

2024/Q2 Report

2024-07-17

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Thule Group»

2024/Q2 – Modest growth, strong profitability and new product categories

Financials

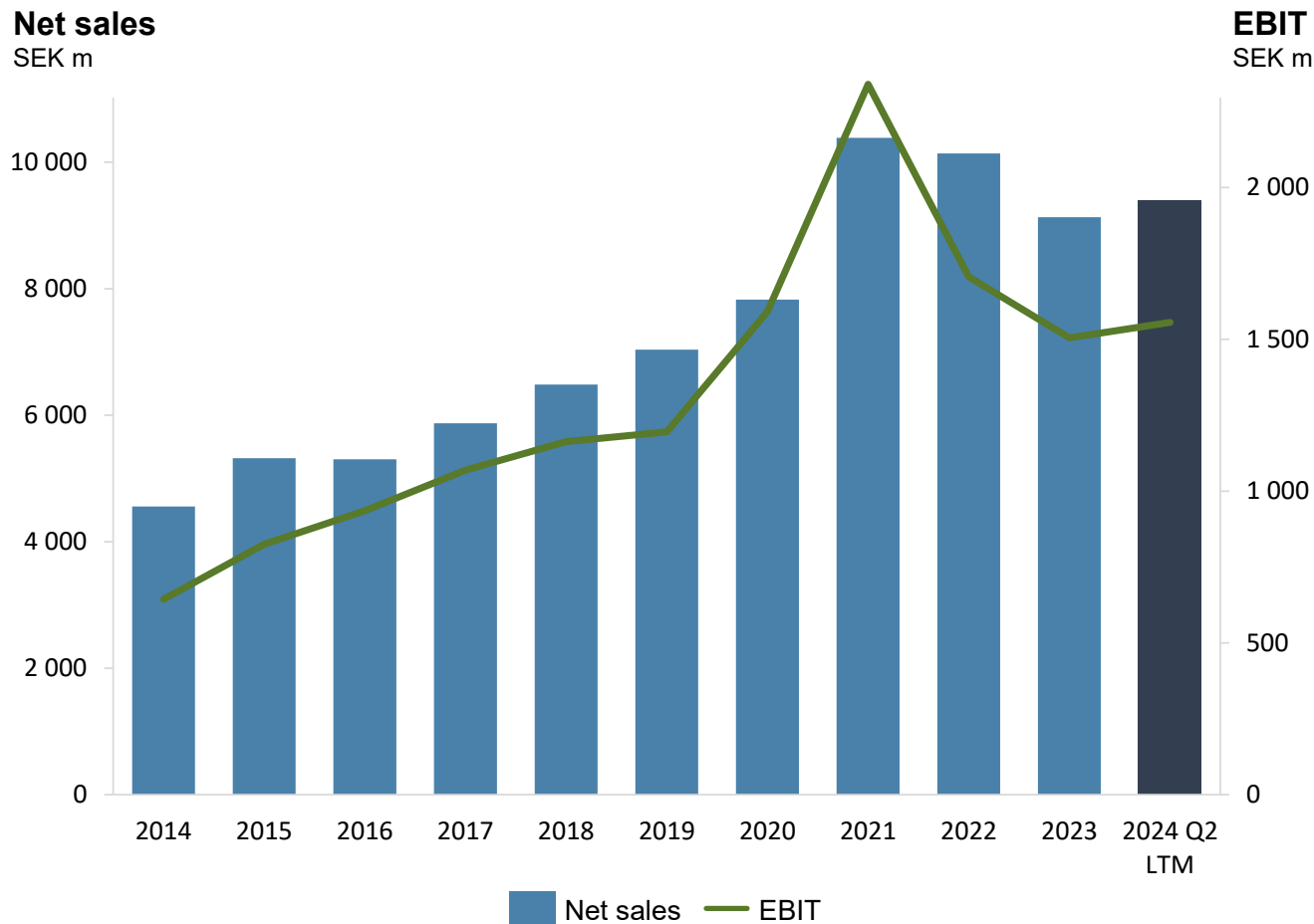
- Sales of SEK 3,099m (3,029) +2% FX adjusted vs PY
 - Region Europe & RoW +2% FX adjusted
 - Region Americas +1% FX adjusted
 - Continued tough market
 - Growth from new and bike related products
- Gross margin increase to all-time-high 44.4% (43.6%)
- EBIT margin in line with PY at 23.6% (23.5%)
 - Most intense product launch year ever drives SG&A H1 2024
 - EBIT of SEK 732m (711)
- Cash flow from Operations SEK 879m (718)
 - Inventory reduction target of SEK 200m during 2024, on track

