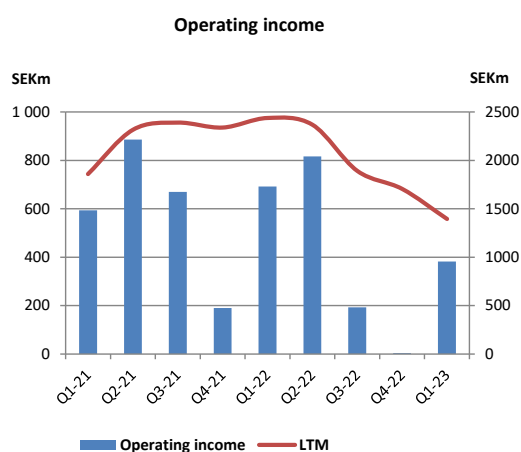
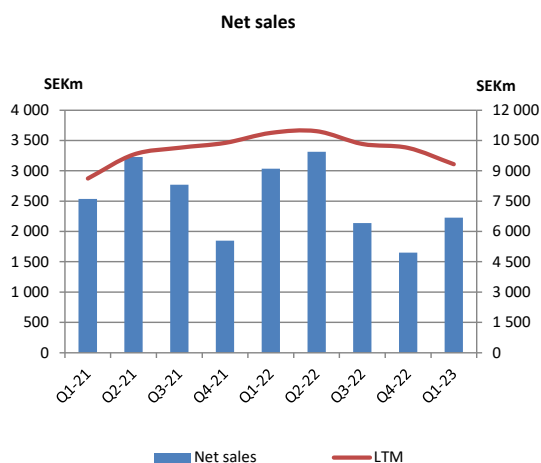


# Thule Group

## Interim report, first quarter, January–March 2023

- **Net sales** for the quarter amounted to SEK 2,226m (3,034), corresponding to a decrease of 26.6 percent. Adjusted for exchange rate fluctuations, sales declined 31.4 percent.
- **Operating income** amounted to SEK 382m (692), corresponding to a margin of 17.2 percent (22.8). Adjusted for exchange rate fluctuations, the operating margin decreased 5.5 percentage points.
- **Net income** amounted to SEK 275m (527).
- **Cash flow from operating activities** totaled SEK 19m (outflow: 526).
- **Earnings per share before dilution** amounted to SEK 2.63 (5.04).

	Jan-Mar 2023	Jan-Mar 2022	%	LTM	Full-year 2022	%
Net sales, SEKm	2 226	3 034	-26.6	9 330	10 138	-8.0
Operating income (EBIT), SEKm	382	692	-44.8	1 396	1 706	-18.2
Net income, SEKm	275	527	-47.9	1 022	1 275	-19.8
Earnings per share, SEK	2.63	5.04	-47.9	-	12.19	-
Cash flow from operating activities, SEKm	19	-526	n/a	1 160	616	+88.4



## CEO's statement

### **Sales in the quarter were lower year-on-year, but at an expected level and with healthy profitability**

Compared with an exceptionally strong first quarter in the previous year, sales in the first quarter were 31 percent lower after currency adjustment.

The main reason for lower sales in the first quarter was the decline in sales of bike-related products to retailers, who continued to lower their inventory levels. This can be compared with the year-earlier period when the same retailers were in the middle of an aggressive phase of inventory build-up.

The Group's inventory decreased in the quarter by SEK 158 million, which was in line with our plans. Inventory levels typically increase significantly in the first quarter ahead of the high season. In 2022, inventory increased SEK 469 million in the first quarter. The significantly lower production level impacted the utilization rates of the Group's production units. At the end of the quarter, some 900 fewer people were active in manufacturing compared with same time prior year. Our tried and tested model to ensure flexibility and adaptation to different production volumes is functioning well.

Despite a disadvantageous product mix, an underutilized production capacity, continued generally high material costs and ambitious investments for future growth, we achieved an EBIT margin of 17.2 percent for the quarter. This was achieved thanks to price increases implemented in summer 2022, reduced freight costs and reduced selling expenses.

