

# Year End Report, Q4/2021

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**Thule Group** »

# 2021/Q4 and FY Results – Sales momentum continues in a very strong 2021

## 2021/Q4 – Good quarter vs very strong 2020/Q4 comp

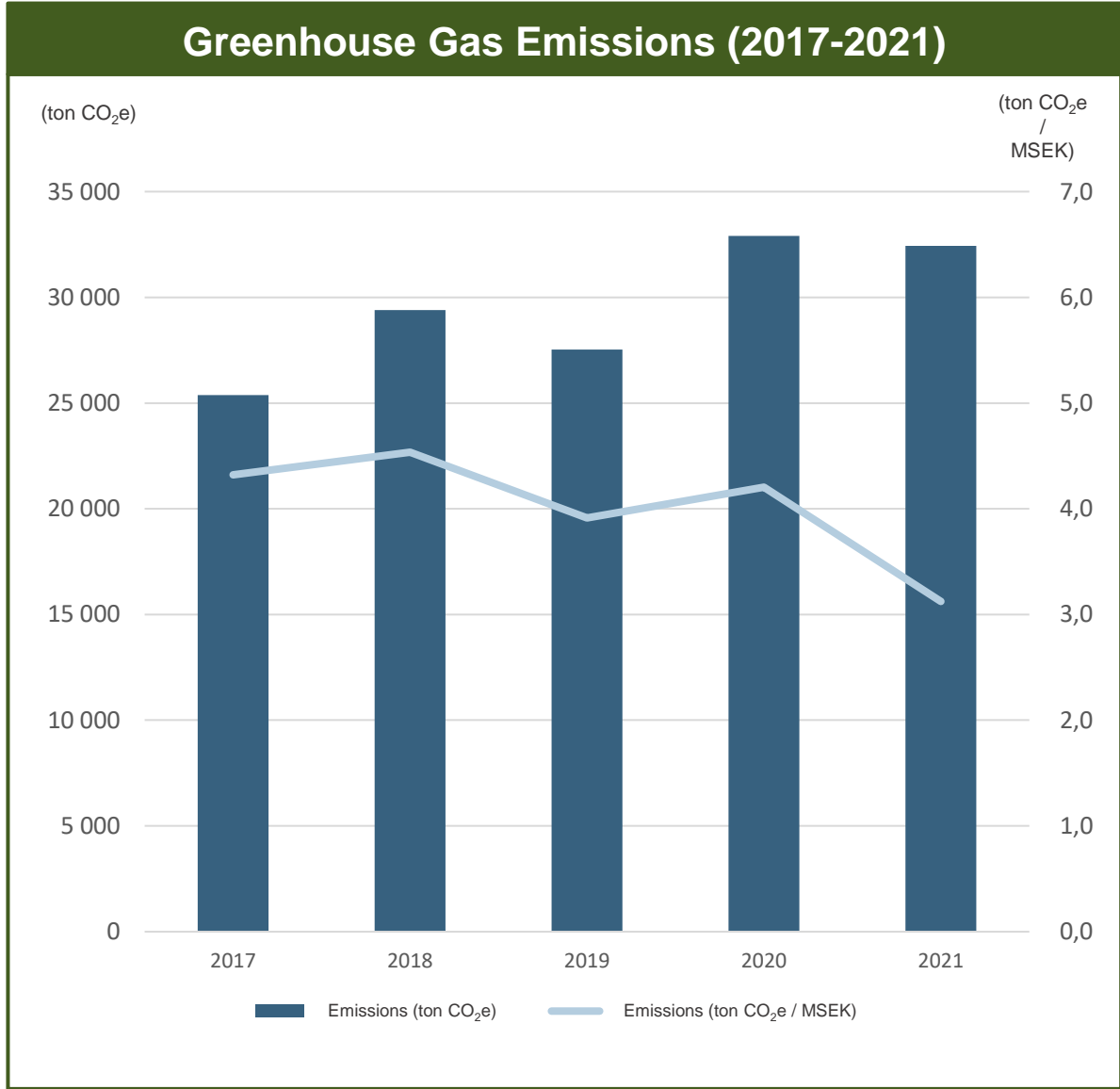
- Sales 1 846 MSEK, +14% Fx adjusted vs PY
  - Region Europe & RoW: +8% Fx adjusted
  - Region Americas: +27% Fx adjusted
- Gross Margin at 33.7% (40.0%)
  - High raw material and freight costs in the quarter
- EBIT 190 MSEK (241 MSEK)
  - EBIT Margin at 10.3% (15.0%)
- Cash Flow from operating activities was -344 MSEK (+319 MSEK PY)

