

# Year-end report

January 1– December 31, 2021

## Financial summary October – December 2021

- Net sales totaled SEK 218m (173), an increase of 25.7 percent. Adjusted for currency effects, net sales increased by 24.3 percent.
- EBIT amounted to SEK 79m (46) and the EBIT margin to 36.1 percent (26.6).
- Adjusted EBIT<sup>1</sup> improved to SEK 79m (48). No adjustments were made in the quarter. Adjustments for the fourth quarter of 2020 related to the repayment of government grants (SEK 2m).
- Adjusted EBIT margin<sup>1</sup> for the quarter was 36.1 percent (27.7).
- Profit for the period increased to SEK 60m (33).
- Cash flow from operating activities totaled SEK 101m (73).
- Earnings per share (basic and diluted)<sup>2</sup> totaled SEK 1.50 (0.82).

## Financial summary January – December 2021

- Net sales increased to SEK 732m (528), up 38.6 percent. Adjusted for currency effects, net sales increased by 44.1 percent.
- EBIT amounted to SEK 212m (-12) and the EBIT margin to 28.9 percent (-2.2).
- Adjusted EBIT<sup>1</sup> improved to SEK 237m (56). Adjustments for 2021 related to IPO expenses of SEK 25m. Adjustments for 2020 related to government grants (SEK -7m), impairment of inventories (SEK 48m), and impairment of fixed assets (SEK 27m).
- Adjusted EBIT margin<sup>1</sup> for the full year was 32.3 percent (10.6).
- Profit for the period increased to SEK 158m (-17).
- Cash flow from operating activities totaled SEK 240m (153).
- Earnings per share (basic and diluted)<sup>2</sup> totaled SEK 3.95 (-0.44).

## Significant events after the end of the period

- The Board of Directors proposes a dividend of SEK 3.50 per share, corresponding to a total amount of SEK 140m
- The previous financial target for net sales, to “over time, achieve a constant currency annual organic growth in net sales of above 10 percent and reach net sales exceeding SEK 800 million by 2023” has been updated since the company believes the target will be achieved earlier. The target has been updated to: “over time, achieve a constant currency annual organic growth in net sales of above 10 percent”.

1) For information and explanations regarding alternative performance measures, see pages 19-20.

2) Calculated based on 40,000,000 ordinary shares, basic and diluted (retroactive adjustment due to share split of periods prior to the second quarter of 2021).

Net sales,  
Q4 2021

**SEK 218m**  
(SEK 173m)

EBIT,  
Q4 2021

**SEK 79m**  
(Adjusted EBIT SEK 48m  
Q4 2020)

EBIT-margin,  
Q4 2021

**36%**  
(Adjusted EBIT margin  
28% Q4 2020)

Net sales,  
2021 full year

**SEK 732m**  
(SEK 528m)

Adjusted EBIT,  
2021 full year

**SEK 237m**  
(SEK 56m)

Adjusted EBIT-  
marginal,  
2021 full year

**32%**  
(11%)

**Key ratios****Group**

	<b>2021</b>	<b>2020</b>		<b>2021</b>	<b>2020</b>	
	<b>Oct-Dec</b>	<b>Oct-Dec</b>	<b>Δ%</b>	<b>Jan-Dec</b>	<b>Jan-Dec</b>	<b>Δ%</b>
Net sales, SEKm	218	173	25.7	732	528	38.6
EBIT*, SEKm	79	46	70.3	212	-12	-
EBIT margin, %	36.1	26.6	-	28.9	-2.2	-
Adjusted EBIT <sup>1</sup> , SEKm	79	48	63.9	237	56	323.2
Adjusted EBIT margin <sup>1</sup> , %	36.1	27.7	-	32.3	10.6	-
Profit/loss for the period*, SEKm	60	33	82.9	158	-17	-
Cash flow from operating activities, SEKm	101	73	38.4	240	153	56.9
Net debt <sup>2</sup> , SEKm	-134	-91	-	-134	-91	-
Net debt/EBITDA	-1.44	-1.47	-	-0.50	-1.20	-
Earnings per share* <sup>3</sup>	1.50	0.82	82.9	3.95	-0.44	-

All amounts are in millions of SEK (SEKm) unless otherwise stated. Rounding differences of SEKm +/-1 may occur when adding up figures. Where an underlying figure is SEK 0m when rounded, it will be reported as 0. Figures in parentheses represent the same period last year.

