

**Good profitability
despite weak demand**
Profoto Q4 report 2023
February 6, 2024



Today's speakers

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Q4 Highlights

- **Net sales** decreased by 12 percent to SEK 204m. Organic growth amounted to -10 percent.
- **EBIT** was SEK 51m (80), corresponding to an EBIT margin of 25 percent (35).
- The **return on operating capital** totaled 49 percent (84).
- Proposed a **dividend** of SEK 3.75 (4.00) per share.

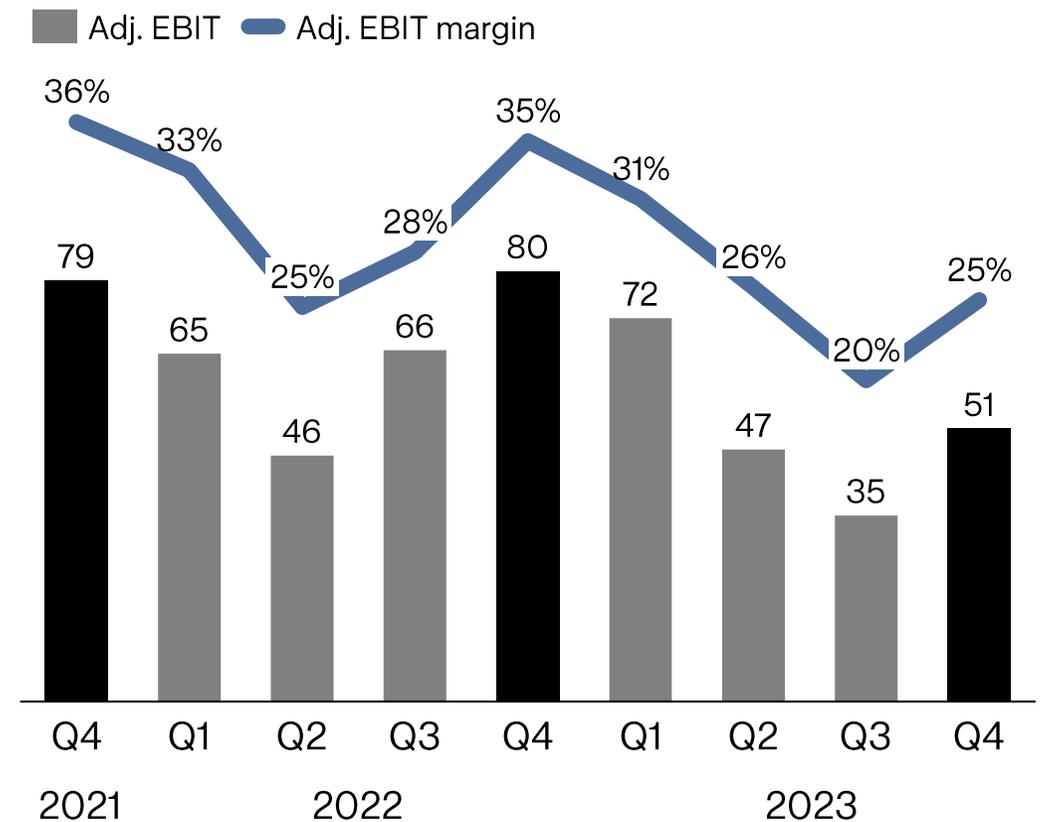
Q4 2023

EBIT margin back within financial target

EBIT Q4
SEK 51m (80)
-37%

Net sales Q4
SEK 204m (230)
-12%¹

EBIT margin Q4
25% (35)





