

Press release

Stockholm, Sweden 26 April 2023, 07:30 CET

Tobii Dynavox Interim report for the first quarter 2023

Tobii Dynavox AB (publ) today announced its results for the first quarter of 2023.

Comment by Tobii Dynavox CEO Fredrik Ruben:

Sales continue to develop strongly. During the first quarter, which is seasonally our weakest quarter, we report continued good growth across the board, both in North America and in other markets. At the same time, our profitability is moving in the right direction as the negative effects on components and shipping are now behind us. We saw no significant residual COVID-19 effects during the quarter, either positive or negative. As of the second quarter, we face higher comparative revenue figures from the previous year, which may affect the organic growth rate. At the same time, variable costs are now at a normalized level. Overall, we are optimistic about both growth and profitability moving forward.

QUARTER: JANUARY – MARCH 2023

- Revenue grew 36% to SEK 335 million (246). The organic growth was 15%.
- Gross margin was 66% (64).
- Operating profit totaled SEK 21 million (17), corresponding to an operating margin of 6.3% (7.0).
- Cash flow after continuous investments was SEK 17 million (-28).
- Basic and diluted earnings per share were SEK 0.07 (0.09).

SIGNIFICANT EVENTS DURING THE QUARTER

The subsidiary Acapela Group has launched [my-own-voice 4](#) to simplify the creation of personalized AI-based synthetic voices.

SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

Tobii Dynavox [Annual Report 2022](#) was published on April 13, 2023.

COMMENTS FROM THE CEO

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Sales growth, adjusted to local currency, amounted to 25 percent, which is historically very strong and well above our long-term targets. It was robust across all product and user groups. We saw particularly strong growth in diagnoses that affect younger people, such as autism – where our symbol communication solutions performed strongly. This trend was largely driven by our highly appreciated market-leading software TD Snap. Our customer offering is consistently competitive, especially through the product launches we carried out in the fall. At the same time, we continue to invest in product development to further strengthen our offering.

Gross margin climbed by two percentage points, to just over 66%; one important reason is that component and shipping costs have normalized. US Medicare's increase in the reimbursement level for our products by more than 9 percent will affect revenues gradually moving forward, with full impact expected later this year. In the first quarter last year, the pandemic continued to have an impact on costs through restrictions on activities such as recruitment, travel and customer meetings, while operations and their associated costs have now returned to normal levels.

We are very pleased with the way our acquisitions are developing. The innovations of last year's acquisition Acapela Group, which is active in synthetic voices, play a key role in the development of our customer offering. They have also had a significant impact on media, aimed at a wider audience. For example, the [Voice of America](#) TV channel highlighted Acapela's voice banking solution, my-own-voice, in a recent feature.

In North America, we have been relatively successful in managing the trend of people wanting to work from home more than before. We benefit from our business being characterized by a strong “why.” Our employees are highly motivated because they make a real difference for users. This helps to create a strong sense of cohesion and corporate culture despite the physical distances. We also feel that it has gradually become easier to attract the right talent to our team, in part because of the attractiveness of our business, but also because of a tighter labor market in other industries.

In 2022, we dedicated considerable effort to putting in place the structures required for a stand-alone, listed company. This year, our main focus is on further developing and streamlining our operations to reach our users even better and thereby improve our ability to meet their communication needs. Educating the market about our potentially life-saving products is an important aspect and critical to deliver on our major growth and profitability opportunities. Gradually improved reimbursement systems are also important in the longer term. In Europe, we are now gradually seeing a growing understanding of the importance of assistive technology for users. We are convinced that this trend will continue.

Fredrik Ruben, CEO

Webcast

Today at 09:00 a.m. CET, Tobii Dynavox will host a webcast presentation for media, analysts and investors. If you want to attend the webcast click the following [link](#). The interim report and a recording of the webcast will be available [here](#).

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 person set out below, at 07.30 CET on April 26, 2023.

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About Tobii Dynavox

Tobii Dynavox is the global leader in assistive communication. Our custom designed solutions enable people with disabilities such as cerebral palsy, ALS, autism and spinal cord injury to communicate with a voice of their own, develop literacy skills and live more independently. To date, hundreds of thousands of people worldwide have benefited from our integrated solutions, which include hardware, software, clinically developed language systems, special education tools, training, and dedicated support. Using AI-based speech synthesis, we offer users a personalized voice identity in over 30 languages, for children and adults. We offer an extensive funding support system to reach as many people as possible. Headquartered in Sweden, Tobii Dynavox employs over 600 people with offices in the US, the UK, Ireland, Norway, Denmark, Belgium, France and China, and reselling partners in 60+ countries. For more information, please visit our IR website: [Tobii Dynavox Investor Relations](#)