



Earnings Presentation Q3 2024

tonies SE | November 13, 2024



Disclaimer

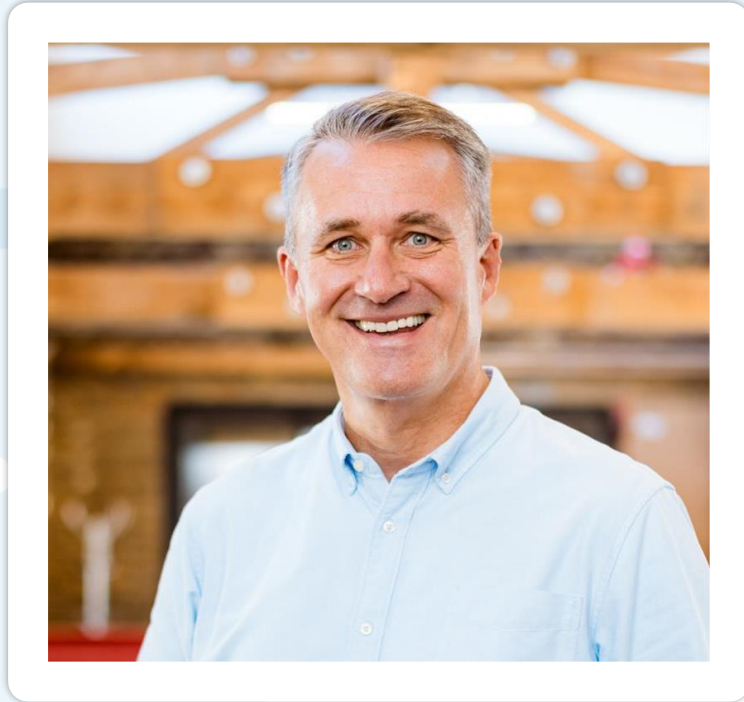


This document contains forward-looking statements. Forward-looking statements can typically be identified by the use of words such as "expects", "may", "will", "could", "should", "intends", "plans", "predicts", "envisages" or "anticipates" or other words of similar meaning. These forward-looking statements are based upon current expectations and assumptions regarding anticipated developments and other factors affecting the tonies SE. They are not historical or current facts, nor are they guarantees of future performance.

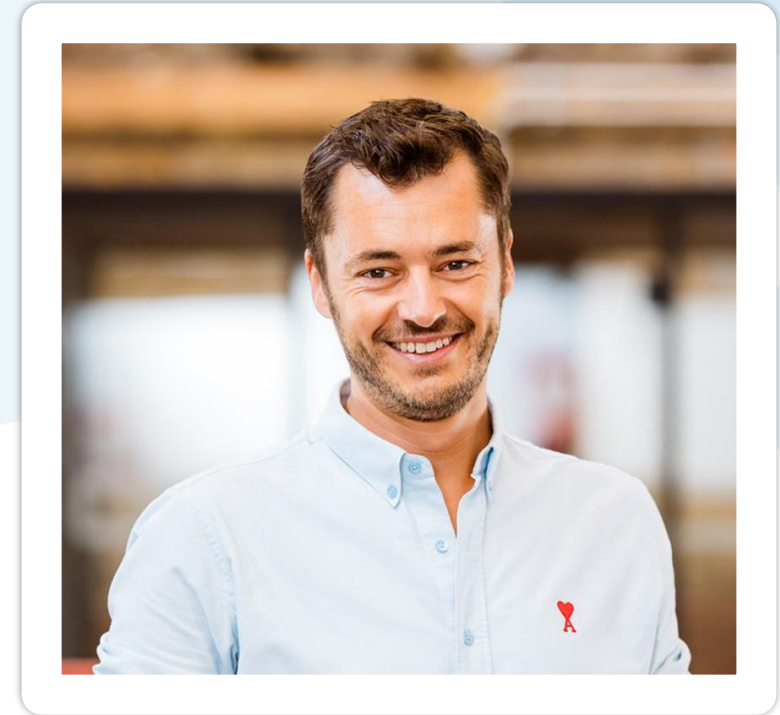
By their nature, forward-looking statements involve several risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described in this document. These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable mandatory law or regulation, the tonies SE expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document to reflect any change in the tonies SE's expectations with regard thereto or any change in events, conditions or circumstances on which any such forward-looking statements are based. Neither tonies SE nor any other person accepts any responsibility for the accuracy of the opinions expressed in this document or the underlying assumptions.

This presentation includes key performance indicators (KPI), including adjusted EBITDA margin, contribution margin and free cash flow which are not measures of liquidity or financial performance under International Financial Reporting Standards (IFRS). Adjusted EBITDA is calculated from EBITDA by adjusting for various effects to create a metric for the underlying profitability of the business. EBITDA was historically adjusted for the following non-recurring effects: (i) effects of share-based compensation, (ii) own software development (as this is not currently capitalized), (iii) special projects and bonuses, and (iv) costs and effects related to tonies IPO / business combination. The adjusted EBITDA margin is defined as adjusted EBITDA in percent of revenue. Contribution margin is the contribution profit in percent of revenue. The contribution profit is calculated from the gross profit after licensing costs less various revenue-related costs that are together aggregated as fulfilment (mostly freight and logistics costs, fees for online marketplaces, costs of payments and certain variable sales costs). Contribution profit and contribution margin show how much is available for coverage of fixed costs such as personnel, other expenses and marketing. Free cash flow is defined as the sum of cash flow from operating activities and cash flow from investing activities and represents the Group's cash efficiency and enables an assessment of profitability.