Continued weak demand across regions - Some growth in APAC

Americas APAC EMEA

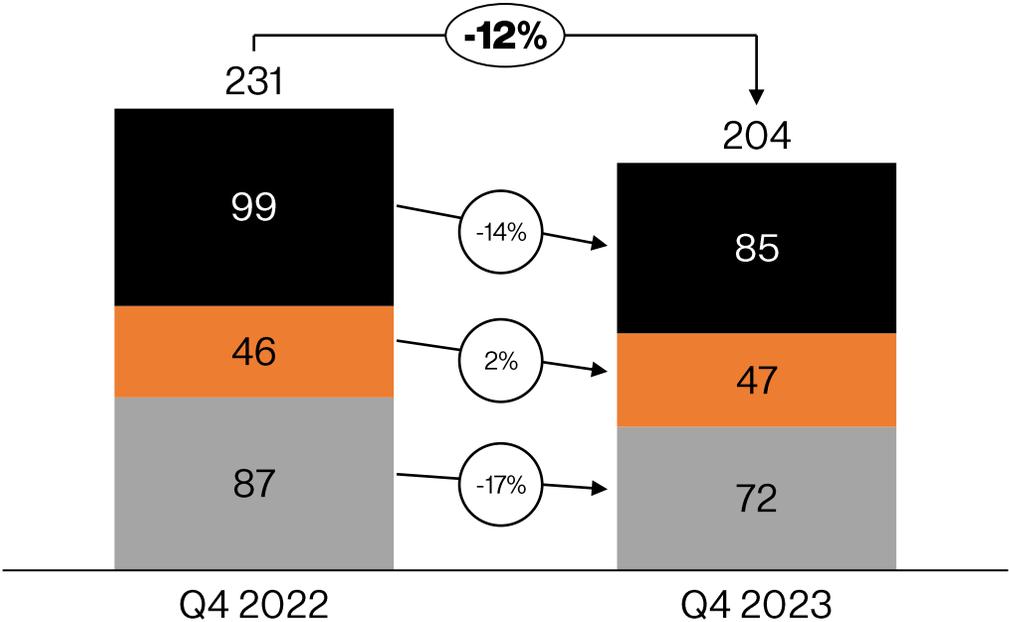


Photo credit: Julia De Robertis

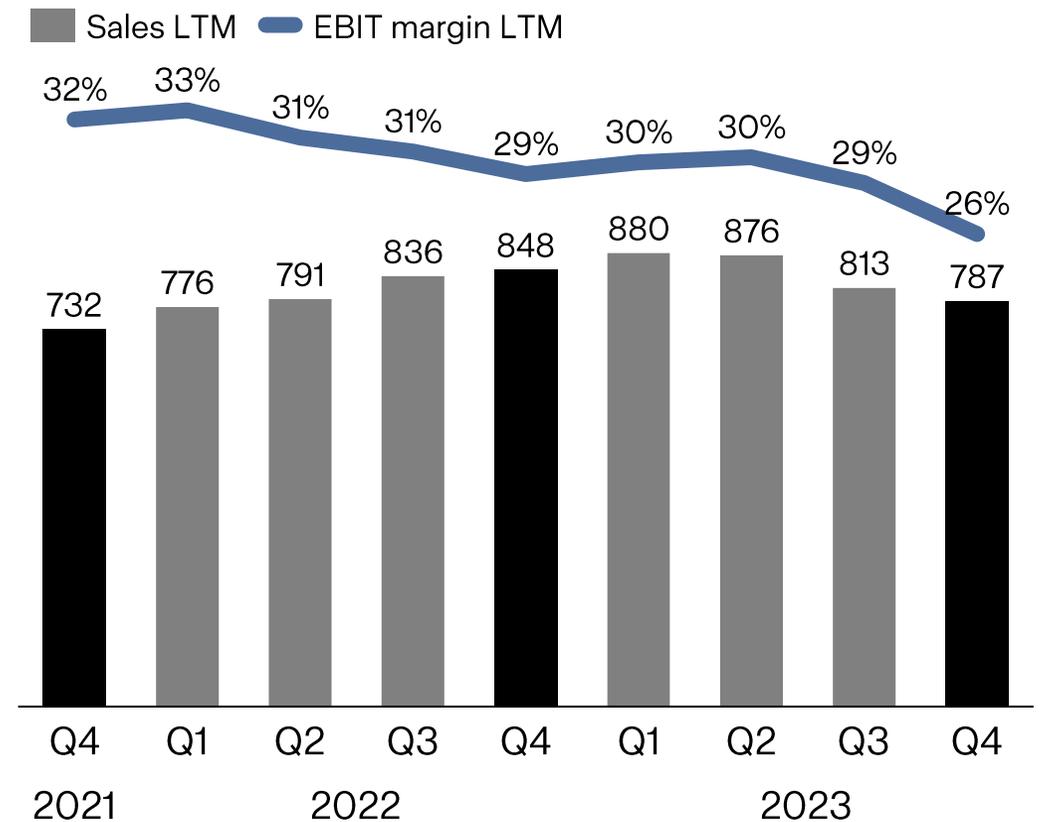
