

Investing in new products to drive demand

Profoto Q3 report 2023
November 7, 2023

Photo credit: Circus

 **Profoto**[®]
The light shaping company™

Today's speakers

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Q3 Highlights

- **Net sales** decreased by 27 percent to SEK 172m. Organic growth amounted to -29 percent.
- **EBITA** was SEK 48m (80), corresponding to an EBITA margin of 28 percent (34).
- **EBIT** was SEK 35m (66), corresponding to an EBIT margin of 20 percent (28).

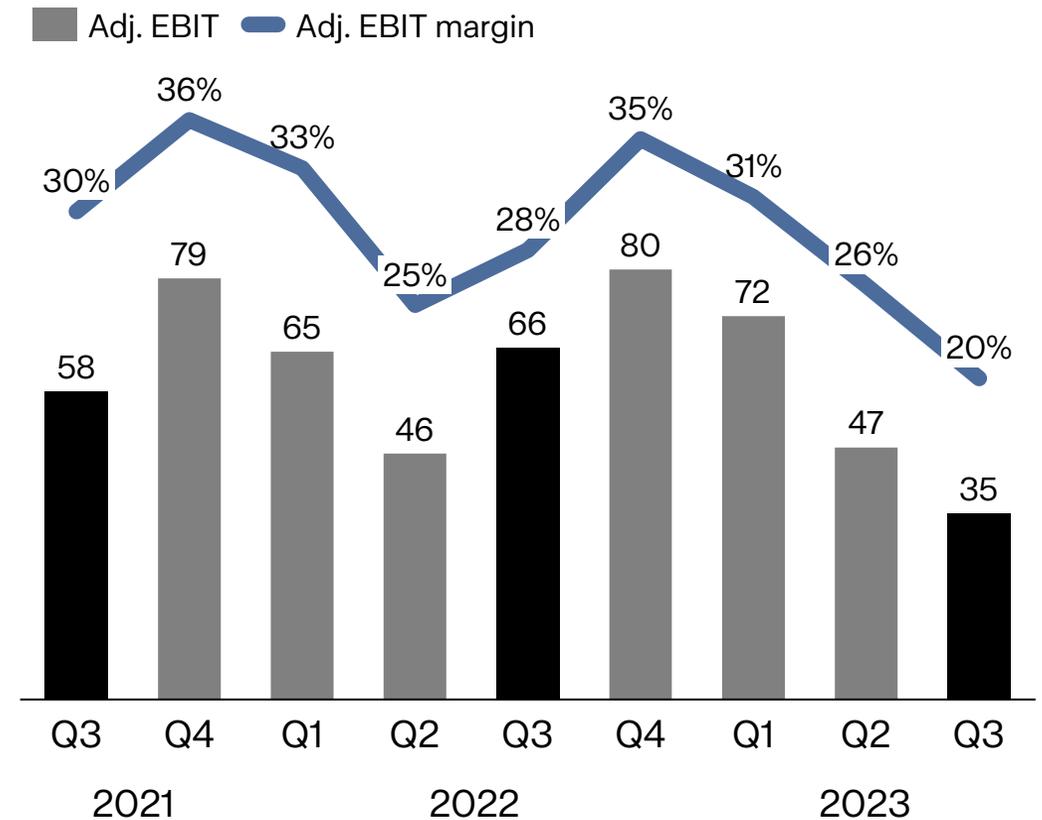
Q3 2023

Weak quarterly sales impacting margins negatively

EBIT Q3
SEK 35m (66)
-47%

Net sales Q3
SEK 172m (235)
-27%¹

EBIT margin Q3
20% (28)



