



# Interim Report

## Q2 2023

April–June 2023

## STRONG GROWTH FOR PRODUCTS & SOLUTIONS

### THE QUARTER APRIL-JUNE

- Revenue increased to SEK 185 million (167), corresponding to organic growth of 5 %
- Gross margin decreased to 77 % (79 %)
- Operating result (EBIT) was SEK -48 million (-50)
- The net result for the period amounted to SEK -38 million (-31)
- Earnings per share amounted to SEK -0.36 (-0.29)
- Cash flow after continuous investments amounted to SEK -67 million (-68)

### SIGNIFICANT EVENTS DURING THE PERIOD

- Tobii received its first automotive driver monitoring systems (DMS) design win, being selected by the world's largest automotive Tier-1 supplier based in Germany to deliver the Tobii software for DMS for a European OEM
- Tobii received three additional design wins with three different customers, all of which were for vision healthcare solutions using our Tobii Ocumen XR software
- Tobii improved its ESG risk rating from Sustainability to low risk
- Tobii achieved 12th place out of 361 stock-exchange listed Swedish companies in Allbrights annual gender equality report

### FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q2 2023	Q2 2022	Change	Organic change	Half year 2023	Half year 2022	Change	Organic change	Full year 2022
<b>REVENUE</b>									
Products & Solutions	127	92	38 %	31 %	264	231	14 %	8 %	513
Integrations	58	75	-23 %	-26 %	89	107	-17 %	-20 %	264
<b>Total</b>	<b>185</b>	<b>167</b>	<b>11 %</b>	<b>5 %</b>	<b>353</b>	<b>337</b>	<b>5 %</b>	<b>-1 %</b>	<b>776</b>
<b>Operating profit/loss from continuing operations (EBIT)</b>	<b>-48</b>	<b>-50</b>			<b>-101</b>	<b>-95</b>			<b>-122</b>
Profit/loss from discontinued operations	-	-			-	-1			-1
<b>Net profit/loss for the period</b>	<b>-38</b>	<b>-31</b>			<b>-95</b>	<b>-73</b>			<b>-99</b>
Earnings per share (SEK)	-0.36	-0.29			-0.91	-0.70			-0.94
- whereof continuing operations	-0.36	-0.29			-0.91	-0.68			-0.93
Cash flow after continuous investments	-67	-68			-22	-116			-32

# Comments from the CEO

## Solid overall progress in Q2

Tobii delivered solid overall progress in the quarter, with organic revenue growth reaching 5 percent. This should be seen in the context of tough comparisons in our Integrations segment.

Our Product & Solutions segment was the growth engine in the quarter, delivering a solid 31 percent organic growth. We experienced strong demand from academic research customers and noted a marked increase in activity among our enterprise customers. China continued to grow rapidly and activity in EMEA and the Americas improved significantly.

The Integrations segment faced a very tough comparison quarter and declined 26 percent organically, which was related to large repurchase of Sony PS VR2 licenses in Q2 2022. Adjusted for this effect, Integrations exhibited robust organic growth, and the gross margin remained at a high level. We were awarded our first automotive design win during this quarter, marking a break through in Automotive DMS. In addition, we added another three design wins for vision assessment applications using our XR software Tobii Ocumen.

## Attention computing adoption is accelerating

In June, Apple announced its new spatial computing platform, Apple Vision Pro. The operating system visionOS leverages eye tracking as a central feature for the entire user interface in the operating system. Furthermore, PS VR2 game developers and graphics engine providers are increasingly leveraging attention computing and users are praising the in-game features enabled by eye tracking.

The industry momentum in the second quarter gives us confidence that we are on the cusp of a step change in the adoption of this technology. Apple leaning in will drive innovation around content and devices and help grow the ecosystem of attention computing-enabled software across many technology verticals beyond AR and VR.

Following these developments during the quarter, we saw increased inbound interest and a sense of urgency from AR and VR customers.

## Significant recognition of our work on environmental, social and ethical topics

We continue to aim for excellence in our operations and governance. It is in our DNA to strive for business success without compromising our broader responsibilities from a social, ethical, and environmental perspective. This quarter, we received further external recognition in an upgraded ESG risk management score from Sustainalytics. Allbright also green listed and recognized Tobii once again as a leader in its gender equality ranking. This ranking now places Tobii at 12th place of 361 companies. I am proud of our team's continuous efforts to make progress in these regards.

