

Thule Group Capital Markets Day 2022

May 11, 2022 in Hillerstorp, Sweden



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CAPITAL MARKETS DAY 2022



Important notice

This presentation contains a number of forward-looking statements including, in particular, statements about future events, future financial performances, plans, strategies, expectations, prospects, competitive environment, regulation and supply & demand. Thule Group has based these forward-looking statements on its views with respect to future events and financial performance. Actual financial performance of the group described herein could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated.

Given these uncertainties, readers should not put undue reliance on any forward-looking statements. Forward-looking statements represent estimates and assumptions only as of the date that they were made. The information contained in this presentation is subject to change without notice and Thule Group does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable laws and regulations.



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AGENDA

11.00	Program starts
11.00 - 12.30	Group Strategy and Q&A
12.30 - 13.30	Guided Tour
13.30	Lunch + Product Expo



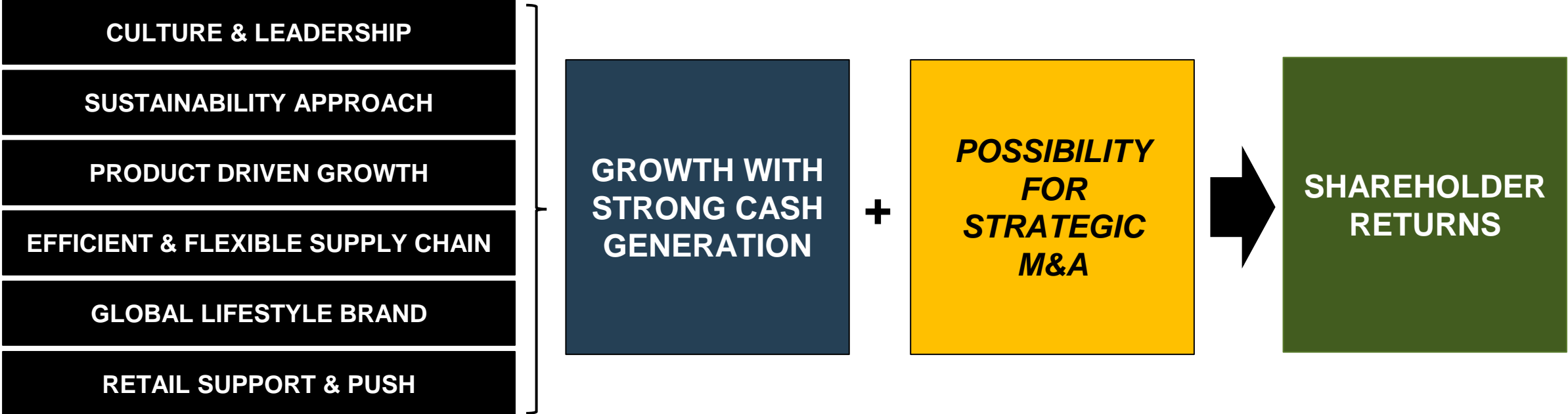
INTRODUCTION

80 Years of Product Driven Growth



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Thule Group: A lifestyle company focused on sustainable profitable growth



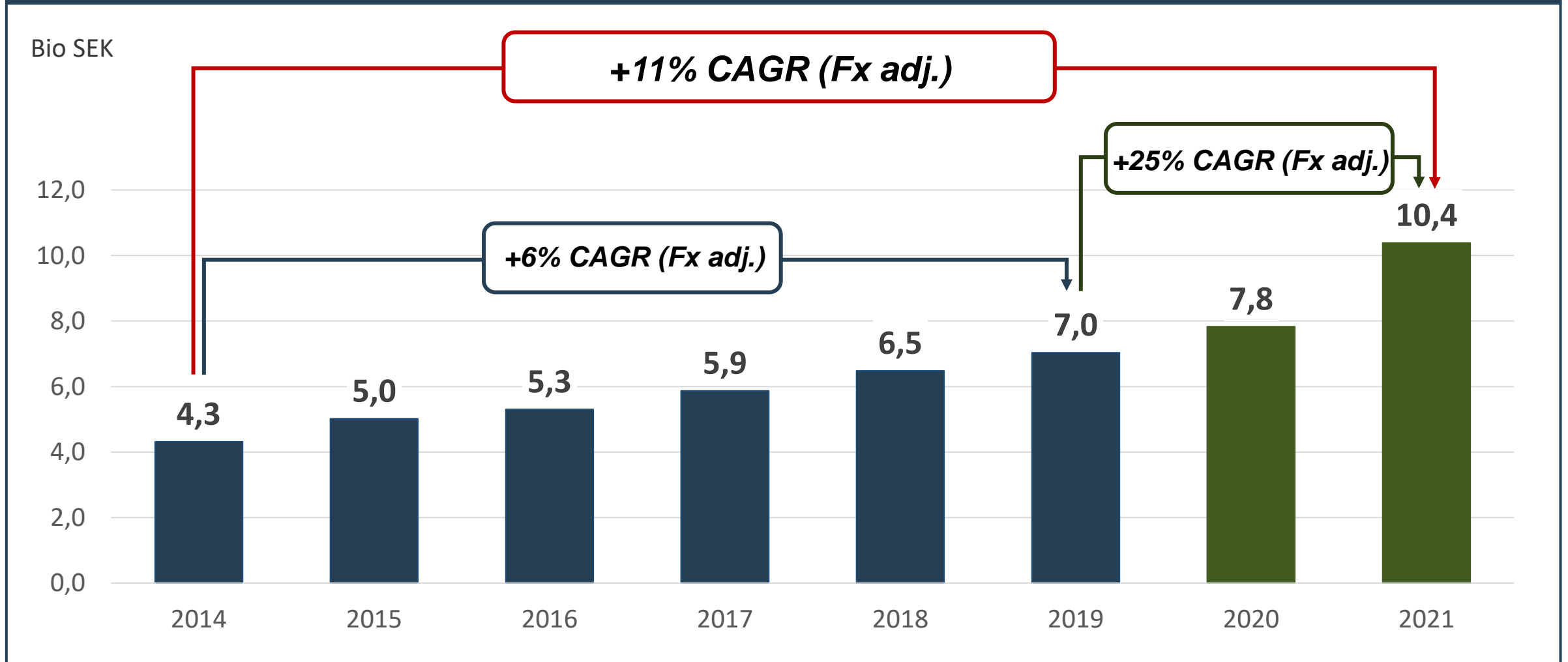
Our heritage still creates the cultural foundation we stand on

