

# Year-End Report Q4

## October–December 2023

### QUARTER OCTOBER – DECEMBER 2023

- Revenue grew 31% to SEK 473 million (362). The currency adjusted growth was 30%.
- Gross margin was 69% (65).
- Operating profit totaled SEK 56 million (25), corresponding to an operating margin of 11.9% (6.8).
- Cash flow after continuous investments was SEK 63 million (41).
- Basic earnings per share were 0.43 (0.16) while diluted earnings per share were SEK 0.42 (0.16).

### PERIOD JANUARY – DECEMBER 2023

- Revenue grew 33% to SEK 1,613 million (1,216). The currency adjusted growth was 27%.
- Gross margin was 68% (65).
- Operating profit totaled SEK 155 million (82), corresponding to an operating margin of 9.6% (6.8).
- Cash flow after continuous investments was SEK 145 million (-26).
- Basic earnings per share were 0.99 (0.46) while diluted earnings per share were SEK 0.98 (0.46).
- The Board of Directors proposes to the Annual General Meeting that no dividend should be paid for fiscal year 2023.

### SIGNIFICANT EVENTS DURING THE QUARTER

- [Åsa Hedin, Chair of the Board of Directors of Tobii Dynavox, informed the Nomination Committee on December 11 that she will not stand for re-election at the 2024 Annual General Meeting.](#) The Nomination Committee has therefore initiated the recruitment process to find her successor.

### FINANCIAL OVERVIEW

SEK m (except for earnings per share)	Q4 2023	Q4 2022	Δ	Δ Organic	Full year 2023	Full year 2022	Δ	Δ Organic
Revenue	473	362	31%	24%	1,613	1,216	33%	20%
Gross margin	69%	65%	-	-	68%	65%	-	-
EBITDA	104	61	72%	-	317	206	54%	-
Operating profit/loss (EBIT)	56	25	128%	91%	155	82	88%	45%
EBIT margin	11.9%	6.8%	-	-	9.6%	6.8%	-	-
Net profit/loss for the period	45	17	163%	-	104	49	114%	-
Earnings per share, (SEK)	0.43	0.16	163%	-	0.99	0.46	114%	-
Earnings per share after dilution (SEK)	0.42	0.16	160%	-	0.98	0.46	112%	-
Cash flow after continuous investments	63	41	-	-	145	-26	-	-

# Comments from the CEO

**Our strong performance throughout 2023 continues, characterized by a substantial growth in sales and a more than doubled operating profit in the closing quarter of the year. As previously, growth was solid across all geographical areas and user groups. To realize our long-term growth potential, we are committed to investing in new staff, skills and tools to boost the scalability of the business. The low level of awareness regarding communication aids among prescribers and potential users presents an enormous opportunity for us to make a meaningful difference, while also significantly growing our business.**



**Fredrik Ruben**  
CEO, Tobii Dynavox

Sales growth continued to be robust in the last quarter of the year. Denominated in local currency, it was just over 30 percent for the quarter and 27 percent for the full year. In the US, the upward adjustment of reimbursement rates by Medicare for our products, 9 percent for 2023, was fully reflected in the fourth quarter. In 2024, the equivalent increase will be 2.6 percent. We continue to see substantial growth across all customer types and product categories. Sales to user groups that benefit from symbol-based communication, typically children or younger users with autism diagnoses, are however growing faster than other user groups. The past several quarters clearly demonstrate that the benefits of scale in our business translates topline growth into increased operating margin. We expect this trend to continue as sales grows even further.

Acquisitions is an integral part of our growth journey, and we place significant emphasis on business logic and synergies when assessing potential candidates. The integration of our longstanding German supplier partner Rehadapt, a transaction finalized in early September, is progressing well. The company seamlessly complements our offering with its mounting solutions for communication aids, while also strengthening our position in Germany.

Our growth is driven by a number of factors. The synergy of our robust product offering and committed employees, coupled with a market in its early phases with minimal penetration, points to significant long-term potential. In practice, awareness about the communication aids that we and our industry peers can offer never reaches the majority of people in need of assistive technology. This situation remains true even in the most developed countries. The root cause is the lack of knowledge about communication aids among the key groups responsible for prescribing them: speech-language pathologists and occupational therapists. In many cases, relevant training related to the available assistive technology is either non-existent or severely limited. Our commitment to large scale training initiatives are an important contribution to this.

Against the backdrop of two million new cases diagnosed worldwide annually, we have supplied around 25,000 more communication aids in 2023 compared with the previous year. While it is indeed gratifying that we can assist more individuals, the increase represents only a fraction of the estimated number of new cases where individuals require assistive communication aids. For example, in the US, our largest market by far, the proportion of speech-language pathologists who have prescribed a communication aid at least once per year is barely 5 percent of the professional community.

I am convinced that our historically robust growth in 2023 is a direct outcome of our long-term efforts to educate and share knowledge about the products and solutions we can offer, combined with their meaningful impact on the lives of users and their families. When coupled with our strong market position, this indicates that our long-term business potential is considerable even though building competence and awareness can be categorized as more of a marathon than a sprint. With a substantial dose of humility, particularly directed at our fantastic organization, we bring the record year of 2023 to a close, while maintaining a strong sense of confidence in the future.