## Encouraging early signs warranting cautious optimism

The second quarter showed encouraging signs for most part of our business and I am happy with the progress we are making. We continued to expand engagements with key XR accounts and dig our way into the automotive vertical with additional partner and customer projects.

We are also encouraged with the performance of Product & Solutions in the second quarter. Still, as the macro environment continues to present uncertainty it is too early to say if this is a sustainable improvement in business conditions. The Integration segment will continue to be characterized by quarter-to-quarter lumpiness in revenue. Although we expect to receive license fee revenues related to PS VR2 during the second half of 2023, it is expected to be on a lower level than in 2022.

The strength of our underlying business, and our continuous efforts to manage cost, makes us confident that despite the headwind and uncertainty mentioned above, we will once again be EBIT profitable in Q4 2023.



**Anand Srivatsa**  
CEO, Tobii

Anand Srivatsa  
CEO

# Financial performance

## KEY RATIOS

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Revenue	185	167	353	337	776
Revenue change:	11%		5%		
- of which organic	5%		-1%		
- of which currency	6%		6%		
Gross profit	143	132	265	254	590
Gross margin	77%	79%	75%	75%	76%
EBITDA	-10	-11	-26	-16	27
EBITDA margin	-5%	-7%	-7%	-5%	4%
Operating profit/loss (EBIT)	-48	-50	-101	-95	-122
EBIT margin	-26%	-30%	-29%	-28%	-16%

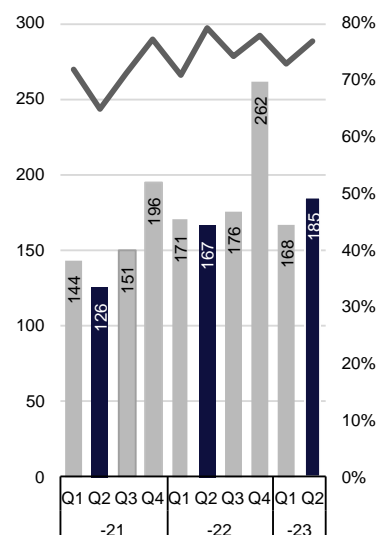
## PRODUCTS & SOLUTIONS

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Revenue	127	92	264	231	513
Revenue change:	38%		14%		
- of which organic	31%		8%		
- of which currency	7%		6%		
Gross profit	90	62	184	159	353
Gross margin	71%	67%	70%	69%	69%

## INTEGRATIONS

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Revenue	58	75	89	107	264
Revenue change:	-23%		-17%		
- of which organic	-26%		-20%		
- of which currency	4%		3%		
Gross profit	53	72	82	94	235
Gross margin	92%	96%	92%	88%	89%

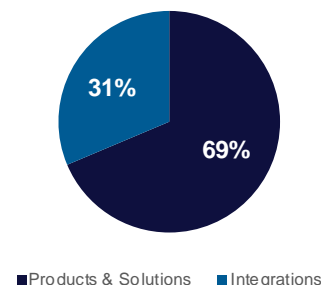
## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q2, 2023

SEK m	2023	2022
Total R&D expenditures	-95	-86
Capitalization	47	43
Amortization	-30	-29
R&D expenses in the income statement	-78	-72

## PERCENTAGE OF REVENUE PER SEGMENT Q2, 2023



**APRIL-JUNE****REVENUE**

Revenue increased to SEK 185 million (167), corresponding to organic growth of 5 %.

Products & Solutions revenue was SEK 127 million (92), corresponding to organic growth of 31 %. The growth in the quarter was broad-based across all regions with Asia as a clear frontrunner. Sales of our research products were particularly strong towards academic research customers and enterprise customers also exhibited a significantly positive sales momentum.

Integrations revenue was SEK 58 million (75), corresponding to an organic contraction of 26 %. The revenue decline was related to large prepurchase of PS VR2 licenses in Q2 2022. Excluding license revenue associated with PS VR2, the organic growth in the Integrations segment was robust. The growth was primarily driven by a high project activity with XR customers and we also received our first revenues in Automotive.

**RESULTS**

The gross margin was 77 % (79 %).

Products & Solution's gross margin was 71 % (67 %). The gross margin improvement resulted from positive operating leverage related to the organic growth.

Integrations gross margin was 92 % (96 %). The gross margin remains on a high level, reflecting the general trend toward more software and license-based product mix. The decline is a reflection of the large license revenue payments related to PS VR2 in Q2 2022.

