

Thule Groups' (publ) CEO and President, Mattias Ankarberg, comments on the Year-end report and fourth quarter, 2024

INTENSIVE CONCLUSION TO A SUCCESSFUL YEAR

The fourth quarter of the year was intense but successful. We launched car seats in more than 20 countries, acquired Quad Lock, and sales and profitability increased. Intense and successful are two words that also describe the year as a whole. We launched more new products than ever before, added three new product categories, and commenced sales in five new countries via thule.com. 2024 was the year in which we returned to growth, with increased profitability and record cash flow.

Sales in the fourth quarter, seasonally the smallest quarter of the year, increased 7 percent year-on-year mainly due to the inclusion of Quad Lock in our December sales. Organic sales were basically flat, with a decline of half a percent. The market continues to be tough. The North American market remains more challenging than its European counterparts. In RV Products, where the market is going through a difficult period, several manufacturers (OE) have reduced their production levels and reduced their purchases from Thule. Even if sales to dealers increased, overall sales for RV Products declined 7 percent. In bike, which is an important market for Thule, the recovery continued in the premium segment and sales of bike-related products increased, strengthened by the new products of 2024. However, bike-related products represent a low share of sales in the fourth quarter. Growth was strongest within Juvenile & Pet, which increased 14 percent, driven by new versions of our best-selling products together with the new categories of dog transportation and car seats. We started up sales via thule.com in one additional country – Ireland – contributing to growth in the DTC channel.

The gross margin for the fourth quarter increased to 41.6 percent (37.2). The adjusted EBIT margin, excluding transaction costs related to the acquisition of Quad Lock, amounted to 3.8 percent (3.4).

For the full-year 2024, sales increased 5 percent despite a challenging market. Growth was driven by our many well-received new products and a recovery in certain parts of the bike market. The adjusted EBIT margin increased to 17.0 percent (16.5) despite a record number of product launches and major investments in product development. Cash flow from operating activities was very strong and totaled SEK 2.3 billion. We continued to focus on reducing inventory levels and achieved this year's target and we have now freed up SEK 1.2 billion of capital tied-up in inventory over the past two years. We have the financial capacity to both distribute earnings to our shareholders while at the same time investing significant funds for the future.

Our ambitious sustainability efforts have been recognized by Morningstar Sustainalytics, who have ranked us among the 50 best companies in the world from the 15,000 companies that they follow. We are very proud of this recognition, and it demonstrates that we are on the right path.

STRENGTHENED AND NEW MARKET POSITIONS

We launched more new products in 2024 than in any previous year, resulting in a record number of international design awards as well as sales growth. We have seen good growth from our updated bestsellers, such as our market-leading all-terrain sport stroller Thule Urban Gilde, our updated duffel bag Thule Chasm, and the next-generation multisport and bike trailer series Thule Chariot.

At the same time as we strengthened our existing market positions we have also started to build new ones.

Dog products have made the best start for a new product category in all of Thule's history. Our first product, the Thule Allax dog crate, was launched in the first quarter and quickly began to capture market share. The category is well suited to Thule: premium products for people who want to be active, a willingness to pay for safety and user-friendliness, a growing market and a clear connection to our brand identity – "Bring your life." In the third quarter we launched Thule Bexey, our bike trailer for dog transportation, and in the fourth quarter several new versions of Thule Allax were launched to fit more car models. More dog products are coming in 2025.

Our car seats have been particularly well received, with positive media coverage, design awards and good distribution with important retailers. In the autumn, our very first product came up top in the ADAC test, Europe's most important consumer test. We commenced sales in all three DACH region countries in May, and in the fourth quarter decided to launch car seats in an additional 20 European countries. At the same time, we are developing additional products, and in 2025, we are set to launch our high back booster seat with back and neck support for somewhat older children.

STRATEGY THAT BUILDS ON OUR STRENGTHS

During the year, we have also worked to identify our greatest strengths. There are many, which have been the driving force of Thule's success for more than 80 years. It is important to realize that our historic value creation has come from the product categories in which we are market leaders. We have a tried and tested capability to further develop market leading positions, particularly those in which consumers are willing to pay for safety and innovation. This applies to both to our longstanding global market leading positions, such as roof boxes that we have held since the 1960s, or to acquired market leading positions, provided that they fit in with Thule's brand and expertise. We have now made clear that our future focus is to be "Big in pockets," meaning that we will be a major player in attractive niches that fit well with our premium Thule brand.

