



Earnings Presentation FY 2024

tonies SE | April 10, 2025



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.

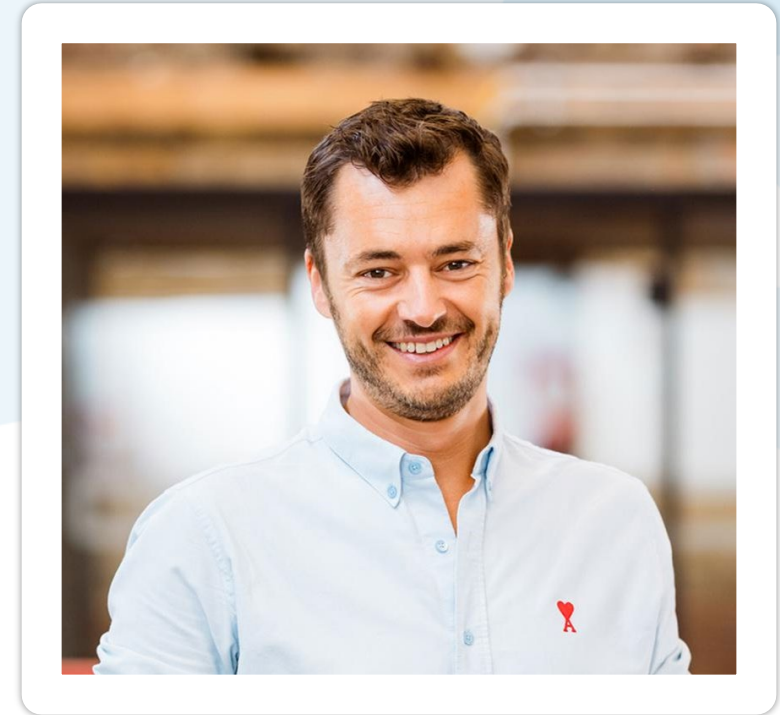
This presentation includes key performance indicators (KPI), including adjusted EBITDA margin, contribution margin and free cash flow which are not measures of liquidity or financial performance under International Financial Reporting Standards (IFRS). Adjusted EBITDA is calculated from EBITDA by adjusting 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.

For the definition of the alternative performance measures used, please refer to the published Annual Report as of December 31, 2024, or tonies website: <https://ir.tonies.com/publications/>

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 2025

Q&A

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

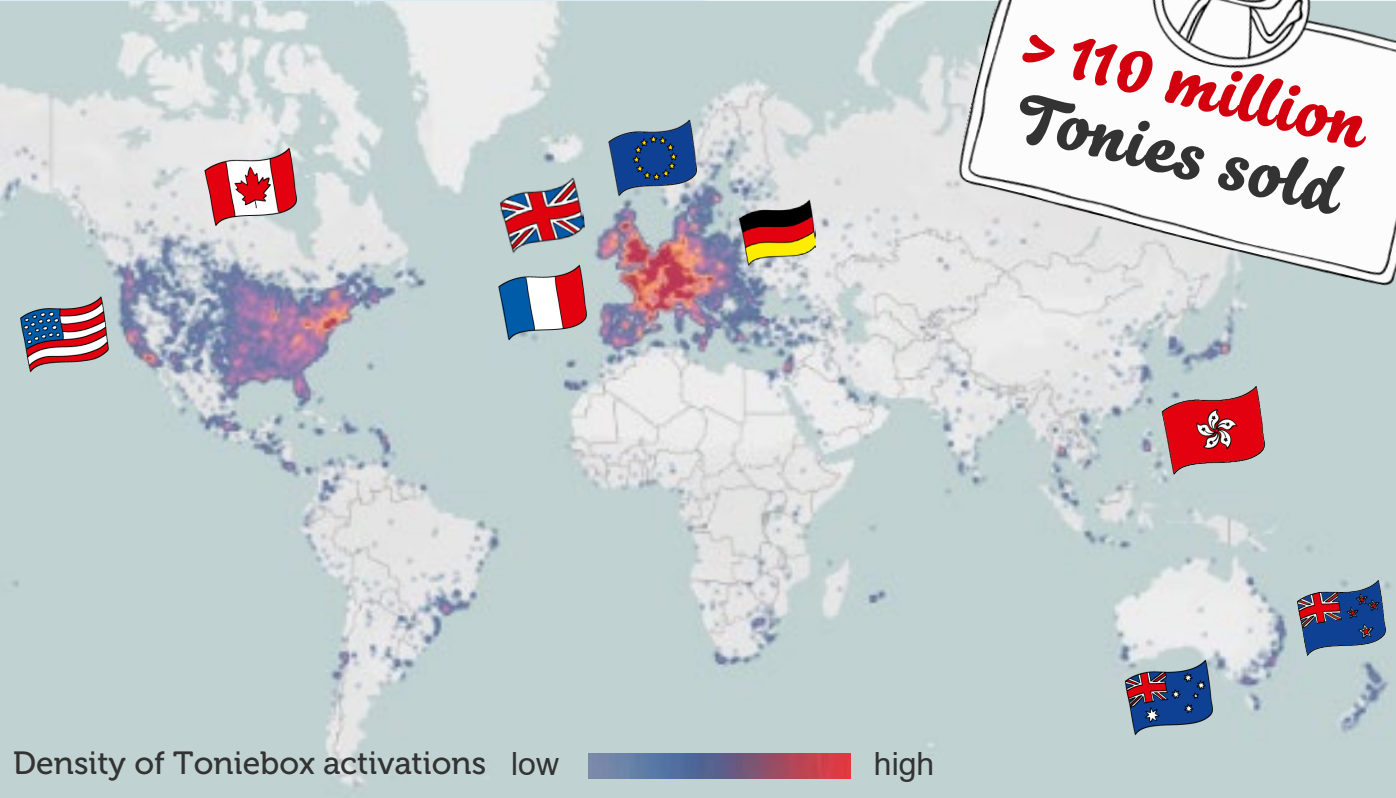


We are the #1 audio platform for kids globally

Families in >100 countries have activated a Toniebox

~9 million Tonieboxes sold

> 110 million Tonies sold



We have unparalleled stickiness

~270 min
Ø weekly playtime¹

NPS of 79
in the US²



¹ Avg. weekly playtime in FY 2024 globally | ² In FY 2024

FY 2024 performance at a glance: tonies (over)delivered on all targets



Revenue:
EUR 481m
YoY: +33%

DACH: EUR 184m (+11%)
 North America: EUR 210m (+50%)
 ROW: EUR 86m (+57%)

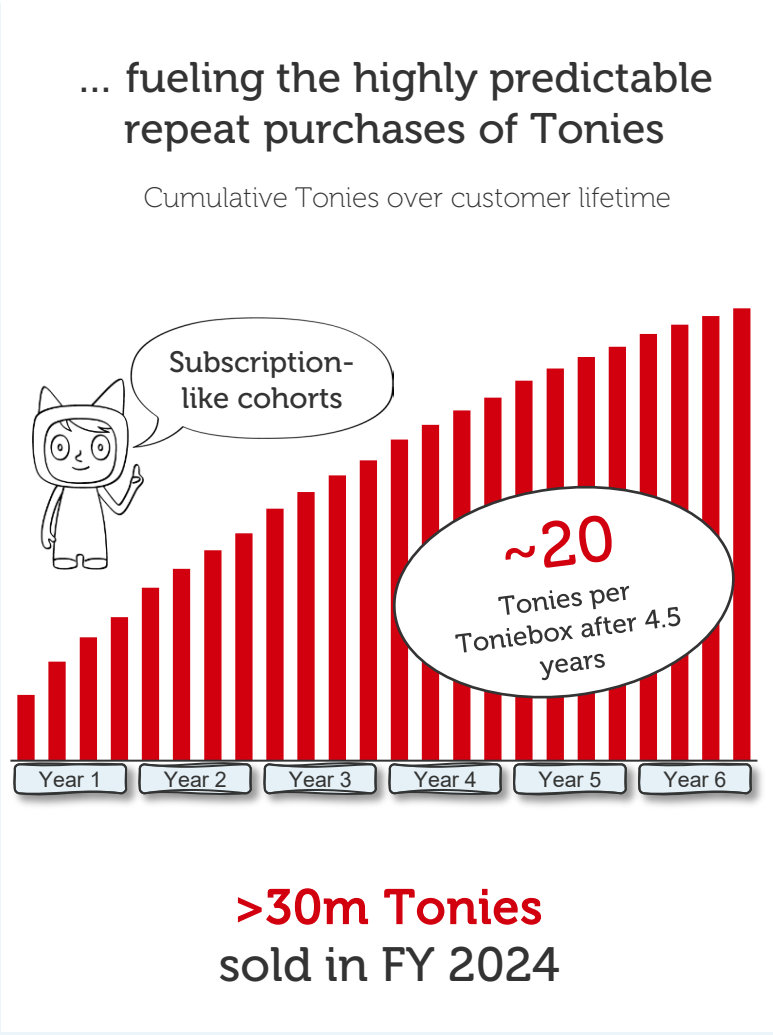
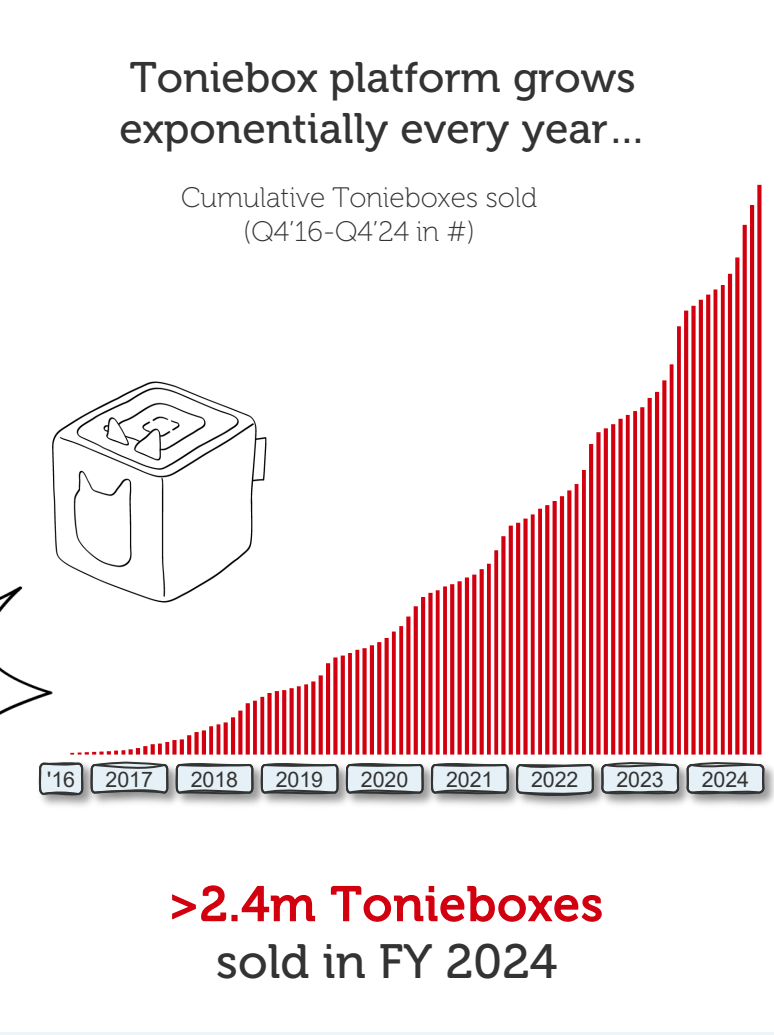
62%
 international business