Last twelve months

A profitable year despite a weak market

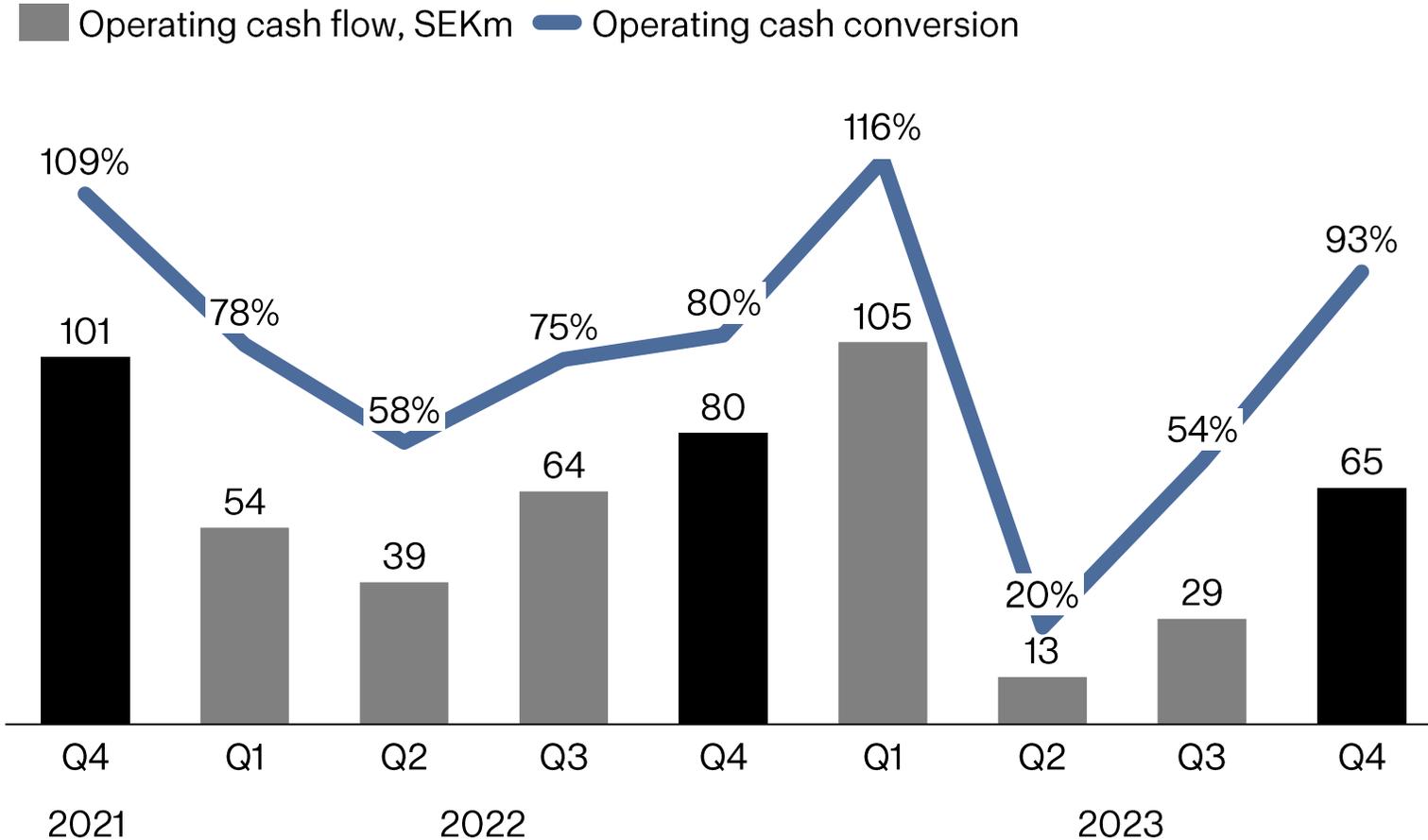
EBIT LTM
SEK 204m (249)
-18%

Net sales LTM
SEK 787m (848)
-7%¹

EBIT margin LTM
26% (29)

