mainly in the third quarter of 2021.

This shows a strong underlying demand and it paves the way for a return to solid growth in the second half of 2021. We have resolved the acute supply disruptions and already delivered most of the order book at the beginning of the third quarter.

**Tobii Pro's** revenue increased by 40 percent organically despite a temporary budget freeze for most universities in China, and a continued negative impact of the pandemic where important markets have had extended restrictions.

Nevertheless, I am very pleased with the development as order intake strengthened markedly and was 50 percent higher than in the second quarter 2020, and around the same level as in 2019, and as we saw a very good development in customer interest and activity.

Tobii Pro launched a [solution for market research with eye tracking on smartphones](#), which is an important step to grow our business in attention data analytics.

**Tobii Tech's** revenue decreased by 15 percent organically. The pandemic has delayed the introduction and slowed the ramp up of products for our integration customers. The situation is becoming more manageable and the outlook for our customers is becoming more favorable. Intake of new customers and leads developed well and we obtained five new design wins in the quarter - one for the next generation [VR headset with an existing customer](#), four for medical applications.

After the quarter ended, [we announced](#) our automotive driver monitoring system (DMS) initiative. Automotive DMS is a vertical that will grow rapidly over the next 5-10 years and Tobii is uniquely positioned to build a leading product and market position.

We also [acquired Phasya](#), an innovative AI software company whose technology and expertise are a great complement to Tobii's existing portfolio, primarily in automotive, but also with applications in other parts of Tobii. With Tobii's breadth we can significantly accelerate the scaling of Phasya's sales and bring its products into more verticals and application areas. We warmly welcome the Phasya team into the Tobii family.

## Looking forward to a strong second half of the year

For the group, we have seen business activity pick-up which is demonstrated in sales and marketing expenses returning to more normal levels, however, profitability was impacted by the supply chain disruptions, continued pandemic effects, and some costs related to the spin-off and listing of Tobii Dynavox. Reaching profitability for the full year 2021 remains our ambition but has become more challenging due to the extending negative impacts of the pandemic.

The preparations for the spin-off and listing of Tobii Dynavox towards the end of the year are progressing according to plan. In parallel with this, we are executing on the integration of Tobii Pro and Tobii Tech, successfully fighting our way out of the pandemic, and on top driving innovation and new initiatives. This, together with the continued improving business environment in all three divisions, is setting the stage for a strong and exciting fall.

Henrik Eskilsson  
CEO



**Henrik Eskilsson**  
CEO, Tobii Group

Read More:

[Tobii enters the automotive driver monitoring market](#)

[Tobii acquires Phasya](#)

[Tobii Pro Launches New Mobile Eye Tracking Solution for Marketing and Advertising Research](#)

[Tobii enhances next-gen VR headset Pico Neo 3 Pro Eye](#)

# The Tobii Group

Tobii is the world leader in eye tracking. Our vision is a world where all technology works in complete harmony with natural human behavior. Tobii operates in three divisions: Tobii Dynavox is the world leader in assistive technology for communication, Tobii Pro is the world leader in eye tracking solutions used to study human behavior and Tobii Tech is the world-lead supplier in eye tracking technology for integration customers in fields such as PC, VR, Automotive and Niche Applications. The Group, which has about 1,000 employees, had revenue of SEK 1,426 million for full-year 2020.

## KEY RATIOS\*

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	281.7	332.5	620.4	712.1	1,426.3
Revenue change:	-15%		-13%		
- of which organic	-4%		-2%		
- of which currency	-11%		-11%		
Gross margin*	66 %	69 %	69 %	70 %	70 %
EBITDA	-36.9	8.7	14.7	37.1	116.4
EBITDA margin	-13 %	3 %	2 %	5 %	8 %
Operating profit/loss (EBIT)	-99.5	-45.4	-108.7	-68.0	-102.9
EBIT change	-		-		
EBIT margin	-35 %	-14 %	-18 %	-10 %	-7 %

\*Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross margin and R&D expenses. For more information see "Other information" on page 21

## APRIL-JUNE

### REVENUE

Consolidated revenue was SEK 282 million (333), corresponding to organic decline of 4%. The supply chain disruptions in Tobii Dynavox resulted in a deferral of revenue from the second quarter to mainly the third quarter 2021. For details, please refer to the Jan-Jun section below. In addition, the pandemic continued to have a dampening effect on sales in all three business divisions.

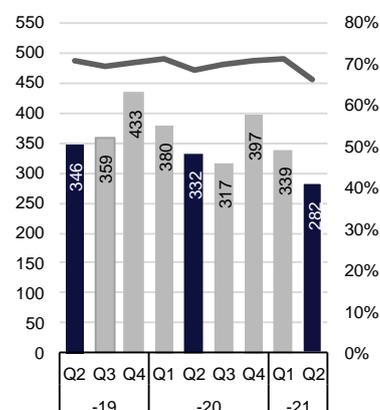
The North American market accounted for 55% (59%) of consolidated revenue, the European market 24% (17%), and the rest of the world 21% (23%).

### RESULTS

The Group's gross margin was 66% (69%). The decline is mainly due to unusually large non-recurring engineering revenues in Tobii Tech in Q2 2020. Compared to the longer-term average, the low gross margin is explained by negative scale effects due to temporarily lower volumes. The operating result decreased to SEK -99 million (-45) and the operating margin was -35% (-14%). The supply chain disruptions for Tobii Dynavox resulted in a large deferral of profit from the second quarter to mainly the third quarter – for details, see below. Profitability was pressured by pandemic effects, a pick-up in sales and marketing activity, and some cost increases related to the preparations for the spin-off and listing of Tobii Dynavox. The operating profit in the comparison period in the previous year was positively impacted by covid-related government grants and temporary work reduction programs totaling SEK 25 million.

Pretax loss was SEK -113 million (-71). Net financial items amounted to SEK -14 million (-25) and includes SEK -5 million (-15) in currency translation effects on balance sheet items, as well as interest expenses related to bond loans and finance leases under IFRS 16 of SEK -9 million (-10). Profit from discontinued operations was SEK -1 million (-3). The result for the period was SEK -114 million (-74) and earnings per share reached SEK -1.14 (-0.75).

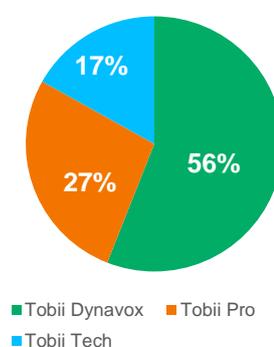
## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q2\*

SEK m	2021	2020
Total R&D expenditures	-103	-113
Capitalization	47	42
Amortization	-44	-40
R&D expenses in the income statement	-100	-112

## PERCENTAGE OF GROSS REVENUE PER DIVISION Q2



## CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital amounted to SEK -50 million (0). Change in working capital amounted to SEK 37 million (70).

Continuous investments amounted to SEK 56 million (51), including SEK 47 million (42) in capitalization of R&D costs. Cash flow after continuous investments was SEK -69 million (19).

At the close of the period, the Group had SEK 349 million (299) in cash. Consolidated net debt totaled SEK 251 million (244), including SEK 136 million (83) in IFRS 16 finance leases.

Tobii has an established plan to refinance its current bond loan of SEK 450 million, which matures in February 2022.

## JANUARY - JUNE

### REVENUE

The Group's revenue for the first half of 2021 was SEK 620 million (712). Organically, revenue declined by 2%. The supply chain disruptions in Tobii Dynavox resulted in a deferral of revenue from the first half of 2021 to mainly the third quarter of 2021. This effect corresponds to a negative impact of approximately 11 percentage points on organic growth in the first half of 2020. In addition, the pandemic continued to have a dampening effect on sales in all three divisions.

