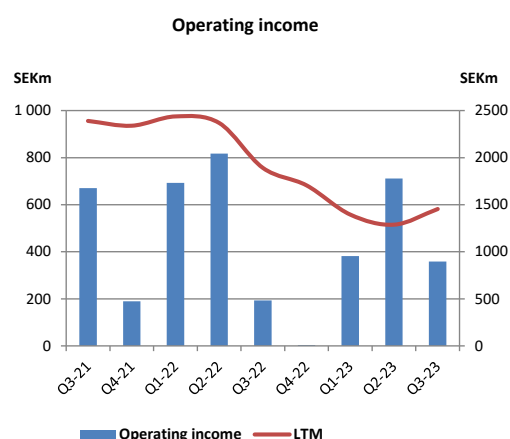
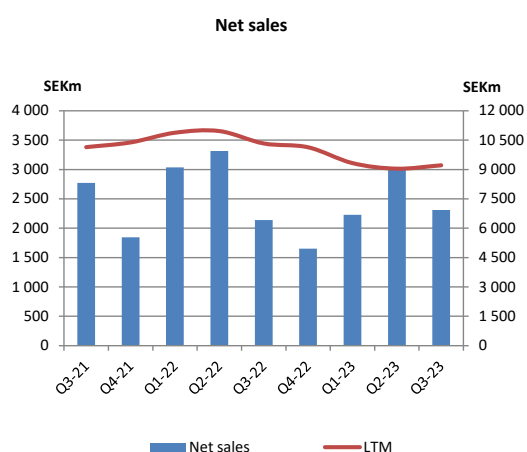


Thule Group

Interim report, third quarter, July–September 2023

- **Net sales** for the quarter amounted to SEK 2,311m (2,139), corresponding to an increase of 8.0 percent. Adjusted for exchange rate fluctuations, sales rose 0.8 percent.
- **Operating income** amounted to SEK 359m (193), corresponding to a margin of 15.5 percent (9.0). Adjusted for exchange rate fluctuations, the operating margin increased 5.2 percentage points.
- **Net income** amounted to SEK 262m (137).
- **Cash flow from operating activities** totaled SEK 838m (543).
- **Earnings per share before dilution** amounted to SEK 2.47 (1.31).

	Jul-Sep 2023	Jul-Sep 2022	%	Jan-Sep 2023	Jan-Sep 2022	%	Full-year 2022
Net sales, SEKm	2 311	2 139	+8.0	7 566	8 487	-10.9	10 138
Operating income (EBIT), SEKm	359	193	+85.9	1 451	1 703	-14.8	1 706
Net income, SEKm	262	137	+90.3	1 075	1 291	-16.7	1 275
Earnings per share, SEK	2.47	1.31	+88.0	10.24	12.35	-17.1	12.19
Cash flow from operating activities, SEKm	838	543	+54.3	1 575	506	+211.2	616



CEO's statement

Good profitability in a tough market

During my first quarter as President and CEO of Thule Group, I've had the chance to more closely experience many of the strengths I previously observed as a board member. We help consumers live active lives, we make the world's best products in several categories with long term tailwinds and we invest for long term profitable organic growth. During some intense first months, I've also had the chance to experience more of the Thule spirit, and I am therefore – if possible – even more convinced that our market leading positions in several product categories will be joined by more.

Sales in the third quarter increased 1 percent (in constant currency) compared with the year-earlier period. As expected, sales increased markedly for bike-related products, especially in Europe. This growth should be considered within the context of bike retailers drastically reducing their orders in the year-earlier period in order to manage excessively high inventory levels. At the same time, I would like to highlight that Thule Epos, our most recent and most premium bike carrier that was launched in spring, significantly contributed to sales growth. However, sales decreased in the RV Products ("recreational vehicle") category and in Region Americas during the quarter. The RV segment is Thule Group's only exposure to a historically cyclical market segment and North American consumers turned less optimistic during the autumn.

The gross margin increased to 39.7 percent (33.9). As in the second quarter, the gross margin was strong compared to the same period before the pandemic, with a positive impact from product and channel mix, and a negative impact from an underutilized production capacity. The EBIT margin for the quarter amounted to 15.5 percent (9.0), a strong increase compared with the previous year.

We are in the most ambitious product development phase in the history of Thule Group. During the last twelve months, we have invested 6.9 percent of sales in product development. Despite high development costs, the EBIT margin for the quarter was in line with pre-pandemic levels.