### **Late start for spring sales in Europe**

During the quarter, sales in the region declined year-on-year by 25.6 percent after currency adjustment. The lower sales mainly resulted from lower sales of bike-related products, where the year-earlier quarter posted exceptionally strong sales ahead of the high season. We also experienced a cautious retail chain for the Group's other sports and outdoor products, with an unusually late start for many spring activities.

The markets that distinguished themselves positively were South-East Asia, Japan and China, where sales of bags in particular increased compared with a weak 2022. Purchases from customers in countries in close proximity to Ukraine also grew, when comparing with a weak prior year, when sales came to a standstill in March 2022 after Russia's invasion of Ukraine that year.

From a product perspective, the RV Products and Packs, Bags & Luggage categories grew.

### **Weak quarter for Region Americas compared with an exceptionally strong start last year**

Year-on-year, sales in the region declined 45.2 percent after currency adjustment during the quarter. Also in this region, we noted a substantial

decline in sales of bike-related products compared with the year-earlier quarter.

As with Region Europe & RoW, we increased sales in the Packs, Bags & Luggage category, driven by successful launches and increased commuting as well as travel for pleasure. We saw similar patterns geographically, with stronger sales in the southern hemisphere, with a majority of our Latin American markets reporting growth.

### **Major update of thule.com: the Group's most important global contact medium with consumers**

In March, an updated thule.com website was launched. The update supports the brand's lifestyle positioning and improvements have been made from a user perspective. Examples of improvements include more logical and easy to use purchasing assistance for more complex categories, improved accessory functions to create added sales and our broad product offering presented with a focus on activities instead of individual products.

The website will drive sales in all channels, and it is particularly important in the continued ambition to increase the share of sales direct to consumers.

### **Short-term challenges during the spring, but strong faith in our strategy and upcoming product launches**

The bike sector began lowering high inventory levels the last few months, but in April as we still see inventory levels of many retailers higher than they wish. Combined with a challenging market with uncertainty in consumer demand in a turbulent world, we expect a weak start to the second quarter.

However, we maintain an unwavering faith in our growth strategy and are convinced that the trend of living active lives will remain strong in the long term. In line with our aggressive growth strategy, we are launching a number of new products in the spring. In the summer, we will also be showcasing several new products for our retailers that will be available in stores next spring.

As announced during the quarter, I will be stepping down as CEO and handing over the reins to our current Board member Mattias Ankarberg in August. Our shared efforts, together with other members of executive management, to enable a smooth transition are making good progress.



Magnus Welander,  
CEO and President

# Financial overview

## Trend for the first quarter

### Net sales

In the first quarter of 2023, net sales amounted to SEK 2,226m (3,034), representing a decrease of 26.6 percent. Adjusted for exchange rate fluctuations, net sales for the Group decreased 31.4 percent.

In Region Europe & RoW, net sales totaled SEK 1,698m (2,158), down 21.3 percent and 25.6 percent after currency adjustment. Net sales in Region Americas amounted to SEK 528m (876), down 39.7 percent and 45.2 percent after currency adjustment compared with the first quarter of 2022.

	Jan-Mar
Change in net sales	<b>2023</b>
Changes in exchange rates	4.8%
Structural changes	0.0%
Organic growth	-31.4%
<b>Total</b>	<b>-26.6%</b>

### Gross income

Gross income for the quarter totaled SEK 916m (1,215), corresponding to a gross margin of 41.2 percent (40.0). After currency adjustment, the margin improved 1.5 percentage points. Gross income was positively impacted by price increases and considerably lower freight costs compared with the first quarter of 2022 but negatively impacted by lower sales and a disadvantageous product mix and underutilized production capacity.

### Operating income

Operating income amounted to SEK 382m (692), corresponding to a margin of 17.2 percent (22.8). The operating margin after currency adjustment was 5.5 percentage points lower than the year-earlier period. Lower sales-related expenses in the quarter but continued high expenses for managing the high inventory levels and high investments in product development impacted the margin during the quarter.

