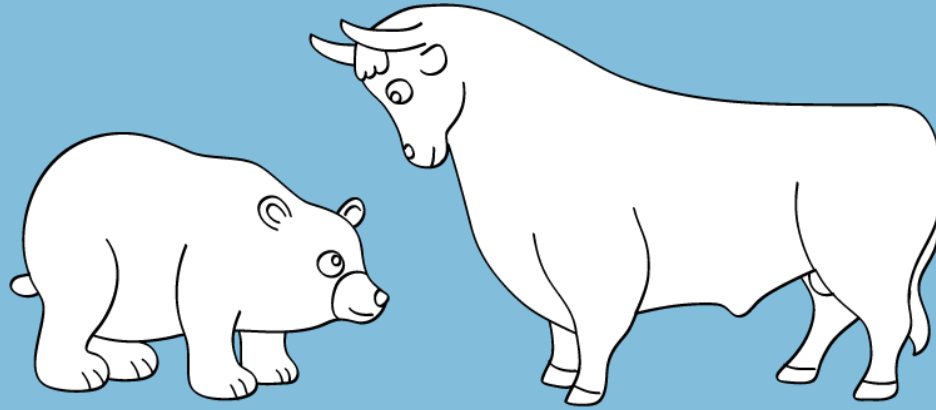




Anleger Forum: tonies SE

tonies SE | November 2023





Introduction to tonies SE

9M 2023 Update & Outlook 2023

Q&A

Introduction to tonies SE



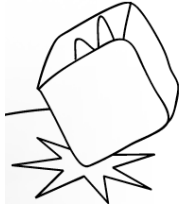
tonies: the world's largest interactive audio platform & creator of a multi-billion Euro category in kids entertainment & beyond



Digitally connected



Playful



Child friendly



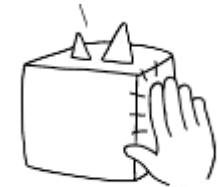
Educational



Audio / Listening



No screen-time



Independent play

We are the pioneers of connected, technology-enabled audio systems for kids and provider of premium, curated audio content

Our ecosystem is tailored to the needs of young families by providing a playful, safe and screen-free audio experience



Toniebox: Smart, connected audio player allows for a large installed base, anchoring our proprietary ecosystem



Tonies: Extensive and constantly growing choice of over 700 exciting characters (with premium content) are triggering steady usage and repurchases



Data: We understand our consumers thanks to our data-driven and insight-supported business model

Superior content distribution requires proprietary tech platform



Gaming



Video



Audio

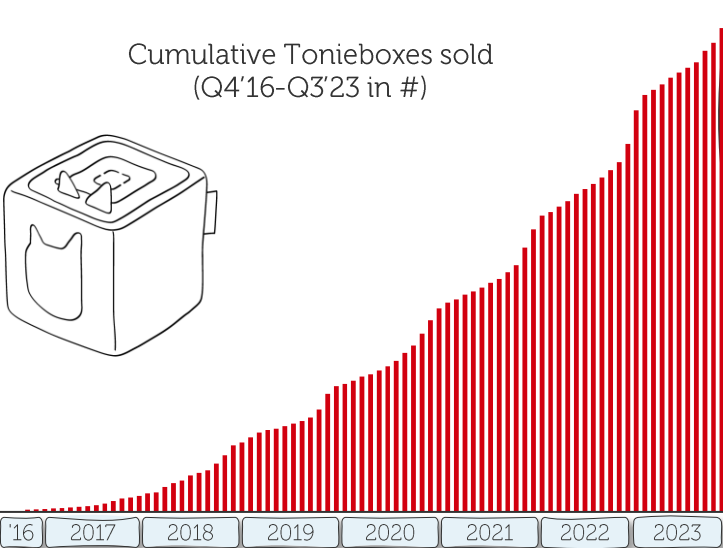


Our business model in a nutshell



Our platform is exponentially growing with more and more Tonieboxes...

Cumulative Tonieboxes sold (Q4'16-Q3'23 in #)

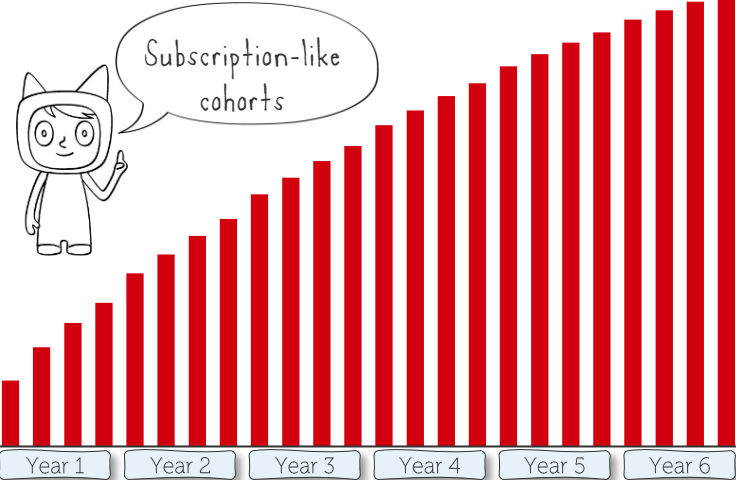


~264 minutes
average weekly playtime*

YEAH!

... fueling our razorblade business model with highly predictable Tonie activations

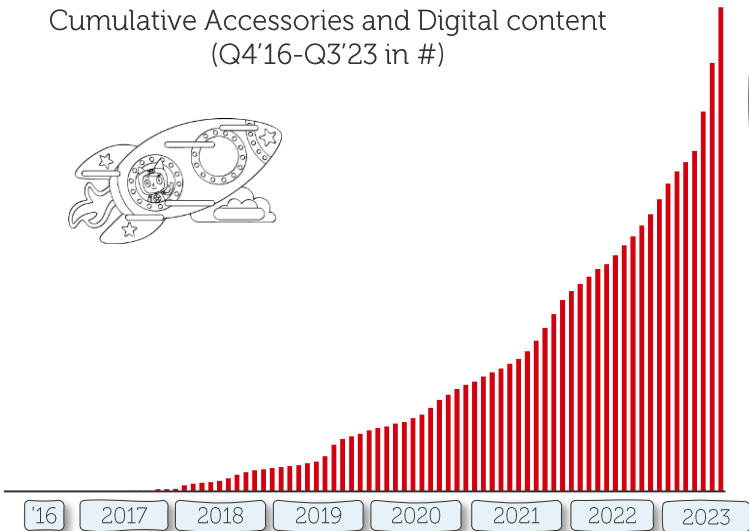
Cumulative Tonies over customer lifetime



