

Year-end report

January 1 – December 31, 2024

Financial summary October–December 2024

- Net sales amounted to SEK 200m (204), a decrease of 1.8 percent. Organic growth amounted to -3.1 percent and currency effect to 1.3 percent.
- EBIT totaled SEK 57m (51), and the EBIT margin 28.7 percent (25.0).
- Adjusted EBIT totaled SEK 52m (51), and the adjusted EBIT margin 26.0 percent (25.0). Adjustments for the period related to a reduction of the liability for an acquisition-related earn-out of SEK 5m.
- Profit for the period totaled SEK 43m (37).
- The return on operating capital totaled 31.9 percent (49.0).
- Cash flow from operating activities totaled SEK 37m (65).
- Earnings per share (basic and diluted)¹ totaled SEK 1.08 (0.92).

Financial summary January–December 2024

- Net sales amounted to SEK 731m (787), a decrease of 7.1 percent. Organic growth amounted to -6.5 percent and currency effect to -0.6 percent.
- EBIT totaled SEK 167m (204), and the EBIT margin 22.9 percent (26.0).
- Adjusted EBIT totaled SEK 153m (204), and the adjusted EBIT margin 20.9 percent (26.0). Adjustments for the period related to a reduction of the liability for an acquisition-related earn-out of SEK 14m.
- Profit for the period totaled SEK 126m (155).
- Cash flow from operating activities was SEK 97m (211).
- Earnings per share (basic and diluted)¹ totaled SEK 3.15 (3.88).

Significant events after the end of the period

- The Board of Directors proposes a dividend of SEK 2.00 (3.75) per share, corresponding to a total amount of SEK 80m (150) divided into two instalments.
- In addition, the Board of Directors has decided on an extended dividend policy to also allow for repurchase of shares as follows: “Profoto aims to distribute at least 50 percent of its net profit to its shareholders through cash dividends and/or repurchase of shares while taking into account other factors such as financial position, cash flow and growth opportunities.”

For information and an explanation of alternative performance measures, see pages 18–20.

1) Calculated based on 40,000,000 ordinary shares before and after dilution.

Net sales
LTM

SEK 731m
(SEK 787m)

Adjusted EBIT
LTM

SEK 153m
(SEK 204m)

Adjusted EBIT margin
LTM

20.9%
(26.0%)

Return on operating
capital
LTM

31.9%
(49.0%)

Dividend per share
2024

SEK 2.00
(3.75)

All amounts are recognized in millions of SEK (SEKm) unless otherwise stated. Rounding differences of SEKm +/-1 may occur when adding up figures. Figures in parentheses represent the same period in the previous year.

Key ratios, Group

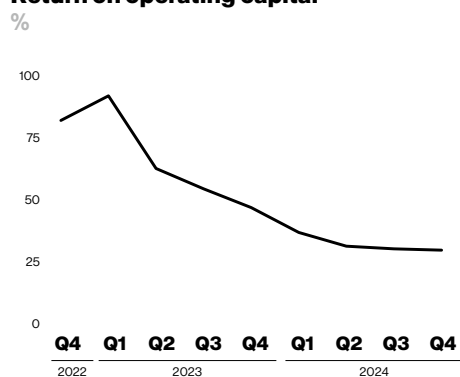
	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales, SEKm	200	204	731	787
Organic growth, %	-3.1	-10.1	-6.5	-12.6
EBITA, SEKm	67	63	204	258
EBITA margin, %	33.6	31.0	27.9	32.8
EBIT, SEKm	57	51	167	204
EBIT margin, %	28.7	25.0	22.9	26.0
Adjusted EBIT ¹ , SEKm	52	51	153	204
Adjusted EBIT margin ¹ , %	26.0	25.0	20.9	26.0
Profit/loss for the period, SEKm	43	37	126	155
Cash flow from operating activities, SEKm	37	65	97	211
Net debt ² , SEKm	235	44	235	44
Net debt/EBITDA LTM	1.04	0.16	1.04	0.16
Return on capital employed, %	28.7	37.9	28.7	37.9
Return on operating capital, %	31.9	49.0	31.9	49.0
Earnings per share, SEK ³	1.08	0.92	3.15	3.88

1) For information and explanations regarding alternative performance measures, see pages 18–20.

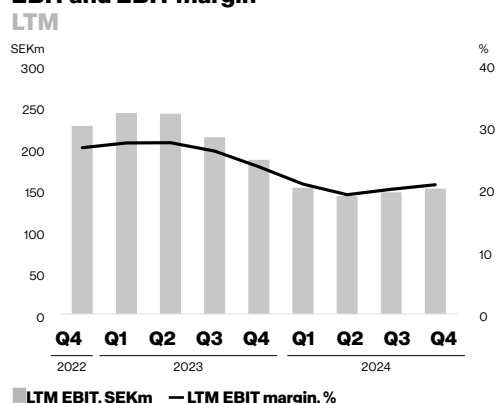
2) A negative amount indicates a positive net cash position.

3) Calculated based on 40,000,000 ordinary shares before and after dilution.

Return on operating capital



EBIT and EBIT margin



Successful product launches in a still challenging market

During the final quarter of the year, we saw a continued cautious market situation and a strengthened competitive situation, mainly for LED products. Reported sales decreased by 1.8 percent to SEK 200m (204) with organic growth of -3.1 percent. The weak market has to some extent been compensated for by successful product launches in the quarter primarily in North America and Europe. The development in Asia, mainly Japan and China, has continued to be weak.

Adjusted EBIT amounted to SEK 52m (51) with a healthy EBIT margin of 26.0 percent (25.0). The corresponding figures for the full year were SEK 153m (204) and 20.9 percent (26.0). The decrease for the year is attributable to lower sales combined with costs for recruitment and strategic investments in the marketing and sales organization.