- **Gnosjöandan** – entrepreneurial spirit
- **Product is King**
- **Yes, we can** – grit mentality
- **Own and live our brand**
 - Safe
 - Quality
 - Easy to use
 - Sustainable
 - Trustworthy
 - Flexible and constantly evolving



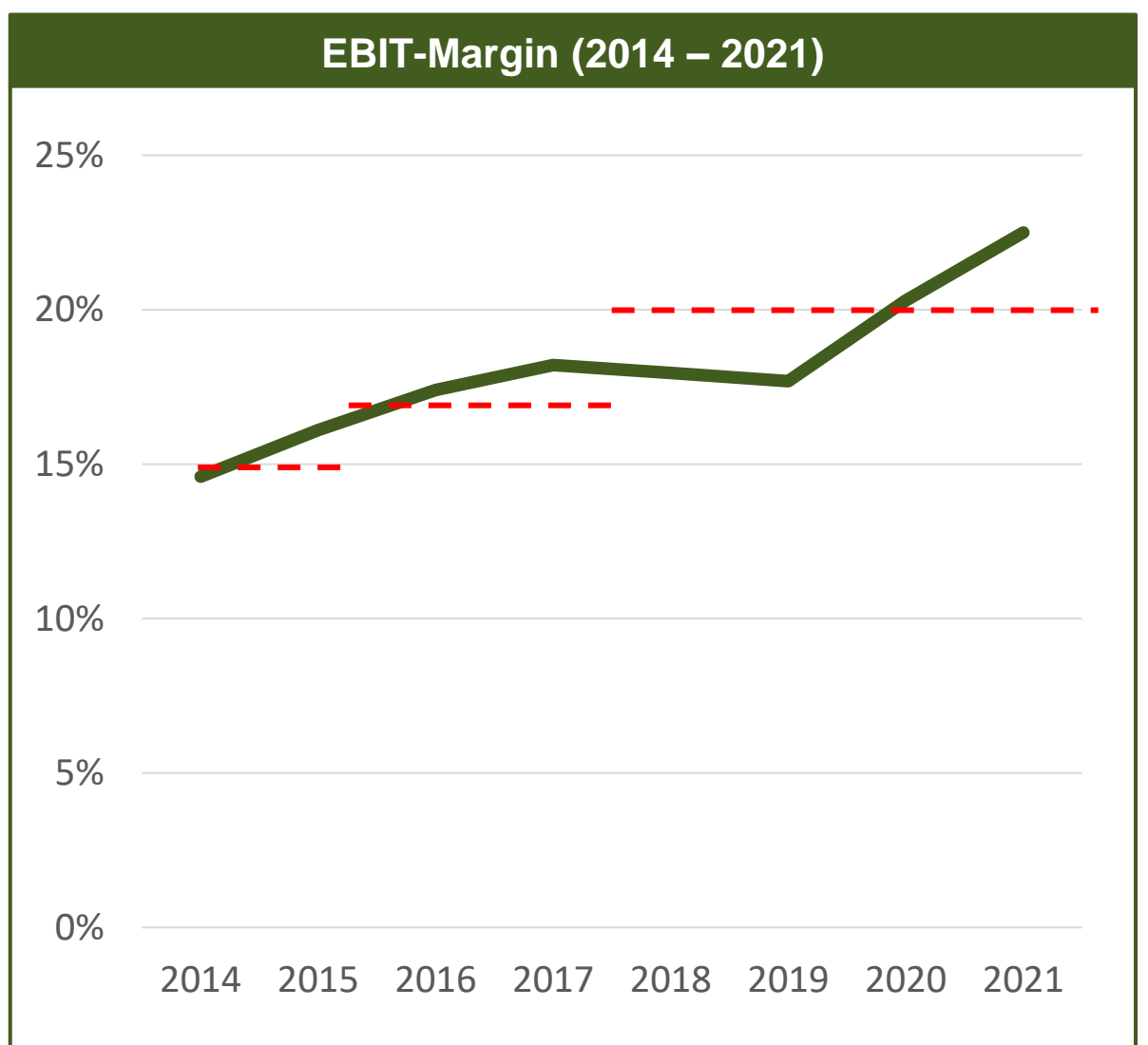
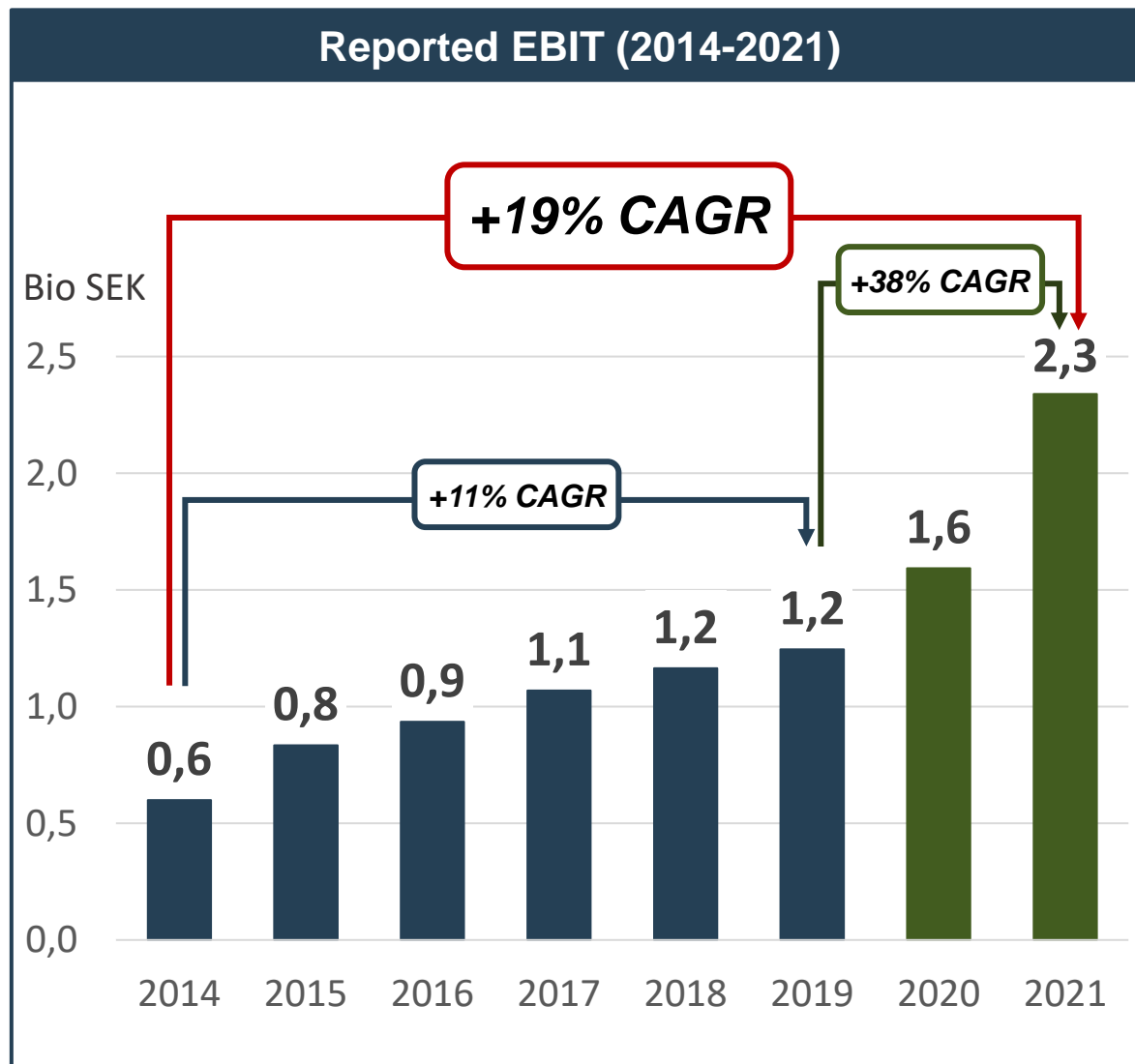
Sales: Historical growth trend boosted by pandemic induced "staycations"

