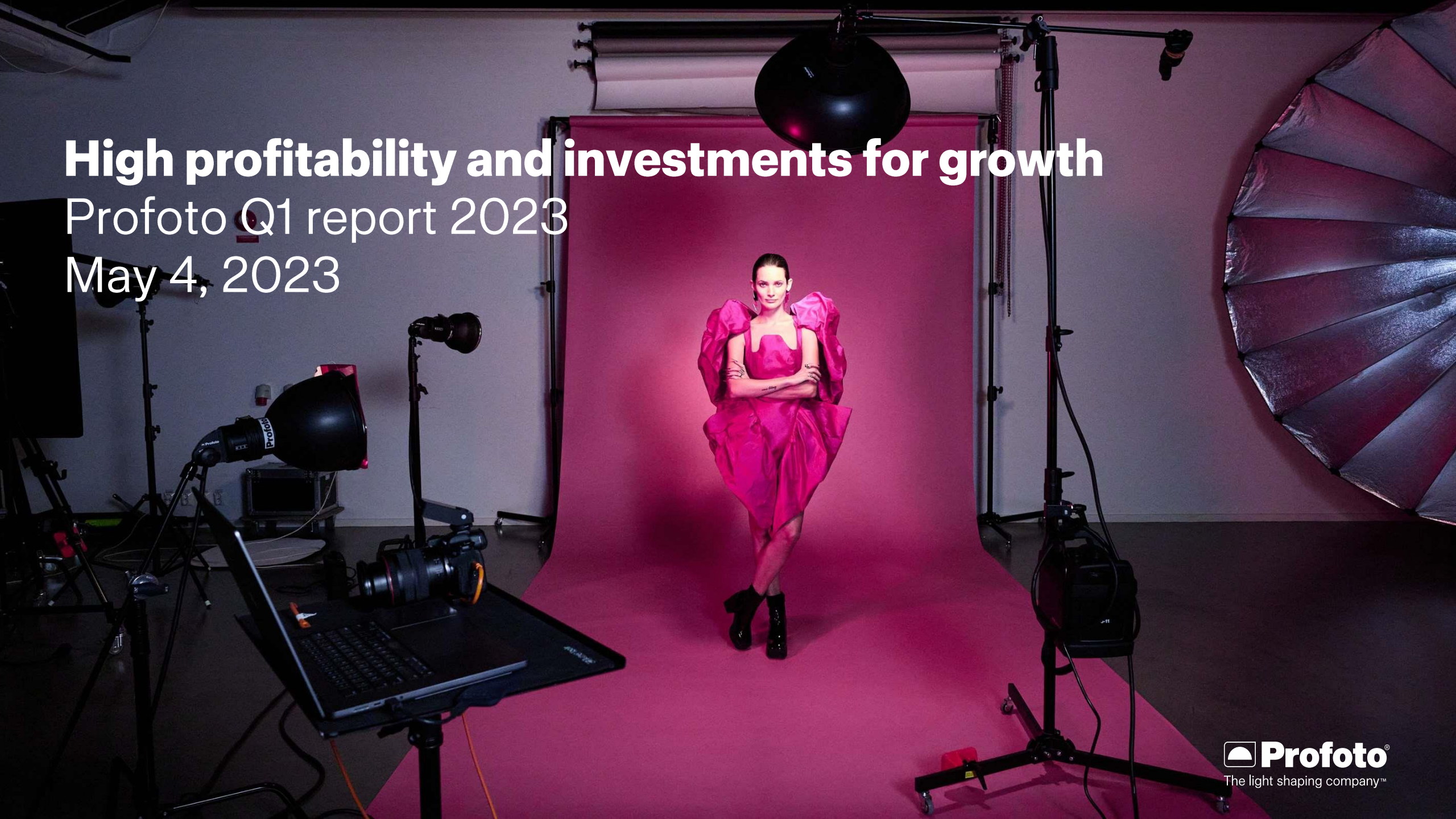


# High profitability and investments for growth

Profoto Q1 report 2023

May 4, 2023



# Today's speakers

**CEO**



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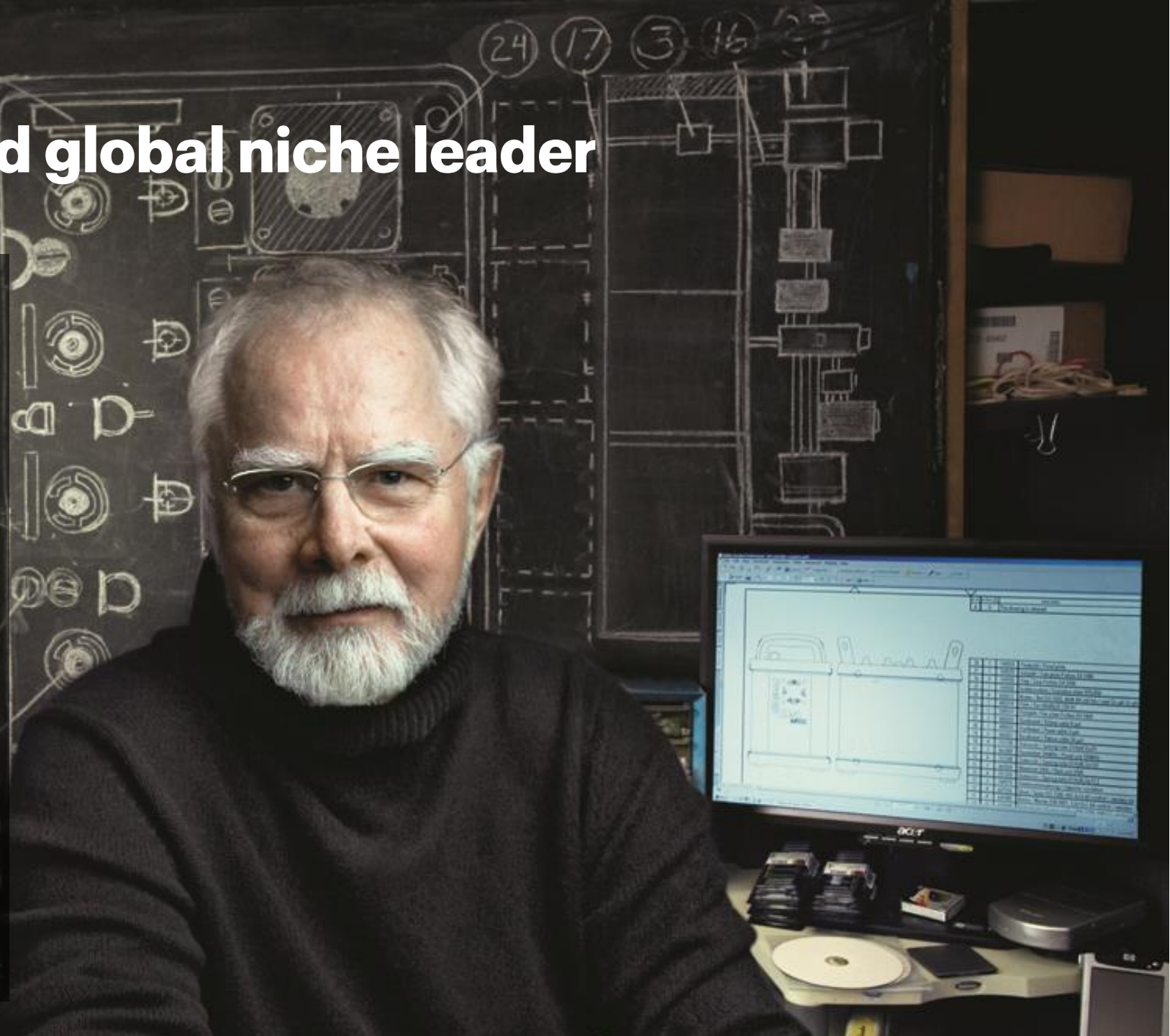