Successful product launches in the quarter

After a period of few major product launches, we are now starting to see the results of our extensive investments in product development in recent years. These investments renew and strengthen our customer offering in flash. At the end of the year, we launched several products aimed at our most important customer groups, including Pro-B3 and D30. The reception of these products and the Pro-D3 launched earlier in the year has been in line with our high expectations, which is of course gratifying.

Launch of the company's first product aimed at the cinema lighting industry

During the first quarter we will be launching our first product aimed at the cinema lighting industry, the L1600D, which is the first in a series of upcoming products in our drive to target a market segment in LED for moving images. This market has the potential to become as large as our current core market in flash for professional photographers. Although we are at an early stage, the initial customer response has been positive to our product which offers a powerful light combined with a low weight and an innovative form factor.

Building on our strong global brand and our focus on premium products combined with a number of key recruitments, we are now ready to establish ourselves with high market activity in the major film industry markets of North America and the UK. We expect this to result in increased sales towards the end of the year.

Confidence for 2025

To summarize, macroeconomic conditions remain uncertain, which has a direct impact on underlying demand and thus our profitability. In addition, there is uncertainty surrounding the ongoing discussions on tariffs, but we are monitoring developments closely to be able to adapt to any changes. However, we



look forward to 2025 with great confidence as we now face a very exciting chapter in the company's development through our imminent entry into the global film market and with our recently launched and upcoming products.

Given this, I am confident that our disciplined and dedicated approach will continue to deliver results and I remain committed to our financial targets of at least 10 percent organic growth and 25-30 percent EBIT margin.

Sundbyberg, February 12, 2025

Anders Hedebark
President and CEO

Financial Overview

Fourth quarter, October 1 - December 31, 2024

Net sales

Net sales for the fourth quarter totaled SEK 200m (204), down 1.8 percent compared to the same quarter last year. Organic growth totaled -3.1 percent, and currency effect 1.3 percent.

Sales in the fourth quarter continued to be affected by the weak economic environment, mainly in Japan and China, but were partly offset by sales of newly launched products.

Regions*

Sales in EMEA amounted to SEK 76m (72), an increase of 6.4 percent compared to the previous year. In the Americas, sales totaled SEK 88m (85), corresponding to an increase of 3.6 percent.

Sales for APAC were SEK 35m (47), down 24.4 percent. The decrease was mainly driven by a declining demand in Japan and China resulting from weak economic conditions. For further information on sales by region, see note 2.

Operating profit/loss (EBIT)

Fourth quarter EBIT totaled SEK 57m (51), corresponding to an EBIT margin of 28.7 percent (25.0). The increase in EBIT compared to last year is mainly due to an item affecting comparability of SEK 5m related to an adjustment of the liability for an acquisition-related earn-out. Adjusted EBIT totaled SEK 52m, and the adjusted EBIT margin 26.0 percent.

Capitalized work for own account increased from SEK 24m to SEK 35m compared to last year, as a result of increased investment in product development and upgrade of ERP system and e-commerce platform. Compared to the corresponding quarter last year, personnel costs increased by SEK 4m and totalled SEK 44m (40). Other external costs totalled SEK 67m (54). The higher costs were mainly due to increased development expenses partly offset by higher capitalisation of work for own account as well as costs for the establishment of the sales organisation ahead of the entry into the film market.

Depreciation and amortization totalled SEK 15m (19), of which SEK 5m (7) was attributable to fixed assets and SEK 10m (12) to intangible fixed assets. Of the amortization of intangible assets, SEK 5m (7) related to amortization of capitalized development expenditure, SEK 10m (3) to amortization of surplus values from acquisitions, and SEK 0m (2) to amortization of other intangible assets. The decrease is due to the completion of depreciation of several development projects in 2023 but is expected to increase in 2025 in line with new product launches.

Financial items

Net financial items were negative, totaling SEK 1m (3). Interest income and other financial income totalled SEK 0m (1), net unrealized foreign exchange gains totalled SEK 2m (-2), and interest expenses related to lease liabilities and liabilities to credit institutions totalled SEK 3m (3).

Profit for the period and tax expenses

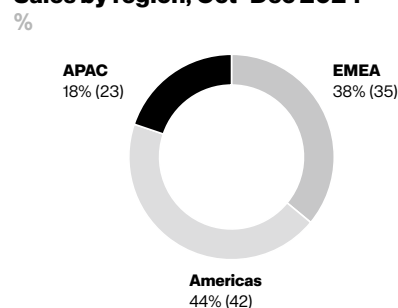
Profit for the period was SEK 43m (37). The tax expense was SEK 13m (11), of which SEK 18m (2) was current tax and SEK 4m (9) change in deferred tax. The effective tax rate for the period was 23.8 percent (22.8).

* Data on change in sales for the regions show change in SEK.