Who you have on the call today



Tobias Wann
CEO



Dr. Jan Middelhoff
CFO

tonies SE | Earnings Presentation Agenda



Welcome to tonies

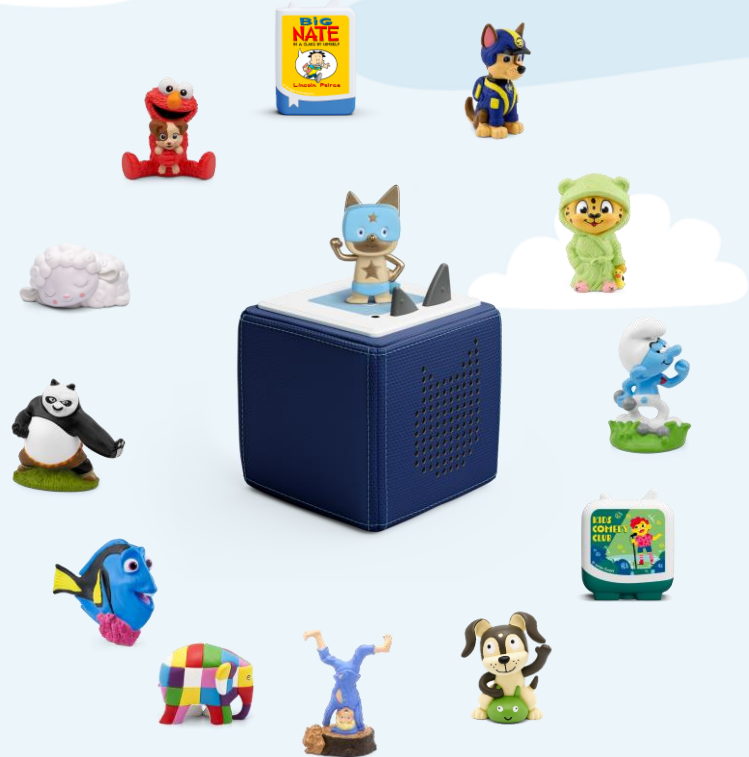
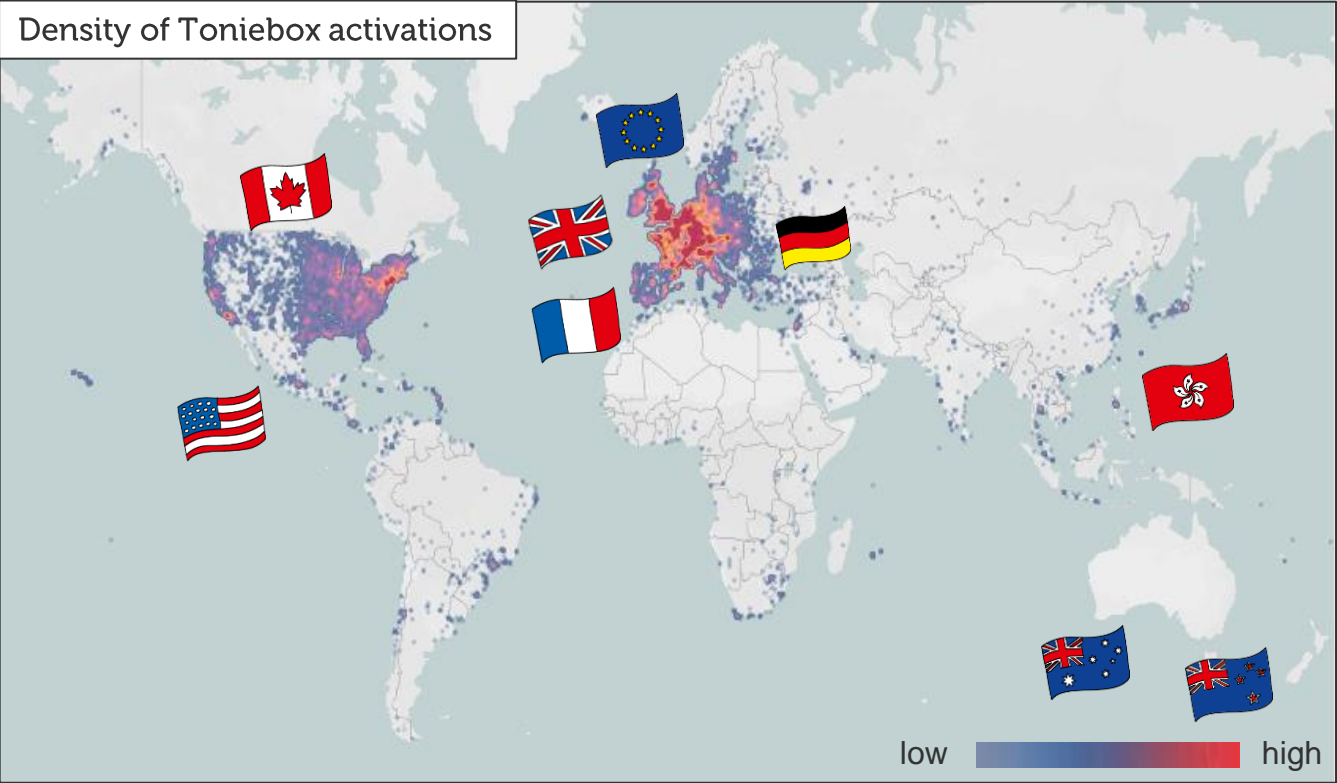
Business Highlights

Financial Results

Outlook 2024

Q&A

tonies: We have built the largest interactive audio experience platform for children in the world



We are the #1 audio platform for kids globally

Families in >100 countries have activated a Toniebox

>7.8 million Tonieboxes sold

>95 million Tonies sold

We have unparalleled stickiness

~270 min
Ø weekly playtime¹

NPS >70
in the US²

¹ Avg. weekly playtime in 9M 2024 globally | ² in 9M 2024

Q3 2024 performance at a glance



Revenue Q3

EUR 95m

YoY: +21%

DACH: EUR 42m (+1%)

North America: EUR 37m (+40%)

ROW: EUR 16m (+52%)

+26% YoY
revenue growth
in 9M 2024

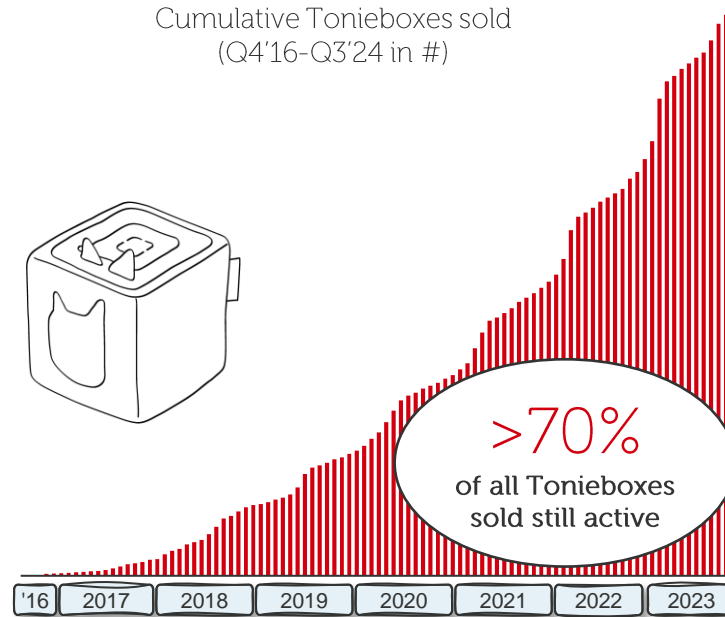
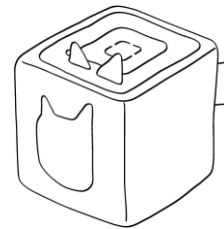
Outlook

Guidance for FY 2024 confirmed

- Group revenue: EUR >480m
- North America revenue: EUR >200m
- Adjusted EBITDA margin: 6-8 %
- Free cash flow: >10m EUR

Toniebox platform grows exponentially every year...