[Join us on February 21 for a Capital Markets Day](#) in Stockholm, where we will offer a more in-depth presentation of our business and future strategy.

Fredrik Ruben, CEO

# Comments on the Group's performance

## QUARTER OCTOBER - DECEMBER

### Revenue

Group revenue increased 31% to SEK 473 million (362). The currency adjusted growth was 30%, organic sales grew by 24%. As in the previous quarters of 2023, growth was robust across all markets, as well as in all product and user groups. Currency movements had a positive impact of 0.5% on revenue and acquisitions contributed 6%.

### Performance

Consolidated gross profit amounted to SEK 324 million (233), corresponding to a gross margin of 69% (65). The net increase was mainly attributable to progressively higher sales prices. In the fourth quarter of last year, the gross margin was negatively affected by non-recurring costs of about SEK 5 million relating to high component prices.

Operating profit totaled SEK 56 million (25) and the operating margin was 11.9% (6.8).

Operating expenses increased organically about 18%. The increase in operating expenses was affected by factors such as significant investments in staff in the sales and marketing organization and new agreements on salaries and benefits that entered into force on April 1. The cost of the long-term incentive programs was affected by the increase in the Tobii Dynavox share price during the quarter and increased by approximately SEK 3 million. Investments in systems and tools to manage a growing business also contributed to the cost increase.

Costs for research and development after capitalizations and amortizations increased by 1 MSEK compared with the corresponding quarter last year.

Financial items amounted to SEK -8 million (-10) and mainly consisted of interest on external loans. Profit before tax was SEK 49 million (15).

Tax for the quarter amounted to SEK -4 (2) million, of which SEK -7 (-3) million related to deferred tax.

Profit for the period was SEK 45 million (17). Basic earnings per share were 0.43 (0.16) while diluted earnings per share were SEK 0.42 (0.16).

### Currency effects

Higher exchange rates, primarily USD/SEK, had a positive impact on revenue of SEK 2 million and on operating profit of SEK 2 million compared with the corresponding quarter last year.

### Cash flow, liquidity and financial position

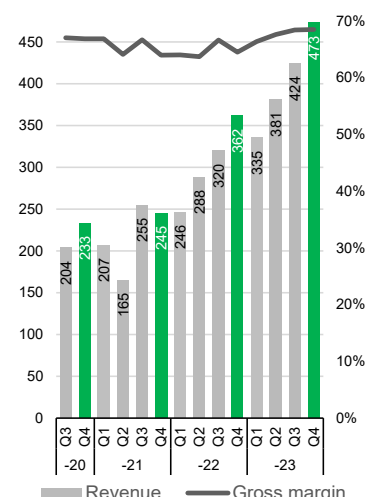
Cash flow from operating activities before changes in working capital amounted to SEK 88 million (52). Change in working capital amounted to SEK 14 million (18).

Cash flow from investing activities amounted to SEK -48 million (-28), of which SEK -24 million (-20) was capitalization of R&D costs. During the quarter, an amortization of the credit facility of SEK 15 million was made. The recently acquired subsidiary Rehadapt also repaid all of its external loans, totaling SEK 6 million. Cash flow for the period was SEK 29 million (0).

At the end of the quarter, the Group had cash and cash equivalents of SEK 161 million (107). Consolidated net debt totaled SEK 612 million (522), including SEK 98 million (59) in IFRS 16 finance leases.

The second installment regarding the acquisition of Rehadapt, corresponding to 5% of the payment, has been made during the quarter.

REVENUE, SEK M,  
AND GROSS MARGIN, %



**KEY PERFORMANCE MEASURES**

SEK m		Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenue	8	473	362	1,613	1,216
Revenue change:		31%	48%	33%	40%
- of which organic		24%	18%	20%	16%
- of which currency		1%	20%	6%	18%
- of which acquisitions		6%	9%	7%	6%
Gross margin		69%	65%	68%	65%
Operating profit/loss (EBIT)		56	25	155	82
EBIT change		128 %	85 %	88 %	37 %
EBIT margin		11.9 %	6.8 %	9.6 %	6.8 %

**REVENUE BY GEOGRAPHIC MARKET**

SEK m		Q4 2023	Q4 2022	Full year 2023	Full year 2022
Europe		89	71	289	207
North America		363	275	1253	942
Other countries		21	16	71	67
<b>Total revenue</b>		<b>473</b>	<b>362</b>	<b>1,613</b>	<b>1,216</b>

**RESEARCH AND DEVELOPMENT**

SEK m		Q4 2023	Q4 2022	Full year 2023	Full year 2022
Total R&D expenditures		-42	-41	-149	-136
Capitalization		24	20	83	79
Amortization		-27	-24	-98	-81
<b>R&amp;D expenses in the income statement</b>		<b>-45</b>	<b>-44</b>	<b>-163</b>	<b>-138</b>

**PERIOD JANUARY - DECEMBER****Revenue**

Group revenue increased 33% to SEK 1,613 million (1,216). The currency adjusted growth was 27%, organic sales grew by 20%. There was good growth globally, as well as in all product and user groups. Currency movements had a positive impact of 6% on revenue and acquisitions contributed with 7%.