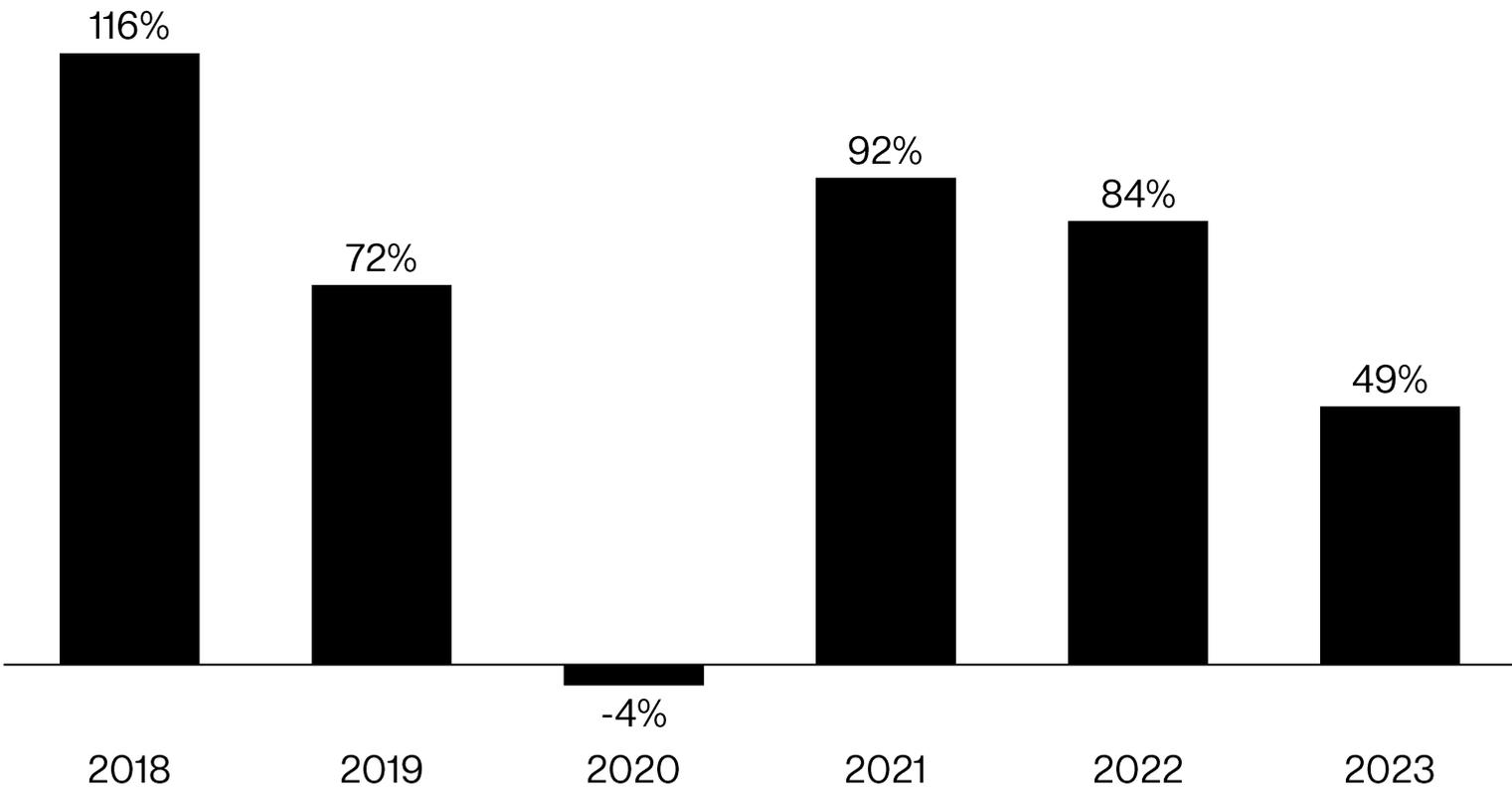


High operating cash conversion in the quarter

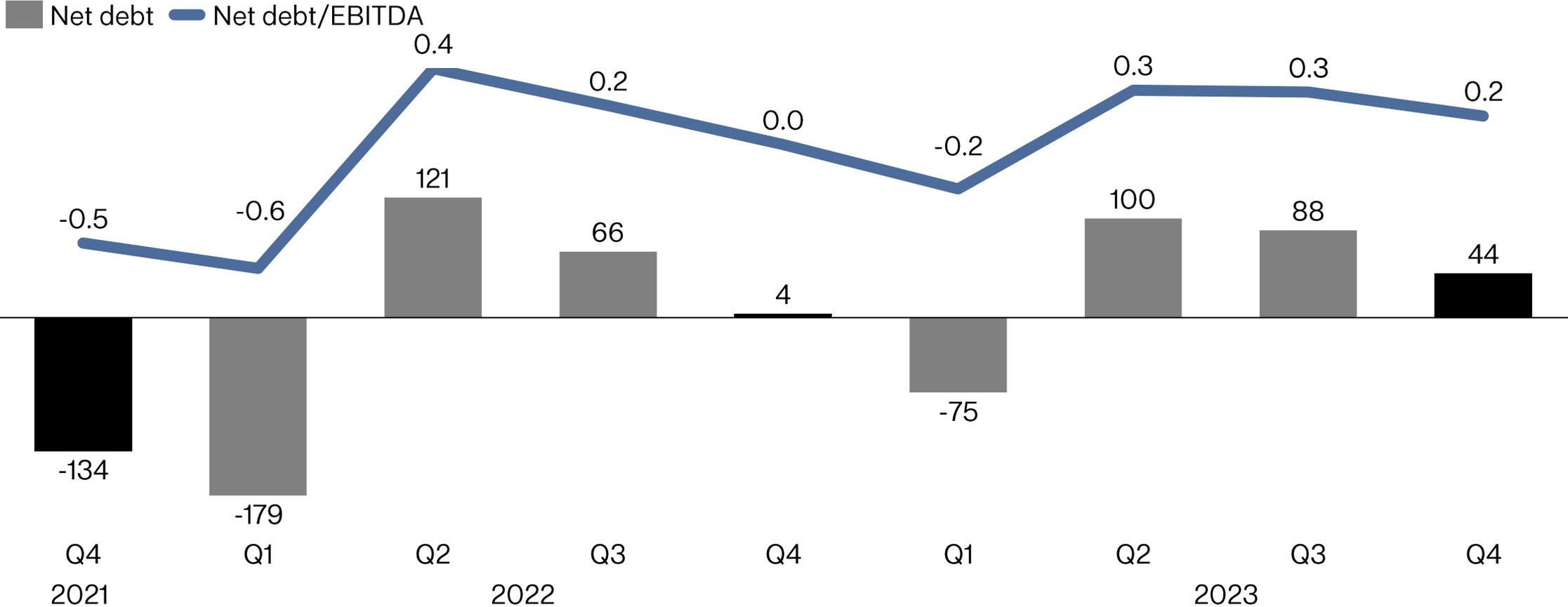


Operating model with consistent high levels of return on operating capital over time

Return on operating capital



