



# Annual and sustainability report

2021



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This is a translation of Tobii Dynavox Annual Report. In case of differences, the Swedish version prevails.

# Power to be You

Tobii Dynavox makes it possible for people with disabilities to continue to do what they once were able to do, or what they never thought was possible.

Our vision is for all people to be able to communicate and make their voices heard.





# World's leading provider of assistive technology for communication

Tobii Dynavox gives  
hundreds of thousands  
of people a voice

**165,722**  
**voices**

Number of users since 2015



## World-class offering

A total solution that helps the user with the best equipment, software and content, as well as assistance with reimbursement, setup and support.



## Strong organization

Broad and deep expertise with speech therapists, reimbursement specialists, and R&D organization.

**467**  
employees



## Global market position

The largest player with a local presence in 65 countries. Contracts with more than 400 public and private insurance providers.

**65**  
countries with a  
sales presence

**36%**  
Market share for  
assistive technology  
for communication

# The year in brief

## Tobii Dynavox listed on Nasdaq Stockholm

On December 9, 2021, Tobii Dynavox was listed on the Nasdaq Stockholm Mid Cap list. Prior to that, all ordinary shares in Tobii Dynavox AB were distributed to the shareholders of Tobii AB under so called Lex Asea.

## TD Pilot for iPad launched in partnership with Apple

The eye-controlled communication device TD Pilot for Apple's iPadOS 15, went on sale in November 2021. With eye-tracking technology for iPad we offer a powerful and user-friendly solution.

## Tobii Dynavox enters into agreement to acquire Acapela Group

The Belgian Acapela Group, a provider of digital voices and AI-powered voice synthesis software, supports our products with authentic reproduction of human voices. The acquisition accelerates the development and sales of voice synthesis solutions for assistive technology for communication.

## Supply chain and sales channel challenges

The pandemic created challenges in our supply chain and sales channels during the year, which had a negative impact on our sales growth and earnings.

**872 SEK m (895)**

Net sales

**6.9% (14.2)**

Operating margin

**60 SEK m (127)**

Operating profit/loss

**0.3% (1.1)**

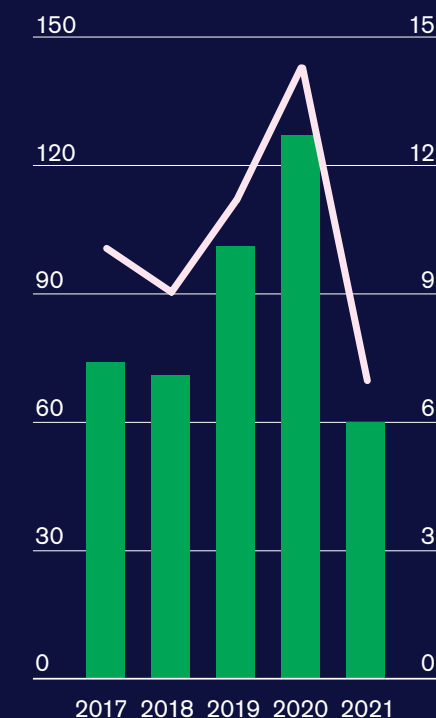
Organic growth

## Revenues and gross margin



■ Revenue, SEK m  
— Gross margin, %

## EBIT and EBIT margin



■ EBIT, SEK m  
— EBIT margin, %

# Invest in Tobii Dynavox

There are several strong reasons to invest in Tobii Dynavox, the global market leader in assistive technology for communication. You invest in a good cause and in Tobii Dynavox's growth journey within communication aids.

## 1. An investment that makes a difference

Tobii Dynavox solutions lead to a revolutionary improvement in quality of life for the individual and help reduce the burden on friends, family and society at large.

## 2. Market with great growth potential

A large underpenetrated market that is forecast to grow steadily at ~10% per year over the next few decades, driven by increasing awareness of assistive technology for communication and progress in funding and infrastructure.

## 3. Unique and innovative

Tobii Dynavox has a unique service and technology offering that builds on innovative technology solutions in combination with a strong focus on service, support and well-developed financing systems. This creates a high level of customer loyalty to our products, language systems and our company, which is often lifelong.

## 4. The global market leader

Tobii Dynavox is the global market leader in assistive technology for communication and related services, with a strong position in special education.

## 5. Strong ability to attract talent

Tobii Dynavox works consistently to attract the best talents and create a strong culture and work environment. We have a clear mission that engages and motivates our employees. Tobii Dynavox has regularly been named a top-ranked employer in both Sweden and the US.

## 6. Profitable growth and satisfied customers

With a broad base of strong and stable customers, as well as a high gross margin in an under-penetrated market, Tobii Dynavox business model lay the foundation for increased growth and profitability and long-term returns for investors.





Comments from the CEO

# We are ready to gear up to help more people

**At the time of writing, spring is just around the corner and hopefully the pandemic gloom will disappear with its arrival, although new geopolitical storm clouds loom on the horizon. Our organization is both strengthened and scarred after the pandemic years and, like everyone else, we now hope for better times.**

The spin-off from Tobii and the public listing in December will allow us to fully focus on our vision – to ensure that everyone has a voice. Despite all the challenges caused by the pandemic, we have managed to keep our sales intact, strengthen our technical expertise and launch an exciting product in collaboration with Apple. We are well equipped to pick up the pace when life returns to normal. A huge unmet need for our products is out there, with many people who need our help.

## **A huge thank you to everyone who has given their all**

I would like to start by warmly thanking all of our employees, who have worked tirelessly throughout the year to make everything run as smoothly as possible under difficult circumstances.

Our employees are highly competent. They can work for the employer of their choice – and they have chosen to work for Tobii Dynavox because of what we stand for and what we do for our users. This, of course, creates a very positive corporate culture. Perhaps at the same time, the pandemic has taken a particular toll on our staff, who have put their hearts and soul into making things work as usual during this very

special time. That's why we'll also make sure the company is there for them, to make sure our people thrive at work and can find a sensible balance and workload going forward.

## **Most important events in 2021**

### **How it went financially**

The pandemic had a major negative impact on our business throughout 2021. We were particularly hard hit by the restrictions on meeting in person, since we rely on physical meetings with our users, for example when setting up and adapting communication aids. Otherwise, like many others, we were affected by illness among employees, slower logistics flows and component shortages. Despite the challenges, revenue remained stable throughout the pandemic. In 2021, sales were essentially flat and operating profit declined, primarily for pandemic-related reasons. We now see a strong pent-up demand in the market and feel confident about achieving our long-term financial targets.

The robust sales trend for assistive technology for communication in North America continued, while the impact on our special education products and other markets was much greater. In North America, which accounts for three-quarters of our sales, our underlying communication aid business and incoming insurance claims grew by over 10% in 2021, which bodes well for growth in 2022.



## **Fredrik Ruben**

CEO since 2014

**Comes from:** Lidingö outside Stockholm.

**Family:** Wife and three children.

**When he's not working:** Sea Scout leader who loves being outdoors, preferably by the sea.

**Best thing about 2021:** That everyone was able to adjust, adapt and keep things moving forward in such a fantastic way, despite the tough conditions caused by the pandemic. As has often happened in the past, a crisis has proven to be a very good catalyst for ideas and initiatives.

**Target for 2022:** With regard to Tobii Dynavox we need to utilize our strengths to get back to growth.

### Tobii Dynavox spun off and listed on Nasdaq

The spin-off and public listing allows for an increased focus on the Tobii Dynavox business and a clearer alternative for investors, with a more dedicated sustainability profile. For several years, Tobii Dynavox has operated as a largely independent business within the Tobii Group, so the change will not have a significant impact on day-to-day operations. We can continue to pursue our long-term work with increased focus. In our home market of Sweden, the listing gives us greater visibility, which contributes to improved awareness externally and increased pride internally. It also benefits our business in the Swedish market and our ability to recruit, since lack of knowledge about the company, our industry and our products is our single biggest barrier to growth.

### Agreement to acquire Acapela Group

At the end of October in 2021, we entered into an agreement whereby Tobii Dynavox will acquire all shares in the Belgian company Acapela Group, a provider of digital voices and AI-powered voice synthesis software. We already use their products in our assistive technology for communication and we are convinced that we can accelerate the development of technology and language systems by pooling our expertise.

### Launch of TD Pilot

The most common question about our eye-controlled assistive technology has been "Does it work on an iPad?" After years of working with Apple, we can finally say "yes, it does." In November 2021, we launched our new product, TD Pilot. TD Pilot is mainly a prescribed communication aid that is medically classified and meets a number of high standards. The product is certified by Apple and it is integrated with iPadOS and Apple's entire ecosystem of apps, offering entirely new possibilities for our users.

### Our key priorities going forward

#### We must clarify our brand

As an independent company, we will now clarify our brand, which represents who we are and what we do. We need to tell even more people that we are a leader in the assistive technology for communication market and that our target group is people who, for various reasons,

cannot communicate without assistive technology. We need to explain how broad our offer is and that we take responsibility not only for the product, but also for clinical content, setup, administration, customization and support.

Our brand promise, Power to be you, sums up what we want to achieve. We want to give everyone the opportunity to be themselves. For around 50 million people around the world, this is not a given. In practice, they cannot interact with the world around them without the help of the communication aids we are developing. Only 2% of those diagnosed annually are assessed and have access to communication devices – the rest remain more or less locked in their own bodies – and we want to change that!

#### We will grow and increase awareness

We are, therefore, focusing on growing geographically to reach more people. We need more people to inform, persuade, educate and sell. It is extremely important to raise awareness that assistive technology for communication is not just any technical gadget, but a critical tool for daily life.

In addition to organic growth, we want to grow in new geographic markets by acquiring local small and medium-sized companies and then vertically integrating them by assuming responsibility for a large part of the value chain, which we can then also improve. We mainly target healthy companies with expertise in speech therapy, companies that understand the local market and companies that work with our client groups.

As a niche company, our partnerships with the big tech giants like Apple, Google and Microsoft have been successful. We help them to reach a small but important target group that they have not reached before, and we add value for our users. We are, therefore, open to similar collaborations in the future, which present an opportunity to reach new users in new markets. One example of this is the partnership we entered into in early 2022, with Tencent-owned Sogou. The collaboration enables disabled users, mainly in China, to access the Sogou Input

**"Recognizing that we at Tobii Dynavox can make such a fundamental difference to the quality of life of so many people, my colleagues and I can come to work tremendously motivated."**

Method using eye control. The method makes it possible, with the help of word prediction based on artificial intelligence, to write more efficiently in Mandarin. The method currently has over 600 million users.

#### Our business and growth must take place responsibly

Our growth means that more people have access to a voice. Society is a better place when every human being gets the chance to develop to their full potential. Social sustainability is a hallmark of our entire business. It also means that our stakeholders have particularly high expectations that everything we do should be done sustainably. We will live up to these expectations and we have set high ambitions for our new Sustainability Manager, who has the support of the entire organization, including the Board.

Recognizing that we at Tobii Dynavox can make such a fundamental difference to the quality of life for so many people, my colleagues and I can come to work tremendously motivated, knowing that we are accomplishing something good in the world. I am incredibly pleased and grateful to be able to continue leading this amazing company into the future.

**– Fredrik Ruben, CEO**



Lucie from France:

“We must continue to show the world that we are so much more than our disability and fight for society to see our potential and make room for us.”

#### Lucie sees no limits

Lucie is a strong woman who challenges herself and others. She is studying computer science and wants to specialize in accessibility in education. One part of this is to try to develop an eye-controlled keyboard specifically designed for STEM students (STEM stands for Science, Technology, Engineering and Mathematics, and is a special approach that focuses on characteristics such as creativity, collaboration and problem solving). Lucie lets her passion guide her and she challenges norms every day, just by being herself. In her spare time she enjoys running, literature and dance.

#### Dreams can come true with strength, determination and a supportive team

Lucie was diagnosed with cerebral palsy shortly after birth. She has limited body control and difficulty speaking without assistance. Through her therapist, she came into contact with Tobii Dynavox when she was in her twenties and was able to try assistive technology for communication

using eye gaze. She was a fast learner and understood the potential of technology. Today, she uses her communication device all the time for everything from coding, meeting presentations and emails to social media and turning on the TV.

Lucie can still get frustrated that everything she wants to do takes a long time, but that doesn't stop her. With her inherent strength, a loving family and her support group at Tobii Dynavox, she goes from one accomplishment to the next. In 2020, Lucie was the keynote speaker at the Stockholm Women in Tech conference, and received a standing ovation from the audience after her presentation. It was the first time in the history of the conference that this had happened, and a big step towards Lucie's dream – to make people with disabilities seen and appreciated by society.



## Meet Lucie Quarta from France

**Disability:** Cerebral palsy

**Communication aid from Tobii Dynavox:** Lucie uses PCEye for her laptop when she works. This allows her to control the computer and all applications with her eyes. When she's on the go, she mounts her I-Series on her wheelchair. She uses her communication devices for everything from coding and meeting presentations to social media interaction and turning on the TV.



# Market

Everyone should have the right to make their voice heard, but that is not the case today. Around 50 million people worldwide could have a better life with the kind of solutions Tobii Dynavox offers, but only 2% of those diagnosed annually have this opportunity. We are, therefore, focusing our efforts on reaching out to more people and increasing awareness of our products to help as many as possible.

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The picture shows Layne Barlow from the USA. She has cerebral palsy and she uses TD Pilot from Tobii Dynavox to communicate with family, friends, at school and on social media.

# Market for assistive technology for communication

**Tobii Dynavox offers assistive technology for communication to a market with extensive needs. The market is largely still unpenetrated.**

The market for assistive technology for communication, formally referred to as "augmentative and alternative communication" (AAC), currently represents the largest part of the business. In turn, AAC is part of the advanced assistive technology market. In this market, we sell solutions with a wide range of educational content, the latest technology, as well as customized software and hardware solutions and various expert services.

We also address the special education market with solutions based in part on our own symbol language, Picture Communication Symbols (PCS).

**Market size and drivers**  
Today, around 50 million people, more than half a percent of the world's population, have such severe speech and communication problems that they cannot make their voices heard without the help of advanced technological communication aids. Every year, more than two million people are diagnosed as needing such assistive technology, but only 40,000 (2%) get the help they need.

This large need obviously means that there is significant potential for market growth. Today, the 40,000 communication aids sold annually on the world market represent USD 230 million. Market growth is expected to be approximately 9% per year from today onwards.

This growth is strongly linked to the increasing awareness of such communication devices among users, speech therapists, doctors and the outside world. And importantly, that users can get help with reimbursement, since most people are unable to pay out-of-pocket for their communication device. Tobii Dynavox and other companies in the market are, therefore, also dependent on how well they can spread awareness and knowledge about their offerings and how they benefit the individual user and the society at large.

## Great needs in an unserved market

### Market for assistive technology for communication – potential and actual demand

**Prevalence.** (Millions of individuals)  
In all, 200 million people around the world have communication difficulties and 50 million of them could use advanced assistive technology for communication.



**Incidence.** (Millions of individuals)  
Every year, around two million people are diagnosed with conditions that indicate a need for advanced assistive technology for communication. Of these individuals, only around 40,000 (2%) get the help they need.





## Reimbursement potential determines the market

Most people who need a communication aid will also need help to cover the cost. Therefore, a crucial factor is how the reimbursement systems in place in different countries prioritize people with communication impairments and the potential for reimbursement. The table below presents an overview of funded reimbursement systems in different countries.

Reimbursement levels in different countries

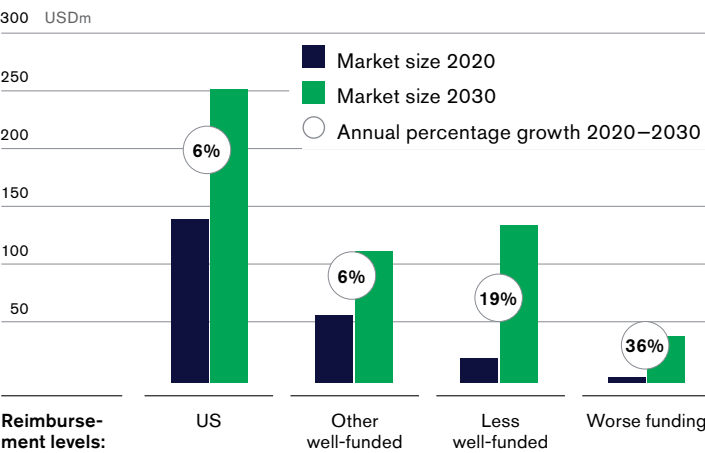
Reimbursement level	Countries
US	US
Other well-funded	Australia, Canada, Denmark, Germany, Iceland, Netherlands, New Zealand, Norway, Slovenia, Sweden, Switzerland
Less well-funded	Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Ireland, Finland, France, Israel, Italy, Lithuania, Poland, Portugal, Russia, Spain, United Kingdom
Worse funding	Rest of the world

How a country or region prioritizes people who need assistive technology for communication in relation to the needs of others has a major impact on the size and growth of the market.

## Large differences in reimbursement systems between countries

Today, there are large differences in how countries support and reimburse people in need of assistive technology for communication. With the global trend to improve the lives of people with communication disabilities, more countries are expected to prioritize communication needs and improve reimbursement opportunities over time. Today, however, the greatest absolute growth is in those countries that already have an established reimbursement infrastructure for users of assistive technology for communication.

Estimated actual market and growth – different growth areas\*



The average global market growth is estimated at 9% from today onwards in time. The greatest absolute growth is in those countries that already have an established reimbursement infrastructure for users of assistive technology for communication, but interest is also growing in other parts of the world.

\*A market study together with Arthur D. Little



## Reimbursement structure

Reimbursement structures vary between countries, but it is easier for users and providers to obtain reimbursement in countries with centralized organizations, since requirements are often more uniform and standardized. In countries with a more decentralized reimbursement system, market participants with local reimbursement expertise in their organization have a major advantage. There is a wide variation in reimbursement systems around the world.

**Overview of the reimbursement structure in the US and a selection of countries with high reimbursement levels**

	Reimbursement	
	Structure	Coverage
US	<ul style="list-style-type: none"><li>▪ National/regional</li><li>▪ Public and private insurers/payers</li></ul>	<ul style="list-style-type: none"><li>▪ Strong coverage for insured, but complex systems</li><li>▪ Up to 50% co-payment may be required</li></ul>
Norway	<ul style="list-style-type: none"><li>▪ National</li><li>▪ Public insurance providers/payers</li></ul>	<ul style="list-style-type: none"><li>▪ Strongest reimbursement system in the world, some users even get multiple devices</li></ul>
Sweden	<ul style="list-style-type: none"><li>▪ Regional</li><li>▪ Public insurance providers/payers</li></ul>	<ul style="list-style-type: none"><li>▪ Among the stronger reimbursement systems</li><li>▪ Large regional differences</li></ul>
Germany	<ul style="list-style-type: none"><li>▪ National/regional</li><li>▪ Public insurance providers/payers</li></ul>	<ul style="list-style-type: none"><li>▪ Strong reimbursement system, but varies between statutory health insurers depending on budget and list of approved devices</li></ul>

### Interview with one of our specialists

“Our users have enough to contend with, so we help them with the red tape and make sure they get their assistive devices quickly as possible.”

– Kimberley Skanz, Head of Funding in the US



Kimberley Skanz is Head of Funding in the US. They work to help users in the US and Canada with the reimbursement process.

**The reimbursement process is an important part of the Tobii Dynavox offering, can you explain why?**

"The compensation process is mired in red tape in many countries. The Tobii Dynavox offering includes lifting that burden from the user, who has so much else to contend with. Reimbursement help is an important part of our offering. Without reimbursement, the vast majority of people cannot afford assistive technology for communication and the continuous updating and training that is often needed."

**When do you enter the process?**

"Our work begins when the user has been assessed by a speech therapist and the appropriate communication aid has been decided. We collect all the information and documents needed for the reimbursement process. In the US, each state has its own health plan and approach to reimbursement, so my staff and I specialize in different states to keep up to date with laws, regulations and practices to best serve our users."

**How long does it take for users to receive their communication aid?**

"Usually we manage to get the reimbursement within a month, but sometimes it can take longer. Sometimes the user does not have insurance and we have to try to find other solutions, for example, through various stakeholder organizations. When everything is ready, the device is delivered to the user and all the paperwork is stored at Tobii Dynavox, in case any questions arise in the future."

# Our users and the ecosystem

Tobii Dynavox's primary target group is the users, but other key stakeholders surround the user and often participate in the decision about communication aids.

We call these support groups and stakeholders the ecosystem. In order to help users in the best possible way, education and support is needed by a variety of people both before and after users receive their communication device.

### Users – three different groups

People who need a communication aid have language or motor impairments. The diagnoses are divided into three categories, with different needs for solutions and support:

**Congenital impairments:** People born with communication challenges that are characterized by speech, language and literacy impairments. Examples are diagnoses such as cerebral palsy (CP), autism, and intellectual disabilities.

**Progressive diagnoses:** Diseases with gradual impairment over time, often over many years, such as ALS, multiple sclerosis (MS) or Parkinson's.

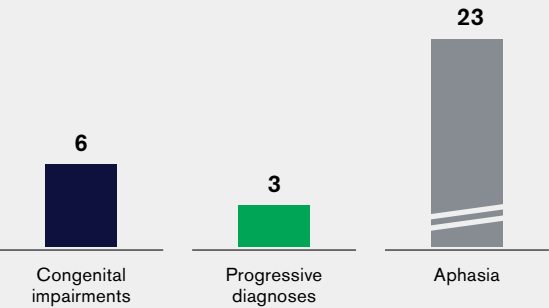
**Aphasia:** Usually a consequence of a stroke or traumatic brain injury that affects speech and writing skills.

Of the three groups above are people with congenital impairments our largest user group. This group needs communication devices from an early age and needs them for a long time.

## Incidence and prevalence of people in need of communication aids

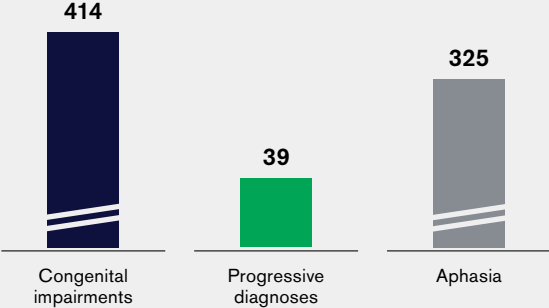
People in need of assistive technology for communication added per year (Incidence)

Per 100,000 individuals

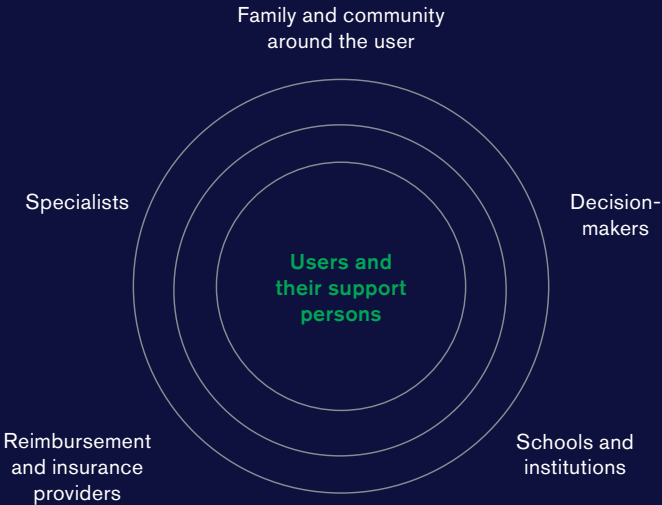


Total number of people in need of assistive technology for communication (Prevalence)

Per 100,000 individuals



## The ecosystem around the user



Many people are involved in the process from the time a user's need is identified until an communication device is approved, delivered and works efficiently for the user. Key stakeholders in the ecosystem around a user include the doctor, speech therapist and occupational therapist. Sometimes relatives make inquiries and compare assistive devices.

Once a suitable option has been tried out, the user needs to apply for reimbursement from the government, insurance company or similar body. When the reimbursement is approved, users and their families must learn how to use the communication device. Tobii Dynavox is involved in every step of the process. In many cases, this is a growth journey that takes many years.

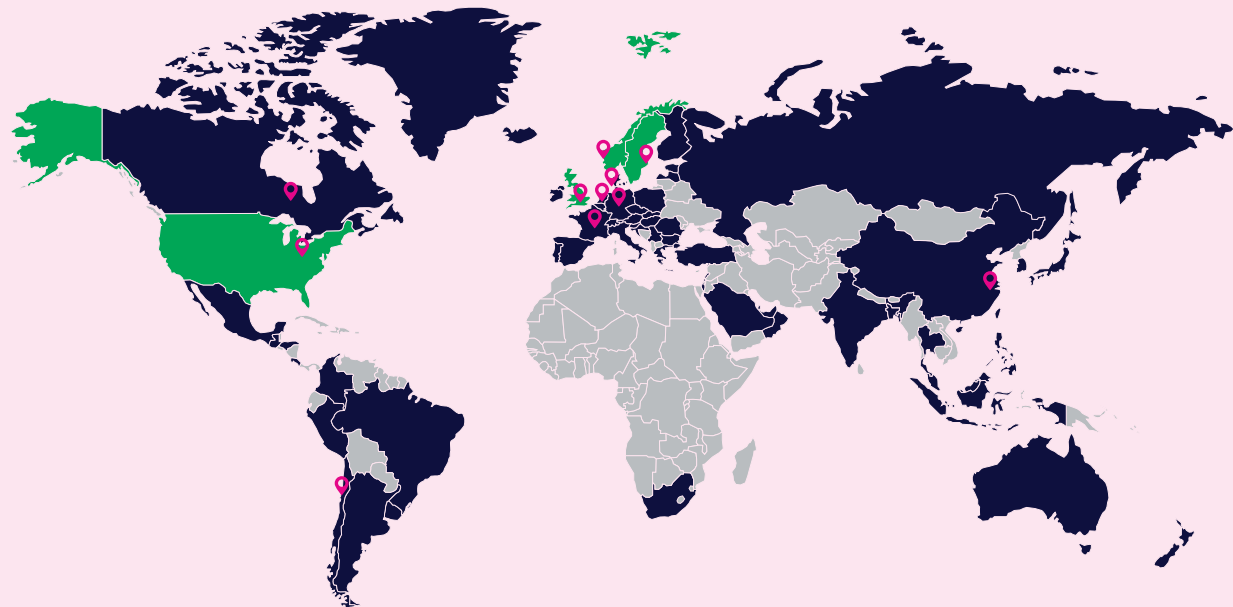


# Tobii Dynavox – the global market leader

Tobii Dynavox is the global leader in the market for assistive technology for communication, with just over one third of the market. We have satisfied customers in 65 countries.

The global market consists of a few, often geographically focused, full-service, software and application providers. Tobii Dynavox has just over a third of the world market for communication aids. The market structure has been essentially unchanged for the past five years. Some key factors that contribute to the strong position that Tobii Dynavox occupies in the market:

- We offer a **complete solution** with software, including the leading symbol library PCS, content, hardware, reimbursement assistance, as well as training and support throughout the user's journey.
- Our **global reach** in both assistive technology for communication and special education software, combined with strong relationships with prescribers, assessment centers, universities, schools and insurance companies, make us unique. We currently have a presence in 65 countries around the world and our language system is available in almost 20 different language versions.
- Extensive **knowledge of the reimbursement process**; approximately 50 people within Tobii Dynavox work exclusively on the reimbursement process. We have a large and well-established network with various third-party payers. The company currently has contracts with over 400 different insurance companies and other third-party payers.
- Our great **expertise in pedagogy**; we have about 20 people who educate and teach people about assistive technology for communication.



## Tobii Dynavox's market share of the entire market for Augmentative and Alternative Communication (AAC.)

Tobii Dynavox's overall AAC market share is approximately 36%. For assistive technology using eye-gaze, our market share is around 70%.

36%

Tobii Dynavox's AAC market share

70%

Tobii Dynavox's market share of eye-gaze AAC

## Tobii Dynavox provides communication aids worldwide

- Tobii Dynavox direct sales
- Tobii Dynavox resellers
- 📍 Tobii Dynavox direct presence: Bergen (Norway), Chile, Denmark, France, Canada, Netherlands, Stockholm (Sweden), Sheffield (UK), Germany, Pittsburgh (US), Suzhou (China)

65

Tobii Dynavox has a presence in 65 countries

20

Number of language versions

# Special Education software

**The special education market includes communication solutions to help students who have difficulties in the traditional education setting.**

The market is relatively fragmented, with different types of solutions that are difficult to compare. As education becomes more digitalized, the market is transitioning from older, often paper-based solutions to more modern, subscription-based software solutions.

Tobii Dynavox has a leading position in the education market with our proprietary Boardmaker software. The software is based on our PCS symbol language, which is also used in the communication aids we sell. Boardmaker and PCS symbols are used daily by millions of students and teachers around the world. Symbols refer to illustrations created to represent words and short phrases. The symbols help the student to gradually advance from simple sounds and gestures to actually being able to express their needs and intentions as: "I want, I need, I like." Ultimately, the symbols can help to develop an understanding of letters and numbers and enable the pupil to progress without symbols. We also offer ready-made educational material and courses based on the symbol language.

## Customers

The buyers of software-based special education materials such as Boardmaker are school districts, schools, school staff and, in some cases, parents and guardians.

## Geographic markets

Geographically, the market is divided into three segments: The US, OECD countries and the rest of the world. The degree of maturity of the geographical segments varies. The US and parts of the OECD have a relatively high proportion of special education professionals, while this is not the case in other parts of the world.

Market penetration is still relatively low. In the US, a relatively large number of special education teachers are aware of the range, around 40%, while in the OECD awareness is lower, around 10%, and then drops further in the "Rest of the World" group. Globally, the market currently has sales of around USD 40 million and is expected to grow by almost 20% per year over the next decade. In the next ten years, the US will continue to be the largest market, but the growth rate will be higher in the other two market segments.

## Key market trends

Key factors driving market growth for special education are:

- Diversity and inclusion are receiving increasing attention and priority globally, prompting many countries to invest in special education.
- Increased awareness of the benefits of special education and access to software-based special education solutions.
- The shift to subscription-based services is another trend that is expected to drive market growth. Buying the solutions as a subscription over time, as opposed to one-off purchases, lowers the initial investment and opens up longer customer relationships.

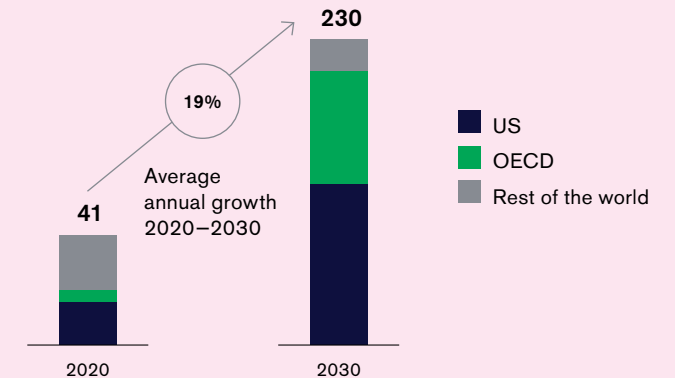
## Market position and competition

Two companies have about 60% of the market; Tobii Dynavox is the second largest of these two companies, with a market share of 25%. In addition to the two largest players, a large number of smaller companies are active in local markets.

Tobii Dynavox has the advantage of using the same symbolic language in both our educational materials and our communication aids, since students often use both. People who are already familiar with one language are reluctant to switch, so success in one market can drive sales in the other.

## Special education

Global market Growth, USDm



Special education market, sales

**USD 41m**

Tobii Dynavox market share

**25%**

The market for special education is growing. Overall, the market is expected to reach USD 230 million by 2030, representing a compound annual growth rate of 19%. Tobii Dynavox is the second largest player in the market with a 25% market share.

Rick Reese from the US:

## Rick learned to communicate again with the help of his own motivation, family, friends and Tobii Dynavox communication aids.

### **Rick had to learn to communicate again**

Rick was running an automotive center with an associated gas station when he suddenly had a stroke in 2018. He was 58 years old at the time. The injury to the brain caused aphasia. In Rick's case, the aphasia has meant that he has difficulty understanding what others are saying. He also has difficulty expressing himself through the spoken word. With his reading and writing skills intact, he has been able to learn to communicate again with the help of a communication device with customized software from Tobii Dynavox.

### **Motivation is strong**

The desire to communicate and interact with other people drives him. Rick is active at the Aphasia Community Center (ACC) in Sarasota, Florida, where he and his wife Becky are learning new ways to communicate. He also participates in training in augmentative and alternative communication (AAC), which is led by a speech therapist from the ACC, together with Becky. In addition, he is a member of a book club for aphasia sufferers, who have also met virtually throughout the pandemic.

