

**Weak quarter but we  
can see the light at the  
end of the tunnel**

Profoto Q1 report 2024

May 14, 2024



# Today's speakers

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# Highlights

- **Net sales** decreased by 25 percent to SEK 171m. Organic growth amounted to -25 percent.
- **EBIT** was SEK 34m (72), corresponding to an EBIT margin of 20 percent (31).
- The **return on operating capital** totaled 39 percent (94).
- New product, **Pro-D3**, launched on May 7<sup>th</sup>.

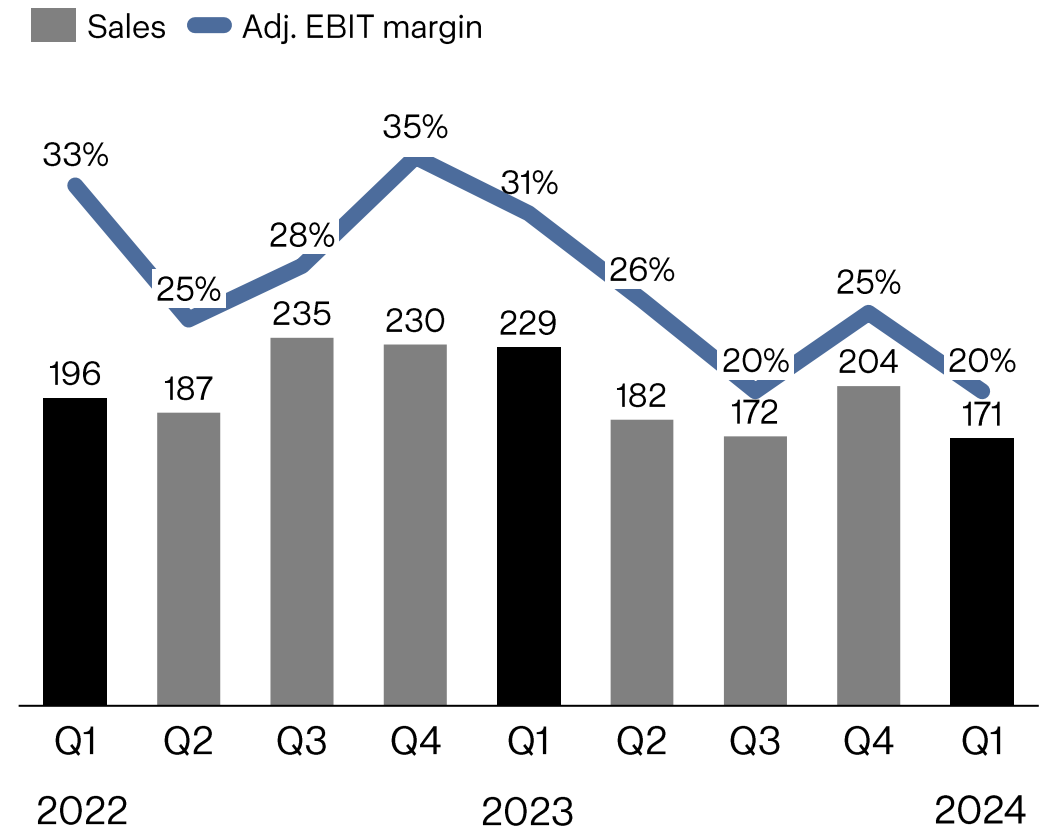
# Q1 2024

## EBIT margin 5 % below financial target

**EBIT Q1**  
SEK 34m (72)  
-52%

**Net sales Q1**  
SEK 171m (229)  
-25%<sup>1</sup>

**EBIT margin Q1**  
20% (31)





# Continued weak demand across regions affects net sales

Americas APAC EMEA

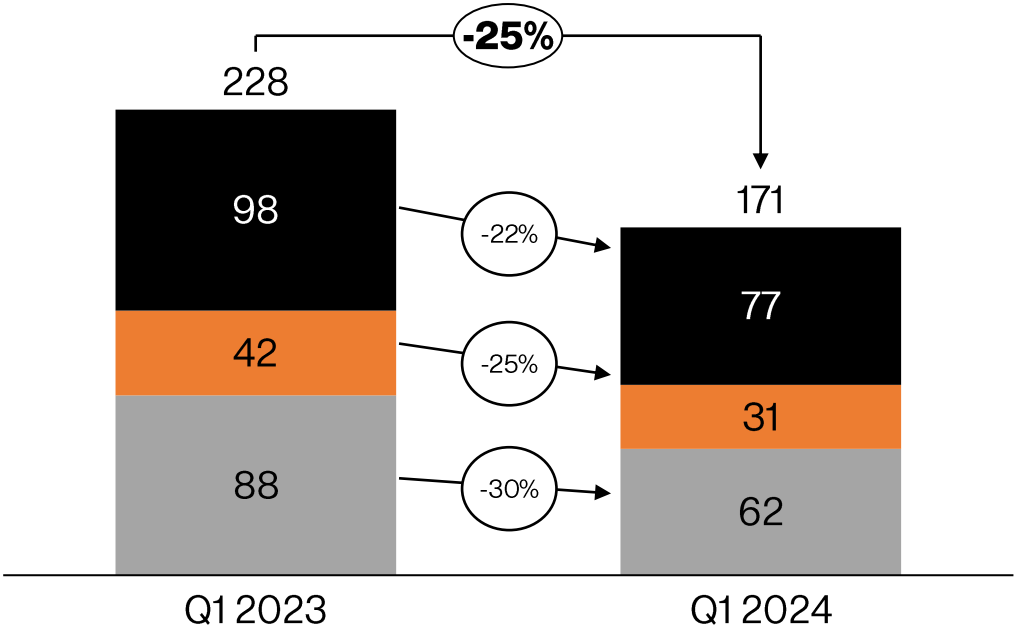
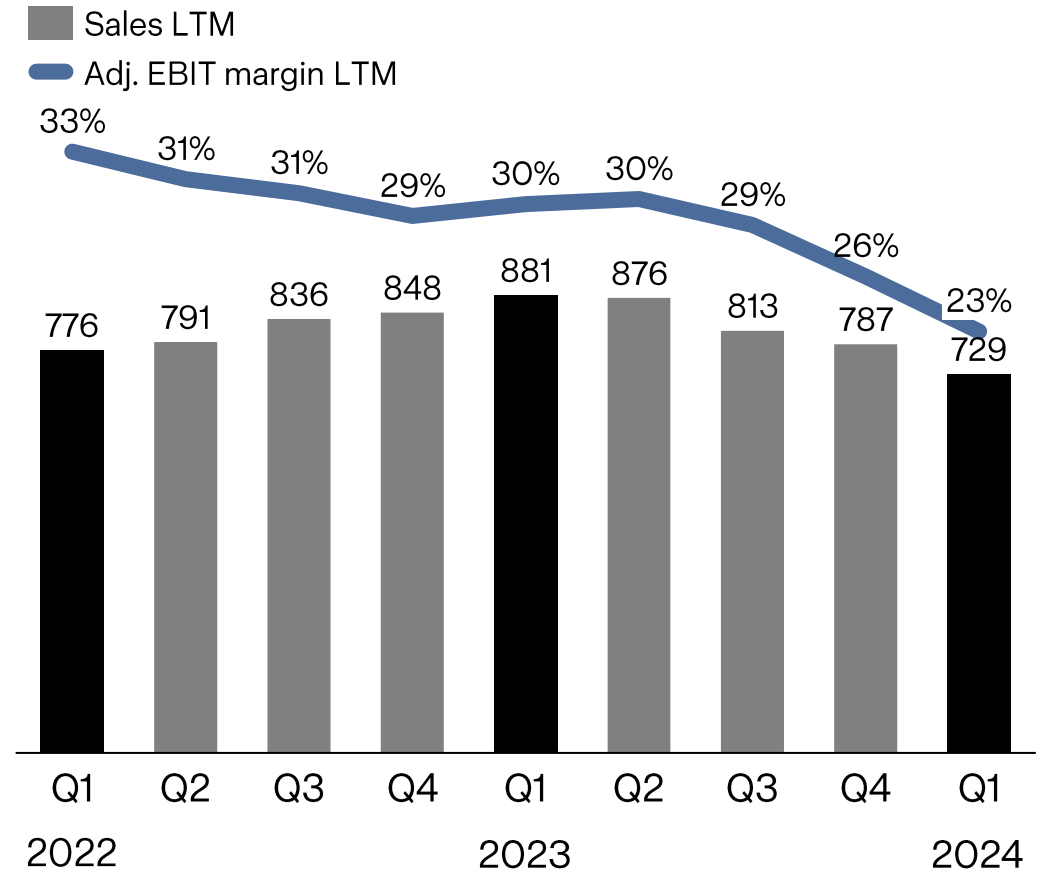
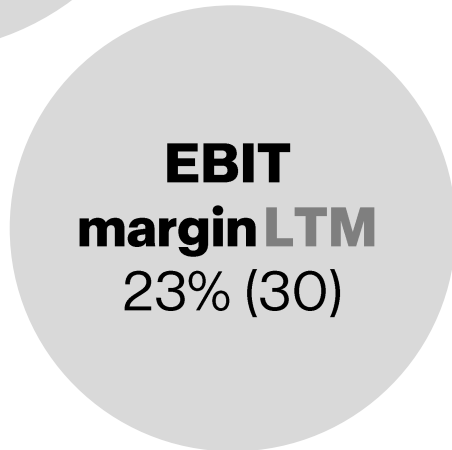
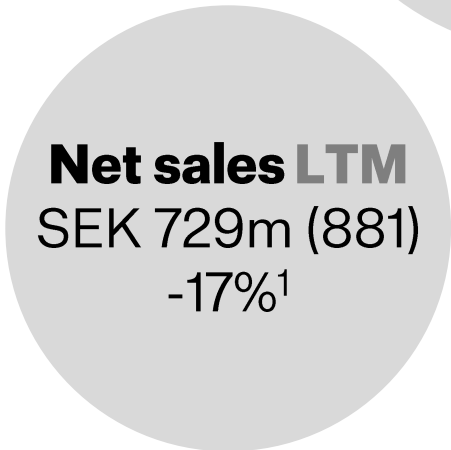
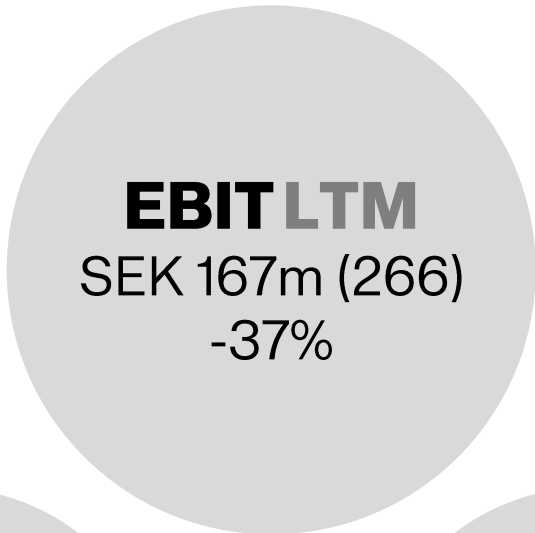