During the period, the North American market accounted for 53% (60%) of the Group's sales, the European market for 23% (19%), and the rest of the world for 24% (21%).

### RESULTS

The Group's gross margin was 69% (70%). The operating loss for the Group was SEK -109 million (-68) and the operating margin was -18% (-10%). The supply chain disruptions for Tobii Dynavox resulted in over SEK 50 million deferral of profit from the first half of 2021 to mainly the third quarter of 2021. The operating result in the comparison period in the previous year was positively impacted by covid-related government grants and temporary work reduction programs totaling SEK 25 million.

Pre-tax loss was SEK -118 million (-86).

Net loss for the period was SEK -118 million (-87) and earnings per share was SEK -1.18 (-0.92).

## CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital was SEK 10 million (16), while the change in working capital contributed SEK 27 million (47). Continuous investments increased to SEK 110 million (106), of which SEK 98 million (84) related to capitalization of R&D. Cash flow after continuous investments was SEK -73 million (-43).

## THE SPIN-OFF AND LISTING PROCESS OF TOBII DYNAVOX

The Board of Directors and Management have for many years seen a spin-off of Tobii Dynavox as a natural evolution of the company to maximize potential and long-term shareholder value. By splitting Tobii, enhanced simplicity and focus is enabled, with teams who are more empowered and organizations that are even more agile. It forms two clean-cut investment alternatives, both with exciting futures and strong differentiated investor appeal.

The spin-off and listing process is progressing well and according to plan. The tentative timeline is that Tobii Dynavox will be listed on the Nasdaq Stockholm by the end of 2021.

In recent years, the collaboration between Tobii Pro and Tobii Tech has gradually increased and clear advantages of these divisions working more closely together have become apparent. The management and Board of Directors decided that it is appropriate to integrate these two divisions in parallel with the listing process. The company has executed well and made good progress in this integration during the quarter.

## ORGANIZATION

The number of employees recalculated to full-time equivalents at the close of the period was 963 (1,008).

## EVENTS AFTER THE END OF THE PERIOD

Tobii announced its entry into mass market automotive integrations with the release of its Driver Monitoring System, Tobii DMS, and several new related partnerships.

Tobii acquired Phasya to enhance its offering in automotive and other verticals. Total purchase consideration was EUR 4m, of which EUR 2m is a potential earn-out.

# Tobii Dynavox

Tobii Dynavox is the world's leading provider of assistive technology for people with impaired ability to communicate due to conditions such as ALS, autism, aphasia, cerebral palsy, or spinal cord injuries. The products include eye-controlled and touchscreen-based assistive technology for communication, as well as a variety of software.

## KEY RATIOS

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	165.0	216.5	368.4	457.7	894.0
Revenue change:	-24%		-20%		
- of which organic	-15%		-10%		
- of which currency	-9%		-10%		
Gross margin	64 %	63 %	66 %	65 %	66 %
EBITDA	-2.3	47.6	44.2	104.9	202.7
EBITDA margin	-1 %	22 %	12 %	23 %	23 %
Operating profit/loss (EBIT)	-23.8	28.1	3.6	64.4	125.3
EBIT change	-185 %		-94 %		
EBIT margin	-14 %	13 %	1 %	14 %	14 %

- In the first quarter 2021, Tobii informed the market of supply chain disruptions for certain Tobii Dynavox products. This led to revenue and profit being pushed from the first half year, to instead materialize as additional revenue and operating result mainly in the third quarter 2021. Total deferred revenue ended up at around SEK 70m and a corresponding impact on operating result over SEK 50m. These supply issues have been resolved, and most of this order backlog has already been shipped and invoiced by the date of this report.
- As is the case in many industries, Tobii Dynavox's supply chains are still challenged with shortage situations on some input goods. To manage this, we pay a premium for certain components and increase our safety stock, which puts some temporary pressure on the gross margin both in this and in the next few quarters.

## APRIL-JUNE

Revenue was SEK 165 million (217), corresponding to an organic decrease of 15%. The supply chain disruptions resulted in a deferral of revenue from the second quarter to mainly the third quarter 2021. For details, please refer to the Jan-Jun section below. The strong underlying momentum in this division continued to be clearly counteracted by pandemic-related restrictions on institutions such as schools and healthcare facilities.

The gross margin was 64% (63%). The operating profit was SEK -24 million (28) and the operating margin decreased to -14% (13%). The operating margin was negatively impacted by supply chain disruptions resulting in a deferral of profit from the second quarter to mainly the third quarter 2021 – for details, see below.

## JANUARY-JUNE

Revenue was SEK 368 million (458), corresponding to an organic decrease of 10%. The supply chain disruptions in Tobii Dynavox resulted in a deferral of revenue from the first half of 2021 to mainly the third quarter 2021. This effect corresponds to a negative impact of approximately 17 percentage points, or SEK 70m, on organic growth in the first half of 2021.

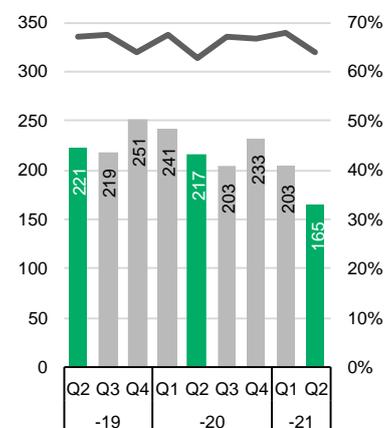
The gross margin was 66% (65%). The operating profit was SEK 4 million (64) and the operating margin decreased to 1% (14%). The supply chain disruptions resulted in a deferral of profit from the first half of 2021 to mainly the third quarter 2021. This effect corresponds to a negative impact of approximately 11 percentage points on the operating margin, or over SEK 50 million on operating profit in the first half of 2021.

## Total NPS score

# 50

Tobii Dynavox's customer Net Promoter Score has consistently been high in the past few years. Encouragingly, since early 2020, it has been showing a positive trend despite the pandemic and related supply chain disruptions. The NPS has been hovering around 50 in the past few months. This exceptionally high NPS score is a testament to Tobii Dynavox fantastic standing among its customers and users.

## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q2

SEK m	2021	2020
Total R&D expenditures	-32	-33
Capitalization	18	21
Amortization	-14	-15
R&D expenses in the income statement	-28	-27

# Tobii Pro

Tobii Pro is the world's leading provider of eye tracking solutions for studying human behavior. Over 3,500 companies and 2,500 research institutions are Tobii Pro customers, including several leading corporations such as Procter & Gamble, Facebook, Ipsos and Toyota, as well as 98 of the world's 100 top-ranked universities.

## KEY RATIOS

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	80.1	63.4	177.8	159.5	365.7
Revenue change:	26%		11%		
- of which organic	40%		24%		
- of which currency	-14%		-13%		
Gross margin	69 %	70 %	73 %	71 %	73 %
EBITDA	-9.3	-11.7	11.9	1.5	48.1
EBITDA margin	-12 %	-18 %	7 %	1 %	13 %
Operating profit/loss (EBIT)	-27.5	-24.4	-25.1	-23.2	-10.2
EBIT change	12 %		-		
EBIT margin	-34 %	-39 %	-14 %	-15 %	-3 %

- Tobii Pro launched a solution for market research with eye tracking on smartphones. With this, Tobii's software platform Sticky is expanded with an important new capability offering customers a complete solution for evaluating advertisements and design across all types of the media platforms. Sticky by Tobii Pro is a self-service online platform that combines online survey questions eye tracking and emotion recognition, making advanced quantitative research simple.