Strong balance sheet, strategic flexibility to continue investing for growth



Profitability target achieved despite a weak market

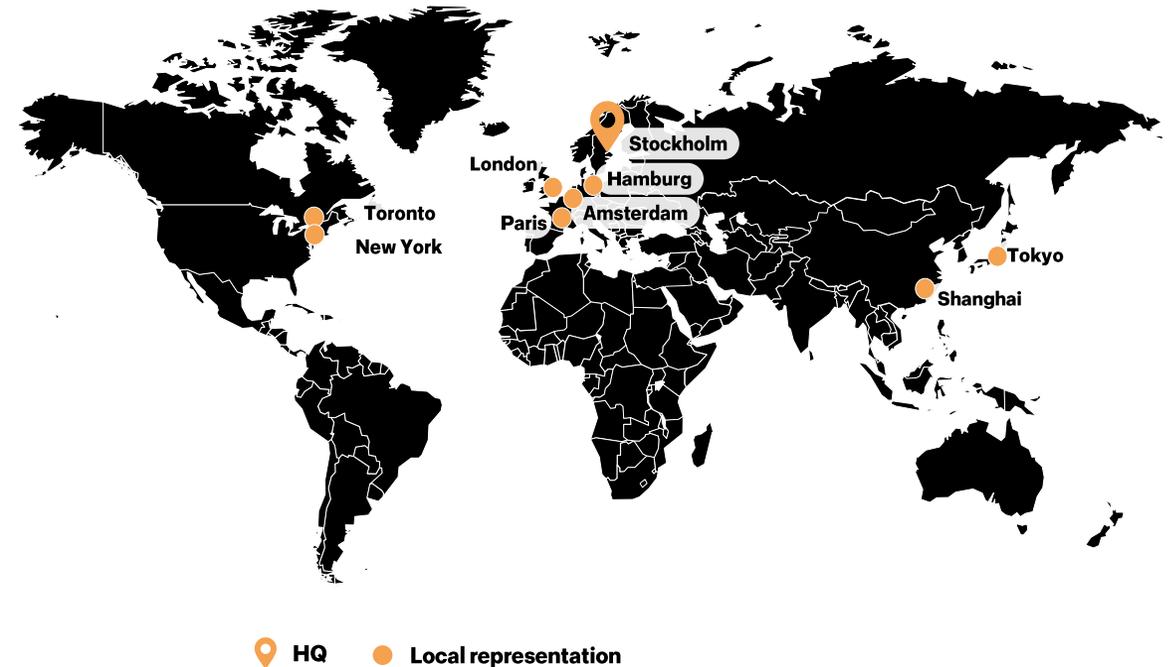
	Target	Q4 2023	2023
EBIT margin	25-30%	25%	26%
Organic sales growth	10%	-10%	-13%
Dividend policy	> 50%		97%

