



smart eye

Interim report Q1  
January - March 2024

Bridging the gap between humans  
and machines for a safer future



# The foreseen Acceleration of Automotive Sales has Started

January- March 2024

- Net sales amounted to SEK 86.1 (64.3) million, an increase of 34% compared to the corresponding period the previous year. Business area Automotive continuing to drive the growth in the quarter.
- Gross Profit amounted to SEK 77.3 million, an increase of 41% compared to the corresponding period the previous year. Gross Margin amounts to 90% (85%) which is due to a higher share of software sales in the quarter.
- EBITDA amounted to SEK -23.0 (-44.2) million. The improved result is driven by higher sales and lower OPEX. One-time expenses due to restructuring costs impacted the result negatively with -11.6 million.
- Operating loss amounted to SEK -61.5 (-81.9) million. Depreciation of the surplus value created in conjunction with the Affectiva and iMotions acquisitions amounts to SEK -28.4 million.
- Earnings after tax per share are -1.53 (-2.33), and after full dilution -1.53 (-2.33).
- Cash and cash equivalents totaled SEK 161.2 million at the end of March. The cash ending balance including credit facilities amounts to SEK 243.6 million.
- Strong order intake during the quarter included 19 design wins for DMS, 5 design wins for Interior Sensing and 2 design wins for a commercial vehicle manufacturer (AIS). The total estimated order value for these design wins amounts to SEK 785 million based on estimated product life cycle projections.

# Financial summary

|   |      | Jan-Mar    |            | Full Year  |
|---|------|------------|------------|------------|
|   |      | 2024       | 2023       | 2023       |
| TSEK  |      |            |            |            |
| Net sales                                     | TSEK | 86 102     | 64 324     | 302 233    |
| Operating profit/loss                         | TSEK | -61 511    | -81 912    | -282 902   |
| Operating margin                              | %    | neg.       | neg.       | neg.       |
| EBITDA  | TSEK | -22 983    | -44 156    | -127 667   |
| Profit/loss after tax                         | TSEK | -56 481    | -81 600    | -75 543    |
| Profit per share*                             | SEK  | -1,53      | -2,33      | -2,14      |
| Return on total capital                       | %    | -3,27      | -5,40      | -4,85      |
| Equity per share*                             | SEK  | 46,68      | 43,15      | 44,20      |
| Equity per share after full dilution*         | SEK  | 45,29      | 43,15      | 42,82      |
| Equity ratio                                  | %    | 86,90      | 82,55      | 85,28      |
| Number of shares                              |      | 36 995 768 | 35 007 156 | 35 262 405 |
| Number of shares after full dilution          |      | 38 130 168 | 35 007 156 | 36 396 805 |
| Average number of shares before full dilution |      | 35 589 821 | 30 347 986 | 33 999 581 |
| Average number of shares after full dilution  |      | 36 724 221 | 30 347 986 | 35 133 981 |

\* The subscription price in the directed share issue carried out in March 2024 was SEK 91 per share, corresponding to approximately 96 % of the share's fair value on the last day before the publication of the directed share issue. The comparison figures are recalculated, as a consequence of the directed share issue, with the calculated bonus factor of 1,002.

# Comments from the CEO

The most significant development in the first quarter is that our software license revenue from the automotive sector is gearing up as planned. The company is growing 34% year on year, with the majority of the growth coming from Automotive. The costs are kept firmly in control, and we are eagerly anticipating that the revenues ramp-up, driven by higher car production volumes. In the period we chose to increase our cash position by 150 MSEK with a directed share issue. After our last earnings call it became clear to us that we had the option to raise cash that way on favorable terms, as an alternative to a debt facility. We concluded this was the best alternative, in terms of risk minimization, and executed the deal in a short time frame with low discount.

## Automotive

We are proceeding according to our plan. The Automotive business is growing with 138% (121% in Q4 2023). The increased growth rate comes mainly from production volumes in Japan and North America. The production volumes also continue to rise in South Korea while Europe and China will start to increase shortly. Most of the 322 car models have not started production, so higher growth in the future is to be expected. The non-recurring engineering is on a higher level than last year, due to all the recently won car programs. We had our first two OEM programs with Interior Sensing during the quarter. It is very welcome, and we continue to push forward on this new and exciting development track. We intend to become market leaders here as well.

AIS's main achievement this quarter was securing a very big contract with a well-known European truck manufacturer, with a combined order value of 150 MSEK with start of production in 2025. We are pursuing several bus manufacturers that need a DMS system to comply with the upcoming European legislation starting this year. This will start to ramp up in Q3. The fleet customers are adding up and will during this year become a significant and welcome addition to the already fast-growing automotive business area.