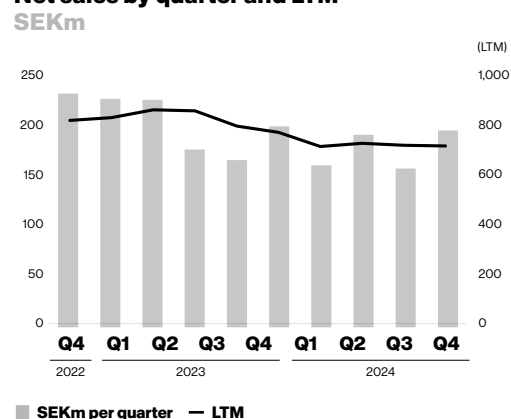
Change in net sales

	Oct-Dec 2024
Organic growth	-3.1
Currency effect	1.3
Total	-1.8

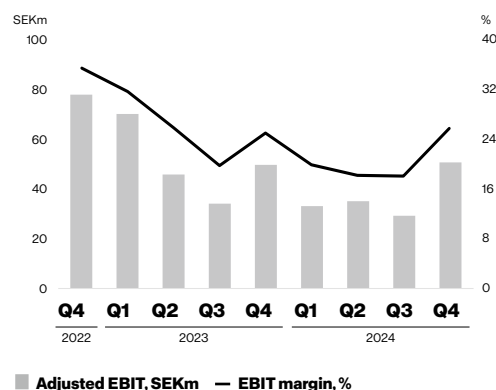
Sales by region, Oct-Dec 2024



Net sales by quarter and LTM



Adjusted EBIT and EBIT margin



Twelve-month period, January 1 – December 31, 2024

Net sales

Net sales for 2024 totaled SEK 731m (787), down 7.1 percent compared to the same period last year. Organic growth amounted to -6.5 percent, currency effect -0.6 percent.

2024 sales continued to be affected by the weak economy but have been partially offset by sales of newly launched products.

Regions*

Demand during the period continued to be affected by the weak economic environment. Sales in EMEA totaled SEK 263m (279), down 5.9 percent. Sales for the Americas totaled SEK 323m (338), a decline of 4.6 percent. Sales in APAC totaled SEK 145m (169), a decline of 14.1 percent.

Operating profit/loss (EBIT)

EBIT for the period totaled SEK 167m (204), corresponding to an EBIT margin of 22.9 percent (26.0). The decrease in EBIT compared to the previous year was mainly an effect of lower sales. Adjusted EBIT totaled SEK 153m, and the adjusted EBIT margin was 20.9 percent. The difference of SEK 14m relates to an adjustment of the liability for an acquisition-related earn-out.

Capitalized work for own account increased from SEK 70m to SEK 113m compared to last year as a result of an increased rate of investment in product development. Other external costs totaled SEK 229m (185) and personnel costs totaled SEK 172m (159). The increases were mainly due to higher development costs and were offset by the increase in capitalized work for own account.

Depreciation and amortization for the period totaled SEK 58m (77), of which SEK 22m (24) was attributable to property, plant and equipment and SEK 37m (54) to intangible assets. Of the amortization of intangible assets, SEK 20m (32) was related to amortization of capitalized development expenditure, SEK 17m (15) to amortization of surplus values from acquisitions, and SEK 1m (7) to amortization of other intangible assets.

Financial items

Net financial items were negative and totaled SEK 9m (7). Interest income totaled SEK 1m (3), net unrealized foreign exchange gains SEK 1m (-3) in 2024, and interest expenses related to lease liabilities and liabilities to credit institutions totaled SEK 12m (7).

Profit for the period and tax expenses

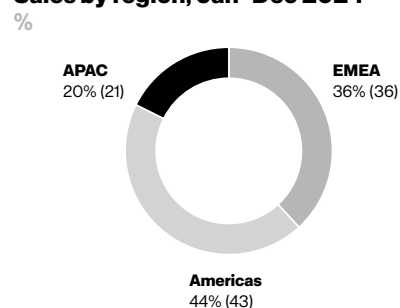
Net profit was SEK 126m (155). Tax expenses were SEK 32m (42), of which SEK 20m (35) was current tax and SEK 12m (7) was change in deferred taxes. The effective tax rate for the period was 20.1 percent (21.2).

* Data on change in sales for the regions show change in SEK.

Change in net sales

	Jan-Dec 2024
Organic growth	-6.5
Currency effect	-0.6
Total	-7.1

Sales by region, Jan-Dec 2024



Financial Position and Other Information

Product development and other investments

Total product development expenses amounted to SEK 42m (29) in the fourth quarter and SEK 134m (99) for the full year 2024, of which SEK 31m (21) was capitalized as investments in product development in the fourth quarter and a total of SEK 96m (67) for the full year 2024. The total book value of capitalized development expenses amounted to SEK 214m (137), technology to SEK 60m (74) and other intangible assets to SEK 25m (5) as of December 31, 2024. Product development expenses expensed in the fourth quarter amounted to SEK 11m (8) and to SEK 38m (32) for the full year 2024. The expenses were mainly related to product maintenance costs, pre-study projects and project-wide administrative costs not attributable to the development of specific products. During the period, SEK 4m (3) was capitalized as other intangible assets, which related to ERP system and e-commerce platform upgrades. During the quarter SEK 5m (3) and during the full year SEK 14m (14) was invested in tools and equipment mainly related to ongoing development projects. During the fourth quarter, SEK 4m (3) was capitalized and during the full year SEK 17m (3) related to other intangible assets.

Working capital and cash flow

Inventories at the end of the fourth quarter totaled SEK 168m (164), and accounts receivable totaled SEK 102m (78). Accounts payable were SEK 56m (59). Cash flow from operating activities for the quarter amounted to SEK 37m (65), and for the full year 2024, SEK 97m (211).

Return on operating capital

EBIT LTM as of December 31, 2024, totaled SEK 167m (204), while operating capital LTM totaled SEK 523m (417). The return on operating capital thus totaled 31.9 percent (49.0). For further information and an explanation, see alternative performance measures on page 18.

Financial position and liquidity

On December 31, 2024, consolidated equity totaled SEK 370m (396). Cash and cash equivalents totaled SEK 21m (95). The Group showed a net debt of SEK 235m (44). Interest-bearing liabilities totaled SEK 256m (139), of which lease liabilities were SEK 40m (41). Available and unutilized RCF loans at the end of the fourth quarter totaled SEK 100m.

Financial targets

The Group's financial targets focus on growth, profitability and dividend level and are defined as:

- 1) Net sales growth: Over time, achieve annual organic net sales growth of over 10 percent in constant currency.
- 2) Profitability: Achieve an EBIT margin of 25–30 percent, while maintaining year-on-year growth in EBIT.
- 3) Dividend policy: Profoto aims to distribute at least 50 percent of its net profit to its shareholders through cash dividends and/or repurchase of shares while taking into account other factors such as financial position, cash flow and growth opportunities.

