



# Interim Report Q2 2021

April–June 2021

“We enter the Driving Monitoring Systems market with the ambition of becoming a leader also in this vertical”

Henrik Eskilsson, CEO

Photo: Tobii’s new product for mass market automotive Driver Monitoring-System, Tobii DMS, increases safety and convenience for the driver.

## THE QUARTER APRIL-JUNE

- Revenue was SEK 282 million (333), corresponding to organic decline of 4%. In line with previous communication, supply disruptions in Tobii Dynavox resulted in a large deferral of revenue from the second to mainly the third quarter 2021.
- Gross margin was 66% (69%).
- The Group's operating result was SEK -99 million (-45).
- The net profit for the period amounted to SEK -114 million (-74).
- Earnings per share amounted to SEK -1.14 (-0.75).

## BUSINESS DEVELOPMENT

- Order intake was strong with Tobii Pro now back at around the same level as before the pandemic and order intake for Tobii Dynavox was higher than levels seen before the pandemic.
- Tobii Tech received five design wins, including a VR headset and several medical applications.
- [Tobii partnered with Nvidia](#) to, based on Tobii’s Spotlight Technology, introduce a no-code dynamic foveated rendering solution which furthers widespread adoption of eye tracking in VR.
- After the quarter, Tobii [announced its entry into the Automotive Driver Monitoring-Systems market](#).
- After the quarter, [Tobii announced that it has acquired Phasys](#). This acquisition will speed up Tobii’s product roadmap within automotive as well as several other markets that Tobii addresses.
- The preparations for the listing of Tobii Dynavox and the integration of Tobii Tech and Tobii Pro are progressing according to plan.

## FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q2 2021	Q2 2020	Change	Organic change	Half year 2021	Half year 2020	Change	Organic change	Full year 2020
<b>REVENUE</b>									
Tobii Dynavox	165.0	216.5	-24 %	-15 %	368.4	457.7	-20 %	-10 %	894.0
Tobii Pro	80.1	63.4	26 %	40 %	177.8	159.5	11 %	24 %	365.7
Tobii Tech	49.7	66.6	-25 %	-15 %	99.7	125.9	-21 %	-8 %	229.7
Eliminations and other, net	-13.1	-14.1	-	-	-25.4	-31.0	-	-	-63.2
<b>Total</b>	<b>281.7</b>	<b>332.5</b>	<b>-15 %</b>	<b>-4 %</b>	<b>620.4</b>	<b>712.1</b>	<b>-13 %</b>	<b>-2 %</b>	<b>1,426.3</b>
<b>OPERATING PROFIT/LOSS (EBIT)</b>									
Tobii Dynavox	-23.8	28.1	-185 %	-194 %	3.6	64.4	-94 %	-94 %	125.3
Tobii Pro	-27.5	-24.4	12 %	9 %	-25.1	-23.2	-	-	-10.2
Tobii Tech	-48.4	-49.5	-	-	-88.0	-110.3	-	-	-221.4
Other	0.2	0.4	-	-	0.7	1.1	-	-	3.4
<b>Operating profit/loss from continuing operations</b>	<b>-99.5</b>	<b>-45.4</b>	<b>-</b>	<b>-</b>	<b>-108.7</b>	<b>-68.0</b>	<b>-</b>	<b>-</b>	<b>-102.9</b>
Profit/loss from discontinued operations	-0.9	-2.8	-	-	1.7	-2.7	-	-	-9.8
<b>Net profit/loss for the period</b>	<b>-114.1</b>	<b>-73.5</b>	<b>-</b>	<b>-</b>	<b>-116.7</b>	<b>-89.4</b>	<b>-</b>	<b>-</b>	<b>-133.9</b>
Earnings per share (SEK)	-1.14	-0.75			-1.18	-0.92			-1.36

# Comments from the CEO

Our result was severely affected by supply disruptions and the continuing impact of the pandemic. Business activity, however, developed favorably across all divisions, which was demonstrated by good order intake. We now look forward to a strong second half of 2021, which we kick-started with the announcement of our entry into the Automotive DMS market with several partnerships and the acquisition of Phasya. Both investments have a great strategic rationale and are fantastic complements to our current portfolio.

**Tobii Dynavox's** revenue decreased by 15 percent organically. This was a result of the previously announced supply disruptions following component shortages, which led to an exceptionally large order book and sales pipeline. Deferred revenue from the first and second quarter corresponds to approximately SEK 70 million, which will materialize as additional revenue, mainly in the third quarter of 2021.

This shows a strong underlying demand and it paves the way for a return to solid growth in the second half of 2021. We have resolved the acute supply disruptions and already delivered most of the order book at the beginning of the third quarter.

**Tobii Pro's** revenue increased by 40 percent organically despite a temporary budget freeze for most universities in China, and a continued negative impact of the pandemic where important markets have had extended restrictions.

Nevertheless, I am very pleased with the development as order intake strengthened markedly and was 50 percent higher than in the second quarter 2020, and around the same level as in 2019, and as we saw a very good development in customer interest and activity.

Tobii Pro launched a [solution for market research with eye tracking on smartphones](#), which is an important step to grow our business in attention data analytics.

**Tobii Tech's** revenue decreased by 15 percent organically. The pandemic has delayed the introduction and slowed the ramp up of products for our integration customers. The situation is becoming more manageable and the outlook for our customers is becoming more favorable. Intake of new customers and leads developed well and we obtained five new design wins in the quarter - one for the next generation [VR headset with an existing customer](#), four for medical applications.

After the quarter ended, [we announced](#) our automotive driver monitoring system (DMS) initiative. Automotive DMS is a vertical that will grow rapidly over the next 5-10 years and Tobii is uniquely positioned to build a leading product and market position.

We also [acquired Phasya](#), an innovative AI software company whose technology and expertise are a great complement to Tobii's existing portfolio, primarily in automotive, but also with applications in other parts of Tobii. With Tobii's breadth we can significantly accelerate the scaling of Phasya's sales and bring its products into more verticals and application areas. We warmly welcome the Phasya team into the Tobii family.

## Looking forward to a strong second half of the year

For the group, we have seen business activity pick-up which is demonstrated in sales and marketing expenses returning to more normal levels, however, profitability was impacted by the supply chain disruptions, continued pandemic effects, and some costs related to the spin-off and listing of Tobii Dynavox. Reaching profitability for the full year 2021 remains our ambition but has become more challenging due to the extending negative impacts of the pandemic.

The preparations for the spin-off and listing of Tobii Dynavox towards the end of the year are progressing according to plan. In parallel with this, we are executing on the integration of Tobii Pro and Tobii Tech, successfully fighting our way out of the pandemic, and on top driving innovation and new initiatives. This, together with the continued improving business environment in all three divisions, is setting the stage for a strong and exciting fall.

