

# **Good profitability despite weak demand**

## Profoto Q4 report 2023

February 6, 2024



# Today's speakers

**CEO**



Anders Hedebark  
anders.hedebark@profoto.com

**CFO**



Carl Bandhold  
carl.bandhold@profoto.com

**Head of IR**



Amanda Åström  
amanda.astrom@profoto.com



## 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.

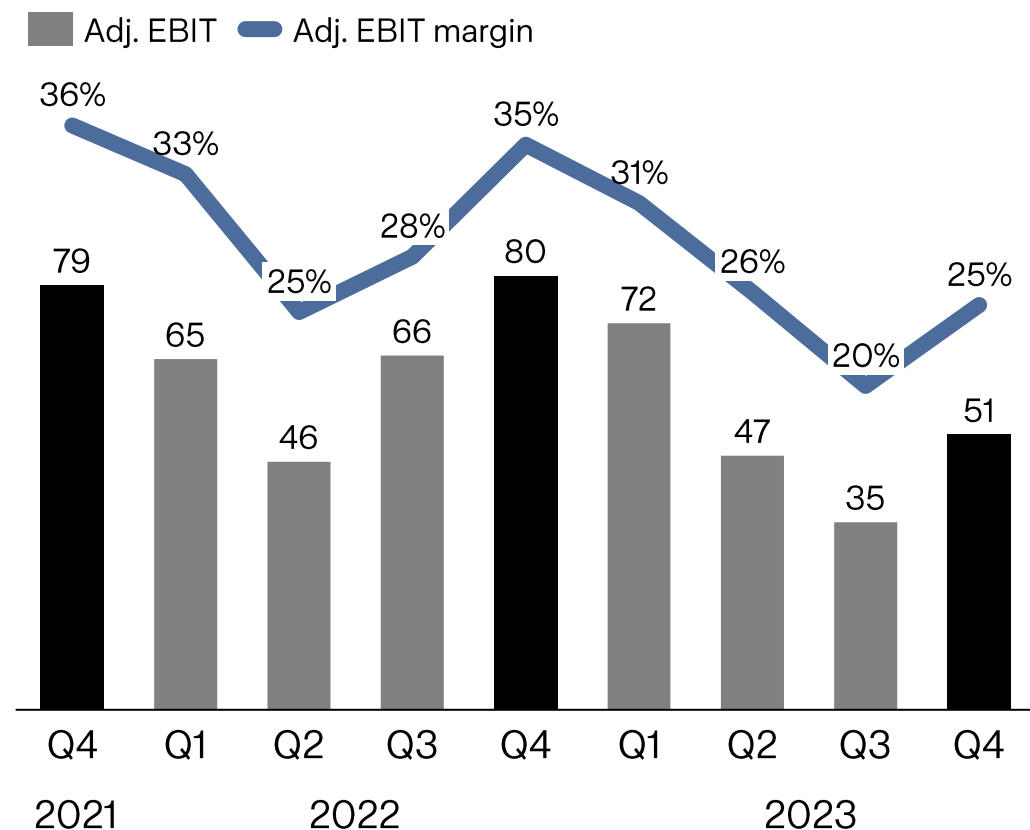
# Q4 2023

## EBIT margin back within financial target

**EBIT Q4**  
SEK 51m (80)  
-37%

**Net sales Q4**  
SEK 204m (230)  
-12%<sup>1</sup>

**EBIT  
margin Q4**  
25% (35)

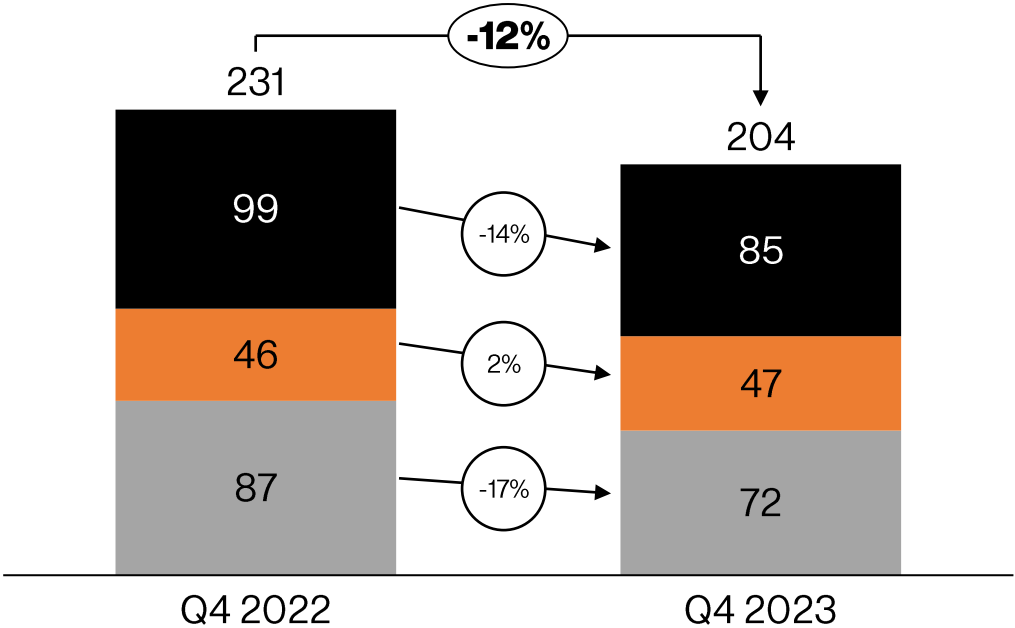






