

A robust quarter

Profoto Interim Report Q3

November 8, 2022



Today's speakers

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Q3 Highlights

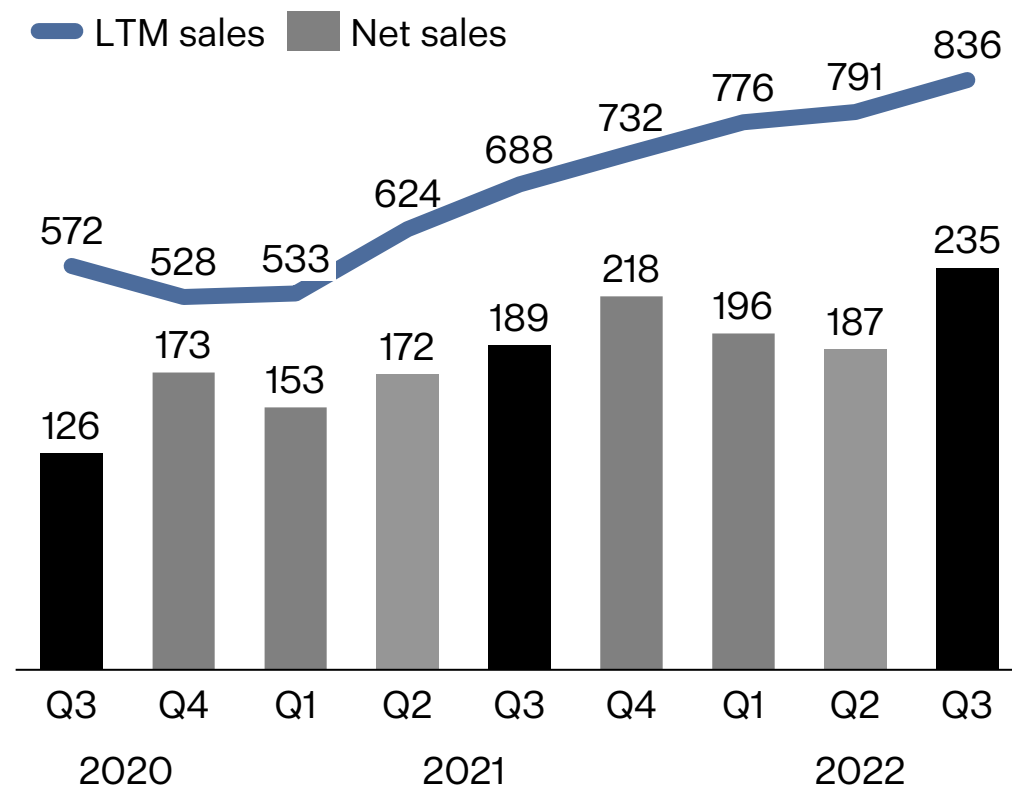
- The net sales increased by 24% for the quarter.
- Organic growth increased by 7%.
- A continued good demand for products within the studio segment.
- Strong demand and growth in Americas.
- The general concern about the world economy had a negative effect on the demand. Especially noticeable in Europe.
- The postponed sales from last quarter was invoiced and delivered.

