



Thule Group Road Show Presentation

October-November, 2016

Thule Group »

The Thule Group Vision – Active Life, Simplified.



Thule Group >>



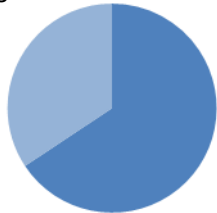
We are a Global Premium Branded Sports&Outdoor Company

Net Sales by Segment 2015

Outdoor&Bags (91%)

Region
Americas

35%



Region
Europe and ROW
65%

Sport&Cargo
Carriers
60%



Bags for
Electronic
Devices
16%



Other
Outdoor&Bags
15%



Specialty (9%)

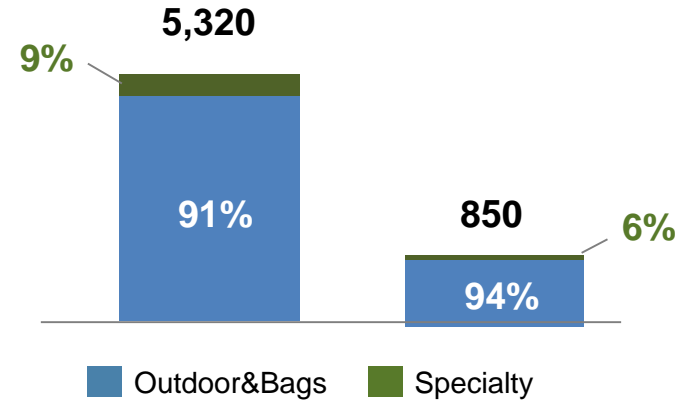
Work Gear
9%



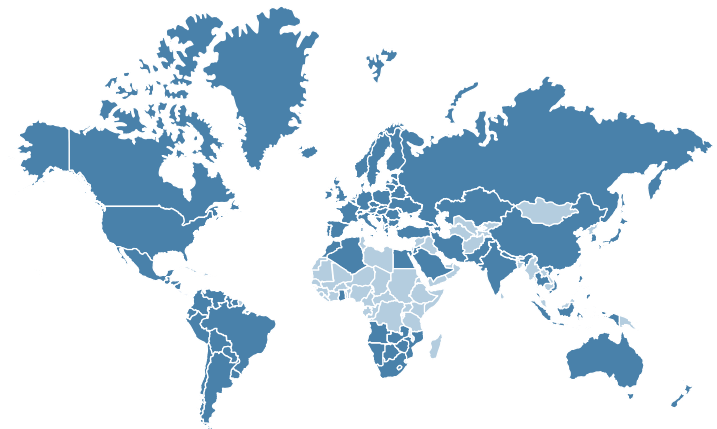
Net Sales and Underlying EBIT Breakdown

2015 (SEKm)

Underlying EBIT Margin:
16.0%



Global Reach – Sales in 140 Countries



Source: Company informatio

A Compelling Story in the Attractive Sports&Outdoor Market

1

We Operate in an Attractive Market



- Favorable Mega-Trends Driving Long-Term Market Growth

2

We have Everything in Place to Deliver Profitable Growth



- Strong User-influenced Innovation and Product Development
- Differentiated Premium Brand
- Global Route-to-Market Strategy and Implementation
- Strong Position in the Value Chain
- Sustainable business approach

1 Favorable Mega-Trends in the Sports&Outdoor Market

Favorable Trends



Increased consumer focus on active lives



Consumers are enjoying multiple activities



Emergence of new sports



Consumers are active longer



Parents want to continue to enjoy their activities with their small kids



Consumers want to be connected at all times and share their experiences



Consumers are increasingly aware of which brands and products they seek



Growing GDP and increasing consumer interest in sport and outdoor activities in developing economies

2 A Premium Brand that Captures the Emotions of the Outdoors



› Bring your board.
Bring your bike.
Bring your skis.
Bring your love.
Bring your passion.
Bring your dreams.
Bring your life.