# Continued weak demand across regions - Some growth in APAC

Americas APAC EMEA



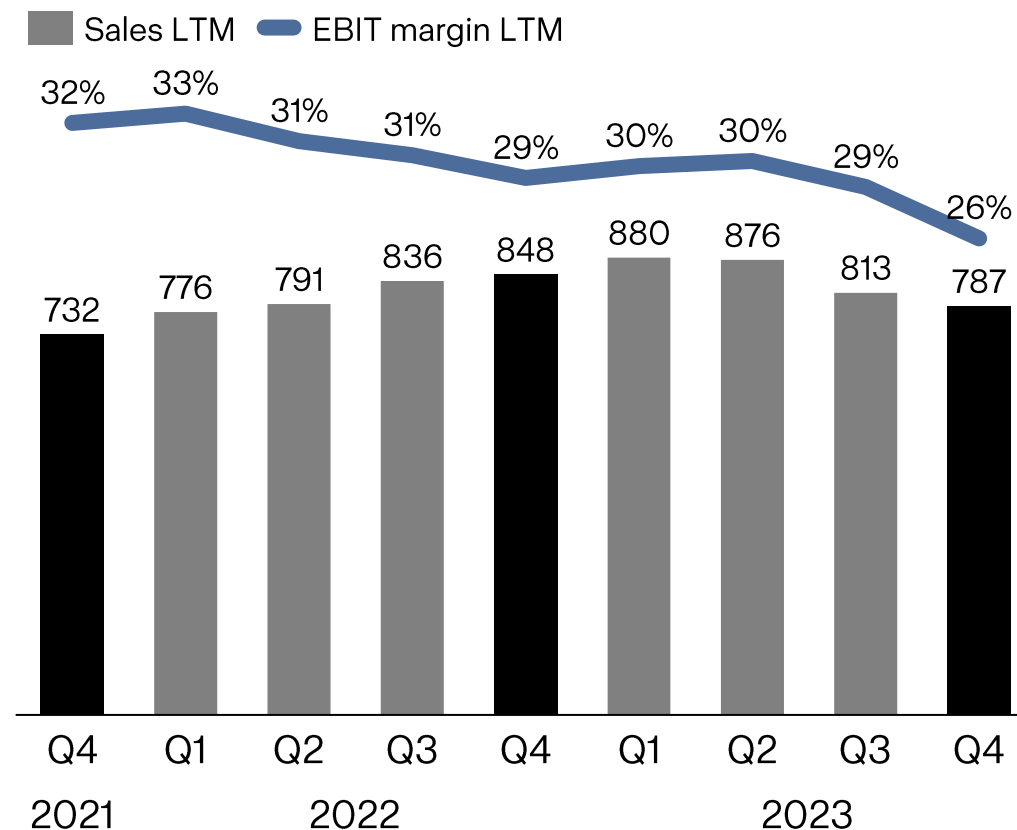
# Last twelve months

A profitable year despite a weak market

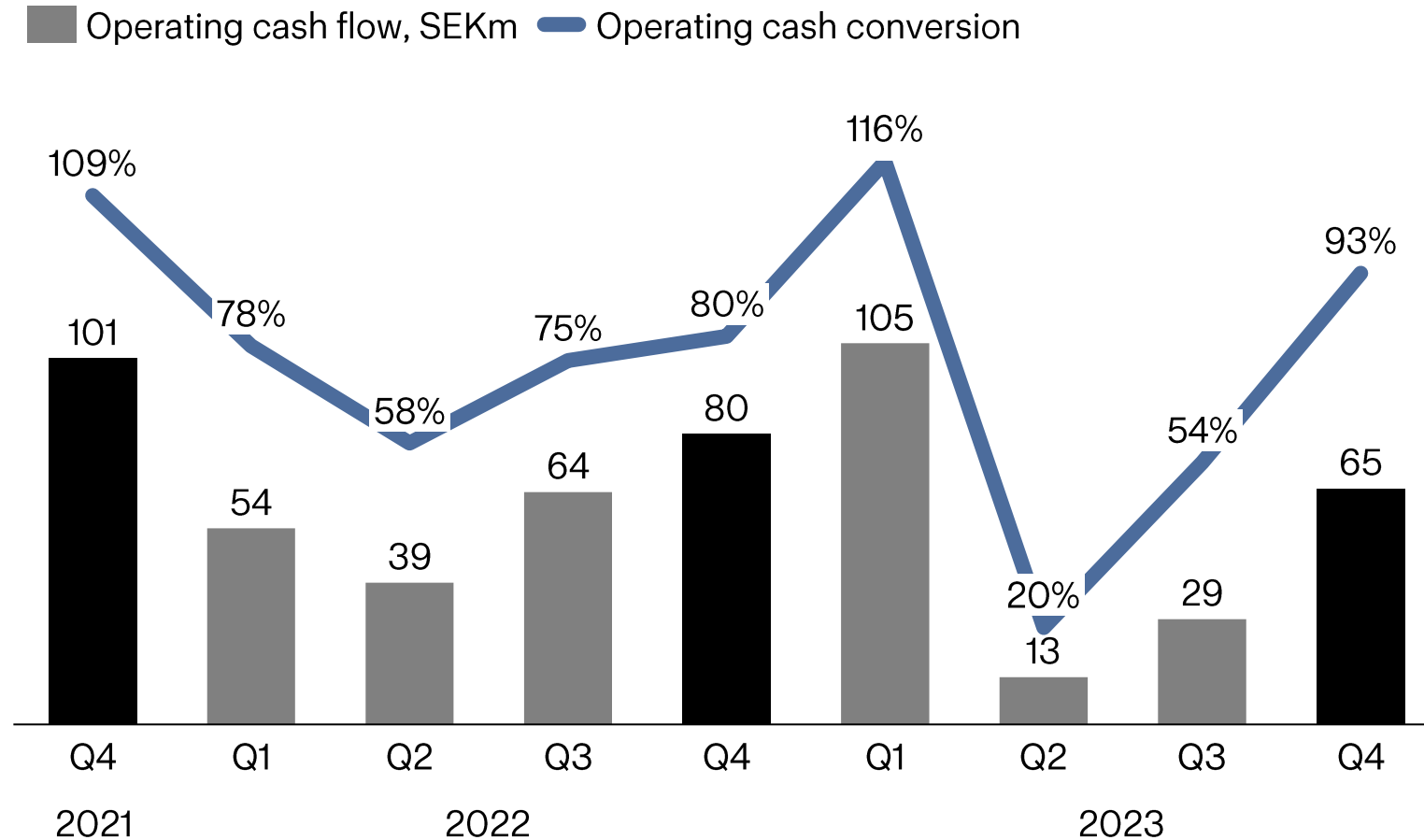
**EBIT LTM**  
SEK 204m (249)  
-18%