1) For information and explanations regarding alternative performance measures, see pages 19-20.

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

3) Calculated based on 40,000,000 ordinary shares, basic and diluted (retroactive adjustment due to share split of periods prior to the second quarter of 2021).

\*Percentage change when changing the sign is not stated.

# Increased demand for high-quality images – light is crucial

We are proud to present a good fourth quarter. Sales grew by 26 percent compared with the same period last year. We have noted a structural increased need for high-quality images – especially in photography for e-commerce. This also drives an increasing need for light which is very exciting!

Our customers are often high-profile fashion companies that shoot images of models in studios. The big difference now is that the images don't just end up on a full-page spread in a fashion magazine, but are also used online. This trend derives from closing of shops in well-established locations during the pandemic which has resulted in them accelerating their e-commerce, which will in turn increase the need for more high-quality images. These images may be used on the company's own website, on other e-commerce retailers, and/or on social media. Regardless, high-quality images are needed for pure product photography, on models, for marketing in social and traditional media. The images need to be as realistic as possible to increase sales conversions and reduce costly returns for those selling and marketing the products. The quality and details in the images of the products regarding fabrics, materials, etc, are essential. Having the right light and lighting when taking photos is crucial to the quality of the images!

As we said previously, our sales correlate with how our communities reopen. This quarter, the picture was rather mixed. In APAC, for example, Japan opened first, but then closed again at the end of the quarter, while China was relatively closed throughout the period. In EMEA, many countries opened in early autumn, only to reintroduce restrictions to varying degrees toward the end of the year. Optimism was high in Americas, one of our strongest performing regions. At the same time, this region lost the most sales in 2020, which means it would have the largest recovery.

Thanks to our strong sales performance, we reviewed the financial target set at the time of our IPO in July 2021. We said back then that we expected to reach a level of over SEK 800m in sales by the end of 2023. Since we have already reached SEK 732m, and strongly believe in our target of over time, to achieve a constant currency annual organic growth in net sales of above 10 percent, we anticipate reaching a level above SEK 800m earlier than that.

The profit we achieved, measured in EBIT or EBIT margin, was very good – stronger than our financial target. I want to clarify that we do not intend to stay at this level in the long term, since we plan to invest more in marketing and product development to maintain our long-term growth. I am proud that we have managed to achieve this excellent performance despite the component shortages and logistics problems that are still present. Many employees have dedicated their full focus to these challenges, which are not over yet.



In conclusion, 2021 has been a very intense and interesting year. Like everyone else, I hope that we now can leave the pandemic and restrictions behind us and live a freer life together!

I would like to take this opportunity to thank everyone who has joined us on our journey during the year: our employees for their hard work and engagement, and all the new investors who believe in us and support us.

Stockholm February 10, 2022

**Anders Hedebark**  
President and CEO

# Financial overview

## The fourth quarter, October 1 - December 31, 2021

### Net sales

Net sales for the fourth quarter totaled SEK 218m (173), an increase of 25.7 percent compared with the corresponding period last year. Adjusted for currency effects, sales increased by 24.3 percent.

The quarter saw continued growth in demand from brand-driven companies that need to create a large amount of content for their websites and e-commerce. This expanded need to take more photos, in a variety of ways, created a demand that accounted for a significant portion of sales in the quarter.

