

# Thule Group»

## Interim report, first quarter, January–March 2021

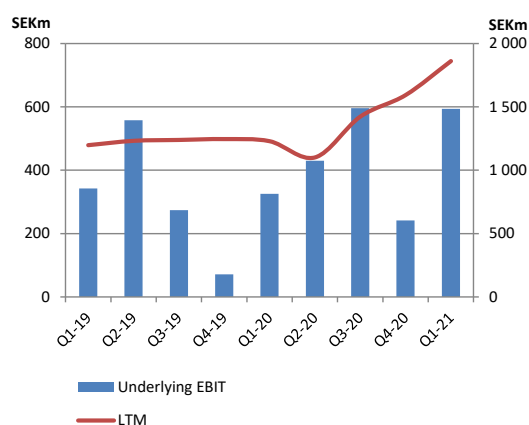
- **Net sales** for the quarter amounted to SEK 2,538m (1,744), corresponding to an increase of 45.5 percent. Adjusted for exchange rate fluctuations, sales increased 56.0 percent.
- **Operating income** amounted to SEK 594m (325), corresponding to a margin of 23.4 percent (18.7). Adjusted for exchange rate fluctuations, the operating margin increased 4.2 percentage points.
- **Net income** amounted to SEK 447m (241).
- **Cash flow from operating activities** totaled SEK 72m (8).
- **Earnings per share before dilution** amounted to SEK 4.28 (2.33).
- **New long-term targets have been established by the Board of Directors** with doubled sales by 2030, a maintained EBIT margin of >20%, a raised dividend level to >75% of net profit, as well as achieving ambitious Science Based Targets initiative goals for greenhouse gas emissions by 2030.

	Jan-Mar 2021	Jan-Mar 2020	%	LTM	Full-year 2020	%
Net sales, SEKm	2 538	1 744	+45.5	8 623	7 828	+10.1
Underlying EBIT, SEKm	594	326	+82.4	1 861	1 593	+16.8
Operating income (EBIT), SEKm	594	325	+82.5	1 860	1 591	+16.9
Net income, SEKm	447	241	+85.7	1 372	1 166	+17.7
Earnings per share, SEK	4.28	2.33	+83.3	-	11.23	-
Cash flow from operating activities, SEKm	72	8	+799.4	1 678	1 614	+4.0

Net sales



Underlying EBIT



## CEO's statement

### Very strong start to the season and new long-term targets

The very positive market trend that we saw in the second half of 2020 continued during the first quarter of 2021. We posted growth of a full 56 percent for the quarter after currency adjustment.

The positive macro trend of the past few years, with increasing numbers of consumers seeking an active life, also has meant a healthy market growth for Thule's products. This long-term trend has been reinforced by the restrictions on international travel due to the pandemic, with more people opting for "staycations" or simply enjoying a short day trip with activities in their local area.

Driven by the very strong sales growth, continued high gross margins, and a scalable and flexible supply chain, we delivered an EBIT margin for the quarter of 23.4 percent (18.7). In the preceding year, the first quarter was negatively affected during the second half of March. The main reason for this was the restrictions on outdoor activities imposed in many countries to limit the spread of the pandemic.

The long-term targets presented at our capital markets day in 2017 were achieved already in 2020. We have therefore defined four new long-term targets to be achieved by 2030:

- Sales: Sales to be doubled by 2030
- Profitability: Maintain EBIT margin of >20%
- Dividends: >75% of net profit
- Sustainability: Achieve the Science Based Targets initiative goals

The long-term targets are presented in more detail in a separate presentation that is available on the company's website.

### Region Europe & RoW – strong start to the spring season

During the quarter, sales increased in the region 49 percent after currency adjustment and the trend was very positive in essentially all markets.

The Sport&Cargo Carriers category benefited in the quarter from a continued buoyant bike market. Sales of roof racks and rooftop tents were also healthy. Sales of roof boxes increased during the quarter, despite closed winter sports venues in the Alps, which meant that sales of roof boxes and ski-racks decreased specifically in those markets.

The development in the Active with Kids category remained very positive in all three sub-categories: strollers, bike trailers and child bike seats.

Accessories for RVs performed very well during the quarter, since RV manufacturers succeeded in increasing their production in their effort to meet the large demand that began to accumulate already in 2020. This demand also remains very strong.

The Packs, Bags & Luggage category displayed a mixed picture. Luggage continued to be negatively impacted due to reduced international travel, while sales of sports bags developed well.

### Region Americas – strong growth

In Region Americas, sales rose a full 83 percent in the quarter after currency adjustment.

In Sport&Cargo Carriers, the growth was mainly driven by strong demand for bike products. But other sub-categories also performed well, as North American consumers chose the car as their mode of transport for vacations.

The strong trend in the Active with Kids category also continued, with healthy growth in all sub-categories.

Bag sales were also somewhat weaker in this region due to reduced air travel and the fact that more people were studying or working from home. However, as in Europe, sales of sports bags increased.