## Behavioral Research

The business area grew by 6% during the quarter, mainly coming from the eye trackers of Research Instruments. All product categories



and geographic regions grew and helped make Q1 the best quarter so far for RI. Both iMotions and Media Analytics slowed down a bit, which probably has to do with the strong end of year effect we saw in Q4. Next quarter looks very promising for the entire business area. We showcased a new reference measuring product at World NCAP conference in Munich, which has gained a lot of market interest. The timing for this product couldn't be better, given all the regulatory groundwork taking place currently.

## Final Words

We are perfectly set up for the year to come. We have an uniquely strong automotive production program pipeline. We have a dedicated and enthusiastic organization in place delivering the production projects that we won. We have a solid research business as a base platform, and we have the exhilarating fleet and aftermarket business that quickly can turn into yet another cash cow. The inevitable ramp-up of the production programs is such that it supports our forthcoming profitability. We also filled up our war chest so that we are secure for anything unexpected that might occur. We have never been in a better position with Smart Eye.

*Martin Krantz*  
CEO Smart Eye

## Estimated value of obtained design wins

As of the report for the third quarter of 2018, the company provides information on the estimated market value of obtained design wins at the time of publication of the report. The figures in brackets show the levels at the time of the publication of the preceding report, which in this case was February 21<sup>st</sup>, 2024.

The total estimated value of the company's 322 (315) design wins announced to date amounts to SEK 7,500 (6,915) million over a product life cycle.

If the company's system had been used in all car models on existing platforms by the 21 (21) car manufacturers with whom design wins have been communicated, the estimated value would amount to at least SEK 11,450 (9,715) million over a product life cycle.

The calculations have been made by the company based on OEMs estimated production volumes of car models and may change due to changed conditions for life cycle estimates of the car platforms.

One of the main reasons for the large number of Driver Monitoring System (DMS) design wins that has been awarded during the last year is due to the legislation that is about to take effect in Europe. Advanced Driver Distraction Warning will be required for new type approvals starting July 2024 and as of July 2026 all new vehicle registrations will require the same technology. Given the length of an automotive development project most of the OEMs have been making their decisions during 2021 and 2022, to fulfill the legislation once it becomes effective.

| <b>Design Win development / (MSEK)</b>  | <b>2022</b> | <b>2023</b> | <b>2024</b> |
|---|-------------|-------------|-------------|
| Estimated revenue over the product life cycle from current design wins  | 3 835       | 6 715       | 7 500       |
| Estimated revenue over the product life cycle from possible additional design wins with existing car manufacturers on existing platforms                  | 4 075       | 3 000       | 3 950       |
| Estimated revenue over the product life cycle including current and possible additional design wins with existing car manufacturers on existing platforms | 7 910       | 9 715       | 11 450      |

# The Group

## Revenue

### First quarter 2024

Net sales for the period January to March 2024 amounted to SEK 86.1 (64.3) million, which is an increase of 34%. The growth is driven by Automotive, 138%, the growth for Behavioral Research amounts to 6%.

Net sales for the **Automotive** business area (Automotive Solutions and Fleet & Aftermarket/AIS) during the first quarter was SEK 32.8 million, compared with SEK 13.7 million in the first quarter of the previous year. The revenue increase is driven by continued high activity in customer development projects (NRE), higher license revenue (related to ramp up of car volumes), and higher AIS sales.

For the **Behavioral Research** business area (Research Instruments, Media Analytics and iMotions) net sales during the first quarter amounted to SEK 53.3 (50.6) million. Revenue growth sums up to 6% driven by Research Instruments, while Media Analytic and iMotions declined slightly compared to same period last year.

## Results

### First quarter 2024

EBITDA amounted to SEK -23.0 (-44.2) million. The improved result is due to increased sales and lower costs during the period. EBITDA is also affected by restructuring cost of SEK -11.6 million.

**Underlying EBITDA** (excluding one-time items) amounts to SEK -11.4 million and is considerably lower than last quarter (-22,6).

The **operating result** for the first quarter totaled SEK -61.5 (-81.9) million.

Depreciation of the surplus value created in conjunction with the Affectiva and iMotions acquisitions amounts to SEK -28.4 million in the quarter.

## Financial position

In addition to cash and cash equivalents of 161.2 SEK million, the Group has two unutilized bank overdrafts facilities of SEK 20 million and DKK 8 million and a credit facility of SEK 50 million.

Cash flow during the quarter amount SEK 81.5 million, positive due to performed direct share issue in the quarter.

Cash flow excluding financial activities amounts to SEK -59.9 million, which is a decrease of SEK -11.3 million compared to the previous quarter. The main reason is due to one-time payments of restructuring cost and periodical changes in the working capital.

## Important events during the period

The company has in the first quarter of 2024 taken its first five design wins to deliver its combined Driver Monitoring System (DMS) and Cabin Monitoring System (CMS) technology to new car models. By extending our world leading DMS technology to the entire vehicle interior and all its occupants, Smart Eyes Automotive Interior Sensing AI enables car manufacturers to offer new features for improved safety and comfort in their vehicles. Smart Eye's interior sensing technology incorporates key components from Affectiva, pioneers in Emotion AI and part of the Smart Eye group since 2021.