A profitable quarter with +24% sales growth

Net sales Q3
SEK 235m (189)
+24%¹

EBIT Q3
SEK 66m (58)
+14%

**EBIT
margin Q3**
28% (30)

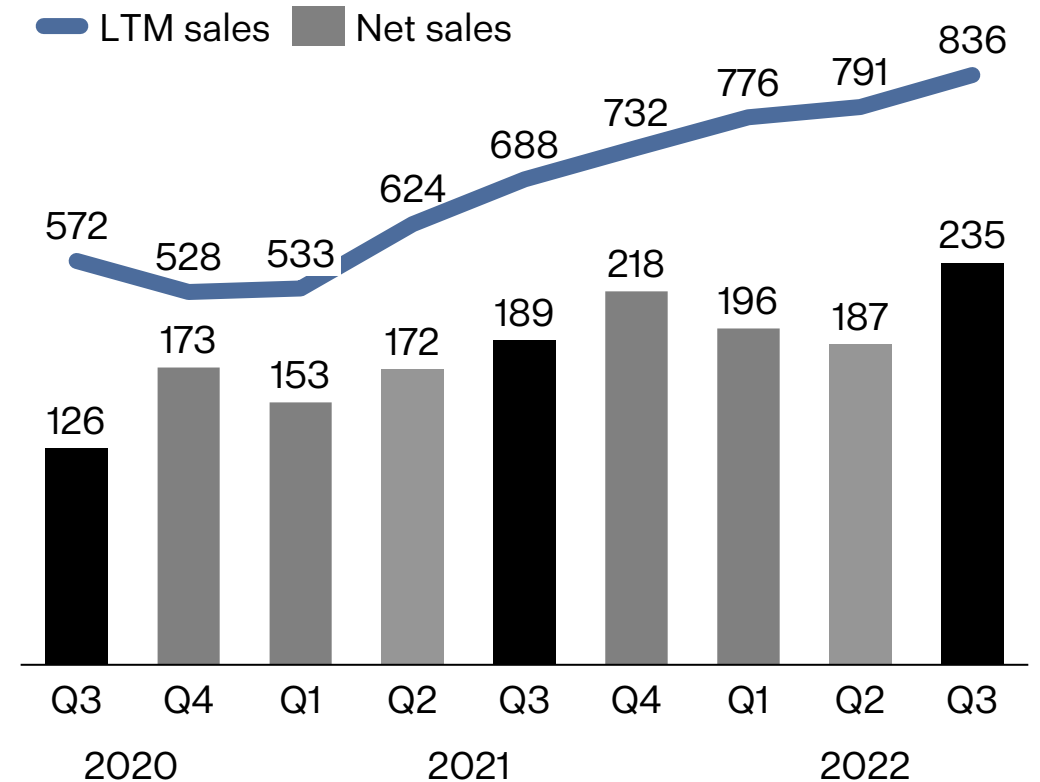


Strong and profitable LTM sales growth

Net sales LTM
SEK 836m (688)
+22%¹

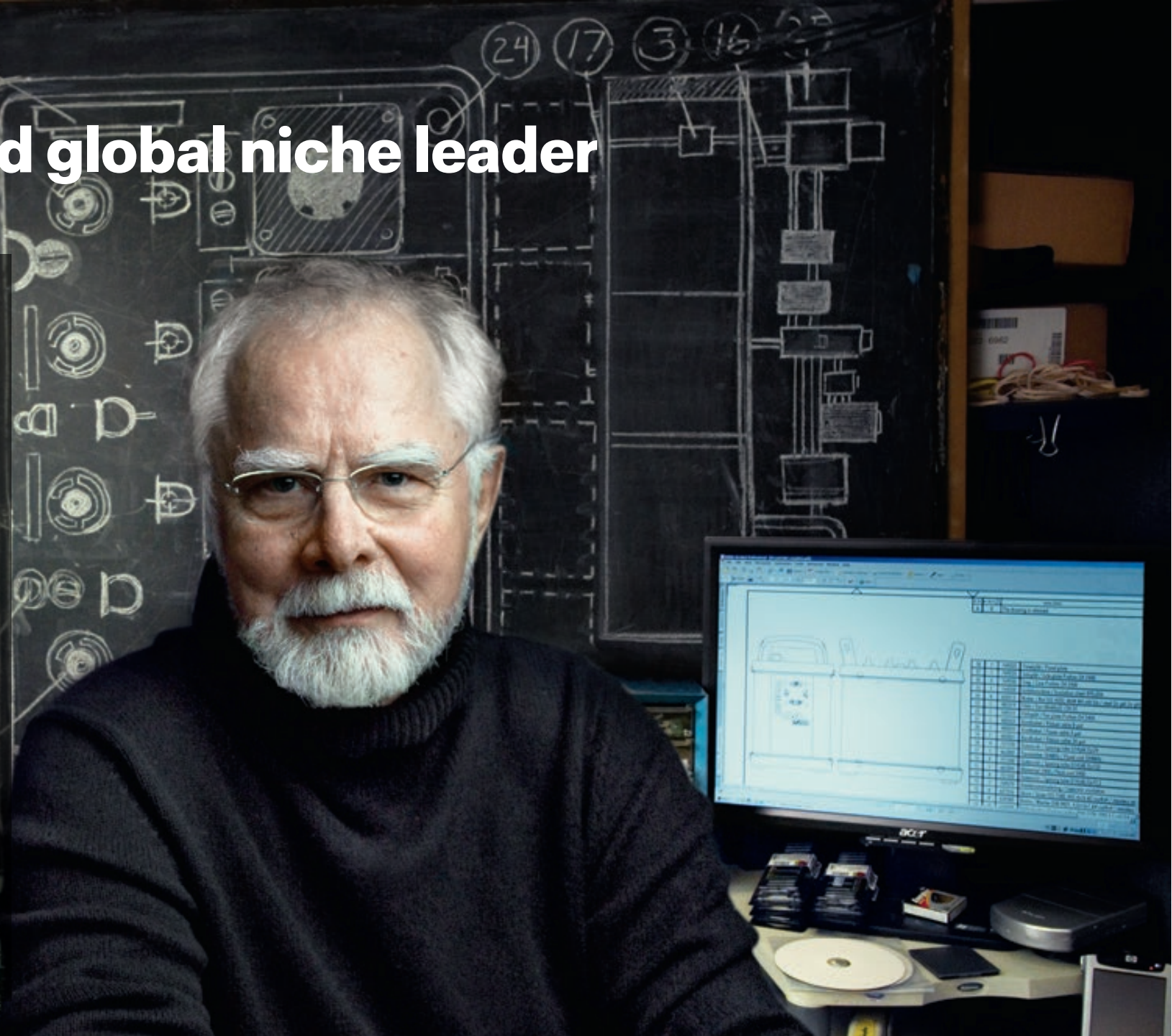
EBIT LTM
SEK 247m (179)
+38%

EBIT margin LTM
30% (26)