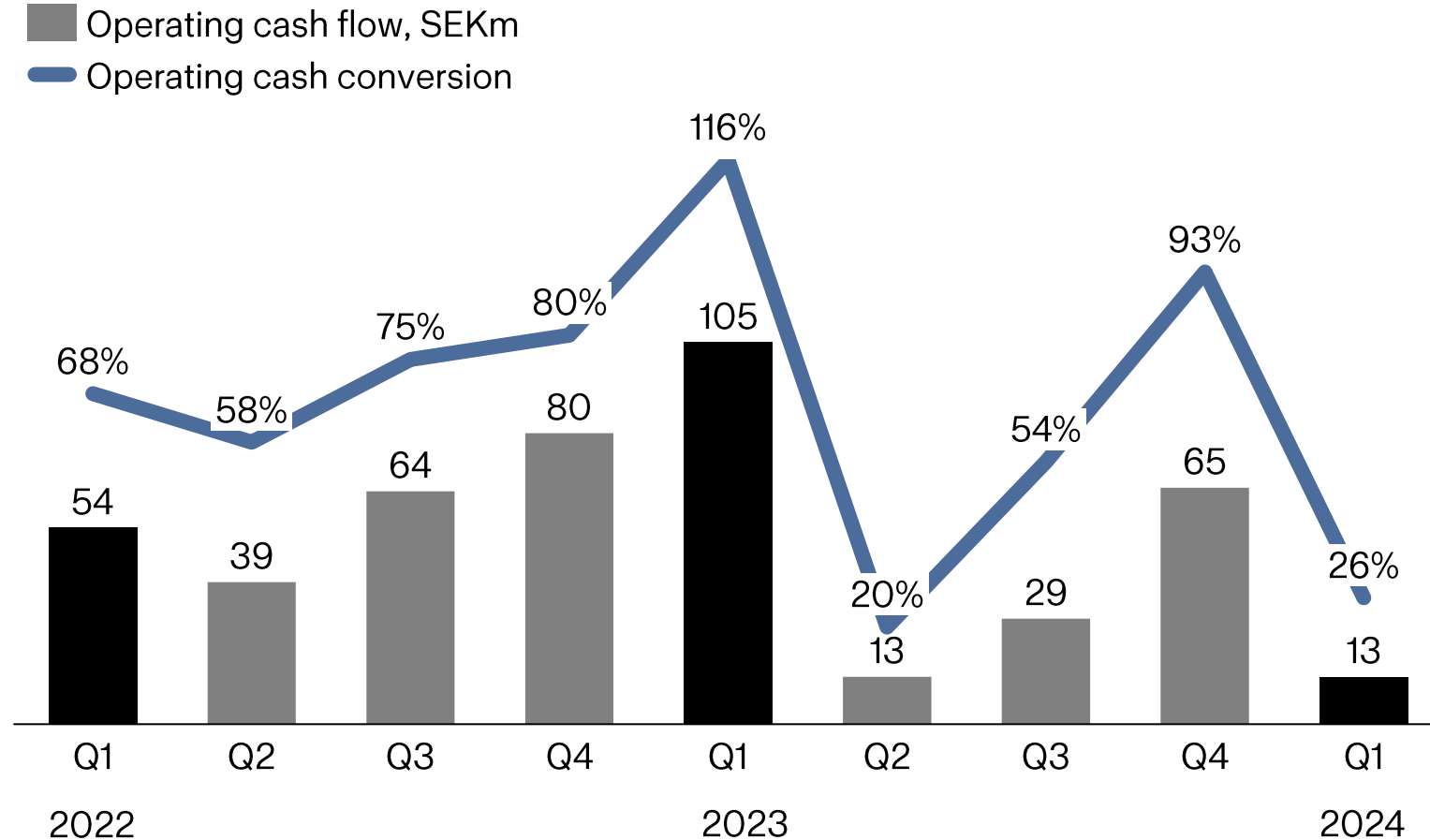
Photo credit: Julia De Robertis

# Last twelve months

Sales and profitability decreased due to a weak market and few product launches

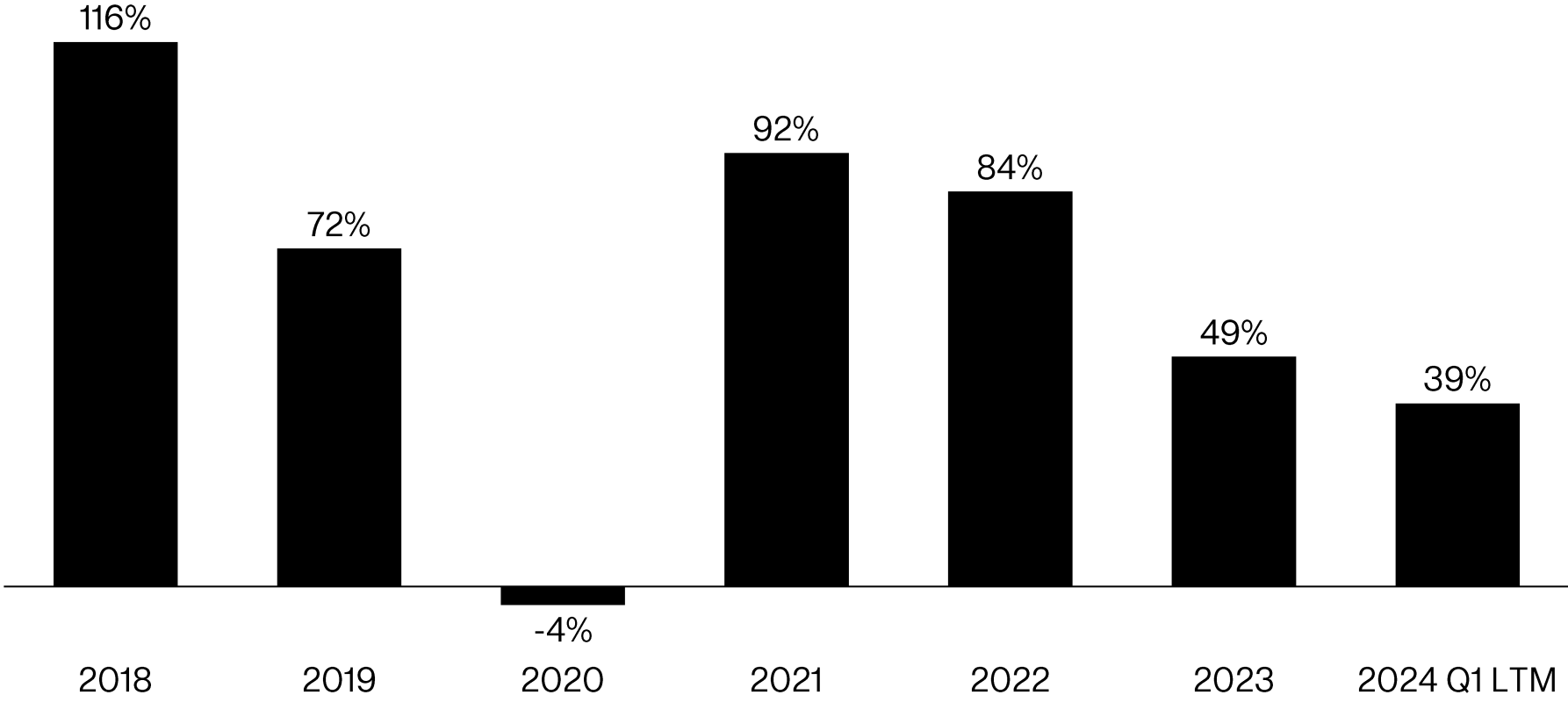


# Low operating cash conversion in the