Many countries opened up at the beginning of the fourth quarter and then reintroduced restrictions to varying degrees at the end of the period. In contrast, the Americas region remained open throughout the period and a high level of optimism was noted throughout the quarter. The region contributed strong growth of 56.6 percent compared with the same period last year.

As in the previous quarter, sales were partly hampered by a shortage of components, which led to delays and some lost sales.

### Regions

The Americas was not significantly impacted by restrictions during the fourth quarter and the region experienced strong growth. Unlike other regions, strong optimism was noted in Americas throughout the quarter. Sales in Americas region totaled SEK 104m (66), an increase of 56.6 percent.

Many countries in EMEA opened up at the beginning of the quarter and then reintroduced restrictions to varying degrees at the end of the period. Sales for the region totaled SEK 66m (63) for the quarter, an increase of 5.0 percent. In APAC, this trend was also observed in many countries, such as in Japan, while China was relatively closed throughout the period. Total sales in APAC amounted to SEK 48m (44), an increase of 8.8 percent. For further information on sales by region, see note 2 on page 17.

### Operating profit (EBIT)

During the fourth quarter, EBIT was SEK 79m (46), which corresponds to an EBIT margin of 36.1 percent (26.6).

Depreciation and amortization, during the fourth quarter totaled SEK 14m (15), of which SEK 5m (6) related to property, plant and equipment and SEK 9m (9) to intangible assets.

Adjusted EBIT<sup>1</sup> was SEK 79m (48) and adjusted EBIT margin was 36.1 percent (27.7). No adjustments were made in the quarter. Adjustments for the fourth quarter of 2020 related to the repayment of government grants of SEK 2m.

The increase in EBIT and adjusted EBIT was the result of a high rate of sales growth, while product development and marketing costs did not increase at the same high rate. Compared with the same period last year, other external expenses increased to SEK 37m (28) from an unusually low comparative figure, which was an effect of the cost-cutting program implemented in 2020 as a result of the pandemic. Personnel expenses were unchanged at SEK 29m (29).

### Financial items

Financial items consisted of interest expenses of SEK 0m (1), which mainly related to interest on lease liabilities, utilized overdraft credit and external loans. Unrealized foreign exchange losses on financial items totaled SEK 1m (3). Net expenses from financial items totaled SEK 1m (4).

### Net profit for the period and tax expense

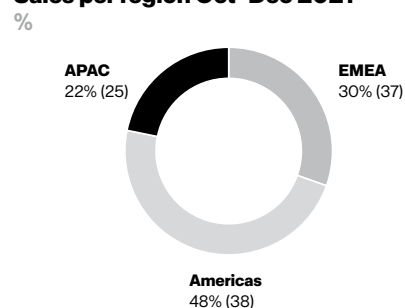
Net profit totaled SEK 60m (33). The tax expense was SEK 18m (9), of which SEK 10m (16) related to current tax. The effective tax rate for the period was 22.9 percent (22.0).

<sup>1</sup> For information and explanations regarding alternative performance measures, see pages 19-20.

