

## Thule Groups' (publ) CEO and President, Mattias Ankarberg, comments on the second quarter, 2024

### **STRONG PROFITABILITY EVEN WITH MAJOR INVESTMENTS**

New Thule products continued to drive growth in the second quarter despite tough market conditions, and profitability was good even with major investments in future growth. The new product categories of dog transportation and car seats, which have been under development for several years, have now been launched and have been very well received.

In the second quarter sales increased by just under 2 percent (in constant currency) and by 4 percent during the first half year. The market continues to be challenging with a high level of promotional activity and cautious consumers. The North American market is still showing few signs of recovery and remains more challenging than its European counterparts. The growth was driven by our many product launches and by bike-related products. It is a sign of strength that Thule's new premium products are driving sales growth even in these tough market conditions. In the quarter, growth was strongest within Packs, Bags & Luggage (5 percent) and within Juvenile & Pet (4 percent). Categories with limited new products and low price points performed weaker. Sales declined somewhat in RV Products, with the industry experiencing a tough period. We continue to open sales via thule.com in an increasing number of countries, and this year's launches in the Czech Republic and Poland immediately contributed to growth in the DTC channel.

The second quarter gross margin amounted to 44.4 percent (43.6), the strongest ever for a single quarter. The EBIT margin was 23.6 percent (23.5), in line with the previous year's strong level. Despite the record number of product launches this year and therefore higher costs, EBIT was the highest ever for a second quarter with the exception of the pandemic years. Inventory levels declined as planned. Cash flow from operating activities was very strong.

We entered an agreement in the second quarter for new financing with selected Nordic banks. We are happy to see the banks' strong interest in supporting Thule's growth journey.

We continue to work towards reaching our ambitious sustainability goals. In the second quarter, we invested in air-source heat pumps at one of our factories in Poland. This will reduce our GHG emissions and contribute to reaching our target of net-zero emissions.

### **LAUNCHES OF TWO NEW PRODUCT CATEGORIES AND A MINOR ACQUISITION**

This year, we are launching more products than ever before. Short term, the most important factor is the successful launch of new generations of our bestsellers. For example, the updated version of our most successful stroller Thule Urban Glide resulted in good growth in the Juvenile & Pet product area, and new versions of our best-selling bag collections Thule Subterra and Thule Chasm generated strong growth in Packs, Bags & Luggage.

In the first half of the year we also launched two new product categories: dog transportation and child car seats. Our Thule Allax dog crate was launched in the first quarter, and our car seats were launched in Germany, Austria and Switzerland in May. We have actively focused on achieving a good

start in selected countries and can now report a warm reception with international design awards for products in both categories, positive media exposure and strong distribution with the most important premium retailers.

Our long-term efforts to build leading market positions has therefore started. We are capturing market shares in dog crates and will launch a bike trailer for transporting dogs in the third quarter, with several other products in dog transportation to follow. Our first car seat products will be launched in other European countries in the fourth quarter, and more products are under development for both the European and the North American market.

After the end of the second quarter, we acquired Reacha, a small but leading player in bike trailers for the transportation of water sport and other equipment. The best products are often developed by true enthusiasts, and Reacha grew from its founder's need to transport surfboards to the beaches along the French Atlantic coast. Today, bike trailers for transporting equipment is a small but rapidly growing category in Europe and in its infancy in North America. It is also a natural complement to our leading multisport and bike trailers for children. Reacha currently has annual sales of SEK 9m and will be integrated in Thule's brand and operations, providing us with a starting point for continued development.

## **ALWAYS IMPROVING – A PART OF THE THULE SPIRIT**

Creating something entirely new from nothing is difficult. It is therefore pleasing to now have new well-received product categories in place.

Improving and developing something is at the core of the Thule spirit and is the driving force that has over time created our largest product categories and our global market-leading positions. We are world class at driving improvements. Regardless of whether it is a new product, an administrative procedure or a production process, Thule employees often see the possibility of making improvements, implement them - and then continue to improve.

This combination of competitive spirit, persistence and professional pride, together with the physical and financial prerequisites for a forward leaning growth agenda, make me convinced that we will be a leading player in the product categories we have decided to compete in.

## **CONTINUED FOCUS ON GROWTH**

We continue to invest long-term in areas that create value for Thule: product development; more product categories; increased consumer visibility; and increased efficiency in our supply chain. More people also want to live active lives, a market trend that gives us a long-term tailwind.

We are now in the middle of the important summer season with a high level of activity among consumers, customers and in our factories. We have many product launches ahead of us and more product categories to develop, and I am very much looking forward to a continued eventful year in 2024!

Mattias Ankarberg  
CEO and President

# Press Release

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## 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** (car seats, strollers, bike trailers, child bike seats and dog transport), **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 2023, sales amounted to SEK 9.1 billion. [www.thulegroup.com](http://www.thulegroup.com)

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## Image Attachments

[Mattias Ankarberg, Thule Group In Store](#)

[Mattias Ankarberg, Thule Group](#)

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