	Jan-Mar
Change in Operating margin	<b>2023</b>
Operating income 2023	382
Operating margin 2023	17.2%
Operating income 2022	692
Operating margin 2022	22.8%
Operating income 2022, currency adjusted	735
Operating margin 2022, currency adjusted	22.7%
<b>Change in Operating margin, currency adjusted</b>	<b>-5.5%</b>

### Net financial items

Net financial items for the quarter amounted to an expense of SEK 24m (expense: 11). Exchange rate differences on loans and cash and cash equivalents amounted to SEK 4m (1). The interest expense for borrowings was SEK 27m (expense: 12).

### Taxes

The effective tax rate for the January–March 2023 period was 23.3 percent. The effective tax rate for the corresponding period in 2022 amounted to 22.7 percent. No significant events occurred during the quarter that could affect the Group's effective tax rate.

### Net income for the period

In the first quarter, net income was SEK 275m, corresponding to earnings per share of SEK 2.63 before dilution and SEK 2.62 after dilution. For the year-earlier period, net income totaled SEK 527m, corresponding to earnings per share of SEK 5.04 before dilution and SEK 4.99 after dilution.

### Cash flow

Cash flow from operating activities for the quarter was SEK 19 (outflow: 526). Compared with the year-earlier period, working capital was positively impacted by lower sales, with lower accounts receivable outstanding and inventory, with the significant inventory build-up occurring in the first quarter of 2022. Investments in tangible and intangible assets amounted to SEK 59m (148), net.

### Financial position

As per March 31, 2023, the Group's equity amounted to SEK 6,842m (6,458). The equity ratio amounted to 57.0 percent (54.0).

Net debt amounted to SEK 2,964m (2,169) on March 31, 2023. Total long-term borrowing amounted to SEK 3,005m (2,466), comprising loans from credit institutions of SEK 2,830m (2,331), gross, long-term lease liabilities of SEK 177m (138), capitalized financing costs of SEK 3m ( 3), and the long-term portion of financial derivatives of SEK 1m (0). Total current financial liabilities amounted to SEK 118m (91) and comprised the short-term portion of financial derivatives and lease liabilities.

SEKm	Mar 31 2023	Mar 31 2022	Dec 31 2022
Long-term loans, gross	3 007	2 468	2 986
Financial derivative liability, long-term	1	0	1
Short-term loans, gross	87	71	79
Financial derivative liability, short-term	31	19	28
Overdraft facilities	0	0	0
Capitalized financing costs	-3	-3	-3
Accrued interest	0	0	2
<b>Gross debt</b>	<b>3 123</b>	<b>2 557</b>	<b>3 092</b>
Financial derivative asset	-46	-27	-48
Cash and cash equivalents	-114	-361	-176
<b>Net debt</b>	<b>2 964</b>	<b>2 169</b>	<b>2 868</b>

As per March 31, 2023, goodwill totaled SEK 4,983m (4,576). The increase was attributable entirely to currency effects.

As per March 31, 2023, inventories amounted to SEK 2,999m (3,022). Compared with the year-earlier period, inventory value decreased SEK 23m, and taking currency effects into account, inventory declined SEK 201m.

As per March 31, 2023, deferred tax receivables amounted to SEK 328m (352), of which SEK 140m (121) pertained to deferred tax attributable to capitalized loss carry forwards.

## Other information

### Significant events

As announced in the year-end report on February 10, Thule Group's Board of Directors decided on February 9 to appoint Mattias Ankarberg as the new President and CEO of the company. To secure a seamless handover, Magnus Welander will remain in his role until Mattias Ankarberg has finished his current employment in the beginning of August.

### 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, including externally contracted workers in manufacturing, amounted to SEK 2,632 (3,670) in the first quarter. At the end of the first quarter, the number of FTEs was 2,645 (2,574 employees and 71 externally contracted workers in manufacturing).

This is an increase of 58 FTEs compared with the end of the fourth quarter of 2022 (2,566 employees and 21 externally contracted workers in manufacturing), and a reduction of 909 FTEs compared with the first quarter of 2022 (2,960 employees and 594 externally contracted workers in manufacturing). The reduction was mainly the result of completed short-term contracts of employees and externally contracted workers in manufacturing.

