



# Interim Report

## Q1 2022

### January–March 2022

## ALL-TIME HIGH Q1 REVENUE

### THE QUARTER JANUARY-MARCH

- Revenue increased to SEK 171 million (144), corresponding to organic growth of 7 %
- Gross margin was 71 % (72 %)
- Operating result (EBIT) was SEK -45 million (-37)
- The net result for the period amounted to SEK -42 million (-3)
- Earnings per share amounted to SEK -0.41 (-0.03)
- Free cash flow amounted to SEK -48 million (-11)

### SIGNIFICANT EVENTS DURING THE PERIOD

- Tobii announced it is in negotiation to be the eye tracking technology provider for the Sony PlayStation VR2
- Tobii announced the launch of Tobii Horizon software on the new Lenovo Legion 5 Pro Series gaming laptops, and the launch of Tobii Aware software in the new MSI Summit and Prestige Series laptops
- Tobii received three design wins in the quarter. One for integration of Tobii Aware in a PC, one for an XR medical application, and one for a screen-based medical application.

### SIGNIFICANT EVENTS AFTER THE PERIOD END

- The Nomination Committee in Tobii proposed Per Norman as the new Chairman of the Board and Mats Backman as a new board member

## FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q1 2022	Q1 2021	Change	Organic change	Full year 2021
<b>REVENUE</b>					
Products and Solutions	139	111	25 %	12 %	459
Integrations	32	33	-2 %	-12 %	157
<b>Total</b>	<b>171</b>	<b>144</b>	<b>19 %</b>	<b>7 %</b>	<b>616</b>
<b>Operating profit/loss from continuing operations (EBIT)</b>	<b>-45</b>	<b>-37</b>	-	-	<b>-186</b>
Profit/loss from discontinued operations	-1	31	-	-	3,330
<b>Net profit/loss for the period</b>	<b>-42</b>	<b>-3</b>	-	-	<b>3,147</b>
Earnings per share (SEK)	-0.41	-0.03			31.36
- whereof continuing operations	-0.39	-0.33			-1.83
Free cash flow	-48	-11			-152

# Comments from the CEO

Our business continued a strong recovery path, achieving an all-time high Q1 revenue. Products & Solutions delivered solid growth, and the customer engagement levels within XR and Automotive verticals accelerated significantly. A challenging and volatile business environment remains a reality, but we are off to a promising start and look forward to showing tangible success throughout 2022.

## Geopolitical and macro issues continue to create some headwinds

The covid pandemic continues to create new challenges, and despite a return to normalcy in many parts of the world, we were impacted by restrictions in markets like China. The war in Ukraine is another unexpected upheaval for the world. For Tobii and Tobiians, war is the antithesis of our ideas and beliefs, and we condemn the violence against the people of Ukraine. While the war and sanctions do not substantially impact Tobii's revenue, it is a situation affecting us deeply because we have colleagues in and from Ukraine. We are providing our full support to these colleagues.

## Continuing on a path of strong recovery

Given the intermittent disruption of our business due to the pandemic, I am satisfied with continued healthy growth in this quarter. Products & Solutions drove our business growth, and grew 12 percent organically. Our Integrations business continues to be lumpy and had an organic revenue decline of -12 percent due to a lower level of project revenues in the quarter combined with a decline of some hardware-heavy deliveries compared to 2021. However, the gross profit in Integrations showed continued growth, and our underlying pipeline continues to develop strongly. As the world has started to open up again, we have seen an increase in operational expenditures mainly caused by more travel and customer meetings, which is important for the long-term development of our business.

## Positive trends in key investment verticals

Highlights in the quarter were positive developments in key engagements in both XR and Automotive. Our announcement that we are in negotiations with Sony to supply eye tracking to PSVR 2 demonstrates the progress we have made. Leading players in the industry continue to invest heavily in the metaverse, VR and AR, and the positive trends we highlighted in Q4 2021 accelerated further during Q1 2022.