Operational expenses increased to SEK 191 million (182) because of increased R&D investments and currency effects.

The operating result was SEK -48 million (-50) and the operating margin was -26 % (-30 %).

Net financial items amounted to SEK 10 million (20) and included SEK 11 million (21) in currency effects and SEK -2 million (-1) of interest expenses.

Pretax profit was SEK -37 million (-30).

The net profit for the period was SEK -38 million (-31) and diluted earnings per share reached SEK -0.36 (-0.29).

**CASH FLOW**

Cash flow from operating activities before changes in working capital amounted to SEK -14 million (4). Change in working capital amounted to SEK -3 million (-29).

Investments in intangible, tangible, and financial fixed assets amounted to SEK 50 million (42), including SEK 47 million (43) in capitalization of R&D costs. Cash flow after continuous investments was SEK -67 million (-68). Acquisitions amounted to SEK 6 million (0).

Cash flow from financing activities amounted to SEK -7 million (-6), mainly related to installments of IFRS 16 Leases.

**JANUARY-JUNE****REVENUE**

Revenue increased to SEK 353 million (337), corresponding to an organic decline of 1 %.

Products & Solutions increased revenue to SEK 264 million (231), corresponding to organic growth of 8 %. The growth was driven by academic research customers, and reflects a continued strong growth in China throughout the first half and a strong recovery in other regions in the second quarter.

Integrations revenue was SEK 89 million (107), corresponding to an organic decline of 20 %. The revenue declined as result of lower license fees related to the PS VR2, which was related to a large prepurchase of licenses in the first half of 2022.

**RESULTS**

The gross margin was 75 % (75 %).

Products & Solution's gross margin was 70 % (69 %). The gross margin improvement resulted from positive operating leverage related to organic growth.

Integrations gross margin was 92 % (88 %). The improvement in gross margin is related to the product mix shift.

Operational expenses increased to SEK 366 million (349) because of increased R&D investments and currency effects.

The operating result was SEK -101 million (-95) and the operating margin was -29 % (-28 %).

Net financial items amounted to SEK 7 million (23) and included SEK 11 million (25) in currency effects and SEK -6 million (-2) of interest expenses.

Pretax profit was SEK -94 million (-72). The net profit for the period was SEK -95 million (-73) and diluted earnings per share reached SEK -0.91 (-0.70).

**CASH FLOW AND FINANCIAL POSITION**

Cash flow from operating activities before changes in working capital amounted to SEK -30 million (-1). Change in working capital amounted to SEK 119 million (-31), of which SEK 63 million stemmed from a deferral of tax related to covid-reliefs.

Investments in intangible, tangible, and financial fixed assets amounted to SEK 112 million (84), including SEK 101 million (86) in capitalization of R&D costs. Cash flow after continuous investments was SEK -22 million (-116). Acquisitions amounted to SEK 6 million (0).

Cash flow from financing activities was SEK -15 million (8), mainly related to installments of IFRS 16 Leases.

At the close of the period, Tobii had SEK 360 million (333) in cash. In addition, the company has an unused credit facility of SEK 50 million. Consolidated net cash totaled SEK 276 million (247), including SEK 71 million (69) in IFRS 16 finance leases.

**ORGANIZATION**

The number of FTEs, excluding consultants, on average during the period was 543 (508).

