

A woman with long, wavy hair is sitting in a lush, tropical jungle setting. She is wearing a blue and green floral dress and is resting her head on her hand. The scene is filled with various tropical plants, including large green leaves, yellow flowers, and red anthurums. The lighting is dramatic, with a strong light source from the upper right, creating a warm, golden glow and long shadows. The overall mood is serene and artistic.

# **Focus on product launches and cost efficiency**

Profoto Q2 report 2025  
July 18, 2025

# Today's speakers

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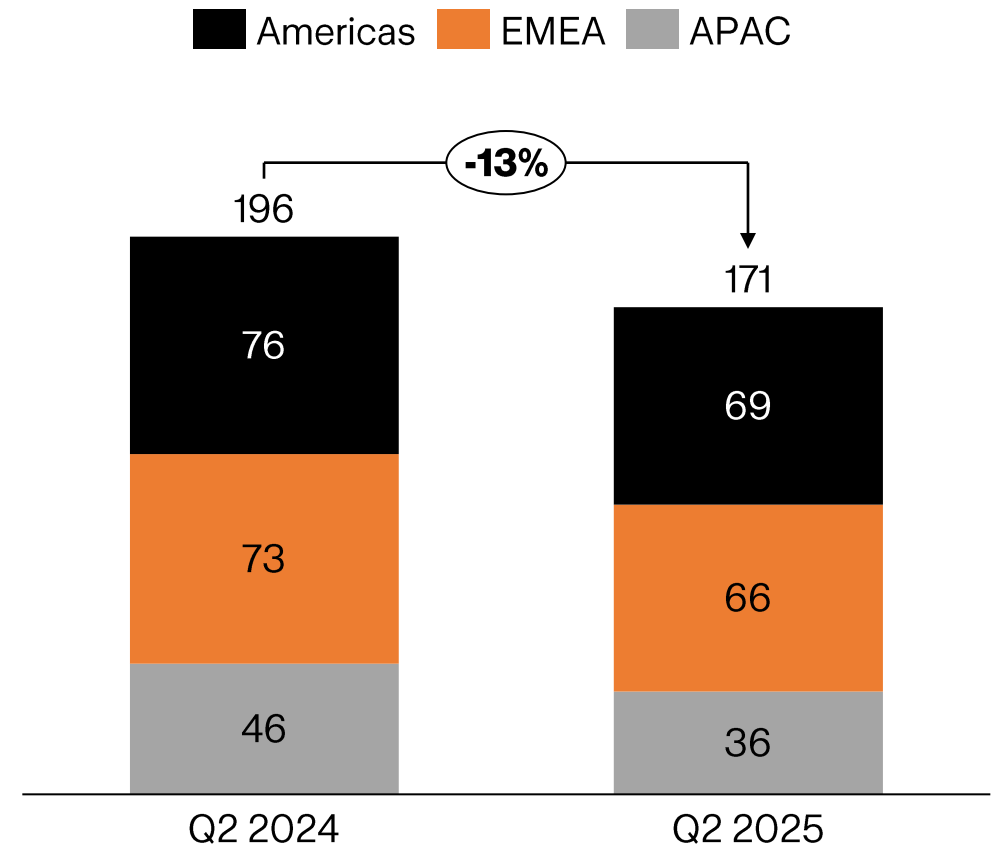
# Summary

- **Net sales** decreased by 13 percent to SEK 171m (196). Organic growth was negative 7 percent:
  - Mainly explained by continued uncertainty, which has led to cautious customers.
- **EBIT** was SEK 18m (36), corresponding to an EBIT margin of 11 percent (19):
  - Decline primarily explained by lower sales, product mix, and increased costs for the launch of LED products.
- **Five** successful **product launches** took place in the quarter – three within the LED segment.
- We are monitoring the developments regarding tariffs daily, as the situation is continuously evolving and affecting our market conditions.