The US and Canada posted excellent growth and Latin America also grew significantly in the quarter.

### Trends still positive ahead of peak season

From a short-term view, considerable uncertainty remains regarding the scope of any pandemic-related lockdowns in a number of countries. In addition to this, in line with most manufacturing companies with rapid growth in these times, we see certain challenges in relation to supplier capacity and global logistics.

However, we remain convinced that the positive trend for leisure and vacation activities closer to home will remain strong for our product categories. With our sought-after products and very flexible production in and around our main markets, we expect a continued very favorable trend during the year.



Magnus Welander  
CEO and President

# Financial overview

## Trend for the first quarter

### Net sales

In the first quarter of 2021, net sales amounted to SEK 2,538m (1,744), representing an increase of 45.5 percent. Adjusted for exchange rate fluctuations, net sales for the Group rose 56.0 percent. Worth noting the outbreak of the coronavirus (COVID-19) in the comparative period in spring 2020 and the considerable quarantine measures introduced at that time in most countries had a strong negative impact on sales during the second half of March 2020.

In Region Europe & RoW, net sales totaled SEK 1,917m (1,354), up 41.6 percent and 48.9 percent after currency adjustment. Net sales in Region Americas amounted to SEK 621m (390), up 59.2 percent and 82.5 percent after currency adjustment compared with the first quarter of 2020.

	Jan-Mar
Change in net sales	2021
Changes in exchange rates	-10.4%
Structural changes	0.0%
Organic growth	56.0%
<b>Totalt</b>	<b>45.5%</b>

### Gross income

Gross income for the quarter totaled SEK 1,050m (713), corresponding to a gross margin of 41.3 percent (40.9). The positive trend was driven by an advantageous product mix and over absorption of production overhead costs.

### Operating income

Operating income amounted to SEK 594m (325), corresponding to an operating margin of 23.4 percent (18.7). Operating income was positively impacted by higher sales, an improved gross margin and maintained lower overheads. Changes in exchange rates had a negative impact of SEK 14m.

	Jan-Mar
Change in underlying EBIT margin	
Underlying EBIT 2021	594
Underlying EBIT margin 2021	23.4%
Underlying EBIT 2020	326
Underlying EBIT margin 2020	18.7%
Underlying EBIT 2020, currency adjusted	312
Underlying EBIT margin 2020, currency adjusted	19.2%
<b>Change in underlying EBIT margin, currency adjusted</b>	<b>4.2%</b>

### Net financial items

Net financial items for the quarter amounted to an expense of SEK 9m (expense: 11). Exchange rate differences on loans and cash and cash equivalents amounted to an expense of SEK 2m (income: 2). The interest expense for borrowings was SEK 8m (expense: 12).

### Net income for the period

Net income for the quarter was SEK 447m, corresponding to earnings per share of SEK 4.28 before dilution and SEK 4.24 after dilution. For the year-earlier period, net income totaled SEK 241m, corresponding to earnings per share of SEK 2.33 before and after dilution.

## Cash flow

Cash flow from operating activities for the quarter was SEK 72m (8). The sales increase during the quarter made an impact through higher profit and higher accounts receivable. Inventory increased during the quarter to meet the rising demand. Investments in tangible and intangible assets amounted to SEK 56m (50).

## Financial position

At March 31, 2021, the Group's equity amounted to SEK 5,971m (4,794). The equity ratio amounted to 62.2 percent (48.2).

Net debt was SEK 430m (2,301) at March 31, 2021. Total long-term borrowing amounted to SEK 1,101m (3,308), and comprised loans from credit institutions of SEK 921m (3,118) gross, long-term lease liabilities of SEK 171m (181), capitalized financing costs of SEK 6m (9) and the long-term portion of financial derivatives of SEK 15m (18). Total current financial liabilities amounted to SEK 69m (83) and comprised the short-term portion of financial derivatives and lease liabilities.

SEKm	Mar 31 2021	Mar 31 2020	Dec 31 2020
Long-term loans, gross	1 093	3 299	1 051
Financial derivative liability, long-term	15	18	16
Short-term loans, gross	55	58	53
Financial derivative liability, short-term	14	25	35
Overdraft facilities	0	0	0
Capitalized financing costs	-6	-9	-7
Accrued interest	0	0	0
<b>Gross debt</b>	<b>1 171</b>	<b>3 391</b>	<b>1 147</b>
Financial derivative asset	-33	-29	-57
Cash and cash equivalents	-708	-1 061	-706
<b>Net debt</b>	<b>430</b>	<b>2 301</b>	<b>384</b>

At March 31, 2021, goodwill totaled SEK 4,457m (4,827). The decrease was attributable entirely to currency effects.

At March 31, 2021, inventories amounted to SEK 1,235m (1,172). Compared with last year, inventory was negatively impacted by currency effects amounting to SEK 82m.