**Performance**

Consolidated gross profit amounted to SEK 1,094 million (788), corresponding to a gross margin of 68% (65). The increase was mainly attributable to the normalization of component and freight costs, some economies of scale, and progressively higher sales prices.

Operating profit totaled SEK 155 million (82) and the operating margin was 9.6% (6.8).

Operating expenses were affected by non-recurring costs of approximately SEK 7 million, mainly related to the acquisition of Rehadapt Engineering. Including these costs, operating expenses increased organically by around 17 percent. The increase in operating expenses was affected by factors such as significant staff increases in the sales and marketing organization and new agreements on salaries and benefits that entered into force on April 1. Investments in systems and tools to manage a growing business also contributed to the cost increase. In the comparative period, costs were lower than normal due to the effects of the pandemic on the level of activity relating to travel, events, conferences, etc.

Costs for research and development after capitalizations and amortizations increased by 25 MSEK compared with the corresponding period last year, mainly related to normalization of development costs as well as even higher depreciation costs because of new product launches. Investments relate to the development of proprietary products, the majority of which involve software and voice technology.

Financial items amounted to SEK -36 million (-29) and mainly consisted of interest on external loans. Profit before tax was SEK 119 million (54).

Tax for the year amounted to SEK -15 (-5) million, of which SEK -2 (-0.5) million related to deferred tax. Profit for the period was SEK 104 million (49). Basic earnings per share were 0.99 (0.46) while diluted earnings per share were SEK 0.98 (0.46).

### Currency effects

Higher exchange rates, primarily USD/SEK, had a positive impact on revenue of SEK 68 million and on operating profit of SEK 13 million compared with the corresponding period last year.

### Cash flow, liquidity and financial position

Cash flow from operating activities before changes in working capital amounted to SEK 268 million (179). Change in working capital amounted to SEK 9 million (-83).

Cash flow from investing activities amounted to SEK -297 million (-197), of which SEK -83 million (-79) was capitalization of R&D costs. Cash flow for the period was SEK +59 million (-99).

At the end of the period, the Group had cash and cash equivalents of SEK 161 million (107). Consolidated net debt totaled SEK 612 million (522), including SEK 98 million (59) in IFRS 16 finance leases. Net debt in relation to the last twelve months EBITDA was 1.9

To finance the acquisition of Rehadapt Engineering, Tobii Dynavox has increased its total credit facility with Swedbank to SEK 800 million by signing and extending its credit facility with an additional term loan of SEK 100 million. Tobii Dynavox has used this new term loan and its revolving credit facility to pay for the acquisition of Rehadapt.

The total utilized part of the credit facility and term loan was SEK 678 million at the end of the period.

### Organization

The number of employees converted to full-time equivalents at the period end was 701 (562). Acquired companies contributed with an increase of 57 FTEs.

### Acquisition

On September 7, 2023, Tobii Dynavox completed the acquisition of all shares in the German company Rehadapt Engineering. After entering the agreement on 30 June 2023, the purchase price has been adjusted to EUR 16.6 million on a cash and debt free basis. Additionally, a potential earn-out consideration of up to EUR 3.5 million will be paid 12 months after closing of the transaction, depending on the continued financial development of Rehadapt. Rehadapt is consolidated into the Group as of September 1.

Rehadapt is a provider of medically certified mounting solutions for assistive technology, including out-of-the-box and flexible solutions to support individual communication, independent mobility kits and customized accessories. Based on over 20 years of expertise and innovative development, Rehadapt has created a well-respected brand and a valuable asset base in the field of mounting solutions. Rehadapt's products are currently sold together with Tobii Dynavox's products as well as by many other companies in assistive communication. Rehadapt has approximately 55 employees and is headquartered in Kassel, Germany with a local subsidiary and distribution center in the United States. Rehadapt's turnover in 2022 was approximately EUR 10 million with an adjusted EBIT margin of approximately 20%. The seller, Rehadapt's CEO Uli Ehlert, will remain with Rehadapt for a period of at least one year.

### Dividends

The board of Directors proposes to the Annual General Meeting that no dividends shall be paid for fiscal year 2023.