Employees

The average number of employees in Q4 2024 was 147 (139), of which 64 (68) were employed in sales companies in China, Japan, Germany, France, the US, the UK and the Netherlands.

Dividend

For the financial year 2024, the Board of Directors proposes a dividend of SEK 2.00 per share, divided into two instalments. The first payment of SEK 1.00 per share will be made in May, with a record date of May 13, 2025. The second payment of SEK 1.00 per share will be made in October, with a record date of October 21, 2025. The proposal implies a total dividend of SEK 80m, corresponding to 63.5 percent of the Group's profit in 2024.

Significant events during October–December

There were no other significant events during the period.

Significant events after the end of the period

The Board of Directors has decided on an extended dividend policy to also allow for repurchase of shares as follows: "Profoto aims to distribute at least 50 percent of its net profit to its shareholders through cash dividends and/or repurchase of shares while taking into account other factors such as financial position, cash flow and growth opportunities."

Owners

On December 31, 2024, Profoto had 1,695 owners, of which the ten largest were:

Owners	Number of shares	%
Anders and Helén Hedebark	15,252,321	38.1
Conny Dufgran	6,120,000	15.3
Lovisa Hamrin (Herenco)	4,411,148	11.0
Lannebo Kapitalförvaltning	2,560,279	6.4
Svolder	2,100,000	5.2
Hans Eckerström	1,230,508	3.1
Aeternum Capital AS	1,150,000	2.9
Investment AB Spiltan	823,846	2.1
Life insurance company Skandia	490,530	1.2
Skandia Fonder	416,954	1.0

The Profoto share

Profoto Holding AB (publ) has been listed on the Nasdaq OMX Stockholm Mid Cap list since July 1, 2021. The number of shares amounts to 40m. A list of the largest shareholders is updated on the company's website <https://investors.profoto.com> at the end of each month.

2025 AGM

Profoto's AGM will take place on Tuesday, May 9, at 1.00 p.m. at Profoto's premises at Landsvägen 57 in Sundbyberg, Sweden. Shareholders who wish to have a matter addressed at the AGM must, in order for the request to be considered with certainty, submit the proposal to the Board of Directors agm@profoto.com no later than March 21, 2025. Shareholders who wish to submit proposals regarding the Board of Directors, Chairman of the Board, Chairman of the AGM or the Nomination Committee for next year's AGM may, no later than March 21, 2025, contact Profoto's Nomination Committee via nomination@profoto.com or by mail to Profoto Holding AB (publ), Attn: Nomination Committee, Box 1264, Landsvägen 57, 172 25 Sundbyberg, Sweden.

Parent Company

Profoto Holding AB (publ) with registration number 556810-9879 is the Parent Company of the Group.

The Parent Company is a holding company with management fees to other Group companies of SEK 6.6m (5.0) as the only income in the fourth quarter, and with personnel expenses and other external costs related to the management of the Group as expenses.

Operating profit (EBIT) totaled SEK 4.5m (-0.0) for the fourth quarter. Current assets were SEK 35.6m (1.1) and total current liabilities were SEK 157.1m (20.8). Other noncurrent liabilities totaled SEK 0.0m (8.3) at the end of the fourth quarter, as the vendor note from the acquisition of StyleShoots has been settled.

Significant risks and uncertainties

Profoto Group is an international group exposed to operational risks, industry and market-related risks, legal and tax risks, as well as financial risks and sustainability and climate risks.

Current market turmoil such as inflation, increased interest rates and geopolitical conflicts have contributed to market uncertainty, which may have a negative effect on Profoto's sales and earnings.

Risk management is a normal part of business and helps to create added value. Risk management is monitored by management and reported to the Board of Directors, which bears the ultimate responsibility.

A more comprehensive description of the risks can be found in the 2023 Annual and Sustainability Report available at <https://investors.profoto.com>.

Other information

About Profoto

Profoto was founded more than 50 years ago and has since then been a world leader in lighting equipment for professional photographers, driving innovation and awareness of how to create better images through light. We know that light is the indispensable source in all image creation – regardless of camera or situation. Creating great images is about mastering and shaping light. The end users are professional photographers and commercial customers, including major consumer brands and e-commerce companies. The company currently has sales in 51 countries worldwide. Net sales in 2024 totaled SEK 731m with an EBIT margin of 23 percent. Profoto has 148 employees at its headquarters in Stockholm and in subsidiaries in the USA, Japan, China, Germany, France, England and the Netherlands.

Financial calendar

Annual Report 2024 – April 10, 2025
Interim Report Q1 2025 – May 9, 2025
AGM 2025 – May 9, 2025
Interim Report Q2 2025 – July 18, 2025
Interim Report Q3 2025 – October 23, 2025

Conference call

Profoto Holding AB (publ) will publish its year-end report for 2024 on Wednesday, February 12 at 8:00 a.m. CET. At 10:00 a.m. CET the same day, a webcast teleconference will be held where Anders Hedebark, President and CEO, will present the report together with acting CFO Linus Marmstedt. The presentation will be followed by a Q&A session. The presentation will be held in English. If you wish to participate via the webcast, please click on the link below.

<https://profoto.events.inderes.com/q4-report-2024>

If you wish to participate via teleconference, please register via the link below. After registering, you will receive a phone number and a conference ID to log into the conference. The conference call will provide an opportunity to ask questions.

<https://conference.inderes.com/teleconference/?id=5007996>

For further information, please contact

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This information is insider information that Profoto Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 8:00 a.m. on February 12, 2025.