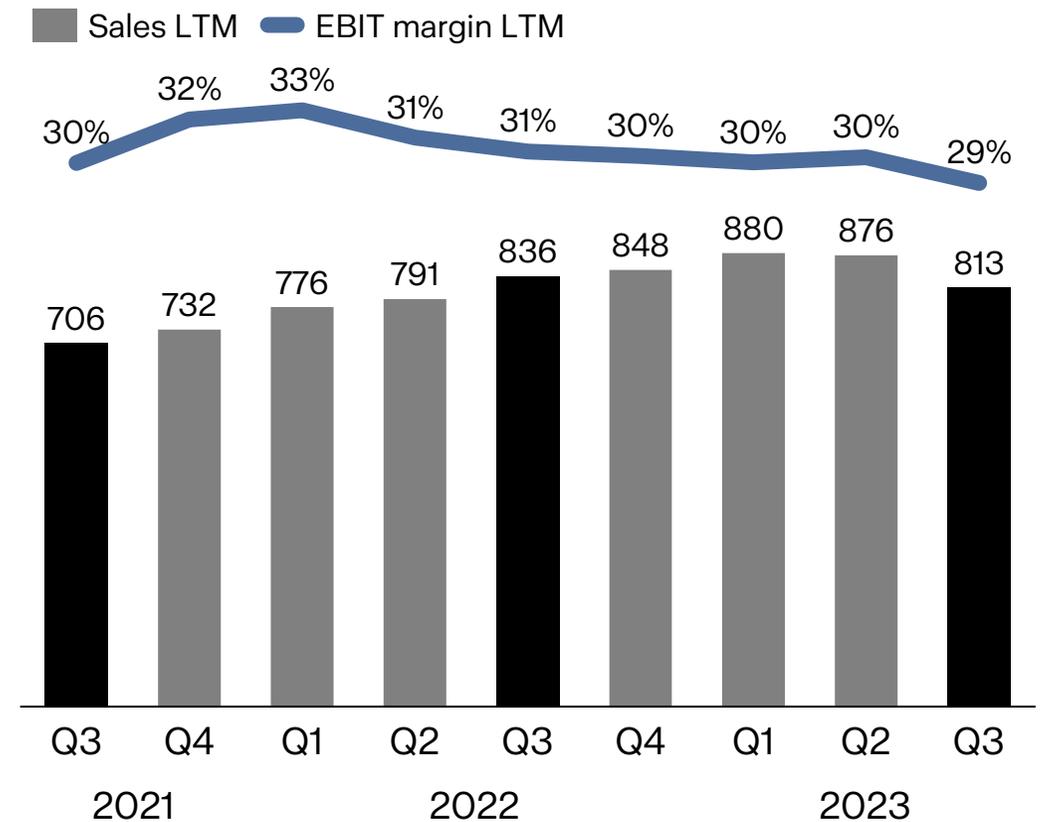
Last twelve months

Sales decline of 3% and a 29% EBIT-margin for the last twelve months

EBIT LTM
SEK 234m (247)
-5%

Net sales LTM
SEK 813m (836)
-3%¹

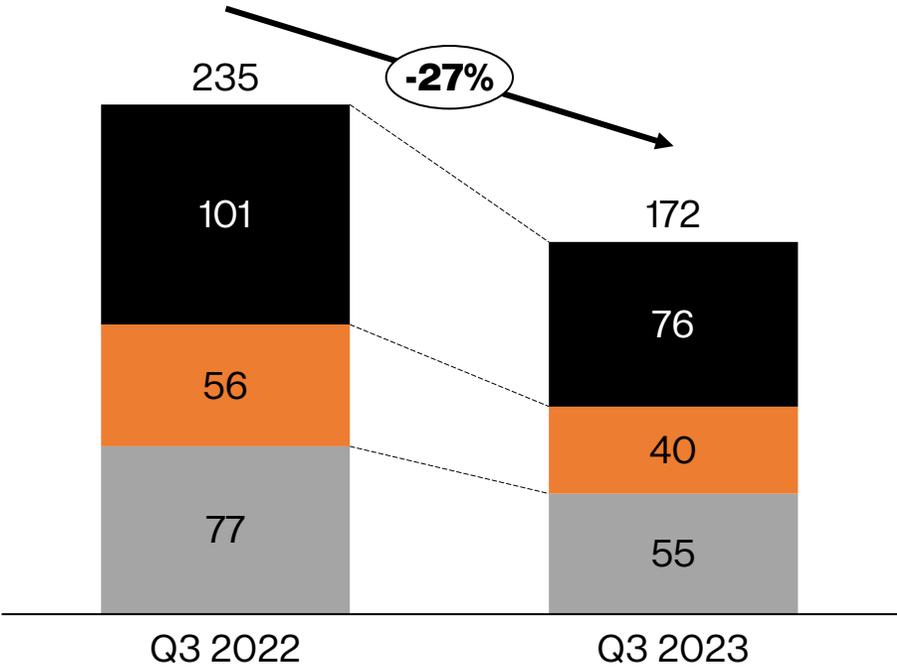
EBIT margin LTM
29% (30)