Reported Net Sales and Fx adjusted Sales Growth (2014-2021)



Note: Remaining Business Segments. Growth including smaller acquisitions. Reported Net Sales, 2014-2021 CAGR in Constant Currency includes 3 minor acquisitions

Profit: Strong EBIT and EBIT-Margin improvement



Note: EBIT and EBIT-Margin; Remaining Business Segments

Product is King approach: 5% of sales in Product Development

- Expansion of the Global R&D center and Thule Test Center™ (Hillerstorp, Sweden)
- 4 niche-focused in-house R&D satellites
 - Seymour (CT) and Longmont (CO), USA
 - Meneen, Belgium
 - Malmö, Sweden
- >300 in-house product development staff
- Competences within all professions
- Multi-award winning Design Team



A flexible Supply Chain with strong in-house manufacturing competence

- Deliver safe products with high quality
- Consider sustainability in all aspects
- Retail customers and consumers offered flexibility and high service levels
- Efficiencies with diverse portfolio – focus on automation for high-runners
- 2021-2023 above average CapEx
- Higher inventory until global Supply Chain stabilizes



SUSTAINABILITY

Our ambition is to be sustainable at every step of the way



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Sustainability has always been an integral part of what we do



Sustainability – Caring about nature



We are rooted in the outdoors, founded deep in the forests of Sweden more than 80 years ago.

We make products that either bring your gear into nature or help you pursue your passions outdoors.

If there were no rivers to paddle, no trails to mountain bike on, or no waves to surf, we would not exist.

- Carbon footprint
- Water
- Material selection

Sustainability – Caring about people and society



It is part of our company DNA to care about people, society, and the community we are a part of.

We believe in the power of people to move the world forward and in the responsibility for companies to invest in people.

Therefore, our work is focused on diversity, equity, and inclusion.



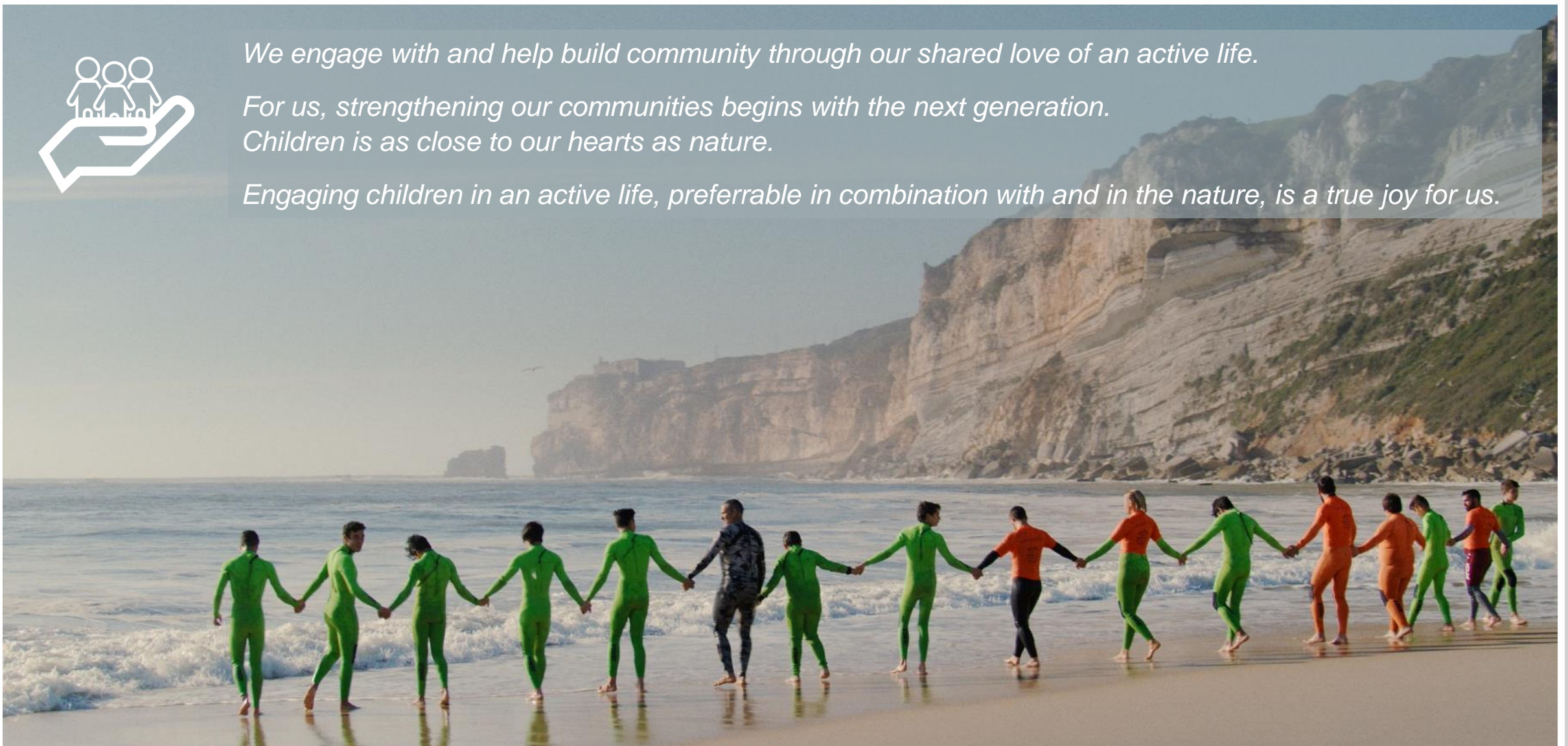
Sustainability – Engaging with the community



