

Interim Report

January 1–March 31, 2025

Financial summary January–March 2025

- Profoto announces results for the first quarter of the year in accordance with preliminary figures published on April 15, 2025.
- Net sales totaled SEK 164m (171), down 3.7 percent. Organic growth totaled -4.7 percent, and the currency effect was 1.0 percent.
- EBIT totaled SEK 17m (34), and the EBIT margin was 10.4 percent (20.1).
- Profit for the period was SEK 3m (27).
- The return on operating capital totaled 28.0 percent (38.9).
- Cash flow from operating activities totaled SEK 58m (13), mainly attributable to a refund of preliminary taxes and a decrease in accounts receivable.
- Earnings per share (basic and diluted)¹ totaled SEK 0.08 (0.66).

Significant events after the end of the period

- The cost base will be reduced by approximately 20 percent, corresponding to an improved cash flow of SEK 60–80m, and an improved EBIT of SEK 30m, on an annual basis. The full impact of the savings measures is expected to become visible in the second half of 2025.
- In view of the current market situation, the Board of Directors proposes to withdraw the previous proposal regarding the dividend for 2024. The proposal for a share buy-back program of up to 10 percent of the shares until the 2026 AGM remains. This proposal increases Profoto's financial flexibility.

Net sales
LTM

SEK 724m
(SEK 729m)

Adjusted EBIT
LTM

SEK 150m
(SEK 167m)

Adjusted EBIT margin
LTM

20.7%
(22.9%)

Return on operating capital
LTM

28.0%
(38.9%)

For information and an explanation of alternative performance measures, see pages 17–19.

1) Calculated based on 40,000,000 ordinary shares before and after dilution.

All amounts are recognized in millions of SEK (SEKm) unless otherwise stated. Rounding differences of SEKm +/-1 may occur when adding up figures. Figures in parentheses represent the same period in the previous year.

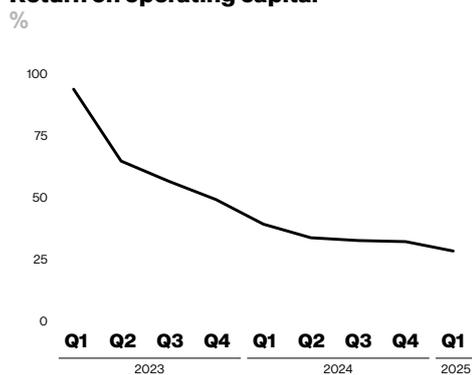
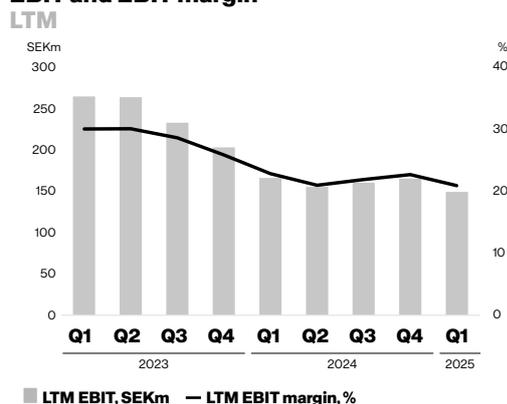
Key ratios, Group

	Jan-Mar 2025	Jan-Mar 2024	Apr 2024- Mar 2025	Full year 2024
Net sales, SEKm	164	171	724	731
Organic growth ¹ , %	-4.7	-24.6	-0.3	-6.5
EBITA, SEKm	26	44	186	204
EBITA margin, %	15.6	25.6	25.6	27.9
EBIT, SEKm	17	34	150	167
EBIT margin, %	10.4	20.1	20.7	22.9
Adjusted EBIT ¹ , SEKm	17	34	135	153
Adjusted EBIT margin ¹ , %	10.4	20.1	18.7	20.9
Profit/loss for the period, SEKm	3	27	103	126
Cash flow from operating activities, SEKm	58	13	143	97
Net debt ² , SEKm	211	62	211	235
Net debt/EBITDA LTM	1.02	0.26	1.01	1.04
Return on capital employed, %	25.4	28.9	25.4	28.7
Return on operating capital, %	28.0	38.9	28.0	31.9
Earnings per share, SEK ³	0.08	0.66	2.57	3.15

1) For information and an explanation of alternative performance measures, see pages 17-19.

2) A negative amount indicates a positive net cash position.

3) Calculated based on 40,000,000 ordinary shares before and after dilution.

Return on operating capital**EBIT and EBIT margin**

Results Affected by Weak Demand in the US

In the first quarter of 2025, Profoto's net sales totaled SEK 164m (171), down 3.7 percent compared to the same quarter last year.

The EBIT margin was 10.4 percent (20.1). EBIT was affected by a significant decline in sales in the United States and negative currency effects. These figures are in line with the preliminary figures communicated on April 15.

The weak performance in the United States is mainly explained by the current economic situation, which has created uncertainty and reduced willingness to invest among customers. In particular, retailers have become more cautious as their customers have held off on placing orders. Our other geographical markets showed some growth compared to the previous year.

During the quarter, the Swedish krona strengthened, particularly against the US dollar, which had negative currency effects. Adjusted for this, the EBIT margin amounted to 15 percent.