This report has not been audited by the company's auditors.

Stockholm, February 12, 2025

Anders Hedebark
President and CEO

Consolidated Financial Statements

Consolidated statement of profit and loss

SEKm	Note	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales	2	200	204	731	787
Other income ¹		10	0	21	6
Total revenue		210	204	751	793
Capitalized work for own account		35	24	113	70
Goods		-61	-59	-237	-226
Other external expenses		-67	-54	-229	-185
Personnel expenses		-44	-40	-172	-159
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		-15	-19	-58	-77
Other operating expenses ¹		-	-6	-	-
Operating profit/loss (EBIT)		57	51	167	204
Finance income and costs					
Finance income		1	1	2	3
Finance costs		-2	-4	-12	-10
Profit/loss before tax		57	48	158	197
Tax		-13	-11	-32	-42
Profit/loss for the period		43	37	126	155
<i>Attributable to:</i>					
Owners of the Parent Company		43	37	126	155
Basic and diluted earnings per share ² , SEK		1.08	0.92	3.15	3.88

1) Starting from December 2024, the company reports exchange rate effects on a net basis. Comparative figures for the previous year have been adjusted to ensure consistent reporting.

2) Calculated on the basis of 40,000,000 ordinary shares, basic and diluted.

Consolidated statement of comprehensive income

SEKm	Note	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Profit/loss for the period		43	37	126	155
<i>Other comprehensive income items that may be reclassified to the consolidated statement of profit and loss:</i>					
Translation differences for the period		-3	3	-2	6
Total comprehensive income for the period		40	40	124	161
<i>Attributable to:</i>					
Parent Company shareholders		40	40	124	161

Consolidated statement of financial position

SEKm	Note	Dec 31 2024	Dec 31 2023
ASSETS			
Noncurrent assets			
Intangible fixed assets			
	5		
Capitalized development expenditure		214	137
Technology, customer assets and brand		60	74
Other intangible assets		25	5
Goodwill		132	128
Total intangible assets		430	343
Property, plant and equipment			
Leased assets		39	40
Equipment, tools and installations		35	31
Leasehold improvements		1	0
Total property, plant and equipment		76	71
Financial assets			
		4	2
Deferred tax assets			
		24	24
Total noncurrent assets		534	441
Inventories			
		168	164
Current receivables			
Accounts receivable		102	78
Current tax assets		31	7
Other current assets		6	8
Prepayments and accrued income		8	7
Total current receivables		148	100
Cash and cash equivalents			
		21	95
Total current assets		338	358
TOTAL ASSETS		872	799

Cont. Condensed consolidated statement of financial position

SEKm	Note	Dec 31 2024	Dec 31 2023
EQUITY AND LIABILITIES			
Total equity		370	396
Noncurrent liabilities			
Liabilities to credit institutions		0	1
Other noncurrent liabilities		0	8
Lease liabilities		29	31
Provisions		7	8
Deferred tax liabilities		117	104
Total noncurrent liabilities		153	152
Current liabilities			
Liabilities to credit institutions		217	79
Lease liabilities		11	10
Provisions		8	12
Accounts payable		56	59
Current tax liabilities		0	6
Other current liabilities		2	25
Accrued expenses and deferred income		53	59
Total current liabilities		347	250
TOTAL EQUITY AND LIABILITIES		872	799

Consolidated statement of changes in equity

SEKm	Share capital	Translation reserve	Other contributed capital	Retained earnings including profit/loss for the period	Total equity
Opening balance at January 1, 2024	1	6	3	385	396
Profit/loss for the period	-	-	-	126	126
Total other comprehensive income	-	-3	-	1	-2
Total comprehensive income	-	-3	-	127	124
Option premiums	-	-	1	-	1
Dividend to shareholders	-	-	-	-150	-150
Closing balance on December 31, 2024	1	3	4	363	370
Opening balance January 1, 2023	1	0	-	390	391
Profit/loss for the period	-	-	-	155	155
Total other comprehensive income	-	6	-	-	6
Total comprehensive income	-	6	-	155	161
Option premiums	-	-	3	-	3
Dividend to shareholders	-	-	-	-160	-160
Closing balance on December 31, 2023	1	6	3	385	396

Consolidated statement of cash flows

SEKm	Note	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Cash flow from operating activities					
Operating profit/loss		57	51	167	204
Adjustments for items not affecting the cash flow:					
Depreciation, amortization and impairment of noncurrent assets		15	18	58	77
Adjustment for other noncash items		4	-3	12	-3
Interest received		0	0	0	2
Interest paid		-3	-3	-12	-7
Income tax paid		-7	-11	-50	-54
Cash flow from operating activities before changes in working capital		65	52	177	218
Changes in working capital					
Decrease (+)/increase (-) in inventories		-26	-13	-34	-31
Decrease (+)/increase (-) in accounts receivable		-30	2	-42	19
Decrease (+)/increase (-) in other receivables		-6	-1	-19	-2
Decrease (-)/increase (+) in accounts payable		25	24	22	8
Decrease (-)/increase (+) in other current liabilities		9	1	-6	-2
Cash flow from operating activities		37	65	97	211
Investing activities					
Investments in intangible fixed assets		-35	-24	-113	-78
Acquisition of property, plant and equipment		-5	-3	-19	-14
Investments in other intangible assets		-	-	-1	-
Acquired subsidiary		-	-	-	-17
Cash flow from investing activities		-40	-27	-133	-109
Financing activities					
Repayment of external loans		-12	-9	-24	-15
Amortization of leasing liability		-4	-3	-15	-14
New loans		2	12	150	31
Payment of option premiums		-	-	1	3
Buyback of option premiums		0	-	0	-
Dividends paid		-	-	-150	-160
Cash flow from financing activities		-14	-1	-38	-155
Cash flow for the period		-17	37	-74	-53
Cash and cash equivalents at beginning of period		36	58	95	150
Exchange rate differences in cash and cash equivalents		2	-0	0	-2
Cash and cash equivalents at end of period		21	95	21	95