We engage with and help build community through our shared love of an active life.

*For us, strengthening our communities begins with the next generation.
Children is as close to our hearts as nature.*

Engaging children in an active life, preferable in combination with and in the nature, is a true joy for us.



CURRENT BUSINESS

Strong global positions in four Product Categories



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Share of sales 2021 - Region and Product Category

SPORT & CARGO CARRIERS



67%

RV PRODUCTS



14%

ACTIVE WITH KIDS



12%

PACKS, BAGS & LUGGAGE



7%

REGION
EUROPE &
RoW

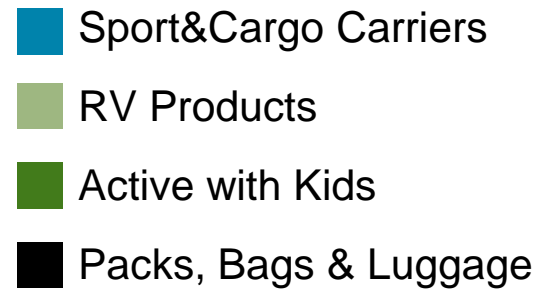
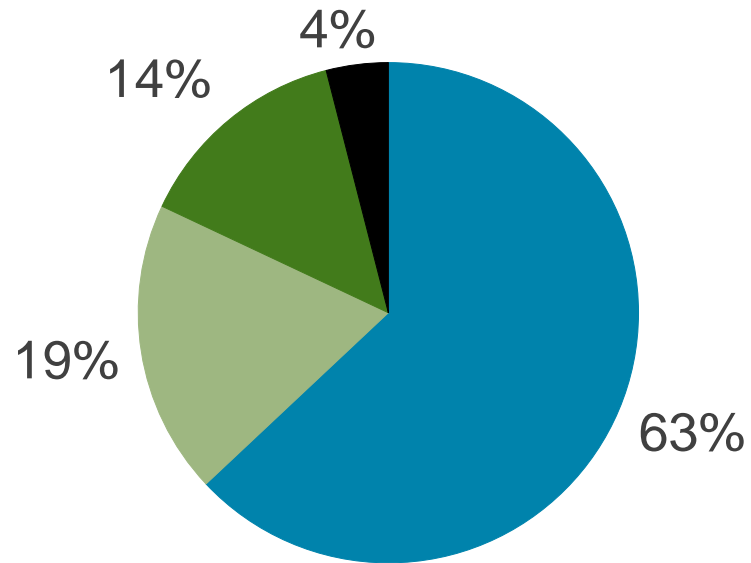
72%

REGION
AMERICAS

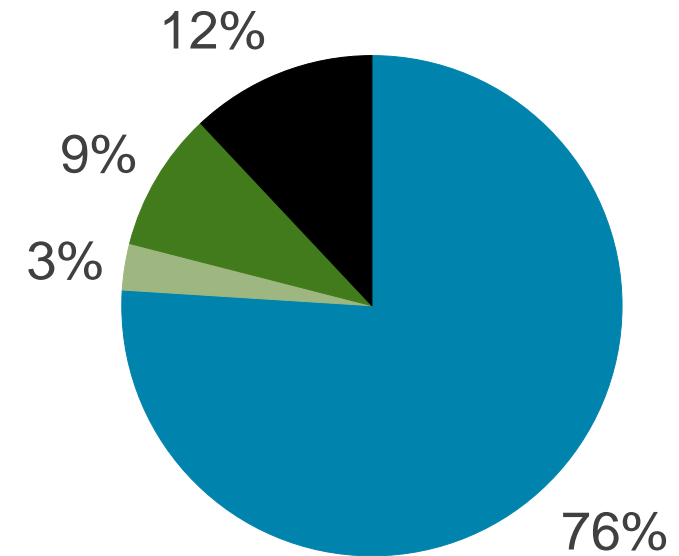
28%

Regional differences in share of sales

Region Europe&RoW



Region Americas



- Sport&Cargo Carriers – Market leader
- RV Products – Market leader in our niches
- Active with Kids – Bike commuting popular
- Packs, Bags & Luggage – Case Logic never established

- Sport&Cargo Carriers – Market leader
- RV Products – Focus on higher margin niche of small vans
- Active with Kids – Still limited bike commuting
- Packs, Bags & Luggage – Case Logic well established in US

Sport&Cargo Carriers: Global market leader in growing category

SHARE OF
NET SALES
(2021)

67%

THULE
GROUP
MARKET
POSITION
(2021)

#1

- Global market leader
- Strong local smaller geography / sub-category niche players

GLOBAL
MARKET
TREND

+3-5%

- Staycation momentum solidifies long-term trends
- Customer preferences for premium brands with sustainability focus

LONG-TERM
STRATEGIC
AMBITION

**Strengthen Global
No. 1 position**



RV Products: Outpacing the European market and growth in niches in US

SHARE OF NET SALES (2021)	14%
THULE GROUP MARKET POSITION (2021)	#1 in Europe <ul style="list-style-type: none">▪ Market leader in our niches in Europe▪ Limited premium niche offer in N. America and Asia/Pacific
GLOBAL MARKET TREND	+3-5% <ul style="list-style-type: none">▪ Short-term constraints for chassis in Europe▪ Consumer desire strong▪ Inflationary pressures may impact purchase decision
LONG-TERM STRATEGIC AMBITION	Outpace European market and win in niches in N. America & Asia



Active with Kids: Bike commuting boom lifted category

SHARE OF
NET SALES
(2021)