Adjusting the cost base with continued focus on sales and product development

Over the past year, we have carried out three successful flash-launches and built a future-proof flash portfolio. With a largely renewed product portfolio in flash, and the recently launched L1600D LED, we can now focus and streamline product development while maintaining competitiveness. In light of the earnings trend, we have chosen to act decisively with cost reductions to secure our future profitability. However, in line with our strategy we continue to invest in LED products in order to take a premium position in the film and LED market, and to maintain our leading position in innovative lighting solutions. The cost base will be reduced by approximately 20 percent, corresponding to an improved cash flow of SEK 60–80m, and an improved EBIT of SEK 30m, on an annualized basis. The full impact of the savings measures is expected to be visible in the second half of 2025.

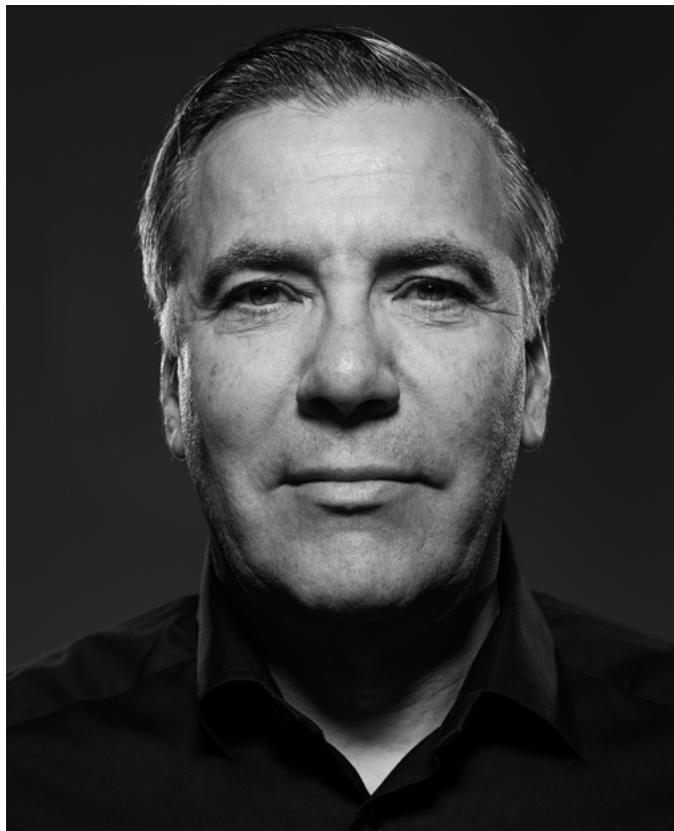
New US tariffs lead to price increases

In April, new tariffs were introduced in the United States, which means that our products are now subject to an additional tariff of at least 10 percent. While the majority of our products are manufactured in Asia and Europe, our accessories – which account for around 10 percent of our total sales – are made in China. Some other products contain components originating in China, but these account for a smaller share of the total value content. To protect our margins and long-term profitability, we intend to implement price increases on the US market. We see it as a necessary step to continue investing in quality, innovation and customer value.

Focus on financial stability

- previous dividend proposal withdrawn

The Board of Directors has decided to withdraw the previously communicated dividend proposal. The decision has been taken as a precautionary measure in view of the current market situation. The previously proposed share buy-back program remains in place, reflecting our confidence in Profoto's long-term performance.



Focus more important than ever

In times of turmoil and uncertainty, focus is more important than ever. Our focus on sales, cost adjustments, and entry into the market segment film, creates a clear vision of our direction going forward. My faith in Profoto's ability to adapt to current conditions is greater than ever. We remain strong with a clear strategic direction, a world-leading brand, and an innovation-driven organization.

Sundbyberg, May 7, 2025

Anders Hedebark

President and CEO

Financial Overview

First quarter, January 1-March 31, 2025

Net sales

Net sales for the first quarter totaled SEK 164m (171), a decrease of 3.7 percent compared to the corresponding quarter last year. Organic growth totaled -4.7 percent, and the currency effect was 1.0 percent.

The development of total net sales is driven by a negative development in the US, which can be explained mainly by the current economic situation, which has created uncertainty and reduced willingness to invest among customers. In particular, retailers have become cautious as many customers have held off on placing orders.

Regions*

Despite geopolitical turmoil, regions outside of the Americas experienced a slight increase in sales compared to the same period last year. Sales in EMEA totaled SEK 64m (62), an increase of 2.6 percent compared to the previous year. Sales in APAC totaled SEK 33m (31), an increase of 4.3 percent. Sales in the Americas totaled SEK 68m (77), corresponding to a decrease of 12.1 percent. The decline in sales is largely explained by the unpredictability of US trade policy and the uncertainty it has brought. For further information on sales by region, see note 2 on page 15.

Operating profit/loss (EBIT)

First quarter EBIT totaled SEK 17m (34), corresponding to an EBIT margin of 10.4 percent (20.1). The result is affected by the significant decline in sales in the US, as well as by negative currency effects. During the quarter, the Swedish krona strengthened, particularly against the US dollar. This resulted in negative currency effects on trade receivables that impacted EBIT by SEK -8m (5), a deterioration of SEK -13m compared to the same quarter last year. Adjusted for these, the EBIT margin was 15 percent in the first quarter.

Capitalized work for own account increased from SEK 21m to SEK 34m compared to last year as a result of an increased rate of investment in product development. A number of the ongoing projects are in the final stages of development and are expected to be launched during the year. Compared to the previous year, personnel expenses increased by SEK 1m, to total SEK 44m (43). Other external costs totaled SEK 61m (48). The increase is explained mainly by higher investment in product development and innovation.