## 2021 Full Year – Best year ever

- Sales 10 386 MSEK, +38% Fx adjusted vs PY
  - Region Europe & RoW: +34% Fx adjusted
  - Region Americas: +48% Fx adjusted
- EBIT 2 340 MSEK (1 591 MSEK)
  - EBIT Margin at 22.5% (20.3%)
- Cash Flow from operating activities was +1 128 MSEK (+1 614 MSEK PY)
- Proposed ordinary dividend of SEK 13.00 (8.00) per share



# Sustainability: Reduced emissions in 2021 (despite significant sales growth)



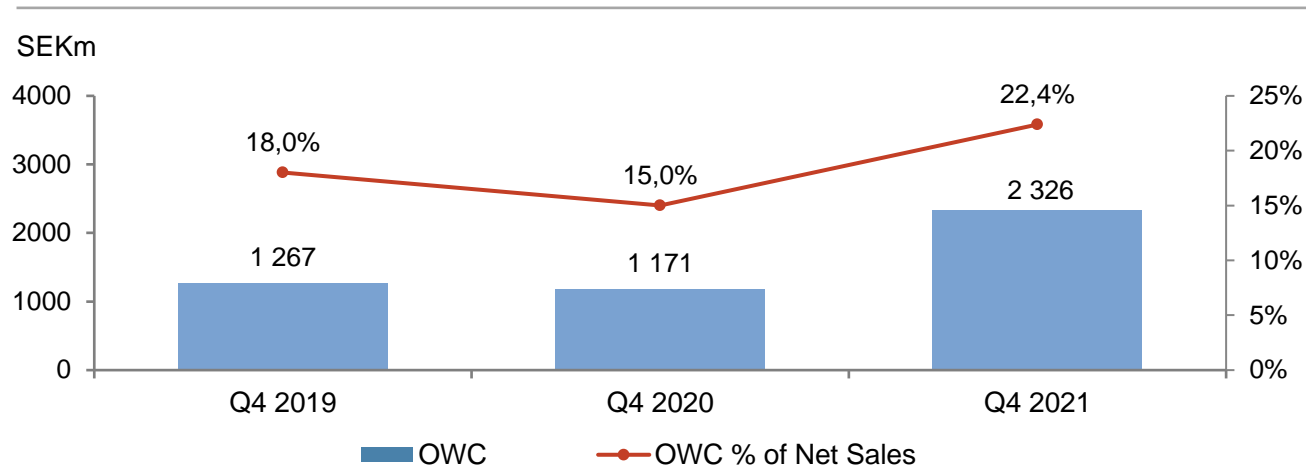
# 2021/Q4 and 2021 FY - Reported income statement

MSEK	Q4		YTD	
	2021	2020	2021	2020
Net sales	1 846	1 605	10 386	7 828
Cost of goods sold	-1 225	-962	-6 226	-4 599
<b>Gross income</b>	<b>622</b>	<b>643</b>	<b>4 160</b>	<b>3 230</b>
Gross margin %	33,7%	40,0%	40,1%	41,3%
Other operating income	0	0	15	0
Selling expenses	-335	-322	-1 481	-1 300
Administrative expenses	-97	-80	-354	-338
<b>Operating income (EBIT)</b>	<b>190</b>	<b>241</b>	<b>2 340</b>	<b>1 591</b>
EBIT Margin %	10,3%	15,0%	22,5%	20,3%
Net interest expense/income	-10	-18	-37	-64
<b>Income before taxes</b>	<b>180</b>	<b>223</b>	<b>2 303</b>	<b>1 527</b>
Taxes	-26	-59	-513	-361
<b>Net income</b>	<b>154</b>	<b>164</b>	<b>1 790</b>	<b>1 166</b>
<b>Net income pertaining to:</b>				
Shareholders of Parent Company	154	164	1 790	1 166