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Continuing operations</b>					
Revenue	185	167	353	337	776
Cost of goods and services sold	-42	-35	-88	-84	-186
<b>Gross profit</b>	<b>143</b>	<b>132</b>	<b>265</b>	<b>254</b>	<b>590</b>
Selling expenses	-84	-85	-162	-162	-313
Research and development expenses	-78	-72	-143	-133	-278
Administrative expenses	-33	-34	-66	-69	-144
Other operating income and operating expenses	3	9	5	15	23
<b>Operating profit/loss (EBIT)</b>	<b>-48</b>	<b>-50</b>	<b>-101</b>	<b>-95</b>	<b>-122</b>
Net financial items	10	20	7	23	24
<b>Profit/loss before tax</b>	<b>-37</b>	<b>-30</b>	<b>-94</b>	<b>-72</b>	<b>-99</b>
Tax	-1	-1	-1	-0	0
<b>Net profit/loss for the period from continuing operations</b>	<b>-38</b>	<b>-31</b>	<b>-95</b>	<b>-72</b>	<b>-99</b>
<b>Discontinued operations</b>					
Net profit/loss for the period from discontinued operations	-	-	-	-1	-1
<b>Net profit/loss for the period</b>	<b>-38</b>	<b>-31</b>	<b>-95</b>	<b>-73</b>	<b>-99</b>
<b>Other comprehensive income</b>					
Items that may subsequently be reclassified to profit or loss for the period:					
Translation differences	-8	-15	-6	-18	-19
<b>Other comprehensive income for the period, net after tax</b>	<b>-8</b>	<b>-15</b>	<b>-6</b>	<b>-18</b>	<b>-19</b>
<b>Total comprehensive income for the period</b>	<b>-46</b>	<b>-46</b>	<b>-101</b>	<b>-91</b>	<b>-119</b>
Earnings per share, SEK	-0.36	-0.29	-0.91	-0.70	-0.94
- whereof continuing operations	-0.36	-0.29	-0.91	-0.68	-0.93
Earnings per share, diluted, SEK	-0.36	-0.29	-0.91	-0.70	-0.94
- whereof continuing operations	-0.36	-0.29	-0.91	-0.68	-0.93
<b>Net profit/loss for the period attributable to:</b>					
Parent company shareholders	-38	-31	-96	-74	-100
Non-controlling interests	0	0	1	1	0
<b>Total comprehensive income for the period attributable to:</b>					
Parent company shareholders	-46	-46	-102	-92	-119
Non-controlling interests	0	0	1	1	0

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	Jun 30 2023	Jun 30 2022	Dec 31 2022
<b>NON-CURRENT ASSETS</b>			
Intangible assets	476	391	423
Tangible fixed assets	15	10	8
Right-of-use assets	70	60	52
Financial and other non-current assets	71	80	72
<b>Total non-current assets</b>	<b>633</b>	<b>540</b>	<b>555</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	97	129	132
Inventories	69	66	65
Other current receivables	54	62	70
Cash and cash equivalents	360	333	402
<b>Total current assets</b>	<b>580</b>	<b>590</b>	<b>669</b>
<b>Total assets</b>	<b>1,212</b>	<b>1,130</b>	<b>1,224</b>
<b>SHAREHOLDERS' EQUITY</b>			
Shareholders' equity, Parent Company shareholders	654	773	752
Non-controlling interests	3	2	2
<b>Total shareholders' equity</b>	<b>657</b>	<b>775</b>	<b>754</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing loans	14	16	16
Leasing liabilities	44	41	25
Other non-current liabilities	32	37	33
<b>Total non-current liabilities</b>	<b>90</b>	<b>94</b>	<b>73</b>
<b>CURRENT LIABILITIES</b>			
Leasing liabilities	27	29	28
Other current liabilities	439	232	369
<b>Total current liabilities</b>	<b>465</b>	<b>261</b>	<b>397</b>
<b>Total liabilities</b>	<b>555</b>	<b>355</b>	<b>470</b>
<b>Total equity and liabilities</b>	<b>1,212</b>	<b>1,130</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, 2022</b>	1	1,976	-21	-1,116	840	2	841	
Comprehensive income for the period			-18	-74	-92	1	-91	
New share issue, exercise of warrants incentive programs	0	21			21		21	
Share based payments settled using equity instruments				4	4		4	
<b>Closing balance, Jun 30, 2022</b>	1	1,996	-39	-1,185	773	2	775	
<b>Opening balance, Jan 1, 2023</b>	1	1,996	-40	-1,205	752	2	754	
Comprehensive income for the period			-6	-96	-102	1	-101	
New share issue		0			0		0	
Share based payments settled using equity instruments				4	4		4	
<b>Closing balance, Jun 30, 2023</b>	1	1,996	-46	-1,297	654	3	657	