Henrik Eskilsson  
CEO



**Henrik Eskilsson**  
CEO, Tobii Group

Read More:

[Tobii enters the automotive driver monitoring market](#)

[Tobii acquires Phasya](#)

[Tobii Pro Launches New Mobile Eye Tracking Solution for Marketing and Advertising Research](#)

[Tobii enhances next-gen VR headset Pico Neo 3 Pro Eye](#)

# The Tobii Group

Tobii is the world leader in eye tracking. Our vision is a world where all technology works in complete harmony with natural human behavior. Tobii operates in three divisions: Tobii Dynavox is the world leader in assistive technology for communication, Tobii Pro is the world leader in eye tracking solutions used to study human behavior and Tobii Tech is the world-lead supplier in eye tracking technology for integration customers in fields such as PC, VR, Automotive and Niche Applications. The Group, which has about 1,000 employees, had revenue of SEK 1,426 million for full-year 2020.

## KEY RATIOS\*

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	281.7	332.5	620.4	712.1	1,426.3
Revenue change:	-15%		-13%		
- of which organic	-4%		-2%		
- of which currency	-11%		-11%		
Gross margin*	66 %	69 %	69 %	70 %	70 %
EBITDA	-36.9	8.7	14.7	37.1	116.4
EBITDA margin	-13 %	3 %	2 %	5 %	8 %
Operating profit/loss (EBIT)	-99.5	-45.4	-108.7	-68.0	-102.9
EBIT change	-		-		
EBIT margin	-35 %	-14 %	-18 %	-10 %	-7 %

\*Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross margin and R&D expenses. For more information see "Other information" on page 21

## APRIL-JUNE

### REVENUE

Consolidated revenue was SEK 282 million (333), corresponding to organic decline of 4%. The supply chain disruptions in Tobii Dynavox resulted in a deferral of revenue from the second quarter to mainly the third quarter 2021. For details, please refer to the Jan-Jun section below. In addition, the pandemic continued to have a dampening effect on sales in all three business divisions.

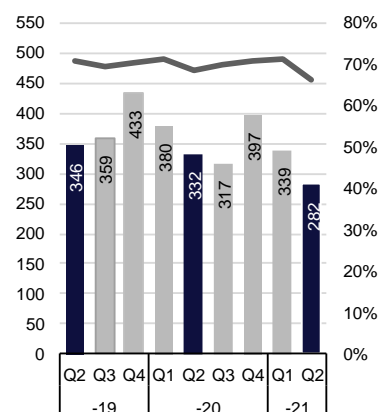
The North American market accounted for 55% (59%) of consolidated revenue, the European market 24% (17%), and the rest of the world 21% (23%).

### RESULTS

The Group's gross margin was 66% (69%). The decline is mainly due to unusually large non-recurring engineering revenues in Tobii Tech in Q2 2020. Compared to the longer-term average, the low gross margin is explained by negative scale effects due to temporarily lower volumes. The operating result decreased to SEK -99 million (-45) and the operating margin was -35% (-14%). The supply chain disruptions for Tobii Dynavox resulted in a large deferral of profit from the second quarter to mainly the third quarter – for details, see below. Profitability was pressured by pandemic effects, a pick-up in sales and marketing activity, and some cost increases related to the preparations for the spin-off and listing of Tobii Dynavox. The operating profit in the comparison period in the previous year was positively impacted by covid-related government grants and temporary work reduction programs totaling SEK 25 million.

Pretax loss was SEK -113 million (-71). Net financial items amounted to SEK -14 million (-25) and includes SEK -5 million (-15) in currency translation effects on balance sheet items, as well as interest expenses related to bond loans and finance leases under IFRS 16 of SEK -9 million (-10). Profit from discontinued operations was SEK -1 million (-3). The result for the period was SEK -114 million (-74) and earnings per share reached SEK -1.14 (-0.75).

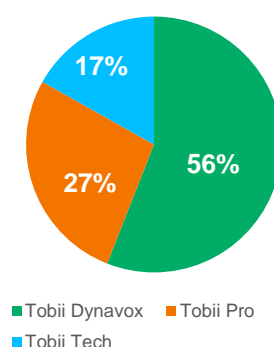
## REVENUE, SEK M, AND GROSS MARGIN, %



## RESEARCH AND DEVELOPMENT, Q2\*

SEK m	2021	2020
Total R&D expenditures	-103	-113
Capitalization	47	42
Amortization	-44	-40
R&D expenses in the income statement	-100	-112

## PERCENTAGE OF GROSS REVENUE PER DIVISION Q2



## CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital amounted to SEK -50 million (0). Change in working capital amounted to SEK 37 million (70).

Continuous investments amounted to SEK 56 million (51), including SEK 47 million (42) in capitalization of R&D costs. Cash flow after continuous investments was SEK -69 million (19).

At the close of the period, the Group had SEK 349 million (299) in cash. Consolidated net debt totaled SEK 251 million (244), including SEK 136 million (83) in IFRS 16 finance leases.

Tobii has an established plan to refinance its current bond loan of SEK 450 million, which matures in February 2022.

## JANUARY - JUNE

### REVENUE

The Group's revenue for the first half of 2021 was SEK 620 million (712). Organically, revenue declined by 2%. The supply chain disruptions in Tobii Dynavox resulted in a deferral of revenue from the first half of 2021 to mainly the third quarter of 2021. This effect corresponds to a negative impact of approximately 11 percentage points on organic growth in the first half of 2020. In addition, the pandemic continued to have a dampening effect on sales in all three divisions.

During the period, the North American market accounted for 53% (60%) of the Group's sales, the European market for 23% (19%), and the rest of the world for 24% (21%).

### RESULTS

The Group's gross margin was 69% (70%). The operating loss for the Group was SEK -109 million (-68) and the operating margin was -18% (-10%). The supply chain disruptions for Tobii Dynavox resulted in over SEK 50 million deferral of profit from the first half of 2021 to mainly the third quarter of 2021. The operating result in the comparison period in the previous year was positively impacted by covid-related government grants and temporary work reduction programs totaling SEK 25 million.

Pre-tax loss was SEK -118 million (-86).

Net loss for the period was SEK -118 million (-87) and earnings per share was SEK -1.18 (-0.92).

## CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital was SEK 10 million (16), while the change in working capital contributed SEK 27 million (47). Continuous investments increased to SEK 110 million (106), of which SEK 98 million (84) related to capitalization of R&D. Cash flow after continuous investments was SEK -73 million (-43).

## THE SPIN-OFF AND LISTING PROCESS OF TOBII DYNAVOX

The Board of Directors and Management have for many years seen a spin-off of Tobii Dynavox as a natural evolution of the company to maximize potential and long-term shareholder value. By splitting Tobii, enhanced simplicity and focus is enabled, with teams who are more empowered and organizations that are even more agile. It forms two clean-cut investment alternatives, both with exciting futures and strong differentiated investor appeal.

The spin-off and listing process is progressing well and according to plan. The tentative timeline is that Tobii Dynavox will be listed on the Nasdaq Stockholm by the end of 2021.

In recent years, the collaboration between Tobii Pro and Tobii Tech has gradually increased and clear advantages of these divisions working more closely together have become apparent. The management and Board of Directors decided that it is appropriate to integrate these two divisions in parallel with the listing process. The company has executed well and made good progress in this integration during the quarter.

## ORGANIZATION

The number of employees recalculated to full-time equivalents at the close of the period was 963 (1,008).