**Net sales LTM**  
SEK 787m (848)  
-7%<sup>1</sup>

**EBIT margin LTM**  
26% (29)

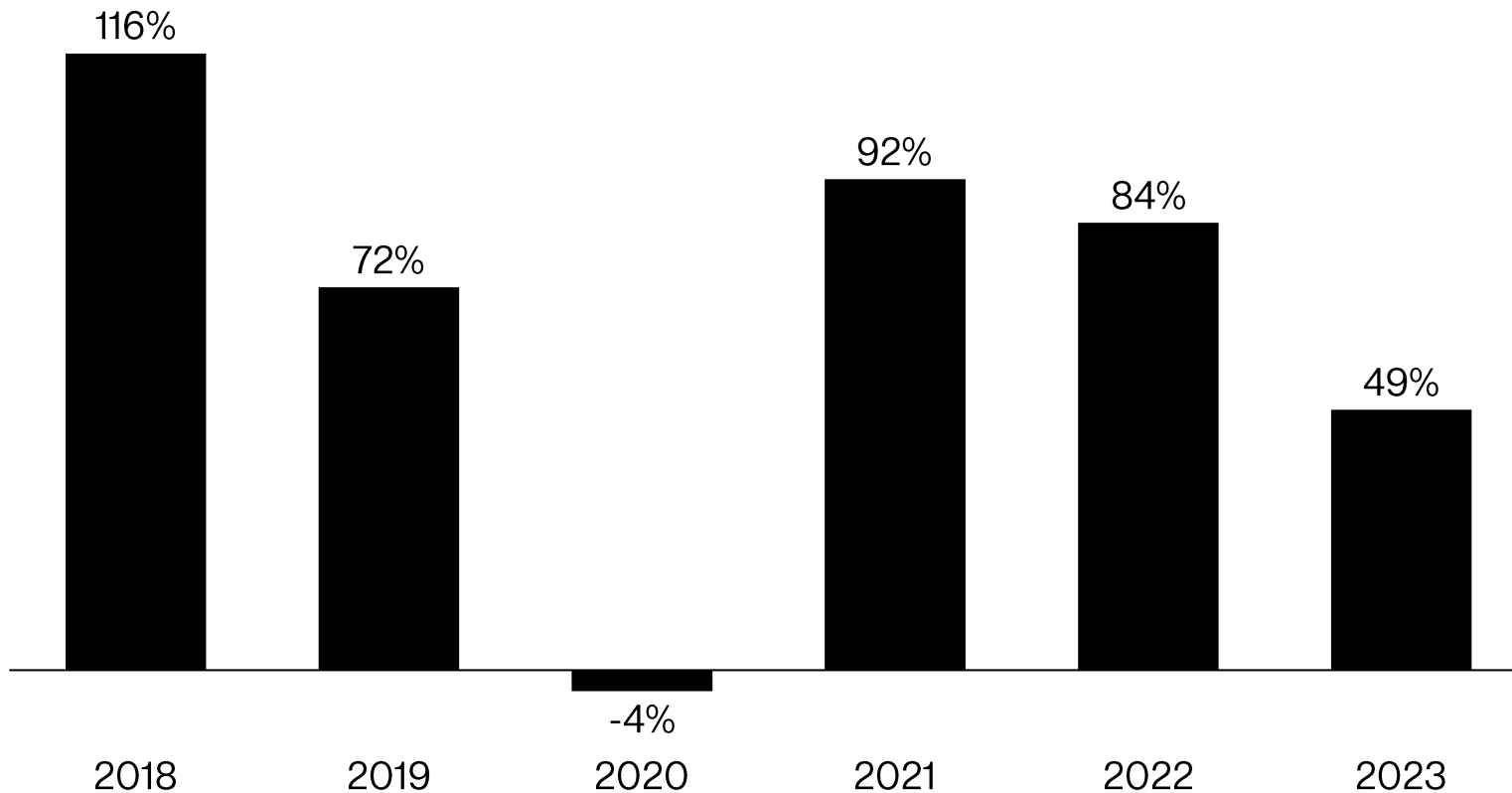


# High operating cash conversion in the quarter



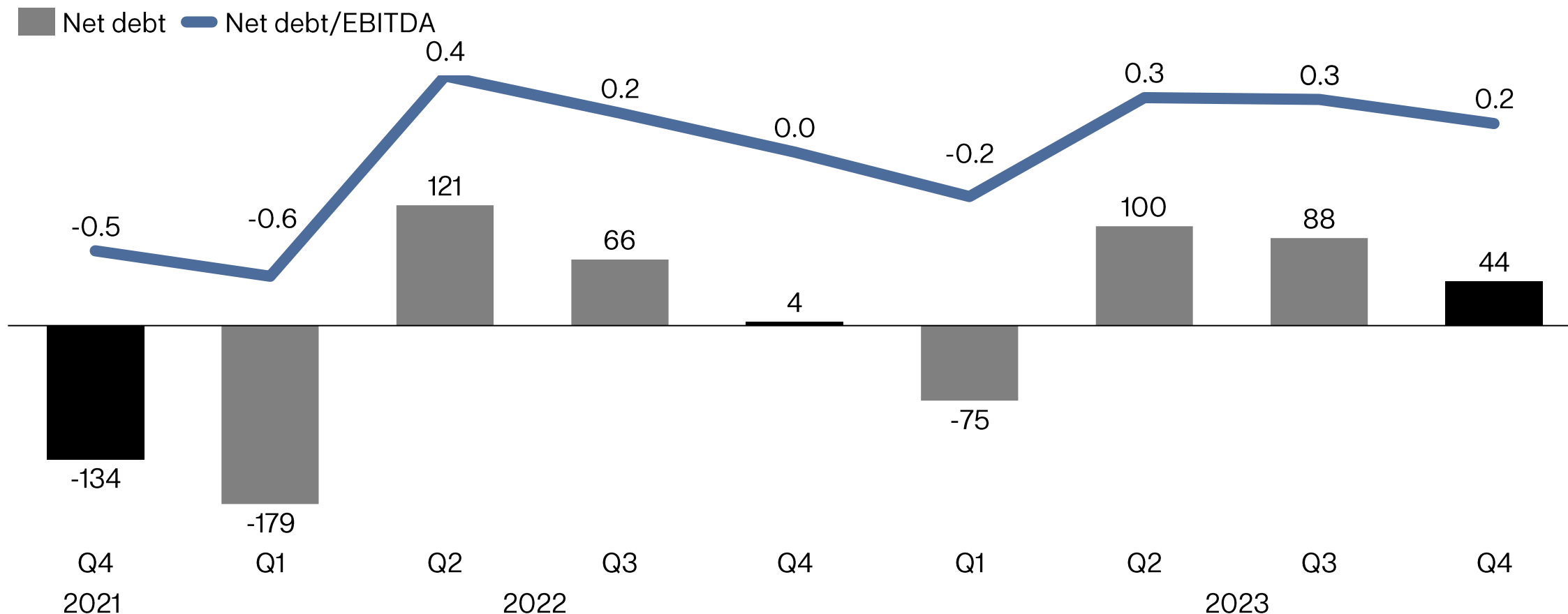
# Operating model with consistent high levels of return on operating capital over time