In March 2024, the company signed a contract to supply its Fleet Driver Monitoring system to two medium-sized truck models of a large European manufacturer of commercial vehicles. The newly launched product is a complete hardware and software system intended for original or aftermarket installation in commercial vehicles, mainly trucks and buses.

The Company has during March resolved on a directed share issue of 1,650,000 new

shares, corresponding to approximately 5 per cent of the total number of outstanding shares and votes, at a subscription price of SEK 91 per share, which means that the Company receives SEK 150 million before transaction costs. The subscription price in the Issue has been determined through an accelerated bookbuilding procedure and corresponds to a discount of approximately 4 per cent compared to the closing share price as of 21 March 2024. The interest in the Issue was very large, from both existing shareholders as well as several new Swedish and international institutional investors.

## Events after the end of the period

No specific event to report.

# Parent company

## Revenue

### First quarter 2024

Net sales for the period January to March 2024 amounted to SEK 51.1 (25.0) million, which amounts to an increase of 104% compared with the same period last year. The growth is driven by Automotive as well as Behavioral Research business areas.

## Results

### First quarter 2024

The operating result for the first quarter totaled SEK -28.6 (-61.1) million. Improved result is driven by higher sales and lower OPEX.

## Significant risks and uncertainties in summary

### Operational risks

The business operations are subject to risk factors that could impact the company's commercial and financial position. The risks relate in part to development operations

proceeding as planned and in part to the company's success in recruiting qualified personnel to the necessary extent.

### Financial risks

A positive cash flow is essential for long-term investment in the competitiveness of the Group. Demand and production of car models related to the Group's design wins significantly impact the company's license revenues and ultimately when the company reaches profitability and a positive cash flow. The company is currently financed through share capital and credit pending a positive cash flow.

As sales increase, the company will face an increased currency exposure since most of the company's sales will be denominated in a currency other than Swedish kronor.

### Market risks

Eye tracking is an emerging technology, whereby the company's products are currently used in behavioral research and as integrated products in the automotive industry. Regarding the Automotive business segment, a delay or the non-materialization of a launch of eye tracking in the automotive industry could entail a risk of a lower-than-expected growth rate. The future growth rate is strongly connected to the introduction of legislation in the European Union and at the time of publishing this report, there are no indications of a delay in this legislation.

In the Research business area, the biggest market risk is the availability of funding in the academic field. A general decline in funding could be partly offset by an increased penetration of the market as the presence of the group's technology is still emerging.

Otherwise, regarding risks and uncertainties, refer to the 2023 Annual Report, page 43-44.

### **Transactions with related parties**

Except for shared based incentive programs and intercompany transactions there were no transactions with related parties during the period.

### **Share Information**

The Company is listed on Nasdaq First North Growth Market. Certified Advisor is Carnegie Investment Bank AB (publ.).

### **Number of shares**

The number of shares as of March 31<sup>st</sup> totals 36,995,768.

### **Share-based incentive scheme**

At the AGM 2<sup>nd</sup> May 2023 it was resolved on the adoption of a long-term incentive program in the form of performance-based share options directed at employees within the Smart Eye group. The maximum

number of performance shares will amount to 580,000.

The company also has three current incentive programs adopted by the 14<sup>th</sup> April 2021, the EGM 8<sup>th</sup> October 2021 and the EGM 29<sup>th</sup> June 2022.

### **Dividend policy**

The Company is in a development phase and any surpluses are scheduled for reinvestment in the Company's development. The Board is not intending to submit a dividend proposal.

### **Accounting policies**

The interim report has been prepared in accordance with the Annual Accounts Act and the general advice and guidelines of the Swedish Accounting Standards Board, BFNAR 2012:1, Annual Reports and Consolidated Financial Statements (K3).



This interim report has not been reviewed by the company's auditor.

## Signing of the report

The Board of Directors and the CEO assure that the interim report provides a fair overview of the Parent Company's and the Group's operations, position and results and describes the significant risks and uncertainties in the Parent Company and the companies included in the Group.

