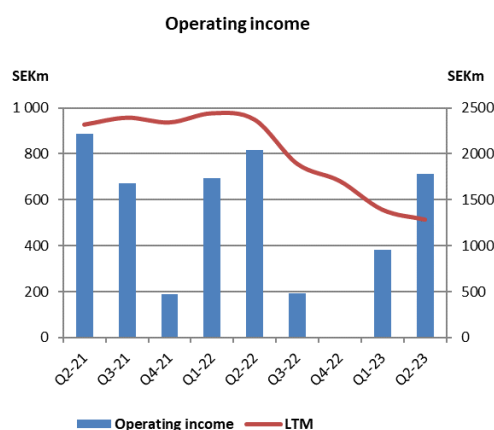
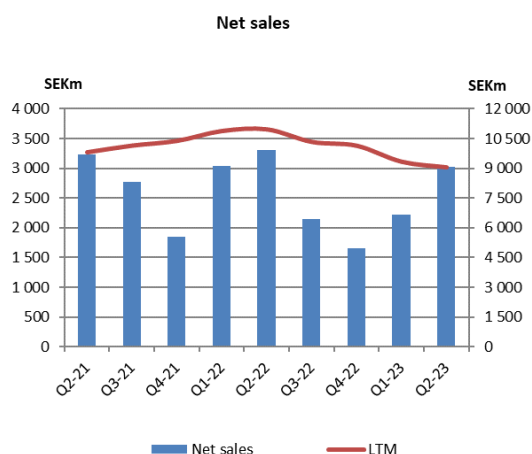


Thule Group

Interim report, second quarter, April–June 2023

- **Net sales** for the quarter amounted to SEK 3,029m (3,314), corresponding to a decrease of 8.6 percent. Adjusted for exchange rate fluctuations, sales declined 15.1 percent.
- **Operating income** amounted to SEK 711m (817), corresponding to a margin of 23.5 percent (24.7). Adjusted for exchange rate fluctuations, the operating margin decreased 1.3 percentage points.
- **Net income** amounted to SEK 539m (626).
- **Cash flow from operating activities** totaled SEK 718m (489).
- **Earnings per share before dilution** amounted to SEK 5.14 (5.99).

	Apr-Jun 2023	Apr-Jun 2022	%	Jan-Jun 2023	Jan-Jun 2022	%	Full-year 2022
Net sales, SEKm	3 029	3 314	-8.6	5 255	6 348	-17.2	10 138
Operating income (EBIT), SEKm	711	817	-13.0	1 093	1 509	-27.6	1 706
Net income, SEKm	539	626	-14.0	813	1 153	-29.5	1 275
Earnings per share, SEK	5.14	5.99	-14.1	7.77	11.03	-29.5	12.19
Cash flow from operating activities, SEKm	718	489	+46.9	737	-37	n/a	616



CEO's statement

High profitability despite weak start to the quarter

Compared with an exceptionally strong second quarter in the previous year, sales in the second quarter were 15 percent lower after currency adjustment.

Sales at the start of the quarter was weak. The main reason being, as with the previous three quarters, lower sales of bike-related products to our retailers, who continued to lower their inventory levels. This can be compared with the year-earlier period when the same retailers were in the middle of an aggressive phase of inventory build-up.

I am very pleased that, faced with this reality, we achieved an EBIT margin of 23.5 percent (24.7) for the quarter, thanks to a record high gross margin. This was achieved despite a considerably underutilized production capacity, a disadvantageous product mix, continued generally high costs for materials and continued ambitious investments for future growth. The price increases implemented in summer 2022, lower freight costs, a positive channel mix and healthy margins for new product launches had a positive impact.

Cash flow was SEK 718m, which was achieved in part thanks to the quarter's reduction of the Group's own inventory by SEK 308m, which was in line with our assumptions.

Region Europe & RoW – bike sector begins to return to more normal inventory levels

During the quarter, sales in the region posted a year-on-year decline of 14 percent after currency adjustment. The decline in sales mainly resulted from lower sales of bike-related products at the beginning of the quarter. This is compared with the year-earlier period that had exceptionally strong sales. We also experienced a generally cautious retail chain, including for the Group's other sports and outdoor products.

France was the weakest market, with cautious major retail chains and a generally larger share of sales in the mid-price segment, where inventory levels remain high. However, UK and Poland reported positive trends.

Region Americas – challenges persist for the major North American markets

During the quarter, sales in the region posted a year-on-year decline of 18 percent after currency adjustment. Also here we noted a decline in sales of bike-related products compared with the strong year-earlier quarter.