Parent Company Financial Statements

Parent Company Income Statement

SEKm	Note	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales		6.6	5.0	21.6	18.2
Operating expenses					
Other external expenses		-1.5	-0.8	-6.4	-6.8
Personnel expenses		-0.4	-4.2	-11.4	-13.5
Depreciation, amortization and impairment of intangible and tangible fixed assets		-0.1	-	-0.2	-
Operating profit/loss (EBIT)		4.5	-0.0	3.6	-2.2
Profit/loss from financial items					
Income from participations in Group companies		59.0	140.0	59.0	140.0
Interest income and similar income statement items		0.0	6.1	0.0	11.8
Interest and similar expenses		-4.7	-	-11.1	-11.6
Profit after financial items		58.8	146.1	51.5	138.0
Appropriations		7.1	-0.6	7.1	-0.6
Profit/loss before tax		65.9	145.5	58.6	137.4
Tax on profit/loss for the period		-1.4	-1.1	0.5	0.5
Profit/loss for the period		64.5	144.3	59.1	137.9

Parent Company balance sheet

SEKm	Note	Dec 31 2024	Dec 31 2023
ASSETS			
Noncurrent assets			
Intangible fixed assets			
Other intangible assets		3.2	-
Total intangible assets		3.2	-
Financial assets			
Participations in Group companies		217.3	217.3
Total financial fixed assets		217.3	217.3
Deferred tax assets			
		2.1	1.6
Total noncurrent assets		222.6	218.8
Current assets			
Current tax assets		0.5	0.7
Current receivables from Group companies		34.6	-
Other current receivables		0.2	-
Prepayments and accrued income		0.4	0.4
Total current receivables		35.6	1.1
Cash and cash equivalents		-	-
Total current assets		35.6	1.1
ASSETS		258.2	220.0
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		0.5	0.5
Total restricted equity		0.5	0.5
Unrestricted equity			
Share premium reserve		4.1	3.1
Retained earnings		37.4	49.5
Profit/loss for the period		59.1	137.9
Total unrestricted equity		100.6	190.5
Total equity		101.1	191.0
Noncurrent liabilities			
Other noncurrent liabilities		-	8.3
Total noncurrent liabilities		-	8.3
Current liabilities			
Liabilities to credit institutions		150.0	-
Accounts payable		0.2	0.2
Current liabilities to Group companies	4	-	4.4
Other current liabilities		1.3	10.0
Accrued expenses and deferred income		5.6	6.2
Total current liabilities		157.1	20.8
TOTAL EQUITY AND LIABILITIES		258.2	220.0

Parent Company Statement of Cash Flows

SEKm	Note	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Cash flow from operating activities					
Operating profit/loss		4.5	-0.0	3.6	-2.1
Income tax paid		1.4	-0.3	1.1	-1.1
Cash flow from operating activities before changes in working capital					
		5.9	-0.3	4.7	-3.2
Changes in working capital					
Decrease (+)/increase (-) in other receivables		-0.0	-0.1	-0.1	0.0
Decrease (-)/increase (+) in accounts payable		-0.2	-0.3	-0.0	-0.3
Decrease (-)/increase (+) in other current liabilities		-4.5	-1.2	-2.4	0.0
Cash flow from operating activities					
		1.2	-1.9	2.2	-3.5
Investing activities					
Investments in intangible fixed assets		-	-	3.3	-
Acquired subsidiary		-	-	-4.3	-16.5
Cash flow from investing activities					
		-	-	-7.6	-16.5
Financing activities					
Change in intercompany liabilities		-1.4	1.9	4.1	176.9
Borrowing		-	-	150.0	-
Warrants		0.2	-	1.3	3.1
Dividends to shareholders		-	-	-150.0	-160.0
Cash flow from financing activities					
		-1.2	1.9	5.3	20.0
Cash flow for the period		0.0	0.0	0.0	0.0
Cash and cash equivalents at beginning of period		0.0	0.0	0.0	0.0
Cash and cash equivalents at end of period					
		0.0	0.0	0.0	0.0

Notes

Note 1 Accounting policies and general information

This consolidated interim report was prepared in accordance with IAS 34 "Interim Financial Reporting" and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Report in the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34 are presented in the financial statements and their notes, as well as in the remaining sections of the interim report.

The same accounting policies and calculation basis as in the last annual report have been applied for the Group and the Parent Company.

There are no material differences between the fair value and the carrying amount of financial assets or liabilities.

Additional accounting standards applied in 2024 have not had a significant impact on the consolidated financial statements.

Note 2 Operating segments and allocation of revenue

The Profoto Group consists of a single operating segment. Product development, sourcing, manufacturing and marketing are all managed at the Groupwide level, while sales are conducted in three regions, EMEA, Americas and APAC. Internal monthly

follow-up focuses on the Group as a whole, in addition to the geographical sales data that are presented at levels other than the Group level.

SEKm	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
EMEA	76	72	263	279
Americas	88	85	323	338
APAC	35	47	145	169
Total net sales	200	204	731	787

Note 3 Other income

Other income includes an item affecting comparability of SEK 14m relating to the fair value adjustment of an earn-out from a business combination made in 2023. The conditions in the

agreement regarding customer acquisition and the related revenue requirement per customer were not met, resulting in an outcome of zero.

SEKm	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Exchange gains	2	-	4	-
Adjustment of earn-out	5	-	14	-
Other	3	0	3	6
Total	10	0	21	6

Note 4 Related-party transactions

Related-party transactions include remuneration to Board members and other senior executives. Remuneration levels are determined on a market basis.