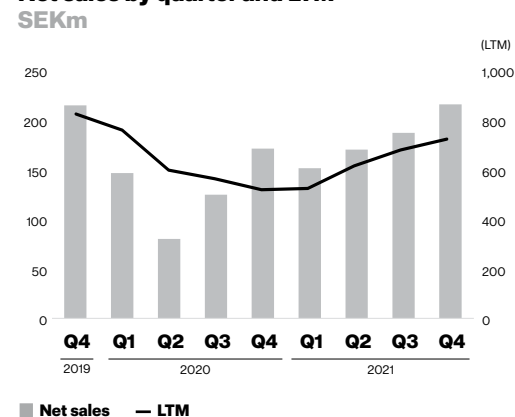
### Change in net sales

	2021 Oct-Dec
Net sales	
adjusted for currency effect	24.3
Currency effect	1.4
<b>Total</b>	<b>25.7</b>

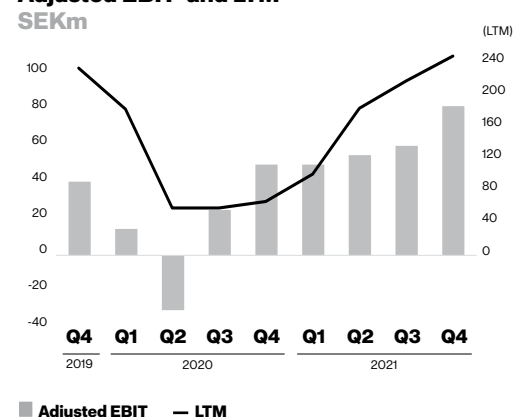
### Sales per region Oct-Dec 2021



### Net sales by quarter and LTM



### Adjusted EBIT<sup>1</sup> and LTM



## Twelve-month period, January 1 - December 31, 2021

### Net sales

Net sales for 2021 totaled SEK 732m (528), an increase of 38.6 percent compared with last year. Adjusted for currency effects, sales increased by 44.1 percent. Sales during the year correlated with how countries opened and shut down. There were fewer restrictions than in 2020, which contributed to the sales growth.

The second half of the year saw a clear increase in demand from rental companies, as well as from brand-driven companies that need to create a large amount of content for their websites and e-commerce platforms. The increased need to take more photos, in a variety of ways, created a demand for lighting products that ultimately accounted for a significant part of sales for the second half of the year.

The first quarter launch of the Pro-11, a further development of Profoto's flagship product Pro-10, and the third quarter launch of the B10X and B10X plus, an upgrade of the B10, generated positive attention and drove sales. The second quarter also saw the launch of the new Profoto Camera, a camera app that can be downloaded to smartphones and easily communicates with Profoto's lighting products.

### Regions

The easing of restrictions in 2021 contributed to growth in all regions for the year. Americas in particular ended the year with strong sales growth as a result of eased restrictions in the region. Sales for the region totaled SEK 306m (189), an increase of 62.0 percent.

Sales for EMEA totaled SEK 248m (199), an increase of 24.1 percent. Growth in EMEA was lower than in Americas for the period, since sales in the region were less affected by restrictions in 2020 and most countries in EMEA reintroduced restrictions in the fourth quarter, which hampered sales growth.

Total sales in APAC amounted to SEK 179m (141), an increase of 27.3 percent. Restrictions in APAC varied over the course of the period, with a strong recovery particularly in the second quarter of 2021. For further information on sales by region, see note 2 on page 17.

### Operating profit (EBIT)

EBIT for the full year was SEK 212m (-12), which corresponds to an EBIT margin of 28.9 percent (-2.2).

Depreciation, amortization and impairment for the full year totaled SEK 57m (88), of which SEK 22m (22) related to property, plant and equipment and SEK 36m (36) to intangible assets. Total impairment of property, plant and equipment and intangible assets for the full year was SEK 0m (28).

Adjusted EBIT<sup>1</sup> was SEK 237m (56) and adjusted EBIT margin was 32.3 percent (10.6). Adjustments for the period related to IPO expenses of SEK 25m. Adjustments for the period in 2020 related to government grants (SEK -7m), impairment of inventories (SEK 48m), and impairment of property, plant and equipment and intangible assets (SEK 27m).

The increases in EBIT and adjusted EBIT were due to increased sales, as well as to improved operational efficiency, which in turn is a result of the cost-cutting program carried out in the second half of 2020, which reduced costs. Compared with the same period the previous year, other external expenses excluding listing costs decreased to SEK 117m (126) and personnel expenses excluding government subsidies received for short-term work decreased to SEK 117m (128).

