



**Good profitability finished a robust 2022**

Profoto year-end report

February 22, 2023

# Today's speakers

**CEO**



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## Q4 Highlights

- Net sales increased by 6% for the quarter.
- Organic growth decreased by 13%.
- EBITA totaled SEK 95m (88), corresponding to an EBITA margin of 41 percent (40).
- Good profitability for the quarter with an EBIT of SEK 80m (79) and EBIT margin of 35% (36).
- A continued good demand for products used for studio photography.
- A general concern about the world economy had a negative effect on the demand for the other products.
- Dividend of SEK 4.00 per share.

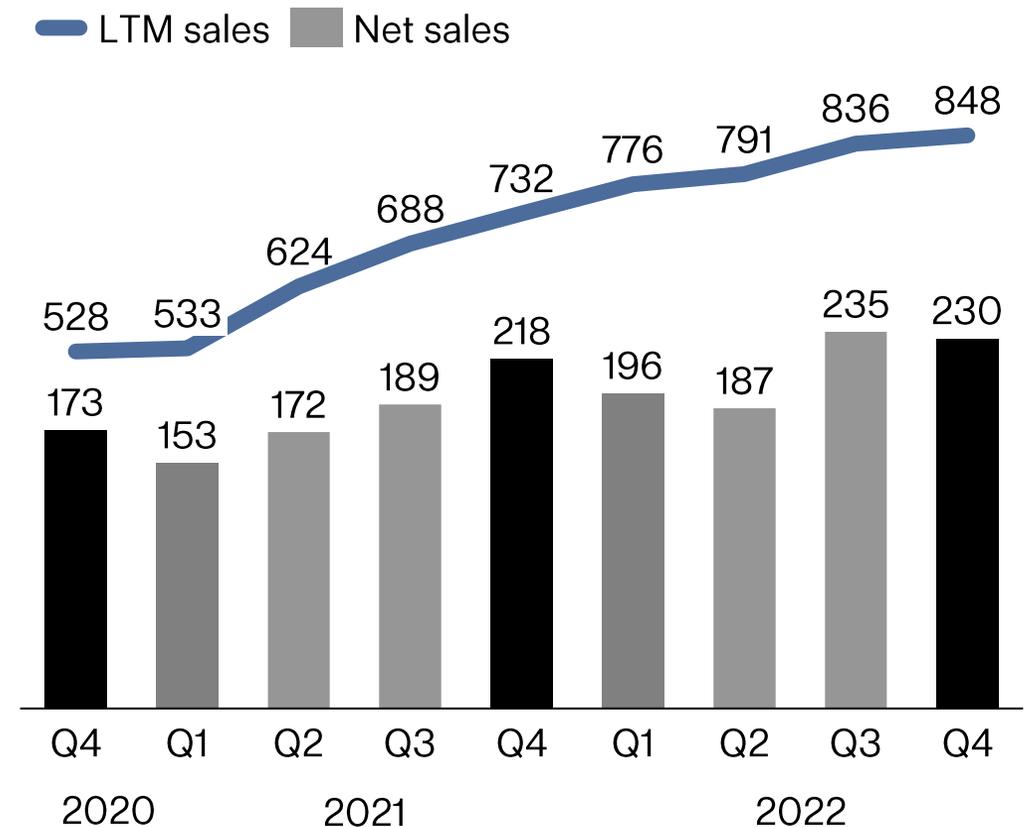
# Q4 2022

## Profitable quarter, sales growth driven by currency and acquisition

**EBIT Q4**  
SEK 80m (79)  