Adj. EBITDA¹ / EBITDA margin:
7.5% / 7.0%
YoY: +3.5pp / +4.6pp

23%
 Adj. EBITDA margin in DACH

Free cash flow:
EUR 33m
YoY: +38m

107m
 cash available²



Note: Company data as of December 2024 | ¹ Only adjusted for share-based compensation | ² At December 31, 2024, including unused credit line of EUR 20m

2024 has been a year full of business highlights



Our value levers:



Internationalization



Gross margin expansion



Own content/IP



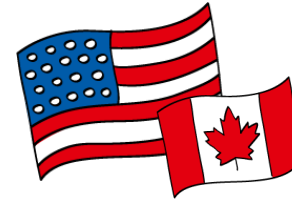
Product/channel mix



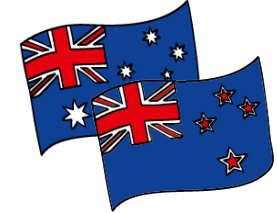
Operating leverage



Delivered the expected strong Q4 performance, contributing to achievement of all FY targets as usual



North America has become our largest market within just four years of launch



Successful launch in Australia and New Zealand reinforces tonies' international expansion strategy



Expanded product portfolio with the successful launch of Clever Tonies, Lalalinos, and Book Tonies



Redefined sustainability efforts with new guidelines and first voluntary report publication



Strengthened the organization with senior executives, top talent incl. new US-based CXO Ginny McCormick

Scaling with demand: we have the institutional knowledge to accelerate growth in peak times



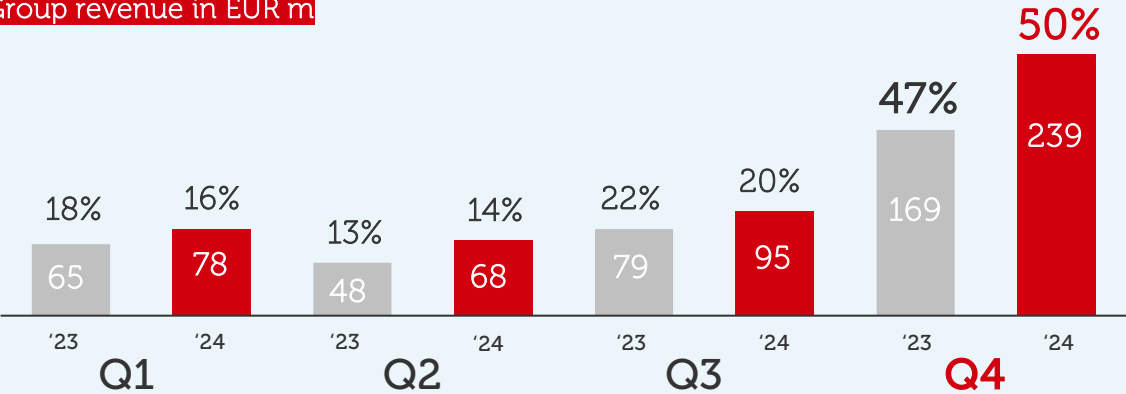
With a **proven concept** for scaling...

- ✓ Strong retail visibility
- ✓ Established D2C operations
- ✓ Warehouses stocked
- ✓ Focus on customer satisfaction

...we deliver **commercial excellence** during the most important time of the year, always

FY revenue share

Group revenue in EUR m



In **Q4 2024** alone, we sold...



17% of which were own content

Truly international business: > 60% revenue outside of DACH

Profitable growth across **all regions** – we have a proven **business blueprint**



Core markets (e.g., DACH, UK) need **3-4 years to become profitable**

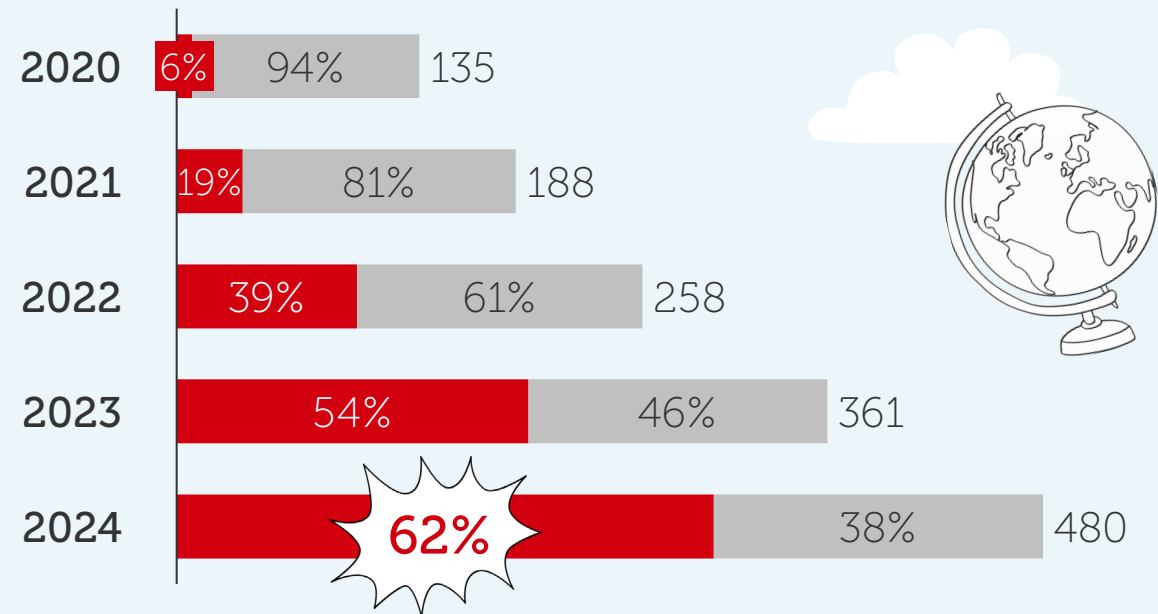


Products available in **28 countries** drive business beyond core markets



FLAGS REPRESENT MARKET LAUNCH¹

Revenue (in EURm)