Just as with Europe, we experienced a cautious retail chain in terms of other sports and outdoor products in the major markets of the US and Canada. However, we noted a continued positive trend in the smaller Latin America markets in the quarter.

The decision was taken to phase out some older low-margin segments in Packs, Bags & Luggage. This had a

negative impact on the quarter in the region. The primary focus will be on duffel bags, luggage and backpacks for daily use moving forward.

Ambitious plans drive high development costs

As previously announced, we are in the most ambitious launch period of new products in the history of the Group. In the next 18 months, several new important products both in existing and in entirely new categories will be visible in stores across the globe. The heavy launch phase has led to us investing a full 7.1 percent of sales on product development in the past 12 months.

The world's best tow bar mounted bike carrier, Thule Epos, the innovative cargo box Thule Arcos that is mounted on the back of the car's tow bar and the roof platform Thule Caprock were some of the products launched in store to consumers during the quarter.

We also introduced a number of very exciting products to retailers that have release dates next year. We presented an entirely new generation of the world's leading premium bike trailer, Thule Chariot, and our first bike trailer for dogs at the Eurobike bike fair. We have also displayed the collision-proof dog crate Thule Allax, which will arrive in stores as early as autumn 2023.

Strong market position, well-invested plants and many new products make the future look bright

This, my 35th quarterly report on the stock market as CEO and President for Thule Group, is my last. As announced, I will pass the reins as CEO to the current Board member Mattias Ankarberg on August 9.

I therefore like to take this opportunity to thank all of the great colleagues that I have had the benefit of working with during my 17 years at the company. Together, we have created a fantastic company! Today, Thule is a globally established lifestyle brand with a considerable focus on sustainability, efficient factories, many test-winning products and a deeply rooted winning culture.

Market trends in the product categories where we are market leaders are positive in the long term. This, combined with growth plans in the new categories that we are entering into, make the future look very bright.

I am convinced that Mattias, with your assistance, will continue to develop Thule into an even more successful company. I will remain an active supporter, albeit now it will only be from the stands.



Magnus Welander,
CEO and President

Financial overview

Trend for the second quarter

Net sales

In the second quarter of 2023, net sales amounted to SEK 3,029m (3,314), representing a decrease of 8.6 percent. Adjusted for exchange rate fluctuations, net sales for the Group decreased 15.1 percent.

In Region Europe & RoW, net sales totaled SEK 2,247m (2,412), down 6.8 percent and 13.9 percent currency-adjusted. Net sales in Region Americas amounted to SEK 782m (902), down 13.3 percent and 18.2 percent after currency adjustment compared with the second quarter of 2022.

	Apr-Jun	Jan-Jun
Change in net sales	2023	2023
Changes in exchange rates	6.5%	5.6%
Structural changes	0.0%	0.0%
Organic growth	-15.1%	-22.9%
Total	-8.6%	-17.2%

Gross income

Gross income for the quarter totaled SEK 1,320m (1,400), corresponding to a gross margin of 43.6 percent (42.2). After currency adjustment, the margin improved 1.7 percentage points. Gross income was positively impacted by price increases implemented in summer 2022, favorable margins for new product launches, a positive channel mix and considerably lower freight costs compared with the second quarter of 2022. However gross income was negatively impacted by lower sales and an underutilized production capacity, a disadvantageous product mix and high costs in general for materials.

Operating income

Operating income amounted to SEK 711m (817), corresponding to a margin of 23.5 percent (24.7). The operating margin after currency adjustment was 1.3 percentage points lower than the year-earlier period. Major investments in product development impacted the margin during the quarter.

	Apr-Jun	Jan-Jun
Change in Operating margin		
Operating income 2023	711	1 093
Operating margin 2023	23.5%	20.8%
Operating income 2022	817	1 509
Operating margin 2022	24.7%	23.8%
Operating income 2022, currency adjusted	883	1 619
Operating margin 2022, currency adjusted	24.8%	23.8%
Change in Operating margin, currency adjusted	-1.3%	-3.0%

Net financial items

Net financial items for the quarter amounted to an expense of SEK 9m (expense: 11). Exchange rate differences on loans and cash and cash equivalents amounted to SEK 20m (3). The interest expense for borrowings was SEK 29m (expense: 13).

Net income for the period

In the second quarter, net income was SEK 539m, corresponding to earnings per share of SEK 5.14 before and after dilution. For the year-earlier period, net income totaled SEK 626m, corresponding to earnings per share of SEK 5.99 before dilution and SEK 5.95 after dilution.

Trend for the first six months

Net sales

In the first half of 2023, net sales amounted to SEK 5,255m (6,348), representing a decrease of 17.2 percent. Adjusted for exchange rate fluctuations, net sales for the Group decreased 22.9 percent.

