

Tobii Technologies Limited

Annual Report

Financial Year Ended 31 December 2024

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DIRECTORS AND OTHER INFORMATION

Board of Directors

Gunnar Troili (Swedish)
Åsa Wirén (Swedish)

Solicitors

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Company Secretary

Mason Hayes & Curran LLP
Barrow Street
Dublin 4
D04 TR29

Bankers

HSBC
1 Grand Canal Square
Grand Canal Harbour
Dublin 2

Registered Office

Block 5
Parkmore East Business Park
Ballybrit
Galway
H91 V0TX

Registered number: 276067

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Bank Place
Charlotte's Quay
Limerick
V94 HT2Y

DIRECTORS' REPORT - continued

The directors present their report and the audited financial statements of the company for the financial year ended 31 December 2024.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the company's assets, liabilities and financial position at the end of the financial year and of the profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 101: *Reduced Disclosure Framework* and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at Tobii AB (publ.), Corporate Headquarters, Karlsrovägen 2D, Box 743, S-182 17 Danderyd, Stockholm, Sweden.

Principal activities

The company is engaged in the development and licensing of software for image processing technologies. The company is also engaged in consultancy services in respect of this technology.

Significant events during the financial year

Tobii AB announced the agreement to acquire FotoNation from Xperi Inc. On 31 January 2024, Tobii AB completed the acquisition and Tobii Technologies Limited (formerly FotoNation Limited) was sold to Tobii AB, and from 1 February 2024, operates under the Tobii Group.

During the third quarter of 2024 Tobii Technologies Limited divested certain research and development activities, within the area of chip-level hardware, firmware, and imaging technology, to the former founders of Tobii Technologies Limited. The divestment resulted in a reduction of 35 employees, of which thirteen were employed by Tobii Technologies Limited. As consideration for the divestment, Tobii AB has received a 19.9 percent minority stake in the new company.

DIRECTORS' REPORT - continued

As part of Tobii's acquisition of FotoNation Ltd from Xperi as of 31 January 2024, the balance sheet contained capitalized expenses of \$4.8 Million. Since the acquisition, Tobii has developed the FotoNation business, and the asset is deemed to have limited relevance to the current business and customer offering. Therefore, it is management's decision to write-off the full value of the asset as at 31 December 2024.

Business review

The company recorded a loss after tax of \$2,416,159 (2023: profit after tax of \$9,688,069) for the financial year. Turnover for the financial year was \$34,872,360 (2023: \$33,992,808). Headcount at the company was an average of 71 employees throughout 2024 (2023: 109). The profit in the year is impacted by the gain on sale of assets of \$41,176.

During 2025, there were some redundancies in the Irish entity as part of the engineering activities were relocated to the Romanian subsidiary. The Irish entity continues to operate at its Galway base.

Results and dividends

The results for the financial year are set out in the income statement on page 10. The company declared \$nil (2023: \$14,737,343) of dividends during the financial year.

Principal risks and uncertainties

The principal risks and uncertainties facing the business are the renewal of licences with those customers that have fixed term licences and the future success of licences to develop and sell commercially successful products under royalty-based licences.

Financial risk management

The company's operations expose it to a variety of financial risks that include the effect of changes in debt market prices, foreign exchange risk, credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to manage the financial exposures of the company.

In order to ensure stability of cash outflows and manage interest rate risk, the company minimises, to the extent feasible, overall borrowing and monitors available financing alternatives. The company does not have any borrowings at the balance sheet date. The company does not use derivative financial instruments to manage interest costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies are set by the board of directors and are implemented by the company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage interest rate risk, credit risk and foreign exchange risk, and circumstances where it would be appropriate to use financial instruments to manage these.

Price risk

The company is exposed to product price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to product price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The directors are satisfied with the process for the pricing of the company's products in the market. The company has no exposure to equity securities price risk as it holds no listed or other equity investments (apart from unlisted investments in subsidiary undertakings).

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. To minimise the company's exposure to credit risk associated with cash balances, the company places its cash deposits with high quality credit institutions.

Foreign exchange risk

The company is exposed to foreign exchange risks in the normal course of business, principally on purchases and operating costs denominated in Euro. The company's policy on mitigating the effect of the currency exposure is to minimise the amount outstanding at any time. The company does not enter into forward exchange contracts.

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

DIRECTORS' REPORT - continued

Interest rate risk

Interest arises primarily on intercompany balances. The interest rates on intercompany loans are set at market rates for the duration of the loan. The company does not have any external debt finance.

Going concern

As outlined in note 3(b) to the financial statements, the directors have considered the appropriateness of preparing the financial statements on a going concern basis. The company's parent, Tobii AB, is fully committed to the continued operation and growth of the Irish company and has provided the Irish company with a letter of support confirming its intention to provide any necessary financial support to the company limited to full repayment of any amounts due to the company from Tobii AB plus an additional SEK15 Million to enable it to meet its financial obligations as they fall due. The directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

Change of name

The company changed name from FotoNation Limited to Tobii Technologies Limited. The name change was registered 20 August 2024.

Events since the financial year end

During the first quarter of 2025 Tobii Technologies Limited sold a number of patents to Adeia Media Holdings LLC, to a value of approximately \$1.4 Million.

Future developments

With Tobii Technologies Limited joining Tobii Group, a new segment named AutoSense has been established. Management plans to continue to develop the business. Additionally, the company plans to continue to seek ways to monetise the Tobii Technologies Limited intellectual property portfolio and technology, through sale, licensing or other means, as well as working with current software licence customers and continue the R&D work in Ireland.

Research and development

The company operates as a developer of image processing technologies. As a consequence, it invests significant resources into research and development. The total amount incurred by the company (before related tax credits) on research and development activities for the financial year was \$11,285,626 (2023: \$28,196,360).