### Financial items

Financial items consisted of interest expense of SEK 2m (3), as well as realized and unrealized exchange gains on cash and cash equivalents of SEK 1m (5) during full-year 2021. Interest expense related to interest on lease liabilities, utilized overdraft credit and external loans. Net expenses from financial items totaled SEK 3m (8). Intra-group receivables/liabilities in relation to the former Parent Company Profoto Invest AB did not carry interest.

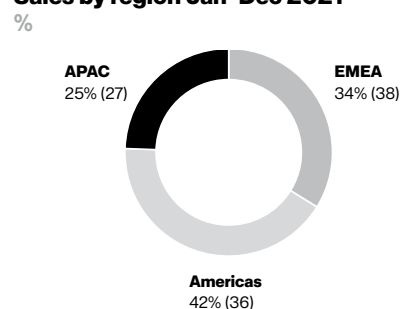
### Net profit for the period and tax expense

Net profit/loss totaled SEK 158m (-17). Tax expense was SEK 51m (2), of which SEK 49m (8) was current tax and SEK 2m (-11) related to a change in deferred taxes. The effective tax rate for the period was 24.4 percent (-12.5). The effective tax rate was affected by items such as IPO expenses of SEK 22m, which were treated as non-deductible for tax purposes. Excluding the tax effect of these costs, the effective tax rate for full-year 2021 was 21.9 percent.

### Change in net sales

	2021 Jan-Dec
Net sales adjusted for currency effect	44.1
Currency effect	-5.5
<b>Total</b>	<b>38.6</b>

### Sales by region Jan-Dec 2021



1) For information and explanations regarding alternative performance measures, see pages 19-20.

# Financial position and other information

## Product development and other investments

Total expenditure on product development amounted to SEK 14m (10) in the fourth quarter and to SEK 47m (54) for full-year 2021. Of these, SEK 7m (6) was recognized in the fourth quarter as investments in product development and SEK 22m (21) was recognized for full-year 2021. In total, the carrying amount of capitalized investments in product development amounted to SEK 91m (98) as of December 31, 2021. Research and development expenses, excluding amortization and impairment, that were expensed in the fourth quarter amounted to SEK 7m (4) and to SEK 25m (33) for full-year 2021. Expenditure incurred mainly related to costs in the pre-study phase and project-wide administrative expenses that cannot be attributed to the development of specific products. During the full year, SEK 6m (7) were invested in tools and equipment mainly related to ongoing development projects.

## Working capital, liquidity and cash flow

At the end of the fourth quarter, inventories amounted to SEK 99m (94) and accounts receivables to SEK 69m (67). Cash and cash equivalents totaled SEK 206m (254). Accounts payables totaled SEK 46m (45). Inventories were lower than desired in relation to demand, mainly because of component shortages at the production stage. Accounts receivables and accounts payables increased due to higher sales compared with the fourth quarter of 2020. Cash flow from operating activities totaled SEK 101m (73) for the quarter, and SEK 240m (153) for full-year 2021. The increase was mainly due to higher sales compared with the same periods last year.

## Financial position

On December 31, 2021, the Group's equity amounted to SEK 331m (334). Equity was negatively impacted for full-year 2021 by the dividend of SEK 156m to the former Parent Company, Profoto Invest AB, as resolved by the Annual General Meeting for the 2020 fiscal year.

The Group reported a net cash position of SEK 134m (91). Interest-bearing liabilities to credit institutions totaled SEK 20m (44), which was a decrease in debt of SEK 24m since year-end 2020. The main reason for the decrease in debt is reduced use of the available overdraft facilities during the year. The revolving credit facility of SEK 250m was undrawn at year-end. Lease liabilities totaled SEK 52m (56).

## Financial targets

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

- 1) Net sales growth: To achieve, over time, organic growth in net sales exceeding 10 percent in constant currency.
- 2) Profitability: To achieve an EBIT margin of 25 to 30 percent, while maintaining year-on-year growth in EBIT.
- 3) Dividend policy: Profoto aims to pay out at least 50 percent of net profit, while taking into account other factors such as financial position, cash flow and growth opportunities.

