



smart eye

Interim report

January - March 2021

Technology that understands, simplifies
and predicts human intentions and actions.

The effects of the pandemic decrease – new opportunities are created

January – March 2021

- Net sales totaled SEK 18.1 (17.7) million which corresponds to an increase of 2 %.
- Operating loss totaled SEK -18.4 (-22.0) million. This improvement is primarily due to a decrease in costs during the quarter.
- Profit/loss after financial items was SEK -18.4 (-22.1) million.
- Profit/loss after tax per share is negative.
- Cash and cash equivalents totaled SEK 201.4 million at the end of March.
- In January, a design win was obtained from one of China's largest OEMs. The new order is for a new car model on a new platform and has an estimated order value of SEK 50 million. This is Smart Eye's third customer on the Chinese market.
- As of first quarter 2021 Smart Eye classifies operating expenses by function instead of nature of expense. This transition has been made to offer a more true and fair view of the Company and its activity.

Estimated value of obtained design wins

As of the report for the second quarter of 2021, 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 24th 2021.

The total estimated value of the company's 84 (84) design wins announced to date currently amounts to at least SEK 2,150 (2,150) million over a product life cycle.

If the company's system had been used in all car models on existing platforms by the 13 (13) car manufacturers with whom design wins have been communicated, the estimated value would amount to at least SEK 6,100 (6,100) million over a product life cycle.

Financial summary

		Jan-Mar		Full Year
		2021	2020	2020
TSEK				
Net revenue	TSEK	18 131	17 712	65 097
Operating profit/loss	TSEK	-18 357	-21 986	-77 156
Operating margin, %	%	neg.	neg.	neg.
Profit/loss after tax	TSEK	-18 376	-22 105	-77 557
Profit per share, SEK	SEK	-1,10	-1,46	-4,66
Return on total capital	%	-5,02	8,20	-20,10
Equity per share, SEK	SEK	20,10	15,19	21,20
Equity per share after full dilution, SEK	SEK	19,63	14,93	20,70
Equity ratio	%	91,34	85,17	91,24
Number of shares		16 630 882	15 118 984	16 630 882
Number of shares after full dilution		17 031 082	15 379 184	17 031 082
Average number of shares before full dilution		16 630 882	15 118 984	16 630 882
Average number of shares after full dilution		17 031 082	15 379 184	17 031 082

Comments from the CEO

Another quarter is now over. Unfortunately, the pandemic has not abated at the pace we had all hoped for, but it has not affected Smart Eyes' everyday work to any greater extent. We have had a high level of activity in all of our business areas and we are starting to get used to the "new normal", with fewer face-to-face meetings and less travel. In the current situation, the local offices we had managed to open up in Japan, China and Detroit before the pandemic broke out have proved to be of great value.

Our local offices have been important for our ongoing delivery projects and also for the procurements that are yet to be decided. Due to the fact that our offices outside Sweden have been so successful, we have now begun the process of establishing a new office, this time in Germany. Regardless of the future of the pandemic, we will be even closer to the important German automotive market from the beginning of Q3.

Automotive Solutions

At the beginning of the quarter, we were able to announce a design win with yet another new OEM, the thirteenth so far. The OEM is one of China's largest car manufacturers, to which we will supply DMS together with a large and reputable global T1 supplier. It is with great pleasure that we can state that Smart Eye's offer is strong on all important markets. Our technological leadership is undisputed and the main reason for our success.

At the same time as we work relentlessly with DMS and the important procurements that are underway, we are also seeing an increasing interest in what is referred to as Interior Sensing; even more advanced solutions where the entire car interior is analyzed. We are seeing a demand for both focused monitoring of the driver's state and more zoomed out monitoring of the entire cockpit of the car. We estimate that the total market potential will be greater than what we have previously communicated for only DMS.

It is still too early to be talking about proper procurements, but we believe procurement processes are due to be initiated in the not-too-distant future. The situation is reminiscent of



what we saw on the DMS market back in 2014, at which point we were already quite confident that DMS would be installed in premium cars in the near future. We are preparing for a situation where our customers will soon be requesting both DMS and Interior Sensing from us, which will lead to an increased added value per car.