Premium positioned global niche leader

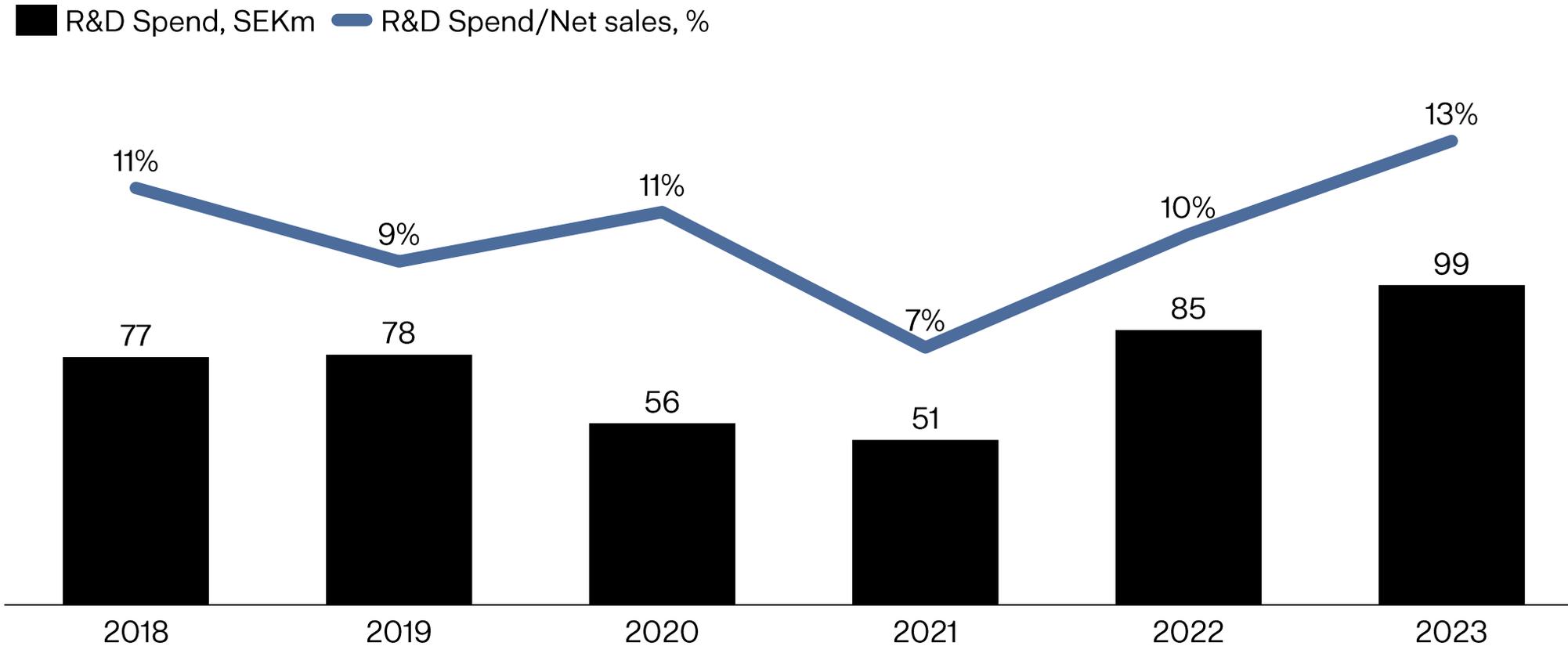
- Profoto is the **leader in a global niche** with a high barrier of entry.
- The brand is **used by the very best** photographers in the world.
- Founded in 1968 – more than 50 years of experience.
- Customer focus and quality products for growth.
- Entrepreneurial spirit and drive.

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.