The Parent Company invoices monthly management fees of SEK 1.7m (1.2) to the subsidiary Profoto AB and of 0.0m to Profoto B.V. The level of monthly invoicing is determined annually and is based on the Group-wide fixed costs of the Parent Company. During the fourth quarter of 2024, the Parent Company's income from invoiced management fees totaled SEK 5.0m (3.7). In the fourth quarter, the Group expensed consulting costs of SEK 0.3m for the benefit of Aligro Advisory AB, which is owned by Profoto's

Chairman of the Board. The Parent Company has issued a general guarantee on behalf of its subsidiary (see note 6).

Parent Company SEKm	Dec 31 2024	Dec 31 2023
Intercompany receivables	34.6	-
Intercompany liabilities	-	-4.4
Total	34.6	-4.4

Note 5 Intangible fixed assets

SEKm	Capitalized develop- ment expenditure	Technology, customer assets and brand	Other intangible assets ¹	Total
Opening accumulated acquisition value, January 1, 2024	344	100	39	483
Capitalized development expenditure	96		21	117
Currency effects	1	3	-	4
Closing accumulated acquisition value at December 31, 2024	442	103	59	604
Opening depreciation/amortization January 1, 2024	-189	-26	-34	-249
Depreciation/amortization for the period	-20	-17	-1	-37
Currency effects	-1	0	-	-1
Closing accumulated depreciation/ amortization at December 31, 2024	-210	-43	-35	-287
Opening impairment January 1, 2024	-19	-	-	-19
Closing accumulated impairment at December 31, 2024	-19	-	-	-19
Book value at December 31, 2024	214	60	25	299
Opening accumulated acquisition value January 1, 2023	278	95	35	408
Acquisitions	-	6	-	6
Capitalized development expenditure	67	-	3	70
Currency effects	-0	-0	-	-0
Closing accumulated acquisition value at December 31, 2023	344	100	39	483
Opening depreciation/amortization January 1, 2023	-157	-11	-27	-195
Depreciation/amortization for the period	-32	-15	-7	-54
Currency effects	0	0	-	0
Closing accumulated depreciation/ amortization on December 31, 2023	-189	-26	-34	-249
Opening impairment January 1, 2023	-19	-	-	-19
Closing accumulated impairment at December 31, 2023	-19	-	-	-19
Book value at December 31, 2023	137	74	5	215

Goodwill as of December 31, 2024, totaled SEK 132m and fell during the quarter by SEK 2m due to currency effects.

1) Other intangible assets consist of software and licenses with a book value of SEK 21m (software) and SEK 4m (licenses).

Note 6 Pledged assets and contingent liabilities

Group SEKm	Dec 31 2024	Dec 31 2023
Contingent liabilities		
Swedish Customs Service	1	1
Total	1	1

The Parent Company has issued a general guarantee on behalf of Profoto AB, 556115-5838. There are no outstanding liabilities to which the guarantee applies at the balance sheet date. Profoto AB also has an unlimited general guarantee in favor of its subsidiary Profoto US Inc.

Explanations for alternative performance measures

In order to provide a good understanding of the Profoto Group's operating activities and what EBIT would have looked like without these items, the company has chosen to present adjusted EBIT without items affecting comparability.

In the fourth quarter of 2024, an adjustment was made for items affecting comparability recognized under other operating income. See note 3 for further information.

The table below shows profit/loss from the company's operating activities excluding items affecting comparability.

SEKm	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Net sales	200	204	731	787
Operating profit/loss (EBIT)	57	51	167	204
Total items affecting comparability	5	-	14	-
Costs related to acquisitions	5	-	14	-
Adjusted operating profit (EBIT)	52	51	153	204
Adjusted EBIT margin, %	26.0	25.0	20.9	26.0

Adjusted EBIT margin, %

Adjusted EBIT in percentage of net sales. Shows adjusted operating profit in relation to net sales and is a measure of the profitability of the company's operating activities excluding items affecting comparability.

EBITA

Operating profit before depreciation and amortization of intangible fixed assets. The purpose is to assess the underlying operating profit from continuing operations before amortization of intangible assets.

EBIT

Profit or loss before financial items and tax. Shows the results of the company's current operations.

EBIT margin, %

Adjusted EBIT as a percentage of net sales. Shows operating profit or loss in relation to net sales and is a measure of the profitability of the company's operating activities.

EBITA margin, %

EBITA as a percentage of net sales. The aim is to give an indication of profitability and future investment scope in relation to sales.

EBITDA

EBITDA (earnings before finance income and costs, taxes, depreciation and amortization) is operating profit or loss plus depreciation and amortization. EBITDA provides a picture of the ability of the business to generate resources for investments and payments to financiers (see table below).

SEKm	Oct-Dec 2024	Oct-Dec 2023	Full year 2024	Full year 2023
Operating profit/loss (EBIT)	57	51	167	204
Depreciation and impairment of intangible fixed assets	10	12	37	54
EBITA	67	63	204	258
Depreciation and impairment of property, plant and equipment	5	7	22	24
EBITDA	72	70	226	282

Cont. Explanations for alternative performance measures

Net debt/net cash

Interest-bearing liabilities, current liabilities to Group companies less cash and cash equivalents and current receivables from Group companies. A measurement of the company's financial position. Shows how much cash and cash equivalents would remain if all debts were paid off. A negative net amount indicates a positive net cash position.

SEKm	Dec 31 2024	Dec 31 2023
Liabilities to credit institutions, noncurrent	0	1
Other interest-bearing liabilities, noncurrent	0	8
Lease liabilities, noncurrent	29	31
Liabilities to credit institutions, current	217	79
Other interest-bearing liabilities, current	-	8
Lease liabilities, current	11	10
Cash and cash equivalents	-21	-95
Net debt	235	44

Net debt/EBITDA

Net debt in relation to EBITDA over the past rolling twelve months. A measure of financial risk, as well as an indication of repayment capacity.

