

Press release

Stockholm, October 6, 2020

Tobii divests Smartbox

Tobii AB ('Tobii') has agreed to divest Smartbox. The maximum purchase price amounts to GBP 13.4 million, of which GBP 3.55 million consists of an earnout and GBP 2.8 million consists of a net cash and net working capital adjustment. The expected purchase consideration corresponds to what Tobii paid for Smartbox in 2018 and is not expected to have any noteworthy impact on Tobii's earnings.

Tobii acquired Smartbox in August 2018 with the ambition of accelerating the pace of innovation and development of the assistive technology for communications industry. The British competition and marketing authority, CMA, concluded that the merger could lead to reduced competition in the UK and in January 2020, it was ruled that Tobii must divest Smartbox.

After evaluating a number of potential buyers, Tobii has now sold Smartbox to CareTech, which is a leading provider of specialized social services for adults and children with special needs. Tobii and Smartbox will thus in the future operate in the market for assistive technology for communications both as competitors and to some extent as partners.

"Tobii and Smartbox would have been a fantastic combination that together would have been able to further accelerate innovation and development in assistive technology for communications," said Tobii CEO Henrik Eskilsson. "We regret CMA's decision which forces us to sell Smartbox, but are pleased that we have reached an agreement that likely will allow us to receive the purchase price back, while Smartbox ends up with a suitable and responsible owner. We are convinced that CareTech will take good care of the company, its employees and the users, and we look forward to continue to work side by side with CareTech to drive the industry for assistive technology for communications forward."

The transaction in brief

- Tobii has agreed to sell all shares in Smartbox Assistive Technology Ltd, its subsidiaries, and Sensory Software International Ltd. All these entities were either acquired as part of the purchase of Smartbox in 2018, or formed as wholly owned subsidiaries in the intervening period.
- The majority buyer in the transaction is CareTech Holdings plc, listed on LSE's market AIM, which is a leading provider of specialized social services for adults and children with special needs.
- The maximum purchase price amounts to GBP 13.4 million, of which GBP 3.55 million consists of a cash earnout and GBP 2.8 million consists of a net cash and net working capital adjustment. The earnout is dependent on Smartbox achieving certain specific targets for gross profit over the next 12 months. With the initial cash payment, Tobii Group's available cash will be strengthened by SEK 114 million, which includes approximately SEK 30 million of net cash and net working capital that was previously reported as assets held for sale and related liabilities.
- The expected purchase consideration corresponds to the net value of assets held for sale and related liabilities in Tobii's balance sheet as of 30 September 2020.

- Since the quarterly report from the third quarter of 2019, Smartbox has been reported as Assets held for sale and Discontinued operations.

This information is information that Tobii 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 person set out below, on October 6, 2020, at 8:00 a.m. CET.

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About Tobii

Tobii is the global leader in eye tracking. Our vision is a world where all technology works in harmony with natural human behavior. Tobii operates through three business units: Tobii Dynavox makes specially designed computers that are controlled by eye movement or touch screens for use by people with special needs due to spinal cord injuries, CP, ALS or other medical conditions. Tobii Pro develops and sells eye-tracking equipment and services used today by more than 3,500 companies and 2,500 research institutions, including all of the world's 50 highest ranked universities. Tobii Tech further develops Tobii's technology for new volume markets, such as computer games, personal computers, virtual reality, augmented reality and smartphones. Tobii is headquartered in Sweden and is listed on Nasdaq Stockholm (TOBII). The group has about 1,000 employees. For more information: www.tobii.com.