12%

THULE
GROUP
MARKET
POSITION
(2021)

#1 Bike
Growing
in stroller

- Leader in Bike Trailers
- Top 3 in Bike Seats
- Growing player in Strollers with broader assortment

GLOBAL
MARKET
TREND

+3-5%

- Sustainability focus
- Huge infrastructure investments in Bike commuting
- Premium stroller brands win share

LONG-TERM
STRATEGIC
AMBITION

**Strengthen bike lead &
grow stroller position**



Packs, Bags & Luggage: Post-pandemic growth as travel pick up

SHARE OF NET SALES (2021)	7%
THULE GROUP MARKET POSITION (2021)	Small niche player <ul style="list-style-type: none">▪ Small player overall▪ Strong niche player in certain geographies▪ Strong niche player in certain sub-categories
GLOBAL MARKET TREND	+1-3% <ul style="list-style-type: none">▪ Post pandemic recovery expected as travel and offices & schools reopen▪ More “open space” in competitive category after challenges for brands
LONG-TERM STRATEGIC AMBITION	Win market share in luggage, everyday bags and sport packs



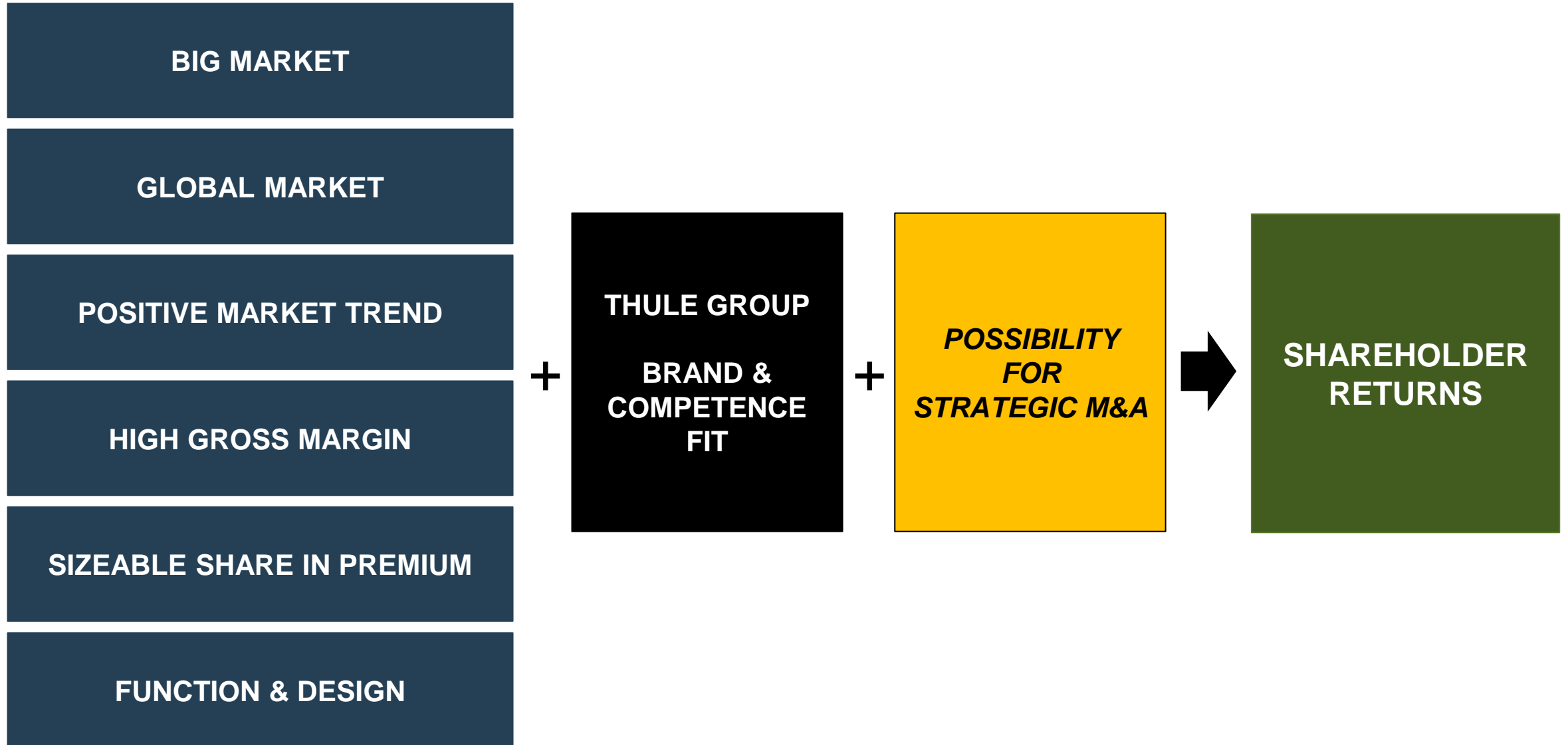
NEW PRODUCT CATEGORIES

Logical steps into exciting new categories for future growth



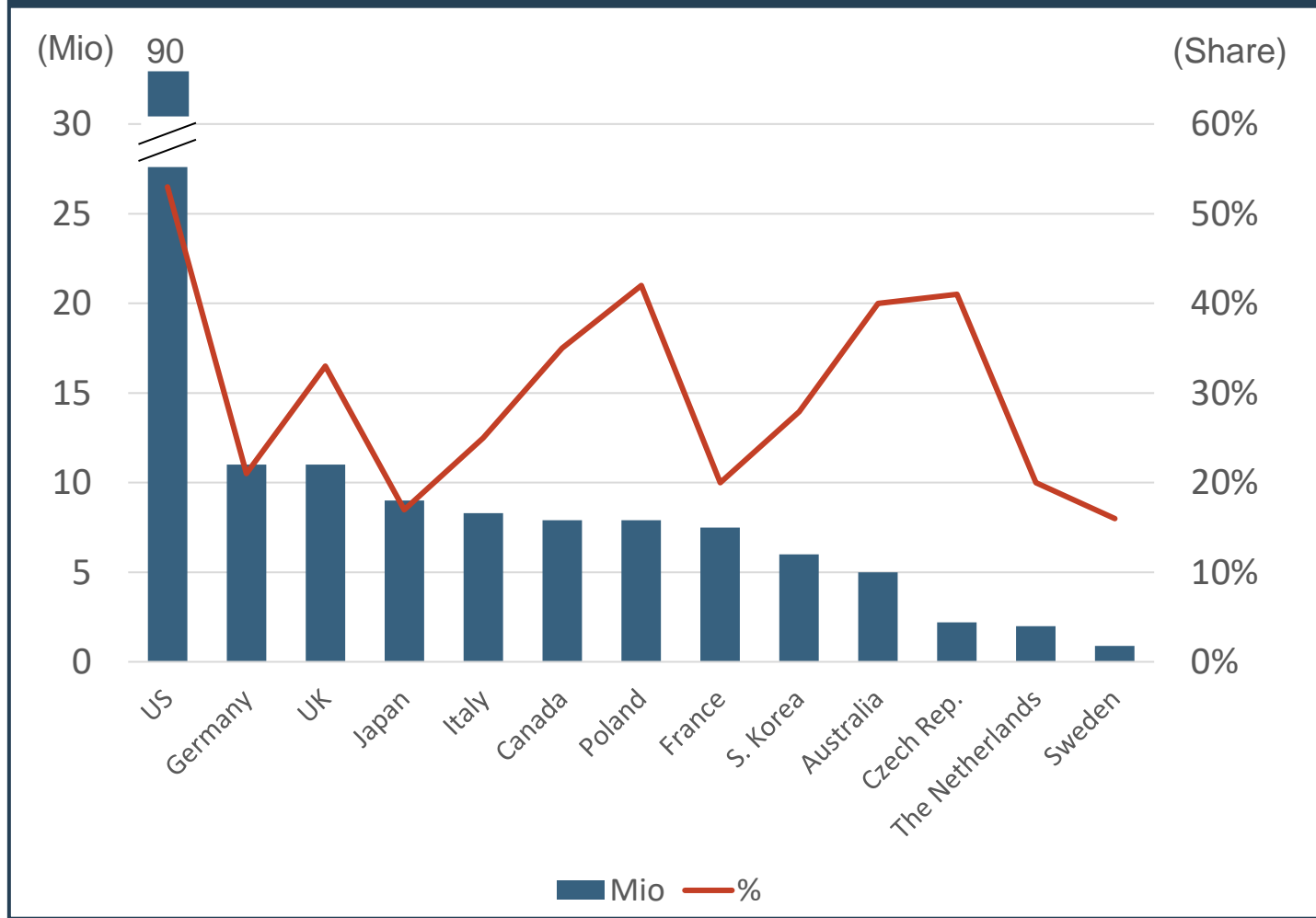
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New Product Categories – Parameters for "ideal" type of category for Thule

