Cautious market conditions resulted in a weak quarter

Profoto Q2 report 2026

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Today's speakers

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Q2 summary

- **Net sales** decreased by -17 percent to SEK 142m (171). Organic growth was negative 14 percent. Currency effect was negative 3 percent.
  - Sales development was negative in all regions. EMEA in particular had a weak quarter with continued high uncertainty.

- **EBIT** was SEK 0m (18), corresponding to an EBIT margin of 0 percent (11).
  - Deterioration of EBIT is direct result of lower sales, despite lower costs compared to previous year.

- Continued **strong cost control** and stable cash flow from operating activities.

- **Positive reception** for Profoto ProPanel
  - Launch going according to plan and some financial impact seen in the second quarter, in line with previous communication.

Profoto ProPanel positively received by market

- The launch of Profoto ProPanel is progressing as planned.
- The ProPanel represents an important step in strengthening our LED offering.
- The product has received positive feedback from customers - meeting clear market needs and enhancing our portfolio.
- Limited financial effect in Q2.
- We expect revenue to increase gradually throughout the year as more end users see and experience the product in practice.

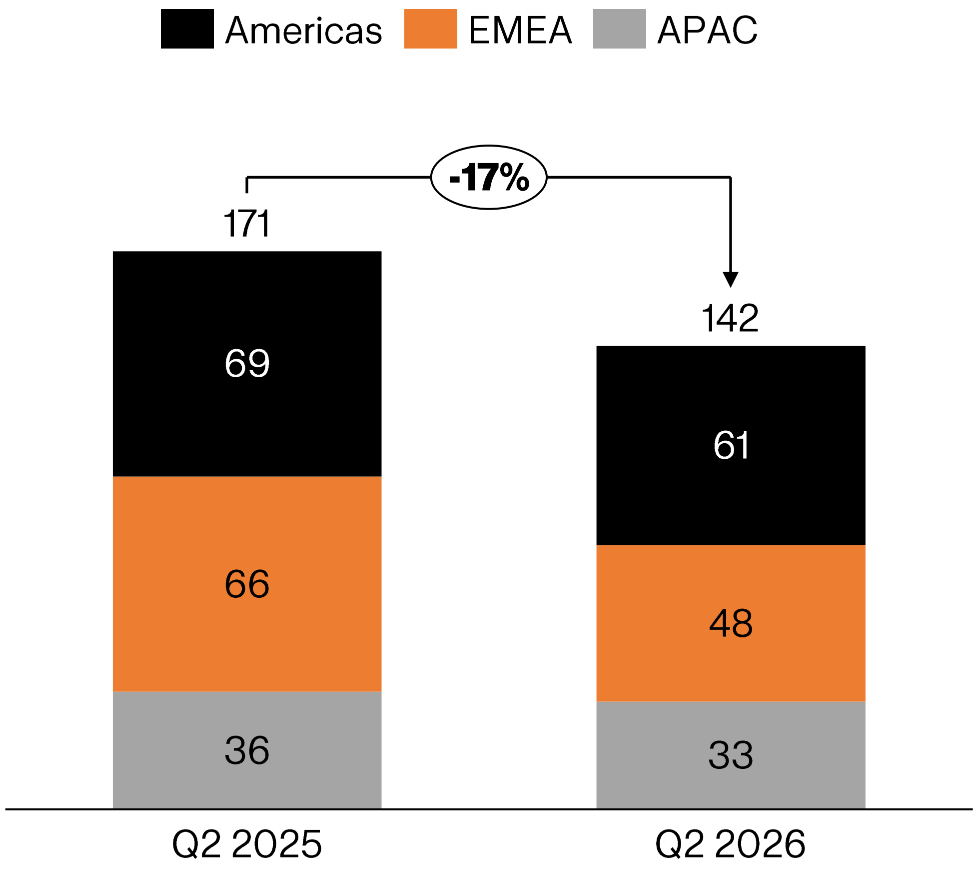

FROM THE DIRECTOR OF DEAD IN A WEEK
AND THE PRODUCER OF FREELANCE
JEAN RENO TOM HOLLANDER
THE BUTLER

BAYWATCH

Slow sales resulted in negative organic growth across all markets

- EMEA particularly weak due to market uncertainty and some internal organizational challenges:
  - Sales also negatively affected by unusually large supply of second-hand products in the market.
- Negative organic growth in Americas:
  - Decline is an effect of sell-in/sell-out of B-series in Q2 2025.
- Regional variations in APAC:
  - Continued solid performance in China whilst Japan and APAC perform weaker.

	Americas	EMEA	APAC	Group
Organic growth	-9.0%	-26.3%	-6.0%	-14.1%
Currency effect	-2.5%	-0.8%	-2.2%	-2.7%
Total change	**-11.6%**	**-27.1%**	**-8.1%**	**-16.8%**



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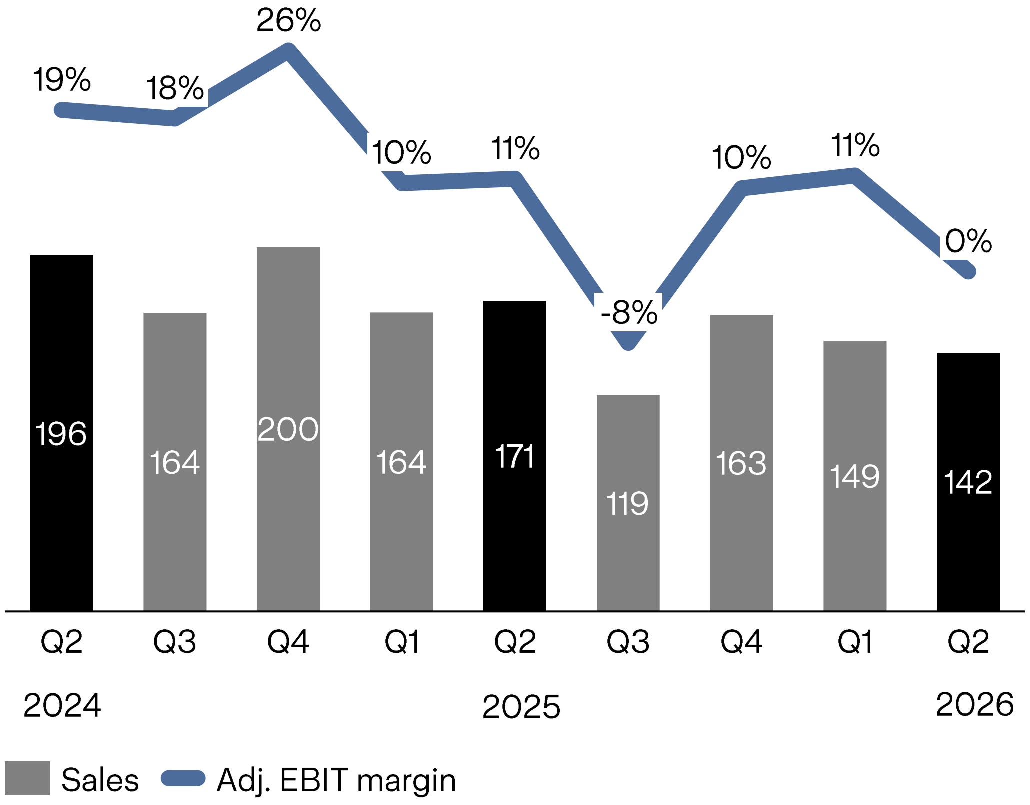
EBIT margin just above 0 percent – weak sales and product mix affects result

Net sales
Q2
SEK 142(171)
-16.8%[1]