### Thule Group's share

The shares of Thule Group AB are listed on the Nasdaq Stockholm Large Cap list. As per March 31, 2023, the total number of shares in issue was 104,562,436.

### Proposed dividend

The Board of Directors proposes a dividend of SEK 9.20 per share, corresponding to SEK 962m based on the number of shares outstanding on February 10, 2023. The proposed dividend comprises 75 percent of the earnings per share for 2022. It is also proposed that dividends be paid in two installments for a better adaptation to the Group's cash flow profile. The proposed record date for distribution of the first installment of SEK 4.60 per share is May 2, 2023 and the proposed record date for the second installment of SEK 4.60 per share is October 5, 2023.

### Annual General Meeting and shareholders

The Annual General Meeting for Thule Group will be held on April 27, 2023, in Malmö, Sweden.

On March 31, 2023, Thule Group AB had 30,744 known shareholders. As of this date, the largest shareholders were AMF Försäkringar & Fonder (15 percent of the capital and votes), Handelsbanken Fonder (6.1 percent of the capital and votes), Swedbank Robur Fonder (5.8 percent of the capital and votes) and Nordea Fonder (5.0 percent of the capital and 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, 2023. The Parent Company invoices its costs to Group companies. The Parent Company reported a net income amounting to a loss of SEK 10m (loss: 8). Cash and cash equivalents and current investments amounted to SEK 0m (0). Long-term liabilities to credit institutions totaled SEK 2,827m (2,328).

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 4, Risks and uncertainties.

## Sales trend by region

SEKm	Jan-Mar		Change		Full-year	
	2023	2022	Rep.	Adjust. <sup>1</sup>	LTM	2022
Net sales	2 226	3 034	-26.6%	-31.4%	9 330	10 138
- Region Europe & RoW	1 698	2 158	-21.3%	-25.6%	6 631	7 091
- Region Americas	528	876	-39.7%	-45.2%	2 699	3 047

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

### Region Europe & RoW

In the first quarter, sales in the region decreased 25.6 percent after currency adjustment, compared with a strong first quarter in the previous year. In the first quarter 2022, sales grew by 8.8 percent after currency adjustment compared with the same period in 2021.

The main reason for the lower sales in the quarter was the sharp slowdown of sales of bike-related products to retailers in all of our markets. Their ambition to substantially reduce their inventories following excessively large orders and inventory levels were consistent in all of the region's markets.

We also experienced a cautious retail chain for the Group's other sports and outdoor products, with an unusually late start for spring activities.

In Europe, we achieved favorable sales directly to consumers (DTC) in all of the seven markets where this is implemented. This channel was, for natural reasons, not impacted negatively by inventory levels, and sales increased for all product categories. Sales also increased in countries with a close proximity to Ukraine, primarily because these markets experienced a more normal trend this year while sales at the end of the first quarter of the preceding year came to a standstill from the middle of February as a result of Russia's invasion of its neighboring country.

Other markets that distinguished themselves positively were South-East Asia, Japan and China, where sales of bags in particular increased compared with a weak 2022, when these markets were still impacted by pandemic-related travel restrictions.

From a product perspective, the RV Products and Packs, Bags & Luggage categories reported growth, which also entailed a somewhat negative product mix in terms of profitability.

### Region Americas

In the first quarter, sales in the region decreased 45.2 percent after currency adjustment, compared with an exceptionally strong first quarter last year. In the first quarter 2022, sales grew by 26.8 percent after currency adjustment compared to the same period in 2021.

As in Region Europe & RoW, the main reason for lower sales in the quarter was the sharp slowdown of sales of bike-related products to retailers in all of our markets. Their ambition to substantially reduce their inventories following excessively large orders and inventory levels were consistent in all of the region's markets.

We also experienced a cautious retail chain for the Group's other sports and outdoor products, with an unusually late start for spring activities, particularly in the US east coast.

