Investor presentation

Redeye Technology Day, 21 November 2019

Henrik Eskilsson, CEO
World leader in eye tracking

Headquarters in Sweden with 15 offices in the US, Europe and Asia

Listed on Nasdaq Stockholm (2015)

Founded in 2001

1,000 employees

Net sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales (SEK million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>218</td>
</tr>
<tr>
<td>2010</td>
<td>315</td>
</tr>
<tr>
<td>2011</td>
<td>333</td>
</tr>
<tr>
<td>2012</td>
<td>369</td>
</tr>
<tr>
<td>2013</td>
<td>412</td>
</tr>
<tr>
<td>2014</td>
<td>621</td>
</tr>
<tr>
<td>2015</td>
<td>967</td>
</tr>
<tr>
<td>2016</td>
<td>1,053</td>
</tr>
<tr>
<td>2017</td>
<td>1,079</td>
</tr>
<tr>
<td>2018</td>
<td>1,278</td>
</tr>
<tr>
<td>LTM Q3 2019</td>
<td>1,433</td>
</tr>
</tbody>
</table>
Eye tracking – technology that understands You

- What you are paying attention to
- What information you are processing
- Your intent
- Your presence, identity, focus, mental state…
Our vision is a world where all technology works in complete harmony with natural human behavior.
How eye tracking works

1. An eye tracker consists of cameras, projectors and algorithms.

2. The projectors create a pattern of near-infrared light on the eyes.

3. The cameras take high-resolution images of the user’s eyes and the pattern.

4. Machine learning, image processing and mathematical algorithms are used to determine the eyes’ position and gaze point.
Eye tracking provides key benefits in many fields

- Research
- Assistive Tech
- Virtual Reality
- Augmented Reality
- Mainstream PCs
- Smartphones
- Niche Applications
- Automotive
- PC Gaming
Three business units – each one undisputed global leader

- **Global leader in assistive technology for communication**
  - tobii dynavox
  - 58% of Tobii’s gross sales (LTM)

- **Global leader in eye-tracking solutions for research**
  - tobii pro
  - 29% of Tobii’s gross sales (LTM)

- **Global leader in eye-tracking technology for integration into volume products**
  - tobii tech
  - 13% of Tobii’s gross sales (LTM)
Tobii Pro

World’s leading supplier of eye-tracking solutions for understanding human behavior

Tobii Pro’s mission is to empower professionals with revolutionary insights into human behavior, using eye tracking as the foundation

Share of Tobii’s gross sales (LTM)

29%

Tobii Pro’s eye-tracking solutions are used by NASA for training purposes
Tobii Pro addresses three segments

Scientific Research

Professional Performance

Market Research & User Experience
Leading product portfolio

Eye tracking hardware

- Tobii Pro Spectrum
- Tobii Pro Fusion Glasses 2
- Tobii Pro VR Integration
- Tobii Pro Nano

Analytics software

- Tobii Pro Lab
- Tobii Pro Sprint
- Sticky by Tobii Pro
- Tobii Pro Pulse

Services

- Tobii Pro Insight Research Consultancy
- Training services
#1 position in eye-tracking solutions for behavior research

- Superior technology
- Leading and broad portfolio of solutions including eye tracker devices, analytics software and SaaS solutions
- Deep expertise in eye tracking studies
- Research services arm with global footprint
- Strongest global sales channels and brand

Revenue by customer category

- **Government**
- **Academic institutions** (>2,500 customers)
- **Enterprise** (>3,500 customers)

**Global market share**

- 60%

**Top 10 customers**

- Unilever
- TOYOTA
- Nielsen
- Google
- Ipsos
- Explorer Research
- Microsoft
- P&G
- West Japan Railway Company
- facebook
Financial overview

Revenue
SEK million

EBIT and EBIT Margin
SEK million

R&D investments
SEK million

CAGR: 21%
Tobii Pro’s long-term financial target is to increase revenue on average by 15-20% per year, and to reach an EBIT margin of 15% by 2020.
Tobii Dynavox

World's leading supplier of assistive technology for communication

Tobii Dynavox’s mission is to empower people with disabilities to do what they once did, or never thought possible.

Share of Tobii’s gross sales (LTM)

58%
Provides our users with the profound benefit of speech and communication.