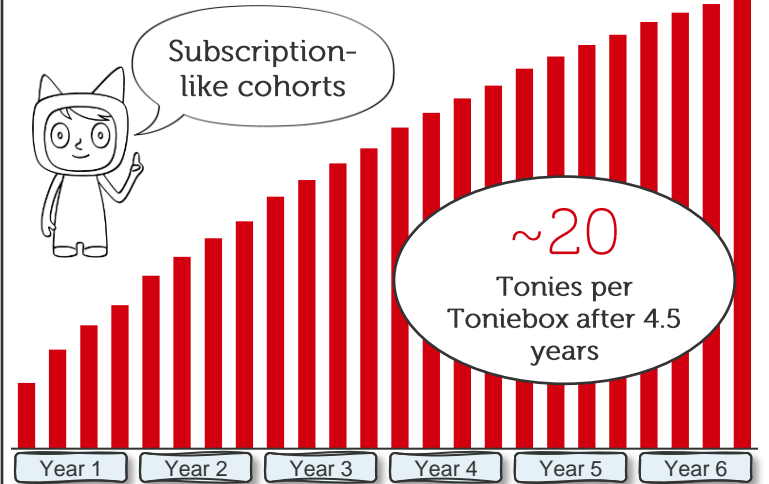
Cumulative Tonieboxes sold
(Q4'16-Q3'24 in #)



+0.5m Tonieboxes
sold in Q3 2024

... fueling the highly predictable repeat purchases of Tonies

Cumulative Tonies over customer lifetime





+8.3m Tonies
sold in Q3 2024


Business highlights for future success, delivered in Q3





Our value levers:

 Internationalization

 Gross margin expansion

 Own content/IP

 Product/channel mix

 Operating leverage



Drove internationalization with successful US wholesale and DTC expansion



Continued to build a **love brand close to the consumer**



Expanded target group base with **Book Tonies** introduction



Announced new **Lalalinos** franchise to expand own content



Strengthened board and marketing expertise with **Ginny McCormick** as new CXO



Ready for the important high-demand fourth quarter

Business Highlights

Driving international growth with strong US momentum

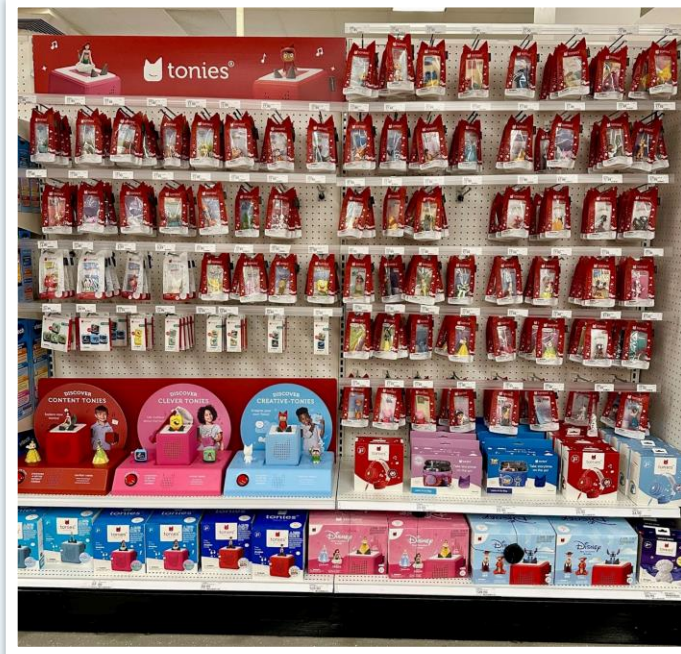


Doubling shelf space,
tripling sales

2023



2024



>2x growth at major US
e-commerce events

2023-2024



>2x
Tonieboxes
sold¹

>2x
Tonies
sold¹



>2x
Tonieboxes
sold¹

~3x
Tonies
sold¹

¹ Compared to number of units sold during the same commercial days in 2023 in the US

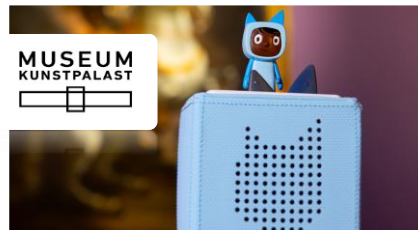
Building a love brand close to the consumer



Education



New Clever Tonies concept with most popular children education TV host in DACH

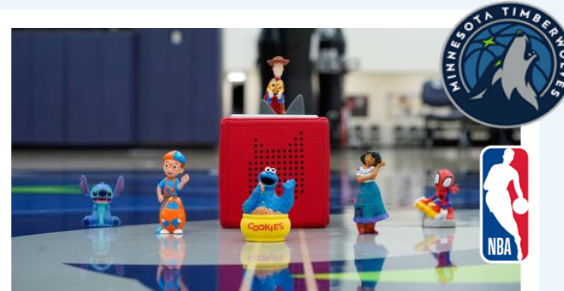


Tailored children experience with autonomous tonies museum tour

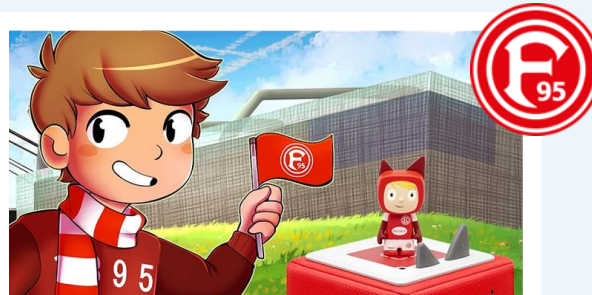


Clever Pocket Tonie set provides behind the scenes look at London's Natural History Museum

Partnerships

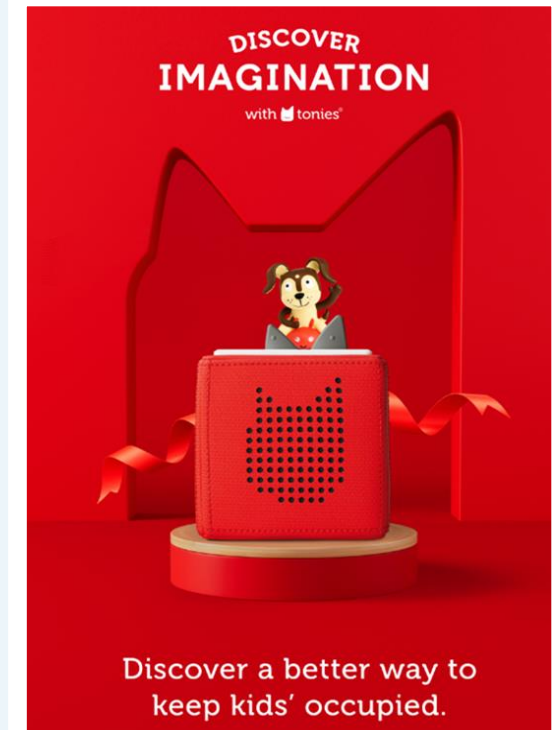


Family-focused partnership with Minnesota Timberwolves and Lynx promoting screen-free, imaginative play



Family-focused partnership with Fortuna Düsseldorf, emphasizing joint local roots and kid-friendly mission.