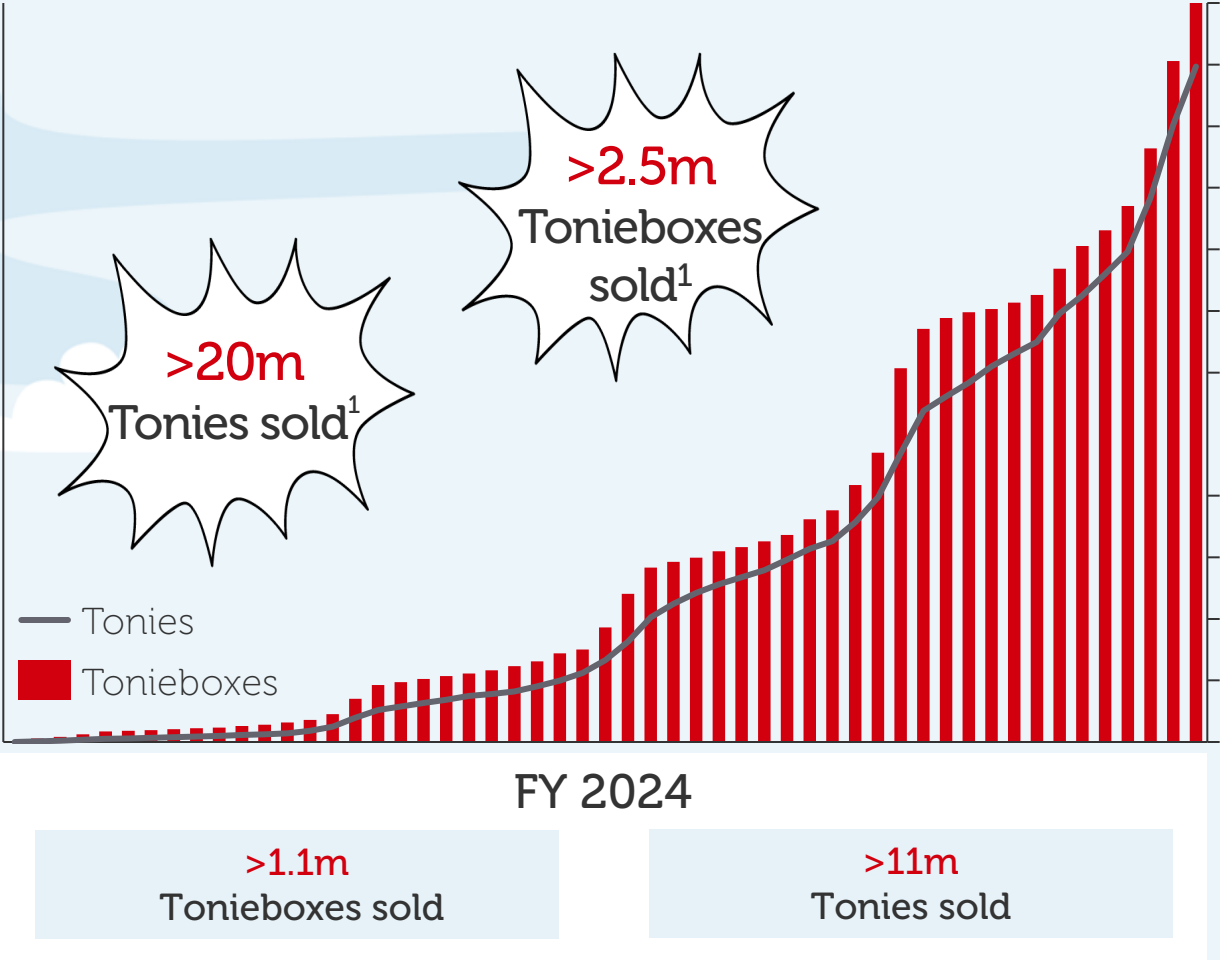
Share of DACH
 Share of International

Note: ¹ UK officially launched in 2018 with significant scale up in 2020

Just as planned: North America is our largest market now



Installed base in North America



~119% CAGR² - strong growth trajectory since launch

EBITDA breakeven in 2024, while growing revenue 50% yoy

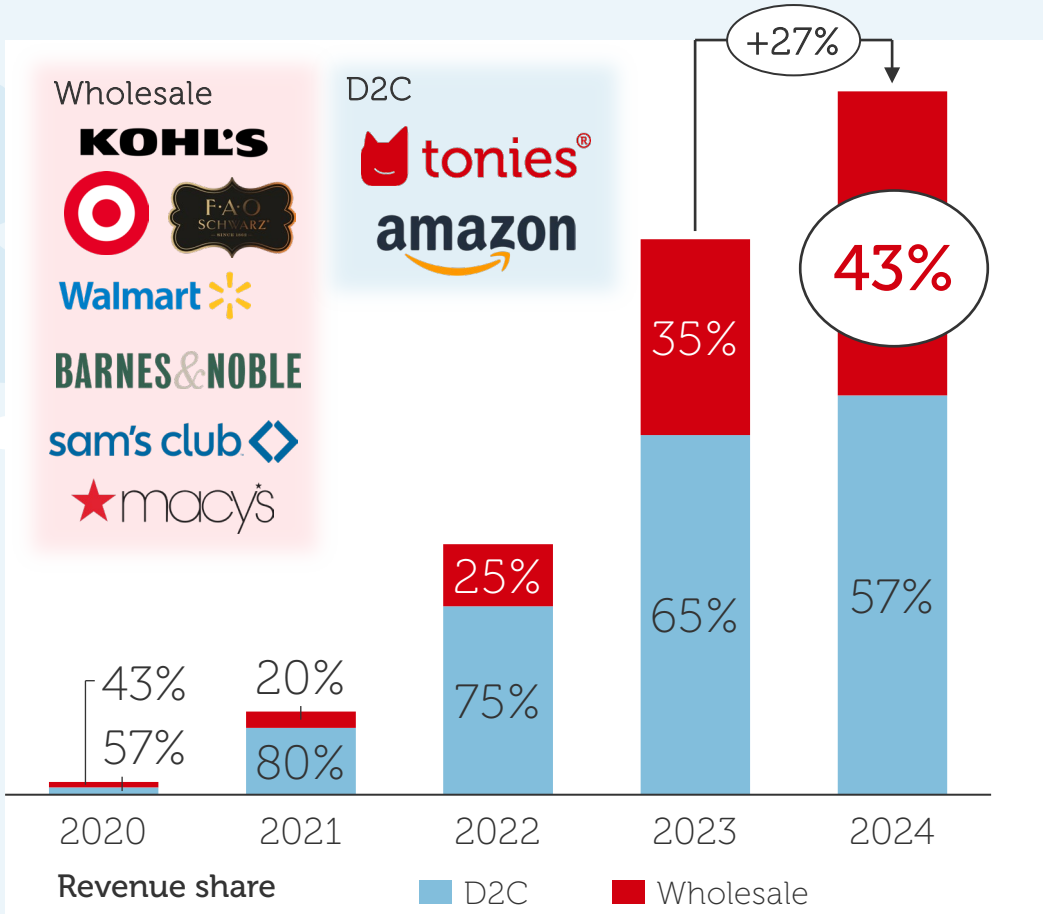
Penetration still low – we still have major room to grow!

¹ Since launch in August 2020
² Since first full fiscal year of operations in 2021

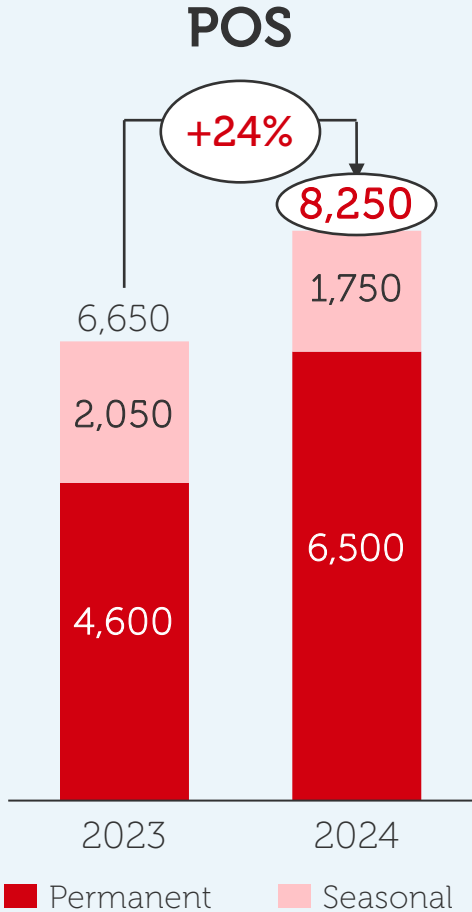
North America: we grow our wholesale channel through POS and Shelf Space expansion to fuel volume growth



A channel mix...



...shifting with a growing wholesale presence



Shelf Space



Total SKUs

grew by **~62%** on average per POS

DACH: our proven “blueprint” for our core markets

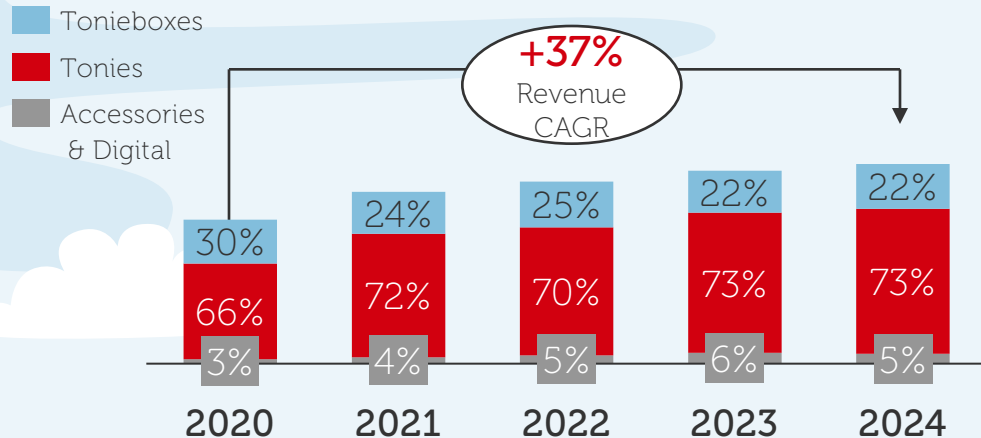


Within a **stable product** and **channel mix**...

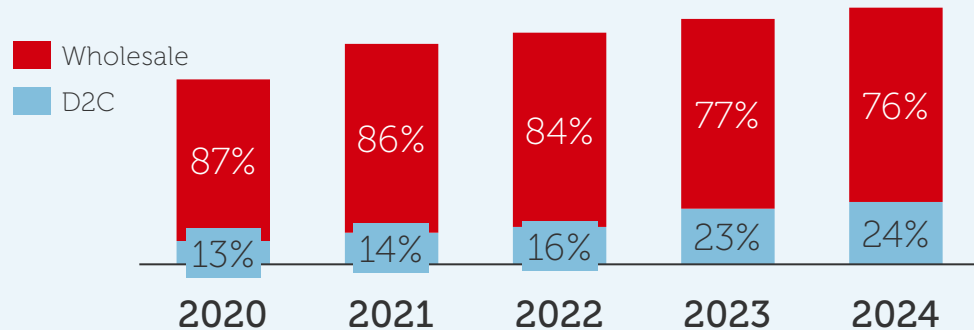
...we **grow revenue** while **optimizing margins**.



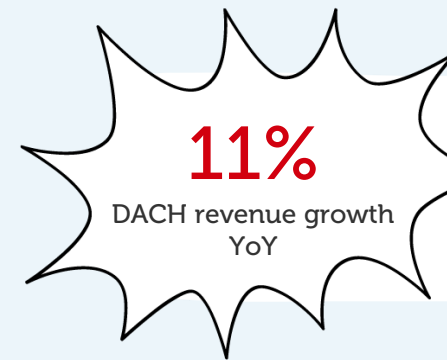
Revenue by product category



Revenue share Wholesale vs. D2C¹

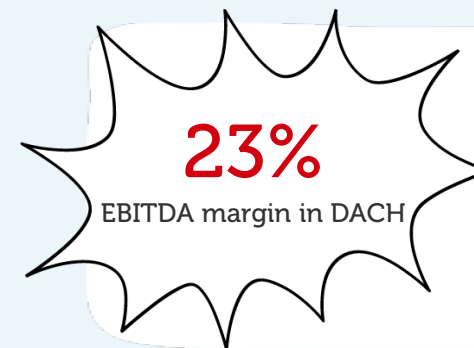


¹Incl. Webshop, Amazon marketplace, and mytonies



driven by...