› Thule Crew



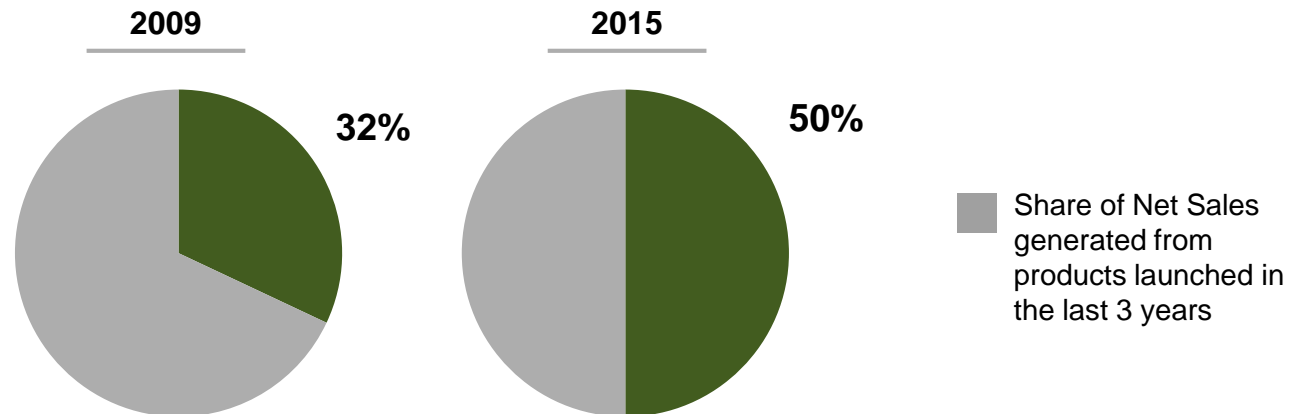
2 Market Leading Product Development with Strong User Focused DNA

“Product is King”
mind-set in entire
organization

- Top Management focus area
- Passionate users within the company
- Close co-operation with world class athletes and consumers for input
- 140 FTEs dedicated to product design and development
- Product Development spend as share of sales has increased from 2.8% (2009) to more than 4% in 2013 – 2015



High
Share of Sales
From
New Products



- Product replacement cycles have been reduced by 1/3 in the last 5 years

2 A Proven Distribution Strategy Implemented from 2010

A Structured Go-To-Market Approach

Category Captaincy Approach
with Key Retail Chains

Thule Retail Partner Program for
Smaller Stores

Product Assortment Focus and
Support for Look&Feel in Store

Training of Store Staff

Creating a Global Thule Retail Presence



Outdoor&Bags

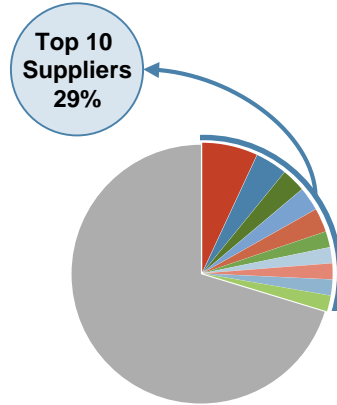
- > 2,900 Thule Retail Partner doors
out of >31,000 shops selling our products



2 A Strong Position in the Value Chain

Broad
Supply Base

Direct Material Spend by Supplier (2015)

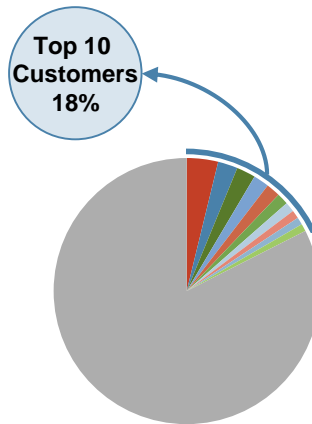


9 Thule Group Assembly Sites

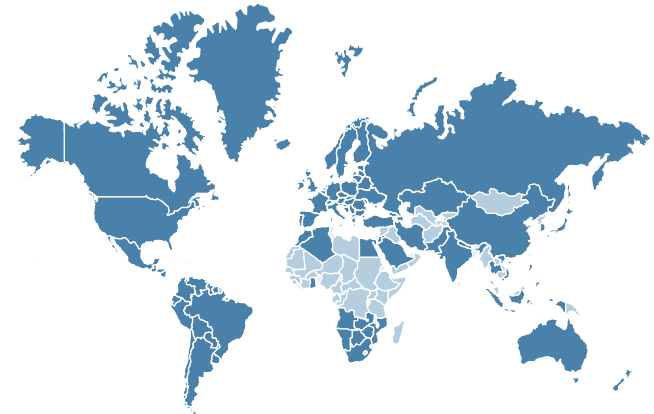


Broad
Customer Base

Sales by Customer (2015)