## Employees

The average number of employees during full-year 2021 was 95 (122), of whom 36 (40) were employed in sales companies in China, Japan, the US, Germany, France, and the UK. The reduction in staff is an effect of the cost-saving program implemented in the second half of 2020.

## Parent Company

Profoto Holding AB (publ) with registration number 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 2.9m (2.9) as its only income in the fourth quarter, and with personnel expenses and other external expenses related to management of the Group as expenses. IPO expenses of SEK 22.3m had a negative impact on other external expenses in full-year 2021.

The operating loss (EBIT) was SEK -1.8m (-0.2) for the fourth quarter. Current assets totaled SEK 200.9m (234.3) and current liabilities amounted to SEK 37.8m (88.0). The change was mainly attributable to the settlement of intra-group receivables and payables from the former Parent Company Profoto Invest AB during the second quarter of 2021 and the size of the anticipated dividend from subsidiaries in 2021 of SEK 153m, compared with 184m in 2020.

## Dividend

For fiscal year 2021, the Board of Directors proposes a dividend of SEK 3.50 per share, to be paid on one occasion with May 9, 2022, as the record date. The proposal entails a total dividend of SEK 140m, corresponding to 88.6 percent of profit for the year.

## Summary of significant events January-December

At the Annual General Meeting on May 7, it was decided to pay a total dividend of SEK 156m to the former Parent Company Profoto Invest AB, which was settled during the second quarter.

The Parent Company (Profoto Holding AB (Publ)) carried out a bonus issue during the second quarter in which the share capital was increased to SEK 0.5m and a share split in which the number of shares increased to 40,000,000.

The Parent Company (Profoto Holding AB (Publ)) entered into a loan agreement in June for an RCF loan with a total credit limit of SEK 250m, the conditions for which were met in July.

As a consequence of the listing of Profoto Holding AB (publ) on Nasdaq Stockholm's Mid Cap list, with the first trading day on July 1, 2021, all remaining shares in Profoto Holding AB (publ) that were not sold at the listing and were held by the former Parent Company, Profoto Invest AB, were transferred to the owners of Profoto Invest AB on July 5, 2021. As of this date, Profoto Invest AB is therefore no longer the Parent Company of Profoto Holding AB (publ).

Product launches included the B10X and B10X plus in the third quarter and the Pro-11 in the first quarter.

## Summary of other significant events after the end of the period

The previous financial target for net sales, to "over time, achieve a constant currency annual organic growth in net sales of above 10 percent and reach net sales exceeding SEK 800 million by 2023" has been updated since the company believes the target will be achieved earlier. The target has been updated to: "over time, achieve a constant currency annual organic growth in net sales of above 10 percent".

## Owners

As of December 31, 2021, Profoto had 1,449 known owners; the 10 largest owners were:

Owners	Number of shares	%
Anders and Helén Hedebark	15,127,321	37.8
Conny Dufgran	6,000,000	15.0
Lannebo Fonder	3,051,119	7.6
Herenco Holding AB	1,615,151	4.0
Svolder	1,515,151	3.8
Enter Fonder	1,312,648	3.3
Hans Eckerström	1,230,508	3.1
Nordnet Pensionsförsäkring	941,802	2.4
Strand Fonder	507,066	1.3
Investering & Trygghed A/S	488,259	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 40 million. A list of the largest shareholders is updated at the end of each month on the company's website [investors.profoto.com](https://investors.profoto.com).

## Significant risks and uncertainties

The Profoto Group is an international group exposed to operational risks, market-related risks, legal and tax risks, as well as financial risks. Risk management is a normal part of the business and is regularly monitored by Group Management and reported to the Board of Directors. These include the following risks:

### Operational risks:

In the wake of the pandemic, there are short-term risks of supply chain disruptions and component shortages which may negatively impact Profoto's production and sales.