In the Region Europe & RoW, net sales totaled SEK 3,945m (4,570), down 13.7 percent and 19.4 percent after currency adjustment. Net sales in Region Americas amounted to SEK 1,309m (1,778), down 26.4 percent and 31.7 percent after currency adjustment compared with the first half of 2022.

Gross income

Gross income amounted to SEK 2,236m (2,615) in the period, corresponding to a gross margin of 42.6 percent (41.2). After currency adjustment, the margin improved 1.7 percentage points. Gross income was positively impacted by price increases and considerably lower freight costs compared with the first half of 2022 but negatively impacted by lower sales, a disadvantageous product mix and underutilized production capacity.

Operating income

Operating income amounted to SEK 1,093m (1,509), corresponding to a margin of 20.8 percent (23.8). The operating margin after currency adjustment was 3.0 percentage points lower than the year-earlier period. Lower sales-related expenses in the period but continued high expenses for managing the high inventory levels and high investments in product development impacted the margin.

Net financial items

In the first half of the year, net financial items amounted to an expense of SEK 33m (expense: 21). Exchange rate differences on loans and cash and cash equivalents amounted to SEK 24m (4). The interest expense for borrowings was SEK 56m (expense: 25).

Taxes

The effective tax rate for the January–June 2023 period was 23.3 percent. The effective tax rate for the corresponding period in 2022 amounted to 22.5 percent. No significant events occurred during the period that could affect the Group's effective tax rate.

Net income for the period

In the first half of the year, net income was SEK 813m, corresponding to earnings per share of SEK 7.77 before and after dilution. For the year-earlier period, net income totaled SEK 1,153m, corresponding to earnings per share of SEK 11.03 before dilution and SEK 10.94 after dilution.

Cash flow

Cash flow from operating activities for the quarter was SEK 718m (489). Compared with the year-earlier period, inventory is lower compared with the significant inventory build-up in 2022, which had a positive impact on working capital. Investments in tangible and intangible assets amounted to SEK 48m (113), net. During the period, a dividend amounting to SEK 481m was paid to the company's shareholders and SEK 254m was received through the issue of shares as a result of the exercise of parts of the 2020/23 warrant program in June.

Financial position

On June 30, 2023, the Group's equity amounted to SEK 7,118m (6,165). The equity ratio amounted to 55.9 percent (50.3). During the quarter, equity was affected by the dividend of SEK 967m resolved on by the AGM, of which SEK 481m has been distributed.

On June 30, 2023, net debt amounted to SEK 2,614m (2,562). Total long-term borrowing amounted to SEK 2,751m (2,585), comprising loans from credit institutions of SEK 2,580m (2,419), gross, long-term lease liabilities of SEK 172m (167), capitalized financing costs of SEK 3m (2), and the long-term portion of financial derivatives of SEK 1m (1). Total current financial liabilities amounted to SEK 136m (127) and comprised the short-term portion of financial derivatives and lease liabilities.

SEKm	Jun 30 2023	Jun 30 2022	Dec 31 2022
Long-term loans, gross	2 753	2 586	2 986
Financial derivative liability, long-term	1	1	1
Short-term loans, gross	90	99	79
Financial derivative liability, short-term	46	29	28
Overdraft facilities	0	0	0
Capitalized financing costs	-3	-2	-3
Accrued interest	0	0	2
Gross debt	2 888	2 713	3 092
Financial derivative asset	-40	-29	-48
Cash and cash equivalents	-233	-122	-176
Net debt	2 614	2 562	2 868

As of June 30, 2023, goodwill totaled SEK 5,224m (4,808). The increase was attributable entirely to currency effects.

As of June 30, 2023, inventories totaled SEK 2,691m (3,148). Compared with the year-earlier period, inventory value decreased SEK 457m, and taking currency effects into account, inventory declined SEK 643m.

As of June 30, 2023, deferred tax receivables amounted to SEK 320m (348), of which SEK 137m (123) pertained to deferred tax attributable to capitalized loss carry forwards.

Other information

New CEO and CFO

Mattias Ankarberg will assume the roll as CEO and President for Thule Group on August 9, 2023.

Toby Lawton has on the 17th of July been appointed new Chief Financial Officer for Thule Group. He will assume his position latest in January 2024.

Seasonal variations

Thule Group's sales and operating income are during a normal year partially affected by seasonal variations. During the first quarter, sales in the Sport&Cargo Carriers category (roof boxes, ski racks, etc.) are affected by winter conditions. The second and third quarters are primarily impacted by how early the spring and summer arrive. In the fourth quarter, seasonal variations are primarily attributable to sales of winter-related products (roof boxes, ski racks, snow sport backpacks, etc.) and sales of products in the bag category prior to major holidays. Thule Group has adapted its production processes and supply chain in response to these variations.