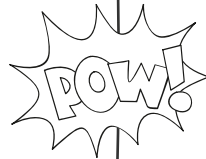
~20
Tonies per Toniebox after 4.5 years

... and adding further high margin products to our tonies universe

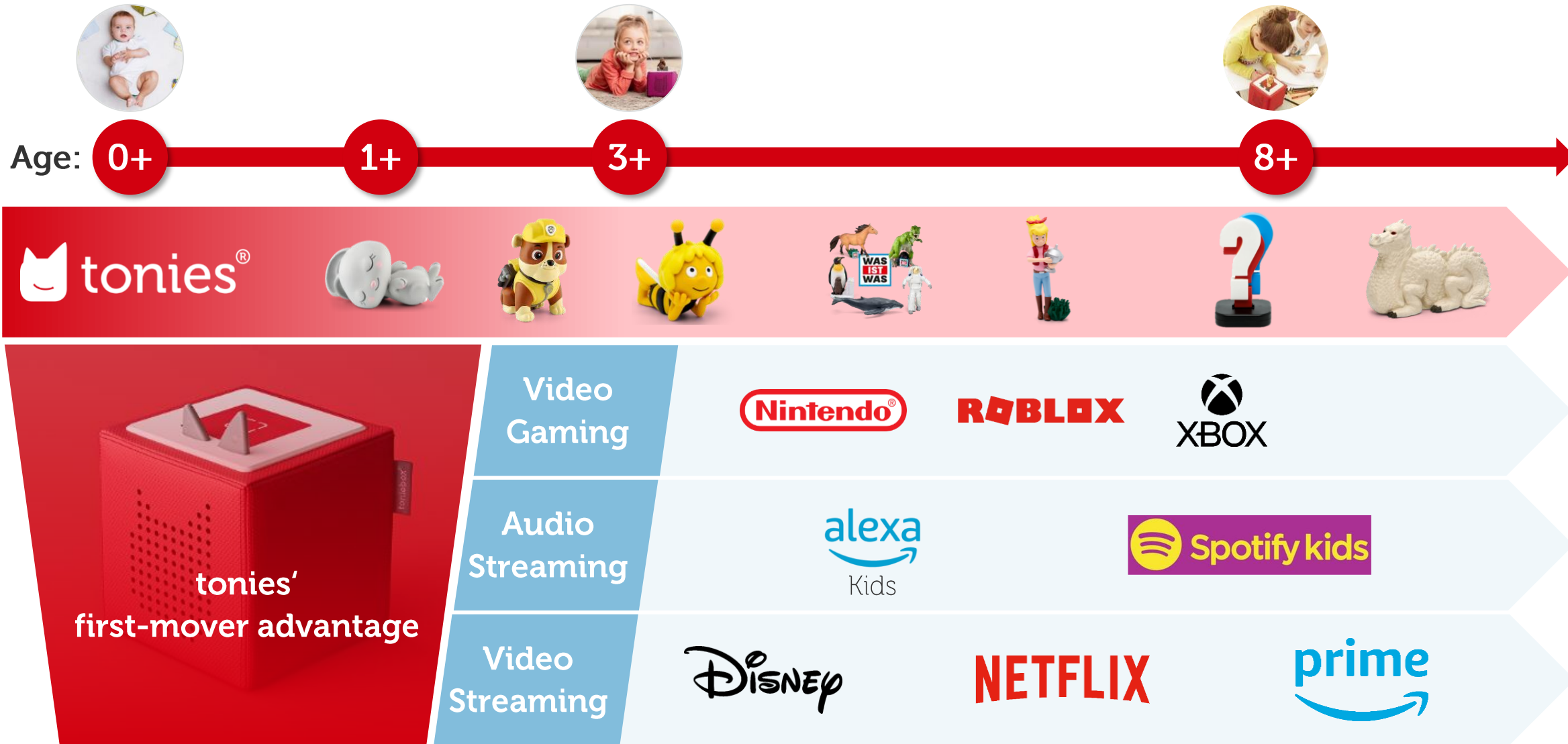
Cumulative Accessories and Digital content (Q4'16-Q3'23 in #)



...and we just **started** with more to come



Toniebox is the first connected device to enter the child's room



Note(s): Not recommended for kids below the age of 3

Our business model is based on a tech-driven, highly scalable D2C platform, leveraging our proprietary ecosystem



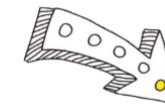
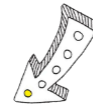
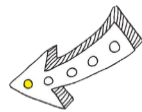


Toniebox

Central platform for the ecosystem



EUR
99.00



Tonies

EUR
9.99 - 16.99

Content key and toy for children



Third party

EUR
14.99 - 39.90

Enabling other products to function like Tonies



Audio library

EUR
4.99 - 7.99

Additional digital content (series) for physical Tonies



Accessories⁽¹⁾

EUR
16.99 - 199.99

Adjacent products and merchandising

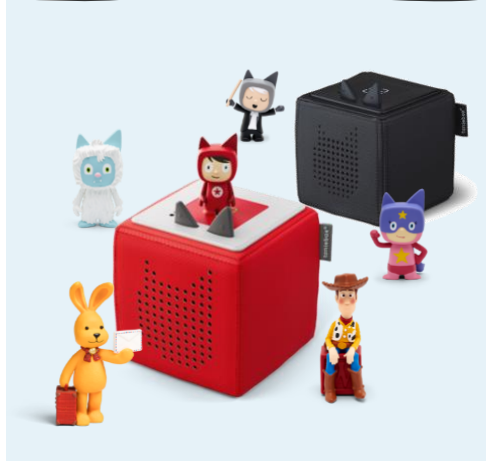


Proven business model with clear focus on value creation



Hardware

Contract manufacturing



Deep design expertise,
patented product (incl.
own production technology)

Data-driven content production

Third party licensing



Strong licensor
relationships, best in
class license management

Proprietary content creation



Competitive edge
through tech-stack and
continuous data flow

Distribution

Go-to-market



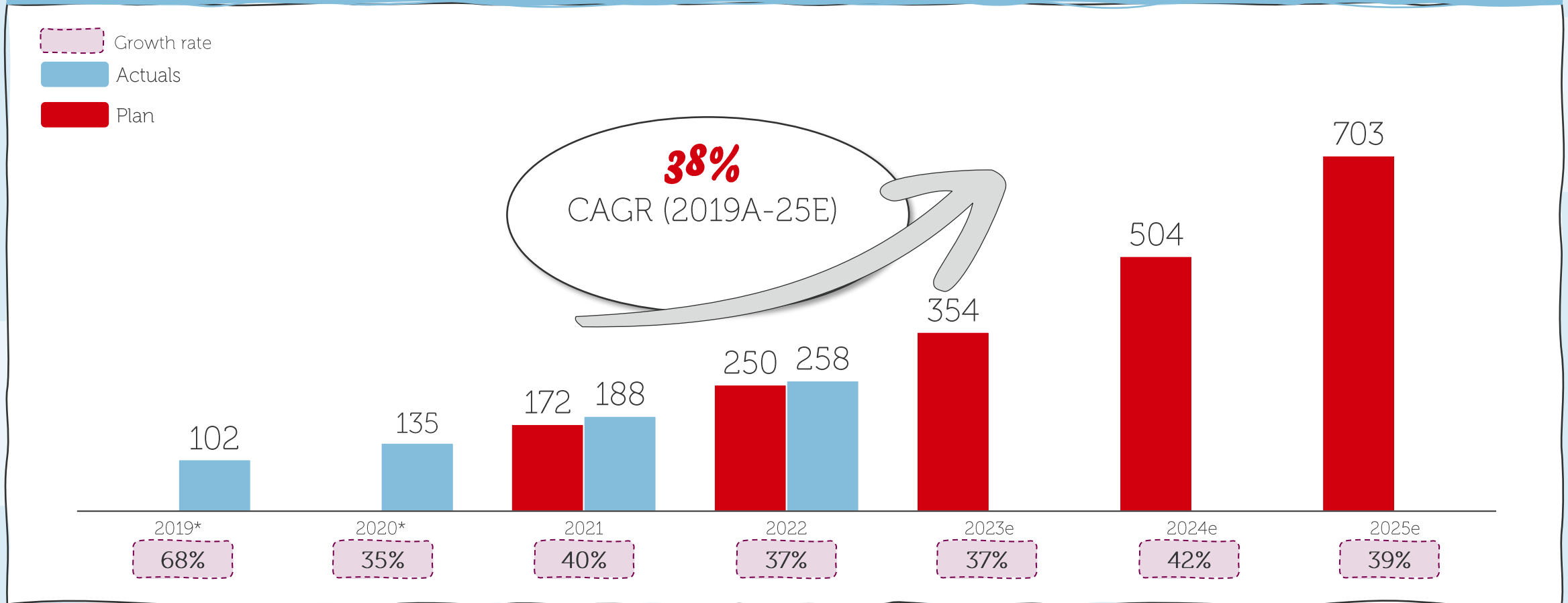
Brand with
strong pull for omni-
channel approach

