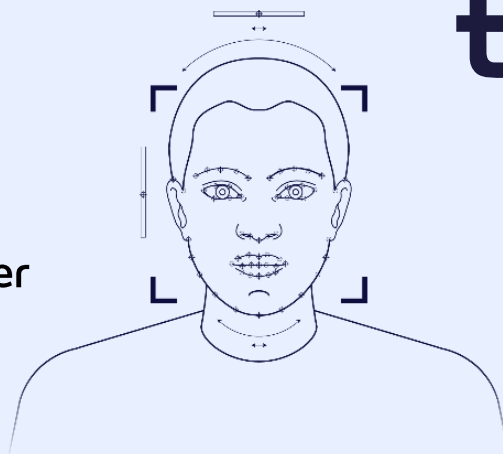


Q4 2024

Year-end report January - December 2024



EBIT of SEK 50 million in the fourth quarter

FOURTH QUARTER 2024

- Net sales increased by 11% to SEK 284 million (255), with an organic decline of -22%.
- Gross margin strengthened to 84% (74%).
- Operating result (EBIT) strengthened to SEK 50 million (-14). Adjusted for structural one-off costs of SEK 24 million, EBIT was SEK 74 million.
- Profit/loss for the quarter amounted to SEK 5 million (-29).
- Earnings per share amounted to SEK 0.02 (-0.27).
- Free cash flow amounted to SEK -14 million (-26).
- Cost reduction program on track to deliver SEK 200 million in cash-related operational savings, of which SEK 73 million achieved by year-end.

JANUARY-DECEMBER 2024

- Net sales increased by 13% to SEK 857 million (758), with an organic decline of -16%.
- Gross margin strengthened to 80% (75%).
- Operating result (EBIT) strengthened to SEK -107 million (-184). Adjusted for structural one-off costs of SEK 34 million, EBIT was SEK -73 million.
- Profit/loss for the period amounted to SEK -177 million (-198).
- Earnings per share amounted to SEK -0.89 (-1.87).
- Free cash flow amounted to SEK -345 million (-119).

SIGNIFICANT EVENTS DURING THE QUARTER

- Two new Driver Monitoring System design wins secured with Japan-based Tier 1 partner.

FINANCIAL PERFORMANCE INDICATORS FOR THE GROUP

	Q4 2024	Q4 2023	Δ	Organic Δ%	Jan-Dec 2024	Jan-Dec 2023	Δ	Organic Δ%
Net sales, SEK million	284	255	11%	-22%	857	758	13%	-16%
Gross profit, SEK million	240	189	51		687	567	120	
Gross margin, %	84%	74%	-		80%	75%	-	
Operating profit/loss (EBIT), SEK million	50	-14	65		-107	-184	77	
Operating margin (EBIT-margin), %	18%	-6%	-		-12%	-24%	-	
Profit/loss for the period	5	-29	34		-177	-198	22	
Earnings per share, SEK	0.02	-0.27	0.29		-0.89	-1.87	0.99	
Free cash flow, SEK million	-14	-26	11		-345	-119	-227	

For more information, see financial definitions on pages 18-20.

Comments from the CEO

We closed the year with progress on our 2024 objectives: making strides toward profitability and largely completing the integration of Autosense. In the fourth quarter, Tobii delivered SEK 50 million in EBIT, with both the Products & Solutions and Integrations segments achieving profitability.

Cost reduction program on track

Our financial performance in the fourth quarter confirms the sustained positive effect of the cost reduction program, launched in the second quarter. We have implemented measures that will reduce our workforce by approximately 300 employees and consultants compared to the peak of around 900 in the first quarter of 2024. These steps are crucial for our ongoing success, driven by synergies from the acquisition, adjustments to our cost structure, and other strategic initiatives.

We are on a solid track to meet our guidance to reduce cash-related operational expenses by more than SEK 200 million in the 12 months following the baseline set in the second quarter of 2024. By adding the third and fourth quarters, we have reduced our cash-related cost base by approximately SEK 73 million already. We expect to deliver the rest of the savings in the first half of 2025.

Net sales improvement but weak organic performance

Net sales grew by 11 percent in the quarter. With slow overall demand, we continued to see disappointing organic sales performance in both the Products & Solutions and Integrations segments during the quarter. However, the Autosense segment's sales reached the upper level of the previously communicated range for the full year. As previously communicated, our Integrations segment net sales include certain imaging-related sales from the acquisition, which will decline in 2025.

Overall, we delivered a positive EBIT result in the quarter and an improved EBIT for the full year. Both our Product & Solutions and Integration segments contributed with a positive EBIT in the quarter.

Autosense integration and new design wins

The integration of Autosense continued successfully in the quarter, with steady progress and important milestones achieved in our ongoing OEM programs with a premium German automaker and Tier 1 partners. We are also encouraged by securing two new DMS design wins with a Japan-based global automotive Tier 1 supplier during the quarter. One of these is already in production, while the other will start production in 2026. Additionally, we expanded an existing design win with the same partner. These design wins underscore our proven ability to meet and exceed the stringent requirements of the world's leading Tier 1 suppliers. By year-end, over 600,000 vehicles on the road use Tobii's interior sensing solutions, and the client list now includes 12 OEM brands with over 150 vehicle models.