At March 31, 2021, deferred tax receivables amounted to SEK 375m (426), of which SEK 177m (266) pertained to capitalized tax losses carry forwards.

## Other information

### New long-term targets

The long-term targets presented at the company's capital markets day in 2017 were achieved already in 2020. Four new long-term targets have now been set that aim for 2030. The long-term targets are presented in more detail in a separate presentation that is available on the company's website.

REVENUE	<b>Double sales by 2030</b>	<b>Meet ambitious Science Based Targets for reduction of greenhouse gas emissions</b>
PROFIT	<b>Maintain &gt;20% EBIT-Margin</b>	
CASH DIVIDEND	<b>&gt;75% of annual Net Income</b>	

#### Sales – Sales to be doubled by 2030

**Definition:** Thule Group will have doubled its sales by 2030 from 2020 in constant currency (including minor acquisitions)  
Corresponds to a CAGR >7%

**Previous target:** >5% currency-adjusted organic growth

**Result 2014–2020:** 7% currency-adjusted CAGR, including minor acquisitions

#### Profitability – Maintained EBIT margin of >20%

**Definition:** Thule Group will maintain an EBIT margin >20% during the 2021–2030 period

**Previous target:** >20% underlying EBIT margin

**Result 2020:** 20.3% EBIT margin

#### Dividend – Raised dividend level to >75% of net profit

**Definition:** Thule Group will provide an ordinary dividend corresponding to >75% of net profit during the 2021–2030 period  
The Board of Directors will take into consideration market factors, including the company's future profits, investment requirements and macro-economic factors when dividend proposals are presented.

**Previous target:** >50% of net profit

**Result 2020:** 72% of net profit

#### Sustainability – Meet the ambitious 2030 Science Based Targets initiative's goal for greenhouse gas emissions

**Definition:** Thule Group will achieve the targets within Scopes 1–3 that we have committed to by signing the Science Based Targets initiative (SBTi) in line with the ambition of the Paris Agreement by 2030.

**Scope 1:** We commit to a **46 percent reduction of greenhouse gas emissions** from our manufacturing units by the end of 2030, in absolute terms, compared with the base year of 2019.  
(1.5°C target)

**Scope 2:** We commit to use **100 percent renewable electricity** at our own manufacturing units and offices with more than 12 employees, by the end of 2030, compared with 94%, which we achieved in 2019.  
(1.5°C target)

**Scope 3:** We commit to **reduce the emissions of greenhouse gases by 28 percent**, in absolute terms, related to purchased materials and incoming and outgoing logistics by the end of 2030 compared with the base year of 2019.  
(under 2.0°C target, with the possibility to raise the level of ambition to a 1.5°C target later)

**Previous target:** No overall target communicated

**Result 2020:** Target fulfillment of a large number of sustainability factors can be found on the company's website and in the 2020 Annual Report.

Thule Group also previously had a target related to the loan-to-value ratio (Net debt/EBITDA in the range of 1.5–2.5x). The Board of Directors no longer considers such a target to be relevant (current loan to value ratio is 0.2x) and has thus decided to remove it.

### **Coronavirus pandemic**

Continued uncertainty exists in relation to the decisions made by various countries and states to close down the market from a production or a sales perspective, which could have a major impact on future earnings and cash flow. In the spring of 2020, Thule Group implemented strong measures to reduce the risks related to earnings and cash flow in conjunction with the rapid global development of the coronavirus situation. In addition to the short-term furlough of employees, these measures also comprised substantial reductions in variable expenses and some minor reprioritized investments. The short-term furlough measures were ended in pace with the rise in demand for the Group's products.

### **Seasonal variations**

Thule Group's sales and operating income are during a normal year partially affected by seasonal variations. During the first quarter, sales in the Sport&Cargo Carriers category (roof boxes, ski-racks, etc.) are affected by winter conditions. The second and third quarters are primarily impacted by how early the spring and summer arrive. In the fourth quarter, seasonal variations are primarily attributable to sales of winter-related products (roof boxes, ski-racks, snow sport backpacks, etc.) and sales of products in the bag category prior to major holidays. Thule Group has adapted its production processes and supply chain in response to these variations.

### **Employees**

The average number of employees was 3,211 (2,501).

### **Thule Group's share**

The shares of Thule Group AB are listed on the Nasdaq Stockholm Large Cap list. At March 31, 2021, the total number of shares in issue was 104,562,436.

### **Proposed dividend**

The Board of Directors proposes a dividend of SEK 15.50 per share, corresponding to SEK 1,621m based on the number of shares outstanding at February 10, 2021. SEK 8.00 per share comprises the ordinary dividend for 2020 and SEK 7.50 per share an extraordinary dividend based on the withdrawal of the proposed ordinary dividend for 2019. The proposed dividend comprises 71 percent of earnings per share for 2020 (72 percent of net profit) and 88 percent of earnings per share for 2019, corresponding to 138 percent of earnings per share for 2020. It is also proposed that dividends be paid in two installments for a better adaptation to the Group's cash flow profile. The first installment will comprise the extraordinary dividend and half of the ordinary dividend. The proposed record date for distribution of the first installment of SEK 11.50 per share is April 26, 2021 and the proposed record date for the second installment of SEK 4.00 per share is October 4, 2021.

