

# Interim Report Q2

## April–June 2023

### QUARTER APRIL – JUNE 2023

- Revenue grew 32% to SEK 381 million (288). The currency adjusted growth was 24%.
- Gross margin was 68% (64).
- Operating profit totaled SEK 29 million (16), corresponding to an operating margin of 7.6% (5.4). The operating margin was 9.2%, excluding non-recurring costs of SEK 6 million.
- Cash flow after continuous investments was SEK 30 million (-30).
- Basic and diluted earnings per share were SEK 0.16 (0.05).

### SIGNIFICANT EVENTS DURING THE QUARTER

- [On June 30, 2023, Tobii Dynavox entered into an agreement to acquire all shares in the German company Rehadapt Engineering for EUR 15 million in cash on a debt-free basis.](#) Additionally, a potential earn-out consideration of up to EUR 3.5 million 12 months after closing of the transaction will be paid depending on the continued financial development of Rehadapt. The transaction is subject to relevant regulatory approvals and other customary conditions, which are expected to be completed in the third quarter of 2023.
- [The company launched the TD I-Series, a fast, lightweight and durable eye-controlled communication aid.](#) Specially designed for people with disabilities such as ALS, cerebral palsy, and Rett syndrome, the TD I-Series is equipped with enhanced eye tracking and a wide range of pre-installed applications for simplified communication.

### PERIOD JANUARY – JUNE 2023

- Revenue grew 34% to SEK 716 million (535). The currency adjusted growth was 24%.
- Gross margin was 67% (64).
- Operating profit totaled SEK 50 million (33), corresponding to an operating margin of 7.0% (6.1). The operating margin was 7.8%, excluding non-recurring costs of SEK 6 million.
- Cash flow after continuous investments was SEK 47 million (-58).
- Basic and diluted earnings per share were SEK 0.23 (0.15).

### SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

- [Tobii Dynavox signed a partnership agreement with Team Gleason Foundation](#), the leading provider of technology solutions for people with ALS, to improve access to assistive technology for communication and enable more people to live a more meaningful life.

### FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q2 2023	Q2 2022	Δ	Δ Organic	Half year 2023	Half year 2022	Δ	Δ Organic
Revenue	381	288	32 %	20 %	716	535	34 %	18 %
Gross margin	68%	64%	6 %	-	67%	64%	5 %	-
EBITDA	65	44	47 %	-	121	87	39 %	-
Operating profit/loss (EBIT)	29	16	86 %	54 %	50	33	53 %	2 %
EBIT margin	7.6%	5.4%	40 %	-	7.0%	6.1%	14 %	-
Net profit/loss for the period	17	6	198 %	-	24	16	55 %	-
Earnings per share, (SEK)	0.16	0.05	198 %	-	0.23	0.15	55 %	-
Earnings per share after dilution (SEK)	0.16	0.05	196 %	-	0.23	0.15	55 %	-
Cash flow after continuous investments	30	-30	-	-	47	-58	-	-

# Comments from the CEO

Our underlying growth continues with undiminished momentum despite facing a tougher comparison quarter from last year's Q2. We see strong momentum in the business across the board, including outside the US. At the same time, profitability continues to strengthen, driven by volume effects, gradually higher reimbursement levels in the insurance systems, and the fact that the pandemic no longer negatively impacts gross margin. We see a clear trend where growth is fastest in markets where we sell directly, boding well for the future. The acquisition of our German supplier Rehadapt has full potential to add profitable growth from day one. We remain optimistic about both growth and profitability going forward and are therefore investing in competencies, systems and tools to further increase scalability.

Sales growth, denominated in local currency, was well above our long-term target at 24 percent. Growth was robust across all product and user groups. US Medicare's increase in the reimbursement level for our products by more than 9 percent will gradually affect revenues in 2023. Our income statement now reflects almost half of these price adjustments. As before, we expect to see the full impact by the end of the second half of the year.

Gross margin increased by 4 percentage points to 68 percent. The main reasons were the normalization of component and freight costs, as well as progressively higher sales prices.

Clearly, the distinct break in the trend toward increased sales growth that we saw just over a year ago was not temporary in nature. Our own large-scale investments to educate prescribers and improve our products, along with constantly improving reimbursement systems in many countries, are producing clear results.

Our direct markets, including the recently added Irish and Danish markets, show the strongest growth. The main reason is that we have a much greater ability to effectively educate and support prescribers while gaining a deeper understanding of local requirements, processes and reimbursement systems. Educating the market about the potential of our products is key and critical for us to deliver on our major growth and profitability opportunities.

Our customer offering is highly competitive, and it is gratifying that our recently launched software titles have drawn so much attention. We can see rapid growth in their use. TD Browse, a browser specifically designed for users who control their device with eye movements, has also been nominated for several prominent awards. We continue to invest in development to gradually strengthen our product offering. New hardware, TD I-13 and TD I-16, was launched during the quarter, thereby upgrading our leading eye-tracking communication aids in the premium segment to the next level.

The acquisition of our long-standing German supply partner Rehadapt, which we agreed on at the end of June, naturally complements our offering while also strengthening our position in Germany. The company offers medically certified "mounts," a product that either we or our distributors combine with assistive communication devices when fixed, for example, to the user's bed or wheelchair. The acquisition allows us to create solutions that make it easier for our users to access and use their assistive technology for communication. Rehadapt will be an independent subsidiary within the Group. We expect to close the deal in the third quarter, welcoming around 50 new colleagues.