Improved profitability in 2025

We are pleased to have delivered an improved EBIT result for the full year of 2024, in line with our guidance. We will continue to implement additional cost reduction measures throughout 2025. Furthermore, following a strategic review of our product portfolio, we are engaged to divest certain product areas to improve our cash position. We expect these initiatives and progress to create a more streamlined and focused company with predictable profitability.

Anand Srivatsa
CEO



Anand Srivatsa
CEO, Tobii

“By year-end, over 600,000 vehicles on the road use Tobii’s interior sensing solutions, and the client list now includes 12 OEM brands with over 150 vehicle models.”

Financial performance

THE GROUP

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	284	255	857	758
Net sales change:	11%		13%	
- of which organic	-22%		-16%	
- of which currency	0%		0%	
- of which acquisition	33%		29%	
Gross profit	240	189	687	567
Gross margin	84%	74%	80%	75%
Operating profit/loss (EBIT)	50	-14	-107	-184
EBIT margin	18%	-6%	-12%	-24%

PRODUCTS & SOLUTIONS

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	143	173	455	532
Net sales change:	-17%		-14%	
- of which organic	-18%		-15%	
- of which currency	0%		0%	
Gross profit	102	117	300	365
Gross margin	72%	68%	66%	69%
Operating profit/loss (EBIT)	31		-40	
EBIT margin	22%		-9%	

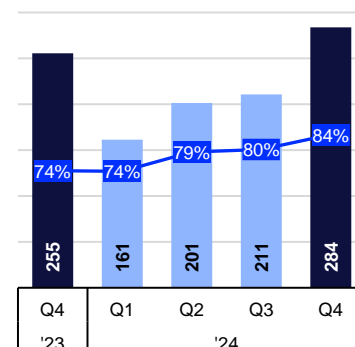
INTEGRATIONS

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	118	81	353	219
Net sales change:	47%		61%	
- of which organic	-31%		-17%	
- of which currency	0%		0%	
- of which acquisition	78%		78%	
Gross profit	115	71	340	197
Gross margin	97%	88%	96%	90%
Operating profit/loss (EBIT)	73		129	
EBIT margin	62%		37%	

AUTOSENSE

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	23	2	49	7
Net sales change:	1,036%		563%	
- of which organic	13%		-43%	
- of which currency	-1%		0%	
- of which acquisition	1,025%		607%	
Gross profit	22	2	47	6
Gross margin	99%	97%	97%	80%
Operating profit/loss (EBIT)	-54		-197	
EBIT margin	-238%		-401%	

NET SALES, SEK M, AND GROSS MARGIN, %

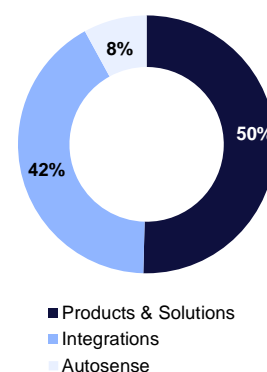


RESEARCH AND DEVELOPMENT

SEK m	Q4 2024	Q4 2023
Total R&D expenditures	-158	-86
Capitalization	97	52
Amortization and impairment	-23	-33
R&D expenses in the income statement	-84	-67

SEK m	Jan-Dec 2024	Jan-Dec 2023
Total R&D expenditures	-589	-356
Capitalization	351	202
Amortization and impairment	-125	-124
R&D expenses in the income statement	-363	-278

NET SALES PER SEGMENT Q4 2024



OCTOBER-DECEMBER

NET SALES

The Group's net sales increased by 11% to SEK 284 million (255). The organic decline was -22%. Net growth from acquisition was 33% and exchange rates affected sales by 0%.

Products & Solutions net sales totaled SEK 143 million (173), corresponding to an organic decline of -18%.

Integrations net sales were SEK 118 million (81) which was an increase by 47% stemming from the acquired imaging business, which, as previously communicated, will decline in 2025. The organic decline was -31% impacted by quarterly variations.

Autosense net sales totaled SEK 23 million (2).

RESULTS

The gross margin was 84% (74%). The strengthened gross margin was an effect of the change in product mix.

Products & Solutions gross margin was 72% (68%).

The difference in gross margin was related to the change in product mix.

Integrations gross margin was 97% (88%). The high gross margin reflects the software-, service-, and license-based product mix.

Autosense gross margin was 99% (97%). The high gross margin demonstrates the substantial share of software in the product mix.

Operational expenses amounted to SEK 189 million (203).

Cash-related operational expenses, excluding depreciation and including R&D capex, amounted to SEK 256 million in the quarter. For the second half of 2024, total cash-related operational expenses were SEK 73 million lower than the baseline of SEK 276 million in the second quarter. Overall, the cost reduction program, initiated in the second quarter of 2024, is expected to reduce cash-related operational expenses by more than SEK 200 million over the next 12 months, compared to the baseline set in the second quarter of 2024.

The operating result was SEK 50 million (-14) and the operating margin was 18% (-6%). Adjusted for the structural one-off costs of SEK 24 million, EBIT amounted to SEK 74 million. The improved EBIT was an effect of increased net sales and the implementation of the cost reduction measures.

Net financial items amounted to SEK -38 million (-13), primarily comprising SEK -25 million (-15) in currency effects and SEK -15 (-4) in interest expenses. The interest expenses were mainly related to interest-bearing liabilities and interest due to temporary covid tax reliefs.

Profit/loss before tax was SEK 12 million (-28).

The tax amounted to SEK -7 million (-1) for the quarter. The tax expense mainly arises from the positive result of the Irish subsidiary.