- product innovation
- new content
- and wholesale expansion



driven by...

- strengthening **own IPs** and **Clever Tonies**
- expanding **our D2C revenue share** sensibly
- Continued **Contribution Margin expansion**

Rest of World: Wherever we are, we are successful – strong growth continues in all markets

Successful launch in ANZ



- Largest ever launch portfolio
- Winner of **Product of the Year 2024** and Product of the Year (Infant/Preschool)



Expansion of UK market



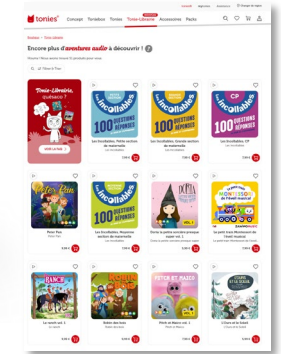
- Record **year-over-year POS growth** to 2,230
- Winner of an **ARIA award** with morning podcast “Today with tonies”
- Successful launch of **Clever** and **Book Pocket Tonies**



Strong growth in France



- Established as the **#1 audio platform** for kids in a competitive market
- Launch of **online audio library**
- POS presence **up to 1,028** – **strongest YoY growth** since launch.



Product innovation: Customer excitement delivered - strong demand for our own franchises and Pocket Tonies



Own IPs strengthen our content platform...

...and **new products** expand consumer groups

tonies® originals

69

new own IP Tonies
launched in 2024



Lalalinos

- Successfully launched in DACH with **strong early demand**
- Designed for **scalable growth** across categories and content formats

Sleepy Friends



- Own franchise became **Top 5 global best-selling IP** within 18 months
- **Nightlight outperformed strong demand** for Sleepy Friends Tonies

Pocket Tonies

79

SKUs launched in
2024



Clever Tonies

- Educational content **for kids 5+**
- **Strong partnerships** with key brands
- Checker Tobi set is tonies' **top-selling product globally**



Book Tonies

- Long-form audiobooks for 5+, **increasing customer lifetime value**
- **Launched in US & UK**, DACH to follow in 2025

Sustainability: Our new vision – filled with life



”Listen, learn, and grow responsibly“



Refining our sustainability strategy and assessing our current position to create transparency and establish a **solid foundation for future improvements**.



We are happy to voluntarily publish **tonies' first sustainability report**, guided by the Corporate Sustainability Reporting Directive (CSRD)/ European Sustainability Reporting Standards (ESRS).



Going forward, we will build on this foundation to **live up to our vision**.

Building a more sustainable tonies: Implementing eco-friendly materials and Circular Economy principles

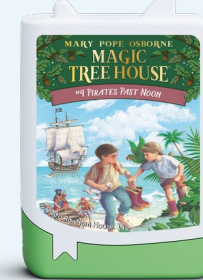


Bio-Circular Materials

- Ever since conception, the housing of all **Pocket Tonies** is made with a material based on up to **50% bio-circular** feedstocks*.
- To further advance tonies' efforts, we will transition to using a material based on up to **94% bio-circular** feedstocks*.

Pocket Tonies

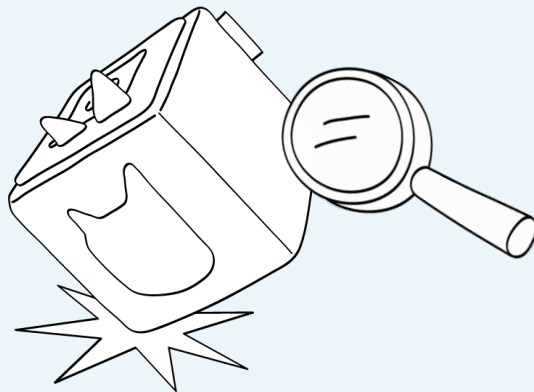
With bio-circular material



Book Tonies



Clever Tonies



Launch of Toniebox Repair Offer

- In 2024, we launched the **Toniebox Repair Service** in the DACH region.
- The service focuses on **repairing key components** of the Toniebox, to extend lifespans, minimize waste, and help customers to preserve their listening experience sustainably.
- In 2024, **>13,000 repairs** were carried out

*Following a mass balance approach certified under ISCC PLUS



Financial Results FY 2024

Major financial milestones achieved in FY 2024



Revenue

EUR 481m

DACH: EUR 184m (+11%)

North America: EUR 210m (+50%)

YoY: +33%

ROW: EUR 86m (+57%)

Growth driven by international markets, particularly North America, and continued **very strong growth** in the established **DACH region**. North America becoming tonies largest market in year 4 after launch

62%

share int. business

Adj. EBITDA¹/ EBITDA margin

7.5% / 7.0%

YoY: +3.5pp / +4.6pp

Improvement in **adjusted EBITDA driven by operating leverage and higher gross margin**; only adjustments for share-based payments – spread substantially narrowed

+4.6pp

EBITDA Margin YOY

Free cash flow

EUR 33m

YoY: +EUR 38m

FCF break even achieved through higher profitability and more efficient working capital management – **substantial improvement YOY** and since IPO overall

EUR 107m

cash available²

Other

23.1% DACH, 2.5% North America, 2.6% ROW EBITDA Margin

Net income break even for the first time. Segment reporting DACH with substantially higher **EBITDA margin (23%)** YOY and **North America turning positive**

EUR 13m

Net income

¹Only adjusted for share-based compensation | ²At December 31, 2024, including unused credit line of EUR 20m

P&L: Key numbers and margins (adjusted)



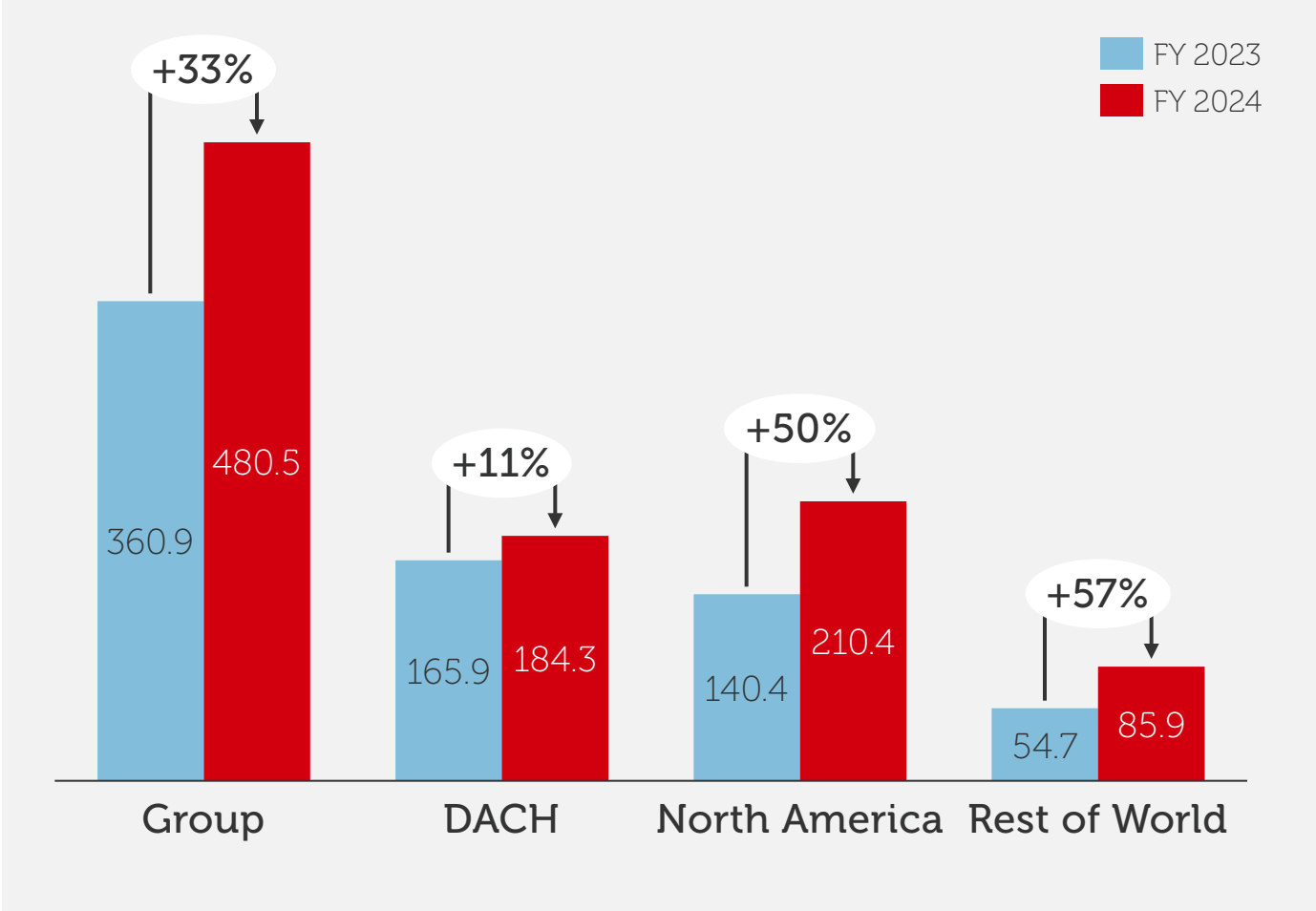
	FY 2024		FY 2023		+/-	
	EURm	% of revenue	EURm	% of revenue	EURm	pp
Revenue	480.5	100.0%	360.9	100.0%	119.6	-
COGS	-182.2	-37.9%	-138.5	-38.4%	-43.7	+0.5pp
Gross profit	298.4	62.1%	222.4	61.6%	75.9	+0.5pp
Licensing costs	-54.9	-11.4%	-36.3	-10.1%	-18.5	-1.4pp
Gross profit after licensing costs	243.5	50.7%	186.1	51.6%	57.4	-0.9pp
Fulfilment	-77.7	-16.2%	-58.8	-16.3%	-18.8	0.1pp
Contribution profit	165.9	34.5%	127.3	35.3%	38.6	-0.7pp
Marketing	-41.5	-8.6%	-29.7	-8.2%	-11.8	-0.4pp
SG&A	-107.4	-22.4%	-98.5	-27.3%	-9.0	+4.9pp
Personnel	-53.7	-11.2%	-48.6	-13.5%	-5.1	+2.3pp
OPEX	-53.8	-11.2%	-49.9	-13.8%	-3.8	+2.6pp
Own work capitalized	1.6	0.3%	1.4	0.4%	0.2	-0.1pp
Other result	14.9	3.1%	8.1	2.3%	6.8	+0.9pp
EBITDA	33.5	7.0%	8.7	2.4%	24.8	+4.6pp
Adjusted EBITDA	36.1	7.5%	14.4	4.0%	21.7	+3.5pp