Depreciation/amortization totaled SEK 15m (16), of which SEK 6m (6) was attributable to property, plant and equipment and SEK 9m (9) to intangible fixed assets. Amortization of intangible fixed assets included SEK 4m (5) in capitalized development expenditure, and SEK 4m (4) in surplus value from acquisitions.

Financial items

Net financial items were negative and totaled SEK -9m, compared to an item of SEK 0m in the corresponding quarter the previous year. Interest income totaled SEK 1m (1), net unrealized foreign exchange losses totaled SEK 7m (-1) and interest expenses related to lease liabilities and liabilities to credit institutions totaled SEK 3m (2). The currency losses are attributable to unrealized losses on foreign currency holdings of SEK 3m, and on long-term receivables from Group companies of SEK 4m.

Profit for the period and tax expenses

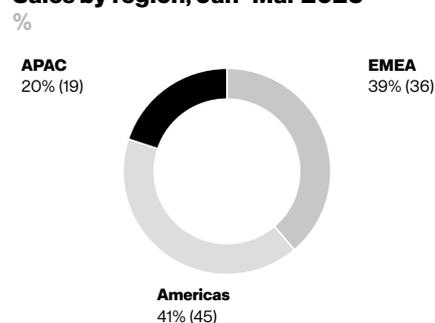
Profit for the period was SEK 3m (27). The tax expense was SEK 5m (8), of which SEK -1m (0) was current tax and SEK 6m (7) was the change in deferred tax. The effective tax in the quarter is affected by a non-recurring tax expense from previous years in foreign subsidiaries of SEK 2m, and adjustment of deferred tax on consolidated differences of SEK 1m. Excluding these one-off effects, the effective tax rate for the quarter was 18.5 percent (22.1).

* Data on change in sales for the regions show only the relative change in net sales.

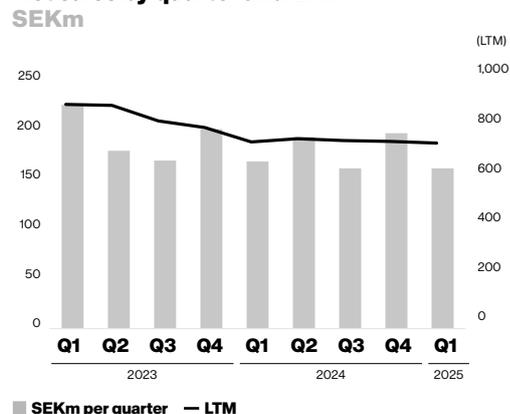
Change in net sales

%	Jan-Mar 2025
Organic growth	-4.7
Currency effect	1.0
Total	-3.7

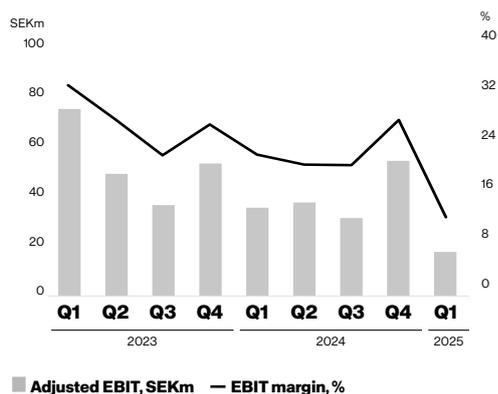
Sales by region, Jan-Mar 2025



Net sales by quarter and LTM



Adjusted EBIT and EBIT margin



Financial Position and Other Information

Product development and other investments

Total expenses for product development and related technology in the first quarter totaled SEK 37m (28). Of this, SEK 29m (21) was capitalized. In total, the carrying amount of capitalized development expenditure amounted to SEK 236m (152). Product development expensed in the first quarter amounted to SEK 8m (8). The incurred expenditure related mainly to product maintenance costs, prestudy phase projects and project-wide administrative costs not attributable to the development of specific products.

In the first quarter, SEK 5m (1) in costs for upgrading the ERP system and e-commerce platform were also capitalized. The value of acquired technology, customer relationships, and brands totaled SEK 54m (73) at the end of the first quarter. During the quarter, SEK 7m (7) was invested in tools and equipment mainly related to ongoing development projects.

Working capital and cash flow

At the end of the first quarter, inventories totaled SEK 169m (153), and accounts receivable totaled SEK 74m (73). Accounts payable totaled SEK 39m (44). Cash flow from operating activities for the quarter totaled SEK 58m (13). The increase was mainly due to a refund of SEK 24m in preliminary taxes paid for 2024 and 2025 and a SEK 26m decrease in trade receivables.

Return on operating capital

EBIT LTM as of March 31, 2025, totaled SEK 150m (167) while operating capital LTM totaled SEK 535m (429). The return on operating capital thus totaled 28.0 percent (38.9). For further information and an explanation, see alternative performance measures on page 19.

Financial position and liquidity

On March 31, 2025, consolidated equity totaled SEK 376m (422). Cash and cash equivalents totaled SEK 50m (60). The Group had a net debt of SEK 211m (62). Interest-bearing liabilities totaled SEK 261m (123). The available and undrawn RCF loan was SEK 75m (250) at the end of the first quarter. Lease liabilities totaled SEK 34m (40).