## EVENTS AFTER THE END OF THE PERIOD

Tobii announced its entry into mass market automotive integrations with the release of its Driver Monitoring System, Tobii DMS, and several new related partnerships.

Tobii acquired Phasya to enhance its offering in automotive and other verticals. Total purchase consideration was EUR 4m, of which EUR 2m is a potential earn-out.

# Tobii Dynavox

Tobii Dynavox is the world's leading provider of assistive technology for people with impaired ability to communicate due to conditions such as ALS, autism, aphasia, cerebral palsy, or spinal cord injuries. The products include eye-controlled and touchscreen-based assistive technology for communication, as well as a variety of software.

## KEY RATIOS

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	165.0	216.5	368.4	457.7	894.0
Revenue change:	-24%		-20%		
- of which organic	-15%		-10%		
- of which currency	-9%		-10%		
Gross margin	64 %	63 %	66 %	65 %	66 %
EBITDA	-2.3	47.6	44.2	104.9	202.7
EBITDA margin	-1 %	22 %	12 %	23 %	23 %
Operating profit/loss (EBIT)	-23.8	28.1	3.6	64.4	125.3
EBIT change	-185 %		-94 %		
EBIT margin	-14 %	13 %	1 %	14 %	14 %

- In the first quarter 2021, Tobii informed the market of supply chain disruptions for certain Tobii Dynavox products. This led to revenue and profit being pushed from the first half year, to instead materialize as additional revenue and operating result mainly in the third quarter 2021. Total deferred revenue ended up at around SEK 70m and a corresponding impact on operating result over SEK 50m. These supply issues have been resolved, and most of this order backlog has already been shipped and invoiced by the date of this report.
- As is the case in many industries, Tobii Dynavox's supply chains are still challenged with shortage situations on some input goods. To manage this, we pay a premium for certain components and increase our safety stock, which puts some temporary pressure on the gross margin both in this and in the next few quarters.

## APRIL-JUNE

Revenue was SEK 165 million (217), corresponding to an organic decrease of 15%. The supply chain disruptions resulted in a deferral of revenue from the second quarter to mainly the third quarter 2021. For details, please refer to the Jan-Jun section below. The strong underlying momentum in this division continued to be clearly counteracted by pandemic-related restrictions on institutions such as schools and healthcare facilities.

The gross margin was 64% (63%). The operating profit was SEK -24 million (28) and the operating margin decreased to -14% (13%). The operating margin was negatively impacted by supply chain disruptions resulting in a deferral of profit from the second quarter to mainly the third quarter 2021 – for details, see below.

## JANUARY-JUNE

Revenue was SEK 368 million (458), corresponding to an organic decrease of 10%. The supply chain disruptions in Tobii Dynavox resulted in a deferral of revenue from the first half of 2021 to mainly the third quarter 2021. This effect corresponds to a negative impact of approximately 17 percentage points, or SEK 70m, on organic growth in the first half of 2021.

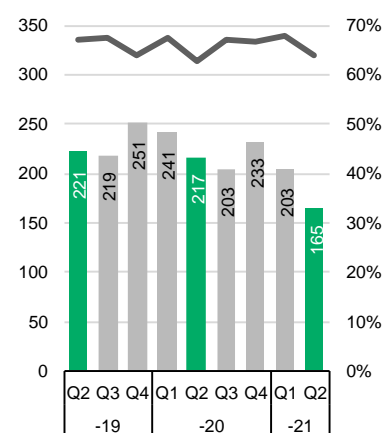
The gross margin was 66% (65%). The operating profit was SEK 4 million (64) and the operating margin decreased to 1% (14%). The supply chain disruptions resulted in a deferral of profit from the first half of 2021 to mainly the third quarter 2021. This effect corresponds to a negative impact of approximately 11 percentage points on the operating margin, or over SEK 50 million on operating profit in the first half of 2021.

## Total NPS score

# 50

Tobii Dynavox's customer Net Promoter Score has consistently been high in the past few years. Encouragingly, since early 2020, it has been showing a positive trend despite the pandemic and related supply chain disruptions. The NPS has been hovering around 50 in the past few months. This exceptionally high NPS score is a testament to Tobii Dynavox fantastic standing among its customers and users.

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



## RESEARCH AND DEVELOPMENT, Q2

SEK m	2021	2020
Total R&D expenditures	-32	-33
Capitalization	18	21
Amortization	-14	-15
R&D expenses in the income statement	-28	-27

# Tobii Pro

Tobii Pro is the world's leading provider of eye tracking solutions for studying human behavior. Over 3,500 companies and 2,500 research institutions are Tobii Pro customers, including several leading corporations such as Procter & Gamble, Facebook, Ipsos and Toyota, as well as 98 of the world's 100 top-ranked universities.

## KEY RATIOS

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	80.1	63.4	177.8	159.5	365.7
Revenue change:	26%		11%		
- of which organic	40%		24%		
- of which currency	-14%		-13%		
Gross margin	69 %	70 %	73 %	71 %	73 %
EBITDA	-9.3	-11.7	11.9	1.5	48.1
EBITDA margin	-12 %	-18 %	7 %	1 %	13 %
Operating profit/loss (EBIT)	-27.5	-24.4	-25.1	-23.2	-10.2
EBIT change	12 %		-		
EBIT margin	-34 %	-39 %	-14 %	-15 %	-3 %

- Tobii Pro launched a solution for market research with eye tracking on smartphones. With this, Tobii's software platform Sticky is expanded with an important new capability offering customers a complete solution for evaluating advertisements and design across all types of the media platforms. Sticky by Tobii Pro is a self-service online platform that combines online survey questions eye tracking and emotion recognition, making advanced quantitative research simple.

## APRIL-JUNE

Revenue was SEK 80 million (63), corresponding to organic growth of 40%. Customer activity increased significantly, and order intake grew by 50%. With this strong development, sales in the quarter was back at around the same levels as the corresponding quarter before the pandemic (Q2 2019). This was achieved despite a temporary budget freeze for most universities in China, and that many important markets across the world had continued restrictions. The pandemic continued to have a generally negative impact on Tobii Pro's sales during the quarter. Customers still have significant challenges to pursue the types of research, studies and education that eye tracking enables because of the requirement of physical presence of test participants.

Gross margin was 69% (70%).

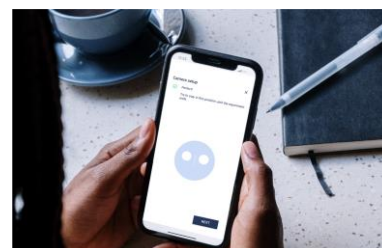
The operating result was SEK -28 million (-24) and the operating margin was -34% (-39%). The operating margin has been negatively impacted by a return to higher sales and marketing activity, and higher amortization of R&D.

## JANUARY-JUNE

Revenue was SEK 178 million (160), corresponding to organic growth of 24%. The pandemic continued to clearly hamper sales due to continued restrictions.