Profit/loss for the quarter was SEK 5 million (-29) and diluted earnings per share was SEK 0.02 (-0.27).

CASH FLOW

Cash flow from operating activities, before changes in working capital, amounted to SEK 74 million (22).

Change in working capital amounted to SEK 13 million (5).

Investments in intangible, tangible, and financial fixed assets amounted to SEK 101 million (53), including SEK 97 million (52) in capitalized R&D costs.

Free cash flow was SEK -14 million (-26). Free cash flow was impacted by cash flow from operating activities and the increased R&D investments in the Autosense segment following the acquisition of FotoNation/AutoSense.

Cash flow from financing activities amounted to SEK -11 million (-7).

JANUARY-DECEMBER

NET SALES

The Group's net sales increased by 13% to SEK 857 million (758). The organic decline was -16%. Net growth from acquisition was 29% and exchange rates affected sales by 0%.

Products & Solutions net sales totaled SEK 455 million (532), corresponding to an organic decline of -15%.

Integrations net sales were SEK 353 million (219) which was an increase by 61% stemming from the acquired imaging business, which, as previously communicated, is expected to decline after 2024. The organic decline was -17%.

Autosense net sales totaled SEK 49 million (7).

Net sales from the acquisition of FotoNation/AutoSense for the period represented eleven months' worth, reflecting the timing of the FotoNation/AutoSense acquisition closure on January 31, 2024.

RESULTS

The gross margin was 80% (75%). The strengthened gross margin was an effect of the change in product mix.

Products & Solutions gross margin was 66% (69%).

The difference in gross margin was related to the change in product mix and lower volumes.

Integrations gross margin was 96% (90%). The high gross margin reflects the software, service, and license-based product mix.

Autosense gross margin was 97% (80%). The high gross margin demonstrates the substantial share of software in the product mix.

Operational expenses increased to SEK 794 million (751).

The increase was an effect of the expanded cost base associated with the acquisition of FotoNation/AutoSense.

The operating result was SEK -107 million (-184) and the operating margin was -12% (-24%). Adjusted for structural one-off costs of SEK 34 million, EBIT amounted to SEK -73 million.

Net financial items amounted to SEK -60 million (-13), primarily comprising SEK -11 million (-4) in currency effects and SEK -54 million (-15) in interest expenses. The interest expenses were mainly related to interest-bearing liabilities and interest due to temporary covid tax reliefs.

Profit/loss before tax was SEK -167 million (-197).

Tax amounted to SEK -9 million (-1) for the period. The tax expense mainly arises from the positive result of the Irish subsidiary.

Profit/loss for the period was SEK -177 million (-198) and diluted earnings per share was SEK -0.89 (-1.87).

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities, before changes in working capital, amounted to SEK 38 million (-37).

Change in working capital amounted to SEK -31 million (132).

The working capital profile for the full-year 2024 reflects changes related to the acquisition of FotoNation/AutoSense. Working capital in the corresponding period was positively affected by SEK 63 million in temporary covid-related tax reliefs.

Investments in intangible, tangible, and financial fixed assets amounted to SEK 352 million (214), including SEK 351 million (202) in capitalization of R&D costs.

Free cash flow was SEK -345 million (-119). The change in free cash flow was mainly related to increased investments in R&D due to the acquisition of FotoNation/AutoSense. Net working capital in the corresponding period was also positively impacted by SEK 63 million in temporary covid-related tax reliefs.

Cash flow from financing activities amounted to SEK 226 million (-29), of which SEK 267 million (0) is net proceeds from the rights issue completed in April, and SEK -35 million (-27) is repayment of lease liability.

Tobii has been granted a three-year repayment plan for covid-related tax reliefs, totalling SEK 161 million and SEK 68 million, originally set to expire in February and September 2024, respectively. Half of the SEK 161 million will be repaid in the third quarter of 2025, with the remaining amount due in the first quarter of 2027. Of the SEK 68 million, half will be repaid in the first quarter of 2026, with the remainder to be repaid in the third quarter of 2027.

At the close of the period, the Group had SEK 116 million (236) in cash and cash equivalents. In addition, the Group has an unutilized credit facility of SEK 50 million. Consolidated net debt totaled SEK -316 million (157).

The Group

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	284	255	857	758
Cost of goods and services sold	-44	-66	-169	-191
Gross profit	240	189	687	567
Selling expenses	-70	-105	-295	-350
Research and development expenses	-84	-67	-363	-278
Administrative expenses	-36	-25	-149	-122
Other operating income and operating expenses	0	-6	13	-1
Operating profit/loss (EBIT)	50	-14	-107	-184
Net financial items	-38	-13	-60	-13
Profit/loss before tax	12	-28	-167	-197
Tax	-7	-1	-9	-1
Profit/loss for the period	5	-29	-177	-198
Other comprehensive income				
Items that may subsequently be reclassified to profit or loss for the period:				
Translation differences	35	12	19	4
Other comprehensive income for the period, net after tax	35	12	19	4
Total comprehensive income for the period	40	-17	-158	-194
Earnings per share, SEK	0.02	-0.27	-0.89	-1.87
Earnings per share, diluted, SEK	0.02	-0.27	-0.89	-1.87
Profit/loss for the period attributable to:				
Parent Company shareholders	5	-28	-177	-199
Non-controlling interests	0	-0	0	0
Total comprehensive income for the period attributable to:				
Parent Company shareholders	40	-16	-158	-194
Non-controlling interests	0	-0	0	0