Directors

The names of the persons who were directors at any time during the financial year ended December 31, 2024, and up to the date of signing these financial statements, are set out below. Unless indicated otherwise they served as directors for the entire financial year.

Glynis Whelan (Resigned 1 February 2024)

John Patterson (Resigned 1 February 2024)

Ann Emilson (Appointed 1 February 2024, and resigned 13 December 2024)

Magdalena Rodell Andersson (Appointed 1 February 2024, and resigned 1 May 2025)

Gunnar Troili (Appointed 13 December 2024)

Åsa Wirén (Appointed 1 May 2025)

Directors' and secretary's interests in shares and debentures

The directors and secretary had no disclosable interests in the shares of the company or any other group company at 31 December 2024.

Subsidiary undertakings

The company has availed of the exemption available under Section 300 of the Companies Act 2014 not to produce consolidated financial statements. Consequently, these financial statements deal with the results of the company as a single entity only. The disclosures required under Section 314 of the Companies Act, 2014 in respect of subsidiary undertakings are provided in note 14 to the financial statements.

Political donations

The company did not make any political donations in either year.

DIRECTORS' REPORT - continued

Directors' compliance statement

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations.

The directors confirm that:

- (i) A compliance policy statement setting out the Tobii group's policies, that in our opinion are appropriate to the company, respecting compliance by the company with its relevant obligations, has been drawn up.
- (ii) Appropriate arrangements and structures, that are designed to secure material compliance with the company's relevant obligations, have been put in place.
- (iii) A formal review of the arrangements and structures referred to at (ii) was conducted during the financial year ended 31 December 2024.

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- As far as he/she is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Statutory auditors

The appointment of auditor for the year ended 31 December 2025 will be proposed at the Annual General Meeting.

On behalf of the board

DocuSigned by:

Gunnar Troili
Director

Signed by:

Asa Wirén
Director

Date: 2 March, 2026

Independent auditors' report to the members of Tobii Technologies Limited

Report on the audit of the financial statements

Opinion

In our opinion, Tobii Technologies Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Balance Sheet as at 31 December 2024;
 - the Profit and loss Account for the year then ended;
 - the Statement of Changes in Equity for the year then ended; and
 - the notes to the financial statements, which include a description of the accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.



John Daly
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Limerick
2 March 2026

PROFIT AND LOSS ACCOUNT
For the financial year ended 31 December 2024

	Note	2024 \$	2023 \$
Turnover	5	34,872,360	33,992,808
Cost of sales	22	-	(3,051,038)
Gross profit		<u>34,872,360</u>	<u>30,941,770</u>
Research and development expenses	8	(11,169,938)	(26,205,218)
Administrative expenses		(19,393,191)	(5,815,984)
Other operating income	6	698,974	474,556
Operating Profit/(Loss)	8	<u>5,008,205</u>	<u>(604,876)</u>
Gain on disposal of intangible assets	11	-	3,392,655
Gain on disposal of fixed assets	12	41,175	-
Income from shares in group undertakings		-	5,443,537
Impairment of intangible assets	11	(4,800,382)	-
Forgiveness of debt		-	2,572,226
Other income – rental income		204,002	-
Profit before interest and taxation		<u>453,000</u>	<u>10,803,542</u>
Interest payable and similar charges	9	(119,403)	(504,945)
Interest receivable and similar income	9	471,064	1,154,312
Profit before taxation		<u>804,661</u>	<u>11,452,909</u>
Income tax expense	10	(3,220,820)	(1,764,840)
Loss for the financial year		<u>(2,416,159)</u>	<u>9,688,069</u>

All amounts arose from continuing operations. The company had no other comprehensive income in either year and, therefore, no separate statement of comprehensive income is presented.

BALANCE SHEET
As at 31 December 2024

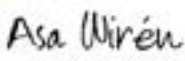
	Notes	2024 \$	2023 \$
Fixed assets			
Intangible assets	11	703,531	4,682,536
Tangible assets	12	288,316	645,901
Right of use assets	13	2,104,659	2,100,358
Financial assets	14	3,531	532
		<u>3,100,037</u>	<u>7,429,327</u>
Current assets			
Debtors amounts falling due within one year	15	20,016,093	9,145,073
Debtors amounts falling due after more than one year	15	8,657,158	5,722,932
Cash at bank and in hand		2,265,539	11,413,230
		<u>30,938,790</u>	<u>26,281,235</u>
Creditors - amounts falling due within one year	16	<u>(7,418,819)</u>	<u>(4,270,775)</u>
Net current assets		<u>23,519,971</u>	<u>22,010,460</u>
Total assets less current liabilities		26,620,008	29,439,787
Creditors - amounts falling due after more than one year	17	<u>(1,447,426)</u>	<u>(1,947,253)</u>
Net assets		<u>25,172,582</u>	<u>27,492,534</u>
Share capital and reserves			
Called up share capital presented as equity	18	2,661	2,661
Capital contribution	18	40,269,484	40,173,277
Profit and loss account	18	(15,099,563)	(12,683,404)
Total equity		<u>25,172,582</u>	<u>27,492,534</u>

On behalf of the board

DocuSigned by:

006E9E003EEA10

Gunnar Troili
Director

Signed by:

6E37A5E56000AE1

Asa Wirén
Director

STATEMENT OF CHANGES IN EQUITY

	Note	Called-up share capital presented as equity \$	Capital contribution \$	Profit and loss account \$	Total Equity \$
Balance at 1 January 2023		2,661	52,499,211	(22,371,473)	30,130,399
Profit for the financial year		-	-	9,688,069	9,688,069
Other comprehensive income for the financial year		-	-	-	-
Total comprehensive income for the financial year		-	-	9,688,069	9,688,069
Contribution from holding company - share based payments	19	-	2,411,409	-	2,411,409
Dividend declared	18	-	(14,737,343)	-	(14,737,343)
Total transactions with owners recognised directly in equity		-	(12,325,934)	-	(12,325,934)
Balance at 31 December 2023		2,661	40,173,277	(12,683,404)	27,492,534
Balance at 1 January 2024		2,661	40,173,277	(12,683,404)	27,492,534
Loss for the financial year		-	-	(2,416,159)	(2,416,159)
Other comprehensive income for the financial year		-	-	-	-
Total comprehensive income for the financial year		-	-	(2,416,159)	(2,416,159)
Contribution from holding company - share based payments	19	-	96,207	-	96,207
Dividend declared	18	-	-	-	-
Total transactions with owners recognised directly in equity		-	96,207	-	96,207
Balance at 31 December 2024		2,661	40,269,484	(15,099,563)	25,172,582

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Tobii Technologies Limited is engaged in the development and licensing of software for image processing technologies. The company is also engaged in consultancy services in respect of this technology.

Tobii Technologies Limited is incorporated as a company limited by shares in the Republic of Ireland, under the registered number 276067. The address of its registered office is Block 5, Parkmore East Business Park, Ballybrit, Galway, H91 V0TX.

At the balance date of 31 December 2024 Tobii Technologies Limited's ultimate parent and ultimate controlling party is Tobii AB (publ.). Tobii AB (publ.) prepared group financial statements and was both the smallest and largest group for which group financial statements are drawn up and of which Tobii Technologies Limited is a member. Copies of the Tobii AB (publ.) group financial statements are available from the Company Secretary at Tobii AB (publ.), Corporate Headquarters, Karlsrovägen 2D, Box 743, S-182 17 Danderyd, Stockholm, Sweden.

Tobii Technologies Limited has one subsidiary undertaking as detailed in note 14 to the financial statements. As Tobii Technologies Limited is included in the consolidated financial statements of Tobii AB (publ.), it is exempt, by virtue of Section 300 of the Companies Act 2014, from the requirement to prepare group financial statements.

These financial statements are the company's separate financial statements for the financial year beginning 1 January 2024 and ending 31 December 2024.

On 31 January 2024, Tobii AB (publ.) completed the acquisition of 100% of the shares of Tobii Technologies Limited (formerly FotoNation Limited). From 1 February 2024, Tobii AB (publ.) is the parent of Tobii Technologies Limited, and Tobii Technologies Limited operates under the Tobii Group since then.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The entity financial statements comply with Financial Reporting Standard 101, '*Reduced Disclosure Framework*' (FRS 101).

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity's financial statements are set out below. These policies have been consistently applied to all financial years presented unless otherwise stated.

(a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 101 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors and management to exercise their judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement, or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed in note 4.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies – continued

(a) Basis of preparation - continued

In these financial statements, the company has applied the following exemptions from the requirements of IFRS in accordance with FRS 101:

- IAS7 – “Statement of cash flows” and related notes
- Paragraphs 30 and 31 of IAS 8 in respect of the effects of new but not yet effective IFRS’s
- Paragraphs 134-136 of IAS 1 in respect of capital management disclosures
- Paragraph 17 of IAS 24 in respect of key management compensation disclosures
- IFRS 7 “Financial instruments: Disclosures”
- Paragraphs 45(b) and 46 to 52 of IFRS 2 in respect of Share Based Payment disclosures
- Paragraph 38 of IAS 1 in respect of comparative information requirements
- Paragraphs 10(d) and 111 of IAS 1 in respect of cash flow statement information.

(b) Going concern

The directors have considered the appropriateness of preparing the financial statements on a going concern basis. The company meets its day to day working capital requirements through its cash reserves, cash generated from operations and, where necessary, intercompany funding. The company’s forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities.

The directors note that the company had cash of \$2.3 Million at the year end and has no cashflow difficulties. The company’s parent, Tobii AB, is fully committed to the continued operation and growth of the Irish company and has provided the Irish company with a letter of support confirming its intention to provide any necessary financial support to the company limited to full repayment of any amounts due to the company from Tobii AB plus an additional SEK15 Million to enable it to meet its financial obligations as they fall due.

Accordingly, the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

(c) New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations, that are effective for the year ended 31 December 2024.

(d) Financial instruments

Financial assets and liabilities are recognised when the company becomes party to the provisions of the instrument. Financial assets and liabilities are initially measured at fair value plus transaction costs.

Financial assets are recognised on trade date - that is the date on which the company commits to purchase the asset. Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position, only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets

The company classifies its financial assets in the following measurement categories:

- Those subsequently measured at amortised cost
- Those subsequently measured at fair value through profit or loss or through other comprehensive income (“OCI”).

The classification depends on the company’s business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies - continued

(d) Financial instruments - continued

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories:

(i) **Amortised cost:** Assets held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Impairment losses and any gains or losses arising on derecognition are reflected in the income statement.

(ii) **Fair value through OCI (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. The company does not have any such assets.

(iii) **Fair value through profit or loss (FVPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. The company does not have any such assets.

Financial liabilities

Trade and other payables are stated at amortised cost, which approximates their fair value given the short-term nature of these liabilities. Trade and other payables are non-interest bearing.

Debt instruments are initially recorded at fair value, net of transaction costs, and subsequently measured at amortised cost.

The company does not have any financial liabilities at fair value through profit or loss.

Impairment of financial assets

The company assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. For trade receivables and contract assets the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(e) Revenue recognition

(i) Turnover

Turnover is the amount of revenue derived from the provision of goods and services falling within the company's ordinary activities. For Tobii Technologies Limited turnover comprises revenues from image processing software licensing.