Aftermarket AIS

On March 11, we launched the aftermarket product AIS. It has been under development for two years but suffered some delays caused by the Covid-19 pandemic. Since the launch, we have had an increasing number of inquiries and we are optimistic about the market for the aftermarket product, which will be sold on a global market.

Research Instruments

Demand has continued to recover but is not yet completely back to pre-corona levels. Our customers have not fully returned to the universities and research laboratories where our equipment is used.

Final words

The pandemic is affecting most of what is happening right now. But there are not only problems, we also see opportunities. We are seeing a further development of the technology, with more and more AI and technologies extending to the entire car interior. In combination with the Covid-19 pandemic, this creates a dynamic market situation where the right strategic actions can have major consequences. We are looking at

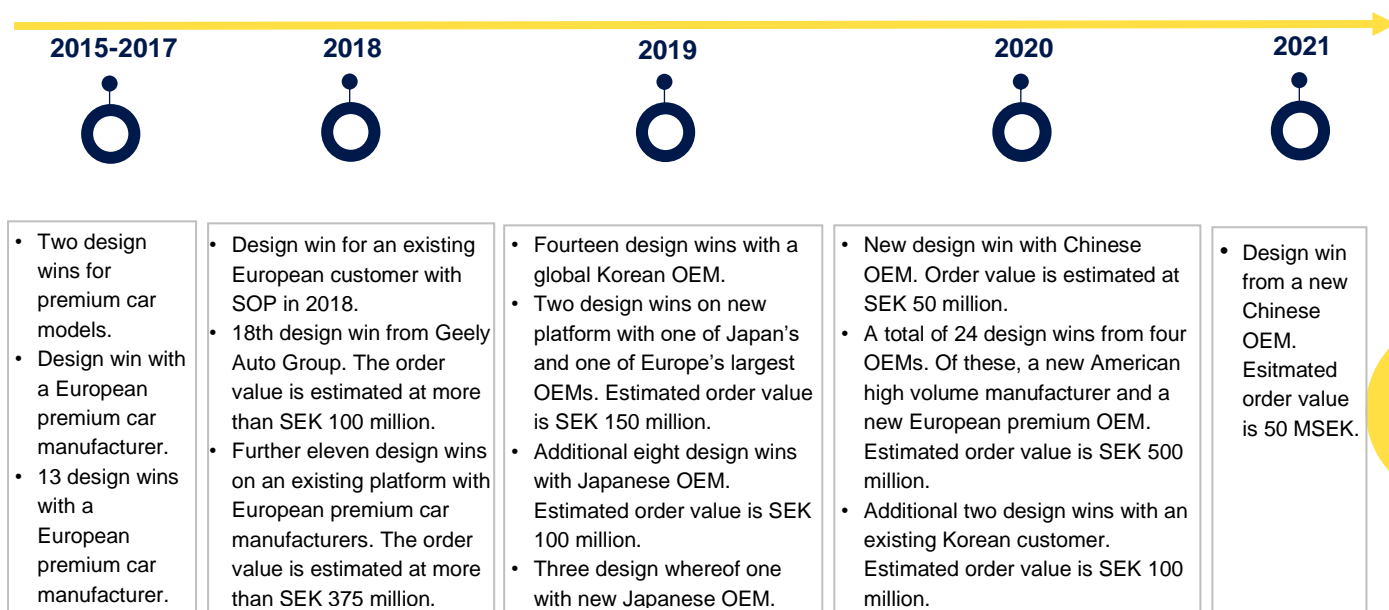
several different strategic alternatives in order to best take advantage of the opportunities we are seeing. DMS and, by extension, Interior Sensing are here to stay in the automotive industry, where we are currently the leading supplier. And it is our definite ambitions and goal to remain so in the future.

Martin Krantz

CEO Smart Eye

Estimated value of obtained design wins

The table below shows the estimated value of the design wins announced by the company and the estimated potential value if the company were to win additional design wins on already obtained platforms. 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.