+1%

**Net sales Q4**  
SEK 230m (218)  
+6%<sup>1</sup>

**EBIT margin Q4**  
35% (36)



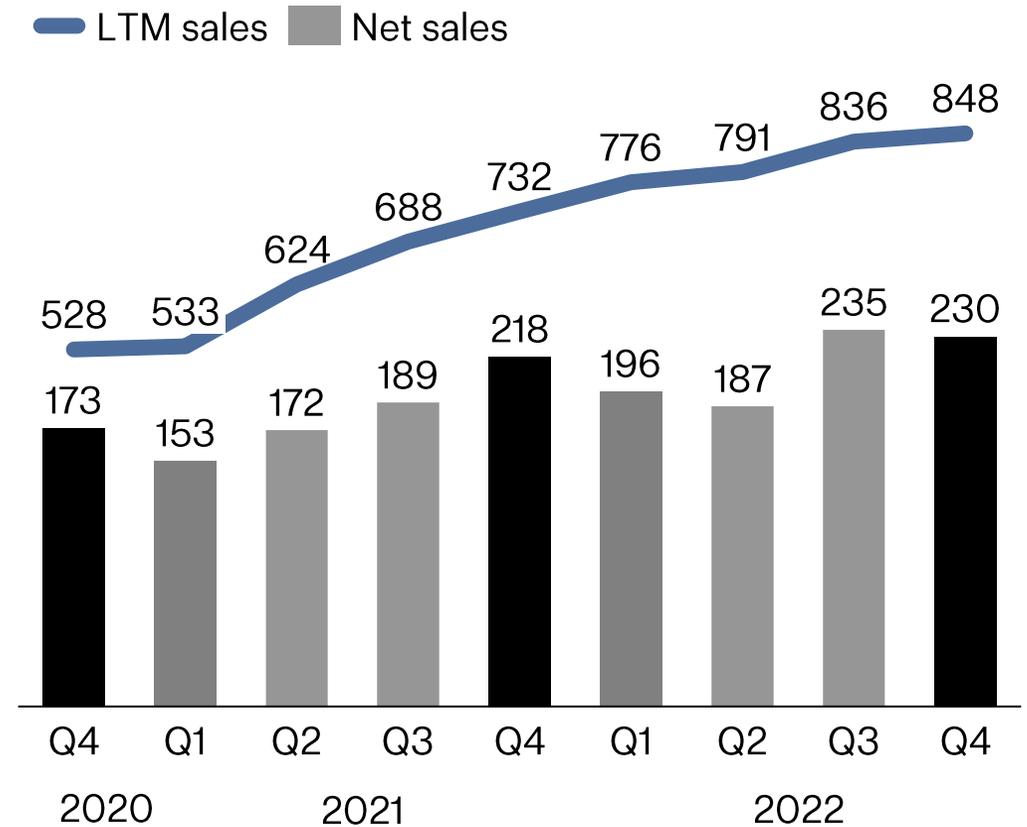
# 2022 FY

## Profitable year with 17% EBIT growth

**EBIT LTM**  
SEK 249m (212)  
+17%

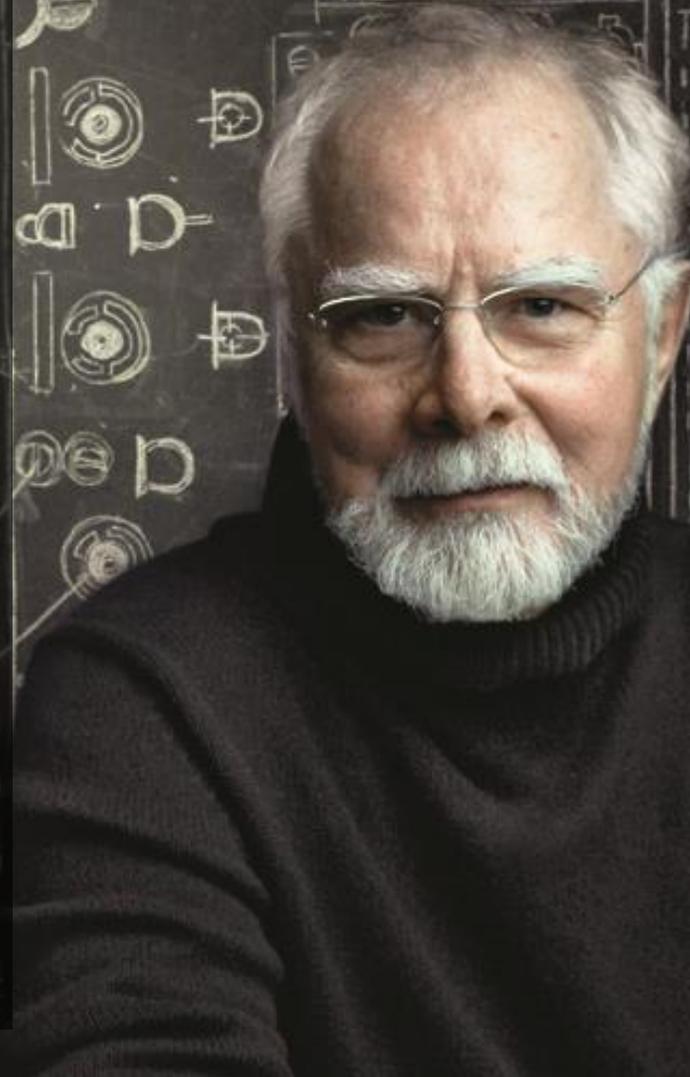
**Net sales LTM**  
SEK 848m (732)  
+16%<sup>1</sup>

**EBIT margin LTM**  
29% (29)



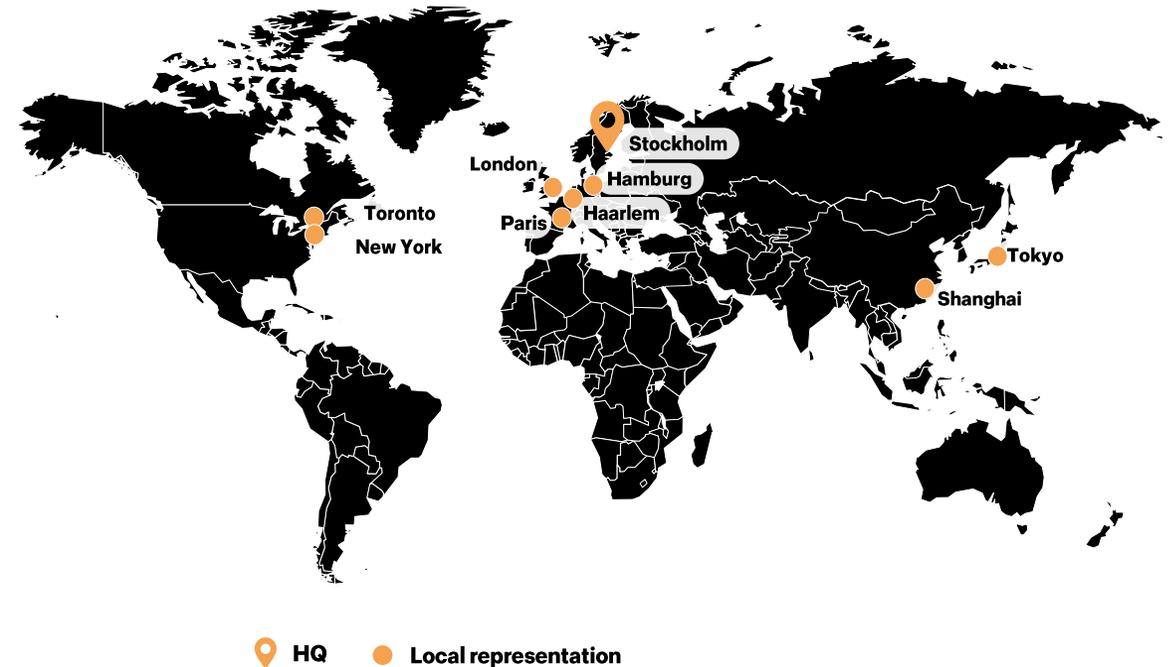
# Premium positioned global niche leader

- Profoto is the **leader in a global niche** with a high barrier of entry.
- The brand is **used by the very best** photographers in the world.
- Founded in 1968 – more than 50 years of experience.
- Customer focus and quality products for growth.
- Entrepreneurial spirit and drive.