## APRIL-JUNE

Revenue was SEK 80 million (63), corresponding to organic growth of 40%. Customer activity increased significantly, and order intake grew by 50%. With this strong development, sales in the quarter was back at around the same levels as the corresponding quarter before the pandemic (Q2 2019). This was achieved despite a temporary budget freeze for most universities in China, and that many important markets across the world had continued restrictions. The pandemic continued to have a generally negative impact on Tobii Pro's sales during the quarter. Customers still have significant challenges to pursue the types of research, studies and education that eye tracking enables because of the requirement of physical presence of test participants.

Gross margin was 69% (70%).

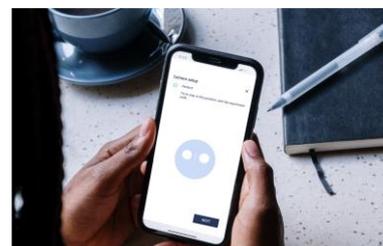
The operating result was SEK -28 million (-24) and the operating margin was -34% (-39%). The operating margin has been negatively impacted by a return to higher sales and marketing activity, and higher amortization of R&D.

## JANUARY-JUNE

Revenue was SEK 178 million (160), corresponding to organic growth of 24%. The pandemic continued to clearly hamper sales due to continued restrictions.

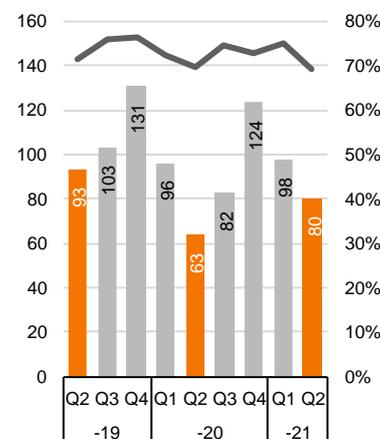
Gross margin was 73% (71%).

The operating result was SEK -25 million (-23) and the operating margin was -14% (-15%). The operating margin has been negatively impacted by a return to higher sales and marketing activity as well as higher amortization of R&D.



Tobii Pro has launched a mobile eye tracking solution for market research expanding the capabilities of Tobii Pro Sticky.

## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q2

SEK m	2021	2020
Total R&D expenditures	-22	-24
Capitalization	12	13
Amortization	-16	-11
R&D expenses in the income statement	-26	-22

# Tobii Tech

Tobii Tech is the world's leading provider of eye tracking technology for integration into consumer electronics and other products. Customers can be found primarily in the PC, VR, Automotive and Niche Applications segments. Tobii Tech's overarching objective is to maintain its world-leading position and in the long-term to achieve revenue in the billions with good profitability. This development requires major investments in technology and marketing.

## KEY RATIOS\*

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	49.7	66.6	99.7	125.9	229.7
Revenue change:	-25%		-21%		
- of which organic	-15%		-8%		
- of which currency	-11%		-13%		
Gross margin*	54 %	72 %	57 %	68 %	63 %
EBITDA	-34.4	-35.2	-60.1	-85.6	-168.0
EBITDA margin	-69 %	-53 %	-60 %	-68 %	-73 %
Operating profit/loss (EBIT)	-48.4	-49.5	-88.0	-110.3	-221.4
EBIT change	-		-		
EBIT margin	-97 %	-74 %	-88 %	-88 %	-96 %

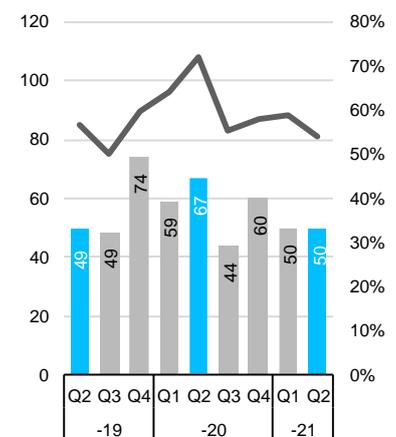
\*Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross margin and R&D expenses. For more information see "Other information" on page 21

- During the quarter the segment has seen negative effects of global supply shortages for Tobii's integration customers both in PC and VR. This manifested itself in delays of integration customers' product introductions and slow ramp-up of sales of already launched products.
- Tobii Tech received five new design wins during the quarter. Two of which are for medical applications with Tobii's VR software Ocumen and two for medical applications with Tobii Eye Tracker 5. The fifth design win related to Pico Interactives next-generation enterprise headset the Neo 3 Pro Eye. The Neo 3 Pro Eye is the second Pico headset with Tobii eye tracking and is anticipated to launch in Q3 2021.
- [Nvidia announced](#) the release of the latest version of Variable Rate Supersampling (VRSS), which now includes dynamic foveated rendering. In this collaboration, Tobii Spotlight Technology powers the Nvidia graphics drivers with eye tracking. Foveated Rendering enables a device to improve graphics quality exactly where the user is looking. This makes it possible to deliver a stunning visual experience in devices such as VR headsets. Foveated rendering with eye tracking now works out of the box with specific Nvidia graphics cards, without the need for the software developer to modify the software in any way. This is an important development for the ecosystem to enable widespread adoption of eye tracking in VR.
- After the quarter ended, Tobii announced its entry into mass market automotive integrations with the release of its Driver Monitoring System, Tobii DMS, and several related partnerships. This is a natural step for Tobii, which leverages large parts of Tobii's core competencies and adds another strategic high-growth focus area to its portfolio.
- After the quarter ended, Tobii acquired Phasya, an innovative AI software company. Phasya's technology and expertise are a great complement to Tobii's, with large application potential across several parts of Tobii's product portfolio, and most importantly in Automotive.



Tobii has adapted its leading eye tracking technology to the needs of the automotive OEM market. Tobii's Driver Monitoring System, called Tobii DMS, has been in development since 2019, will be available autumn 2021 and is ready for deployment in conjunction with the expected mass market adoption in 2024-2025.

## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q2\*

SEK m	2021	2020
Total R&D expenditures	-49	-56
Capitalization	17	8
Amortization	-14	-14
R&D expenses in the income statement	-46	-63

**APRIL-JUNE**

Total revenue was SEK 50 million (67), corresponding to an organic decrease of 15%. Revenue relative to the same period last year were negatively impacted by deferred internal revenue owing to supply chain disruptions for Tobii Dynavox, unusually large non-recurring engineering related revenues in Q2 2020, effects of customers' sales being impeded by the pandemic and global supply disruptions for several of Tobii's customers.

The gross margin decreased to 54% (72%), mainly due to unusually high non-recurring engineering revenues in the comparison quarter.

Operating profit amounted to SEK -48 million (-50), an improvement attributable to the lower investment rate implemented in 2020.

**JANUARY-JUNE**

Total revenue was SEK 100 million (126), corresponding to an organic decrease of 8%. Revenue relative to the same period last year were negatively impacted by deferred internal revenue owing to supply chain disruptions for Tobii Dynavox, unusually large non-recurring engineering related revenues in Q2 2020, effects of customers' sales being impeded by the pandemic and global supply disruptions for several of Tobii's customers.

The gross margin decreased to 57% (68%), due to lower non-recurring engineering revenues and product mix. Operating profit amounted to SEK -88 million (-110), an improvement attributable to the lower investment rate implemented in 2020.

