

Quarterly Statement Q1 2024

tonies achieves revenue of EUR 78.3 million in the first quarter of 2024

- Group revenue increased by 20.3% YoY to EUR 78.3 million (Q1 2023: EUR 65.1 million) driven by international expansion
- North America revenue up by 46.9% YoY to EUR 27.9 million (Q1 2023: EUR 19.0 million) driven by both successful wholesale expansion and strong direct-to-consumer sales

LUXEMBOURG, 15 May 2024 // tonies SE ("tonies"), the leading international digital audio platform for children with the award-winning Toniebox, has released its quarterly statement for the first quarter of 2024, ended on 31 March 2024.

Tobias Wann, CEO of tonies, commented:

"In 2023, we achieved remarkable milestones, marking it as a record year for our company with exponential growth and becoming profitable on an EBITDA basis. As expected, we entered 2024 with an increase of revenue in Q1 of around 20% year-over-year and growth across all product categories and regions. Our Easter business exhibited strong performance, albeit facing supply chain challenges that resulted in some selected stock outs in the first quarter. As we progress further into the year, we anticipate a notable acceleration in our growth trajectory in the second half of the year, where we generate the majority of our revenue. The strategic initiatives implemented in the first quarter will play a crucial role to achieve our guided target of a growth rate of more than 33% in 2024. One such initiative is the launch of Clever Tonies, a new product category designed to engage older children with educational entertainment content."

Group **revenue** in the first quarter of 2024 went up by 20.3% YoY to EUR 78.3 million (Q1 2023: EUR 65.1 million) as expected. While the Easter business was strong in the various regions, revenue growth in the first quarter was affected by a strong baseline effect (Q1 2023: 42% YoY) and selected stock shortages as a result of supply chain disruptions, particularly in connection with the Suez Canal.

All **regions** showed positive growth in the first quarter of 2024. **North America** achieved a year-over-year revenue growth of 46.9% amounting to EUR 27.9 million and is fully on track to achieve the guided growth rate of above 42% for full-year 2024. Direct-to-consumer and wholesale channel recorded similar revenue growth. Following a very successful partnership with Walmart since launch in fall 2023, tonies will be present in more than 350 additional Walmart stores in 2024, bringing the total number of Walmart stores to 1,950.

In the **DACH** region, revenue increased by 2.4% YoY to EUR 40.2 million with the strongest growth with key wholesale partners and own webshop. The "Clever Tonies" were successfully launched in the DACH market. In order to gain awareness and additional shelf space for the

new format, tonies sold more than 1,300 “Clever Tonies” specific displays to wholesale partners.

In **Rest of World**, revenue grew by 48.8% YoY to EUR 10.3 million driven by the UK and particularly strong growth in France. tonies sees strong progress in both countries. In the UK, there will be a considerably higher adoption with wholesale partners in 2024, as the number of point of sales will increase from 1,550 at the end of 2023 to around 2,200 at the end of this year. After revenue more than tripled in France in 2023, strong momentum continued in the first quarter of 2024. With more than 100,000 Tonieboxes and more than 1,000,000 Tonies sold since market launch, France has reached two important milestones.

In the first quarter of 2024, tonies successfully expanded its international reach, as the regional share of revenue beyond the DACH region significantly increased from 40% in Q1 2023 to 49%. This indicates that tonies continues to make great progress in its global expansion efforts.

From a **product category** perspective, **Tonieboxes** revenue was up by 21.4% YoY to EUR 15.1 million. By selling more than 7 million Tonieboxes, the company’s anchor product, since the product launch in Q4 2016, tonies has built a strong platform with a powerful competitive shield based on user experience, product proficiency, intellectual property, seasonal build-up, financial strength, and patents.

Revenue of **Tonies figurines** increased by 15.6% YoY to EUR 56.9 million driven by both licensed third-party Tonies including Peppa Pig and Disney as well as Tonies with in-house produced content and own design such as tonies first own license brand “Sleepy Friends”. After a strong launch in the US in Q4 2023, tonies new format “Clever Tonies” was also successfully introduced to the DACH market. “Clever Tonies” clearly contribute to tonies value levers as they provide a higher margin, shorter go-to market time, target group extension (kids 5+ years) and more sustainable materials (50% bio-circular material).

In **Accessories & Digital**, revenue grew by 81.7% YoY to EUR 6.4 million mainly led by sales of headphones, carriers, the Sleepy Sheep Night Light Tonie and chargers.

Net assets and financial position

No substantial changes to the net assets and financial position of the group occurred in the period under review compared to the situation as of December 31, 2023, taking into account the seasonal cash outflow.

Guidance for full-year 2024

tonies confirms its guidance for 2024 with group revenue of above EUR 480 million and revenue from North America of above EUR 200 million, based on the assumed EUR/USD exchange rate of USD 1.07. This implies a year-over-year revenue growth for the group of more than 33% and for North America of more than 42% respectively. tonies also expects an

adjusted EBITDA margin in the 6 to 8 percent range and Free Cash Flow is expected to turn positive and come in above EUR 10 million. The forecast is based on the assumption that there will be no further material deterioration of consumer sentiment in 2024.

tonies SE will hold a presentation on its Q1 2024 results today, Thursday, 15 May at 11am CET. All details can be found under <https://ir.tonies.com/financial-calendar/>.

All publication documents are available on tonies' Investor Relations Website under <https://ir.tonies.com/publications/>.

Revenue

in EURm	Q1 2024	Q1 2023	Change
Revenue	78.3	65.1	20.3%
by region			
DACH	40.2	39.2	2.4%
North America	27.9	19.0	46.9%
Rest of World	10.3	6.9	48.8%
by product category			
Tonieboxes	15.1	12.5	21.4%
Tonies figurines	56.9	49.2	15.6%
Accessories & Digital	6.4	3.5	81.7%

About tonies

tonies® is the world's largest interactive audio platform for children with around 7 million Tonieboxes and 88 million Tonies sold. The intuitive and award-winning audio system has changed the way young children play and learn independently with its child-safe, wireless, and screen-free approach. Tonieboxes have been activated in over 100 countries, the content portfolio includes more than 1,100 Tonies figurines in several languages.

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