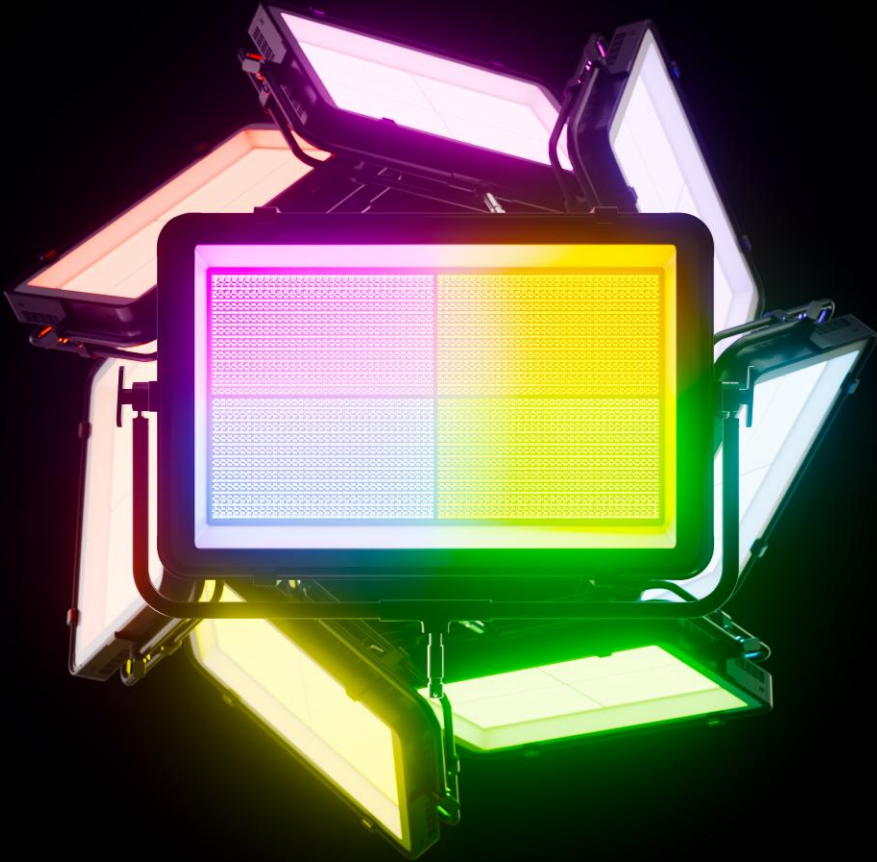
# Sales decline in all regions, but currency effect plays a big part

- Adjusted for currency effects, Americas was flat in the quarter:
  - Uncertainty and reduced willingness to invest persisted in the second quarter, but were partly offset by advance purchases ahead of the announced price increases due to higher tariffs.
- Sales in EMEA and APAC fell on a currency adjusted basis:
  - The decline is explained by strong sales numbers in Q2 last year, attributable to the launch of the Pro-D3.

|                   | Americas | EMEA   | APAC   |
|-------------------|----------|--------|--------|
| Organic growth    | 0,4%     | -5,3%  | -15,9% |
| Currency effect   | -9,5%    | -5,7%  | -5,3%  |
| Change per region | -9,2%    | -11,1% | -21,2% |