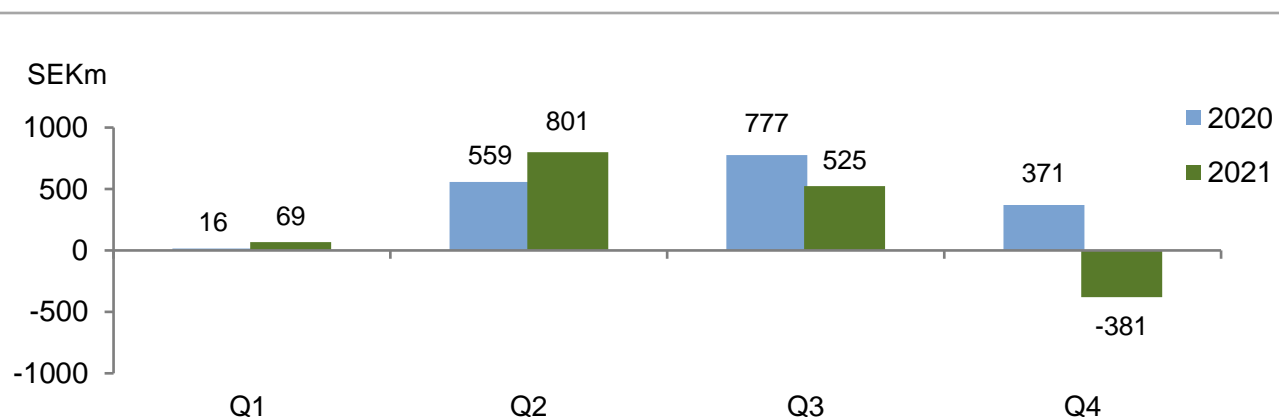
- Sales growth +15% in the quarter in reported currency
- Gross margin 33.7% (40.0%)
  - Higher raw material- and freight expenses, not fully compensated with mid-year price increases
  - Pandemic causing higher absenteeism and additional costs
  - Focus on driving top-line growth and market share gains
- Effective tax rate for the year well within guidance 22.3 percent (23.7)