## Q1 Highlights

- Net sales increased by 17% for the quarter driven by acquisition and currency. Organic growth was 0%.
- EBITA totaled SEK 86m (64), corresponding to an EBITA margin of 37 percent (33).
- Good profitability for the quarter with an EBIT of SEK 72m (55) and EBIT margin of 31% (28).
- 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.

# Premium positioned global niche leader

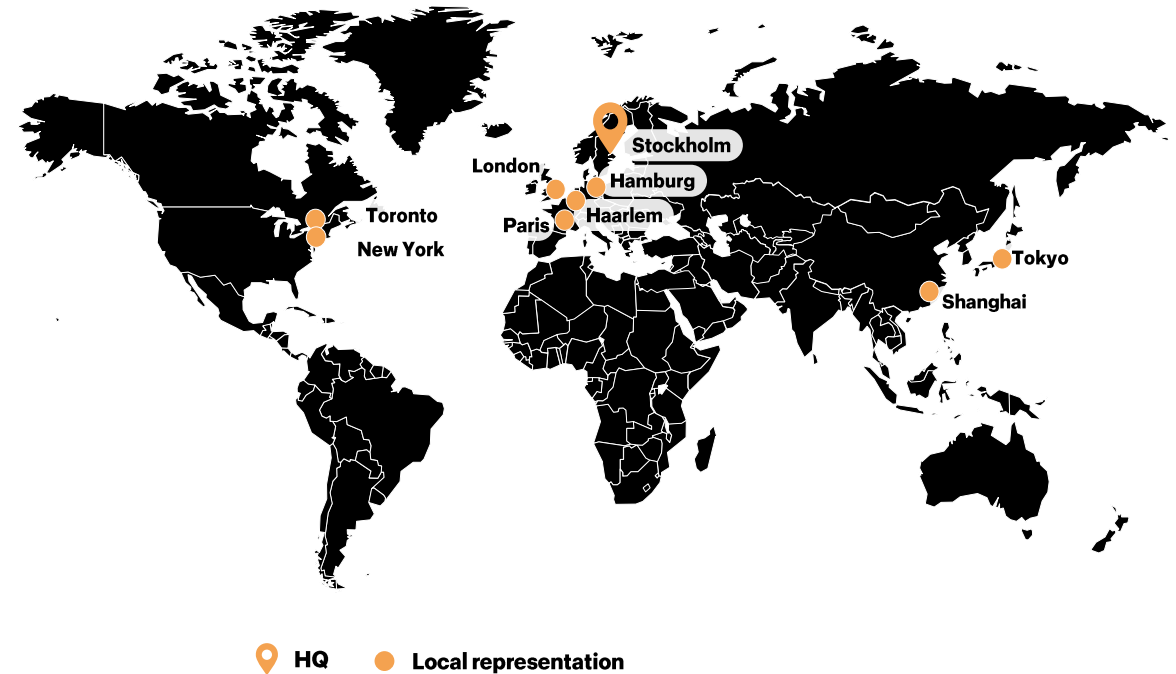
- Profoto is the **leader in a global niche** with a high barrier of entry.
- The brand is **used by the very best** photographers in the world.
- Founded in 1968 – more than 50 years of experience.
- Customer focus and quality products for growth.
- Entrepreneurial spirit and drive.