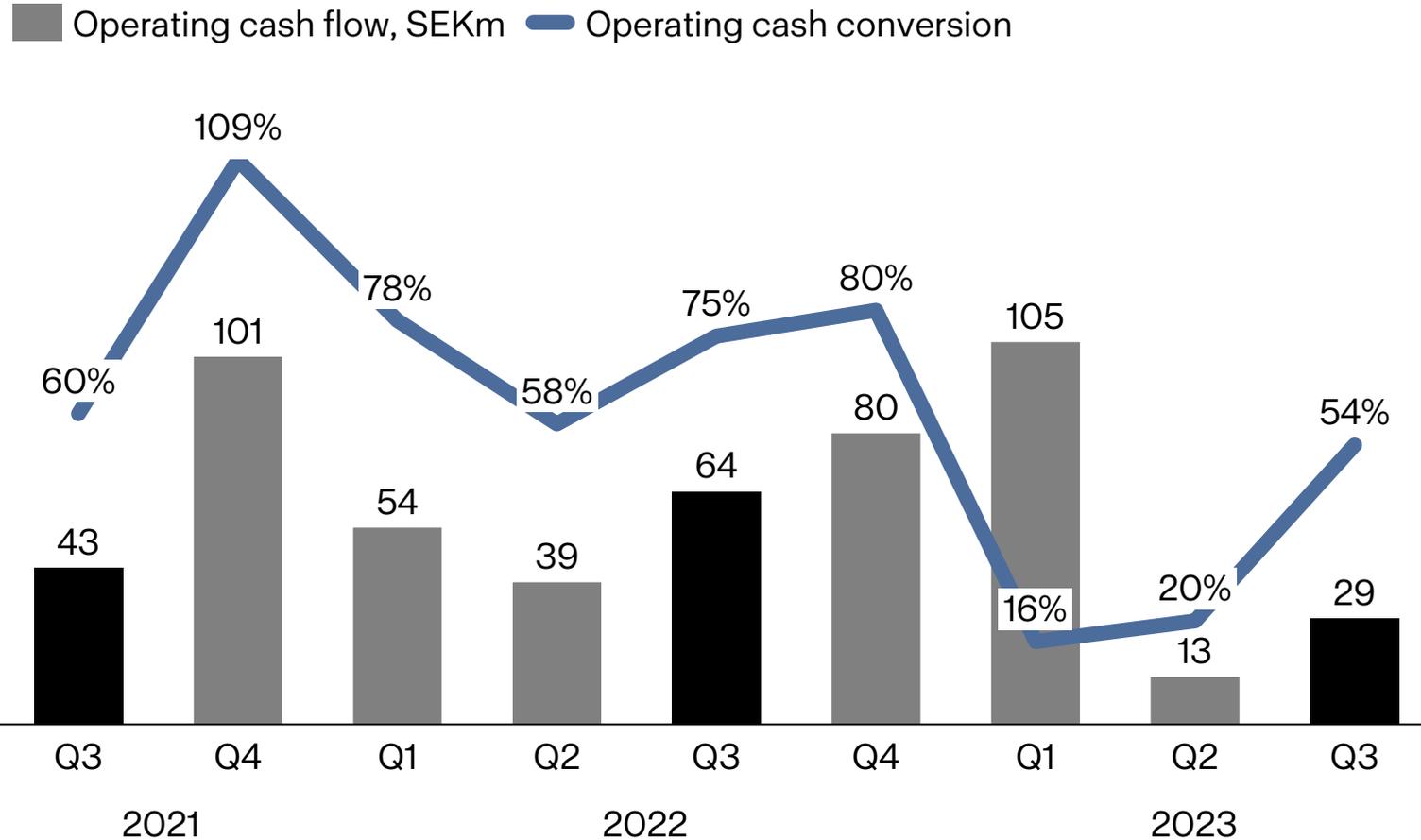


Continued weak demand across all regions

Americas APAC EMEA

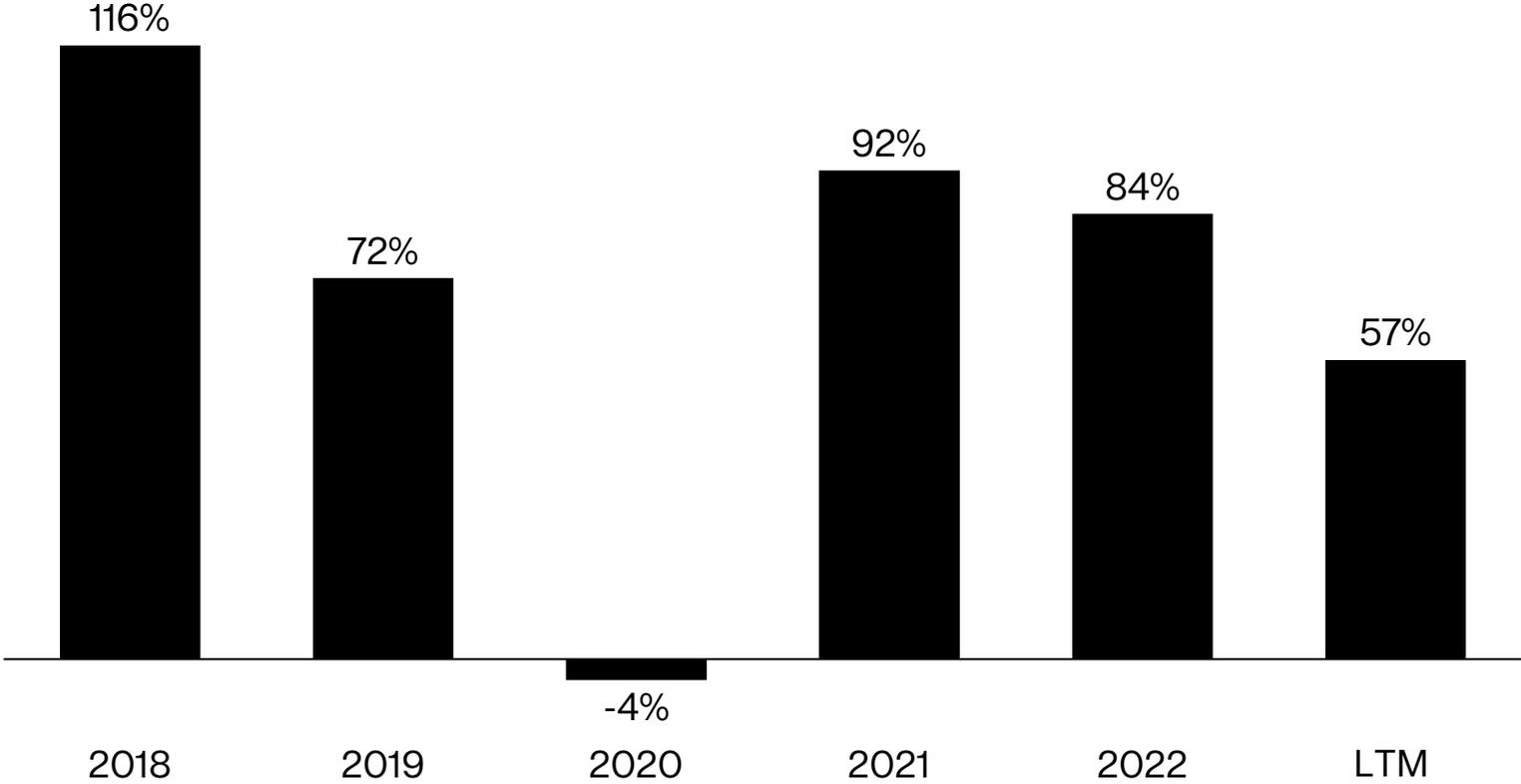