One-off effect of ~0.9pp

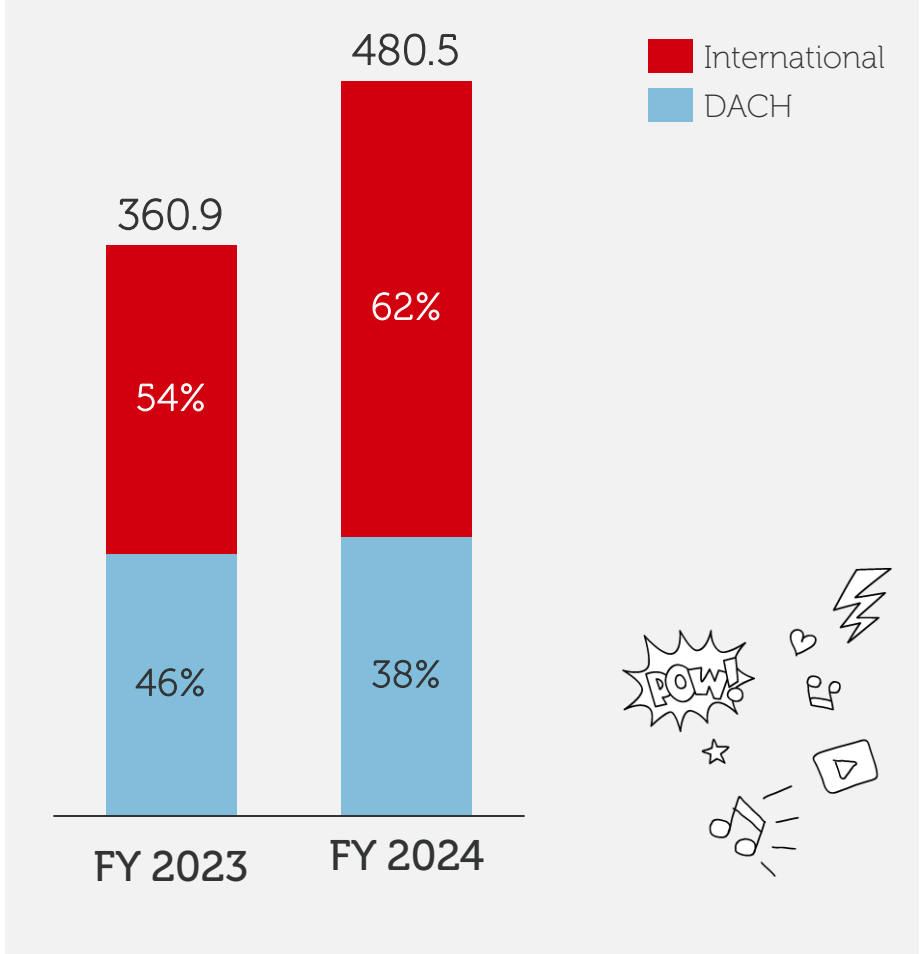
FY 2024 revenue: Double digit growth in all regions...



Revenue by region (in EURm)



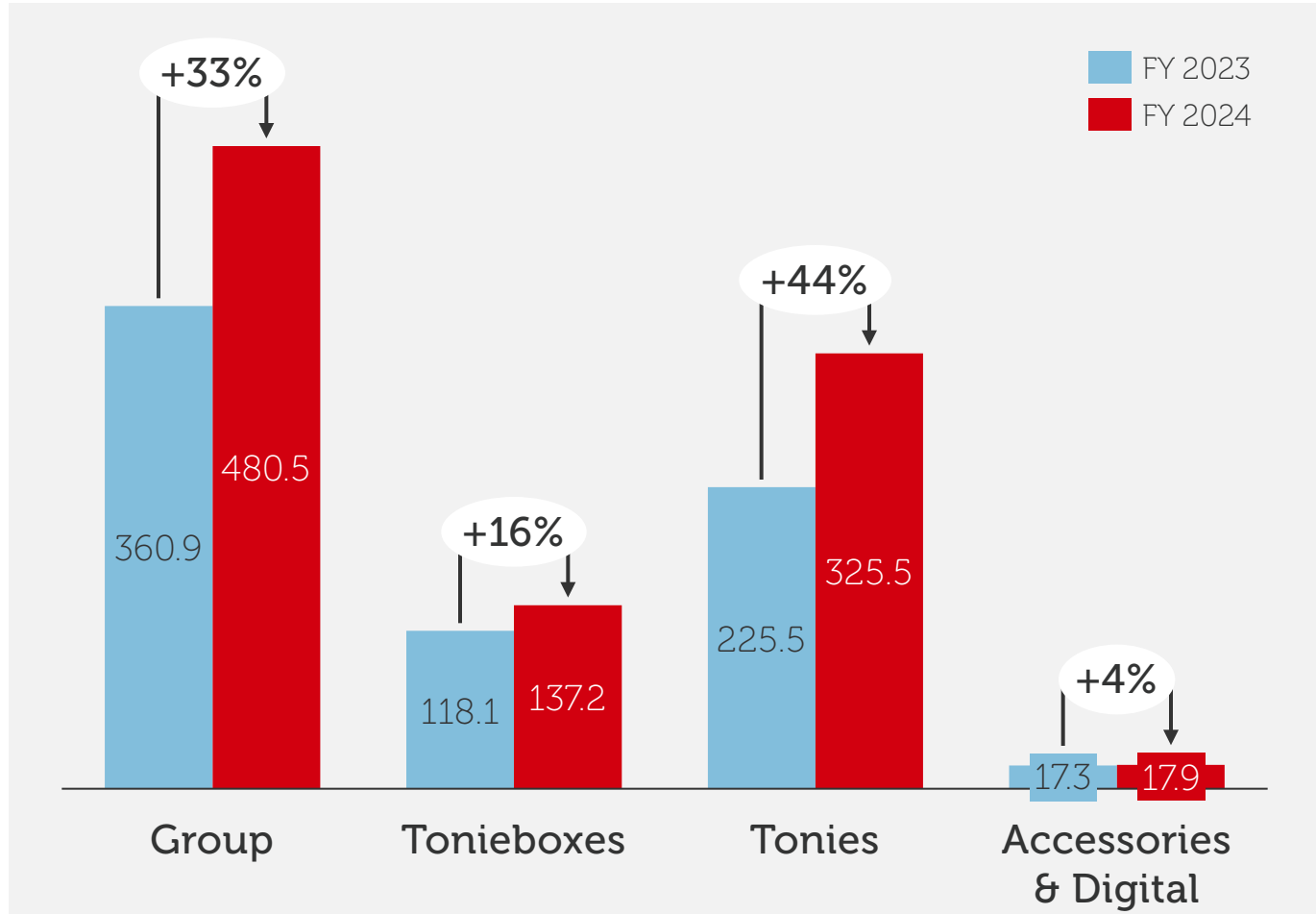
Revenue split



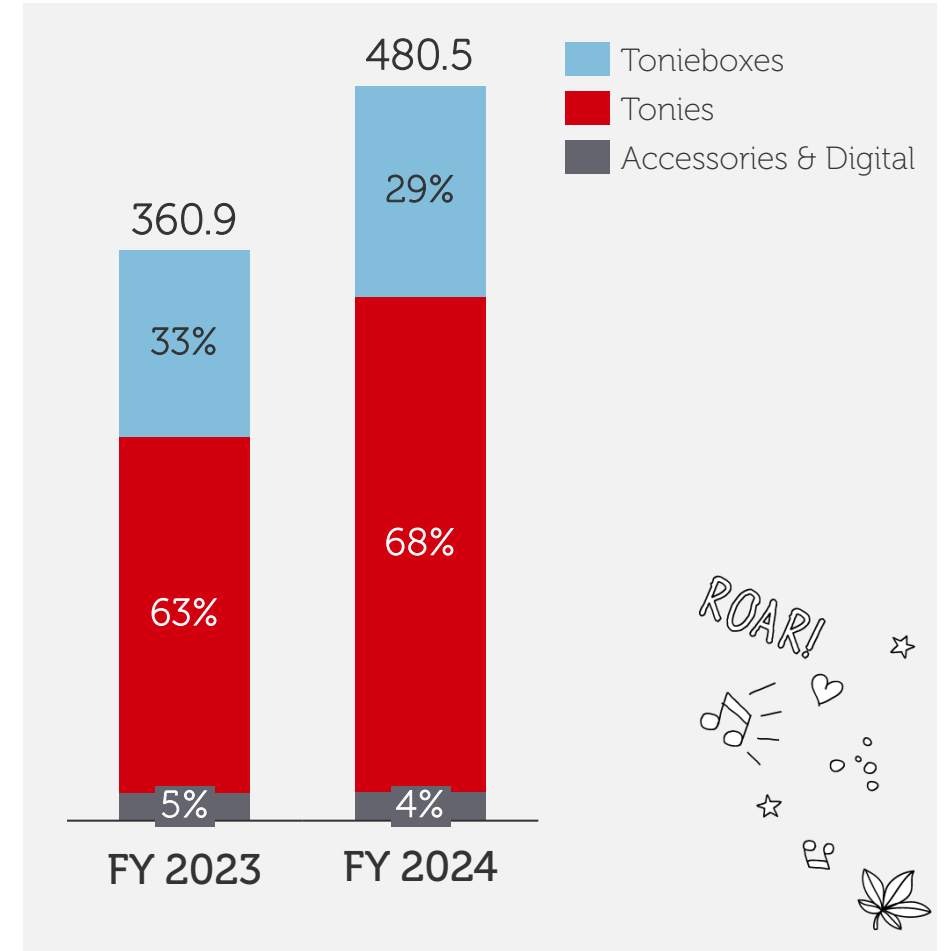
... with balanced growth across all categories