## 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/loss after financial items, continuing operations	-37	-30	-94	-72	-99
Adjustment for items not included in the cash flow	24	34	67	72	142
Taxes paid	-0	-0	-2	-1	-1
<b>Cash flow from operating activities before change in working capital</b>	<b>-14</b>	<b>4</b>	<b>-30</b>	<b>-1</b>	<b>41</b>
Cash flow from change in working capital	-3	-29	119	-31	96
<b>Cash flow from operating activities</b>	<b>-17</b>	<b>-25</b>	<b>90</b>	<b>-32</b>	<b>137</b>
Investments in intangible, tangible and financial fixed assets	-50	-42	-112	-84	-169
<b>Cash flow after continuous investments</b>	<b>-67</b>	<b>-68</b>	<b>-22</b>	<b>-116</b>	<b>-32</b>
Acquisitions and divestments	-6	-	-6	-	-
<b>Cash flow after investments</b>	<b>-73</b>	<b>-68</b>	<b>-28</b>	<b>-116</b>	<b>-32</b>
Interest-bearing debt, including Bond issue	-1	0	-2	0	-1
New share issue, net of issue costs	0	-	0	-	-
Exercise of warrants, incentive program	-	0	-	21	21
Instalments of leasing liability IFRS 16	-7	-7	-14	-13	-27
<b>Cash flow from financing activities</b>	<b>-7</b>	<b>-6</b>	<b>-15</b>	<b>8</b>	<b>-8</b>
<b>Cash flow for the period, continuing operations</b>	<b>-81</b>	<b>-74</b>	<b>-43</b>	<b>-108</b>	<b>-40</b>
Cash flow for the period, discontinued operations	-	-	-	-1	-1
<b>Cash flow for the period, total</b>	<b>-81</b>	<b>-74</b>	<b>-43</b>	<b>-109</b>	<b>-41</b>
Cash and cash equivalents at the beginning of the period	439	402	402	438	438
Foreign currency translation, cash and cash equivalents	2	4	1	4	5
<b>Cash and cash equivalents at the end of the period</b>	<b>360</b>	<b>333</b>	<b>360</b>	<b>333</b>	<b>402</b>

**BREAKDOWN OF REVENUE\***

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>REVENUE BY PRODUCT CATEGORY</b>					
Hardware	99	76	203	182	418
Software	56	71	97	106	238
Services	31	20	53	50	121
<b>Total revenues</b>	<b>185</b>	<b>167</b>	<b>353</b>	<b>337</b>	<b>776</b>
<b>REVENUE BY TIMING CATEGORY</b>					
At a point in time	185	162	351	328	757
Over time	1	5	2	9	19
<b>Total revenues</b>	<b>185</b>	<b>167</b>	<b>353</b>	<b>337</b>	<b>776</b>
<b>REVENUE BY GEOGRAPHIC MARKET</b>					
Europe	55	41	101	92	206
North America	61	39	105	78	211
Other countries	69	87	147	168	359
<b>Total revenues</b>	<b>185</b>	<b>167</b>	<b>353</b>	<b>337</b>	<b>776</b>

\* As of June 30, 2023, Tobii has changed classifications of certain products in the revenue by products categories. For this reason, the figures for the comparison period have been recalculated.

## CONSOLIDATED KEY RATIOS

	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Earnings per share, SEK	-0.36	-0.29	-0.91	-0.70	-0.94
- whereof continuing operations	-0.36	-0.29	-0.91	-0.68	-0.93
Earnings per share, diluted, SEK <sup>1</sup>	-0.36	-0.29	-0.91	-0.70	-0.94
- whereof continuing operations	-0.36	-0.29	-0.91	-0.68	-0.93
Equity per share, SEK	6	7	6	7	7
EBITDA, continuing operations, SEK m	-10	-11	-26	-16	27
EBIT, continuing operations, SEK m	-48	-50	-101	-95	-122
Cash flow from operating activities, SEK m	-17	-25	90	-32	137
Cash flow after continuous investments, SEK m	-67	-68	-22	-116	-32
Working capital, SEK m	-219	25	-219	25	-102
Total assets, SEK m	1,212	1,130	1,212	1,130	1,224
Net cash(+)/net debt (-), SEK m	276	247	276	247	334
Net cash(+)/net debt (-); IFRS 16 Leasing excluded, SEK m	347	316	347	316	386
Equity, SEK m	657	775	657	775	754
Average equity, SEK m	670	781	697	805	773
Equity/assets ratio, %	54	69	54	69	62
Debt/equity, %	13	11	13	11	9
Gross margin, continuing operations, %	77	79	75	75	76
EBITDA margin, continuing operations, %	-5	-7	-7	-5	4
EBIT margin, continuing operations, %	-26	-30	-29	-28	-16
Return on total equity, %	-6	-4	-14	-9	-13
Average number of outstanding shares	105,936,790	105,708,684	105,938,100	105,476,291	105,689,377
Average number of outstanding shares after dilution	108,964,755	108,414,756	108,966,065	108,072,031	108,538,200
Number of outstanding shares at period end	106,182,266	105,916,085	106,182,266	105,916,085	105,917,699
Number of outstanding shares after dilution at period end	108,310,168	106,274,556	108,310,168	106,274,556	106,248,832
Average number of employees	543	508	540	505	515