quarter



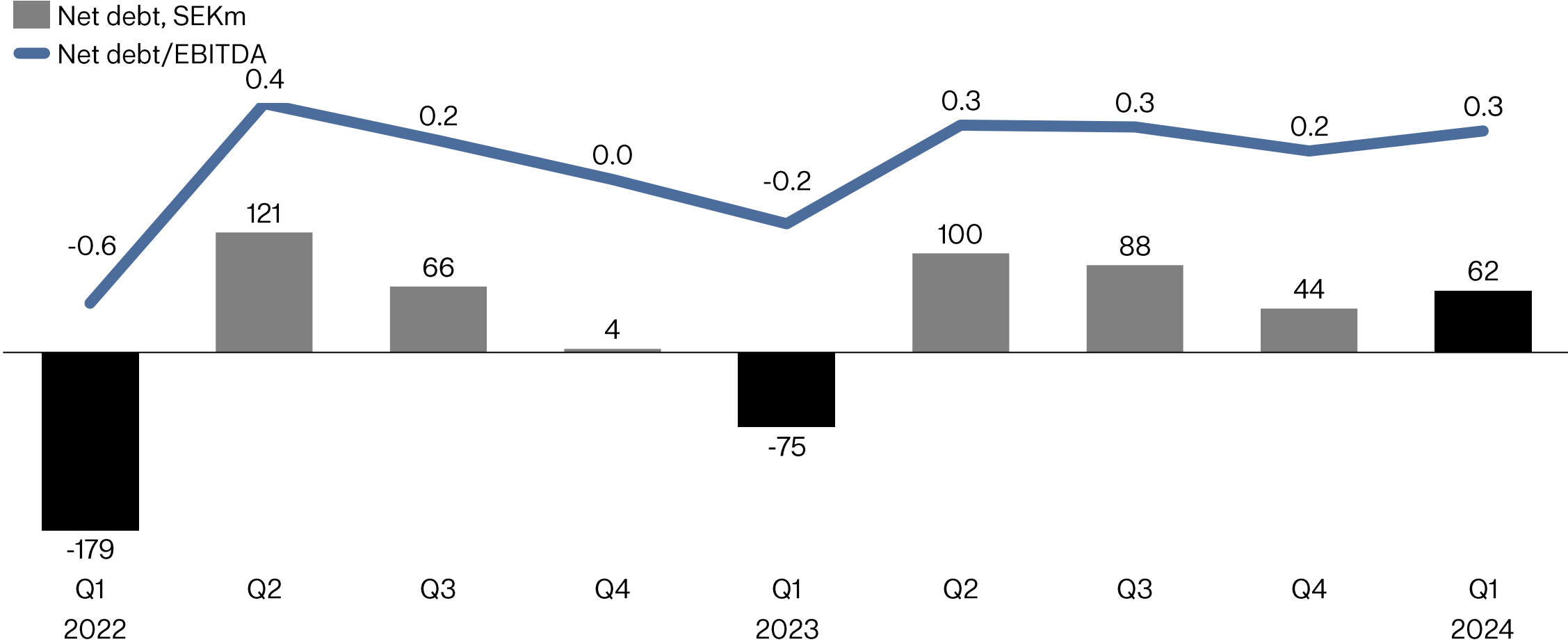
# Operating model with consistent high levels of return on operating capital over time

Return on operating capital





# Strong balance sheet gives flexibility to invest for growth and return capital to