CONDENSED CONSOLIDATED BALANCE SHEET

SEK m	Dec 31 2024	Dec 31 2023
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	1,126	517
Tangible fixed assets	24	14
Right-of-use assets	100	68
Financial and other non-current assets	168	70
Total non-current assets	1,420	669
CURRENT ASSETS		
Trade receivables	120	116
Inventories	76	70
Other current assets	98	58
Cash and cash equivalents	116	236
Total current assets	409	480
Total assets	1,829	1,149
EQUITY		
Equity, Parent Company shareholders	676	562
Non-controlling interests	2	2
Total equity	678	564
LIABILITIES		
NON-CURRENT LIABILITIES		
Interest-bearing loans	333	12
Leasing liabilities	65	43
Other non-current liabilities	265	33
Total non-current liabilities	663	88
CURRENT LIABILITIES		
Leasing liabilities	34	24
Other current liabilities	454	473
Total current liabilities	487	497
Total liabilities	1,151	585
Total equity and liabilities	1,829	1,149

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	Attributable to Parent Company shareholders				Total	Non-controlling interests	Total equity
	Share capital	Other contributed capital	Currency translation reserve	Retained earnings			
Opening balance, Jan 1, 2023	1	1,996	-40	-1,205	752	2	754
Adjustment of opening balance				-7	-7		-7
Comprehensive income for the period			4	-199	-194	0	-194
New share issue	0	0			0		0
Sale of own shares				2	2		2
Share based payments settled using equity instruments				9	9		9
Closing balance, Dec 31, 2023	1	1,996	-35	-1,400	562	2	564
Opening balance, Jan 1, 2024	1	1,996	-35	-1,400	562	2	564
Adjustment opening balance*		-2		2			
Comprehensive income for the period			19	-177	-158	0	-158
New share issue	1	266			267		267
Divestment indirect minority		0	-0	0	0	-0	-0
Share based payments settled using equity instruments				5	5		5
Closing balance, Dec 31, 2024	2	2,260	-16	-1,569	676	2	678

* dissolution of an entity in UK

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Cash flow from operating activities				
Profit/loss after financial items	12	-28	-167	-197
Adjustment for items not included in the cash flow	63	51	211	163
Taxes paid	-1	-1	-6	-3
Cash flow from operating activities before change in working capital	74	22	38	-37
Cash flow from change in working capital	13	5	-31	132
Cash flow from operating activities	87	27	7	95
Investments in intangible, tangible, and financial fixed assets	-101	-53	-352	-214
Cash flow after continuous investments	-14	-26	-345	-119
Acquisitions and divestments	1	0	-4	-15
Cash flow after investments	-14	-26	-350	-134
Interest-bearing loan	-1	-1	-3	-3
New share issue, net of issue costs	0	0	267	0
Repayment of lease liability	-8	-6	-35	-27
Other financing activities, net	-2	0	-2	0
Cash flow from financing activities	-11	-7	226	-29
Cash flow for the period	-25	-33	-123	-163
Cash and cash equivalents at the beginning of the period	138	271	236	402
Foreign currency translation, cash and cash equivalents	3	-2	3	-3
Cash and cash equivalents at the end of the period	116	236	116	236

CONSOLIDATED KEY RATIOS

	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Earnings per share, SEK	0.02	-0.27	-0.89	-1.87
Earnings per share, diluted, SEK	0.02	-0.27	-0.89	-1.87
Equity per share, SEK	3	5	3	5
EBITDA, SEK m	82	28	62	-27
EBIT, SEK m	50	-14	-107	-184
Cash flow from operating activities, SEK m	87	27	7	95
Free cash flow , SEK m	-14	-26	-345	-119
Working capital, SEK m	-160	-229	-160	-229
Total assets, SEK m	1,829	1,149	1,829	1,149
Net cash(+)/net debt (-), SEK m	-316	157	-316	157
Net cash(+)/net debt (-); excluding leasing, SEK m	-217	224	-217	224
Equity, SEK m	678	564	678	564
Equity/assets ratio, %	37	49	37	49
Debt/equity, %	64	14	64	14
Gross margin, %	84	74	80	75
EBITDA margin, %	29	11	7	-4
EBIT margin, %	18	-6	-12	-24
Average number of outstanding shares	233,680,462	106,182,266	199,176,524	105,973,395
Average number of outstanding shares after dilution	234,093,878	108,179,706	199,589,940	106,267,737
Number of outstanding shares at period end	233,680,462	106,182,266	233,680,462	106,182,266
Number of outstanding shares after dilution at period end	234,093,878	108,040,310	234,093,878	106,476,608
Average number of employees	587	543	666	541

¹ On December 31, 2024, a total of 2.7 million stock options, and stock units were outstanding, which is an increase of 0.1 million since the end of 2023.

Recalculation due to the Right issue in April 2024 has been done. During the year, 67,138 stock units have been redeemed, relating to the following programs: LTI 2020 (12,774), LTI 2021 (35,418), and LTI 2022 (18,946). No stock options have been redeemed. The dilution effect of stock options, and stock units in all the Company's incentive programs correspond to a maximum of approximately 1.4%.