- ALS
- SPINAL CORD INJURY
- APHASIA
- CEREBRAL PALSY
- RETT SYNDROME
- AUTISM
- PARKINSON’S
- MUSCULAR DYSTROPHY
Significant unmet need

- 50 million people need assistive technology to communicate
- Low penetration (1-2% globally) provide foundation for long-term market growth
# Other Assistive Technologies – industry comparison

<table>
<thead>
<tr>
<th>Category</th>
<th>Annual revenue</th>
<th>Notable players</th>
</tr>
</thead>
</table>
| **Hearing aids**          | USD 4.5 Billion| • GN Resound  
• Widex  
• Phonak  
• Siemens |
| **Mobility aids**         | USD 2 Billion  | • Permobil  
• Invacare  
• Sunrise Medical |
| **Low Vision/Blind aids** | 400 MUSD       | • Vispero  
• HiMS  
• HumanWare |
| **Communication aids**    | 250 MUSD       | • Tobii Dynavox  
• PRC  
• Jabbla |
Rock-solid global leader position

- Strongest presence and distribution in the industry
- Most comprehensive offering of leading products
- Unmatched access to reimbursement
- Leading clinical expertise and training organization
- Strong eye tracking technology advantage

Revenue by customer category

- Private clients
- Public funding
- Private insurance

Top 10 customers

- Medicare
- Medicaid
- Humana
- Kaiser Permanente
- Norwegian labour and welfare administration
- German Krankenkassen
- United Healthcare
- Tricare
- Carecentrix
- UK NHS

Global market share

- Overall assistive technology communication market: 40%
- Eye controlled assistive technology: 70%
Financial overview

**Revenue**
SEK million

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>LTM Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>740</td>
<td>762</td>
<td>708</td>
<td>798</td>
<td>872</td>
</tr>
</tbody>
</table>

**EBIT and EBIT Margin**
SEK million and % of net sales

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>LTM Q3 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>119</td>
<td>125</td>
<td>74</td>
<td>71</td>
<td>89</td>
</tr>
<tr>
<td>EBIT Margin</td>
<td>16%</td>
<td>16%</td>
<td>10%</td>
<td>8%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Total R&D investments**
SEK million

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
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</thead>
<tbody>
<tr>
<td>R&amp;D</td>
<td>91</td>
<td>108</td>
<td>115</td>
<td>135</td>
<td>148</td>
</tr>
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</table>
Introducing the new I-Series, Tobii Dynavox’ medical grade eye-controlled flagship product

- I-series accounts for about 50% of Tobii Dynavox’ sales
- The new I-Series is the most user friendly, durable and advanced eye-tracking enabled communication device on the market
- Sample innovations include:
  - **IS5 equipped**, Tobii’s leading eye-tracking platform provides superior performance
  - **Computer Control™**, a new software enabling simpler and more intuitive interaction with the device
  - **Partner window**, a second screen on the back mirroring the phrases being typed
Tobii Dynavox’s long-term financial target is to increase revenue on average by 10% per year with an EBIT margin of 15-20%. 
Tobii Tech

World’s leading supplier of eye-tracking technology for integration into consumer electronics and other volume products

Share of Tobii’s gross sales (LTM)

13%
Three volume market opportunities currently in focus

PC  VIRTUAL REALITY  NICHE APPLICATIONS
Consumer PC devices with Tobii eye tracking

Tobii eye tracking technology

Software delivering value with eye tracking
Eye tracking is becoming a must-have in VR and AR

**FOVEATED RENDERING**
- Dramatically more efficient graphics processing

**EYE POSITION**
- Better graphics and improved comfort

**SOCIAL INTERACTION**
- Life-like interaction with avatars

**NATURAL AIM & POINT**
- Amazingly intuitive interaction

**ANALYTICS**
- Analyze consumer behavior in VR

**AUTHENTICATION**
- Automatic log-in and profile management

HTC Vive Pro Eye – the first major VR headset with built-in eye tracking
Integration customers in niche applications

ASSESSMENTS

ASSISTIVE TECHNOLOGY

ROBOTIC SURGERY

THERAPY

LIE DETECTION

CASINO MACHINES
Financial overview

Revenue & gross margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue &amp; Gross Margin (SEK million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>96</td>
</tr>
<tr>
<td>2017</td>
<td>121</td>
</tr>
<tr>
<td>2018</td>
<td>150</td>
</tr>
<tr>
<td>LTM Q3 2019</td>
<td>195</td>
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EBIT

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT (SEK million)</th>
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<tbody>
<tr>
<td>2016</td>
<td>-207</td>
</tr>
<tr>
<td>2017</td>
<td>-291</td>
</tr>
<tr>
<td>2018</td>
<td>-305</td>
</tr>
<tr>
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<td>-299</td>
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<td>163</td>
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<tr>
<td>2017</td>
<td>238</td>
</tr>
<tr>
<td>2018</td>
<td>265</td>
</tr>
<tr>
<td>LTM Q3 2019</td>
<td>270</td>
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</table>
Long term, Tobii Tech’s goal is to achieve sales of several billion SEK with good profitability.

In the medium term, Tobii Tech’s financial target is to reach profitability in 2021.
The long-term financial target for the Group is to reach profitability in 2020.
THE WORLD LEADER IN EYE TRACKING

- Proven technology with strong unique benefits in large markets
- Global technology and market leadership

**tobii dynavox**

- Profitable
- Clear no. 1 position
- Market with significant unmet needs support long-term growth opportunity

**tobii pro**

- Profitable
- Clear no. 1 position
- Long-term growth opportunity by driving use beyond early adopters

**tobii tech**

- Clear no. 1 position
- Leading IP portfolio
- Multiple very large mass-market opportunities