Design Win Year / (MSEK)	2015-2019	2020	2021	Total
Estimated revenue over the product life cycle from current design wins	1 450	650	50	2 150
Estimated revenue over the product life cycle from possible additional designs wins with existing car manufacturers on existing platforms	1 300	2 500	300	4 100
Estimated revenue over the product life cycle including current and possible additional designs wins with existing car manufacturers on existing platforms	2 750	3 150	350	6 250

Financial information

As of first quarter 2021 Smart Eye classifies operating expenses by function instead of nature of expense. This transition has been made to offer a more true and fair view of the Company and its activity. A change in the presentation of the income statement entails a change of principles, which is carried out with retroactive effect. Consequently, the income statements for the comparative periods 2020 have also been prepared in accordance with a classification by function. Notes 1-4 describe the transition from the nature of expense method to the function of expense method.

Revenue and earnings

Net sales for the period January to March 2021 totaled SEK 18.1 (17.7) million, an increase of 2%. Automotive Solutions is a growing business area with increasing license revenue, while Research Instruments partially remains affected by the coronavirus.

Net sales for the Automotive Solutions business area in the first quarter amounted to SEK 10.8 million, compared to SEK 9.7 million in the first quarter of 2020. The increase of 11% is due to a continuous increase in project revenue. The activity in ongoing development projects remains at a high level.

Net sales for the Research Instruments business area in the first quarter amounted to SEK 7.3 (8.0) million. The slight decrease in sales is due to the fact that the corresponding quarter in 2020 was practically unaffected by the corona pandemic. The effects of the coronavirus are still noticeable during this quarter, but activity is increasing within most markets.

Operating costs

Operating costs for the first quarter totaled -37.0 (-42.0) million.

Sales costs

Sales costs for the first quarter totaled SEK -13.3 (-22.9) million. The first quarter of the previous year was affected by costs for the CES event in Las Vegas, as well as one-time costs within the AIS business area. Because of the ongoing pandemic, the first quarter of the

year has also resulted in lower costs for travel and events.

Administration costs

The administration costs for the quarter totaled SEK -8.8 (-8.4) million.

Research and development costs

Research and development costs for the first quarter totaled SEK -14.9 (-10.6) million. Capitalised work for own account totaled SEK 6.5 (10.1) million. The decrease in capitalised costs is due to a slightly lower capitalisation of development costs compared to the first quarter of 2021. Focus remains on delivering on the ongoing production projects.

Other operating revenue and costs

Other operating revenue and costs totaled SEK 2.7 (4.6) million in the first quarter. The difference compared to last year is due to lower exchange gains during this quarter.

Results

The operating result for the first quarter totaled SEK -18.4 (-22.0) million. A lower level of costs during the quarter is the main reason for the slightly improved operating result.

Financial position

In addition to cash and cash equivalents of SEK 201.4 million, the Group has an unutilised bank overdraft facility of SEK 5 million.

Important events during the period

In January, a design win was obtained from one of China's largest OEMs. The new order is for one new car model on a new platform and has an estimated order value of SEK 50 million. This is Smart Eye's third customer on the Chinese market.

AIS was launched on March 11th, combining Smart Eyes driver monitoring system software with hardware. This combination results in a complete driver monitoring, aimed at the aftermarket and small scale vehicle manufacturers.

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

The company is financed through share capital and loans. Should the company not generate revenue to the extent and over the time perspective assessed by the Board, this could result in additional capital requirements.

As sales increase, the company will be exposed to 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. 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. Otherwise, regarding risks and uncertainties, refer to the 2020 Annual Report, page 47.

Transactions with related parties

There were no transactions with related parties during the period, other than transactions with other Group companies that have taken place at market values.

Share Information

The Company is listed on Nasdaq First North Growth Market. Certified Advisor is Erik Penser Aktiebolag.

Number of shares

The number of shares now totals 16,630,882.

Share-based incentive scheme

At the Annual General Meeting on May 8, 2020, the Company resolved to establish an incentive program directed at senior executives and staff. With full utilization of the Company's incentive program, 100,000 shares will be issued. The subscription price for shares supported by warrants is SEK 116 per share.

The premium per subscription option, which has been calculated according to the Black & Scholes model, amounted to SEK 14. The subscription of shares may take place during the period from 1 June 2023 to 30 June 2023.

At the Annual General meeting on May 8, the Company also resolved to establish an incentive program directed at a number of board members. With full utilization of the Company's incentive program, 40,000 shares will be issued. The subscription price for shares supported by warrants is SEK 133.9 per share. The premium per subscription option, which has been calculated according to the Black & Scholes model, amounted to SEK 14. The subscription of shares may take place during the period from 1 June 2024 to 30 June 2024.