BREAKDOWN OF NET SALES

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
NET SALES BY PRODUCT CATEGORY				
Hardware	120	157	361	439
<i>whereof Products & Solutions</i>	105	122	320	366
<i>whereof Integrations</i>	16	35	41	73
<i>whereof Autosense</i>	-1	-	-0	0
Software	120	53	367	190
<i>whereof Products & Solutions</i>	25	31	88	104
<i>whereof Integrations</i>	91	21	258	82
<i>whereof Autosense</i>	4	1	20	5
Services	43	44	129	128
<i>whereof Products & Solutions</i>	13	19	47	62
<i>whereof Integrations</i>	11	25	53	64
<i>whereof Autosense</i>	19	1	29	3
Total net sales	284	255	857	758
NET SALES BY TIMING CATEGORY				
At a point in time	281	245	834	728
<i>whereof Products & Solutions</i>	140	163	432	502
<i>whereof Integrations</i>	118	81	353	219
<i>whereof Autosense</i>	23	2	49	7
Over time	3	9	23	30
<i>whereof Products & Solutions</i>	3	9	23	30
<i>whereof Integrations</i>	-	-	-	-
<i>whereof Autosense</i>	-	-	-	-
Total net sales	284	255	857	758
NET SALES BY GEOGRAPHIC MARKET				
EMEA	86	93	243	253
Americas	119	91	360	251
Other countries	78	71	254	254
Total net sales	284	255	857	758

QUARTERLY DATA

	2022				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales, SEK m												
Products and Solutions	139	92	121	161	138	127	94	173	112	109	92	143
Integrations	32	75	55	101	30	55	53	81	43	84	108	118
Autosense					1	2	3	2	7	9	11	23
Total	171	167	176	262	168	185	150	255	161	201	211	284
Gross margin, %												
Products and Solutions	70	67	68	72	68	71	68	68	64	66	59	72
Integrations	76	96	90	88	91	92	89	88	96	96	97	97
Autosense					83	97	95	97	99	91	94	99
Total	71	79	74	78	73	77	75	74	74	79	80	84
EBITDA, SEK m												
	-5	-11	1	43	-16	-10	-29	28	-27	-12	19	82
Operating profit/loss (EBIT), SEK m												
Products and Solutions									-23	-26	-22	31
Integrations									-13	21	49	73
Autosense									-38	-60	-44	-54
Total	-45	-50	-36	9	-53	-48	-69	-14	-75	-65	-17	50
Operating margin (EBIT-margin), %												
Products and Solutions									-21	-24	-24	22
Integrations									-31	25	45	62
Autosense									-571	-710	-394	-238
Total	-27	-30	-20	3	-32	-26	-46	-6	-46	-33	-8	18
Profit/loss before tax, SEK m												
	-42	-30	-17	-9	-57	-37	-75	-28	-86	-78	-16	12
Profit/loss for the period, SEK m												
	-42	-31	-17	-9	-57	-38	-74	-29	-87	-78	-17	5

The Parent Company

The Parent Company's net sales during the quarter totalled SEK 162 million (206) and the operating profit/loss was SEK -47 million (18). At the end of the period, the Parent Company had SEK 41 million (194) in cash and cash equivalents.

CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Net sales	162	206	475	570
Cost of goods and services sold	-43	-55	-159	-173
Gross profit	119	152	317	398
Selling expenses	-43	-40	-162	-179
Research and development expenses	-87	-64	-231	-273
Administrative expenses	-32	-22	-122	-111
Other operating income and operating expenses	-4	-7	1	-3
Operating profit/loss	-47	18	-198	-168
Financial items	-34	-8	-45	1
Group Contributions	0	0	0	0
Profit/loss before tax	-81	10	-242	-166
Tax	25	-0	25	-0
Profit/loss for the period	-56	10	-217	-166

CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Dec 31 2024	Dec 31 2023
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	651	418
Tangible fixed assets	6	10
Financial assets	1,094	391
Total non-current assets	1,751	818
CURRENT ASSETS		
Accounts receivable	81	115
Inventories	67	60
Other current receivables	68	62
Cash and bank balances	41	194
Total current assets	257	432
Total assets	2,008	1,251
EQUITY	806	751
LIABILITIES		
NON-CURRENT LIABILITIES		
Interest-bearing liabilities	375	24
Other non-current liabilities	244	29
Total non-current liabilities	619	53
CURRENT LIABILITIES		
Other current liabilities	583	447
Total current liabilities	583	447
Total liabilities	1,202	499
Total equity and liabilities	2,008	1,251

Notes

Note 1. Accounting policies

The Year-end Report complies with the provisions of IAS 34, and the report for the Parent Company has been prepared pursuant to the provisions of the Swedish Annual Accounts Act and RFR 2. In addition to the financial statements, disclosures under IAS 34.16A also appear in other parts of the Year-end report. The accounting policies of the Parent Company and the Group, and the calculation principles used in the report, are unchanged from those used in the most recently published Annual Report, with the exception of the application of new standards. The IASB has published amendments to standards that take effect from January 1, 2024, and onwards. In January 2027, the new IFRS 18 standard will replace IAS 1 Presentation of Financial Statements. Management is currently evaluating the implications of applying the new standard in the financial reports. Aside from IFRS 18, the IASB's amendments have not had any significant impact on the financial statements.

Note 2. Segments

From first quarter 2024 Tobii is reporting three segments, Products & Solutions, Integrations, and Autosense. For periods before Q1 2024, net sales, gross profit, and gross margin are reported for each segment. From first quarter of 2024, each segment is reported at operating result (EBIT) level. The Autosense segment comprises of FotoNation's AutoSense business and Tobii Autosense. Tobii Autosense was previously included in the Integrations segment. The additional image processing and computer vision technologies stemming from the acquisition of FotoNation/AutoSense are included into the Integrations segment.