Highlights

- Car seats launched in first European markets
- Thule named Red Dot Design Team of the Year 2024
- Minor acquisition to enter watersport and cargo bike trailers
- New refinancing package in place



2024/Q2 LTM – Continued profitable growth



2024/Q2 LTM

- Net sales SEK 9.4b
- EBIT SEK 1.6b
- EBIT margin 16.6%

2024/Q2 – Bike related and new Thule products drive growth (1/2)

Sport & Cargo Carriers – Bike related drives growth

- 2024/Q2 Net sales +1% (FX adjusted) vs PY, YTD +7%
- Continued growth from premium bike related products
 - Bike retailer inventory of Thule products healthy in Europe
 - Growth PY from launch of premium bike carrier Thule Epos
- New generation roof top box Thule Motion 3 well received
- Continued tough market – cautious consumers and retailers, particularly in North America

Packs, Bags & Luggage – Thule grows, legacy declines

- 2024/Q2 Net sales +5% (FX adjusted) vs PY, YTD +1%
- Accelerated growth in Thule branded luggage & duffels, driven by new 2024/Q1 product launches
 - Updated best selling luggage collection Thule Subterra 2
 - Updated duffel bag collection Thule Chasm
- Growth in bike and travel related products
- Decline in legacy as exit continues



2024/Q2 – Bike related and new Thule products drive growth (2/2)

Juvenile & Pet – new Thule products drive growth

- 2024/Q2 Net sales +4% (FX adjusted) vs PY, YTD +6%
- Strong growth in strollers driven by successful 2024/Q1 launch of updated all-terrain stroller Thule Urban Glide 3
- Dog transportation adds growth as Thule enters category 2024/Q1 with premium dog crate Thule Allax
- Slower multi-sport and bike trailer sales ahead of launch of next generation Thule Chariot 3, as cautious retailers manage inventory
- Car seats launched in first markets end of May

RV Products – modest decline continues as industry goes through weaker period

- 2024/Q2 Net sales -1% (FX adjusted) vs PY, YTD -3%
- RV industry continues to go through weaker period
- Decline in sales to OE customers (manufacturers), partly offset by return to growth in aftermarket channel (dealers)



Car seats launched in first European markets

Thule car seats launched and well received

- Thule premium car seats launched May 2024
 - Innovative products with safety in focus – comfortable, easy-to-use, well designed, with “safety starts at installation” approach
 - Three products – base, infant seat, toddler seat – launched in Germany, Austria and Switzerland end May 2024
 - Designed in Sweden, produced in Europe
- Well received by industry and premium retailers
 - Strong placement with key premium retail partners
 - Positive reception with broad and juvenile media
 - Six international product design awards 2024 received, from both iF Design and Red Dot, ahead of product launches

Long term work to build market positions started

- European roll-out follows during H2 2024
 - Sales commencing in most markets in 2024/Q4
- More products in development for both European and North American markets



Thule named Red Dot Design Team of the Year 2024

Strong recognitions for product design 2024/H1

- Thule awarded 23 international product design awards by iF Design and Red Dot in 2024/Q1
 - Upgraded bestsellers
 - New innovations
 - New categories
- Thule named Red Dot: Design Team of the Year 2024 during 2024/Q2
 - “The products and the brand embody functional and emotional values and stand for safety and trust.”
 - “Thule’s unwavering commitment to developing products that prove their outstanding quality in countless tests and everyday use is exemplary in the industry”
 - “Thule’s commitment to sustainable design is also commendable”



reddot winner 2024
best of the best



Minor acquisition of Reacha to enter water sport and cargo bike trailers

Minor acquisition to enter small but fast growing watersport and cargo bike trailers

- Reacha business acquired July 2024
- High quality bike trailers for watersport enthusiasts
 - Invented to transport surf boards, SUP and kayaks
 - Increasingly used as general cargo trailer
 - Reacha holds a leading premium position in Europe
- Watersport- and cargo bike trailers small but fast growing segment in Europe, emerging in North America

Founder led business, to be integrated into Thule

- Based in Germany with sales across Europe
- Sales of SEK 9m in 2023, with good gross margins
- Initial acquisition price of SEK 11m, additional amount of up to SEK 4m based on 2024 outcome (paid in 2025)
- To become Thule product, brand and distribution
- Quickly provides starting point for further development