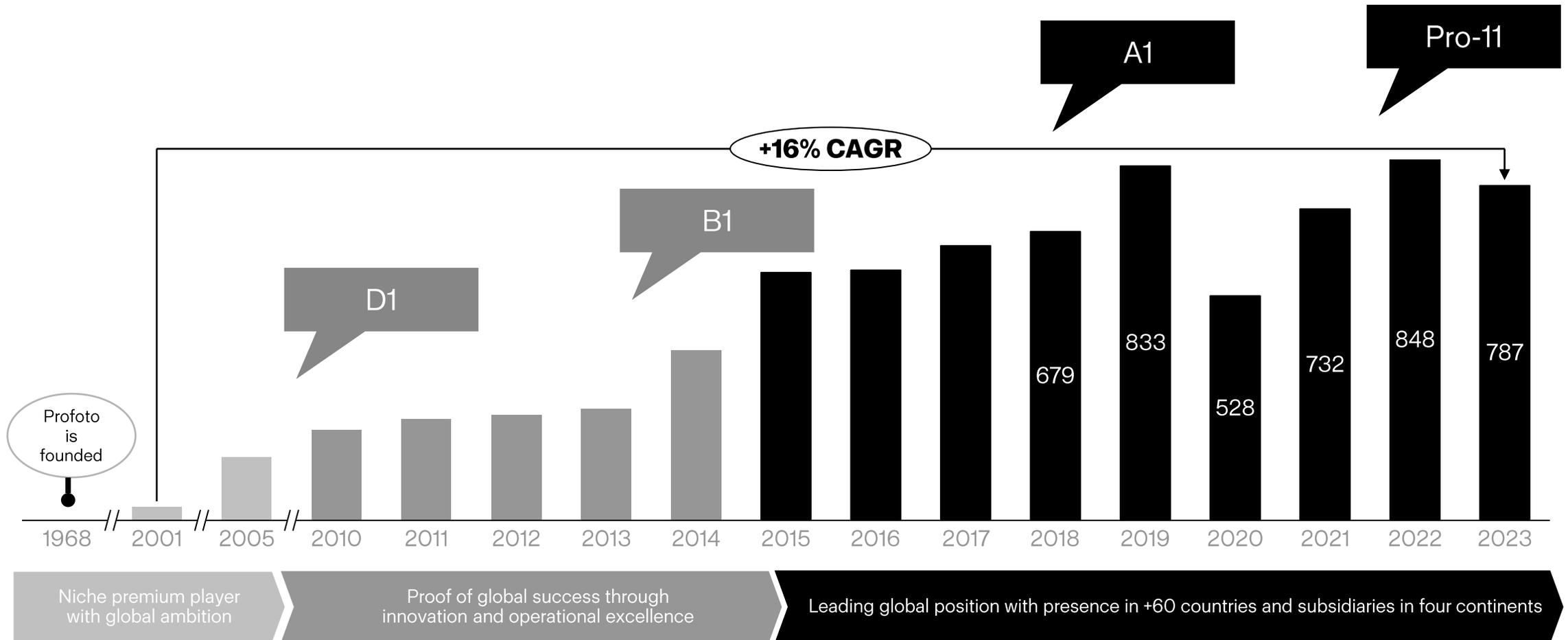


We continue to invest in R&D to drive demand



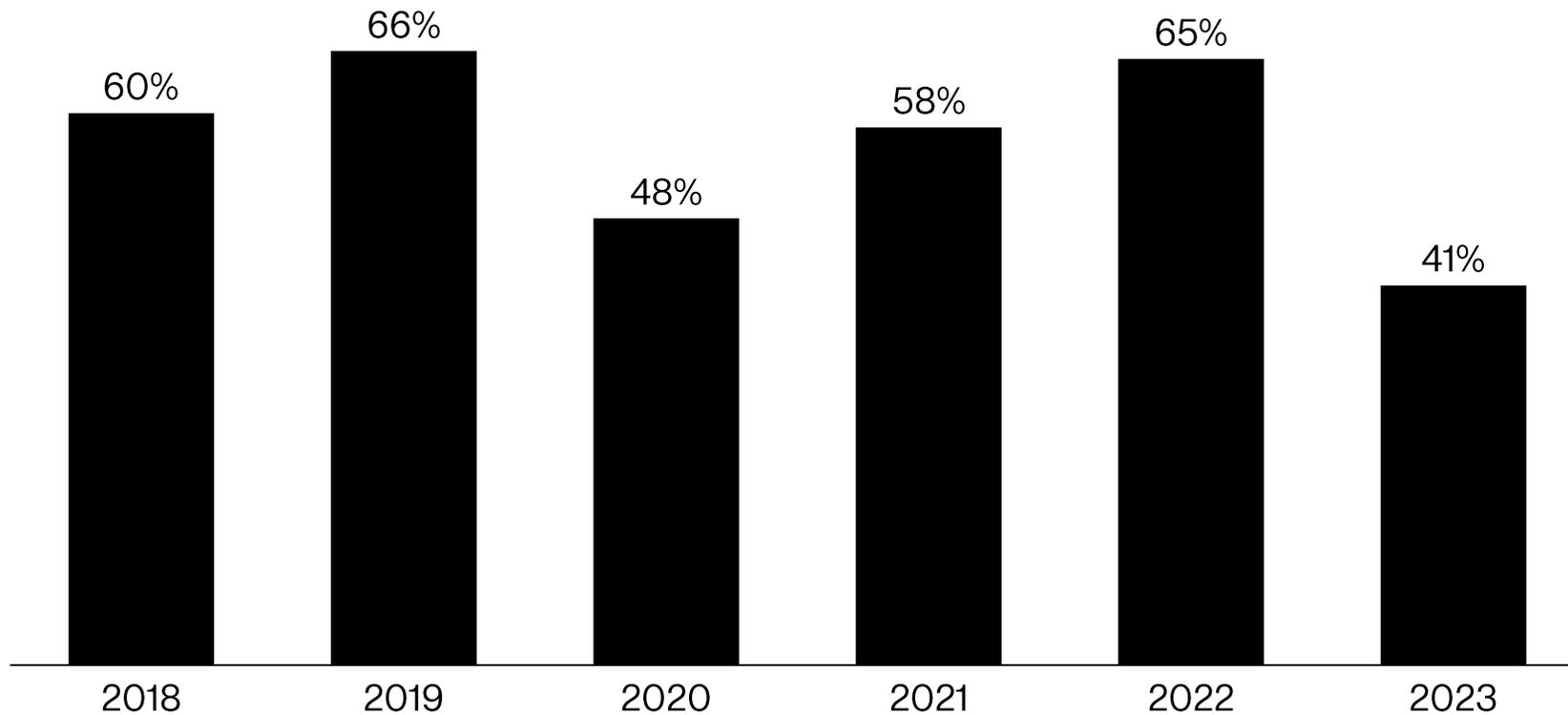
>20 years of +15% annual growth driven by new product introductions