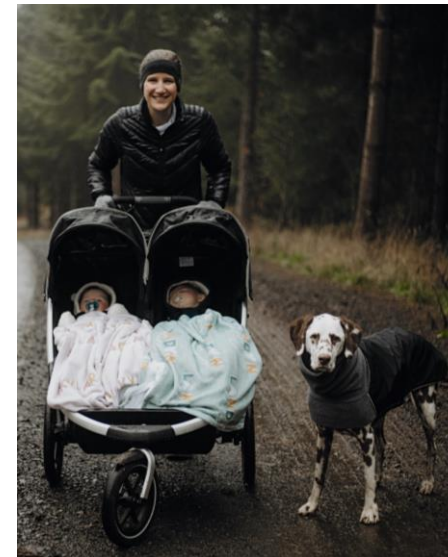


Dog Transport products: Growing dog ownership and "family inclusion"

Number of Dogs (Mio) and Households owning minimum 1 dog (%)



Sources: American Veterinary Medical Association, American Pet Products Association, Canadian Animal Health Institute, European Pet Food Association, Japan Pet Food Association, Korea Pet Food Association, RSPCA (2020-2022)



Dog Transport products: Focus on Car and Bike travel

CAR TRANSPORT



- Many ways to transport dogs in car
- Wide price point positions in market
- Niche brands in premium segment
- Stricter safety standards and laws are being implemented

Estimated* Global Market Size
(mid to premium segment)

~1.5 Bio SEK

** Management assumption based on various sources*

BIKE TRANSPORT



- Many ways to transport dogs with bike
- Wide price point positions in market
- Child Bike Trailer brands lead premium dog trailer segment
- Bike commuting will continue to grow
- Stricter safety standards and laws are being implemented

Estimated* Global Market Size
(mid to premium segment)

~0.5 Bio SEK

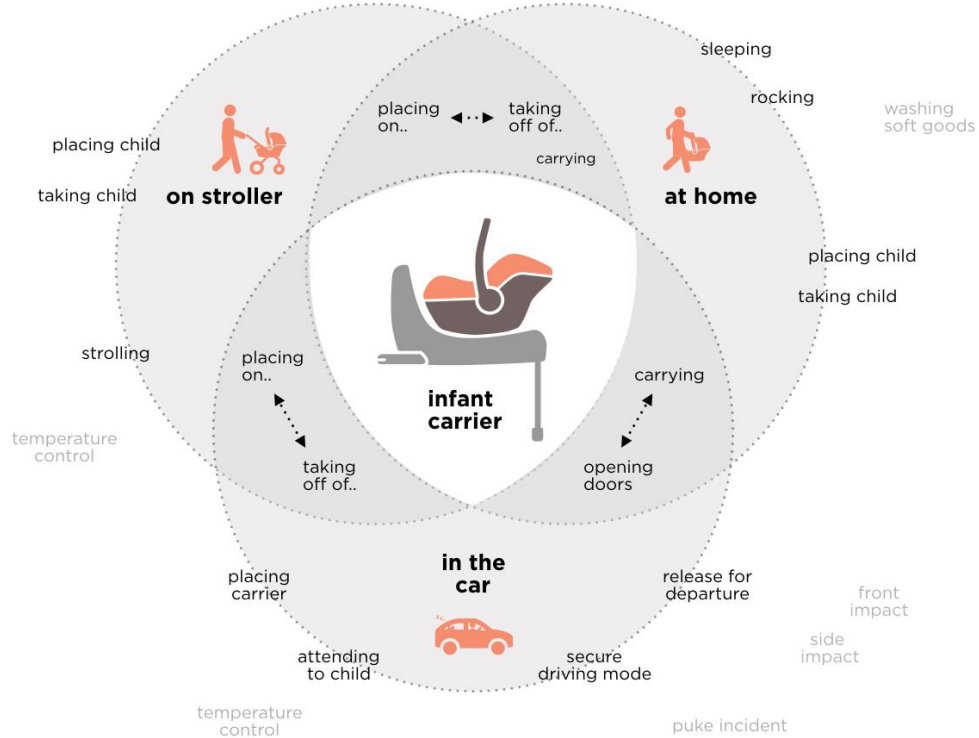
** Management assumption based on various sources*