# Successful launches and strong entry into the LED market



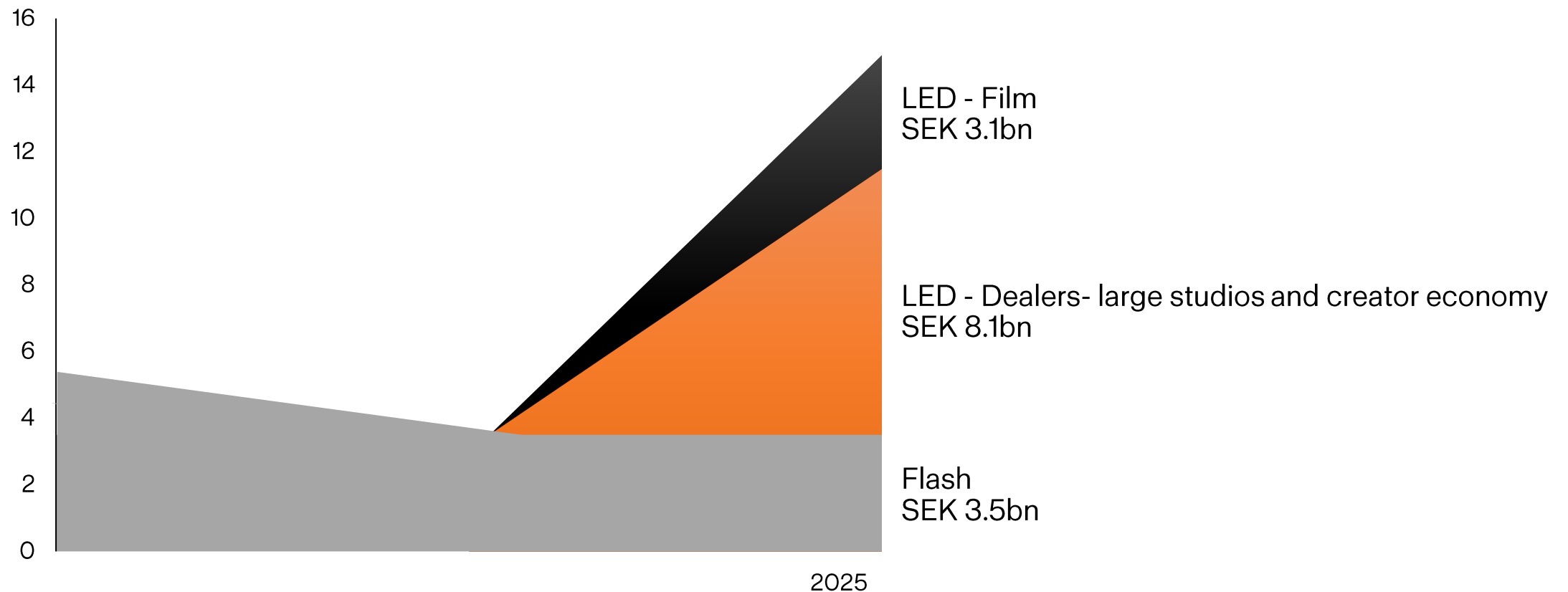
- We took a major step into the LED market with the launch of three new LED products – LP2000C, L600C and L600D:
  - Launched at Cine Gear Expo in Los Angeles – a leading industry trade show for film and media production.
  - Our products attracted significant attention.
  - Expected to start shipping in Q4 and have a limited financial effect in 2025.
- Launched the successors in the popular B10 series – B20 and B30:
  - The initial customer response has surpassed our expectations.

