

SONOS FINANCIAL REPORT - Q3 2024

EXECUTIVE SUMMARY

Q3 2024 showed strong growth driven by the Arc Upgrade Promo and seasonal demand. Product revenue increased 18% YoY.

REVENUE BREAKDOWN

Product Revenue: \$127.3M (+18% YoY)

- Soundbars: \$51.2M (Arc, Beam, Ray)
- Smart Speakers: \$42.8M (Era 100, Era 300, One)
- Portable Speakers: \$21.5M (Move 2, Roam)
- Subwoofers & Amps: \$11.8M

Subscription Revenue: \$8.4M (+12% YoY)

GROSS MARGIN

Overall gross margin: 43.2% (down 1.1 pts YoY)

- Product margin pressure from promotional activity
- Offset by improved manufacturing efficiency

OPERATING EXPENSES

R&D: \$22.1M (17.3% of revenue)

Sales & Marketing: \$35.6M (27.9% of revenue)

G&A: \$18.2M (14.3% of revenue)

REGIONAL PERFORMANCE

North America: \$76.4M (60% of revenue, +15% YoY)

Europe: \$38.2M (30% of revenue, +22% YoY)

APAC: \$12.7M (10% of revenue, +28% YoY)

KEY METRICS

Active households: 1.8M (+14% YoY)

Products per household: 3.2

NPS Score: 68

GUIDANCE

Q4 2024 revenue expected \$145-155M driven by holiday season

Full year 2024 revenue \$480-490M

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