Car Seats: A safety focused, technical category with high demands

Many use modes to consider

Strict regulations (that differ)

Common Key Points



EUROPE



i-Size (UN R129)

N. AMERICA

FMVSS/CMVSS 213



fool proof



reassuring



desirable

Car Seats: Category entry in steps 2023-2025

- 2023/Q4 Europe
 - Base
 - Infant
 - Toddler
- 2024/H2 N. America
 - Base + Infant
 - Base + Toddler
- 2024/H2 Global
 - Booster
- 2025 Other regions (to be defined)



Car Seats: Focus first on European and N. American portfolios

EUROPE

- Same base used both for Infant & Toddler
- Newborn: Common Base + Infant Seat
- Toddler: Common Base + Toddler Seat
- Larger children: Booster Seat
- i-Size (UN-R129) regulatory demands modern & stringent
- Independent test institute ratings key for consumer confidence
- Feature rich premium segment winning share
- Strong incumbent brands in premium segment

**Estimated* European
Market Size**
(premium segment)

~7.5 Bio SEK

** Management assumption based on various sources*

N. AMERICA

- Different bases used for Infant & Toddler
- Newborn: Infant Base + Infant Seat
- Toddler: Toddler Base + Toddler Seat
- Larger children: Booster Seat
- FMVSS/CMVSS 213 regulatory demands older & looser
- Independent test institute ratings key for consumer confidence
- Wide price point positions with premium models winning share
- No clear winners in premium segment

**Estimated* N. American
Market Size**
(premium segment)

~6.5 Bio SEK

** Management assumption based on various sources*

New Product Categories – Good fit for Thule

	DOG TRANSPORT	CAR SEATS
BIG MARKET	✓	✓
GLOBAL MARKET	✓	✓
POSITIVE MARKET TREND	✓	✓
HIGH GROSS MARGIN	✓	✓
SIZEABLE SHARE IN PREMIUM	✓	✓
FUNCTION & DESIGN	✓	✓
BRAND & COMPETENCE FIT	✓	✓
<i>POSSIBILITY FOR M&A</i>	✓	✓

Reporting – "Active with Kids" renamed "Juvenile & Pet Products"

TODAY: Active with Kids

NEW

TOMORROW

Child Bike Trailers



Strollers



Dog Transport Products



Child Bike Seats



Child Carriers



Car Seats



**JUVENILE
& PET
PRODUCTS**

BRAND

Building on our globally recognized lifestyle brand - Thule



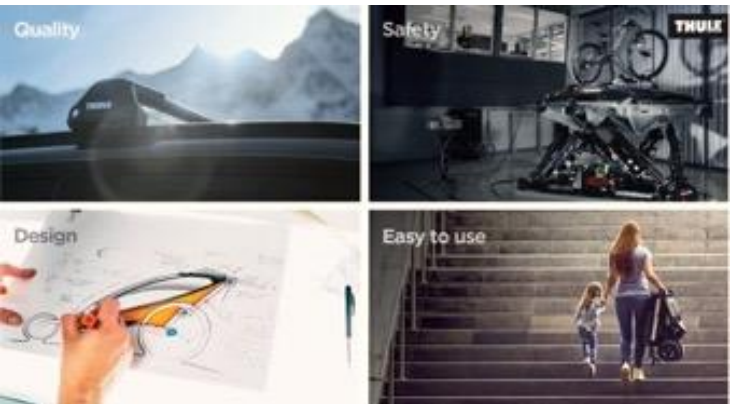
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Thule – A lifestyle brand built on genuine and solid pillars