Gothenburg, May 14<sup>th</sup>, 2024

Anders Jöfelt  
Chairman of the board

Lars Olofsson  
Board member

Mats Krantz  
Board member

Magnus Jonsson  
Board member

Eva Elmstedt  
Board member

Cecilia Wachtmeister  
Board member

Tobias Sjögren  
Board member

Martin Krantz  
CEO

Smart Eye Aktiebolag (publ)

# Condensed Consolidated Statement of Income

| TSEK                                       | Jan-Mar<br>2024 | Jan-Mar<br>2023 | Full Year<br>2023 |
|--|-----------------|-----------------|-------------------|
| Net sales                                  | 86 102          | 64 324          | 302 233           |
| Cost of goods sold                         | -8 776          | -9 645          | -35 134           |
| <b>Gross Profit</b>                        | <b>77 326</b>   | <b>54 679</b>   | <b>267 099</b>    |
| Sales expenses                             | -43 537         | -42 865         | -174 770          |
| Administrative expenses                    | -46 233         | -39 259         | -146 974          |
| Research and development expenses          | -50 498         | -56 156         | -232 880          |
| Other operating income                     | 2 517           | 2 639           | 13 423            |
| Other operating expenses                   | -1 086          | -950            | -8 800            |
| <b>Operating profit/loss</b>               | <b>-61 511</b>  | <b>-81 912</b>  | <b>-282 902</b>   |
| <b>Financial income and expenses</b>       |                 |                 |                   |
| Interest income and similar profit items   | 161             | 4               | 1 912             |
| Interest expenses and similar loss items   | -281            | -579            | -2 254            |
| <b>Total financial income and expenses</b> | <b>-120</b>     | <b>-575</b>     | <b>-342</b>       |
| <b>Profit/loss after financial items</b>   | <b>-61 631</b>  | <b>-82 487</b>  | <b>-283 244</b>   |
| Tax on the result for the period           | 5 150           | 887             | 207 701           |
| <b>Result for the period</b>               | <b>-56 481</b>  | <b>-81 600</b>  | <b>-75 543</b>    |

# Condensed Consolidated Balance Sheet

| TSEK                                | 2024-03-31       | 2023-03-31       | 2023-12-31       |
|-------------------------------------|------------------|------------------|------------------|
| <b>ASSETS</b>                       |                  |                  |                  |
| Intangible assets                   | 1 453 876        | 1 481 197        | 1 395 258        |
| Tangible assets                     | 14 022           | 7 643            | 14 829           |
| Deferred tax asset                  | 211 765          | 0                | 204 592          |
| <b>Total fixed assets</b>           | <b>1 679 663</b> | <b>1 488 840</b> | <b>1 614 679</b> |
| <b>Inventories</b>                  | <b>24 870</b>    | <b>13 402</b>    | <b>21 708</b>    |
| Trade receivables                   | 43 479           | 50 082           | 54 300           |
| Current tax receivables             | 5 591            | 3 928            | 5 994            |
| Other current receivables           | 5 742            | 6 807            | 5 282            |
| Prepaid expenses and accrued income | 66 945           | 27 889           | 45 854           |
| <b>Current receivables</b>          | <b>121 757</b>   | <b>88 706</b>    | <b>111 430</b>   |
| <b>Cash and cash equivalents</b>    | <b>161 216</b>   | <b>239 136</b>   | <b>79 733</b>    |
| <b>Total current assets</b>         | <b>307 843</b>   | <b>341 244</b>   | <b>212 871</b>   |
| <b>TOTAL ASSETS</b>                 | <b>1 987 505</b> | <b>1 830 084</b> | <b>1 827 550</b> |

# Condensed Consolidated Balance Sheet

| TSEK                                | 2024-03-31       | 2023-03-31       | 2023-12-31       |
|-------------------------------------|------------------|------------------|------------------|
| <b>Equity</b>                       |                  |                  |                  |
| Share Capital                       | 3 700            | 3 494            | 3 519            |
| Other contributed Equity            | 2 406 111        | 2 181 831        | 2 250 275        |
| Other Equity                        | -682 706         | -674 608         | -695 238         |
| <b>Total equity</b>                 | <b>1 727 105</b> | <b>1 510 716</b> | <b>1 558 555</b> |
| Deferred tax liabilities            | 127 018          | 130 731          | 121 666          |
| <b>Provisions</b>                   | <b>127 018</b>   | <b>130 731</b>   | <b>121 666</b>   |
| Other long-term debt                | 3 998            | 0                | 3 974            |
| Other debt to credit institutions   | 1 161            | 1 504            | 1 511            |
| <b>Non-current liabilities</b>      | <b>5 159</b>     | <b>1 504</b>     | <b>5 485</b>     |
| Interest-bearing liabilities        | 0                | 0                | 0                |
| Other debt to credit institutions   | 3 019            | 895              | 3 499            |
| Advance payments from customer      | 901              | 1 141            | 3 706            |
| Trade payables                      | 19 363           | 21 442           | 20 740           |
| Other current debt                  | 4 854            | 85 191           | 18 495           |
| Accrued expenses and prepaid income | 100 087          | 78 465           | 95 404           |
| <b>Current liabilities</b>          | <b>128 224</b>   | <b>187 134</b>   | <b>141 844</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>1 987 505</b> | <b>1 830 084</b> | <b>1 827 550</b> |