# Group

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK m	Note	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Revenues	8	473	362	1,613	1,216
Cost of goods and services sold		-149	-128	-519	-428
<b>Gross profit</b>		<b>324</b>	<b>233</b>	<b>1,094</b>	<b>788</b>
Selling expenses		-162	-132	-585	-451
Research- and development expenses		-45	-44	-163	-138
Administrative expenses		-60	-37	-196	-130
Other operating gains and losses		0	4	5	13
<b>Operating profit/loss (EBIT)</b>		<b>56</b>	<b>25</b>	<b>155</b>	<b>82</b>
Net financial items		-8	-10	-36	-29
<b>Profit/loss before tax (EBT)</b>		<b>49</b>	<b>15</b>	<b>119</b>	<b>54</b>
Tax		-4	2	-15	-5
<b>Net profit for the period</b>		<b>45</b>	<b>17</b>	<b>104</b>	<b>49</b>
<b>Other comprehensive income</b>					
<i>Items that may be reclassified to net profit for the period:</i>					
Translation differences		-22	-4	-22	19
Other comprehensive income for the period, net after tax		-22	-4	-22	19
<b>Total comprehensive income for the period</b>		<b>24</b>	<b>13</b>	<b>82</b>	<b>67</b>
Earnings per share, SEK		0.43	0.16	0.99	0.46
Earnings per share, diluted, SEK		0.42	0.16	0.98	0.46
<i>Net profit/loss for the period attributable to:</i>					
Parent Company's shareholders		45	17	104	49
<b>Net profit/loss for the period</b>		<b>45</b>	<b>17</b>	<b>104</b>	<b>49</b>
<i>Total comprehensive income for the period attributable to:</i>					
Parent Company's shareholders		24	13	82	67
<b>Total comprehensive income for the period</b>		<b>24</b>	<b>13</b>	<b>82</b>	<b>67</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK m	Dec 31 2023	Dec 31 2022
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible fixed assets	847	674
Property, plant and equipment	51	37
Right-of-use assets	91	50
Dererred tax asset	55	59
Financial and other non-current assets	13	15
<b>Total non-current assets</b>	<b>1,056</b>	<b>835</b>
<b>Current assets</b>		
Trade receivables	270	237
Inventories	130	88
Other current receivables	74	56
Cash and cash equivalents	161	107
<b>Total current assets</b>	<b>635</b>	<b>488</b>
<b>TOTAL ASSETS</b>	<b>1,691</b>	<b>1,323</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	298	211
<b>Total equity</b>	<b>298</b>	<b>211</b>
<b>Non-current liabilities</b>		
Borrowings, non-current	616	521
Lease liabilities	73	40
Deferred tax liabilities	22	9
Other non-current liabilities	142	117
<b>Total non-current liabilities</b>	<b>853</b>	<b>687</b>
<b>Current liabilities</b>		
Borrowings, current	59	49
Lease liabilities	25	18
Other current liabilities	456	358
<b>Total current liabilities</b>	<b>540</b>	<b>425</b>
<b>Total liabilities</b>	<b>1,393</b>	<b>1,112</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,691</b>	<b>1,323</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	Attributable to Parent Company shareholders			
	Share capital	Reserves	Retained earnings	Total equity
<b>Opening balance, Jan 1, 2022</b>	<b>1</b>	<b>1</b>	<b>138</b>	<b>139</b>
Comprehensive income for the period		19	49	67
Share based payments			5	5
Acquisition of own shares			-1	-1
<b>Closing balance, Dec 31, 2022</b>	<b>1</b>	<b>19</b>	<b>191</b>	<b>211</b>
<b>Opening balance, Jan 1, 2023</b>	<b>1</b>	<b>19</b>	<b>191</b>	<b>211</b>
Comprehensive income for the period		-22	104	82
Share based payments			9	9
Acquisition of own shares			-4	-4
<b>Closing balance, Dec 31, 2023</b>	<b>1</b>	<b>-2</b>	<b>300</b>	<b>298</b>



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Cash flow from operating activities</b>				
Profit before tax (EBT)	49	15	119	54
Depreciations and amortization	48	36	162	124
Other non cash items	-2	2	-0	8
Taxes paid	-7	-1	-13	-6
<b>Cash flow before changes in working capital</b>	<b>88</b>	<b>52</b>	<b>268</b>	<b>179</b>
Change in working capital	14	18	9	-83
<b>Cash flow from operating activities</b>	<b>102</b>	<b>69</b>	<b>277</b>	<b>96</b>
<b>Investing activities</b>				
Investments in intangible assets	-25	-21	-89	-87
Investments in tangible assets	-14	-5	-46	-32
Other	0	-3	2	-4
<b>Continuous investments</b>	<b>-39</b>	<b>-28</b>	<b>-133</b>	<b>-122</b>
<b>Cash flow after continuous investments</b>	<b>63</b>	<b>41</b>	<b>145</b>	<b>-26</b>
Aquisitions	-9	0	-164	-75
<b>Cash flow from investing activities</b>	<b>-48</b>	<b>-28</b>	<b>-297</b>	<b>-197</b>
<b>Financing activities</b>				
Proceeds from borrowings	-21	-30	99	26
Repayment of lease liability	-6	-4	-20	-16
Other financing activities	1	-6	-0	-7
<b>Cash flow from financing activities</b>	<b>-26</b>	<b>-41</b>	<b>79</b>	<b>2</b>
<b>Cash flow for the period</b>	<b>29</b>	<b>0</b>	<b>59</b>	<b>-99</b>
Cash and cash equivalents at the beginning of the period	140	109	107	197
Currency translation impact on cash and cash equivalents	-8	-2	-5	8
<b>Cash and cash equivalents at the end of the period</b>	<b>161</b>	<b>107</b>	<b>161</b>	<b>107</b>

# Parent Company

The principal activity of the Group's Parent Company, Tobii Dynavox AB (publ), is research, development, and sales of computer software and computer-related hardware that helps individuals with various disabilities to live richer and more independent lives. The number of employees in the Parent Company is approximately 126.