Fredrik Ruben, CEO



**Fredrik Ruben**  
CEO, Tobii Dynavox

# Comments on the Group's performance

## QUARTER APRIL - JUNE

### Revenue

Group revenue increased 32% to SEK 381 million (288). Organic sales grew by 20%. As in the first quarter of 2023, growth was robust in North America, Europe and other markets, as well as in all product and user groups. Currency movements had a positive impact of 8% on revenue and acquisitions contributed 4%.

### Performance

Consolidated gross profit amounted to SEK 258 million (184), corresponding to a gross margin of 68% (64). The increase was mainly attributable to the normalization of component and freight costs and progressively higher sales prices.

Operating profit totaled SEK 29 million (16) and the operating margin was 7.6% (5.4).

The operating margin was 9.2%, excluding non-recurring costs.

Operating expenses were affected by non-recurring costs of approximately SEK 6 million, mainly related to the acquisition of Rehadapt Engineering. Excluding these costs, operating expenses increased organically by around 16 percent. The increase in operating expenses was affected by factors such as significant staff increases in the sales and marketing organization and new agreements on salaries and benefits that entered into force on April 1. Investments in systems and tools to manage a growing business also contributed to the cost increase. In the comparative period, costs were lower than normal due to the effects of the pandemic on the level of activity relating to travel, events, conferences, etc.

Research and development expenses had a negative impact on operating profit of SEK 5 million for the quarter compared with the corresponding quarter last year, mainly related to normalization of development costs as well as even higher depreciation costs because of new product launches. Investments relate to the development of proprietary products, the majority of which involve software and voice technology.

Financial items amounted to SEK -12 million (-7) and mainly consisted of interest on external loans. Profit before tax was SEK 17 million (9).

Tax for the quarter amounted to SEK -0 (-3) million, of which SEK 5 (0) million related to deferred tax.

Profit for the period was SEK 17 million (6). Basic and diluted earnings per share were SEK 0.16 (0.05).

### Currency effects

Higher exchange rates, primarily USD/SEK, had a positive impact on revenue of SEK 23 million and on operating profit of SEK 0 million compared with the corresponding quarter last year.

### Cash flow, liquidity and financial position

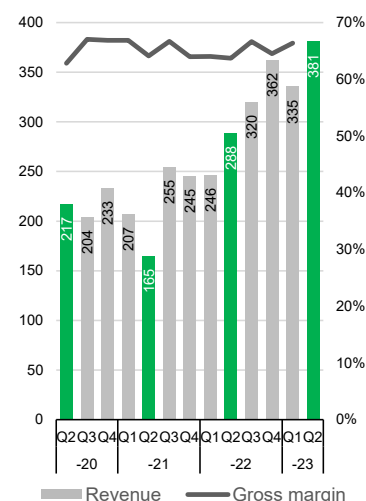
Cash flow from operating activities before changes in working capital amounted to SEK 55 million (39). Change in working capital amounted to SEK 6 million (-39).

Cash flow from investing activities amounted to SEK -31 million (-106), of which SEK -21 million (-22) was capitalization of R&D costs. Cash flow for the period was SEK 13 million (-56). During the quarter, an amortization of the credit facility of SEK 13 million was made.

At the end of the quarter, the Group had cash and cash equivalents of SEK 116 million (116). Consolidated net debt totaled SEK 476 million (553), including SEK 53 million (67) in IFRS 16 finance leases.

To finance the future acquisition of Rehadapt engineering, Tobii Dynavox has expanded its total credit facility with additional loans from Swedbank of SEK 100 million during the quarter to SEK 800 million.

REVENUE, SEK M,  
AND GROSS MARGIN, %



## KEY PERFORMANCE MEASURES

SEK m	Note	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Revenue	8	381	288	716	535	1,216
Revenue change:		32 %	75 %	34 %	44 %	40 %
- of which organic		20 %	48 %	18 %	26 %	16 %
- of which currency		8 %	21 %	10 %	15 %	18 %
- of which acquisitions		4 %	6 %	7 %	3 %	6 %
Gross margin		68 %	64 %	67 %	64 %	65 %
Operating profit/loss (EBIT)		29	16	50	33	82
EBIT change		86 %	-	53 %	585 %	37 %
EBIT margin		7.6 %	5.4 %	7.0 %	6.1 %	6.8 %

## REVENUE BY GEOGRAPHIC MARKET

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Europe	63	41	127	83	207
North America	301	230	559	415	942
Other countries	17	17	30	37	67
<b>Total revenue</b>	<b>381</b>	<b>288</b>	<b>716</b>	<b>535</b>	<b>1216</b>

## RESEARCH AND DEVELOPMENT

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Total R&D expenditures	-34	-34	-67	-61	-136
Capitalization	20	20	38	39	79
Amortization	-22	-18	-45	-36	-81
<b>R&amp;D expenses in the income statement</b>	<b>-37</b>	<b>-32</b>	<b>-74</b>	<b>-58</b>	<b>-138</b>

## PERIOD JANUARY - JUNE

## Revenue

Group revenue increased 34% to SEK 716 million (535). Organic sales grew by 18%. There was good growth in North America, Europe and other markets, as well as in all product and user groups. Currency movements had a positive impact of 10% on revenue and acquisitions contributed 7%.