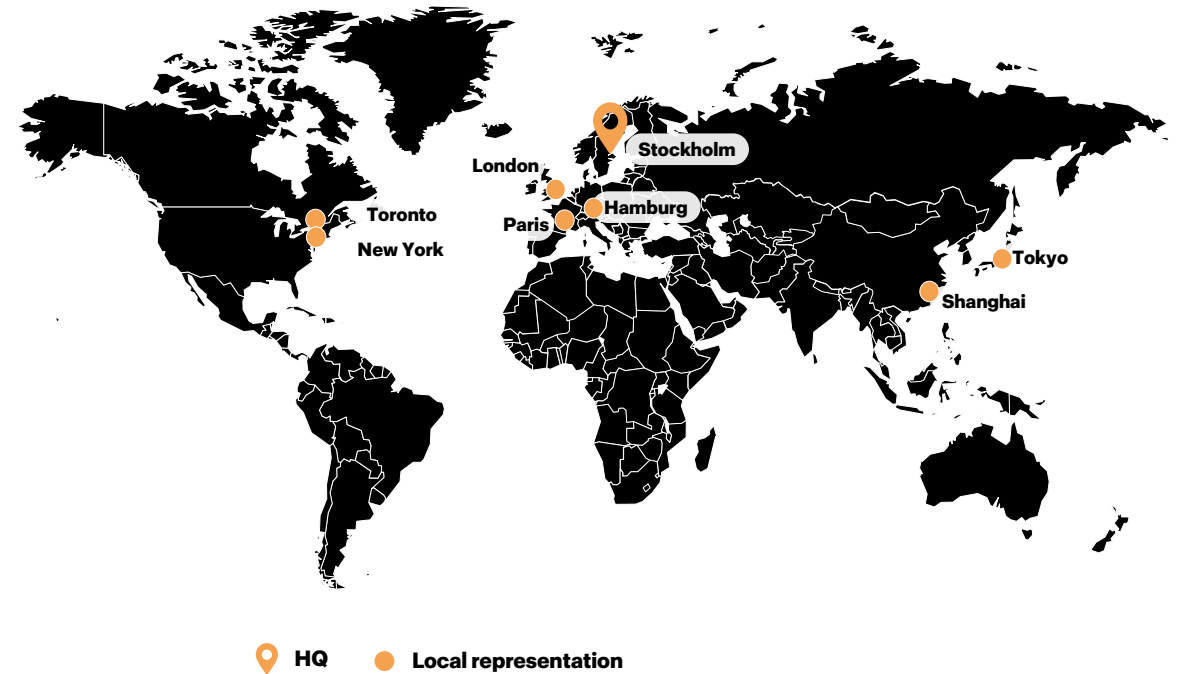
Premium positioned global niche leader

- 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.