Net sales for the Parent Company, Tobii Dynavox AB, for the period October 1 to December 31 2023 amounted to SEK 209 million (142) of which SEK 157 million (86) refers to sales to group companies and SEK 53 million (56) to external customers. Operating profit for the corresponding period was SEK 19 million (-10). Investments in property, plant and equipment and intangible assets totaled SEK -27 million (-20) for the quarter. At the end of the period, the Parent Company had SEK 32 million (23) in cash and cash equivalents.

## CONDENSED PARENT COMPANY INCOME STATEMENT

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Revenues</b>	<b>209</b>	<b>142</b>	<b>751</b>	<b>582</b>
Cost of goods and services sold	-90	-75	-341	-289
<b>Gross profit</b>	<b>119</b>	<b>68</b>	<b>410</b>	<b>293</b>
Selling expenses	-27	-34	-95	-84
Research- and development expenses	-40	-37	-144	-123
Administrative expenses	-55	-47	-180	-161
Other operating gains and losses	22	41	56	48
<b>Operating profit/loss (EBIT)</b>	<b>19</b>	<b>-10</b>	<b>46</b>	<b>-26</b>
Financial items	-7	-9	-34	-9
<b>Profit/loss before tax (EBT)</b>	<b>12</b>	<b>-18</b>	<b>12</b>	<b>-36</b>
Tax	-3	7	-3	7
<b>Net profit/loss for the period</b>	<b>9</b>	<b>-11</b>	<b>9</b>	<b>-29</b>

## CONDENSED PARENT COMPANY BALANCE SHEET

SEK m	Dec 31 2023	Dec 31 2022
<b>NON-CURRENT ASSETS</b>		
Intangible assets	327	397
Property, plant and equipment	10	7
Financial assets	499	281
<b>Total non-current assets</b>	<b>836</b>	<b>685</b>
<b>CURRENT ASSETS</b>		
Inventories	38	28
Trade receivables	21	18
Receivables from Group companies	114	82
Other current assets	23	10
Cash and cash equivalents	32	23
<b>Total current assets</b>	<b>227</b>	<b>161</b>
<b>TOTAL ASSETS</b>	<b>1,063</b>	<b>846</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	138	124
Untaxed reserves	1	1
<b>NON-CURRENT LIABILITIES</b>		
Borrowings, non-current	616	521
Liabilities to Group companies, non- current	63	47
Other non-current liabilities	20	16
<b>Total non-current liabilities</b>	<b>699</b>	<b>584</b>
<b>CURRENT LIABILITIES</b>		
Borrowings, current	59	49
Trade payables	55	40
Liabilities to Group companies, current	3	4
Other current liabilities	108	44
<b>Total current liabilities</b>	<b>226</b>	<b>138</b>
<b>Total liabilities</b>	<b>925</b>	<b>722</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,063</b>	<b>846</b>

## KEY PERFORMANCE MEASURES FOR THE GROUP

	Q4 2023	Q4 2022	Full year 2023	Full year 2022
Earnings per share, SEK	0.43	0.16	0.99	0.46
Earnings per share, diluted, SEK	0.42	0.16	0.98	0.46
Equity per share, SEK	2.8	2.0	2.8	2.0
EBITDA, SEKm	104	61	317	206
Operating profit (EBIT), SEKm	56	25	155	82
EBITA, MSEK	88	50	262	166
Cash flow from operating activities, SEKm	102	69	277	96
Cash flow after continuous investments, SEKm	63	41	145	-26
Working capital, SEKm	-108	-85	-108	-85
Total assets, SEKm	1,691	1,323	1,691	1,323
Net debt, SEKm	612	522	612	522
Net Debt/EBITDA LTM	-	-	1.9	2.5
Equity, SEKm	298	211	298	211
Equity/assets ratio, %	18	16	18	16
Debt/equity, factor	2.6	3.0	2.6	3.0
Gross margin, %	69	65	68	65
EBITDA margin, %	22	17	20	17
Operating margin, %	11.9	6.8	9.6	6.8
Average number of outstanding shares, million	104.9	104.9	104.9	104.9
Average number of outstanding shares after dilution, million	106.6	105.4	106.3	105.3
Number of outstanding shares at period end, million	104.9	104.9	104.9	104.9
Number of outstanding shares after dilution at period end, million	106.6	105.4	106.6	105.4
Average number of employees	696	569	629	525

Definitions, see note 11.

## QUARTERLY DATA

	2023				2022				2021			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue, SEKm	473	424	381	335	362	320	288	246	245	255	165	207
Gross Margin, %	69	68	68	66	65	67	64	64	64	67	64	67
EBITDA, SEKm	104	92	65	56	61	59	44	43	38	66	1	50
EBIT, SEKm	56	48	29	21	25	25	16	17	13	42	-23	28
Operating Margin, %	11.9	11.4	7.6	6.3	6.8	7.8	5.4	7.0	5.4	16.5	(14.1)	13.5
Profit/Loss before tax, SEKm	49	41	17	12	15	18	9	11	9	37	-29	23
Profit/Loss for the period, SEKm	45	35	17	7	17	16	6	10	5	21	-13	16

# Notes

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## Note 1. Accounting policies

Tobii Dynavox applies International Financial Reporting Standards (IFRS) as adopted by the European Union. This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting.