### **Annual General Meeting**

The Annual General Meeting (AGM) for Thule Group will be held on April 22, 2021.

### **Shareholders**

At March 31, 2021, Thule Group AB had 18,958 shareholders. At this date, the largest shareholders were AMF Försäkringar & Fonder (8.2 percent of the votes), SEB Fonder (4.5 percent of the votes), Nordea Fonder (4.4 percent of the votes) and Swedbank Robur Fonder (3.8 percent of the votes).

See [www.thulegroup.com](http://www.thulegroup.com) for further information on Thule Group's shareholders.

### **Parent Company**

Thule Group AB's principal activity pertains to head office functions such as Group-wide management and administration. The comments below refer to the period January 1–March 31, 2021. The Parent Company invoices its costs to Group companies. The Parent Company reported a net loss of SEK 10m (loss: 4). Cash and cash equivalents and current investments amounted to SEK 0m (0). Long-term liabilities to credit institutions totaled SEK 915m (3,109).

The Parent Company's financial position is dependent on the financial position and development of its subsidiaries. The Parent Company is therefore indirectly impacted by the risks described in Note 5, Risks and uncertainties.

## Sales trend by region

SEKm	Jan-Mar		Change		Full-year	
	2021	2020	Rep.	Adj. <sup>1</sup>	LTM	2020
Net sales	2 538	1 744	45.5%	56.0%	8 623	7 828
- Region Europe & RoW	1 917	1 354	41.6%	48.9%	6 284	5 721
- Region Americas	621	390	59.2%	82.5%	2 338	2 107

<sup>1</sup> Adjusted for changes in exchange rates

### Region Europe & RoW

During the first quarter, sales in the region increased 49 percent after currency adjustment. As with the second half of the prior year, the trend was positive in essentially all markets.

The Sport&Cargo Carriers category benefited in the quarter from a continued very strong bike market. Sales of roof racks and rooftop tents were also healthy. The stringent restrictions at winter sports venues in the Alps had a negative impact on sales of roof boxes and ski-racks. However, roof boxes displayed total growth for the quarter, since we saw increased vacations in other markets for which the car was used as the mode of transport. In the preceding year, we also noted a significantly negative impact on sales in the second half of March due to the countries' varied, but mostly extensive, lockdowns.

The Active with Kids category grew during the quarter in all the three sub-categories: strollers, bike trailers and child bike seats.

Accessories for RVs performed well in the first quarter, since RV manufacturers increased their production following substantial challenges in the preceding year.

However, the bag category continued to be negatively affected due to reduced international travel. However, sales of sports bags increased, driven by a broadened product portfolio and a higher number of consumers who were active in nature.

### Region Americas

In Region Americas, sales rose a full 83 percent in the quarter after currency adjustment.

In Sport&Cargo Carriers growth was also mainly driven in this region by a very healthy level of demand for bike related products, but other categories also performed well since consumers in our major North American markets, in particular, chose the car as their mode of transport when they took vacation in the first months of the year. As communicated in conjunction with the preceding report, we also had an accumulated order backlog from our store customers following the strong market demand in the second half of 2020, and we have now succeeded in further increasing our production capacity.

The Active with Kids category remained very positive in all three sub-categories.

Bag sales in this region were also weaker than in the preceding year due to the pandemic, but sales of sports bags also grew here.

The limited and clearly niche sales of products in RV Products in the region continued to perform well.

The Board of Directors and the President provide their assurance that this interim report provides a fair and accurate view of the Group's and the Parent Company's operations, financial position and earnings, and describes the material risks and uncertainties faced by the Parent Company and other companies in the Group.

April 22, 2021

Board of Directors

**Review report**

This report has not been reviewed by the company's auditor.



## Selected key events



**The new roof-mounted premium bike rack Thule TopRide is launched** – A design award-winning, premium roof-mounted bike rack for quick and easy loading of Thru axle and Quick release bikes. Enables quick and secure mounting of sensitive premium bikes, thanks to several patented solutions. Offers easy mounting of the bike in the fork adapter on the ground, which can easily be clicked into place on the car roof.



**The new trunk-mounted bike rack Thule OutWay is launched** – An innovative trunk-mounted family of bike racks that set a new standard for trunk-mounting on cars that have no tow bar. Quick and easy mounting thanks to a simple user interface and intuitive torque limiting tightening system that ensure that the bikes are secured without risking damage to the car.