Marketing Campaigns



Global Holiday cross-channel ad campaign highlighting tonies' advantages over other means of play and entertainment

Introducing Book Tonies



Full-length **audiobook Tonies** of favorite
bestsellers

- ✓ Building on the **Clever Tonies'** success story
- ✓ **Age group expansion** targeting older kids 5+
- ✓ **Margin expansion** through simplified design
- ✓ **Faster launches** with standardized format
- ✓ **US and UK live, Germany to be launched** in May '25

Legendary Authors

Andrea Beaty
Dav Pilkey
Tom Fletcher
Enid Blyton



Instantly sparking **enthusiastic customer**
reactions



"Yay! Love that this company continues to grow with our children!"

"This is amazing! My toddler loves tonies at home but the teacher in me is also picturing using these during early literacy independent reading"



Introducing Lalalinos – The next big hero franchise



Scout

Akio

Cosmo

LALALINOS®

a tonies® original



- ✓ **Franchise strategy & world** designed to go beyond the Tonie into diverse category and format portfolio
- ✓ **Emphasis on children's development** and social emotional learning through rhythm, singing & dancing
- ✓ **Launch:** DACH (Nov 2024); US, FR & UK (Feb 2025)

Welcoming Ginny – our new CXO to strengthen tonies' brand profile



Ginny McCormick
CXO

- Appointed Chief Experience Officer (CXO) at tonies on Sept 2, 2024
- Oversees Brand, Product, and Content for cohesive strategy
- Role aims to elevate tonies as a global icon in screen-free kids' entertainment
- 20+ years in marketing, with proven success in scaling global brands