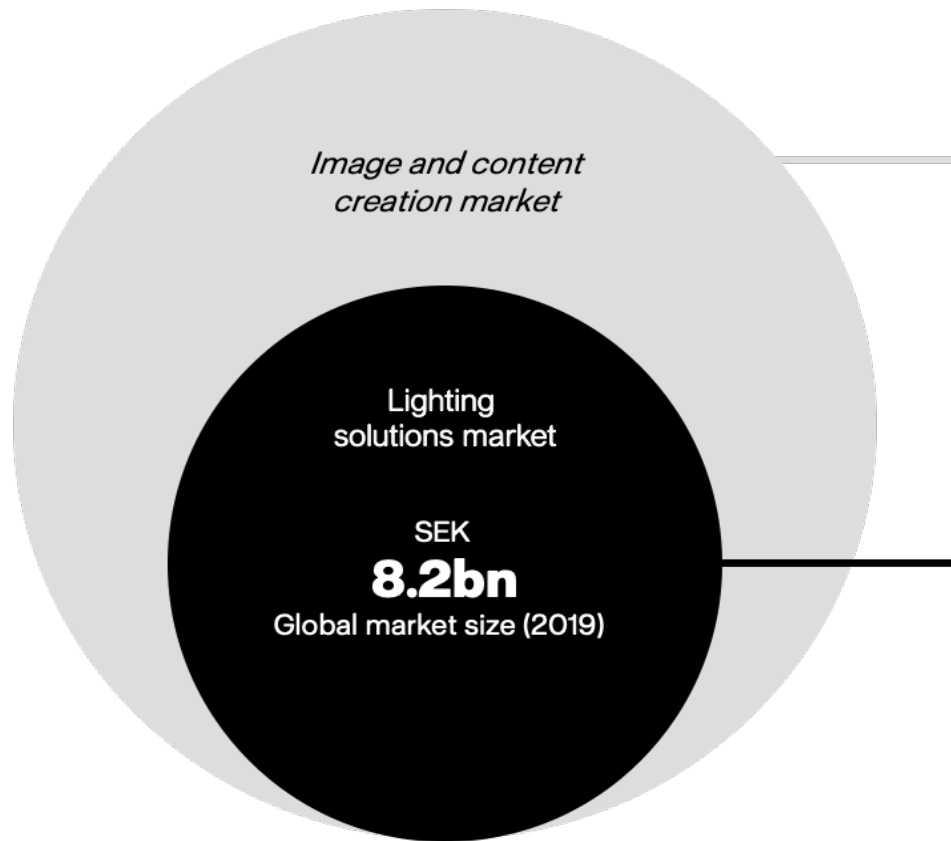


Profoto is the world leader in lighting products for professional photographers

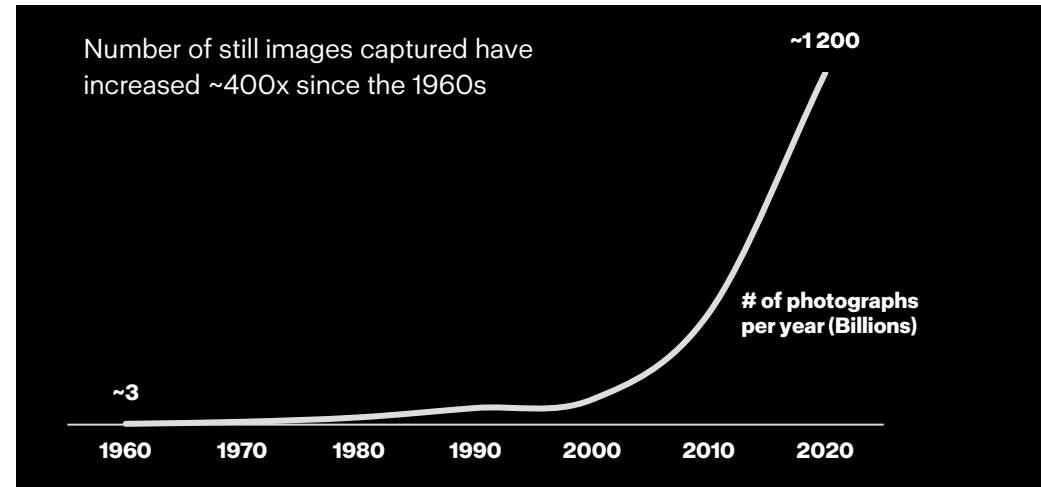
- In the growing image and content creation market.
- Premium position in the segment “Photography lighting solutions”.
- Innovative and easy-to-use flashes and light shaping system.
- Used by the leading photographers.
- Global distribution.
- Organic growth and high margins.
- Large investments in 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