Highly scalable backend enabling lock-in effect

Our highly loyal and continuously growing customer base drives sustainable revenue growth



Revenue growth (EURm)



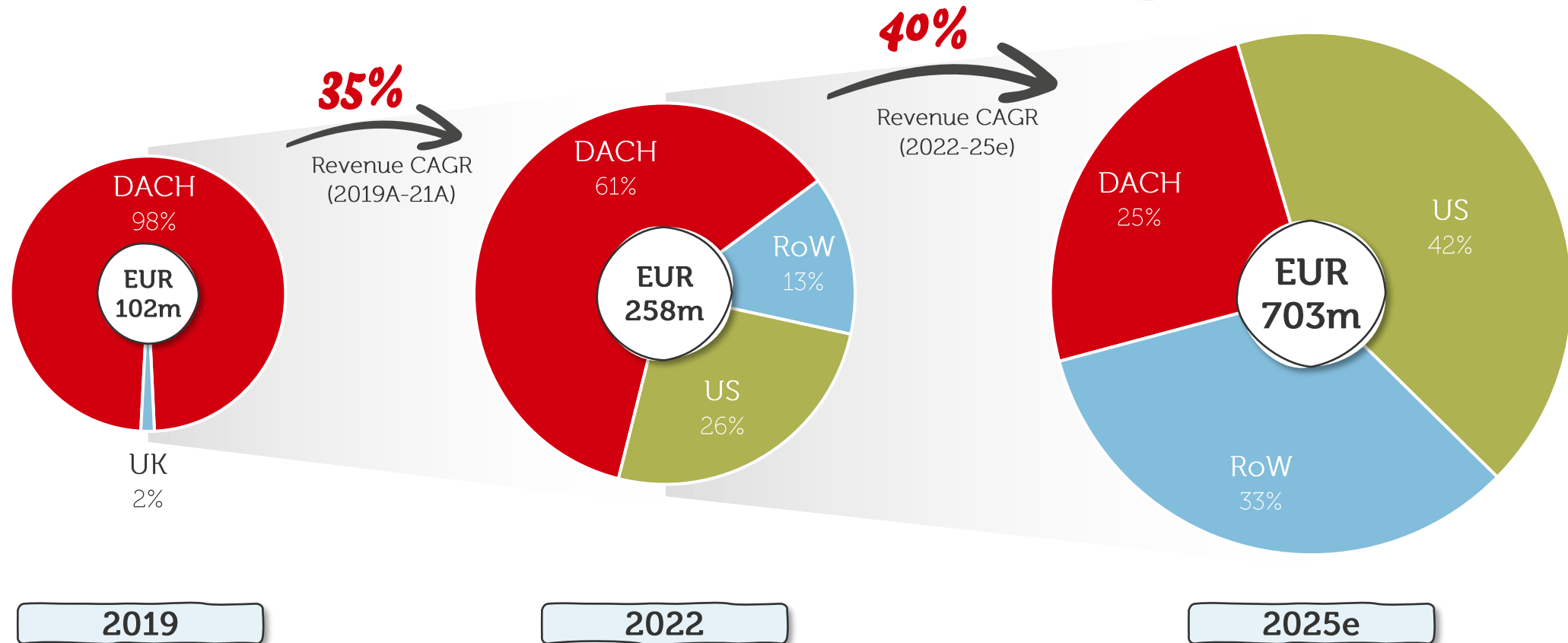
Note(s): *FY 2019 incl. growth 2019 based on German GAAP (HGB), 2020 and 2021 IFRS, Revenue for 2020 in German GAAP (HGB) with has been previously communicated EUR 137m, difference is due to classification of certain discounts.

Source(s): Company information

We intend to replicate our proven DACH success story globally



Development of global revenue distribution



Our scalable business model will drive future profitability

(medium term targets from IPO)



Financial targets overview

	2019(HGB)	2020(IFRS)	2021(IFRS)	2022(IFRS)	H1 2023 (IFRS)	IPO: Group medium-term
Gross margin before licenses	44.6%	50.1%	54.1%	54.2%	65.0%	~70%
Licensing costs	-17.6%	-17.8%	-18.7%	-12.3%	-8.6%	~-12%
Gross margin after licenses	27.0%	32.4%	35.4%	41.9%	56.5%	~58%
Fulfillment costs	-11.8%	-12.6%	-14.1%	-14.5%	-16.3%	~-18%
Contribution margin	15.2%	19.7%	21.3%	27.4%	40.2%	~40%
Personnel expenses	-6.6%	-9.0%	-13.3%	-12.7%	-18.4%	~-7%
Marketing expenses	-1.2%	-3.9%	-9.8%	-9.7%	-7.5%	~-13%
OPEX	-6.1%	-8.8%	-8.2%	-9.6%	-13.4%	~-5%
Other Result	2.3%	1.8%	2.0%	2.2%	1.8%	-
Adj. EBITDA margin	3.6%	-0.2%	-8.1%	-2.4%	2.6%	~16%

tonies turns profitable



Note(s): All figures shown as percentage of revenue; Not all figures add up perfectly due to rounding. IFRS show adjusted P&L

US with continued excellent traction since launch



We were in the US even

before market launch

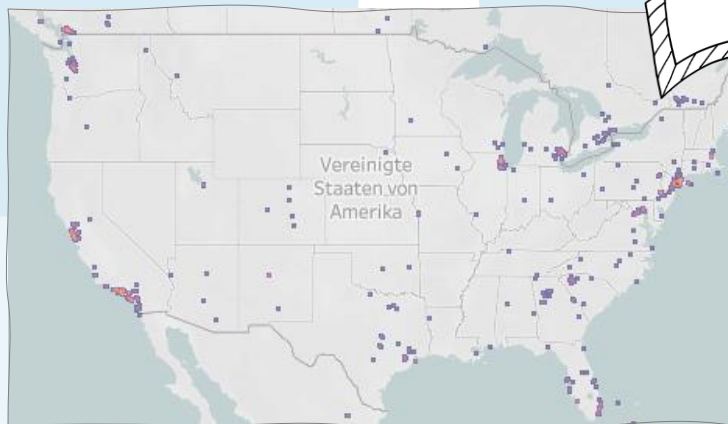
Since then, we have conquered all

50 states...