PRODUCTS & SOLUTIONS

The segment's products include hardware, software, and services and the customers include both B2B customers and consumers. Hardware consists of a suite of eye tracking products, including the flagship eye tracking glasses Tobii Pro Glasses 3, research-grade screen-based eye trackers such as Pro Spectrum and Pro Fusion and the consumer gaming device Tobii Eye Tracker 5. Software consists of Tobii Pro Lab and Sticky, among others.

INTEGRATIONS

This segment provides Tobii's attention computing technology for integration into device manufacturers' (also known as original equipment manufacturers, or OEMs) products. It offers a versatile array of OEM integration products, including software, hardware components, system reference designs, services, and intellectual property licenses. These integrations are deployed in various OEM devices, from gaming laptops and medical technology and communication aids devices to virtual reality headsets.

AUTOSENSE

The segment provides automotive interior sensing solutions, comprising of drive monitoring systems (DMS) and occupant monitoring systems (OMS), to automotive original manufacturers (OEM). The solutions are offered directly to the OEMs or indirectly to the OEM via Tier-1 suppliers and deployed in both commercial and passenger vehicles. The segment has design wins with a number of renowned OEMs and Tier-1 suppliers.

Note 3. Business combinations

ACQUISITIONS

FotoNation Ltd

On January 31, 2024, Tobii acquired all shares in FotoNation Ltd, including AutoSense business. This strategic acquisition strengthens Tobii's Interior Sensing offerings, including Driver Monitoring System (DMS) and Occupant Monitoring System (OMS).

The consideration for 100 percent of the shares in FotoNation Ltd amounts to a minimum of USD 45 million on a cash- and debt-free basis, of which approximately USD 30 million will be structured as a promissory note at 8% interest. The promissory note and interest are paid in three annual installments starting in 2027. A future payment of USD 15 million will be paid in four annual installments starting in 2028. There will thus be no upfront cash or share consideration.

Additional earnouts, estimated to be approximately USD 19 million at the time of closing, may be generated by the Autosense segment upon meeting specific volume targets, with payouts scheduled for 2031. This estimation will be continuously assessed and adjusted over time for accuracy.

FotoNation Ltd was consolidated into Tobii Group as of February 1, 2024.

Goodwill consists of the market position as one of the leaders in Automotive Interior Sensing with the potential of future revenue streams in multiple geographies. Goodwill is also attributable to the skills that many competent employees in new attractive markets bring, and scalability regarding both engineering and overhead resources with opportunities for synergies.

Since the acquisition, the company has contributed SEK 211 million to the Group's net sales, whereof SEK 50 million in the segment Autosense and SEK 161 million in the segment Integrations, and operating result of SEK 70 million. If the acquisition had been carried out on January 1, 2024, the contribution to the Group's net sales would have been SEK 242 million and to operating result SEK 88 million.

The costs of the acquisition amounted to SEK 26 million. A preliminary purchase price allocation is presented below.

Effects of Acquisitions¹

SEK m	FotoNation Ltd
Promissory note	312
Deferred consideration	99
Contingent consideration	87
Consideration cash and cash equivalents	115
Reduction assumed liabilities	-18
Total consideration	594

Change in acquired assets and liabilities

Intangible assets (excl. goodwill)	183
Tangible fixed assets	63
Net other assets and liabilities	80
Cash and cash equivalents	115
Deferred tax liability	-17
Net identifiable assets and liabilities	424
Goodwill	170

¹ The acquisition analysis is preliminary.

Note 4. Financial instruments

SEK m	Dec 31 2024		Dec 31 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortized cost				
Other financial receivables	61	61	-	-
Financial liabilities measured at amortized cost				
Interest-bearing loans	324	324	12	12
Deferred considerations	113	113	-	-
Financial liabilities measured at fair value				
Contingent considerations	120	120	18	18

Deferred consideration refers to future payments where the payment is not contingent to future financial or operational targets.

Tobii classifies financial assets and liabilities measured at fair value in a hierarchy based on the information used in the valuation of each asset or liability. For level 3 financial instruments, information material to the fair value assessment is not observable and Tobii's own assessments are applied. Contingent considerations are classified under level 3.

CHANGE IN CONTINGENT CONSIDERATIONS

SEK m	
Liabilities	
Opening balance Jan 1, 2024	18
Acquisitions during the year	87
Payments	-0
Discounted effect recognized in the consolidated statement of profit or loss	10
Exchange differenses	6
Closing balance Dec 31, 2024	120

Other than the contingent considerations, Tobii has no financial instruments that are measured at fair value through profit or loss.

Note 5. Impairment of goodwill

Impairment testing for goodwill was carried out at the end of the 2024 financial year, without any need for impairment being identified.

Note 6. Pledged assets and contingent liabilities

As of December 31, 2024, Tobii has pledged corporate mortgages of SEK 100 (100) million referring to the revolving credit facility and SEK 300 (-) million referring to the promissory note from Xperi Inc. (from the acquisition of FotoNation Ltd.).

Other information

RISKS AND UNCERTAINTY FACTORS

Tobii's business risks include the economic climate, the competitive situation, currency risks, credit risks in relation to customers, financing risks, the risk of impairment of capitalized R&D and other intangible assets, and regulatory risks. Tobii's risks and risk management are described in greater detail in the risk section on pages 40-44 and note 3 on page 68 in the 2023 Annual and Sustainability Report. Tobii is of the opinion that this risk description remains correct.