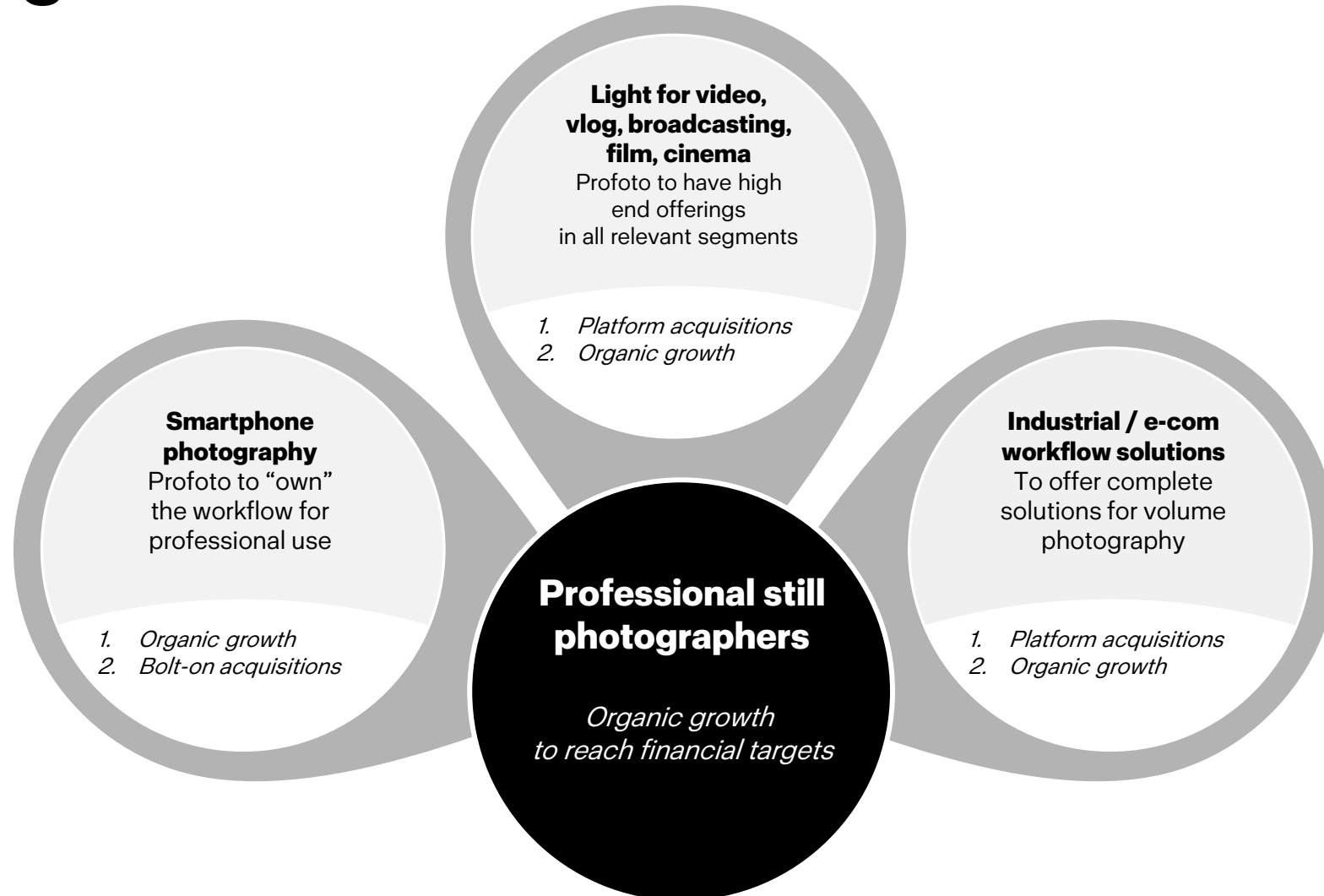
High investments in innovation

~10 percent of sales invested in R&D

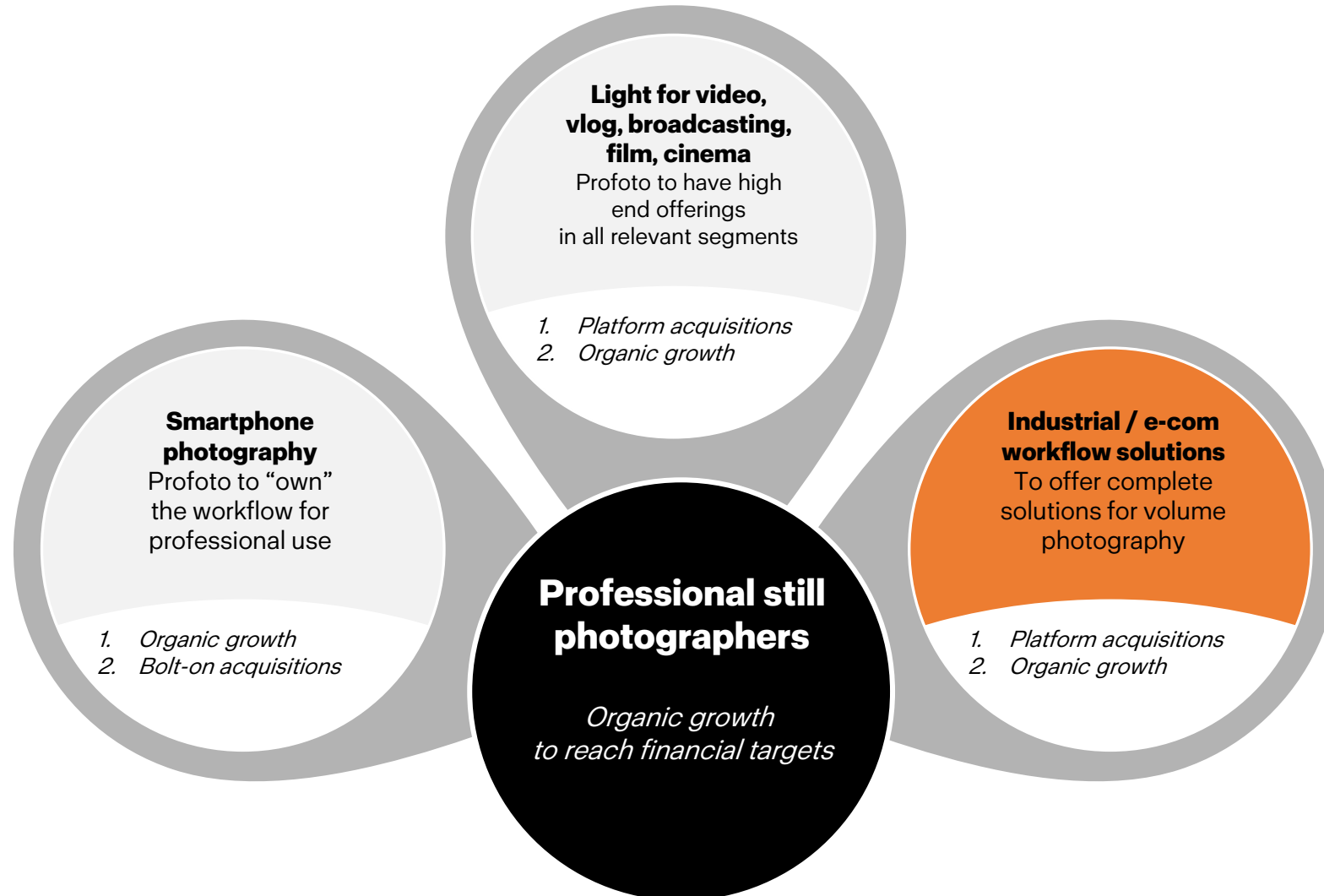
~50 percent of employees work with launching new products