Financial targets

The Group's financial targets focus on growth, profitability and dividend level and are defined as:

- 1) Net sales growth: Over time, achieve annual organic net sales growth of over 10 percent in constant currency.
- 2) Profitability: Achieve an EBIT margin of 25–30 percent, while maintaining year-on-year growth in EBIT.
- 3) Dividend policy: Profoto aims to distribute at least 50 percent of net profits to its shareholders through cash dividends and/or through the simultaneous repurchase of shares while, at the same time, taking into account other factors such as financial position, cash flow and growth opportunities.

Employees

The average number of employees in the first quarter of 2025 was 148 (142), of which 64 (68) were employed in sales companies in China, Japan, the US, Germany, France, the UK and the Netherlands.

Dividend

For the financial year 2024, the Board of Directors proposed, in connection with the publication of the year-end report for 2024, a dividend of SEK 2.00 per share.

In connection with the publication of preliminary quarterly figures for the first quarter of 2025 on April 15, 2025, this proposal was withdrawn in light of the current market situation.

Significant events in January–March

Started deliveries of our new product L1600D, the first product in a series of LED solutions for film production.

Significant events after the end of the period

A cost-cutting plan has been announced, which will reduce the cost base by approximately 20 percent. The full impact of the savings measures is expected to become visible in the second half of 2025.

In light of the current market situation, the Board of Directors proposes to withdraw the previous proposal regarding the dividend for 2024. The proposal for a share buy-back program of up to 10 percent of the shares until the 2026 AGM remains.

Owners

On March 31, 2025, Profoto had 1,806 shareholders, of which the ten largest owners were:

Owners	Number of shares	%
Anders and Helén Hedebark	15,252,321	38.1
Conny Dufgran	6,121,000	15.3
Herenco Holding AB	4,411,148	11.0
Svolder	2,100,000	5.3
Lannebo Fonder	1,825,891	4.6
Hans Eckerström	1,230,508	3.1
Aeternum Capital	1,200,000	3.0
Investment AB Spiltan	823,846	2.1
Norges Bank Investment Management	600,000	1.5
Skandia life insurance company	490,530	1.2

The Profoto share

Profoto Holding AB (publ) has been listed on the Nasdaq OMX Stockholm Mid Cap list since July 1, 2021. The number of shares amounts to 40m. A list of the largest shareholders is updated on the company's website <https://investors.profoto.com> at the end of each month.

2025 AGM

Profoto's AGM will take place on Wednesday, May 7, at 11.00 a.m. at Profoto's premises at Landsvägen 57 in Sundbyberg, Sweden.

The Parent Company

Profoto Holding AB (publ.), reg. no. 556810-9879, is the parent company of the Group.

The Parent Company is a holding company with management fees to other Group companies of SEK 5.0m (5.0) as the only income in the first quarter, and with personnel costs and other external costs related to the management of the Group as expenses.

Operating profit/loss (EBIT) totaled SEK 1.2m (-0.6) in the first quarter. Current assets totaled SEK 72.5m (3.2), and total current liabilities totaled SEK 185.2m (29.2). Of total current liabilities, the utilized portion of RCF loans amounted to SEK 175m (0) at the end of the first quarter. Other noncurrent liabilities totaled SEK 0.0m (8.3) at the end of the first quarter.

Significant risks and uncertainties

Profoto Group is an international group exposed to operational risks, industry and market-related risks, legal and tax risks, as well as financial risks and sustainability and climate risks.

Current market turmoil such as inflation, interest rates, tariffs, and geopolitical conflicts have contributed to market uncertainty, which may have a negative effect on Profoto's sales and earnings. Ongoing developments on tariffs are being closely monitored in order to adapt as quickly as possible to the changes taking place.

Risk management is a normal part of business and helps to create added value. Risk management is monitored by management and reported to the Board of Directors, which bears the ultimate responsibility.

A more comprehensive description of the risks can be found in the 2024 Annual and Sustainability Report available at <https://investors.profoto.com>.

Other Information

About Profoto

Profoto was founded more than 50 years ago and has since then been a world leader in lighting equipment for professional photographers, driving innovation and awareness of how to create better images through light. We know that light is the indispensable source in all image creation – whatever the camera or situation. Creating great images is about mastering and shaping light. The end users are professional photographers and commercial customers, including major consumer brands and e-commerce companies. The company currently has sales in 51 countries worldwide. Net sales in 2024 totaled SEK 731m, with an EBIT margin of 23%. Profoto has approximately 140 employees at its headquarters in Stockholm and in subsidiaries in the US, Japan, China, Germany, France, England and the Netherlands.

Financial calendar

AGM 2025 – May 7, 2025

Interim Report Q2 2025 – July 18 2025

Interim Report Q3 2025 – October 23, 2025

Conference call

Profoto Holding AB (publ) will publish its interim report for the first quarter 2025 on Wednesday, May 7 at 8:00 a.m. CET. At 9:00 a.m. CET the same day, a webcast teleconference will be held where Anders Hedebark, President and CEO, will present the report together with acting CFO Linus Marmstedt. The presentation will be followed by a Q&A session. The presentation will be held in English. If you wish to participate via the webcast, please use the link below.

<https://profoto.events.inderes.com/q1-report-2025>

If you wish to participate via teleconference, please register via the link below. After registering, you will receive a phone number and a conference ID to log in to the conference. The teleconference provides an opportunity to ask questions in real time.

<https://conference.inderes.com/teleconference/?id=5009583>

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This report has not been audited by the company's auditors.