The Group has adopted a scalable business model and outsources all non-core activities. This risk includes the risk that outsourced staff lack incentives, knowledge, or skills, resulting in failure to meet high standards within the Group, as well as the risk that third-party suppliers lack resources, or that Profoto is not prioritized by these suppliers.

The Group is dependent on the supply of components for its products in order to be able to deliver to customers. Risks include loss of suppliers, delayed or non-delivery of products, or failure of products to meet customer quality requirements.

The Group depends on attracting and retaining key employees with the right skills for key positions.

The Group relies on dealers for the sale and delivery of products to customers.

The Group depends on maintaining its reputation and is exposed to the risk of negative publicity regarding the Profoto brand. Reputational damage would result in lower sales and a reduced ability to invest in more sustainable products.

The Group's operations and products depend on IT systems and technology, and disruptions or failures in critical systems can result in product failure or the theft or loss of product data.

A lack of innovation skills could lead to a significant reduction in net sales in the long term.

There is a risk that the Group's growth strategy will not be realized because of the Group's inability to compete effectively in a

constantly changing technological environment, or that the Group misjudges current and future market developments.

### Market-related risks:

There is a risk that new technologies and solutions, such as artificial intelligence, replace flash photography, or that video filming replaces traditional photography, which may result in the obsolescence of the company's products.

The Covid-19 outbreak has negatively impacted the global economy and may continue to have a negative impact on the Group's sales figures, financial position and future revenues due to the photo industry's heavy reliance on effects related to travel and events.

The Group operates in a global market which exposes it to certain risks, especially the risk that sales may be adversely affected by changes in the political situation, trade conflicts, or changes in customs and trade regulations.

The Group operates in a competitive environment and is at risk of being challenged by competitors with greater financial resources and competitors from low-wage countries.

### Legal and tax risks:

The Group and its competitive position depend on worldwide intellectual property rights. There is a risk that the Group's protection of registered intellectual property rights may prove inadequate or that current rights may not be approved.

The Group's activities depend on compliance with EU directives on producer responsibility and obtaining the necessary certifications for the Group's products.

The Group may from time to time be involved in litigation, claims and other legal or administrative proceedings, in particular relating to intellectual property rights.

There are risks related to misinterpretation of tax rules, which could have a negative impact on the tax situation.

### Financial risks:

The Group is exposed to currency risks, both transactional and translation exposure. In addition, the Group is exposed to interest rate risk, as well as credit and counterparty risk, the latter referring to the risk that a counterparty fails to meet its contractual obligations.

Changes in the value of capitalized development expenditure could have a negative impact on the Group's earnings and financial position if it is required to take an impairment charge on capitalized development expenditure.

The Group is exposed to the risk that the required financing is not available or is delayed with significantly increased costs. If the Group breaches its financial covenants, there is a risk that the credit facility, in whole or in part, will become immediately due and payable, or withdrawn by the bank.

A more comprehensive description of the risks can be found in the Parent Company's prospectus, available at [www.profoto.com](https://www.profoto.com).

# Signatures

The Board of Directors and the President and Chief Executive Officer hereby declare that this interim report provides a true and fair view of the Parent Company's and the Group's operations, position and earnings, and also describes the material risks and uncertainties faced by the Parent Company and the companies included in the Group.

Stockholm February 10, 2022

**Hans Eckerström**  
Chairman of the Board

**Magnus Brännström**  
Board member

**Pernilla Ekman**  
Board member

**Anders Hedeback**  
Board member  
Chief Executive Officer

**Helena Holmgren**  
Board member

**Helene Willberg**  
Board member

## **Auditor's review**

This year-end report has not been reviewed by the company's auditor.



# Other information

## About Profoto

Profoto was founded more than 50 years ago and since then has been the world leader in lighting products 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 – regardless of camera or situation. Creating great images is about mastering and shaping light. Customers include the world's leading photographers and Profoto is currently represented in over 60 markets worldwide. Net sales in 2021 totaled SEK 732m, with 95 employees at the head office in Stockholm and in subsidiaries in the US, Japan, China, Germany, France and the UK.