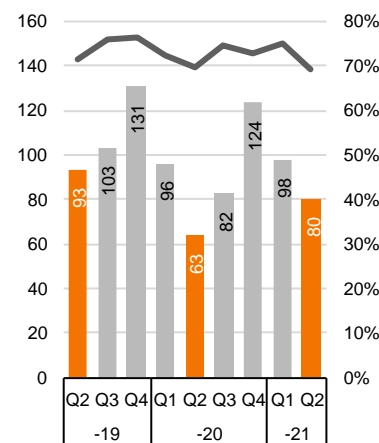
Gross margin was 73% (71%).

The operating result was SEK -25 million (-23) and the operating margin was -14% (-15%). The operating margin has been negatively impacted by a return to higher sales and marketing activity as well as higher amortization of R&D.



Tobii Pro has launched a mobile eye tracking solution for market research expanding the capabilities of Tobii Pro Sticky.

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



## RESEARCH AND DEVELOPMENT, Q2

SEK m	2021	2020
Total R&D expenditures	-22	-24
Capitalization	12	13
Amortization	-16	-11
R&D expenses in the income statement	-26	-22

# Tobii Tech

Tobii Tech is the world's leading provider of eye tracking technology for integration into consumer electronics and other products. Customers can be found primarily in the PC, VR, Automotive and Niche Applications segments. Tobii Tech's overarching objective is to maintain its world-leading position and in the long-term to achieve revenue in the billions with good profitability. This development requires major investments in technology and marketing.

## KEY RATIOS\*

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Revenue	49.7	66.6	99.7	125.9	229.7
Revenue change:	-25%		-21%		
- of which organic	-15%		-8%		
- of which currency	-11%		-13%		
Gross margin*	54 %	72 %	57 %	68 %	63 %
EBITDA	-34.4	-35.2	-60.1	-85.6	-168.0
EBITDA margin	-69 %	-53 %	-60 %	-68 %	-73 %
Operating profit/loss (EBIT)	-48.4	-49.5	-88.0	-110.3	-221.4
EBIT change	-		-		
EBIT margin	-97 %	-74 %	-88 %	-88 %	-96 %

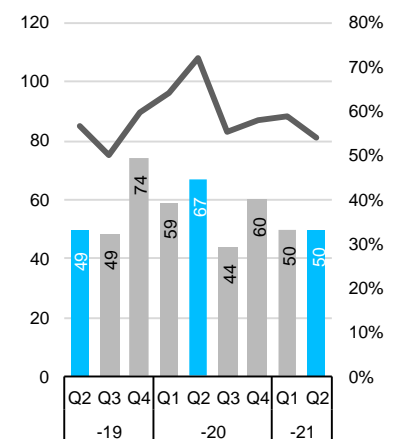
\*Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross margin and R&D expenses. For more information see "Other information" on page 21

- During the quarter the segment has seen negative effects of global supply shortages for Tobii's integration customers both in PC and VR. This manifested itself in delays of integration customers' product introductions and slow ramp-up of sales of already launched products.
- Tobii Tech received five new design wins during the quarter. Two of which are for medical applications with Tobii's VR software Ocumen and two for medical applications with Tobii Eye Tracker 5. The fifth design win related to Pico Interactives next-generation enterprise headset the Neo 3 Pro Eye. The Neo 3 Pro Eye is the second Pico headset with Tobii eye tracking and is anticipated to launch in Q3 2021.
- [Nvidia announced](#) the release of the latest version of Variable Rate Supersampling (VRSS), which now includes dynamic foveated rendering. In this collaboration, Tobii Spotlight Technology powers the Nvidia graphics drivers with eye tracking. Foveated Rendering enables a device to improve graphics quality exactly where the user is looking. This makes it possible to deliver a stunning visual experience in devices such as VR headsets. Foveated rendering with eye tracking now works out of the box with specific Nvidia graphics cards, without the need for the software developer to modify the software in any way. This is an important development for the ecosystem to enable widespread adoption of eye tracking in VR.
- After the quarter ended, Tobii announced its entry into mass market automotive integrations with the release of its Driver Monitoring System, Tobii DMS, and several related partnerships. This is a natural step for Tobii, which leverages large parts of Tobii's core competencies and adds another strategic high-growth focus area to its portfolio.
- After the quarter ended, Tobii acquired Phasya, an innovative AI software company. Phasya's technology and expertise are a great complement to Tobii's, with large application potential across several parts of Tobii's product portfolio, and most importantly in Automotive.



Tobii has adapted its leading eye tracking technology to the needs of the automotive OEM market. Tobii's Driver Monitoring System, called Tobii DMS, has been in development since 2019, will be available autumn 2021 and is ready for deployment in conjunction with the expected mass market adoption in 2024-2025.

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



## RESEARCH AND DEVELOPMENT, Q2\*

SEK m	2021	2020
Total R&D expenditures	-49	-56
Capitalization	17	8
Amortization	-14	-14
R&D expenses in the income statement	-46	-63

**APRIL-JUNE**

Total revenue was SEK 50 million (67), corresponding to an organic decrease of 15%. Revenue relative to the same period last year were negatively impacted by deferred internal revenue owing to supply chain disruptions for Tobii Dynavox, unusually large non-recurring engineering related revenues in Q2 2020, effects of customers' sales being impeded by the pandemic and global supply disruptions for several of Tobii's customers.

The gross margin decreased to 54% (72%), mainly due to unusually high non-recurring engineering revenues in the comparison quarter.

Operating profit amounted to SEK -48 million (-50), an improvement attributable to the lower investment rate implemented in 2020.

**JANUARY-JUNE**

Total revenue was SEK 100 million (126), corresponding to an organic decrease of 8%. Revenue relative to the same period last year were negatively impacted by deferred internal revenue owing to supply chain disruptions for Tobii Dynavox, unusually large non-recurring engineering related revenues in Q2 2020, effects of customers' sales being impeded by the pandemic and global supply disruptions for several of Tobii's customers.

The gross margin decreased to 57% (68%), due to lower non-recurring engineering revenues and product mix. Operating profit amounted to SEK -88 million (-110), an improvement attributable to the lower investment rate implemented in 2020.