## Performance

Consolidated gross profit amounted to SEK 480 million (341), corresponding to a gross margin of 67% (64). The increase was mainly attributable to the normalization of component and freight costs, some economies of scale, and progressively higher sales prices.

Operating profit totaled SEK 50 million (33) and the operating margin was 7.0% (6.1). The operating margin was 7.8%, excluding non-recurring costs.

Operating expenses were affected by non-recurring costs of approximately SEK 6 million, mainly related to the acquisition of Rehadapt Engineering. Excluding these costs, operating expenses increased organically by around 16 percent. The increase in operating expenses was affected by factors such as significant staff increases in the sales and marketing organization and

new agreements on salaries and benefits that entered into force on April 1. Investments in systems and tools to manage a growing business also contributed to the cost increase. In the comparative period, costs were lower than normal due to the effects of the pandemic on the level of activity relating to travel, events, conferences, etc.

Research and development expenses had a negative impact on operating profit of SEK 16 million for the period compared with the corresponding period last year, mainly related to normalization of development costs as well as even higher depreciation costs because of new product launches. Investments relate to the development of proprietary products, the majority of which involve software and voice technology.

Financial items amounted to SEK -21 million (-13) and mainly consisted of interest on external loans. Profit before tax was SEK 30 million (20).

Tax for the year amounted to SEK -5 (-5) million, of which SEK 5 (1) million related to deferred tax. Profit for the period was SEK 24 million (16). Basic and diluted earnings per share were SEK 0.23 (0.15).

### Currency effects

Higher exchange rates, primarily USD/SEK, had a positive impact on revenue of SEK 51 million and on operating profit of SEK 8 million compared with the corresponding period last year.

### Cash flow, liquidity and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 99 million (75). Change in working capital amounted to SEK 6 million (-73).

Cash flow from investing activities amounted to SEK -57 million (-135), of which SEK -41 million (-41) was capitalization of R&D costs. Cash flow for the period was SEK 6 million (-88).

At the end of the period, the Group had cash and cash equivalents of SEK 116 million (116). Consolidated net debt totaled SEK 476 million (553), including SEK 53 million (67) in IFRS 16 finance leases. Net debt in relation to the last twelve months EBITDA was 2.0.

In early October 2022, a new three-year financing agreement was signed with Swedbank. The credit facilities include the same financing framework as before, SEK 700 million, and are classified as social loans. This means that Tobii Dynavox qualifies as a company that contributes to the development of society through sustainable social initiatives.

To finance the future acquisition of Rehadapt Engineering, Tobii Dynavox has increased its total credit facility with Swedbank to SEK 800 million by signing and extending its credit facility with an additional term loan of SEK 100 million. Tobii Dynavox will use this new term loan and its revolving credit facility to pay for this acquisition.

The total utilized part of the credit facility and term loan was SEK 542 million at the end of the period.

### Organization

The number of employees converted to full-time equivalents at the period end was 616 (553).

### Acquisition

On June 30, 2023, Tobii Dynavox entered into an agreement to acquire all shares in the German company Rehadapt Engineering for EUR 15 million in cash on a debt-free basis. Additionally, a potential earn-out consideration of up to EUR 3.5 million 12 months after closing of the transaction will be paid depending on the continued financial development of Rehadapt. The transaction is subject to relevant regulatory approvals and other customary conditions, which are expected to be completed in the third quarter of 2023.

Rehadapt is a provider of medically certified mounting solutions for assistive technology, including out-of-the-box and flexible solutions to support individual communication, independent mobility kits and customized accessories. Based on over 20 years of expertise and innovative development, Rehadapt has created a well-respected brand and a valuable asset base in the field of mounting solutions. Rehadapt's products are currently sold together with Tobii Dynavox's products as well as by many other companies in assistive communication. Rehadapt has approximately 50 employees and is headquartered in Kassel, Germany with a local subsidiary and distribution center in the United States. Rehadapt's turnover in 2022 was approximately EUR 10 million with an adjusted EBIT margin of approximately 20%. The seller, Rehadapt's CEO Uli Ehlert, will remain with Rehadapt for a period of at least one year.