### **In gratitude for all the support, he helps others**

With his assistive technology communication aid, Rick can talk to his grandchildren, customers at the automotive center, friends, coworkers and the service staff at his favorite restaurant. Grateful for all the support from his family, friends and the community, Rick volunteers as a mentor to help others with aphasia to live with it and reintegrate into society.



## Meet Rick Reese from the US

**Disability:** Aphasia

### **Tobii Dynavox communication aid:**

Rick communicates using Speech Case, which converts his iPad into a touchscreen communication device. The software is called TD Snap Aphasia Page Set. It allows Rick to communicate, while enabling him to improve his language skills again.





# Offering

Tobii Dynavox puts the user at the center. Our offer is not limited to software and hardware. We take a holistic approach to both the process and the ecosystem around the user. It gives users the freedom and support to take control of their situation and their future, increasing quality of life for both them and their loved ones.

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The picture shows Delaina Parrish from the USA. She has Cerebral Palsy. Delaina uses an I-Series from Tobii Dynavox as a communication aid in her daily work as an entrepreneur, speaker and influencer. Through her company Fearless Independence, she inspires and educates people and companies in inclusion and diversity.

# We offer a comprehensive communication solution

**We want to give all people with communicative disabilities a voice and an opportunity to live as normal a life as possible. Our wish is that no one should have to hear "You will never be able to...". Instead, we are a lifelong partner, supporting them and their families when and for as long as needed.**

Tobii Dynavox offers a solution that looks at the whole challenge our users face.

We offer both depth and breadth. Our offering includes high-tech assistive technology with software and hardware based on long-term research and development in education and advanced technology. It also includes a range of advanced services and goes beyond the user to provide support and training for relatives, prescribers and special education teachers to ensure that the offering is well adapted and used to the fullest extent possible.

We want to reach more people, and to this end our solutions are adapted in almost 20 language versions and we have a presence in 65 countries.

## Tobii Dynavox offering

Our users and their support team are at the heart of our business model. We offer a complete solution including software, content, communication devices, help with assessment and reimbursement, as well as implementation and support.



# 1. Software

The software and all the educational and high-tech solutions contained in our products are at the heart of our offering. The software is included in our communication devices, but is also available to download on a personal device such as a laptop or iPad.

The software in our communication devices is based in part on our PCS symbols and language systems, the latest eye control technology and advanced solutions for the creation of synthetic voices.

The software includes components that have been added and developed after many years of research and practical experience and that are stand-alone. Examples include the Picture Communication Symbols (PCS) picture language, which is also sold in the special education market, Tobii's eye control technology and Acapela's synthetic voice solutions. All are market leaders in their fields and are constantly evolving.

The software in Tobii Dynavox communication devices is divided into software for people born with disabilities and software for those who become disabled later in life. The software is also personalized, for example, based on reading skills and comprehension. As a user develops these skills, the software adapts to the stages of development. The collective knowledge and experience gathered in the software gives all users greater freedom and control over their lives. For example, people who have lived their lives in silence can finally have a voice, while those who cannot use their arms can write and take advantage of the full potential of the Internet.

## Four of Tobii Dynavox's core software products



### TD Snap

**Aimed at people with congenital disabilities who have not previously been able to speak or write.**

- Built around a small group of commonly used words.
- Users gradually learn to navigate through tens of thousands of symbols and improve their communication skills.
- Integrated with Google Assistant so users can control things in their environment like lighting, music and mobile phones.
- The software can be purchased separately without a dedicated device.



### TD Control

**Developed for literate adult users with, for example, cerebral palsy, ALS, or spinal cord injury.**

- TD Control is an intuitive way to control a computer or tablet with eye tracking.
- With TD Control, users can surf the web, send emails, use social media, and perform other common computer functions using eye gaze.



### Boardmaker

**Software for special education.**

- Provides special education teachers with access to a library of 50,000 Picture Communication Symbols (PCS) and ready-made communication materials with activities and exercises.
- Teachers can monitor pupils' progress in individually designed curricula.



### TD Communicator 5

**Aimed at users with progressive diagnosis, who already have advanced reading and writing skills.**

- Text and symbol-based software that converts text and symbols into speech, with the option to choose between different voices.



# Global partnerships increase access to assistive technology for communication

**Tobii Dynavox aims to make its solutions available to as many users as possible. An important step in this is to ensure that the solutions can be used on the preferred technology platforms of our users around the world.**

We are working strategically together with the major global platform providers to increase accessibility among our users to our assistive technology for communication. At the same time, awareness of the opportunities that exist is also increasing.

## Microsoft – Windows

Tobii Dynavox has a longstanding partnership with Microsoft regarding delivery of our assistive technology for communication based on the Windows operating system. Our PCS (Picture Communication Symbols) are available via Microsoft Immersive Reader and users can easily communicate words and concepts within Microsoft platforms using our symbols.

## Google

Since 2019, Tobii Dynavox has been working with Google to make it easy for people with disabilities to use the full range of Google Assistant features, such as controlling smart devices in the home. As a first step, Google Assistant has been integrated into the TD Snap communication software, which makes it possible for people with disabilities such as cerebral palsy, autism and ALS to communicate. Tobii Dynavox assistive technology for communication comes with a built-in Google Assistant and gives users access via touch or eye tracking to features provided by Google.

## Apple

In 2021, we launched TD Pilot in cooperation with Apple. The TD Pilot is a powerful communication aid classified as a medical device, which enables people with disabilities to control Apple's iPad with their eyes. The product makes use of iPadOS 15 to deliver Tobii's world-leading eye tracking technology on iPads. Designed for integration with iPadOS, TD Pilot is an approved iPad accessory and has been certified as meeting Apple's performance requirements. TD Pilot is prescribed as a medical device and provided via medical insurance systems worldwide.

## Tencent

In 2022, Tobii Dynavox launched a strategic partnership with Tencent-owned Sogou, which enables users of the Sogou Input Method to control computers with their eyes. This is a significant step forward in increasing access to assistive technology for communication for people with disabilities in China. The Sogou Input Method is a Chinese input method that identifies Chinese phrases on the internet and makes it possible to type in a more efficient way on computers using artificial intelligence. It is the most popular input method in China and has more than 600 million users. Using Tobii Dynavox's TD Control software, it is now possible to utilize the Sogou Input Method to control computers with the eyes in Mandarin, the most common language in China.



## 2. Language systems and symbols

**Tobii Dynavox language systems and symbols are based on decades of proprietary and academic research. The company owns and continuously develops the world's largest library of communication symbols, Picture Communication Symbols® (PCS).**

The PCS library currently contains about 50,000 symbols. It is under constant development and can be translated into all the languages supported by Tobii Dynavox. PCS is used in our own software, such as Boardmaker, for special education and in the Core First language system that underpins the TD Snap software. Core First offers users who are unable to read the opportunity for personalized learning, starting with a few dozen symbols and introducing up to 10,000 symbols as their language skills progress.

### Our communication symbols:

For over thirty years, Tobii Dynavox's Picture Communication Symbols (PCS) have helped students and adults understand and structure the world around them, communicate their thoughts and learn to read and write. It has been proven that symbolic languages such as PCS help people with communication, learning and behavioral difficulties to do better in school and in life. There are four types of PCS: Classic, ThinLine, High Contrast and In-Context, to provide the best support for users with different types of challenges.



### 20 language versions – 50,000 symbols

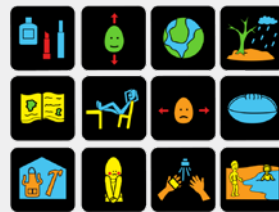
Tobii Dynavox develops and provides the world's largest language system with symbols, Picture Communication Symbols®. It contains up to 50,000 symbols and is currently translated into almost 20 languages. The number of languages is growing all the time.



Classic



ThinLine



High Contrast



In-Context

### 3. Communication devices

**Our communication devices, the hardware, are tailored to the needs of each user, and can evolve with them during their journey. They include specially designed software and the latest technology. Warranty and support are included with all products so that the communication aid is always available to the user.**

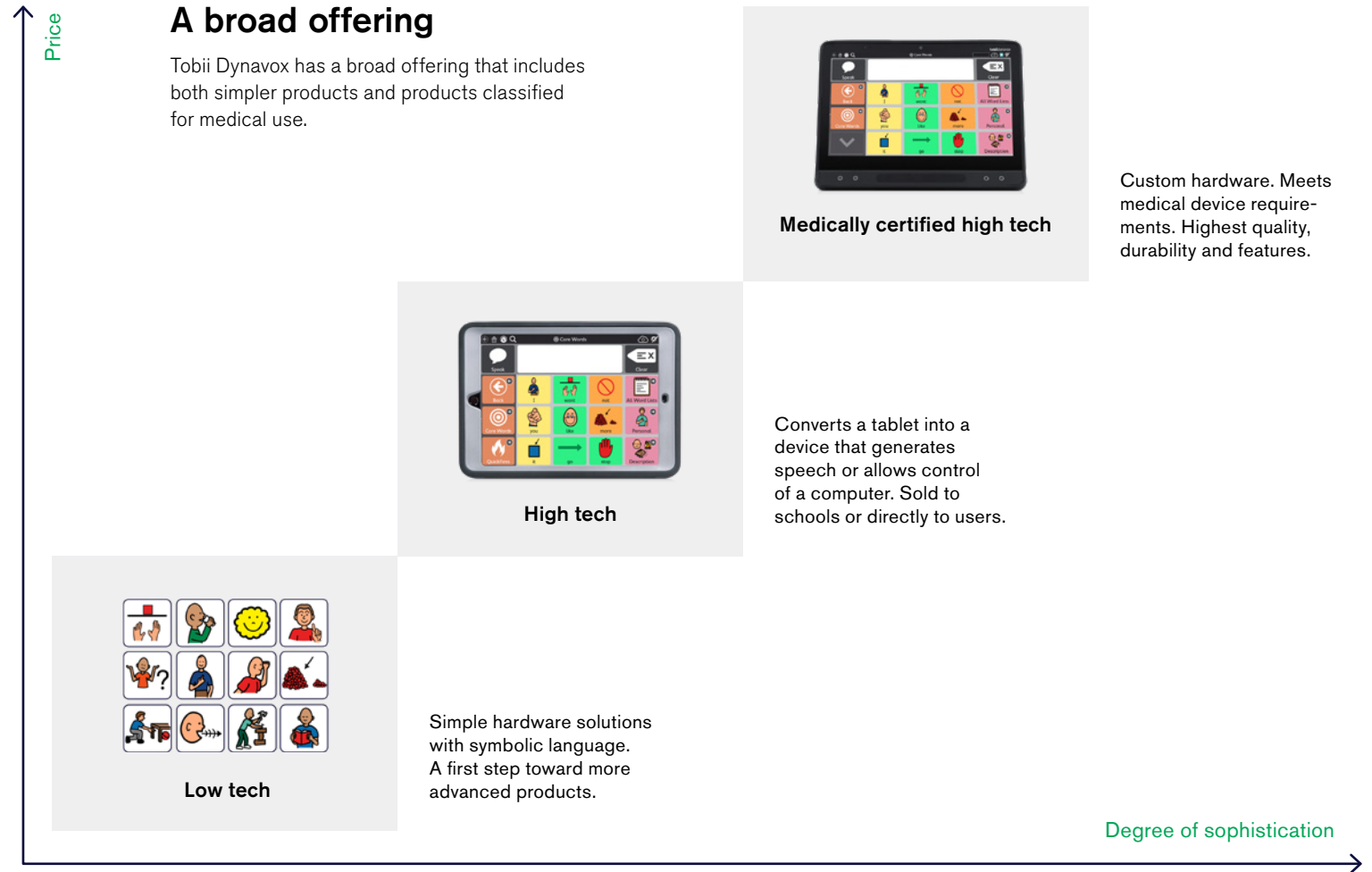
Tobii Dynavox communication devices are customized computers that incorporate specially designed software, the leading eye control, touch control and voice technology, as well as powerful speakers so the user can shout loudly when needed. Tobii Dynavox products are easy to grip and transport and can be attached to a wheelchair, bed, or wherever they are needed. The units are designed to withstand rough handling, such as being dropped on the ground or bumped against a wall. The glass is shock-resistant and can withstand scratches, dust and dirt.

The communication devices are divided into different categories:

**Touch control**– for those who can use a touch screen or control one with a device such as a computer mouse, joystick or head mouse.

**Eye-tracking**– using eye gaze; used by people with limited mobility of the hands and fingers. The devices are available with both Apple and Windows operating systems.

Most products include a 2–3 year warranty and a three-year support contract. Users are offered a new communication device if repairs are ever necessary, so they never have to be without their communication aid.





## Our assistive technology is adapted to different situations

Tobii Dynavox offers an array of solutions in different price ranges; some are medically certified under the EU MDR Regulation and the US Food and Drug Administration (FDA), which places specific requirements on the products and their certification.

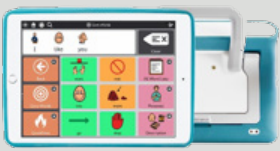


### Touch control



TD I-110

The TD I-110 is built to be the active user's best friend. It is medically rated, rugged, water-resistant and includes extra-powerful integrated speakers, durable shell, fold-out stand and shock-, dirt- and moisture-resistant glass (Gorilla glass). The TD I-110 comes with TD Snap and TD Communicator 5 software. It is controlled by touchscreen, buttons, or head mouse.



SC Tablet

The SC Tablet complements an iPad and is a medical grade solution. The casing is shock-resistant with edges that provide extra protection. Its sturdy handles make it easy to carry, and integrated speakers make the user's voice heard. TD Snap software is included as an accessory, as well as other selected communication software.

### Eye tracking



I-Series

The medical grade I-Series is durable, works well outdoors and can be attached to a wheelchair or hospital bed. The devices are light, fast and controlled by eye gaze or touchscreen. With dual screens, a conversation can take place more naturally between the user and the person to whom they are talking. Users can control things in their environment, such as doors, lighting and mobile phones.



TD Pilot

TD Pilot is an eye-controlled communication aid for iPads that is classified as a medical device. It is designed to enable people with conditions such as ALS, spinal cord injuries or cerebral palsy to communicate using their favorite apps. TD Pilot is a light and durable device that can be used in a variety of lighting conditions, including outdoors.

## 4. Assessment and reimbursement

**Assessment and assistance with reimbursement issues are important parts of our offering. We assist with the testing and administratively demanding reimbursement process, to provide users with the best possible assistive technology as quickly and conveniently as possible.**

Within Tobii Dynavox, we have a wealth of expertise including doctors, occupational therapists, speech therapists and other prescribers. They spread knowledge about the possibilities offered by our assistive technology for communication and provide support in assessment and prescribing the right aids. Key elements of this are:

- **Our sales force of consultants** has extensive knowledge of our markets. We are constantly expanding and maintaining our network of prescribers and other professionals in the field of assistive technology for communication. The goal is to spread awareness and knowledge about Tobii Dynavox solutions.
- **Our assessment tools** with software used to evaluate users' abilities and to help them practice eye control.

Tobii Dynavox has extensive experience in helping users through the reimbursement process, support that many other providers cannot provide. Most people who need assistive technology for communication also need help with the costs from the state or private insurance companies. For us, it's important that the reimbursement process runs smoothly, so that our users can get their equipment and get started quickly. We have therefore built up a deep and broad expertise on the compensation process in several countries, with approximately 50 experts within the organization. We also have 400 contracts with public and private insurance companies or similar payers, which allows us to provide our users with assistance in the reimbursement process.

### Interview with one of our specialists

**“We take users seriously and understand their needs. Our support ecosystem ensures that the communication aids are used and make a difference.”**

– Kristina Rex, speech therapist



Kristina Rex is a speech therapist who works in Stockholm. Her tasks include providing help and support to speech therapists when testing assistive technology for communication. She also creates and holds training sessions for users and support staff and helps with the Tobii Dynavox language library.

#### **What is the importance of speech therapists for the company's offering?**

“You could say that we're the bridge between technology and users. Giving someone a communication device involves more than just putting a person in front of it. You have to understand the need. We also ensure that the software is continuously adapted to users and their development, and that care takers receive the training they need. Speech therapists and occupational therapists are confident when Tobii Dynavox products are prescribed, because we make sure the device is actually used and makes a difference.”

#### **What does the Tobii Dynavox offering mean for users?**

“They're life-changing. People born without the ability to communicate become dependent on the immediate environment to express more than their basic needs. And communication is so much more! To be able to make a joke, ask questions, talk about a dream or thoughts about the future. We often see how people's lives change with our communication devices; children who start to play with their siblings, dare to take their place and stand up for what they want; adults who have lost an ability and with a communication device can start to participate in society again. It's so cool.”



## 5. Implementation and support

**We want to help find the right solution for all our users and make sure they get the most out of their communication device. That is why support during implementation is important.**

We have built a strong organization to give users the support they need. The support is based on different elements:

### **Training organization**

The training organization develops and presents courses both in-person and online for users, family members, prescribers and others who want to learn more about assistive technology for communication and accessible solutions.

### **Solution support**

Solution support provides a variety of resources and tools for users and professionals in the market, such as printed brochures and information sheets, as well as online digital material. Our clinical experts have also developed a framework for understanding user progression to reading and writing skills, and we run a social media forum where users and support help each other with questions and solutions about assistive technology for communication.

### **Customer service**

The customer service team works with developers and clinicians to answer questions and solve user challenges.

### **Warranty and support agreement**

Tobii Dynavox communication devices come with a 2–3-month warranty from delivery. In addition, in certain cases, customers can choose to purchase additional support contracts.



Ava from Canada:

“When I see Ava’s development, I know I owe it to her to make sure she reaches her full potential”

– Ava’s mom Jennifer

### **This is Ava**

Ava is a smart, fun and spirited seven-year-old who loves music, swimming and playing with her friends. Ava was diagnosed with Rett syndrome when she was two years old. For Ava, the diagnosis means that she cannot control her hands or use her voice, which has made it difficult for her to communicate and express her needs. Her journey has not always been easy, but with persistence, strength, support and eye-controlled communication aids, she has overcome many challenges along the way.

### **Freedom and new possibilities with eye gaze**

Ava’s mother found information about Tobii Dynavox assistive technology for communication during her online search for information about Rett syndrome, and today Ava has several different communication devices that are adapted to her needs. Modelling has been a great way for Ava to learn the language and it has also helped her family to understand how her learning works. Today, Ava can paint, create music and even read using eye gaze. She has learned to control her emotions and can make her voice heard.

### **A supportive family is an essential factor for success**

Her mother, Jennifer, who studied languages herself, understood that learning a language with a communication device would require a substantial commitment and plenty of practice. The whole family has learned to work with the methods and techniques and encourages Ava to express her feelings and needs using her communication device. The family’s most important contribution may well be that they have always encouraged and believed in Ava, and never doubted her ability to learn to read.



## Meet Ava from Canada

**Disability:** Rett syndrome

### **Communication devices used:**

Ava’s parents want her to be able to express herself freely, so they use TD Snap, a symbol-based software that helps her develop her language skills. Ava and the family have several communication devices. They have an I-13, which Ava can use outside even on sunny days. The family also uses the PC Eye Mini, which is a convenient eye-gaze device that can be attached to Ava’s tablet at school.



# Strategies

**Power to be You** sums up what we believe in and work for. We are convinced that what you want and what you dream of defines you as a person, not your disability. Our mission is to help as many people as possible to live a better life.

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The picture shows Tong-Tong from China. He has autism and uses Indi, a product provided by Tobii Dynavox until 2021.

# Mission, vision, goals and strategy

Everything we do is aimed at sustainably and profitably helping as many people as possible to have a voice and a better life through our offering. Tobii Dynavox is characterized by a corporate culture where we all take pride in what we achieve together. Our mission, vision and overall strategy are the guiding principles for everything we do.



## Vision

Our vision is a world in which all people can communicate and make their voices heard.

## Mission

Tobii Dynavox empower people with disabilities to do what they once did, or never thought possible.

## Goal

Our goal is to improve the lives of millions of people living with communication disabilities by providing Tobii Dynavox Communication aids.

## Strategy

As global market leader we will keep taking a broad responsibility for improving awareness about communication aids, infrastructure and reimbursement systems, and providing the market's leading products, services and content. Thereby, we create long-term, profitable growth with high customer satisfaction and strengthen our position as the global leader.

## Our commitment

We continuously work to educate key target groups about communication aids, to guide our industry and improve awareness about infrastructure and reimbursement systems. Combined with our ever-growing global reach, through direct sales in selected markets and a strong international network of partners, this strengthens our commitment to helping millions of people to communicate, today and in the future.



# Strategic initiatives for profitable growth

**We see great growth potential in our market and good opportunities for Tobii Dynavox to grow in the future. We have identified a number of strategic initiatives and actions to increase our existing market, while growing profitably and developing as a sustainable company.**

The key to expanding the market and exploiting the potential is awareness. We need to help the public, family members and policy makers to understand and know about different diagnoses, as well as what help is available. We also need to spread awareness of our solutions and their value to everyone who works in the field, especially speech therapists, occupational therapists and other prescribers.

## Our strategic initiatives

- Increase knowledge and awareness
- Grow and develop the sales- and training organization
- Expand to new markets and user groups
- Drive innovation and offer leading solutions
- Improve the reimbursement process
- Acquire complementary channels and technologies

## Financial targets

### Sales growth

> 10 percent, currency-adjusted per year.

Outcome: **0.3%**

### Profitability

> 15 percent EBIT per year.

Outcome: **6.9%**

### Net debt/equity ratio

2.5x (+/- 0.5x) over the last twelve months' EBITDA.

Outcome: **2.6x**

### Dividend policy

The company's profits will be primarily reinvested and used for several short-term growth opportunities (both organic and non-organic) identified by the Board. The Board shall continuously evaluate the possibility of dividends, taking into account potential acquisition opportunities and other strategic initiatives. The Board proposes no dividend to be paid for 2021.



## Increase knowledge and awareness

**At Tobii Dynavox, we are working with a long-term approach to increase awareness of both the solutions and where they can be of benefit.**

The lack of knowledge about how life-changing assistive technology for communication can be for a person, and what value communication aids create for society as a whole, is the biggest obstacle for growth. The availability of assistive technology for communication varies greatly between and within countries. Growth depends on the priority given to assistance, the coverage provided by reimbursement systems and the level of awareness regarding the impact of different types of assistive technology.

### Initiatives:

- In 2021, Tobii Dynavox trained tens of thousands speech therapists, prescribers and other stakeholders in the market for assistive technology for communication and Tobii Dynavox solutions.
- Tobii Dynavox regularly participates as a speaker at major industry conferences around the world and collaborates with universities to raise awareness of the communications solutions and their infrastructure.



## Grow and develop the sales- and training organization

**We plan to significantly increase the sales and training organization to take advantage of the market potential.**

Tobii Dynavox's marketing organization consists of sales representatives who are trainers with extensive educational and technical knowledge. Our sales representatives are trainers and focus heavily on increasing understanding regarding our assistive technology, especially among various prescribers. The sales staff will also help with assessment to find the best solution. The Covid-19 pandemic introduced more digital working methods, which made both customer contacts and sales more efficient. Our assessment is that we can increase the

number of sales representatives while maintaining profitability.

### Initiatives:

- By hiring more sales people we increased the number of customer contacts and we doubled sales in Ohio, Florida and Maryland.
- We increased sales in Norway by 50% with new working methods. Our sales representatives sold an entire solution to prescribers, rather than just an individual product.
- New, digital work processes and channels were developed during the pandemic, including a new podcast for prescribers





## Expand to new markets and user groups

### **We establish and develop partnerships in new markets and adapt our products to local conditions.**

In countries that are maturing and developing their reimbursement systems, we establish sales through local partners. At the same time, we also adapt our products with software and language symbols to new geographic markets.

In markets that are potentially more promising, we expand our organization with our own representatives. With someone on the ground locally from our own organization, we can achieve faster

penetration, along with knowledge about and relationships within the market. In mature markets, we are broadening our offering with solutions to reach more users with different diagnoses.

#### **Initiatives:**

- PCS, our language symbols, have been developed and are available today in almost 20 language versions.
- Tobii Dynavox launched a collaboration with Tencent-owned Sogou for users of Sogou Input Method in China. Now it is possible for Mandarin-speaking users to control computers with their eyes.



## Drive innovation and offer leading solutions

### **Tobii Dynavox focuses on product development with new user-friendly technology.**

Innovation is in our DNA. By continuously driving development forward, with a focus on simplicity and functionality, we create added value for users and a stronger position in the market. By always focusing on user-friendliness and adapting our solutions to the different needs of users, we have achieved the leading and broadest product portfolio in the market. Since we develop the content and technology ourselves, we also have better control over quality and costs.

#### **Initiatives:**

- In 2020, we collaborated with Google to promote inclusion. Google Assistant was introduced in Tobii Dynavox solutions.
- We have worked closely with Microsoft for many years to enable eye control and symbol support in Microsoft solutions.
- We have been working with Apple for several years. In 2021 the launch of TD Pilot allowed iPads to be controlled with the eyes. Users who are familiar with the Apple environment can thereby lower the threshold to start using their communication device.



## Improve the reimbursement process

**Tobii Dynavox aims to export its solid knowledge and experience of the reimbursement process in its direct markets to other countries.**

Tobii Dynavox's knowledge of how reimbursement processes work is a major competitive advantage. About 50 Tobii Dynavox employees currently work with the reimbursement process in US. Reimbursement by a third-party payer is usually essential for users to be able to afford a communication device, but the road to reimbursement is often long and complicated, with third-party payers imposing different and far-reaching requirements.

By standardizing and developing dedicated reimbursement expertise, Tobii Dynavox aims to increase its sales in established direct markets, but also to drive sales in new markets.

### Initiatives:

- Reimbursement expertise is a key to growth. Since 2019, Project funding 2.0 has been running with the aim of strengthening the reimbursement function and clarifying the role of "Funding Expert."



## Acquire complementary channels and technologies

**Tobii Dynavox pursues an active strategy to both broaden and strengthen its position, while accelerating growth through well-chosen acquisitions.**

One way for us to grow is to acquire companies that are a good fit for us and that can strengthen and broaden our offering with new technology or new products.

We also want to grow in new geographic markets through acquisitions. We are mainly looking for small and medium-sized local companies with market knowledge and knowledge of our customer groups. We can then take responsibility for a larger part of the value chain and develop and complement the businesses with our offering.

### Initiatives:

- In October 2021, Tobii Dynavox signed an agreement to acquire Acapela Group, a leading provider of synthetic voices based on AI-powered voice synthesis software. The acquisition will be completed on April 29, 2022.
- On 1 April 2022, the acquisition of the Irish company Obeir Technologies Limited was completed. The company is reselling partner of Tobii Dynavox and a leading supplier of assistive technology products in Ireland. The acquisition will enable Tobii Dynavox to take greater responsibility in serving customers in the Irish market and help more people with communication disabilities.





First to use eye control in China.

**After seven years without being able to communicate, Zhang contacted his friends, who thought he had made a full recovery! They were incredibly impressed when they realized that Zhang was communicating by using his eyes.**

**From one day to the next, everything changed**

Zhang Jiahua was studying to be an architect when he was seriously injured during a basketball game. He broke his neck and became paralyzed. For seven years, he was bedridden in his parents' home, unable to communicate with his family, friends and the rest of the world. But his parents didn't give up. Today, Zhang can boast of being the first person in China to learn to control his computer with an eye-gaze device.

**The communication device gave life meaning again**

In 2011, Zhang's family found information about eye-gaze and Tobii Dynavox online. They paid out-of-pocket for a PCEye, an eye-gaze device that allowed Zhang to operate his computer by using his eyes. This changed his life drastically. The first thing he did was contact his friends, who thought he had made a full recovery! They were amazed, delighted and more than a little bit impressed when they realized that he communicated by using his eyes to control the computer. Today, Zhang's life has gained new meaning. He still lives at home with his parents and is cared for by them, but he also has a rich social life. He loves to play

computer games, participate in discussions and he runs various groups on the internet. His favorite social media site is Bilibili and he likes to watch Downton Abbey, which he can turn on whenever he wants by using his eyes



## Meet Zhang Jiahua from China

**Disability:** Paralysis after broken neck

**Communication aid from Tobii Dynavox:**

The PCEye compact hardware, which mounts on his own computer and allows eye control of the computer's functions and programs.



# Sustainability

Tobii Dynavox's business model focuses on giving people with disabilities and communication impairments a voice and the opportunity to have a better life. At the same time, as a company we strive to be a role model for the world around us, with high business ethics, and we work systematically and in a targeted fashion to run a socially sustainable business and reduce our negative climate impact.

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The picture shows Cane from the US, who has autism. He uses an I-110 with a touch screen from Tobii Dynavox.



# Tobii Dynavox's contribution to a sustainable world

**Making a positive difference is at the core of what we do. That's why all of the strategies, working methods and solutions that we develop must be sustainable. The responsibility rests with the entire company and all employees, not with a team or a function.**

Our products and services entail giving people the right to a voice and a richer, more meaningful life. We strive to do whatever it takes to make our products as relevant as possible to as many people as possible. In this way, we can help to give more people access to a voice, the opportunity to be themselves and the chance to enjoy their human rights.

## **Our business model**

Our users and the people who support them are at the heart of our business model. We offer a complete solution including software, content, communication devices, help with assessment and reimbursement, as well as implementation and support (see illustration on page 19).

The business model takes into account the entire ecosystem around the user, including their family, specialists, decision makers, schools and providers of reimbursement. It thereby creates the conditions to be able to give users the right solution, so that they can use it and develop with it over time.

## **Our overall strategy for sustainability**

We believe that we can help solve global challenges in cooperation with others. The UN 2030 Agenda for Sustainable Development is a common goal for society. Tobii Dynavox products and services are a tangible and direct contribution to the 2030 Agenda. The main areas of impact are Objective 3 – Good health and well-being, Objective 4 – Quality education and Objective 10 – Reduced inequalities.

We also want to reduce our negative impact on the climate and the environment. We are constantly working to improve our ability to measure and monitor our climate and environmental footprint and to choose better ways of doing business.

We would not exist without our users, our employees and our partners. They make us the company that we are and enable us to be a role model for the world around us. We, therefore, aspire to maintain an open and honest dialogue with our users and other stakeholders. We shall be a good employer that provides our employees with the opportunity to grow and develop, and we shall maintain a high standard of business ethics. In this way, we want to be a natural partner for those who wish to contribute to the creation of a sustainable society.

These are the key elements of our sustainability strategy.



# Overview of our key sustainability goals

Tobii Dynavox solutions contribute directly to several UN development goals. At the same time, our activities have a significant impact in a number of areas where, by making conscious choices, we can make a positive contribution to the UN development goals.

## Our prioritized sustainability areas



**Objective 3**  
Good health and well-being

Tobii Dynavox creates technology and solutions that directly improve the well-being of hundreds of thousands of people, and could potentially help millions more. The ability to communicate, make one's voice heard and live a more independent life makes a huge difference to those who use our solutions, as well as to the people around them. It also benefits healthcare systems and society as a whole. In addition, as an employer, Tobii Dynavox has an impact on our employees' safety, work environment and development opportunities.



**Objective 4**  
Quality education

Through our inclusive communication solutions, Tobii Dynavox helps students with disabilities learn to read and write, and provides them with a voice that enables them to be heard, so that they are not excluded from the mainstream education system, whether in the classroom or at home. Our special education software Boardmaker helps millions of students with learning challenges by drawing on our library of over 50,000 Picture Communication Symbols (PCS) for effective communication and natural learning. Schools and teachers use Boardmaker to set up customized education programs for students with disabilities.



**Objective 10**  
Reduced inequalities

One of the principles of the 2030 Agenda is "Leave No One Behind." The point is to enable everyone to participate in society on equal terms and to make it possible for them to express their views. When we give people access to a voice, we create conditions for inclusion. Our entire business model and operations are aimed at developing and bringing to market communication aids that make everyday life easier for people with communication challenges. As an employer, we also have the opportunity and obligation to contribute to greater equality and diversity in our organization.

## Other key areas for our sustainability work



**Objective 8**  
Decent work and economic growth

Tobii Dynavox affects the work environment and conditions, both directly and indirectly, of many groups of people – including our own employees and employees in the supply chain. Tobii Dynavox's health and safety policies and procedures, as well as the supplier code of conduct support Objective 8.



**Objective 12**  
Responsible consumption and production

Tobii Dynavox works to make the entire life cycle of our products, from manufacturing to use and disposal, more environmentally friendly. All of the hardware we offer is durable and robust to cope with different types of use and environments. They are designed to allow repair and replacement of components to maximize their lifetime.



**Objective 13**  
Climate action

Tobii Dynavox is committed to reducing our environmental and climate impact and strives to reduce CO<sub>2</sub> emissions from office energy consumption, transport of products and business travel. We are also aware that the climate impact of our products must be based on a life cycle perspective, which also includes energy consumption during use.

