Welcome to our presentation of the Q1 2019 report

Henrik Eskilsson, CEO

Johan Wilsby, CFO
High-level summary, first quarter

• Record sales - Group’s net sales grew 34%, or 20% adjusted for currency effects
• Sales growth in all three Business Units
• Continued high profitability in Tobii Pro
• Continued strong sales growth for both touch and eye-controlled products in Tobii Dynavox
• Positive development in VR-, PC- and Niche Applications segments for Tobii Tech
Tobii Dynavox

- World's leading supplier of assistive technology for communication
- Market share of 40%
- *Tobii Dynavox’s mission is to empower people with disabilities to do what they once did, or never thought possible*”
- Provides products that enable users with disabilities to speak and communicate effectively
- Around 70,000 active users end of 2018

*Share of Tobii’s gross sales*

60%
Continued strong sales growth in Tobii Dynavox

- Revenue up 40%, or 10% adjusted for both acquisition and currency effects
- Growth both in developed markets, e.g. US, Sweden and Norway, and in new markets like Eastern Europe
- Growth in both touch- and eyetracking products
- Approximately 5,000 new “voices” (users) in the quarter, up 25% Y-o-Y
- Trained around 7,000 therapists, prescribers and other key individuals
- Smartbox integration is pending outcome of CMA review – final report expected end of July
Tobii Dynavox Q1 financials

- Revenue increased 10% year-over-year, adjusted for currency and the recent acquisition, 40% non-adjusted

- Gross margin was 64% (68%)
  - Negatively affected with 1 percentage point through reallocation of license costs and some non recurring costs

- EBIT margin was 8% (8%)
  - After adjustments of non recurring costs related to the Smartbox acquisition of 8 M MSEK, EBIT margin was 11% (8%)
Tobii Pro

- World’s leading supplier of eye-tracking solutions for understanding human behavior
- Market share of 60%
- Tobii Pro’s mission is to empower professionals with revolutionary insights into human behavior, using eye tracking as the foundation
- Provides eye tracker hardware and analysis software, plus market research consulting
- 3,500 commercial and 2,500 academic customers

Share of Tobii’s gross sales

28%
Tobii Pro is organized towards three segments:

- Scientific Research
- Professional Performance
- Marketing Research & User Experience
Tobii Pro sales growth continues

- Revenue up 18%, or 7% adjusted for currency
- Strong sales development on some developing markets, e.g. China, and of Tobii Pro Glasses
- Academic business temporarily dampened by US government shutdown and Brexit-related effects in the UK
- New sales office in Singapore
- Large order to global market research company relating to our SaaS solution *Sticky*
- Expansion also outside of Japan within “Professional Performance” segment
Tobii Pro Q1 financials

- Revenue increased 7% year-over-year adjusted for currency, 18% non-adjusted
- Gross margin at 76% (74%)
- EBIT margin at 20% (16%)

Revenue (SEK million) and Gross Margin

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
<th>Q1 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>61</td>
<td>66</td>
<td>80</td>
<td>97</td>
<td>98</td>
<td>92</td>
<td>88</td>
<td>120</td>
<td>115</td>
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<tr>
<td>Gross</td>
<td>75%</td>
<td>73%</td>
<td>76%</td>
<td>73%</td>
<td>74%</td>
<td>73%</td>
<td>76%</td>
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EBIT (SEK million) and EBIT Margin

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<tr>
<th></th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>Q1 2018</th>
<th>Q2 2018</th>
<th>Q3 2018</th>
<th>Q4 2018</th>
<th>Q1 2019</th>
</tr>
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<tbody>
<tr>
<td>EBIT</td>
<td>0</td>
<td>-2</td>
<td>9</td>
<td>19</td>
<td>15</td>
<td>1</td>
<td>4</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>Margin</td>
<td>0%</td>
<td>-3%</td>
<td>11%</td>
<td>13%</td>
<td>16%</td>
<td>2%</td>
<td>5%</td>
<td>20%</td>
<td>20%</td>
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Tobii Tech

- World’s leading supplier of eye-tracking technology for integration into consumer electronics and other volume products
- *Tobii Tech’s mission is to enable devices to visually sense the user* - to transform your everyday experiences to be more intelligent, intuitive and insightful
- Provides eyetracking platforms, reference designs, HW components and SW licenses and IP