Cash flow from operations was the strongest ever for a single quarter, amounting to SEK 838m (543). Our inventory levels continued to decline at a rapid pace during the quarter.

Continue to build on our strengths

I am a strong proponent of the "build on your strengths" principle. In recent months, we've started

working on identifying our biggest strengths. We will preserve what has made us strong and be precise in what we continue to build on and what we will adjust.

I experienced a telling example when I visited the world's largest RV trade fair in the German city of Düsseldorf after the summer. In one of Europe's largest exhibition centers, an industry currently facing challenges displayed an impressive optimism (17 fully-booked exhibition halls!). Thule's booth was one of the most visited and industry colleagues were impressed that we launched no fewer than five entirely new products. These products were introduced by enthusiastic Thule colleagues from several countries, who spent their coffee breaks already now discussing what we could do even better next year. The largest public draw was the world's first tow bar mounted tent, the Thule Outset. We took the idea and concept from our rooftop tents and created a tent that, in a few minutes, folds up and is fastened on the tow bar. It received a great deal of attention – one journalist's post on social media had over 20 million views a few days later!

This anecdote illustrates several of Thule's strengths. We are global market leaders in several of our product categories and we have a unique ability to develop world-leading products. We are positioned in product categories with long-term tailwinds and we are investing over the long term for profitable growth, even if the industry suffers occasional headwinds. The best way to experience Thule's brand is to experience our products, which is illustrated by the lines to our Thule Outset demonstration and the aforementioned journalist's digital post. And last but by no means least, we have many enthusiastic employees with an incredible knowledge of our products!

Continued focus on product development, and more focus on consumers

Product development – our ability to create growth ourselves through innovation and improved products – will remain the basis of our strategy. We will also build on our strong brand, premium position, high sustainability ambitions and culture of always striving to be better.

Our product-driven strategy will really become apparent next year. As already announced, we will soon enter two exciting new product categories. Our first two dog transport products – the collision-proof dog crate Thule Allax and our bike trailer Thule Bexey – will be launched online and in stores during the first quarter and summer, respectively. Our innovative and user-friendly car seats will be launched in Europe during the summer, and in addition to several new products for RVs, consumers

will meet the next generations of best-selling products such as the world's leading premium bike trailer, Thule Chariot.

Our first additional priority will be focusing on moving closer to consumers. We are primarily a product company and sell largely through competent retailers. Selling – and maybe more importantly, communicating – directly to consumers will, however, help us succeed in new product categories and increase our growth. The launch of Thule Outset is a good first example. For the first time, we've allowed consumers to register their interest on thule.com, and that list is already far longer than what we can produce next year.

Another adjustment is reducing excess capacity in our supply chain. Our own production capacity is proven flexible and the utilization will increase as we continue to grow.

However, there is room for further streamlining in our operations by e.g., reducing external warehouse services during the coming year.

The future is bright

Thule is in a good place and our future is bright. More consumers in more parts of the world want to live active lives, which gives us a tailwind, and we are ourselves creating more products that support an active lifestyle. I'm full of energy from having joined "Team Thule" full-time and look forward to continue build on – and add to – our strengths!

Mattias Ankarberg
CEO and president



Financial overview

Trend for the third quarter

Net sales

In the third quarter of 2023, net sales amounted to SEK 2,311m (2,139), representing an increase of 8.0 percent. Adjusted for exchange rate fluctuations, net sales for the Group rose 0.8 percent.

In Region Europe & RoW, net sales totaled SEK 1,689m (1,418), up 19.1 percent, and 8.1 percent after currency adjustment. Net sales in Region Americas amounted to SEK 622m (721), down 13.7 percent, and 14.7 percent after currency adjustment, compared with the third quarter of 2022.

	Jul-Sep	Jan-Sep
	2023	2023
Change in net sales		
Changes in exchange rates	7.2%	6.0%
Structural changes	0.0%	0.0%
Organic growth	0.8%	-16.9%
Total	8.0%	-10.9%

Gross income

Gross income for the quarter totaled SEK 918m (724), corresponding to a gross margin of 39.7 percent (33.9). After currency adjustment, the margin improved 5.2 percentage points. A healthy margin on new product launches, a positive channel mix, lower material prices and significantly lower freight costs compared with the year-earlier quarter had a positive impact on gross income. Production capacity remained underutilized during the quarter.