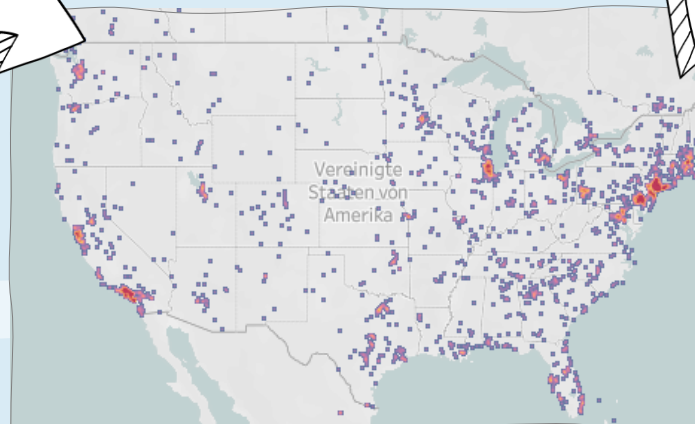
...and significantly increased our

market penetration

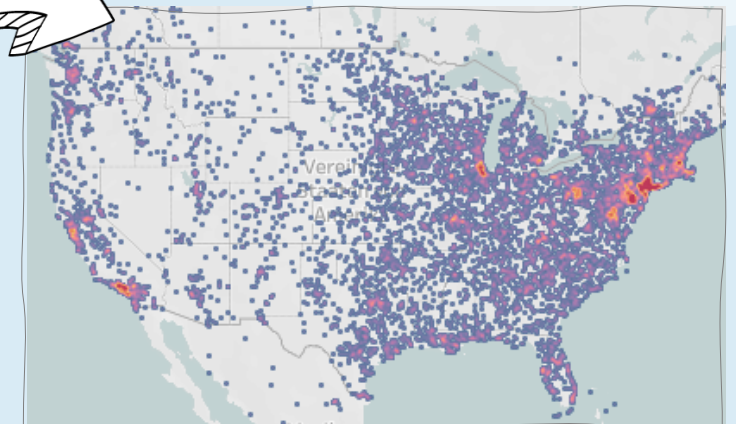
January 2020



January 2021



November 2023



Density Toniebox activations

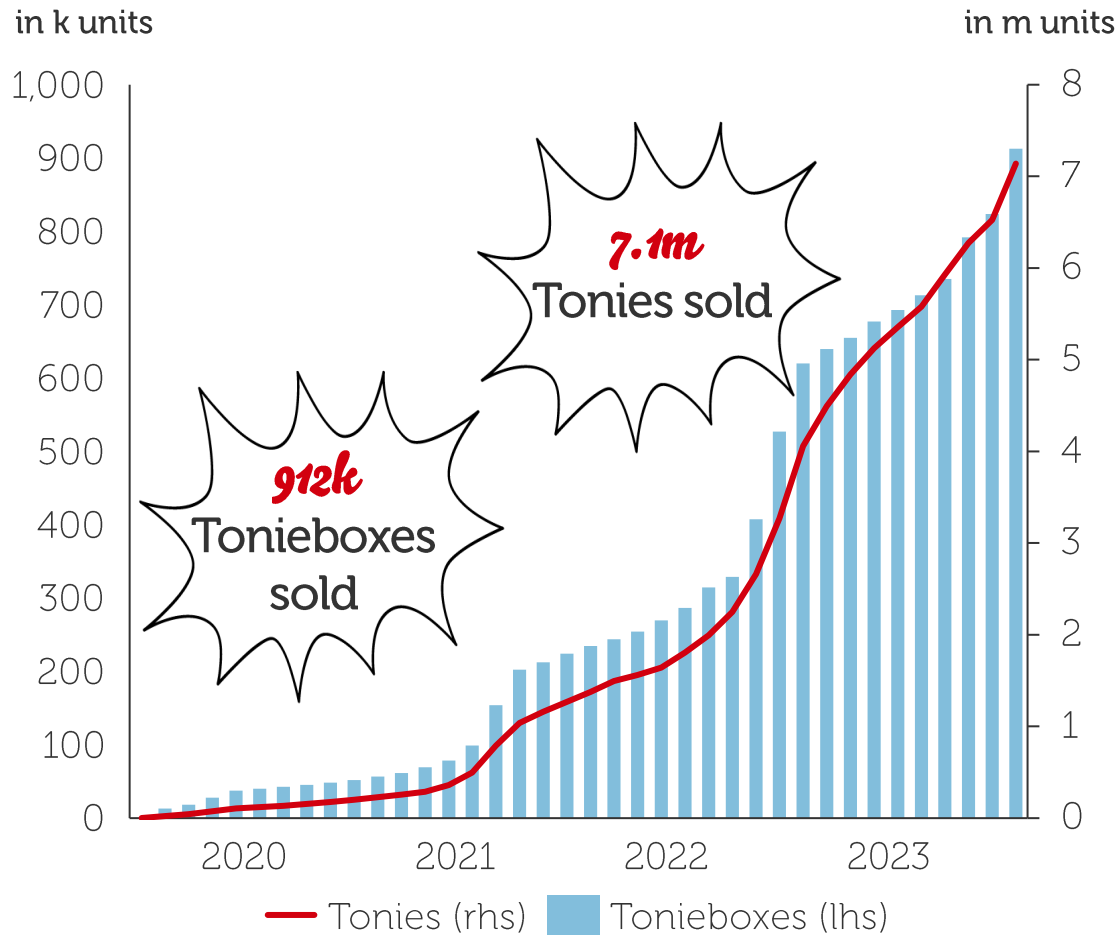
low  high



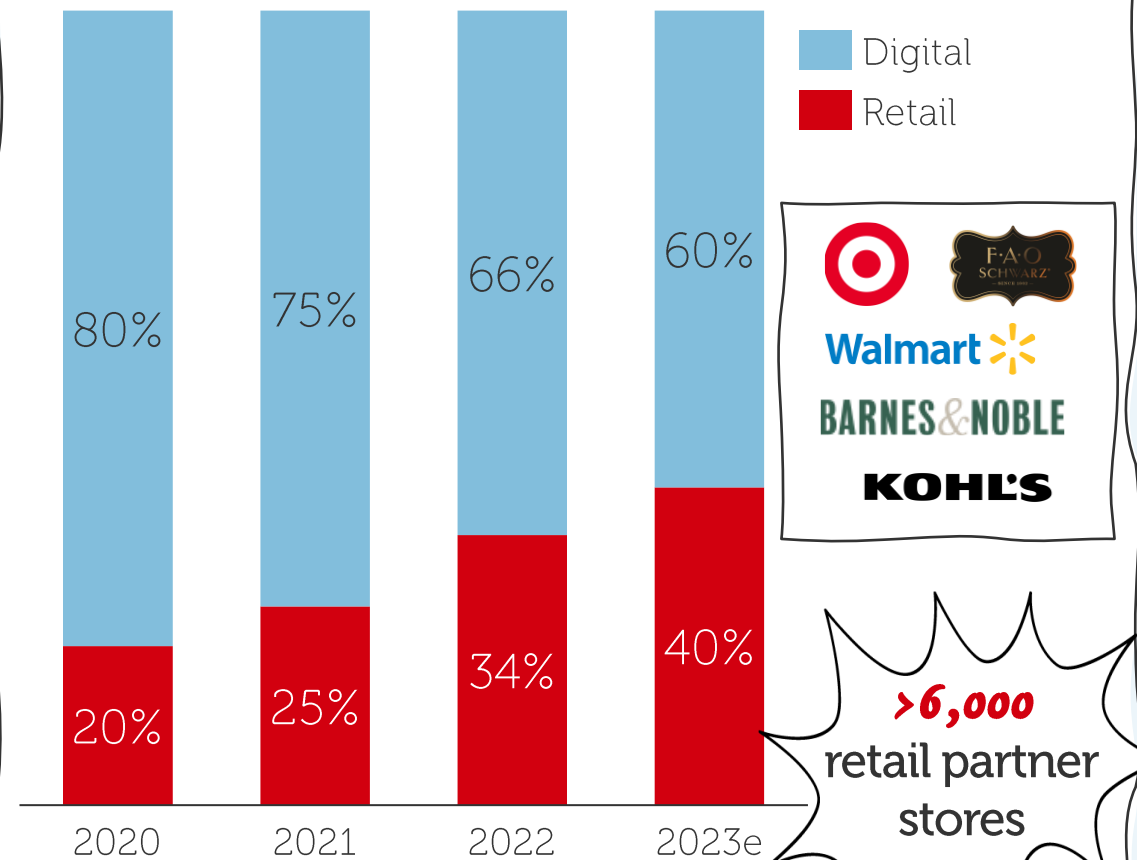
Upwards and onwards for the US-market



Continued strong cohorts



Increase of retail channel as planned



We will be listed with Target nationwide in the US starting fall 2023...



*representation will vary by location and size of store

...and for the first time also in 1,700 Walmart stores



BOOM!

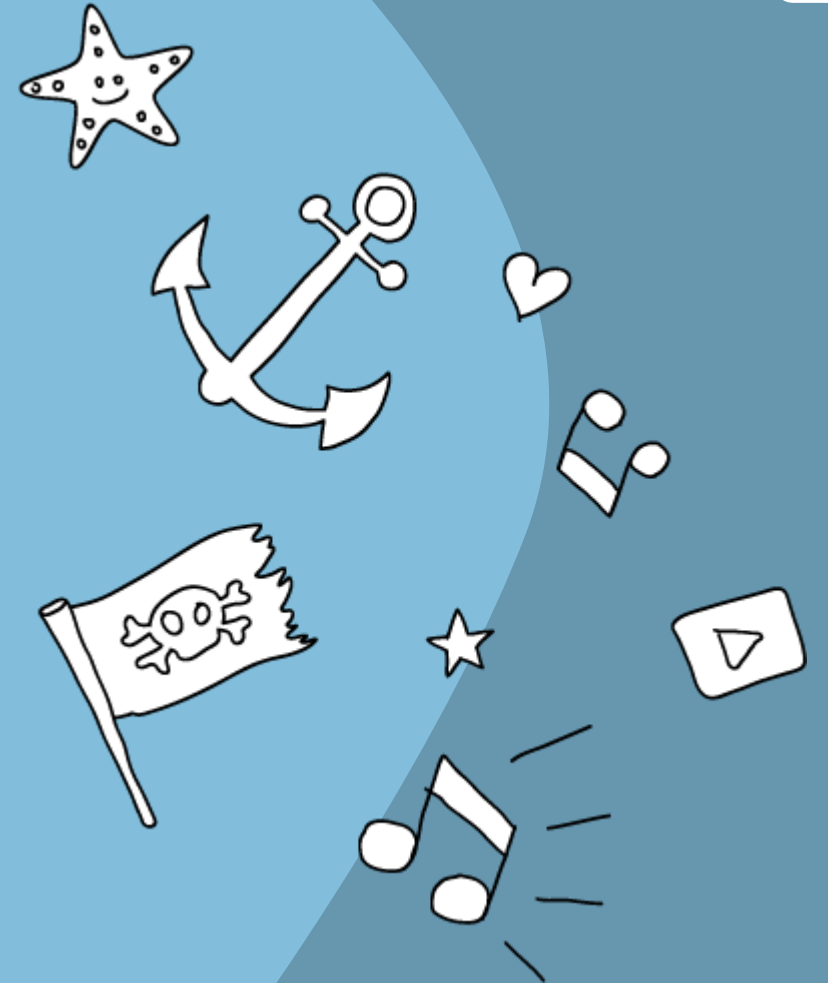
1,700+

new stores* nationwide starting Oct



*representation will vary by location and size of store

9M 2023 Update & Outlook 2023



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**

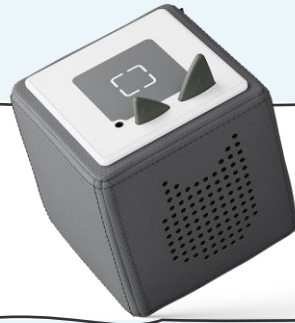


The world's largest interactive audio platform for kids...



~5.7m

Tonieboxes sold



+1.5m

in last 12 months

~72m

Tonies sold



+20m

in last 12 months

>850

different "Blades"