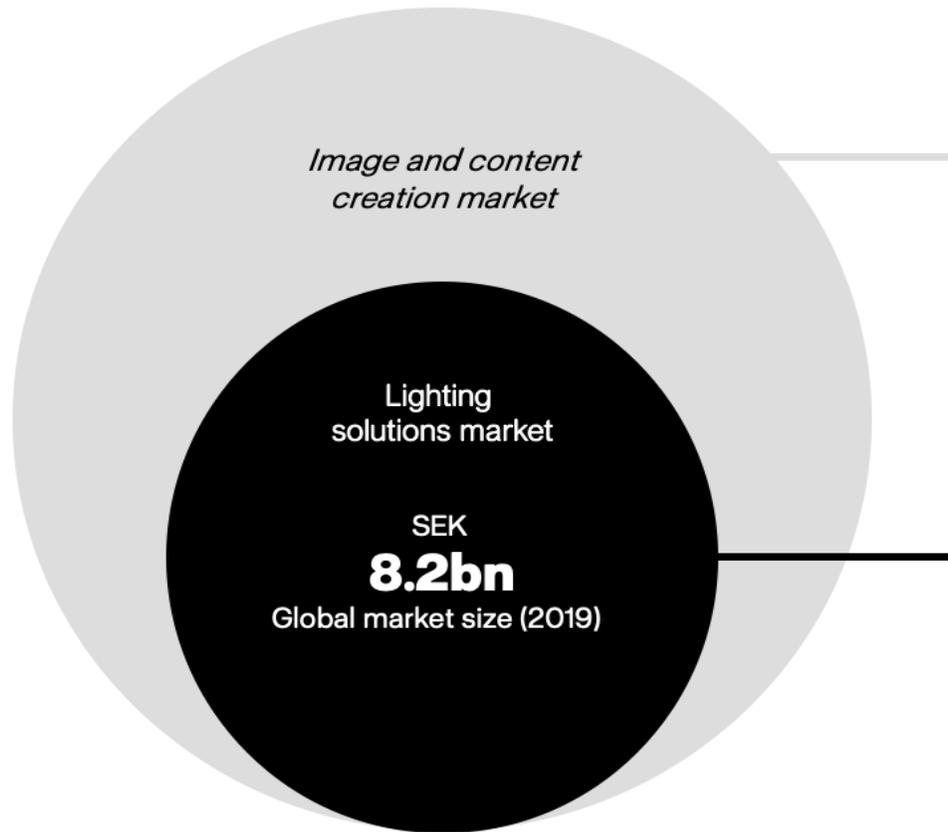


# Profoto is the world leader in lighting products for studios and professional photographers

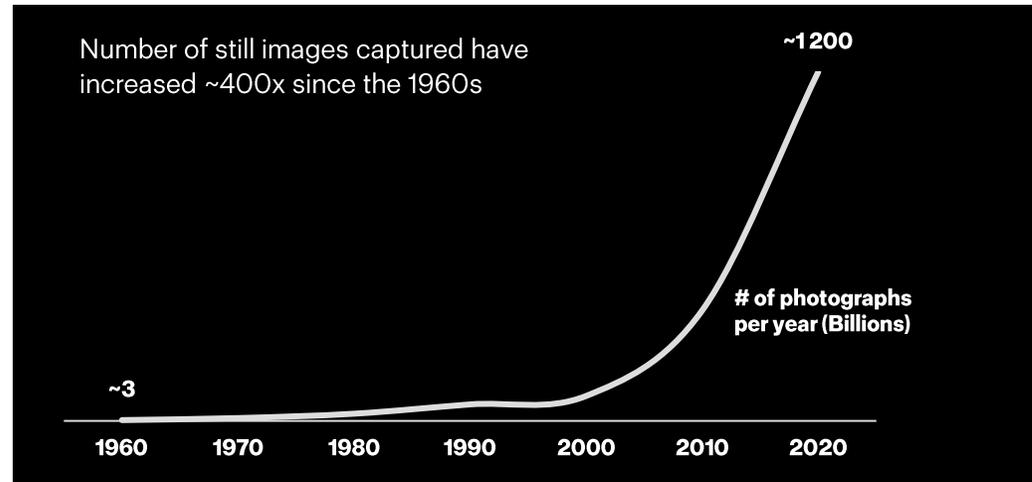
- In the growing image and content creation market.
- Premium position in the segment “Photography lighting solutions”.
- Innovative and easy-to-use flashes and light shaping system.
- Used by the leading studios and photographers.
- Global distribution.
- Organic growth and high margins.
- Large investments in innovation.
- Operational efficiency – outsourced production.
- Only hiring the best.