SEKm	Dec 31 2024	Dec 31 2023
Net debt	235	44
EBITDA, LTM	225	282
Net debt/EBITDA LTM, ratio	1.04	0.16

Net sales adjusted for currency effects, %

Change in net sales for the period, excluding acquisitions, translated at the corresponding period of the previous year's transaction-based daily average exchange rate. Shows whether a company is growing or shrinking, excluding exchange rate effects and acquisitions.

%	Oct-Dec 2024	Oct-Dec 2023
Change in net sales	-1.8	-11.5
Currency effect	1.3	1.4
Organic growth adjusted for currency effect	-3.1	-10.1

Return on equity, %

Twelve-month rolling profit as a percentage of average equity based on the flow of equity for the last twelve months. Shows the return generated on equity invested in the business.

SEKm	Dec 31 2024	Dec 31 2023
Profit/loss for the period, LTM	122	155
Equity	370	396
Equity, LTM	383	394
Return on equity, %	31.7	39.5

Capital employed

Total assets less non-interest bearing provisions and liabilities. The metric shows how much capital is used in the business and is a component to measure the returns from the business.

SEKm	Dec 31 2024	Dec 31 2023
Total assets	872	799
Provisions, long-term	-7	-8
Deferred tax liabilities	-117	-104
Provisions, short-term	-8	-12
Accounts payable	-56	-59
Current tax liabilities	0	-6
Accrued expenses and deferred income	-53	-59
Other non-interest-bearing liabilities, current	-2	-17
Capital employed	628	535

Return on capital employed, %

EBIT last twelve months (LTM) as a percentage of average capital employed based on incoming and outgoing capital employed for the last twelve months. A key figure to measure the return on the capital tied up in the business.

SEKm	Dec 31 2024	Dec 31 2023
EBIT, LTM	167	204
Capital employed	628	535
Capital employed, LTM	581	539
Return on capital employed, %	28.7	37.9

Cont. Explanations for alternative performance measures

Operating capital

Total assets less cash and cash equivalents, other interest-bearing assets and non-interest-bearing provisions and liabilities. Operating capital shows how much capital the business requires to run its core business. It is mainly used to calculate the return on operating capital.

SEKm	Dec 31 2024	Dec 31 2023
Total assets	872	799
Provisions, long-term	-7	-8
Deferred tax liabilities	-117	-104
Provisions, short-term	-8	-12
Accounts payable	-56	-59
Current tax liabilities	0	-6
Accrued expenses and deferred income	-53	-59
Other non-interest-bearing liabilities, current	-2	-17
Cash and cash equivalents	-21	-95
Operating capital	607	440

Return on operating capital, %

EBIT rolling twelve months (LTM) as a percentage of average operating capital based on operating capital inflows and outflows for the last twelve months. The return on operating capital shows how well the business uses the net capital tied up in operations. It reflects the combined effect of the operating margin and turnover rate on operating capital. The key performance figure is mainly used to monitor the Group's value creation over time.

SEKm	Dec 31 2024	Dec 31 2023
EBIT, LTM	167	204
Operating capital	607	440
Operating capital, LTM	523	417
Return on operating capital, %	31,9	49,0

Performance measure by quarter

	2024				2023			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales, SEKm	200	164	196	171	204	172	182	229
Organic growth, %	-3.1	-1.1	7.6	-24.6	-10.1	-28.7	-8.5	0.0
EBITA, SEKm	67	48	45	44	63	48	61	86
EBITA margin, %	33.6	29.0	23.2	25.6	31.0	28.0	33.6	37.4
EBIT, SEKm	57	39	36	34	51	35	47	72
EBIT margin, %	28.7	23.9	18.5	20.1	25.0	20.2	25.8	31.3
Adjusted EBIT, SEKm	52	30	36	34	51	35	47	72
Adjusted EBIT margin, %	26.0	18.4	18.5	20.1	25.0	20.2	25.8	31.3
Profit/loss for the period, SEKm	43	28	28	27	37	27	36	56
Net debt, SEKm	235	219	206	62	44	88	100	-75
EBITDA LTM, SEKm	225	223	224	241	282	312	344	344
Net debt/EBITDA LTM	1.04	0.98	0.92	0.26	0.16	0.28	0.29	-0.22
Return on equity, %	31.7	34.9	37.6	28.9	39.5	54.3	70.3	51.4
Earnings per share, SEK	1.08	0.70	0.70	0.66	0.92	0.67	0.89	1.40
Return on capital employed, %	28.7	29.6	30.4	28.9	37.9	47.9	54.9	49.4
Return on operating capital, %	31.9	32.3	34.0	38.9	49.0	56.5	64.7	94.0

Definitions

Average number of employees

Average number of full-time employees during the period.

LTM

Last twelve months, the twelve-month period ending on the respective date.

Parent Company

Profoto Holding AB (publ), a limited liability company subject to Swedish jurisdiction.

Organic growth

Change in net sales for the period compared to the corresponding period in the previous year, after adjustments for acquisitions and exchange rate effects.

Profoto Group/Group

The Group or the Profoto Group consists of the Parent Company, as well as direct and indirect subsidiaries. The terms are used interchangeably.

Region APAC

Oceania and Asia, with the exception of Russia, Turkey and the Middle East.

Region EMEA

Africa, Europe including Turkey and Russia, as well as the Middle East.

Region Americas

Central America, North America and South America.

Earnings per share

Profit/loss for the period attributable to the shareholders of the Parent Company, divided by the weighted average number of shares outstanding during the period. Earnings per share are recorded in accordance with IAS 33 Earnings per share.