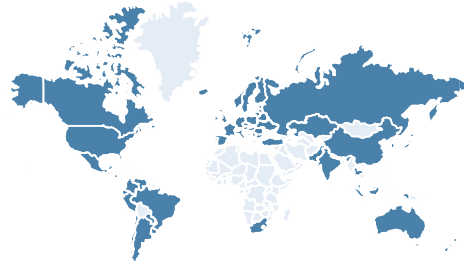
Sales in 140 Countries



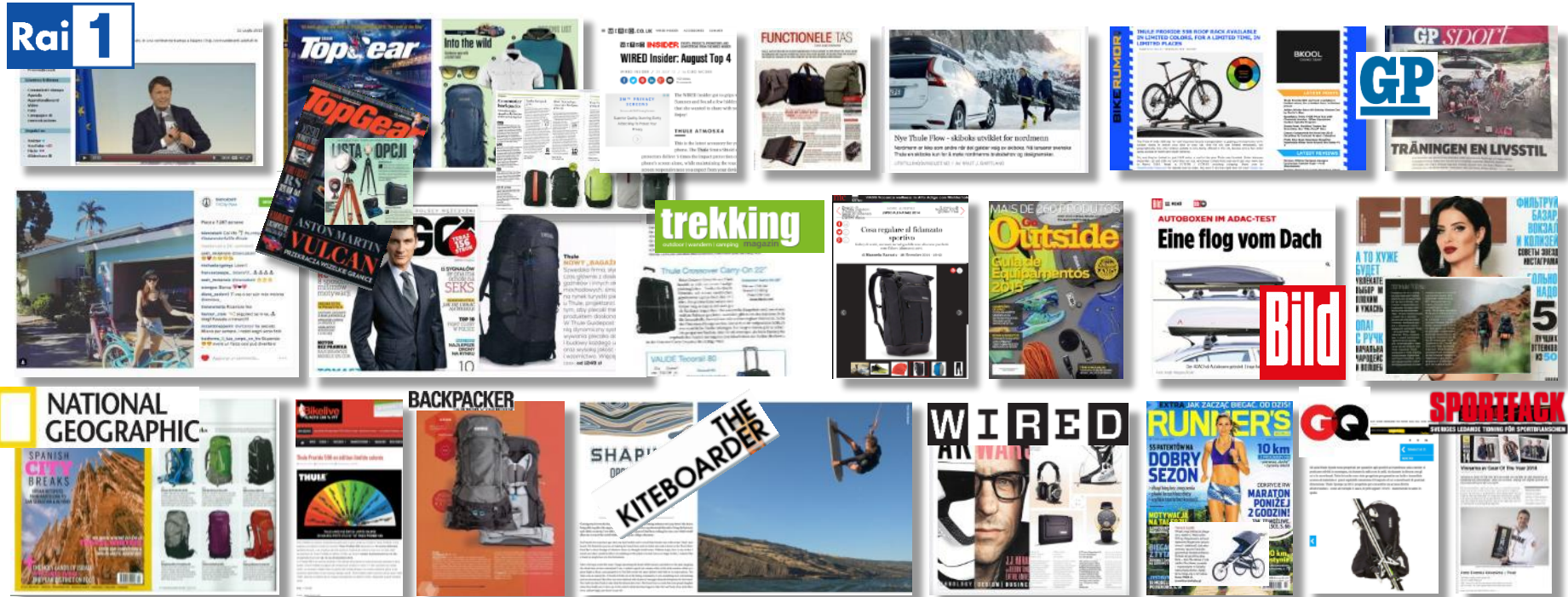
Source: Company information

2 A Modern Approach to Consumer Communication

Mobile device focused online platform (81 market version in 24 languages)