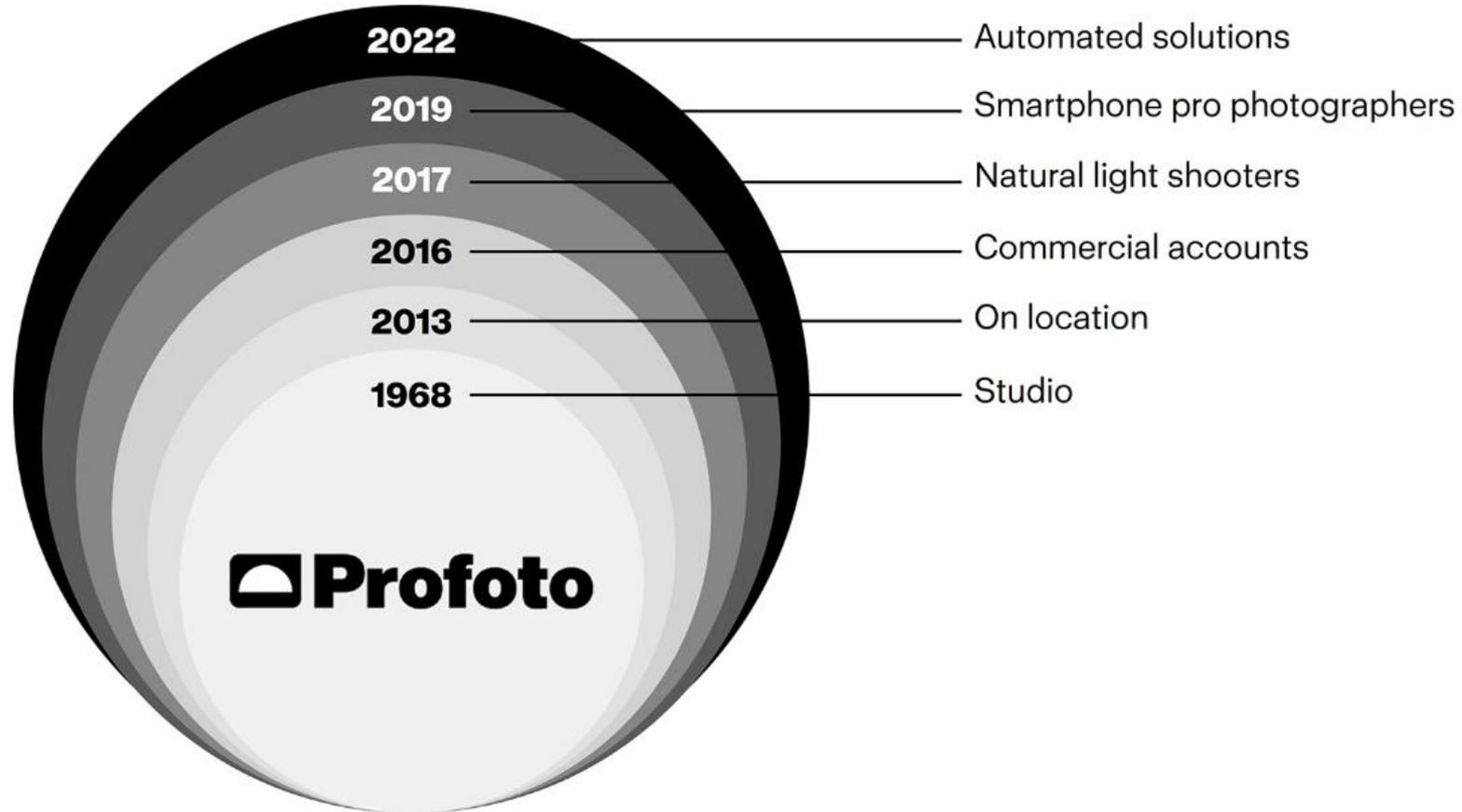
# Part of the attractive and fast changing image and content creation market



- Content is key
- Sharing of pictures and videos is growing
- Video communication growing fast
- More content is consumed on channels like Netflix and Amazon Prime
- Vlogging, social media and home-working increasing



# Launching new products to new customer groups drives growth



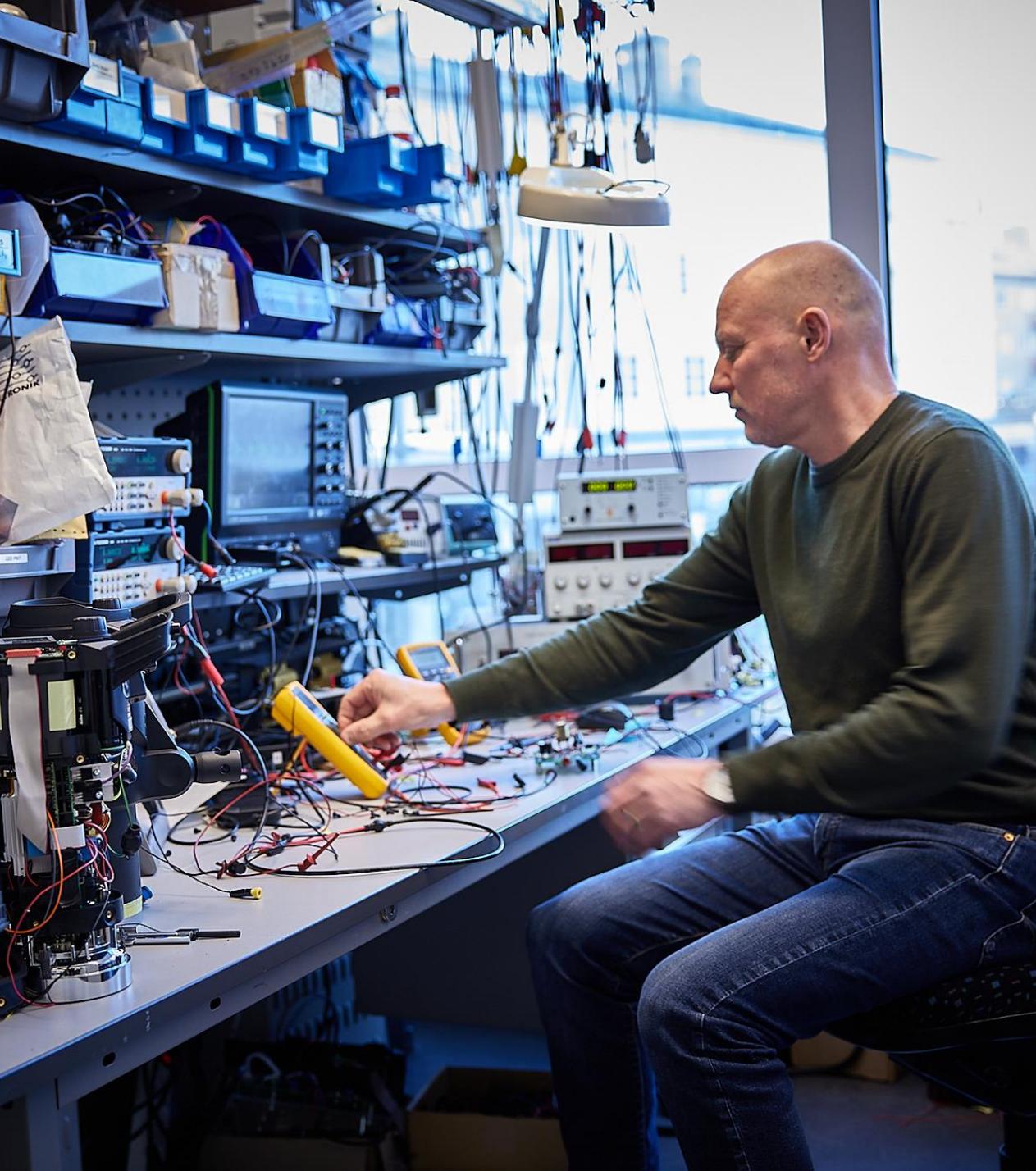
# High investments in innovation for growth