High operating cash conversion in the quarter

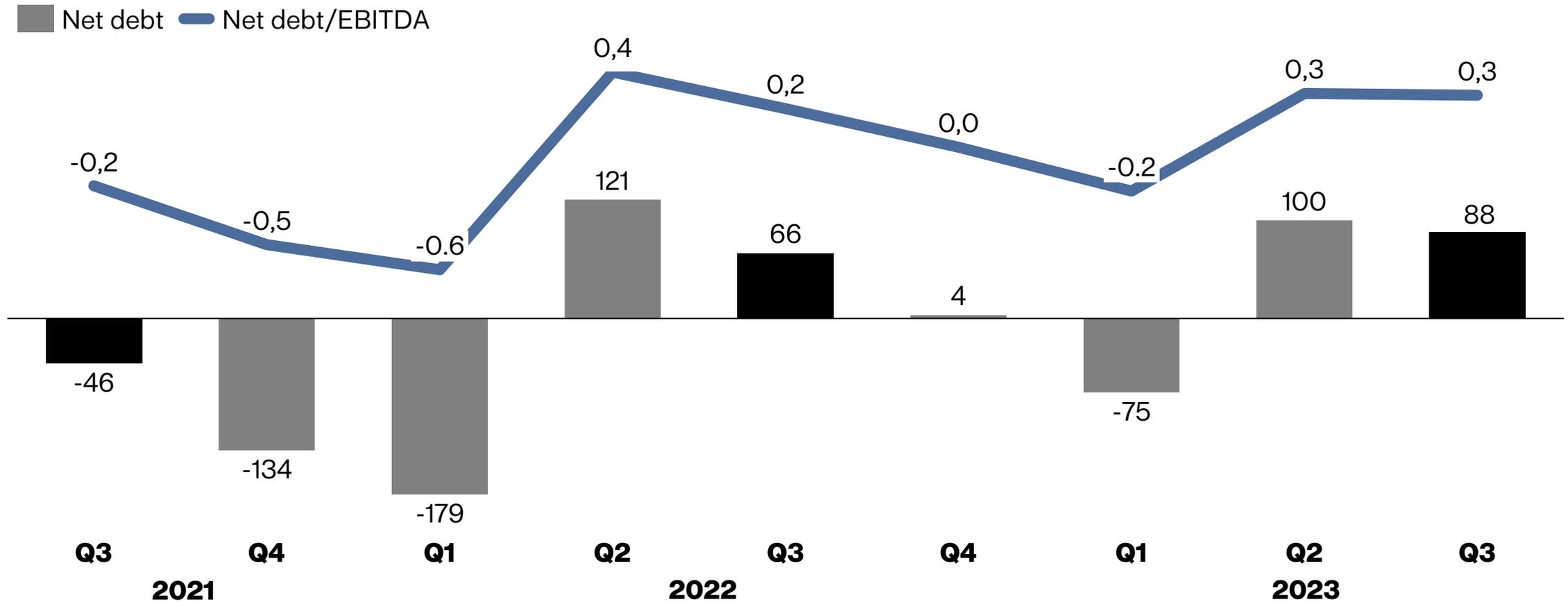


Operating model with consistent high levels of return on operating capital over time