Earned Media with PR and User Content as Driver



Future Top-line Growth Derived from Several Sources within Outdoor&Bags

A Sport&Cargo Carriers



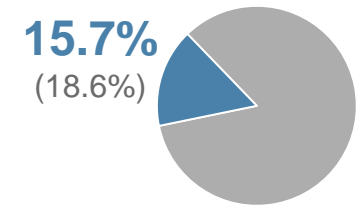
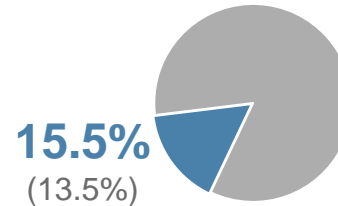
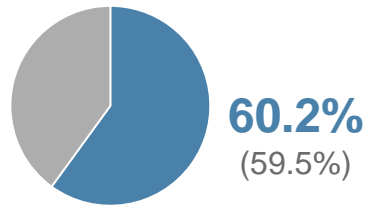
B Other Outdoor&Bags



C Bags for EI. Devices



Share of
Thule Group
Sales 2015
(2014)



Growth
2015 vs. 2014
(Constant Currency)

+6.7%

+20.7%

-11.2%

Strategic
Focus

Continue to drive growth via product innovation and retail partner program

Continue to drive growth via widened offer in new product categories

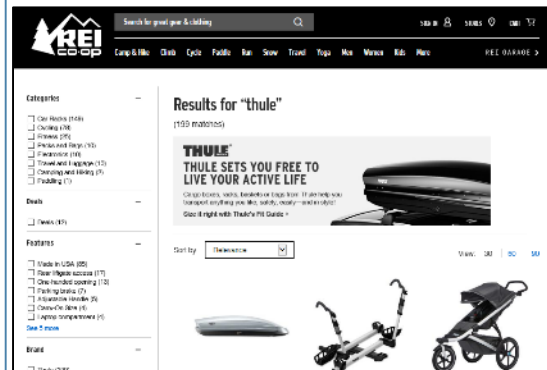
Focus on more stable growing categories with less device dependency

A Sport&Cargo Carriers – More of the same

Continue to build the best brand



Omni-channel focus & competence



More new great products than ever



B Other Outdoor&Bags - Broad New Product Expansions

RV Products



Drive growth via product innovation and key account focus

NB! Europe&ROW focus

Active with Kids



Drive growth via widened offer and more shelf-space in new retailers

Sport&Travel Bags



Drive growth via widened offer and more shelf-space in new retailers

C Bags for Electronic Devices – Focus on growing sub-categories

Focus on Growth Categories



Dual Brand Approach



Use Economies of Scale in Sourcing

2016/Q3 Update



Thule Group – YTD 2016 Performance vs. Financial Targets

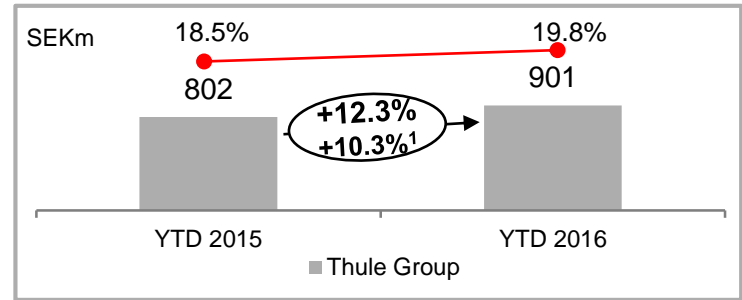
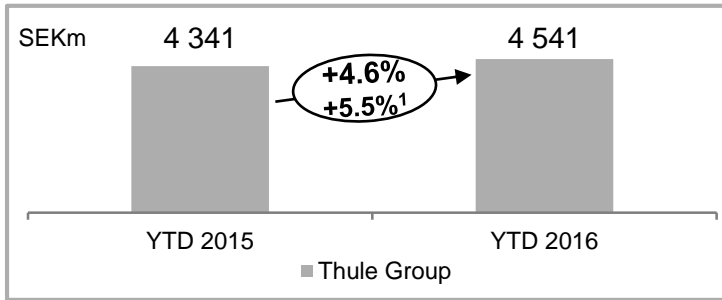
Organic Growth	$\geq 5\%$	Constant Currency Net Sales Growth (excl. Acquisitions) 5.2% 5.7% -0.4% Thule Group Outdoor&Bags Specialty	
Underlying EBIT Margin	$\geq 17\%$	19.9% September 2016 LTM at 17.2%	
Net Debt / EBITDA	c. 2.5x	1.6x 2.3x (YE 2015)	
Dividend Policy	$\geq 50\%$	56% Dividend of SEK 2.50 per share in 2015 decided by the AGM in April	