~10 percent of sales invested in R&D

~50 percent of employees work with launching new products

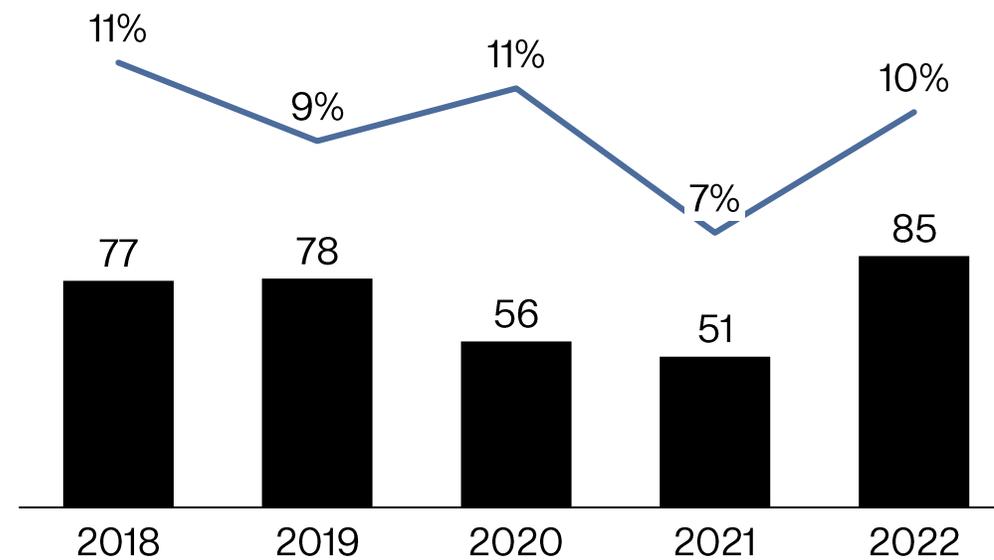
Active patent strategy



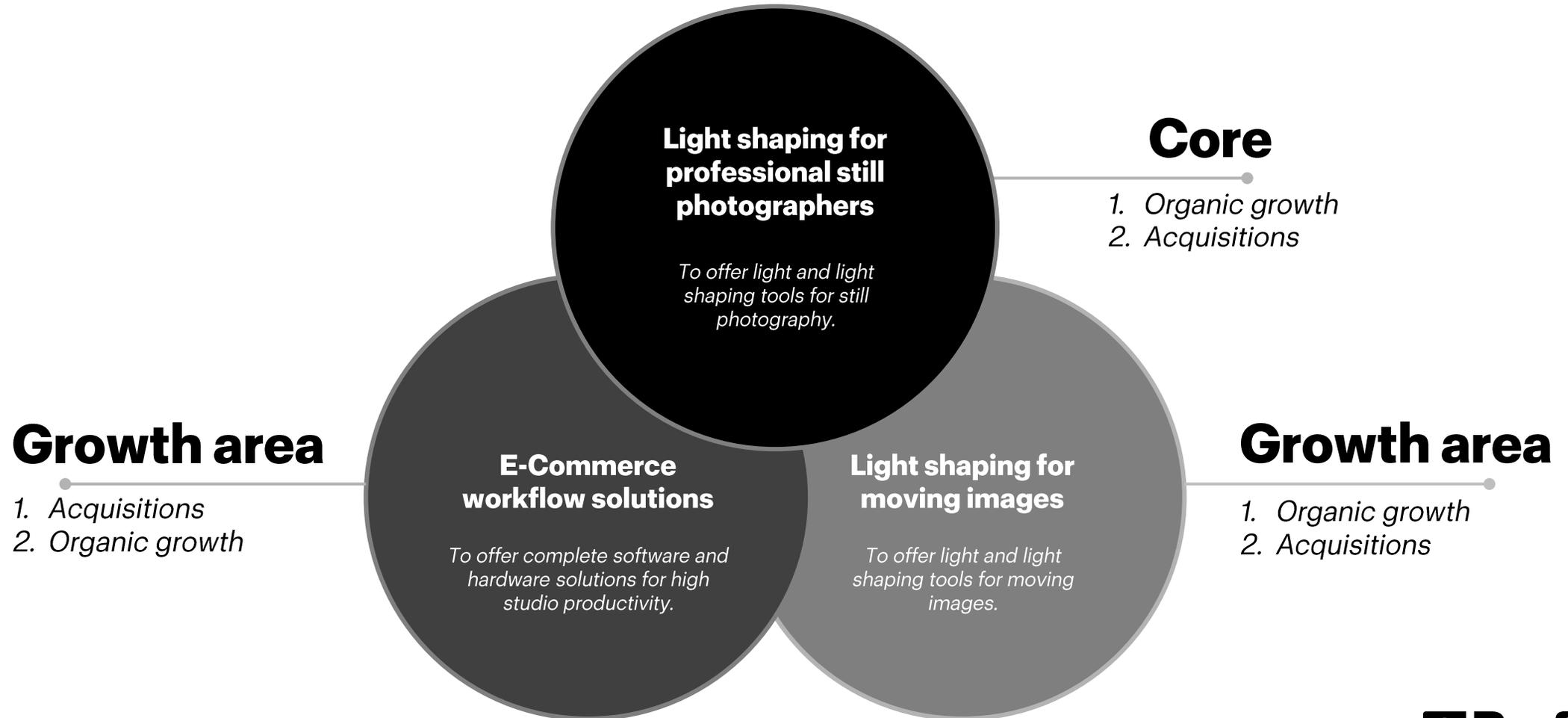


# Increasing R&D spend for future growth

■ R&D Spend, SEKm — R&D Spend/Net sales, %



# Growing in our core market and investing in new areas



# New products for professional photographers

## Light shaping tools



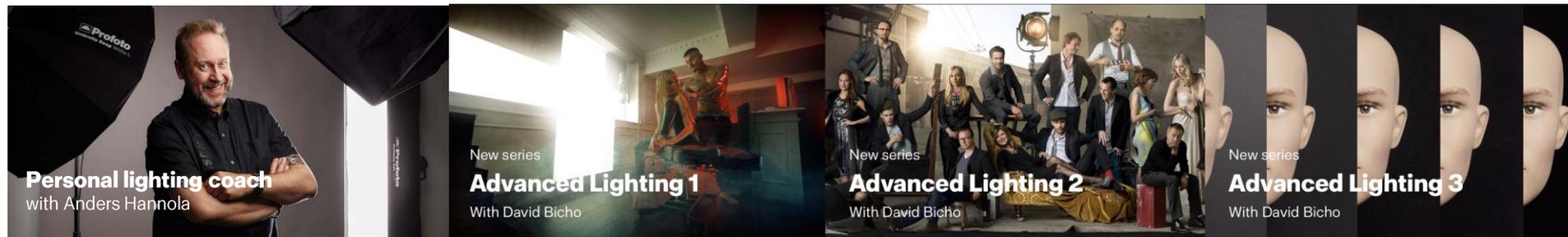
## Flashes



## Remotes



## Learning & Academy



# A complete solution for e-com studios

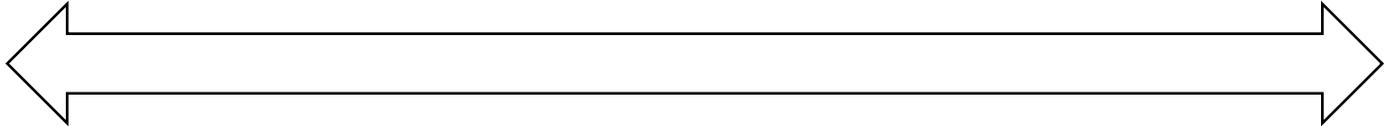


**Automated solutions**

**Modular solutions**

**Workflow solution**

**Repetitive photography**



**Creative photography**

# Financial performance

# Investment case

Leading position in a global niche of the fast changing and growing image and content creation market.

**3-5%**

Estimated market growth

Premium brand used by the leading photographers.

**2x**

Profoto's market share is twice as large as its closest competitor

Global market strategy with well established distribution channels

**>240**

Dealers

- 8 main markets
- 58 countries
- High entry barriers

Asset light business model with continuous focus on core operations and innovation to drive profitable growth and expand the addressable market.