Revenue by product category (in EURm)



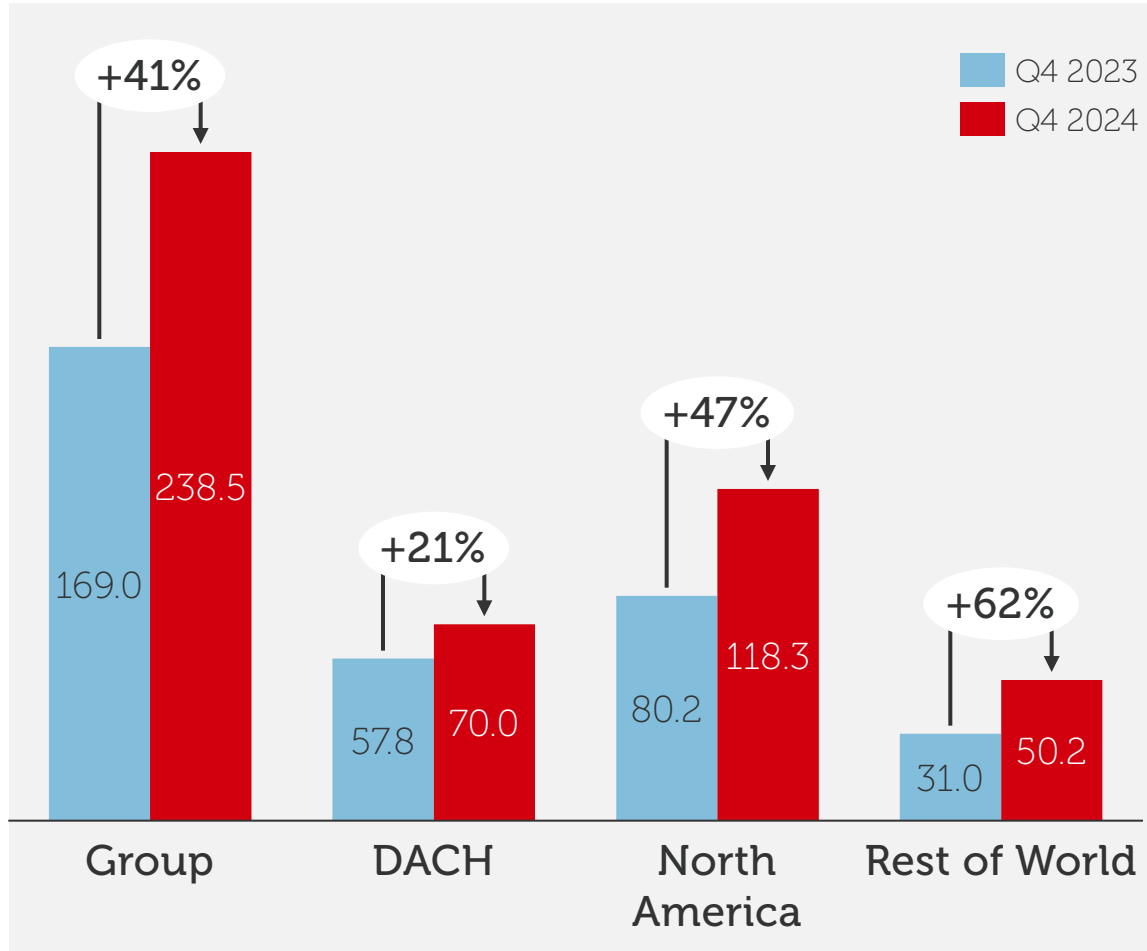
Revenue split by product category



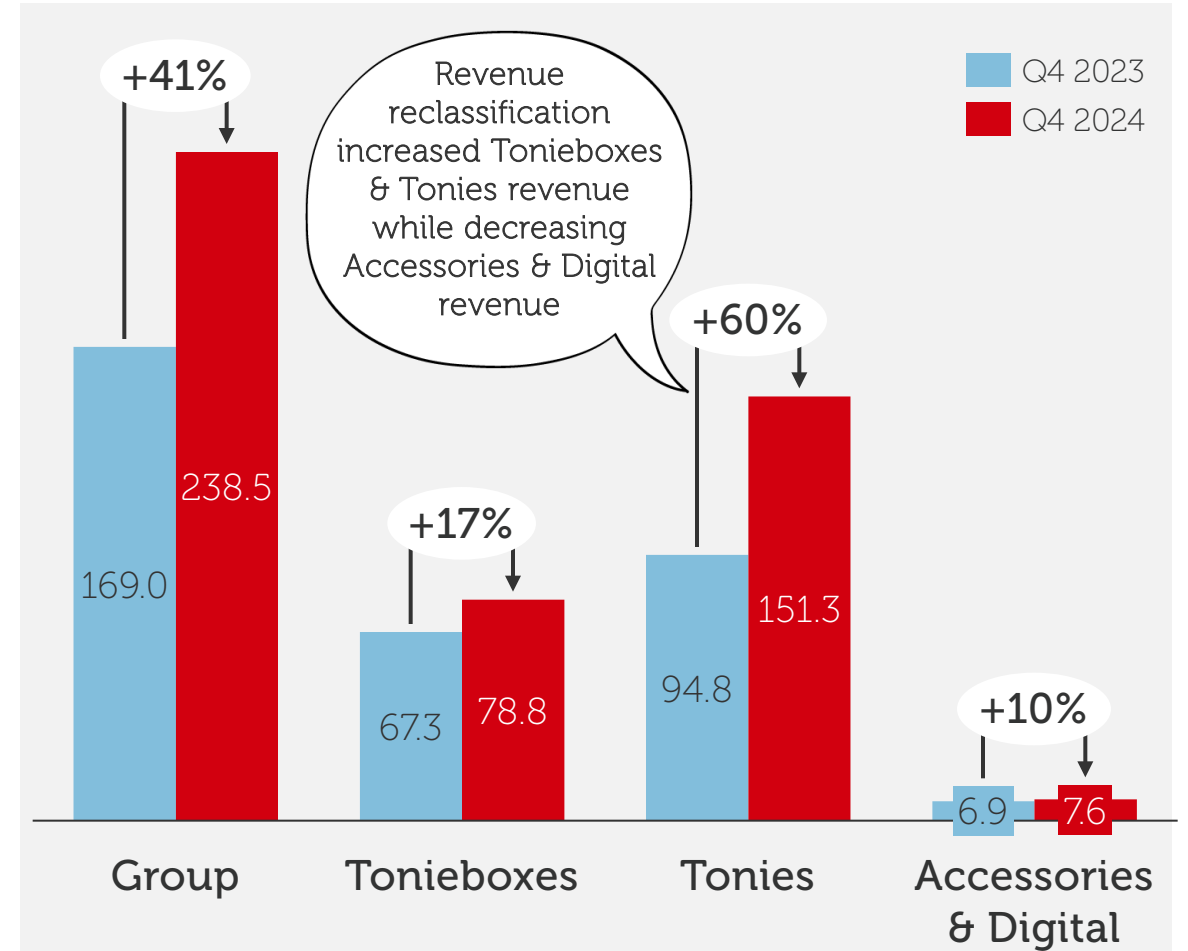
Q4 2024 revenue: accelerated growth led by North America



Revenue by region (in EURm)



Revenue by product category (in EURm)



Segment Reporting: All regions with positive EBITDA – “blueprint” DACH shows strong profitability improvement



in EURm	DACH	North America	Rest of World	Total operating segments	Corporate headquarters	Reconciliation	tonies group ¹
Revenue (external)	184.3	210.4	85.9	480.5	0	0	480.5
Licensing costs	-27.6	-23.4	-9.0	-60.1	5.2	0	-54.9
Contribution margin	38.3%	30.0%	29.6%	33.1%	-	-	34.5%
EBITDA	42.6	5.3	2.2	50.1	-10.1	-6.6	33.5
EBITDA margin 2024	23.1%	2.5%	2.6%	10.4%	-	-	7.0%
EBITDA margin 2023	16.3%	-3.2%	-8.7%	4.9%	-	-	2.4%

- DACH: Increase vs. FY 2023 – our established market **highly profitable** with 23.1% EBITDA margin
- North America: Increase vs FY 2023 – our largest market has **turned profitable** as promised
- ROW: Increase vs. FY 2023 – **turned profitable** despite continued investments into expansion
- Corporate Headquarters: **HQ functions** e.g., accounting, taxes, legal, strategy, IT...

