Welcome to our presentation of the Q3 2018 report

Henrik Eskilsson, CEO

Johan Wilsby, CFO
High-level summary

• Group’s net sales grew 14% adjusted for currency effects
• Very positive sales trend with increasing growth rate in Tobii Dynavox
• New products launched, but slower sales growth in Tobii Pro
• VR-customers and stronger footprint in esports for Tobii Tech
Tobii Dynavox

• Global leader in assistive technology for communication
• Market share around 50%
• We empower people with disabilities to do what they once did, or never thought possible.
• We provide products that enable users with disabilities to speak and communicate effectively

Share of the Group’s sales

59%
Portfolio strategy paying off – sales grew by 21%

<table>
<thead>
<tr>
<th>Medical grade &amp; funded products</th>
<th>Eye controlled speech devices</th>
<th>Touch based speech devices</th>
<th>Eye controlled devices for Computer control</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I-Series+</td>
<td>I-110</td>
<td>PCEye Plus</td>
</tr>
<tr>
<td>Mid range products</td>
<td>EyeMobile Plus</td>
<td>Indi</td>
<td>PCEye Mini</td>
</tr>
<tr>
<td>Communication Software &amp; Apps</td>
<td>Snap+Core First</td>
<td>Pathways for Core First</td>
<td>Snap Scene</td>
</tr>
<tr>
<td></td>
<td>Pathways for Core First</td>
<td>Communicator</td>
<td>Compass</td>
</tr>
<tr>
<td>Other Software &amp; Apps</td>
<td>ALL</td>
<td>Boardmaker Online</td>
<td>Windows Control</td>
</tr>
</tbody>
</table>
Strategic acquisition of UK-based Smartbox Assistive Technology

• Complements our industry-leading touch and eye-tracking solutions for assistive communication with the market-leading communication software Grid
• Strengthens our sales presence in key geographic markets
• Synergies in R&D, sales and operations
• Increases the size of Tobii Dynavox’ business by ~15%
• Closing date was Oct. 1, 2018
• Integration pending approval from CMA
Tobii Dynavox Q3 financials

- Revenue grew 21% adjusted for currency and 32% non-adjusted
- Gross margin was 68% (71%)
- EBIT margin was 9% (6%)
Tobii Pro

- World leader in eye-tracking solutions for understanding human behavior
- Market share over 60%
- Provides eye tracker hardware and analysis software, plus market research consulting
- 2,000 academic and 3,000 commercial customers

Share of the Group’s sales

30%
Tobii Pro Q3 highlights

• Expanding our offerings to meet the needs of more customers in different fields
  • Launched Tobii Pro Sprint, easy to use, cloud-based solution for agile user testing
  • Added Tobii Pro Lab 360 software for user testing in VR environments

• Low sales growth, but strong underlying demand
  • SMI effect behind us
  • Q3 2017 boosted by unusually high sales to government customers in the US
Tobii Pro Sprint
Eye tracking analytics in UX and agile development

https://www.tobiipro.com/sprint/
Tobii Pro Q3 financials

- Revenue increased 1% adjusted for currency, 10% non-adjusted
- Gross margin at 76% (76%)
- EBIT margin at 5% (11%)
Tobii Tech

- World’s leading supplier of eye tracking technology and solutions to integration customers
- Targets high volume markets such as PC gaming, mainstream computers, virtual reality, augmented reality, smartphones, and numerous niche markets

Share of the Group’s sales

11%
Continued strong progress in VR market

- Good progress in integration projects with significant VR customers and partners, mostly targeting products in market during 2019 and 2020.

- StarVR announced upcoming StarVR One with Tobii eyetracking

- Tobii announced agreement with leading VR manufacturer for development and delivery of eye-tracking technology to upcoming VR headset
# VR market estimate

## AR/VR Headset Market

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Segment Group</th>
<th>2018 Shipments (millions)</th>
<th>2022 Shipments (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2018</td>
<td>2022</td>
</tr>
<tr>
<td>Virtual Reality</td>
<td>Commercial</td>
<td>1,3</td>
<td>16,0</td>
</tr>
<tr>
<td></td>
<td>Consumer</td>
<td>2,8</td>
<td>15,5</td>
</tr>
<tr>
<td>Augmented Reality</td>
<td>Commercial</td>
<td>0,2</td>
<td>18,8</td>
</tr>
<tr>
<td></td>
<td>Consumer</td>
<td>0,0</td>
<td>2,8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>4,3</td>
<td>53,1</td>
</tr>
</tbody>
</table>

Source: IDC Worldwide Quarterly AR and VR Headset Tracker, Sep 20, 2018

Excluding headsets without screens
Tobii IS5 – next generation integration platform for PC market

• Key advancements
  • The brand new Tobii EyeSensor, our custom-designed CMOS image sensor specifically optimized for eye tracking
  • Completely invisible to the human eye
  • Modular design and 60% smaller footprint
  • Up to 75% more power efficient
  • Tobii EyeCore algorithm improvements for better tracking under difficult conditions
  • Support for biometric security features using face ID

• Customer integration projects ongoing
Increased use in esports and streaming

- Used in several major broadcasted tournaments
  - Eleague CS:GO, Street Fighter and Tekken
  - ESL ONE NY
  - Tobii eye tracking won the Esports Business Summit Award for "best tech in e-sports" together with Eleague

- Major games with eye-tracking support
  - Shadow of the Tomb Raider, Assassin’s Creed Odyssey and several more
Tobii Tech Q3 financials

- Revenue increased 21% year-over-year, adjusted for currency, 35% non-adjusted
- Gross margin was 50% (46%)
- Operating loss amounted to -82 MSEK (-67)
Tobii Group Q3 financials

• Revenue increased 14% year-over-year adjusted for currency, 25% non-adjusted
• Gross margin was 71% (73%)
• Group EBIT was -60 MSEK (-49)
  • Impacted by strong sales growth in Tobii Dynavox and Tobii Tech
Balance sheet and cash flow

- Cash flow in Q3 2018 negatively impacted by a increase in trade working capital
- Cash position at 338 MSEK
- Debt financing arranged for the Smartbox acquisition

<table>
<thead>
<tr>
<th>Tobii Group (MSEK)</th>
<th>Q3 2018</th>
<th>Q3 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>1 256</td>
<td>1348</td>
</tr>
<tr>
<td>Equity</td>
<td>840</td>
<td>986</td>
</tr>
<tr>
<td>Equity Ratio</td>
<td>66</td>
<td>73</td>
</tr>
<tr>
<td>Net Cash (+)/Net Debt(-)</td>
<td>338</td>
<td>573</td>
</tr>
<tr>
<td>Cash flow after continuous investments</td>
<td>-71</td>
<td>-56</td>
</tr>
</tbody>
</table>
Summary

• 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