In addition, the company has two ongoing incentive program that was approved by the Annual General Meetings on April 25, 2018 and May 15 2019.

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).

As of first quarter 2021 Smart Eye classifies operating expenses by function instead of nature of expense. This transition has been made to offer a more true and fair view of the Company and its activity. This is because the company has large costs for personnel in research and development regarding the development of algorithms that are now being clarified. A change in the presentation of the income statement entails a change of principles, which is carried out with retroactive effect. Consequently, the income statements for the comparative periods 2020 have also been prepared in accordance with a classification by function. Notes 1-4 describe the transition from the nature of expense method to the function of expense method. Otherwise, the same accounting policies have been applied as in the 2020 Annual Report.

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 year-end 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 5, 2021

Anders Jöfelt
Chairman of the board

Lars Olofsson
Vice Chairman

Mats Krantz
Board member

Magnus Jonsson
Board member

Eva Elmstedt
Board member

Cecilia Wachtmeister
Board member

Smart Eye Aktiebolag (publ)

Condensed Consolidated Statement of Income*

TSEK	Jan-Mar 2021	Jan-Mar 2020	Full Year 2020
Net sales	18 131	17 712	65 097
Cost of goods sold	-2 143	-2 433	-7 577
Gross Profit	15 988	15 278	57 520
Sales expenses	-13 345	-22 942	-64 079
Administrative expenses	-8 763	-8 353	-31 752
Research and development expenses	-14 933	-10 614	-48 077
Other operating income	2 696	4 743	17 328
Other operating expenses	0	-98	-8 096
Operating profit/loss	-18 357	-21 986	-77 156
Financial income and expenses			
Profit/loss from participations in associated companies	0	0	-6
Interest income and similar profit items	0	0	13
Interest expenses and similar loss items	-19	-119	-256
Total financial income and expenses	-19	-119	-249
Profit/loss after financial items	-18 376	-22 105	-77 405
Tax on the result for the period	0	0	-152
Result for the period	-18 376	-22 105	-77 557

*As of first quarter 2021 Smart Eye classifies operating expenses by function instead of nature of expense. A change in the presentation of the income statement entails a change of principles, which is carried out with retroactive effect. Consequently, the income statements for the comparative periods 2020 have also been prepared in accordance with a classification by function. Notes 1 and 2 describe the transition from the nature of expense method to the function of expense method.

Condensed Consolidated Balance Sheet

TSEK	2021-03-31	2020-03-31	2020-12-31
Intangible assets	134 236	120 165	129 597
Tangible assets	3 821	5 430	4 201
Financial assets	0	25	0
Total fixed assets	138 058	125 620	133 798
Inventories	5 118	4 839	5 203
Trade receivables	8 627	16 126	17 538
Current tax receivables	2 252	1 366	2 868
Other current receivables	1 514	3 491	1 572
Prepaid expenses and accrued income	9 040	7 525	6 787
Current receivables	21 433	28 508	28 765
Cash and cash equivalents	201 410	110 629	218 701
Total current assets	227 961	143 976	252 669
TOTAL ASSETS	366 020	269 596	386 468

Condensed Consolidated Balance Sheet

TSEK	2021-03-31	2020-03-31	2020-12-31
Equity			
Share Capital	1 663	1 512	1 663
Other contributed Equity	677 943	501 729	677 943
Other Equity	-345 272	-273 612	-326 977
Total equity	334 332	229 628	352 627
Other debt to credit institutions	0	1 667	0
Non-current liabilities	0	1 667	0
Other debt to credit institutions	1 167	1 500	1 667
Trade payables	7 062	12 686	8 807
Other current debt	3 171	2 885	3 293
Accrued expenses and prepaid income	20 288	21 230	20 074
Current liabilities	31 688	38 301	33 841
TOTAL EQUITY AND LIABILITIES	366 020	269 596	386 468

Condensed Consolidated change in equity

TSEK	Share capital	Other contributed Equity	Other Equity	Total equity
Opening balance 2020-01-01	1 512	500 918	-250 882	251 547
New issue after issue costs*	151	177 025		177 176
Option program 2020			1 960	1 960
Translation difference			-498	-498
Profit/loss for the year			-77 557	-77 557
Equity 2020-12-31	1 663	677 943	-326 977	352 627
Opening balance 2021-01-01	1 663	677 943	-326 977	352 627
Translation difference			81	81
Profit/loss for the year			-18 376	-18 376
Equity 2021-03-31	1 663	677 943	-345 272	334 332

The share capital consists of 16 630 882 shares with a quota value of SEK 0.1.