## Substantial progress in our automotive Driver Monitoring Systems offering

Q1 2022 was a key quarter for our driver monitoring system (DMS) initiatives. During the quarter, we demonstrated the performance and robustness of our technology to customers. We received strong positive feedback from key OEMs and tier-1 suppliers in the automotive industry, indicating that our solution is highly competitive. We are already participating in multiple RFQs, and I expect that number to grow over the year. The progress we have made is significant, and we are on track to intercept OEM design wins for start of production in 2025.

## Looking ahead

I am happy to announce we are pairing our ambitious long-term financial targets with an ambitious set of long-term sustainability targets. We aim to reach net-zero emission on scope one and two by 2025 and scope three by 2030. I am proud to commit to this goal as it is completely in line with our ambition to be a force for good in the world.

The uncertainty caused by Covid-19 remains present, and renewed supply chain risks continue to flare up for Tobii and our customers. Despite external disruptions, we are confident in our ability to execute over the course of the year. We expect to take large steps in 2022 towards our target of breaking through to profitability during 2023 and to reach SEK 1.5bn revenue in 2025.



**Anand Srivatsa**  
CEO, Tobii

Anand Srivatsa  
CEO

# Financial performance

## KEY RATIOS

SEK m	Q1 2022	Q1 2021	Full year 2021
Revenue	171	144	616
Revenue change:	19%		
- of which organic	7%		
- of which currency	12%		
Gross profit	122	104	444
Gross margin	71%	72%	72%
EBITDA	-5	2	-27
EBITDA margin	-3%	2%	-4%
Operating profit/loss (EBIT)	-45	-37	-186
EBIT margin	-27 %	-26 %	-30 %

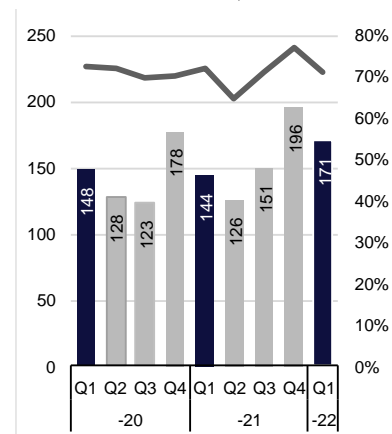
## PRODUCTS & SOLUTIONS

SEK m	Q1 2022	Q1 2021	Full year 2021
Revenue	139	111	459
Revenue change:	25%		
- of which organic	12%		
- of which currency	13%		
Gross profit	97	82	332
Gross margin	70%	74%	72%

## INTEGRATIONS

SEK m	Q1 2022	Q1 2021	Full year 2021
Revenue	32	33	157
Revenue change:	-2%		
- of which organic	-12%		
- of which currency	10%		
Gross profit	25	22	112
Gross margin	76%	68%	71%

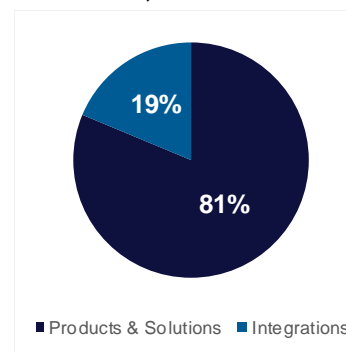
## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q1, 2022

SEK m	2022	2021
Total R&D expenditures	-71	-67
Capitalization	42	29
Amortization	-33	-31
R&D expenses in the income statement	-61	-69

## PERCENTAGE OF REVENUE PER SEGMENT Q1, 2022



**JANUARY-MARCH****REVENUE**

Revenue increased to SEK 171 million (144), corresponding to organic growth of 7 %.

Products & Solutions increased revenue to SEK 139 million (111), corresponding to organic growth of 12 %. The growth was driven by continued healthy demand for both our scientific research solutions and a strong recovery of our enterprise solutions. However, revenue was held back by a challenging development in China due to renewed pandemic-related restrictions.