Tobii Dynavox's interim report contains condensed financial statements. For the Group, this mainly means that the note disclosures are limited compared with the financial statements presented in the annual report. The financial statements of the Parent Company are generally presented in condensed format, with limited disclosures compared with the annual accounts. The interim reports for Tobii Dynavox AB have been prepared in accordance with the Swedish Annual Accounts Act and standard RFR 2, Accounting for legal entities.

The accounting policies applied are in effect in all periods and are consistent with the accounting policies applied in Tobii Dynavox Annual and sustainability report 2022.

### **Share-based payment to employees**

The amount of allocated stock units as per December 31, 2023, is 1 532 749.

The dilutive effect is expected to be a maximum of 1.6 percent.

The number of stock units allocated under the 2020 plan amounts to 199 061 share rights as of December 31, 2023. The number of stock units allocated under the 2021 plan amounts to 242 191 share rights as of December 31, 2023.

The 2022 plan has resulted in an allocation as of December 31 of 413 497 stock units.

The 2023 Annual General Meeting resolved to adopt a new long-term incentive program, LTI 2023. The number of stock units allocated under the 2023 program amounts to 678,000 as of December 31, 2023.

The number of stock units that are not yet allocated is 367 503.

In addition to the above allocated stock units, approximately 270,000 additional common shares may be issued to cover the company's social security costs.

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## Note 2. Risks and uncertainty factors

Tobii Dynavox business risks include the economic climate, the competitive situation, currency risks, credit risks in relation to customers, financing risks, the risk of impairment write-downs of capitalized R&D and other intangible assets, and regulatory risks (Tobii Dynavox in the U.S. is under the supervisory control of the U.S. Food and Drug Administration (FDA)). More information on risks and risk management can be found in the Tobii Dynavox Annual and Sustainability Report for 2022.

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## Note 3. Segment reporting

The assessment of which operating segments exist in the Group shall be based on the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocation of resources and analyzing the segment's profit/loss. In the Tobii Dynavox Group, this function has been identified as Group Management.

The financial information provided to Group Management within Tobii Dynavox, as a basis for decisions on the allocation of resources, applies to the business as a whole without any subdivision into underlying segments. Given this situation, the management of the Tobii Dynavox Group has determined that the business as a whole should be considered a segment until further notice. Sales by geographic market is broken down into the following markets: North America, Europe and other countries.

## Note 4. Transactions with related parties

Significant related party transactions are disclosed in the Group's Note 28 in the Tobii Dynavox Annual and Sustainability Report for 2022. There have been no material changes in related party relationships or transactions compared with those described in the 2022 Annual and Sustainability Report.

## Note 5. Sustainability information

More information on the Group's sustainability efforts can be found in the Tobii Dynavox Annual and Sustainability Report 2022.

## Note 6. Pledged assets and contingent liabilities

Tobii Dynavox has a chattel mortgage of SEK 50 million to Swedbank. The Group has no contingent liabilities.

## Note 7. Share data

As of December 31, 2023, Tobii Dynavox held 104,851,201 common shares, each carrying one vote.

## Note 8. Breakdown of revenue

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
REVENUE BY PRODUCT TYPE				
Goods	442	331	1,493	1,103
Services	30	30	113	107
Royalty	2	2	7	6
<b>Total revenues</b>	<b>473</b>	<b>362</b>	<b>1,613</b>	<b>1,216</b>
REVENUE BY DATE OF REVENUE RECOGNITION				
Point in time	409	303	1,359	1,022
Over time	63	59	254	194
<b>Total revenues</b>	<b>473</b>	<b>362</b>	<b>1,613</b>	<b>1,216</b>

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## Note 9.Acquisition

On September 7, 2023, Tobii Dynavox completed the acquisition of all shares in the German company Rehadapt Engineering. After entering the agreement on 30 June 2023, the purchase price has been adjusted to EUR 16.6 million on a cash and debt free basis. The payment for the acquisition has been made in two instalments. Additionally, a potential earn-out consideration of up to EUR 3.5 million will be paid 12 months after closing of the transaction depending on the continued financial development of Rehadapt.

Rehadapt is a provider of medically certified mounting solutions for assistive technology, including out-of-the-box and flexible solutions to support individual communication, independent mobility kits and customized accessories. Based on over 20 years of expertise and innovative development, Rehadapt has created a well-respected brand and a valuable asset base in the field of mounting solutions. Rehadapt's products are currently sold together with Tobii Dynavox's products as well as by many other companies in assistive communication. Rehadapt has approximately 55 employees and is headquartered in Kassel, Germany with a local subsidiary and distribution center in the United States. Rehadapt's turnover in 2022 was approximately EUR 10 million with an adjusted EBIT margin of approximately 20%. The seller, Rehadapt's CEO Uli Ehlert, will remain with Rehadapt for a period of at least one year.