1) On June 30, 2023 a total of 4.4 million warrants, stock options, and stock units were outstanding, which is an increase of 0.5 million since the end of 2022. During the year, 46,747 warrants and stock options have been redeemed, relating to the following programs: LTI 2014/24:1 (16,500), LTI 2018:2 (3,229), LTI 2017:2 (9,684), LTI 2019 (4,844) and LTI 2020 (12,490). The second vesting of LTI 2020 and the first vesting of LTI 2021 occurred in the quarter, resulting in 239,994 stock units being exercised. The dilution effect of warrants, stock options, and stock units in all the Company's incentive programs and maximum issuance under LTI 2023 corresponds to a maximum of approximately 4.4%. LTI 2023 was launched during the quarter resulting in 626,500 stock units being allotted.

## QUARTERLY DATA

DATA RELATE TO CONTINUING OPERATIONS UNLESS OTHERWISE SPECIFIED

	2021				2022				2023	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
REVENUE, SEK m										
Products and Solutions <sup>1</sup>	111	93	113	142	139	92	121	161	138	127
Integrations <sup>1</sup>	33	33	38	54	32	75	55	101	31	58
Total	144	126	151	196	171	167	176	262	168	185
GROSS MARGIN, %										
Products and Solutions <sup>1</sup>	74	68	69	78	70	67	68	72	68	71
Integrations <sup>1</sup>	68	58	81	76	76	96	90	88	91	92
Total	72	65	71	77	71	79	74	78	73	77
EBITDA, SEK m										
Total	2	-37	-3	11	-5	-11	1	43	-16	-10
EBIT, SEK m										
Total	-37	-76	-42	-31	-45	-50	-36	9	-53	-48
OPERATING MARGIN, %										
Total	-26	-61	-28	-16	-27	-30	-20	3	-32	-26
PROFIT/LOSS BEFORE TAX, SEK m										
Total	-33	-80	-40	-28	-42	-30	-17	-9	-57	-37
PROFIT/LOSS FOR THE PERIOD, INCLUDING DISCONTINUED OPERATIONS, SEK m										
Total	-3	-114	-8	3,272	-42	-31	-17	-9	-57	-38

1) The breakdown of revenue and gross margin 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's revenue during the quarter totaled SEK 134 million (220) and the operating profit was SEK -55 million (-94). At the end of the period, the Parent Company had SEK 307 million (250) in cash and cash equivalents. The number of employees in the Parent Company was approximately 353 (330).

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
<b>Revenue</b>	<b>134</b>	<b>220</b>	<b>247</b>	<b>258</b>	<b>615</b>
Cost of goods and services sold	-37	-62	-80	-66	-164
<b>Gross profit</b>	<b>96</b>	<b>158</b>	<b>167</b>	<b>192</b>	<b>451</b>
Selling expenses	-48	-94	-93	-103	-199
Research and development expenses	-76	-130	-142	-131	-278
Administrative expenses	-29	-37	-59	-69	-129
Other operating income and operating expenses	3	9	5	13	22
<b>Operating profit/loss</b>	<b>-55</b>	<b>-94</b>	<b>-123</b>	<b>-98</b>	<b>-133</b>
Financial items	14	24	11	32	41
Group Contributions	-	-	-	-	0
<b>Profit/loss before tax</b>	<b>-40</b>	<b>-70</b>	<b>-113</b>	<b>-67</b>	<b>-91</b>
Tax	-0	-	0	-	0
<b>Profit/loss after tax</b>	<b>-41</b>	<b>-70</b>	<b>-113</b>	<b>-67</b>	<b>-91</b>