Return on operating capital





# Strong balance sheet, strategic flexibility to continue investing for growth

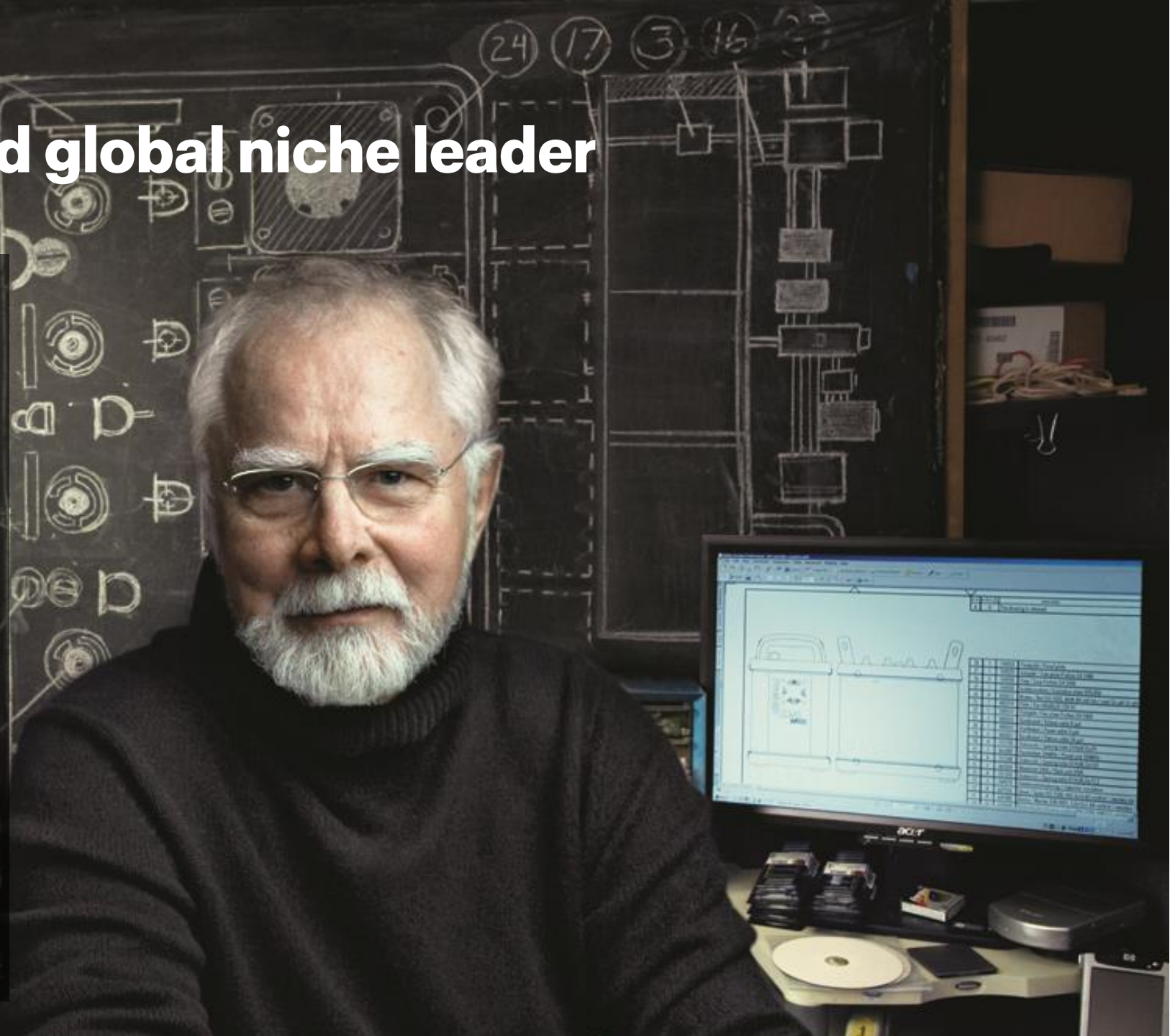


# Profitability target achieved despite a weak market

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

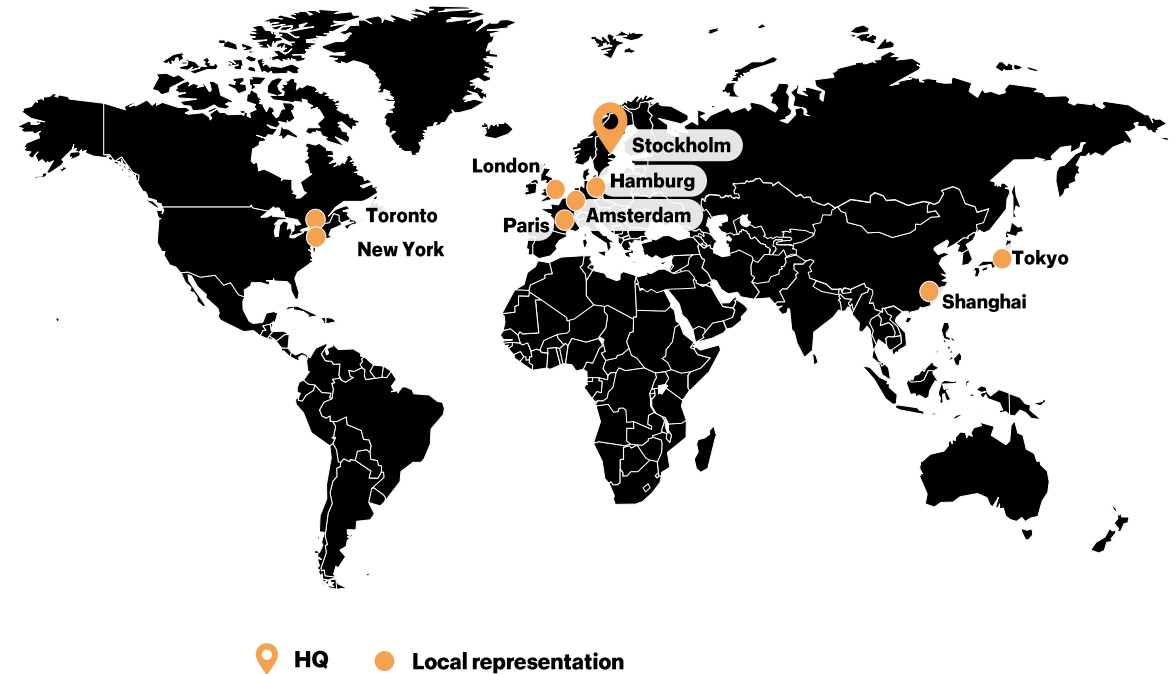
# Premium positioned global niche leader