shareholders



# Growth and profitability targets not met, but we remain confident with them

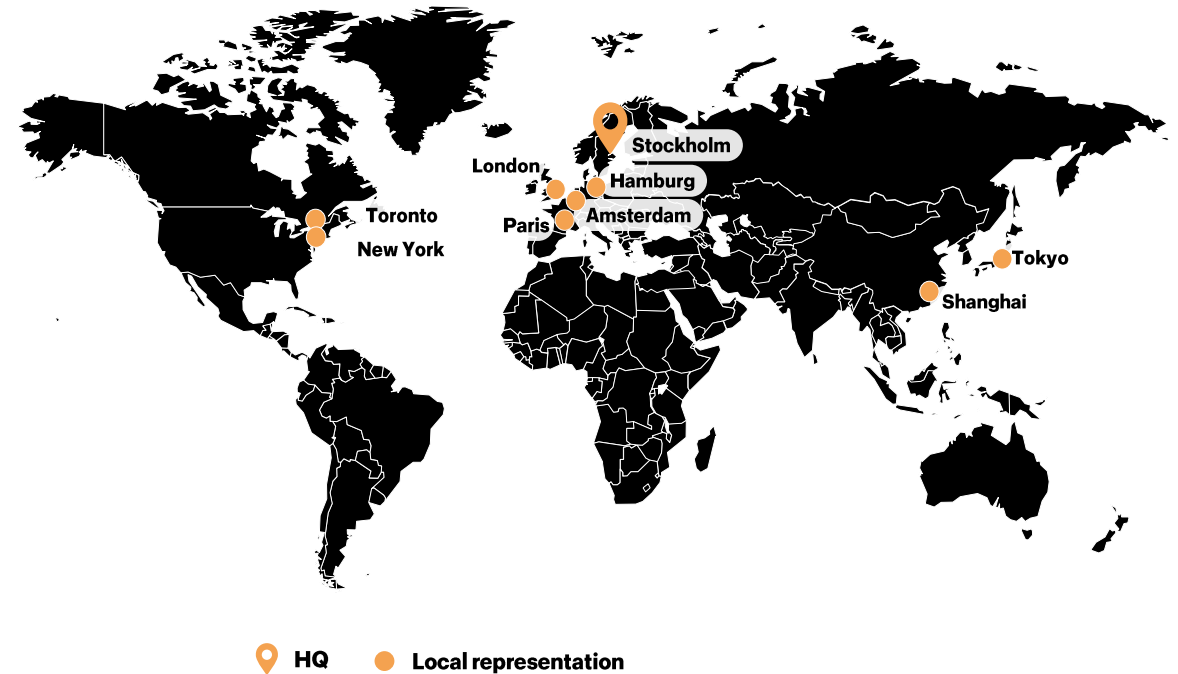
	Target	2024 LTM	2023
<b>EBIT margin</b>	25-30%	23%	26%
<b>Organic sales growth</b>	10%	-19%	-13%
<b>Dividend policy</b>	> 50%		97%