# Group

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
<b>Continuing operations</b>					
Revenue	281.7	332.5	620.4	712.1	1,426.3
Cost of goods and services sold <sup>4</sup>	-94.5	-103.8	-191.8	-213.0	-423.6
<b>Gross profit<sup>4</sup></b>	<b>187.3</b>	<b>228.7</b>	<b>428.6</b>	<b>499.1</b>	<b>1,002.6</b>
Selling expenses	-140.3	-129.5	-266.0	-277.8	-530.4
Research and development expenses <sup>4</sup>	-100.4	-111.7	-195.1	-229.0	-427.2
Administrative expenses	-41.0	-32.7	-79.0	-68.8	-141.2
Other operating income and operating expenses <sup>1</sup>	-5.0	-0.2	2.8	8.5	-6.7
<b>Operating profit/loss</b>	<b>-99.5</b>	<b>-45.4</b>	<b>-108.7</b>	<b>-68.0</b>	<b>-102.9</b>
Net financial items <sup>2</sup>	-13.8	-25.2	-9.6	-18.0	-59.2
<b>Profit/loss before tax</b>	<b>-113.3</b>	<b>-70.7</b>	<b>-118.3</b>	<b>-86.0</b>	<b>-162.1</b>
Tax	0.2	0.0	-0.1	-0.7	37.9
<b>Net profit/loss for the period from continuing operations</b>	<b>-113.1</b>	<b>-70.7</b>	<b>-118.4</b>	<b>-86.7</b>	<b>-124.1</b>
<b>Discontinued operations</b>					
Net profit/loss for the period from discontinued operations	-0.9	-2.8	1.7	-2.7	-9.8
<b>Net profit/loss for the period</b>	<b>-114.1</b>	<b>-73.5</b>	<b>-116.7</b>	<b>-89.4</b>	<b>-133.9</b>
<b>Other comprehensive income</b>					
Items that may subsequently be reclassified to profit or loss for the period:					
Translation differences	1.7	0.3	-3.2	-13.4	4.9
Other comprehensive income for the period, net after tax	1.7	0.3	-3.2	-13.4	4.9
Total comprehensive income for the period	-112.3	-73.2	-119.9	-102.8	-129.0
Of which depreciation and amortization, continuing operations	-61.7	-51.0	-122.6	-101.9	-212.8
Of which write-down of non-current assets, continuing operations <sup>3</sup>	-0.9	-3.2	-0.9	-3.2	-6.5
Earnings per share, SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Earnings per share, diluted, SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Net profit/loss for the period attributable to:					
Parent company shareholders	-113.5	-74.3	-116.8	-91.3	-134.2
Non-controlling interests	-0.5	0.8	0.1	1.9	0.3
<b>Net profit/loss for the period</b>	<b>-114.1</b>	<b>-73.5</b>	<b>-116.7</b>	<b>-89.4</b>	<b>-133.9</b>
Total comprehensive income for the period attributable to:					
Parent company shareholders	-111.8	-74.0	-120.0	-104.7	-129.4
Non-controlling interests	-0.5	0.8	0.1	1.9	0.3
<b>Total comprehensive income for the period</b>	<b>-112.3</b>	<b>-73.2</b>	<b>-119.9</b>	<b>-102.8</b>	<b>-129.0</b>

- 1) For the second quarter, the item mainly consists of negative currency translation differences on cash primarily in USD and JPY. The comparative quarter mainly included SEK 9 million in public support not directly attributable to any specific cost items and currency translation differences of SEK -10 million. For the first half of the year, the item mainly consists of negative currency translation differences on cash primarily in USD and JPY and positive currency translation differences on receivables primarily in USD. The comparative period mainly included SEK 9 million in public support not directly attributable to any specific cost items and currency translation differences of SEK -2 million. For full-year 2020, the largest sub-items consist of government support received without any direct connection to cost items of SEK 8 million, the reversal of contingent purchase considerations of SEK 3 million and currency translation differences of SEK -22 million.
- 2) Financial items for the second quarter include interest expenses related to bond loans and finance leases in accordance with IFRS 16 of SEK -9 million (-8). The item otherwise mainly consists of negative currency translation differences on receivables, primarily in USD. For the first half of the year the corresponding interest expenses totaled SEK -17 million (-14) and the remainder of the item consists of currency translation differences, primarily in USD. For full-year 2020 the corresponding interest expenses amounted to SEK -34 million.
- 3) The non-recurring impairment charges for full-year 2020 relate to certain patents held by the Group's parent company Tobii AB.
- 4) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 21

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	Jun 30 2021	Jun 30 2020	Dec 31 2020
<b>NON-CURRENT ASSETS</b>			
Intangible assets	623.4	616.9	604.5
Tangible fixed assets	34.6	54.0	46.3
Right-of-use assets	132.1	83.6	87.7
Financial and other non-current assets	124.6	86.4	122.0
<b>Total non-current assets</b>	<b>914.6</b>	<b>840.9</b>	<b>860.5</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	154.3	181.4	199.0
Inventories	88.0	96.7	88.0
Other current receivables	120.1	59.3	97.5
Cash and cash equivalents	349.1	298.8	409.6
Assets held for sale	-	185.3	-
<b>Total current assets</b>	<b>711.5</b>	<b>821.5</b>	<b>794.1</b>
<b>Total assets</b>	<b>1,626.2</b>	<b>1,662.4</b>	<b>1,654.6</b>
<b>SHAREHOLDERS' EQUITY</b>			
Shareholders' equity, Parent Company shareholders	460.2	575.4	555.2
Non-controlling interests	1.3	2.8	1.2
<b>Total shareholders' equity</b>	<b>461.5</b>	<b>578.2</b>	<b>556.4</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing loans	15.4	460.3	463.8
Leasing liabilities	103.1	54.4	62.7
Other non-current liabilities	107.4	117.5	96.7
<b>Total non-current liabilities</b>	<b>225.9</b>	<b>632.2</b>	<b>623.3</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing loans <sup>1)</sup>	448.6	-	-
Leasing liabilities	33.2	28.5	25.7
Other current liabilities	457.0	389.2	449.2
Liabilities directly related to assets held for sale	-	34.2	-
<b>Total current liabilities</b>	<b>938.8</b>	<b>452.0</b>	<b>474.9</b>
<b>Total liabilities</b>	<b>1,164.7</b>	<b>1,084.2</b>	<b>1,098.2</b>
<b>Total equity and liabilities</b>	<b>1,626.2</b>	<b>1,662.4</b>	<b>1,654.6</b>

<sup>1)</sup> Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on June 30, 2021.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to Parent Company shareholders