Integrations revenue was SEK 32 million (33), corresponding to an organic decline of 12 %. The revenue decline is a result of low levels of non-recurring engineering revenues related to project milestones and a decline in hardware-heavy deliveries compared to 2021. However, Integrations' underlying activity and project pipeline continued on a high level and to trend positively.

**RESULTS**

The gross margin was 71 % (72 %).

Products & Solution's gross margin was 70 % (74 %). The gross margin decline is explained by increased freight and component costs.

Integrations gross margin was 76 % (68 %). The improvement in gross margin is related to product mix fluctuations from hardware to software.

Operational expenses increased mainly because of the normalization and recovery of sales and marketing activities and increased G&A costs following the spin-off of Tobii Dynavox.

The operating result was SEK -45 million (-37) and the operating margin was -27 % (-26 %).

Net financial items amounted to SEK 3 million (4) and included SEK 4 million (12) in currency translation effects on balance sheet items, SEK -1 million (-8) of interest expenses related to bond loans and finance leases under IFRS 16.

Pretax profit was SEK -42 million (-33). Profit from discontinued operations was SEK -1 million (31). The net profit for the period was SEK -42 million (-3) and diluted earnings per share reached SEK -0.41 (-0.03).

**CASH FLOW AND FINANCIAL POSITION**

Cash flow from operating activities before changes in working capital amounted to SEK -5 million (-5). Change in working capital amounted to SEK 1 million (26).

Investments in intangible, tangible, and financial fixed assets amounted to SEK 42 million (31), including SEK 42 million (29) in capitalization of R&D costs. Free cash flow was SEK -48 million (-11).

Financing activities contributed SEK 14 million (27), mainly related to exercise of warrants.

At the close of the period, Tobii had SEK 402 million (422) in cash. Consolidated net cash totaled SEK 315 million (-187), including SEK 71 million (145) in IFRS 16 finance leases.

**ORGANIZATION**

The number of FTEs, excluding consultants, on average during the period was 501 (491).

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q1 2022	Q1 2021	Full year 2021
<b>Continuing operations</b>			
Revenue	171	144	616
Cost of goods and services sold	-49	-40	-172
<b>Gross profit</b>	<b>122</b>	<b>104</b>	<b>444</b>
Selling expenses	-77	-54	-253
Research and development expenses	-61	-69	-271
Administrative expenses	-35	-22	-124
Other operating income and operating expenses	6	4	17
<b>Operating profit/loss (EBIT)</b>	<b>-45</b>	<b>-37</b>	<b>-186</b>
Net financial items	3	4	6
<b>Profit/loss before tax</b>	<b>-42</b>	<b>-33</b>	<b>-181</b>
Tax	1	-0	-3
<b>Net profit/loss for the period from continuing operations</b>	<b>-41</b>	<b>-33</b>	<b>-184</b>
<b>Discontinued operations</b>			
Net profit/loss for the period from discontinued operations	-1	31	3,330
<b>Net profit/loss for the period</b>	<b>-42</b>	<b>-3</b>	<b>3,147</b>
<b>Other comprehensive income</b>			
Items that may subsequently be reclassified to profit or loss for the period:			
Translation differences	-3	-5	-24
Other comprehensive income for the period, net after tax	-3	-5	-24
<b>Total comprehensive income for the period</b>	<b>-45</b>	<b>-8</b>	<b>3,123</b>
Earnings per share, SEK	-0.41	-0.03	31.36
- whereof continuing operations	-0.39	-0.33	-1.83
Earnings per share, diluted, SEK	-0.41	-0.03	29.87
- whereof continuing operations	-0.39	-0.33	-1.83
Net profit/loss for the period attributable to:			
Parent company shareholders	-43	-3	3,146
Non-controlling interests	1	1	0
Total comprehensive income for the period attributable to:			
Parent company shareholders	-46	-8	3,123
Non-controlling interests	1	1	0