*During the period a new issue was registered and the share capital increased by SEK 151 189,80

Condensed Consolidated Cash Flow Analysis

	2021-03-31	2020-03-31	2020-12-31
Operating activities			
Operating profit after depreciation	-18 376	-21 986	-77 557
Reversal of depreciation	5 601	4 995	21 558
Financial payments received	0	0	13
Financial disbursements	-19	-119	0
Tax	-152	0	2 231
Change in working capital			
Change in stocks	85	-466	-1 103
Change in trade receivables	8 911	-4 392	-5 804
Change in other current receivables	-1 762	7 540	6 464
Change in trade payables	-1 745	-5 477	-9 356
Changes in other current liabilities	408	-148	-728
<i>Cash flow from working capital</i>	-7 049	-20 053	-64 282
Investment activities			
Intangible assets	-9 631	-14 555	-38 767
Tangible assets	-380	-64	-887
Financial assets	0	-277	0
<i>Cash flow from investment activities</i>	-10 011	-14 896	-39 654
Financing activities			
New issue	0	0	177 176
Option program	0	0	1 960
Non-current liabilities	0	0	-1 667
<i>Cash flow from financing activities</i>	0	0	177 469
<i>Translation difference</i>	-231	193	-216
Cash flow	-17 291	-34 756	73 317
Opening cash and cash equivalents	218 701	145 384	145 384
Closing cash and cash equivalents	201 410	110 628	218 701

Condensed Parent Company's Statement of Income*

TSEK	Jan-Mar 2021	Jan-Mar 2020	Full Year 2020
Net sales	18 131	17 712	65 097
Cost of goods sold	-2 143	-2 433	-7 577
Total operating revenue	15 988	15 279	57 520
Sales expenses	-13 489	-23 230	-63 503
Administrative expenses	-8 763	-8 353	-31 752
Research and development expenses	-14 933	-10 614	-49 335
Other operating income	2 536	4 743	16 811
Other operating expenses	0	-98	-8 096
Operating profit/loss	-18 661	-22 273	-78 355
Financial income and expenses			
Profit/loss from participations in associated companies	0	0	-6
Interest income and similar profit items	0	0	13
Interest expenses and similar loss items	-19	-119	-256
Total financial income and expenses	-19	-119	-249
Profit/loss after financial items	-18 680	-22 393	-78 604
Tax on the result for the period	0	0	0
Result for the period	-18 680	-22 393	-78 604

*As of first quarter 2021 Smart Eye classifies operating expenses by function instead of nature of expense. A change in the presentation of the income statement entails a change of principles, which is carried out with retroactive effect. Consequently, the income statements for the comparative periods 2020 have also been prepared in accordance with a classification by function. Notes 3 and 4 describe the transition from the nature of expense method to the function of expense method.

Condensed Parent Company's Balance Sheet

TSEK	2021-03-31	2020-03-31	2020-12-31
ASSETS			
Intangible assets	134 236	120 165	129 597
Tangible assets	3 600	5 161	3 980
Financial assets	1 580	1 605	1 580
Total fixed assets	139 416	126 931	135 157
Inventories	5 118	4 839	5 203
Trade receivables	8 627	16 126	17 538
Receivables from Group companies	0	264	29
Current tax receivables	2 251	1 366	2 868
Other current receivables	1 514	3 490	1 572
Prepaid expenses and accrued income	8 149	6 704	5 745
Current receivables	20 542	27 950	27 752
Cash and cash equivalents	199 811	109 278	218 141
Total current assets	225 471	142 067	251 096
TOTAL ASSETS	364 888	268 998	386 253