# Financial statements

(Unless otherwise stated, all amounts are in SEK m)

## Consolidated Income Statement

	Note	Jan - Mar			Full-year
		2021	2020	LTM	2020
Net sales	2	2 538	1 744	8 623	7 828
Cost of goods sold		-1 489	-1 031	-5 056	-4 599
<b>Gross income</b>		<b>1 050</b>	<b>713</b>	<b>3 566</b>	<b>3 230</b>
Selling expenses		-366	-309	-1 357	-1 300
Administrative expenses		-90	-79	-350	-338
<b>Operating income</b>	2	<b>594</b>	<b>325</b>	<b>1 860</b>	<b>1 591</b>
Net interest expense/income		-9	-11	-63	-64
<b>Income before taxes</b>		<b>584</b>	<b>315</b>	<b>1 797</b>	<b>1 527</b>
Taxes	4	-137	-74	-425	-361
<b>Net income</b>		<b>447</b>	<b>241</b>	<b>1 372</b>	<b>1 166</b>
Net income pertaining to:					
Shareholders of Parent Company		447	241	1 372	1 166
<b>Net income</b>		<b>447</b>	<b>241</b>	<b>1 372</b>	<b>1 166</b>
Earnings per share, SEK before dilution		4.28	2.33		11.23
Earnings per share, SEK after dilution		4.24	2.33		11.21
Average number of shares (millions)		104.6	103.2		103.8

## Consolidated Statement of Comprehensive Income

	Jan - Mar			Full-year
	2021	2020	LTM	2020
Net income	447	241	1 372	1 166
<b>Items that have been carried over or can be carried over to net income</b>				
Foreign currency translation	305	308	-588	-585
Cash flow hedges	-20	-23	16	13
Net investment hedge	-20	-90	127	57
Tax on components in other comprehensive income	3	23	-26	-6
<b>Items that cannot be carried over to net income</b>				
Revaluation of defined-benefit pension plans	2	9	-15	-9
Tax pertaining to items that cannot be carried over to net income	-0	-2	3	2
<b>Other comprehensive income</b>	<b>270</b>	<b>226</b>	<b>-482</b>	<b>-527</b>
<b>Total comprehensive income</b>	<b>717</b>	<b>466</b>	<b>890</b>	<b>639</b>
Total comprehensive income pertaining to:				
Shareholders of Parent Company	717	466	890	639
<b>Total comprehensive income</b>	<b>717</b>	<b>466</b>	<b>890</b>	<b>639</b>

## Consolidated Balance Sheet

	Mar 31 2021	Mar 31 2020	Dec 31 2020
<b>Assets</b>			
Intangible assets	4 499	4 877	4 296
Tangible assets	1 108	1 085	1 033
Long-term receivables	5	5	6
Deferred tax receivables	375	426	342
<b>Total fixed assets</b>	<b>5 986</b>	<b>6 394</b>	<b>5 678</b>
Inventories	1 235	1 172	1 068
Tax receivables	0	38	0
Accounts receivable	1 447	1 084	762
Prepaid expenses and accrued income	64	73	55
Other receivables	163	130	179
Cash and cash equivalents	708	1 061	706
<b>Total current assets</b>	<b>3 617</b>	<b>3 558</b>	<b>2 770</b>
<b>Total assets</b>	<b>9 603</b>	<b>9 952</b>	<b>8 448</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>5 971</b>	<b>4 794</b>	<b>5 253</b>
Long-term interest-bearing liabilities	1 101	3 308	1 060
Provision for pensions	226	198	224
Deferred income tax liabilities	310	261	309
<b>Total long-term liabilities</b>	<b>1 638</b>	<b>3 767</b>	<b>1 592</b>
Short-term interest-bearing liabilities	69	83	87
Accounts payable	864	659	660
Tax liabilities	234	79	145
Other liabilities	105	75	80
Accrued expenses and deferred income	655	449	564
Provisions	67	44	66
<b>Total short-term liabilities</b>	<b>1 995</b>	<b>1 390</b>	<b>1 603</b>
<b>Total liabilities</b>	<b>3 633</b>	<b>5 157</b>	<b>3 195</b>
<b>Total equity and liabilities</b>	<b>9 603</b>	<b>9 952</b>	<b>8 448</b>

## Consolidated Statement of Changes in Equity

	Mar 31 2021	Mar 31 2020	Dec 31 2020
Opening balance, January 1	5 253	4 330	4 330
Net income	447	241	1 166
Other comprehensive income	270	226	-527
<b>Total comprehensive income</b>	<b>717</b>	<b>466</b>	<b>639</b>
Transactions with the Group's owners:			
New issue of shares	-	-	262
Warrants	-	-2	22
<b>Closing balance</b>	<b>5 971</b>	<b>4 794</b>	<b>5 253</b>