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	Mar 31 2022	Mar 31 2021	Dec 31 2021
<b>NON-CURRENT ASSETS</b>			
Intangible assets	377	616	366
Tangible fixed assets	12	42	13
Right-of-use assets	61	145	66
Financial and other non-current assets	82	125	83
<b>Total non-current assets</b>	<b>532</b>	<b>929</b>	<b>528</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	109	174	132
Inventories	55	81	55
Other current receivables	60	117	70
Cash and cash equivalents	402	422	438
<b>Total current assets</b>	<b>626</b>	<b>794</b>	<b>696</b>
<b>Total assets</b>	<b>1,157</b>	<b>1,723</b>	<b>1,224</b>
<b>SHAREHOLDERS' EQUITY</b>			
Shareholders' equity, Parent Company shareholders	816	565	840
Non-controlling interests	2	2	2
<b>Total shareholders' equity</b>	<b>818</b>	<b>567</b>	<b>842</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing loans	16	16	17
Leasing liabilities	44	111	49
Other non-current liabilities	23	115	22
<b>Total non-current liabilities</b>	<b>83</b>	<b>243</b>	<b>88</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing loans	-	448	-
Leasing liabilities	28	34	28
Other current liabilities	229	432	266
<b>Total current liabilities</b>	<b>256</b>	<b>914</b>	<b>294</b>
<b>Total liabilities</b>	<b>339</b>	<b>1,156</b>	<b>382</b>
<b>Total equity and liabilities</b>	<b>1,157</b>	<b>1,723</b>	<b>1,224</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	Attributable to Parent Company shareholders						Non-controlling interests	Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings	Total			
<b>Opening balance, Jan 1, 2021</b>	1	1,639	3	-1,088	555	1	556	
Comprehensive income for the period			-5	-3	-8	1	-8	
New share issue, exercise of warrants incentive programs	0	18			18		18	
Share based payments settled using equity instruments				0	0		0	
<b>Closing balance, Mar 31, 2021</b>	1	1,657	-2	-1,091	565	2	567	
<b>Opening balance, Jan 1, 2022</b>	1	1,976	-21	-1,116	840	2	841	
Comprehensive income for the period			-3	-43	-46	1	-45	
New share issue, exercise of warrants incentive programs	0	20			20		20	
Share based payments settled using equity instruments				2	2		2	
<b>Closing balance, Mar 31, 2022</b>	1	1,996	-24	-1,157	816	2	818	

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q1 2022	Q1 2021	Full year 2021
<b>Cash flow from operating activities</b>			
Profit/loss after financial items, continuing operations	-42	-33	-181
Adjustment for items not included in the cash flow	38	28	148
Taxes paid	-1	-0	-1
<b>Cash flow from operating activities before change in working capital</b>	<b>-5</b>	<b>-5</b>	<b>-34</b>
Cash flow from change in working capital	-1	26	11
<b>Cash flow from operating activities</b>	<b>-6</b>	<b>21</b>	<b>-23</b>
Investments in intangible, tangible and financial fixed assets	-42	-31	-129
<b>Free cash flow</b>	<b>-48</b>	<b>-11</b>	<b>-152</b>
Acquisitions and divestments	-	-	-172
<b>Cash flow after investments</b>	<b>-48</b>	<b>-11</b>	<b>-323</b>
Interest-bearing debt, including Bond issue	-0	0	-450
New share issue, net of issue costs	-	-	294
Exercise of warrants, incentive program	20	18	42
Instalments of leasing liability IFRS 16	-7	-6	-25
Other financing activities, net <sup>1</sup>	0	16	294
<b>Cash flow from financing activities</b>	<b>14</b>	<b>27</b>	<b>156</b>
<b>Cash flow for the period, continuing operations</b>	<b>-35</b>	<b>17</b>	<b>-167</b>
Cash flow for the period, discontinued operations	-1	-12	188
<b>Cash flow for the period, total</b>	<b>-36</b>	<b>5</b>	<b>21</b>
Cash and cash equivalents at the beginning of the period	438	410	410
Foreign currency translation, cash and cash equivalents	-0	8	7
<b>Cash and cash equivalents at the end of the period</b>	<b>402</b>	<b>422</b>	<b>438</b>
1) Other financing activities, net, includes transactions with Tobii Dynavox and primarily relates to repayment of loans.			