As in Region Europe & RoW, the Packs, Bags & Luggage category was the strongest with increased sales of every-day backpacks, duffel bags and carry-on luggage. Growth was driven by successful launches of new collections and increased commuting as well as travel for pleasure.

Sales in the southern hemisphere were favorable, where many of our Latin American markets reported growth, while the two major North American markets reported a weak first quarter.

## Assurance

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 27, 2023

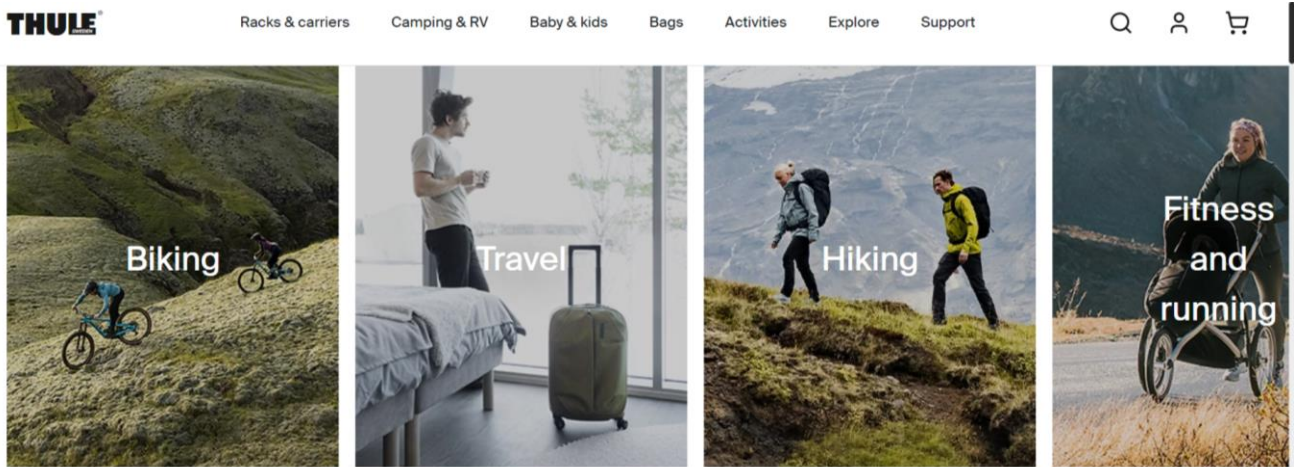
Board of Directors

### **Review report**

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



## Selected key events



**Thule.com update launched** – In March, a completely updated thule.com website was launched. The update is in line with the brand's lifestyle positioning and also comes with a number of improvements from a user perspective. Examples of improvements include more logical and easy to use purchasing assistance for more complex categories, improved accessory functions to create added sales and our broad product offering presented with a focus on activities.



**The Thule Arcos tow bar / hitch mounted cargo carrier launched** – With the aerodynamic tow bar mounted cargo carrier, consumers are provided with everything they need without having to compromise their electric vehicle's span. Internal and external tests show that the cargo carrier actually reduces energy consumption compared with having the same load inside the vehicle.



# Financial statements

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

## Consolidated Income Statement

	Note	Jan - Mar			Full-year
		2023	2022	LTM	2022
Net sales	2	2 226	3 034	9 330	10 138
Cost of goods sold		-1 310	-1 819	-5 769	-6 279
<b>Gross income</b>		<b>916</b>	<b>1 215</b>	<b>3 561</b>	<b>3 859</b>
Selling expenses		-430	-429	-1 769	-1 768
Administrative expenses		-104	-93	-396	-385
<b>Operating income</b>	2	<b>382</b>	<b>692</b>	<b>1 396</b>	<b>1 706</b>
Net interest expense/income		-24	-11	-72	-59
<b>Income before taxes</b>		<b>358</b>	<b>682</b>	<b>1 324</b>	<b>1 647</b>
Taxes		-84	-155	-302	-373
<b>Net income</b>		<b>275</b>	<b>527</b>	<b>1 022</b>	<b>1 275</b>
Net income pertaining to:					
Shareholders of Parent Company		275	527	1 022	1 275
<b>Net income</b>		<b>275</b>	<b>527</b>	<b>1 022</b>	<b>1 275</b>
Earnings per share, SEK before dilution		2.63	5.04		12.19
Earnings per share, SEK after dilution		2.62	4.99		12.12
Average number of shares (millions)		104.6	104.6		104.6