# Our sustainability strategy is based on secure values

**We laid the foundation for today's sustainability work while Tobii Dynavox was still part of Tobii. As an independent company, we adapted and improved our sustainability strategy to better strengthen and support our own business model and operations.**

At our core, we bring a strong and sustainable culture based on sound values that inspire trust, where caring for our fellow human beings and our desire to do good and to do the right thing are reflected in everything we do.

The new revised strategy is based on an updated stakeholder model and materiality analysis that more clearly reflects the impact we have on the world around us and the risks that affect us. Our strategy and our ability to measure and monitor our sustainability performance continue to evolve.

## Materiality analysis and stakeholders

Tobii Dynavox's updated materiality analysis was conducted at year-end 2021/22 and is based on interviews with senior representatives of Tobii Dynavox, external stakeholders, including users, as well as input from the sales force and shareholders.

The analysis identifies material or highly material issues. Some other potentially important issues that are not visible in the diagram, such as biodiversity, water consumption, or data security, are considered important but are not currently considered to be the most material.

Management believes that it provides a fair and balanced description of our overall situation and to serve as a basis for prioritizing our most material sustainability issues. The materiality analysis is approved by the Board of Directors.

## Governance and monitoring of sustainability work

Our governance model clarifies responsibilities and governance for sustainability within the company. Strategies and goals for Tobii Dynavox's sustainability work are set by management, where the CEO has ultimate responsibility. The Board approves and monitors the company's overall strategic direction and sustainability objectives.

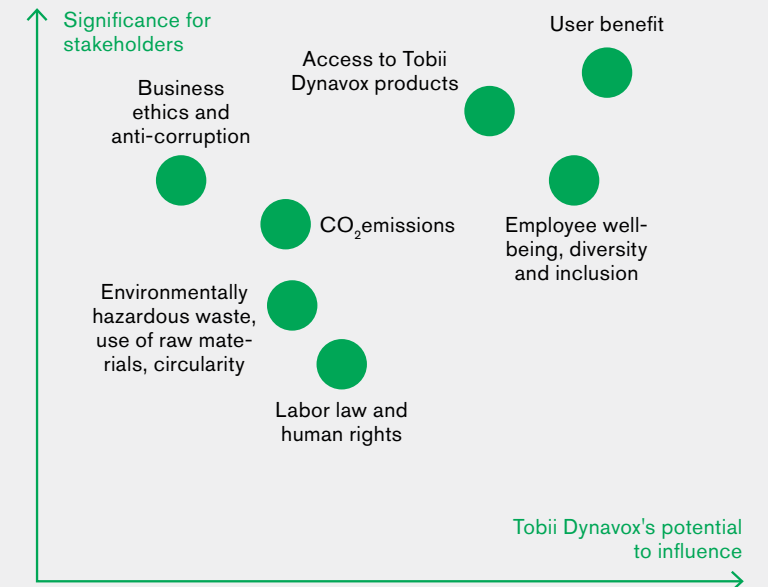
Tobii Dynavox's head of sustainability is responsible together with the other members in the management group for formulation and development of the company's sustainability strategy, long-term goals and sustainability-related policies. Sustainability work follows an annual cycle where monitoring, evaluation and adjustment of strategies, goals and activities are linked to the decision-making processes of management and the Board of Directors. The heads of the relevant staffs and the managers of Tobii Dynavox's operational activities share the responsibility for implementing the sustainability strategy.

The sustainability issues that Tobii Dynavox has identified as most material are linked to the company's overall strategies and goals. An important part of this effort is regular monitoring of our operations. Monitoring is carried out quarterly and includes our key sustainability objectives. The results are presented in Tobii Dynavox's quarterly reports and annual report.

## EU Taxonomy

Tobii Dynavox is not directly affected by the EU Taxonomy for Environmentally Sustainable Investment at this time, nor do the reporting requirements under the NFRD/CSRD have any immediate impact. We consider these regulations to be valuable tools in our sustainability work and we are following developments, including the discussions related to a social taxonomy. Sustainability in all its dimensions is central for us, and affects how we identify and assess both risks and opportunities.

## Tobii Dynavox materiality analysis



## Tobii Dynavox's main stakeholders

- Users
- Employees
- Other customers: prescribers, insurance companies, contracting authorities
- Shareholders, potential investors, investors, banks
- Providers and the "ecosystem" related to users (families, speech therapists, schools, etc.)
- Society at large, such as research institutions and other partners, the public, the media, politicians, competitors, etc.



## User benefit and access to our products

### Value for users

Tobii Dynavox's mission is to empower people with disabilities to do what they once did, or never thought possible. Our solutions enable people with cerebral palsy, ALS, autism and aphasia to make their voices heard, learn to read and write, and live their lives to the fullest. The ability to communicate and to live a more independent life makes a huge difference both to those who use our solutions and to the people around them. It also benefits healthcare systems and society as a whole.

To track the value our solutions bring to our users, we conduct annual customer satisfaction surveys. In 2021, our cNPS was 50 on a scale of -100 to 100. The corresponding benchmark for the Healthcare sector is 38. The survey included 3,397 users, all of whom are direct customers of Tobii Dynavox.

### Access to a voice

We estimate that globally, around 50 million people need assistive technology for communication to make themselves understood, and around two million people are diagnosed with such conditions annually. Among those who are diagnosed, only around 40,000 people (2%) actually receive such assistive technology each year.

# cNPS=50

Net Promoter Score 2021  
scale -100 to 100

Hundreds of thousands of people around the world have benefited from Tobii Dynavox solutions and we have given over one hundred thousand people a voice. Access to assistive technology for communication is best in countries where reimbursement coverage is well established and where specialists, such as speech therapists, occupational therapists and doctors, are familiar with the solutions and can recommend and prescribe them.

To increase access to assistive technology for communication, Tobii Dynavox works closely with national institutions around the world, as well as private and public insurance providers, to educate them about the need and to improve reimbursement coverage. We also engage in close dialogue with many schools and universities to make assistive technology for communication a larger and more natural element of training programs for professionals such as speech therapists.

# 165,722 voices

Aggregate number of users of our products  
(January 2015 – December 31, 2021)





# Employees

**Our organization consists of highly talented employees. They can work for the employer of their choice – and they have chosen to work for Tobii Dynavox because of what we stand for and what we do for our users. This creates a very positive business climate and lays the foundation for our success. As an independent company, we now want to develop this aspect to create an even stronger and more attractive company.**

## **Broad and deep expertise**

Tobii Dynavox has almost 500 dedicated employees with different specializations. A third of them work in the field and meet our users and their occupational therapists and speech therapists on a daily basis. Several of our employees have professional training as speech or occupational therapists. Another important group is our claims specialists, who play a key role in liaising between our users and representatives of insurance companies and national third-party payers. Our product and service developers who work on our software and hardware are a third important group, alongside our operational staff.

The majority of Tobii Dynavox's operations are in the US, where 75% of its employees work. In all, 21% of employees are in Sweden, while the remaining 4% are based in our offices in Norway, China and the UK, as well as in the rest of the world where we have employees who work with our partners in select markets.

## **An attractive workplace, which can become even better**

Tobii Dynavox is a highly appreciated employer and a desirable workplace. We see this in our regular monitoring. In 2021, Tobii conducted an employee survey in which Tobii Dynavox participated. Our eNPS\* was 37 (on a scale of -100 to 100, where 9 is the average) and our Engagement Score\* was 4.0 (out of a possible 5.0, peer group average 3.7). We also participated for the sixth consecutive year in the Pittsburgh Post-Gazette's Top Workplace competition, where our US headquarters in Pittsburgh was ranked as one of the region's best medium-sized employers.



As an independent company, we have begun the process of defining our employee value and our new employee vision. In 2022, we will formulate a new employee strategy together with our employees in order to set clear targets and chart a long-term path to achieve them. Better monitoring will be an important aspect of that work. During the year, we will, therefore, formulate a new strategy for employee surveys.

Diversity and inclusion initiatives

Our offering is aimed at a wide variety of people around the world. Diversity for us entails having a diverse workforce in terms of skills, nationality, class, age, gender, disability, culture, family background, ethnicity, sexual orientation and everything else that makes us unique as human beings. We strive to better reflect this diversity among our employees in order to add new perspectives to our business. In this way, we can better understand the varied perspectives of our users and reach more users, adapt our solutions and make an even greater difference to people around the world.

We are constantly working to strengthen our diversity. We are already a workplace with diverse skills and employees from all over the world. We have a balanced gender and age distribution all the way from the board and management to our operations. Half of the members of our management team are Swedish citizens. In the US, improving the ethnic balance of our employees is a priority. As a federal contractor, we have a special obligation to ensure that as a company, we do not discriminate against either employees or candidates in the recruitment process in any way. This situation is regularly monitored by an external party appointed by the authorities.

Tobii Dynavox requires all employees, regardless of title or position, to treat each other with fairness and respect. We do not tolerate any harassment or employment discrimination based on race, color, sex, religion, political or other opinion, caste, national or social origin, property, birth, trade union membership, sexual orientation, family responsibilities, age or disability, in line with ILO Conventions 100 and 111.

In 2021, we conducted a number of activities to strengthen diversity and inclusion. We held trainings for managers and staff, arranged inspirational lectures and collaborated with various local institutions in Pittsburgh, such as universities, in order to increase the diversity of underrepresented groups in the candidate pool. We expanded our parental leave benefits and introduced extended parental leave for our US employees (regardless of the gender of the parent).

In 2022, we will make a clearer plan for our diversity efforts to strengthen areas where we are not as strong, such as better ethnic representation.

Growth and development

To succeed in our diversity initiatives, we also want to have employees with a variety of educational backgrounds, skills and experiences. By focusing on different origins, gender, education and experience, we reach a broader recruitment base. In this way, we can create a strong organization that is constantly growing and developing.

We believe in the ability of individuals to pursue their own development. At the same time, our managers have a responsibility to develop the full potential of every employee. Much of our professional development takes place in our day-to-day work, where employees have many opportunities to grow in their current roles, or to change their roles and positions internally within our organization. Many of our employees have worked in a variety of positions within the company and in different countries. This strategy provides conditions in which Tobii Dynavox and our employees can grow together. Many employees have also worked in the company for a long time.

In 2022, we will develop a new strategy for skills development tailored to Tobii Dynavox and our group of employees.

Employees by geographical area		
	Number	Percent
USA	346	75
Sweden	97	21
Other countries	18	4

Employees in different roles		
	Number	Percent
Marketing and sales	158	34
Product development (R&D)	79	17
Business support	61	13
Logistics and operations	56	12
Customer service (and technical support)	47	11
Financial support to customers	45	10
Education	15	3

eNPS=37

Employee Net Promoter Score  
Scale -100 to 100

4.0

Engagement Score (out of possible 5.0, peer group average 3.7)

**Wellness and job satisfaction**

At Tobii Dynavox, we strive to have a healthy psychosocial work environment and for all Tobii Dynavox offices to provide a positive work climate, good leadership and opportunities for individual growth. The work environment is continuously monitored and followed up through workplace surveys.

The pandemic and the prevailing work situation over the past two years have taken their toll on our employees. At the same time, our staff have adapted and worked hard to meet the challenges that have arisen. To facilitate this, we have worked hard to create a sense of belonging, to support and inspire one another and to encourage our employees to get to know one another and work together through various activities. The last two years have been characterized by virtual networking meetings where we have worked out new ways to interact and grow together as a group.

In 2021, we saw relatively high staff turnover, 14%, which we find to be unsatisfactory. The high staff turnover is linked in part to the prolonged pandemic, where our teams have been forced to work from home for a long time. In our normal situation, everyone works on-site in teams, where everyone supports and energizes one another. At the same time, we also see that staff turnover is negatively affected by the generally higher mobility in the labor market.

One of the initiatives we are implementing in 2022 to improve conditions for our staff is to offer the majority of employees the choice of working from home or on-site at the office. At the same time, we are taking measures to improve our ability to work in distributed teams for greater cohesion and motivation.

Our workplace should be safe for everyone. In 2021, we strengthened the way we report unwanted behavior and other workplace risks. At the beginning of 2022, we started working with an external partner to enable our employees to submit anonymous reports.

Gender distribution				
Sex	Managers	Employees	Total	%
Women	31	220	251	54.5
Men	39	171	210	45.5
Total	70	391	461	100

Global age distribution				
Age	Managers	Employees	Total	%
<30	0	46	46	10.0
30–39	16	154	170	36.9
40–49	31	104	135	29.3
50–59	19	58	77	16.7
60–69	4	28	32	6.9
70+	0	1	1	0.2
Total	70	391	461	100



# Environment and climate

**Environmental responsibility is an important aspect of providing world-class products and services. We are committed to integrating environmental responsibility into our business strategy and running our business in a way that protects the environment and prevents pollution, while continuously improving our environmental management system and monitoring our environmental performance.**

Our management system ensures efficient processes, while also meeting the environmental, safety and climate requirements of our customers. We are certified to ISO 14001 and completed recertification in 2021. As part of our environmental management system, we analyze and monitor our environmental impact annually.

Our product life cycle, the transport of products and our business trips have the greatest impact on the environment and the climate. Our analyses show that our climate footprint in Sweden and Europe is significantly smaller than it is in the US, in part because we have made great progress in Sweden, but also because a large share of energy used in Sweden is fossil free. In the coming years, we will, therefore, need to focus more on how we can monitor and reduce our carbon footprint, especially in North America, but also in Sweden.

## Our product lifecycle

We aim to reduce the environmental impact of our products throughout their life cycle, from manufacturing to use and recycling.

The source of our largest impact on climate is our supply chain and the products we develop. Like other electronic products such as computers, cell phones and TVs, Tobii Dynavox communication devices do have a carbon footprint. These devices exceed other emissions in terms of magnitude and it is, therefore, important to determine how they can be reduced. At the same time, it is important to point out that, unlike many

other electronic products in the home, these communication devices are essential to enable their users to communicate. Tobii Dynavox will, therefore, aim to make more voices available, albeit produced more efficiently wherever possible.

Tobii Dynavox complies with the regulations for the production of consumer electronics and uses only materials and components that meet the RoHS2 and REACH standards. Many Tobii Dynavox users are dependent on our products, so it goes without saying that we strive for the highest product safety possible. Some of our medical grade products also meet additional requirements, such as medical certification and safety standards (FDA\* and MDR\*\*).

Tobii Dynavox participates in various compliance schemes for collection, recycling and reuse of waste from electrical and electronic equipment (WEEE), batteries and product packaging. We cooperate with local organizations in the European Union to avoid unnecessary transport of electronic waste and batteries returned for recycling.

Given the climate impact of our products, a long lifetime is a good thing. Tobii Dynavox products are designed to be extra durable and withstand stress. The lifetime of our products can be increased through repairs. We have, therefore, initiated a process where our customers can return products to our offices in Stockholm and Pittsburgh if they want to dispose of the product through our system. To minimize scrap and electronic waste, our production team has begun repairing returned and faulty units, which are then loaned out rather than scrapped. In 2021, Tobii Dynavox provided assistance through the reuse of 2,712 communication devices.

\* FDA Food and Drug Administration (USA)

\*\* MDR EU Medical Device Regulation



# 2,712

Reused communication devices

Travel, transport and office space

In 2020/21, we significantly reduced our travel by holding digital customer meetings and training sessions, which resulted in lower carbon emissions. This approach has changed the way we work. For example, we have introduced new customer training tools. As society opens up again, we expect travel to increase, but not to the levels of the past.

We work systematically with our transport to reduce our CO<sub>2</sub>emissions. Measures include reducing the proportion of flights and using freight forwarders with a high proportion of electric vehicles. In Sweden, we use 100% renewable energy in the premises where we have our own contracts and we systematically monitor energy consumption and work to improve our energy efficiency. We offset 80% of our carbon emissions from our headquarters.

Our commitment going forward

The more communication devices that Tobii Dynavox manufactures and sells, the more value is created for those who rely on our devices to communicate. At the same time, each product also has an increased carbon footprint. At present, we lack certain data to calculate the carbon footprint of individual products, but we aim to develop a reliable life cycle analysis for at least some of our products. If we add the emissions for which we currently have data (scope 1–3, see box to the right) and divide it by the number of communication devices produced, we get a ratio of 63.8 kg\* per communication device. This corresponds to mixed driving of a standard passenger car for just under 350 kilometers.

Moving forward, we will also aim to monitor the footprint arising during production, operations and recycling. At the same time, we want to find metrics that also take into account the social value of our products, which can then be considered in relation to their carbon footprint. Such information could prove valuable for further product development.

\* This refers to hardware. If "voices" made available via software are added, this figure decreases significantly.

Monitoring of emissions and electricity consumption 2021

Below are the emissions that Tobii Dynavox can monitor at this time. The aim is to further develop these metrics during the year, especially regarding indirect emissions resulting from production and use of communication devices that Tobii Dynavox manufactures.

Emissions	
Emissions from private cars used for business purposes and leased cars	539 tCO <sub>2</sub> e <sup>2</sup>
Emissions from purchased electricity and heat	309 tCO <sub>2</sub> e <sup>3</sup>
Electricity consumption in Sweden	90,257 kWh + 221 MWh for heat
Electricity consumption USA	709,558 kWh + 3172 m <sup>3</sup> gas
Transport of goods (Sweden)	188 tCO <sub>2</sub> e <sup>4</sup>
Emissions from planes (Sweden)	19 tCO <sub>2</sub> e <sup>5</sup>

If the emissions to the left are instead allocated in accordance with scope 1–3 of the Greenhouse Gas Protocol, the summary would instead be as follows. (See references for calculations made):  
Scope 1: 10.4 tCO<sub>2</sub>e (leased cars in Sweden, Norway and Germany)  
Scope 2: 309.9 tCO<sub>2</sub>e (purchased electricity, district heating and gas for heating in the US)  
Scope 3: 736.4 tCO<sub>2</sub>e (transport in Sweden of products, use of private cars in the US and UK, business trips by air/Sweden)

<sup>2</sup> This figure is based on estimated fuel consumption in the US (which in turn is based on cost/average price per liter of gas), data from leasing companies in Sweden, estimates from Norway, the UK and Germany. More than 90% of emissions are estimated to come from the US. Other fuel consumption in other markets is not traceable, but is also not expected to be significant. Note that 2021 was hardly a normal year; all countries report driving more in a normal year. In the US, approximately 3,171 m<sup>3</sup> of gas were used for the office, which is estimated to have resulted in emissions of 7 tCO<sub>2</sub>e  
<sup>3</sup> In Sweden, only renewable energy has been purchased, making emissions negligible in this context. Energy consumption for district heating in Sweden is estimated by the supplier to entail 3 gr/1kWh. In the US, the energy mix has been reported to be 40% nuclear, 40% coal and 20 % gas.  
<sup>4</sup> Data from DHL including inbound + outbound WtW. Refers to Sweden, since data from the US (the single largest market) are currently not considered to be of adequate quality.  
<sup>5</sup> Data from Egencia. Emissions from hotels are not available at the time of writing for 2021, but are not expected to be significant, given previous years' emissions and limited travel. Refers to Sweden. Emissions in the US are estimated to be higher, but statistics are currently not reliable. 75% of employees work in the US, suggesting higher emissions than Sweden, where 20% work.

# Business ethics

**For us, a strong and sustainable culture based on sound and secure values is fundamental. Empathy for our fellow human beings and a desire to help people and to do the right thing are reflected in everything we do. The commitment of our employees and the trust of the world around us are based on our commitment to accountability and transparency.**

## Tobii Dynavox Code of Conduct

The Tobii Dynavox Code of Conduct defines our business ethics principles. It has been adopted by the Board of Directors. It is based on the UN Global Compact, the OECD Guidelines for Multinational Enterprises, EU Market Abuse Regulation, the Nasdaq rule book, and the Swedish Corporate Governance Code. The Code of Business Conduct is a framework that includes the Employer Policy, Anti-corruption Policy, Export Policy, Information Policy, Insider Trading Policy, Whistleblower Policy, Environmental Policy and Supplier Policy. Both our own Code of Conduct and the Supplier Code of Conduct state that all employees should have freedom of association. All new employees complete training in the Code of Business Conduct.

## Whistleblower Policy

Tobii Dynavox has a whistleblower function, which has been managed by an external independent party since the beginning of 2022. Anyone can report concerns (openly, confidentially or anonymously). Contact information and a specific mailbox are provided on both the external website and on our intranet.

## Data security and privacy

To ensure that privacy is protected, we have procedures in place to comply with the General Data Protection Regulation (GDPR). Tobii Dynavox servers supporting European and US users are located in their respective territories.

Tobii Dynavox has a Data Protection Officer. Suspected breaches are reported to a mailbox belonging to an expert legal and IT team. The reports are evaluated and escalated within the organization as needed. Breaches that pose a risk to the rights or privacy of the data subject must be reported to the authorities by our Data Protection Officer within 72 hours. Tobii Dynavox's privacy policy complies with the California Consumer Privacy Act (CCPA). In the US, we also comply with the Health Insurance Portability and Accountability Act, HIPAA.

The company has an information security management policy. Global information security awareness training was launched during the year for all employees and consultants.

## Suppliers and partners

Tobii Dynavox is a global company with partners and suppliers all over the world, such as Microsoft and Apple, but we also have other suppliers who are specialists in their field. We also work with distributors, agents and other representatives who have contacts with authorities or other prescribers on our behalf.

We have an impact on the world around us through our value chain. Tobii Dynavox shall therefore maintain high ethical, business and environmental standards and we expect the same from our suppliers, which is clearly stated in our Supplier Code of Conduct. We strive for long-term business relationships and we scrutinize the ability of prospective business partners to act sustainably, including their reputation, experience and working practices. In order to achieve positive growth, Tobii Dynavox sets high standards in the supply chain and strives to ensure compliance and improvement through continuous audits. However, in 2021, the number of audits was lower than planned due to the pandemic. We have set our sights higher for 2022/23.

# Supplier code of conduct

The Tobii Dynavox Supplier Code of Conduct is based on the Responsible Business Alliance Code of Conduct (version 7.0), which is an industry standard for companies in the electronics industry. It includes:

## Human and labor rights

- All suppliers shall respect human rights in accordance with internationally recognized standards, including the ILO Declaration on Fundamental Principles and Rights at Work and the UN Universal Declaration of Human Rights.
- Our suppliers shall continuously take measures to ensure that labor rights are respected.
  - The Code of Conduct prohibits work weeks longer than 60 hours, except in emergencies or unusual situations.
  - Freedom of association and the right to organize collectively without risk of retaliation shall ensure fair working conditions for all employees.

## Anti-corruption

- The Code of Conduct expresses a zero vision for all forms of bribery, corruption, extortion and embezzlement.
- By signing the Code, suppliers guarantee that all business activities will be conducted with the highest ethical standards and the implementation of processes to ensure compliance with anti-corruption laws.

## Environment and climate

- The Code also places demands on suppliers to constantly strive to reduce their environmental impact over time, specifically with respect to use of materials, energy consumption, and manufacturing and transport-related pollution.



# Sustainability Report in accordance with the Annual Accounts Act

Tobii Dynavox is subject to the requirement to produce a sustainability report under the Swedish Annual Accounts Act. Our Sustainability Report contains information about our sustainability aspects, risks and how we work, as well as follow-up assessments, as defined below.

<b>Business model</b>	p. 36
<b>Objectives and materiality analysis</b>	p. 37-38
<b>Governance</b>	p. 38
<b>Our sustainability areas</b>	
Staff	p. 40-42
Environment and climate	p. 43-44
Social sustainability	
– Employees	p. 40-42
– Suppliers	p. 45
Anti-corruption	
– Human and labor rights	p. 45
– Business ethics	p. 45
– Whistleblower Policy	p. 45
<b>Risks and risk management</b>	p. 51

The work described in the Sustainability Report is supported by the Company's Code of Conduct. This defines the business ethics principles that the company follows. It is based on the UN Global Compact, the OECD Guidelines for Multinational Enterprises, the EU Market Abuse Regulation, the Nasdaq Stockholm rule book for issuers, and the Swedish Corporate Governance Code. The Code of Conduct is a framework that includes the Employer Policy, Anti-corruption Policy, Export Policy, Information Policy, Insider Trading Policy, Whistleblower Policy, Environmental Policy and Supplier Policy.



# Auditor's report on the statutory sustainability report

Unofficial translation

To the general meeting of the shareholders in Tobii Dynavox AB, corporate identity number 556914-7563

## **Engagement and responsibility**

It is the board of directors who is responsible for the statutory sustainability report for the year 2021 on pages 35-46 and that it has been prepared in accordance with the Annual Accounts Act.

## **The scope of the audit**

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

We believe that the examination has provided us with sufficient basis for our opinion.

## **Opinion**

A statutory sustainability report has been prepared.

Stockholm, 20 April 2022

PricewaterhouseCoopers AB

Johan Engstam

Authorised Public Accountant



# Annual Report

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On December 9, 2021, Tobii Dynavox was listed on Nasdaq Stockholm. The picture shows the bell ringing ceremony, with CEO Fredrik Ruben and one of Tobii's Dynavox employees, Victor Kaiser, ringing the opening bell.



## Comments from the Chairperson

# Dedication and focus provide power moving forward

**I am extremely excited and proud to have the opportunity to work with Tobii Dynavox in the next phase of the company's journey. For seven years, I have had the privilege of following Tobii Dynavox's evolution from a division to a stand-alone listed company from the Board level, and have found the culture of the company to be extremely strong and positive. It is characterized by competence, transparency, and a great passion for what the company stands for. Employees are united in their desire to make life better for users, creating a dynamic and positive workplace.**

Based on my background in medtech and what I have seen over the years with Tobii, I believe Tobii Dynavox has tremendous potential. Our market is under-penetrated, and with the company's strong vision, clear business concept and broad offering, there are excellent opportunities for global growth. Despite being hit hard by the pandemic, this year's revenue and earnings are an acknowledgement of strength and stability.

### **Tobii split creates benefits for Tobii Dynavox**

Although Tobii Dynavox has long been run independently, its new status as a stand-alone listed company has had an impact on its operations, employees and governance. The organization can now be fully adapted to

Tobii Dynavox's needs and market. The separation from Tobii also means that we now offer our investors a more dedicated medtech and life science profile with an established and profitable business.

The Board can now focus on a dedicated business that we can work with more closely. We have also brought in additional expertise to better meet Tobii Dynavox's needs, including two Board members with important industry knowledge. Together, the Board now has both broad and international experience, which is important for continued international expansion.

### **The Board's work moving forward**

The Board of Directors and management are actively pursuing a clear growth focus, centered around an array of strategic initiatives that are primarily aimed at improving the lives of more people and thus making Tobii Dynavox a good long-term investment. The potential is huge, given the low market penetration, and we will have the greatest impact on growth by improving awareness of the company and our offering. We will accomplish this by strengthening our sales and marketing organization and acquiring carefully selected companies in interesting markets.

Tobii Dynavox is a sustainable investment where social sustainability is a given. We are a deeply purpose-driven company, with a clear mission to empower people to communicate and develop their potential, and in doing so, we can benefit society as a whole. To further develop our sustainability work, a new HR and Sustainability Manager has been hired, and together with him and the rest of management, the Board is now sharpening its sustainability strategy further.

Tobii Dynavox is clearly a strong company with employees who go the extra mile. I speak for the entire Board when I extend a huge thank you to Fredrik Ruben and all employees at Tobii Dynavox for your efforts during 2021 and for going the extra mile during the difficult time we have been through. We look forward to continuing the journey together.

**Åsa Hedin**



**Åsa Hedin, Chair of the Board of Directors at Tobii Dynavox since June 2021.**

Board member of Tobii AB since 2015.

Åsa has extensive experience in medtech and AI from working in product development and business development at Siemens, Medtronic, Gambro and Elekta.

# The Share

On December 9, 2021, Tobii Dynavox AB was listed on Nasdaq Stockholm (MidCap) under the symbol TDOX.

## Market capitalization

The share was listed at an offering price of SEK 30 per share. The price paid on Dec. 31, 2021 was SEK 32.21. The market capitalization at the end of the year was SEK 3,377.3 million.

## Share capital

The share capital of Tobii Dynavox is divided into 104,851,201 shares as of December 31, 2021. There is only one class of shares and all shares have the same right to dividends and carry entitlement to one vote per share at shareholders' meetings.

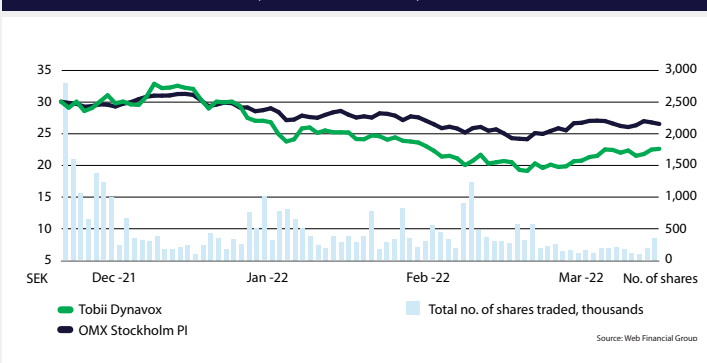
## Shareholder structure

As of December 31, 2021, Tobii Dynavox had 22,624 shareholders. The ten largest shareholders accounted for 39.4 percent of shares. The Board of Directors and Group Management held 4.6 percent of the shares in the Company. Foreign-owned shares accounted for 29.2 percent of shares and Swedish ownership was 70.8 percent.

## Incentive program

At the Extraordinary General Meeting on November 5, 2021 it was resolved to adopt two share programs to replace the programs that earlier was held in Tobii Group. The share programs are offered to senior executives and key employees in the Company and consists of stock units and synthetic stock units. Participants of the share programme are offered to be granted, free off charge, performance awards that may entitle them to receive shares, provided that performance conditions are fulfilled. Maximum number of outstanding shares, 854,370, was determined by the Board in March 2022. The dilution effect is expected to amount to a maximum of 0.9 percent. Further information of the Share Programme and conditions are presented in note 2 Significant accounting policies (section "Employee benefits"), page 77.

Share data from December 9, 2021 to March 31, 2022



## Dividend policy and distribution

The Company's profits will primarily be reinvested and used for several short-term growth opportunities (both organic and inorganic) identified by the Board. The Board of Directors shall continuously evaluate the possibility of dividends, taking into account potential acquisition opportunities and other strategic initiatives. The Board of Directors has decided to propose to the Annual General Meeting that no dividend be paid for fiscal year 2021.

## Annual General Meeting

The Annual General Meeting of Tobii Dynavox AB will be held on May 19, 2022.

Owner, Dec. 31, 2021	No. of shares	Holding, %
Swedbank Robur Fonder	9,107,943	8.7
Handelsbanken Fonder	8,410,124	8.0
Henrik Eskilsson	4,535,952	4.3
Öhman Fonder	4,338,714	4.1
Lannebo Fonder	3,740,333	3.6
Invesco	3,000,000	2.9
Mårten Skogö	2,350,000	2.2
Avanza Pension	2,078,319	2.0
ODDO BHF Asset Management	1,885,498	1.8
Futur Pension	1,850,731	1.8
<b>10 largest shareholders</b>	<b>41,297,614</b>	<b>39.4</b>
Other shareholders	63,553,587	60.6
<b>Total no. of shares</b>	<b>104,851,201</b>	<b>100.0</b>

Holdings, Dec. 31, 2021	No. of shareholders	Holding, %	No. of shares
1 – 500	17,005	2.1	2,196,066
501 – 1,000	2,325	1.8	1,851,431
1,001 – 10,000	2,922	8.1	8,508,842
10,001 – 100,000	307	7.3	7,675,950
100,001 – 500,000	34	7.2	7,553,656
500,001 – 1,000 000	7	4.4	4,621,100
1,000,001 – 5,000,000	22	40.9	42,894,212
5,000,001 –	2	16.7	17,518,067
Anonymous ownership		11.5	12,031,877
<b>Total</b>	<b>22,624</b>	<b>100.0</b>	<b>104,851,201</b>

# Risks and risk management

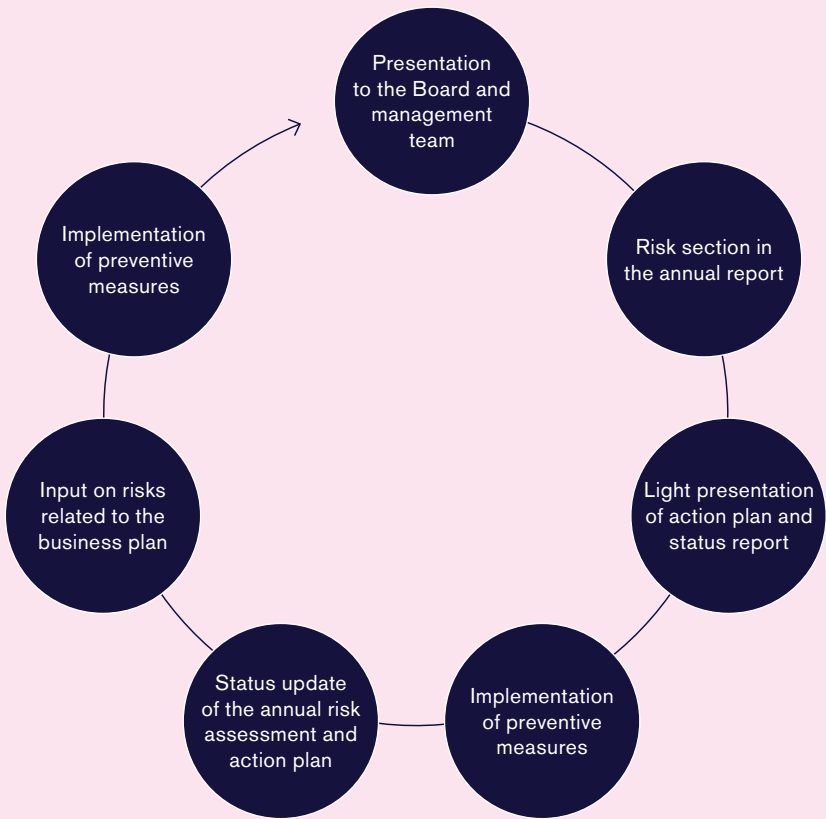
Tobii Dynavox is exposed to a number of risks as a natural part of conducting business directly in a number of countries and providing products and services in over 60 additional markets through distributors.