# Group

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
<b>Continuing operations</b>					
Revenue	281.7	332.5	620.4	712.1	1,426.3
Cost of goods and services sold <sup>4</sup>	-94.5	-103.8	-191.8	-213.0	-423.6
<b>Gross profit<sup>4</sup></b>	<b>187.3</b>	<b>228.7</b>	<b>428.6</b>	<b>499.1</b>	<b>1,002.6</b>
Selling expenses	-140.3	-129.5	-266.0	-277.8	-530.4
Research and development expenses <sup>4</sup>	-100.4	-111.7	-195.1	-229.0	-427.2
Administrative expenses	-41.0	-32.7	-79.0	-68.8	-141.2
Other operating income and operating expenses <sup>1</sup>	-5.0	-0.2	2.8	8.5	-6.7
<b>Operating profit/loss</b>	<b>-99.5</b>	<b>-45.4</b>	<b>-108.7</b>	<b>-68.0</b>	<b>-102.9</b>
Net financial items <sup>2</sup>	-13.8	-25.2	-9.6	-18.0	-59.2
<b>Profit/loss before tax</b>	<b>-113.3</b>	<b>-70.7</b>	<b>-118.3</b>	<b>-86.0</b>	<b>-162.1</b>
Tax	0.2	0.0	-0.1	-0.7	37.9
<b>Net profit/loss for the period from continuing operations</b>	<b>-113.1</b>	<b>-70.7</b>	<b>-118.4</b>	<b>-86.7</b>	<b>-124.1</b>
<b>Discontinued operations</b>					
Net profit/loss for the period from discontinued operations	-0.9	-2.8	1.7	-2.7	-9.8
<b>Net profit/loss for the period</b>	<b>-114.1</b>	<b>-73.5</b>	<b>-116.7</b>	<b>-89.4</b>	<b>-133.9</b>
<b>Other comprehensive income</b>					
Items that may subsequently be reclassified to profit or loss for the period:					
Translation differences	1.7	0.3	-3.2	-13.4	4.9
Other comprehensive income for the period, net after tax	1.7	0.3	-3.2	-13.4	4.9
<b>Total comprehensive income for the period</b>	<b>-112.3</b>	<b>-73.2</b>	<b>-119.9</b>	<b>-102.8</b>	<b>-129.0</b>
Of which depreciation and amortization, continuing operations	-61.7	-51.0	-122.6	-101.9	-212.8
Of which write-down of non-current assets, continuing operations <sup>3</sup>	-0.9	-3.2	-0.9	-3.2	-6.5
Earnings per share, SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Earnings per share, diluted, SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Net profit/loss for the period attributable to:					
Parent company shareholders	-113.5	-74.3	-116.8	-91.3	-134.2
Non-controlling interests	-0.5	0.8	0.1	1.9	0.3
<b>Net profit/loss for the period</b>	<b>-114.1</b>	<b>-73.5</b>	<b>-116.7</b>	<b>-89.4</b>	<b>-133.9</b>
Total comprehensive income for the period attributable to:					
Parent company shareholders	-111.8	-74.0	-120.0	-104.7	-129.4
Non-controlling interests	-0.5	0.8	0.1	1.9	0.3
<b>Total comprehensive income for the period</b>	<b>-112.3</b>	<b>-73.2</b>	<b>-119.9</b>	<b>-102.8</b>	<b>-129.0</b>

- 1) For the second quarter, the item mainly consists of negative currency translation differences on cash primarily in USD and JPY. The comparative quarter mainly included SEK 9 million in public support not directly attributable to any specific cost items and currency translation differences of SEK -10 million. For the first half of the year, the item mainly consists of negative currency translation differences on cash primarily in USD and JPY and positive currency translation differences on receivables primarily in USD. The comparative period mainly included SEK 9 million in public support not directly attributable to any specific cost items and currency translation differences of SEK -2 million. For full-year 2020, the largest sub-items consist of government support received without any direct connection to cost items of SEK 8 million, the reversal of contingent purchase considerations of SEK 3 million and currency translation differences of SEK -22 million.
- 2) Financial items for the second quarter include interest expenses related to bond loans and finance leases in accordance with IFRS 16 of SEK -9 million (-8). The item otherwise mainly consists of negative currency translation differences on receivables, primarily in USD. For the first half of the year the corresponding interest expenses totaled SEK -17 million (-14) and the remainder of the item consists of currency translation differences, primarily in USD. For full-year 2020 the corresponding interest expenses amounted to SEK -34 million.
- 3) The non-recurring impairment charges for full-year 2020 relate to certain patents held by the Group's parent company Tobii AB.
- 4) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 21

## CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	Jun 30 2021	Jun 30 2020	Dec 31 2020
<b>NON-CURRENT ASSETS</b>			
Intangible assets	623.4	616.9	604.5
Tangible fixed assets	34.6	54.0	46.3
Right-of-use assets	132.1	83.6	87.7
Financial and other non-current assets	124.6	86.4	122.0
<b>Total non-current assets</b>	<b>914.6</b>	<b>840.9</b>	<b>860.5</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	154.3	181.4	199.0
Inventories	88.0	96.7	88.0
Other current receivables	120.1	59.3	97.5
Cash and cash equivalents	349.1	298.8	409.6
Assets held for sale	-	185.3	-
<b>Total current assets</b>	<b>711.5</b>	<b>821.5</b>	<b>794.1</b>
<b>Total assets</b>	<b>1,626.2</b>	<b>1,662.4</b>	<b>1,654.6</b>
<b>SHAREHOLDERS' EQUITY</b>			
Shareholders' equity, Parent Company shareholders	460.2	575.4	555.2
Non-controlling interests	1.3	2.8	1.2
<b>Total shareholders' equity</b>	<b>461.5</b>	<b>578.2</b>	<b>556.4</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing loans	15.4	460.3	463.8
Leasing liabilities	103.1	54.4	62.7
Other non-current liabilities	107.4	117.5	96.7
<b>Total non-current liabilities</b>	<b>225.9</b>	<b>632.2</b>	<b>623.3</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing loans <sup>1)</sup>	448.6	-	-
Leasing liabilities	33.2	28.5	25.7
Other current liabilities	457.0	389.2	449.2
Liabilities directly related to assets held for sale	-	34.2	-
<b>Total current liabilities</b>	<b>938.8</b>	<b>452.0</b>	<b>474.9</b>
<b>Total liabilities</b>	<b>1,164.7</b>	<b>1,084.2</b>	<b>1,098.2</b>
<b>Total equity and liabilities</b>	<b>1,626.2</b>	<b>1,662.4</b>	<b>1,654.6</b>

<sup>1)</sup> Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on June 30, 2021.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to Parent Company shareholders