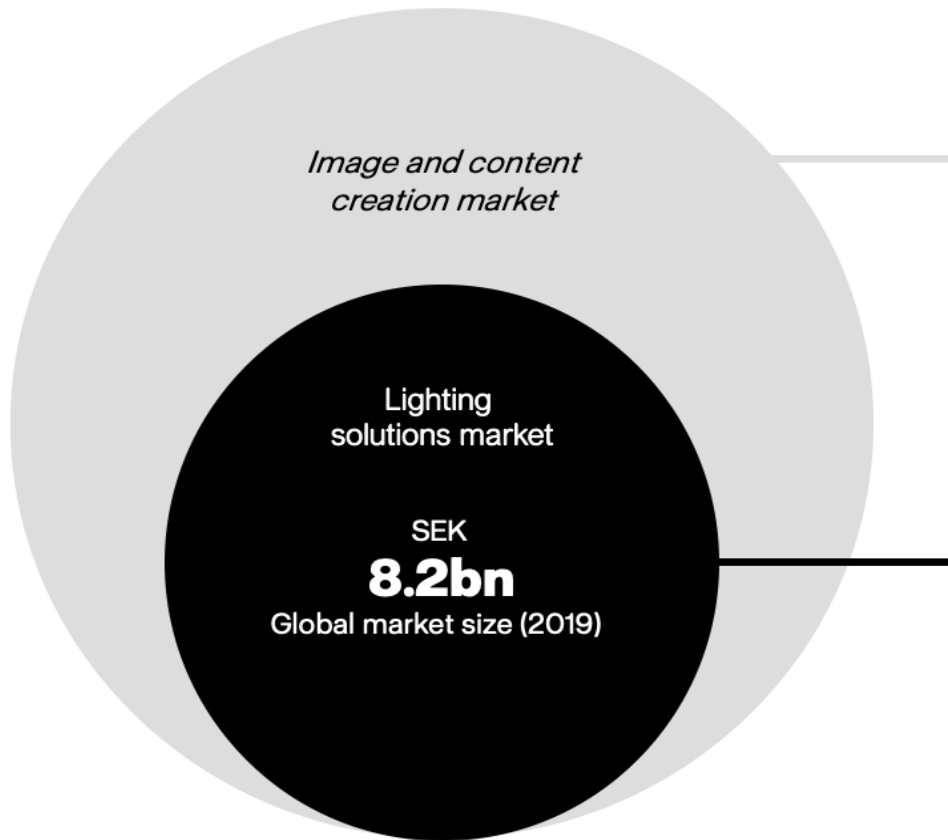


# Profoto is the world leader in lighting products for studios and professional photographers

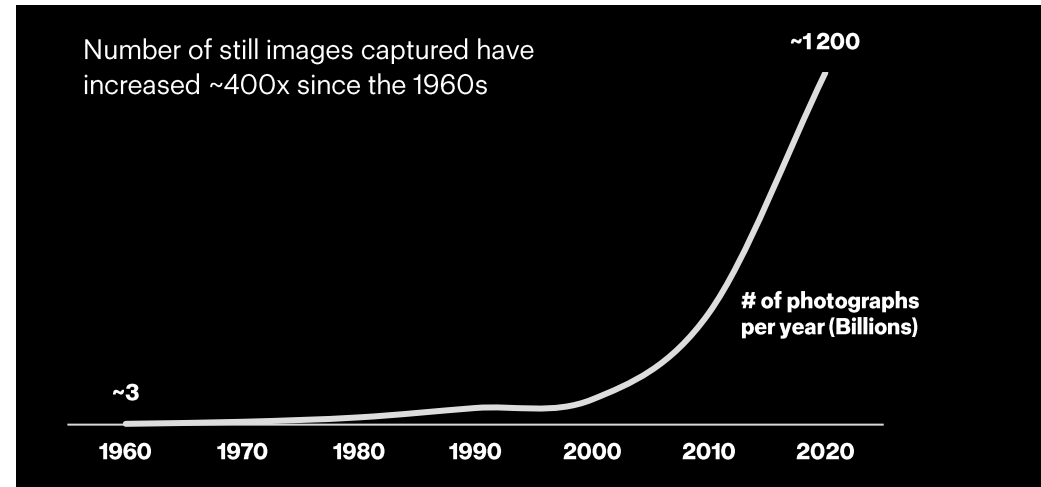
- In the growing image and content creation market.
- Premium position in the segment “Photography lighting solutions”.
- Innovative and easy-to-use flashes and light shaping system.
- Used by the leading studios and photographers.
- Global distribution.
- Organic growth and high margins.
- Large investments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



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



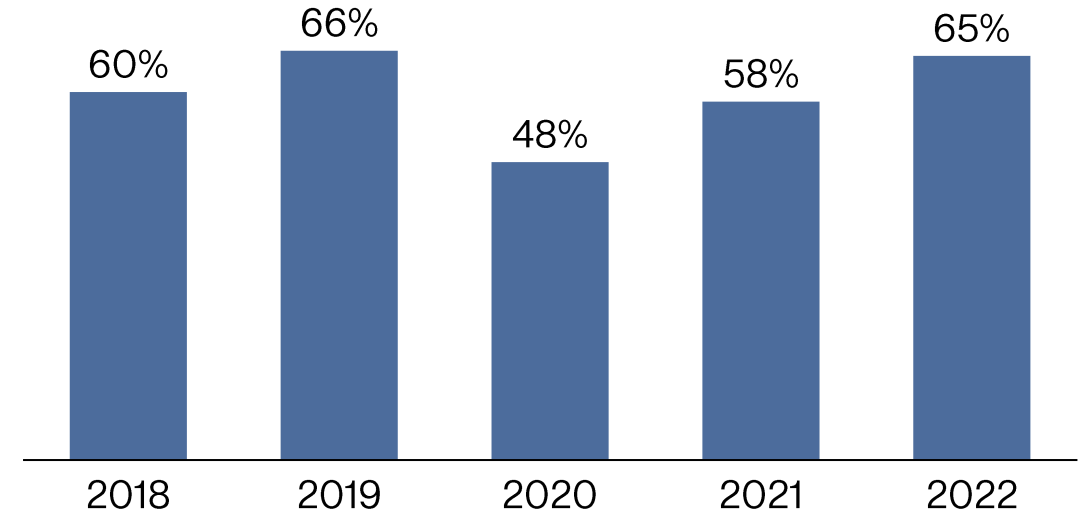
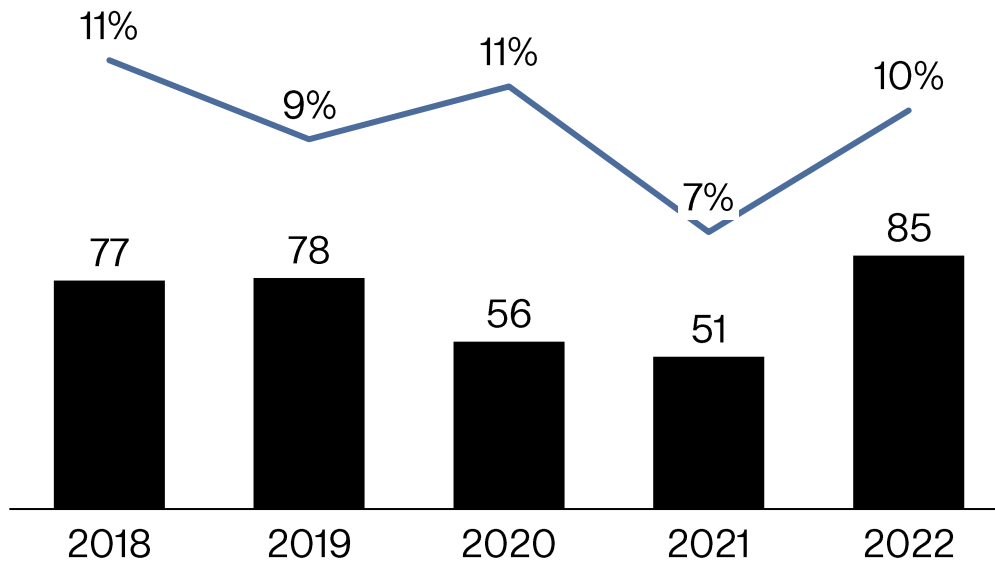
- Content is key
- Sharing of pictures and videos is growing
- Video communication growing fast
- More content is consumed on channels like Netflix and Amazon Prime
- Vlogging, social media and home-working increasing