YTD September 2016 – Strong organic growth drives EBIT growth

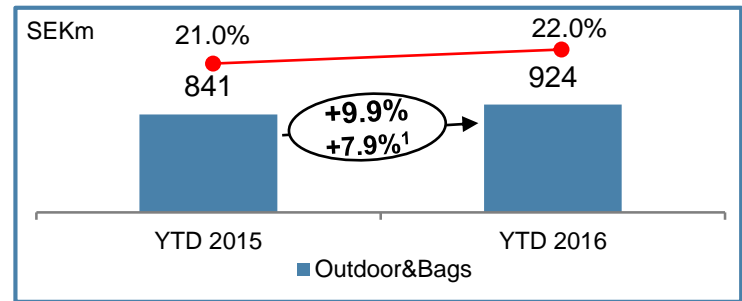
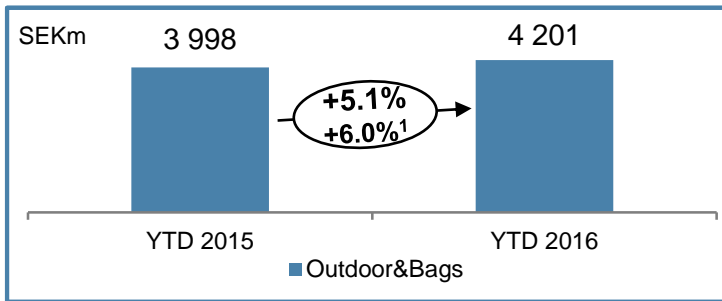
Reported Net Sales

Underlying EBIT and Margin

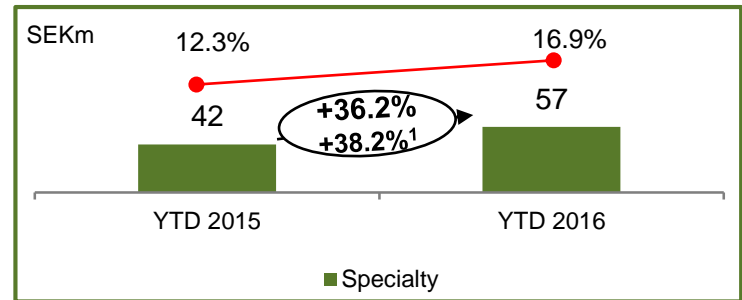
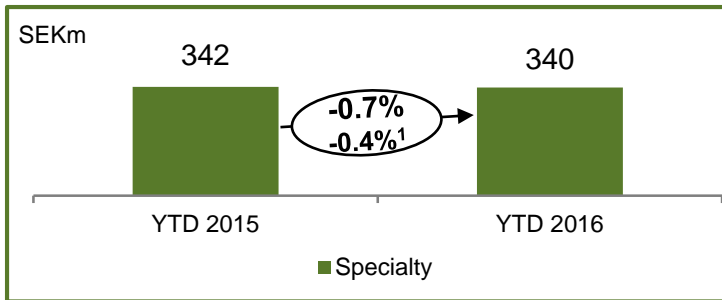
Thule Group



Outdoor & Bags



Specialty

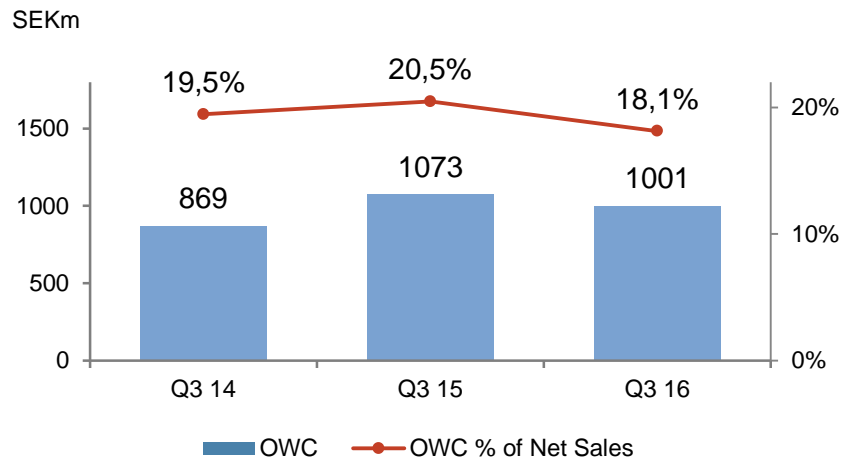


Note: EBIT adjusted for non-recurring items & depr/amort on excess values

¹ Constant currency adjustment based on average FX rates 1 January-30 September 2016