Condensed Parent Company's Balance Sheet

TSEK	2021-03-31	2020-03-31	2020-12-31
Equity			
Restricted equity			
Share capital	1 663	1 512	1 663
Fund for development costs	120 691	71 050	115 370
Share premium fund	21 914	21 914	21 914
	144 268	94 476	138 947
Unrestricted equity			
Share premium fund	656 028	479 814	656 028
Retained profit	-449 198	-323 724	-365 273
Profit/loss for the year	-18 680	-22 393	-78 604
	188 151	133 698	212 151
Total equity	332 419	228 174	351 098
Other debt to credit institutions	0	1 667	0
Non-current liabilities	0	1 667	0
Other debt to credit institutions	1 167	1 500	1 667
Trade payables	7 025	12 532	8 773
Debt to Group companies	1 065	1 209	2 063
Other current debt	2 983	2 692	2 858
Accrued expenses and prepaid income	20 229	21 224	19 794
Current liabilities	32 469	39 157	35 155
TOTAL EQUITY AND LIABILITIES	364 888	268 998	386 253

Condensed Parent Company's Change in Equity

TSEK	Share capital	Share premium fund (restricted)	Fund for development costs (restricted)	Share premium fund (unrestricted)	Other unrestricted equity	Total equity
Opening balance 2020-01-01	1 512	21 914	92 156	479 003	-344 019	250 566
New issue*	151			177 025		177 176
Option program 2020					1 960	1 960
Fund for development costs			38 740		-38 740	
Reversal of fund for development costs			-15 526		15 526	
Profit/loss for the year					-78 604	-78 604
Equity 2020-12-31	1 663	21 914	115 370	656 028	-443 877	351 098
Opening balance 2021-01-01	1 663	21 914	115 370	656 028	-443 877	351 098
Fund for development costs			9 631		-9 631	
Reversal of fund for development costs			-4 309		4 309	
Profit/loss for the year					-18 680	-18 680
Equity 2021-03-31	1 663	21 914	120 691	656 028	-467 878	332 419

The share capital consists of 16 630 882 shares with a quota value of SEK 0.1.

*During the period ongoing new issue was registered and the share capital increased by SEK 151 189,80.

Condensed Parent Company's Cash Flow Analysis

TSEK	2021-03-31	2020-03-31	2020-12-31
Operating activities			
Operating profit after depreciation	-18 661	-22 273	-78 354
Reversal of depreciation	5 601	4 995	21 558
Financial payments received	0	0	13
Financial disbursements	-19	-119	-262
Tax	0	0	2 231
Change in working capital			
Change in stocks	85	-466	-1 103
Change in trade receivables	8 911	-4 392	-5 804
Change in other current receivables*	-1 709	7 356	7 008
Change in trade payables	-1 748	-5 342	-9 100
Change in other current liabilities	-928	-700	-945
<i>Cash flow from working capital</i>	-8 468	-20 941	-64 758
Investment activities			
Intangible assets	-9 631	-14 555	-38 767
Tangible assets	-230	-64	-666
Financial assets	0	-277	-252
<i>Cash flow, investment activities</i>	-9 862	-14 896	-39 685
Financing activities			
New issue	0	0	177 176
Ongoing new issue	0	0	1 960
Non-current liabilities	0	0	-1 667
<i>Cash flow from financing activities</i>	0	0	177 469
Cash flow	-18 330	-35 838	73 023
Opening cash and cash equivalents	218 141	145 118	145 118
Closing cash and cash equivalents	199 811	109 278	218 141

Note 1 Transition to income statement classified by function

2020-01-01 - 2020-03-31

Group condensed consolidated statement of income

TSEK	Infor- mation	Income statement classified by nature of expense	Adjustment capitalised work for own account	Adjustment other operating income	Adjustment other external costs	Adjustments depreciation and amortisation	Income statement classified by function
Net sales		17 712					17 712
Capitalised work for own account	1	10 111	-10 111				0
Other operating revenue	2	4 645		-4 645			0
Cost of goods sold					-2 024	-410	-2 433
Gross profit		32 468	-10 111	-4 645	-2 024	-410	15 278
Other external costs	3	-24 782			24 782		0
Personnel costs	4	-24 677				24 677	0
Depreciation and amortisation of tangible and intangible assets	5	-4 995				4 995	0
Sales expenses					-13 542	-9 400	-22 942
Administrative expenses					-4 944	-2 796	-8 353
Research and development expenses			10 111		-4 271	-12 071	-10 614
Other operating income				4 743			4 743
Other operating expenses				-98			-98
Operating profit/loss		-21 986		0	0	0	-21 986
Financial income and expenses							
Profit/loss from participations in associated companies							
Interest income and similar profit items							
Interest costs and similar loss items		-119					-119
Total profit/loss from financial items		-119	0	0	0	0	-119
Profit/loss after financial items		-22 105	0	0	0	0	-22 105
Tax on profit for the period		0					0
Net profit/loss for the period		-22 105					-22 105