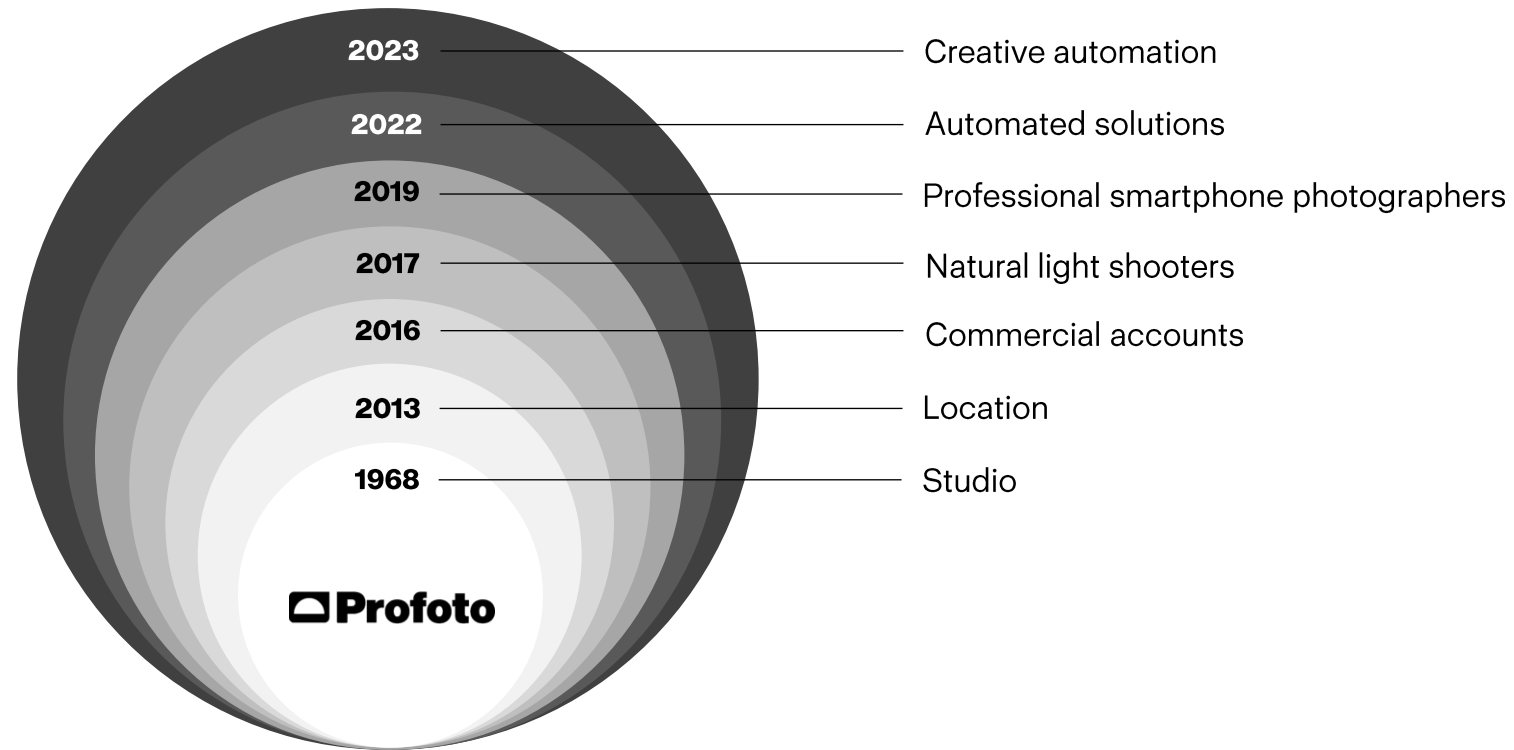
# Increasing R&D spend for future sales growth