Rehadapt was included in the Group's accounts from September 1, 2023.

As a result of this acquisition, Tobii Dynavox expects to both strengthen its product offering and come closer to users in the countries where the acquisition is active, with the hope of giving more people a voice. Tobii Dynavox also expects to reduce costs through synergies.

The following table summarize the purchase consideration paid and the preliminary fair value of assets acquired, and liabilities assumed for the acquisition of Rehadapt Engineering.

**EFFECTS OF ACQUISITIONS**

	Rehadapt <sup>1</sup>
<b>SEK m</b>	
<b>Breakdown of Purchase considerations</b>	
Cash consideration	174
Contingent consideration	42
Consideration short term receivable	-1
Total consideration	214
<b>Change in acquired assets and liabilities</b>	
Technology	19
Brands	-
Customer relations/contracts	33
Other fixed assets	21
Net other assets and liabilities	-40
Cash and cash equivalents	10
Deferred tax liability	16
<b>Net identifiable assets and liabilities</b>	<b>60</b>
<b>Goodwill</b>	<b>154</b>
<b>Impact on cash and cash equivalents</b>	
Cash consideration (included in cash flow from investing activities)	-174
Cash and cash equivalents of acquired companies (included in cash flow from investing activities)	10
Acquisition costs (included in cash flow from operating activities)	-7
<b>Total impact on cash and cash equivalents</b>	<b>-171</b>
<b>Impact on sales and operating profit (loss) during the holding period</b>	
Sales	32
Operating profit (loss)	7
<b>Impact on sales and operating profit (loss) as if the acquisitions had taken place on 1 January 2023</b>	
Sales	85
Operating profit (loss)	24

<sup>1</sup> The acquisition analysis is preliminary



## Note 10. Financial instrument

SEK m	Dec 31 2023		Dec 31 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities measured at fair value</b>				
Contingent considerations	39	39	0.1	0.1

The Group categorizes financial assets and financial liabilities measured at fair value into a fair value hierarchy based on the information used to value each asset or liability. For financial instruments in level 3, information that is material to the fair value of the asset or liability is not observable and the Group's own assessments are applied.

Liabilities relating to contingent consideration 2023 relate in their entirety to the acquisition of Rehadapt Engineering while contingent considerations for 2022 related to Obear Technologies Limited and is classified under level 3.

## Note 11. Alternative performance measures

The company presents certain financial measures in the interim report that are not defined under IFRS (so-called alternative performance measures according to ESMA guidelines). Management believes that this information helps investors to analyze the Group's performance and financial position. Investors should consider these disclosures as a complement rather than a substitute for financial reporting under IFRS.

### RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

The tables below show how the alternative performance measures that are not directly reconcilable to the financial statements are calculated.

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Gross margin</b>				
Gross profit	324	233	1,094	788
Revenues	473	362	1,613	1,216
<b>Gross margin, %</b>	<b>69%</b>	<b>65%</b>	<b>68%</b>	<b>65%</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>EBITDA and EBITDA-margin</b>				
Operating profit	56	25	155	82
Amortization and impairment on intangible assets	32	25	107	84
Depreciation, amortization and impairment on tangible assets	17	11	55	40
<b>EBITDA</b>	<b>104</b>	<b>61</b>	<b>317</b>	<b>206</b>
Revenue	473	362	1,613	1,216
<b>EBITDA-marginal, (%)</b>	<b>22%</b>	<b>17%</b>	<b>20%</b>	<b>17%</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>EBITA</b>				
Operating profit	56	25	155	82
Amortization R&D	27	23	98	80
Amortization purchased immaterial assets	4	2	10	4
<b>EBITA-margin</b>	<b>88</b>	<b>50</b>	<b>262</b>	<b>166</b>
Revenue	473	362	1,613	1,216
<b>EBITA-margin, %</b>	<b>19%</b>	<b>14%</b>	<b>16%</b>	<b>14%</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Equity/share</b>				
Equity	298	211	298	211
Average number of outstanding shares, million	105	105	105	105
<b>Equity/share</b>	<b>2.8</b>	<b>2.0</b>	<b>2.8</b>	<b>2.0</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Net debt</b>				
Cash and cash equivalents	161	107	161	107
Interest-bearing liabilities	773	628	773	628
<b>Net debt</b>	<b>612</b>	<b>522</b>	<b>612</b>	<b>522</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Net debt/EBITDA ratio</b>				
Net debt	-	-	612	522
EBITDA last twelve months	-	-	317	206
<b>Net debt/EBITDA LTM</b>	<b>-</b>	<b>-</b>	<b>1.9</b>	<b>2.5</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Organic growth</b>				
Revenue current year	473	362	1,613	1,216
Currency effect	-2	-50	-68	-156
Acquisition effect	-23	-22	-83	-49
Currency-adjusted income corresponding period last year excluding acquisitions	448	290	1,462	1,011
Revenue corresponding period previous year	362	245	1,216	872
Organic growth	86	45	246	140
<b>Organic growth, %</b>	<b>24%</b>	<b>18%</b>	<b>20%</b>	<b>16%</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Working capital</b>				
Inventories	130	88	130	88
Trade receivables	270	237	270	237
Other receivables	74	56	74	56
Trade payables	-100	-78	-100	-78
Other liabilities	-482	-388	-482	-388
<b>Working capital</b>	<b>-108</b>	<b>-85</b>	<b>-108</b>	<b>-85</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Operating margin (EBIT-margin)</b>				
Operating profit	56	25	155	82
Revenue	473	362	1,613	1,216
<b>Operating margin, %</b>	<b>11.9%</b>	<b>6.8%</b>	<b>9.6%</b>	<b>6.8%</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Net debt/equity ratio</b>				
Interest-bearing liabilities	773	628	773	628
Equity	298	211	298	211
<b>Net debt/equity ratio, factor</b>	<b>2.6</b>	<b>3.0</b>	<b>2.6</b>	<b>3.0</b>

