

Press release

Stockholm, Sweden, February 8, 2024, 07:30 CET

Tobii Dynavox Year-End Report 2023

Tobii Dynavox AB (publ) today announced its results for the fourth quarter and full year of 2023.

Comment from the Tobii Dynavox CEO Fredrik Ruben:

Our strong performance throughout 2023 continues, characterized by a substantial growth in sales and a more than doubled operating profit in the closing quarter of the year. As previously, growth was solid across all geographical areas and user groups. To realize our long-term growth potential, we are committed to investing in new staff, skills and tools to boost the scalability of the business. The low level of awareness regarding communication aids among prescribers and potential users presents an enormous opportunity for us to make a meaningful difference, while also significantly growing our business.

QUARTER: OCTOBER - DECEMBER 2023

- Revenue grew 31% to SEK 473 million (362). The currency adjusted growth was 30%.
- Gross margin was 69% (65).
- Operating profit totaled SEK 56 million (25), corresponding to an operating margin of 11.9% (6.8).
- Cash flow after continuous investments was SEK 63 million (41).
- Basic earnings per share were 0.43 (0.16) while diluted earnings per share were SEK 0.42 (0.16).

PERIOD JANUARY – DECEMBER 2023

- Revenue grew 33% to SEK 1,613 million (1,216). The currency adjusted growth was 27%.
- Gross margin was 68% (65).
- Operating profit totaled SEK 155 million (82), corresponding to an operating margin of 9.6% (6.8).
- Cash flow after continuous investments was SEK 145 million (-26).
- Basic earnings per share were 0.99 (0.46) while diluted earnings per share were SEK 0.98 (0.46).
- The Board of Directors proposes to the Annual General Meeting that no dividend should be paid for fiscal year 2023.

SIGNIFICANT EVENTS DURING THE QUARTER

[Åsa Hedin, Chair of the Board of Directors of Tobii Dynavox, informed the Nomination Committee on December 11 that she will not stand for re-election at the 2024 Annual General Meeting.](#) The Nomination Committee has therefore initiated the recruitment process to find her successor.

Comments from the CEO:

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Sales growth continued to be robust in the last quarter of the year. Denominated in local currency, it was just over 30 percent for the quarter and 27 percent for the full year. In the US, the upward adjustment of reimbursement rates by Medicare for our products, 9 percent for 2023, was fully reflected in the fourth quarter. In 2024, the equivalent increase will be 2.6 percent. We continue to see substantial growth across all customer types and product categories. Sales to user groups that benefit from symbol-based communication, typically children or younger users with autism diagnoses, are however growing faster than other user groups. The past several quarters clearly demonstrate that the benefits of scale in our business translates topline growth into increased operating margin. We expect this trend to continue as sales grows even further.

Acquisitions is an integral part of our growth journey, and we place significant emphasis on business logic and synergies when assessing potential candidates. The integration of our longstanding German supplier partner Rehadapt, a transaction finalized in early September, is progressing well. The company seamlessly complements our offering with its mounting solutions for communication aids, while also strengthening our position in Germany.

Our growth is driven by a number of factors. The synergy of our robust product offering and committed employees, coupled with a market in its early phases with minimal penetration, points to significant long-term potential. In practice, awareness about the communication aids that we and our industry peers can offer never reaches the majority of people in need of assistive technology. This situation remains true even in the most developed countries. The root cause is the lack of knowledge about communication aids among the key groups responsible for prescribing them: speech-language pathologists and occupational therapists. In many cases, relevant training related to the available assistive technology is either non-existent or severely limited. Our commitment to large scale training initiatives are an important contribution to this. .

Against the backdrop of two million new cases diagnosed worldwide annually, we have supplied around 25,000 more communication aids in 2023 compared with the previous year. While it is indeed gratifying that we can assist more individuals, the increase represents only a fraction of the estimated number of new cases where individuals require assistive communication aids. For example, in the US, our largest market by far, the proportion of speech-language pathologists who have prescribed a communication aid at least once per year is barely 5 percent of the professional community.

I am convinced that our historically robust growth in 2023 is a direct outcome of our long-term efforts to educate and share knowledge about the products and solutions we can offer, combined with their meaningful impact on the lives of users and their families. When coupled with our strong market position, this indicates that our long-term business potential is considerable even though building competence and awareness can be categorized as more of a marathon than a sprint. With a substantial dose of humility, particularly directed at our fantastic organization, we bring the record year of 2023 to a close, while maintaining a strong sense of confidence in the future.

[Join us on February 21 for a Capital Markets Day](#) in Stockholm, where we will offer a more in-depth presentation of our business and future strategy.

Fredrik Ruben, CEO

Webcast:

Today at 9:00 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 year-end report and a recording of the webcast will be available [here](#) after the webcast.

This information is inside information that Tobii Dynavox 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, at 07.30 CET on Feb 8, 2024.

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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](#).