Additionally, Tobii's Board of Directors and Management have identified an increased risk related to financing of the company's operations due to lower net sales. To address this, Tobii is closely monitoring its cash situation and has implemented a cost reduction program to lower operational expenses. Furthermore, following a strategic review of its product portfolio, the company is in the process of divesting certain assets to strengthen its cash position.

SEASONALITY

Tobii's operations and net sales is characterized by variations between quarters. The seasonal patterns are different for the segments Product & Solutions and Integrations and there are also regional variations. The fourth quarter is normally the strongest quarter in terms of net sales and profits as the budget year closes in most of Tobii's geographic markets.

ORGANIZATION

The average number of full-time employees (FTEs), excluding consultants, was 666 (541) during the period January–December 2024. The increase was related to the acquisition of FotoNation/ AutoSense.

EXTRAORDINARY GENERAL MEETING 10 JANUARY 2025

An Extraordinary General Meeting was held on January 10, 2025, where it was resolved, in accordance with the nomination committee's proposal, to set the number of board members at five, without deputies. Henrik Eskilsson was elected as a new board member, while Sarah Eccleston and Jörgen Lantto left their assignments.

The meeting also resolved to implement share investment programs for all employees and board members, authorizing the board to issue and repurchase C-shares and transfer or sell ordinary shares to secure the programs.

CHANGES IN BOARD AND GROUP MANAGEMENT

Following the Extraordinary General Meeting on January 10, 2025, Tobii's Board of Directors consists of Per Norman (Chairman), Charlotta Falvin, Carl Mellander, Henrik Eskilsson, John Elvesjö, and Pontus Walck, who has been appointed as an employee representative by Sveriges Ingenjörer (The Swedish Association of Graduate Engineers).

On December 9, 2024, it was announced that Magdalena Rodell Andersson will leave her position as CFO to pursue another opportunity outside the company. She will remain in her role until the end of May 2025.

SHARE CAPITAL AND SHAREHOLDERS

Tobii has issued two types of shares: ordinary shares and C-shares. Each ordinary share entitles the holder to one vote at the General Meeting, while each C-share entitles the holder to one vote per ten shares.

The shares have a nominal value of 0.007256934 SEK per share. The sole purpose of the C-shares is to facilitate the settlement of Tobii's long-term incentive program. C-shares are always included in Tobii's balance sheet, and the company is not allowed to exercise voting rights for these shares. Therefore, only ordinary shares exercise their voting rights and are available for trading.

As of December 31, 2024, the total number of shares in the company amounts to 236,572,792, divided into 233,680,462 ordinary shares and 2,892,330 class C shares. The total number of votes in the company amounts to 233,969,695.

Tobii had 21,516 (24,791) shareholders at year-end 2024. The company's largest shareholder was Avanza Pension (6.45% of the capital and 6.52% of the votes), followed by the company's three founders: Märten Skogö (6.04% of the capital and 6.11% of the votes), Henrik Eskilsson (5.87% of the capital and 5.95% of the votes), and John Elvesjö (5.52% of the capital and 5.59% of the votes). Tobii's previously largest shareholder, Lannebo Kapitalförvaltning, flagged its holding below 5% on November 21, 2024.

For more information about Tobii's share and ownership structure, see corporate.tobii.com/investors/the-share.

FINANCIAL TARGETS AND DIVIDEND POLICY

On February 1, 2024, the Board of Directors adopted new financial targets for the Tobii group. Tobii is targeting:

- Positive free cash flow for the full-year 2026
- Operating margin (EBIT) of around 10% for the full-year 2026
- Operating margin (EBIT) of around 20% for the full-year 2028

These new targets focusing on profitability replace the previous targets.

Tobii will continue to reinvest cash flows in growth initiatives and therefore in the near term does not foresee any annual dividends.

The Board proposes that no dividend be paid for the fiscal year 2024.

TRANSACTIONS WITH RELATED PARTIES

No transactions have occurred between Tobii and related parties that have materially affected the Company's position and earnings.

REVIEW

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

The report has been signed by the CEO under the authorization of the Board of Directors.

Tobii AB (publ)

Stockholm, February 4, 2025

Anand Srivatsa

CEO

Alternative performance measures

Alternative Performance Measures (APMs) are key figures not defined by the applicable financial reporting framework (IFRS) or other legislation.

They are considered important supplemental measures for the Group.

Below is a reconciliation of the APMs included in this interim report.

Calculations

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Operating profit/loss (EBIT)	50	-14	-107	-184
Amortization and impairment	21	34	120	125
Depreciation and impairment	12	8	49	32
<i>of which Cost of goods and services sold</i>	2	1	7	6
<i>of which operational expenses</i>	10	7	42	27
EBITDA	82	28	62	-27
Net sales	284	255	857	758
EBITDA margin, %	29	11	7	-4
Operating profit/loss (EBIT)	50	-14	-107	-184
Net sales	284	255	857	758
Operating margin (EBIT-margin), %	18	-6	-12	-24
Gross profit	240	189	687	567
Net sales	284	255	857	758
Gross margin, %	84	74	80	75
Cash and cash equivalents	116	236	116	236
Interest-bearing liabilities	-432	-80	-432	-80
Net cash (+)/net debt (-)	-316	157	-316	157
Lease liabilities	99	68	99	68
Net cash (+)/net debt (-); excluding leasing	-217	224	-217	224
Inventories	76	70	76	70
Trade receivables	120	116	120	116
Other current assets	98	58	98	58
Other current liabilities	-454	-473	-454	-473
Working capital	-160	-229	-160	-229