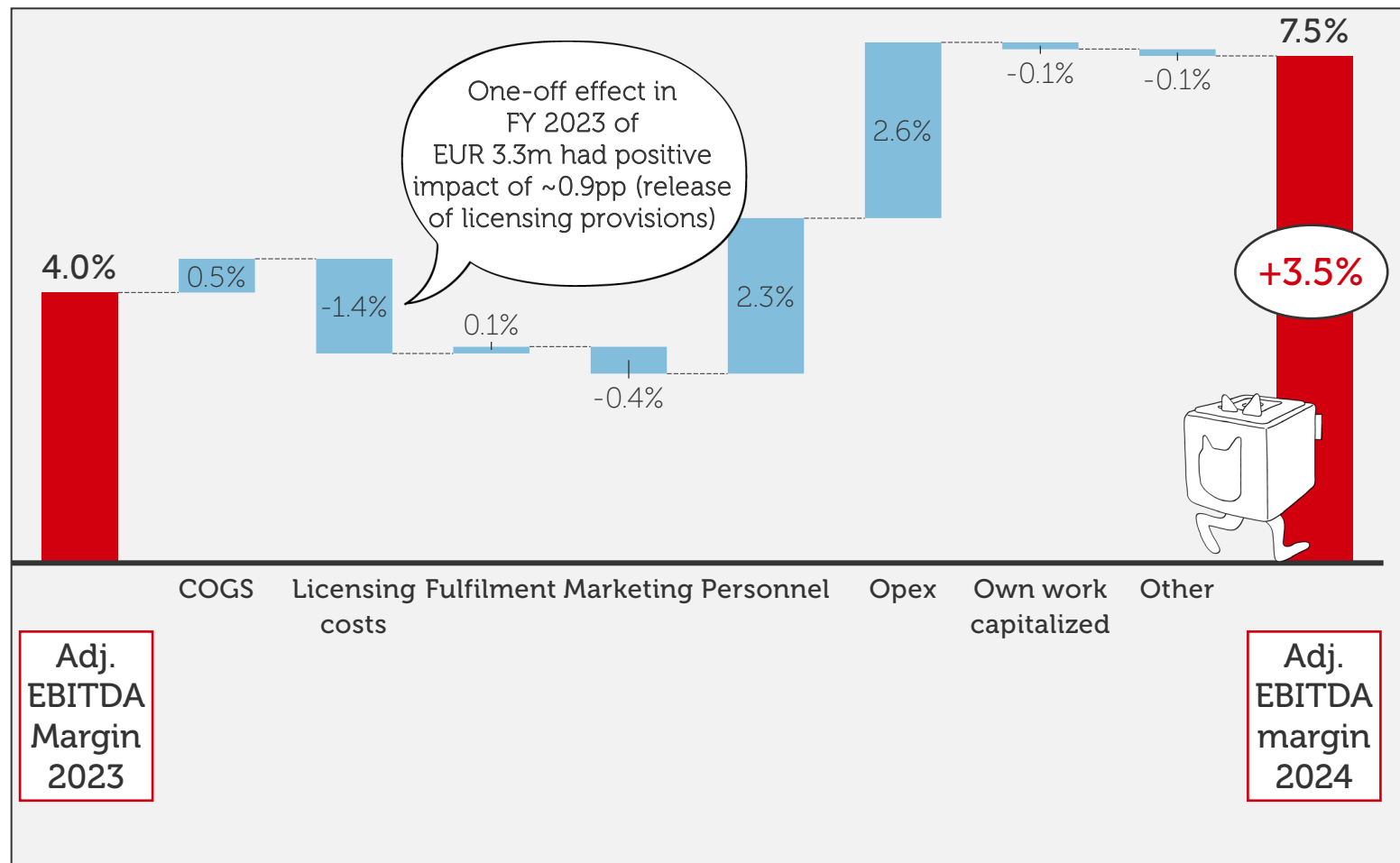
Notes and definitions: Operational segments: Results are based on the respective local GAAP; Reconciliation: IFRS adj. and special exceptional/items not allocated to segment;

¹ According to IFRS

Adjusted EBITDA: margin has grown notably in 2024



Adjusted EBITDA margin bridge (in pp)

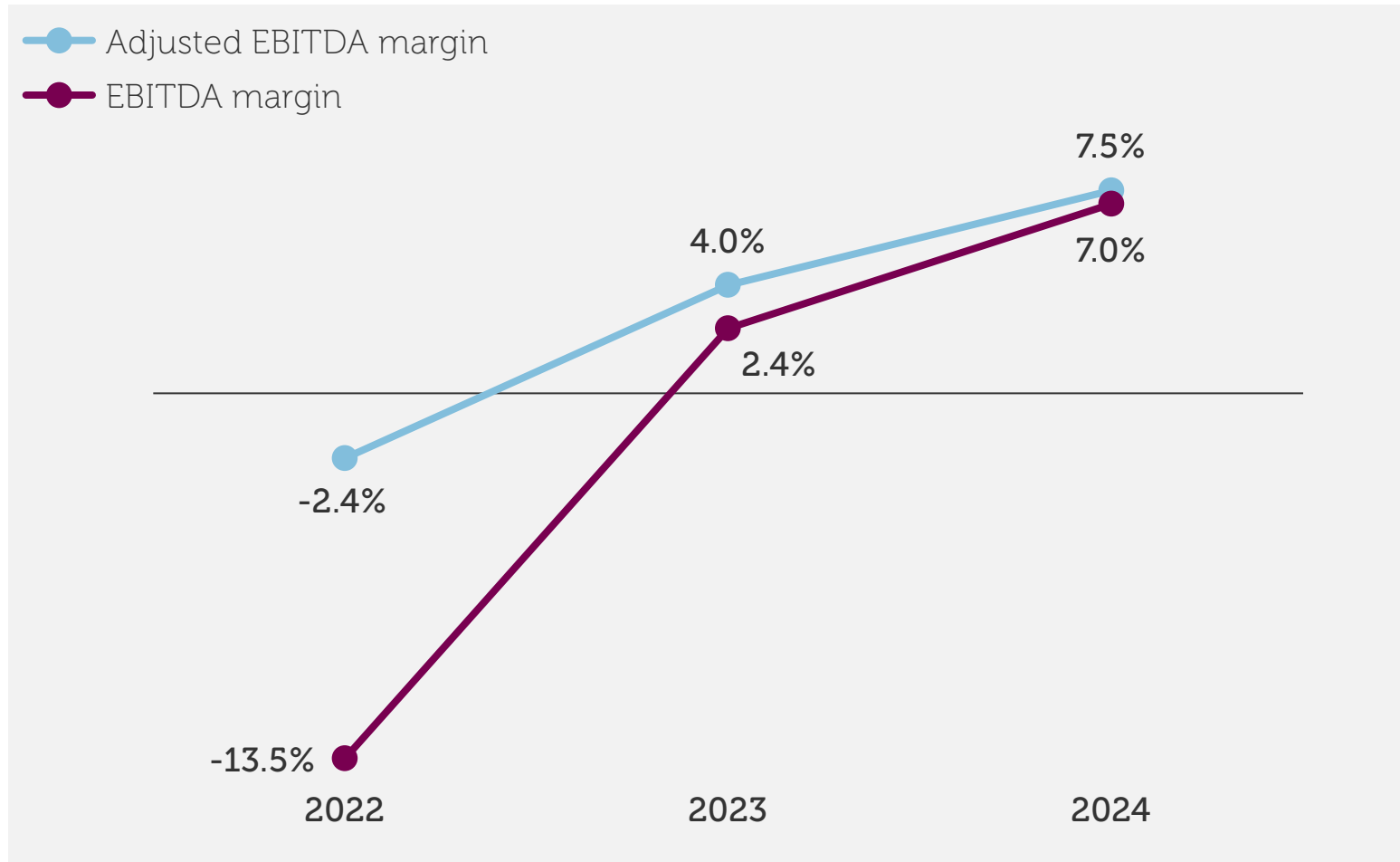


- **COGS** improvement driven by better sourcing
- **Licensing costs** higher due to positive one-off effect of EUR 3.3m in FY 2023, which resulted from the release of licensing provisions
- **Fulfilment** on prior year level with slightly lower D2C share in channel mix due to disproportionate US wholesale expansion
- **Marketing** only slightly up due to country mix effects; reflects increased brand awareness, operational excellence, growing retail footprint and WOM¹
- **Personnel** shows strong operating leverage
- **Opex** notably down versus prior year, which was impacted by selected one-time effects incl. legal costs, provisions and external services
- **Own work capitalized** and **Other** on previous year level