ACQUISITION OF MARKET LEADER IN ATTRACTIVE NICHE

In the fourth quarter we acquired the global market leader Quad Lock and added a new product category with performance phone mounts for cyclists, motorcyclists and other adventurers. Quad Lock fits very well with our strategy since it is a global market leader in its niche, with a growing product category, the best products on the market and a strong history of innovation and product development. The strategic fit is also good from a consumer perspective since we both stand for quality, safety and enabling an active outdoor life, which lays the ground to in future include Quad Lock within the Thule's brand. Quad Lock has sales in over 100 countries and had a revenue of approximately SEK 1.4 billion in the last twelve months with an EBITDA margin of 25 percent. Together, we have a multitude of exciting opportunities to develop.

HIGH PACE CONTINUING INTO 2025

It was clear in 2024 that the new Thule products are driving growth in the face of a challenging market. Moving forward, we will continue to implement our long-term growth plan at a high pace, keeping our foot on the gas as we move into 2025. We have four clear priorities for 2025:

1. Continue to invest in product development. We have great opportunities to further develop the market-leading positions we already have, leading to a fast and significant impact on sales and profitability. In 2025, we will maintain the record pace of new product launches that we achieved in 2024.
2. Succeed in more product categories at the same time. The launches of our new dog transportation and car seat categories have worked well. We are now continuing to build out our market positions with new products planned in both categories as already in 2025 as well as plans to further increase distribution and marketing activities. We have also established a collaborative model for supporting the strong Quad Lock team in increasing the pace of product development in performance phone mounts and addressing new opportunities.
3. Increase our visibility to consumers. We know that many of our customers really appreciate our products, but few know about our entire product range. We will continue our long-term initiatives to be more easily and effectively visible in stores, events and the media, to open sales to more countries via thule.com and to adopt new ways to engage our fans - something we are looking forward to in 2025.
4. Increase efficiency and capacity utilization in our supply chain. We have a well-functioning and efficient supply chain, but further improvements can be made and further action can be taken to finance future growth. We plan on reducing inventory levels by an additional SEK 200m in 2025.

As we enter 2025 the outlook remains uncertain with wars, trade tariffs and political uncertainty all contributing to an increased focus on efficient and flexible supply chains. We have nine of our own manufacturing sites, producing best-selling products both in Europe and in the USA, as well as a wide product range.. We have the capability to cost-effectively deliver products to our customers and a long track record of managing uncertainty.

We are set to launch several new products in early 2025 ahead of the spring and summer high season. For example, as early as in the first quarter we will launch a new version of the Thule Glide jogging stroller, an updated version of our best-selling mid-price roof box Thule Force and a new generation of our best-selling US bike carrier, Thule Verse. The first quarter will also bring the launch of our Thule Santu innovation, which will facilitate the transportation of bikes and cargo at the same time at the rear of your vehicle – a product that will be compatible with hundreds of thousands of the bike carriers that our customers already own.

2024 saw a return to growth, despite a challenging market. During the year we also clarified our strategy, strengthened existing market positions and laid the foundation for success in several product categories. We are now continuing to make long-term investments in areas that increase our competitiveness and create value for Thule. More people also want to live active lives, giving us a long-term tailwind.

Press Release

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Thule's future is bright and I look forward to an eventful 2025!

Mattias Ankarberg
CEO and President

Contact

Catharina Paulcén

SVP Corporate Communications and Investor Relations

Phone: +46 73 665 45 74

Email: Catharina.Paulcen@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), **Juvenile & Pet Products** (car seats, strollers, bike trailers, child bike seats and dog transport), **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 2,800 employees at nine production facilities and 35 sales offices worldwide. The Group's products are sold in 138 markets and in 2024, sales amounted to SEK 9.5 billion. www.thulegroup.com

Attachments

[Thule Groups' \(publ\) CEO and President, Mattias Ankarberg, comments on the Year-end report and fourth quarter, 2024](#)