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

■ Share of sales of products launched for the last three years

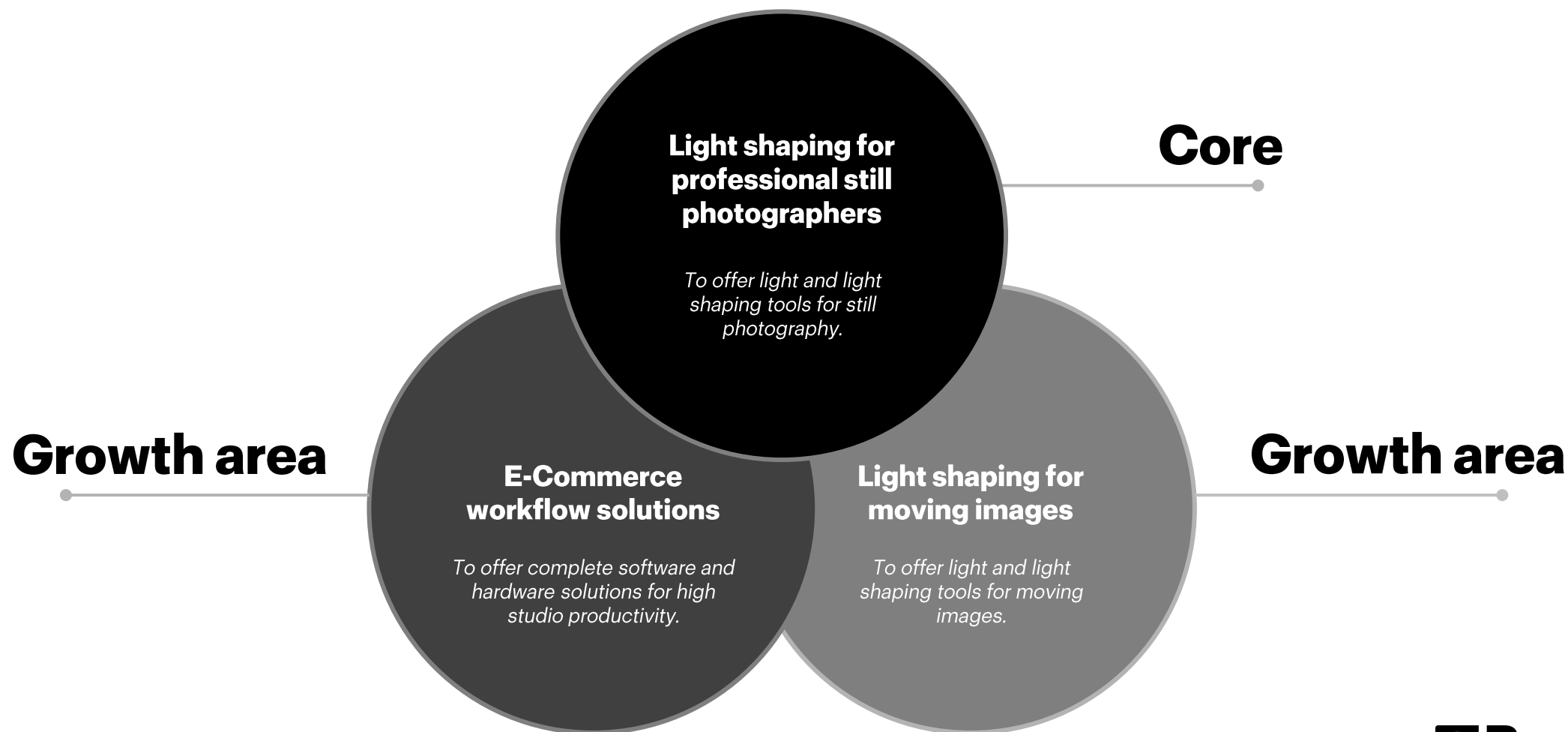


# Proven track record of successfully entering new market segments

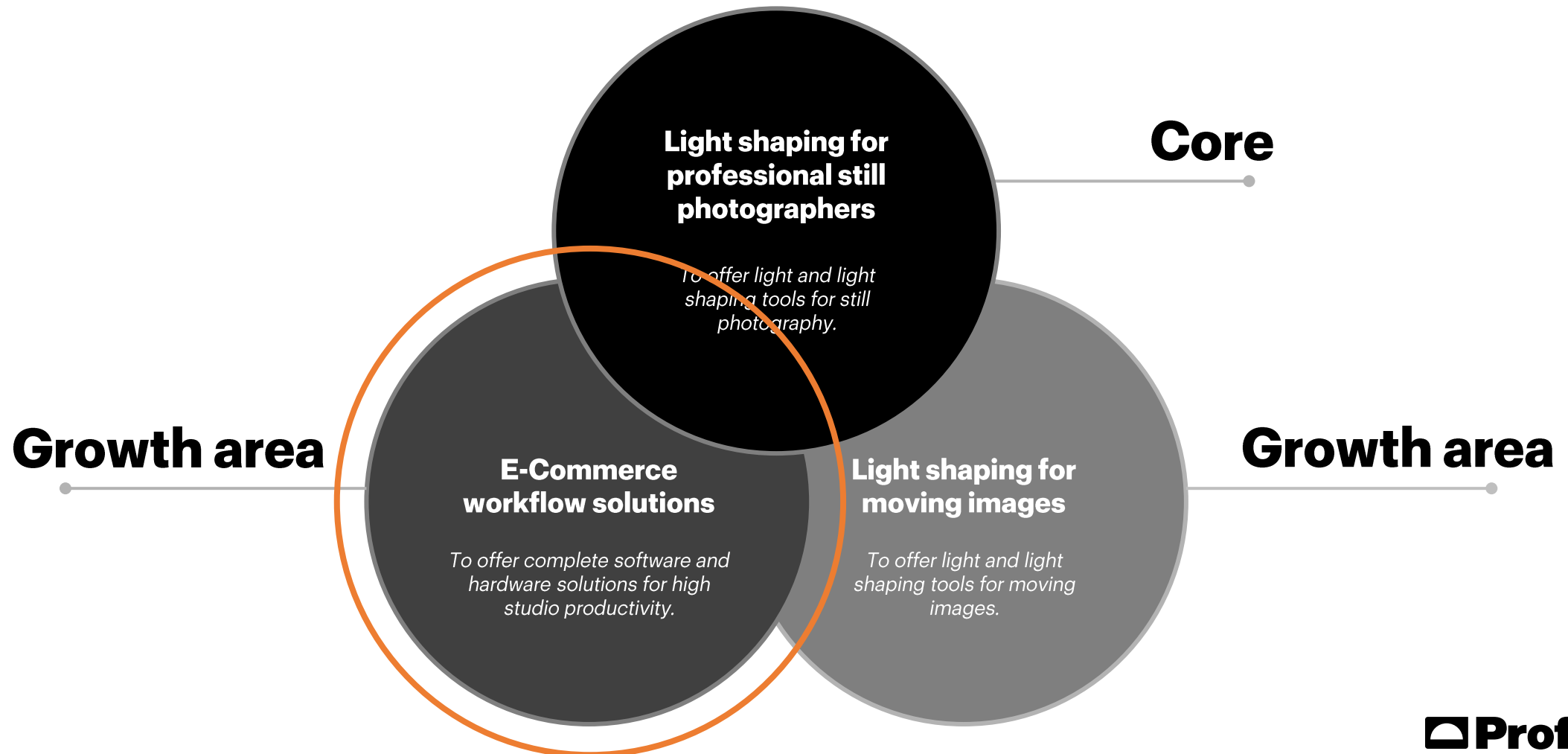




# We aim to grow in our core market while also investing in new growth areas



# During the quarter we have broadened our offer within e-commerce workflow solutions



# Launched Creative Automation - unique solution that