Stockholm, May 7, 2025

Anders Hedebark
President and CEO

Consolidated Financial Statements

Consolidated statement of profit and loss

SEKm	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net sales	2	164	171	731
Other income		1	5	21
Total revenue		165	176	751
Capitalized work for own account		34	21	113
Goods		-54	-56	-237
Other external expenses		-61	-48	-229
Personnel expenses		-44	-43	-172
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		-15	-16	-58
Other operating expenses ¹		-8	-	-
Operating profit/loss (EBIT)		17	34	167
Finance income and costs				
Finance income		1	2	2
Finance costs		-10	-2	-12
Profit/loss before tax		8	34	158
Tax		-5	-8	-32
Profit/loss for the period		3	27	126
<i>Attributable to:</i>				
Owners of the Parent Company		3	27	126
Basic and diluted earnings per share ² , SEK		0.08	0.66	3.15

1) From Q4 2024 onwards, the company recognizes exchange rate effects as net effects. Comparative figures for the previous year have been restated to ensure consistent reporting.

2) Calculated on the basis of 40,000,000 ordinary shares, basic and diluted.

Consolidated statement of comprehensive income

SEKm	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Profit/loss for the period		3	27	126
<i>Other comprehensive income items that may be reclassified to the consolidated statement of profit and loss:</i>				
Translation differences for the period		3	-0	-2
Total comprehensive income for the period		6	26	124
<i>Attributable to:</i>				
Parent Company shareholders		6	26	124

Condensed consolidated statement of financial position

SEKm	Note	Mar 31, 2025	Mar 31, 2024	Dec 31 2024
ASSETS				
Noncurrent assets				
Intangible fixed assets				
	3			
Capitalized development expenditure		236	152	214
Technology, customer assets and brand		54	73	60
Other intangible assets		30	6	25
Goodwill		125	132	132
Total intangible assets		445	363	430
Property, plant and equipment				
Leased assets		33	38	39
Equipment, tools and installations		40	34	35
Leasehold improvements		1	1	1
Total property, plant and equipment		74	73	76
Financial assets				
		3	3	4
Deferred tax assets				
		22	20	24
Total noncurrent assets		544	459	534
Inventories				
		169	153	168
Current receivables				
Accounts receivable		74	73	102
Current tax assets		31	22	31
Other current assets		7	5	6
Prepayments and accrued income		9	9	8
Total current receivables		121	109	148
Cash and cash equivalents				
		50	60	21
Total current assets		340	322	338
TOTAL ASSETS		884	781	872

Cont. Condensed consolidated statement of financial position

SEKm	Note	Mar 31, 2025	Mar 31, 2024	Dec 31 2024
EQUITY AND LIABILITIES				
Total equity		376	422	370
Noncurrent liabilities				
Liabilities to credit institutions		0	1	0
Other noncurrent liabilities		0	8	0
Lease liabilities		26	30	29
Provisions		7	7	7
Deferred tax liabilities		119	109	117
Total noncurrent liabilities		152	155	153
Current liabilities				
Liabilities to credit institutions		227	64	217
Lease liabilities		8	10	11
Provisions		8	11	8
Accounts payable		40	44	56
Current tax liabilities		14	0	0
Other current liabilities		3	22	2
Accrued expenses and deferred income		56	52	53
Total current liabilities		356	203	347
TOTAL EQUITY AND LIABILITIES		884	781	872

Consolidated statement of changes in equity

SEKm	Share capital	Translation reserve	Other contributed capital	Retained earnings including profit/loss for the period	Total equity
Opening balance January 1, 2025	1	3	4	362	370
Profit/loss for the period	-	-	-	3	3
Total other comprehensive income	-	3	-	-	3
Total comprehensive income	-	6	-	3	6
Closing balance on March 31, 2025	1	6	4	365	376
Opening balance at January 1, 2024	1	6	3	385	396
Profit/loss for the period	-	-	-	27	27
Total other comprehensive income	-	-0	-	-	-0
Total comprehensive income	-	-0	-	27	26
Closing balance on March 31, 2024	1	6	3	412	422

Consolidated statement of cash flows

SEKm	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Cash flow from operating activities				
Operating profit/loss		17	34	167
Adjustments for items not affecting the cash flow:				
Depreciation, amortization and impairment of non-current assets		14	15	58
Adjustments for other non-cash items		2	4	12
Interest received		1	1	0
Interest paid		-3	-2	-12
Income tax paid		15	-21	-50
Cash flow from operating activities before changes in working capital				
		46	30	177
Changes in working capital				
Decrease (+)/increase (-) in inventories		-3	9	-34
Decrease (+)/increase (-) in accounts receivable		26	3	-42
Decrease (+)/increase (-) in other receivables		-1	1	-19
Decrease (-)/increase (+) in accounts payable		-14	-18	22
Decrease (-)/increase (+) in other current liabilities		5	-14	-6
Cash flow from operating activities				
		58	13	97
Investing activities				
Investments in intangible fixed assets		-34	-21	-113
Acquisition of property, plant and equipment		-8	-7	-19
Investments in other financial assets		-	-0	-1
Cash flow from investing activities				
		-42	-29	-133
Financing activities				
Repayment of external loans		-7	-14	-24
Amortization of leasing liability		-3	-4	-15
New loans		25	-	150
Payment of option premiums		-	-	1
Dividends paid		-	-	-150
Cash flow from financing activities				
		16	-18	-38
Cash flow for the period		32	-34	-74
Cash and cash equivalents at beginning of period		21	95	95
Exchange rate differences in cash and cash equivalents		-3	-0	0
Cash and cash equivalents at end of period				
		50	60	21