Share of Tobii’s gross sales

12%
Three volume market opportunities currently in focus

<table>
<thead>
<tr>
<th>PC</th>
<th>Virtual Reality</th>
<th>Niche Applications</th>
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1. **PC**
   - Woman sitting with a laptop

2. **Virtual Reality**
   - Man wearing a VR headset

3. **Niche Applications**
   - Medical scanning image
Strong progress in PC Gaming

• Shipping the new Tobii IS-5 platform
  • Great eye tracking performance in a small form-factor, invisible illumination and low power

• Alienware Area 51-m is first PC to integrate IS-5

• Game streaming with eye tracking is growing rapidly
  • Doubled numbers of views of game streams with eye tracking since last quarter (to 10M views)

• E-sports broadcasting with eye tracking continues to grow

• 7 new games with eye tracking in Q1
  • Including The Division 2 – one of biggest launches in the games industry this year
Tobii Aware increases the addressable PC market

• Today announced a major new generation of Tobii Aware

• Tobii Aware is a software that brings new benefits to the PC market:
  • Improved privacy & security
  • Digital wellbeing
  • Enhanced device performance
  • Increased efficiency

• Lenovo is the first OEM-customer and has integrated Aware in the all-in-one PC Yoga A940
Eye tracking is becoming a must-have in VR and AR

- Reiterated projections from IDC estimate rapid growth of VR & AR markets:
  - >50% growth in 2019 to 9 M units
  - >60% CAGR to almost 70 M units by 2023

- HTC announced the Vive Pro Eye
  - The first major VR headset with built-in eye tracking

- New devices with integrated eye tracking from leaders such as HTC and Microsoft accelerate market adoption

- Working with several major partners and customers to integrate Tobii eye tracking into upcoming devices

- New software developer tools launched
Rapid sales growth in Niche Applications

• Very rapid sales growth

• In total over a dozen design wins with a broad range of innovative customers:
  • Interaction in medical devices
  • Medical diagnostics and therapy
  • Cognitive assessments
  • Optometry
  • Assistive Technology
  • Lie detection
  • Entertainment

• Significant opportunity with high margins for Tobii
Tobii Tech Q1 financials

- Revenue increased 21% year-over-year, adjusted for currency, 36% non-adjusted
- Gross margin was 44% (42%)
- Operating loss amounted to -80 MSEK (-66)
  - Material non-recurring items contributing negatively in the year-on-year comparison
Tobii Group Q1 financials

- Revenue increased 21% year-over-year adjusted for currency, 36% non-adjusted
- Gross margin was 68% (70%)
- Group EBIT was -37 MSEK (-37)
  - Non-recurring items explain 9 MSEK of variance
Balance sheet and cash flow

- Cash flow from operations negatively impacted by change in working capital
- Bond of 300 MSEK issued in Q1 – refinancing acquisitions in 2018 and enabling further M&A
- Cash position at 391 MSEK at end of quarter
- IFRS16 impact both assets and liabilities, and hence some key ratios

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<table>
<thead>
<tr>
<th>Tobii Group (MSEK)</th>
<th>Q1 2019</th>
<th>Q1 2018</th>
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<tbody>
<tr>
<td>Total Assets</td>
<td>1713</td>
<td>1314</td>
</tr>
<tr>
<td>Equity</td>
<td>806</td>
<td>945</td>
</tr>
<tr>
<td>Equity Ratio</td>
<td>47</td>
<td>72</td>
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<tr>
<td>Cash Position</td>
<td>391</td>
<td>459</td>
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<tr>
<td>Cash flow after continuous investments</td>
<td>-99</td>
<td>-65</td>
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Summary

• Record sales for Tobii Group

• Sales growth in all Business Units
  • Tobii Tech external sales growth 36%, FX adjusted
  • Tobii Dynavox sales growth 40, or 10% adjusted for both FX and acquisition
  • Tobii Pro profit margin of 20%

• We have at large reached the organizational size we need to deliver on our plan

• Looking ahead, we proceed with strong focus on profitability
Thank you