# Group

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Note	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Revenues	8	381	288	716	535	1,216
Cost of goods and services sold		-123	-105	-236	-193	-428
<b>Gross profit</b>		<b>258</b>	<b>184</b>	<b>480</b>	<b>341</b>	<b>788</b>
Selling expenses		-147	-108	-274	-198	-451
Research- and development expenses		-37	-32	-75	-58	-138
Administrative expenses		-49	-34	-86	-60	-130
Other operating gains and losses		5	6	5	7	13
<b>Operating profit/loss (EBIT)</b>		<b>29</b>	<b>16</b>	<b>50</b>	<b>33</b>	<b>82</b>
Net financial items		-12	-7	-21	-13	-29
<b>Profit/loss before tax (EBT)</b>		<b>17</b>	<b>9</b>	<b>30</b>	<b>20</b>	<b>54</b>
Tax		-0	-3	-5	-5	-5
<b>Net profit for the period</b>		<b>17</b>	<b>6</b>	<b>24</b>	<b>16</b>	<b>49</b>
<b>Other comprehensive income</b>						
<i>Items that may be reclassified to net profit for the period:</i>						
Translation differences		10	10	11	12	19
Other comprehensive income for the period, net after tax		10	10	11	12	19
<b>Total comprehensive income for the period</b>		<b>27</b>	<b>16</b>	<b>35</b>	<b>28</b>	<b>67</b>
Earnings per share, SEK		0.16	0.05	0.23	0.15	0.46
Earnings per share, diluted, SEK		0.16	0.05	0.23	0.15	0.46
<i>Net profit/loss for the period attributable to:</i>						
Parent Company's shareholders		17	6	24	16	49
<b>Net profit/loss for the period</b>		<b>17</b>	<b>6</b>	<b>24</b>	<b>16</b>	<b>49</b>
<i>Total comprehensive income for the period attributable to:</i>						
Parent Company's shareholders		27	16	35	28	67
<b>Total comprehensive income for the period</b>		<b>27</b>	<b>16</b>	<b>35</b>	<b>28</b>	<b>67</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK m	Jun 30 2023	Jun 30 2022	Dec 31 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible fixed assets	676	671	674
Property, plant and equipment	41	37	37
Right-of-use assets	44	59	50
Dererred tax asset	65	59	59
Financial and other non-current assets	14	11	15
<b>Total non-current assets</b>	<b>840</b>	<b>836</b>	<b>835</b>
<b>Current assets</b>			
Trade receivables	258	194	237
Inventories	92	107	88
Other current receivables	57	61	56
Cash and cash equivalents	116	116	107
<b>Total current assets</b>	<b>523</b>	<b>477</b>	<b>488</b>
<b>TOTAL ASSETS</b>	<b>1,363</b>	<b>1,313</b>	<b>1,323</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	249	169	211
<b>Total equity</b>	<b>249</b>	<b>169</b>	<b>211</b>
<b>Non-current liabilities</b>			
Borrowings, non-current	491	-	521
Lease liabilities	36	49	40
Other non-current liabilities	135	125	126
<b>Total non-current liabilities</b>	<b>661</b>	<b>174</b>	<b>687</b>
<b>Current liabilities</b>			
Borrowings, current	49	602	49
Lease liabilities	17	18	18
Other current liabilities	388	350	358
<b>Total current liabilities</b>	<b>454</b>	<b>970</b>	<b>425</b>
<b>Total liabilities</b>	<b>1,115</b>	<b>1,144</b>	<b>1,112</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,363</b>	<b>1,313</b>	<b>1,323</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	Attributable to Parent Company shareholders			
	Share capital	Reserves	Retained earnings	Total equity
<b>Opening balance, Jan 1, 2022</b>	<b>1</b>	<b>1</b>	<b>138</b>	<b>139</b>
Comprehensive income for the period		12	16	28
Share based payments			2	2
<b>Closing balance, Jun 30, 2022</b>	<b>1</b>	<b>13</b>	<b>156</b>	<b>169</b>
Comprehensive income for the period		7	33	40
Share based payments			3	3
Acquisition of own shares			-1	-1
<b>Closing balance, Dec 31, 2022</b>	<b>1</b>	<b>19</b>	<b>191</b>	<b>211</b>
<b>Opening balance, Jan 1, 2023</b>	<b>1</b>	<b>19</b>	<b>191</b>	<b>211</b>
Comprehensive income for the period		11	24	35
Share based payments			3	3
<b>Closing balance, Jun 30, 2023</b>	<b>1</b>	<b>30</b>	<b>218</b>	<b>249</b>



## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Cash flow from operating activities</b>					
Profit before tax (EBT)	17	9	30	20	54
Depreciations and amortization	36	29	71	54	124
Other non cash items	5	3	5	5	8
Taxes paid	-4	-1	-6	-4	-6
<b>Cash flow before changes in working capital</b>	<b>55</b>	<b>39</b>	<b>99</b>	<b>75</b>	<b>179</b>
Change in working capital	6	-39	6	-73	-83
<b>Cash flow from operating activities</b>	<b>61</b>	<b>1</b>	<b>105</b>	<b>2</b>	<b>96</b>
<b>Investing activities</b>					
Investments in intangible assets	-21	-22	-41	-41	-87
Investments in tangible assets	-10	-8	-17	-18	-32
Other	0	-0	0	-0	-4
<b>Continuous investments</b>	<b>-31</b>	<b>-30</b>	<b>-57</b>	<b>-59</b>	<b>-122</b>
<b>Cash flow after continuous investments</b>	<b>30</b>	<b>-30</b>	<b>47</b>	<b>-58</b>	<b>-26</b>
Aquisitions	-0	-76	-0	-76	-75
<b>Cash flow from investing activities</b>	<b>-31</b>	<b>-106</b>	<b>-57</b>	<b>-135</b>	<b>-197</b>
<b>Financing activities</b>					
Proceeds from borrowings	-13	54	-32	54	26
Repayment of lease liability	-5	-3	-9	-7	-16
Other financing activities	-0	-1	-0	-1	-7
<b>Cash flow from financing activities</b>	<b>-17</b>	<b>49</b>	<b>-41</b>	<b>45</b>	<b>2</b>
<b>Cash flow for the period</b>	<b>13</b>	<b>-56</b>	<b>6</b>	<b>-88</b>	<b>-99</b>
Cash and cash equivalents at the beginning of the period	99	167	107	197	197
Currency translation impact on cash and cash equivalents	4	5	3	6	8
<b>Cash and cash equivalents at the end of the period</b>	<b>116</b>	<b>116</b>	<b>116</b>	<b>116</b>	<b>107</b>

# Parent Company

The principal activity of the Group's Parent Company, Tobii Dynavox AB (publ), is research, development, and sales of computer software and computer-related hardware that helps individuals with various disabilities to live richer and more independent lives. The number of employees in the Parent Company is approximately 118.