Operating income

Operating income amounted to SEK 359m (193), corresponding to a margin of 15.5 percent (9.0). The operating margin after currency adjustment was 5.2 percentage points higher than the year-earlier period. Operating income was positively impacted by the improved gross income, but continued high product development expenses.

	Jul-Sep	Jan-Sep
Change in Operating margin		
Operating income 2023	359	1 451
Operating margin 2023	15.5%	19.2%
Operating income 2022	193	1 703
Operating margin 2022	9.0%	20.1%
Operating income 2022, currency adjusted	236	1 855
Operating margin 2022, currency adjusted	10.3%	20.4%
Change in Operating margin, currency adjusted	5.2%	-1.2%

Net financial items

Net financial items for the quarter amounted to an expense of SEK 30m (expense: 17). Exchange rate differences on loans and cash and cash equivalents amounted to an expense of SEK 3m (expense: 2). The interest expense for borrowings was SEK 26m (expense: 14).

Net income for the period

In the third quarter, net income was SEK 262m, corresponding to earnings per share of SEK 2.47 before and after dilution. For the year-earlier period, net income totaled SEK 137m, corresponding to earnings per share of SEK 1.31 before and after dilution.

Trend for the first three quarters

Net sales

Net sales for the first three quarters of 2023 amounted to SEK 7,566m (8,487), representing a decrease of 10.9 percent. Adjusted for exchange rate fluctuations, net sales for the Group decreased 16.9 percent.

In the Region Europe & RoW, net sales totaled SEK 5,635m (5,988), down 5.9 percent and 12.7 percent after currency adjustment. Net sales in Region Americas amounted to SEK 1,931m (2,498), down 22.7 percent and 27.0 percent after currency adjustment compared with the first three quarters of 2022.

Gross income

Gross income amounted to SEK 3,154m (3,339) in the period, corresponding to a gross margin of 41.7 percent (39.3). After currency adjustment, the margin improved 2.5 percentage points. Gross income was positively impacted by price increases and considerably lower freight costs compared with the same period of 2022 but negatively impacted by lower sales, a disadvantageous product mix and underutilized production capacity.

Operating income

Operating income amounted to SEK 1,451m (1,703), corresponding to a margin of 19.2 percent (20.1). The operating margin after currency adjustment was 1.2 percentage points lower than the year-earlier period. High expenses for managing the high inventory levels and high investments in product development impacted the margin.

Net financial items

Net financial items for the period amounted to an expense of SEK 62m (expense: 38). Exchange rate differences on loans and cash and cash equivalents amounted to SEK 20m (1). The interest expense for borrowings was SEK 83m (expense: 39).

Taxes

The effective tax rate for the January–September 2023 period was 22.6 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

For the first three quarters, net income was SEK 1,075m, corresponding to earnings per share of SEK 10.24 before dilution and SEK 10.23 after dilution. For the year-earlier period, net income totaled SEK 1,291m, corresponding to earnings per share of SEK 12.35 before dilution and SEK 12.26 after dilution.

Cash flow

Cash flow from operating activities for the quarter was SEK 838m (543). Cash flow from operating activities for the first three quarters was SEK 1,575m (506). 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 166m (377), net. During the first three quarters, a dividend amounting to SEK 481m was paid to the company's shareholders and SEK 273m was received through the issue of shares as a result of the exercise of the 2020/23 warrant program.

Financial position

On September 30, 2023, the Group's equity amounted to SEK 7,274m (6,687). The equity ratio amounted to 59.3 percent (53.0). During the period, equity was affected by the dividend of SEK 967m resolved on by the AGM, of which SEK 481m has been distributed.

On September 30, 2023, net debt amounted to SEK 1,773m (2,188). Total long-term borrowing amounted to SEK 2,412m (2,966), comprising loans from credit institutions of SEK 2,252m (2,797), gross, long-term lease liabilities of SEK 161m (168), capitalized financing costs of SEK 2m (1), and the long-term portion of financial derivatives of SEK 0m (2). Total current financial liabilities amounted to SEK 113m (102) and comprised the short-term portion of financial derivatives and lease liabilities.