# Condensed Consolidated change in Shareholders' Equity

| TSEK   | Share capital | Other contributed Equity | Other Equity    | Total equity     |
|--|---------------|--------------------------|-----------------|------------------|
| <b>Opening balance 2023-01-01</b>            | <b>2 223</b>  | <b>1 887 874</b>         | <b>-587 325</b> | <b>1 302 772</b> |
| New issue                                    | 1 270         | 322 695                  |                 | 323 966          |
| Set-off issue                                | 25            | 62 896                   |                 | 62 921           |
| Issue costs                                  |               | -29 207                  |                 | -29 207          |
| <i>Deferred tax referring to issue costs</i> |               | <i>6 017</i>             |                 | <i>6 017</i>     |
| Option program 2021                          |               |                          | 2 317           | 2 317            |
| Incentive program 2022                       |               |                          | 4 509           | 4 509            |
| Incentive program 2023                       |               |                          | 2 178           | 2 178            |
| Translation difference                       |               |                          | -41 374         | -41 374          |
| Profit/loss for the year                     |               |                          | -75 543         | -75 543          |
| <b>Equity 2023-12-31</b>                     | <b>3 519</b>  | <b>2 250 275</b>         | <b>-695 238</b> | <b>1 558 555</b> |
| <b>Opening balance 2024-01-01</b>            | <b>3 519</b>  | <b>2 250 275</b>         | <b>-695 238</b> | <b>1 558 555</b> |
| Set-off issue*                               | 15            | 12 266                   |                 | 12 281           |
| New issue**                                  | 165           | 149 985                  |                 | 150 150          |
| Issue costs                                  |               | -8 079                   |                 | -8 079           |
| <i>Deferred tax referring to issue costs</i> |               | <i>1 664</i>             |                 | <i>1 664</i>     |
| Option program 2021                          |               |                          | 521             | 521              |
| Incentive program 2022                       |               |                          | 1 110           | 1 110            |
| Incentive program 2023                       |               |                          | 722             | 722              |
| Translation difference                       |               |                          | 66 660          | 66 660           |
| Profit/loss for the year                     |               |                          | -56 481         | -56 481          |
| <b>Equity 2024-03-31</b>                     | <b>3 700</b>  | <b>2 406 111</b>         | <b>-682 706</b> | <b>1 727 105</b> |

The share capital consists of 36 995 768 shares with a quota value of SEK 0.1.

\*During the period ongoing a set-off issue was registered and the share capital increased by SEK 15 353,60.

\*\*During the period ongoing a new issue was registered and the share capital increased by SEK 165 000,00.

# Condensed Consolidated Cash Flow Analysis

| TSEK   | Jan-Mar<br>2024 | Jan-Mar<br>2023 | Full Year<br>2023 |
|--|-----------------|-----------------|-------------------|
| <b>Operating activities</b>  |                 |                 |                   |
| Operating profit/loss after depreciation                                     | -61 511         | -81 912         | -282 902          |
| Reversal of depreciation   | 38 528          | 37 756          | 155 235           |
| Reversal of non-cash items   | 5 104           | 2 860           | 17 708            |
| Financial payments received  | 161             | 4               | 1 912             |
| Financial disbursements  | -281            | -579            | -2 254            |
| Tax  | 0               | 0               | -1 945            |
| <i>Cash flow from operating activities before changes of working capital</i> | <b>-18 000</b>  | <b>-41 871</b>  | <b>-112 246</b>   |
| <b>Change in working capital</b>   |                 |                 |                   |
| Change in inventories  | -3 162          | -3 005          | -11 311           |
| Change in trade receivables  | 10 821          | 886             | -3 332            |
| Change in other current receivables  | -21 905         | 6 807           | -10 446           |
| Change in trade payables   | -1 377          | -6 972          | -7 674            |
| Changes in other current liabilities   | -2 227          | 10 551          | 23 475            |
| <i>Changes in working capital</i>  | <b>-17 850</b>  | <b>8 267</b>    | <b>-9 288</b>     |
| <b>Cash flow from operating activities</b>                                   | <b>-35 849</b>  | <b>-33 604</b>  | <b>-121 534</b>   |
| <b>Investment activities</b>   |                 |                 |                   |
| Acquisition of intangible assets   | -23 693         | -23 242         | -87 594           |
| Acquisition of tangible assets   | -553            | -2 161          | -7 968            |
| <i>Cash flow from investment activities</i>                                  | <b>-24 246</b>  | <b>-25 403</b>  | <b>-95 562</b>    |
| <b>Financing activities</b>  |                 |                 |                   |
| New issue  | 142 125         | 295 227         | 294 862           |
| Amortization of current liabilities  | 0               | -60 000         | -60 000           |
| Non-current liabilities  | -705            | -237            | -789              |
| <i>Cash flow from financing activities</i>                                   | <b>141 420</b>  | <b>234 990</b>  | <b>234 073</b>    |
| <i>Translation difference</i>  | 158             | 495             | 98                |
| Cash flow  | 81 483          | 176 479         | 17 075            |
| Opening cash and cash equivalents  | 79 733          | 62 658          | 62 658            |
| <b>Closing cash and cash equivalents</b>                                     | <b>161 216</b>  | <b>239 136</b>  | <b>79 733</b>     |