1 Capitalised work for own account is allocated to research and development expenses due to the transition to income statement classified by function.

2 Other operating revenue consists of exchange rate differences and also of contributions from EU and the government. Other operating revenue will be presented as other operating income or other operating expenses due to the transition to income statement classified by function.

3 Other external costs have been allocated to cost of goods sold, sales expenses, administrative expenses and research and development expenses. Administrative expenses consists of eg. costs of premises, audit costs and other overhead costs.

4 Personnel costs have been allocated depending on what function the employees had during the first quarter of 2020, which in the parent company principally was within research and development. The board fees are included in the personnel costs and have been allocated to administrative expenses.

5 Depreciations and amortisations related to research and development expenses principally consist of amortisations of capitalised expenditure of development work.

Note 2 Transition to income statement classified by function

2020-01-01 - 2020-12-31

Group condensed consolidated statement of income

TSEK	Infor- mation	Income statement classified by nature of expense	Adjustment capitalised work for own account	Adjustment other operating income	Adjustment other external costs	Adjustments personnel costs	Adjustments depreciation and amortisation	Income statement classified by function
Net sales		65 097						65 097
Capitalised work for own account	1	26 059	-26 059					0
Other operating revenue	2	9 232		-9 232				0
<i>Cost of goods sold</i>					-5 973	-1 604		-7 577
Gross profit		100 388	-26 059	-9 232	-5 973	-1 604	0	57 520
Other external costs	3	-65 664			65 664			0
Personnel costs	4	-90 322				90 322		0
Depreciation and amortisation of tangible and intangible assets	5	-21 558					21 558	0
<i>Sales expenses</i>					-26 903	-37 176		-64 079
<i>Administrative expenses</i>					-18 797	-10 471	-2 484	-31 752
<i>Research and development expenses</i>			26 059		-13 991	-41 071	-19 073	-48 077
<i>Other operating income</i>				17 328				17 328
<i>Other operating expenses</i>				-8 096				-8 096
Operating profit/loss		-77 156	0	0	0	0	0	-77 156
Financial income and expenses								
Profit/loss from participations in associated companies		-6						-6
Interest income and similar profit items		13						13
Interest costs and similar loss items		-256						-256
Total profit/loss from financial items		-249	0	0	0	0	0	-249
Profit/loss after financial items		-77 405	0	0	0	0	0	-77 405
Tax on profit for the period		-152						-152
Net profit/loss for the period		-77 557						-77 557

1 Capitalised work for own account is allocated to research and development expenses due to the transition to income statement classified by function.

2 Other operating revenue consists of exchange rate differences and also of contributions from EU and the government. Other operating revenue will be presented as other operating income or other operating expenses due to the transition to income statement classified by function.

3 Other external costs have been allocated to cost of goods sold, sales expenses, administrative expenses and research and development expenses. Administrative expenses consists of eg. costs of premises, audit costs and other overhead costs.

4 Personnel costs have been allocated depending on what function the employees had during 2020, which in the group principally was within research and development. The board fees are included in the personnel costs and have been allocated to administrative expenses.

5 Depreciations and amortisations related to research and development expenses principally consist of amortisations of capitalised expenditure of development work.