## Consolidated Statement of Comprehensive Income

	Jan - Mar			Full-year
	2023	2022	LTM	2022
Net income	275	527	1 022	1 275
<b>Items that have been carried over or can be carried over to net income</b>				
Foreign currency translation	37	111	752	827
Cash flow hedges	-9	5	1	14
Net investment hedge	-15	-9	-93	-87
Tax on components in other comprehensive income	3	-2	-1	-5
<b>Items that cannot be carried over to net income</b>				
Revaluation of defined-benefit pension plans	-3	14	81	98
Tax pertaining to items that cannot be carried over to net income	1	-3	-16	-20
<b>Other comprehensive income, net after tax</b>	<b>14</b>	<b>116</b>	<b>724</b>	<b>826</b>
<b>Total comprehensive income</b>	<b>289</b>	<b>643</b>	<b>1 746</b>	<b>2 101</b>
Total comprehensive income pertaining to:				
Shareholders of Parent Company	289	643	1 746	2 101
<b>Total comprehensive income</b>	<b>289</b>	<b>643</b>	<b>1 746</b>	<b>2 101</b>

## Consolidated Balance Sheet

	Mar 31 2023	Mar 31 2022	Dec 31 2022
<b>Assets</b>			
Intangible assets	5 018	4 613	4 999
Tangible assets	2 058	1 616	2 007
Long-term receivables	7	7	8
Deferred tax receivables	328	352	320
<b>Total fixed assets</b>	<b>7 410</b>	<b>6 589</b>	<b>7 334</b>
Inventories	2 999	3 022	3 129
Tax receivables	83	6	22
Accounts receivable	1 085	1 616	723
Prepaid expenses and accrued income	132	93	108
Other receivables	182	284	187
Cash and cash equivalents	114	361	176
<b>Total current assets</b>	<b>4 595</b>	<b>5 381</b>	<b>4 345</b>
<b>Total assets</b>	<b>12 006</b>	<b>11 970</b>	<b>11 679</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>6 842</b>	<b>6 458</b>	<b>6 553</b>
Long-term interest-bearing liabilities	3 005	2 466	2 983
Provision for pensions	162	240	156
Deferred income tax liabilities	394	374	393
<b>Total long-term liabilities</b>	<b>3 560</b>	<b>3 079</b>	<b>3 533</b>
Short-term interest-bearing liabilities	118	91	107
Accounts payable	666	1 178	576
Tax liabilities	81	260	114
Other liabilities	65	84	71
Accrued expenses and deferred income	596	726	631
Provisions	78	93	93
<b>Total short-term liabilities</b>	<b>1 603</b>	<b>2 432</b>	<b>1 593</b>
<b>Total liabilities</b>	<b>5 163</b>	<b>5 512</b>	<b>5 126</b>
<b>Total equity and liabilities</b>	<b>12 006</b>	<b>11 970</b>	<b>11 679</b>

## Consolidated Statement of Changes in Equity

	Mar 31 2023	Mar 31 2022	Dec 31 2022
Opening balance, January 1	6 553	5 815	5 815
Net income	275	527	1 275
Other comprehensive income	14	116	826
<b>Total comprehensive income</b>	<b>289</b>	<b>643</b>	<b>2 101</b>
Transactions with the Group's owners:			
Dividend	-	-	-1 359
Warrants	-	-	-4
<b>Closing balance</b>	<b>6 842</b>	<b>6 458</b>	<b>6 553</b>