- 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.



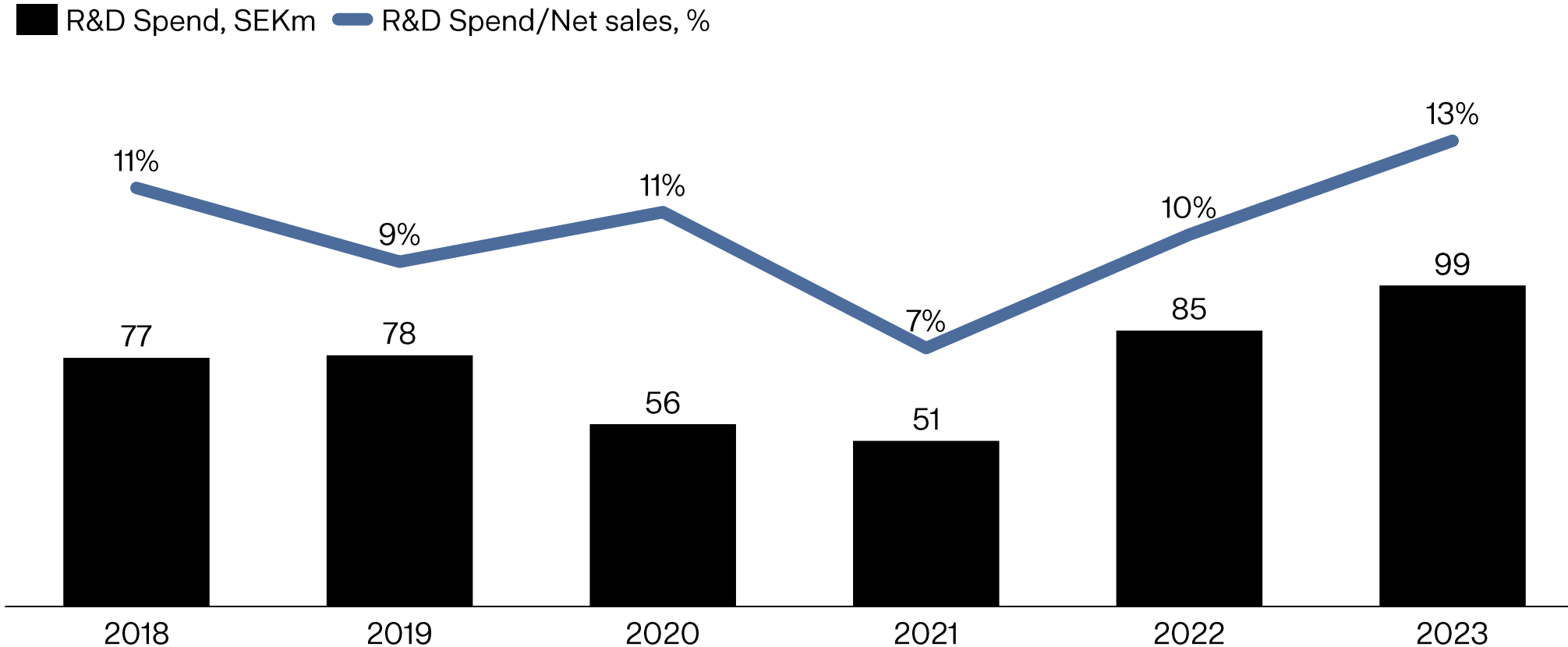
# Profoto is the world leader in lighting products for studios and professional photographers

- 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.