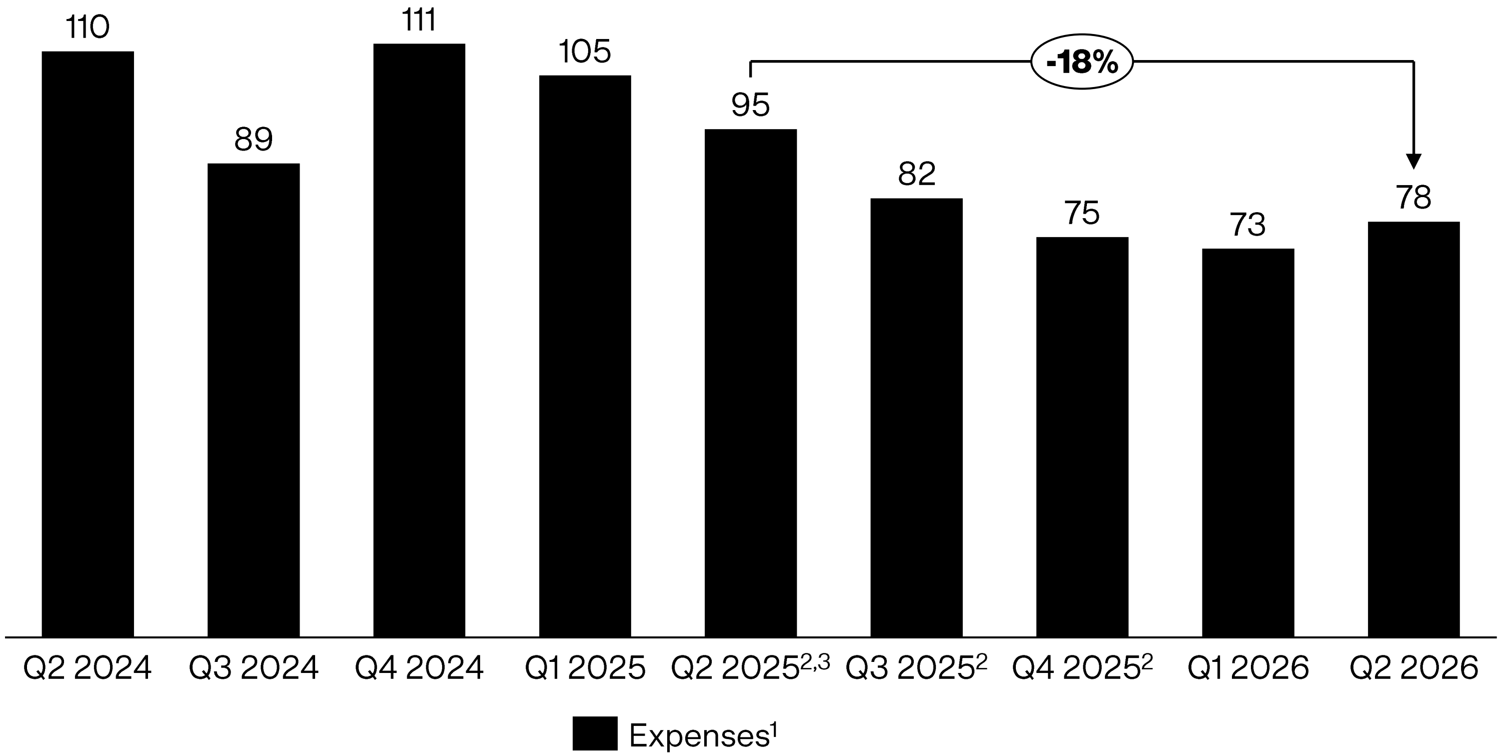
EBIT
Q2
SEK 0(18)

EBIT margin
Q2
0.0% (10.5)