Risk exposure may affect the Group's business, earnings, or financial position, for which reason Tobii Dynavox has developed a global framework to identify, assess and manage these risks and to raise awareness of potential risks throughout the organization. The internal risk management process, owned and managed by the Executive Committee, includes an annual assessment of material risks, their impact on the business and decisions on actions to mitigate risks and their potential impact.





Progress reports on the risk process are provided regularly to the Board, which in turn provides feedback on what risk factors are judged to be the most significant. A selection of the material risks that have been identified as part of the Tobii Dynavox risk management process and the actions taken to manage the risks are presented beginning on page 52.




## Annual risk assessment





Detailed summary of the annual risk assessment









Risk	Trend	Management
<b>Changing market conditions and societal disruptions</b> <p>Tobii Dynavox is continuously exposed to both local and global macroeconomic fluctuations, unforeseen events and unrest (e.g. natural disasters, operational disruptions and pandemics). Should Tobii Dynavox incur additional costs and/or reduced revenues due to local fluctuation in supply and demand or prices, this could have a material negative impact on the Group's operations, profitability and financial position.</p>		<p>Tobii Dynavox has a presence in over 60 countries worldwide where the maturity level differs among geographic markets, giving the Company a favorable underlying risk diversification.</p> <p>The Covid-19 pandemic has had a significant negative impact on the business and markets in which Tobii Dynavox operates. Restrictions and shutdowns have led to limitations in delivering the Company's products on time and in conducting face-to-face meetings with users and prescribers of the products. The restrictions imposed because of Covid-19 have highlighted the importance of finding new ways to interact with users and prescribers, and the Company has introduced more digital ways of working in the sales and training organization as part of minimizing market risks.</p>
<b>Competition</b> <p>Tobii Dynavox products compete with products supplied by other specialized industry players, but also in some cases with consumer electronics. Competition from other players in the field of assistive technology for communication, both current and future, may result in a reduction in the Company's sales, market share and revenue.</p>		<p>In order to compete effectively, Tobii Dynavox continuously monitors potential competitors and must continue to develop and adapt the products and services it provides.</p> <p>Tobii Dynavox strategy is to further strengthen its comprehensive offering by including training and support for users as part of the offering, as well as by providing assistance in the reimbursement process. Tobii Dynavox is actively working to expand its product offering and geographic markets. The acquisition strategy is another element aimed at strengthening the offering and competitive advantages, most recently through the signing of an agreement to acquire Acapela Group.</p>
<b>Acquisitions and integration</b> <p>Tobii Dynavox strategy is based in part on acquisitions. Implementation of the Company's acquisition strategy exposes Tobii Dynavox to several risks. Acquisitions are inherently risky because of the difficulties in evaluating the business to be acquired, but also in realizing synergies during the integration phase.</p>		<p>Accurate acquisition analysis and implementation of acquisitions in accordance with a clearly defined acquisition process.</p>
<b>Product quality</b> <p>As a result of defects in Tobii Dynavox's own products, components, or software, the products may not function in whole or in part, or they may fail to meet customer expectations. This could result in costly recall programs and reduce confidence in Tobii Dynavox and its products.</p>		<p>Establishment of quality standards, testing of subcontractors and in-depth testing of proprietary software. Frequent and regular meetings with suppliers, quality assessments and working closely with customers to identify improvements and ensure customer satisfaction.</p>

Risk	Trend	Management
<b>Delivery problems and inadequate inventory management</b>  Disruptions in production due to component shortages increase the risk in production and may result in higher costs. Problems in the logistics flow that could create increased costs and delays in delivery to the end customer.		Tobii Dynavox closely monitors sales volumes and works closely with its suppliers to streamline production and inventory management and quickly adapt these to demand. This minimizes the risk of inventory write-downs or having to buy components at higher prices, incurring express delivery costs, or late charges.
<b>Supplier risk</b>  Tobii Dynavox is dependent on a small number of external providers for the supply of components and product assembly.		Regular evaluation and analysis of risks associated with sole sourcing of business critical goods. Actively work with Business Continuity Planning and closely manage the relationship with concerned suppliers. Keep a safety stock on key products and secure a second source when justified by volumes in single source cases.
<b>Business interruption</b>  Unforeseen and sudden events such as natural disasters, fires, etc. that disrupt production or supply chains. Interruptions in production or logistics may result in delayed or non-delivery to Tobii Dynavox customers.		Tobii Dynavox is continuously working on loss prevention measures and strengthening the Group's contingency plan.
<b>IT-related risks</b>  External or internal intrusions into Tobii dynavox data security or the premises where the Company operates. This can for instance concern intellectual property, financial information, business plans, strategies and personal data of employees, customers or end-users. Increased digitalization also means greater exposure to interruptions and disruptions in IT systems, which could have major consequences. Interruptions in suppliers' systems could also have an impact.		Efforts to support and monitor implementation of an Information Security Management System. Tobii Dynavox conducts consistent risk analysis and monitors threat scenarios to prevent intrusions and disruptions to systems. Support audits for IT-services built, managed, and administered by the organization.  Information policy developed by the Information Security Officer describes the responsibilities of employees; classification model illustrating how data should be handled.  Continued work on improving and developing IT infrastructure and preparedness to minimize the impact of any disruptions.

Risk	Trend	Management
<b>Business ethics</b>  Compliance with Tobii Dynavox's business ethics principles, as well as laws and regulations is important for the Company's continued success. Failure to comply would involve both specific business risks and the risk of a negative impact on Tobii Dynavox reputation.		Through Tobii Dynavox's strong corporate culture and its Code of Conduct, which also includes our Supplier Policy, all employees and suppliers sign in agreement with the Company's business ethics principles and zero tolerance for all forms of bribery and corruption. Recurrent training for employees, as well as risk analysis and review of suppliers.  Implementation of effective quality and compliance programs, throughout the product development process.
<b>Regulatory risks</b>  Irregularities in Tobii Dynavox's regulatory compliance and routines can expose the Company to considerable financial risks, market risks or operational risks. Tobii Dynavox must comply with applicable laws and standards regarding matters such as product safety, the environment, and personnel in the markets in which Tobii Dynavox operates. For example, many of Tobii Dynavox products are registered as medical devices, which places particular demands on certification.		Ongoing review of certifications and other laws and regulations in the markets where Tobii Dynavox is established, as well as follow-up of procedures regarding handling of personal data. When new rules are created, they must be analyzed and, if necessary, appropriate measures taken to ensure compliance.
<b>Personnel and competencies</b>  Tobii Dynavox is dependent on a variety of expert competencies and key individuals. In a highly competitive business environment, there is a risk of not being able to attract or retain employees. This creates a risk that could impede the future expansion of Tobii Dynavox		Tobii Dynavox offers a strong corporate culture combined with competitive employment terms and training programs. At the same time, Tobii Dynavox has a strong mission linked to helping people with disabilities to communicate and giving them a voice. Taken together, this provides a strong foundation as an attractive place to work.  Tobii Dynavox Code of Conduct provides guidelines for the Group's commitments, making clear the importance of treating all employees fairly and equally.
<b>Financial and tax risks</b>  Tobii Dynavox aims to provide a good and stable long-term return. Tobii Dynavox is exposed to a variety of financial risks, such as liquidity, currency, interest rate, tax and credit risks.		Risk management is governed by the financial policy established by the Board of Directors. The overall responsibility for managing Tobii Dynavox financial risks, and for developing methods and principles for managing these risks, lies with Group Management and the Finance function. Group management and the finance function actively work with internal control and regulatory controls to ensure long-term financing on an ongoing basis. The Company strives to achieve good and transparent communication with the stock market and lenders.



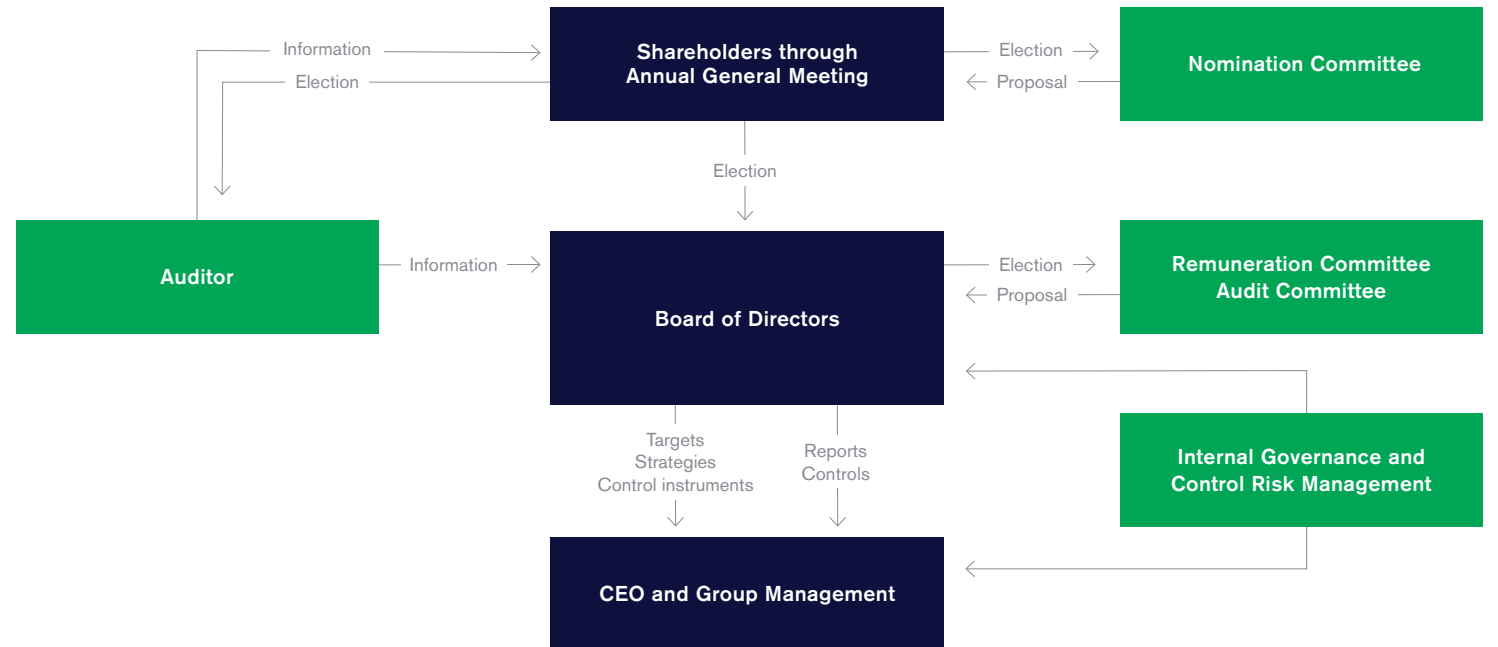
Risk	Trend	Management
<b>Intangible assets</b>  Risk of impairment of intangible assets related to product development and trademark licenses.		Regularly perform impairment tests through analysis of future expected earnings related to the projects and brands that are included in the balance sheet. For further information, see note 2 Significant accounting policies.
<b>Reimbursement and insurance schemes</b>  Most of Tobii Dynavox's end users depend on reimbursement from public and private reimbursement and insurance schemes to buy Tobii Dynavox products. Changes in such reimbursement and insurance schemes, for example as a result of changes in applicable legislation, procurement procedures, or political leadership, could change the conditions and limitations for users regarding access to the Company's products, which would have a negative impact on the Group's business and financial position.		Reimbursement structures vary from country to country and Tobii Dynavox is constantly working to provide a high level of expertise in the reimbursement process. The Company has around 50 employees working on the reimbursement process, along with a large and established network with various reimbursement bodies and insurance companies. As a result, Tobii Dynavox can not only influence, but also receive early indications of upcoming changes, thereby minimizing the risk of users not getting access to the Company's products.
<b>Disputes and damages</b>  There is a risk that Tobii Dynavox will be involved in unforeseen disputes; for example, customers, suppliers or other counterparties may initiate legal proceedings. An unfavorable decision could have a crucial impact on the reputation of the Company, and could also result in damages, fines, legal costs, negative publicity and disruptions to the continuity of the business.		Tobii Dynavox enters into written agreements with its customers and partners.  Dissemination of knowledge within the organization for timely reporting to in-house counsel for handling any disputes and disagreements. Tobii Dynavox is actively working to improve quality and regulatory issues to manage these risks.
<b>Insurance risk</b>  Risk of inadequate insurance coverage for assets and employees.  The Group's business is exposed to various risks such as damage and losses. There is a risk that Tobii Dynavox's insurance coverage may not fully cover liabilities arising from the business in which the Company engages. A loss that is not covered by insurance may have a negative impact on Tobii Dynavox business and financial position.		To minimize insurance risk, Tobii Dynavox is developing its contract management with customers and suppliers. We also train our staff in contract management.  Tobii Dynavox has insured its operations against loss and/or potential liability for third party claims related to property damage, business interruption, workplace injuries, global product liability, and product and software recall programs. The Group purchases property and liability, travel and transport insurance centrally to achieve economies of scale. This is combined/complemented with local insurance coverage to ensure a balanced insurance protection. Management is mandated to carry out an annual insurance coverage review.

# Corporate Governance Report

## Corporate governance

Tobii Dynavox AB is a public company whose shares were listed on Nasdaq Stockholm on December 9, 2021. Tobii Dynavox is governed and controlled by a corporate governance system that includes a number of principles, policies, guidelines, structures and processes that are described in this report. Corporate governance is an important component in ensuring that Tobii Dynavox is managed sustainably and responsibly, in accordance with applicable laws and regulations. Corporate governance and its internal rules provide a framework for value-creating and efficient decision-making with clear roles and responsibilities between the Company's shareholders, the Board, the Group's management team and other employees. It is based on external rules and regulations, such as the Swedish Companies Act, Nasdaq Stockholm's rules for issuers, the Swedish Corporate Governance Code (the "Code") and other relevant laws, regulations and rules. The Company complies with the Code's rules. This report presents explanations of the material respects in which the Company has deviated from the Code's rules during the time that it has been listed on Nasdaq Stockholm in 2021. Internal rules and regulations such as the Articles of Association, the Code of Conduct, the Insider Trading and Communications Policies and the Board of Directors' Rules of Procedure are also applied.

Tobii Dynavox follows the Code's principle of "comply or explain." In the Board's opinion, the Company has complied in all material respects with the Code since its listing on Nasdaq Stockholm on December 9, 2021, with the exception of the Code's rule that the members of the Nomination Committee shall be announced no later than six months prior to the 2022 Annual General Meeting and that Henrik Eskilsson, who is dependent in relation to the Company and its management, is a member of the Remuneration Committee. The reason Henrik Eskilsson is a member of the Remuneration Committee is that he has extensive experience in remuneration issues, both in general and in relation to Tobii Dynavox.



### Internal control instruments:

Business concept, targets, strategies, Corporate Governance, Articles of Association, the Board's Rules of Procedure, CEO Instructions, policies, Code of Conduct and core values.

### External control instruments:

Swedish Companies Act, other relevant acts, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code.

## CORPORATE GOVERNANCE REPORT

**The share and shareholders**

The Company's shares have been admitted to trading on Nasdaq Stockholm since December 9, 2021 and the shares are included in the Nasdaq Nordic Mid Cap segment. Share capital on December 31, 2021 amounted to SEK 0.5 million and the total number of shares was 104,851,201. Each share carries one vote at the Company's Annual General Meetings. According to the share register, the Company had 22,624 known shareholders on December 31, 2021. Swedbank Robur Fonder was the largest shareholder with 8.7 percent of total shares. Handelsbanken Fonder was the second largest shareholder with 8.0 percent of the shares. At the end of the year, foreign ownership was 29.2 percent. There is no limit to the number of votes each shareholder can cast at a general meeting. The Board is not aware of any shareholder agreements or other arrangements between shareholders of the Company.

**General Meeting**

According to the Companies Act (2005:551), the general meeting is the Company's highest decision-making body. At the General Meeting, shareholders exercise their voting rights on key issues, such as the adoption of the income statements and balance sheets, the appropriation of the Company's profits, the discharge of the members of the Board of Directors and the Chief Executive Officer from liability, the election of the members of the Board of Directors and the auditors and the decision on the remuneration of the Board of Directors and the auditors, as well as other issues in accordance with the Companies Act, the Articles of Association and the Code. The Annual General Meeting is held within six months of the end of the financial year. In addition to the Annual General Meeting, an Extraordinary General Meeting may be convened. According to the Articles of Association, general meetings of shareholders are to be convened by advertising in the Swedish National Gazette (Sw. Post- och Inrikes Tidningar) and by posting the notice on the Company's website. At the time of the notice convening the meeting, information regarding the notice shall also be published in Svenska Dagbladet.

**Annual General Meeting 2022****The Annual General Meeting will be held on May 19, 2022**

All shareholders who are registered in the share register maintained by Euroclear Sweden AB ("Euroclear") six business days prior to the Meeting are entitled to attend the Meeting. These shareholders must have informed the Company of their intention to attend by the date specified in the notice of the

meeting. Shareholders may attend the shareholders' meetings in person or by proxy and may be accompanied by a maximum of two assistants. Typically, a shareholder may register for the shareholders' meeting in several different ways, as indicated in the notice of the meeting. Shareholders are entitled to vote for all shares held by the shareholder.

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the Board of Directors. Such requests should normally be received by the Board at least seven weeks before the general meeting.

**Nomination Committee**

Companies complying with the Code must have a Nomination Committee whose task is to propose the Chairperson of the Annual General Meeting, the election of the Chairperson and other members of the Board, the election of the auditor and the remuneration of the Board and the auditor. The Nomination Committee shall also, if necessary, submit proposals for changes to the Nomination Committee's instructions. According to the Code, the general meeting must appoint the members of the Nomination Committee or specify how the members are to be appointed. According to the Code, the Nomination Committee shall consist of at least three members, a majority of whom shall be independent of the Company and the Group Management. In addition, at least one member of the nomination committee shall be independent in relation to the largest shareholder in terms of voting rights or group of shareholders who cooperates in terms of the Company's management. The members of the Nomination Committee, who are presented in the section "Nomination Committee for the 2022 Annual General Meeting" on page 57, were not appointed until after the Company was spun off and the shares were admitted to trading on December 9, 2021. Consequently, the Company did not have the opportunity to appoint and disclose the members at least six months before the Annual General Meeting and therefore deviates from the Code's rule in this respect.

The Extraordinary General Meeting on November 5, 2021 resolved to adopt the following instructions to the Nomination Committee.

Prior to every Annual General Meeting, the Nomination Committee is to comprise representatives from the three largest shareholders listed in the shareholders' share register maintained by Euroclear Sweden as of September 30 each year, along with the Chairperson of the Board. In total, the Nomination

Committee is to comprise four members. If any of these shareholders chooses to waive this right to appoint a proxy, the right shall pass to the shareholder who, after these shareholders, holds the largest number of shares. As long as the three founders Henrik Eskilsson, John Elvesjö and Mårten Skogö together own shares in the Company, directly or indirectly, that make them one of the three largest owners, they have the right to jointly nominate one of the three shareholder representatives in the Nomination Committee. The member representing the largest shareholder is to convene the first meeting of the Nomination Committee and be appointed Chairperson of the Nomination Committee unless the Committee unanimously appoints someone else. However, the Chairperson of the Board may not serve as Chairperson of the Nomination Committee. If one or more of the shareholders who appointed representatives to the Nomination Committee earlier than three months before the Annual General Meeting are no longer among the three largest shareholders, representatives appointed by those shareholders shall resign, and the shareholders who are subsequently among the three largest shareholders may appoint their representatives. If a representative resigns from the Nomination Committee before the work of the Nomination Committee is completed and the Nomination Committee deems it necessary to replace him or her, such a replacement shall represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in the order of precedence. Changes in the composition of the Nomination Committee must be announced immediately. Shareholders wishing to submit proposals to the Nomination Committee prior to the Annual General Meeting may do so to the Chairman of the Nomination Committee, in accordance with the procedure published on the Company's website prior to the Annual General Meeting. The proposals will be evaluated by the Nomination Committee in accordance with the Nomination Committee's instructions and the Code. The Nomination Committee's proposals for Board members, remuneration of the Board and election of auditors and other relevant proposals and reasoned opinions will be presented to the Annual General Meeting.

**Nomination Committee for the 2022 Annual General Meeting**

The Nomination Committee for the 2022 Annual General Meeting consists of the Chairperson of the Board, Åsa Hedin, and representatives appointed by the following owners, in order of size:

- Jan Andersson: appointed by Swedbank Robur Fonder
- Helen Fasth Gillstedt: appointed by Handelsbanken Fonder
- Henrik Telling: appointed by the three founders of Tobii



CORPORATE GOVERNANCE REPORT

No remuneration is paid to the members of the Nomination Committee and the members have declared that there are no conflicts of interest affecting their mandate.

The Nomination Committee has held a number of minuted meetings prior to the AGM. The Nomination Committee has also met with the Board of Directors for information on the Company's operations, Board work and focus areas.

The Nomination Committee's proposal for the Board of Directors is submitted in its entirety to ensure that the requirements for the Board's skills, diversity and independence are met. As a diversity policy, the Nomination Committee has applied section 4.1 of the Swedish Code of Corporate Governance when preparing proposals for the Board of Directors. The Nomination Committee has aimed to achieve a balanced gender distribution among the elected members, as well as diversity and breadth in terms of age, experience and skills. The Board is also largely independent of the Company and its management and major shareholders, see table on page 58.

The Board of Directors

The Board of Directors is the highest decision-making body of the Company after the general meeting. The duties of the Board of Directors are governed primarily by the Companies Act and the Code. In addition, the work of the Board is governed by rules of procedure adopted annually by the Board. The Rules of Procedure of the Board of Directors govern the division of work and responsibilities between the members of the Board, the CEO and the Committees. Furthermore, the division of work between the Board and the CEO is governed by the CEO Instructions adopted annually by the Board. The instructions for the CEO also contain instructions for financial reporting. According to the Companies Act, the Board of Directors is responsible for the management and organization of the Company, which means that the Board is responsible for, among other things, setting targets and strategies, ensuring procedures and systems for evaluating the set targets, continuously evaluating the Company's performance and financial position and evaluating the operational management. The Board is also responsible for ensuring that the annual and interim reports are prepared in a timely manner. In addition, the Board appoints the Company's Chief Executive Officer. Finally, the Board decides on significant investments and changes in the Company's organization and operations.

The Chairperson of the Board is responsible for directing and allocating the work of the Board and for ensuring that this work is carried out in such a way that the Board fulfils its duties. This responsibility includes ensuring that the Board members receive the information required for the Board to perform its work while maintaining the same level of quality in accordance with applicable regulations. The Chairperson is also responsible for ensuring that the Board evaluates its work each year. The Chairperson of the Board represents the Company through its shareholders.

Board members are normally elected by the Annual General Meeting for the period until the end of the next Annual General Meeting. According to the Company's Articles of Association, the Board of Directors, as elected by the general meeting, shall consist of at least three members and at most ten members without deputies.

The Board meets according to an annual schedule. In addition to these Board meetings, additional Board meetings may be convened to deal with matters that cannot be postponed until the next ordinary meeting. In addition to the Board meetings, the Chairperson of the Board and the Chief Executive Officer continuously discuss the management of the Company.

Independence of the Board

According to rules 4.4 and 4.5 of the Code, the majority of the Board members elected at the Annual General Meeting must be independent of the Company

and the Group's management. At least two of these members must also be independent of the Company's major shareholders. In order to determine the independence of a Board member, an overall assessment of the Board member's relationship with the Company must be made in each individual case. The Nomination Committee has assessed that the composition of the Board of Directors of Tobii Dynavox AB in 2021 meets the independence requirements set out in the Code.

Tobii Dynavox's Board of Directors consists of five ordinary members, including the Chairperson of the Board, without deputies, elected for the period until the end of the 2022 Annual General Meeting. The table below shows the members of the Board, when they were first elected to Board and whether they are independent of the Company and/or its major shareholders. Attendance at Board and Committee meetings is also presented in the table.

Work of the Board during the year

Board was appointed at the Extraordinary General Meeting June on June 6, 2021 and have held a total of 12 meetings. The CEO attended all Board meetings, except in cases where there is a conflict of interest. The participation of each Board member is shown in the table below.

The Board has not been evaluated since it has only been in place as an independent Board of Directors since December 2021; an evaluation is planned for autumn 2022.

Name	Position	Member of Tobii Dynavox since	Attendance at Board meetings	Attendance at Audit Committee meetings	Attendance at Remuneration Committee meetings	Independence in relation to	
						The Company and its management	Major shareholders
Åsa Hedin	Chair of the Board	2015 <sup>1</sup>	12/12	3/3	1/1	Yes	Yes
Carl Bandhold	Board member	2021	12/12	3/3	–	Yes	Yes
Henrik Eskilsson	Board member	2013 <sup>2</sup>	12/12	–	1/1	No	Yes
Charlotta Falvin	Board member	2018 <sup>3</sup>	12/12	3/3	1/1	Yes	Yes
Caroline Ingre	Board member	2021	11/12	–	–	Yes	Yes

<sup>1</sup> Refers to when Åsa Hedin became a Board member of Tobii AB. <sup>2</sup> Henrik Eskilsson has been a member of Tobii Dynavox since the Company was acquired by Tobii AB (i.e., also during the period when the Company did not engage in business). <sup>3</sup> Refers to when Charlotta Falvin became a Board member of Tobii AB.

## CORPORATE GOVERNANCE REPORT

**Board Committees****Audit Committee**

The Audit Committee follows written instructions and must, through its activities, comply with the requirements of the Companies Act and the EU Audit Regulation. The Audit Committee is a preparatory body in the contact between the Board and the auditors and submits regular reports to the Board on its work. Without prejudice to the other responsibilities and duties of the Board of Directors, the Audit Committee shall monitor the Company's financial reporting, monitor the effectiveness of the Company's internal control and risk management, stay informed of the audit of the annual accounts and consolidated accounts, review and monitor the impartiality and independence of the auditor, paying particular attention to whether the auditor provides the Company with services other than audit services, and assist in the preparation of proposals for the election of the auditor by the General Meeting of shareholders. According to the applicable rules of procedure of the Board, the Audit Committee shall consist of at least 3 members. Tobii Dynavox AB's Audit Committee consists of three members: Carl Bandhold, Charlotta Falvin and Åsa Hedin, with Carl Bandhold as chairman. All members of the Audit Committee are independent of the Company and its management, as well as of the Company's major shareholders. According to the Companies Act, the members of the Audit Committee may not be employed by the Company and at least one member must have accounting and auditing skills. The composition of the Committee shall be such as to meet the qualification requirements for accounting or auditing expertise.

In 2021, the Audit Committee held three meetings. The participation of each Board member is shown in the table on page 58.

**Compensation Committee**

The Remuneration Committee shall prepare the board of directors' decisions on issues concerning remuneration principles, remuneration and other terms of employment for the executive management, remuneration guidelines as well as the remuneration report, monitor and evaluate programs for variable remuneration, both ongoing and such that have ended during the year, for the executive management and monitor and evaluate the application of the guidelines for remuneration to the executive management established by the annual general meeting, as well as the current remuneration structures and remuneration levels in the Company. The Remuneration Committee is also

responsible for assisting the Board in its annual review of senior executives, including the CEO, and for evaluating the CEO's succession planning for senior executives. The Remuneration Committee shall report its decisions, proposals, observations, conclusions, etc. in writing to the Board of Directors on an ongoing basis, and always after its meetings. According to the applicable rules of procedure of the Board, the Remuneration Committee shall consist of at least 3 members. The Tobii Dynavox Remuneration Committee consists of three members: Henrik Eskilsson, Charlotta Falvin and Åsa Hedin with Charlotta Falvin as chair.

In 2021, the Remuneration Committee held one meeting. The participation of each Board member is shown in the table on page 58. Matters addressed include the evaluation, review and decisions on changes to the remuneration of members of the Group Management, follow-up and review of previously approved long-term incentive programs.

**Chief Executive Officer and other senior executives**

The Chief Executive Officer reports to the Board of Directors and is responsible for the day-to-day management and operations of the Company. The division of work between the Board and the Chief Executive Officer is set out in the Rules of Procedure of the Board and the Instructions to the Chief Executive Officer. The Chief Executive Officer is also responsible for preparing reports and compiling management information for Board meetings and is the rapporteur of the material at Board meetings.

According to the financial reporting instructions, the Chief Executive Officer is responsible for the financial reporting of the Company and shall accordingly ensure that the Board receives sufficient information to enable the Board to evaluate the Company's financial position on an ongoing basis.

The Chief Executive Officer shall keep the Board of Directors continuously informed about the development of the Company's business, the development of turnover, the Company's results and financial position, liquidity and credit situation, major business events and any other event, circumstance or condition that may be of material importance to the Company's shareholders.

The Chief Executive Officer and other senior executives are presented on page 63-64.

**Remuneration of Board members, Chief Executive Officer and senior executives****Remuneration to members of the Board of Directors**

Fees and other remuneration to the members of the Board of Directors, including the Chair, are determined by the General Meeting. The Extraordinary General Meeting on November 21, 2021, resolved that the annual fee for the period June 6, 2021 to December 1, 2021 shall be SEK 400,000 to the Chairperson of the Board, SEK 150,000 to Charlotta Falvin, SEK 250,000 each to Caroline Ingre and Carl Bandhold, and that no remuneration shall be paid to Henrik Eskilsson, or for committee work. The Meeting also resolved that annual fees for the period December 1, 2021, until the 2022 Annual General Meeting shall amount to SEK 650,000 to the Chairperson of the Board and SEK 250,000 each to the other members of the Board, SEK 120,000 to the Chairperson of the Audit Committee and SEK 60,000 to the other members of the Audit Committee, and SEK 37,000 to the Chairperson of the Remuneration Committee and SEK 21,000 to the other members of the Remuneration Committee, with the result that the approved remuneration for the period from December 1, 2021, until the 2022 Annual General Meeting amounts to a maximum of SEK 1,969,000 on an annual basis. The members of the Board of Directors are not entitled to any benefits after their term of office as members of the Board has ended.

During the 2020 fiscal year, Tobii Dynavox, including its subsidiaries, did not pay any remuneration, including fees, to Tobii Dynavox Board members.

**Guidelines for remuneration to the CEO and senior executives**

At the Extraordinary General Meeting held on November 5, 2021, it was decided to adopt the following guidelines for the remuneration of the Chief Executive Officer and other senior executives.

These guidelines cover the Company's Group Management, including the CEO. In the event that a Board member performs work for the Company, other than Board work, consulting fees and other remuneration may be paid for such work. The guidelines will apply to remuneration agreed, and changes made to remuneration already agreed, after the guidelines are adopted by the Extraordinary General Meeting in 2021. The guidelines do not cover remuneration decided by the general meeting.

## CORPORATE GOVERNANCE REPORT

**The guidelines promote the Company's business strategy, long-term interests and sustainability.**

Tobii Dynavox is a global market leader in development and sales of assistive technology for communication. Tobii Dynavox's mission is to empower people with disabilities to do what they once did, or never thought possible. For more information on the Company's business strategy, please visit [www.tobiidynavox.com](http://www.tobiidynavox.com). The successful implementation of the Company's business strategy and the safeguarding of the Company's long-term interests, including its sustainability, requires the Company to be able to recruit and retain qualified employees. In order to do so, the Company must be able to offer competitive remuneration. These guidelines make it possible to offer senior executives a competitive total remuneration package. At the Extraordinary General Meeting on November 5, 2021, The Board of Directors has proposed a long-term share-based incentive program for stock units. The proposal was approved by the Meeting. Since the incentive programs are decided by the General Meeting, they are not covered by these guidelines. The programs include the CEO and Group Management of the Company. The outcome of the programs is directly linked to the Company's share price performance and thus to the Company's long-term value creation.