SEK m	Share capital	Other contributed capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
<b>Opening balance, Jan 1, 2020</b>	<b>0.7</b>	<b>1,635.9</b>	<b>-1.8</b>	<b>-959.8</b>	<b>675.1</b>	<b>0.9</b>	<b>676.1</b>
Comprehensive income for the period			-13.4	-91.3	-104.7	1.9	-102.8
New share issue, exercise of warrants incentive programs	0.0				0.0		0.0
Sale of warrants, incentive programs		3.5			3.5		3.5
Share based payments settled using equity instruments				1.5	1.5		1.5
<b>Closing balance, Jun 30, 2020</b>	<b>0.7</b>	<b>1,639.4</b>	<b>-15.2</b>	<b>-1,049.6</b>	<b>575.4</b>	<b>2.8</b>	<b>578.2</b>
<b>Opening balance, Jan 1, 2021</b>	<b>0.7</b>	<b>1,639.4</b>	<b>3.1</b>	<b>-1,088.8</b>	<b>555.2</b>	<b>1.2</b>	<b>556.4</b>
Comprehensive income for the period			-3.2	-116.8	-120.0	0.1	-119.9
New share issue, exercise of warrants incentive programs	0.0				0.0		0.0
Sale of warrants, incentive programs		24.1			24.1		24.1
Share based payments settled using equity instruments				0.9	0.9		0.9
<b>Closing balance, Jun 30, 2021</b>	<b>0.7</b>	<b>1,663.5</b>	<b>-0.1</b>	<b>-1,204.7</b>	<b>460.2</b>	<b>1.3</b>	<b>461.5</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
<b>Cash flow from operating activities</b>					
Profit/loss after financial items, continuing operations	-113.3	-70.7	-118.3	-86.0	-162.1
Profit/loss discontinued operations	-0.9	-2.8	1.7	-2.3	-4.1
Adjustment for items not included in the cash flow	65.2	73.9	127.6	106.5	249.2
Taxes paid	-0.6	-0.4	-1.1	-2.6	-7.1
<b>Cash flow from operating activities before change in working capital</b>	<b>-49.6</b>	<b>0.0</b>	<b>9.8</b>	<b>15.5</b>	<b>75.9</b>
Cash flow from change in working capital	36.6	70.1	26.7	47.3	113.1
<b>Cash flow from operating activities</b>	<b>-13.0</b>	<b>70.1</b>	<b>36.6</b>	<b>62.8</b>	<b>189.0</b>
Investments					
Continuous investments					
Investments in intangible, tangible and financial fixed assets	-56.2	-50.8	-109.9	-105.8	-199.1
<b>Cash flow after continuous investments</b>	<b>-69.2</b>	<b>19.3</b>	<b>-73.3</b>	<b>-43.0</b>	<b>-10.1</b>
Divestments	-	-	-	-	105.0
<b>Cash flow after investments</b>	<b>-69.2</b>	<b>19.3</b>	<b>-73.3</b>	<b>-43.0</b>	<b>94.9</b>
Interest-bearing debt, including Bond issue	0.0	19.0	0.0	172.3	171.2
Sale/exercise of warrants, incentive program	6.3	-0.0	24.1	3.5	3.5
Instalments of leasing liability IFRS 16	-7.1	-6.8	-15.3	-13.5	-26.4
<b>Cash flow from financing activities</b>	<b>-0.8</b>	<b>12.2</b>	<b>8.7</b>	<b>162.4</b>	<b>148.3</b>
<b>Cash flow for the period</b>	<b>-70.0</b>	<b>31.5</b>	<b>-64.6</b>	<b>119.3</b>	<b>243.2</b>
Foreign currency translation, cash and cash equivalents	-3.0	-7.9	4.1	-2.4	-15.9
Cash and cash equivalents at the beginning of the period	422.2	278.3	409.6	185.2	185.2
Change in Cash and cash equivalents classified as Assets held for sale	-	-3.2	-	-3.2	-2.8
Cash and cash equivalents reclassified as Assets held for sale	-	-	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>349.1</b>	<b>298.9</b>	<b>349.1</b>	<b>298.9</b>	<b>409.6</b>

**BREAKDOWN OF REVENUE**

<b>SEK m</b>	<b>Q2 2021</b>	<b>Q2 2020</b>	<b>Half year 2021</b>	<b>Half year 2020</b>	<b>Full year 2020</b>
<b>REVENUE BY PRODUCT CATEGORY</b>					
Goods	235.2	273.6	525.1	599.1	1,221.8
Services	43.3	53.8	88.1	103.1	188.7
Royalties	3.3	5.1	7.2	9.9	15.8
<b>Total revenues</b>	<b>281.7</b>	<b>332.5</b>	<b>620.4</b>	<b>712.1</b>	<b>1,426.3</b>
<b>REVENUE BY TIMING CATEGORY</b>					
At a point in time	260.9	310.0	578.3	667.3	1,340.3
Over time	20.9	22.4	42.1	44.8	86.0
<b>Total revenues</b>	<b>281.7</b>	<b>332.5</b>	<b>620.4</b>	<b>712.1</b>	<b>1,426.3</b>
<b>REVENUE BY GEOGRAPHIC MARKET</b>					
Europe	67.5	57.9	140.6	135.8	294.7
North America	150.8	197.7	328.5	424.6	826.0
Other countries	63.4	77.0	151.3	151.7	305.6
<b>Total revenues</b>	<b>281.7</b>	<b>332.5</b>	<b>620.4</b>	<b>712.1</b>	<b>1,426.3</b>

## CONSOLIDATED KEY RATIOS

	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Earnings per share, SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Earnings per share, diluted <sup>1)</sup> , SEK	-1.14	-0.75	-1.18	-0.92	-1.36
Equity per share, SEK	4.6	5.8	4.6	5.8	5.6
EBITDA, continuing operations, SEK m	-36.9	8.7	14.7	37.1	116.4
EBITDA continuing operations; IFRS 16 Leasing excluded	-45.2	1.6	-2.1	22.9	88.2
EBIT, continuing operations, SEK m	-99.5	-45.4	-108.7	-68.0	-102.9
Cash flow from operating activities, SEK m	-13.0	70.1	36.6	62.8	189.0
Cash flow after continuous investments, SEK m	-69.2	19.3	-73.3	-43.0	-10.1
Working capital, SEK m <sup>1</sup>	-93.6	-51.8	-93.6	-51.8	-64.7
Total assets, SEK m	1,620.6	1,662.4	1,620.6	1,662.4	1,654.6
Net cash(+)/net debt (-), SEK m <sup>1</sup>	-251.2	-244.4	-251.2	-244.4	-142.6
Net cash(+)/net debt (-); IFRS 16 Leasing excluded, SEK m <sup>1</sup>	-114.9	-161.4	-114.9	-161.4	-54.2
Equity, SEK m	461.5	578.2	461.5	578.2	556.4
Average equity, SEK m	507.0	608.2	527.2	628.2	584.3
Equity/assets ratio, %	28.5	34.8	28.5	34.8	33.6
Equity/assets ratio; IFRS 16 Leasing excluded, %	30.9	36.6	30.9	36.6	35.5
Debt/equity, %	32.9	94.0	32.9	94.0	99.3
Debt/equity; IFRS 16 Leasing excluded, %	3.3	79.6	3.3	79.6	83.4
Gross margin, continuing operations, % <sup>2</sup>	66.5	68.8	69.1	70.1	70.3
EBITDA margin, continuing operations, %	-13.1	2.6	2.4	5.2	8.2
EBITDA margin continuing operations; IFRS 16 Leasing excluded, %	-16.1	0.5	-0.3	3.2	6.2
Operating margin, continuing operations, %	-35.3	-13.7	-17.5	-9.6	-7.2
Return on total equity, %	-22.5	-12.1	-22.1	-14.2	-22.9
Average number of outstanding shares after dilution, million	99.4	99.1	99.3	99.0	99.0
Average number of outstanding shares, million	102.6	99.1	102.6	99.2	99.9
Number of outstanding shares at period end, million	99.7	99.1	99.7	99.1	99.1
Number of outstanding shares after dilution at period end, million	102.7	99.7	102.7	99.7	101.7
Average number of employees	964	1,013	962	1,019	993

1) Excluding assets held for sale and related liabilities, as at June 30, 2020

2) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 21.

\*) On June 30, 2021, a total of 3.1 million warrants and stock units were outstanding, which is a decrease of 0.8 million since the end of 2020 because of the redemption of 554,811 warrants within the framework of the 2017 warrant program LTI 2017\_1 as well as the following employee stock options: 5,000 warrant program 2014/24:1, 20,125 warrant program 2018/2028:1, 5,250 warrant program 2018/2028:2, 12,250 warrant program LTI 2017\_2, 20,072 warrant program LTI 2017\_3 and 14,875 warrant program LTI 2019.