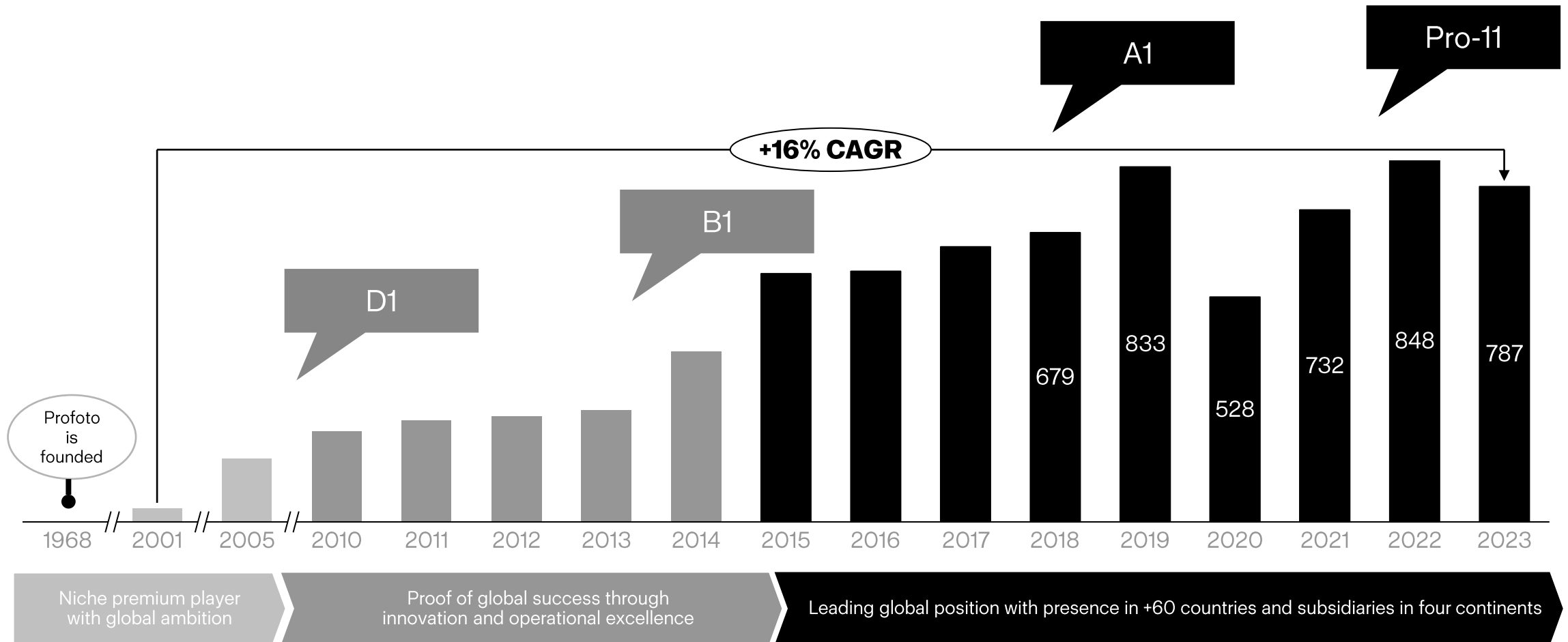


# We continue to invest in R&D to drive demand



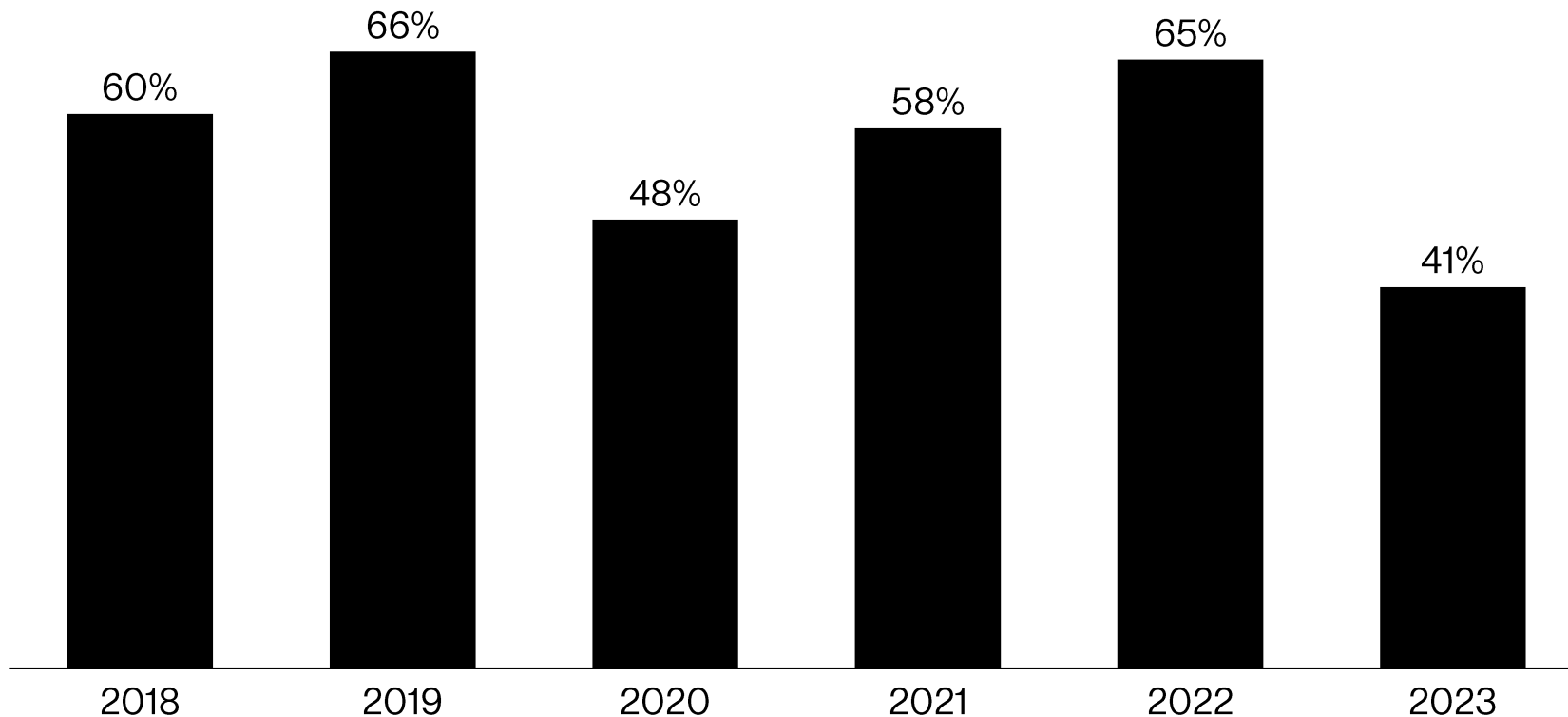
# >20 years of +15% annual growth driven by new product introductions