Return on operating capital



Low leverage gives strategic flexibility to pursue innovation and M&A to drive growth

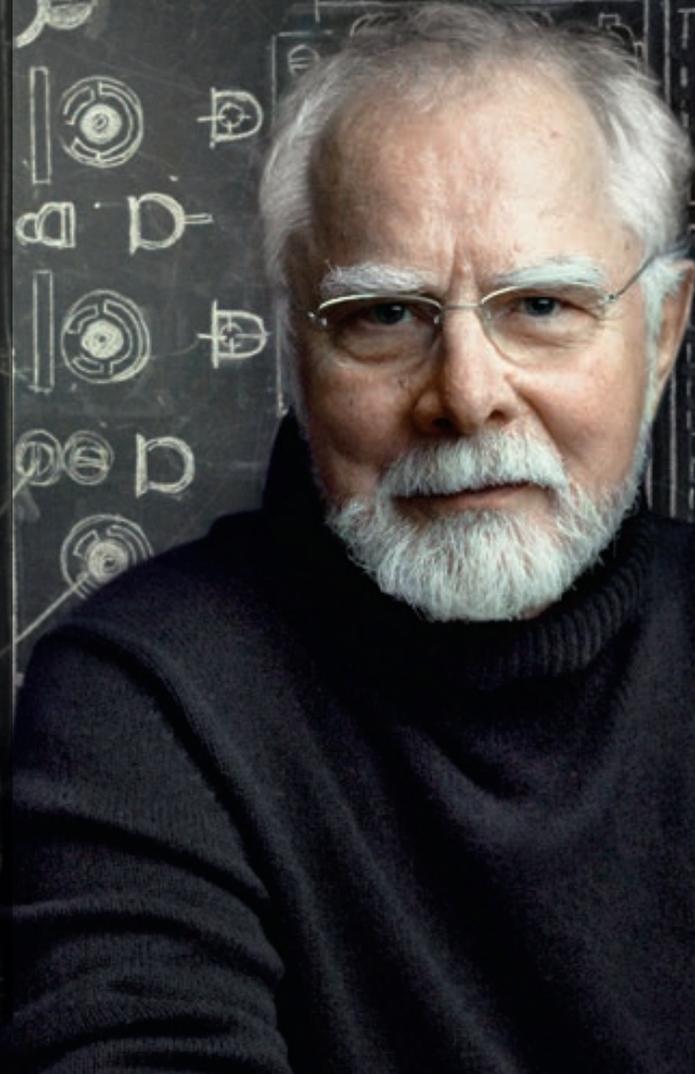


Profitability LTM within target, lower organic growth due to general market uncertainty

	Target	Q3 2023	LTM
Organic net sales growth	10%	-29%	-13%
EBIT margin	25-30%	20%	29%
Dividend policy	> 50%		

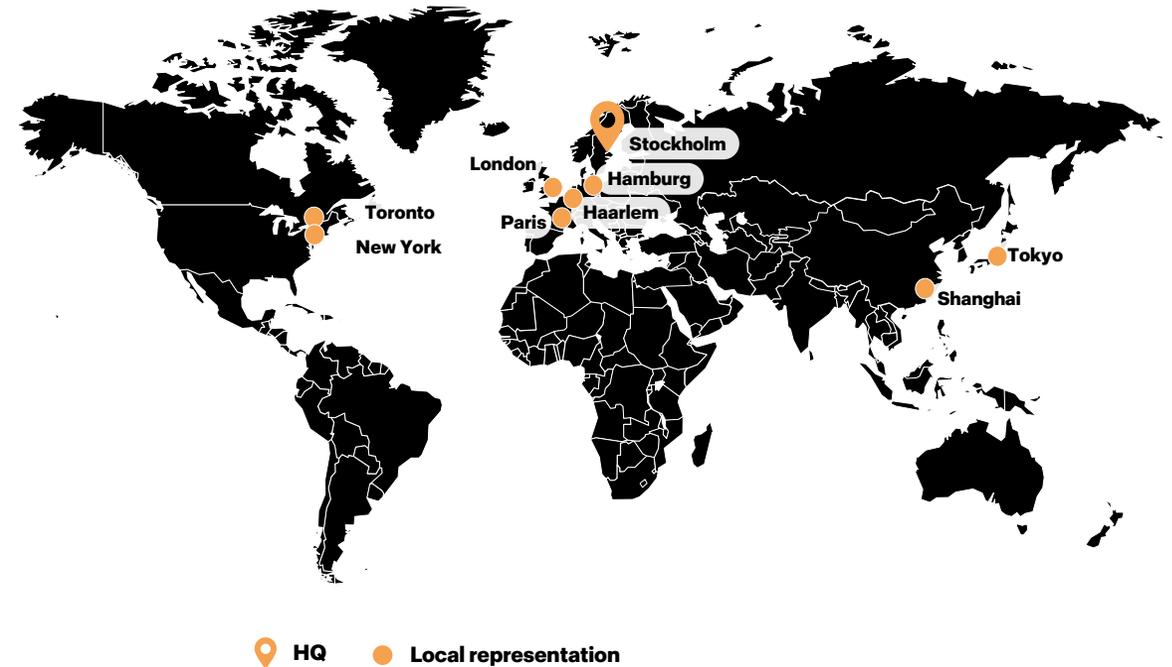
Premium positioned global niche leader

- 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.