Revenue policy

The company derives its revenue from royalty and license fees for rights to use the company's intellectual property ("IP") and technologies, and from providing engineering and other related support services. Revenue is recognised upon transfer of control of promised products, services or IP rights to customers, in an amount that reflects the consideration the company expects to receive in exchange for those products, services or licensing of the IP rights.

For certain licensees, royalty revenues are generated based on a licensee's production or shipment of licensed products incorporating the company's IP, technologies or software. Licensees with a per-unit arrangement pay a per-unit royalty for each product manufactured or sold, as set forth in its license agreement. Licensees generally report manufacturing or sales information in the quarter subsequent to when production or shipment activity takes place. The company estimates the royalties earned each quarter based on its forecast of the activities of the licensees in the quarter, as adjusted for actual royalty reports received.

NOTES TO THE FINANCIAL STATEMENTS – continued**3 Summary of significant accounting policies - continued****(e) Revenue recognition – continued****(i) Turnover - continued**

Certain licensees have entered into fixed fee or minimum guarantee arrangements, whereby licensees pay a fixed fee for the right to incorporate the company's technology in the licensee's products over the license term. In arrangements with a minimum guarantee, the fixed fee component corresponds to a minimum number of units or dollars that the customer must produce or pay, with additional per-unit fees for any units or dollars exceeding the minimum. In most cases, the customer pays the fixed license fee in specified instalments over the license term. For both fixed fee and minimum guarantee agreements, the company recognises the full fixed fee as revenue at the beginning of the license term, when the licensee has the right to use the IP and begins to benefit from the license.

If the contract term of a fixed fee or minimum guarantee arrangement is longer than one year, the company considers the scheduled payment arrangements to determine whether a significant financing component exists. In general, if the payment arrangements extend beyond the initial twelve months of the contract, the company treats a portion of the payments as a significant financing component. When the payments are expected to be received within one year or less, the company does not adjust the promised amount of consideration for the effects of a financing component. The discount rate used for each arrangement reflects the rate that would be used in a separate financing transaction between the company and the licensee at contract inception and takes into account the credit characteristics of the licensee and market interest rates as of the date of the agreement. As such, the amount of fixed fee revenue recognised at the beginning of the license term will be reduced by the calculated financing component. As payments are received from the licensee, the company recognises a portion of the financing component as interest income, reported as other income in the income statement.

The company actively monitors and enforces its IP. As a result of these activities, the company may from time to time recognise revenue from payments resulting from periodic compliance audits of licensees for under-reporting royalties in prior periods. The company recognises these revenues when a binding agreement has been executed and the company concludes that collection under the agreement is likely.

In some instances, the company may enter into license agreements containing multiple performance obligations, that include engineering services. For such arrangements, where all components are capable of being distinct and accounted for as separate performance obligations, the company allocates revenue to each performance obligation based on its relative standalone selling price, determined based on prices ordinarily charged to customers. Revenues from engineering services are recognised as the underlying performance obligations are satisfied. Generally, the company satisfies performance obligations over time and therefore recognises revenue over time by measuring the progress toward completion of the reporting obligation at the year end date.

Turnover is recognised gross of withholding taxes that are remitted directly by the company's licensees to a local authority.

Accrued revenue

Timing of revenue recognition may differ from the timing of invoicing to customers. Trade debtors include amounts billed and currently due from customers. Unbilled receivables are reflected as accrued revenue within debtors on the statement of financial position, and represent unbilled amounts expected to be received from customers in future periods, where the revenue recognised to date exceeds the amount billed. Unbilled receivables may not exceed their net realisable value and are classified as falling due after one year if the payments are expected to be received more than one year from the year end date.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies - continued

(e) Revenue recognition – continued

(i) Turnover - continued

Deferred revenue

Deferred revenue consists of amounts billed to customers for which the corresponding performance obligations have not yet been fully satisfied by the company. Deferred revenue is reflected within creditors on the statement of financial position.

(ii) Other revenue

Interest income

Interest income is recognised using the effective interest method and presented as "Interest receivable and similar income" in the income statement.

Dividend income

Dividend income is recognised when the right to receive payment is established. Dividend income is presented as "Income from shares in group undertakings" in the income statement.

(f) Tangible fixed assets

Leasehold improvements, computer equipment and office equipment & furniture are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Assets under construction are not depreciated. Depreciation commences once the assets are available for use.

Depreciation on other assets is calculated using the straight-line method to allocate the cost of assets to their residual values over their estimated useful lives, as follows:

- Leasehold improvements	- 5 years
- Computer equipment	- 3 years
- Office equipment & furniture	- 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in other income.

(g) Foreign currency translation

(i) Functional and presentation currency

The company's functional and presentation currency is the US Dollar, denominated by the symbol "\$".

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions, or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement within administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies - continued

(h) Trade debtors

Trade debtors are amounts due from customers for royalties, licence fees or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors and contract assets. To measure the expected credit losses, trade debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled revenues and have substantially the same risk characteristics as the trade debtors for the same types of revenues. The company has therefore concluded that the expected loss rates for trade debtors are a reasonable approximation of the loss rates for the contract assets (accrued revenue).

(i) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks and other short term highly liquid investments, with original maturities of three months or less.

(j) Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(k) Employee benefits

The company provides a range of benefits to employees, including short term employee benefits such as bonus arrangements and paid holiday arrangements and post-employment benefits (in the form of a defined contribution pension plan).

(i) Short term employee benefits

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service. An expense is recognised in the income statement when the company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment benefits - defined contribution plan

The company operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the company in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are included in accruals in the statement of financial position.

