Alternative performance measures

Since fiscal year 2023, the Management Board of tonies SE uses Revenue, Contribution margin, EBITDA margin and adjusted EBITDA margin as key performance indicators to measure operating performance of the business and the segments and as a basis for strategic planning. These KPIs provide useful information to investors and others in understanding and evaluating the results of operations and these are useful measures for period-to-period comparisons of tonies business performance.

Since Q1.2025, tonies also reports revenue growth on a constant currency basis using average exchange rates from the prior year period. This additional performance measure reflects the growing impact of currency fluctuations, especially the US Dollar, on results due to the companies' successful international expansion and will provide a clearer view of the underlying business performance.

All additional alternative performance measures provide additional and supporting information but are not part of the performance assessment system itself.

Alternative performance measures used in tonies' internal and external reporting as of September 30, 2026 are defined in the table below.

APM	**Definition**	**Reconciliation to Press Release as of Q3.2026** *all mEUR*
Revenue in constant currency	Revenue translated with the historic foreign currency rates of the previous period	Press release Revenue in constant currency **428,0**
Revenue growth in constant currency	Revenue increase in percent comparing the revenue of the Group of the previous period and the revenue of the current period, translated with the historic foreign currency rates of the previous period	Press release Revenue in constant currency **34.8%**

APM	**Definition**	**Financial Statements as of June 30, 2026** *all kEUR*
EBITDA	Earnings before interest, taxes, depreciation and amortization - is a measure of a company's profitability of the operating business only	Group P&L: EBITDA **- 365**

EBITDA margin	EBITDA as a percentage of revenue with third parties - a profitability ratio that measures how much in earnings a company is generating from operating business only	Group P&L: EBITDA / Revenue - 365 / 242,931 = **- 0.1%**
Adjusted EBITDA	Calculated from EBITDA by adjusting for various effects to create a metric for the underlying profitability of the business. Adjustments relate to expenses incurred where management believes adjustments should be made due to extraordinary and non-operational character. In 2024 only adjustments for expenses of share-based payments have been made.	Group P&L: EBITDA + Expenses share-based payments - 365 + 2,133 = **1,768**
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of revenue with third parties - a profitability ratio that measures how much in earnings a company is generating from operating business only excluding expenses incurred where management believes adjustments should be made due to extraordinary and non-operational character. In 2024 only adjustments for expenses of share-based payments have been made.	Group P&L: Adjusted EBITDA / Revenue 1,768 / 242,931 = **0.7%**
Gross profit	Revenue with third parties less cost of material and changes in inventories – measure for product / channel / category performance after costs of goods	Group P&L: Gross Profit **156,193**
Gross margin	Gross profit as a percentage of revenue with third parties	Group P&L: Gross Profit / Revenue 156,193 / 242,931 = **64.3%**
Gross Profit after licensing costs	Gross profit less costs for licenses for products sold. – measure for product / channel / category performance after costs of goods and licensing costs	Group P&L: Gross Profit after Licenses **129,098**
Gross margin after licensing costs	Gross profit after licensing costs as percentage of revenue	Group P&L: Gross Profit after Licenses/ Revenue 129,098 / 242,931 = **53.1%**

Contribution profit	Gross profit after licensing costs less various revenue-related costs that are together aggregated as fulfilment costs (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.	Management Report: Gross Profit after Licenses ./. Logistic costs ./. Sales dependent costs 129,098 ./. 24,298 ./. 13,035 = **91,765**
Contribution margin	Contribution profit as a percentage of revenue with third parties	Management Report: Contribution profit/ Revenue 91,765 / 242,931 = **37.8%**
Net Working capital	Trade receivables plus inventories less Trade payables as shown in balance sheet – gives insights in operating liquidity available for business	Balance Sheet: Trade receivables + Inventory ./. Trade payables 62,213 + 186,819 ./. 87,240 = **161,792**
Free Cash Flow	Total of operating and investing cash flows - the money a company has left over after paying its operating expenses (OpEx) and capital expenditures (CapEx). The more free cash flow a company has, the more it can allocate to dividends, paying down debt, and growth opportunities	Statement of Cash flows: Operating cash flow + Investing cash flow - 57,643 + (-) 6,658 = **- 64,301**
Revenue growth in constant currency	Revenue increase in percent comparing the revenue of the Group of the previous period and the revenue of the current period, translated with the historic foreign currency rates of the previous period	Management Report Revenue growth in constant currency = **41.4 %**