Variable cash compensation covered by these guidelines should be aimed at promoting the Company's business strategy and long-term interests, including its sustainability.

**Forms of remuneration, etc.**

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may irrespective of these guidelines resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. The variable cash remuneration may amount to not more than 100 percent of the total fixed cash salary under the measurement period for such criteria. For the Chief Executive Officer, the variable cash remuneration may not exceed 100 percent of the total fixed cash remuneration during the measurement period for such criteria. Further variable cash remuneration may be awarded in extraordinary circumstances, provided

that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 50 percent of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee.

Pension benefits, including health insurance (Sw: sjukförsäkring), shall be premium defined. Variable remuneration shall not be pensionable. Pension premiums for defined contribution pensions shall not exceed 30 percent of the fixed annual cash salary.

Other benefits may include life insurance, health insurance and car benefits. Such benefits may amount to not more than 10 percent of the fixed annual cash salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines. Executives who are expatriates to or from Sweden may receive additional remuneration and other benefits to the extent reasonable in light of the special circumstances associated with the expat arrangement, taking into account, to the extent possible, the overall purpose of these guidelines. Such benefits may not in total exceed 50 percent of the fixed annual cash salary.

**Internal control**

Based on the systematic approach to managing risk exposure, Tobii Dynavox's internal control process is designed to monitor compliance with the Group's policies, principles and instructions and to assist the business in achieving its financial objectives by monitoring risk exposures in a structured manner. Internal controls shall include organizational controls, policies and procedures, and shall be designed to provide reasonable assurance regarding the reliability of internal and external financial reporting and to ensure that it is prepared in accordance with laws, applicable accounting standards and other practices and requirements applicable to listed companies.

Risk assessment of strategic, compliance, operational and financial risks shall be performed annually by the CFO and presented to Audit Committee and the Board of Directors.

The Board of Directors and the Audit Committee of the Board are responsible for internal control. Within the Group, the CFO is responsible for ensuring a satisfactory internal control environment.

A self-assessment of minimum requirements of defined controls mitigating identified risks for each business process shall be performed annually and reported to the Audit Committee and the Board of Directors. The CFO is responsible for the self-assessment process, which is facilitated by the functioning of internal controls.

**External auditor**

The auditor shall examine the annual accounts and financial statements of the Company and the management of the Board of Directors and the Chief Executive Officer. After each financial year, the auditor shall submit an audit report for the Parent Company and a Group audit report to the Annual General Meeting.

According to the Company's Articles of Association, the Company shall have not less than one and not more than two auditors and not more than two deputy auditors. At the Annual General Meeting on May 12, 2021, Pricewaterhousecoopers AB ("PWC") was elected as the Company's external auditor until the Annual General Meeting in 2022. PWC has been the Company's appointed audit firm since 2012. PWC appointed Johan Engstam as auditor in charge. The current term of office expires at the Annual General Meeting in 2022.



# Board of Directors



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**Åsa Hedin**  
**Chair of the Board**  
Born 1962

**Education**  
MSc in Biophysics and Biotechnology, University of Minnesota. BA in Physics, Gustavus Adolphus College, United States.

**Current assignments and background**  
Industrial advisor to the Department of Microtechnology and Nanoscience at Chalmers AB. Chair of the board of Artificial Solutions International AB. Board member of C-Rad AB, Nolato AB, Cellavision AB, Biotage AB, Nolato Aktiebolag, Sensavis AB, and E. Öhman J:or Fonder AB. Former CEO of Elekta Instrument AB. Board member of Tobii since 2015.

**Shareholding:** 35,614 common shares in the Company.



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**Carl Bandhold**  
**Board member**  
Born 1974

**Education**  
MBA from INSEAD and MSc in Chemical Engineering from Chalmers University of Technology, Sweden.

**Current assignments and background**  
CFO of the listed real estate developer JM AB. Former CFO of the assistive technology company Permobil Group, and management consultant at Boston Consulting Group and Accenture.

**Shareholding:** 20,000 common shares in the Company.



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**Henrik Eskilsson**  
**Board member**  
Born 1974

**Education**  
MSc in Industrial Engineering & Management, International Profile, Linköping University, Sweden.

**Current assignments and background**  
Co-founder and CEO of Tobii from 2001–2021. Board member of Tobii AB.

**Shareholding:** 4,535,952 common shares in the Company.

## BOARD OF DIRECTORS



### **Charlotta Falvin**

#### **Board member**

Born 1966

#### **Education**

MSc in Business Administration, Lund University, Sweden.

#### **Current assignments and background**

Extensive experience from leading positions in IT and telecom, e.g. COO at Axis, CEO at Decuma and TAT. Chairman of the Board of Skåne Startups. Board member of Invisio, Net Insight, Bure Equity, Boule Diagnostics, Nel ASA and the Malmö-based incubator Minc. Previously member of the board of directors at companies such as Axis, Doro and Sinch. Board member of Tobii since 2018.

**Shareholding:** –



### **Caroline Ingre**

#### **Board member**

Born 1977

#### **Education**

PhD in neuroscience and associate professor at Karolinska Institutet, Sweden.

#### **Current assignments and background**

Specialist and senior physician in neurology and neuromuscular diseases. Founder and director of the Karolinska ALS Center. Founder and director of the national ALS registry in Sweden, as well as the Karolinska ALS Treatment Center, which focuses on clinical trials for ALS. Board member of TRICALS and holds several scientific board positions in ALS-related organizations, including pharmaceutical companies.

**Shareholding:** 3,900 common shares in the Company.

## GROUP MANAGEMENT



**Fredrik Ruben**  
**Chief Executive Officer since 2014<sup>1</sup>**  
 Born 1977

### Education

Master of Science in Industrial Engineering and Management from the University of Linköping, Sweden and the Nanyang Technological University, Singapore.

### Current assignments and background

Fredrik Ruben has led Tobii Dynavox since 2014. He was previously the President & CEO at 3L System Group (publ.) and Vitec Mäklarsystem, working internationally with bases in New York, Singapore and Sweden.

**Shareholding in the Company:** Fredrik Ruben holds 141,923 common shares and 224,828 restricted stock units in the Company.



**Linda Tybring**  
**Chief Financial Officer sedan 2018<sup>2</sup>**  
 Born 1976

### Education

Qualified accountant, Srf Konsulternas Förbund, Sweden. Studies in commercial law, Linköping University, Sweden.

### Current assignments and background

Linda Tybring has been the Tobii Dynavox CFO since December 2018. She was previously CFO for Hermes Medical Solutions AB, 3L System Group (publ.), J Lindeberg AB and was also CEO for Vitec Finans & Försäkring AB and Vitec Media AB. She has worked for the last 10 years within the software industry.

**Shareholding in the Company:** Linda Tybring holds 17,669 common shares and 53,798 restricted stock units in the Company.



**Albert Biglan**  
**Chief Technology Officer since 2021**  
 Born 1971

### Education

Bachelor of Science in Physics from Carnegie Mellon University.

### Current assignments and background

Al Biglan joined Tobii Dynavox in early 2021 and manages the Hardware, Software, Program Management and IT/Business Systems teams. He has worked in Pittsburgh for a number of local and international companies such as Nokia and Ansaldo. He most recently ran the mapping department at Uber's ATG, working on self-driving cars.

**Shareholding in the Company:** Albert Biglan holds 19,202 restricted stock units in the Company.



**Mikael Bäckström**  
**Chief People & Sustainability Officer since 2022**  
 Born 1968

### Education

Bachelor's degree in Personnel, Work and Organization with a focus on Sociology from Stockholm University, Sweden.

### Current assignments and background

Mikael Bäckström joined Tobii Dynavox in 2021 to manage people and sustainability globally. He leads a team that strives to build a workplace where passionate people who want to change lives can thrive. He has worked previously in senior HR roles at Spotify, Klarna, and 3 among other global companies.

**Shareholding in the Company:** –

<sup>1</sup> Refers to when Fredrik Ruben obtained his current position within the business area Tobii Dynavox. <sup>2</sup> Refers to when Linda Tybring obtained her current position within the business area Tobii Dynavox.



GROUP MANAGEMENT



**Kristen Cook**  
**Chief Marketing Officer since 2021**  
Born 1979

**Education**

Kristen has a Bachelor of Integrated Marketing and a Master of Corporate Communications from Duquesne University, Pittsburgh.

**Current assignments and background**

Kristen Cook joined Tobii Dynavox in 2018 and manages global marketing and e-commerce. She leads a team that creates awareness, interest, and engagement in our brand, products and services. She was formerly Vice President of Account Management at Brunner.

**Shareholding in the Company:** Kristen Cook holds 5,342 restricted stock units the Company.



**Nils Normell**  
**President Market Unit EUROW since 2018<sup>1</sup>**  
Born 1964

**Education**

Nils has a Master of Science from the Royal Institute of Technology, Stockholm and an MBA from the Stockholm School of Economics.

**Current assignments and background**

Nils Normell joined Tobii Dynavox in 2018. He formerly worked at Microsoft as Partner Sales Director. His previous experience also includes time at Apple, Nokia, and Electrolux, as well as running and working at a number of start-ups.

**Shareholding in the Company:** Nils Normell holds 42,061 common shares and 33,283 restricted stock units in the Company.



**Anthony Pavlik**  
**Chief Operating Officer since 2014**  
Born 1960

**Education**

Tony has a Bachelor of Science in Human Resources Management from Geneva College, USA.

**Current assignments and background**

Tony Pavlik has been with Tobii Dynavox and its previous entities since 2004. He heads Global Operations, including supply chain management, order fulfillment/logistics, funding, order management, technical support, quality/regulatory assurance, customer service, and facilities management.

**Shareholding in the Company:** Anthony Pavlik holds 25,754 restricted stock units in the Company.



**Tara Rudnicki**  
**President Market Unit North America since 2015<sup>2</sup>**  
Born 1966

**Education**

Studies in criminal justice, Framingham State University and Northeastern University, USA.

**Current assignments and background**

Tara Rudnicki has been with Tobii Dynavox and its previous entities since 2001. In addition to her current role at the helm of the North American market, she has worked in various executive management roles at Assistive Technology Inc. for 20+ years. She has also been President of the Board of Directors of the Assistive Technology Industry Association (ATIA) since 2010.

**Shareholding in the Company:** Tara Rudnicki holds 6,500 common shares and 27,937 restricted stock units in the Company.

<sup>1</sup> Refers to when Nils Normell obtained his current position within the business area Tobii Dynavox.  
<sup>2</sup> Refers to when Tara Rudnicki obtained her current position within the business area Tobii Dynavox.



# Auditor's report on the Corporate Governance Statement

Unofficial translation

To the general meeting of the shareholders in Tobii Dynavox AB (publ), corporate identity number 556914-7563

## **Engagement and responsibility**

It is the board of directors who is responsible for the corporate governance statement for the year 2021 on pages 56–64 and that it has been prepared in accordance with the Annual Accounts Act.

## **The scope of the audit**

Our examination has been conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

We believe that the examination has provided us with sufficient basis for our opinions.

## **Opinions**

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, 20 April 2022

PricewaterhouseCoopers AB

Johan Engstam

Authorized Public Accountant

# Tobii Dynavox

## Financial information

### 2021

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# Director's report

The Board of Directors and the Chief Executive Officer of Tobii Dynavox AB (publ), with corporate ID number 556914-7563 and registered office in Danderyd, Sweden, hereby present the annual report and consolidated accounts for the financial year January 1 to December 31, 2021.

## Information about the business

Tobii Dynavox was spun off from the Tobii group on December 9, 2021 and listed separately on Nasdaq Stockholm as an independent group.

Tobii Dynavox is the world's largest supplier of assistive technology for communication for individuals with disabilities. Tobii Dynavox has over 100,000 users worldwide who rely on its solutions to communicate. This gives users the opportunity to live more independent lives and often has a dramatic positive impact on quality of life for both users and those around them.

Tobii Dynavox offers a range of different solutions and services, including specially designed communication devices, controlled by eye or touchscreen, as well as a variety of advanced communication and special education software. Tobii Dynavox offers a complete solution that, in addition to software and communication devices, also consists of assisting prescribers with user testing, helping users obtain reimbursement, and providing assistance so users can get started and learn how to use the solutions. The solutions are used primarily by people with disabilities, but also by therapists, speech therapists, caregivers, hospitals and testing centres for testing and prescribing, as well as in special needs schools for educational purposes. Several of the solutions are medical grade and are often funded through public or private reimbursement systems.

Tobii Dynavox is present in 65 countries through direct sales and distributors. The Company's main markets can currently be found in about ten countries where reimbursement and prescribing systems are in place.

## Significant events during the year

### Spin-off from Tobii AB

At the Extraordinary General Meeting of Tobii AB on October 25, 2021, it was resolved to distribute all ordinary shares in the wholly owned subsidiary Tobii

Dynavox to the ordinary shareholders of Tobii AB. Tobii Dynavox was then listed on Nasdaq Stockholm on December 9, 2021 and since then has operated as a stand-alone company. Prior to the Extraordinary General Meeting, an information memorandum was published, presenting the background and rationale for the proposed split of the Tobii Group and describing the activities of Tobii Dynavox. A prospectus was published on November 23, 2021.

## Board of Directors and Group Management appointed

The Board of Directors and the Chairperson of the Board were elected prior to the listing of Tobii Dynavox AB. All members of the Board of Directors and Group Management are presented in the Corporate Governance Report on page 61-64.

## Financial targets

Tobii Dynavox's financial targets are to increase sales by more than 10 percent annually on a currency-adjusted basis and to achieve and maintain an operating margin in excess of 15 percent. Tobii Dynavox intends to maintain a net debt/equity ratio of 2.5x (+- 0.5x) over the last 12 months' EBITDA.

## Agreement with Tobii

In 2021, Tobii Dynavox entered into an intellectual property license agreement with Tobii AB, which gives it the right to use the Tobii brand in combination with Dynavox and to transfer certain trademarks from Tobii AB. The Company also entered into a purchase agreement with Tobii AB for eye tracking devices.

## Funding

In September 2021, Tobii Dynavox entered into a loan agreement with Swedbank for a credit facility of SEK 550 million and a revolving credit facility of SEK 150 million. The money was used for purposes such as payment of all loans to Tobii AB. The Company also paid SEK 280 million to Tobii AB under a previously signed license agreement.

## Acapela

On October 28, 2021, Tobii Dynavox entered into an agreement to acquire all shares in the Belgian Acapela Group for EUR 9.8 million in cash.

Acapela Group is a provider of digital voices and AI-powered voice synthesis software.

The acquisition, which has been approved by the relevant authorities, will be completed on April 29, 2022.

## Product launch

In November, Tobii Dynavox launched the communication device "TD Pilot." TD Pilot is medical grade and the first Apple-certified product to enable control of an iPad using only eye movements.

## Development of the Group's business, earnings and position

### Sales

Consolidated sales amounted to SEK 872 (895) million, a decrease of 3 percent compared with the previous year. Organic growth was flat at 0.3 percent (1.1 percent). Currency movements had a negative impact of 3 percent on revenue. Delivery and logistics-related delays are estimated to have deferred revenue of approximately SEK 10 million to the following year. Adjusted for these factors, organic growth would have been 2 percent.

### Performance

Consolidated gross profit amounted to SEK 571 million (592), corresponding to a gross margin of 65 percent (66). The decline in the margin is largely attributable to increased costs for components and shipping due to the pandemic.

Operating profit for the Group decreased to SEK 60 (127) million and the operating margin to 7 percent (14). The decrease in operating profit can be attributed to the deferral of revenues to the following year, due to delivery and logistics delays, one-off costs related to the spin-off from Tobii, higher research and development costs related to new products, as well as lower capitalization and higher depreciation compared with the previous year, related to the timing of various product launches. In 2020, the Group also had lower costs compared with 2021 because of Covid-19-related government grants and reduced working hours.

DIRECTOR'S REPORT

The Group's profit before tax was SEK 41 million (103). Net financial income amounted to SEK -20 (-24) million and consisted mainly of interest on external loans. Tax for the period amounted to SEK -11 (26) million, of which SEK -6 (40) million relates to deferred tax. The positive tax effects for the previous year are related to the capitalization of deferred tax assets in the US.

The net profit for 2021 was SEK 30 (130) million and net earnings per share totalled SEK 0.30 (1.30).

Cash flow, liquidity and financial position

Cash flow from operating activities was SEK 137 (273) million. The decrease is mainly due to the lower operating profit. Cash flow from investing activities amounted to SEK -370 (-102) million, of which SEK -76 (-78) million was capitalization of R&D costs and SEK -280 million relates to the license agreement signed in 2021 with Tobii concerning intangible assets giving the Company the right to use Tobii in combination with Tobii Dynavox and the transfer of certain trademarks from Tobii AB.

A new loan of SEK 550 million from Swedbank and a shareholder contribution of SEK 75 million from Tobii AB strengthened cash flow from financing activities. These funds were used to pay Tobii AB for the license agreement and previous loans. Cash flow for the year was SEK 19 million (131). At the end of 2021, the Group had cash and cash equivalents of SEK 197 (173) million.

The Group's net debt amounted to SEK 409 (243) million.

Research & development

Tobii Dynavox is investing heavily in research and development of both its core technology and its products, in order to increase growth and meet customer requirements, as well as to maintain and strengthen its position. In addition, Tobii Dynavox invests in the development of technology and products to reduce production costs. Research and development is thus crucial to increasing sales and gross margins, but also involves significant investment and costs for the Group. The Group's research and development expenditure amounted to SEK 130 (129) million in 2021. Of this amount, SEK 76 (78) million was capitalized as intangible assets.

Employees

The average number of full-time employees in the Group in 2021 was 467 (464).

Sustainability Report

Tobii Dynavox Group has decided, in accordance with chapter 6 section 11 of the Swedish Annual Accounts Act, to prepare a sustainability report as a separate report from the annual report. The Sustainability Report can be found on pages 35–46.

Parent Company

The Parent Company, Tobii Dynavox AB (publ), has approximately 90 employees and focuses on research, development, sales and administration. The Parent Company's sales during the full year totalled SEK 458 million (500) and the operating profit was SEK 30 million (77). At the end of the year, the Parent Company had SEK 139 (98) million in cash and cash equivalents.

Events after the end of the reporting period

Changes in Management

On February 14, 2022, Mikael Bäckström was appointed as the new Chief People and Sustainability Officer for Tobii Dynavox with immediate admittance. Mikael Bäckström has experience from different HR management roles and his latest engagement was with Spotify as Vice President, HR.

Product launch

In February 2022 the TD I-110 was launched, a touchscreen-based communication aid for individuals with speech impairments and disabilities such as autism, cerebral palsy and aphasia.

Acquisitions

On 1 April 2022, the acquisition of the Irish company Obear Technologies Limited was completed. The company is reselling partner of Tobii Dynavox and a leading supplier of assistive technology products in Ireland.

The company reported sales of around SEK 9 million, with an EBIT of around 10% for the financial year ending June 30th 2021.

The acquisition of the Belgian company Acapela Group is expected to be completed on April 29, 2022. Acapela Group is a global provider of voice synthesis and digital voices; Tobii Dynavox and Acapela Group have been working together successfully for many years. The Company have about 50 employees and the head office is located in Mons, Belgium. In 2020, Acapela Group had a turnover about 6 million EUR and an operating margin (EBIT) of 14%.

Information regarding the situation in Ukraine

The situation in the world with the war in Ukraine will affect the entire society. Although Tobii Dynavox does not have direct exposure to Ukraine and Russia in terms of sales or purchases, we are closely monitoring developments. However, it is too early to assess any indirect impact on, for example, commodity prices and supply chains, or on the Company's operations.

Outlook

Tobii Dynavox believes that there is good long-term market potential given the under-penetration that exists in the market today. Pandemics and global turmoil create uncertainty and are likely to have some impact on operations in 2022. The Company's long-term goal is to achieve currency-adjusted growth of over 10 percent and to achieve and maintain an operating margin (EBIT) in excess of 15 percent

Proposal for the appropriation of the Company's profit or loss

The Board of Directors proposes to the Annual General Meeting that no dividend be paid for fiscal year 2021.

The following unrestricted equity of the Parent Company is at the disposal of the Annual General Meeting (SEK):

SEK	
Retained earnings	-34,900,047
Loss for the year	11,356,852
	<b>-23,543,195</b>

The Board of Directors proposes that unrestricted equity be appropriated as follows	
To be carried forward	-23,543,195

# Consolidated statements of comprehensive income

SEK million	Note	2021	2020
Net sales	5	871.6	895.2
Cost of goods and services sold		-301.0	-303.5
<b>Gross profit</b>		<b>570.6</b>	<b>591.7</b>
Selling expenses		-312.7	-288.1
Research and development expenses		-117.3	-108.6
Administrative expenses	6	-83.6	-67.9
Other operating gains and losses	10	3.0	0.0
<b>Operating profit (EBIT)</b>	5, 6, 7, 8, 9	<b>60.0</b>	<b>127.2</b>
<i>Profit/loss from financial items</i>			
Financial income	11	1.3	3.9
Financial expenses	11	-20.9	-27.8
<b>Total financial income and expenses</b>		<b>-19.5</b>	<b>-23.9</b>
<b>Profit before tax (EBT)</b>		<b>40.5</b>	<b>103.4</b>
Tax	12	-10.7	26.5
<b>Net profit for the year</b>		<b>29.8</b>	<b>129.8</b>
Attributable to owners of the Parent Company	13	29.8	129.8
Earnings per share, SEK	13	0.30	1.30
<b>Other comprehensive income</b>			
<i>Items that may be reclassified to net profit for the year</i>			
Translation differences		5.9	-4.0
Other comprehensive income for the period, net after tax		5.9	-4.0
<b>Total comprehensive income</b>		<b>35.8</b>	<b>125.8</b>
Attributable to owners of the Parent Company		35.8	125.8



# Consolidated statements of financial position

SEK million	Note	31/12/2021	31/12/2020
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible fixed assets	14	572.6	276.9
Property, plant and equipment	15	23.8	30.6
Right-of-use assets	16	52.4	51.5
Deferred tax asset	12	51.1	51.6
Financial and other non-current assets		0.4	0.3
<b>Total non-current assets</b>		<b>700.3</b>	<b>410.9</b>
<b>Current assets</b>			
Trade receivables	17	139.2	124.6
Inventories	18	58.4	39.9
Other current receivables		30.2	14.6
Prepaid expenses and accrued income	19	20.9	15.4
Cash and cash equivalents	20	197.3	172.7
<b>Total current assets</b>		<b>446.0</b>	<b>367.3</b>
<b>Total assets</b>		<b>1,146.3</b>	<b>778.2</b>

SEK million	Note	31/12/2021	31/12/2020
<b>Equity</b>			
Share capital	21	0.5	0.1
Reserves		0.6	-5.4
Retained earnings		138.4	34.7
<b>Total equity</b>		<b>139.5</b>	<b>29.3</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings, non-current	23	547.7	0.0
Lease liabilities	16, 23	44.9	42.9
Other non-current liabilities		108.3	88.0
<b>Total non-current liabilities</b>		<b>700.9</b>	<b>130.9</b>
<b>Current liabilities</b>			
Borrowings, current	23	–	362.9
Lease liabilities	16, 23	14.1	10.3
Trade payables		77.5	58.8
Tax liabilities		4.6	1.0
Other current liabilities		22.4	16.5
Accrued expenses and deferred income	24	187.3	168.4
<b>Total current liabilities</b>		<b>305.9</b>	<b>618.0</b>
<b>Total liabilities</b>		<b>1,006.8</b>	<b>748.9</b>
<b>Total equity and liabilities</b>		<b>1,146.3</b>	<b>778.2</b>

# Consolidated statement of cash flow

SEK million	Not	2021	2020
<b>Operating activities</b>			
Profit before tax (EBT)	26	40.5	103.4
Adjustments for items not included in cash flow	26	98.9	107.8
Taxes paid		-3.1	-1.5
<b>Cash flow from operating activities before changes in working capital</b>		<b>136.3</b>	<b>209.7</b>
<i>Change in working capital</i>			
Change in inventories		-14.7	19.1
Change in operating receivables		-20.5	8.8
Change in operating liabilities		35.5	34.9
<b>Cash flow from change in working capital</b>		<b>0.2</b>	<b>62.8</b>
<b>Cash flow from operating activities</b>		<b>136.5</b>	<b>272.5</b>
<b>Investing activities</b>			
Purchase of intangible assets	14	-356.5	-78.4
Purchase of property, plant and equipment	15	-10.8	-23.6
Other		-3.0	-
<b>Cash flow from investing activities</b>		<b>-370.3</b>	<b>-102.0</b>
<b>Financing activities</b>			
Proceeds from borrowings		547.7	-
Shareholder contribution		75.0	48.0
Repayment of lease liability	16	-10.5	-9.0
Other financing activities		2.9	-1.7
Repayment internal loan and cash flow from other financial activities with Tobii Group	27	-362.0	-76.9
<b>Cash flow from financing activities</b>	26	<b>253.1</b>	<b>-39.6</b>
<b>Cash flow for the year</b>		<b>19.4</b>	<b>130.9</b>
Cash and cash equivalents at the beginning of the year		172.7	48.6
Cash flow for the year		19.4	130.9
Currency translation impact on cash and cash equivalents		6.4	-8.0
Other cash flow from transactions with shareholders, Tobii Group <sup>1)</sup>	27	-1.1	1.2
<b>Cash and cash equivalents at year-end</b>		<b>197.3</b>	<b>172.7</b>

1) The item "Other cash flow from transactions with shareholders, Tobii Group" refers to cash effects from cash flows included in the Tobii Dynavox consolidated financial statements and attributable to legal entities that remains in Tobii Group after the spin-off that took place 9 December, 2021.

# Consolidated statement of changes in equity

SEK million	Note	Attributable to Parent Company shareholders			Total equity
		Share capital	Reserves	Retained earnings	
<b>Opening balance January 1, 2020</b>		<b>0.1</b>	<b>-1.4</b>	<b>-96.1</b>	<b>-97.4</b>
Comprehensive income for the period		–	-4.0	129.8	125.8
Group contribution	27	–	–	-61.1	-61.1
Tax effects of transactions reflected directly in equity		–	–	12.6	12.6
Shareholder contributions from Tobii Group	27	–	–	48.0	48.0
Other transactions with shareholders, Tobii Group	27	–	–	1.4	1.4
<b>Closing balance, December 31, 2020</b>		<b>0.1</b>	<b>-5.4</b>	<b>34.7</b>	<b>29.3</b>
<b>Opening balance January 1, 2021</b>		<b>0.1</b>	<b>-5.4</b>	<b>34.7</b>	<b>29.3</b>
Rights issue		0.5	–	–	0.5
Comprehensive income for the period		–	5.9	29.8	35.8
Shareholder contributions Tobii Group	27	–	–	75.0	75.0
Other transactions with shareholders, Tobii Group	27	–	–	-1.1	-1.1
<b>Closing balance December 31, 2021</b>		<b>0.5</b>	<b>0.6</b>	<b>138.4</b>	<b>139.5</b>

# Notes – Group

*Amounts in SEK million unless otherwise indicated.*

## Note 1. General information

Tobii Dynavox AB (publ) (Parent Company), corporate identity number 556914-7563, is a Swedish limited liability company with its registered office in Danderyd, Sweden. The address of the head office is Karlsrovägen 2D, Danderyd, Sweden. The company's share is listed on Nasdaq Stockholm since 9 December 2021. Tobii Dynavox AB (publ) and its subsidiaries (together the Group) is a global market leader in assistive technology for people with reduced ability to communicate. To meet the varying needs and requirements of users, eye-controlled communication solutions with integrated eye-tracking sensors, as well as touchscreen-controlled solutions and software are offered in an advanced ecosystem of resources and support. The ability to communicate and live more independently can dramatically impact quality of life for both users and their loved ones.

Tobii Dynavox operates globally from its offices in Sweden, the US, China, UK and Norway.

## Note 2. Significant accounting policies

### GENERAL INFORMATION

Depending on the context, the terms "Tobii Dynavox," "the Group" or "the Company" refer to Tobii Dynavox AB with corporate identity number 556914-7563, or to the group from which Tobii Dynavox and its subsidiaries constitute.

Summed figures presented in tables and running text do not always agree with the calculated sum of the separate subcomponents due to rounding differences. The aim is for each sub-component to be consistent with its original source; consequently, rounding differences may affect the total when all sub-components are summed.

The preparation of reports in accordance with IFRS requires the use of a number of important estimates for accounting purposes. Furthermore, management is required to make certain judgements when applying the Group's accounting policies. The areas involving a high degree of judgement, complexity, or areas where assumptions and estimates are significant are disclosed in note 4.

### BASIS OF PREPARATION OF THE ACCOUNTS

The consolidated financial statements have been prepared in accordance with international Financial Reporting standards (IFRS), issued by the international accounting standards Board (IASB) and the interpretation statements of the international Financial Reporting Interpretations Committee (IFRIC) as approved by the European Commission for application within the EU. Furthermore, the Swedish Financial Reporting Board's Recommendation RFR 1, "supplementary accounting Rules for Groups" has also been applied.

The formation of the Tobii Dynavox Group (the "Group") involves transactions between entities under common control. As neither these transactions nor the combined financial statements are subject to any IFRS standard, management should develop and apply an accounting policy that is, among other things, relevant and reliable, in accordance with IAS 8 (Accounting policies, changes in accounting estimates and errors). An appropriate and established method is to use the predecessor value method, which is the principle used by Tobii Dynavox. The assets and liabilities of the entities brought into the newly formed Tobii Dynavox Group have been included at their carrying amounts in the consolidated financial statements of Tobii AB from the date they became part of the Tobii AB Group.

The Parent Company of the new group, Tobii Dynavox AB, was established on January 1, 2019. From this date, all companies merged into the Tobii Dynavox Group have been under common control under Tobii AB.

Tobii Dynavox has started entities in Germany and China in 2021. The Tobii Dynavox segment activities of the Tobii Group companies in Germany and China was transferred to these newly established companies in 2021. In the combined financial statements, the results generated in the Dynavox segment of the Tobii Group companies in Germany and China have been added to the Tobii Dynavox Group. Since no consideration was paid between the companies for these transactions, they have been reported as "Other transactions with shareholders of the Tobii Group" in Shareholders' equity and Cash flow in the combined financial information. Refer to note 2 "Summary of significant accounting policies" in the prospectus "Admission to trading of the common shares in Tobii Dynavox AB (publ) on Nasdaq Stockholm" for judgements and accounting principles applied in the historical information in the combined financial reports.

### CONSOLIDATION PRINCIPLES APPLIED

The consolidated financial statements include Tobii Dynavox AB and all companies over which the Parent Company (Tobii Dynavox AB) has power, i.e. the power to direct the activities; exposure to variable return and the ability to use its power. When the Group ceases to have control or significant influence over the entity, any retained interest in the entity is remeasured at its fair value, with the change in carrying amount recognized in the Group's comprehensive income. Subsidiaries are consolidated in the financial statements as of the acquisition date, and are excluded from consolidation as of the date when such control ceases. The accounting policies for subsidiaries have been amended, when necessary, to ensure consistent application of the Group's accounting policies.

Intra-group receivables and payables, income or expenses and unrealized gains or losses arising from intra-group transactions between group companies are eliminated in full in preparing the consolidated financial statements.

### NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED BY THE GROUP

Applied accounting policies include new and amended standards for the first time that are mandatory for financial years beginning 1 January 2021. New or amended IFRS standards and interpretations that came into force on 1 January 2021 have not had any material impact on the Group. From 1 January 2022, amendments have been made to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, and IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendments are not expected to have a material impact on Tobii Dynavox in the current or future accounting periods, nor on future transactions that can be predicted at this time. New and amended IFRS standards and interpretations that have been published but have not yet come into force are not assessed to have affected the Group in any material way.

### SEGMENT REPORTING

The assessment of which operating segments exist in the Group shall be based on the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocation of resources and analyzing the segment's profit/loss. In the Tobii Dynavox Group, this function has been identified as Group Management. The financial information provided to Group Management



NOTES

within Tobii Dynavox, as a basis for decisions on the allocation of resources, applies to the business as a whole without any subdivision into underlying segments. Given this situation, the management of the Tobii Dynavox Group has determined that the business as a whole should be considered a segment.

Sales by geographic market is broken down into the following markets: North America, Europe and other countries.