(l) Government grants

Government grants are recognised when the conditions for their receipt have been complied with. Capital grants are deferred and amortised to the income statement on the same basis as the related tangible fixed assets are depreciated. Revenue grants are credited to the income statement to match them against the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies - continued

(m) Research and development

Research expenditure is charged to the income statement as incurred. Development costs which meet specified criteria as set out in policy note 3(s) are recognised as intangible assets. Other development costs are recognised as an expense as incurred.

(n) Research and development tax credits

Research and development tax credits are accounted for as a reduction in research and development expenditure as they are considered as a grant towards such expenditure.

(o) Impairment of non-financial assets

At the end of each financial year, non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash-generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash-generating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value in use, pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current risk-free market rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is less than the carrying amount of the asset (or cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the asset has been revalued. If the asset has been revalued the impairment loss is recognised in other comprehensive income to the extent of the revaluation gains accumulated in equity in respect of that asset. Thereafter any excess is recognised in profit or loss.

If an impairment loss reverses (the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the income statement, unless the asset is carried at a revalued amount.

(p) Leases

Contracts for offices may contain both lease and non-lease components. The company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Office leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies – continued

(p) Leases - continued

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the company under residual value guarantees;
- The exercise price of a purchase option if the company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a reducing balance basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The company does not re-value right-of-use assets held by the company.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(q) Share based payments

Until the change of ownership from Xperi to Tobii, the company participated in the Xperi Inc equity-settled share-based payment schemes, comprising of a share option scheme, a Restricted Stock Unit (RSU) scheme and an Employee Share Purchase Plan (ESPP). During year 2024, the participation seized, and the participants were compensated according to agreement.

NOTES TO THE FINANCIAL STATEMENTS – continued**3 Summary of significant accounting policies – continued****(r) Current and deferred tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the year end date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the year end date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(s) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Amortisation is calculated to write off the cost of the intangible assets in equal annual instalments over their estimated useful lives, which range between 4 and 8 years.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product.
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

NOTES TO THE FINANCIAL STATEMENTS – continued

3 Summary of significant accounting policies – continued

(s) Intangible assets - continued

Acquired intellectual property and patents are recognised at their acquisition cost, less accumulated amortisation and impairment. Amortisation is included in research and development expenses in the income statement.

Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

(t) Dividend distribution

Dividends and other distributions to the company's equity shareholders are recognised as a liability in the financial statements in the financial year in which the dividends and other distributions are approved by the company's shareholders.

(u) Share capital presented as equity

Ordinary shares are classified as equity. Equity shares issued are recognised at the proceeds received and presented as share capital and share premium. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(v) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

(w) Investments in subsidiaries

Investments in subsidiaries are held at cost, less accumulated impairment loss.

4 Critical accounting estimate and judgements

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgement

The directors have not made any critical judgements, apart from those involving estimates, in applying the company's accounting policies.

Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives and carrying value of tangible and intangible assets

The annual depreciation charge for tangible and intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future investments and economic utilisation of the assets. See note 12 for the carrying amount of tangible assets and note 3(f) for the useful economic lives of tangible assets. See note 13 for the carrying amount of intangible assets.

(ii) Deferred tax assets

Management estimation is required to determine the amount of the deferred tax assets that can be recognised based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 15.

NOTES TO THE FINANCIAL STATEMENTS – continued

(iv) Capitalized R&D expenditure

Research costs are expensed as incurred. Development costs are capitalized as intangible assets when a business plan exists, expected revenues exceed costs, and the asset is projected to generate income for at least three years.

(v) POC Revenue

Percentage of Completion revenue is recognized based on the proportion of actual hours worked to the total forecasted hours for the project, reflecting progress and earned revenue over time.

5 Turnover

Turnover comprises the invoice value of goods and services supplied by the company exclusive of trade discounts and value added tax. All turnover arises from image processing software licensing.

	2024	2023
	\$	\$
The analysis of turnover by geographical area is as follows:		
European Union	13,618,551	2,123,333
Rest of World	21,253,809	31,869,475
	<u>34,872,360</u>	<u>33,992,808</u>

The analysis of turnover by category is as follows:

Royalty income	7,838,940	25,117,461
Licence income	-	121,211
Research and development	13,403,357	7,060,347
NRE/service income	13,630,063	1,693,789
	<u>34,872,360</u>	<u>33,992,808</u>

Assets and liabilities related to contracts with customers

The company has recognised the following assets and liabilities related to contracts with customers:

	2024	2023
	\$	\$
Contract assets		
Accrued revenue	<u>6,347,530</u>	<u>6,529,097</u>
Contract liabilities		
Deferred revenue	<u>1,435</u>	<u>1,126,476</u>

6 Other operating income

	2024	2023
	\$	\$
Other Operational Income	698,974	-
Grant income	-	474,556
	<u>698,974</u>	<u>474,556</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

7 Particulars of staff

	2024 Number	2023 Number
The average number of persons (including executive directors) employed by the company during the year was 71 (2023: 109) and is analysed into the following categories:		
Administration	5	18
Engineers	66	91
	<u>71</u>	<u>109</u>

	2024 \$	2023 \$
Staff costs comprise:		
Wages and salaries	6,374,819	9,126,778
Social insurance costs	643,152	598,584
Retirement benefit costs - defined contribution (note 20)	114,586	240,753
Share based payments (note 19)	96,207	2,411,409
Total staff costs	<u>7,228,764</u>	<u>12,377,524</u>

8 Profit/(loss) before interest and taxation

	2024 \$	2023 \$
(a) The following operating profit/(loss) have been recognised:		
Depreciation of tangible assets (note 12)	348,911	772,042
Depreciation of right of use assets (note 13)	456,009	360,852
Amortisation of intangible assets (note 11)	-	3,438
Impairment of intangible assets (note 11)	4,800,383	-
Research and development (including staff costs)	11,756,661	28,196,360
Research and development tax credits	(586,723)	(1,991,142)
Lease expenses	119,403	121,717
Foreign exchange (gains)/losses	<u>(139,356)</u>	<u>14,518</u>
(b) Directors' remuneration		
Emoluments	-	268,313
Contributions to retirement benefit schemes - defined contribution	-	9,422
Gains on exercise of share options	-	40,753
	<u>-</u>	<u>318,488</u>

Retirement benefits are accruing to nil director (2023: one director) under a defined contribution scheme.