enable studios to combine creativity with productivity



**Automation “All in one”**



**Creative Automation**



**Modular flexibility**

**Software**

**Scalable end-to-end solutions.**

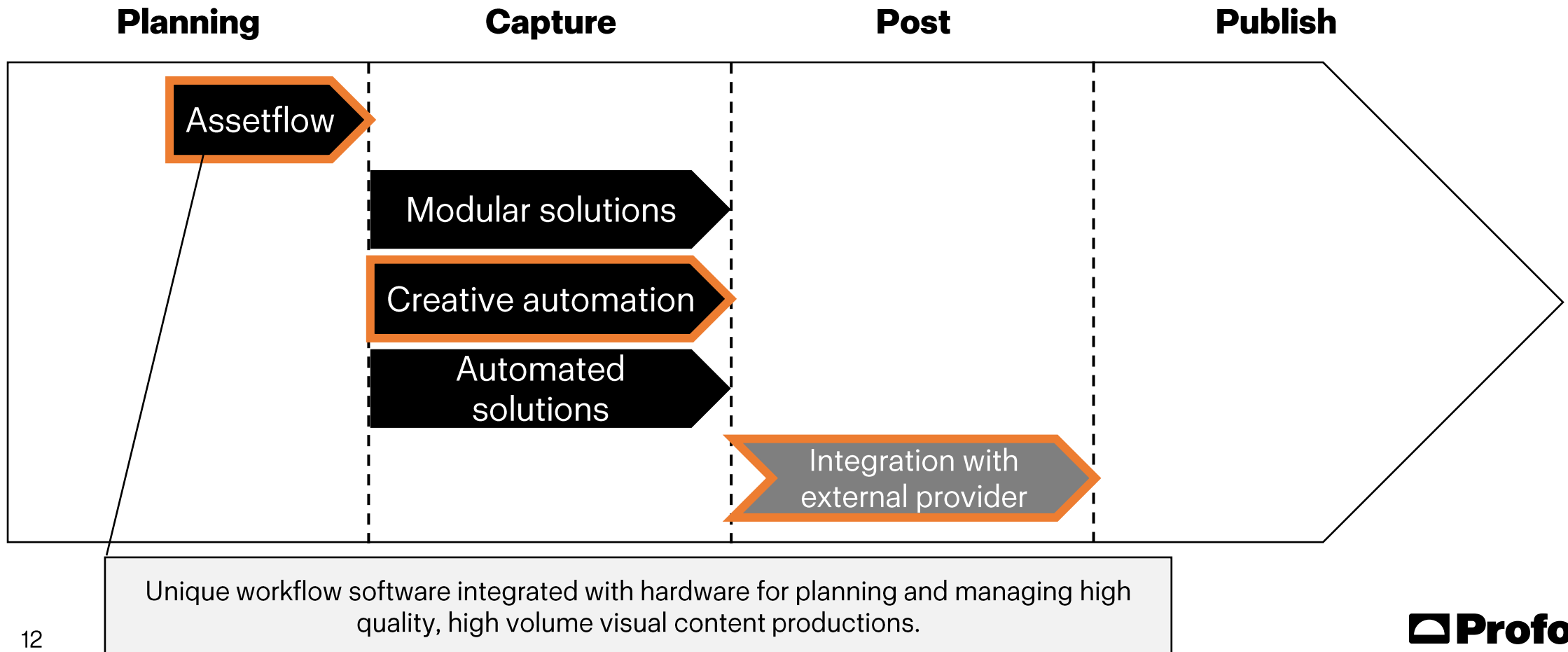
Higher need for productivity

**For stills and video. For everything from flat lays to editorials.**

Higher need for creativity



# We have broadened our offer within the visual content creation flow process



# Financial performance

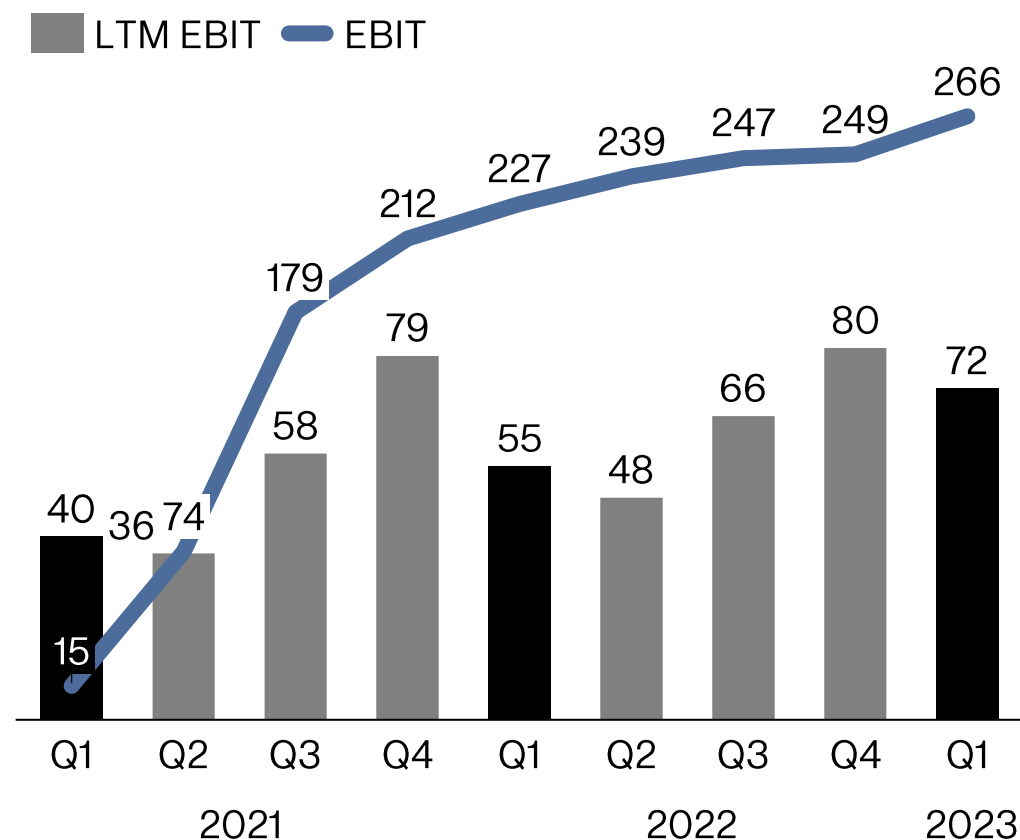