## Consolidated Statement of Cash Flow

	Jan - Mar 2023	2022	Full-year 2022
Income before taxes	358	682	1 647
Adjustments for items not included in cash flow	32	61	261
Paid income taxes	-184	-83	-410
<b>Cash flow from operating activities prior to changes in working capital</b>	<b>207</b>	<b>660</b>	<b>1 498</b>
<b>Cash flow from changes in working capital</b>			
Increase(-)/Decrease (+) in inventories	158	-469	-412
Increase(-)/Decrease (+) in receivables	-382	-838	218
Increase(+)/Decrease (-) in liabilities	36	121	-689
<b>Cash flow from operating activities</b>	<b>19</b>	<b>-526</b>	<b>616</b>
<b>Investing activities</b>			
Acquisition of subsidiaries	-	-	-20
Acquisition/divestment of tangible/intangible assets	-59	-148	-443
<b>Cash flow from investing activities</b>	<b>-59</b>	<b>-148</b>	<b>-464</b>
<b>Financing activities</b>			
Warrants	-	-	-4
Dividend	-	-	-1 359
Debt repaid/new loans	-23	881	1 227
<b>Cash flow from financing activities</b>	<b>-23</b>	<b>881</b>	<b>-136</b>
Net cash flow	-63	207	16
Cash and cash equivalents at beginning of period	176	149	149
Effect of exchange rates on cash and cash equivalents	1	5	11
<b>Cash and cash equivalents at end of period</b>	<b>114</b>	<b>361</b>	<b>176</b>

## Condensed Parent Company Income Statement

	Jan - Mar		Full-year
	2023	2022	2022
Other operating revenue	5	5	21
Administrative expenses	-16	-14	-46
<b>Operating income</b>	<b>-10</b>	<b>-9</b>	<b>-24</b>
Result from Shares in Subsidiaries	-	-	650
Interest income- and expense	-2	-2	-18
<b>Income after financial items</b>	<b>-12</b>	<b>-10</b>	<b>608</b>
Appropriations	0	0	85
<b>Net income before taxes</b>	<b>-12</b>	<b>-10</b>	<b>693</b>
Taxes	2	2	-9
<b>Net income</b>	<b>-10</b>	<b>-8</b>	<b>684</b>

## Condensed Parent Company Balance Sheet

	Mar 31	Mar 31	Dec 31
	2023	2022	2022
<b>Assets</b>			
Financial fixed assets	5 453	4 451	5 438
<b>Total fixed assets</b>	<b>5 453</b>	<b>4 451</b>	<b>5 438</b>
Receivables from group companies	651	1 400	736
Other current receivables	8	13	13
Cash and cash equivalents	0	0	0
<b>Total current assets</b>	<b>658</b>	<b>1 413</b>	<b>748</b>
<b>Total assets</b>	<b>6 112</b>	<b>5 864</b>	<b>6 186</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>1 777</b>	<b>2 458</b>	<b>1 786</b>
Other provisions	30	25	28
Liabilities to credit institutions	2 827	2 328	2 812
Liabilities to Group companies	0	368	0
<b>Total long-term liabilities</b>	<b>2 857</b>	<b>2 721</b>	<b>2 841</b>
Liabilities to credit institutions	0	0	0
Liabilities to Group companies	1 458	661	1 540
Other current liabilities	20	25	20
<b>Total short-term liabilities</b>	<b>1 478</b>	<b>685</b>	<b>1 559</b>
<b>Total equity and liabilities</b>	<b>6 112</b>	<b>5 864</b>	<b>6 186</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 2023 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	
	2023	2022	LTM	2022
<b>Net sales to external customers</b>	<b>2 226</b>	<b>3 034</b>	<b>9 330</b>	<b>10 138</b>
- Region Europe & RoW	1 698	2 158	6 631	7 091
- Region Americas	528	876	2 699	3 047
<b>EBITDA</b>	<b>441</b>	<b>738</b>	<b>1 610</b>	<b>1 906</b>
Depreciation/amortization on fixed assets	-59	-46	-213	-200
<b>EBIT/Operating income</b>	<b>382</b>	<b>692</b>	<b>1 396</b>	<b>1 706</b>
Net interest expense/income	-24	-11	-72	-59
Taxes	-84	-155	-302	-373
<b>Net income</b>	<b>275</b>	<b>527</b>	<b>1 022</b>	<b>1 275</b>

All revenue is recognized at one point in time.