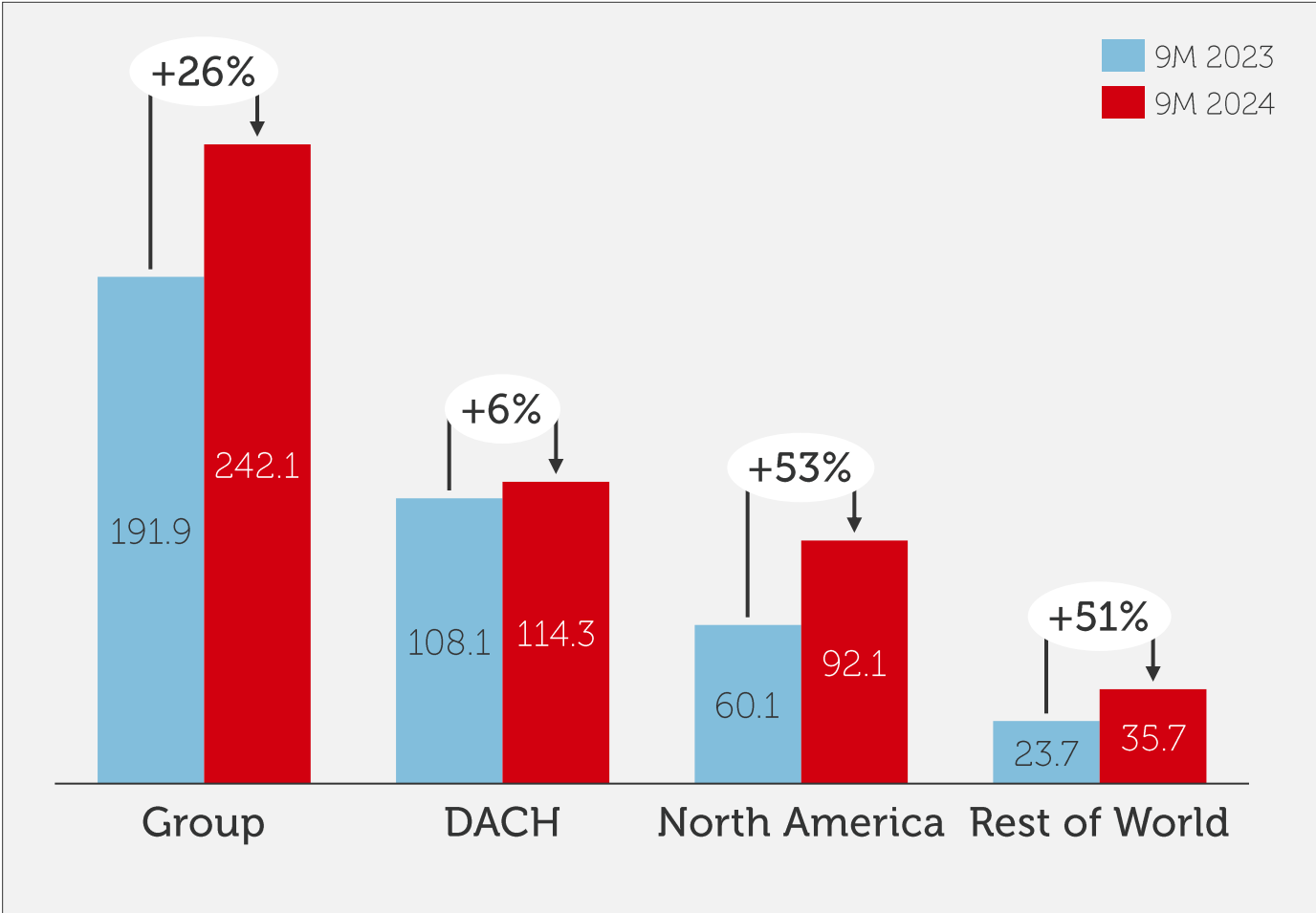


Financial Results Q3 2024

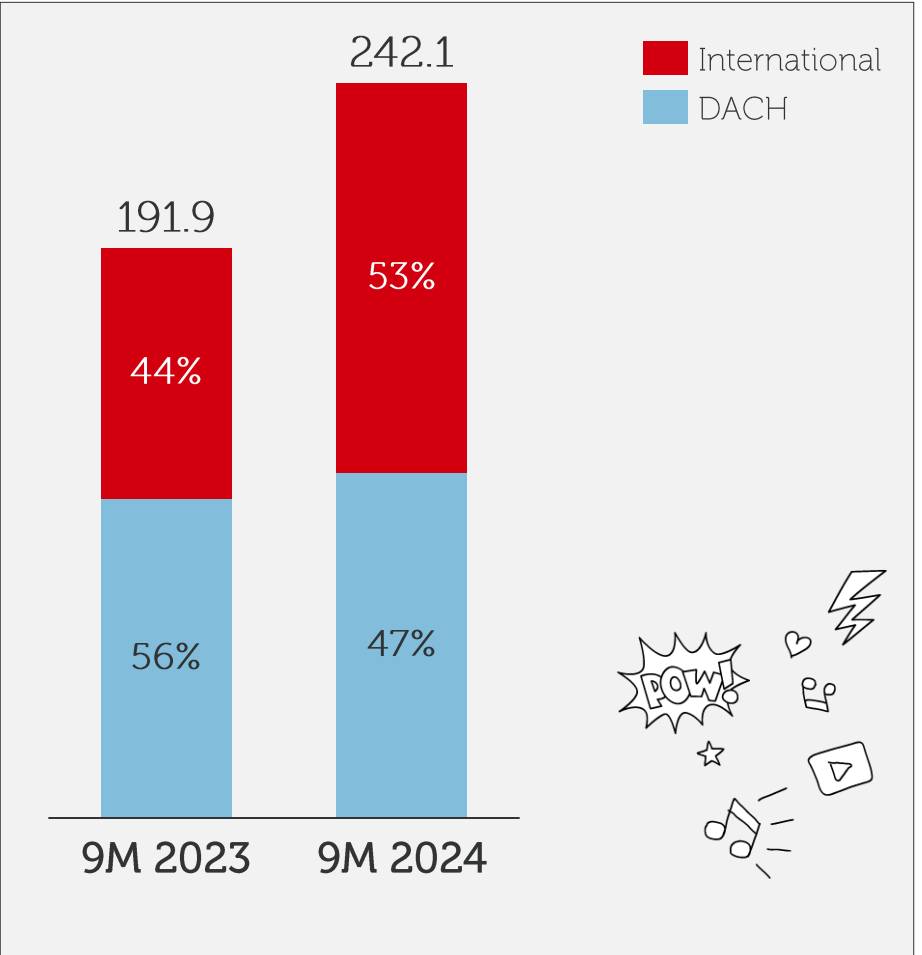
9M 2024 revenue by region: growing global presence through successful international expansion



Revenue by region (in EURm)



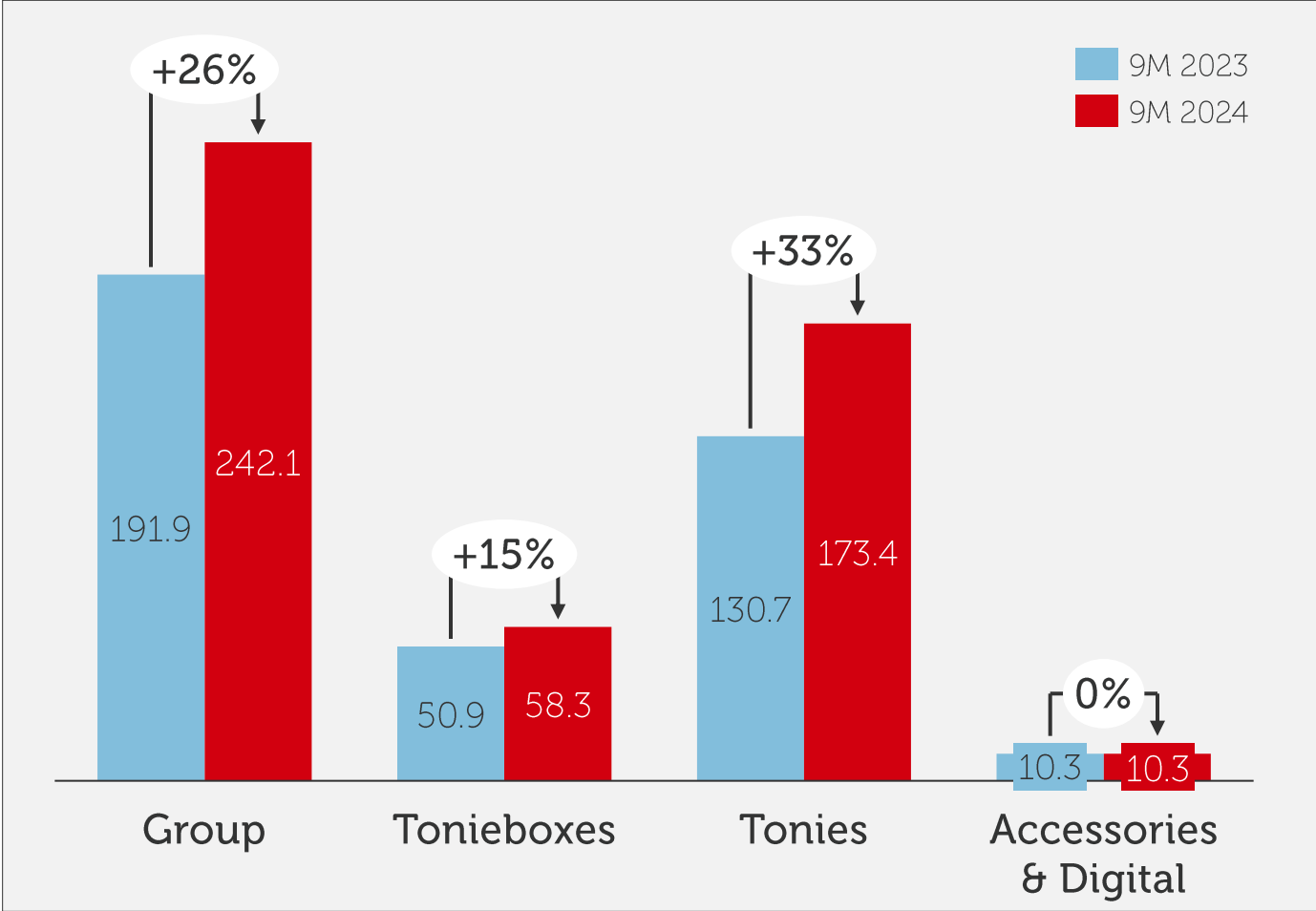
Revenue split by region



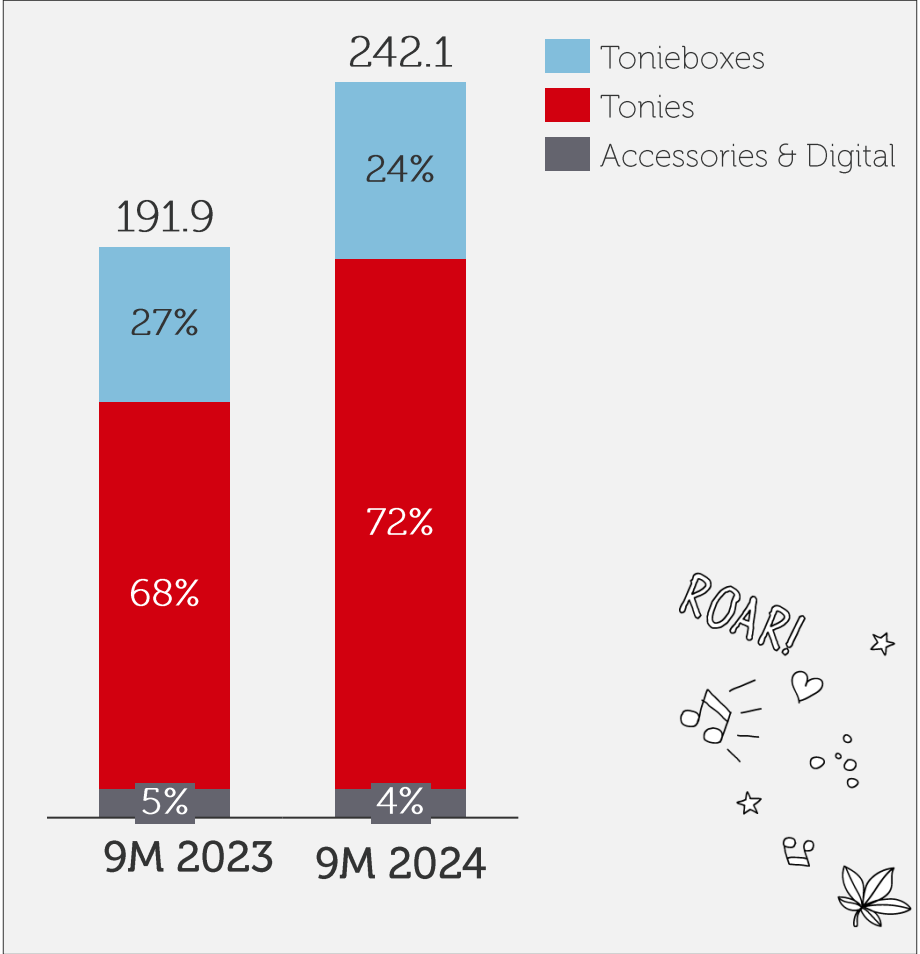
9M 2024 revenue by product category: growth driven by highly profitable Tonies figurines