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Jun 30 2023	Jun 30 2022	Dec 31 2022
<b>NON-CURRENT ASSETS</b>			
Intangible assets	382	309	339
Tangible fixed assets	10	6	4
Financial assets	370	378	377
<b>Total non-current assets</b>	<b>763</b>	<b>692</b>	<b>721</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	91	123	104
Inventories	62	57	59
Other current receivables	47	55	95
Cash and bank balances	307	250	352
<b>Total current assets</b>	<b>507</b>	<b>486</b>	<b>611</b>
<b>Total assets</b>	<b>1,270</b>	<b>1,178</b>	<b>1,332</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>805</b>			
<b>932</b>			
<b>913</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	16	-	17
Other non-current liabilities	30	34	30
<b>Total non-current liabilities</b>	<b>46</b>	<b>34</b>	<b>47</b>
<b>CURRENT LIABILITIES</b>			
Other current liabilities	418	212	372
<b>Total current liabilities</b>	<b>418</b>	<b>212</b>	<b>372</b>
<b>Total liabilities</b>	<b>464</b>	<b>246</b>	<b>419</b>
<b>Total equity and liabilities</b>	<b>1,270</b>	<b>1,178</b>	<b>1,332</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 IAS 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, 2023, or later. These amendments have not had a material impact on the financial statements.

## Not 2. Segments

Tobii is reporting two segments, Products & Solutions, and Integrations. For each segment revenue, gross profit, and gross margin are reported.

### PRODUCTS & SOLUTIONS

The segment's products comprise hardware, software, and services and the customers include both B2B customers and consumers. Hardware consists 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 and our consumer gaming device Tobii Eye Tracker 5. Software consists of Tobii Pro Lab and Sticky, among others.

### INTEGRATIONS

This segment provides Tobii's attention computing technology for integration into device manufacturers' (also known as original equipment manufacturers, or OEMs) products. It offers a versatile array of OEM integration products, including software, hardware components, system reference designs, services, and intellectual property licenses. These integrations are deployed in various OEM devices, from gaming laptops and medical technology devices to virtual reality headsets and cars.

## Not 3. Business combinations

### ACQUISITIONS

On April 1, 2023, Tobii acquired all assets in Oculid GmbH and incorporated the employees into Tobii's operations. Oculid provides a leading solution for cloud-based mobile user research. By joining forces, we will fast track product development and accelerate commercialization. This acquisition is expected to have an insignificant effect on Tobii's short-term financial results and position. The purchase consideration amounted to SEK 6 million.

### DISCONTINUED OPERATIONS

No divestments have occurred during the quarter.

## Not 4. Financial instruments

SEK m	Jun 30 2023		Jun 30 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets measured at fair value</b>				
Contingent considerations	-	-	6	6
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	19	19	18	18

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

### Change in contingent consideration

SEK m	
<b>Liabilities</b>	
Opening balance Jan 1, 2023	18
Translation differences	1
Closing balance Jun 30, 2023	19

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 2022 financial year, without any need for impairment being identified.

## Not 5. Pledged assets and contingent liabilities

As of June 30, 2023, SEK 0 million (-) are guarantee commitments in the Swiss operations through subordination guarantee. Tobii also has SEK 100 (-) million as pledged assets referring to the revolving credit facility.

## 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's risks and risk management are described in greater detail in the risk section on pages 47-52, in the Directors' Report on pages 58-59, and note 3 on page 82 in Tobii's 2022 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 134 of the 2022 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	Q2 2023	Q2 2022	Half year 2023	Half year 2022	Full year 2022
Operating profit/loss before depreciation, amortization and impairment, (EBITDA)	-10	-11	-26	-16	27
Amortization and impairment	-30	-31	-59	-63	-119
Depreciation	-8	-8	-16	-15	-30
<i>of which Right-of-use assets (IFRS 16 Leasing)</i>	-6	-6	-13	-12	-24
<b>Operating profit/loss (EBIT)</b>	<b>-48</b>	<b>-50</b>	<b>-101</b>	<b>-95</b>	<b>-122</b>



Danderyd, July 21, 2023

**Per Norman**  
Chairman of the Board

**Mats Backman**  
Board member

**Henrik Eskilsson**  
Board member

**Charlotta Falvin**  
Board member

**Jörgen Lantto**  
Board member

**Jan Wäreby**  
Board member

**Anand Srivatsa**  
President & CEO

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

*This information is information that Tobii AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, on July 21, 2023, at 7:30 a.m. CET.*

Contact person: Henrik Mawby, Head of Investor Relations, Tobii AB, e-mail: Henrik.mawby@tobii.com, tel. +44 (0) 74 94 074 006

## Information to shareholders

### WEB PRESENTATION

A conference call and online presentation will be held in English today at 10:30 a.m. (CET). See [tobii.com](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

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### FINANCIAL CALENDAR

Interim report, Q3 2023	November 7, 2023
Interim report, Q4 2023	February 6, 2024