Net sales for the Parent Company, Tobii Dynavox AB, for the period April 1 to June 30 2023 amounted to SEK 197 million (139) of which SEK 153 million (102) refers to sales to group companies and SEK 44 million (37) to external customers. Operating profit for the corresponding period was SEK 8 million (-18). Investments in property, plant and equipment and intangible assets totaled SEK -21 million (-21) for the quarter. At the end of the period, the Parent Company had SEK 27 million (32) in cash and cash equivalents.

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Revenues	197	139	338	287	582
Cost of goods and services sold	-96	-73	-161	-146	-289
<b>Gross profit</b>	<b>101</b>	<b>67</b>	<b>177</b>	<b>141</b>	<b>293</b>
Selling expenses	-26	-18	-44	-34	-84
Research- and development expenses	-33	-29	-67	-53	-123
Administrative expenses	-49	-41	-85	-77	-161
Other operating gains and losses	16	4	17	6	48
<b>Operating profit/loss (EBIT)</b>	<b>8</b>	<b>-18</b>	<b>-3</b>	<b>-17</b>	<b>-26</b>
Financial items	-11	11	-20	5	-9
<b>Profit/loss before tax (EBT)</b>	<b>-3</b>	<b>-7</b>	<b>-23</b>	<b>-12</b>	<b>-36</b>
Tax	-	-	-	-	7
<b>Net profit/loss for the period</b>	<b>-3</b>	<b>-7</b>	<b>-23</b>	<b>-12</b>	<b>-29</b>

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Jun 30 2023	Jun 30 2022	Dec 31 2022
<b>NON-CURRENT ASSETS</b>			
Intangible assets	361	441	397
Property, plant and equipment	7	5	7
Financial assets	279	262	281
<b>Total non-current assets</b>	<b>648</b>	<b>707</b>	<b>685</b>
<b>CURRENT ASSETS</b>			
Inventories	21	38	28
Trade receivables	17	19	18
Receivables from Group companies	84	44	82
Other current assets	19	14	10
Cash and cash equivalents	27	32	23
<b>Total current assets</b>	<b>168</b>	<b>147</b>	<b>161</b>
<b>TOTAL ASSETS</b>	<b>815</b>	<b>854</b>	<b>846</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	104	139	124
Untaxed reserves	1	0	1
<b>NON-CURRENT LIABILITIES</b>			
Borrowings, non-current	491	-	521
Liabilities to Group companies, non- current	51	7	47
Other non-current liabilities	17	15	16
<b>Total non-current liabilities</b>	<b>558</b>	<b>23</b>	<b>584</b>
<b>CURRENT LIABILITIES</b>			
Borrowings, current	49	602	49
Trade payables	49	31	40
Liabilities to Group companies, current	3	0	4
Other current liabilities	52	58	44
<b>Total current liabilities</b>	<b>153</b>	<b>692</b>	<b>138</b>
<b>Total liabilities</b>	<b>711</b>	<b>715</b>	<b>722</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>815</b>	<b>854</b>	<b>846</b>

## KEY PERFORMANCE MEASURES FOR THE GROUP

	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Earnings per share, SEK	0.16	0.05	0.23	0.15	0.46
Earnings per share, diluted, SEK	0.16	0.05	0.23	0.15	0.46
Equity per share, SEK	2.4	1.6	2.4	1.6	2.0
EBITDA, SEKm	65	44	121	87	206
Operating profit (EBIT), SEKm	29	16	50	33	82
EBITA, MSEK	53	34	98	69	166
Cash flow from operating activities, SEKm	61	1	105	2	96
Cash flow after continuous investments, SEKm	30	-30	47	-58	-26
Working capital, SEKm	-99	-96	-99	-96	-85
Total assets, SEKm	1,363	1,313	1,363	1,313	1,323
Net debt, SEKm	476	553	476	553	522
Net Debt/EBITDA LTM	-	-	2.0	2.9	2.5
Equity, SEKm	249	169	249	169	211
Equity/assets ratio, %	18	13	18	13	16
Debt/equity, factor	2.4	4.0	2.4	4.0	3.0
Gross margin, %	68	64	67	64	65
EBITDA margin, %	17	15	17	16	17
Operating margin, %	7.6	5.4	7.0	6.1	6.8
Average number of outstanding shares, million	104.9	104.9	104.9	104.9	104.9
Average number of outstanding shares after dilution, million	105.7	105.4	105.7	105.4	105.3
Number of outstanding shares at period end, million	104.9	104.9	104.9	104.9	104.9
Number of outstanding shares after dilution at period end, million	106.7	105.7	106.7	105.7	105.4
Average number of employees	604	518	591	489	525

Definitions, see note 11.