# After nine successful product launches LTM we now have an updated product portfolio



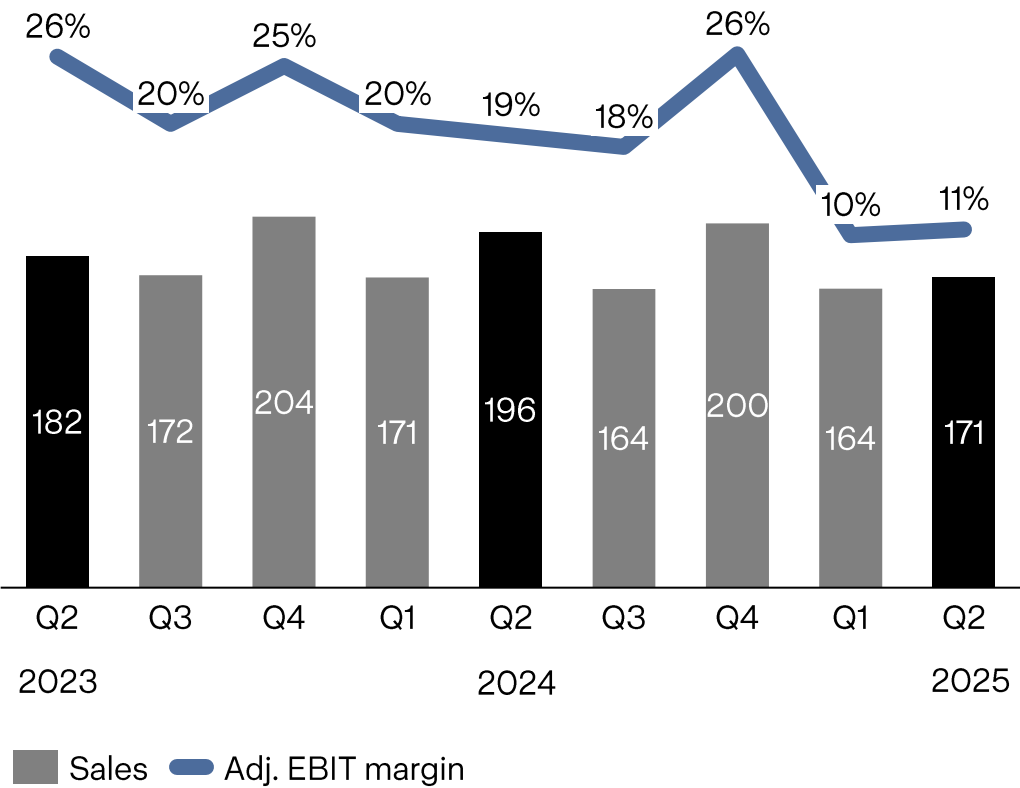
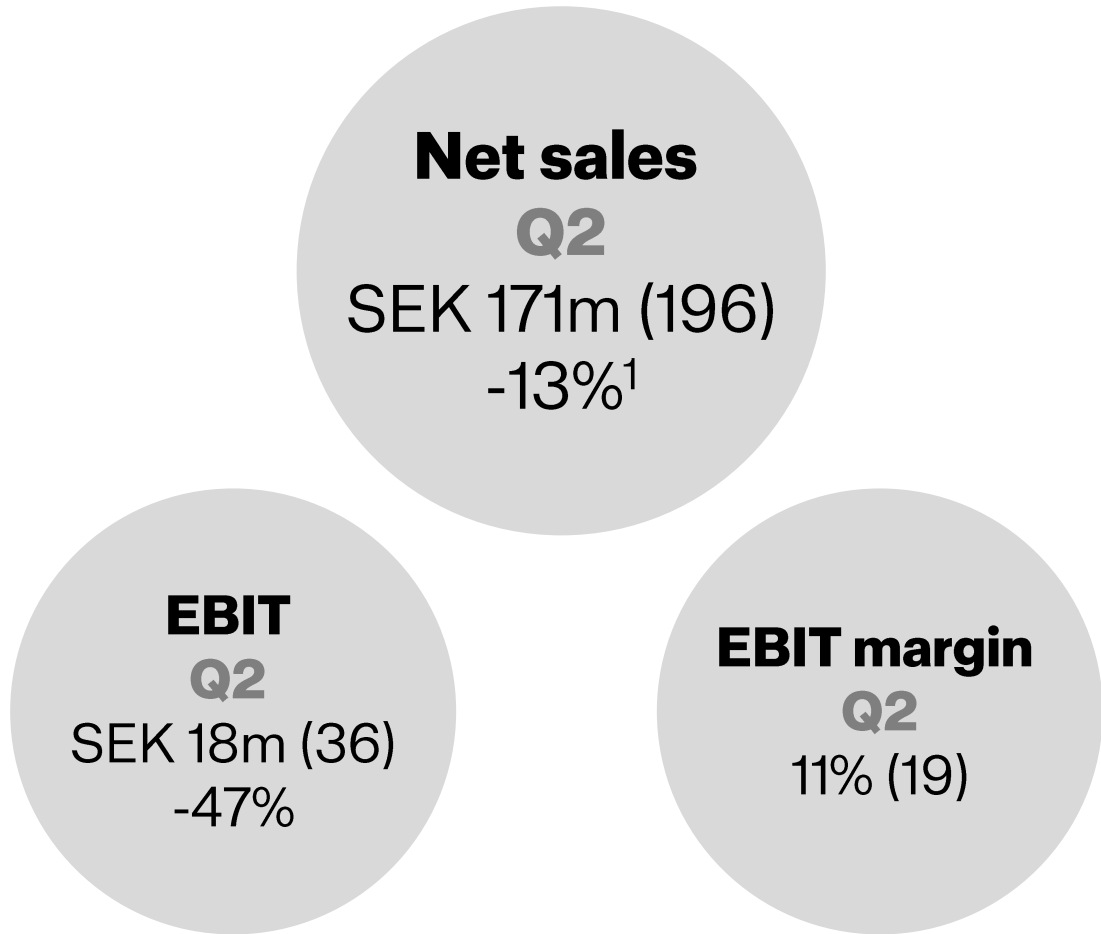
Product launches LTM