1. Organic growth -14.1%.

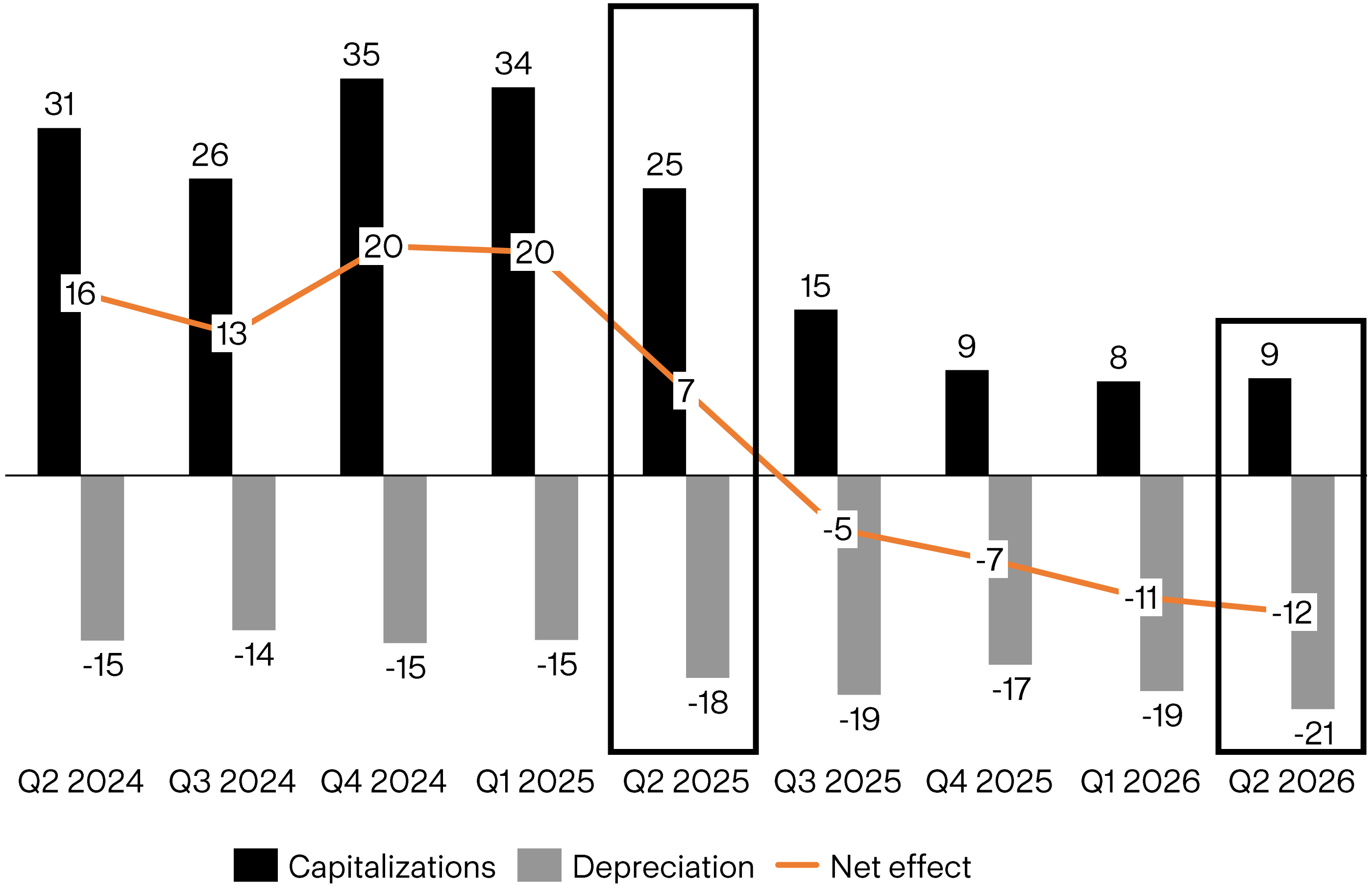
Slight increase in cost base compared to previous quarter but cost control remains tight



- Somewhat higher costs in Q2 related to the product launch - in line with previous communication.