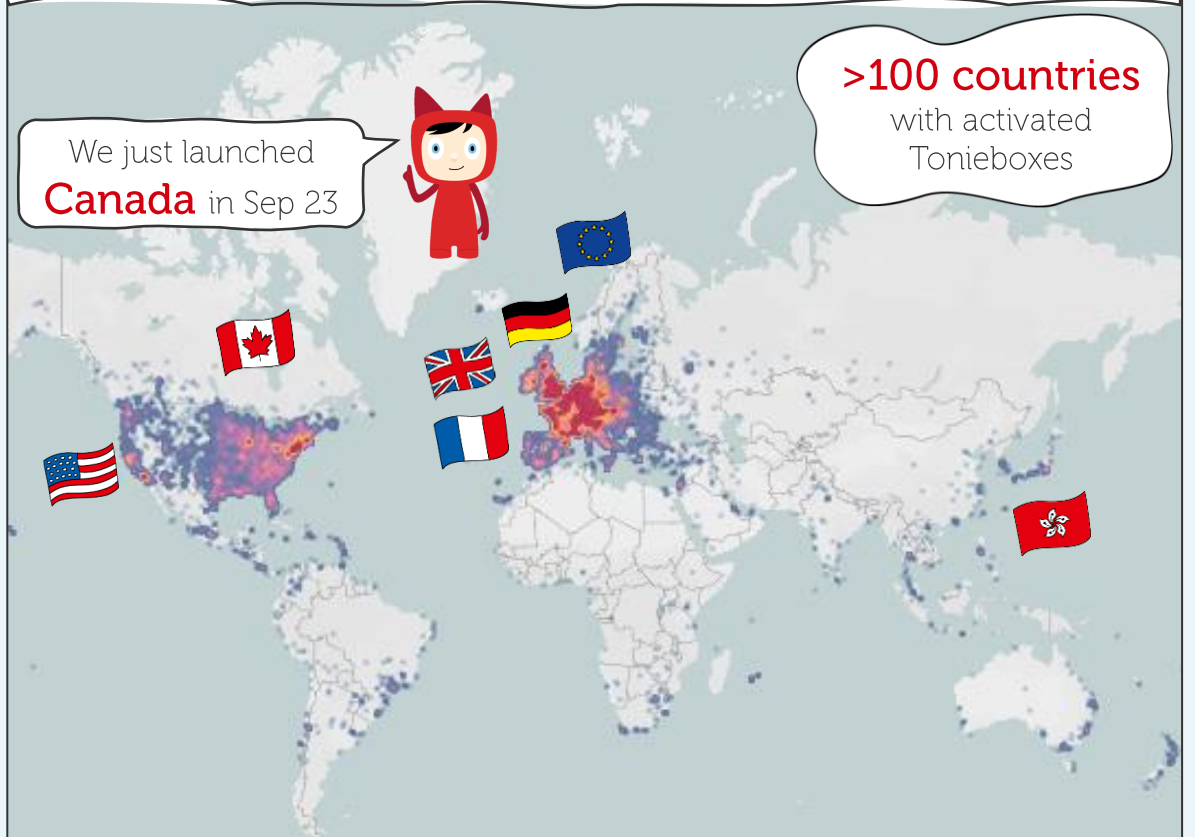
US > DACH

of Tonieboxes sold in Q3

For the first time ever!



