2024/Q1 Report

2024-04-26

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2024/Q1 – Good start to the year

Financials

- Sales of SEK 2,420m (2,226) +8% FX adjusted vs PY
  - Region Europe & RoW +9% FX adjusted
  - Region Americas +3% FX adjusted
  - Bike related and new products drive growth, RV declines
- Gross margin flat at high historical level 41.2% (41.2%)
- EBIT margin in line with PY at 17.0% (17.2%)
  - Most intense product launch year ever drive SG&A H1 2024
  - EBIT of SEK 412m (382)
- Cash flow from Operations SEK 89m (19)
  - Further inventory reduction of SEK 200m during 2024 on track

Highlights

- New Thule products received well and drive growth
- New thule.com market Czech Republic add DTC sales
- Record number of product design awards in Thule history

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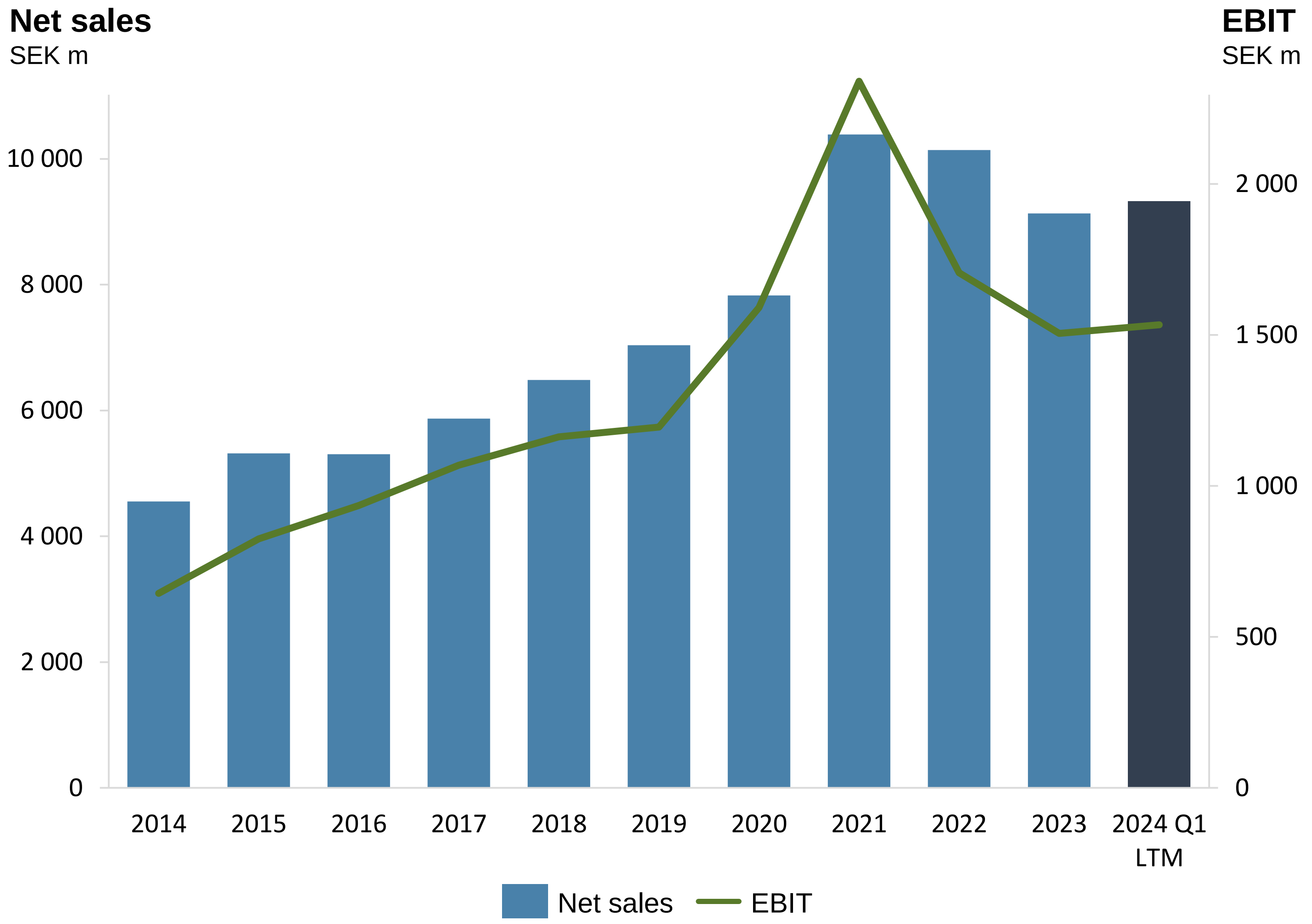
2024/Q1 – Back to growth



2024/Q1 LTM
- Net sales SEK 9.3b
- EBIT SEK 1.5b
- EBIT margin 16.5%

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2024/Q1 – Bike related and new products drive growth, RV declines (1/2)

Sport & Cargo Carriers – Bike related drives growth

- 2024/Q1 Net sales +16% (FX adjusted) vs PY
- Strong growth from premium bike related products
  - Bike retailer inventory of Thule products generally back to healthy levels, particularly in Europe
  - New Thule products, e.g., most premium bike carrier Thule Epos launched spring 2023, continue to add to growth
- Solid growth in most subcategories, particularly in Europe & RoW
- Strongest performance in premium segment

Packs, Bags & Luggage – Thule grows, legacy declines

- 2024/Q1 Net sales -3% (FX adjusted) vs PY
- Strong growth in Thule branded luggage & duffels continues, driven by new 2024/Q1 product launches
  - Updated best selling luggage collection Thule Subterra 2
  - Updated duffel bag collection Thule Chasm
- Good growth in bike related bags
- Decline in legacy & OE as exit continues