Adjusted EBITDA vs. EBITDA: Narrowing the spread over time



Adjusted EBITDA vs. EBITDA

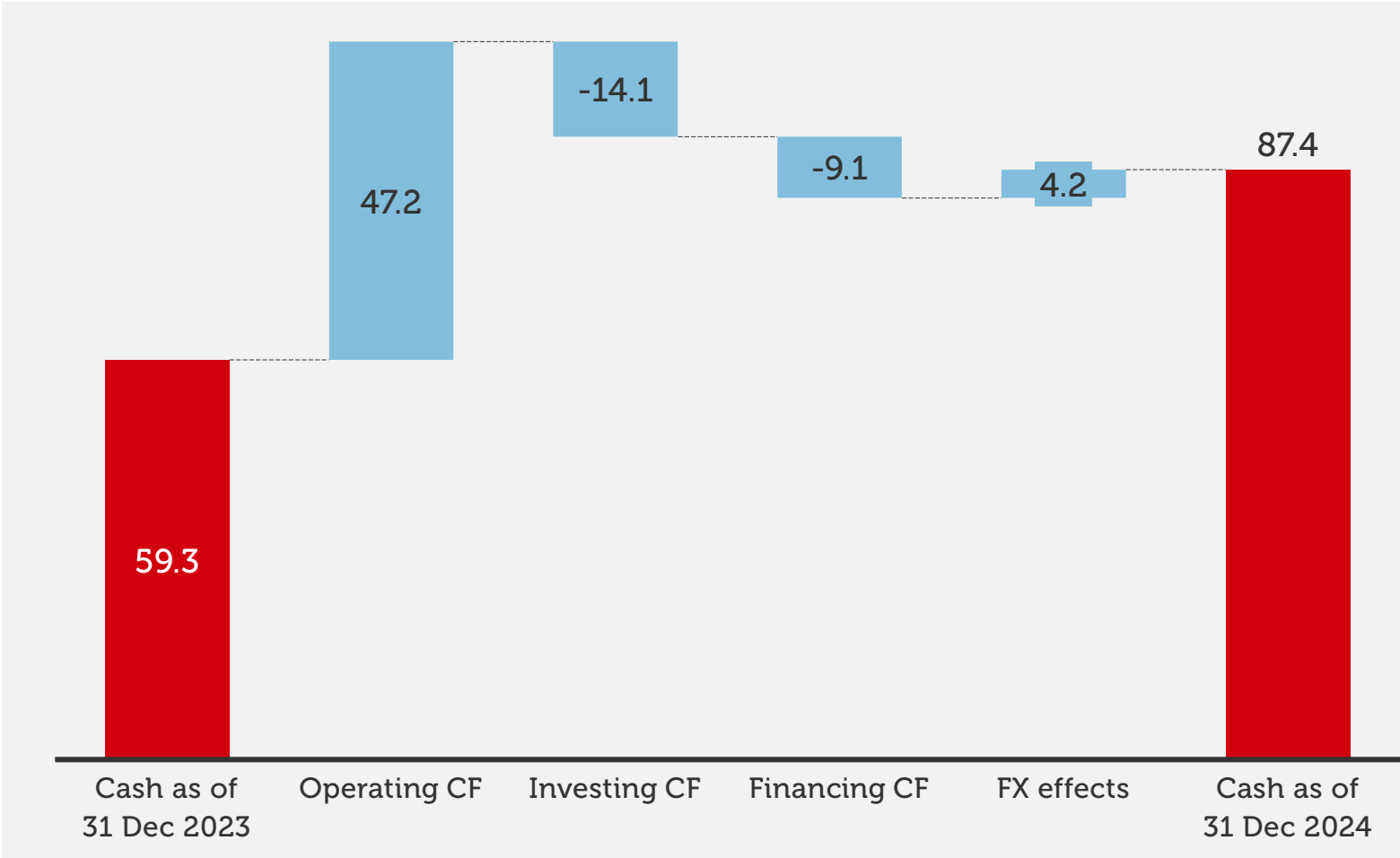


- **EBITDA historically adjusted for:**
 - share-based compensation
 - own software development
 - special projects and bonuses
 - costs & effects related to IPO
- **Fewer adjustments over time:** since FY 2023 only adjustments for share-based compensation
- **Sustained trend:** Moving forward, gap between adjusted EBITDA and EBITDA is expected to remain narrow

Cash: Strong operating performance led to high cash levels at year-end



Cash bridge (in EURm)

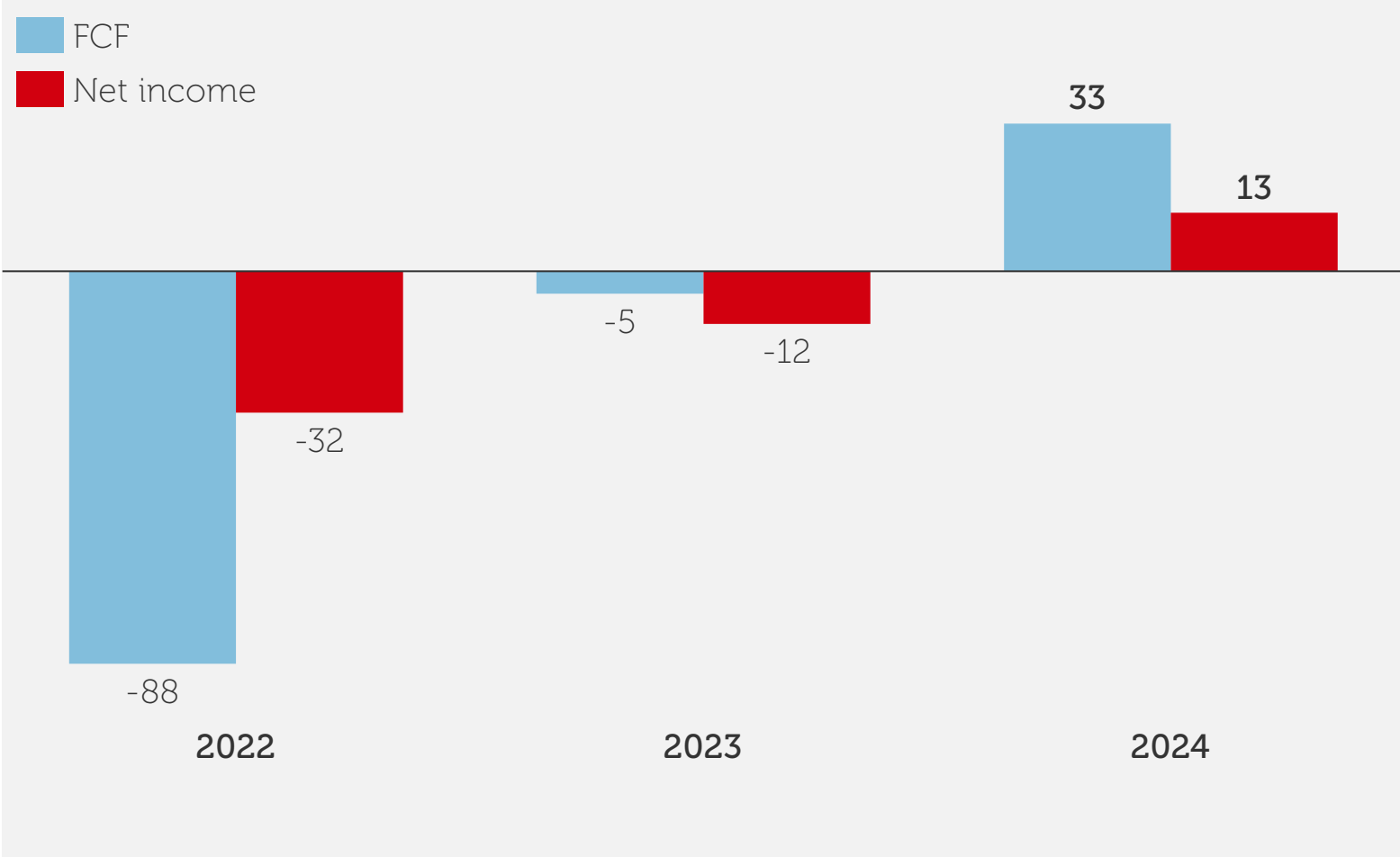


- **Operating CF** notably up due to increased profitability and more efficient working capital management
- **Investing CF** mainly for manufacturing tools, product-related expenses, own content production and software
- **Financing CF** mainly driven by repayments of borrowings
- In addition to **EUR 87m cash**, around **EUR 20m unused credit lines** were available at year-end, bringing total cash available to around **EUR 107m**

Free cash flow & Net income: we turn breakeven & positive, marking major milestones for tonies



Free cash flow and Net income (in EURm)








Key drivers of break-even:

- **Revenue growth** – driven by regional and product expansion
- **Margin expansion** – through improved gross margin and operating leverage
- **Working capital improvements** – Better cash collection, inventory optimization, and payment efficiencies
- **Capex discipline** – more efficient capital allocation leading to stronger free cash flow

Financing: Improved syndicated loan facility secures further growth path and de-risks potential macro economic turmoil



Significantly better financing		Through fantastic partners	
	OLD	NEW!	
Credit volume	EUR 30m	EUR 60m	 COMMERZBANK 
Top-up option	EUR 10m	EUR 50m	 DZ BANK <small>Die Initiativbank</small>  KFW
Seasonal facility	-	EUR 25m	 citi ®
Total	EUR 40m	EUR 135m	

- Strong consortium of **top tier banks**
- Global top tier bank Citi joining proves **global interest in tonies**
- Significant extension of the credit volume clearly **signals ongoing confidence** in business model
- Extension of working capital programs
- Further strengthening of the group's financials **reduced financing costs**



Outlook 2025

Guidance FY 2025: 2025 will be a good year for tonies BUT we need visibility to provide a reliable guidance!



Today (April 10, 2025)

- We are publishing our results in unprecedented times of:
 - Unexpected, high tariffs in the US
 - Retaliation, threats and counter actions by several stakeholders
 - Potential “deals” signed shortly
 - Volatile capital markets
 - Unclear economic outlook
- The situation is dynamic, changing on a daily basis
- tonies has a track record for a reliable guidance

We have full confidence in our product and business...



- ✓ Global product market fit
- ✓ (Price) resilient category
- ✓ Multi-market exposure
- ✓ Profitable and cash generating
 - ✓ free cash flow breakeven
 - ✓ net profit breakeven
- ✓ Proven ability to deliver plan during macro turmoil (e.g., Corona, Ukraine, middle-east)

... and a rich toolbox at hand that we will use!

Sourcing Options

a diversified supply chain for box and attach (tonies, accessories)

Pricing Power

category creation and leadership allows price setting

Financial Flexibility

new syndicated loan and high cash reserves

Cost Optimization

continued improvement of unit economics - work with partners

tonies will not provide a FY guidance today
but as soon as prudently possible



Business priorities for H1 2025



Our value levers:



Internationalization



Gross margin expansion



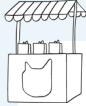
Own content/IP



Product/channel mix



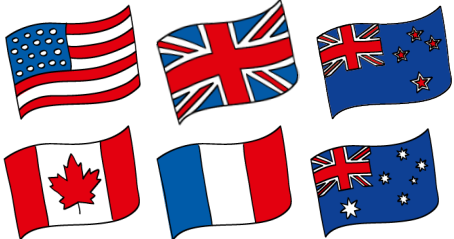
Operating leverage



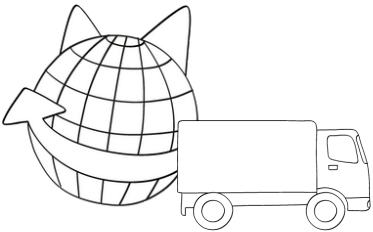
Deliver on Easter as a key commercial moment – this year in Q2 vs. Q1 in 2024



Further expand proprietary content portfolio, including new Sleepy Friends and additional IPs



Further accelerate successful international expansion with focus on core markets



Mitigate impacts from tariffs to the best possible extent



Prepare for what's coming next



Q&A

Key takeaways



- I We delivered a positive Free cash flow and Net income, **fully validating our profit-generating business model and keeping a key promise from the IPO**
- II We built **North America into our largest market** as planned
- III We've secured funding for future growth with the backing of global and US **top-tier lenders**
- IV We **grew revenues by double-digits** while **breaking even** on **EBITDA** – in all markets
- V We turn new launches and own IPs into key growth drivers - customers **can't wait** for **new tonies products**
- VI Global **tariff environment is highly challenging, but we have the strength and strategy** to manage it effectively and will provide guidance as soon as we have sufficient visibility

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