SEK m	Share capital	Other contributed capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
<b>Opening balance, Jan 1, 2020</b>	<b>0.7</b>	<b>1,635.9</b>	<b>-1.8</b>	<b>-959.8</b>	<b>675.1</b>	<b>0.9</b>	<b>676.1</b>
Comprehensive income for the period			-13.4	-91.3	-104.7	1.9	-102.8
New share issue, exercise of warrants incentive programs	0.0				0.0		0.0
Sale of warrants, incentive programs		3.5			3.5		3.5
Share based payments settled using equity instruments				1.5	1.5		1.5
<b>Closing balance, Jun 30, 2020</b>	<b>0.7</b>	<b>1,639.4</b>	<b>-15.2</b>	<b>-1,049.6</b>	<b>575.4</b>	<b>2.8</b>	<b>578.2</b>
<b>Opening balance, Jan 1, 2021</b>	<b>0.7</b>	<b>1,639.4</b>	<b>3.1</b>	<b>-1,088.8</b>	<b>555.2</b>	<b>1.2</b>	<b>556.4</b>
Comprehensive income for the period			-3.2	-116.8	-120.0	0.1	-119.9
New share issue, exercise of warrants incentive programs	0.0				0.0		0.0
Sale of warrants, incentive programs		24.1			24.1		24.1
Share based payments settled using equity instruments				0.9	0.9		0.9
<b>Closing balance, Jun 30, 2021</b>	<b>0.7</b>	<b>1,663.5</b>	<b>-0.1</b>	<b>-1,204.7</b>	<b>460.2</b>	<b>1.3</b>	<b>461.5</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
<b>Cash flow from operating activities</b>					
Profit/loss after financial items, continuing operations	-113.3	-70.7	-118.3	-86.0	-162.1
Profit/loss discontinued operations	-0.9	-2.8	1.7	-2.3	-4.1
Adjustment for items not included in the cash flow	65.2	73.9	127.6	106.5	249.2
Taxes paid	-0.6	-0.4	-1.1	-2.6	-7.1
<b>Cash flow from operating activities before change in working capital</b>	<b>-49.6</b>	<b>0.0</b>	<b>9.8</b>	<b>15.5</b>	<b>75.9</b>
Cash flow from change in working capital	36.6	70.1	26.7	47.3	113.1
<b>Cash flow from operating activities</b>	<b>-13.0</b>	<b>70.1</b>	<b>36.6</b>	<b>62.8</b>	<b>189.0</b>
<b>Investments</b>					
Continuous investments					
Investments in intangible, tangible and financial fixed assets	-56.2	-50.8	-109.9	-105.8	-199.1
<b>Cash flow after continuous investments</b>	<b>-69.2</b>	<b>19.3</b>	<b>-73.3</b>	<b>-43.0</b>	<b>-10.1</b>
Divestments	-	-	-	-	105.0
<b>Cash flow after investments</b>	<b>-69.2</b>	<b>19.3</b>	<b>-73.3</b>	<b>-43.0</b>	<b>94.9</b>
Interest-bearing debt, including Bond issue	0.0	19.0	0.0	172.3	171.2
Sale/exercise of warrants, incentive program	6.3	-0.0	24.1	3.5	3.5
Instalments of leasing liability IFRS 16	-7.1	-6.8	-15.3	-13.5	-26.4
<b>Cash flow from financing activities</b>	<b>-0.8</b>	<b>12.2</b>	<b>8.7</b>	<b>162.4</b>	<b>148.3</b>
<b>Cash flow for the period</b>	<b>-70.0</b>	<b>31.5</b>	<b>-64.6</b>	<b>119.3</b>	<b>243.2</b>
Foreign currency translation, cash and cash equivalents	-3.0	-7.9	4.1	-2.4	-15.9
Cash and cash equivalents at the beginning of the period	422.2	278.3	409.6	185.2	185.2
Change in Cash and cash equivalents classified as Assets held for sale	-	-3.2	-	-3.2	-2.8
Cash and cash equivalents reclassified as Assets held for sale	-	-	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>349.1</b>	<b>298.9</b>	<b>349.1</b>	<b>298.9</b>	<b>409.6</b>

**BREAKDOWN OF REVENUE**

<b>SEK m</b>	<b>Q2 2021</b>	<b>Q2 2020</b>	<b>Half year 2021</b>	<b>Half year 2020</b>	<b>Full year 2020</b>
<b>REVENUE BY PRODUCT CATEGORY</b>					
Goods	235.2	273.6	525.1	599.1	1,221.8
Services	43.3	53.8	88.1	103.1	188.7
Royalties	3.3	5.1	7.2	9.9	15.8
<b>Total revenues</b>	<b>281.7</b>	<b>332.5</b>	<b>620.4</b>	<b>712.1</b>	<b>1,426.3</b>
<b>REVENUE BY TIMING CATEGORY</b>					
At a point in time	260.9	310.0	578.3	667.3	1,340.3
Over time	20.9	22.4	42.1	44.8	86.0
<b>Total revenues</b>	<b>281.7</b>	<b>332.5</b>	<b>620.4</b>	<b>712.1</b>	<b>1,426.3</b>
<b>REVENUE BY GEOGRAPHIC MARKET</b>					
Europe	67.5	57.9	140.6	135.8	294.7
North America	150.8	197.7	328.5	424.6	826.0
Other countries	63.4	77.0	151.3	151.7	305.6
<b>Total revenues</b>	<b>281.7</b>	<b>332.5</b>	<b>620.4</b>	<b>712.1</b>	<b>1,426.3</b>

## CONSOLIDATED KEY RATIOS

	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Earnings per share, SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Earnings per share, diluted <sup>1)</sup> , SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Equity per share, SEK	4.6	5.8	4.6	5.8	5.6
EBITDA, continuing operations, SEK m	-36.9	8.7	14.7	37.1	116.4
EBITDA continuing operations; IFRS 16 Leasing excluded	-45.2	1.6	-2.1	22.9	88.2
EBIT, continuing operations, SEK m	-99.5	-45.4	-108.7	-68.0	-102.9
Cash flow from operating activities, SEK m	-13.0	70.1	36.6	62.8	189.0
Cash flow after continuous investments, SEK m	-69.2	19.3	-73.3	-43.0	-10.1
Working capital, SEK m <sup>1</sup>	-93.6	-51.8	-93.6	-51.8	-64.7
Total assets, SEK m	1,620.6	1,662.4	1,620.6	1,662.4	1,654.6
Net cash(+)/net debt (-), SEK m <sup>1</sup>	-251.2	-244.4	-251.2	-244.4	-142.6
Net cash(+)/net debt (-); IFRS 16 Leasing excluded, SEK m <sup>1</sup>	-114.9	-161.4	-114.9	-161.4	-54.2
Equity, SEK m	461.5	578.2	461.5	578.2	556.4
Average equity, SEK m	507.0	608.2	527.2	628.2	584.3
Equity/assets ratio, %	28.5	34.8	28.5	34.8	33.6
Equity/assets ratio; IFRS 16 Leasing excluded, %	30.9	36.6	30.9	36.6	35.5
Debt/equity, %	32.9	94.0	32.9	94.0	99.3
Debt/equity; IFRS 16 Leasing excluded, %	3.3	79.6	3.3	79.6	83.4
Gross margin, continuing operations, % <sup>2</sup>	66.5	68.8	69.1	70.1	70.3
EBITDA margin, continuing operations, %	-13.1	2.6	2.4	5.2	8.2
EBITDA margin continuing operations; IFRS 16 Leasing excluded, %	-16.1	0.5	-0.3	3.2	6.2
Operating margin, continuing operations, %	-35.3	-13.7	-17.5	-9.6	-7.2
Return on total equity, %	-22.5	-12.1	-22.1	-14.2	-22.9
Average number of outstanding shares after dilution, million	99.4	99.1	99.3	99.0	99.0
Average number of outstanding shares, million	102.6	99.1	102.6	99.2	99.9
Number of outstanding shares at period end, million	99.7	99.1	99.7	99.1	99.1
Number of outstanding shares after dilution at period end, million	102.7	99.7	102.7	99.7	101.7
Average number of employees	964	1,013	962	1,019	993

1) Excluding assets held for sale and related liabilities, as at June 30, 2020

2) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 21.

\*) On June 30, 2021, a total of 3.1 million warrants and stock units were outstanding, which is a decrease of 0.8 million since the end of 2020 because of the redemption of 554,811 warrants within the framework of the 2017 warrant program LTI 2017\_1 as well as the following employee stock options: 5,000 warrant program 2014/24:1, 20,125 warrant program 2018/2028:1, 5,250 warrant program 2018/2028:2, 12,250 warrant program LTI 2017\_2, 20,072 warrant program LTI 2017\_3 and 14,875 warrant program LTI 2019.

In addition, the following warrants have expired: 8,750 warrant program 2018/2028:1, 3,500 warrant program 2018/2028:2, 3,600 warrant program LTI 2016:2, 123,089 warrant program LTI 2017\_1, 2,625 warrant program LTI 2017\_2, 4,428 warrant program LTI 2017\_3, 5,250 warrant program LTI 2017\_4 and 5,187 warrant program LTI 2019 and 9,425 share rights under the LTI 2020 warrant program.