SEKm	Sep 30 2023	Sep 30 2022	Dec 31 2022
Long-term loans, gross	2 413	2 965	2 986
Financial derivative liability, long-term	0	2	1
Short-term loans, gross	88	79	79
Financial derivative liability, short-term	25	23	28
Overdraft facilities	0	0	0
Capitalized financing costs	-2	-1	-3
Accrued interest	1	0	2
Gross debt	2 526	3 067	3 092
Financial derivative asset	-49	-39	-48
Cash and cash equivalents	-704	-841	-176
Net debt	1 773	2 188	2 868

As of September 30, 2023, goodwill totaled SEK 5,143m (5,014). The increase was attributable entirely to currency effects.

As of September 30, 2023, inventories totaled SEK 2,315m (3,140). Compared with the year-earlier period, inventory value decreased SEK 825m, and taking currency effects into account, inventory declined SEK 861m.

As of September 30, 2023, deferred tax receivables amounted to SEK 303m (351), of which SEK 135m (131) pertained to deferred tax attributable to capitalized loss carry forwards.

Other information

CEO and CFO

Mattias Ankarberg assumed the role of CEO and President for Thule Group on August 9, 2023.

On July 17, Toby Lawton was appointed new CFO for Thule Group. He will assume the role 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, during the first nine months of the year, amounted to 2,624 (3,284). At the end of the third quarter, the number of FTEs was 2,531 of which 2,503 were employees and 28 were externally contracted workers in manufacturing.

This is a decrease of 336 FTEs compared with the end of the second quarter of 2023 (2,560 employees and 307 externally contracted workers in manufacturing), and a reduction of 239 FTEs compared with the third quarter of 2022 (2,730 employees and 40 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 of September 30, 2023, the total number of shares in issue was 105,733,097.

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 amounted to SEK 967m. 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

Thule Group's 2020/2023 warrant series has been exercised and this entailed that the number of shares and votes in the company increased by 1,170,661 during the period. As of September 30, the total number of shares in issue was thereafter 105,733,097. The company's share capital increased SEK 13,084 and was thereafter SEK 1,181,710.

Shareholders

As of September 30, 2023, Thule Group AB had 29,984 known shareholders. On this date, the largest shareholders were AMF Försäkringar & Fonder (11.7 percent of the capital and votes), Swedbank Robur Fonder (7.6 percent of the capital and votes), Alecta (3.9 percent of the capital and votes) and Handelsbanken Fonder (3.7 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–September 30, 2023. The Parent Company invoices its costs to Group companies. The Parent Company reported a net loss of SEK 40m (loss: 23). Cash and cash equivalents and current investments amounted to SEK 0m (0). Long-term liabilities to credit institutions totaled SEK 2,250m (2,796).

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	Jul-Sep		Change		Jan-Sep		Change	
	2023	2022	Rep.	Adjust. ¹	2023	2022	Rep.	Adjust. ¹
Net sales	2 311	2 139	8.0%	0.8%	7 566	8 487	-10.9%	-16.9%
- Region Europe & RoW	1 689	1 418	19.1%	8.1%	5 635	5 988	-5.9%	-12.7%
- Region Americas	622	721	-13.7%	-14.7%	1 931	2 498	-22.7%	-27.0%

¹ Adjusted for changes in exchange rates

Region Europe & RoW

During the third quarter, sales in the region increased 8 percent (in constant currency). The increase was driven primarily by strong growth in bike-related products. During the year-earlier period, many bike retailers suspended placing orders in order to manage surplus inventory levels. With inventories now at healthy levels, sales have once again increased. Thule Epos, our premium, award-winning tow bar mounted bike carrier that launched in the spring, contributed significantly to sales growth.

The RV segment posted a double-digit decrease in sales, percentage wise (in constant currency). Sales to RV manufacturers continued to increase, due to their production to meet back orders placed in previous periods. However, this was insufficient to compensate for sales declines within the aftermarket. The RV segment is Thule Group's sole exposure to a historically cyclical market segment and we expect that this market will remain challenging throughout the coming year.

In Europe, growth continued for sales directly to consumers (DTC) in all of the seven markets where this channel is available. Sales increased in all product categories. In total, DTC accounted for 4 percent of sales in the region during the quarter.

Region Americas

During the third quarter, sales in the region decreased 15 percent (in constant currency). Bike-related sales returned to growth, albeit at a lower rate than in Europe.

Retailers' ambitions to reduce their inventory, after previous, excessively large orders, continued to have results. Inventory levels at the major companies approached healthier, more typical levels, while inventory levels at smaller companies often remained high.