Employees

The average number of employees, including externally contracted workers in manufacturing, amounted to 2,701 (3,497) in the second quarter. At the end of the second quarter, the number of FTEs was 2,867 (2,560 employees and 307 externally contracted workers in manufacturing).

This is an increase of 222 FTEs compared with the end of the first quarter of 2023 (2,574 employees and 71 externally contracted workers in manufacturing), and a reduction of 171 FTEs compared with the second quarter of 2022 (2,903 employees and 135 externally contracted workers in manufacturing).

Thule Group's share

The shares of Thule Group AB are listed on the Nasdaq Stockholm Large Cap list. As per June 30, 2023, the total number of shares in issue was 105,615,042.

Dividend

The Annual General Meeting on April 27 resolved to distribute a dividend of SEK 9.20 per share and that the dividend be distributed in two installments for a better adaptation to the Group's cash flow profile. The total resolved dividend, based on the number of shares outstanding, amounted to SEK 967m on June 30, 2023. The record date for distribution of the first installment of SEK 4.60 per share was May 2, 2023 and the record date for the second installment of SEK 4.60 per share is October 5, 2023.

Exercise of the 2020/2023 share-based incentive program

The majority of Thule Group's 2020/2023 warrant series have been exercised and this entailed that the number of shares and votes in the company increased by 1,052,606 in June 2023. As of June 30, the total number of shares in issue was thereafter 105,615,042. The company's share capital increased SEK 11,764 and was thereafter SEK 1,180,391. As of June 30, warrants corresponding to about SEK 20m had not yet been exercised in the 2020/2023 warrant program. The final exercise date is December 15, 2023.

Shareholders

As of June 30, 2023, Thule Group AB had 30,773 known shareholders. On this date, the largest shareholders were AMF Försäkringar & Fonder (14.9 percent of the capital and votes), Swedbank Robur Fonder (6.2 percent of the capital and votes), Handelsbanken Fonder (5.2 percent of the capital and votes) and Nordea Fonder (5.0 percent of the capital and votes). See www.thulegroup.com for further information on Thule Group's shareholders.

Parent Company

Thule Group AB's principal activity pertains to head office functions such as Group-wide management and administration. The comments below refer to the period January 1–June 30, 2023. The Parent Company invoices its costs to Group companies. The Parent Company reported a net loss of SEK 22m (loss: 16). Cash and cash equivalents and current investments amounted to SEK 0m (0). Long-term liabilities to credit institutions totaled SEK 2,578m (2,417).

The Parent Company's financial position is dependent on the financial position and development of its subsidiaries. The Parent Company is therefore indirectly impacted by the risks described in Note 4, Risks and uncertainties.

Sales trend by region

SEKm	Apr-Jun		Change		Jan-Jun		Change	
	2023	2022	Rep.	Adjust. ¹	2023	2022	Rep.	Adjust. ¹
Net sales	3 029	3 314	-8.6%	-15.1%	5 255	6 348	-17.2%	-22.9%
- Region Europe & RoW	2 247	2 412	-6.8%	-13.9%	3 945	4 570	-13.7%	-19.4%
- Region Americas	782	902	-13.3%	-18.2%	1 309	1 778	-26.4%	-31.7%

¹ Adjusted for changes in exchange rates

Region Europe & RoW

During the second quarter, sales in the region declined 14 percent after currency adjustment, compared with an strong second quarter in the previous year.

The main reason for the lower sales in the quarter was continued weak sales of bike carriers to retailers in all of our markets. Their ambition to substantially reduce their inventories following excessively large orders and inventory levels since the second half of 2022 were consistent in all of the region's markets. We also experienced a cautious retail chain for the Group's other sports and outdoor products.

In Europe, strong growth continued for sales directly to consumers (DTC) in all of the seven markets where this is implemented. This channel was, for natural reasons, not impacted negatively by inventory levels, and sales increased for all product categories. In total, DTC accounted for 6 percent of sales in the region during the quarter.

France was the market with the weakest trend during the quarter. The major retail chains in France generally have a larger share of sales in the mid-price segment and purchased substantial quantities of products in this price class during the year-earlier period. As a result of high inventory levels of these products, retailers have been restrictive with new purchases.

The only major markets to record growth in the region were the UK and Poland, partly due to these markets having reduced their orders of bike-related products as early as the second quarter of the preceding year.

Region Americas

During the quarter, sales in the region decreased 18 percent after currency adjustment, compared with an exceptionally strong second quarter in the previous year.