The dilution effect of warrants in all of the Company's incentive programs and maximum issuance under LTI 2020 corresponds to a maximum of approximately 3.1%.

## QUARTERLY DATA PER DIVISION AND FOR THE GROUP

## DATE RELATE TO CONTINUING OPERATIONS UNLESS OTHERWISE SPECIFIED

	2019				2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
REVENUE, SEK m										
Tobii Dynavox	215.1	221.2	219.1	250.8	241.2	216.5	203.5	232.8	203.3	165.0
Tobii Pro	115.1	93.1	103.3	131.4	96.1	63.4	82.4	123.7	97.7	80.1
Tobii Tech*	49.5	49.4	48.6	74.1	59.2	66.6	43.9	60.0	50.0	49.7
Eliminations and other	-17.1	-17.6	-11.5	-23.4	-16.9	-14.1	-12.3	-19.9	-12.3	-13.1
The Group	362.7	346.2	359.5	432.9	379.6	332.5	317.5	396.7	338.7	281.7
*) Of which revenue from sales to Tobii Dynavox och Tobii Pro	17.1	17.6	11.5	23.4	16.9	14.1	12.3	19.9	12.3	13.1
GROSS MARGIN, %										
Tobii Dynavox	63.4	67.3	67.6	63.9	67.5	62.9	67.2	66.9	68.1	64.1
Tobii Pro	76.0	71.8	75.8	76.3	72.4	69.9	74.7	72.9	75.1	69.3
Tobii Tech <sup>2</sup>	53.1	56.8	49.9	59.7	64.0	71.9	55.5	58.0	59.0	54.2
The Group <sup>2</sup>	69.0	70.9	69.5	70.3	71.2	68.8	70.1	70.8	71.3	66.5
EBITDA, SEK										
Tobii Dynavox	35.4	42.1	45.8	46.2	57.3	47.6	43.9	53.8	46.5	-2.3
Tobii Pro	30.0	6.3	22.1	32.8	13.2	-11.7	17.4	29.1	21.1	-9.3
Tobii Tech	-70.0	-65.5	-65.3	-59.4	-50.4	-35.2	-42.5	-39.9	-25.6	-34.4
Eliminations and other <sup>1</sup>	8.3	9.2	5.8	8.5	8.3	8.0	9.3	8.1	9.6	9.1
The Group <sup>1</sup>	3.6	-7.9	8.4	28.2	28.4	8.7	28.1	51.2	51.6	-36.9
EBIT, SEK m										
Tobii Dynavox	17.2	24.9	29.8	27.6	36.4	28.1	26.5	34.4	27.4	-23.8
Tobii Pro	23.0	-2.5	13.1	20.2	1.2	-24.4	1.4	11.6	2.3	-27.5
Tobii Tech	-79.6	-71.6	-73.0	-69.5	-60.8	-49.5	-56.5	-54.7	-39.6	-48.4
Eliminations and other <sup>1</sup>	1.0	1.8	-1.5	1.1	0.7	0.4	1.7	0.7	0.5	0.2
The Group <sup>1</sup>	-38.3	-47.5	-31.6	-20.6	-22.6	-45.4	-26.9	-8.0	-9.3	-99.5
OPERATING MARGIN, %										
Tobii Dynavox	8.0	11.3	13.6	11.0	15.1	13.0	13.0	14.8	13.5	-14.4
Tobii Pro	20.0	-2.7	12.7	15.4	1.2	-38.5	1.7	9.4	2.4	-34.3
Tobii Tech	-	-	-	-	-	-	-	-	-	-
The Group	-10.6	-13.7	-8.8	-4.8	-5.9	-13.7	-8.5	-2.0	-2.7	-35.3
PROFIT/LOSS BEFORE TAX, SEK m										
The Group	-31.5	-55.9	-26.6	-36.3	-15.4	-70.7	-43.6	-32.5	-5.0	-113.3
PROFIT/LOSS FOR THE PERIOD, INCLUDING DISCONTINUED OPERATIONS, SEK m										
The Group	-32.6	-58.6	-31.5	-48.6	-15.9	-73.5	-48.6	4.2	-2.6	-114.1

1) IFRS 16 Leasing is applied from 2019. The effect is reported on Consolidated Group level only and not allocated on Divisions.

2) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 21

# The Parent Company

The Group's Parent Company, Tobii AB (publ), has primarily focused on Group-wide services such as overarching management, business and funding, legal affairs and IT since January 1, 2019. The number of employees in the Parent Company is approximately 100.

Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on June 30, 2021. Tobii has formulated a plan to refinance its current bond loan of SEK 450 million. January 2020, Tobii entered into a loan agreement for SEK 50 million, intended to cover the Group's working capital needs. The loan facility matured on June 30, 2021 and will not be renewed.

On October 6, 2020, which is in the fourth quarter of 2020, Tobii sold certain subsidiaries, collectively referred to as Smartbox, to an external buyer. The transaction entailed selling all shares in two foreign subsidiaries, which were owned by the Parent Company Tobii AB as of September 30, 2020. Capital gains from the divestment had a positive impact on net financial income for the year 2020 of SEK 10 million.

The Parent Company's revenue during the second quarter totaled SEK 45 million (29) and the operating loss was SEK -3,7 million (-5,3). At the end of the period, the Parent Company had SEK 59 million (57) in cash and cash equivalents

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
<b>Revenue</b>	<b>44.9</b>	<b>29.1</b>	<b>75.1</b>	<b>63.3</b>	<b>133.8</b>
Cost of goods and services sold	-14.4	-8.2	-19.0	-19.0	-37.3
<b>Gross profit</b>	<b>30.5</b>	<b>20.8</b>	<b>56.1</b>	<b>44.3</b>	<b>96.5</b>
Selling expenses	-0.6	0.4	-0.6	0.4	-0.3
Research and development expenses	-3.5	-5.3	-5.2	-6.2	-13.7
Administrative expenses	-30.5	-22.1	-55.8	-46.1	-95.6
Other operating income and operating expenses	0.4	0.8	0.4	1.6	-2.0
<b>Operating profit/loss</b>	<b>-3.7</b>	<b>-5.3</b>	<b>-5.1</b>	<b>-6.1</b>	<b>-15.0</b>
Financial items	15.4	-6.8	11.8	-13.8	26.2
Group Contributions	-	-	-	-	61.1
<b>Profit/loss before tax</b>	<b>11.7</b>	<b>-12.1</b>	<b>6.7</b>	<b>-19.9</b>	<b>72.3</b>
Tax	0.0	-	0.0	-	-0.1
<b>Profit/loss after tax</b>	<b>11.7</b>	<b>-12.1</b>	<b>6.7</b>	<b>-19.9</b>	<b>72.2</b>
Depreciation, amortization and write-downs, total	-2.9	-4.4	-5.0	-5.6	-12.8

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Jun 30 2021	Jun 30 2020	Dec 31 2020
<b>NON-CURRENT ASSETS</b>			
Intangible assets	42.4	39.5	36.4
Tangible fixed assets	5.8	8.0	7.0
Financial assets	1,710.1	1,661.7	1,658.7
<b>Total non-current assets</b>	<b>1,758.3</b>	<b>1,709.2</b>	<b>1,702.3</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	29.3	21.4	26.8
Inventories	0.1	0.1	0.2
Other current receivables	209.3	40.3	187.5
Cash and bank balances	58.7	57.2	71.6
<b>Total current assets</b>	<b>297.5</b>	<b>119.0</b>	<b>286.0</b>
<b>Total assets</b>	<b>2,055.8</b>	<b>1,828.3</b>	<b>1,988.2</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>1,341.2</b>	<b>1,213.0</b>	<b>1,309.5</b>	
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	-	518.6	448.0
Other non-current liabilities	0.0	9.3	0.1
<b>Total non-current liabilities</b>	<b>0.0</b>	<b>527.8</b>	<b>448.1</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing liabilities <sup>1)</sup>	448.6	-	-
Other current liabilities	265.8	87.4	230.4
<b>Total current liabilities</b>	<b>714.5</b>	<b>87.4</b>	<b>230.4</b>
<b>Total liabilities</b>	<b>714.5</b>	<b>615.2</b>	<b>678.5</b>
<b>Total equity and liabilities</b>	<b>2,055.7</b>	<b>1,828.2</b>	<b>1,988.0</b>

<sup>1)</sup> Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on June 30, 2021.

