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, gross margin, gross margin after licensing costs, contribution margin, net working capital 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. Gross margin is defined as gross profit (revenue less cost of goods sold) in percent of revenue. Gross margin after licensing costs is defined as gross profit less licensing costs 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. Net working capital is defined as the sum of inventories and trade receivables less trade payables. Net working capital outlines how much cash is bound in tonies’ operations. 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

Marcus Stahl
Co-CEO, Co-Founder

Jan Middelhoff
CFO
AGENDA

Business Update

Q3 2023 Results

Outlook

Q&A
9M 2023 – Continued exceptional performance of tonies – we are a profitable, high growth company

**Results 9M 2023**
- Revenue growth of 39% YoY (EUR 192m), led by the US (+140%), strong growth in mature DACH market of +10%
- Achieved **profitability** in H1 with adj. EBITDA margin at 2.6% (+10.4 pp YoY)

**Business update**
- **Rapid US growth** across all channels – entering key Q4 with much stronger retail base
- Our technology platform, featuring 5.7 million connected Tonieboxes, **enables AI integration** for an enhanced consumer experience
- Established sound **sustainability** framework to lead our category

**Outlook FY 2023**
- We are fully on track to reach our goals and confirm our guidance
- Revenue growth of 37% YoY to EUR 354m, led by the US (77% YoY to EUR 116m)
- Profitable on group level with positive adj. EBITDA
- CEO change announced for Jan 1, 2024, as part of planned succession - **Tobias Wann to become new CEO of tonies SE**
Business Update
The world’s largest interactive audio platform for kids...

~5.7m Tonieboxes sold

+1.5m in last 12 months

~72m Tonies sold

+20m in last 12 months

>850 different “Blades”

US > DACH
# of Tonieboxes sold in Q3

Kids are the same around the globe

We just launched Canada in Sep 23

>100 countries with activated Tonieboxes

Density Toniebox activations
low
high
... offering a great basis for countless innovations such as our new format “Clever Tonies”

“Clever Tonies” provide edutainment for kids aged 5 years and above, fostering knowledge acquisition, emotional intelligence & social skills

- Paleontologist Jack Homer* teaches about Gentle Giant Dinosaurs
- Actress Jane Lynch* teaches jokes & riddles in Kid’s Comedy
- Marine biologist Cristina Mittermeier* teaches about Marine Life
- Astrophysicist Neil deGrasse Tyson* teaches about Inventions & Innovations

Launching:
- Oct 2023 (US)
- Q1 2024 (UK)
- Q1 2024 (DE)

- Still screen-free
- More affordable & perfect for collecting
- More grown-up design
- More sustainable (Up to 50% bio-circular material)

Daily fun, facts, and challenges for curious minds in our podcast Today with tonies

* Speakers will differ between countries

[Exclusive to the UK (launch Nov 23)]

© tonies 2020
We already got a lot of positive feedback for our pioneering AI-based story generator but it’s getting even better!

Feedback from the UK was great*:
- 8+/10 overall experience rating
- 97% rated generated text 4+/5
- 87% rated listening experience 4+/5

Our ambition for a global roll-out

Deliver the best customer experience

Meet highest security & privacy expectations

Engage families beyond the novelty effect

Develop a sustainable business model

Better safe than sorry!

With our custom story generator, you create stories as if by magic. But it’s not magic, it’s artificial intelligence. To protect you and your child, responsible use of this technology is immensely important. Because you know better than any artificial intelligence what is suitable for your child. Therefore, take the time to read your story carefully before the audio file is created.

Download privacy policy

Download terms & conditions

Welcome back!

You are such a nice story teller! Here is everything you created.

Mella's new bicycle
Created 6 days ago
Last uploaded to Creative-Tonie Unicorn
Add new version

* Based on feedback from UK field study with 1,000 registered users
We keep gaining recognition in the US by sparking kids’ imagination ...

**3 nominations for Toy of the Year 2023**
- Plush Toy of the Year: tonies x Steiff Jimmy Bear
- Creative Toy of the Year: Creative-Tonies
- Infant/Toddler Toy of the Year: Sleepy Sheep Night Light Tonie

**Top 20 bestseller list on Amazon Prime Day**
- >112k Tonies
- >24k Tonieboxes
- #16 and #24 on the Toys & Games Bestseller list
- Highest placed Disney IP in Toys & Games

**360 marketing campaign in Q4 Discover Imagination**
- TV brand spot featuring our biggest brands
  - + full omnichannel rollout
  - + full PR support
... and enter the important Q4 with a strong retail footprint

Distribution of US retail stores

- Oct 2022: 4,300
- Oct 2023: 6,500
- YoY: #POS in the US increased by >50%

Canada launch in September

- > 5,800 Tonieboxes already installed
- 177 stores (Indigo & Toys ‘R Us)

Oct 2023: launch in 1,600 Walmart stores
Financial Results
Q3 2023
9M 2023 – on track to reach 2023 guidance driven by resilient DACH market & very strong international growth...