## Consolidated Statement of Cash Flow

	Jan - Mar 2021	2020	Full-year 2020
Income before taxes	584	315	1 527
Adjustments for items not included in cash flow	54	54	229
Paid income taxes	-65	-56	-183
<b>Cash flow from operating activities prior to changes in working capital</b>	<b>572</b>	<b>313</b>	<b>1 573</b>
<b>Cash flow from changes in working capital</b>			
Increase(-)/Decrease (+) in inventories	-134	-56	-90
Increase(-)/Decrease (+) in receivables	-650	-386	-241
Increase(+)/Decrease (-) in liabilities	284	137	372
<b>Cash flow from operating activities</b>	<b>72</b>	<b>8</b>	<b>1 614</b>
<b>Investing activities</b>			
Acquisition/divestment of tangible/intangible assets	-56	-50	-170
<b>Cash flow from investing activities</b>	<b>-56</b>	<b>-50</b>	<b>-170</b>
<b>Financing activities</b>			
New issue of shares	-	-	262
Warrants	-	-2	22
Debt repaid/new loans	-16	835	-1 285
<b>Cash flow from financing activities</b>	<b>-16</b>	<b>833</b>	<b>-1 001</b>
Net cash flow	1	792	443
Cash and cash equivalents at beginning of period	706	268	268
Effect of exchange rates on cash and cash equivalents	1	1	-5
<b>Cash and cash equivalents at end of period</b>	<b>708</b>	<b>1 061</b>	<b>706</b>

## Condensed Parent Company Income Statement

	Jan - Mar		Full-year
	2021	2020	2020
Other operating revenue	5	5	22
Administrative expenses	-17	-8	-59
<b>Operating income</b>	<b>-13</b>	<b>-2</b>	<b>-37</b>
Result from Shares in Subsidiaries	0	0	700
Interest income- and expense	0	-3	-9
<b>Income after financial items</b>	<b>-13</b>	<b>-5</b>	<b>653</b>
Appropriations	0	0	63
<b>Net income before taxes</b>	<b>-13</b>	<b>-5</b>	<b>717</b>
Taxes	3	1	-4
<b>Net income</b>	<b>-10</b>	<b>-4</b>	<b>713</b>

## Condensed Parent Company Balance Sheet

	Mar 31	Mar 31	Dec 31
	2021	2020	2020
<b>Assets</b>			
Financial fixed assets	4 238	5 727	4 214
<b>Total fixed assets</b>	<b>4 238</b>	<b>5 727</b>	<b>4 214</b>
Other current receivables	280	804	300
Cash and cash equivalents	0	0	0
<b>Total current assets</b>	<b>280</b>	<b>804</b>	<b>300</b>
<b>Total assets</b>	<b>4 517</b>	<b>6 531</b>	<b>4 514</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>3 183</b>	<b>2 189</b>	<b>3 192</b>
Other provisions	19	15	18
Liabilities to credit institutions	915	3 109	894
Liabilities to Group companies	368	368	368
<b>Total long-term liabilities</b>	<b>1 303</b>	<b>3 492</b>	<b>1 281</b>
Liabilities to credit institutions	0	0	0
Liabilities to Group companies	0	834	0
Other current liabilities	32	16	40
<b>Total short-term liabilities</b>	<b>32</b>	<b>850</b>	<b>40</b>
<b>Total equity and liabilities</b>	<b>4 517</b>	<b>6 531</b>	<b>4 514</b>

## Disclosures, accounting policies and risk factors

Disclosures in accordance with Paragraph 16A of IAS 34 *Interim Financial Reporting* can be found in the financial statements and the associated notes as well as in other sections of the interim report.

### Note 1 Accounting policies

This condensed consolidated interim report has been prepared in accordance with IAS 34, *Interim Financial Reporting*, and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act on interim financial reporting. The same accounting policies and calculation methods have been applied for the Group and Parent Company as in the most recent Annual Report. Revised standards that became effective in 2021 have had no material impact on the Group's earnings and financial position.

### Note 2 Operating segments and allocation of revenue

Thule Group comprises one segment. Though the Group has shared global processes for product development, purchasing, manufacture, logistics and marketing, its sales are managed in two regions, Region Europe & RoW and Region Americas. Internal monthly follow-up focuses on the Group as a whole, in addition to the geographic sales data, which is presented at other levels than Group level.

	Jan - Mar		Full-year	
	2021	2020	LTM	2020
<b>Net sales to external customers</b>	<b>2 538</b>	<b>1 744</b>	<b>8 623</b>	<b>7 828</b>
- Region Europe & RoW	1 917	1 354	6 284	5 721
- Region Americas	621	390	2 338	2 107
<b>Underlying EBITDA</b>	<b>629</b>	<b>361</b>	<b>2 004</b>	<b>1 737</b>
Operating depreciation/amortization	-35	-35	-143	-144
<b>Underlying EBIT</b>	<b>594</b>	<b>326</b>	<b>1 861</b>	<b>1 593</b>
Other depreciation/amortization	0	0	-1	-1
Items affecting comparability	-	-	-	-
<b>Operating income</b>	<b>594</b>	<b>325</b>	<b>1 860</b>	<b>1 591</b>
Net interest expense/income	-9	-11	-63	-64
Taxes	-137	-74	-425	-361
<b>Net income</b>	<b>447</b>	<b>241</b>	<b>1 372</b>	<b>1 166</b>

All revenue is recognized at one point in time.