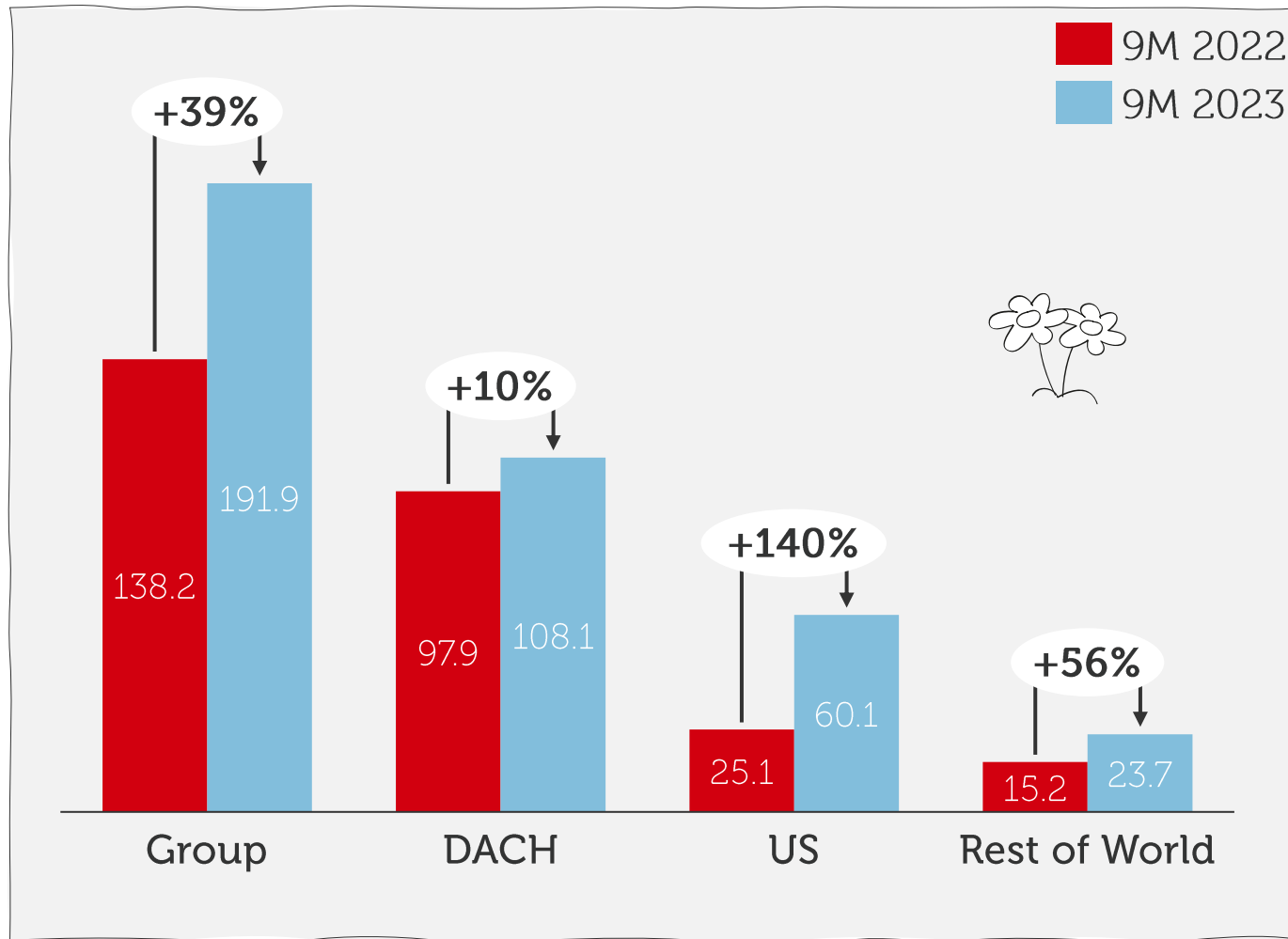
Kids are the same around the globe



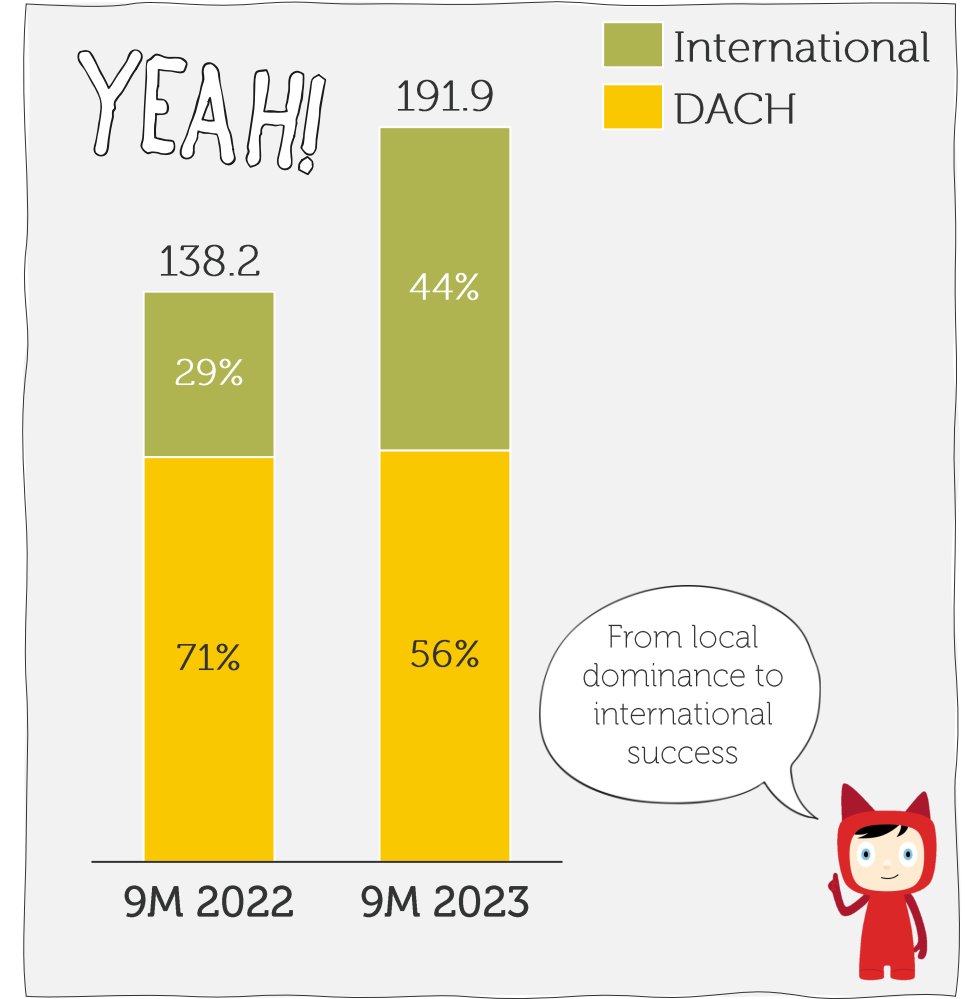
9M 2023 – on track to reach 2023 guidance driven by resilient DACH market & very strong international growth...



