

Quarterly Statement Q1 2023

tonies excellent momentum continues in 2023 with revenue growth of 42% in the first quarter – fully on track to reach positive adjusted EBITDA in FY 2023

- Group revenue increased by +42% YoY to EUR 65 million (Q1 2022: EUR 46 million) fueled by international expansion
- US revenue more than tripled to EUR 19 million (Q1 2022: EUR 6 million) with strongest growth rate in the retail channel due to successful rollout to key retail partners

LUXEMBOURG, 11 May 2023 // tonies SE ("tonies"), a leading international digital audio platform for children with the award-winning Toniebox, has released its quarterly statement for the first quarter of 2023, ended on 31 March 2023. After an exceptionally strong fourth quarter in 2022, tonies excellent momentum continued in 2023.

Marcus Stahl, Co-Founder and Co-CEO, says: "Following a remarkable performance in 2022 and an exceptional fourth quarter, our momentum has continued in 2023, where we have seen first quarter revenue growth of 42%, driven by a successful Easter business. This promising start to the year puts us firmly on course to achieve a positive adjusted EBITDA in 2023. We will further strengthen our brand and expand our product portfolio throughout this year. I am very excited that we can already tell you about some great initiatives. We are absolutely thrilled to welcome Warner Bros. Discovery Global Consumer Products to the tonies family, as this will bring beloved characters like Batman and Wonder Woman to life as Tonies figurines. This is a wonderful addition to our portfolio. Beyond that, we will see further initiatives in the coming months, including the launch of a limited Disney Toniebox edition and a collaboration with sweet biscuit manufacturer Bahlsen."

Group **revenue** in the first quarter of 2023 went up by +41.9% YoY to EUR 65.1 million (Q1 2022: EUR 45.9 million) driven by a very strong Easter business across the different regions.

All **regions** recorded double-digit growth in the first quarter of 2023. The **US** market continued to expand at a rapid pace, achieving year-over-year revenue growth of +220.8% amounting to EUR 19.0 million. This growth can be attributed to all distribution channels, with retail showing the highest growth rate due to the ongoing retail adoption with key retail partners. In 2023, the total number of point of sales will rise significantly to over 6,000, compared to around 4,200 at the end of 2022. The expansion will be fueled largely by the addition of 1,700 Walmart stores and further 700 Target stores (bringing the total number of Target stores up to 1,800) starting in fall.

In the profitable **DACH** region, revenue increased by +11.2% YoY to EUR 39.2 million driven by a significant growth in tonies digital channels, comprising its own online shops and the Amazon marketplace.

In **Rest of World**, revenue grew by +46.8% YoY to EUR 6.9 million driven by the UK and particularly strong growth in France. Furthermore, tonies expanded into 10 additional countries with its European webshop, offering Tonies figurines in three different languages (German, English and French).

In the first quarter of 2023, tonies successfully expanded its international reach, as the regional share of revenues beyond the DACH region significantly increased from 23% in Q1 2022 to 40%. This indicates that tonies is making great progress in its global expansion efforts.

From a **product category** perspective, **Tonieboxes** revenue was up by +45.3% YoY to EUR 13.5 million. In addition to the continued strong performance of the standard Toniebox portfolio, tonies also continues to successfully cooperate with partners on special editions.

Revenue of **Tonies figurines** increased by +38.6% YoY to EUR 48.5 million driven by both licensed third-party Tonies including Peppa Pig and Rolf Zuckowski as well as Tonies with in-house produced content and own design such as tonies first own license brand "Sleepy Friends". tonies continued to expand its portfolio, launching around 60 new Tonies figurines in the first quarter, including more Tonies from the own Sleepy Friends range, PAW Patrol, Cocomelon, Smurfs, Rolf Zuckowski and Peppa Pig. tonies also added two completely new formats to the product category: the Night Light Tonie, which combines beautiful melodies and the ability to record personal goodnight messages with a warm light and the Listening+ Coloring book, where an audio play accompanies the coloring book with illustrations that match the story.

In **Accessories & Digital**, revenue grew by +93.6% YoY to EUR 3.1 million mainly driven by headphones and products in the category of transport, including Character Bag and successfully launched Listen & Play Bag.

Net assets and financial position

No substantial changes to the net assets and financial position of the group occurred in the period under review compared to the situation as of December 31, 2022, taking into account the seasonal cash outflow.

Guidance for full-year 2023

tonies confirms its guidance for 2023 with group revenue of EUR 354 million and US revenue of EUR 116 million, based on the assumed EUR/USD exchange rate of USD 1.08. This implies revenue growth for the group of +37% YoY and for the US of +77% YoY. tonies also expects a positive adjusted EBITDA margin for 2023 (2022: -2.4%). The forecast is based on the assumption that there will be no further material deterioration of consumer sentiment in 2023 and that Covid-19 will not lead to far-reaching closures of production in industry and retail.

tonies SE will hold a presentation on its Q1 2023 results today, Thursday, 11 May at 11am CET. All details can be found under <https://ir.tonies.com/financial-calendar/>.

All publication documents are available on tonies' Investor Relations Website under <https://ir.tonies.com/publications/>.

Revenue

(in EURm)

	Q1-23	Q1-22	+/-	FY 2022	FY 2021	+/-
Revenue	65.1	45.9	41.9%	258.3	188.0	37.4%

by region

DACH	39.2	35.3	11.2%	158.3	151.3	4.6%
US	19.0	5.9	220.8%	65.6	20.3	223.2%
Rest of World	6.9	4.7	46.8%	34.4	16.3	110.6%

by product category

Tonieboxes	13.5	9.3	45.3%	87.3	57.2	52.5%
Tonies Figurines	48.5	35.0	38.6%	159.1	123.6	28.8%
Accessories & Digital	3.1	1.6	93.6%	11.9	7.2	65.8%

About tonies

tonies is the creator and publisher of tonies®, the innovative and award-winning audio system for children aged three and up. Consisting of the Toniebox and the matching audio figurines - called Tonies - the system makes audio content touchable and enables a completely new kind of listening experience: "audio play". Launched in 2016 in Germany, Austria, and Switzerland, tonies® is available on three continents and offers a portfolio of over 700 Tonies. tonies employs over 400 people and has been listed on the Frankfurt stock exchange through tonies SE since 2021.

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