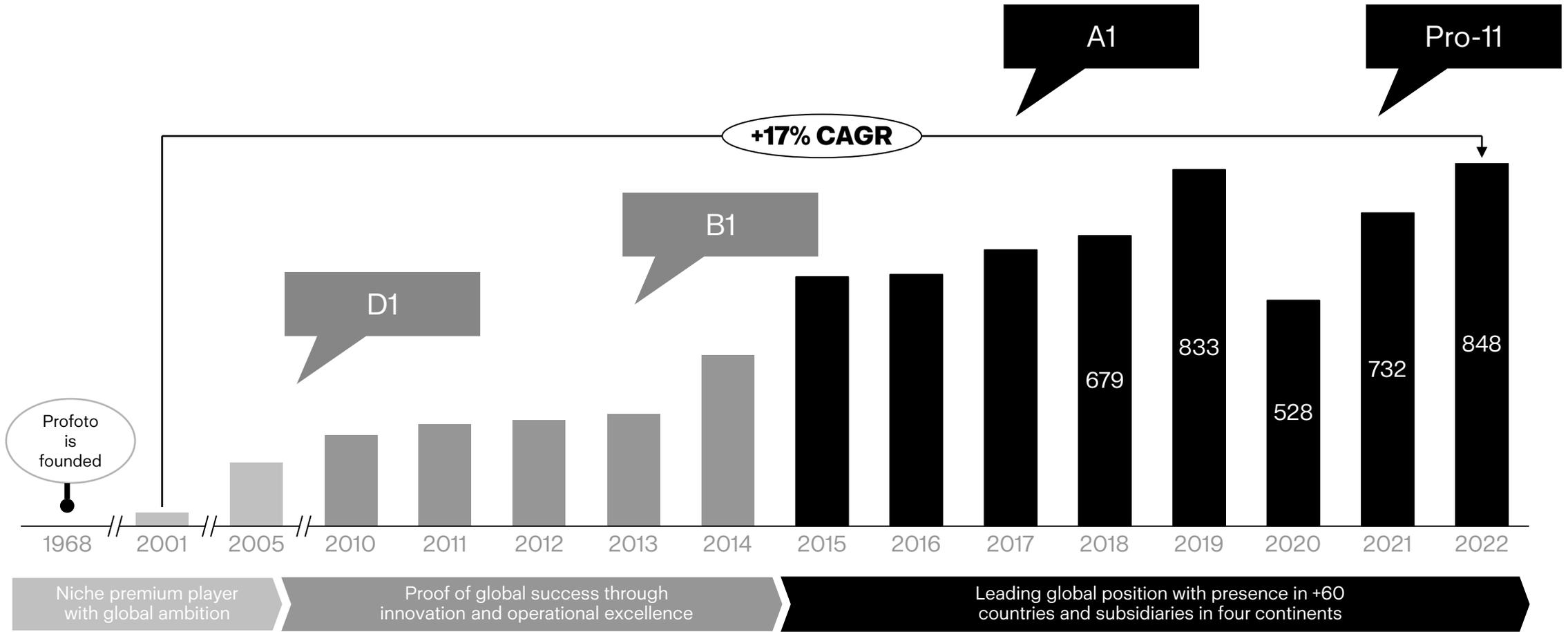
Profoto is the world leader in lighting products for studios and professional photographers

- 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.