FUNCTIONAL CURRENCY

The Parent Company's functional currency is Swedish kronor (SEK), which is also the presentation currency for the Parent Company and the Group. This means that the financial statements are presented in Swedish krona. Unless otherwise stated, all amounts are rounded to the nearest million (SEK million).

FOREIGN CURRENCY

Transactions in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rates prevailing on the balance sheet date. Non-monetary assets and liabilities recognized at historic cost are translated at the exchange rates prevailing on the date of the transaction. Non-monetary assets and liabilities recognized at fair value are translated into the functional currency at the exchange rate prevailing on the date fair value measurement was applied. Exchange rate differences that arise on the translations are recognized in the income statement, both in operating profit/ loss and in net financial items depending on the nature of the underlying transactions.

MSEK	Closing price		Average rate	
	Dec 31, 2021	Dec 31,2020	Dec 31, 2021	Dec 31, 2020
EUR	10.227	10.037	10.145	10.487
GBP	12.179	11.087	11.802	11.798
NOK	1.025	0.955	0.998	0.979
USD	9.044	8.189	8.582	9.204

Foreign entities' financial statements

The functional currency is the currency in the primary economic environment in which the entity operates. Assets and liabilities in foreign operations, including

goodwill and other consolidated surpluses and deficits, are translated from the foreign entities' functional currency to the Group's presentation currency, Swedish krona, at the exchange rate prevailing on balance sheet date. Income and expenses in a foreign entity is translated to Swedish krona at an average rate that is an approximation of the exchange rates pertaining on the dates of the transactions respectively. Translation differences that arise on the translation of foreign entities are recognized in Other comprehensive income as a translation reserve. When a foreign entity is divested, the accumulated translation differences attributable to the entity are recognized in the consolidated statement of comprehensive income.

REVENUE RECOGNITION

General

The Group applies IFRS 15 “Revenue from Contracts with Customers” where the basic principle is that an entity should recognize revenue in the manner that reflects the transfer of the promised good or service to the customer, at the amount the entity expects to be entitled to receive in exchange for the good or service. Revenue is recognized when the customer obtains control over the good or service. Revenue is recognized based on the contract with the customer and is recorded at the transaction price of the consideration to which Tobii Dynavox expects to be entitled in exchange for the goods or services, net of sales tax, estimated customer returns, rebates and similar deductions. The Group derives the majority of its revenue from products provided in bundles of hardware, software and services.

Sale of goods

The Group's revenue from goods consists primarily of the sale of self-manufactured products at fixed prices. The Group sells both hardware and software. Revenue from the sale of goods is recognized when control of the goods is transferred, which occurs when the goods are delivered to the buyer and there are no unfulfilled commitments that could affect the buyer's acceptance of the goods. If there is significant uncertainty regarding payment, associated expenses or risk of return, revenue is not recognized. Software is sold either for a one-off fee, where the customer receives the right to use the software in the format in which it is delivered in perpetuity, or as a subscription which includes updates, support and service. When software is sold for a one-off fee, revenue is recognized on delivery but when software is sold as a subscription, revenue is allocated over the period of the subscription.

Service assignments

Revenue from services consists primarily of support, service contracts, consultancy assignments and training. These services are provided either based on time and material, and revenue is recognized in the period during which the service

is rendered – or as fixed price agreements during a defined period and revenue is recognized in the period during which the service is rendered, allocated on a straight-line basis over the term of the agreement.

Sale of bundles that include both goods and services

The majority of products sold within the Group are sold as bundles consisting of both goods such as hardware and software as well as service commitments in the form of extended warranty and customer support delivered in future periods after the date of sale. Tobii Dynavox products are closely integrated with and defined by standard customer contracts. When contracts include both goods and services, the transaction price is allocated to the separate performance obligations and revenue is recognized when each separate performance obligation is fulfilled. Revenue for goods and service commitments is recognized according to the above models for each sale.

Normally, analysis is applied based on principles for different types of bundles including service or support:

- 1) Hardware not including future service obligations
- 2) Hardware including future service obligations
- 3) Perpetual software with limited support and updates
- 4) Perpetual software including support and upgrades
- 5) Subscriptions, rentals and other services

For such sales, revenue is allocated between goods and services. The revenue for goods and service commitments is then recognized according to the respective sales model above.

Rental revenue

A minor part of the Group's revenue comes from product rentals. Products are rented out for a short period of time, so the customer can try out the product before making a purchase. Revenue and corresponding expenses regarding product rentals are recognized in the period in which the rental occurs.

Royalty revenue

The Company's royalty revenue mainly relates to income from use of the Company's proprietary illustrated communication symbols. The Company's customers receive the right to use the symbols in exchange for royalties. Royalty revenue is recognized according to actual usage.

## NOTES

### Transaction price

Transaction price is assigned to each performance obligation promised in a customer contract. The price of a defined benefit obligation is determined either by 1) a fixed price that is set when the obligation is sold separately, 2) an estimate of the cost of providing the obligation plus a margin, known as “cost plus,” or 3) in the latter case, by the residual method. The Company sometimes sells products at a discount; revenue for such sales is recognized based on the quoted price of the product less the estimated discounts. Discounts are calculated and recognized based on experience using estimates of the most likely amount. Revenue is recognized only to the extent that it is highly probable that a material reversal will not occur. The estimated discount is revised at each reporting occasion.

### Government grants

Government grants are recognized in the balance sheet as deferred income when there is reasonable assurance that the grant will be received and the Group will fulfil the terms associated with the grant. Grants are allocated systematically in the income statement in the same manner and over the same periods as the expenses for which the grants are intended to compensate.

Government grants related to assets are reported in the balance sheet as deferred income and allocated over the asset's useful life as operating income.

Certain divisions within Tobii Dynavox received government support related to COVID-19, including for short-term layoffs in Sweden. For grants linked to costs, Tobii Dynavox has chosen to recognize these grants as a reduction of costs for the items to which the grants relate. Grants without a direct link to cost items are recognized as other operating income.

### Contract assets and contract liabilities

The timing of revenue recognition, invoicing and payments received results in invoiced accounts receivables, as well as customer advances and customer payments (contract liabilities) in the consolidated balance sheet. The Tobii Dynavox Group sometimes receives advances or payments from customers, before revenue is recognized, which results in contract liabilities. These contract liabilities are recognized in the consolidated balance sheet at the end of each reporting period. Payment terms vary from contract to contract and depend on what has been agreed with the customer. The Group has no contract assets.

### LEASES

The Group is the lessee under all existing leases. The Group is not active as a lessor. Leasing arrangements as lessee applies mainly to assets such as office premises and warehouses, vehicles and certain other equipment.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for compensation. Such an assessment is performed at inception of a contract. An identified lease agreement is further categorized as either a short-term lease, a lease of a low-value asset, or a standard lease. Short-term leases are defined as leases with a term of twelve months or less.

Lease payments related to short-term and low-value leases are recognized as operating expenses on a straight-line basis over the lease term. The group applies the term “standard lease” to all identified leases which are categorized as neither short-term leases nor leases of a low-value asset. Thus, a standard lease is a lease agreement for which a right-of-use asset and a corresponding lease liability are recognized at commencement of the lease.

Assets and liabilities arising from a lease are initially measured on a present value basis. The lease liability is determined as the present value of all future lease payments at the commencement date using the implicit rate in the contract, if that rate can be determined. If the implicit rate cannot be readily determined, the Group's incremental borrowing rate is used, reflecting the Group's credit rating and with consideration taken to the maturity of the lease, the underlying asset, the funds necessary to obtain, and the economic environment.

A right-of-use asset is measured at cost comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement day, less any lease incentives received, and any initial direct costs. The right-of-use asset is subsequently measured at cost less accumulated depreciation, any impairment losses as well as any remeasurement of the lease liability. Depreciation is made on a straight-line basis over the shorter of the asset's useful life and the lease-term. Depreciation starts at the commencement date of the lease.

A lease payment related to a standard lease is accounted for partly as repayment of the lease liability and partly as interest expense in the statement of comprehensive income.

### FINANCIAL INCOME AND EXPENSES

Financial income and expenses consist of interest income on funds in banks, receivables and interest expenses on borrowings, exchange rate differences, and unrealized and realized gains on financial investments within the financial activities.

Exchange rate differences attributable to financial receivables and liabilities are recognized among financial items in the income statement. Exchange rate differences attributed to operating items are recognized in the respective item in the income statement and included in operating profit/loss.

### TAXES

Income tax includes both current and deferred tax. Income taxes are recognized in the income statement except when the underlying transaction is recognized directly in equity or in other comprehensive income, in which case the related tax effect is recognized in equity and other comprehensive income respectively. Current tax is tax that is to be paid or received the current year, with application of the tax rates adopted, or adopted in practice, on the balance sheet date. Also included in current tax are adjustments to current tax attributable to previous periods.

Deferred tax is calculated according to the balance sheet method on the basis of temporary differences between the recognized and tax values and carrying amounts of assets and liabilities. The following temporary differences are not considered: temporary differences arising on initial recognition of goodwill, the initial recognition of assets and liabilities that are not business combinations and do not influence either recognized or taxable profit/loss on the date of transaction.

Furthermore, temporary differences attributable to interests in subsidiaries and associated companies that are not expected to be reversed within the foreseeable future. The measurement of deferred tax is based on how the carrying amounts of assets or liabilities are expected to be realized or settled. Deferred tax is measured at the tax rate expected to be applied and tax laws that have been enacted or in practice by the balance sheet date.

Deferred tax assets on deductible temporary differences and loss carry-forwards are recognized only to the extent it is likely they can be utilized. The value of deferred tax receivables is reduced when it is no longer considered likely that they can be utilized.

Any income tax surcharges arising in conjunction with the payment of dividends are recognized at the same time the dividend is recognized as a liability.

### FINANCIAL INSTRUMENTS

#### Recognition and measurement of financial instruments

A financial asset or a financial liability is reported in the balance sheet when the Group becomes party to the contractual terms and conditions of the instrument. Accounts receivable is reported in the balance sheet when an invoice is sent. A liability is reported in the balance sheet when the counterpart has performed and there is a contractual obligation to pay even if the invoice has not yet been sent. Supplier invoices are reported as a liability when the invoice is received.

At initial recognition, the Group measures a financial asset or financial liability at fair value. In the case of a financial asset or financial liability that is not measured at fair value through profit or loss, transaction costs are included in cost, while transaction costs for financial assets and financial liabilities recognized at fair value through profit or loss are expensed through profit or loss.

## NOTES

A financial asset is derecognized from the balance sheet when the rights in the contract are realized, expired or the Group loses control over them. A financial liability is derecognized when it is extinguished, i.e. when the obligations under the contract are discharged, cancelled or terminated.

### Financial assets – classification and subsequent measurement

The Group classifies its financial assets in the following measurement categories:

- fair value through profit or loss,
- fair value through other comprehensive income, or
- amortized cost.

#### *Trade and loan receivables*

Accounts and loan receivables are measured at amortized cost. Amortized cost is determined based on the effective interest which is calculated at acquisition date. The expected maturity of accounts receivable is short, and values are recognized at nominal amount with no discounts.

#### *Impairment and expected loss*

Tobii Dynavox assesses the expected credit losses associated with financial receivables. A provision for estimated losses is recognized at each reporting date. For accounts receivable, a method is applied under which the provision for doubtful accounts receivable corresponds to expected credit losses for the remaining maturity. If a provision is deemed insufficient due to individual assessments, the provision is increased to cover the actual expected losses.

#### *Cash and cash equivalents*

The Group's cash and cash equivalents consist of cash and bank balances at financial institutions and are recognized at their nominal amount.

### Financial liabilities – classification and subsequent measurement

#### *Interest-bearing liabilities*

Borrowings are initially recognized at fair value net of transaction costs incurred. After initial recognition, borrowings are valued at amortized cost using the effective interest method.

#### *Other financial liabilities*

Other financial liabilities are classified and subsequently measured at amortized cost. This category includes accounts payable. The Group's accounts payable have a short expected maturity and are valued without discounting at nominal amount.

### INVENTORIES

Inventories are measured at the lower of the cost and the net realizable value. Net realizable value is the estimated selling price from operating activities less the estimated cost of production and sales. Impairment of inventories, if any, is recognized under Cost of goods and services sold.

Cost for inventories is calculated using the first-in-first-out method (FIFO) and includes expenses that arise on acquisition and transportation of the inventory assets to their current location and condition. Cost for manufactured goods and work in progress includes a reasonable proportion of overhead based on normal capacity.

Intra-group profits arising from deliveries between Group companies are eliminated in the consolidated accounts.

### PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment owned by the Group are recognized as assets in the balance sheet if it is probable that future economic benefits will accrue to the Group and cost for the asset can be calculated reliably.

Property, plant and equipment are recognized at cost less accumulated depreciation and any impairment losses. Cost includes the purchase price and expenses directly related to transporting the asset to its location and in a condition so that it can be utilized as intended. Examples of directly related expenses included in cost are delivery and handling, installation, registration of title, and consultant and legal services.

#### Depreciation principles

The straight-line basis for depreciation is used for all property, plant and equipment owned by the Group.

The following periods of depreciation are applied:

- Equipment, tools and installations 3–5 years
- Demonstration units 2 years

Computer equipment used in the Group is recognized as an expense when it arises. Assets' residual value and useful lives are estimated every year and adjusted as required.

### INTANGIBLE ASSETS

#### Research & development

Research and development costs are recognized as an expense immediately. Expenses for development projects (related to the design and testing of new or improved products) are capitalized in the balance sheet as intangible assets to the

extent these expenses are expected to generate future economic benefits. Other development costs are recognized as expenses as they arise.

Development costs previously expensed are not capitalized as an asset in the balance sheet in subsequent periods. Direct costs include personnel costs for development staff and share of indirect costs.

Borrowing costs attributable to the construction of so-called qualifying assets are capitalized as part of the cost of the asset. A qualifying asset is an asset that necessarily takes a significant amount of time to complete. The Group uses 12 months as the starting point for the assessment of significant time. In the first instance, borrowing costs are capitalized for loans taken out specific to the qualifying asset. In the second, borrowing costs are capitalized on general loans.

Amortization of capitalized development expenditure is calculated on a straight-line basis, commencing when the product is available for use. The useful life is reviewed annually.

The unamortized amount of capitalized development is tested for impairment annually (in accordance with IAS 36) when the products resulting from the development are not yet available for sale.

- Amortization period of capitalized development expenditure: 2 – 4 years

### Trademarks

Trademarks acquired through business combinations are recognized at fair value on the day of acquisition. The Group's acquired trademarks have an indefinite useful life and are not amortized but tested annually for any possible impairment.

### Patents

Expenditure on patents is capitalized in the balance sheet and amortized on a straight-line basis over its estimated useful life.

### IMPAIRMENT

The recognized values of the Group's assets are tested at each balance sheet date to assess whether there is evidence of impairment. The Group applies IAS 36 for impairment testing of assets other than financial assets, inventories and deferred tax assets. The asset's recoverable amount is calculated if there is indication of impairment loss. Assets exempted according to the above are tested in accordance with the relevant standard.

### IMPAIRMENT TESTING FOR PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND PARTICIPATIONS IN SUBSIDIARIES

If there is indication of impairment, the asset's recoverable amount is calculated according to IAS 36 (see below). The recoverable amount is calculated annually for

## NOTES

intangible assets with indefinite useful lives and intangible assets not yet ready for use.

If it is not possible to determine substantially independent cash flow to an individual asset when testing for impairment, then assets are to be grouped at the lowest level at which substantially independent cash flows can be identified (cash-generating units). Impairment loss is recognized when an asset or cash-generating unit's carrying amount is higher than its recoverable amount. Impairment is recognized in the income statement.

### Reversal of impairment

Impairment is reversed if there has been a change in the assumptions that formed the basis for calculating the recoverable amount. Impairment is reversed only to the extent that the asset's carrying amount after reversal does not exceed the carrying amount the asset would have had if impairment had not been recognized, with consideration to the depreciation/amortization that would have been recognized.

## EMPLOYEE BENEFITS

### Defined-contribution retirement plans

Commitments concerning premiums for defined-contribution plans are recognized as an expense in the income statement as they arise. Defined-contribution plans are those plans where the company's obligations are limited to the contributions the company has committed to pay. In such cases, the size of the employee's retirement benefit is dependent on the contributions that the company pays into the plan or insurance company, and the returns on capital that these premiums generate. Subsequently, it is the employee who bears the actuarial risk (that benefits are lower than expected) and the investment risk (that invested assets will be insufficient to generate the expected benefits).

### Defined-benefit retirement plans

The Group has no defined-benefit plans at present.

### Severance pay

A provision is recognized in conjunction with terminations of employees only if the company is formally obliged to prematurely terminate employment or when remuneration is offered as an incentive to initiate voluntary redundancy.

### Share-based compensation to employees

When Tobii Dynavox still was a part of the Tobii Group, Tobii AB decided to implement a long-term incentive program for employees and consultants with employment

like conditions within the Tobii AB group, which was adopted at the annual general meeting in Tobii AB May 12, 2020 ("**Nuvarande LTI 2020**") and a similar incentive program adopted at the extraordinary general meeting in Tobii AB June 21, 2021 ("**Nuvarande LTI 2021**"). Nuvarande LTI 2020 consists of stock units and synthetic stock units, while Nuvarande LTI 2021 consists of stock units. One stock unit entitles the participant to receive, subject to certain conditions being met, one performance share free of charge consistent with certain conditions, such as stock performance and continued employment. The synthetic stock units will be paid, subject to the conditions being met, in a cash payment to cover the tax on the taxable benefits of the performance shares. Both the stock units and the synthetic stock units are measured according to a Monte Carlo simulation. The value of the stock unit does not change over the vesting period of the incentive plan, while the value of the synthetic stock unit is adjusted once a year to take into account the share price performance.

The general meeting has decided to launch two replacement programs for the programs earlier available in the Tobii Group and where Tobii Dynavox has received its part of the cost for the programs through invoices from Tobii Group. Tobii Dynavox has reported those costs in the income statement and has not reported any IFRS 2 related costs through equity in 2021. The replacement programs were not yet launched December 31, 2021.

## PROVISIONS

A provision differs from other liabilities in that there is a certain prevailing uncertainty about the date of payment or the amount required to clear the provision. A provision is recognized in the balance sheet when the Group has an existing legal or informal commitment as a result of an event that has occurred, and it is probable that an outflow of economic resources will be required to settle the commitment and the amount required can be estimated reliably.

Where the effect of the timing of payments is material, provisions are calculated by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks associated with the liability.

### Warranties

A provision for warranties is recognized when the underlying products or services are sold. The most common extended warranty action within Tobii Dynavox is to repair or replace defective goods. The provision is based on historical data on guarantees and a consideration of possible outcomes in relation to the probabilities associated with the outcomes. The guarantee commitment is recognized as a provision over the guarantee period. Tobii Dynavox products normally have a warranty

period of 1-2 years for which warranty claims are made. In addition, Tobii Dynavox offers, for several of its products, an extended warranty and telephone support for up to five years. For this extended warranty, no warranty provisions are made as it is a service commitment that affects the timing of revenue recognition.



## NOTES

**Note 3. Financial risks and risk management**

Through its international operations, the Group is exposed to financial risks that are managed in accordance with the policies adopted by the Board of Directors. The exposure comprises mainly currency risk, interest rate risk, credit risk and financing and liquidity risk.

**CURRENCY RISK**

Currency risk refers to the risk that fluctuating exchange rates will have a negative impact on the Group's net profit/loss and balance sheet. Currency exposure arises when products and services are bought or sold in other currencies than the local currencies used by the respective subsidiaries (transaction exposure), and when the balance and income statements from non-Swedish subsidiaries are converted to SEK (translation exposure).

Tobii Dynavox conducts regular impact assessments relating to developments affecting the main currencies. Currently, the Group does not use any currency hedges.

**Transaction exposure**

Tobii Dynavox's global operations give rise to significant cash flows in currencies other than SEK. The subsidiaries of the Group mainly operates in their local markets with revenues and expenses in local currency, which reduces transaction exposure. The Group is mainly exposed to changes in EUR and USD in relation to SEK.

**Net exposure by currency in the consolidated balance sheet**

	2021	2020
USD	75	67
EUR	32	61
Other shareholders	36	16
<b>Total</b>	<b>143</b>	<b>144</b>

Based on net flows in 2021 the Group's net profit/loss after tax would be affected by SEK +/- 9.1 (15.6) million if the Swedish Krona were to change by 10 percent against all currencies, all other variables constant.

**Translation exposure**

When converting the results of the foreign subsidiaries into Swedish kronor, a

currency exposure arises. In the event of exchange rate fluctuations this affects the Group's profit/loss. When converting the net assets of the foreign subsidiaries into Swedish kronor a currency exposure arises that affects the Group's other comprehensive income. The Group's equity would be affected by SEK +/- 14.8 (13.7) million if the Swedish Krona would change by 10 percent against all currencies.

**INTEREST RATE RISK**

Interest rate risk arises when changes in market interest rates affect interest income from the Group's interest-bearing assets and interest expense on the Group's interest-bearing liabilities, which affects the Group's net interest and cash flow.

Based on the interest-bearing assets and liabilities at the end of December 2021 a one percentage point increase in interest rates (100 basis points) is estimated to have had an impact on profit of SEK -2.0 (-2.1) million.

**CREDIT RISK**

Credit risk is the risk that a customer or other party to a transaction involving a financial instrument will not be able to meet its obligations. Credit risk arises in the context of cash and cash equivalents, other balances with banks and financial institutions, and credit exposure through accounts receivable. The maximum exposure to credit risk on financial assets is equal to the carrying amount of each category as defined in note 22.

**Financial credit risk**

The Group's cash and cash equivalents amounted to SEK 197.3 (172.7) million at December 31, 2021. Cash and cash equivalents are invested in bank accounts in accordance with the Group's investment policy, which requires, for example, that a maximum amount be placed with a single financial institution and only with highly rated financial institutions.

**Credit risk in trade receivable**

In those markets where the Group has its own sales companies, the company is responsible for marketing and sales to customers. In other markets, Tobii Dynavox cooperates with a network of dealers and distributors whose ability to bear customer losses may affect the Group. The amount of the credit risk is assessed for each customer and outstanding accounts receivable is reviewed regularly. Total customer receivables amounted to SEK 139.2 (124.6) million at December 31, 2021. No single customer accounts for 10% or more of the Group's total accounts receivable. The maturity profile of outstanding accounts receivable is presented in note 17.

**FINANCING AND LIQUIDITY RISK**

The Group's objective is to have an optimal capital structure that safeguards its ability to continue as a going concern and that keeps the cost of capital low. As of September 21, 2021, Tobii Dynavox entered into an agreement with Swedbank for a bank loan of SEK 550 million and a credit facility of SEK 150 million to be used in connection with acquisitions. The bank loan has a term of 18 months.

In the event that Tobii Dynavox requires access to external financing, it will depend on factors such as market conditions, general credit availability and Tobii Dynavox's creditworthiness. There is a risk that Tobii Dynavox may not be able to secure such financing on favorable terms, but Tobii Dynavox believes that the Group is fully funded to execute its current business plan and achieve its financial target of 10 percent growth on average (adjusted for currency), to achieve and maintain sustainable profitability in excess of 15% operating profit and to maintain a rational capital structure over time (for Tobii Dynavox this means a net debt/EBITDA ratio of 2.5x plus minus 0.5X).

The Group works to reduce its capital risk by:

- Establishing sufficient credit facilities in good time to meet foreseeable needs.
- Monitoring maturities of total debt with the aim of matching repayments with expected cash flow.
- Meeting key performance indicators as per loan agreement. Key performance measures in the credit facility in Swedbank are reported to the lender on a quarterly basis. The relevant key performance measure in this agreement is net debt (interest-bearing liabilities minus cash and cash equivalents) in relation to EBITDA.
- Optimizing the working capital of the Group.
- Monitoring the net debt/equity ratio.

Liquidity risk pertains to the risk of not being able to cover payment obligations due to insufficient cash and cash equivalents or difficulties in obtaining external financing. To manage these uncertainties and risks the Group's operating companies prepare cash flow forecasts that are aggregated to consolidated Group values by the finance department. Forecasts are monitored on an ongoing basis to ensure that the Group has sufficient cash and cash equivalents to cover the projected needs of the business. The Group also has the possibility to modify to some extent the pace at which investments are made in order to try to align the annual capital requirements with the Group's actual financial resources.

## Note 4. Important estimates and assessments

The preparation of the consolidated financial statements in accordance with IFRS requires management to make judgements that affect the application of accounting policies. Management also makes estimates and assumptions about the future that are based on past experiences and several other factors that under the prevailing circumstances appear reasonable. The results of these estimates and assumptions are then used to determine the carrying amounts of assets and liabilities not otherwise clearly evident from other sources. The actual outcome may deviate from these estimates and assumptions.

These estimates and assumptions are reviewed regularly. Changes in estimates are recognized in the period in which the change is made if the change affects only that period, or in the period the change is made and future periods if the change affects both the actual period and future periods. Areas where estimates and assumptions could imply a significant risk for adjustments in the reported values of assets and liabilities during the coming fiscal year are primarily:

### CAPITALIZED EXPENDITURE ON PRODUCT DEVELOPMENT

Expenditure on development projects is capitalized to the extent the expenditure can be expected to generate economic benefits. Capitalization commences when management judges that the product will be technically or economically viable. Capitalization ceases and amortization of capitalized development expenditure begins when the product is ready for sale. Capitalized development expenditure is subject to annual impairment testing whereby an assessment is made on the technical and economic value of the product.

### ASSESSMENT OF USEFUL LIFE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Group management determines the estimated useful life and related depreciation for the Group's property, plant and equipment and intangible assets. Estimates of the useful lives of intangible assets are based on expectations of how long the asset is expected to generate economic benefit. The useful lives of property, plant and equipment are based on the historical useful lives of the corresponding assets. Useful lives and estimated residual values are reviewed at the end of each financial year and the estimated useful lives may change, and, as a result, the profit or loss for the period and the financial position may be affected.

### TESTING OF IMPAIRMENT FOR GOODWILL AND TRADEMARKS

The Group tests annually for impairment for capitalized product development expenditure and trademarks in accordance with the Company's accounting policies. The test requires an estimate of parameters affecting future cash flows and the determination of a discount factor. Forecasts for future cash flows are based on the best possible estimation of future income and operating expenses. For more information regarding intangible assets and a description of impairment testing and assumptions, see note 14.

### LEASES

When establishing the right of use and leasing liability for current agreements, the most important judgements are whether an agreement is, or contains a lease, establishing the leasing periods and discount rates. For lease accounting under IFRS 16, the lease term is determined based on the information available in the lease agreement and other relevant facts and circumstances as per management's judgement. Periods covered by an option to extend the lease are included in the lease term if the Group is reasonably certain of exercising that option. Periods covered by an option to terminate the contract are included in the lease term if the Group is reasonably certain not to exercise that option. For contracts without specific renewal or termination clauses, judgements are made on the basis of the information contained in the contract together with management's assessment of the relevant circumstances. When discounting leasing liabilities, the implicit rate in the contract is used, if that rate can be determined. If the implicit rate cannot be readily determined, the Group's incremental borrowing rate is used, reflecting the Group's credit rating and with consideration taken to the maturity of the lease, the underlying asset and the economic environment.

### MEASUREMENT OF LOSS CARRY-FORWARDS

Deferred tax assets on loss carry-forwards are recognized to the extent that it is deemed probable that future tax surpluses will be available against which the deduction can be offset. Deferred tax assets on the balance sheet at December 31, 2021 amounted to SEK 9.9 (12.9) million and according to the Group's forecasts, the deficits will be used against future surpluses. The reported tax assets are impacted by the estimates and assessments used to forecast future taxable profits and tax regulations.

### TRADE RECEIVABLE

The Group estimates the risk of non-payment of receivables and makes provisions for bad debts based on individual assessments as well as on calculations based on historical loss rates.

### REVENUE RECOGNITION

A condition of revenue recognition is that revenue from sales should reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Assessing when risk and control have been transferred requires an examination of each type of contract and the circumstances in which each type of transaction is carried out. Tobii Dynavox products are closely integrated with and defined by standard customer contracts. New product offerings are analyzed in terms of performance obligations and transaction price, and an assessment of how much of each comprises a good or service is determined based on the product offering.

For a large proportion of sales to insurance companies in the US, final discounts are not determined until final payment. These discounts represent 3–4 percent of the Group's US corporate ledger, so a provision is made monthly which reduces revenue and accounts receivable by the corresponding amount. In addition, some resellers, mainly in Europe, have discount agreements that entitle them to additional discounts based on sales above a certain amount. These discounts amount to approximately SEK 6 million each year and revenue and accounts receivable are therefore reduced on current account during the year by approximately SEK 0.5 million each month.

### PROVISIONS FOR WARRANTIES

Provisions for product warranties are intended to cover future commitments for sales volumes that have already been realized. The guarantee provision is an estimate that includes various variables. The calculation methods are based on the type of products sold and historical data regarding repairs, replacements and time spent providing support. The underlying estimates used to calculate the provision are reviewed when new products are introduced or when changes occur that may affect the calculation.

## NOTES

### Note 5. Revenue

The financial information provided to Group Management within Tobii Dynavox, as a basis for decisions on the allocation of resources, applies to the business as a whole without any subdivision into underlying segments. Given this situation, the management of the Tobii Dynavox Group has determined that the business as a whole should be considered a segment until further notice.

Sales of goods account for the majority of the Group's revenue. The table below shows the breakdown of revenue by type of product, as well as the timing of revenue recognition. Revenue recognized over time mainly relates to revenue from service and support.

#### REVENUE BY PRODUCT TYPE

	2021	2020
Goods	786.8	816.6
Services	80.2	74.2
Royalty	4.2	4.4
<b>Total</b>	<b>871.6</b>	<b>895.2</b>

#### REVENUE BY DATE OF REVENUE RECOGNITION

	2021	2020
Point in time	792.8	755.2
Over time	78.8	140.1
<b>Total</b>	<b>871.6</b>	<b>895.2</b>

#### REVENUE BY GEOGRAPHIC MARKET

	2021	2020
Europe	176.9	183.2
North America	641.1	675.1
Other	53.6	37.0
<b>Total</b>	<b>871.6</b>	<b>895.2</b>

#### NON-CURRENT ASSETS BY COUNTRY

	2021	2020
Europe	545.8	242.5
North America	153.3	166.0
Other	1.2	2.4
<b>Total</b>	<b>700.3</b>	<b>410.9</b>

#### CONTRACTUAL LIABILITIES

	2021	2020
<b>Opening balance</b>	<b>197.1</b>	<b>202.5</b>
Gross increase during the year	155.0	158.3
Revenue recognized during the year	-153.0	-140.1
Exchange rate differences	17.2	-23.6
<b>Closing balance</b>	<b>216.3</b>	<b>197.1</b>

Of the total contractual liability of SEK 216 million as of December 31, 2021, SEK 116 million will be recognized as income over the next 12 months. The remaining contractual liability of SEK 100 million will be recognized within 13–60 months.

## NOTES

### Note 6. Remuneration of auditors

	2021	2020
<b>PricewaterhouseCoopers</b>		
Audit engagement	2.1	1.3
Audit activities not included in audit engagement	0.0	–
Tax consultancy services	0.0	–
Other services	0.0	–
<b>Total</b>	<b>2.2</b>	<b>1.3</b>
<b>Other auditors</b>		
Audit engagement	0.1	0.1
Tax consultancy services	0.1	–
<b>Total</b>	<b>0.2</b>	<b>0.1</b>
<b>Total</b>	<b>2.4</b>	<b>1.4</b>

### Note 7. Employees and remunerations

#### AVERAGE NUMBER OF EMPLOYEES

	2021	Of whom women, %	2020	Of whom women, %
Sweden	91	42	70	38
Norway	7	25	6	33
Germany	–	0	4	0
China	17	71	22	73
US	338	59	347	57
UK	10	50	10	52
Chile	–	0	1	100
Denmark	1	100	0	100
France	–	0	2	0
Netherlands	2	0	1	0
Canada	1	100	0	100
<b>Total</b>	<b>467</b>	<b>55</b>	<b>464</b>	<b>53</b>

#### PROPORTION OF WOMEN IN TOBII DYNAVOX GROUP'S BOARD OF DIRECTORS AND SENIOR EXECUTIVES

	2021 Of whom women, %	2020 Of whom women, %
Board	60	60
Other senior executives	43	33

#### SALARIES, REMUNERATION AND SOCIAL SECURITY CONTRIBUTIONS

	2021	2020
Board, CEO and other senior executives	5.2	2.7
Other employees	359.6	352.4
<b>Total wages and salaries</b>	<b>364.8</b>	<b>354.9</b>
Pension costs <sup>1)</sup>	12.5	11.8
Social security contributions	44.8	40.8
<b>Total social security contributions</b>	<b>57.3</b>	<b>52.6</b>
<b>Total</b>	<b>422.1</b>	<b>407.5</b>

1) Of the Group's pension costs, 0.5 (0.5) SEK million refers to CEO.