# Condensed Parent Company's Statement of Income

| TSEK                                       | Jan-Mar<br>2024 | Jan-Mar<br>2023 | Full Year<br>2023 |
|--|-----------------|-----------------|-------------------|
| Net sales                                  | 51 143          | 25 015          | 148 573           |
| Cost of goods sold                         | -4 266          | -3 657          | -18 415           |
| <b>Total operating revenue</b>             | <b>46 877</b>   | <b>21 358</b>   | <b>130 158</b>    |
| Sales expenses                             | -24 258         | -24 877         | -100 745          |
| Administrative expenses                    | -26 576         | -21 885         | -81 575           |
| Research and development expenses          | -25 782         | -37 232         | -147 961          |
| Other operating income                     | 2 140           | 2 282           | 11 438            |
| Other operating expenses                   | -968            | -751            | -6 699            |
| <b>Operating profit/loss</b>               | <b>-28 567</b>  | <b>-61 105</b>  | <b>-195 384</b>   |
| <b>Financial income and expenses</b>       |                 |                 |                   |
| Interest income and similar profit items   | 249             | 121             | 2 361             |
| Interest expenses and similar loss items   | -101            | -530            | -1 597            |
| <b>Total financial income and expenses</b> | <b>148</b>      | <b>-409</b>     | <b>764</b>        |
| <b>Profit/loss after financial items</b>   | <b>-28 418</b>  | <b>-61 514</b>  | <b>-194 620</b>   |
| Tax on the result for the period           | 4 190           | 0               | 168 453           |
| <b>Result for the period</b>               | <b>-24 228</b>  | <b>-61 514</b>  | <b>-26 167</b>    |

# Condensed Parent Company's Balance Sheet

| TSEK                                | 2024-03-31       | 2023-03-31       | 2023-12-31       |
|-------------------------------------|------------------|------------------|------------------|
| <b>ASSETS</b>                       |                  |                  |                  |
| Intangible assets                   | 219 545          | 183 415          | 207 365          |
| Tangible assets                     | 9 151            | 5 647            | 9 344            |
| Financial assets                    | 1 404 818        | 1 211 885        | 1 398 093        |
| <b>Total fixed assets</b>           | <b>1 633 514</b> | <b>1 400 947</b> | <b>1 614 802</b> |
| <b>Inventories</b>                  | <b>24 870</b>    | <b>13 402</b>    | <b>21 708</b>    |
| Trade receivables                   | 17 523           | 23 085           | 32 275           |
| Receivables from Group companies    | 7 206            | 12 408           | 6 953            |
| Current tax receivables             | 5 591            | 3 928            | 5 994            |
| Other current receivables           | 3 549            | 4 254            | 2 045            |
| Prepaid expenses and accrued income | 57 747           | 19 565           | 37 939           |
| <b>Current receivables</b>          | <b>91 616</b>    | <b>63 240</b>    | <b>85 206</b>    |
| <b>Cash and cash equivalents</b>    | <b>142 374</b>   | <b>220 286</b>   | <b>61 063</b>    |
| <b>Total current assets</b>         | <b>258 860</b>   | <b>296 928</b>   | <b>167 977</b>   |
| <b>TOTAL ASSETS</b>                 | <b>1 892 374</b> | <b>1 697 875</b> | <b>1 782 779</b> |



# Condensed Parent Company's Balance Sheet

| TSEK                                | 2024-03-31       | 2023-03-31       | 2023-12-31       |
|-------------------------------------|------------------|------------------|------------------|
| <b>Equity</b>                       |                  |                  |                  |
| <b>Restricted equity</b>            |                  |                  |                  |
| Share capital                       | 3 700            | 3 494            | 3 519            |
| Share premium fund                  | 21 914           | 21 914           | 21 914           |
| Fund for development costs          | 216 604          | 180 530          | 205 377          |
|                                     | <b>242 219</b>   | <b>205 938</b>   | <b>230 810</b>   |
| <b>Unrestricted equity</b>          |                  |                  |                  |
| Share premium fund                  | 2 384 196        | 2 159 916        | 2 228 360        |
| Retained profit                     | -796 798         | -744 226         | -761 757         |
| Profit/loss for the year            | -24 228          | -61 514          | -26 167          |
|                                     | <b>1 563 170</b> | <b>1 354 176</b> | <b>1 440 436</b> |
| <b>Total equity</b>                 | <b>1 805 388</b> | <b>1 560 114</b> | <b>1 671 246</b> |
| Other long term-debt                | 3 570            | 0                | 3 570            |
| <b>Non-current liabilities</b>      | <b>3 570</b>     | <b>0</b>         | <b>3 570</b>     |
| Advance payments from customer      | 901              | 1 141            | 3 706            |
| Trade payables                      | 13 571           | 15 368           | 14 833           |
| Debt to Group companies             | 21 293           | 3 426            | 26 808           |
| Other current debt                  | 4 300            | 84 611           | 17 842           |
| Accrued expenses and prepaid income | 43 351           | 33 213           | 44 774           |
| <b>Current liabilities</b>          | <b>83 416</b>    | <b>137 759</b>   | <b>107 963</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> | <b>1 892 374</b> | <b>1 697 873</b> | <b>1 782 779</b> |