2024/Q2 – Income statement

SEKm	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	YTD 2024
Net sales	2 226	3 029	2 311	1 566	9 132	2 420	3 099	5 519
Cost of goods sold	-1 310	-1 709	-1 393	-983	-5 395	-1 425	-1 723	-3 148
Gross income	916	1 320	918	583	3 737	996	1 375	2 371
Gross margin, %	41.2	43.6	39.7	37.2	40.9	41.2	44.4	43.0
Selling/Admin expenses	-534	-610	-559	-529	-2 232	-584	-643	-1 227
Operating income (EBIT)	382	711	359	53	1 505	412	732	1 144
EBIT margin, %	17.2	23.5	15.5	3.4	16.5	17.0	23.6	20.7
Net interest expense	-24	-9	-30	-22	-84	-19	-26	-44
Taxes	-84	-163	-67	-8	-321	-93	-148	-241
Net income	275	539	262	24	1 099	300	559	858

Sales growth of 2% (FX adjusted)

- Growth of SEK 70m vs Q2 2023

Gross margin strong

- 44.4% (vs 43.6% in Q2 2023)
- Favorable product mix
- Lower material costs

EBIT margin flat

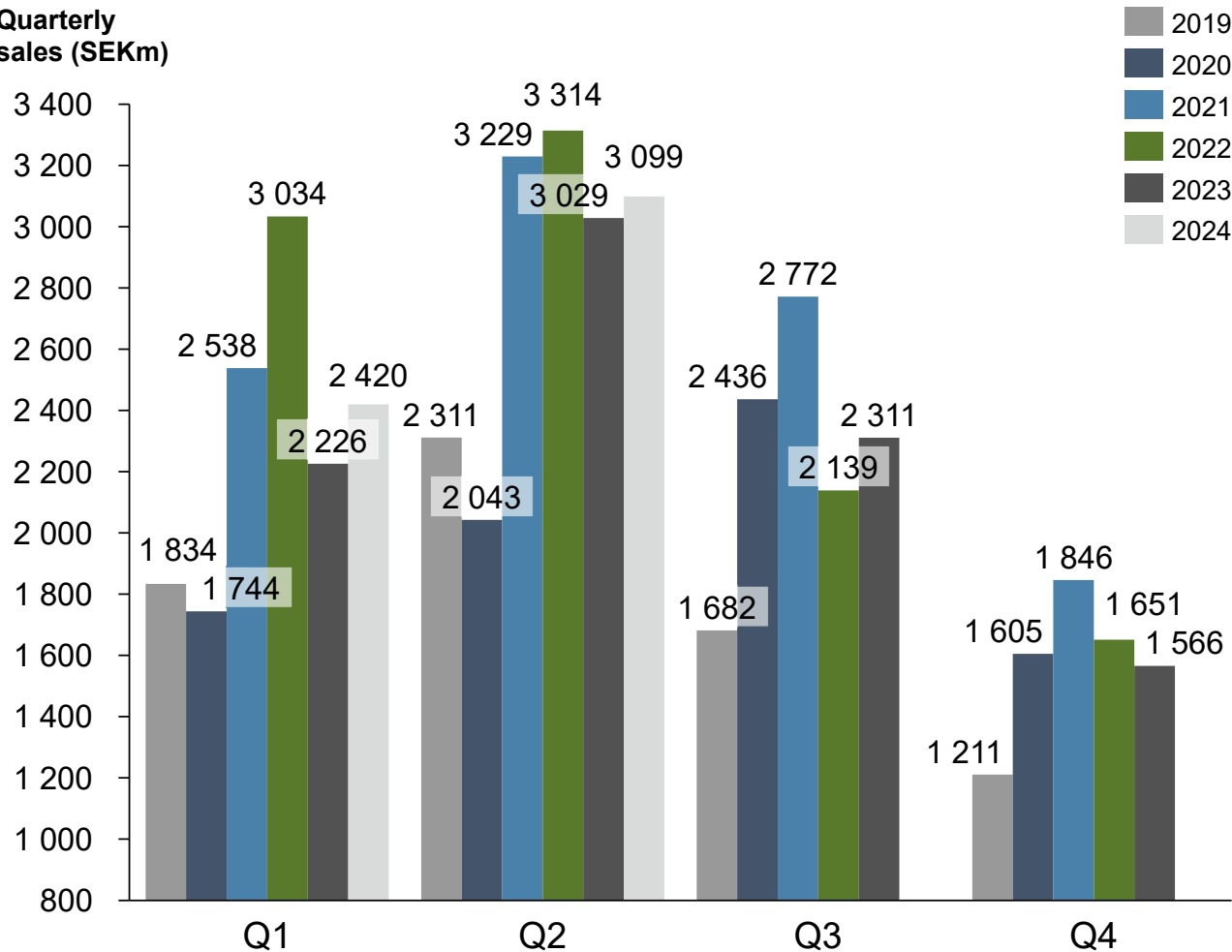
- 23.6% (vs 23.5% in Q2 2023)
- Higher Gross margin
- Selling/Admin expenses increased to support new product launches