Parent Company Financial Statements

Parent Company income statement

SEKm	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net sales		5.0	5.0	21.6
Operating expenses				
Other external expenses		-1.6	-1.4	-6.4
Personnel expenses		-2.1	-4.2	-11.4
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		-0.1	-	-0.2
Operating profit/loss (EBIT)		1.2	-0.6	3.6
Profit/loss from financial items				
Income from participations in Group companies		-	-	59.0
Interest income and similar income statement items		11.0	0.0	0.0
Interest and similar expenses		-1.3	-7.4	-11.1
Profit after financial items		10.9	-8.1	51.5
Appropriations			-	7.1
Profit/loss before tax		10.9	-8.1	58.6
Tax on profit/loss for the period		-2.1	1.9	0.5
Profit/loss for the period		8.8	-6.1	59.1

Parent Company balance sheet

SEKm	Note	Mar 31, 2025	Mar 31, 2024	Dec 31 2024
ASSETS				
Noncurrent assets				
Financial assets				
Other intangible assets		3.2	-	3.2
Total intangible assets		3.2	-	3.2
Financial assets				
Participations in Group companies		217.3	217.3	217.3
Total financial fixed assets		217.3	217.3	217.3
Deferred tax assets				
		2.1	1.9	2.1
Total noncurrent assets		222.5	219,2	222.5
Current assets				
Current tax assets		-	2.3	0.5
Current receivables from Group companies	3	71.9	-	34.6
Other current receivables		0.2	-	0.2
Prepayments and accrued income		0.4	0.9	0.4
Total current receivables		72.5	3.2	35.6
Cash and cash equivalents		-	-	-
Total current assets		72.5	3.2	35.6
ASSETS		295.1	222.4	258.2
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital		0.5	0.5	0.5
Total restricted equity		0.5	0.5	0.5
Unrestricted equity				
Share premium reserve		4.1	3.1	4.1
Retained earnings		96.5	187.4	37.4
Profit/loss for the period		8.8	-6.1	59.1
Total unrestricted equity		109.4	184.4	100.6
Total equity		109.9	184.9	101.1
Noncurrent liabilities				
Other noncurrent liabilities		-	8.3	-
Total noncurrent liabilities		-	8.3	-
Current liabilities				
Liabilities to credit institutions		175.0	-	150.0
Accounts payable		0.0	0.2	0.2
Current liabilities to Group companies	3	-	10.8	-
Other current liabilities		3.0	10.6	1.3
Accrued expenses and deferred income		7.2	7.7	5.6
Total current liabilities		185.2	29.2	157.1
TOTAL EQUITY AND LIABILITIES		295.1	222.4	258.2

Parent Company statement of cash flows

SEKm	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Cash flow from operating activities				
Operating profit/loss		1.2	-0.6	3.6
Interest paid		-1.2	-	-
Income tax paid		-0.1	-0.1	1.1
Cash flow from operating activities before changes in working capital				
		-0.1	-0.7	4.7
Changes in working capital				
Decrease (+)/increase (-) in other receivables		-0.1	-0.5	-0.1
Decrease (-)/increase (+) in accounts payable		-0.2	0.0	-0.0
Decrease (-)/increase (+) in other current liabilities		1.7	1.3	-2.4
Cash flow from operating activities				
		1.3	0.1	2.2
Investing activities				
Investments in intangible fixed assets		-	-	-3.3
Acquired subsidiary		-	-	-4.3
Cash flow from investing activities				
		-	-	-7.6
Financing activities				
Change in intercompany liabilities		-26.3	-0.1	4.1
Borrowing		25.0	-	150.0
Warrants		-	-	1.3
Dividends to shareholders		-	-	-150.0
Cash flow from financing activities				
		-1.3	-0.1	5.3
Cash flow for the period		0.0	0.0	0.0
Cash and cash equivalents at beginning of period		0.0	0.0	0.0
Cash and cash equivalents at end of period				
		0.0	0.0	0.0

Notes

Note 1 Accounting policies and general information

This consolidated interim report was prepared in accordance with IAS 34 "Interim Financial Reporting" and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9. Interim Report in the Swedish Annual Accounts Act. In addition to the financial statements and their notes, information in accordance with IAS 34 is provided in the remaining parts of the interim report.

The same accounting policies and calculation basis as in the last annual report have been applied for the Group and the Parent Company.

There are no material differences between the fair value and the carrying amount of financial assets or liabilities.

Additional accounting standards applied in 2025 have not had a significant impact on the consolidated financial statements.

Note 2 Operating segments and allocation of revenue

The Profoto Group consists of a single operating segment. Product development, sourcing, manufacturing and marketing are all managed at Group level, while sales are conducted in three

regions, EMEA, Americas and APAC. Internal monthly follow-up focuses on the Group as a whole, in addition to the geographical sales data that are presented at levels other than the Group level.

SEKm	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
EMEA	64	62	263
Americas	68	77	323
APAC	33	31	145
Total net sales	164	171	731

Note 3 Related-party transactions

Related-party transactions include remuneration to Board members and other senior executives. Remuneration levels are determined on a market basis.

The Parent Company invoices monthly management fees of SEK 1.7m (1.2) to the subsidiary Profoto AB and of SEK 0.0m (0.0) to Profoto B.V. The level of monthly invoicing is determined annually and is based on the Group-wide fixed costs of the Parent Company. In Q1 2025, the Parent Company's revenue from invoiced management fees totaled SEK 5.0m (5.0). The Parent Company has issued a general guarantee on behalf of its subsidiary (see note 5).