Active patent strategy

Strong core growth strategy coupled with several additional growth avenues



The growing Industrial and e-com workflow market



StyleShoots workflow software

Expanding our offer to the e-com photography market

Consistent high
image quality

Shorter time to
market

High
productivity

Increased conversion rate and minimizing returns

Eclipse



Small objects, photos
and videos

Live



Model photos and
videos

Vertical



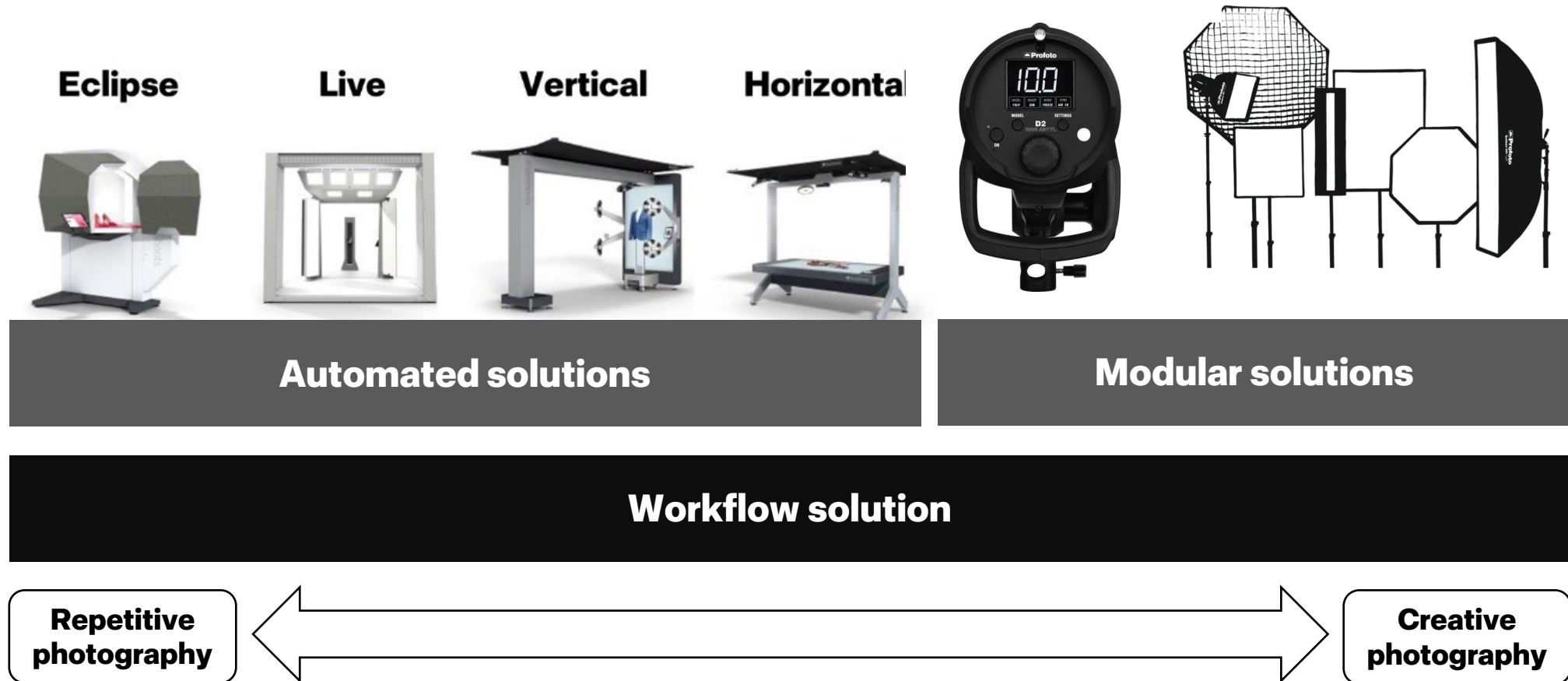
Mannequin photos

Horizontal



Flatlay photos

Launched the first complete solution for e-com studios



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

>270

Dealers

- 8 main markets
- 62 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.