## BREAKDOWN OF REVENUE

SEK m	Q1 2022	Q1 2021	Full year 2021
REVENUE BY PRODUCT CATEGORY			
Goods	129	115	495
Services	31	26	107
Royalties	10	3	14
<b>Total revenues</b>	<b>171</b>	<b>144</b>	<b>616</b>
REVENUE BY TIMING CATEGORY			
At a point in time	166	141	604
Over time	5	3	12
<b>Total revenues</b>	<b>171</b>	<b>144</b>	<b>616</b>
REVENUE BY GEOGRAPHIC MARKET			
Europe	51	38	192
North America	39	30	158
Other countries	81	76	266
<b>Total revenues</b>	<b>171</b>	<b>144</b>	<b>616</b>

## CONSOLIDATED KEY RATIOS

	Q1 2022	Q1 2021	Full year 2021
Earnings per share, SEK	-0.41	-0.03	31.36
- whereof continuing operations	-0.39	-0.33	-1.83
Earnings per share, diluted, SEK <sup>1</sup>	-0.41	-0.03	29.87
- whereof continuing operations	-0.39	-0.33	-1.83
Equity per share, SEK	8	6	8
EBITDA, continuing operations, SEK m	-5	2	-27
EBIT, continuing operations, SEK m	-45	-37	-186
Cash flow from operating activities, SEK m	-6	21	-23
Free cashflow, SEK m	-48	-11	-152
Working capital, SEK m	-6	-59	-9
Total assets, SEK m	1,157	1,723	1,224
Net cash(+)/net debt (-), SEK m	315	-187	344
Net cash(+)/net debt (-); IFRS 16 Leasing excluded, SEK m	386	-42	421
Equity, SEK m	818	567	842
Average equity, SEK m	833	557	551
Equity/assets ratio, %	71	33	69
Debt/equity, %	11	28	11
Gross margin, continuing operations, %	71	72	72
EBITDA margin, continuing operations, %	-3	2	-4
Operating margin, continuing operations, %	-27	-26	-30
Return on total equity, %	-5	-0	571
Average number of outstanding shares, million	105	99	100
Average number of outstanding shares after dilution, million	109	103	105
Number of outstanding shares at period end, million	106	99	105
Number of outstanding shares after dilution at period end, million	110	103	110
Average number of employees	501	491	512

1) On March 31, 2022, a total of 4.7 million warrants, stock options, and stock units were outstanding, which is an increase of 1.3 million since the end of 2021. Due to the distribution of Tobii Dynavox to Tobii's shareholders in December 2021, the incentive programs have been recalculated in January 2022 to reflect the new share price (in relation to the Tobii Dynavox share price). This resulted in an increase in the total number of instruments in the incentive programs. Due to the distribution, the LTI 2020 and LTI 2021 programs for Dynavox employees will also be terminated. The total effect of the recalculation was +2.9 million instruments.

During the year, 808,402 warrants and stock options have been redeemed, relating to the following programs: LTI 2014/24:1 (115,028), LTI 2018:1 (456,268), LTI 2018:2 (62,742), LTI 2017:2 (67,808) and LTI 2019 (106,556).

In addition, 796,044 warrants and stock options have expired or terminated, relating to the following programs: LTI 2016:2 (149,332), LTI 2017:2 (6,456), LTI 2018:1 (6,456), LTI 2019 (6,456), LTI 2020 (370,511) and LTI 2021 (256,833).

The dilution effect of warrants, stock options, and stock units in all the Company's incentive programs and maximum issuance under LTI 2020 and LTI 2021 corresponds to a maximum of approximately 4.4%.