# 2021/Q4 and 2021 FY: OWC and Cash Flow

## Operating Working Capital



## Operational Cash Flow



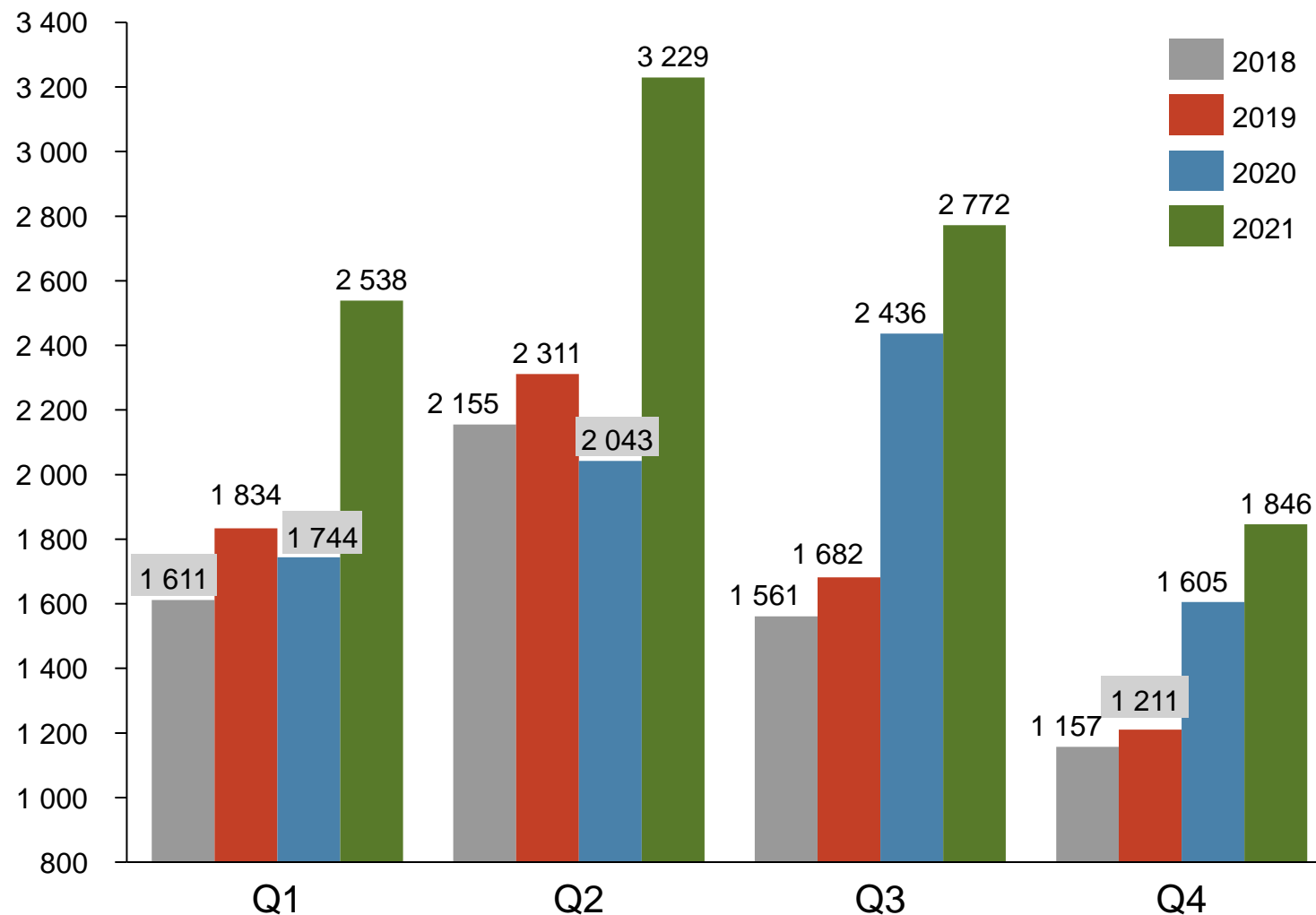
## Operating Working Capital

- Q4: Inventory build-up ahead of season
- Operating working capital, 31 Dec. 2021:
  - Inventory: 2 510 MSEK (1 068)  
*currency effect +46 MSEK*
  - Accounts receivables: 872 MSEK (762)  
*currency effect +48 MSEK*
  - Accounts payable: 1 057 MSEK (660)  
*currency effect +24 MSEK*
- Currency effect +70 MSEK vs prior year  
OWC excl currency impact is 21.7%
- Inventory increased since last quarter by 922 MSEK (240)

## Operational Cash Flow

- Q4 operational cash flow -381 MSEK (371), a decrease by 752 MSEK vs PY
  - Inventory build-up -887 MSEK (-301)
  - CapEx 156 MSEK (54) in the quarter