Revenue by product category (in EURm)



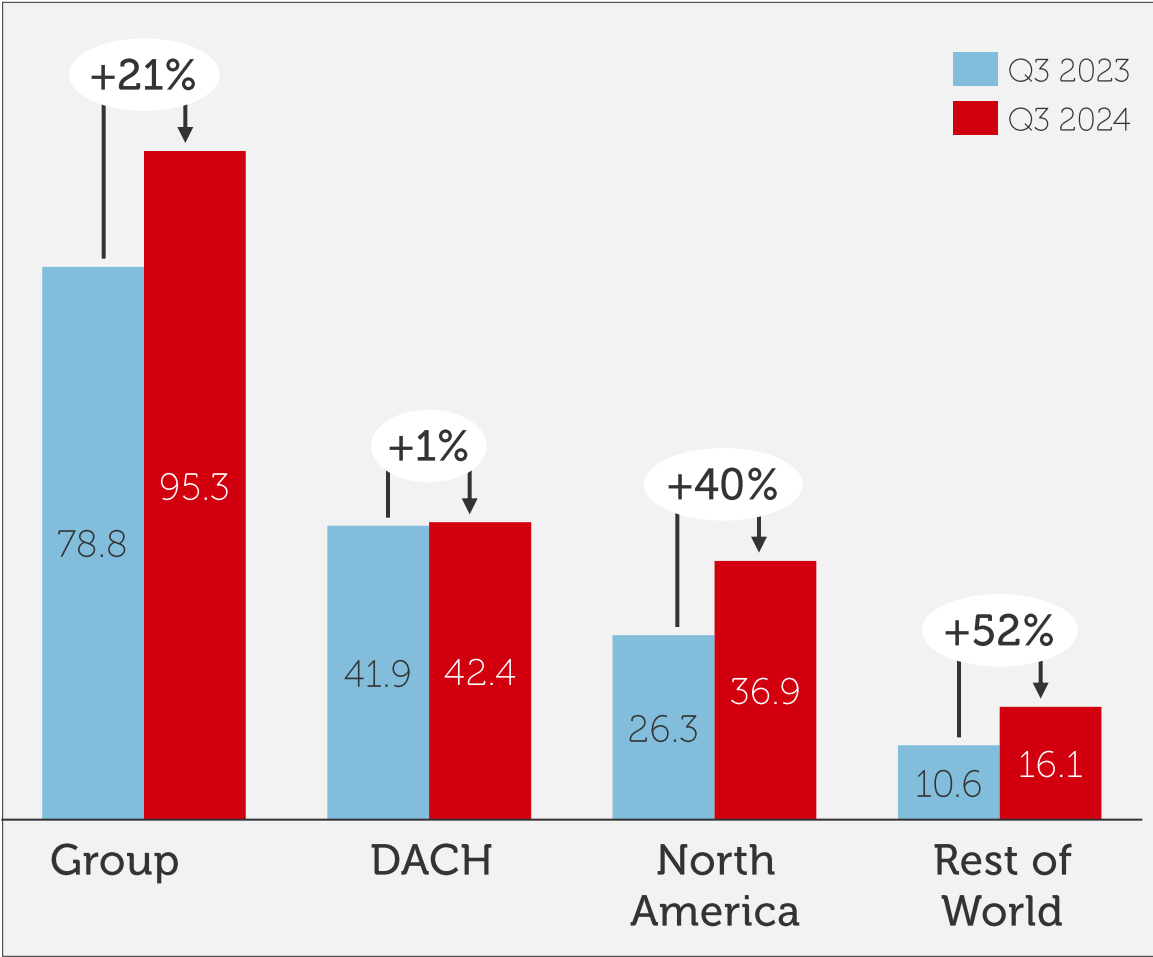
Revenue split by product category



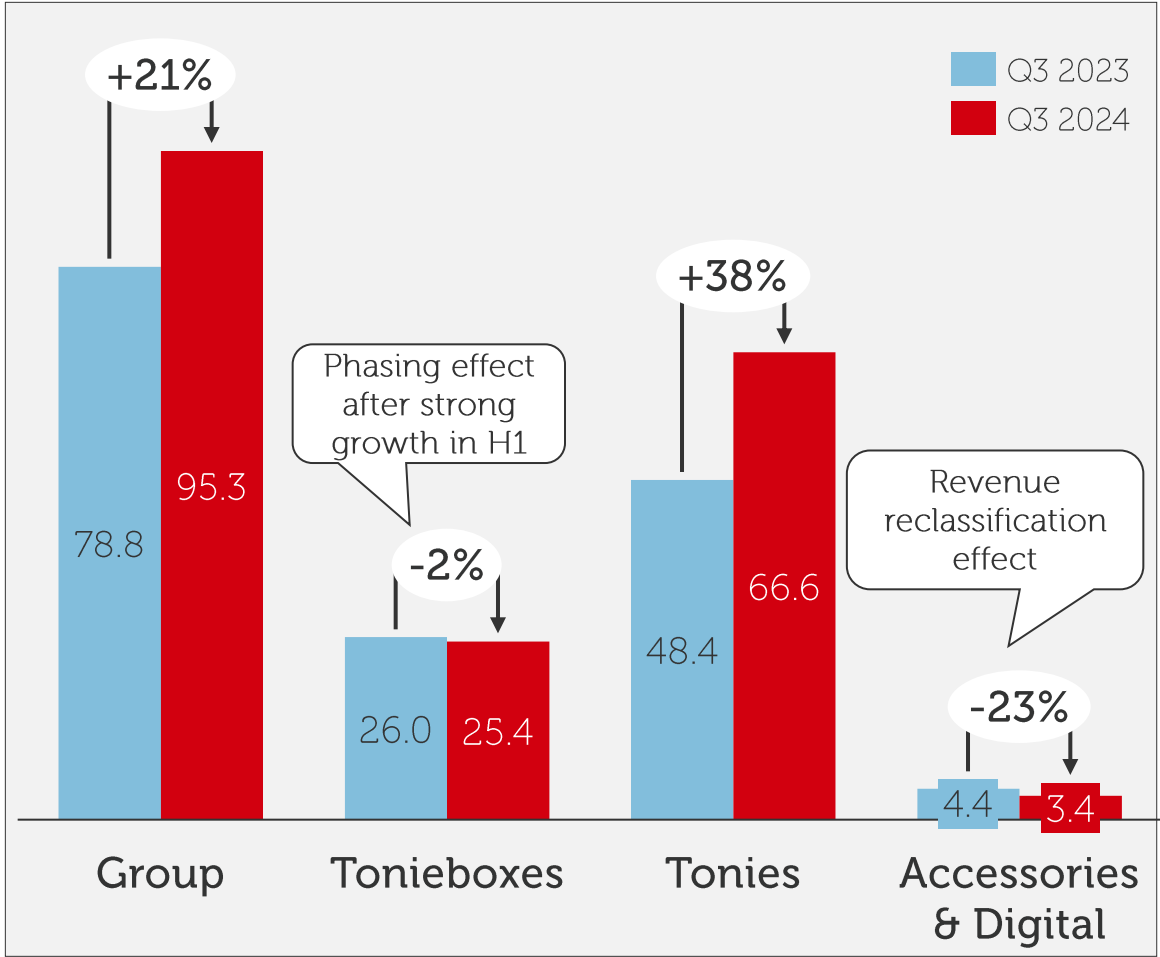
Q3 2024 revenue: growth driven by international markets and Tonies figurines