# 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.

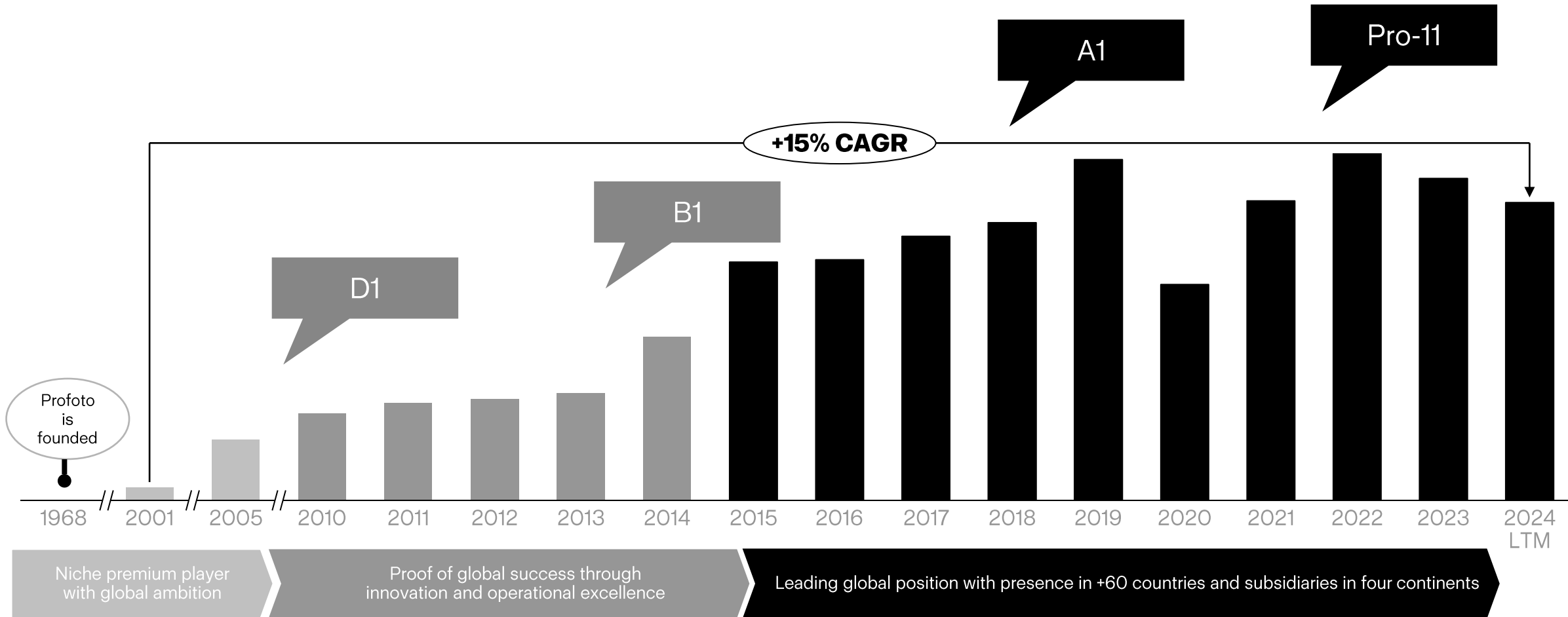
# Profoto is the world leader in lighting products for studios and professional photographers

- 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.