(c) Auditors' remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the company by the company's auditors is as follows:

	2024 \$	2023 \$
Audit of entity financial statements	146,131	112,546
Other assurance services	-	53,976
	<u>146,131</u>	<u>166,522</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

9 Interest Income and expense	2024	2023
	\$	\$
<i>Interest payable and similar charges</i>		
Lease liability	119,403	121,717
Interest payable to group undertakings	-	383,228
	<u>119,403</u>	<u>504,945</u>
<i>Interest receivable and similar income</i>		
Interest receivable from group undertakings	<u>471,064</u>	<u>1,154,312</u>
10 Income tax expense	2024	2023
	\$	\$
Current tax:		
Irish corporation tax charge on profit for the financial year	10,653	1,366,182
Tax arrears assessment	88,393	-
Foreign withholding taxes	112,882	285,626
Current tax expense for the financial year	<u>211,928</u>	<u>1,651,808</u>
Deferred tax:		
Origination and reversal of temporary differences	3,008,892	113,032
Deferred tax charge for the year (note 15)	<u>3,008,892</u>	<u>113,032</u>
Total tax charge for the financial year	<u>3,220,820</u>	<u>1,764,840</u>

Tax assessed for the financial year differs (2023: differs) from the standard rate of corporation tax in the Republic of Ireland for the financial year ended 31 December 2024 of 12.5% (2023:12.5%). The differences are explained below:

	2024	2023
	\$	\$
Profit before taxation	<u>804,661</u>	<u>11,452,909</u>
Profit before taxation multiplied by the standard rate of Irish corporation tax for the year of 12.5% (2023: 12.5%)	100,583	1,431,614
Effects of:		
Capital gain on sale of patent	-	587,814
Expenses not deductible for tax purposes and other adjustments	(148,201)	(861,639)
Deferred tax charge for the year (note 15)	3,008,892	113,032
Income tax at higher rate	58,271	208,393
Tax arrears assessment	88,393	-
Foreign withholding taxes	112,882	285,626
Total tax charge for the financial year	<u>3,220,820</u>	<u>1,764,840</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

11 Intangible assets	Intellectual property and patents \$
At 1 January 2024	
Cost	13,049,405
Accumulated amortisation and impairment	(8,366,869)
Net book amount	<u>4,682,536</u>
Cost	
At 1 January 2024	13,049,405
Additions	821,377
Disposals	-
Impairment	-
At 31 December 2024	<u>13,870,782</u>
Accumulated amortisation and impairment	
At 1 January 2024	(8,366,869)
Amortisation	-
Disposals	-
Impairment	(4,800,382)
At 31 December 2024	<u>(13,167,251)</u>
At 31 December 2024	
Cost	13,870,782
Accumulated amortisation and impairment	(13,167,251)
Net book amount	<u>703,531</u>

The majority of assets are fully amortised. Assets not fully amortised as at 31 December 2024 include:

IP with a carrying value of \$703,531 will be amortised over 5 years, starting Q3, 2025.

2023 gain on sale of intangibles

During the 2023 financial year, intangible assets with a cost of \$11,748,598 were disposed of. The carrying value of these assets was zero. As a result, the company incurred a gain of \$500,000 on the disposal of these intangibles. The company also sold internally generated IP for proceeds of \$2,892,655 to a related party. The IP was not previously capitalised in the accounts as it did not meet the recognition criteria set forth by the International Financial Reporting Standards (IFRS). As a result, the company incurred a gain of \$2,892,655 on the disposal of these intangibles.

NOTES TO THE FINANCIAL STATEMENTS – continued

12 Tangible assets

	Leasehold improvements	Computer equipment	equipment and tools	Assets under construction	Total
	\$	\$	\$	\$	\$
At 1 January 2024					
Cost	2,224,424	1,041,483	1,430,489	-	4,696,396
Accumulated depreciation and impairment	(2,058,611)	(782,290)	(1,209,594)	-	(4,050,495)
Net book amount	<u>165,813</u>	<u>259,193</u>	<u>220,895</u>	-	<u>645,901</u>
Financial year ended 31 December 2024					
Opening net book amount	165,813	259,193	220,895	-	645,901
Transfers	-	-	-	-	-
Disposals of net book value	-	-	(12,418)	-	(12,418)
Additions	-	3,744	-	-	3,744
Depreciation charge	(125,757)	(129,699)	(93,455)	-	(348,911)
Net book amount	<u>40,056</u>	<u>133,238</u>	<u>115,022</u>	-	<u>288,316</u>
At 31 December 2024					
Cost	2,224,424	1,045,227	1,100,423	-	4,370,074
Accumulated depreciation and impairment	(2,184,368)	(911,989)	(985,401)	-	(4,081,758)
Net book amount	<u>40,056</u>	<u>133,238</u>	<u>115,022</u>	-	<u>288,316</u>

2024 gain on tangible assets

During the 2024 financial year, tangible assets with a purchase price of \$330,066 and accumulated depreciation of \$317,648 were either sold or disposed of. The total proceeds received for these assets were \$53,693. As a result, the company incurred a profit of \$41,175 on the sale and disposal of these assets.