**5.5%**

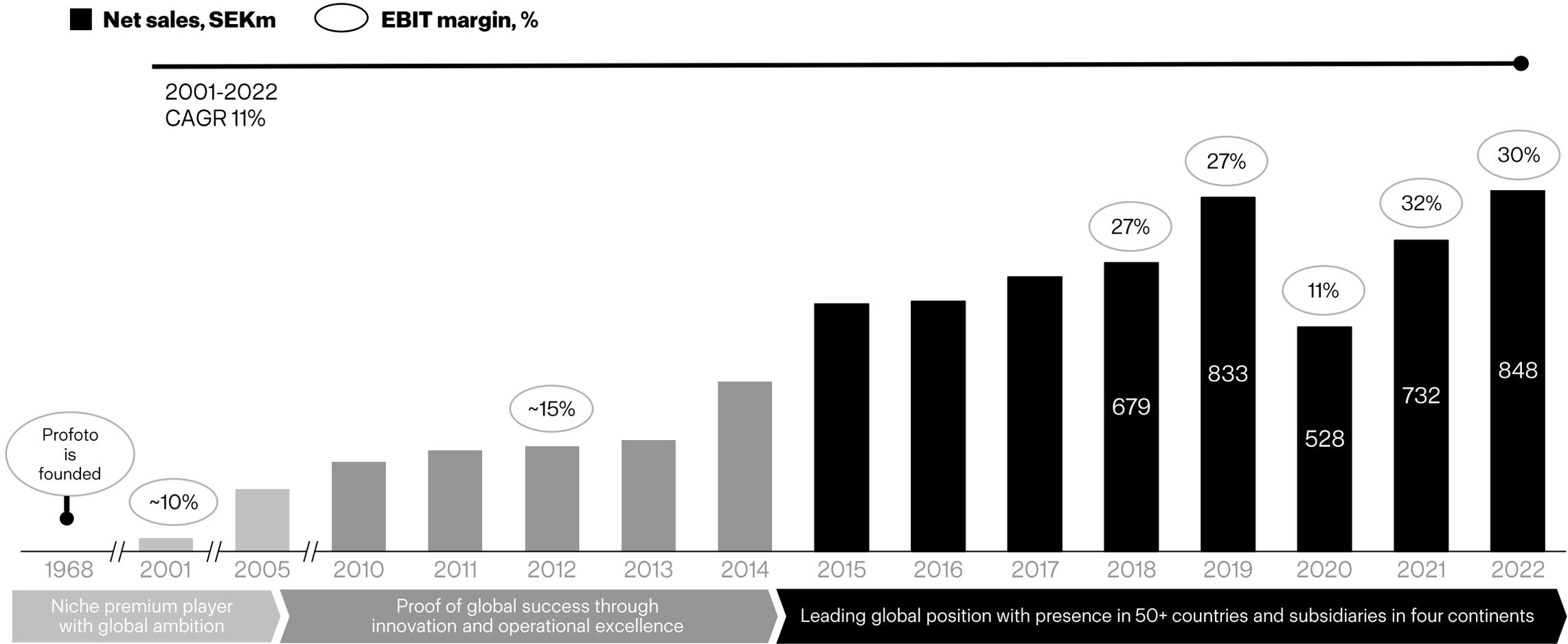
Yearly EBIT-margin growth since 2001

Long-term organic growth combined with exceptional profitability.