Net sales, SEKm

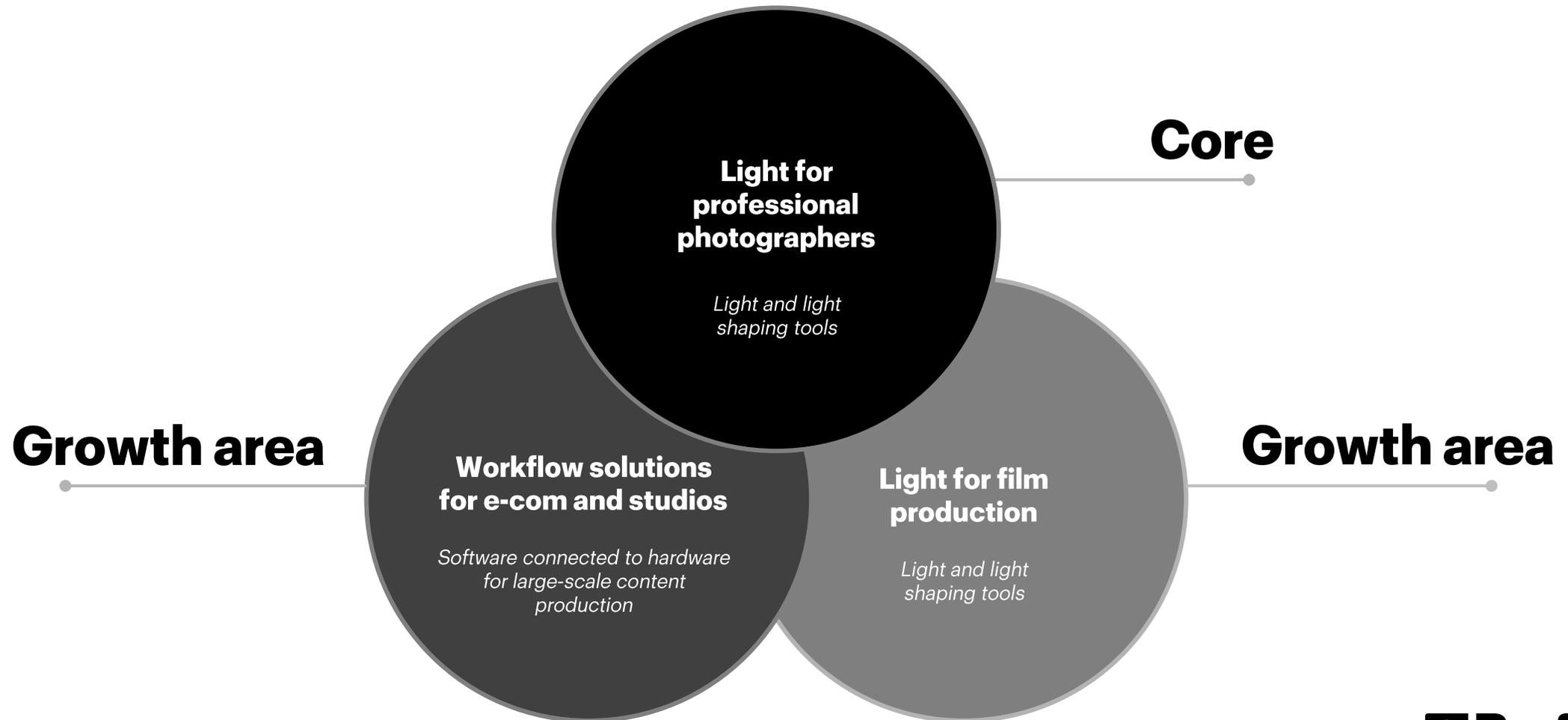


Large share of sales consistently comes from new products, but it has declined last twelve months

Share of sales from products introduced last 3 years (%)



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



Questions



First quarter report, May 14, 2024

Head of IR



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