6.1%

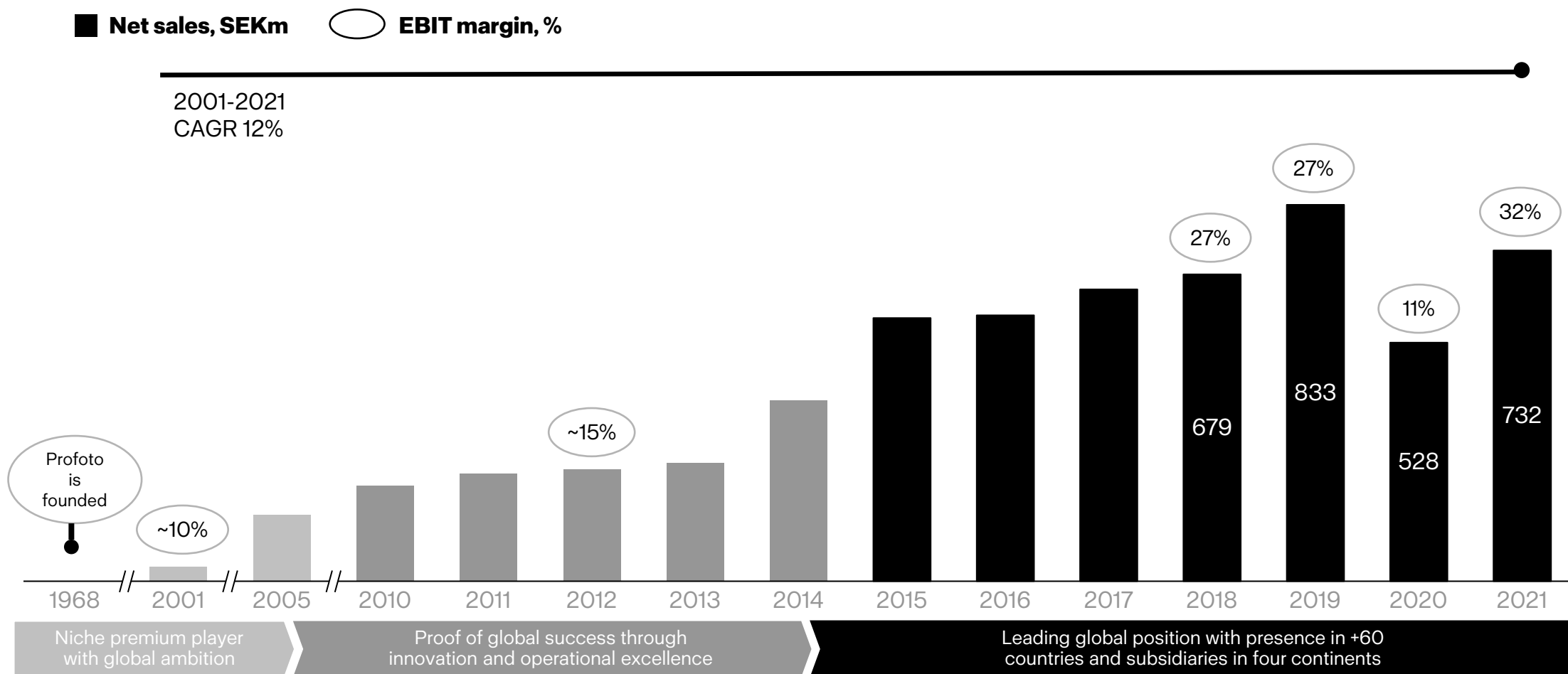
Yearly EBIT-margin growth since 2001

Long-term organic growth combined with exceptional profitability.

Proven track-record of growth and increased profitability

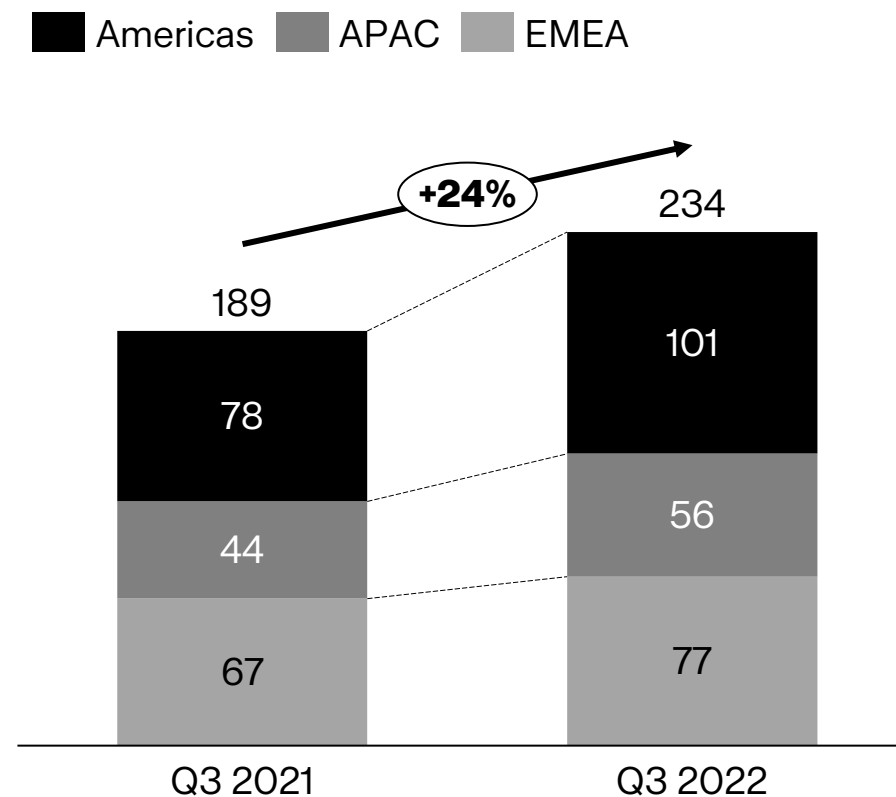
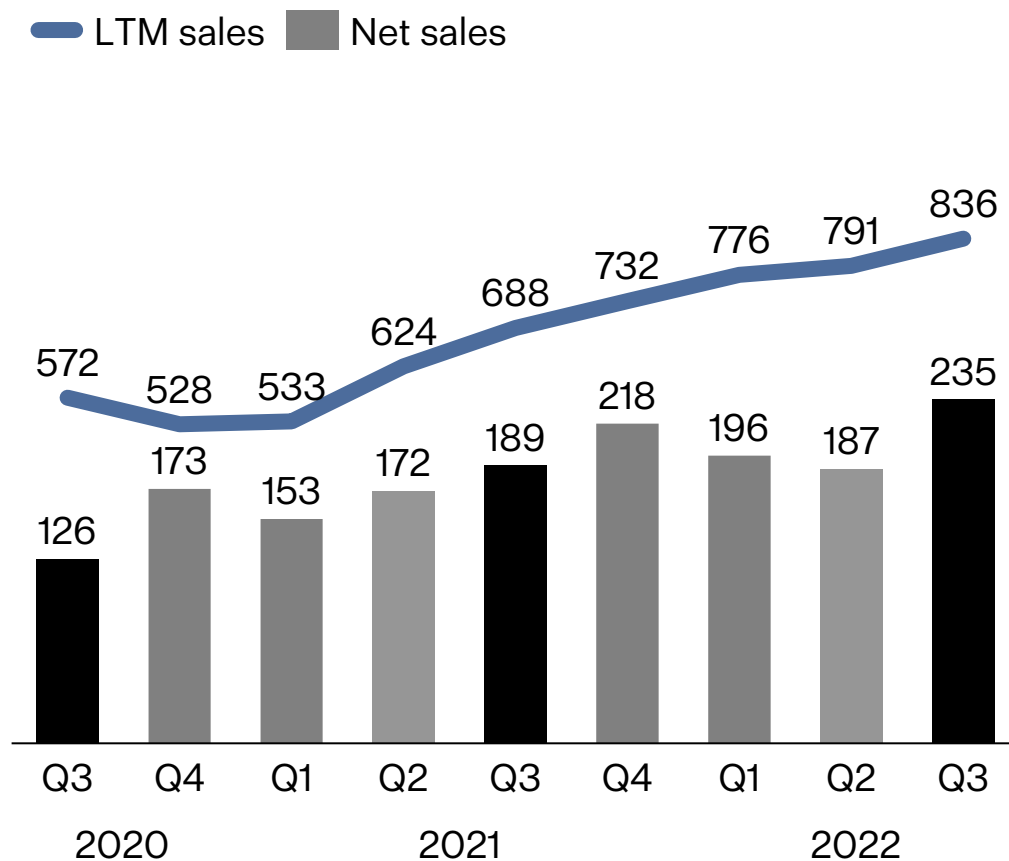
	2021	2001	CAGR
Sales	732	89	11.9%
EBIT-margin	32.3%	9.8%	6.1%