Proven track-record of growth and increased profitability

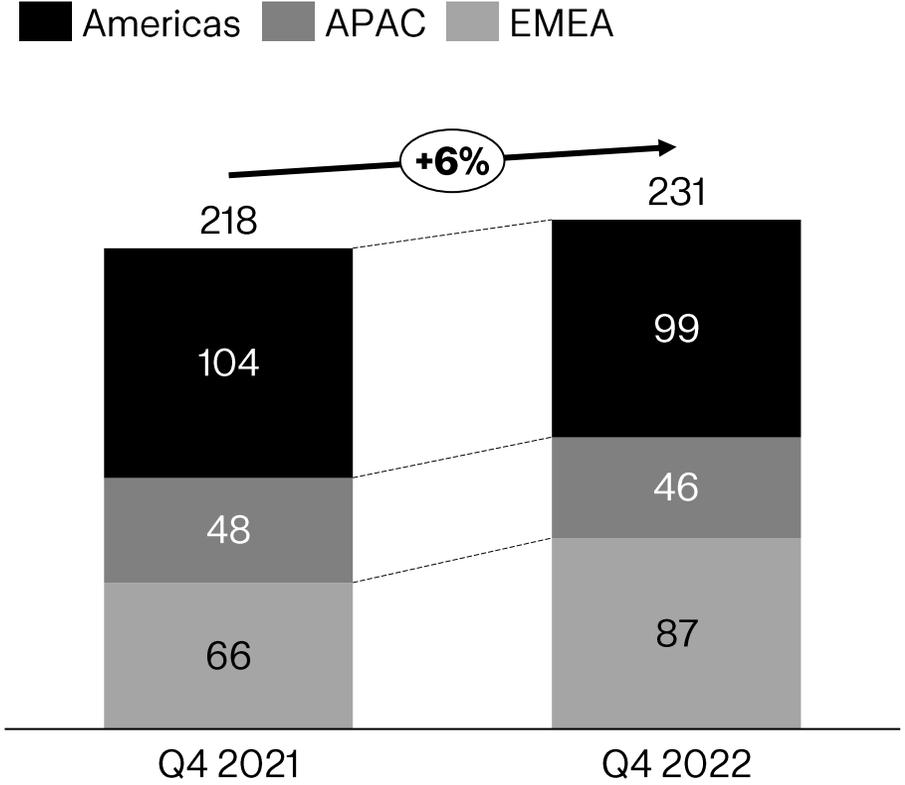
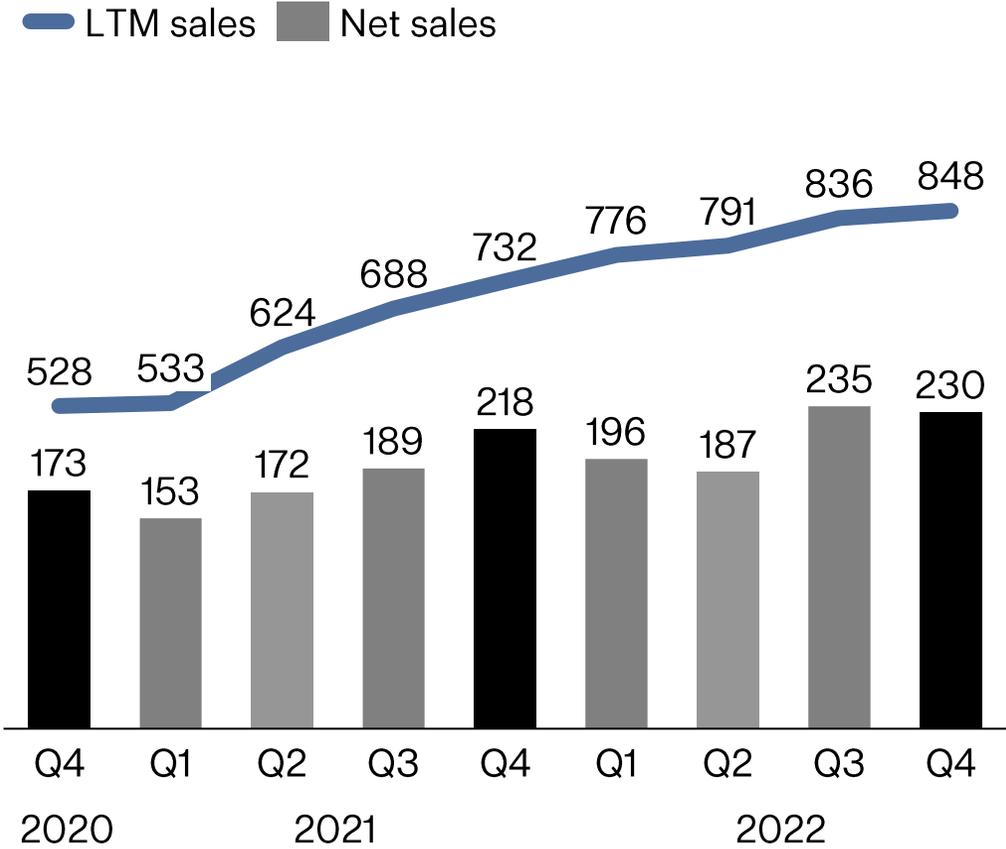
	2021	2001	CAGR
Sales	848	89	11.1%
EBIT-margin	30.3%	9.8%	5.5%