### Note 3 Fair value of financial instruments

	Fair value	
	Mar 31 2021	Mar 31 2020
Assets - Financial derivatives		
Financial receivables		
Currency forward contracts	17	10
Currency swaps	9	8
Currency options	0	0
Interest rate swaps	6	12
<b>Total derivative assets</b>	<b>33</b>	<b>29</b>
Liabilities - Financial derivatives		
Currency forward contracts	-16	-23
Currency swaps	-2	-2
Currency options	0	0
Interest rate swaps	-11	-18
<b>Total derivative liabilities</b>	<b>-29</b>	<b>-43</b>

The carrying amount is an approximation of the fair value for all financial assets and liabilities. The Group's long-term liabilities are subject to variable interest rates, which means that changes in the basic interest rate will not have a significant impact on the fair value of the liabilities. According to the company's assessment, neither have there been any changes in the credit margins that would significantly impact the fair value of the liabilities. The financial instruments measured at fair value in the balance sheet consist of derivatives held to hedge the Group's exposure to interest rates, currency rates and raw material prices. All derivatives belong to Level 2.

### Note 4 Taxes

The effective tax rate for the January–March 2021 period was 23.5 percent. The effective tax rate for the corresponding period in 2020 amounted to 23.5 percent. No significant events occurred during the year that could affect the Group's effective tax rate.

### Note 5 Risks and uncertainties

Thule Group is an international company and its operations may be affected by a number of risk factors in the form of industry and market-related risks, operational risks, sustainability-related risks and financial risks. Refer to Thule Group's Annual Report where relevant risk factors are described.

Specifically in relation to the corona pandemic, there are risk factors associated with the decisions made by various countries and states to close down the market from a production or a sales perspective. Despite Thule Group's flexible production chain and sales in 140 different countries, with no individual dominating suppliers or customers, it is difficult to assess this risk factor.

# Key figures

	Jan - Mar		Full-year	
	2021	2020	LTM	2020
Net sales, SEKm	2 538	1 744	8 623	7 828
Net sales growth, %	45.5%	-4.9%	-	11.2%
Net sales growth, adjusted % <sup>1</sup>	56.0%	-7.5%	-	13.1%
Gross margin, %	41.3%	40.9%	41.4%	41.3%
Underlying EBIT, SEKm	594	326	1 861	1 593
Underlying EBIT margin, %	23.4%	18.7%	21.6%	20.3%
Operating income (EBIT), SEKm	594	325	1 860	1 591
Operating margin, %	23.4%	18.7%	21.6%	20.3%
Earnings per share, SEK	4.28	2.33	-	11.23
Equity ratio, %	62.2%	48.2%	62.2%	62.2%
Leverage ratio	0.2	1.7	0.2	0.2

<sup>1</sup> Adjusted for changes in exchange rates

## Alternative performance measures and other financial definitions

Alternative performance measures are used to describe the underlying development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by Group management and the Board of Directors to measure the company's financial performance. These performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement. Refer to definitions of alternative performance measures, including calculation tables and other financial definitions below.

### Organic growth, currency adjusted

Net sales growth adjusted for structural changes and currency effects.

Organic growth excludes the effects of structural changes in the Group's structure and exchange rates, which enables the comparison of net sales over time.

### Net sales growth, currency adjusted

Net sales growth adjusted for currency effects.

### CAGR (Compounded Annual Growth Rate)

Measures of the growth rate achieved over a certain period of time if that growth rate was the same each year during the given time period (expressed as a percentage).

### Gross margin

Gross income as a percentage of net sales.

### Gross income

Net sales less cost of goods sold.

### EBIT – Operating income

Income before net financial items and taxes.

### EBIT margin - Operating margin

EBIT as a percentage of net sales.  
Operating income as a percentage of net sales.

### EBITDA – Operating income before depreciation/amortization/impairment

Income before net financial items, taxes, depreciation/amortization and impairment of tangible and intangible assets.

### Underlying EBIT and underlying EBITDA

Underlying denotes that we have made adjustments for the items: depreciation/amortization of consolidated excess values and items affecting comparability. Items affecting comparability are profit/loss items that are by their very nature unusual and significantly impact profit or loss. These play an important part in understanding the underlying business performance.

### Underlying EBIT

EBIT excluding items affecting comparability and depreciation/amortization of consolidated excess values.

The APM constitutes one of the company's financial targets. The APM reflects the company's operational profitability, where

adjustments are made for items affecting comparability, to enable comparison over time.

### Underlying EBIT margin, currency adjusted

Underlying EBIT as a percentage of net sales adjusted for currency effects.

### Underlying EBITDA

EBITDA excluding items affecting comparability.

### Earnings per share

Net income for the period divided by the average number of shares during the period.