# Q1 2023

Profitable quarter and sales growth driven by currency and acquisition

**EBIT Q1**  
SEK 72m (55)  
+31%

**Net sales Q1**  
SEK 229m (196)  
+17%<sup>1</sup>

**EBIT margin Q1**  
31% (28)





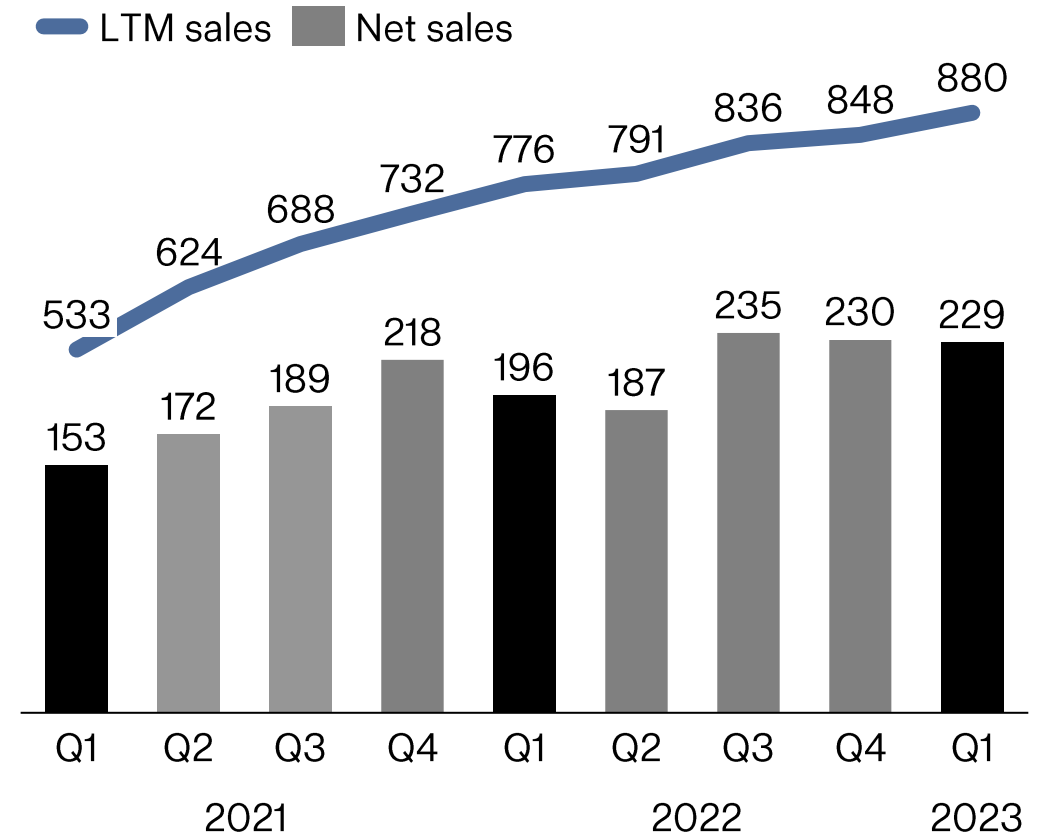
# LTM

Profitable LTM with 17% EBIT growth and organic sales growth down 5%

**EBIT LTM**  
SEK 266m (227)  
+17%

**Net sales LTM**  
SEK 880m (776)  
+14%<sup>1</sup>

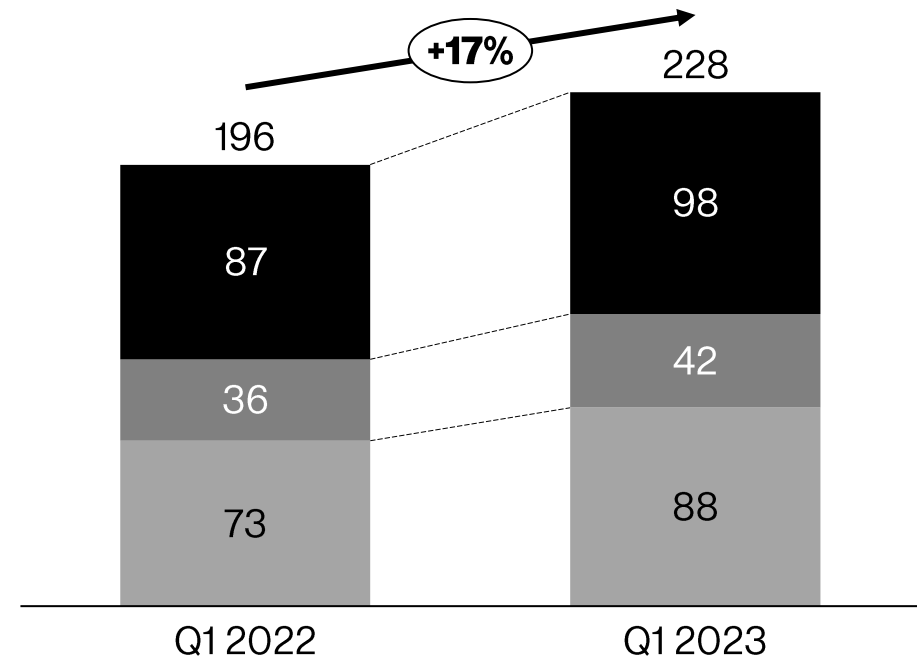
**EBIT margin LTM**  
30% (29)