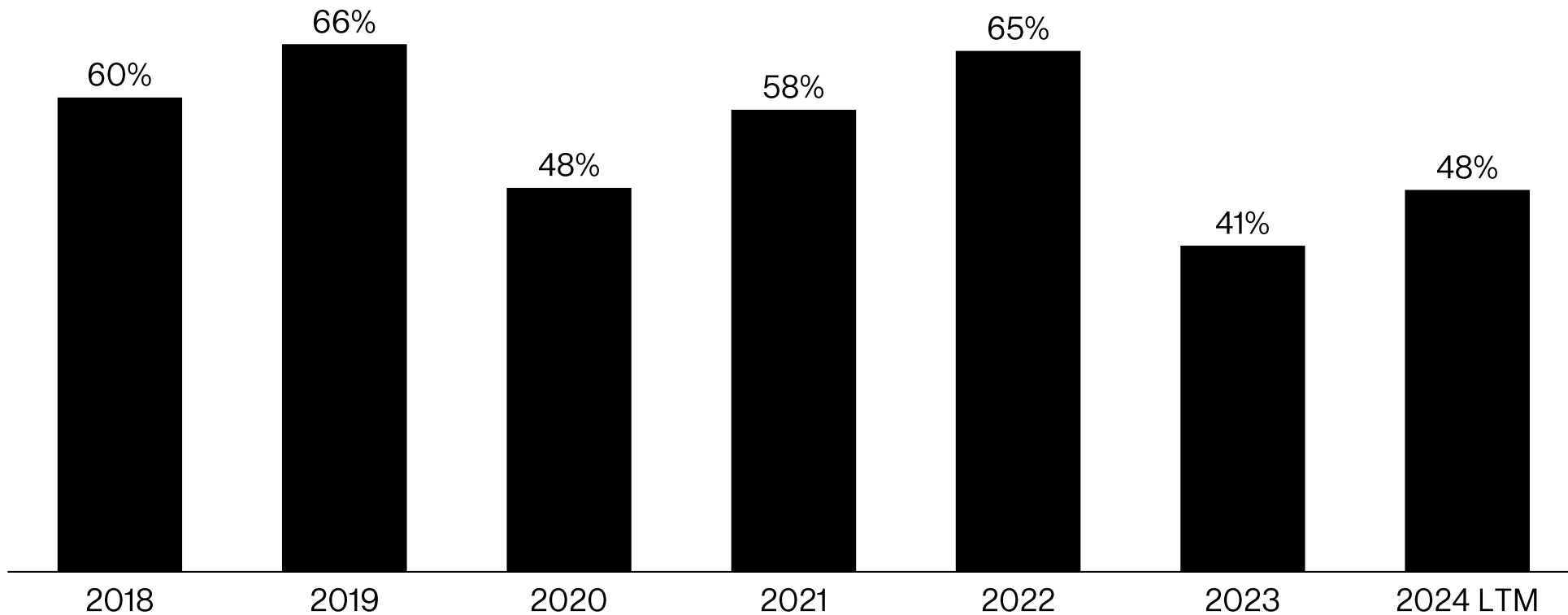
# >20 years of +15% annual growth from new products