Revenue by region

<table>
<thead>
<tr>
<th>Region</th>
<th>9M 2022</th>
<th>9M 2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>138.2</td>
<td>191.9</td>
<td>+39%</td>
</tr>
<tr>
<td>DACH</td>
<td>97.9</td>
<td>108.1</td>
<td>+10%</td>
</tr>
<tr>
<td>US</td>
<td>25.1</td>
<td>60.1</td>
<td>+140%</td>
</tr>
<tr>
<td>Rest of World</td>
<td>15.2</td>
<td>23.7</td>
<td>+56%</td>
</tr>
</tbody>
</table>

Revenue split by region

<table>
<thead>
<tr>
<th>Region</th>
<th>9M 2022</th>
<th>9M 2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>International</td>
<td>138.2</td>
<td>191.9</td>
<td></td>
</tr>
<tr>
<td>DACH</td>
<td>29%</td>
<td>56%</td>
<td></td>
</tr>
</tbody>
</table>

From local dominance to international success
...and strong & well-balanced growth in all product categories!

### Revenue by product category

<table>
<thead>
<tr>
<th>Product Category</th>
<th>9M 2022</th>
<th>9M 2023</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group</td>
<td>138.2</td>
<td>191.9</td>
<td>+39%</td>
</tr>
<tr>
<td>Tonieboxes</td>
<td>36.4</td>
<td>50.9</td>
<td>+40%</td>
</tr>
<tr>
<td>Tonies</td>
<td>95.0</td>
<td>130.7</td>
<td>+38%</td>
</tr>
<tr>
<td>Accessories &amp; Digital</td>
<td>6.8</td>
<td>10.3</td>
<td>+52%</td>
</tr>
</tbody>
</table>

### Revenue split by product category

<table>
<thead>
<tr>
<th>Product Category</th>
<th>9M 2022</th>
<th>9M 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tonieboxes</td>
<td>26%</td>
<td>69%</td>
</tr>
<tr>
<td>Tonies</td>
<td>27%</td>
<td>68%</td>
</tr>
<tr>
<td>Accessories &amp; Digital</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>
Q3 2023 – strong rebound in DACH and continued rapid international expansion

**Revenue by region**
- **Group**: +46%
- **DACH**: +22%
- **US**: +109%
- **Rest of World**: +56%

DACH: supported by baseline effect vs Q3 2022 (-9% YoY)

**Revenue by product category**
- **Group**: +46%
- **Tonieboxes**: +64%
- **Tonies**: +39%
- **Accessories & Digital**: +41%

**Notes**: tonies®
We successfully closed a syndicated loan facility with strong partners to secure working capital needs for growth.

**Strong financing partners**
- COMMERZBANK
- KFW Bank aus Verantwortung
- DZ BANK Die Initiativbank

**Syndicated loan facility**
- Replaced previous bilateral credit facilities of EUR 26 million
- EUR 30 million + EUR 10 million top-up option
- 3 years plus two one-year extension options

- Clear signal of confidence from our financing partners
- Important step for achieving our ambitious growth targets
- Facilitates long-term planning and seasonal working capital needs
Outlook
Guidance FY 2023* – after 9 months we are fully on track to achieve our ambitious targets

<table>
<thead>
<tr>
<th></th>
<th>Results FY 2022</th>
<th>Guidance from IPO FY 2023</th>
<th>Guidance FY 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group revenue (EURm)</td>
<td>258</td>
<td>354</td>
<td><strong>354 (+37% YoY)</strong></td>
</tr>
<tr>
<td>US revenue (EURm)</td>
<td>66</td>
<td>108</td>
<td><em><em>116</em> (+77% YoY)</em>*</td>
</tr>
<tr>
<td>Group adjusted EBITDA in % of revenue</td>
<td>-2.4%</td>
<td>na</td>
<td>“positive”</td>
</tr>
</tbody>
</table>

- Further year of **significant growth** ahead with US revenue expectation even above IPO plan
- **tonies will be** **profitable** on adjusted EBITDA basis

*2023 based on EUR/USD of USD 1.08
Tobias Wann appointed as the new CEO of tonies SE with effect as of January 1st, 2024

- Logical next step after Marcus and Patric step back from the operating business at their own request, having led the company for 10 years to its position as a love brand and market leader.

- As a former founder himself, Tobias understands how smaller companies operate and has a proven track record of leading profitable high-growth companies, including: [List of logos]

- Tobias will lead tonies together with his fellow board member Jan Middelhoff (CFO of tonies SE) supported by the unchanged leadership team.

- Marcus and Patric remain associated with the company as Senior Advisors & second-largest shareholders (after a deliberate time-out: Supervisory Board Seat possible).
Other exciting people news we wanted to share

New Supervisory Board Member

**Erika Wykes-Sneyd**
(Global Vice President & General Manager of adidas///studio)

Following Stephanie Caspar since October 1st

We strengthen our expertise on strategic marketing and emerging tech consumer experiences. In previous roles, Erika worked with further iconic brands such as Disney, Marvel, PlayStation, XBOX, & Lego.

“New” Chief Product Officer

**Dr. Christian Sprinkmeyer**

We merged our digital and products unit under the leadership of our former Chief Digital Officer to leverage synergies between physical products, digital products, and AI.
9M 2023 – Key takeaways

1. Despite challenging times, we continuously keep our promises & deliver against the plan.

2. We prove that we are a profitable growth company.

3. The US-market growth is happening – it’s our most important growth market.

4. Outlook for 2023 confirmed: we are confident in reaching our targets.

5. With Tobias Wann, we have won a highly accomplished new CEO for tonies.
Any *questions*...?
Meet us on conferences in Q4

NOV 13: Q3 2023

Q4

- NOV 22: SdK Company Presentation
- NOV 27-29: Deutsches Eigenkapitalforum 2023
- DEC 5: Berenberg European Conference
- DEC 14: HSBC European Small & Mid-Cap Series
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