### Note 3 Fair value of financial instruments

	Fair value	
	Mar 31	Mar 31
	2023	2022
Assets - Financial derivatives		
Currency forward contracts	8	18
Currency swaps	8	3
Interest rate swaps	30	6
<b>Total derivative assets</b>	<b>46</b>	<b>27</b>
Liabilities - Financial derivatives		
Currency forward contracts	-29	-16
Currency swaps	-3	-3
Interest rate swaps	0	-1
<b>Total derivative liabilities</b>	<b>-32</b>	<b>-20</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 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 risks and financial risks. For a more detailed description of the relevant risk factors, refer to Thule Group's Annual Report.

The current macroeconomic situation, rising inflation and geopolitical concern has led to uncertainty that makes it difficult to predict how demand and the total cost base will be impacted.



## Key figures

	Jan - Mar		Full-year	
	2023	2022	LTM	2022
Net sales, SEKm	2 226	3 034	9 330	10 138
Net sales growth, %	-26.6%	19.5%	-	-2.4%
Net sales growth, adjusted % <sup>1</sup>	-31.4%	13.4%	-	-9.7%
Gross margin, %	41.2%	40.0%	38.2%	38.1%
Operating income (EBIT), SEKm	382	692	1 396	1 706
Operating margin, %	17.2%	22.8%	15.0%	16.8%
Earnings per share, SEK	2.63	5.04	-	12.19
Equity ratio, %	57.0%	54.0%	57.0%	56.1%
Leverage ratio	1.8	0.8	1.8	1.5

<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.

### Gross margin

Gross income as a percentage of net sales.

### Gross income

Net sales less cost of goods sold.

### CAGR (Compounded Annual Growth Rate)

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

### EBIT margin - Operating margin

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

### EBIT - Operating income

Income before net financial items and taxes.

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

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

### 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 without the influence of, for example, acquisitions.

### Net sales growth, currency adjusted

Net sales growth adjusted for currency effects.

### 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.

### LTM

Rolling 12-month.

### Earnings per share

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

### 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	
	2023	2022
<b>Organic growth, currency-adjusted</b>		
Change in net sales, %	-26.6	19.5
Exchange rate fluctuations, %	-4.8	-6.1
<b>Net sales, currency-adjusted growth, %</b>	<b>-31.4</b>	<b>13.4</b>
Structural changes, %	-	-
Organic growth, %	-31.4	13.4
<b>EBITDA</b>		
Operating income (EBIT), SEKm	382	692
Reversal of depreciation/amortization and impairment, SEKm	59	46
EBITDA, SEKm	441	738
<b>Net debt</b>		
Long-term interest-bearing liabilities, gross, SEKm	3 007	2 468
Derivative liabilities, long-term, SEKm	1	0
Short-term interest-bearing liabilities, SEKm	87	71
Derivative liabilities, short-term, SEKm	31	19
Capitalized financing costs, SEKm	-3	-3
Accrued interest, SEKm	0	0
Gross debt, SEKm	3 123	2 557
Derivative assets, SEKm	-46	-27
Cash and cash equivalents, SEKm	-114	-361
Net debt, SEKm	2 964	2 169
<b>Leverage ratio</b>		
Net debt, SEKm	2 964	2 169
EBITDA LTM, SEKm	1 610	2 603
Leverage ratio, X	1.8	0.8
<b>Equity ratio</b>		
Equity, SEKm	6 842	6 458
Total assets, SEKm	12 006	11 970
Equity ratio (%)	57.0	54.0

## Financial calendar

Thule Group AGM (Malmö)

April 27, 2023

Interim report April–June 2023

July 19, 2023

Interim report July–September 2023

October 27, 2023

Interim report October–December 2023

February 9, 2024

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## 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), **Juvenile & Pet Products** (strollers, bike trailers and child bike seats), **RV Products** (awnings, bike carriers 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 138 markets and in 2022, sales amounted to SEK 10.1 billion. [www.thulegroup.com](http://www.thulegroup.com).



# Thule Group >>

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