

## Thule Groups' CEO and President, Mattias Ankarberg, comments on the third quarter, 2024

### GOOD QUARTER IN A CHALLENGING MARKET

We had a good third quarter of the year. Sales increased, profitability was good and the cash flow reached a record high level. Our many new products continue to drive growth and the work to build market positions in the new categories continues as planned.

Sales in the third quarter increased 4 percent (constant currency) compared to the same period last year. The market continues to be challenging, with cautious consumers and retailers. The North American market remains more challenging than its European counterpart. Our sales growth was driven by our many well-received product launches and by bike-related products. Sales remained unchanged in RV Products, where the market is experiencing a tougher period. Sales to manufacturers (OE) declined notably and were offset by good growth in sales to dealers. Growth was strongest within Juvenile & Pet, which increased 15 percent. During the quarter, sales through thule.com opened in two more countries, Finland and Portugal, which led to immediate growth in the DTC channel.

The gross margin for the third quarter increased to 42.9 percent (39.7). The EBIT margin amounted to 17.6 percent (15.5), the highest to date for a third quarter, with the exception of the pandemic years. The reduction in Inventory levels continued to outpace our goal for the year. Cash flow from operating activities reached was strong and totaled almost SEK 1bn for the third quarter. Together with an already strong balance sheet, this provides us with a continued capability to invest for the future. We continue to work towards our ambitious sustainability targets. In the third quarter we introduced several products designed with a higher share of recycled material and completed the installation of air-source heat pumps at one of our largest factories, both of which will help us reach our target of net zero emissions.

### NEW PRODUCTS DRIVE GROWTH

This year, we are launching more products than ever before. This has resulted in a record number of design awards as well as immediate sales growth. In the third quarter we continued to note good growth from upgraded bestsellers, for example, our market-leading all-terrain jogging stroller Thule Urban Gilde, our updated duffel bag Thule Chasm, and the newly launched next-generation multisport- and bike trailers Thule Chariot. Growth within bike-related products also improved due to the launch of two new bike carriers in the quarter.

At the same time, our work to long-term build market positions in our new categories continued. We have quickly taken market share within dog transportation. Our first product, the Thule Allax dog crate, was launched in the first quarter of the year and was joined in the third quarter by Thule Bexey, our bike trailer for dog transportation. The product category is well suited for Thule: premium products for people who want to be active outdoors, willingness to pay for safety and user-friendliness, a growing market and a clear connection to our brand identity - "Bring your life." More products will be following shortly.

Our car seats for infants and small children were launched in Germany, Austria and Switzerland in May, and in Belgium and the Netherlands in September. We have already won design awards, received positive media exposure and good distribution with important retailers. Just recently we won

the so-called ADAC test, Europe's most important consumer test. Launches in other European countries are coming in the fourth quarter. Even though we are in an intensive launch phase, we are also developing additional products. Next year we will be launching our high back booster seat, with back and neck support.

## **MARKET LEADER – THE KEY TO OUR FUTURE**

We are a global market leaders in our most important product categories. This is one of our greatest strengths. An even more important strength is our ability to further develop and grow our market-leading positions.

Improving and developing is at the core of the Thule spirit. We are not content being market leaders – we continue investing to increase our lead over competition. As a market leader we have deep knowledge about technology, safety, regulations and consumer behaviour. We also have financial and other resources to invest in the long term. With the Thule spirit and a world class global development and test center, we are constantly raising the level of our ambitions and improving the quality of our innovations. In conclusion, we make more, and better, products than anyone else – driving growth for the product category and for ourselves. As a market leader, we essentially create our own future.

One clear example of this is the third quarter's new bike carriers, a category where we are a global market leader. We launched an updated version of our best-selling Thule Easyfold as well as a new niche product, the Thule Revert. The Thule Revert can transport up to six bikes at once vertically, and is the market's only vertical carrier that provides assistance in raising and lowering to manage the weight of six bikes. Thanks to our existing strengths, the development time was short, and being the result of an innovative product and established distribution, the first production volume is already sold out. We will now meet the next bike season with an improved bestseller and a winner in yet another niche. This is how we grow our market leading positions.

During the last few years, we have invested significant resources in developing products for new categories, particularly in car seats. We will continue to invest to become a market leader in car seats – even if it takes 25 years, like it did for roof boxes. However, we also have great opportunities to further develop many of our existing market-leading positions, which leads to a quick and direct impact on sales and profitability. These investments will increase going forward. For example, we will launch other important new products and innovations within bike carriers as early as spring 2025.

## **CONTINUED FOCUS ON GROWTH**

Thule is doing well, even in a tough market. 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 trend that gives us a long-term tailwind.

After a good high season, an exciting fourth quarter awaits. We are launching car seats in Europe, finalizing plans ahead of next year, and hoping that many of our customers have the chance to be active during the winter. I look forward to an eventful end to the year!

Mattias Ankarberg  
CEO and President

# Press Release

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## Contacts

Toby Lawton, CFO

E-mail: [toby.lawton@thule.com](mailto:toby.lawton@thule.com)

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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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## Attachments

[Thule Groups' CEO and President, Mattias Ankarberg, comments on the third quarter, 2024](#)