## QUARTERLY DATA

	2023		2022				2021				2020	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue, SEKm	381	335	362	320	288	246	245	255	165	207	233	204
Gross Margin, %	68	66	65	67	64	64	64	67	64	67	67	67
EBITDA, SEKm	65	56	61	59	44	43	38	66	1	50	56	48
EBIT, SEKm	29	21	25	25	16	17	13	42	-23	28	34	28
Operating Margin, %	7.6	6.3	6.8	7.8	5.4	7.0	5.4	16.5	-14.1	13.5	14.7	13.6
Profit/Loss before tax, SEKm	17	12	15	18	9	11	9	37	-29	23	29	20
Profit/Loss for the period, SEKm	17	7	17	16	6	10	5	21	-13	16	68	18

# Notes

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## Note 1. Accounting policies

Tobii Dynavox applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting.

Tobii Dynavox's interim report contains condensed financial statements. For the Group, this mainly means that the note disclosures are limited compared with the financial statements presented in the annual report. The financial statements of the Parent Company are generally presented in condensed format, with limited disclosures compared with the annual accounts. The interim reports for Tobii Dynavox AB have been prepared in accordance with the Swedish Annual Accounts Act and standard RFR 2, Accounting for legal entities.

The accounting policies applied are in effect in all periods and are consistent with the accounting policies applied in Tobii Dynavox Annual and sustainability report 2022.

### **Share-based payment to employees**

The amount of allocated stock units as per June 30, 2023, is 1 675 430.

The dilutive effect is expected to be a maximum of 1.8 percent.

The number of stock units allocated under the 2020 plan amounts to 249 852 share rights as of June 30, 2023. The number of stock units allocated under the 2021 plan amounts to 326 081 share rights as of June 30, 2023.

The 2022 plan has resulted in an allocation as of June 30 of 425 497 stock units.

The 2023 Annual General Meeting resolved to adopt a new long-term incentive program, LTI 2023. The number of stock units granted under the 2023 program amounts to 674,000 as of June 30, 2023.

The number of stock units that are not yet allocated is 359 503.

In addition to the above allocated stock units, approximately 270,000 additional common shares may be issued to cover the company's social security costs.

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## Note 2. Risks and uncertainty factors

Tobii Dynavox business risks include the economic climate, the competitive situation, currency risks, credit risks in relation to customers, financing risks, the risk of impairment write-downs of capitalized R&D and other intangible assets, and regulatory risks (Tobii Dynavox in the U.S. is under the supervisory control of the U.S. Food and Drug Administration (FDA)). More information on risks and risk management can be found in the Tobii Dynavox Annual and Sustainability Report for 2022.

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## Note 3. 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 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 by geographic market is broken down into the following markets: North America, Europe and other countries.

## Note 4. Transactions with related parties

Significant related party transactions are disclosed in the Group's Note 28 in the Tobii Dynavox Annual and Sustainability Report for 2022. There have been no material changes in related party relationships or transactions compared with those described in the 2022 Annual and Sustainability Report.

## Note 5. Sustainability information

More information on the Group's sustainability efforts can be found in the Tobii Dynavox Annual and Sustainability Report 2022.

## Note 6. Pledged assets and contingent liabilities

Tobii Dynavox has a chattel mortgage of SEK 50 million to Swedbank. The Group has no contingent liabilities.

## Note 7. Share data

As of June 30, 2023, Tobii Dynavox held 104,851,201 common shares, each carrying one vote.

## Note 8. Breakdown of revenue

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
REVENUE BY PRODUCT TYPE					
Goods	352	261	658	482	1 103
Services	27	25	54	49	107
Royalty	2	2	4	3	6
<b>Total revenues</b>	<b>381</b>	<b>288</b>	<b>716</b>	<b>535</b>	<b>1 216</b>
REVENUE BY DATE OF REVENUE RECOGNITION					
Point in time	321	245	591	448	1 022
Over time	60	43	125	86	194
<b>Total revenues</b>	<b>381</b>	<b>288</b>	<b>716</b>	<b>535</b>	<b>1 216</b>

<sup>1</sup> The assessment of what revenue is over time has changed from previously reported data

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## Note 9.Acquisition

On June 30, 2023, Tobii Dynavox entered into an agreement to acquire all shares in the German company Rehadapt Engineering for EUR 15 million in cash on a debt-free basis. Additionally, a potential earn-out consideration of up to EUR 3.5 million 12 months after closing of the transaction will be paid depending on the continued financial development of Rehadapt. The transaction is subject to relevant regulatory approvals and other customary conditions, which are expected to be completed in the third quarter of 2023.

Rehadapt is a provider of medically certified mounting solutions for assistive technology, including out-of-the-box and flexible solutions to support individual communication, independent mobility kits and customized accessories. Based on over 20 years of expertise and innovative development, Rehadapt has created a well-respected brand and a valuable asset base in the field of mounting solutions. Rehadapt's products are currently sold together with Tobii Dynavox's products as well as by many other companies in assistive communication. Rehadapt has approximately 50 employees and is headquartered in Kassel, Germany with a local subsidiary and distribution center in the United States. Rehadapt's turnover in 2022 was approximately EUR 10 million with an adjusted EBIT margin of approximately 20%. The seller, Rehadapt's CEO Uli Ehlert, will remain with Rehadapt for a period of at least one year.