# Total addressable market increases from SEK 3.5bn to SEK 14.7bn thanks to LED launches



# Earnings affected by low sales volume, partially offset by cost reductions

Q2 2025





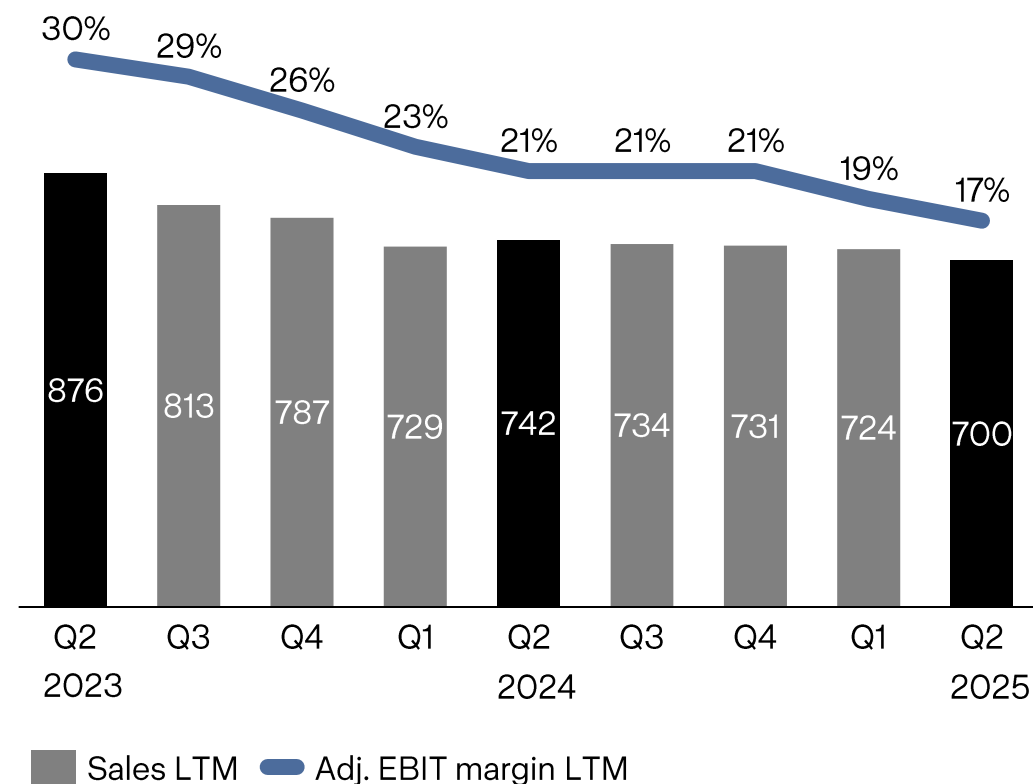
# Earnings continues tailing down on quarterly basis