# >50 years of organic and profitable growth

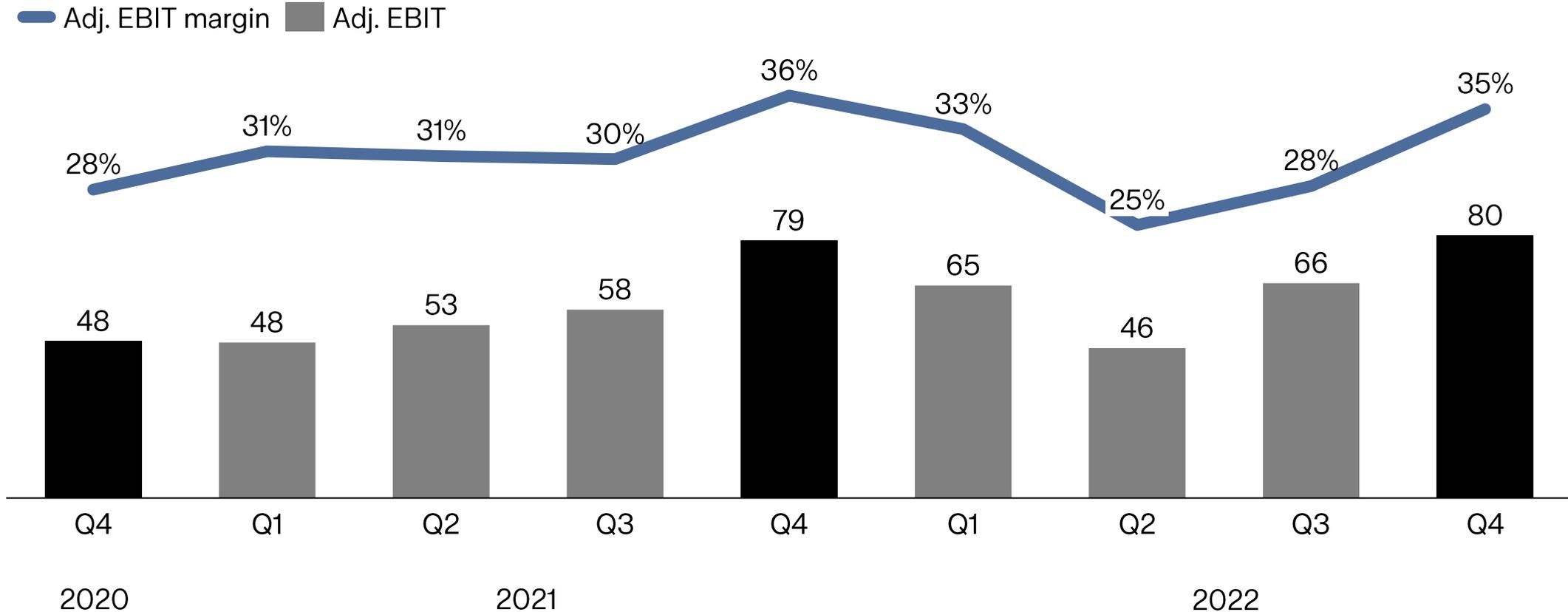


**Note:** Figures before year 2010 refer to Profoto AB, while numbers from 2010 and onwards refer to Profoto Holding AB.

# Strong sales growth in EMEA - supported by acquisition and currency effects



# High and profitable EBIT for the quarter



**Note:** EBIT adjusted by SEK 8m in Q1 2021 and SEK 17m in Q2 2021 for IPO costs. Q1 2022 adjusted by SEK 10m for acquisition costs which was decreased by SEK 2m in Q2 2022.

# Well within profitability target, lower organic growth due to general market uncertainty

	Target	Q4 2022	2022
Organic net sales growth	10%	-13%	-1%
EBIT margin <sup>1</sup>	25-30%	35%	30%
Dividend policy	> 50%		83%

# Questions



# First quarter report, May 4, 2023

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