Revenue by region



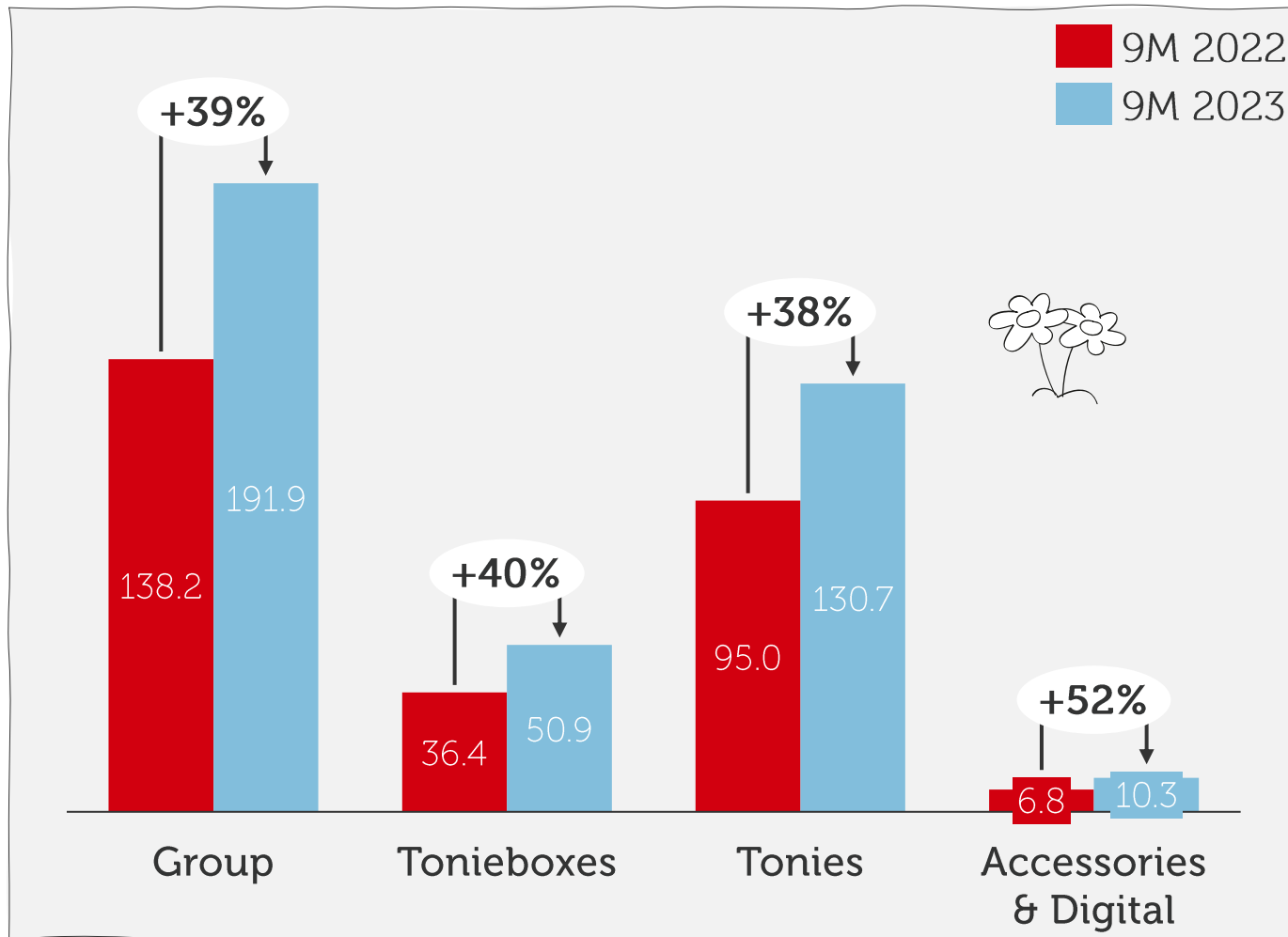
Revenue split by region



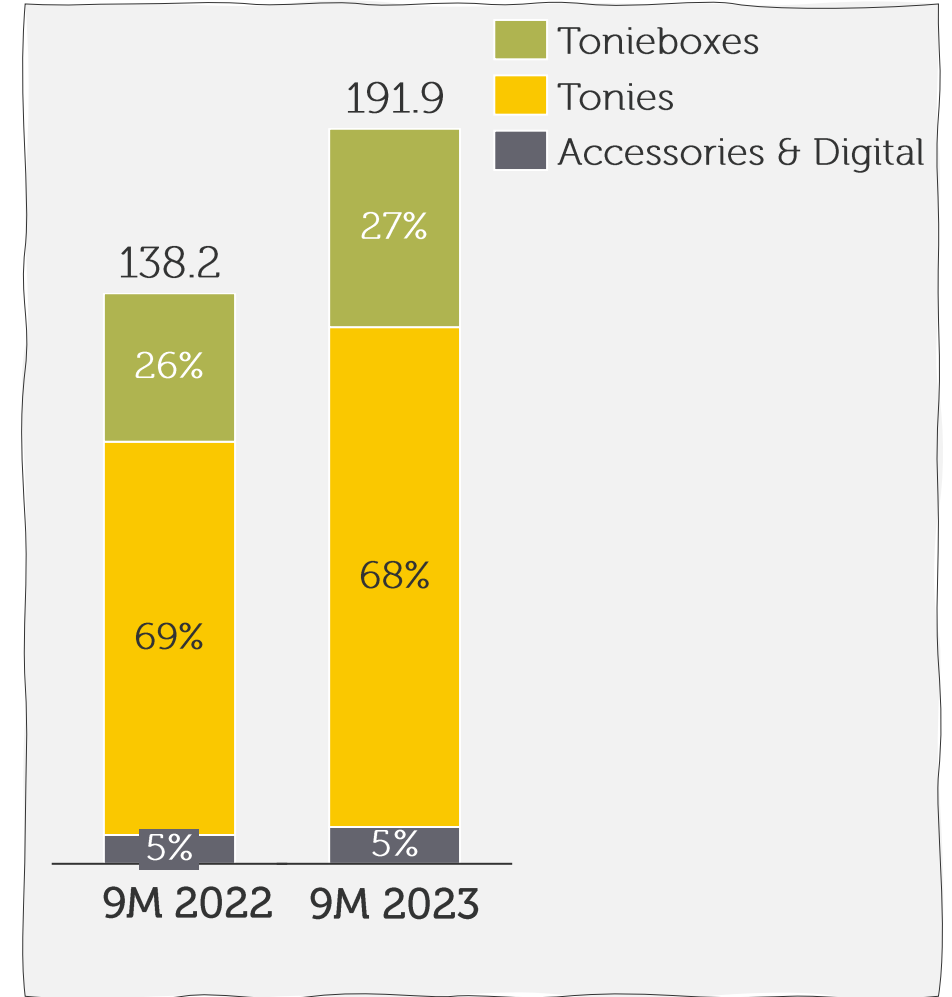
...and strong & well-balanced growth in all product categories!



Revenue by product category



Revenue split by product category






Why will tonies be a profitable company?



tonies has a profitable business model and deliberately chose to invest in international growth



	2019(HGB)	2020(IFRS)	2021(IFRS)	2022(IFRS)	H1 2023 (IFRS)
Gross margin before licensing costs	44.6%	50.1%	54.1%	54.2%	65.0%
			includes -4pp of exceptional air freight		
Gross margin after licensing costs	27.0%	32.4%	35.4%	41.9%	56.5%
Contribution margin	15.2%	19.7%	21.3%	27.4%	40.2%
Adj. EBITDA margin	3.6%	-0.2%	-8.1%	-2.4%	2.6%
Markets	only active in DACH & UK	 Launch US	 Launch FR and scale-up US & UK	We promised you to turn a market profitable in 3-4 years! 	



We have been profitable with our DACH blueprint



Business models largely resilient to macro challenges



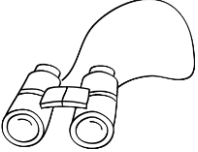
We chose to invest into international expansion