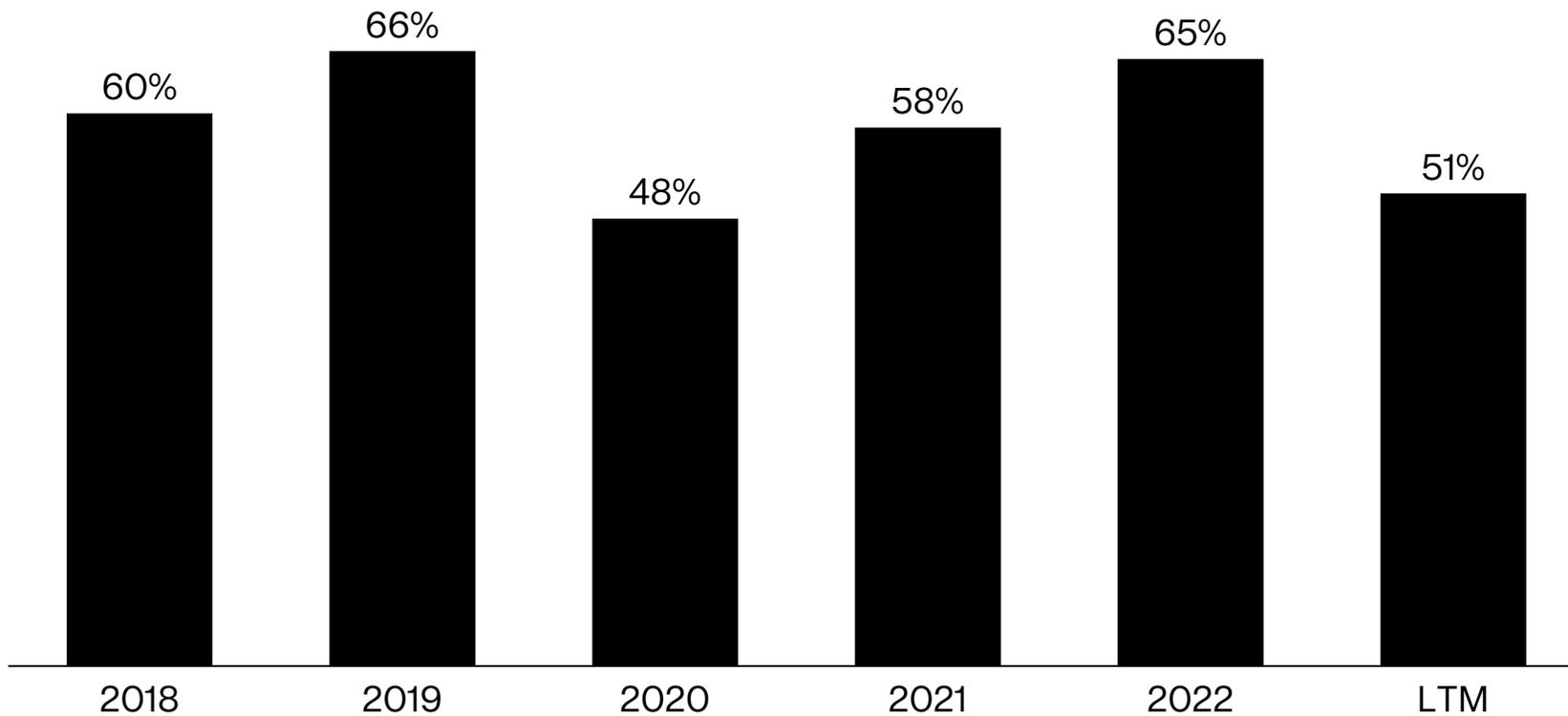
>20 years of +15% annual growth driven by new product introductions