In 2022, Tobii Dynavox acquired the Irish company Obear Technologies Limited, operating under the company name Safe Care Technologies, and the Belgian company Acapela Group, a global provider of voice synthesis and digital voices. In the same year, Tobii Dynavox also signed an agreement to acquire all business operations and assets from its reseller partner ASK in Denmark.

As a result of these acquisitions, Tobii Dynavox expects to both strengthen its product offering and come closer to users in the countries where these acquisitions are active, with the hope of giving more people a voice. Tobii Dynavox also expects to reduce costs through synergies.

The following tables summarize the purchase consideration paid and the preliminary fair value of assets acquired, and liabilities assumed for the acquisitions made in 2022.

**EFFECTS OF ACQUISITIONS**

SEK m	Acapela Group <sup>1</sup>	Obear Technologies Ltd <sup>1</sup>	Assets and Liabilities Agreement ASK <sup>2</sup>
<b>Breakdown of Purchase considerations</b>			
Cash consideration	101	6	8
Contingent consideration	-	0	-
Total consideration	101	6	8
<b>Change in acquired assets and liabilities</b>			
Voice technology	15	-	-
Brands	-	-	-
Customer relations/contracts	18	1	2
Other fixed assets	9	2	0
Net other assets and liabilities	-25	-1	0
Cash and cash equivalents	31	0	-
Deferred tax liability	8	0	-
<b>Net identifiable assets and liabilities</b>	<b>55</b>	<b>3</b>	<b>2</b>
<b>Goodwill</b>	<b>46</b>	<b>3</b>	<b>5</b>
<b>Impact on cash and cash equivalents</b>			
Cash consideration	-101	-6	-8
Cash and cash equivalents of acquired companies	31	0	-
Acquisition costs	-3	-1	0
<b>Total impact on cash and cash equivalents</b>	<b>-74</b>	<b>-7</b>	<b>-8</b>

<sup>1</sup> The acquisition analysis is finalized

<sup>2</sup> The acquisition analysis is preliminary and will be finalized in the third quarter 2023



## Note 10. Financial instrument

SEK m	Jun 30 2023		Jun 30 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	0.1	0.1	0.3	0.3

The Group categorizes financial assets and financial liabilities measured at fair value in-to a fair value hierarchy based on the information used to value each asset or liability. For financial instruments in level 3, information that is material to the fair value of the asset or liability is not observable and the Group's own assessments are applied.

Liabilities relating to contingent consideration relate in their entirety to the acquisition of Obear Technologies Limited and is classified under level 3.

## Note 11. Alternative performance measures

The company presents certain financial measures in the interim report that are not defined under IFRS (so-called alternative performance measures according to ESMA guidelines). Management believes that this information helps investors to analyze the Group's performance and financial position. Investors should consider these disclosures as a complement rather than a substitute for financial reporting under IFRS.

### RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

The tables below show how the alternative performance measures that are not directly reconcilable to the financial statements are calculated.

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Gross margin</b>					
Gross profit	258	184	480	341	788
Revenues	381	288	716	535	1,216
<b>Gross margin, %</b>	<b>68%</b>	<b>64%</b>	<b>67%</b>	<b>64%</b>	<b>65%</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>EBITDA and EBITDA-margin</b>					
Operating profit	29	16	50	33	82
Amortization and impairment on intangible assets	24	19	48	36	84
Depreciation, amortization and impairment on tangible assets	12	10	23	18	40
<b>EBITDA</b>	<b>65</b>	<b>44</b>	<b>121</b>	<b>87</b>	<b>206</b>
Revenue	381	288	716	535	1,216
<b>EBITDA-marginal, (%)</b>	<b>17%</b>	<b>15%</b>	<b>17%</b>	<b>16%</b>	<b>17%</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>EBITA</b>					
Operating profit	29	16	50	33	82
Amortization R&D	22	18	45	35	80
Amortization purchased immaterial assets	2	1	3	1	4
<b>EBITA</b>	<b>53</b>	<b>34</b>	<b>98</b>	<b>69</b>	<b>166</b>
Revenue	381	288	716	535	1,216
<b>EBITA-margin, %</b>	<b>14%</b>	<b>12%</b>	<b>14%</b>	<b>13%</b>	<b>14%</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Equity/share</b>					
Equity	249	169	249	169	211
Average number of outstanding shares, million	105	105	105	105	105
<b>Equity/share</b>	<b>2.4</b>	<b>1.6</b>	<b>2.4</b>	<b>1.6</b>	<b>2.0</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Net debt</b>					
Cash and cash equivalents	116	116	116	116	107
Interest-bearing liabilities	592	669	592	669	628
<b>Net debt</b>	<b>476</b>	<b>553</b>	<b>476</b>	<b>553</b>	<b>522</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Net debt/EBITDA ratio</b>					
Net debt	-	-	476	553	522
EBITDA last twelve months	-	-	240	191	206
<b>Net debt/EBITDA LTM</b>	<b>-</b>	<b>-</b>	<b>2.0</b>	<b>2.9</b>	<b>2.5</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Organic growth</b>					
Revenue current year	381	288	716	535	1,216
Currency effect	-23	-34	-51	-56	-156
Acquisition effect	-13	-10	-36	-10	-49
Currency-adjusted income corresponding period last year excluding acquisitions	345	244	629	469	1,011
Revenue corresponding period previous year	288	165	535	372	872
Organic growth	57	79	95	97	140
<b>Organic growth, %</b>	<b>20%</b>	<b>48%</b>	<b>18%</b>	<b>26%</b>	<b>16%</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Working capital</b>					
Inventories	92	107	92	107	88
Trade receivables	258	194	258	194	237
Other receivables	57	61	57	61	56
Trade payables	-99	-83	-99	-83	-78
Other liabilities	-407	-375	-407	-375	-388
<b>Working capital</b>	<b>-99</b>	<b>-96</b>	<b>-99</b>	<b>-96</b>	<b>-85</b>
<b>SEK m</b>	<b>Q2 2023</b>	<b>Q2 2022</b>	<b>Half year 2023</b>	<b>Half year 2022</b>	<b>Full year 2022</b>
<b>Operating margin (EBIT-margin)</b>					
Operating profit	29	16	50	33	82
Revenue	381	288	716	535	1,216
<b>Operating margin, %</b>	<b>7.6%</b>	<b>5.4%</b>	<b>7.0%</b>	<b>6.1%</b>	<b>6.8%</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Net debt/equity ratio</b>					
Interest-bearing liabilities	592	669	592	669	628
Equity	249	169	249	169	211
<b>Net debt/equity ratio, factor</b>	<b>2.4</b>	<b>4.0</b>	<b>2.4</b>	<b>4.0</b>	<b>3.0</b>