# Thule Group Sales by Quarter (Reported currency)



- 2021/Q1 – Very strong, also vs. 2019
  - +46% vs 2020/Q1 (reported currency)
  - +56% vs 2020/Q1 (Fx adjusted)
  - **+45% vs 2019/Q1 (Fx adjusted)**
  - 2020/Q1 hit from mid-March with lock-downs
  - Retailers placed orders early after struggling to meet demand in 2020/H2
- 2021/Q2 – Very strong, also vs. 2019
  - +58% vs 2020/Q2 (reported currency)
  - +68% vs 2020/Q2 (Fx adjusted)
  - **+48% vs 2019/Q2 (Fx adjusted)**
  - 2020/Q2 very weak April to mid May with pandemic lock-downs and then very strong June
- 2021/Q3 – Very strong, especially vs. 2019
  - +14% vs 2020/Q3 (reported currency)
  - +16% vs 2020/Q3 (Fx adjusted)
  - **+75% vs 2019/Q3 (Fx adjusted)**
  - Strong positive trends continue
- 2021/Q4 – Very strong, especially vs. 2019
  - +15% vs 2020/Q4 (reported currency)
  - +14% vs 2020/Q4 (Fx adjusted)
  - **+62% vs 2019/Q4 (Fx adjusted)**
  - Strong positive trends continue

# 2021 FY: Sales Development by Region and Product Category

Sport&Cargo Carriers



RV Products



Active with Kids



Packs, Bags & Luggage



Share of  
Thule Group  
Sales 2021 FY  
(2020 FY)

**67%**  
(64%)

**14%**  
(15%)

**12%**  
(13%)

**7%**  
(8%)

Share of  
Regional  
Sales 2021 FY  
(2020 FY)

Europe&RoW

Americas

**63%**  
(61%)

**76%**  
(73%)

Europe&RoW

Americas

**19%**  
(20%)

**3%**  
(3%)

Europe&RoW

Americas

**14%**  
(14%)

**9%**  
(9%)

Europe&RoW

Americas

**4%**  
(5%)

**12%**  
(15%)

Sales Growth  
2021 FY vs  
2020 FY  
(Constant Currency)

**+43%**

**+34%**

**+35%**

**+12%**

**+38%**

**+54%**

**+30%**

**+113%**

**+33%**

**+43%**

**+6%**

**+17%**

# Sport&Cargo Carriers – Winner in strong bike and outdoors market

- 2021 FY: Growth of +43% Fx adjusted
  - Region Europe&ROW +38%
  - Region Americas +54%
- 2021 - Great products, flexible supply chain and biking boom
  - Bike Racks: Strong market momentum in all major markets
  - Roof Racks: Local active travels and staycation trends continue
  - Boxes: Local active travels and staycation trends continue
  - Roof Top Tents: Strong growth with global roll-out and staycation trend
- 2022 – Continue to drive growth using our core strengths
  - Higher inventory levels at start of year for better On-Time-In-Full
  - Flexible supply chain with own plants close to main markets to handle challenging market realities and capture upsides
  - Continue to promote market leading portfolio





# RV Products – Staycation trend creates high demand

- 2021 FY: Growth of +34% Fx adjusted
  - Region Europe&ROW +30%
  - Region Americas +113%
- 2021 – Strong consumer trend, but manufacturers challenged
  - Staycation trend and possibility to flexible travel in your own small bubble
  - Smaller vans continue to be winners with younger active consumers
  - Challenges for manufacturers to keep complex supply chain going
  - Thule continues to win European share thanks to flexible operations
  - Strong niche growth for Thule in N. America
- 2022 – Market demand still high, but supply chain challenged
  - Staycation trend continues
  - Less vehicles at dealers creates strong orderbooks ahead of season
  - Supply chain challenged due to chassis and component shortages
  - Niche products in van segment continues to do well in N. America



# Active with Kids – Another very strong growth year

- 2021 FY: Growth of +35% Fx adjusted
  - Region Europe&ROW +33%
  - Region Americas +43%
- 2021 – Biking boom and broadened stroller assortment
  - Bike trailers: E-bike and bike commuting trend continues
  - Child Bike Seats: Boosted by biking boom with lower priced bike sales
  - Strollers: Continued broadened distribution and now 3 models in market
- 2022 – Continue to take share with broadened offer & distribution
  - New colors and accessories to award winning core products
  - Bike related products expected to continue to see growth with more bikes, reduced public transport commuting and improved infrastructure and new models being added
  - Stroller growth to continue with more broadly known brand and 4<sup>th</sup> stroller model introduction in 2022 (Thule Shine from birth stroller)