As in Region Europe & RoW, the main reason for lower sales in the quarter was weak sales of bike-related products to retailers, primarily in North America. The ambition of retailers to substantially reduce their inventories following excessively large orders and high inventory levels has meant that the levels are now more balanced and we noted clear improvements toward the end of the quarter. We also experienced a cautious retail chain for the Group's other sports and outdoor products, particularly on the US east coast. However, sales in Latin America were positive with favorable growth.

The decision to phase out the low-margin segment in the Packs, Bags & Luggage category, targeted at OE customers in the US, reduced sales in the quarter by SEK 19m. Combined with the multi-year negative market trend in the other Legacy products (CD cases, tablet and computer cases, camera bags, etc.), this led to the Legacy segment only accounting for 20 percent (32) of sales in the category in the region during the first half of the year.

Strong growth continued in the region for sales directly to consumers (DTC) in the US and Canada. This channel was, for natural reasons, not impacted negatively by inventory levels, and sales increased for all product categories. In total, DTC accounted for 16 percent of sales in the region during the quarter.

Assurance

The Board of Directors and the President provide their assurance that this interim report provides a fair and accurate view of the Group's and the Parent Company's operations, financial position and earnings, and describes the material risks and uncertainties faced by the Parent Company and other companies in the Group.

July 19, 2023

Hans Eckerström
Chairman of the Board

Mattias Ankarberg
Board member

Anders Jensen
Board member

Sarah McPhee
Board member

Heléne Mellquist
Board member

Johan Westman
Board member

Helene Willberg
Board member

Magnus Welandér
CEO

Review report

This report has not been reviewed by the company's auditor.

Selected key events



Thule Epos, the world's best tow bar mounted bike carrier is launched – In April, a new premium tow bar mounted bike carrier was launched. With a number of patented smart solutions, Thule Epos sets a new standard for easy to use bike carriers. Thanks to individual telescopic bike arms with an adjustable attachment system, it is possible to mount essentially any bike as well load and to unload bikes in any desired order. Sales of the model will begin in the third quarter as a model for hitch mounting on US vehicles. Thule Epos was awarded the prestigious Eurobike Gold Award as the best bike accessory at the world's largest bike fair Eurobike in June.



The roof platform Thule Caprock is launched – The modern aerodynamic roof platform can transform the roof of different vehicles into an adventure base. With its modular design, it allows for endless possibilities for attaching items to the roof such as rooftop tents, bike carriers, kayak carriers or other accessories, for an active life in style.

Financial statements

(Unless otherwise stated, all amounts are in SEK m)

Consolidated Income Statement

	Note	Apr - Jun		Jan - Jun		LTM	Full-year 2022
		2023	2022	2023	2022		
Net sales	2	3 029	3 314	5 255	6 348	9 045	10 138
Cost of goods sold		-1 709	-1 914	-3 018	-3 733	-5 564	-6 279
Gross income		1 320	1 400	2 236	2 615	3 481	3 859
Selling expenses		-496	-487	-926	-916	-1 778	-1 768
Administrative expenses		-114	-96	-218	-190	-413	-385
Operating income	2	711	817	1 093	1 509	1 289	1 706
Net interest expense/income		-9	-11	-33	-21	-70	-59
Income before taxes		702	806	1 060	1 488	1 219	1 647
Taxes		-163	-180	-246	-335	-285	-373
Net income		539	626	813	1 153	935	1 275
Net income pertaining to:							
Shareholders of Parent Company		539	626	813	1 153	935	1 275
Net income		539	626	813	1 153	935	1 275
Earnings per share, SEK before dilution		5.14	5.99	7.77	11.03		12.19
Earnings per share, SEK after dilution		5.14	5.95	7.77	10.94		12.12
Average number of shares (millions)		104.7	104.6	104.6	104.6		104.6

Consolidated Statement of Comprehensive Income

	Apr - Jun		Jan - Jun		LTM	Full-year 2022
	2023	2022	2023	2022		
Net income	539	626	813	1 153	935	1 275
Items that have been carried over or can be carried over to net income						
Foreign currency translation	519	441	556	552	831	827
Cash flow hedges	-15	-4	-24	1	-11	14
Net investment hedge	-50	-32	-65	-41	-111	-87
Tax on components in other comprehensive income	-9	-3	-6	-4	-7	-5
Items that cannot be carried over to net income						
Revaluation of defined-benefit pension plans	12	46	9	60	46	98
Tax pertaining to items that cannot be carried over to net income	-3	-10	-2	-12	-10	-20
Other comprehensive income, net after tax	454	439	468	556	739	826
Total comprehensive income	993	1 066	1 281	1 709	1 673	2 101
Total comprehensive income pertaining to:						
Shareholders of Parent Company	993	1 066	1 281	1 709	1 673	2 101
Total comprehensive income	993	1 066	1 281	1 709	1 673	2 101