In North America, the overall market climate was affected by cautious consumption and a high share of sales during sales campaigns. We noted general caution among retailers in what turned out to be a challenging period for the North American sports and outdoor industry.

In South America, Brazil posted sales growth while sales in other countries decreased year-on-year.

Our sales directly to consumers (DTC) also continued to grow in the Americas region, and sales growth amounted to 7 percent (in constant currency). In total, DTC accounted for 15 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.

October 27, 2023

Board of Directors

Auditor's report

To the Board of Directors of Thule Group AB (publ)
Corp. Reg. No.: 556770-6311

Introduction

We have reviewed the condensed interim financial information (interim report) of Thule Group AB (publ) as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Malmö, October 27, 2023
PricewaterhouseCoopers AB

Eric Salander
Authorized Public Accountant
Auditor in Charge

Neda Feher
Authorized Public Accountant

Selected key events



Thule Epos, the world's best tow bar mounted bike carrier was 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. Thule Epos was awarded the prestigious Eurobike Gold Award as the best bike accessory at the world's largest bike fair Eurobike in June.



Thule Outset a tow bar mounted tent redefines outdoor living and allows users to enjoy the comforts of home with a tent that is easy to install, easy to setup and easy to enjoy. Elevated from the ground, Thule Outset provides a great camping environment and a hangout area free from the inconvenience of mud, bugs, or uneven terrain. The unique design simplifying the setup process for a swift setup and requires only one person. Accessibility is a key feature of Thule Outset, as its low height ensures easy access for everyone, including children, seniors, and pets. With its position at the back of your car, Thule Outset is a great option if you don't want to carry anything on the roof of your vehicle or if you want to leave the roof free for other gear. Not only that, but the aerodynamic rear location of the tent means little to no impact on fuel economy or battery range.

Financial statements

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

Consolidated Income Statement

	Note	Jul - Sep		Jan - Sep		LTM	Full-year 2022
		2023	2022	2023	2022		
Net sales	2	2 311	2 139	7 566	8 487	9 217	10 138
Cost of goods sold		-1 393	-1 415	-4 412	-5 148	-5 543	-6 279
Gross income		918	724	3 154	3 339	3 674	3 859
Selling expenses		-455	-439	-1 381	-1 355	-1 793	-1 768
Administrative expenses		-104	-92	-322	-282	-426	-385
Operating income	2	359	193	1 451	1 703	1 455	1 706
Net interest expense/income		-30	-17	-62	-38	-83	-59
Income before taxes		329	177	1 389	1 665	1 372	1 647
Taxes		-67	-39	-314	-374	-313	-373
Net income		262	137	1 075	1 291	1 059	1 275
Net income pertaining to:							
Shareholders of Parent Company		262	137	1 075	1 291	1 059	1 275
Net income		262	137	1 075	1 291	1 059	1 275
Earnings per share, SEK before dilution		2.47	1.31	10.24	12.35		12.19
Earnings per share, SEK after dilution		2.47	1.31	10.23	12.26		12.12
Average number of shares (millions)		105.7	104.6	105.0	104.6		104.6

Consolidated Statement of Comprehensive Income

	Jul - Sep		Jan - Sep		LTM	Full-year 2022
	2023	2022	2023	2022		
Net income	262	137	1 075	1 291	1 059	1 275
Items that have been carried over or can be carried over to net income						
Foreign currency translation	-197	363	359	915	270	827
Cash flow hedges	47	15	23	16	21	14
Net investment hedge	28	-28	-37	-69	-55	-87
Tax on components in other comprehensive income	-4	-2	-9	-7	-8	-5
Items that cannot be carried over to net income						
Revaluation of defined-benefit pension plans	1	46	10	106	2	98
Tax pertaining to items that cannot be carried over to net income	-0	-9	-2	-22	-0	-20
Other comprehensive income, net after tax	-124	385	344	941	229	826
Total comprehensive income	137	522	1 419	2 231	1 289	2 101
Total comprehensive income pertaining to:						
Shareholders of Parent Company	137	522	1 419	2 231	1 289	2 101
Total comprehensive income	137	522	1 419	2 231	1 289	2 101