# Notes

## Not 1. Accounting policies

The Interim Report complies with the provisions of IAS 34, and the report for the Parent Company has been prepared pursuant to the provisions of the Swedish Annual Accounts Act and RFR 2. In addition to the financial statements, disclosures under 34.16A also appear in other parts of the interim report. The accounting policies of the Parent Company and the Group, and the calculation principles used in the report, are unchanged from those used in the most recently published Annual Report, with the exception of the application of new standards. The IASB has published amendments to standards effective from January 1, 2021 or later. These amendments have not had a material impact on the financial statements

## Not 2. Business combinations

No business combinations occurred during the quarter, nor during the same period last year.

## Not 3. Financial instruments

SEK m	Jun 30 2021		Jun 30 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities measured at amortized cost for which fair value is disclosed for information purposes</b>				
Bond issue	448.6	450.0	442.9	450.0
<b>Financial assets measured at fair value</b>				
Contingent considerations	38.8	38.8	-	-
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	-	-	12.0	12.0

Fair value for interest-bearing loans is calculated for disclosure purposes by discounting future cash flows at the current interest rate for the remaining maturity

The Group classifies financial assets and liabilities measured at fair value in a fair value hierarchy based on the information used in the valuation of each asset or liability. For financial instruments in level 3, information that is material to the fair value of the asset or liability is not observable and the Group's own assessments are applied. Both interest-bearing loans and contingent considerations are classified under level 3.

All operations related to Smartbox, which was acquired in 2018, were divested during the fourth quarter of 2020. Receivables for contingent consideration relate in their entirety to the sale of Smartbox.

## Change in contingent consideration

SEK m	
<b>Assets</b>	
Opening balance January 1, 2021	36.6
Translation differences	2.2
Closing balance Juni 30, 2021	38.8
<b>Liabilities</b>	
Opening balance January 1, 2021	0.8
Translation differences	-
Closing balance Juni 30, 2021	-0.0

Other than the contingent consideration, Tobii has no financial instruments that are measured at fair value in the income statement.

## IMPAIRMENT OF GOODWILL

Impairment testing for goodwill was carried out at the end of the 2020 financial year, without any need for impairment being identified.

## Not 4. Pledged assets and contingent liabilities

On February 10, 2020, Tobii announced a subsequent issuance of senior covered bonds of SEK 150 million under its SEK 600 million loan facility, with maturity in February 2022. On February 14, 2019, Tobii announced the first issuance of SEK 300 million within the same loan framework. The total amount of outstanding bonds is thus SEK 450 million. The Parent Company Tobii AB is the issuer of the bond loan. The bonds issued in accordance with the Bond Loan are secured by collateral in shares in Tobii Dynavox AB, Tobii Pro AB and Tobii Tech AB.

## Other information

### RISKS AND UNCERTAINTY FACTORS

Tobii's business risks include the economic climate, the competitive situation, currency risks, credit risks in relation to customers, financing risks, the risk of impairment write-downs of capitalized R&D and other intangible assets, and regulatory risks (Tobii Dynavox in the U.S. is under the supervisory control of the U.S. Food and Drug Administration (FDA)). The Group's risks and risk management are described in greater detail in the risk section on page 42 in the Directors' Report and in note 3 in Tobii's 2020 Annual Report. Tobii is of the opinion that this risk description remains correct.

### TRANSACTIONS WITH RELATED PARTIES

No transactions have occurred between Tobii and related parties that have materially affected the Company's position and earnings.

### DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES (APM) NOT DEFINED BY IFRS

Alternative Performance Measures, (APMs), are financial measures of financial performance, financial position, or cash flows, other than those defined in the applicable financial reporting framework (IFRS). These are considered to be important supplemental measures of the company's performance. These measures may not be comparable to measures used by other companies, since not all companies calculate financial measures in the same way. The key ratios and alternative performance measures that Tobii uses are defined on page 120 of the 2020 annual report.

In 2020 Tobii introduced the new growth measure organic growth, defined as change in revenue adjusted for change due to currency and, where applicable, structural changes. At group level, structural changes are defined as acquisitions or disposals of businesses, and at the division level, it may also include structural changes between divisions. No structural change occurred in the reported period or in comparative periods.

### RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

This section presents only the reconciliation of alternative performance measures that cannot be calculated from information in financial reports in this interim report.

#### Operation profit/loss before depreciation, amortization and impairment, EBITDA

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Operating profit/loss before depreciation, amortization and impairment, (EBITDA)	-36.9	8.7	14.7	37.1	116.4
Amortization and impairment	-44.5	-40.1	-90.3	-77.6	-164.7
Depreciation	-18.1	-14.1	-33.1	-27.6	-54.6
<i>of which Right-of-use assets (IFRS 16 Leasing)</i>	-8.3	-7.1	-16.8	-14.2	-28.2
<b>Operating profit/loss (EBIT)</b>	<b>-99.5</b>	<b>-45.4</b>	<b>-108.7</b>	<b>-68.0</b>	<b>-102.9</b>

### CHANGED PRESENTATION OF COST OF SERVICES IN TOBII TECH

Previously, non-recurring revenue has been charged with cost of services sold on a flat-rate basis. From Q1 2021, the reporting has been changed, to enhance consistency. The change has no effect on operating profit, but results in a higher gross profit and higher R&D costs.

#### Effect on previous periods from changed presentation

	2019					2020				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
<b>Group</b>										
Cost of services	-4.4	-4.9	-2.4	-6.2	-17.9	-6.8	-12.7	-4.1	-3.6	-27.3
Gross profit	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
<i>Gross margin, percentage points</i>	1.2	1.4	0.7	1.4	1.2	1.8	3.8	1.3	0.9	1.9
RnD costs	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
Operating result	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Tobii Tech</b>										
Cost of services	-4.4	-4.9	-2.4	-6.2	-17.9	-6.8	-12.7	-4.1	-3.6	-27.3
Gross profit	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
<i>Gross margin, percentage points</i>	8.8	9.9	5.0	8.3	8.1	11.5	19.1	9.4	6.0	11.9
RnD costs	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
Operating result	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Danderyd, August 20, 2021

**Kent Sander**  
Chairman of the Board

**Heli Arantola**  
Board member

**Nils Bernhard**  
Board member

**Mårten Skogö**  
Board member

**Charlotta Falvin**  
Board member

**Åsa Hedin**  
Board member

**Jan Wäreby**  
Board member

**Jörgen Lantto**  
Board member

**Henrik Eskilsson**  
President & CEO

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

This information is information that Tobii AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, on August 20, 2021, at 7:30 a.m. CET.

Contact person: Henrik Mawby, Head of Investor Relations, Tobii AB, e-mail: [Henrik.mawby@tobii.com](mailto:Henrik.mawby@tobii.com), tel. +46 (0) 72 219 82 15

# Information to shareholders

## WEB PRESENTATION

A conference call and online presentation will be held in English today at 09:00 a.m. (CET). See [tobii.com](http://tobii.com) for more information about the conference. The slides from the presentation will be available for download from the website afterwards.