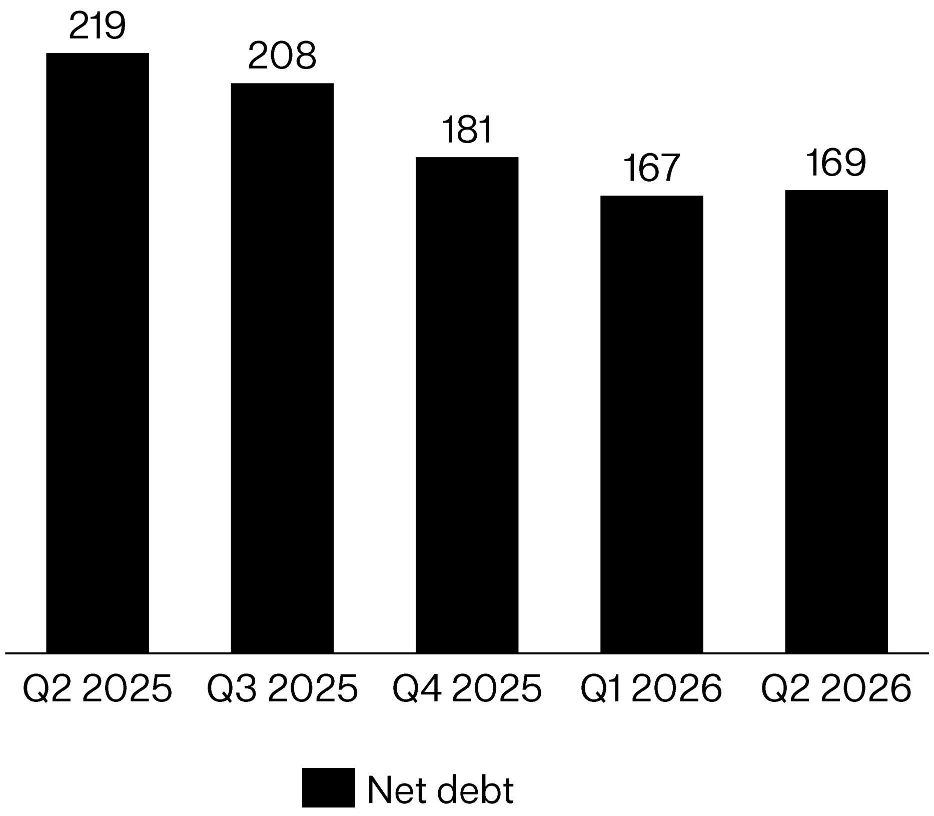
1. *Personnel costs and other external costs,* ***2.*** *Legal costs of SEK 7m invoiced in Q4 period allocated in Q2-Q4* ***3.****SEK 3m adjusted for reorganization in Dutch subsidiary*

Low rate of capitalization and increasing depreciation continues to affect EBIT



- A continuous shift in the ratio between capitalizations and depreciation is putting downward pressure on EBIT.
- This is the result of a change in the capitalization rate within R&D and to some extent the initiation of depreciation on products launched during 2025.

Positive operating cash flow and overall solid financial position thanks to strong cost control



- Despite the weak result operating cash flow is positive.
  - Operating cash flow in Q2 2026 SEK 8m (20).
  - Healthy cash conversion.
  - CAPEX related to R&D investment at SEK -9m.
- Positive cash flow allowed us to reduce our debt in the quarter by SEK 20m.
- Net debt decrease compared to previous year to SEK 169m (219).

To summarize

- Weak sales across all regions but especially in EMEA.
- Result affected by weak sales, despite lower cost base.
- Profoto ProPanel positively received, launch going according to plan.
- Cost control remains tight.
- Solid financial position and positive operating cash flow despite weak result.

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Questions

Photo credit: Lindsay Adler

Q3 interim report, October 20, 2026

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