Net sales, SEKm

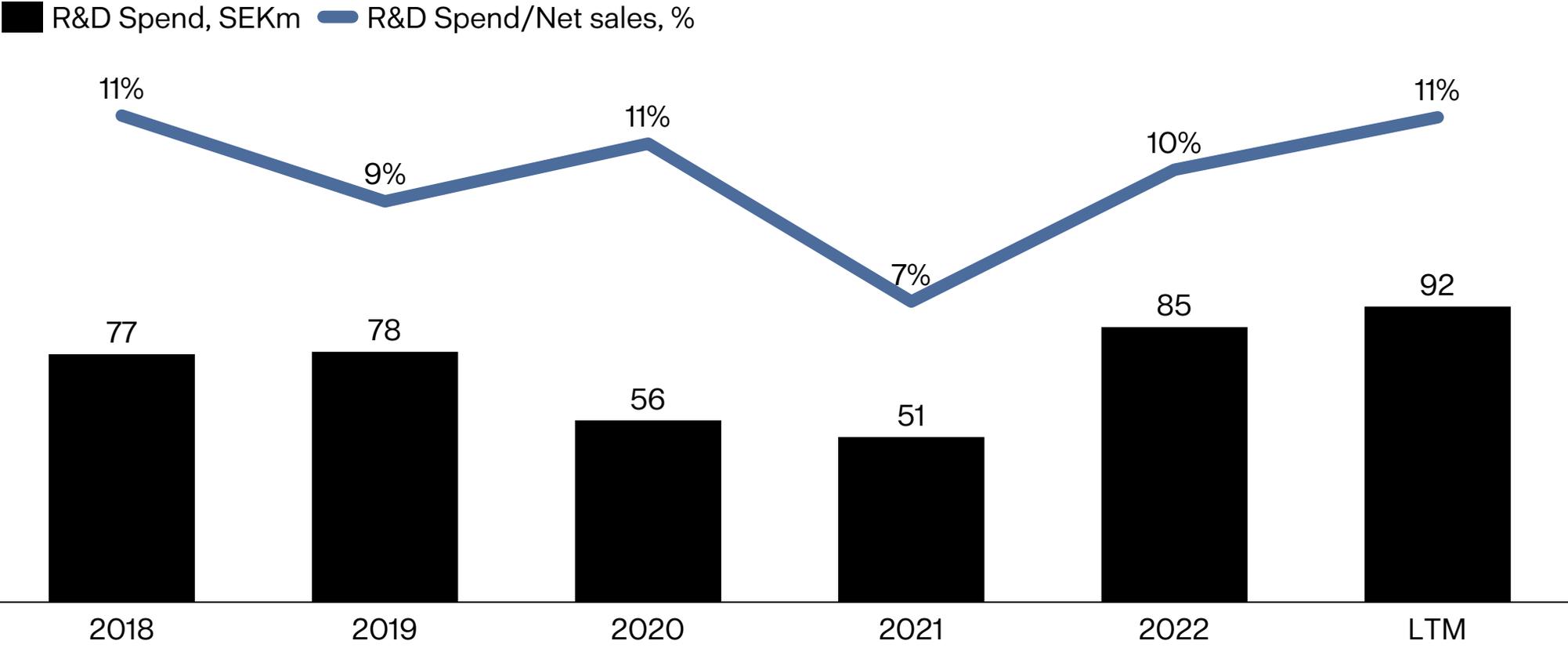


Large share of sales consistently comes from new products, but it has declined last twelve months

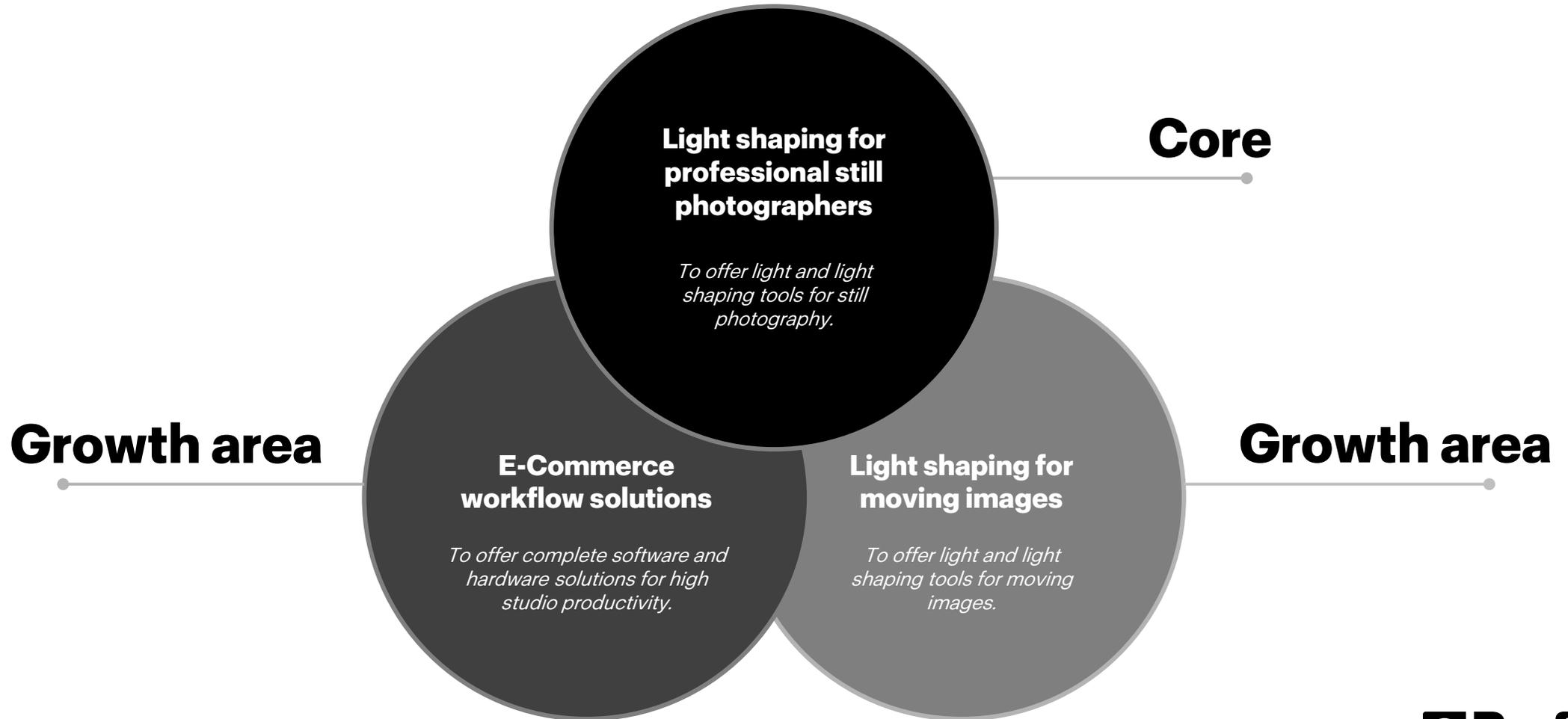
Share of sales from products introduced last 3 years (%)



We continue to invest in R&D to drive demand



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





**The market for visual
content creation is
vibrant**

Questions



Third quarter report, February 6, 2024

Head of IR



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