## CONTACT DETAILS

Henrik Mawby, Head of Investor Relations  
Henrik Eskilsson, President & CEO, phone: +46 (0)8-663 69 90  
Magdalena Rodell Andersson, CFO, phone +46 (0)8-663 69 90

Tobii AB (publ) • Corporate ID number: 556613–9654  
Mailing address: Box 743 18217 Danderyd, Sweden  
Tel. +46 (0)8-663 69 90  
[www.tobii.com](http://www.tobii.com)

## FINANCIAL CALENDAR

Interim report, Q3 2021                      October 28, 2021  
Year-end report, Q4 2021                  February 08, 2022



## Tobii Dynavox announces Board of Directors

**Tobii Dynavox, the global leader in assistive technology for communication, today announced its new Board of Directors. This is a key step in the process for the planned spin-off and public listing of Tobii Dynavox.**

The new Board of Directors will include five members, with Åsa Hedin as Chair and Caroline Ingre, Henrik Eskilsson, Charlotta Falvin, and Carl Bandhold as members.

“I am honored to lead our Board and to take on this responsibility at such an exciting time for Tobii Dynavox,” said Åsa Hedin, Chair of the Board at Tobii Dynavox. “As the global leader in a market with profound impact on people’s lives, Tobii Dynavox has a unique potential to help and improve the lives for the over 50 million people living with communication difficulties. Together with the leadership team and the talented Tobii Dynavox staff, the Board will continue to develop and execute on our strategy to deliver life-changing and sustainable customer value as well as long-term value for our shareholders.”

The decision to prepare the spin-off of Tobii Dynavox [was announced in April](#), and the aim is to have Tobii Dynavox listed on Nasdaq Stockholm by the end of this year. The spin-off will enhance the autonomy of Tobii Dynavox, and enable a clearer business focus and more agile organizations for both Tobii and Tobii Dynavox.

### Tobii Dynavox Board member bios

**Åsa Hedin**, Chair. Industrial advisor to the Department of Microtechnology and Nanoscience at Chalmers AB. Chairman of the board of Artificial Solutions International AB. Board member of C-rad AB, Nolato AB, Cellavision AB, Biotage AB, Industrifonden and E. Öhman J:or Fonder AB. Previous Managing Director of Elekta Instrument AB. Board member of Tobii AB from 2015. Åsa holds an MSc in Biophysics and Bioengineering, University of Minnesota. BA in Physics, Gustavus Adolphus College.

**Caroline Ingre**, Board member. Caroline Ingre is a Specialist in neuromuscular diseases and Senior consultant neurology. Founder and Head of Karolinska ALS Center. Founder and Head of the national ALS registry in Sweden and also the Karolinska Treatment Center, focused on clinical trials for ALS. Board member of TRICALS and has several scientific board positions in ALS-related organizations, including Pharmaceutical companies. Caroline holds a Medical Doctor degree, Karolinska Institute. PhD in Neuroscience, Umeå University. Associate professor, Karolinska Institute.

**Henrik Eskilsson**, Board member. Henrik was the co-founder and CEO of Tobii from its inception in 2001. MSc in Industrial Engineering & Management, Linköping University, Sweden.

**Charlotta Falvin**, Board member. Charlotta has long experience from leading positions in IT and telecom, e.g. COO at Axis, CEO at Decuma and TAT. Chairman of the board at Skåne Startups. Board member at Invisio, Net Insight, Bure Equity, Boule Diagnostics, Nel ASA and Malmö based incubator Minc. Previous board member of Axis, Doro and Sinch. Board member of Tobii AB from 2018. Charlotta holds an MSc in Business Administration, Lund University.

**Carl Bandhold**, Board member. Currently CFO of the publicly listed property developer JM AB. Previously CFO of the assistive technology company Permobil Group, as well as management consultant with the Boston Consulting Group and Accenture. Carl holds an MBA from INSEAD and MSc in Chemical Engineering from Chalmers University of Technology.

### Contact

Anders Lundin, Corporate Communications Director, Tobii Dynavox, phone: +46 (0)733 27 87 61, email: [anders.lundin@tobii.com](mailto:anders.lundin@tobii.com)

Henrik Mawby, Head of Investor Relations, Tobii Group, phone: +46 (0)72 219 82 15, email: [henrik.mawby@tobii.com](mailto:henrik.mawby@tobii.com)

## **About Tobii**

Tobii is the global leader in eye tracking. Our mission is to improve the world with technology that understands human attention and intent. Tobii operates through three business units: Tobii Dynavox makes specially designed computers that are controlled by eye movement or touch screens for use by people with special needs due to spinal cord injuries, CP, ALS or other medical conditions. Tobii Pro develops and sells eye tracking equipment and services used today by more than 3,500 companies and 2,500 research institutions, including 98 of the world's 100 highest ranked universities. Tobii Tech supplies eye tracking technology for integration into consumer electronics and other products such as personal computers, virtual reality headsets, healthcare applications, automotive DMS and more. Tobii is headquartered in Sweden and is listed on Nasdaq Stockholm (TOBII). The group has over 1,000 employees. For more information: [www.tobii.com](http://www.tobii.com).



## Press release

Stockholm, September 27, 2021

# Tobii AB (publ) uses its right to early redemption of its outstanding 2019/2022 bonds

**NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA) OR TO ANY U.S PERSON (U.S. PERSON, AS DEFINED IN THE REGULATIONS OF THE UNITED STATES SECURITIES ACT OF 1933, IN ITS CURRENT WORDING) OR IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT. THE DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS (IN PARTICULAR, THE UNITED STATES AND THE UNITED KINGDOM) MAY BE RESTRICTED BY LAW.**

Tobii AB (publ) (the "Issuer") has previously issued secured floating rate bonds with final redemption date on 21 February 2022, ISIN SE0012230076 (the "Bonds"). The Issuer has formally used its right to early voluntary redemption of the Bonds (the "Early Redemption") in accordance with Clause 11.3 (*Early voluntary redemption by the Issuer (call option)*) of the terms and conditions for the Bonds and the Bonds will be redeemed early at a price per Bond equal to 100.575 per cent of the nominal amount per Bond plus any accrued and unpaid interest to, and including, the redemption date which is expected to be on 21 October 2021.

The redemption amount, including accrued and unpaid interest, will be paid to each person who is registered as owner of Bonds in the debt register maintained by Euroclear Sweden at end of business on the record date, being 14 October 2021. In connection with the Early Redemption, the Bonds will be delisted from Nasdaq Stockholm and the last trading day is on 12 October 2021.

## Contact

Henrik Mawby, Investor Relations, Tobii AB, phone: +46 (0) 72 219 82 15, email: [henrik.mawby@tobii.com](mailto:henrik.mawby@tobii.com)

## About Tobii

Tobii is the global leader in eye tracking. Our mission is to improve the world with technology that understands human attention and intent. Tobii operates through three business units: Tobii Dynavox makes specially designed computers that are controlled by eye movement or touch screens for use by people with special needs due to spinal cord injuries, CP, ALS or other medical conditions. Tobii Pro develops and sells eye tracking equipment and services used today by more than 3,500 companies and 2,500 research institutions, including 98 of the world's 100 highest ranked universities. Tobii Tech supplies eye tracking technology for integration into consumer electronics and other products such as personal computers, virtual reality headsets, healthcare applications, and more. Tobii is headquartered in Sweden and is listed on Nasdaq Stockholm (TOBII). The group has over 1,000 employees. For more information: [www.tobii.com](http://www.tobii.com).

Tobii AB (publ)  
Box 743  
S-182 17 Danderyd  
Sweden

phone: +46 8 663 69 90  
fax: +46 8 30 14 00  
[www.tobii.com](http://www.tobii.com)