Net sales, SEKm

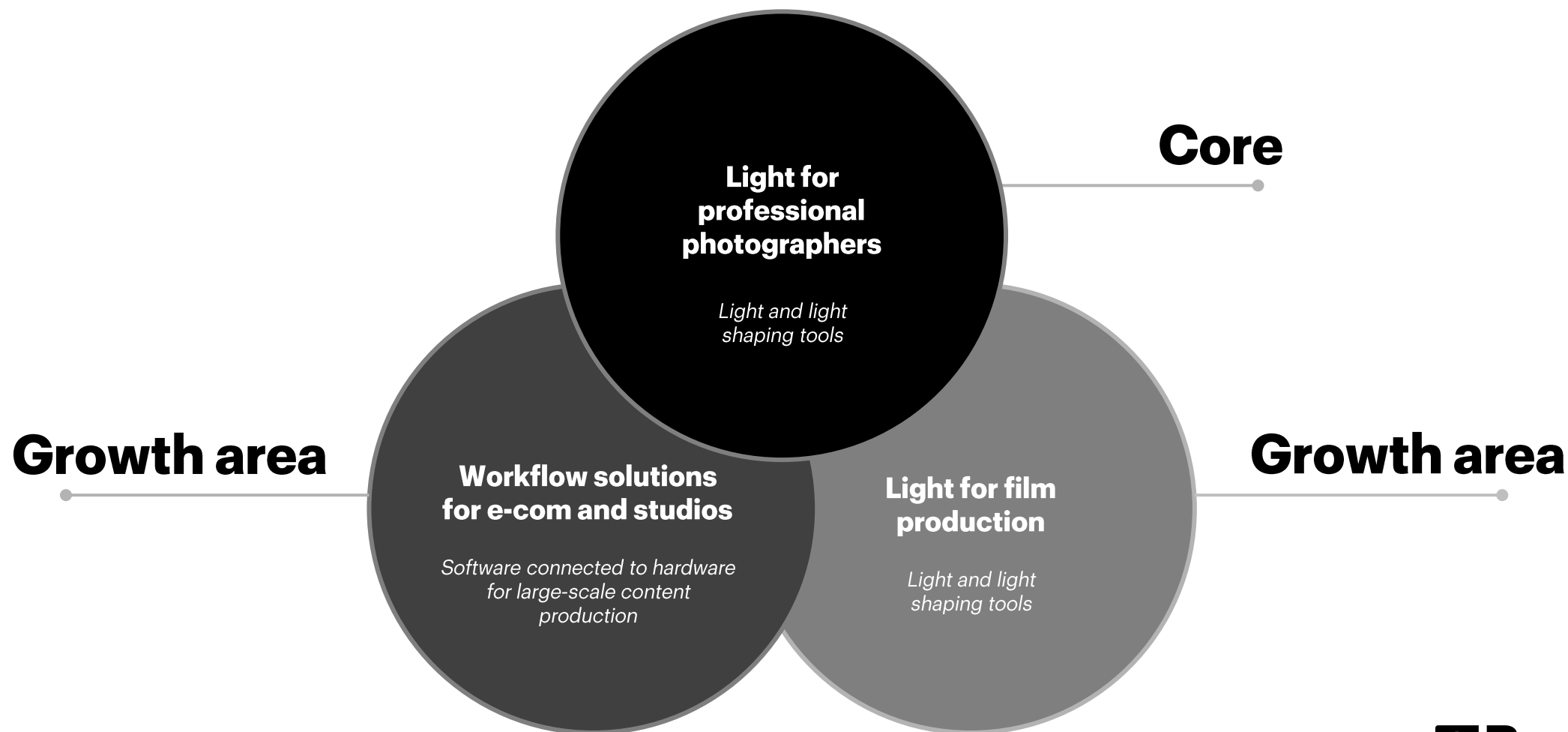


# Large share of sales consistently comes from new products, but it has declined last twelve months

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



Amanda Åström

[amanda.astrom@profoto.com](mailto:amanda.astrom@profoto.com)