INSPIRING BRAND POSITIONING



GENUINE BRAND PROMISE



REAL BRAND CONNECTION

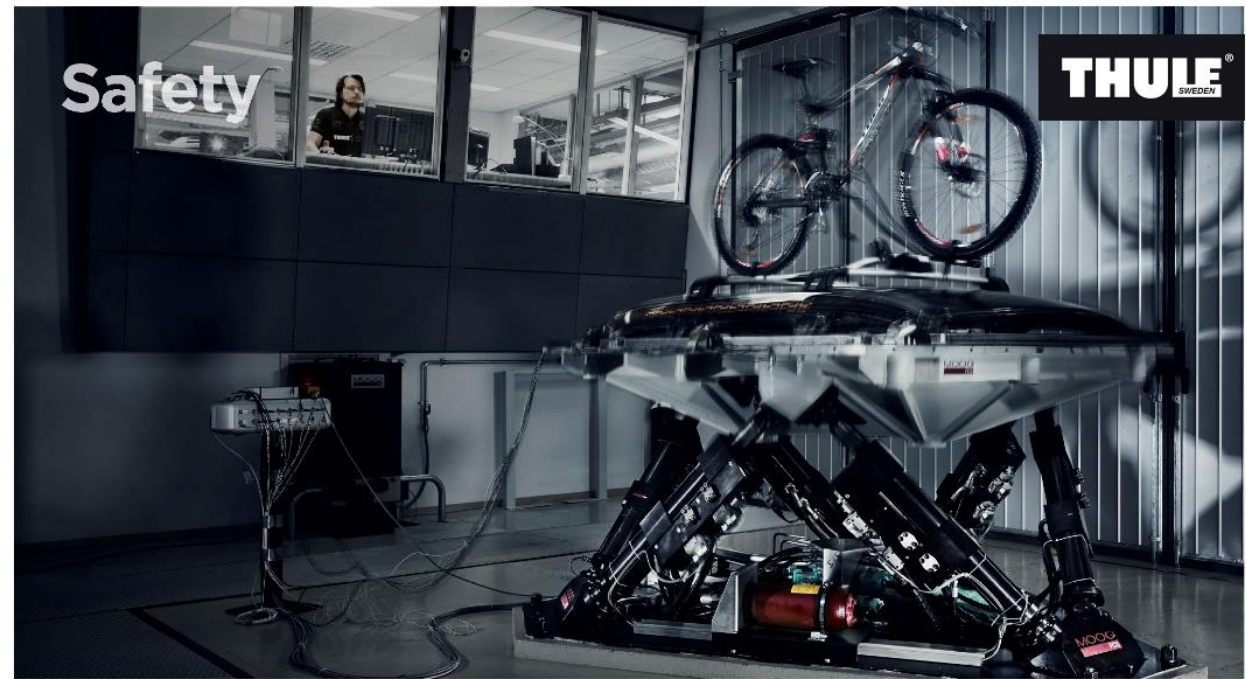


CONSISTENCY

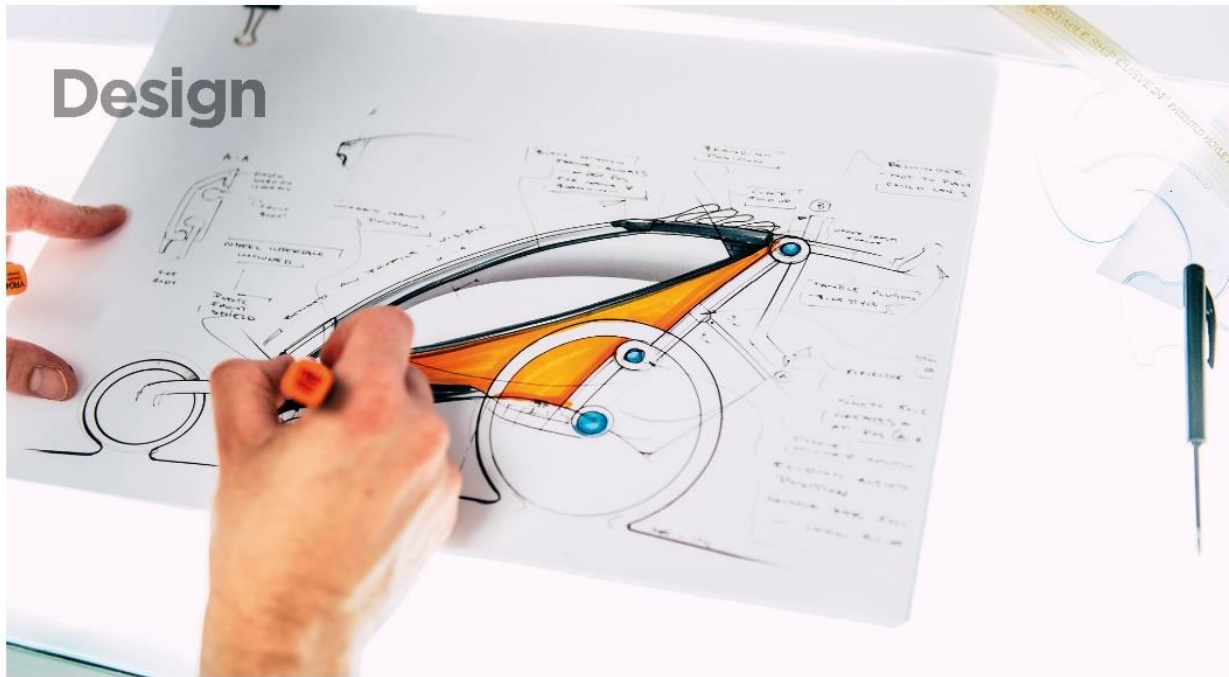
Quality



Safety



Design



Easy to use



Thule – Great ambassadors are true users



Elliot Jackson (Mountainbiker)



Emelie Forsberg (Sky- and Ultra-runner)

Thule – True users become great ambassadors



SUMMARY

Continued sales growth at high profit margins

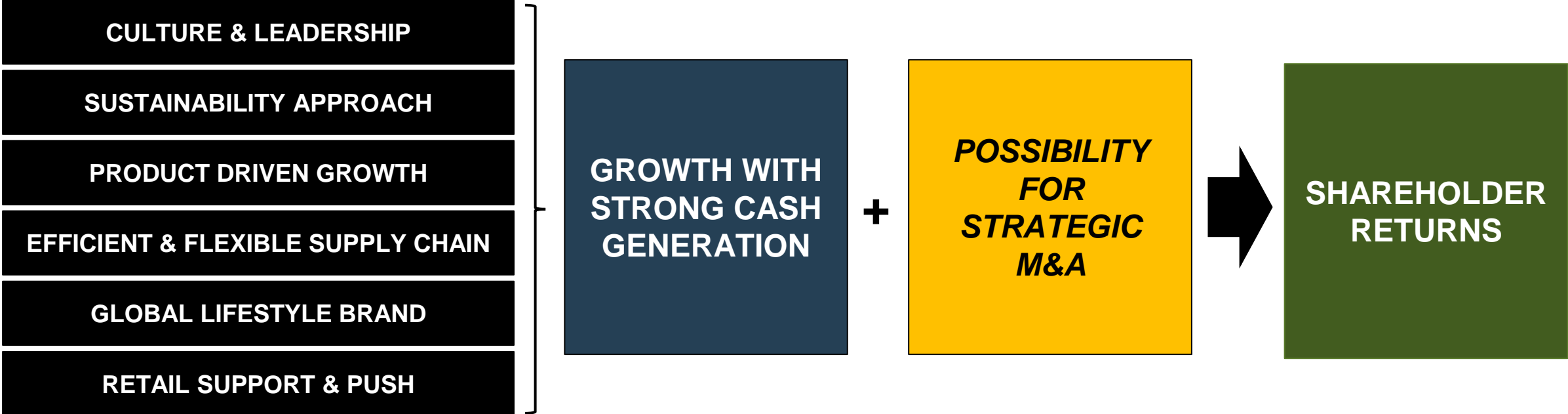


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Building on 80 years of product driven growth



Thule Group: A lifestyle company focused on sustainable profitable growth



Growth oriented mindset supported by macro trends

Bike commuting



Active "Staycations"



5

Lifestyle brands with quality and sustainability positioning



Smaller cars trigger transport needs



Healthier & more active 55+ generation



Trends that were strong pre-pandemic expected to continue to grow



Active life pursuits will grow – Outdoor & Urban



Global brands with quality & sustainability stamp will continue to thrive



Long-term Targets 2030 – Updated with more ambitious Revenue Target

REVENUE	<h2>20 Bio SEK by 2030</h2> <p>Previous: Double 2020 revenue by 2030 2 x (7.8 Bio SEK in 2020), i.e. 15.6 Bio SEK 2030</p>	SUSTAINABILITY
PROFIT	Maintain >20% EBIT-Margin	Meet ambitious Science Based Targets for reduction of greenhouse gas emissions
CASH DIVIDEND	>75% of annual Net Income	

Q&A

Q&A Session



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Thank you for your attention!