### LTM

Rolling 12-month.

### Net debt

Gross debt less cash and cash equivalents. Gross debt is the total of long- and short-term borrowing, derivative instruments, capitalized transaction costs and accrued interest.

Net debt is a metric used for monitoring the debt trend and the scope of refinancing requirements. Since cash and cash equivalents can be used to repay debt at short notice, net debt is used instead of gross debt as a metric for total loan financing.

### Leverage ratio

Net debt divided by underlying EBITDA (LTM).

This APM is a debt ratio that indicates how many years it would take to repay the company's debt, provided that its net debt and EBITDA are constant, without factoring cash flows pertaining to interest, tax and investments.

### Equity ratio

Equity as a percentage of total assets.



## Calculation table alternative performance measures

	Jan - Mar	
	2021	2020
<b>Organic growth, currency-adjusted</b>		
Change in net sales, %	45.5	-4.9
Exchange rate fluctuations, %	10.4	-2.6
<b>Net sales, currency-adjusted growth, %</b>	<b>56.0</b>	<b>-7.5</b>
Structural changes, %	-	-
Organic growth, %	56.0	-7.5
<b>Underlying EBITDA</b>		
Operating income (EBIT), SEKm	594	325
Reversal of depreciation/amortization and impairment, SEKm	35	35
Items affecting comparability, SEKm	-	-
Underlying EBITDA, SEKm	629	361
<b>Underlying EBIT</b>		
Operating income (EBIT), SEKm	594	325
Items affecting comparability, SEKm	-	-
Reversal of depreciation/amortization of consolidated excess values, SEKm	0	0
Underlying EBIT, SEKm	594	326
<b>Underlying EBIT margin, currency-adjusted</b>		
Underlying EBIT 2021/2020, SEKm	594	326
Underlying EBIT margin 2021/2020, %	23.4	18.7
Underlying EBIT 2020/2019, SEKm	326	342
Underlying EBIT margin 2020/2019, %	18.7	18.7
Underlying EBIT 2020/2019, currency-adjusted, SEKm	312	360
Underlying EBIT margin 2020/2019, currency-adjusted, %	19.2	19.1
Change in underlying EBIT margin, currency-adjusted, %	4.2	-0.4
<b>Net debt</b>		
Long-term interest-bearing liabilities, gross, SEKm	1 093	3 299
Derivative liabilities, long-term, SEKm	15	18
Short-term interest-bearing liabilities, SEKm	55	58
Derivative liabilities, short-term, SEKm	14	25
Capitalized financing costs, SEKm	-6	-9
Accrued interest, SEKm	0	0
Gross debt, SEKm	1 171	3 391
Derivative assets, SEKm	-33	-29
Cash and cash equivalents, SEKm	-708	-1 061
Net debt, SEKm	430	2 301
<b>Leverage ratio</b>		
Net debt, SEKm	430	2 301
Underlying EBITDA LTM, SEKm	2 004	1 372
Leverage ratio, x	0.2	1.7
<b>Equity ratio</b>		
Equity, SEKm	5 971	4 794
Total assets, SEKm	9 603	9 952
Equity ratio, %	62.2	48.2

## Financial calendar

Thule Group AGM (Malmö)	April 22, 2021
Interim report April–June 2021	July 21, 2021
Interim report July–September 2021	October 22, 2021
Interim report October–December 2021	February 9, 2022

## Contacts

Fredrik Erlandsson, Senior Vice President Communications and IR

Tel: +46 (0)70-309 00 21, e-mail: [fredrik.erlandsson@thule.com](mailto:fredrik.erlandsson@thule.com)

Jonas Lindqvist, CFO

Tel: +46 (0)736-65 45 75, e-mail: [jonas.lindqvist@thule.com](mailto:jonas.lindqvist@thule.com)

## About Thule Group

Thule Group is a global sports and outdoor company. We offer high-quality products with smart features and a sustainable design that make it easy for people across the globe to live an active life. Under the motto *Active Life, Simplified* — and with a focus on consumer-driven innovation and long-term sustainability — we develop, manufacture and market products within the product categories **Sport&Cargo Carriers** (roof racks, roof boxes and carriers for transporting cycling, water and winter sports equipment, and rooftop tents mounted on a car), **Active with Kids** (strollers, bicycle trailers and child bike seats), **RV Products** (awnings, bike racks and tents for RVs and caravans) and **Packs, Bags & Luggage** (hiking backpacks, luggage and camera bags).

Thule Group has about 2,600 employees at nine production facilities and 35 sales offices worldwide. The Group's products are sold in 140 markets and in 2020, sales amounted to SEK 7.8 billion. [www.thulegroup.com](http://www.thulegroup.com)



# Thule Group

Thule Group AB (publ)  
Fosievägen 13  
SE-214 31 Malmö, Sweden  
Corp. Reg. No: 556770-6311  
[www.thulegroup.com](http://www.thulegroup.com)