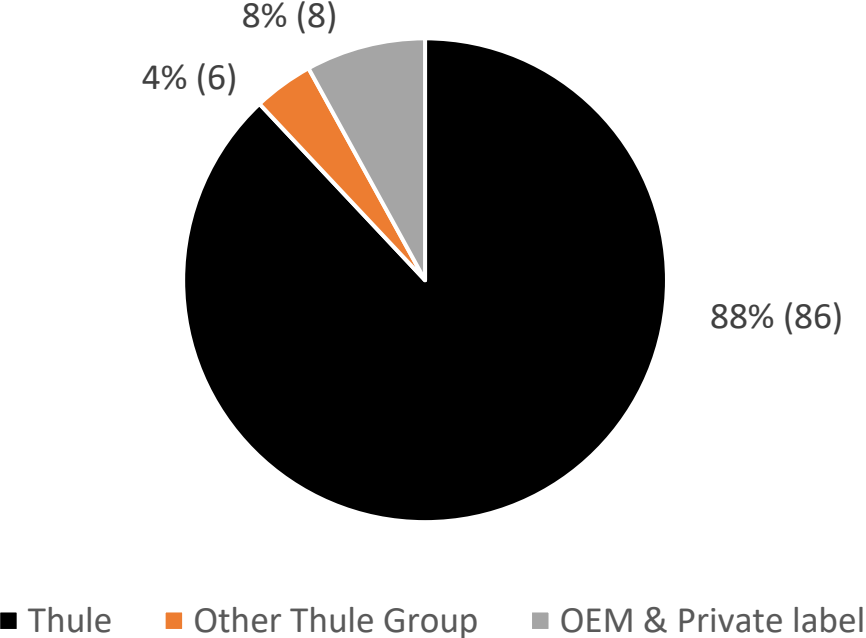
# Packs, Bags & Luggage – Recovery from weak 2020

- 2021 FY: Growth of +12% Fx adjusted
  - Region Europe&ROW +6%
  - Region Americas +17%
- 2021 – Luggage sector hit hard and no Back-to-Campus season
  - Sport bags & Tech packs: Strong hiking and biking pack sales
  - Everyday bags: Limited Back-to-Campus / Back-to-Work sales
  - Luggage: Travel sector still at very low levels
- 2022 – Back at schools and work and air travel slowly to pick up
  - Sport bags & Tech packs: Continued activity & staycation trend positive
  - Everyday bags: Almost back to normal
  - Luggage: Travel sector slowly recovers, but still far from 2019 levels



# 2021 Full year: Another fantastic year for the Thule brand

Share of Sales by Brand 2021



# 2022 Focus – Continue to drive our growth oriented strategy

- Growth focused strategy remains unchanged
  - Price increases to offset cost increases (implemented January 2022)
  - Drive profitable organic sales growth via great products
  - Strengthen the Thule brand by using the motto *Bring your life*
  - Utilize strong back-end organization to drive cost efficient growth
  - Increased roll-out of sales supporting tools for retail
  - Continue to steadily roll out Direct to Consumer
- Product portfolio and development push to fuel growth
  - Spend at 5% of sales
  - Expanded Thule Test Center operational 2022/Q2
- Continuous improvements in our Supply Chain set-up
  - Capacity expansion to enable return to historically high On-Time-In-Full capabilities with short lead-times
  - Automation focus
  - Above average CapEx year (plants, DCs and development facilities)
- Strong cash generation that enables strategic M&A and increased dividends
- *Still many uncertainties around the world so we need to be as quick to act and as flexible as in 2021*
- *At Capital Markets Day in May 2022 we will present long-term plans and new product categories*



Q&A



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