

## Thule Group AB (publ) updates expected impact from the coronavirus pandemic

**The rapidly developing global situation related to the coronavirus has led to a more negative view of the effects on the business, with the conclusion that there will be a material financial impact in 2020. The company is therefore taking mitigating actions to protect earnings and cash flow.**

On March 22, 2020, Thule Group provided an update on developments related to the coronavirus and informed of the Board of Directors decision to withdraw the previously communicated proposal of a dividend. The company said at the time there was a considerable risk of a material financial impact during the rest of 2020.

In the subsequent days, several additional authorities globally have imposed strict countermeasures, including the closure of industrial activities, retail shops and cross-border transit. This development has caused a sharp decrease in demand and to some extent the possibility to produce products.

Given the severity of the situation, which has led to that a number of retailers has stopped all business for the coming weeks, as well as a majority of the customers making large order revisions from retailers in recent days, the company expects a material financial impact in 2020. Management sees a minor impact in first quarter, as previously communicated, with a significantly larger impact starting from the second quarter, which is normally the peak season for the company.

It is not, at this point in time, possible to quantify or predict the full impact and Thule Group is now implementing significant actions to mitigate the risk to earnings and cash flow. In addition to furloughs for employees affected by reduced activity, these actions include significantly reduced discretionary spending and reprioritizing capital expenditure. In addition Thule Group is continuously adjusting its global production network to be in line with expected sales volumes and will temporarily close impacted factories as necessary or mandated by authorities.

-Thule Group has a strong financial base, with good liquidity and a long-term confirmed financing in place. We will continue to drive the business with a long-term sustainable strategy and mindset, but we must at the same time act in the extreme market situation, says Magnus Welanders, CEO and President of Thule Group.

-We are in close dialogs with our supplier and customers. It is a priority for Thule Group to be a reliable and stable partner, even in difficult situations. Similarly, the well-being and safety of our employees are in focus and comprehensive procedures and measures have been activated to prevent the spread of infection, concludes Magnus Welanders.

# Press Release

01 April 2020 16:40:00 CEST



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## Contacts

Fredrik Erlandsson SVP Communications and Investor Relations

Tel: +46 70 309 00 21

E-mail: [fredrik.erlandsson@thule.com](mailto:fredrik.erlandsson@thule.com)

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## About Thule Group

Thule Group is a world leader in products that make it easy to bring the things you care for — easily, securely and in style — when living an active life. Under the motto *Active Life, Simplified.* — we offer products within **Sport&Cargo Carriers** (e.g. roof racks, roof boxes and carriers for transporting cycling, water and winter sports equipment, and rooftop tents mounted on a car), **Active with Kids** (e.g. bicycle trailers, buggies and child bike seats), **RV Products** (e.g. awnings, bike racks and tents for motorhomes and caravans) and **Packs, Bags & Luggage** (e.g. hiking backpacks, luggage and camera bags).

Thule Group has about 2,400 employees at 9 production facilities and 35 sales offices worldwide. The Group's products are sold in 140 markets and in 2019, sales amounted to SEK 7 billion.

[www.thulegroup.com](http://www.thulegroup.com)

*This information is information that Thule Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2020-04-01 16:40 CEST.*

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## Attachments

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