LTM

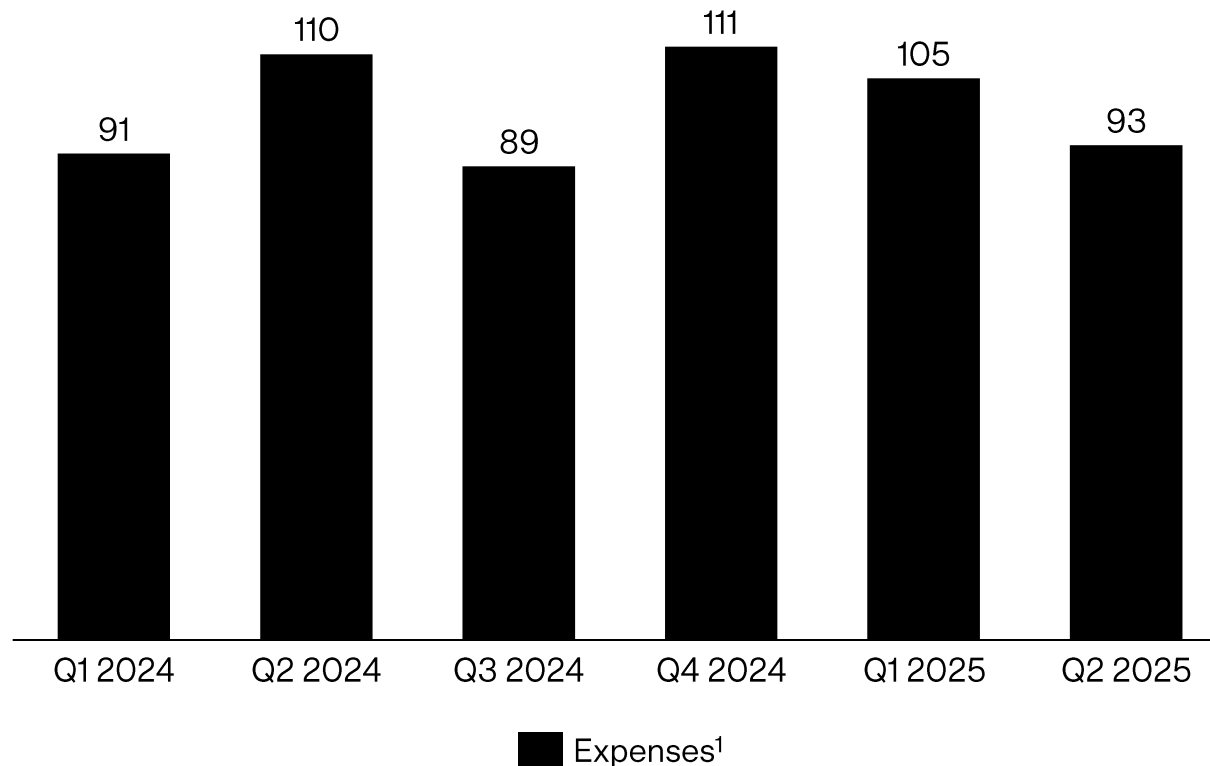
**Net sales LTM**  
SEK 700m (742)  
-6%<sup>1</sup>