Revenue by region (in EURm)



Revenue by product category (in EURm)



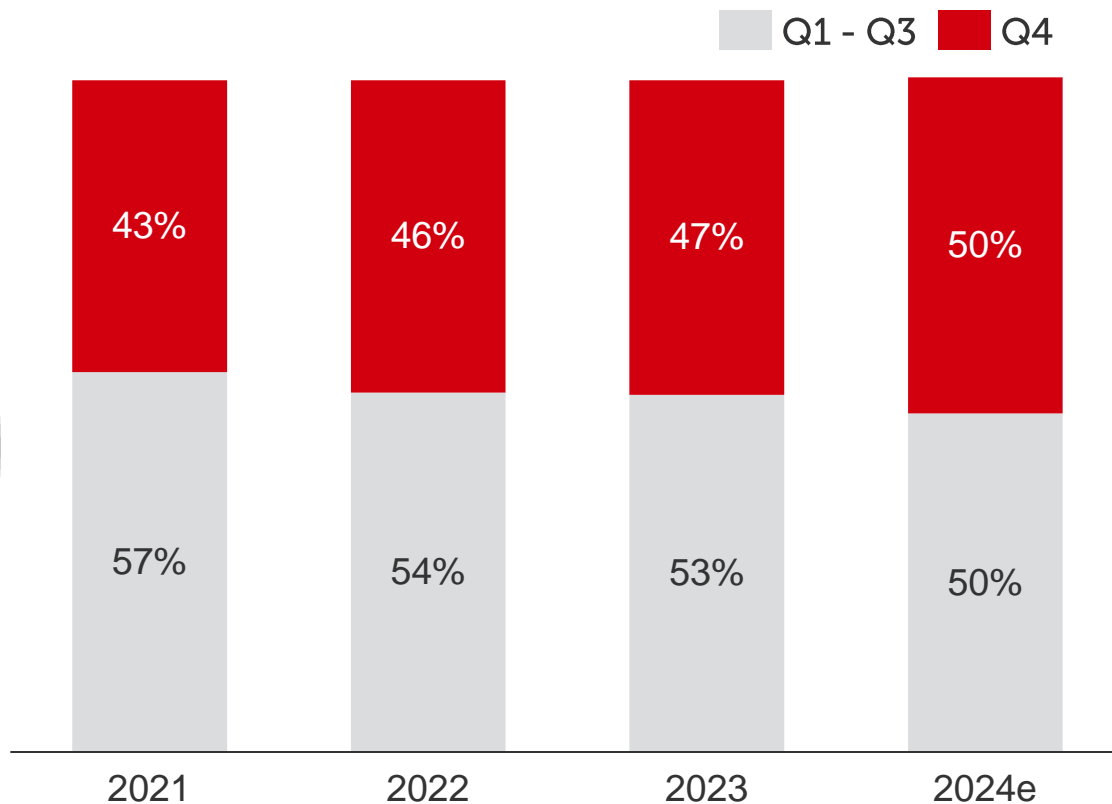


Outlook 2024

Q4 is always the most important quarter – we know how to scale



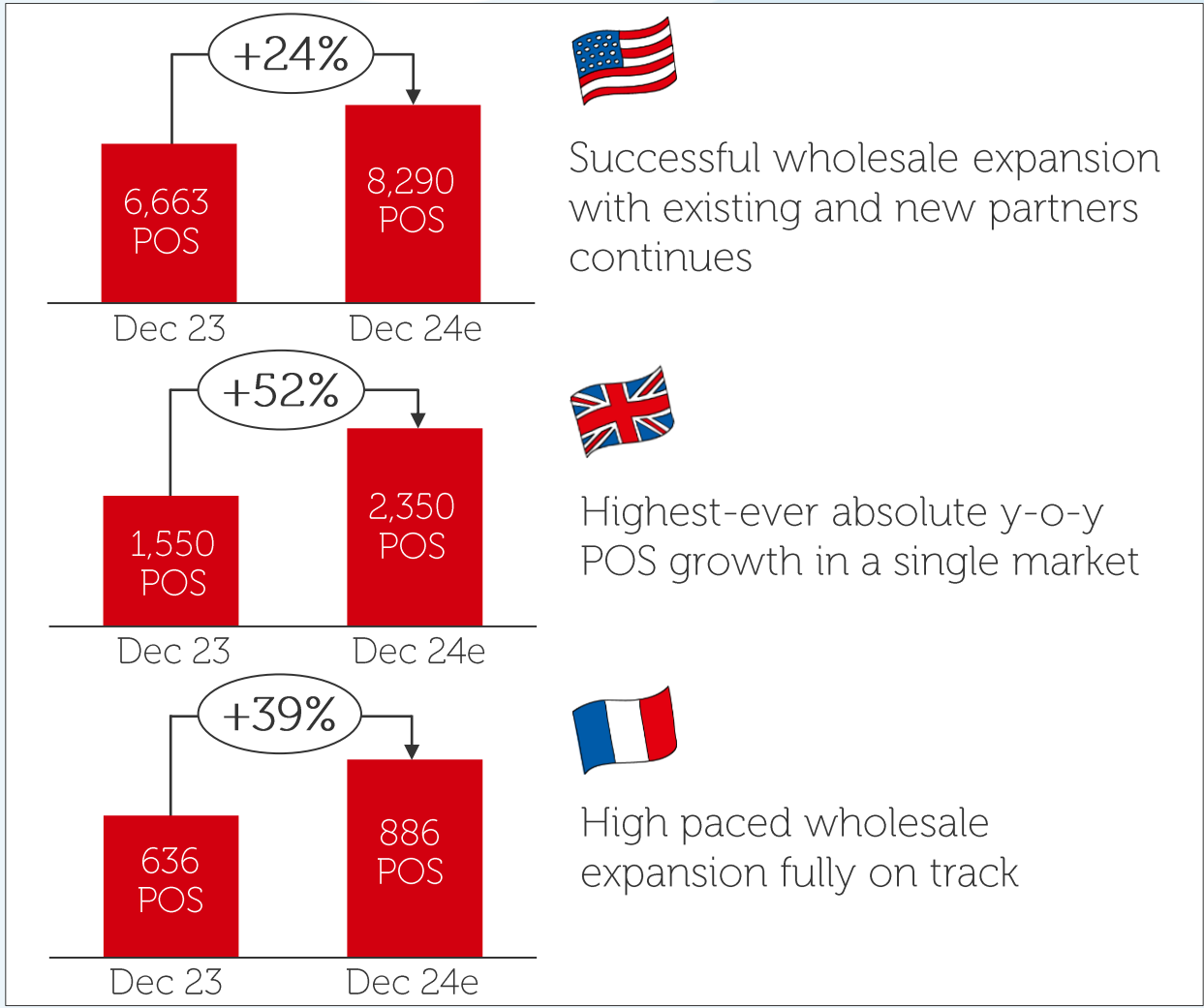
Revenue Share (in percent)