Net sales, SEKm

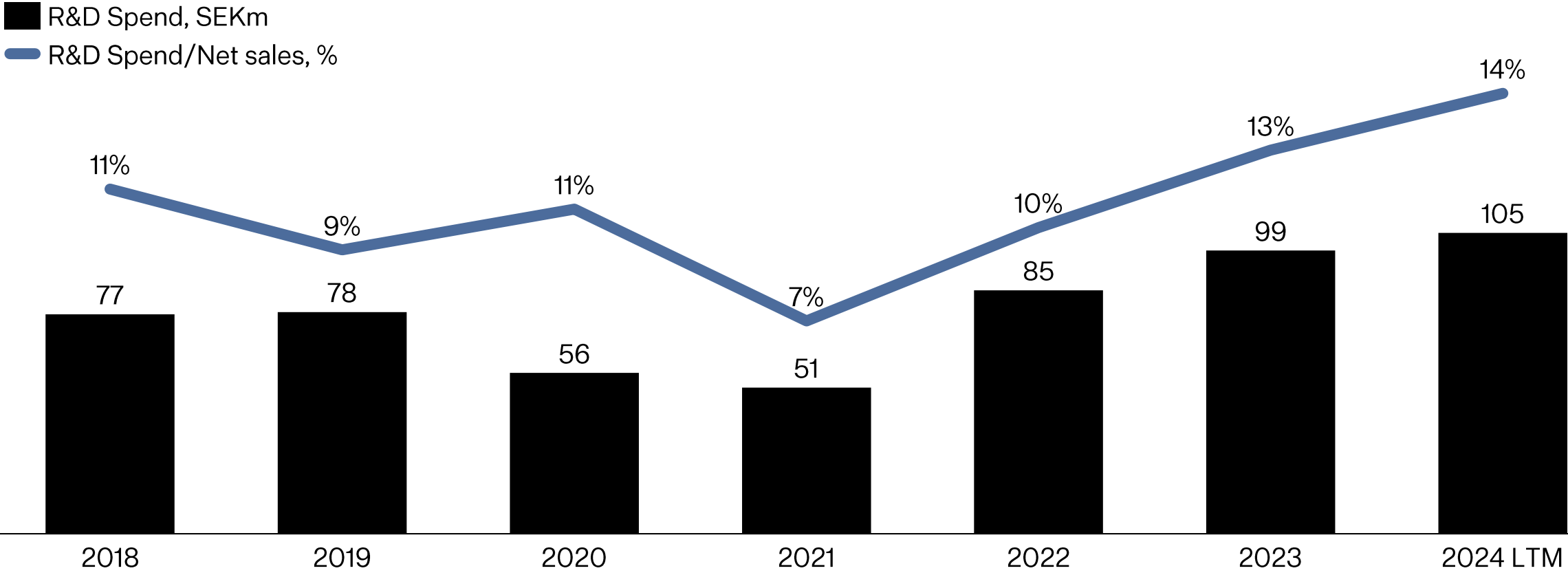


# Large share of sales consistently comes from new products

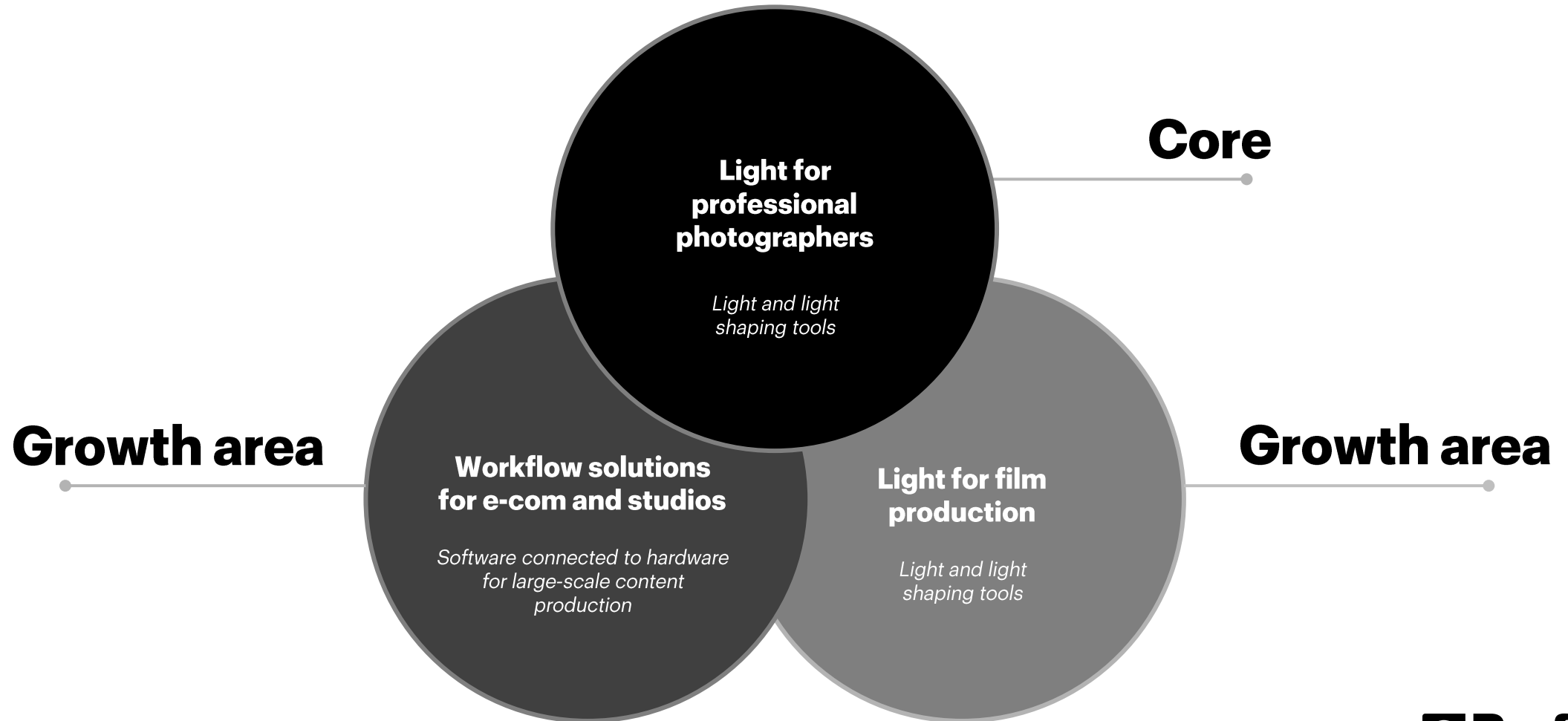
Share of sales from products introduced last 3 years (%)



# Continuous investment in R&D to drive demand



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





# New product launched on May 7<sup>th</sup>: Pro-D3



- Made to exceed the evolving expectation of the high-end commercial image content creation industry.
- Features collectively contribute to improved energy efficiency, reduced maintenance costs, and an extended fixture lifetime.
- Designed to be a relentless work horse, equipped with high-grade components.

# Profoto Lights the way to Hollywood

First product for Film production to be introduced at Cine Gear in Los Angeles on June 7<sup>th</sup>



## LA EXPO 2024

LOS ANGELES | JUNE 7-9, 2024

LOCATION: Warner Bros Studios, Burbank, CA

Registration for the 2024 Cine Gear LA Expo is now open!

[Learn More](#)

- Profoto Lights the way to Hollywood, first Profoto LED to be shown at Cine Gear, Warner Bros Studios
- Profoto will continue to deliver leading-edge technology and light shaping in a new category for continuous lights ie LED.

# New organization for growth in North America



- North America is Profoto's largest market and the one with the best growth potential.
- Profoto is now increasing its focus on sales and marketing and is moving Management of the Global Marketing department to Los Angeles.
- Sara Strid takes on a new role as Vice President North America and Global Marketing, based in Hollywood, Los Angeles.

# Questions



# Second quarter report, July 17, 2024

Head of IR



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