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Equity/assets ratio</b>					
Equity	249	169	249	169	211
Total assets	1,363	1,313	1,363	1,313	1,323
<b>Equity/assets ratio, %</b>	<b>18%</b>	<b>13%</b>	<b>18%</b>	<b>13%</b>	<b>16%</b>

Key Performance measures	Definition	Justification for use of metrics
<b>Number of employees</b>	Average number of full-time employees during the period, including part-time employees converted to FTEs	Number of employees is a measure of the number of employees in the Company needed to generate profit for the period.
<b>Gross margin, %</b>	Gross profit relative to the operations' net sales	Gross margin is used to measure production profitability.
<b>EBITA</b>	Operating profit/loss before amortization and impairment of intangible assets	EBITA is used to measure earnings from operating activities excluding amortization and impairment of intangible assets.
<b>EBITDA</b>	Operating profit/loss before depreciation, amortization and impairment	EBITDA is used to measure earnings from operating activities excluding depreciation, amortization and impairment.
<b>EBITDA margin, %</b>	Operating profit/loss before depreciation/amortization in relation to net sales	The EBITDA margin is used to illustrate EBITDA in relation to sales.
<b>Equity per share</b>	Equity divided by average number of shares outstanding	A measure of the proportion of the company's recognized equity that each share represents.
<b>Cash flow after current investments</b>	Cash flow from operating and investing activities	Cash flow after current investments is used as a measure of the cash flow generated by operating activities and investments.
<b>Net debt</b>	Interest-bearing liabilities less cash and cash equivalents	Net debt represents the Company's capacity to pay off all debts should they fall due for payment as of the balance sheet date using the Company's available cash and cash equivalents on the balance sheet date.
<b>Net debt/EBITDA</b>	Net debt at the end of the period in relation to rolling 12-month EBITDA	A measure of financial risk showing net debt to cash generation.
<b>Organic growth, %</b>	Change in total revenue for the period adjusted for acquisitions, disposals and currency, compared with total revenue for the comparative period	Organic growth is used to analyze the underlying change in sales driven by comparable units between different periods.
<b>Working capital</b>	Inventories, trade receivables and other Inventories, accounts receivable and other current receivables less accounts payable and other liabilities	Working capital is used to measure the Company's ability to meet short-term capital requirements.
<b>Operating margin (EBIT margin), %</b>	Operating profit/loss in relation to net sales	The operating margin is used to illustrate EBIT in relation to sales and is a measure of the Company's profitability.
<b>Net debt/equity, factor</b>	Interest-bearing liabilities divided by shareholders' equity	Net debt-equity ratio measures the extent to which the Company is financed by loans.
<b>Equity/assets ratio, %</b>	Shareholders' equity as a percentage of total assets	The equity/assets ratio shows the percentage of total assets financed by the shareholders through equity.

Stockholm, July 20, 2023

**Åsa Hedin**  
Chairman of the Board

**Charlotta Falvin**  
Board Member

**Caroline Ingre**  
Board Member

**Carl Bandhold**  
Board Member

**Henrik Eskilsson**  
Board Member

**Maarten Barmiento**  
Board Member

**Fredrik Ruben**  
CEO

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

This is a translation of the original Swedish interim report. In the event of a discrepancy between this translation and the Swedish original, the Swedish interim report takes precedence.

This information is inside information that Tobii Dynavox AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out below, on July 20, 2023, at 07:30 CET.

## Information to shareholders

### WEBBPresentation

A web presentation will be held in English today at 09.00 (CET). See [investors.tobiidynavox.com](https://investors.tobiidynavox.com) for more information about the conference. The images from the presentation can then be downloaded from the website.

### CONTACT DETAILS

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### FINANCIAL CALENDER

Interim Report Q3 2023	October 27, 2023
Year-end Report Q4 2023	February 9, 2024