>50 years of organic and profitable growth

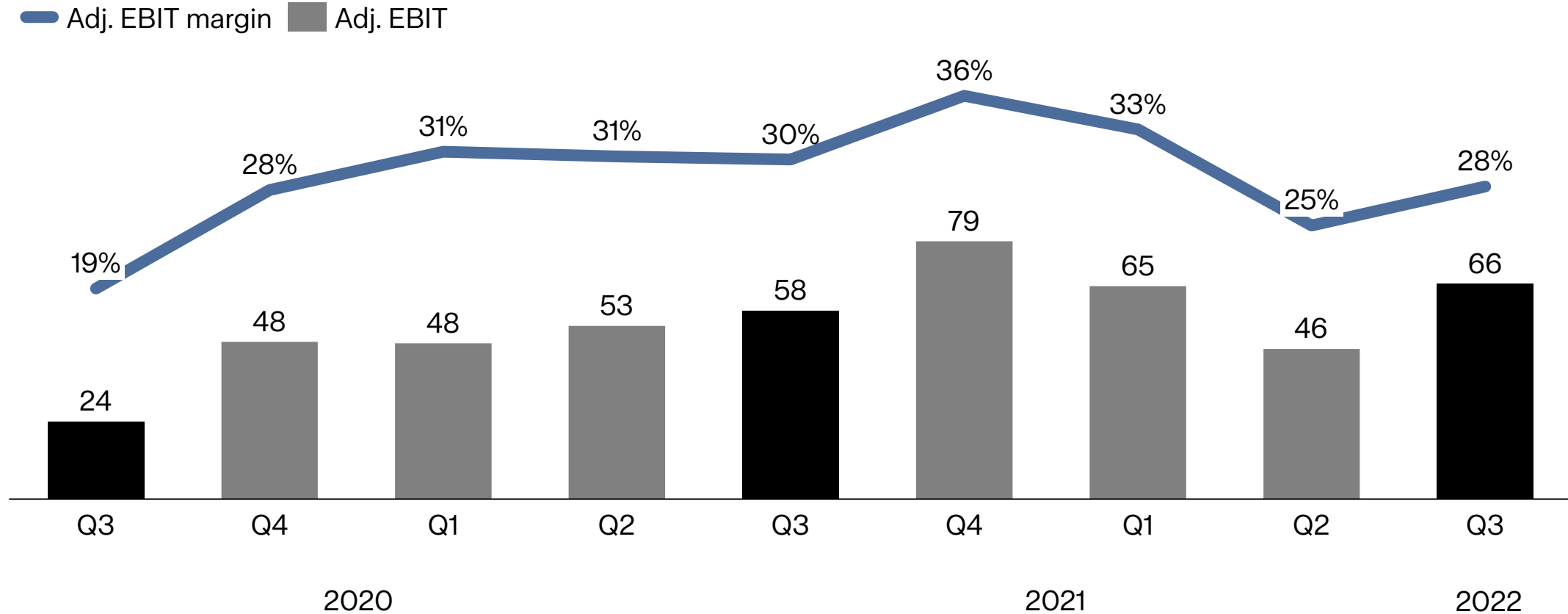


Note: Figures before year 2010 refer to Profoto AB, while numbers from 2010 and onwards refer to Profoto Holding AB.

Strong sales growth in Americas – An effect of increased demand and currency



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	Q3 2022	YTD
Organic net sales growth	10%	7%	5%
EBIT margin ¹	25-30%	28%	29%
Dividend policy	> 50%		

Year-end report, February 22, 2023

Head of Investor Relations



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