Consolidated Balance Sheet

	Sep 30 2023	Sep 30 2022	Dec 31 2022
Assets			
Intangible assets	5 175	5 051	4 999
Tangible assets	2 116	1 934	2 007
Long-term receivables	8	7	8
Deferred tax receivables	303	351	320
Total fixed assets	7 602	7 343	7 334
Inventories	2 315	3 140	3 129
Tax receivables	235	18	22
Accounts receivable	1 074	1 034	723
Prepaid expenses and accrued income	172	101	108
Other receivables	153	131	187
Cash and cash equivalents	704	841	176
Total current assets	4 653	5 265	4 345
Total assets	12 256	12 608	11 679
Equity and liabilities			
Equity			
	7 274	6 687	6 553
Long-term interest-bearing liabilities	2 412	2 966	2 983
Provision for pensions	162	166	156
Deferred income tax liabilities	387	377	393
Total long-term liabilities	2 961	3 509	3 533
Short-term interest-bearing liabilities	113	102	107
Accounts payable	515	622	576
Tax liabilities	195	215	114
Other liabilities	542	728	71
Accrued expenses and deferred income	607	654	631
Provisions	49	91	93
Total short-term liabilities	2 021	2 412	1 593
Total liabilities	4 982	5 921	5 126
Total equity and liabilities	12 256	12 608	11 679

Consolidated Statement of Changes in Equity

	Jan - Sep		Full-year 2022
	2023	2022	
Opening balance, January 1	6 553	5 815	5 815
Net income	1 075	1 291	1 275
Other comprehensive income	344	941	826
Total comprehensive income	1 419	2 231	2 101
Transactions with the Group's owners:			
Dividend	-967	-1 359	-1 359
New share issue	273	-	-
Warrants	-4	-	-4
Closing balance	7 274	6 687	6 553

Consolidated Statement of Cash Flow

	Jul - Sep		Jan - Sep	
	2023	2022	2023	2022
Income before taxes	329	177	1 389	1 665
Adjustments for items not included in cash flow	74	90	216	190
Paid income taxes	-100	-77	-440	-345
Cash flow from operating activities prior to changes in working capital	302	190	1 165	1 509
Cash flow from changes in working capital				
Increase(-)/Decrease (+) in inventories	360	103	947	-360
Increase(-)/Decrease (+) in receivables	458	750	-376	17
Increase(+)/Decrease (-) in liabilities	-283	-499	-162	-660
Cash flow from operating activities	838	543	1 575	506
Investing activities				
Acquisition of subsidiaries	-	-20	-	-20
Acquisition/divestment of tangible/intangible assets	-59	-116	-166	-377
Cash flow from investing activities	-59	-136	-166	-397
Financing activities				
New share issue	20	-	273	-
Warrants	-	-	-4	-
Dividend	-	-	-481	-680
Debt repaid/new loans	-325	308	-672	1 250
Cash flow from financing activities	-305	308	-883	570
Net cash flow	473	715	525	679
Cash and cash equivalents at beginning of period	233	122	176	149
Effect of exchange rates on cash and cash equivalents	-3	4	3	13
Cash and cash equivalents at end of period	704	841	704	841

Condensed Parent Company Income Statement

	Jul - Sep		Jan - Sept		Full-year 2022
	2023	2022	2023	2022	
Other operating revenue	5	5	16	16	21
Administrative expenses	-27	-11	-60	-37	-46
Operating income	-22	-5	-44	-21	-24
Result from Shares in Subsidiaries	0	0	0	0	650
Interest income- and expense	-1	-3	-8	-8	-18
Income after financial items	-23	-9	-51	-30	608
Appropriations	0	0	0	0	85
Net income before taxes	-23	-9	-51	-30	693
Taxes	5	2	12	7	-9
Net income	-18	-7	-40	-23	684

Condensed Parent Company Balance Sheet

	Sep 30	Sep 30	Dec 31
	2023	2022	2022
Assets			
Financial fixed assets	4 889	5 424	5 438
Total fixed assets	4 889	5 424	5 438
Receivables from group companies	1	1	736
Other current receivables	35	19	13
Cash and cash equivalents	0	0	0
Total current assets	36	20	748
Total assets	4 924	5 444	6 186
Equity and liabilities			
Equity	1 049	1 084	1 786
Other provisions	32	27	28
Liabilities to credit institutions	2 250	2 796	2 812
Liabilities to Group companies	0	0	0
Total long-term liabilities	2 282	2 823	2 841
Liabilities to Group companies	1 077	840	1 540
Other current liabilities	516	697	19
Total short-term liabilities	1 593	1 537	1 559
Total equity and liabilities	4 924	5 444	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.