Parent Company SEKm	Mar 31, 2025	Mar 31, 2024	Dec 31 2024
Intercompany receivables	71.9	-	34.6
Intra-group liabilities		-10.8	-
Total	71.9	-10.8	34.6

Note 4 Intangible fixed assets

SEKm	Capitalized development expenditure	Technology, customer assets and brand	Other intangible assets ¹	Total
Opening accumulated acquisition value January 1, 2025	442	103	59	604
Capitalized development expenditure	29	-	5	34
Currency effects	-3	-5	-	-8
Closing accumulated acquisition value March 31, 2025	468	98	64	630
Opening depreciation/amortization January 1, 2025	-210	-43	-35	-287
Depreciation/amortization for the period	-5	-3	-0	-8
Currency effects	1	2	-	3
Closing accumulated depreciation/amortization March 31, 2025	-214	-44	-35	-293
Opening impairment January 1, 2025	-19	-	-	-19
Closing accumulated impairment March 31, 2025	-19	-	-	-19
Carrying amount March 31, 2025	236	54	30	320
Opening accumulated acquisition value, January 1, 2024	344	100	39	483
Capitalized development expenditure	20	-	2	21
Currency effects	2	4	-	5
Closing accumulated acquisition value, March 31, 2024	366	104	40	510
Opening depreciation/amortization January 1, 2024	-189	-26	-34	-249
Depreciation/amortization for the period	-5	-4	-0	-9
Currency effects	-1	-1	-	-2
Closing accumulated depreciation/amortization at March 31, 2024	-195	-31	-34	-260
Opening impairment January 1, 2024	-19	-	-	-19
Closing accumulated impairment March 31, 2024	-19	-	-	-19
Book value March 31, 2024	152	73	6	231

Goodwill at March 31, 2025, totaled SEK 125m and fell during the quarter by SEK 6m due to currency effects.

1) Other intangible assets consist of software and licenses valued at SEK 56m (software) and SEK 8m (licenses).

Note 5 Pledged assets and contingent liabilities

The Parent Company has issued a general guarantee on behalf of Profoto AB, 556115-5838. There are no outstanding liabilities to which the guarantee applies at the balance sheet date. Profoto AB also has an unlimited general guarantee in favor of its subsidiary Profoto US Inc.

Group SEKm	Mar 31, 2025	Mar 31, 2024	Dec 31, 2024
Contingent liabilities			
Swedish Customs Service	1	1	1
Total	1	1	1

Explanations for Alternative Performance Measures

In order to provide a good understanding of the Profoto Group's operating activities and what EBIT would have looked like without these items, the company has chosen to present adjusted EBIT without items affecting comparability.

For the full year 2024, an adjustment was made for items affecting comparability recognized under other operating income.

The table below shows profit/loss from the company's operating activities excluding items affecting comparability.

SEKm	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net sales	164	171	731
Operating profit/loss (EBIT)	17	34	167
Total items affecting comparability	-	-	14
Revaluation of earn-out consideration	-	-	14
Adjusted operating profit (EBIT)	17	34	153
Adjusted EBIT margin, %	10.4	20.1	20.9

Adjusted EBIT margin, %

Adjusted EBIT in percentage of net sales. Shows adjusted operating profit in relation to net sales and is a measure of the profitability of the company's operating activities excluding items affecting comparability.

EBITA

Operating profit before depreciation and amortization of intangible fixed assets. The purpose is to assess the underlying operating profit from continuing operations before amortization of intangible assets.

EBIT

Profit or loss before financial items and tax. Shows the results of the company's current operations.

EBIT margin, %

Adjusted EBIT as a percentage of net sales. Shows operating profit or loss in relation to net sales and is a measure of the profitability of the company's operating activities.

EBITA margin, %

EBITA as a percentage of net sales. The aim is to give an indication of profitability and future investment scope in relation to sales.

EBITDA

EBITDA (earnings before finance income and costs, taxes, depreciation and amortization) is operating profit or loss plus depreciation and amortization. EBITDA provides a picture of the ability of the business to generate resources for investments and payments to financiers (see table below).

SEKm	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Operating profit/loss (EBIT)	17	34	167
Depreciation and impairment of intangible fixed assets	8	9	37
EBITA	26	44	204
Depreciation and impairment of property, plant and equipment	6	6	22
EBITDA	31	50	226

Cont. Explanation of alternative performance measures

Net debt/net cash

Interest-bearing liabilities, current liabilities to Group companies less cash and cash equivalents and current receivables from Group companies. A measurement of the company's financial position. Shows how much cash and cash equivalents would remain if all debts were paid off. A negative net amount indicates a positive net cash position.

SEKm	March 31 2025	March 31 2024
Liabilities to credit institutions, noncurrent	-	1
Other interest-bearing liabilities, noncurrent	-	8
Lease liabilities, noncurrent	26	30
Liabilities to credit institutions, current	227	64
Other interest-bearing liabilities, current	-	9
Lease liabilities, current	8	10
Cash and cash equivalents	-50	-60
Net debt	211	62

Net debt/EBITDA

Net debt in relation to EBITDA over the past rolling twelve months. A measure of financial risk, as well as an indication of repayment capacity.