In addition, the following warrants have expired: 8,750 warrant program 2018/2028:1, 3,500 warrant program 2018/2028:2, 3,600 warrant program LTI 2016:2, 123,089 warrant program LTI 2017\_1, 2,625 warrant program LTI 2017\_2, 4,428 warrant program LTI 2017\_3, 5,250 warrant program LTI 2017\_4 and 5,187 warrant program LTI 2019 and 9,425 share rights under the LTI 2020 warrant program.

The dilution effect of warrants in all of the Company's incentive programs and maximum issuance under LTI 2020 corresponds to a maximum of approximately 3.1%.



## QUARTERLY DATA PER DIVISION AND FOR THE GROUP

## DATE RELATE TO CONTINUING OPERATIONS UNLESS OTHERWISE SPECIFIED

	2019				2020				2021	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
REVENUE, SEK m										
Tobii Dynavox	215.1	221.2	219.1	250.8	241.2	216.5	203.5	232.8	203.3	165.0
Tobii Pro	115.1	93.1	103.3	131.4	96.1	63.4	82.4	123.7	97.7	80.1
Tobii Tech*	49.5	49.4	48.6	74.1	59.2	66.6	43.9	60.0	50.0	49.7
Eliminations and other	-17.1	-17.6	-11.5	-23.4	-16.9	-14.1	-12.3	-19.9	-12.3	-13.1
The Group	362.7	346.2	359.5	432.9	379.6	332.5	317.5	396.7	338.7	281.7
*) Of which revenue from sales to Tobii Dynavox och Tobii Pro	17.1	17.6	11.5	23.4	16.9	14.1	12.3	19.9	12.3	13.1
GROSS MARGIN, %										
Tobii Dynavox	63.4	67.3	67.6	63.9	67.5	62.9	67.2	66.9	68.1	64.1
Tobii Pro	76.0	71.8	75.8	76.3	72.4	69.9	74.7	72.9	75.1	69.3
Tobii Tech <sup>2</sup>	53.1	56.8	49.9	59.7	64.0	71.9	55.5	58.0	59.0	54.2
The Group <sup>2</sup>	69.0	70.9	69.5	70.3	71.2	68.8	70.1	70.8	71.3	66.5
EBITDA, SEK										
Tobii Dynavox	35.4	42.1	45.8	46.2	57.3	47.6	43.9	53.8	46.5	-2.3
Tobii Pro	30.0	6.3	22.1	32.8	13.2	-11.7	17.4	29.1	21.1	-9.3
Tobii Tech	-70.0	-65.5	-65.3	-59.4	-50.4	-35.2	-42.5	-39.9	-25.6	-34.4
Eliminations and other <sup>1</sup>	8.3	9.2	5.8	8.5	8.3	8.0	9.3	8.1	9.6	9.1
The Group <sup>1</sup>	3.6	-7.9	8.4	28.2	28.4	8.7	28.1	51.2	51.6	-36.9
EBIT, SEK m										
Tobii Dynavox	17.2	24.9	29.8	27.6	36.4	28.1	26.5	34.4	27.4	-23.8
Tobii Pro	23.0	-2.5	13.1	20.2	1.2	-24.4	1.4	11.6	2.3	-27.5
Tobii Tech	-79.6	-71.6	-73.0	-69.5	-60.8	-49.5	-56.5	-54.7	-39.6	-48.4
Eliminations and other <sup>1</sup>	1.0	1.8	-1.5	1.1	0.7	0.4	1.7	0.7	0.5	0.2
The Group <sup>1</sup>	-38.3	-47.5	-31.6	-20.6	-22.6	-45.4	-26.9	-8.0	-9.3	-99.5
OPERATING MARGIN, %										
Tobii Dynavox	8.0	11.3	13.6	11.0	15.1	13.0	13.0	14.8	13.5	-14.4
Tobii Pro	20.0	-2.7	12.7	15.4	1.2	-38.5	1.7	9.4	2.4	-34.3
Tobii Tech	-	-	-	-	-	-	-	-	-	-
The Group	-10.6	-13.7	-8.8	-4.8	-5.9	-13.7	-8.5	-2.0	-2.7	-35.3
PROFIT/LOSS BEFORE TAX, SEK m										
The Group	-31.5	-55.9	-26.6	-36.3	-15.4	-70.7	-43.6	-32.5	-5.0	-113.3
PROFIT/LOSS FOR THE PERIOD, INCLUDING DISCONTINUED OPERATIONS, SEK m										
The Group	-32.6	-58.6	-31.5	-48.6	-15.9	-73.5	-48.6	4.2	-2.6	-114.1

1) IFRS 16 Leasing is applied from 2019. The effect is reported on Consolidated Group level only and not allocated on Divisions.

2) Tobii has changed presentation of costs related to revenue from non-recurring engineering in Tobii Tech, which affects gross profit, gross margin and R&D expenses. For more information see "Other information" on page 21

# The Parent Company

The Group's Parent Company, Tobii AB (publ), has primarily focused on Group-wide services such as overarching management, business and funding, legal affairs and IT since January 1, 2019. The number of employees in the Parent Company is approximately 100.

Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on June 30, 2021. Tobii has formulated a plan to refinance its current bond loan of SEK 450 million. January 2020, Tobii entered into a loan agreement for SEK 50 million, intended to cover the Group's working capital needs. The loan facility matured on June 30, 2021 and will not be renewed.

On October 6, 2020, which is in the fourth quarter of 2020, Tobii sold certain subsidiaries, collectively referred to as Smartbox, to an external buyer. The transaction entailed selling all shares in two foreign subsidiaries, which were owned by the Parent Company Tobii AB as of September 30, 2020. Capital gains from the divestment had a positive impact on net financial income for the year 2020 of SEK 10 million.

The Parent Company's revenue during the second quarter totaled SEK 45 million (29) and the operating loss was SEK -3,7 million (-5,3). At the end of the period, the Parent Company had SEK 59 million (57) in cash and cash equivalents

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
<b>Revenue</b>	<b>44.9</b>	<b>29.1</b>	<b>75.1</b>	<b>63.3</b>	<b>133.8</b>
Cost of goods and services sold	-14.4	-8.2	-19.0	-19.0	-37.3
<b>Gross profit</b>	<b>30.5</b>	<b>20.8</b>	<b>56.1</b>	<b>44.3</b>	<b>96.5</b>
Selling expenses	-0.6	0.4	-0.6	0.4	-0.3
Research and development expenses	-3.5	-5.3	-5.2	-6.2	-13.7
Administrative expenses	-30.5	-22.1	-55.8	-46.1	-95.6
Other operating income and operating expenses	0.4	0.8	0.4	1.6	-2.0
<b>Operating profit/loss</b>	<b>-3.7</b>	<b>-5.3</b>	<b>-5.1</b>	<b>-6.1</b>	<b>-15.0</b>
Financial items	15.4	-6.8	11.8	-13.8	26.2
Group Contributions	-	-	-	-	61.1
<b>Profit/loss before tax</b>	<b>11.7</b>	<b>-12.1</b>	<b>6.7</b>	<b>-19.9</b>	<b>72.3</b>
Tax	0.0	-	0.0	-	-0.1
<b>Profit/loss after tax</b>	<b>11.7</b>	<b>-12.1</b>	<b>6.7</b>	<b>-19.9</b>	<b>72.2</b>
Depreciation, amortization and write-downs, total	-2.9	-4.4	-5.0	-5.6	-12.8