NOTES TO THE FINANCIAL STATEMENTS – continued

13 Right of use assets

(i) Amounts recognised in the statement of financial position

Right of use assets

Cost	\$
At 1 January 2024	2,345,613
Remeasurement of asset	175,540
At 31 December 2024	<u>2,521,153</u>
Accumulated depreciation	
At 1 January 2024	245,255
Remeasurement of asset	(284,770)
Depreciation charge	456,009
At 31 December 2024	<u>416,494</u>
Carrying Value	
At 31 December 2023	<u>2,100,358</u>
At 31 December 2024	<u>2,104,659</u>

During the financial year, the company have remeasured their right in use assets as the notice period for early termination of the lease has elapsed and the next exit clause is March 2029.

	31 December 2024	31 December 2023
	\$	\$
Lease liabilities		
Current (note 16)	540,696	385,064
Non-current (note 17)	1,447,426	1,947,253
	<u>1,988,122</u>	<u>2,332,317</u>

The company leases buildings for its offices under agreements of five years with an option to extend. On renewal, the terms of the leases are renegotiated.

The company leases office equipment under agreements of three years or less. These leases are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

(ii) Amounts recognised in the profit and loss account

The income statement shows the following amounts relating to leases:

	2024	2023
	\$	\$
Depreciation charge of right-of-use assets		
Office Buildings	<u>456,009</u>	<u>360,852</u>
Interest expense (included in finance cost)	119,403	121,717
(iii) Future minimum lease payments as at 31 December are as follows:	2024	2023
	\$	\$
Not later than one year	560,412	513,371
Later than one year and not later than five years	1,681,238	2,208,165
Total gross payments	<u>2,241,650</u>	<u>2,721,536</u>
Impact of finance expenses	(253,528)	(389,219)
Carrying amount of liability	<u>1,988,122</u>	<u>2,332,317</u>

The total cash outflow for leases in 2024 was \$560,412 (2023: \$513,371).

NOTES TO THE FINANCIAL STATEMENTS – continued

14	Financial assets	2024	2023
		\$	\$
(a) Investments in subsidiary and associate undertakings and other financial assets			
	Participations in subsidiaries - Tobii SRL	532	532
	Participation in non-controlling interest (refer to 14 (c) below)	2,999	-
		3,531	532
			Investment in Subsidiaries and other financial assets \$
	Carrying amount at 1 January 2024		532
	Additions – investment in non- controlling interest (refer to 14 (c) below)		2,999
	Disposals		-
	At 31 December 2024		3,531

During the 2024 financial year, Tobii SRL declared a dividend of \$nil (2023: \$5,443,537) to its parent company, Tobii Technologies Limited.

(b) Investment in subsidiary

Details of the company's subsidiary undertakings as at 31 December 2024 are as follows:

Name and registered office	Country of incorporation and place of business	% ownership	Nature of business
Tobii SRL 133 Calea Serban Voda 4th District, Bucharest Romania	Romania	100%	Software development

(c) Investment in non-controlling interest

Details of the company's investment in non-controlling interests as at 31 December 2024 are as follows:

Name and registered office	Country of incorporation and place of business	% ownership	Nature of business
FotoNation Limited Block 5 Parkmore East Business Park Ballybrit Galway H91 V0TX, Ireland	Ireland	19.9%	Software development

NOTES TO THE FINANCIAL STATEMENTS – continued

15 Debtors	2024	2023
	\$	\$
Amounts falling due within one year		
Trade debtors	1,756,740	1,322,910
Accrued revenue	789,321	1,208,869
Prepayments and other debtors	41,450	187,692
Amounts due from holding company and fellow subsidiary undertakings	15,771,366	1,905,600
Tax receivables	67,545	-
Deferred tax asset (a)	-	3,076,046
Research and development tax credits receivable	904,060	604,055
Grants receivable	279,244	507,032
Value added tax recoverable	406,367	332,869
	<u>20,016,093</u>	<u>9,145,073</u>

Trade debtors fall due within one year and are stated after provision for impairment of \$7,133 (2023: \$2,755).

Amounts due from the holding company and fellow subsidiary undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. They are stated after provision for impairment of \$Nil (2023: \$Nil).

	2024	2023
	\$	\$
Amounts falling due after more than one year		
Research and development tax credits receivable	586,723	402,704
Accrued revenue	5,558,209	5,320,228
Loan due from fellow subsidiary undertaking	2,505,782	-
Other long-term receivables	6,444	-
	<u>8,657,158</u>	<u>5,722,932</u>

	2024	2023
	\$	\$
(a) Deferred tax		
At 1 January	3,076,046	3,189,078
Under provision from prior year	-	(60,641)
Re-evaluation of deferred tax asset	(67,154)	-
(Charge) to income statement (note 10)	(3,008,892)	(52,391)
At 31 December	<u>-</u>	<u>3,076,046</u>

The deferred tax asset is comprised as follows:

	2024	2023
	\$	\$
Temporary differences on assets	-	323,332
Other temporary differences	-	-
Tax losses carried forward	-	2,752,714
Deferred tax asset	<u>-</u>	<u>3,076,046</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

16 Creditors - amounts falling due within one year	2024	2023
	\$	\$
Trade creditors	209,182	35,194
Accruals	1,502,730	1,586,289
Deferred revenue	1,435	1,126,476
Other creditors including tax and social insurance	144,110	290,068
Tax payables	-	550,352
Lease Liability (note 13)	540,696	385,064
Amounts due to holding company and fellow subsidiary undertakings	5,020,666	297,332
	<u>7,418,819</u>	<u>4,270,775</u>
Other creditors including tax and social insurance comprise:		
PAYE & PRSI	<u>144,110</u>	<u>290,068</u>
	<u>144,110</u>	<u>290,068</u>

Amounts due to the holding company, fellow subsidiary and subsidiary undertakings are unsecured, interest free and repayable on demand.

Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the suppliers' usual and customary credit terms.

Tax and social insurance are payable in the timeframe set down in the relevant legislation.

17 Creditors - amounts falling due after more than one year	2024	2023
	\$	\$
Lease Liabilities (note 13)	<u>1,447,426</u>	<u>1,947,253</u>
	<u>1,447,426</u>	<u>1,947,253</u>
18 Called up Share capital presented as equity	2024	2023
	\$	\$
Allotted, called up and fully paid - presented as equity		
1,499 ordinary shares of €1.269738 each	2,658	2,660
1 redeemable share of €1.269738 each	<u>1</u>	<u>1</u>

During the 2023 financial year, the company created a new class of shares being redeemable shares of €1.269738 each. On the 17 November 2023, one existing ordinary share of €1.269738 in the issued share capital of the Company was converted on a 1:1 basis into one redeemable share of €1.269738. The redeemable share of €1.269738 was purchased by the Company from its immediate parent in exchange for the issued share capital of the Company's wholly owned subsidiary, DigitalOptics Corporation Asia Limited, that had a carrying value of \$nil. The ordinary shares and the redeemable shares each constitute a separate class of shares ranking pari passu in all respects except that the redeemable shares may be redeemed by the Company. There are no restrictions on the distribution of dividends and the repayment of capital, subject to the availability of distributable reserves. All shares carry equal voting and dividend rights.

NOTES TO THE FINANCIAL STATEMENTS – continued

18 Called up Share capital presented as equity - continued

Profit and loss account

Profit and loss account represents accumulated comprehensive income for the financial year and prior financial years.

	2024	2023
	\$	\$
Profit and loss account		
Loss brought forward	(12,683,404)	(22,371,473)
(Loss) /profit for the financial year	<u>(2,416,159)</u>	<u>9,688,069</u>
Profit and loss account at 31 December	<u>(15,099,563)</u>	<u>(12,683,404)</u>

Capital contribution

During 2012 the company's parent company made an irrevocable, unconditional capital contribution of \$31,000,000 to the company. This contribution did not confer any rights on the company's parent company to the share capital of Tobii Technologies Limited (formerly FotoNation Limited). During the 2023 financial year, the company declared a dividend of \$14,737,343 to its parent from this capital contribution reserve as it was deemed to be distributable. During the year 2024, no dividend was declared.

19 Share based payments

(a) Options and restricted stock units

Until the change of ownership from Xperi to Tobii, the company participated in the Xperi Inc equity-settled share-based payment schemes, comprising of a share option scheme, a Restricted Stock Unit (RSU) scheme and an Employee Share Purchase Plan (ESPP). During year 2024, the participation ceased and the participants were compensated in line with the provisions of the employee share based compensation plan.

(b) Employee Share Purchase Plan (ESPP)

Until the change of ownership from Xperi to Tobii, the company participated in the Xperi Inc equity-settled share-based payment schemes, comprising of a share option scheme, a Restricted Stock Unit (RSU) scheme and an Employee Share Purchase Plan (ESPP). During year 2024, the participation ceased and the participants were compensated in line with the provisions of the employee share based compensation plan.

The impact of recognising the share-based payment expense in respect of this plan is \$nil for the year ended 31 December 2024 (2023: \$219,270).

(c) Share based payments to employees

For the 2024 financial year, the Statement of Changes in Equity includes \$96,207 (2023: \$2,411,409) in respect of the charge from Xperi Group in respect of payments to the employees as part of compensation package offered to employees.

20 Pension costs

The company operates a defined contribution pension plan, which is managed externally. Contributions are charged to the income statement as they fall due. Contributions payable for the year amounted to \$114,586 (2023: \$240,753). Contributions payable at the year end amounted to \$Nil (2023: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS – continued**21 Commitments and contingencies**

The company has a contingent liability to repay government grants received/accrued of \$279,244 (2023 \$507,032), if certain circumstances as set out in the grant agreement occur. The directors consider the likelihood of such circumstances occurring to be low.

22 Cost of Goods Sold

Tobii AB announced the agreement to acquire FotoNation from Xperi Inc. On January 31, 2024, Tobii AB completed the acquisition and Tobii Technologies Limited (formerly FotoNation Limited) was sold to Tobii AB, and from February 1, 2024 it operated under the Tobii Group. Prior to the acquisition, the FotoNation business included sale of hardware, software and licenses. However the hardware aspect of Fotonation's previous business was not included in what was acquired. Therefore, in the fiscal year 2024 the entity has not booked any Cost of Goods Sold (COGS).

23 Related party transactions

The company has availed of the exemption contained in FRS 101 in respect of the disclosure of transactions between wholly owned members of a group. Consequently, the financial statements do not contain disclosure of transactions with entities wholly owned in the Tobii AB (publ.) group.

24 Holding company and controlling party

The company's immediate and ultimate holding company at the balance date the 31 December 2024 is Tobii AB (publ.), a company incorporated in Sweden. The largest and smallest group into which the results of the company are consolidated is that headed by Tobii AB (publ.). Copies of the group financial statements are available from Tobii AB (publ.), Corporate Headquarters, Karlsrovägen 2D, Box 743, S-182 17 Danderyd, Stockholm, Sweden.

On January 31, 2024, Tobii AB (publ.) completed the acquisition of 100% of the shares of Tobii Technologies Limited (formerly FotoNation Limited).

25 Events since the year end

During the first quarter of 2025 Tobii Technologies Limited sold a number of patents to Adeia Media Holdings LLC, to a value of approximately \$1.4 Million.

During 2025, there were some redundancies in the Irish entity as part of the engineering activities were relocated to a related Romanian company. There continues to be engineering activities in the Irish entity.

26 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 2 March 2026 and were signed on its behalf on that date.