SEKm	March 31 2025	March 31 2024
Net debt	211	62
EBITDA, LTM	207	241
Net debt/EBITDA LTM, ratio	1.02	0.26

Net sales adjusted for currency effects, %

Change in net sales for the period, excluding acquisitions, translated at the corresponding period of the previous year's transaction-based daily average exchange rate. Shows whether a company is growing or shrinking, excluding exchange rate effects and acquisitions.

%	March 31 2025	March 31 2024
Change in net sales	-3.7	-25.4
Currency effect	-1.0	0.8
Organic growth adjusted for currency effect	-4.7	-24.6

Return on equity, %

Twelve-month rolling profit as a percentage of average equity based on the inflow and outflow of equity for the last twelve months. Shows the return generated on equity invested in the business.

SEKm	March 31 2025	March 31 2024
Profit/loss for the period, LTM	103	126
Equity	376	422
Equity, LTM	399	436
Return on equity, %	25.8	28.9

Capital employed

Total assets less non-interest-bearing provisions and liabilities. The metric shows how much capital is used in the business and is a component to measure the returns from the business.

SEKm	March 31 2025	March 31 2024
Total assets	884	781
Provisions, long-term	-7	-7
Deferred tax liabilities	-119	-109
Provisions, short-term	-8	-11
Accounts payable	-40	-44
Current tax liabilities	-14	-0
Accrued expenses and deferred income	-56	-52
Other non-interest-bearing liabilities, current	-3	-13
Capital employed	637	545

Return on capital employed, %

EBIT last twelve months (LTM) as a percentage of average capital employed based on incoming and outgoing capital employed for the last twelve months. A key figure to measure the return on the capital tied up in the business.

SEKm	March 31 2025	March 31 2024
EBIT, LTM	150	167
Capital employed	637	545
Capital employed, LTM	591	578
Return on capital employed, %	25.4	28.9

Cont. Explanation of alternative performance measures

Operating capital

Total assets less cash and cash equivalents, other interest-bearing assets and noninterest-bearing provisions and liabilities. Operating capital shows how much capital the business requires to run its core business. It is mainly used to calculate the return on operating capital.

SEKm	March 31 2025	March 31 2024
Total assets	884	781
Provisions, long-term	-7	-7
Deferred tax liabilities	-119	-109
Provisions, short-term	-8	-11
Accounts payable	-40	-44
Current tax liabilities	-14	-0
Accrued expenses and deferred income	-56	-52
Other non-interest-bearing liabilities, current	-3	-13
Cash and cash equivalents	-50	-60
Operating capital	587	484

Return on operating capital, %

EBIT rolling twelve months (LTM) as a percentage of average operating capital based on operating capital inflows and outflows for the last twelve months. The return on operating capital shows how well the business uses the net capital tied up in operations. It reflects the combined effect of the operating margin and turnover rate on operating capital. The key performance figure is mainly used to monitor the Group's value creation over time.

SEKm	March 31 2025	March 31 2024
EBIT, LTM	150	167
Operating capital	587	484
Operating capital, LTM	535	429
Return on operating capital, %	28.0	38.9

Performance Measure by Quarter

	2025	2024			2023			
	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net sales, SEKm	164	200	164	196	171	204	172	182
Organic growth, %	-4.7	-3.1	-1.1	7.6	-24.6	-10.1	-28.7	-8.5
EBITA, SEKm	26	67	48	45	44	63	48	61
EBITA margin, %	15.6	33.6	29.0	23.2	25.6	31.0	28.0	33.6
EBIT, SEKm	17	57	39	36	34	51	35	47
EBIT margin, %	10.4	28.7	23.9	18.5	20.1	25.0	20.2	25.8
Adjusted EBIT, SEKm	17	52	30	36	34	51	35	47
Adjusted EBIT margin, %	10.4	26.0	18.4	18.5	20.1	25.0	20.2	25.8
Profit/loss for the period, SEKm	3	43	28	28	27	37	27	36
Net debt, SEKm	211	235	219	206	62	44	88	100
EBITDA LTM, SEKm	207	225	223	224	241	282	312	344
Net debt/EBITDA LTM	1.02	1.04	0.98	0.92	0.26	0.16	0.28	0.29
Return on equity, %	25.8	31.7	34.9	37.6	28.9	39.5	54.3	70.3
Earnings per share, SEK	0.08	1.08	0.70	0.70	0.66	0.92	0.67	0.89
Return on capital employed, %	25.4	28.7	29.6	30.4	28.9	37.9	47.9	54.9
Return on operating capital, %	28.0	31.9	32.3	34.0	38.9	49.0	56.5	64.7

Definitions

Average number of employees

Average number of full-time employees during the period.

LTM

The last twelve months; twelve-month period ending on the date specified.

Parent Company

Profoto Holding AB (publ), a limited liability company subject to Swedish jurisdiction.

Organic growth

Change in net sales for the period compared to the corresponding period in the previous year, after adjustments for acquisitions and exchange rate effects.

Profoto Group/the Group

The Group or the Profoto Group consists of the Parent Company, as well as direct and indirect subsidiaries. The terms are used interchangeably.

Region APAC

Oceania and Asia, with the exception of Russia, Turkey and the Middle East.

Region EMEA

Africa, Europe including Turkey and Russia, as well as the Middle East.

Region Americas

Central America, North America and South America.

Earnings per share

Profit/loss for the period attributable to the shareholders of the Parent Company, divided by the weighted average number of shares outstanding during the period. Earnings per share are recorded in accordance with IAS 33 Earnings per share.