	Jul - Sep		Jan - Sep		Full-year	
	2023	2022	2023	2022	LTM	2022
Net sales to external customers	2 311	2 139	7 566	8 487	9 217	10 138
- Region Europe & RoW	1 689	1 418	5 635	5 988	6 738	7 091
- Region Americas	622	721	1 931	2 498	2 479	3 047
EBITDA	427	243	1 645	1 847	1 704	1 906
Depreciation/amortization on fixed assets	-69	-50	-193	-144	-249	-200
EBIT/Operating income	359	193	1 451	1 703	1 455	1 706
Net interest expense/income	-30	-17	-62	-38	-83	-59
Taxes	-67	-39	-314	-374	-313	-373
Net income	262	137	1 075	1 291	1 059	1 275

All revenue is recognized at one point in time.

Note 3 Fair value of financial instruments

	Fair value	
	Sep 30	Sep 30
	2023	2022
Assets - Financial derivatives		
Currency forward contracts	13	13
Currency swaps	2	2
Currency options	0	0
Interest rate swaps	34	24
Total derivative assets	49	39
Liabilities - Financial derivatives		
Currency forward contracts	-7	-18
Currency swaps	-19	-7
Currency options	0	0
Interest rate swaps	0	0
Total derivative liabilities	-25	-25

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 subsequent rising interest rates as well as geopolitical concern has led to uncertainty that makes it difficult to predict how demand and the total cost base will be impacted.

Key figures

	Jul - Sep		Jan - Sep		Full-year
	2023	2022	2023	2022	2022
Net sales, SEKm	2 311	2 139	7 566	8 487	10 138
Net sales growth, %	8.0%	-22.8%	-10.9%	-0.6%	-2.4%
Net sales growth, adjusted % ¹	0.8%	-29.4%	-16.9%	-7.1%	-9.7%
Gross margin, %	39.7%	33.9%	41.7%	39.3%	38.1%
Operating income (EBIT), SEKm	359	193	1 451	1 703	1 706
Operating margin, %	15.5%	9.0%	19.2%	20.1%	16.8%
Earnings per share, SEK	2.47	1.31	10.24	12.35	12.19
Equity ratio, %	59.3%	53.0%	59.3%	53.0%	56.1%
Leverage ratio	1.0	1.1	1.0	1.1	1.5

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 of the growth rate achieved over a certain period time period if that growth rate was the same each years 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

	Jul - Sep		Jan - Sep	
	2023	2022	2023	2022
Organic growth, currency-adjusted				
Change in net sales, %	8.0	-22.8	-10.9	-0.6
Exchange rate fluctuations, %	-7.2	-6.6	-6.0	-6.5
Net sales, currency-adjusted growth, %	0.8	-29.4	-16.9	-7.1
Structural changes, %	-	-	-	-
Organic growth, %	0.8	-29.4	-16.9	-7.1
EBITDA				
Operating income (EBIT), SEKm	359	193	1 451	1 703
Reversal of depreciation/amortization and impairment, SEKm	69	50	193	144
EBITDA, SEKm	427	243	1 645	1 847
Net debt				
Long-term interest-bearing liabilities, gross, SEKm	2 413	2 965	2 413	2 965
Derivative liabilities, long-term, SEKm	0	2	0	2
Short-term interest-bearing liabilities, SEKm	88	79	88	79
Derivative liabilities, short-term, SEKm	25	23	25	23
Capitalized financing costs, SEKm	-2	-1	-2	-1
Accrued interest, SEKm	1	0	1	0
Gross debt, SEKm	2 526	3 067	2 526	3 067
Derivative assets, SEKm	-49	-39	-49	-39
Cash and cash equivalents, SEKm	-704	-841	-704	-841
Net debt, SEKm	1 773	2 188	1 773	2 188
Leverage ratio				
Net debt, SEKm	1 773	2 188	1 773	2 188
EBITDA LTM, SEKm	1 704	2 078	1 704	2 078
Leverage ratio	1.0	1.1	1.0	1.1
Equity ratio				
Equity, SEKm	7 274	6 687	7 274	6 687
Total assets, SEKm	12 256	12 608	12 256	12 608
Equity ratio, %	59.3	53.0	59.3	53.0

Financial calendar

Interim report October–December 2023

Interim report January–March 2024

Thule Group AGM (Malmö)

February 9, 2024

April 26, 2024

April 26, 2024

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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** (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»

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