## QUARTERLY DATA

DATA RELATE TO CONTINUING OPERATIONS UNLESS OTHERWISE SPECIFIED

	2020				2021				2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>REVENUE, SEK m</b>									
Products and Solutions <sup>1</sup>	103	73	91	137	111	93	113	142	139
Integrations <sup>1</sup>	46	55	32	41	33	33	38	54	32
Total	148	128	123	178	144	126	151	196	171
<b>GROSS MARGIN, %</b>									
Products and Solutions <sup>1</sup>	79	79	74	76	74	68	69	78	70
Integrations <sup>1</sup>	60	62	53	51	68	58	81	76	76
Total	73	72	70	70	72	65	71	77	71
<b>EBITDA, SEK</b>									
Total	-31	-41	-19	-5	2	-37	-3	11	-5
<b>EBIT, SEK m</b>									
Total	-59	-74	-54	-43	-37	-76	-42	-31	-45
<b>OPERATING MARGIN, %</b>									
Total	-40	-58	-44	-24	-26	-61	-28	-16	-27
<b>PROFIT/LOSS BEFORE TAX, SEK m</b>									
Total	-54	-96	-68	-46	-33	-80	-40	-28	-42
<b>PROFIT/LOSS FOR THE PERIOD, INCLUDING DISCONTINUED OPERATIONS, SEK m</b>									
Total	-16	-74	-49	4	-3	-114	-8	3,272	-42

1) The breakdown of revenue and grossmargin between the segments have been changed for Q1 and Q2 2021 compared to the numbers presented in the year-end report for 2021.

# The Parent Company

The Parent Company, Tobii AB (publ), has primarily focused on Group-wide services such as overarching management, business and funding, legal affairs, and IT. The number of employees in the Parent Company is approximately 90.

The Parent Company's revenue during the quarter totaled SEK 38 million (30) and the operating loss was SEK -4 million (-1). At the end of the period, the Parent Company had SEK 226 million (67) in cash and cash equivalents.

After the end of the reporting period, on April 1, 2022 the subsidiaries Tobii Pro AB and Tobii Tech AB were merged with Tobii AB.

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q1 2022	Q1 2021	Full year 2021
<b>Revenue</b>	<b>38</b>	<b>30</b>	<b>158</b>
Cost of goods and services sold	-4	-5	-27
<b>Gross profit</b>	<b>34</b>	<b>26</b>	<b>131</b>
Selling expenses	-9	-0	-7
Research and development expenses	-2	-2	-8
Administrative expenses	-31	-25	-159
Other operating income and operating expenses	4	0	286
<b>Operating profit/loss</b>	<b>-4</b>	<b>-1</b>	<b>243</b>
Financial items	8	-4	24
Group Contributions	-	-	0
<b>Profit/loss before tax</b>	<b>3</b>	<b>-5</b>	<b>266</b>
Tax	-	-	-0
<b>Profit/loss after tax</b>	<b>3</b>	<b>-5</b>	<b>266</b>
Depreciation, amortization and write-downs, total	-2	-2	-9

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Mar 31 2022	Mar 31 2021	Dec 31 2021
<b>NON-CURRENT ASSETS</b>			
Intangible assets	34	38	34
Tangible fixed assets	5	6	5
Financial assets	1,610	1,707	1,526
<b>Total non-current assets</b>	<b>1,649</b>	<b>1,751</b>	<b>1,565</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	29	25	46
Inventories	0	0	0
Other current receivables	117	192	124
Cash and bank balances	226	67	284
<b>Total current assets</b>	<b>372</b>	<b>283</b>	<b>454</b>
<b>Total assets</b>	<b>2,021</b>	<b>2,034</b>	<b>2,019</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>1,766</b>			
<b>1,323</b>			
<b>1,740</b>			
<b>NON-CURRENT LIABILITIES</b>			
Other non-current liabilities	17	0	17
<b>Total non-current liabilities</b>	<b>17</b>	<b>0</b>	<b>17</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing liabilities	-	448	-
Other current liabilities	238	264	262
<b>Total current liabilities</b>	<b>238</b>	<b>712</b>	<b>262</b>
<b>Total liabilities</b>	<b>255</b>	<b>712</b>	<b>279</b>
<b>Total equity and liabilities</b>	<b>2,021</b>	<b>2,035</b>	<b>2,019</b>