- ✓ We have built and expanded strong wholesale partnerships
- ✓ We have proven excellence in D2C channels and key commercial moments
- ✓ Our supply chain is ready with inventory in market

tonies is ready for the **most important** time of the year!

Our wholesale footprint in international markets continues to grow



Note: numbers are rounded

Guidance FY 2024¹: On track to deliver on revenue growth and profitability targets with a structurally strong Q4



	Results FY 2023	Guidance FY 2024
Group revenue (EURm)	361	>480 ¹ (>33% YoY)
North America revenue (EURm)	140	>200 ¹ (>42% YoY)
Adjusted EBITDA margin (%)	4.0%	6-8%
Free cash flow (EURm)	-5	>10

- Another year of **significant growth** ahead with North America becoming the largest market
- Another **step-up in profitability** due to higher gross margin & operating leverage on cost base
- **Free cash flow** will further improve in 2024 and **turn positive**



¹ 2024 based on EUR/USD of USD 1.07

Business priorities for Q4



Our value levers:



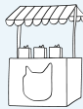
Internationalization



Gross margin expansion



Own content/IP



Product/channel mix



Operating leverage



Deliver commercial moments around **Black Friday/Cyber Monday and Christmas**



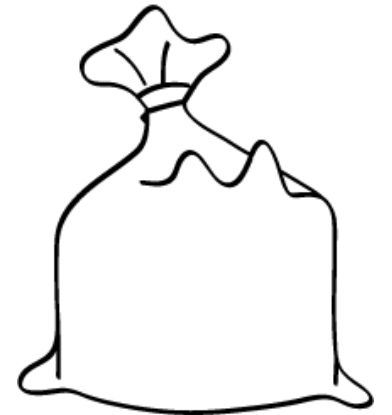
Ensure success of new **Book Tonies** format



Deliver North America growth as planned to become **tonies' largest market**



Successfully launch **Lalalinos franchise** with musical adventures for kids 3-5



Prepare for what's coming next



Q&A

Key takeaways:



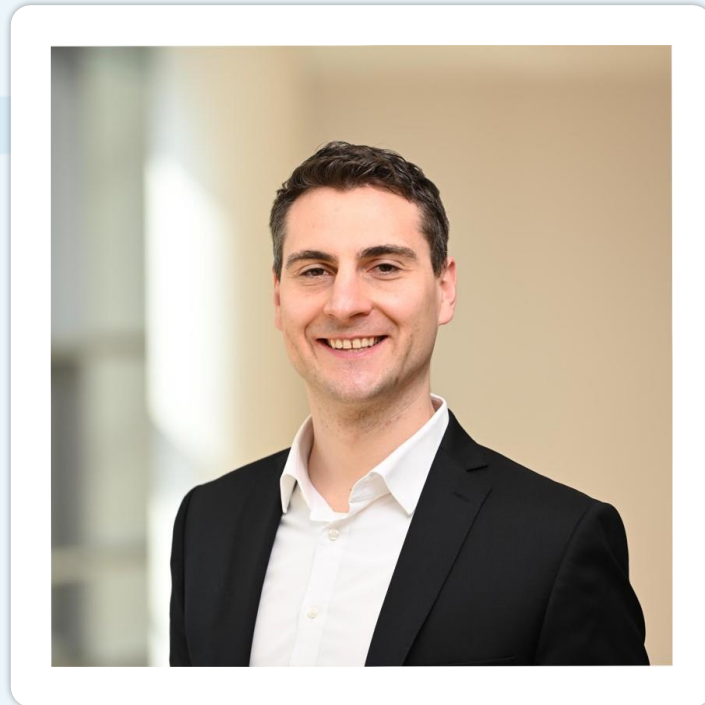
- I International expansion successfully continuing, with **US execution in full swing**
- II Boosting market leadership with an **expanded product lineup**, featuring fresh content and reaching a broader audience
- III Supply chain ready for Q4 — **we have all planned inventory in markets!**
- IV Accelerating tonies' journey to a **global icon brand**, with **CXO Ginny McCormick joining the management board**
- V tonies is **fully on track to reach its FY 2024 guidance**

Meet us on conferences and roadshows



	Results	Conference	Roadshow
Q4	NOV 13: Q3 2024	NOV 25-27: Deutsches Eigenkapitalforum 2024 DEC 4: Berenberg European Conference	
		JAN 9-10: Oddo BHF Forum FEB 12: Small & Mid Cap Conference MAR 6: EU Opportunities Conference MAR 25-27: Jefferies 5 th Pan-European Mid-Cap Conference	FEB: Geneva Roadshow
H1 2025	APR 10: FY 2024		APR: London Roadshow
	MAY 15: Q1 2025		APR: Paris Roadshow APR: Frankfurt Roadshow
		MAY 22: Manhattan Conference	MAY: New York City Roadshow
		MAY: Summer Summit	

Investor Relations Contact



Investor Relations Team Contact
ir@tonies.com

Investor Relations Contact
Manuel Bösing
Head of Investor Relations
Phone: +4915157846012
Mail: manuel.boesing@tonies.com