Consolidated Balance Sheet

	Jun 30 2023	Jun 30 2022	Dec 31 2022
Assets			
Intangible assets	5 259	4 845	4 999
Tangible assets	2 166	1 797	2 007
Long-term receivables	8	8	8
Deferred tax receivables	320	348	320
Total fixed assets	7 753	6 999	7 334
Inventories	2 691	3 148	3 129
Tax receivables	156	12	22
Accounts receivable	1 574	1 734	723
Prepaid expenses and accrued income	167	100	108
Other receivables	165	151	187
Cash and cash equivalents	233	122	176
Total current assets	4 986	5 265	4 345
Total assets	12 740	12 264	11 679
Equity and liabilities			
Equity	7 118	6 165	6 553
Long-term interest-bearing liabilities	2 751	2 585	2 983
Provision for pensions	156	202	156
Deferred income tax liabilities	397	374	393
Total long-term liabilities	3 303	3 162	3 533
Short-term interest-bearing liabilities	136	127	107
Accounts payable	735	967	576
Tax liabilities	150	252	114
Other liabilities	585	752	71
Accrued expenses and deferred income	665	747	631
Provisions	49	92	93
Total short-term liabilities	2 319	2 937	1 593
Total liabilities	5 622	6 099	5 126
Total equity and liabilities	12 740	12 264	11 679

Consolidated Statement of Changes in Equity

	Jan - Jun		Full-year 2022
	2023	2022	
Opening balance, January 1	6 553	5 815	5 815
Net income	813	1 153	1 275
Other comprehensive income	468	556	826
Total comprehensive income	1 281	1 709	2 101
Transactions with the Group's owners:			
Dividend	-967	-1 359	-1 359
New share issue	254	-	-
Warrants	-4	-	-4
Closing balance	7 118	6 165	6 553

Consolidated Statement of Cash Flow

	Apr - Jun		Jan - Jun	
	2023	2022	2023	2022
Income before taxes	702	806	1 060	1 488
Adjustments for items not included in cash flow	110	39	143	100
Paid income taxes	-156	-186	-339	-269
Cash flow from operating activities prior to changes in working capital	656	660	863	1 320
Cash flow from changes in working capital				
Increase(-)/Decrease (+) in inventories	430	6	587	-463
Increase(-)/Decrease (+) in receivables	-452	105	-834	-733
Increase(+)/Decrease (-) in liabilities	85	-282	121	-160
Cash flow from operating activities	718	489	737	-37
Investing activities				
Acquisition/divestment of tangible/intangible assets	-48	-113	-107	-261
Cash flow from investing activities	-48	-113	-107	-261
Financing activities				
New share issue	254	-	254	-
Warrants	-4	-	-4	-
Dividend	-481	-680	-481	-680
Debt repaid/new loans	-325	60	-347	941
Cash flow from financing activities	-556	-620	-578	262
Net cash flow	115	-244	52	-36
Cash and cash equivalents at beginning of period	114	361	176	149
Effect of exchange rates on cash and cash equivalents	5	5	6	9
Cash and cash equivalents at end of period	233	122	233	122

Condensed Parent Company Income Statement

	Apr - Jun		Jan - Jun		Full-year 2022
	2023	2022	2023	2022	
Other operating revenue	5	5	11	11	21
Administrative expenses	-17	-13	-33	-27	-46
Operating income	-12	-7	-22	-16	-24
Result from Shares in Subsidiaries	0	0	0	0	650
Interest income- and expense	-5	-3	-7	-5	-18
Income after financial items	-16	-10	-28	-21	608
Appropriations	0	0	0	0	85
Net income before taxes	-16	-10	-28	-21	693
Taxes	4	2	7	5	-9
Net income	-12	-8	-22	-16	684

Condensed Parent Company Balance Sheet

	Jun 30	Jun 30	Dec 31
	2023	2022	2022
Assets			
Financial fixed assets	5 211	3 693	5 438
Total fixed assets	5 211	3 693	5 438
Receivables from group companies	1	1 351	736
Other current receivables	20	16	13
Cash and cash equivalents	7	0	0
Total current assets	28	1 366	748
Total assets	5 239	5 059	6 186
Equity and liabilities			
Equity	1 048	1 090	1 786
Other provisions	31	26	28
Liabilities to credit institutions	2 578	2 417	2 812
Liabilities to Group companies	0	0	0
Total long-term liabilities	2 609	2 443	2 841
Liabilities to Group companies	1 077	828	1 540
Other current liabilities	505	698	20
Total short-term liabilities	1 582	1 526	1 559
Total equity and liabilities	5 239	5 059	6 186

Disclosures, accounting policies and risk factors

Disclosures in accordance with Paragraph 16A of IAS 34 *Interim Financial Reporting* can be found in the financial statements and the associated notes as well as in other sections of the interim report.