# Notes

## Not 1. Accounting policies

The Interim Report complies with the provisions of IAS 34, and the report for the Parent Company has been prepared pursuant to the provisions of the Swedish Annual Accounts Act and RFR 2. In addition to the financial statements, disclosures under 34.16A also appear in other parts of the interim report. The accounting policies of the Parent Company and the Group, and the calculation principles used in the report, are unchanged from those used in the most recently published Annual Report, with the exception of the application of new standards. The IASB has published amendments to standards effective from January 1, 2022, or later. These amendments have not had a material impact on the financial statements.

Due to the divestment of Tobii Dynavox in December 2021, Tobii Dynavox is now an external party. Comparative periods have been restated, and profit for Tobii Dynavox is recognized on a separate line in the consolidated income statement; Profit/loss from discontinued operations. The cash flow statement includes a full cash flow statement for continuing operations and a total cash flow for discontinued operations.

## Not 2. Segments

Pursuant to the divestment of Tobii Dynavox and the organizational merger of Tobii Pro and Tobii Tech, Tobii's reporting structure has changed from Q4 2021. Tobii is now reporting two segments, Products & Solutions, and Integrations. For each segment will be reported revenue, gross profit, and gross margin. Research and development, sales and marketing, and central functions can now be leveraged across the whole company and will not be allocated to any segment.

### PRODUCTS & SOLUTIONS

The segment comprises hardware products, software products, and services and the customers include both B2B customers and consumers. Hardware products consist of a suite of eye tracking products, including the flagship eye tracking glasses Tobii Pro Glasses 3, research-grade screen-based eye trackers such as Pro Spectrum and Pro Fusion as well as the consumer gaming device Tobii Eye Tracker 5. In addition, the segment also includes the software Tobii Pro Lab, Sticky, and the consultancy service Tobii Pro Insight.

### INTEGRATIONS

This segment comprises the integration of Tobii solutions into customers' products, including both software and hardware components. These integrations are deployed in a range of devices, from gaming laptops and medical assessment tools to virtual reality headsets. The business within this segment is still relatively young, with innovative customers with products in very different stages of development.

## Not 3. Business combinations

### ACQUISITIONS

No acquisitions have occurred during the quarter.

On August 9, 2021, Tobii acquired all shares in Phasya SA, a private company registered in Liège, Belgium. Phasya's technology and long experience within development and validation of algorithms to assess cognitive states is highly complementary to Tobii's expertise and eye tracking technology. This will enhance Tobii's Driver Monitoring System, Tobii DMS. It also opens new opportunities for using cognitive state information in several markets, such as VR, AR, scientific research, and gaming, providing substantial synergies. The company currently collaborates with numerous customers in automotive, technology, and aviation, as well as with leading industry associations providing key relationships for Tobii and Phasya to build on.

Phasya is in its early pre-revenue commercialization phase. By leveraging its resources and capabilities, Tobii will be able to accelerate the commercialization of Phasya's offering. Tobii expects the business to scale rapidly, driven by integrations of the algorithms in Tobii's existing solutions as well as in new applications, and with the mass market adoption for automotive DMS expected in 2024/25.

### DISCONTINUED OPERATIONS

No divestments have occurred during the quarter.

On October 25, 2021 an Extraordinary General Meeting approved the distribution of Tobii Dynavox AB to Tobii AB's shareholders. The distribution was completed during December and the shares of Tobii Dynavox AB were listed on Nasdaq Stockholm on December 9, 2021. The gain from the distribution was calculated as the difference between the carrying amount of the assets distributed and the fair value of the dividend, corresponding to the market value of Tobii Dynavox AB at listing.