## NOTES

### Note 7. Employees and remunerations (cont.)

#### SALARIES AND OTHER REMUNERATIONS TO BOARD AND SENIOR EXECUTIVES

2021	Board fees/ Basic salary	Defined contri- bution benefits	Tobii Incentive program <sup>2)</sup>	Share-related remuneration <sup>2)</sup>	Pension- cost	Total
Åsa Hedin	0.3	–	–	–	–	0.3
Henrik Eskilsson	0.0	–	–	–	–	0.0
Caroline Ingre	0.2	–	–	–	–	0.2
Charlotta Falvin	0.1	–	–	–	–	0.1
Carl Bandhold	0.1	–	–	–	–	0.1
<b>Total, Board of Directors</b>	<b>0.7</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>0.7</b>
Fredrik Ruben (CEO)	2.3	0.5	0.6	1.1	0.5	5.0
Other senior executives (6 people) <sup>1)</sup>	11.2	1.7	0.2	1.3	1.0	15.3
<b>Total Board of Directors, CEO and other senior executives</b>	<b>14.1</b>	<b>2.2</b>	<b>0.7</b>	<b>2.4</b>	<b>1.5</b>	<b>21.0</b>

1) At the end of 2021, the Group Management Team consisted of CEO, CFO, CMO, CTO, Chief People & Sustainability Officer, CMO, President Market Unit EUROW, COO and Unit North America. During the year 2021, one member of Group Management team was replaced, VP of Product and Development (January) by CTO (February to December). Two additional members was added in July, VP People & Sustainability and CMO.

2020	Board fees/ Basic salary	Defined contri- bution benefits	Tobii Incentive program <sup>1)</sup>	Share-related remuneration <sup>1)</sup>	Pension- cost	Total
Fredrik Ruben (CEO)	1.7	0.2	0.6	0.2	0.5	3.2
Other senior executives ( 5 people)	9.2	1.2	0.1	0.5	0.7	11.8
<b>Total Board of Directors, CEO and other senior executives</b>	<b>10.9</b>	<b>1.4</b>	<b>0.7</b>	<b>0.7</b>	<b>1.2</b>	<b>15.0</b>

2) Tobii incentive program relates to a cash payment as compensation for the purchase of warrants in the incentive program in year 2018 and 2019. Tobii Dynavox does not have its own incentive program. Costs for Tobii AB's incentive programs and share-based payments are taken in Tobii AB and recharged to Tobii Dynavox.

For the period January 1, 2020 to June 30, 2021, Tobii Dynavox's Board of Directors consisted of individuals employed by the Group and no fees were paid for the Board's work in Tobii Dynavox.

## NOTES

### Note 8. Depreciation, amortization and impairment of property, plant and equipment and intangible fixed assets

	2021	2020
Intangible assets (Note 14)	63.1	58.3
Property, Plant and Equipment (Note 15, 16)	31.9	29.5
<b>Total</b>	<b>95.0</b>	<b>87.7</b>
	2021	2020
Intangible:		
Capitalized development costs	63.1	58.3
<b>Total intangible depreciation</b>	<b>63.1</b>	<b>58.3</b>
Property, plant and equipment:		
Owned	20.9	18.9
Right of use	11.0	10.5
<b>Total tangible depreciation</b>	<b>31.9</b>	<b>29.5</b>
<b>Total</b>	<b>95.0</b>	<b>87.7</b>

### Note 9. Expenses by nature

	2021	2020
Cost of materials and changes in inventory	225.8	228.2
Personnel costs	422.1	407.5
Other external expenses	71.7	44.7
Depreciation and amortization	95.0	87.7
<b>Total</b>	<b>814.6</b>	<b>768.0</b>

### Note 10. Other operating gains and losses

	2021	2020
<b>Operating gains</b>		
Exchange gains	3.1	0.2
Capital gain on sales of equipment	0.1	0.0
Public grants received	0.0	8.4
Other gains	1.0	1.8
<b>Total</b>	<b>4.2</b>	<b>10.4</b>
<b>Operating losses</b>		
Exchange losses	-1.1	-10.4
Other losses	-0.1	0.0
<b>Total</b>	<b>-1.2</b>	<b>-10.4</b>
<b>Total</b>	<b>3.0</b>	<b>0.0</b>

### Note 11. Financial income and expenses

	2021	2020
<b>Financial income</b>		
Interest income and similar items	0.3	0.3
Exchange gains	1.0	3.6
<b>Total</b>	<b>1.3</b>	<b>3.9</b>
<b>Financial expenses</b>		
Interest expenses and similar items	-15.6	-19.3
Interest on lease expenses	-3.8	-3.1
Exchange losses	-1.4	-5.4
<b>Total</b>	<b>-20.8</b>	<b>-27.8</b>
<b>Total</b>	<b>-19.5</b>	<b>-23.9</b>

## NOTES

### Note 12. Taxes

	2021	2020
Current tax	-5.1	-15.3
Current tax attributable to previous years	0.0	1.3
<b>Total current tax</b>	<b>-5.1</b>	<b>-14.0</b>
<b>Deferred tax</b>	<b>-5.6</b>	<b>40.5</b>
<b>Total tax</b>	<b>-10.7</b>	<b>26.5</b>
<i>Deferred tax assets</i>		
Inventories	2.7	2.6
Non-current assets	1.0	0.2
Accrued income	19.7	18.2
Other accrued expenses	8.1	5.2
Amortization of goodwill	7.4	8.5
Loss carry-forwards	35.5	36.1
Other deferred tax assets	6.0	6.4
Unused tax losses for which no deferred tax asset has been recognized	-25.6	-23.2
<b>Total deferred tax assets</b>	<b>54.8</b>	<b>53.9</b>
<i>Deferred tax liabilities</i>		
Non-current assets	-3.7	-2.3
<b>Total deferred tax liabilities</b>	<b>-3.7</b>	<b>-2.3</b>
<b>Total net deferred tax assets</b>	<b>51.2</b>	<b>51.6</b>

A deferred tax asset on loss carry-forwards is recognized to the extent that it is likely that the tax loss carry-forwards will be available against which future taxable profit can be offset. A reassessment of the amount meeting this criterion is carried out at least once a year.

The Group's deferred tax assets on unused loss carry-forwards relate entirely to Group companies in the United States. The losses amounted to SEK 169.1 million (171.7) at December 31 2021.

#### RECONCILIATION OF EFFECTIVE TAX

	2021	2020
Reported profit before tax	40.5	103.4
Tax according to current tax rate	-8.3	-22.1
Difference in tax rate in foreign operations	-0.2	0.1
Tax effect of non-deductible expenses	-2.5	-1.0
Tax effect of non-taxable income	0.5	2.4
Prior year deficit for which tax asset is recognized	0.0	40.7
Use of prior year's tax loss carry-forward for which no tax asset has been recognized	0.3	4.7
Adjustment of tax attributable to previous years	0.0	1.3
Other	-0.4	0.4
<b>Total recognized tax expense (-)/tax income (+)</b>	<b>-10.7</b>	<b>26.5</b>
<b>Effective tax rate,%</b>	<b>26</b>	<b>26</b>

### Note 13. Earnings per share

Calculation of earnings per share for each period presented is based on the Tobii Dynavox Group's net profit attributable to shareholders of the Parent Company, divided by the number of outstanding shares. For year 2020, calculation of earnings per share is based on the average number of outstanding shares in Tobii AB during year 2020. This is considered to be more relevant, considering the intention to reflect same share structure as in Tobii AB.

	2021	2020
<b>Earnings per share, basic</b>		
Profit for the period attributable to Parent Company shareholders.	29.8	129.8
Weighted average number of outstanding shares during the year	100,492,397	99,800,523
<b>Earnings per share, basic</b>	<b>0.30</b>	<b>1.30</b>
<b>Earnings per share, diluted</b>		
Profit for the period attributable to Parent Company shareholders.	29.8	129.8
Weighted average number of ordinary shares outstanding, diluted	100,492,397	99,800,523
<b>Earnings per share, diluted</b>	<b>0.30</b>	<b>1.30</b>

## NOTES

### Note 14. Intangible assets

2021	Development costs	Patents	Trademarks	Other intangible assets	Total
<b>Accumulated cost</b>					
Opening balance, January 1	499.4	–	93.4	1.5	594.3
Acquisitions	76.0	0.5	280.0	–	356.5
Reclassifications	-2.4	–	–	–	-2.4
Translation differences	2.2	–	4.6	–	6.8
<b>Closing balance, December 31</b>	<b>575.3</b>	<b>0.5</b>	<b>377.9</b>	<b>1.5</b>	<b>955.2</b>
<b>Accumulated amortization</b>					
Opening balance, January 1	-317.3	–	–	0.0	-317.4
Amortization for the year (Note 8)	-62.6	–	–	-0.5	-63.1
Reclassifications	–	–	–	–	0.0
Translation differences	-2.1	–	–	–	-2.1
<b>Closing balance, December 31</b>	<b>-382.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.5</b>	<b>-382.6</b>
<b>Carrying amount at end of period</b>	<b>193.2</b>	<b>0.5</b>	<b>377.9</b>	<b>0.9</b>	<b>572.6</b>

The trademarks are well-known, established and enjoy indefinite trademark protection in the majority of markets in which the Company operates. The Group tests for impairment annually, or when there is an indication that a trademark may be impaired.

#### IMPAIRMENT TESTING OF TRADEMARKS

Impairment tests for trademarks with indefinite useful lives are performed annually or when there is an indication that an impairment loss may be necessary. The recoverable amount of a cash-generating unit is defined on the basis of calculations of value in use. The calculations derive from estimated future cash flows based on financial projections approved by management covering a five-year period. The assessment of future cash flows makes assumptions primarily about sales growth, operating margin and

2020	Development costs	Patents	Trademarks	Other intangible assets	Total
<b>Accumulated cost</b>					
Opening balance, January 1	424.2	–	99.4	1.5	525.0
Acquisitions	78.4	–	–	–	78.4
Reclassifications	–	–	–	–	0.0
Translation differences	-3.2	–	-6.0	–	-9.2
<b>Closing balance, December 31</b>	<b>499.4</b>		<b>93.4</b>	<b>1.5</b>	<b>594.3</b>
<b>Accumulated amortization</b>					
Opening balance, January 1	-261.9	–	–	–	-261.9
Amortization for the year (Note 8)	-58.2	–	–	0.0	-58.3
Reclassifications	0.0	–	–	–	0.0
Translation differences	2.8	–	–	–	2.8
<b>Closing balance, December 31</b>	<b>-317.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-317.4</b>
<b>Carrying amount at end of period</b>	<b>182.1</b>	<b>0.0</b>	<b>93.4</b>	<b>1.4</b>	<b>276.9</b>

discount rate (WACC). The estimated growth rate as well as the projected operating margin are based on the company's budget and forecasts for each unit. The growth rate after the forecast period is estimated at 2.0%, which coincides with the Group's long-term inflation assumption. The Company believes that all of its cash generating units can be categorized as essentially established product categories with strong and stable cash flows based on existing business relationships. The discount rate of 7.8% before tax reflects the specific risks associated with the cash-generating unit.

Based on the assumptions presented above, the value in use exceeds the carrying amount of the trademarks by a good margin for all cash-generating units, and the conclusion is that no impairment of trademarks is required.



## NOTES

### Note 15. Property, plant and equipment

	Machinery and other technical equipment	Equipment, tools and installations	Leasehold improvements	Own products for demo, rental and lending	Total
<b>2021</b>					
<b>Accumulated cost</b>					
Opening balance, January 1	37.3	18.7	5.2	92.7	153.9
Acquisitions	3.7	0.4	–	6.6	10.8
Disposals and eliminations	-5.3	-0.5	–	-2.2	-7.7
Reclassifications	-5.9	2.1	4.8	1.3	2.4
Translation differences	1.2	2.0	0.7	8.3	12.3
<b>Closing balance, December 31</b>	<b>31.0</b>	<b>22.8</b>	<b>10.8</b>	<b>107.1</b>	<b>171.7</b>
<b>Accumulated amortization</b>					
Opening balance, January 1	-23.9	-17.3	-3.4	-78.8	-123.3
Disposals and eliminations	5.2	0.5	–	1.2	6.9
Amortization for the year (Note 8)	-4.3	-1.0	-1.2	-14.4	-20.9
Reclassifications	–	–	–	–	–
Translation differences	-0.9	-1.8	-0.3	-7.4	-10.6
<b>Closing balance, December 31</b>	<b>-23.9</b>	<b>-19.6</b>	<b>-4.9</b>	<b>-99.5</b>	<b>-147.9</b>
<b>Carrying amount at end of period</b>	<b>7.1</b>	<b>3.2</b>	<b>5.9</b>	<b>7.6</b>	<b>23.8</b>

	Machinery and other technical equipment	Equipment, tools and installations	Leasehold improvements	Own products for demo, rental and lending	Total
<b>2020</b>					
<b>Accumulated cost</b>					
Opening balance, January 1	28.4	23.6	5.2	102.8	159.9
Acquisitions	12.4	0.2	0.6	10.4	23.6
Disposals and eliminations	-0.8	-2.7	0.0	-9.9	-13.4
Reclassifications	-0.4	0.2	0.1	–	0.0
Translation differences	-2.4	-2.6	-0.6	-10.6	-16.1
<b>Closing balance, December 31</b>	<b>37.3</b>	<b>18.7</b>	<b>5.2</b>	<b>92.7</b>	<b>153.9</b>
<b>Accumulated amortization</b>					
Opening balance, January 1	-21.3	-21.2	-3.1	-84.4	-130.0
Disposals and eliminations	0.1	2.7	0.0	9.3	12.1
Amortization for the year (Note 8)	-4.3	-1.2	-0.7	-12.7	-18.9
Reclassifications	–	–	–	–	–
Translation differences	1.6	2.4	0.4	9.1	13.5
<b>Closing balance, December 31</b>	<b>-23.9</b>	<b>-17.3</b>	<b>-3.4</b>	<b>-78.8</b>	<b>-123.3</b>
<b>Carrying amount at end of period</b>	<b>13.4</b>	<b>1.4</b>	<b>1.9</b>	<b>14.0</b>	<b>30.6</b>

## NOTES

### Note 16. Right-of-use assets and lease liabilities

	Premises	Vehicles	Other machinery and equipment	Total
<b>2021</b>				
<b>Accumulated cost</b>				
Opening balance, January 1	67.2	0.5	1.4	69.0
Additional right of use	14.2	0.9	–	15.1
Disposals and eliminations	-12.9	-0.1	-0.1	-13.1
Reclassifications	6.1	–	0.1	6.3
<b>Closing balance, December 31</b>	<b>74.5</b>	<b>1.3</b>	<b>1.5</b>	<b>77.3</b>
<b>Accumulated amortization</b>				
Opening balance, January 1	-16.4	-0.4	-0.7	-17.5
Disposals and eliminations	5.3	0.1	–	5.4
Amortization for the year (Note 8)	-10.1	-0.5	-0.4	-11.0
Reclassifications	-1.8	–	-0.1	-1.9
<b>Closing balance, December 31</b>	<b>-23.0</b>	<b>-0.8</b>	<b>-1.1</b>	<b>-24.9</b>
<b>Carrying amount at end of period</b>	<b>51.9</b>	<b>0.1</b>	<b>0.4</b>	<b>52.4</b>

	Premises	Vehicles	Other machinery and equipment	Total
<b>Lease liabilities</b>				
<b>2021</b>				
Non-current lease liabilities	44.7	0.2	–	44.9
Current lease liabilities	13.5	0.2	0.3	14.1
<b>Total carrying amount of lease liabilities</b>	<b>58.2</b>	<b>0.5</b>	<b>0.3</b>	<b>59.0</b>
Maturity analysis of undiscounted contractual lease payments				
1–12 months	13.8	0.3	0.4	14.4
13–36 months	27.6	0.2	–	27.8
37–60 months	19.2	–	–	19.2
>60 months	7.2	–	–	7.2
<b>Total</b>	<b>67.9</b>	<b>0.5</b>	<b>0.4</b>	<b>68.7</b>

	Premises	Vehicles	Other machinery and equipment	Total
<b>2020</b>				
<b>Accumulated cost</b>				
Opening balance, January 1	48.4	0.5	1.6	50.5
Additional right of use	28.1	–	–	28.1
Disposals and eliminations	-1.1	–	–	-1.1
Reclassifications	-8.3	–	-0.2	-8.5
<b>Closing balance, December 31</b>	<b>67.2</b>	<b>0.5</b>	<b>1.4</b>	<b>69.1</b>
<b>Accumulated amortization</b>				
Opening balance, January 1	-9.0	-0.2	-0.4	-9.7
Disposals and eliminations	0.8	–	–	0.8
Amortization for the year (Note 8)	-9.9	-0.2	-0.4	-10.5
Reclassifications	1.7	–	0.1	1.8
<b>Closing balance, December 31</b>	<b>-16.4</b>	<b>-0.4</b>	<b>-0.7</b>	<b>-17.5</b>
<b>Carrying amount at end of period</b>	<b>50.8</b>	<b>0.1</b>	<b>0.7</b>	<b>51.5</b>

	Premises	Vehicles	Other machinery and equipment	Total
<b>Lease liabilities</b>				
<b>2020</b>				
Non-current lease liabilities	42.6	–	0.3	42.9
Current lease liabilities	9.9	0.1	0.4	10.3
<b>Total carrying amount of lease liabilities</b>	<b>52.5</b>	<b>0.1</b>	<b>0.7</b>	<b>53.2</b>
Maturity analysis of undiscounted contractual lease payments				
1–12 months	10.3	0.1	0.4	10.8
13–36 months	18.3	–	0.3	18.7
37–60 months	19.1	–	–	19.1
>60 months	16.4	–	–	16.4
<b>Total</b>	<b>64.1</b>	<b>0.1</b>	<b>0.7</b>	<b>64.9</b>

## NOTES

### Note 16. Right-of-use assets and lease liabilities (cont.)

#### EFFECT ON CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2021	2020
Depreciation of right-of-use assets	-11.0	-10.5
Variable lease payments	-0.1	-0.1
Lease of low-value assets and short-term leases	-0.3	-0.1
<b>Total</b>	<b>-11.3</b>	<b>-10.5</b>
Included in interest expenses	-3.8	-3.1

#### EFFECT ON CONSOLIDATED STATEMENT OF CASH FLOWS

	2021	2020
Included in cash flow from financing activities		
Repayment of lease liabilities	-10.5	-9.0

### Note 17. Trade receivables

	Dec 31, 2021	Dec 31, 2020
Trade receivables	140.6	123.5
Receivables, related parties	–	1.4
Bad debts provision	-1.4	-0.3
<b>Total</b>	<b>139.2</b>	<b>124.6</b>

#### Age analysis for trade receivables not considered as bad debts

Not yet due	94.2	92.4
1–30 days overdue	10.0	6.9
31–60 days overdue	5.2	3.7
61–90 days overdue	8.8	4.0
Over 90 days overdue	21.8	17.8
<b>Closing balance</b>	<b>140.6</b>	<b>124.9</b>

#### Changes in the provision for doubtful trade accounts receivable:

As of January 1	-0.3	1.1
Bad debts provision	-1.2	0.4
Receivables written off during the year as uncollectible	–	-0.2
Reversal of unused amount	–	-1.0
<b>Closing balance December 31</b>	<b>-1.4</b>	<b>0.3</b>

The provision for expected credit loss is initially based on historical data, which means the proportion of the customer account, by maturity, that resulted in actual customer loss. For accounts receivable due in less than 90 days, no provision has been made.

### Note 18. Inventories

	Dec 31, 2021	Dec 31, 2020
Raw materials and consumables	10.6	3.3
Finished products	47.1	35.8
Work in progress	0.5	0.6
Advances from suppliers	0.3	0.3
<b>Total</b>	<b>58.4</b>	<b>39.9</b>

### Note 19. Prepaid expenses and accrued income

	Dec 31, 2021	Dec 31, 2020
Prepaid lease	0.1	–
Prepaid insurance	4.2	5.4
Prepaid license fees	1.2	2.6
Prepaid marketing expenses	0.9	3.3
Prepaid IT expenses	8.7	0.4
Prepaid personnel costs	0.9	0.1
Other items	4.8	3.7
<b>Total</b>	<b>20.9</b>	<b>15.4</b>

## NOTES

### Note 20. Cash and bank

	Dec 31, 2021	Dec 31, 2020
Current investments	–	–
Cash and cash equivalents	197.3	172.7
<b>Total</b>	<b>197.3</b>	<b>172.7</b>

### Note 21. Share capital, number of shares and earnings per share

Decision date	Event	Change in number of shares	Change in share capital (SEK)	Total number of shares	Total share capital (SEK)	Quotient value
2018-01-01	–	–	–	50,000	50,000	1.0
2021-11-05	Share issue	450,000	450,000	500,000	500,000	1.0
2021-11-05	Reverse split of shares	-499,999	–	1	500,000	–
2021-11-05	Share split	104,851,201	–	104,851,201	500,000	0.005

### Note 22. Financial instruments by category

The table below represents the carrying amount and fair value for the Group's financial assets and financial liabilities by category.

	Note	Dec 31, 2021		Dec 31, 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
At amortized cost:					
Other financial assets		0.4	0.4	0.3	0.3
Trade receivables	17	139.2	139.2	124.6	124.6
Other receivables		30.2	30.2	14.6	14.6
Cash and cash equivalents	20	197.3	197.3	172.7	172.7
Total		367.1	367.1	312.2	312.2
Financial liabilities					
At amortized cost:					
Trade payables		77.5	77.5	58.8	58.8
Interest-bearing loans	23	547.7	547.7	362.9	362.9
Lease liabilities	16, 23	59.0	59.0	53.2	53.2
Other liabilities, non-interest bearing	23	34.7	34.7	22.2	22.2
Total		718.9	718.9	497.2	497.1



## NOTES

### Note 23. Maturity profile of financial liabilities – undiscounted payments

	< 1 year	> 1 year < 5 years	> 5 years	Total
<b>Dec 31, 2021</b>				
Interest-bearing loans	12.4	552.7	–	565.1
Lease liabilities	14.4	47.0	7.2	68.7
Trade payables	77.5	–	–	77.5
Other	34.7	–	–	34.7
<b>Total</b>	<b>138.9</b>	<b>599.8</b>	<b>7.2</b>	<b>745.9</b>

	< 1 year	> 1 year < 5 years	> 5 years	Total
<b>Dec 31, 2020</b>				
Interest-bearing loans	362.9	–	–	362.9
Lease liabilities	10.8	37.8	16.4	65.0
Accounts payable	58.8	–	–	58.8
Other	22.2	–	–	22.2
<b>Total</b>	<b>454.8</b>	<b>37.8</b>	<b>16.4</b>	<b>508.9</b>

Interest-bearing loans presented in this note regarding year 2020 refer to loans with Tobii AB. On September 21, 2021, Tobii Dynavox AB signed a amortization-free loan agreement with Swedbank for a bank loan of SEK 550 million and a multi-denominated revolving credit facility amounting to MSEK 150, that can be drawn down in the form of an overdraft facility for acquisitions. The bankloan term is 18 months.

The loan has an interest rate base of lbor and an interest rate supplement. The facility is subject to a covenant, which is based on net debt (interest-bearing liabilities less cash and cash equivalents) in relation to EBITDA.

### Note 24. Accrued expenses and deferred income

	Dec 31, 2021	Dec 31, 2020
Accrued income, current portion	116.1	114.0
Accrued personnel expenses	45.0	38.9
Accrued interest	2.7	–
Other accrued expenses	23.6	15.5
<b>Total</b>	<b>187.3</b>	<b>168.4</b>

### Note 25. Assets pledged and contingent liabilities

	Dec 31, 2021	Dec 31, 2020
<b>Assets pledged</b>		
Företagshypotek	50	–
<b>Total</b>	<b>50</b>	<b>–</b>

The Group does not have any contingent liabilities.

### Note 26. Supplementary disclosures to the statement of cash flows

	2021	2020
<b>Interest paid and received</b>		
Interest received	0.3	0.2
Interest paid	-16.8	-3.4
<b>Total</b>	<b>-16.4</b>	<b>-3.2</b>

	2021	2020
<b>Non cash items</b>		
Amortization and impairment on intangible assets	63.1	58.3
Depreciation, amortization and impairment on property, plant and equipment and right-of-use assets	31.9	29.4
Unrealized exchange rate differences	0.4	1.7
Accrued interest (intercompany loan Tobii Group)	–	18.9
Other non-cash items	3.5	-0.3
<b>Total</b>	<b>98.9</b>	<b>107.8</b>

NOTES

Note 26. Supplementary disclosures to the statement of cash flows (cont.)

Liabilities related to financing activities			Non cash items					
2021	Opening balance, January 1	Cashflows	New lease contracts	Changes in exchange rates	Interest expenses	Ended lease contracts	Other	Closing balance, December 31
Lease liability	53.2	-10.5	14.8	5.4	3.8	-7.7	–	59.0
Intercompany loan Tobii group <sup>1)</sup>	362.9	-362.0	–	–	–	–	-0.9	0.0
Borrowings	0.0	547.7	–	–	–	–	–	547.7
<b>Total</b>	<b>416.1</b>	<b>175.2</b>	<b>14.8</b>	<b>5.4</b>	<b>3.8</b>	<b>-7.7</b>	<b>-0.9</b>	<b>606.7</b>

			Non cash items					
2020	Opening balance, January 1	Cashflows	New lease contracts	Changes in exchange rates	Interest expenses	Ended lease contracts	Other	Closing balance, December 31
Lease liability	41.0	-9.0	25.8	-4.6	–	–	–	53.2
Intercompany loan Tobii group <sup>1)</sup>	395.3	-28.9	–	–	–	–	-3.5	362.9
Borrowings	0.0	–	–	–	–	–	–	0.0
<b>Total</b>	<b>436.3</b>	<b>-37.9</b>	<b>25.8</b>	<b>-4.6</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.5</b>	<b>416.1</b>

1) Also includes other intercompany with Tobii Group, related to investing activities.

## NOTES

### Note 27. Related party transaction

#### TO/FROM TOBII GROUP

	2021	2020
<b>Revenue</b>		
Sale of goods	6.1	1.2
Sale of services	0.5	1.8
<b>Expenses</b>		
Purchase of services	-26.6	-36.6
Interest expenses	-12.9	-19.1
<b>Assets</b>		
Trade receivables	–	1.5
Other current receivables	–	9.3
<b>Liabilities</b>		
Trade payables	–	26.5
Borrowings, current	–	362.9
<b>Equity</b>		
Group contributions	–	-61.1
Shareholder contributions	75.0	48.0
Other transactions with shareholders, Tobii Group	-1.1	1.4

#### TO/FROM TOBII GROUP (CONT.)

	2021	2020
<b>Cash flow</b>		
Shareholder contribution	75.0	48.0
Cash flow from other financing activities with share-holders, Tobii Group	-362.0	-76.9
Other cash flow from transactions with shareholders, Tobii Group	-1.1	1.2

Transactions between Tobii Dynavox AB and its subsidiaries have been eliminated and are not disclosed in this note. Transactions with key personnel and the Board of Directors are disclosed in note 7.

The Group has bought Eye-tracking products, from Tobii Group, that is integrated with the groups products, IT-services and part of administration. The pricing for these services corresponds to the assessment if the Group would have provided the services under its own auspices. These transactions are to be considered as related party transactions up until 9 december 2021.

In Equity, the line item “Other transactions with shareholders, Tobii Group” relates to earnings from the Dynavox segment within legal Tobii AB entities in Germany and China that only gave effect in the income statement of Tobii Dynavox, ie for which there is no corresponding receivable or payable to the Tobii Group. From late 2021 the earnings of these entities will be included in Tobii Dynavox through newly formed legal entities in these countries.

Casheffects from transactions attributable to legal entities that will remain in Tobii Group have been recognized separately in cash flow through the line “Other cash flow from transactions with shareholders, Tobii Group”.

### Note 28. Significant events after the balance sheet date

#### ACQUISITIONS

On 1 April 2022, the aquisition of the Irish company Obear Technologies Limited was completed. The company is reselling partner of Tobii Dynavox and a leading supplier of assistive technology products in Ireland. The company reported sales of around SEK 9 million, with an EBIT of around 10% for the financial year ending June 30th 2021. The purchase price allocation is in process and has not yet been finalized due to the initial accounting for the business combination is incomplete at the time of this financial statements being authorized for issue.

In October 2021, Tobii Dynavox entered an agreement to acquire the Belgian company Acapela Group, a global provider of speech synthesis and digital voices. The acquisition has been cleared by relevant regulatory bodies, including the UK Competition and Markets Authority (CMA), and will be finalized 29 April 2022.

# Parent company statement of comprehensive income

SEK million	Note	2021	2020
Net sales	A2	458.2	500.3
Cost of products and services sold		-202.7	-209.6
<b>Gross profit</b>		<b>255.5</b>	<b>290.7</b>
Selling expenses		-52.4	-38.3
Research- and development expenses		-116.1	-107.9
Administrative expenses	A3	-89.8	-60.1
Other operating gains and losses	A7	32.8	-7.7
<b>Operating profit (EBIT)</b>	A4, A5, A6	<b>30.0</b>	<b>76.6</b>
Financial income	A8	1.5	5.0
Financial expenses	A8	-17.2	-24.6
<b>Total financial income and expenses</b>		<b>-15.7</b>	<b>-19.6</b>
<b>Profit after financial items</b>		<b>14.3</b>	<b>57.0</b>
<i>Appropriations</i>			
Group contributions		-	-61.1
<b>Profit before tax (EBT)</b>		<b>14.3</b>	<b>-4.1</b>
Tax	A9	-2.9	0.0
<b>Net profit for the year</b>		<b>11.4</b>	<b>-4.1</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>11.4</b>	<b>-4.1</b>



# Parent company statement of financial position

SEK million	Note	31/12/2021	31/12/2020
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	A10	469.8	201.7
Property, plant and equipment	A11	7.6	9.3
Shares in Group companies	A12	142.1	139.1
Long-term receivables, Group companies		5.4	7.4
Financial and other non-current assets		0.1	0.1
<b>Total non-current assets</b>		<b>625.0</b>	<b>357.6</b>
<b>Current assets</b>			
Inventories	A14	14.9	11.5
Trade receivables	A13	16.6	15.5
Receivables from Group companies		38.4	139.4
Other current receivables		16.3	3.6
Prepaid expenses and accrued income	A15	4.5	0.2
Cash and cash equivalents	A16	138.9	98.3
<b>Total current assets</b>		<b>229.5</b>	<b>268.7</b>
<b>Total assets</b>		<b>854.6</b>	<b>626.3</b>

SEK million	Note	31/12/2021	31/12/2020
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		0.5	0.1
Fund for development expenses		172.1	138.7
<b>Non-restricted equity</b>			
Retained earnings		-34.9	-72.5
Net profit/loss for the year		11.4	-4.1
<b>Total equity</b>		<b>149.0</b>	<b>62.2</b>
<b>Untaxed reserves</b>			
		<b>0.3</b>	<b>0.3</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings, non-current		547.7	0.0
Liabilities to Group companies, non-current		40.6	370.7
Other non-current liabilities		15.0	14.4
<b>Total non-current liabilities</b>	A17	<b>603.3</b>	<b>385.1</b>
<b>Current liabilities</b>			
Trade payables		50.1	17.0
Liabilities to Group companies, current		0.8	127.4
Tax liabilities		2.9	0.0
Other current liabilities		7.9	9.9
Accrued expenses and deferred income	A18	40.2	24.3
<b>Total current liabilities</b>	A17	<b>101.9</b>	<b>178.6</b>
<b>Total liabilities</b>		<b>705.5</b>	<b>564.0</b>
<b>Total equity and liabilities</b>		<b>854.6</b>	<b>626.3</b>

# Parent company statement of cash flow

SEK million	Note	2021	2020
<b>Operating activities</b>			
Profit/loss before tax (EBT)	A20	14.3	-4.1
Adjustments for items not included in cash flow	A20	92.9	76.1
Taxes paid		–	–
<b>Cash flow from operating activities before changes in working capital</b>		<b>107.2</b>	<b>72.0</b>
<i>Cash flow from change in working capital</i>			
Change in inventories		-3.3	8.6
Change in operating receivables		-34.2	26.4
Change in operating liabilities		37.6	68.1
<b>Cash flow from change in working capital</b>		<b>0.1</b>	<b>103.1</b>
<b>Cash flow from operating activities</b>		<b>107.3</b>	<b>175.1</b>
<b>Investing activities</b>			
Purchase of intangible assets	A10	-356.3	-77.9
Purchase of property, plant and equipment	A11	-2.5	-8.4
Repayment financial receivables		–	23.9
Other		-3.0	–
<b>Cash flow from investing activities</b>		<b>-361.8</b>	<b>-62.4</b>
<b>Financing activities</b>			
Proceeds from borrowings		547.7	–
Shareholder contribution		75.0	–
Proceeds from borrowings, Group companies		40.6	–
Other financing activities		0.0	–
Repayment internal loan and cash flow from other financial activities with Tobii Group	A21	-368.2	-22.7
<b>Cash flow from financing activities</b>	A20	<b>295.1</b>	<b>-22.7</b>
<b>Cash flow for the year</b>		<b>40.5</b>	<b>90.0</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>98.3</b>	<b>8.3</b>
<b>Cash flow for the year</b>		<b>40.5</b>	<b>90.0</b>
<b>Cash and cash equivalents at year-end</b>		<b>138.9</b>	<b>98.3</b>

# Parent company statement of change in equity

SEK million	Note	Restricted equity		Non-restricted equity	
		Share capital	Fund for development expenses	Retained earnings	Total equity
<b>Opening balance, January 1, 2020</b>		<b>0.1</b>	<b>80.1</b>	<b>-61.9</b>	<b>18.3</b>
Comprehensive income for the period		–	–	-4.1	-4.1
Shareholder contributions from Tobii Group	A21	–	–	48.0	48.0
Fund for development expenses		–	58.6	-58.6	0.0
<b>Closing balance, December 31, 2020</b>		<b>0.1</b>	<b>138.7</b>	<b>-76.6</b>	<b>62.2</b>
<b>Opening balance, January 1, 2021</b>		<b>0.1</b>	<b>138.7</b>	<b>-76.6</b>	<b>62.2</b>
Rights issue		0.5	–	–	0.5
Comprehensive income for the period		–	–	11.4	11.4
Shareholder contributions from Tobii Group	A21	–	–	75.0	75.0
Fund for development expenses		–	33.3	-33.3	0.0
<b>Closing balance, December 31, 2021</b>		<b>0.5</b>	<b>172.1</b>	<b>-23.5</b>	<b>149.0</b>

# Parent company notes

Amounts in SEK million unless otherwise indicated.