**Adj. EBIT LTM**  
SEK 117m (156)  
-24%

**Adj. EBIT  
margin LTM**  
17% (21)

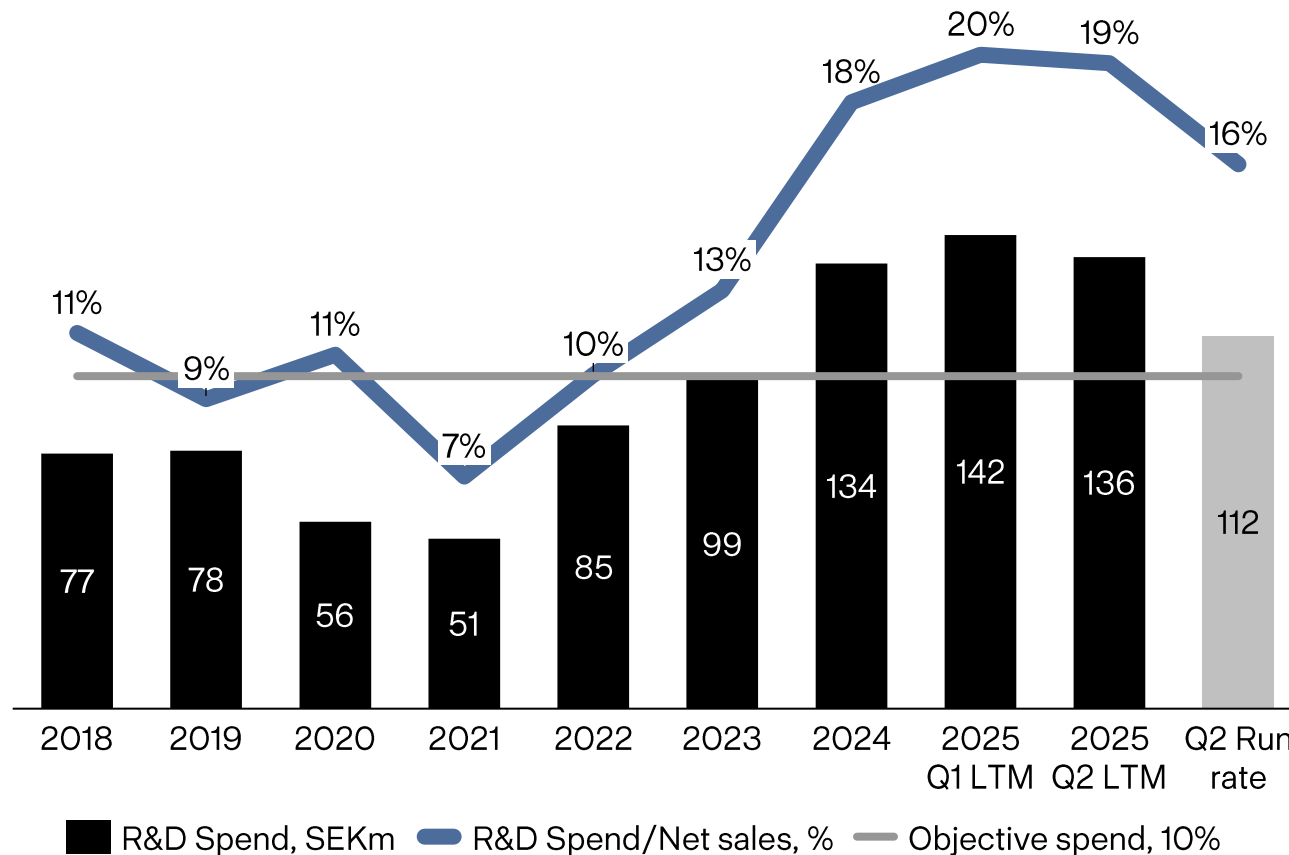


# Cost saving efforts are beginning to show results, further decrease of cost base expected in H2



- Savings plan announced in Q1 is expected to reduce cost base by around 20%:
  - Corresponding to an improved cash flow of SEK 60-80m on an annualized basis.
  - Of which approximately SEK 30m will positively affect EBIT.
- Full effect to be visible in Q4.

# With an updated flash portfolio and a successful LED launch we are now reducing the total R&D spend



- Competitive product portfolio in place.
- More focus on LED product development going forward.
- Shifted focus will facilitate a reduced R&D spend while maintaining our competitive edge.
- Objective is to be at 10% R&D spend of net sales at the end of 2025, in line with historical ratio.



Photo credit: Bottega 53

# To summarize

- Q2 result is affected by a persistent challenging market.
- Five successful product launches in the quarter:
  - Very positive response to the launch of our new LED products - shipping to start in Q4.
- Cost reduction starting to have an effect:
  - Full effect expected in Q4.
- Great updated flash product line and new LED products.
- We are following the tariffs situation closely.
- No change in market demand – but we are well equipped to handle the challenges.



# Questions



# Third quarter report, October 23, 2025

**Head of IR**



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