All effect related to the divestment have been referred to as Discontinued operations in the report.

#### Not 4. Financial instruments

SEK m	Mar 31 2022		Mar 31 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities measured at amortized cost for which fair value is disclosed for information purposes</b>				
Bond issue	-	-	448	450
<b>Financial assets measured at fair value</b>				
Contingent considerations	6	6	37	37
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	17	17	1	1

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

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

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

#### Change in contingent consideration

SEK m	
<b>Assets</b>	
Opening balance January 1, 2022	6
Translation differences	0
Closing balance March 31, 2022	6
<b>Liabilities</b>	
Opening balance January 1, 2022	17
Translation differences	0
Closing balance March 31, 2022	17

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

#### IMPAIRMENT OF GOODWILL

Impairment testing for goodwill was carried out at the end of the 2021 financial year, without any need for impairment being identified.

#### Not 5. Pledged assets and contingent liabilities

As of March 31, 2022, Tobii has no pledged assets or contingent liabilities.

## Other information

### RISKS AND UNCERTAINTY FACTORS

Tobii's business risks include the economic climate, the competitive situation, currency risks, credit risks in relation to customers, financing risks, the risk of impairment write-downs of capitalized R&D and other intangible assets, and regulatory risks (Tobii Dynavox in the U.S. is under the supervisory control of the U.S. Food and Drug Administration (FDA)). Tobii's risks and risk management are described in greater detail in the risk section on pages 40-45, in the Directors' Report on pages 50-51, and note 3 in Tobii's 2021 Annual Report. Tobii is of the opinion that this risk description remains correct.

### TRANSACTIONS WITH RELATED PARTIES

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

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

Alternative Performance Measures (APMs) are financial measures of financial performance, financial position, or cash flows other than those defined in the applicable financial reporting framework (IFRS). These are considered to be important supplemental measures of the company's performance. These measures may not be comparable to measures used by other companies since not all companies calculate financial measures in the same way. The key ratios and alternative performance measures that Tobii uses are defined on page 125 of the 2021 annual report, together with additions below.

### RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

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

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

SEK m	Q1 2022	Q1 2021	Full year 2021
Operating profit/loss before depreciation, amortization and impairment, (EBITDA)	-5	2	-27
Amortization and impairment	-33	-31	-125
Depreciation	-8	-8	-35
<i>of which Right-of-use assets (IFRS 16 Leasing)</i>	-6	-6	-26
<b>Operating profit/loss (EBIT)</b>	<b>-45</b>	<b>-37</b>	<b>-186</b>



Danderyd, May 5, 2022

**Kent Sander**  
Chairman of the Board

**Heli Arantola**  
Board member

**Nils Bernhard**  
Board member

**Jan Wäreby**  
Board member

**Charlotta Falvin**  
Board member

**Jörgen Lantto**  
Board member

**Henrik Eskilsson**  
Board member

**Anand Srivatsa**  
President & CEO

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

*This information is information that Tobii AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on May 5, 2022, at 7:30 a.m. CET.*

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

# Information to shareholders

## WEB PRESENTATION

A conference call and online presentation will be held in English today at 9:00 a.m. (CET). See [tobii.com](https://www.tobii.com) for more information about the conference call. The slides from the presentation will be available for download from the website afterward.

## CONTACT DETAILS

Henrik Mawby, Head of Investor Relations, phone +44 74 94 074 006  
Anand Srivatsa, President & CEO, phone: +46 (0)8-663 69 90  
Magdalena Rodell Andersson, CFO, phone +46 (0)8-663 69 90

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

## FINANCIAL CALENDAR

Interim report, Q2 2022	August 23, 2022
Interim report, Q3 2022	November 8, 2022
Interim report, Q4 2022	February 7, 2023