## Note A1. Accounting policies for the Parent Company

The Parent Company has prepared its annual report in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 "Accounting for Legal Entities". RFR 2 requires that the parent company in the annual report for the legal entity apply all the IFRS and statements adopted by the EU to the extent that these correspond with the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, taking account of the association between accounting and taxation. The recommendation specifies which exemptions from and additions to IFRS are to be observed.

The Parent Company complies with the Annual Accounts Act's layout for the income statement and balance sheet, which mainly differs from the Group's layout in terms of the recognition of financial income and expenses, fixed assets, shareholders' equity and the occurrence of provisions as individual heading in the balance sheet.

Trademark with indefinite useful lives, which are reported in the Parent Company are amortized on a straight-line basis over five years. Given or received group contributions in the Parent Company are reported in income statement. All leasing agreements where the Parent Company is the lessees are reported as operational leasing agreements regardless of whether the agreements are financial or operational leasing agreements. The leasing fee is reported as cost on a straight-line basis over the leasing period.

### Shares in subsidiaries

Shares in subsidiaries are recognised in accordance with the historical cost method, meaning holdings are recognised at cost less accumulated amortization in the balance sheet.

### Group Contributions and Shareholder's contributions

Received and given Group contributions are recognised as appropriations according to the "Alternative rule" in RFR2.

Shareholder's contributions are taken directly to the equity of the receiver and are capitalized in the shares and participations of the donor, provided that there is no need for impairment.

## Note A2. Income

### REVENUE BY PRODUCT TYPE

	2021	2020
Goods	445.4	490.8
Services	12.8	9.5
<b>Total</b>	<b>458.2</b>	<b>500.3</b>

### REVENUE BY DATE OF REVENUE RECOGNITION

	2021	2020
Point in time	445.4	490.8
Over time	12.8	9.5
<b>Total</b>	<b>458.2</b>	<b>500.3</b>

### REVENUE BY GEOGRAPHIC MARKET

	2021	2020
Europe	417.1	465.9
North America	0.2	0.5
Other	40.9	33.9
<b>Total</b>	<b>458.2</b>	<b>500.3</b>

### Intra-Group sales and purchases

Of net sales, 63 (66) % relates to Group companies.

Of operating costs, 37 (57) % relates to purchases from other Group companies.

Group contribution of 61,1 SEK million was given to Tobii AB in 2020.

### CONTRACTUAL LIABILITIES

	2021	2020
<b>Opening balance</b>	<b>29.0</b>	<b>24.6</b>
Gross increase during the year	48.0	15.6
Revenue recognized during the year	-47.4	-11.3
<b>Closing balance</b>	<b>29.6</b>	<b>29.0</b>

## Note A3. Remuneration of auditors

	2021	2020
<b>PricewaterhouseCoopers, Sweden</b>		
Audit engagement	0.9	–
<b>Total</b>	<b>0.9</b>	<b>0.0</b>
<b>Other auditors</b>		
Tax consultancy services	0.1	–
<b>Total</b>	<b>0.1</b>	<b>0.0</b>
<b>Total</b>	<b>1.0</b>	<b>0.0</b>



## NOTES

### Note A4. Employees and remunerations

#### AVERAGE NUMBER OF EMPLOYEES

	2021		2020	
	Number	Of whom women (%)	Number	Of whom women (%)
Sweden	91	42	56	35
Denmark	1	100	–	–
Netherlands	2	–	–	–
<b>Total</b>	<b>94</b>	<b>41</b>	<b>56</b>	<b>35</b>

#### SALARIES, REMUNERATION AND SOCIAL SECURITY CONTRIBUTIONS

	2021	2020
Board and CEO	5.2	2.6
Other employees	55.4	37.0
<b>Total wages and salaries</b>	<b>60.5</b>	<b>39.6</b>
Pension costs <sup>1)</sup>	6.2	4.0
Social security contributions	21.6	12.2
<b>Total social contribution</b>	<b>27.8</b>	<b>16.2</b>
<b>Total</b>	<b>88.4</b>	<b>55.8</b>

1) Of the Group's, 0.5 (0.5) SEK million refers to CEO.

### Note A5. Depreciation and amortization

	2021	2020
Intangible assets (Note A10)	85.9	66.5
Property, Plant and Equipment (Note A11)	5.8	6.0
<b>Total</b>	<b>91.7</b>	<b>72.5</b>
Amortization	0.0	0.0
<b>Total</b>	<b>91.7</b>	<b>72.5</b>

	2021	2020
Intangible:		
Capitalized development costs	61.2	56.3
Trademark	24.2	10.2
Other	0.5	0.0
<b>Total</b>	<b>85.9</b>	<b>66.5</b>
Property, plant and equipment:		
Owned	5.8	6.0
<b>Total</b>	<b>5.8</b>	<b>6.0</b>
<b>Total</b>	<b>91.7</b>	<b>72.5</b>

### Note A6. Expenses by nature

	2021	2020
Cost of materials and changes in inventory	-175.1	-182.3
Personnel costs	-88.4	-55.8
Other external expenses	-105.9	-105.4
Depreciation and amortization	-91.7	-72.5
<b>Total</b>	<b>-461.0</b>	<b>-415.9</b>

NOTES

Note A7. Other operating gains and losses

	2021	2020
<b>Operating gains</b>		
Exchange gains	4.1	0.2
Other gains	29.9	1.0
<b>Total</b>	<b>34.0</b>	<b>1.2</b>
<b>Operating losses</b>		
Exchange losses	-1.2	-8.9
<b>Total</b>	<b>-1.2</b>	<b>-8.9</b>
<b>Total</b>	<b>32.8</b>	<b>-7.7</b>

Note A8. Financial income and expenses

	2021	2020
<b>Financial income</b>		
Interest income from Group companies	0.5	1.3
Exchange gains	1.0	3.6
<b>Total</b>	<b>1.5</b>	<b>5.0</b>
<b>Financial expenses</b>		
Interest expenses from Group companies	-0.2	19.2
Interest expenses, other external borrowings	-15.6	0.0
Exchange losses	-1.4	-5.4
<b>Total</b>	<b>-17.2</b>	<b>-24.6</b>
<b>Total</b>	<b>-15.7</b>	<b>-19.6</b>

Note A9. Taxes

	2021	2020
Current tax	-2.9	0.0
Deferred tax	0.0	0.0
<b>Total</b>	<b>-2.9</b>	<b>0.0</b>
<b>Reconciliation of effective tax</b>		
Profit before tax	14.3	-4.1
Tax expense at Swedish tax rate 20.6% (21.4)	-2.9	0.9
Tax effect of non-deductible expenses	-0.8	-2.0
Tax effect of non-taxable income	0.7	0.2
Use of prior year's tax loss carry-forward for which no tax asset has been recognized	0.0	0.9
Use of prior year's tax loss carry-forward for which no tax asset has been recognized	0.1	0.0
<b>Total</b>	<b>-2.9</b>	<b>0.0</b>

## NOTES

### Note A10. Intangible assets

2021	Development costs	Patent	Trademarks	Other intangible assets	Total
<b>Accumulated cost</b>					
Opening balance, January 1	469.5	–	49.7	1.5	520.7
Acquisitions	75.8	0.5	280.0	–	356.3
Reclassifications	-2.4	–	–	–	-2.4
<b>Closing balance, December 31</b>	<b>543.0</b>	<b>0.5</b>	<b>329.7</b>	<b>1.5</b>	<b>874.7</b>
<b>Accumulated amortization</b>					
Opening balance, January 1	-289.6	–	-29.4	–	-319.0
Amortization for the year (Note A5)	-61.2	–	-24.2	-0.5	-85.9
Reclassifications	–	–	–	–	0.0
<b>Closing balance, December 31</b>	<b>-350.8</b>	<b>0.0</b>	<b>-53.6</b>	<b>-0.5</b>	<b>-404.9</b>
<b>Carrying amount at end of period</b>	<b>192.2</b>	<b>0.5</b>	<b>276.2</b>	<b>0.9</b>	<b>469.8</b>

2020	Development costs	Patent	Trademarks	Other intangible assets	Total
<b>Accumulated cost</b>					
Opening balance, January 1	391.6	–	49.7	1.5	442.8
Acquisitions	77.9	–	–	–	77.9
<b>Closing balance, December 31</b>	<b>469.5</b>	<b>0.0</b>	<b>49.7</b>	<b>1.5</b>	<b>520.7</b>
<b>Accumulated amortization</b>					
Opening balance, January 1	-233.3	–	-19.2	–	-252.6
Amortization for the year (Not A5)	-56.3	–	-10.2	–	-66.5
<b>Closing balance, December 31</b>	<b>-289.6</b>	<b>0.0</b>	<b>-29.4</b>	<b>0.0</b>	<b>-319.0</b>
<b>Carrying amount at end of period</b>	<b>179.9</b>	<b>0.0</b>	<b>20.3</b>	<b>1.4</b>	<b>201.7</b>

## NOTES

### Note A11. Property, plant and equipment

	Machinery and other technical equipment	Equipment, tools and installations	Leasehold improvements	Own products for demo, rental and lending	Total
<b>2021</b>					
<b>Accumulated cost</b>					
Opening balance, January 1	19.7	–	0.7	12.2	32.6
Acquisitions	1.2	0.1	–	1.1	2.5
Disposals and eliminations	–	–	–	-0.8	-0.8
Reclassifications	2.4	–	–	–	2.4
<b>Closing balance, December 31</b>	<b>23.3</b>	<b>0.1</b>	<b>0.7</b>	<b>12.5</b>	<b>36.6</b>
<b>Akkumulerade avskrivningar</b>					
Opening balance, January 1	-12.1	–	-0.6	-10.5	-23.3
Disposals and eliminations	–	–	–	0.1	0.1
Amortization for the year (Note A5)	-4.3	0.0	0.0	-1.5	-5.8
Reclassifications	–	–	–	–	0.0
<b>Closing balance, December 31</b>	<b>-16.4</b>	<b>0.0</b>	<b>-0.7</b>	<b>-11.8</b>	<b>-29.0</b>
<b>Carrying amount at end of period</b>	<b>6.9</b>	<b>0.1</b>	<b>0.0</b>	<b>0.6</b>	<b>7.6</b>

	Machinery and other technical equipment	Equipment, tools and installations	Leasehold improvements	Own products for demo, rental and lending	Total
<b>2020</b>					
<b>Accumulated cost</b>					
Opening balance, January 1	13.1	–	0.7	10.8	24.7
Acquisitions	6.6	–	–	1.9	8.4
Disposals and eliminations	–	–	–	-0.5	-0.5
<b>Closing balance, December 31</b>	<b>19.7</b>	<b>0.0</b>	<b>0.7</b>	<b>12.2</b>	<b>32.6</b>
<b>Akkumulerade avskrivningar</b>					
Opening balance, January 1	-7.8	–	-0.6	-8.9	-17.3
Disposals and eliminations	–	–	–	0.0	0.0
Amortization for the year (Note A5)	-4.3	–	0.0	-1.6	-6.0
<b>Closing balance, December 31</b>	<b>-12.1</b>	<b>0.0</b>	<b>-0.6</b>	<b>-10.5</b>	<b>-23.3</b>
<b>Carrying amount at end of period</b>	<b>7.6</b>	<b>0.0</b>	<b>0.0</b>	<b>1.7</b>	<b>9.3</b>



## NOTES

### Note A12. Shares in Group companies

	Dec 31, 2021	Dec 31, 2020
<b>Akkumulated historical cost</b>		
Opening balance, January 1	139.1	139.1
Shareholder contribution	2.9	–
<b>Closing balance, December 31</b>	<b>142.1</b>	<b>139.1</b>

			Dec 31, 2021	Dec 31, 2020
Subsidiary/Org.reg.no/ Registered office	No. of shares	Holding, %	Carrying amount	Carrying amount
Tobii Dynavox AS, 834962322, NO	51	100.0	8.5	8.5
Assistive Technology Inc, 04-3284593, MA, USA, US	1	100.0	130.7	130.7
Tobii Dynavox GmbH, HRB 122247, DE	25,000	100.0	0.3	–
Tobii Dynavox (Suzhou) Co., Ltd, MA26WMC07, CN	150	100.0	2.0	–
Tobii Dynavox Trading (Suzhou) Co., Ltd, MA272PGLX, CN	150	100.0	0.7	–
<b>Carrying amount at year-end</b>			<b>142.1</b>	<b>139.1</b>

### Note A13. Trade receivables

	Dec 31, 2021	Dec 31, 2020
Trade receivables	17.3	15.5
Receivables, related parties	22.1	32.2
Bad debts provision	-0.7	0.0
<b>Total</b>	<b>38.7</b>	<b>47.7</b>

#### Age analysis for trade receivables not considered as bad debts

Not yet due	37.2	46.5
1–30 days overdue	1.0	0.7
31–60 days overdue	-0.4	0.3
61–90 days overdue	0.9	0.5
Over 90 days overdue	0.7	-0.3
<b>Closing balance</b>	<b>39.4</b>	<b>47.8</b>

#### Changes in the provision for doubtful trade accounts receivable:

<b>As of January 1</b>	<b>0.0</b>	<b>-1.0</b>
Bad debts provision	-0.6	0.0
Reversal of unused amount	0.0	1.0
<b>Closing balance December 31</b>	<b>-0.7</b>	<b>0.0</b>

### Note A14. Inventories

	Dec 31, 2021	Dec 31, 2020
Finished products	14.4	10.9
Work in progress	0.5	0.6
<b>Total</b>	<b>14.9</b>	<b>11.5</b>

### Note A15. Prepaid expenses and accrued income

	Dec 31, 2021	Dec 31, 2020
Prepaid insurance	0.4	0.0
Prepaid license fees	1.2	0.1
Prepaid IT expenses	1.4	0.0
Accrued income	0.4	0.0
Other items	1.1	0.1
<b>Total</b>	<b>4.5</b>	<b>0.2</b>

## NOTES

### Note A16. Cash and bank

	Dec 31, 2021	Dec 31, 2020
Current investments	0.0	0.0
Cash and cash equivalents	138.9	98.3
<b>Total</b>	<b>138.9</b>	<b>98.3</b>

### Note A17. Maturity profile of financial liabilities – undiscounted payments

Dec 31, 2021	< 1 year	> 1 year < 5 years	> 5 years	Total
Interest-bearing loans	12.4	552.7	40.6	605.6
Trade payables	50.1	–	–	50.1
Other	26.9	–	–	26.9
<b>Total</b>	<b>89.3</b>	<b>552.7</b>	<b>40.6</b>	<b>682.6</b>

Dec 31, 2020	< 1 year	> 1 year < 5 år	> 5 years	Total
Interest-bearing loans	–	370.7	–	370.7
Trade payables	17.0	–	–	17.0
Other	116.9	–	–	116.9
<b>Total</b>	<b>134.9</b>	<b>370.7</b>	<b>0.0</b>	<b>504.7</b>

### Note A18. Accrued expenses and deferred income

	Dec 31, 2021	Dec 31, 2020
Accrued income, current portion	14.5	14.6
Accrued personnel expenses	10.6	8.2
Accrued interest	2.7	0.0
Other accrued expenses	12.4	1.5
<b>Total</b>	<b>40.2</b>	<b>24.3</b>

### Note A19. Assets pledged and contingent liabilities

	Dec 31, 2021	Dec 31, 2020
Företagshypotek	50	–
<b>Total</b>	<b>50</b>	<b>–</b>

The Company does not have any contingent liabilities.

### Note A20. Supplementary disclosures to the statement of cash flows

#### INTEREST PAID AND RECEIVED

	2021	2020
Interest received	0.5	1.3
Interest paid	-13.3	-0.2
<b>Total</b>	<b>-12.7</b>	<b>1.1</b>

#### NON CASH ITEMS

	2021	2020
Amortization and impairment on intangible assets	85.9	66.5
Depreciation, amortization and impairment on property, plant and equipment	5.8	6.0
Unrealized exchange rate differences	0.4	1.7
Other non-cash items	0.8	1.9
<b>Total</b>	<b>92.9</b>	<b>76.1</b>

## NOTES

### Note A20. Supplementary disclosures to the statement of cash flows (cont.)

#### LIABILITES RELATED TO FINANCING ACTIVITIES

2021	Opening balance, January 1	Cashflows	Other non-cash items	Closing balance, December 31
Intercompany loan Tobii Group <sup>1)</sup>	370.7	-368.2	-2.5	0.0
Liabilities to Group companies	–	40.6	–	40.6
Borrowings	0.0	547.7	–	547.7
<b>Total</b>	<b>370.7</b>	<b>220.1</b>	<b>-2.5</b>	<b>588.3</b>

2020	Opening balance, January 1	Cashflows	Other non-cash items	Closing balance, December 31
Intercompany loan Tobii Group <sup>1)</sup>	393.4	-22.7	–	370.7
<b>Total</b>	<b>393.4</b>	<b>-22.7</b>	<b>0.0</b>	<b>370.7</b>

1) Includes other intercompany with Tobii Group, related to investing activities.

### Note A21. Related party transaction

#### TO/FROM TOBII GROUP

	2021	2020
<b>Revenue</b>		
Sale of goods	0.1	0.9
<b>Expenses</b>		
Purchase of services	-29.1	-35.7
Interest expenses	-12.9	-19.2
<b>Assets</b>		
Trade receivables	–	1.4
Other receivables, current	–	107.5
<b>Liabilities</b>		
Borrowings, non-current	–	370.7
Trade Payables	–	26.3
Other liabilities, non current	–	69.6
Accrued expenses and deferred income	–	1.4
<b>Equity</b>		
Shareholder contributions	75.0	48.0
<b>Kassaflöde</b>		
Shareholder contributions	75.0	
Repayment internal loan and cash flow from other financing activities with Tobii Group	-370.1	-22.7

# The Board's signatures

The undersigned declare that the consolidated accounts and the Annual Report have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and generally accepted accounting principles, and give a true and fair view of the financial position and earnings of the Group and the Company, and that the Director's Report for the Group and the Company give a fair overview of the development of the activities, financial position and financial results of the Group and the Company, and describe substantial risks and uncertainties that the Group companies face.

Danderyd, April 20, 2022

**Åsa Hedin**

Chairperson of the Board

**Carl Bandhold**

Board member

**Henrik Eskilsson**

Board member

**Charlotta Falvin**

Board member

**Caroline Ingre**

Board member

**Fredrik Ruben**

CEO

Our Auditor's Report was submitted on April 20, 2022

**PricewaterhouseCoopers AB**

**Johan Engstam**

Authorized Public Accountant



# Auditor's report

Unofficial translation

To the general meeting of the shareholders of Tobii Dynavox AB (publ), corporate identity number 556914-7563

## REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

### Opinions

We have audited the annual accounts and consolidated accounts of Tobii Dynavox AB (publ) for the financial year 2021. The annual accounts and consolidated accounts of the company are included on pages 66-105 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the consolidated statement of comprehensive income and the consolidated statement of financial position of the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

## OUR AUDIT APPROACH

### Overview



#### Materiality

- Overall materiality: MSEK 5,2 which corresponds to 5% of normalized profit before tax

#### Focus and scope

- We have executed an audit focusing on Tobii Dynavox AB (Sweden) and Tobii Dynavox LLC (USA) and covering 93% of total assets and 90% of revenue.

#### Key audit matters

- Valuation of capitalized development costs
- Revenue recognition – cut-off





**Audit scope**

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

**Materiality**

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Koncernens väsentlighetstal	MSEK 5.2
Hur vi fastställde det	Materiality approximate 5% of normalized profit before tax
Motivering av valet av väsentlighetstal	We have chosen this method to determine the materiality level as it is, according to our opinion, the most relevant measure by which the group's development is usually assessed. The level of 5% is seen in auditing standards to comprise an acceptable quantitative materiality threshold.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above 10% of the materiality level as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.



## KEY AUDIT MATTERS

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the Key audit matter
<p><b>Valuation of capitalized development costs</b>  <i>We refer to Notes 2 Important accounting principles, 4 Important estimates and assessments, and 14 Intangible assets.</i></p> <p>Capitalised expenses for product development in the amount of MSEK 193 comprise a significant portion of Tobii Dynavox Group's balance sheet as at the end of December 2021. There is a risk that the future estimated cash flow will not be equivalent to the book value of capitalized expenses for product development and that, as a result, an impairment risk exists.</p> <p>The assets are subject to ongoing depreciation. According to the Tobii Dynavox Group's routine, the value of capitalized expenses for product development is tested annually for impairment. Tobii Dynavox has a process for executing this test. This testing is based on the recoverable amount, which is equivalent to the value of the discounted cash flows for the identified assets.</p> <p>The calculated recoverable value is based on future budgets and forecasts, approved by the Board of Directors, for the next five years. The cash flows after the first five years are extrapolated based on the estimated long-term growth rate. The process, consequently, includes assumptions of a major significance in the testing of impairment requirements. These include the assumptions regarding sales growth, margin developments and the discount rate (WACC).</p>	<p>In evaluating the assumptions, as reported in Note 14, we have undertaken the following audit measures to assess the valuation of such assumptions and model:</p> <ul style="list-style-type: none"> <li>▪ We have tested and evaluated management's assumptions regarding the discount rate, growth and margins. We test the assumptions based on what is included in the budgets and business plans, the results of the units and our knowledge of the Tobii Dynavox Group's development. This includes the follow-up of the accuracy of the forecasts for historical periods and provides us with a basis for testing the assumptions regarding future development. In terms of discount rate, this is based on our review of the company's calculation of WACC and the assessment of the inherent risk of operating in current markets.</li> <li>▪ We have also, in conjunction with the testing of possible impairment requirements, checked the sensitivity of the valuations through sensitivity analyses, to determine if there are negative changes in significant parameters which individually, or on a collective basis, could imply the existence of an impairment requirement.</li> <li>▪ We have also assessed if the accounting principles and disclosures in the annual report are correct and in accordance with IFRS.</li> </ul> <p>No significant observations were made in the audit resulting in reporting to the Audit Committee.</p>



#### Revenue recognition – cut-off

*We refer to the Notes 2 Important accounting principles, 4 Important estimates and assessments, 5 Revenue, 17 Accounts receivable and 24 Accrued expenses and deferred income.*

The Group's revenue amounts to MSEK 872 in 2021. The majority of Tobii Dynavox Group's revenue consists of sale of goods and services. The sale of goods is recognized when control has been transferred to the purchaser while services are recognized in revenue in the period or periods in which they are provided. The Tobii Dynavox Group also has royalty revenues. These are recognized in accordance with the economic implications of the agreements in place.

The risk is that there can exist a difference between the point in time when Tobii Dynavox provides goods or services and when the control is transferred to clients. When the goods or services are seen to have been provided to the clients, and when revenues can, then, be reported, is based on the contractual stipulations found in the established agreements.

In our audit, we have analyzed Tobii Dynavox's processes and controls regarding revenue recognition in order to obtain an understanding of how they operate and where potential errors could occur. This analysis has been performed to enable us to focus our substantive procedures on the right areas.

Our audit procedures included the following:

- Analysis of revenues as compared with the prior period and the expectation.
- We have tested, on a random basis, the reported revenue against agreements or customer orders to determine if these items have been reported in the correct amounts in the correct periods.
- On a sample basis, we have confirmed outstanding receivables against payments received after the year end.
- We have also by analyses of values accounted for tested that deferred revenue is recognized in the correct amount.
- We have also assessed if the accounting principles and disclosures in the annual report are correct and in accordance with IFRS.

The results of these activities have produced no significant observations as regards the audit.

#### Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-65 and 113-115. The information in "Tobii Dynavox Group remuneration report 2021" to be published on the company web page at the same time as this report also constitutes other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.



#### **Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisormsansvar](http://www.revisorsinspektionen.se/revisormsansvar). This description is part of the auditor's report.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

##### **The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss**

#### **Opinions**

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of Tobii Dynavox AB (publ) for the financial year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss dealt with in accordance with the proposal in the statutory administration report and that the members of the Board of Director's and the Managing Director be discharged from liability for the financial year.

#### **Basis for Opinions**

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

#### **Responsibilities of the Board of Director's and the Managing Director**

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

#### **Auditor's responsibility**

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.



Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: [www.revisorsinspektionen.se/revisornsansvar](http://www.revisorsinspektionen.se/revisornsansvar). This description is part of the auditor's report.

#### **THE AUDITOR'S EXAMINATION OF THE ESEF REPORT**

##### **Opinion**

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Tobii Dynavox AB (publ) for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

##### **Basis for Opinions**

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Tobii Dynavox AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Responsibilities of the Board of Director's and the Managing Director**

The Board of Directors and the Managing Director are responsible for ensuring that the Esef report has been prepared in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

##### **Auditor's responsibility**

Our responsibility is to form an opinion with reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.





The reasonable assurance engagement involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The reasonable assurance engagement also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, statement of financial position, statement of changes in equity and the statement of cash flow.

PricewaterhouseCoopers AB, [address], was appointed auditor of Tobii Dynavox AB (publ) by the general meeting of the shareholders on the 12 May 2021 and has been the company's auditor since the 27 December 2012.

Stockholm 20 April 2022

**PricewaterhouseCoopers AB**

**Johan Engstam**

Authorized Public Accountant

# Key figures

	2019	2020	2021
Earnings per share, SEK	0.68	1.30	0.30
Earnings per share, diluted, SEK	0.68	1.30	0.30
Equity per share, SEK	-0.98	0.30	1.40
EBITDA, SEKm	180.9	214.9	155.0
Operating profit (EBIT), SEKm	101.1	127.2	60.0
Cash flow from operating activities, SEKm	184.7	272.5	136.5
Cash flow after continuous investments, SEKm	76.1	170.5	-233.7
Working capital, SEKm	-91.1	-133.3	-143.1
Total assets, SEKm	669.3	778.2	1 146.3
Net debt, SEKm	387.7	243.4	409.4
Net debt/EBITDA LTM	2.1	1.1	2.6
Equity, SEKm	-97.4	29.3	139.5
Equity/assets ratio, %	n/a	3.8	12.2
Debt/equity ratio, %	n/a	1418.6	435.0
Gross margin, %	65.3	66.1	65.5
EBITDA margin, %	19.9	24.0	17.8
Operating margin, %	11.1	14.2	6.9
Average number of outstanding shares, million	99.8	99.8	100.5
Average number of outstanding shares, after dilution, million	99.8	99.8	100.5
Number of outstanding shares, at period end, million	99.8	99.8	104.9
Number of outstanding shares after dilution at period end, million	99.8	99.8	104.9
Average number of employees	448	464	467

# Definitions

## Average number of employees

Average number of full time employees during the period, including part-time employees recalculated as FTEs

## Gross margin, %

Gross profit relative to the operations' net sales

## EBITDA

Operating profit before depreciation, amortization and impairment

## EBITDA margin, %

Operating profit before depreciation/amortization in relation to net sales

## Equity per share

Equity divided by average number of shares outstanding

## Cash flow after investing activities

Cash flow from operating and investing activities

## Net debt

Interest-bearing liabilities less cash and cash equivalents.

## Net debt/EBITDA LTM

Net debt at the end of the period in relation to rolling 12 - months EBITDA

## Organic growth, %

Change in total revenue for the period adjusted for acquisitions, disposals and currency, compared with total revenue for the comparative period

## Working capital

Inventories, trade receivable and other current receivables less trade payable and other liabilities.

## Operating margin (EBIT margin), %

Operating profit/loss in relation to net sales

## Net debt/equity ratio, factor

Interest-bearing liabilities divided by shareholders' equity

## Equity/assets ratio, %

Shareholders equity as a percentage of total assets

# Shareholder information

## ANNUAL GENERAL MEETING, May 19, 2022

The annual general meeting will be carried out through advance voting (postal voting) pursuant to temporary legislation and Tobii Dynavox welcomes all shareholders to exercise their voting rights at this annual general meeting through advance voting according to the procedure set out below.

Information on the resolutions passed at the annual general meeting will be published on 19 May 2022, as soon as the result of the voting has been finally confirmed. Tobii Dynavox will arrange a question time on 19 May 2022 concerning the business year 2021, which will be possible to attend in person or follow through a webcast. For further information regarding the question time, which formally is separated from the annual general meeting, please refer to the company's website, <https://investors.tobiidynavox.com/>.

The notice have been published in a press release and on the Company's website. Notice was also published in the Official Swedish Gazette (Post- and Inrikes Tidningar), and at the time of the notice convening the meeting, information regarding the notice was also published in Svenska Dagbladet.

### Participation

- Shareholders wishing to participate the annual general meeting must
- (i) be recorded as a shareholder in the share register maintained by Euroclear Sweden AB as of May 11, 2022; and
  - (ii) notify its intention to participate in the annual general meeting no later than May 18, 2022 by casting their advance vote in accordance with the instructions under the heading *Advance voting*

## ADVANCE VOTING

Further instructions and conditions are included in the form for advance voting. Voting in advance can be made from Wednesday, April 13, 2022, until Wednesday, May 18, 2022. Shareholder can vote in advance by one of the following ways:

1. **Voting on website:** Electronical voting through BankID verification via Euroclear Sweden AB:s website, <https://anmalan.vpc.se/euroclearproxy>.
2. **Voting by e-mail:** Voting can be made by submitting the advance voting form that is available on the company's website [www.tobiidynavox.com/sv](http://www.tobiidynavox.com/sv). The form must be sent to the following e-mail address: [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com), together with a power of attorney and/or other corresponding authorization documents.
3. **Regular post:** Voting can be carried out by submitting the advance postal form that is available on the company's website [www.tobiidynavox.com/sv](http://www.tobiidynavox.com/sv) and send it by post to Tobii Dynavox AB (publ), c/o Euroclear Sweden AB, "AGM", Box 191, 101 23 Stockholm, Sweden, together with together with a power of attorney and/or other corresponding authorization documents.

## NOMINEE-REGISTERED SHARES

To be entitled to attend the meeting, holders of nominee registered shares must instruct their nominee to have the shares registered in the holder's own name. The holder must be entered in the share register maintained by Euroclear Sweden AB as of Wednesday, May 11, 2022.

## DISTRIBUTION POLICY

The Company's Board of Directors intends to primarily reinvest the Company's profit and use them for several growth opportunities identified by the Board in the near term (both organic and non-organic). The Board of director's shall continuously evaluate the possibility of dividends, taking into account potential acquisition opportunities and other strategic initiatives. The Board of Director's has decided to propose to the Annual General Meeting that no dividend be paid for the fiscal year 2021.

## CALENDER

Interim report Q1 2022	April 27, 2022
Annual General Meeting 2022	May 19, 2022
Interim report Q2 2022	July 21, 2022
Interim report Q3 2022	October 28, 2022
Year-end Report Q4 2022	February 8, 2023

## CONTACT DETAILS

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