Note 1 Accounting policies

This condensed consolidated interim report has been prepared in accordance with IAS 34, *Interim Financial Reporting*, and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act on interim financial reporting. The same accounting policies and calculation methods have been applied for the Group and Parent Company as in the most recent Annual Report. Revised standards that became effective in 2023 have had no material impact on the Group's earnings and financial position.

Note 2 Operating segments and allocation of revenue

Thule Group comprises one segment. Though the Group has shared global processes for product development, purchasing, manufacture, logistics and marketing, its sales are managed in two regions, Region Europe & RoW and Region Americas. Internal monthly follow-up focuses on the Group as a whole, in addition to the geographic sales data, which is presented at other levels than Group level.

	Apr - Jun		Jan - Jun		Full-year	
	2023	2022	2023	2022	LTM	2022
Net sales to external customers	3 029	3 314	5 255	6 348	9 045	10 138
- Region Europe & RoW	2 247	2 412	3 945	4 570	6 467	7 091
- Region Americas	782	902	1 309	1 778	2 578	3 047
EBITDA	776	865	1 217	1 603	1 520	1 906
Depreciation/amortization on fixed assets	-65	-48	-125	-94	-231	-200
EBIT/Operating income	711	817	1 093	1 509	1 289	1 706
Net interest expense/income	-9	-11	-33	-21	-70	-59
Taxes	-163	-180	-246	-335	-285	-373
Net income	539	626	813	1 153	935	1 275

All revenue is recognized at one point in time.

Note 3 Fair value of financial instruments

	Fair value	
	Jun 30 2023	Jun 30 2022
Assets - Financial derivatives		
Currency forward contracts	1	16
Currency swaps	3	2
Interest rate swaps	37	11
Total derivative assets	40	29
Liabilities - Financial derivatives		
Currency forward contracts	-45	-23
Currency swaps	-2	-6
Interest rate swaps	0	0
Total derivative liabilities	-47	-30

The carrying amount is an approximation of the fair value for all financial assets and liabilities. The Group's long-term liabilities are subject to variable interest rates, which means that changes in the basic interest rate will not have a significant impact on the fair value of the liabilities. According to the company's assessment, neither have there been any changes in the credit margins that would significantly impact the fair value of the liabilities. The financial instruments measured at fair value in the balance sheet consist of derivatives held to hedge the Group's exposure to interest rates, currency rates and raw material prices. All derivatives belong to Level 2.

Note 4 Risks and uncertainties

Thule Group is an international company and its operations may be affected by a number of risk factors in the form of industry and market-related risks, operational risks, sustainability risks and financial risks. For a more detailed description of the relevant risk factors, refer to Thule Group's Annual Report.

The current macroeconomic situation, rising inflation and geopolitical concern has led to uncertainty that makes it difficult to predict how demand and the total cost base will be impacted.

Key figures

	Apr - Jun		Jan - Jun		Full-year
	2023	2022	2023	2022	2022
Net sales, SEKm	3 029	3 314	5 255	6 348	10 138
Net sales growth, %	-8.6%	2.6%	-17.2%	10.1%	-2.4%
Net sales growth, adjusted % ¹	-15.1%	-3.4%	-22.9%	4.0%	-9.7%
Gross margin, %	43.6%	42.2%	42.6%	41.2%	38.1%
Operating income (EBIT), SEKm	711	817	1 093	1 509	1 706
Operating margin, %	23.5%	24.7%	20.8%	23.8%	16.8%
Earnings per share, SEK	5.14	5.99	7.77	11.03	12.19
Equity ratio, %	55.9%	50.3%	55.9%	50.3%	56.1%
Leverage ratio	1.7	1.0	1.7	1.0	1.5

¹ Adjusted for changes in exchange rates

Alternative performance measures and other financial definitions

Alternative performance measures are used to describe the underlying development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by Group management and the Board of Directors to measure the company's financial performance. These performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement. Refer to definitions of alternative performance measures, including calculation tables and other financial definitions below.

Gross margin

Gross income as a percentage of net sales.

Gross income

Net sales less cost of goods sold.

CAGR (Compounded Annual Growth Rate)

Measures the growth rate achieved over a certain period time period if that growth rate was the same each year during the given time period (expressed as a percentage).

EBIT margin - Operating margin

EBIT as a percentage of net sales.
Operating income as a percentage of net sales.