# Condensed Parent Company's Change in Shareholders' Equity

| TSEK   | Share capital | Share premium fund (restricted) | Fund for development costs (restricted) |                  | Other un-restricted equity | Profit/loss for the year | Total equity     |
|--|---------------|---------------------------------|---|------------------|----------------------------|--------------------------|------------------|
| <b>Opening balance 2023-01-01</b>            | <b>2 223</b>  | <b>21 914</b>                   | <b>170 528</b>                          | <b>1 865 959</b> | <b>-577 297</b>            | <b>-158 616</b>          | <b>1 324 712</b> |
| Appropriation of profit                      |               |                                 |   |                  | -158 616                   | 158 616                  |                  |
| New issue                                    | 1 270         |                                 |   | 322 695          |                            |                          | 323 966          |
| Set-off issue                                | 25            |                                 |   | 62 896           |                            |                          | 62 921           |
| Issue costs                                  |               |                                 |   | -29 207          |                            |                          | -29 207          |
| <i>Deferred tax referring to issue costs</i> |               |                                 |   | 6 017            |                            |                          | 6 017            |
| Option program 2021                          |               |                                 |   |                  | 2 317                      |                          | 2 317            |
| Incentive program 2022                       |               |                                 |   |                  | 4 509                      |                          | 4 509            |
| Incentive program 2023                       |               |                                 |   |                  | 2 178                      |                          | 2 178            |
| Fund for development costs                   |               |                                 | 62 102                                  |                  | -62 102                    |                          |                  |
| Reversal of fund for development costs       |               |                                 | -27 253                                 |                  | 27 253                     |                          |                  |
| Profit/loss for the year                     |               |                                 |   |                  |                            | -26 167                  | -26 167          |
| <b>Equity 2023-12-31</b>                     | <b>3 519</b>  | <b>21 914</b>                   | <b>205 377</b>                          | <b>2 228 360</b> | <b>-761 757</b>            | <b>-26 167</b>           | <b>1 671 246</b> |
| <b>Opening balance 2023-01-01</b>            | <b>3 519</b>  | <b>21 914</b>                   | <b>205 377</b>                          | <b>2 228 360</b> | <b>-761 757</b>            | <b>-26 167</b>           | <b>1 671 246</b> |
| Appropriation of profit                      |               |                                 |   |                  | -26 167                    | 26 167                   |                  |
| Set-off issue*                               | 15            |                                 |   | 12 266           |                            |                          | 12 281           |
| New issue**                                  | 165           |                                 |   | 149 985          |                            |                          | 150 150          |
| Issue costs                                  |               |                                 |   | -8 079           |                            |                          | -8 079           |
| <i>Deferred tax referring to issue costs</i> |               |                                 |   | 1 664            |                            |                          | 1 664            |
| Option program 2021                          |               |                                 |   |                  | 521                        |                          | 521              |
| Incentive program 2022                       |               |                                 |   |                  | 1 110                      |                          | 1 110            |
| Incentive program 2023                       |               |                                 |   |                  | 722                        |                          | 722              |
| Fund for development costs                   |               |                                 | 19 633                                  |                  | -19 633                    |                          |                  |
| Reversal of fund for development costs       |               |                                 | -8 406                                  |                  | 8 406                      |                          |                  |
| Profit/loss for the year                     |               |                                 |   |                  |                            | -24 228                  | -24 228          |
| <b>Equity 2024-03-31</b>                     | <b>3 700</b>  | <b>21 914</b>                   | <b>216 604</b>                          | <b>2 384 196</b> | <b>-796 798</b>            | <b>-24 228</b>           | <b>1 805 388</b> |

The share capital consists of 36 995 768 shares with a quota value of SEK 0.1.

\*During the period ongoing a set-off issue was registered and the share capital increased by SEK 15 353,60.

\*\*During the period ongoing a new issue was registered and the share capital increased by SEK 165 000,00.