Note 3 Transition to income statement classified by function

2020-01-01 - 2020-03-31

The parent company's condensed income statement

TSEK	Information	Income statement classified by nature of expense	Adjustment capitalised work for own account	Adjustment other operating income	Adjustment other external costs	Adjustment personnel costs	Adjustments depreciation and amortisation	Income statement classified by function
		17 712						17 712
	Capitalised work for own account	1 10 111	-10 111					0
	Other operating revenue	2 4 645		-4 645				0
	<i>Cost of goods sold</i>				-2 024	-410		-2 433
	Gross profit	32 468	-10 111	-4 645	-2 024	-410	0	15 279
	Other external costs	3 -25 070			25 070			0
	Personnel costs	4 -24 677				24 677		0
	Depreciation and amortisation of tangible and intangible assets	5 -4 995					4 995	0
	<i>Sales expenses</i>				-13 830	-9 400		-23 230
	<i>Administrative expenses</i>				-4 944	-2 796	-612	-8 353
	<i>Research and development expenses</i>		10 111		-4 271	-12 071	-4 383	-10 614
	<i>Other operating income</i>			4 743				4 743
	<i>Other operating expenses</i>			-98				-98
	Operating profit/loss	-22 274	0	0	0	0	0	-22 273
	Financial income and expenses							
	Profit/loss from participations in associated companies							
	Interest income and similar profit items							
	Interest expenses and similar loss items							-119
	Total profit/loss from financial items	-119	0	0	0	0	0	-119
	Profit/loss after financial items	-22 393	0	0	0	0	0	-22 393
	Tax on profit for the period	0						0
	Net profit/loss for the period	-22 393						-22 393

1 Capitalised work for own account is allocated to research and development expenses due to the transition to income statement classified by function.

2 Other operating revenue consists of exchange rate differences and also of contributions from EU and the government. Other operating revenue will be presented as other operating income or other operating expenses due to the transition to income statement classified by function.

3 Other external costs have been allocated to cost of goods sold, sales expenses, administrative expenses and research and development expenses. Administrative expenses consists of eg. costs of premises, audit costs and other overhead costs.

4 Personnel costs have been allocated depending on what function the employees had during the first quarter of 2020, which in the parent company principally was within research and development. The board fees are included in the personnel costs and have been allocated to administrative expenses.

5 Depreciations and amortisations related to research and development expenses principally consist of amortisations of capitalised expenditure of development work.

Note 4 Transition to income statement classified by function

2020-01-01 - 2020-12-31

The parent company's condensed income statement

TSEK	Information	Income statement classified by nature of expense	Adjustment capitalised work for own account	Adjustment other operating income	Adjustment other external costs	Adjustment personnel costs	Adjustments depreciation and amortisation	Income statement classified by function
		65 097						65 097
	1	26 059	-26 059					0
	2	8 715		-8 715				0
					-5 973	-1 604		-7 577
		99 871	-26 059	-8 715	-5 973	-1 604	0	57 520
	3	-78 149			78 149			0
	4	-78 519				78 519		0
	5	-21 558					21 558	0
					-39 387	-24 115		-63 503
					-18 797	-10 471	-2 484	-31 752
			26 059		-13 991	-42 330	-19 073	-49 335
				16 811				16 811
				-8 096				-8 096
		-78 354		0	0	0	0	-78 355
		Financial income and expenses						
		-6						-6
		13						13
		-256						-256
		-249	0	0	0	0	0	-249
		-78 604	0	0	0	0	0	-78 604
		0						0
		-78 604						-78 604

1 Capitalised work for own account is allocated to research and development expenses due to the transition to income statement classified by function.

2 Other operating revenue consists of exchange rate differences and also of contributions from EU and the government. Other operating revenue will be presented as other operating income or other operating expenses due to the transition to income statement classified by function.

3 Other external costs have been allocated to cost of goods sold, sales expenses, administrative expenses and research and development expenses. Administrative expenses consists of eg. costs of premises, audit costs and other overhead costs.

4 Personnel costs have been allocated depending on what function the employees had during 2020, which in the parent company principally was within research and development. The board fees are included in the personnel costs and have been allocated to administrative

5 Depreciations and amortisations related to research and development expenses principally consist of amortisations of capitalised expenditure of development work.

Definition of key ratios

Equity ratio

Equity and untaxed reserves (less deferred tax) as a percent 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.

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.

Equity per share

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

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 2 pm CET on May 8, 2020.

Calendar

Interim report Apr-Jun 2020 August 26th 2020

Interim report Jul-Sep 2020 October 20th 2020

Interim report Oct-Dec 2020 February 24th 2021

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