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2024/Q1 – Bike related and new products drive growth, RV declines (2/2)

Juvenile & Pet – new Thule products drive growth

- 2024/Q1 Net sales +9% (FX adjusted) vs PY
- Strong growth in strollers driven by successful 2024/Q1 launch of updated all-terrain stroller Thule Urban Glide 3
- Dog transportation add growth as Thule enters category with premium dog crate Thule Allax
- Good growth in bike related products, e.g., multi-sport and bike trailers and child bike seats, driven by Europe & RoW

RV Products – decline continues as industry goes through weaker period

- 2024/Q1 Net sales -5% (FX adjusted) vs PY
- RV industry continues to go through weaker period
- Dealer inventory build up ahead of spring season limits sales decrease to -5%, much improved vs. H2 2023
- Strong growth in RV bike carriers

Record number of design awards

Thule awarded 23 product design awards by globally recognized iF Design and Red Dot in 2024/Q1

Design awards for both updated best sellers, innovations and products in new categories, e.g.,

- New generation of rooftop box Thule Motion 3
- Multi-sport & bike trailer Thule Chariot Sport
- Premium bike carrier Thule Epos
- Rear-of-car tent Thule Outset
- Dog crate Thule Allax
- Thule car seat family

Two special awards to new generation of our iconic all-terrain stroller Thule Urban Glide 3

- iF Design Gold Award 2024
- Red Dot "Best of the Best" for new four-wheel version

iF DESIGN AWARD 2024

iF GOLD AWARD 2024

reddot

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2024/Q1 – Income statement

SEKm	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Net sales	2 226	3 029	2 311	1 566	9 132	2 420
Cost of goods sold	-1 310	-1 709	-1 393	-983	-5 395	-1 425
Gross income	916	1 320	918	583	3 737	996
Gross margin, %	41.2	43.6	39.7	37.2	40.9	41.2
Selling/Admin expenses	-534	-610	-559	-529	-2 232	-584
Operating income (EBIT)	382	711	359	53	1 505	412
EBIT margin, %	17.2	23.5	15.5	3.4	16.5	17.0
Net interest expense	-24	-9	-30	-22	-84	-19
Taxes	-84	-163	-67	-8	-321	-93
Net income	275	539	262	24	1 099	300

Sales growth of 8% (FX adjusted)

- Growth of SEK 194m vs Q1 2023

Gross margin flat

- 41.2% (vs 41.2% in Q1 2023)
- Favorable product mix
- Lower material costs
- Unfavorable production overhead absorption (for products manufactured during 2023)

EBIT margin flat

- 17.0% (vs 17.2% in Q1 2023)
- Higher Gross income generated by higher sales
- Selling/Admin expenses increased by SEK 50m driven by higher Sales and Marketing expenses to support new product launches

Effective tax rate stable

- 23.7% (vs 23.3% in Q1 2023)

2024/Q1 – Cash flow

SEKm	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Cash flow from operations before changes in working capital	207	656	302	48	1 214	390
Changes in working capital	-188	62	535	227	636	-301
Cash flow from operations	19	718	838	276	1 850	89
Capex (acquistion/divestment fixed assets)	-59	-48	-59	-85	-251	-32
Sub total	-40	670	779	191	1 599	57

Good cash flow generation before changes in working capital

Seasonal increase in working capital

- Accounts receivable increased by SEK 519m in Q1 2024 (seasonal)
- Inventories reduced by SEK 173m in Q1 2024
- Inventory reduction of SEK 200m targeted in 2024, in addition to SEK 801m reduction during 2023 – on track

Net Debt stable at SEK 2,030m (versus SEK 2,006m end 2023)

- Net Debt:EBITDA ratio unchanged at 1.1 times

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Most intense product launch year in Thule history kicked off – more ahead

- More new products than ever in 2024, Q1 launches well received
  - Thule Urban Glide Gen 3 – our award-winning all-terrain stroller
  - Thule Subterra Gen 2 – refreshing our leading luggage family
  - Thule Allax – dog crate designed to protect dog and people

- Upgrading several of our bestsellers – continues in Q2
  - Thule Motion Gen 3 – updating the world's most sold roof top box
  - Thule Chariot Gen 3 – our best child bike trailer just got better
  - Thule ReVert – expanding our North Am. bike carrier portfolio

- Launching new innovations in existing categories
  - Thule Outset – world's first tow-bar mounted tent (Q2)
  - Thule Sidehill – world's first removable awning (Q3)

- Entering two new categories during H1 2024
  - Thule Bexey – Thule's first dog bike trailer (Q2)
  - Thule car seats – safety starts at installation (Q2)

Focus 2024 – Continue to drive our long term growth strategy

Thule's future is bright – we build on unique strengths

- Market tailwind – more people want to live active lives
- Very strong market positions – global market leaders in key categories
- Long term investments in innovation and quality

Expect mixed market dynamics to continue in 2024

- Cautious retailers and consumers at start of 2024
- Positive: Bike retail back to healthy inventory levels of Thule products
- Negative: Expect continued challenging RV market coming period

Clear priorities 2024 – focus on sales growth and inventory

1. Product development – more product launches than ever in 2024
2. More categories – dog transportation and car seats in 2024
3. Consumer visibility – show more to sell more, continue DTC growth
4. Supply chain efficiency – discontinue external warehouse services, reduce inventory levels further SEK 200m during 2024

Peak season ahead – entering with high energy levels!

- New Thule products drive growth also in a tougher market
- Record number of design awards add to positive energy

Q&A

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