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Jun 30 2021	Jun 30 2020	Dec 31 2020
<b>NON-CURRENT ASSETS</b>			
Intangible assets	42.4	39.5	36.4
Tangible fixed assets	5.8	8.0	7.0
Financial assets	1,710.1	1,661.7	1,658.7
<b>Total non-current assets</b>	<b>1,758.3</b>	<b>1,709.2</b>	<b>1,702.3</b>
<b>CURRENT ASSETS</b>			
Accounts receivable	29.3	21.4	26.8
Inventories	0.1	0.1	0.2
Other current receivables	209.3	40.3	187.5
Cash and bank balances	58.7	57.2	71.6
<b>Total current assets</b>	<b>297.5</b>	<b>119.0</b>	<b>286.0</b>
<b>Total assets</b>	<b>2,055.8</b>	<b>1,828.3</b>	<b>1,988.2</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>1,341.2</b>	<b>1,213.0</b>	<b>1,309.5</b>	
<b>NON-CURRENT LIABILITIES</b>			
Interest-bearing liabilities	-	518.6	448.0
Other non-current liabilities	0.0	9.3	0.1
<b>Total non-current liabilities</b>	<b>0.0</b>	<b>527.8</b>	<b>448.1</b>
<b>CURRENT LIABILITIES</b>			
Short-term part of Interest-bearing liabilities <sup>1)</sup>	448.6	-	-
Other current liabilities	265.8	87.4	230.4
<b>Total current liabilities</b>	<b>714.5</b>	<b>87.4</b>	<b>230.4</b>
<b>Total liabilities</b>	<b>714.5</b>	<b>615.2</b>	<b>678.5</b>
<b>Total equity and liabilities</b>	<b>2,055.7</b>	<b>1,828.2</b>	<b>1,988.0</b>

<sup>1)</sup> Tobii's bond financing with a total limit of SEK 600 million, of which SEK 450 million has been issued, will mature in February 2022 and is therefore a current liability on June 30, 2021.

# 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, 2021 or later. These amendments have not had a material impact on the financial statements

## Not 2. Business combinations

No business combinations occurred during the quarter, nor during the same period last year.

## Not 3. Financial instruments

SEK m	Jun 30 2021		Jun 30 2020	
	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	448.6	450.0	442.9	450.0
<b>Financial assets measured at fair value</b>				
Contingent considerations	38.8	38.8	-	-
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	-	-	12.0	12.0

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

The Group 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 the Group'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, 2021	36.6
Translation differences	2.2
Closing balance Juni 30, 2021	38.8
<b>Liabilities</b>	
Opening balance January 1, 2021	0.8
Translation differences	-
Closing balance Juni 30, 2021	-0.0

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 2020 financial year, without any need for impairment being identified.

## Not 4. Pledged assets and contingent liabilities

On February 10, 2020, Tobii announced a subsequent issuance of senior covered bonds of SEK 150 million under its SEK 600 million loan facility, with maturity in February 2022. On February 14, 2019, Tobii announced the first issuance of SEK 300 million within the same loan framework. The total amount of outstanding bonds is thus SEK 450 million. The Parent Company Tobii AB is the issuer of the bond loan. The bonds issued in accordance with the Bond Loan are secured by collateral in shares in Tobii Dynavox AB, Tobii Pro AB and Tobii Tech AB.

## 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)). The Group's risks and risk management are described in greater detail in the risk section on page 42 in the Directors' Report and in note 3 in Tobii's 2020 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 120 of the 2020 annual report.

In 2020 Tobii introduced the new growth measure organic growth, defined as change in revenue adjusted for change due to currency and, where applicable, structural changes. At group level, structural changes are defined as acquisitions or disposals of businesses, and at the division level, it may also include structural changes between divisions. No structural change occurred in the reported period or in comparative periods.

### RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

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

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

SEK m	Q2 2021	Q2 2020	Half year 2021	Half year 2020	Full year 2020
Operating profit/loss before depreciation, amortization and impairment, (EBITDA)	-36.9	8.7	14.7	37.1	116.4
Amortization and impairment	-44.5	-40.1	-90.3	-77.6	-164.7
Depreciation	-18.1	-14.1	-33.1	-27.6	-54.6
<i>of which Right-of-use assets (IFRS 16 Leasing)</i>	-8.3	-7.1	-16.8	-14.2	-28.2
<b>Operating profit/loss (EBIT)</b>	<b>-99.5</b>	<b>-45.4</b>	<b>-108.7</b>	<b>-68.0</b>	<b>-102.9</b>

### CHANGED PRESENTATION OF COST OF SERVICES IN TOBII TECH

Previously, non-recurring revenue has been charged with cost of services sold on a flat-rate basis. From Q1 2021, the reporting has been changed, to enhance consistency. The change has no effect on operating profit, but results in a higher gross profit and higher R&D costs.

#### Effect on previous periods from changed presentation

	2019					2020				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
<b>Group</b>										
Cost of services	-4.4	-4.9	-2.4	-6.2	-17.9	-6.8	-12.7	-4.1	-3.6	-27.3
Gross profit	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
<i>Gross margin, percentage points</i>	1.2	1.4	0.7	1.4	1.2	1.8	3.8	1.3	0.9	1.9
RnD costs	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
Operating result	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Tobii Tech</b>										
Cost of services	-4.4	-4.9	-2.4	-6.2	-17.9	-6.8	-12.7	-4.1	-3.6	-27.3
Gross profit	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
<i>Gross margin, percentage points</i>	8.8	9.9	5.0	8.3	8.1	11.5	19.1	9.4	6.0	11.9
RnD costs	4.4	4.9	2.4	6.2	17.9	6.8	12.7	4.1	3.6	27.3
Operating result	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Danderyd, August 20, 2021

**Kent Sander**  
Chairman of the Board

**Heli Arantola**  
Board member

**Nils Bernhard**  
Board member

**Mårten Skogö**  
Board member

**Charlotta Falvin**  
Board member

**Åsa Hedin**  
Board member

**Jan Wäreby**  
Board member

**Jörgen Lantto**  
Board member

**Henrik Eskilsson**  
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 August 20, 2021, at 7:30 a.m. CET.

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# Information to shareholders

## WEB PRESENTATION

A conference call and online presentation will be held in English today at 09:00 a.m. (CET). See [tobii.com](http://tobii.com) for more information about the conference. The slides from the presentation will be available for download from the website afterwards.

## CONTACT DETAILS

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## FINANCIAL CALENDAR

Interim report, Q3 2021	October 28, 2021
Year-end report, Q4 2021	February 08, 2022