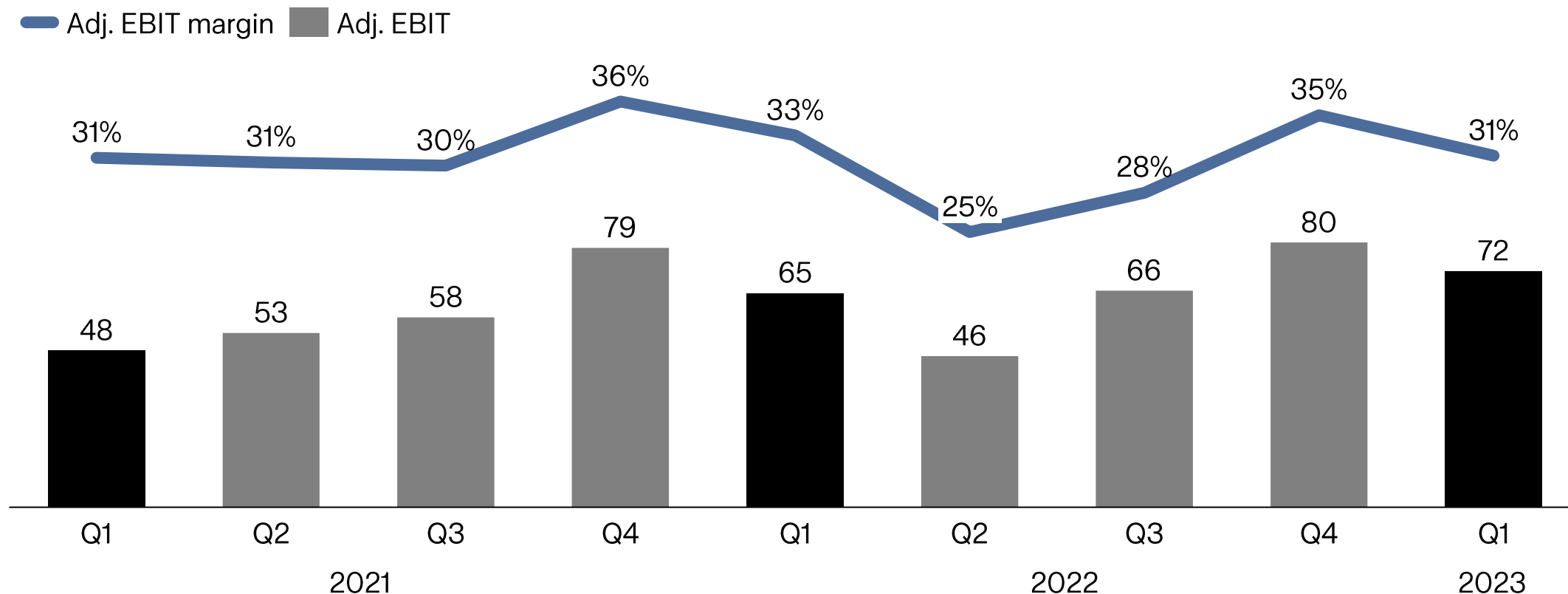


# Strong sales growth – supported by acquisition and currency effects

■ Americas ■ APAC ■ EMEA



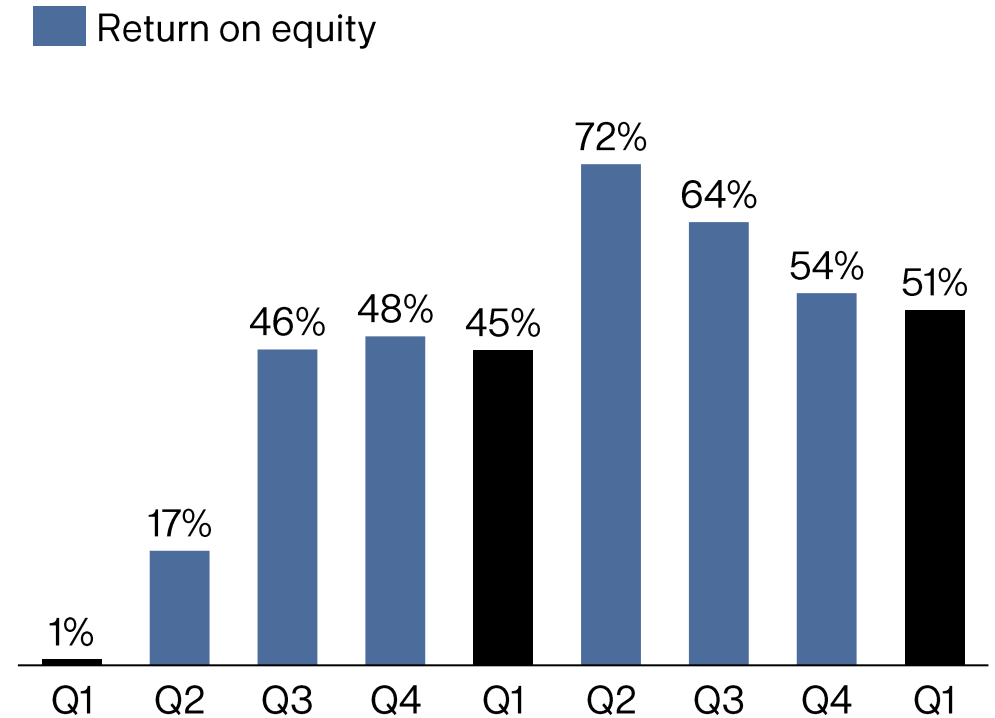
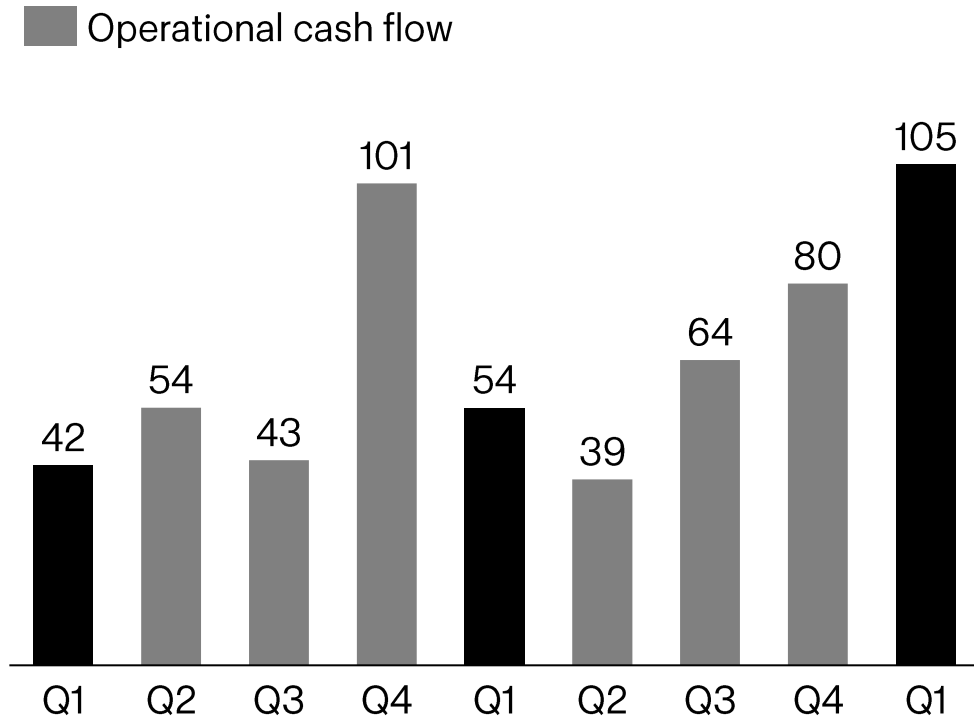
# Another profitable quarter driven by high sales



**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.



# Strong ROE and cash flow – Cash flow boosted by strong EBIT and reduced account receivables



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

	Target	Q1 2023
Organic net sales growth	10%	0%
EBIT margin	25-30%	31%
Dividend policy	> 50%	

# Questions





# Second quarter report, July 21, 2023

**Head of IR**



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