# Condensed Parent Company's Cash Flow Analysis

| TSEK   | Jan-Mar<br>2024 | Jan-Mar<br>2023 | Full Year<br>2023 |
|--|-----------------|-----------------|-------------------|
| <b>Operating activities</b>  |                 |                 |                   |
| Operating profit after depreciation  | -28 567         | -61 105         | -195 384          |
| Reversal of depreciation   | 8 214           | 7 257           | 31 041            |
| Reversal of non-cash items   | 1 482           | 1 010           | 9 081             |
| Financial payments received  | 249             | 121             | 2 361             |
| Financial disbursements  | -101            | -530            | -1 597            |
| Tax  | 0               | 0               | -1 945            |
| <i>Cash flow from operating activities before changes of working capital</i> | <b>-18 723</b>  | <b>-53 247</b>  | <b>-156 443</b>   |
| <b>Change in working capital</b>   |                 |                 |                   |
| Change in inventories  | -3 162          | -3 005          | -11 311           |
| Change in trade receivables  | 7 546           | 9 005           | -185              |
| Change in other current receivables  | -13 956         | 9 027           | -1 804            |
| Change in trade payables   | -1 262          | -7 136          | -6 526            |
| Change in other current liabilities  | -11 073         | 2 512           | 32 304            |
| <i>Changes in working capital</i>  | <b>-21 907</b>  | <b>10 403</b>   | <b>12 477</b>     |
| <b>Cash flow from operating activities</b>                                   | <b>-40 630</b>  | <b>-42 844</b>  | <b>-143 966</b>   |
| <b>Investment activities</b>   |                 |                 |                   |
| Acquisition of intangible assets   | -19 633         | -16 295         | -62 103           |
| Acquisition of tangible assets   | -552            | -1 957          | -7 498            |
| Issued loan Group company  | 0               | 0               | -6 386            |
| <i>Cash flow, investment activities</i>                                      | <b>-20 184</b>  | <b>-18 252</b>  | <b>-75 987</b>    |
| <b>Financing activities</b>  |                 |                 |                   |
| New issue  | 142 125         | 295 227         | 294 862           |
| Amortization of current liabilities  | 0               | -60 000         | -60 000           |
| <i>Cash flow from financing activities</i>                                   | <b>142 125</b>  | <b>235 227</b>  | <b>234 862</b>    |
| Cash flow  | 81 312          | 174 131         | 14 909            |
| Opening cash and cash equivalents  | 61 063          | 46 154          | 46 154            |
| <b>Closing cash and cash equivalents</b>                                     | <b>142 374</b>  | <b>220 286</b>  | <b>61 063</b>     |

## Definition of key ratios

### **Equity ratio**

Equity and untaxed reserves (less deferred tax) as a ratio of total assets.

### **Operating profit/loss**

Profit/loss before financial items, costs and tax.

### **Operating margin**

Operating profit as a ratio of net operating revenue.

### **EBITDA**

Operating profit in before depreciation and amortization.

### **Return on total capital**

Profit after tax as a ratio of average total capital during the period.

### **Earnings per share**

Profit for the period divided by the number of outstanding shares at the end of the period.

### **Earnings per share after full dilution**

Profit for the period divided by the number of outstanding shares after full dilution at the end of the period.

### **Equity per share**

Equity divided by the number of shares at the end of the period.

## Calendar

Annual General Meeting 2024, May 17<sup>th</sup>, 2024

Interim report Apr-Jun, August 21<sup>st</sup> 2024

Interim report Jul-Sep, November 14<sup>th</sup> 2024

## Contact

### **Martin Krantz, CEO**

Tel no. + (46) (0)70-329 26 98

Martin.krantz@smarteye.se

### **Mats Benjaminsson, CFO**

Tel no. + (46) (0)70-535 36 17

Mats.benjaminsson@smarteye.se

*This information is information that Smart Eye AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 8:00 am CET on May 14<sup>th</sup>, 2024.*

Smart Eye is the global leader in Human Insight AI, technology that understands, supports and predicts human behavior in complex environments. Bridging the gap between humans and machines for a safe and sustainable future.

Today, our technology is embedded in next-generation vehicles, leading the way towards human-centric mobility through Driver Monitoring Systems and Interior Sensing solutions. Our Research Instruments offer unparalleled insights into automotive, aviation, assistive technology, behavioral science and many more fields.

Our subsidiary Affectiva is humanizing technology by pioneering Emotion AI, helping companies gain a deeper understanding of how consumers engage with their content, products and services, in automotive, media & entertainment, market research and beyond.

Our subsidiary iMotions provides the world's leading biosensor software platform, that synchronizes data streams in real time from multiple sensors.

Smart Eye was founded in 1999 and is headquartered in Sweden with offices in the US, UK, Germany, Denmark, Egypt, Japan, Singapore and China. A publicly traded company since 2016, our customers include NASA, Nissan, Boeing, Honeywell, Volvo, GM, BMW, Geely, Harvard University, over 1,300



**Smart Eye AB**  
Masthammsgatan 3, level 3  
SE-413 27 Gothenburg, Sweden  
Phone +46 31 60 61 60  
org. no 556575-8371

[www.smarteye.ai](http://www.smarteye.ai)