Calculations

SEK m	Q4 2024	Q4 2023	Jan-Dec 2024	Jan-Dec 2023
Equity attributable to the Parent Company's shareholders	676	562	676	562
Average number of outstanding shares	233,680,462	106,182,266	199,176,524	105,973,395
Equity per share, SEK	3	5	3	5
Total equity	678	564	678	564
Total assets	1,829	1,149	1,829	1,149
Equity/assets ratio, %	37	49	37	49
Interest-bearing liabilities	432	80	432	80
Total equity	678	564	678	564
Debt/Equity, %	64	14	64	14

Definitions

Key performance measures	Definition	Purpose
Gross margin	Gross profit in relation to the net sales of the business.	Gross margin is used to measure production profitability.
EBITDA	Operating profit/loss before depreciation, amortization, and impairment.	EBITDA is used to measure earnings from operating activities excluding depreciation, amortization, and impairment.
EBITDA margin	Operating profit/loss before depreciation, amortization, and impairment in relation to the net sales of the business.	The EBITDA margin is used to illustrate EBITDA in relation to sales.
Operating profit/loss (EBIT)	Operating profit/loss before financial income and expenses, and taxes.	EBIT is used to measure operating profitability.
Operating margin (EBIT margin)	Operating profit/loss in relation to the net sales of the business.	The EBIT margin is used to illustrate EBIT in relation to sales and is a measure of the company's profitability.
Cash flow from operating activities	Cash flow from operating activities including change in working capital and before cash flow from investments and financing activities.	Cash flow from operating activities is used as a measure of the cash flow the company generates before investments and financing.
Free cash flow	Cash flow after continuous investments, meaning cash flow from operating and investment activities, excluding acquisitions and divestments of subsidiaries.	Free cash flow is used as a measure of the cash flow generated by the underlying business excluding cash flow from acquisitions, divestments, and the financing activities.
Working capital	Inventories, trade receivables, other current receivables, prepaid expenses and accrued income less trade payables and other current non interest-bearing liabilities.	Working capital is used to measure the company's capacity to meet its current capital requirements.
Net cash (+)/net debt (-)	Cash and cash equivalents less interest-bearing liabilities.	Net debt represents the company's capacity to pay off all of its debts should they fall due for payment as of the balance sheet date using the company's available cash and cash equivalents on the balance sheet date.
Organic growth	Change in total sales for the period adjusted for acquisitions, divestment, and currency, compared with total sales for the comparative period.	Organic growth is used to measure the underlying growth in local currencies of the business.
Equity/assets ratio	Total equity as a percentage of total assets.	The equity/assets ratio shows the percentage of total assets financed by the shareholders through equity.
Debt/equity ratio	Interest-bearing liabilities divided by total equity.	The debt/equity ratio measures the extent to which the company is financed through loans.
Equity per share	Equity at the end of the period attributable to the Parent Company's shareholders divided by the number of shares at the end of the period.	Equity per share measures the Group's net value per share.
Average number of employees	The average number of permanent employees, including part-time employees converted to full-time employment.	Average number of employees measures the number of full-time employees in the Group needed to generate the period's earnings.

This is Tobii

More than twenty years ago, Tobii pioneered the world's first plug & play eye tracker. Today we are the global leader in our industry with a mission to improve the world with technology that understands human attention and intent.

WHO WE ARE

Tobii is a leading developer, manufacturer, and partner on eye tracking and attention computing solutions across various industries worldwide. Around 650 passionate Tobiians drive our diverse organization, developing technologies for the next leap in human computer interaction, turning groundbreaking innovations into reality.

WHAT WE DO

Our technologies fuel digital transformation across scientific research, gaming, extended reality, assistive tech, and automotive interior sensing. Integrated into devices like glasses, headsets, personal computers, gaming accessories, medical equipment, and vehicles. They support thousands of enterprises, including global tech and automotive OEMs, and leading research institutes worldwide.

OUR FOOTPRINT

Tobii, headquartered in Stockholm, Sweden, operates in 12 countries across Asia, Europe, and North America. We engage customers directly in key markets and collaborate with resellers in other markets.



Strong position in growing markets



Global presence in 12 countries



~650 Tobiians



>1,000 patents



Thousands of B2B and academic clients

FOR MORE INFORMATION, PLEASE CONTACT:

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PUBLICATION

This interim report comprises such information that Tobii AB is obligated to publish pursuant to the EU Market Abuse Regulation. This information was published through the agency of the persons set out above on February 4, 2025, at 7.30 a.m. CET.

WEBCAST PRESENTATION

A webcast presentation will be held today at 9.00 a.m. (CET). To participate, please visit: <https://tobii.events.inderes.com/q4-report-2024>

The presentation material and a replay will be available at the [investor website](#) afterwards.

FINANCIAL CALENDAR

Annual and Sustainability report 2024
April 11, 2025
Interim report Q1 2025
May 7, 2025
Annual General Meeting 2025
May 9, 2025
Interim report Q2 2025
July 18, 2025
Interim report Q3 2025
October 24, 2025
Year-end report 2025
February 4, 2026