We see the fruits of our relentless execution focus

Guidance FY 2023* – after 9 months we are fully on track to achieve our ambitious targets



	Results FY 2022	Guidance from IPO FY 2023	Guidance FY 2023
Group revenue (EURm)	258	354	354 (+37% YoY)
US revenue (EURm)	66	108	116* (+77% YoY)
Group adjusted EBITDA in % of revenue	-2.4%	na	“positive”

★ Further year of *significant growth* ahead with US revenue expectation even above IPO plan

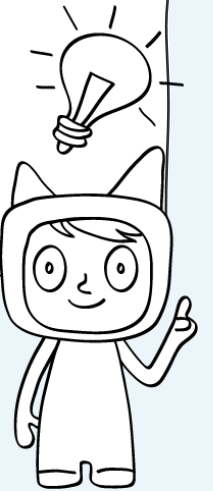
★ tonies will be *profitable* on adjusted EBITDA basis

*2023 based on EUR/USD of USD 1.08

9M 2023 – Key takeaways

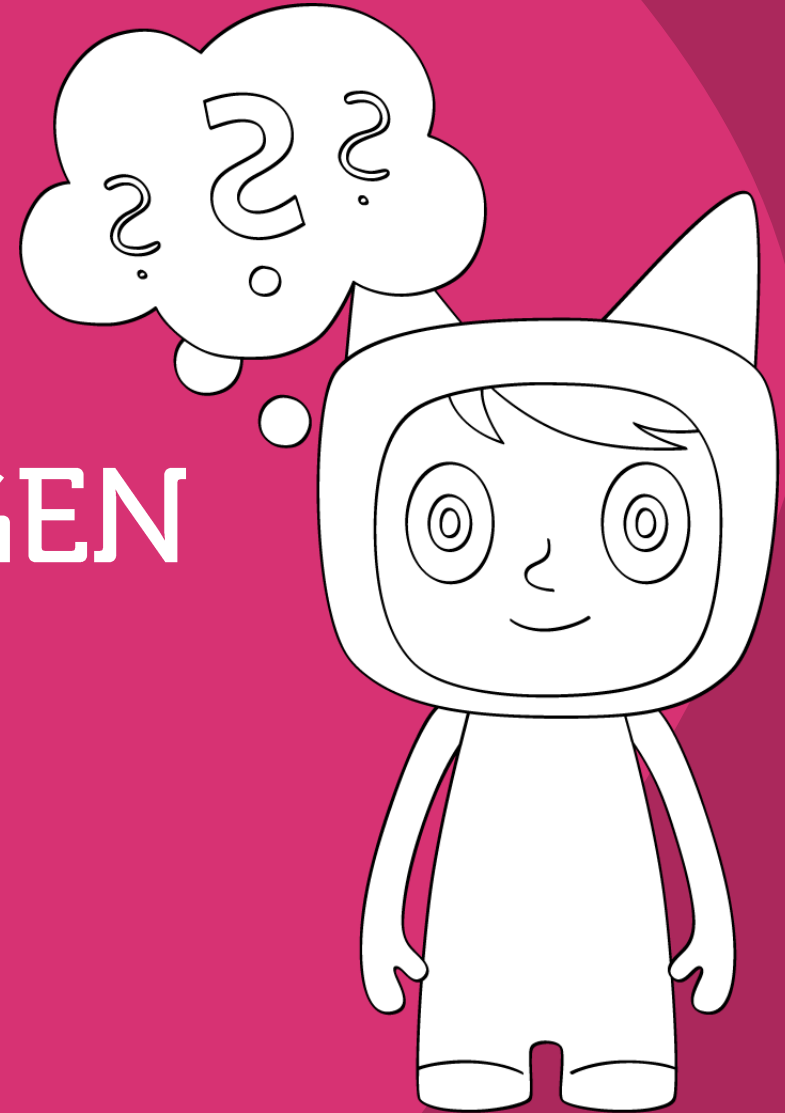


- 1 Despite challenging times, we continuously **keep our promises & deliver against the plan**
- 2 We prove that we are a **profitable growth company**
- 3 The **US-market growth is happening** – its our most important growth market
- 4 **Outlook** for 2023 **confirmed**: we are confident in reaching our targets
- 5 With **Tobias Wann**, we have won a **highly accomplished new CEO** for tonies





ZEIT FÜR IHRE FRAGEN



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