Net Interest expense and Effective tax rate stable

- Interest expense in 2023/Q2 included SEK 20m of FX gains
- 20.9% (vs 23.2% in Q2 2023)

2024/Q2 – Sales by quarter

Quarterly
sales (SEKm)



2024/Q1 – solid growth vs. 2023, good vs 2019

- +9% vs 2023/Q1 (reported currency)
- +8% vs 2023/Q1 (Fx adjusted)
- +21% vs 2019/Q1 (Fx adjusted)

2024/Q2 – growth vs. 2023, good vs. 2019

- +2% vs 2023/Q2 (reported currency)
- +2% vs 2023/Q2 (Fx adjusted)
- +23% vs 2019/Q2 (Fx adjusted)
- Bike related and new products drive growth
- RV declines, but less than in 2024/Q1

2023/Q3 – ok vs. weak 2022, good vs. 2019

- +8% vs 2022/Q2 (reported currency)
- +1% vs 2022/Q2 (Fx adjusted)
- +24% vs 2019/Q2 (Fx adjusted)

2023/Q4 – decline vs 2022, good vs. 2019

- -5% vs 2022/Q4 (reported currency)
- -6% vs 2022/Q4 (Fx adjusted)
- +21% 2022/Q4 vs 2019/Q4 (Fx adjusted)

2024/Q2 – Cash flow

SEKm	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	YTD 2024
Cash flow from operations before changes in working capital	207	656	302	48	1 214	390	628	1 018
Changes in working capital	-188	62	535	227	636	-301	252	-49
Cash flow from operations	19	718	838	276	1 850	89	879	969
Capex (acquisition/divestment fixed assets)	-59	-48	-59	-85	-251	-32	-117	-149
Sub total	-40	670	779	191	1 599	57	762	819

Good cash flow generation before changes in working capital

Reduction in working capital

- Accounts receivable increased by SEK 202m in Q2 2024 (seasonal)
- Inventories decreased by SEK 318m in Q2 2024
- Inventory reduction target SEK 200m in 2024 (in addition to SEK 801m reduction during 2023) – on track

Net Debt at SEK 1,753m (versus SEK 2,006m end 2023)

- Net Debt:EBITDA (LTM) ratio at 1.0 times

Refinancing completed in Q2

- EUR 400m in available funds (RCF of EUR 320m and bilateral loan of EUR 80m)
- Diversified maturity profile with lower refinancing risk (3, 4 and 5 years)
- 2 year extension option on RCF

Most intense product launch year in Thule history – more ahead

Upgraded versions of bestsellers and new innovations launched

- Thule Motion Gen 3 – updating the world's most sold roof top box
- Thule Urban Glide Gen 3 – our award-winning all-terrain stroller
- Thule Subterra Gen 2 – refreshing our leading luggage family
- Thule Chasm – updated and extended duffel bag collection
- Thule Subsola – modular extension to van living space
- Thule Outset – world's first tow-bar mounted tent

Two new product categories launched 2024/H1

- Thule Allax – dog crate designed to protect dog and people (Q1)
- Thule car seats – safety starts at installation (Q2)

Intense product launch schedule continues 2024/H2

- Thule Chariot Gen 3 – our best child bike trailer just got better
- Thule ReVert – expanding our North Am. bike carrier portfolio
- Thule VeloSwing – swing away your van bike carrier
- Thule Sidehill – world's first removable awning
- Thule Bexey – Thule's first dog bike trailer



Focus 2024 – Continue to drive our long term growth strategy

Building on 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 tough market to continue in 2024

- Generally tough market, and particularly for RV and in North America
- New Thule products drive growth also in a tougher market

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

Intense spring season completed, ready for H2 2024

- Two new product categories launched, market share gain started
- New thule.com markets continue to add DTC sales growth
- Record number of design awards add to positive energy
- Most launch intensive year ever continues H2 2024



Q&A



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