SEK m	Q4 2023	Q4 2022	Full year 2023	Full year 2022
<b>Equity/assets ratio</b>				
Equity	298	211	298	211
Total assets	1,691	1,323	1,691	1,323
<b>Equity/assets ratio, %</b>	<b>18%</b>	<b>16%</b>	<b>18%</b>	<b>16%</b>

Key Performance measures	Definition	Justification for use of metrics
<b>Number of employees</b>	Average number of full-time employees during the period, including part-time employees converted to FTEs	Number of employees is a measure of the number of employees in the Company needed to generate profit for the period.
<b>Gross margin, %</b>	Gross profit relative to the operations' net sales	Gross margin is used to measure production profitability.
<b>EBITA</b>	Operating profit/loss before amortization and impairment of intangible assets	EBITA is used to measure earnings from operating activities excluding amortization and impairment of intangible assets.
<b>EBITDA</b>	Operating profit/loss before depreciation, amortization and impairment	EBITDA is used to measure earnings from operating activities excluding depreciation, amortization and impairment.
<b>EBITDA margin, %</b>	Operating profit/loss before depreciation/amortization in relation to net sales	The EBITDA margin is used to illustrate EBITDA in relation to sales.
<b>Equity per share</b>	Equity divided by average number of shares outstanding	A measure of the proportion of the company's recognized equity that each share represents.
<b>Cash flow after current investments</b>	Cash flow from operating and investing activities	Cash flow after current investments is used as a measure of the cash flow generated by operating activities and investments.
<b>Net debt</b>	Interest-bearing liabilities less cash and cash equivalents	Net debt represents the Company's capacity to pay off all 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.
<b>Net debt/EBITDA</b>	Net debt at the end of the period in relation to rolling 12-month EBITDA	A measure of financial risk showing net debt to cash generation.
<b>Organic growth, %</b>	Change in total revenue for the period adjusted for acquisitions, disposals and currency, compared with total revenue for the comparative period	Organic growth is used to analyze the underlying change in sales driven by comparable units between different periods.
<b>Working capital</b>	Inventories, trade receivables and other Inventories, accounts receivable and other current receivables less accounts payable and other liabilities	Working capital is used to measure the Company's ability to meet short-term capital requirements.
<b>Operating margin (EBIT margin), %</b>	Operating profit/loss in relation to net sales	The operating margin is used to illustrate EBIT in relation to sales and is a measure of the Company's profitability.
<b>Net debt/equity, factor</b>	Interest-bearing liabilities divided by shareholders' equity	Net debt-equity ratio measures the extent to which the Company is financed by loans.
<b>Equity/assets ratio, %</b>	Shareholders' equity as a percentage of total assets	The equity/assets ratio shows the percentage of total assets financed by the shareholders through equity.

Stockholm, February 8, 2024

**Åsa Hedin**  
Chairman of the Board

**Charlotta Falvin**  
Board Member

**Caroline Ingre**  
Board Member

**Carl Bandhold**  
Board Member

**Henrik Eskilsson**  
Board Member

**Maarten Barmiento**  
Board Member

**Fredrik Ruben**  
CEO

The report has not been subject to review by the Company's auditors.

This is a translation of the original Swedish interim report. In the event of a discrepancy between this translation and the Swedish original, the Swedish interim report takes precedence.

This information is inside information that Tobii Dynavox AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, on February 8, 2024, at 07:30 CET.

## Information to shareholders

### WEB PRESENTATION

A web presentation will be held in English today at 09.00 (CET). See [investors.tobiidynavox.com](https://investors.tobiidynavox.com) for more information about the conference. The images from the presentation can then be downloaded from the website.

### CONTACT DETAILS

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### FINANCIAL CALENDER

Capital markets day	February 21, 2024
Annual Report 2023	Week 14/15 2024
Interim Report Q1 2024	April 23, 2024
Annual general meeting	May 3, 2024
Interim Report Q2 2024	July 18, 2024
Interim Report Q3 2024	October 23, 2024
Interim Report Q4 2024	February 5, 2025