EBIT - Operating income

Income before net financial items and taxes.

EBITDA - Operating income before depreciation/amortization/impairment

Income before net financial items, taxes, depreciation/amortization and impairment of tangible and intangible assets.

Organic growth, currency adjusted

Net sales growth adjusted for structural changes and currency effects.

Organic growth excludes the effects of structural changes in the Group's structure and exchange rates, which enables the comparison of net sales over time without the influence of, for example, acquisitions.

Net sales growth, currency adjusted

Net sales growth adjusted for currency effects.

Net debt

Gross debt less cash and cash equivalents. Gross debt is the total of long- and short-term borrowing, derivative instruments, capitalized transaction costs and accrued interest.

Net debt is a metric used for monitoring the debt trend and the scope of refinancing requirements. Since cash and cash equivalents can be used to repay debt at short notice, net debt is used instead of gross debt as a metric for total loan financing.

LTM

Rolling 12-month.

Earnings per share

Net income for the period divided by the average number of shares during the period.

Leverage ratio

Net debt divided by EBITDA (LTM).

This APM is a debt ratio that indicates how many years it would take to repay the company's debt, provided that its net debt and EBITDA are constant, without factoring cash flows pertaining to interest, tax and investments.

Equity ratio

Equity as a percentage of total assets.

Calculation table alternative performance measures

	Apr - Jun		Jan - Jun	
	2023	2022	2023	2022
Organic growth, currency-adjusted				
Change in net sales, %	-8.6	2.6	-17.2	10.1
Exchange rate fluctuations, %	-6.5	-6.0	-5.6	-6.1
Net sales, currency-adjusted growth, %	-15.1	-3.4	-22.9	4.0
Structural changes, %	-	-	-	-
Organic growth, %	-15.1	-3.4	-22.9	4.0
EBITDA				
Operating income (EBIT), SEKm	711	817	1 093	1 509
Reversal of depreciation/amortization and impairment, SEKm	65	48	125	94
EBITDA, SEKm	776	865	1 217	1 603
Net debt				
Long-term interest-bearing liabilities, gross, SEKm	2 753	2 586	2 753	2 586
Derivative liabilities, long-term, SEKm	1	1	1	1
Short-term interest-bearing liabilities, SEKm	90	99	90	99
Derivative liabilities, short-term, SEKm	46	29	46	29
Capitalized financing costs, SEKm	-3	-2	-3	-2
Accrued interest, SEKm	0	0	0	0
Gross debt, SEKm	2 888	2 713	2 888	2 713
Derivative assets, SEKm	-40	-29	-40	-29
Cash and cash equivalents, SEKm	-233	-122	-233	-122
Net debt, SEKm	2 614	2 562	2 614	2 562
Leverage ratio				
Net debt, SEKm	2 614	2 562	2 614	2 562
EBITDA LTM, SEKm	1 520	2 544	1 520	2 544
Leverage ratio	1.7	1.0	1.7	1.0
Equity ratio				
Equity, SEKm	7 118	6 165	7 118	6 165
Total assets, SEKm	12 740	12 264	12 740	12 264
Equity ratio, %	55.9	50.3	55.9	50.3

Financial calendar

Interim report July–September 2023
Interim report October–December 2023

October 27, 2023
February 9, 2024

Contacts

Fredrik Erlandsson, Senior Vice President Communications and IR
Tel: +46 (0)70-309 00 21, e-mail: fredrik.erlandsson@thule.com
Jonas Lindqvist, CFO
Tel: +46 (0)736-65 45 75, e-mail: jonas.lindqvist@thule.com

About Thule Group

Thule Group is a global sports and outdoor company. We offer high-quality products with smart features and a sustainable design that make it easy for people across the globe to live an active life. Under the motto *Active Life, Simplified* — and with a focus on consumer-driven innovation and long-term sustainability — we develop, manufacture and market products within the product categories **Sport&Cargo Carriers** (roof racks, roof boxes and carriers for transporting cycling, water and winter sports equipment, and rooftop tents mounted on a car), **Juvenile & Pet Products** (strollers, bike trailers and child bike seats), **RV Products** (awnings, bike carriers and tents for RVs and caravans) and **Packs, Bags & Luggage** (hiking backpacks, luggage and camera bags).

Thule Group has about 2,600 employees at nine production facilities and 35 sales offices worldwide. The Group's products are sold in 138 markets and in 2022, sales amounted to SEK 10.1 billion. www.thulegroup.com.



Thule Group»

Thule Group AB (publ)
Fosievägen 13
SE-214 31 Malmö, Sweden
Corp. Reg. No: 556770-6311
www.thulegroup.com