Operating Working Capital and Operational Cash Flow

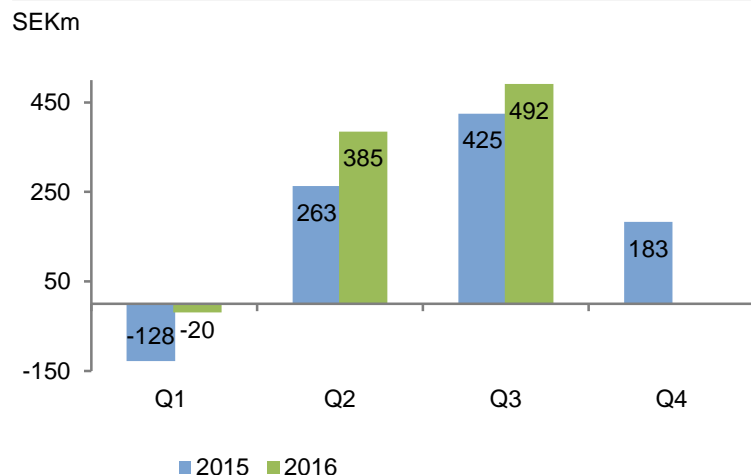
Operating Working Capital



Comments

- Operating working capital as of 30 September 2016:
 - Inventory: SEK 678m (694)
 - Accounts receivables: SEK 728m (745)
 - Accounts payable: SEK 406m (366)
- Despite strong sales growth we have lowered inventory and accounts receivables, in absolute numbers, vs PY
- Currency effect SEK 17m vs prior year

Operational Cash Flow



Comments

- Q3 Operational cash flow SEK 492m (425), an improvement by SEK 67m
- YTD Operational cash flow SEK 857m (560), an improvement by SEK 297m
- Positive effect this year due to
 - Higher EBITDA
 - Improved OWC (lower inventory and accounts receivables)

Key Events – Successful fair season for products to hit market in 2017

- Broadest and deepest launch program ever to trade
- Successful fairs in Q3 with strong launches
 - Q3 is always the most busy fair season when we introduce new products to the Trade for the coming season
- Major Global/Regional fairs with key launches
 - Outdoor Retailer (Outdoor trade, US)
 - Eurobike (Bike trade, Global)
 - Automechanika (Car Accessory trade, Global)
 - Caravan Salon (RV Products trade and consumer, Global)
 - IFA (Consumer Electronics, Global)
 - Kind&Jugend (Juvenile trade, Global)



Caravan Salon (Düsseldorf, Germany)



Kind&Jugend (Köln, Germany)



Automechanika (Frankfurt, Germany)

Continued focus on Profitable Growth and preparing for Spring 2017 season

- Continue to Drive Profitable Organic Growth
 - Continue to drive European momentum in Sport&Cargo Carriers and manage US retail struggles by offering great service
 - Drive growth in Active with Kids and Sport&Travel Bags via new products and retail expansion
 - Successful fast integration of GMG Bike Child Seat business
 - RV Products - Continued market share gains in strong motorhome market via product innovation
 - Bags – Continue to push in the growth segment of “everyday bags” (backpacks and laptop bags) at higher price points
- Capture gains from Operational Efficiency and execute on Distribution strategy
 - Secure continued cost efficient handling with high On-Time-In-Full performance across all sites
 - Finalize Phase 2 in North America distribution center efficiency projects
 - Prepare for season ramp-up and growth expectations with pre-build of some key products to enable easier distribution center moves
 - Start building work on new assembly plant in Poland
- Create market buzz for retailers and consumers for our 2017 launch program in traditional as well as new product categories
- Continue to drive profitability in Specialty, while concluding Strategic Review
 - Focus on production efficiencies
 - Finalize strategic review of category and communicate direction



Image of the new Thule Chariot Cross multi-sport trailer with jogging kit

Q&A



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