## Financial calendar

Annual Report 2021 – April 11, 2022

Interim report Q1 2022 – May 5, 2022

Annual General Meeting 2022 – May 5, 2022

Interim Report Q2 2022 – July 22, 2022

Interim Report Q3 2022 – November 8, 2022

## Conference call

Profoto Holding AB (publ) will publish its interim report for the fourth quarter of 2021 on Thursday, February 10, at 08:00 CET. At 09:00 CET the same day, a webcast teleconference will be held where President and CEO Anders Hedebark will present the report together with CFO Petter Sylvan. The presentation will be followed by a question-and-answer session. The presentation will be held in English. Those wishing to participate in the conference call in conjunction with the presentation should call the following numbers from Sweden: +46 856 642 693 UK: +44 333 300 92 74 US: +1 64 672 249 03. You can also follow and listen to the presentation and the conference at the following web link:

<https://tv.streamfabriken.com/profoto-q4-2021>.

## For further information, please contact

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This information is insider information that Profoto Holding AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on February 10, 2022.

# Condensed consolidated financial statements

## Consolidated statement of profit and loss

SEKm	Note	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
Net sales	2	218	173	732	528
Other operating income		4	-2	11	3
<b>Total revenue</b>		<b>222</b>	<b>171</b>	<b>744</b>	<b>531</b>
Capitalized work for own account		7	6	22	21
Goods		-69	-57	-232	-228
Other external expenses		-37	-28	-142	-126
Personnel expenses		-29	-29	-117	-120
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		-14	-15	-57	-88
Other operating expenses		-2	-2	-5	-3
<b>Operating profit (EBIT)</b>		<b>79</b>	<b>46</b>	<b>212</b>	<b>-12</b>
<b>Finance income and costs</b>					
Finance income		0	0	0	0
Finance costs		-1	-4	-3	-8
<b>Profit/loss before tax</b>		<b>78</b>	<b>42</b>	<b>209</b>	<b>-20</b>
Tax		-18	-9	-51	2
<b>Profit/loss for the period</b>		<b>60</b>	<b>33</b>	<b>158</b>	<b>-17</b>
<i>Attributable to:</i>					
Owners of the Parent Company		60	33	158	-17
Earnings per share, basic and diluted <sup>1</sup> , SEK		1.50	0.82	3.95	-0.44

1) Calculated based on 40,000,000 ordinary shares, basic and diluted (retroactive adjustment due to share split of periods prior to the second quarter of 2021).

## Consolidated statements of comprehensive income

SEKm	Note	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
Profit/loss for the period		60	33	158	-17
<i>Other comprehensive income, items that may be reclassified to the consolidated statement of profit and loss:</i>					
Translation differences for the period		1	0	-5	4
<b>Total comprehensive income for the period</b>		<b>61</b>	<b>33</b>	<b>153</b>	<b>-13</b>
<i>Attributable to:</i>					
Parent Company shareholders		61	33	153	-13

## Condensed consolidated statement of financial position

SEKm	Note	Dec. 31, 2021	Dec. 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
	4		
Capitalized development expenditure		91	98
Software		13	19
Licenses		3	1
<b>Total intangible assets</b>		<b>106</b>	<b>118</b>
<b>Property, plant and equipment</b>			
Leased assets		49	54
Equipment, tools and installations		23	27
Leasehold improvements		2	4
<b>Total property, plant and equipment</b>		<b>75</b>	<b>86</b>
<b>Financial assets</b>		<b>2</b>	<b>2</b>
<b>Deferred tax assets</b>		<b>16</b>	<b>16</b>
<b>Total non-current assets</b>		<b>199</b>	<b>222</b>
<b>Current assets</b>			
<b>Inventories</b>			
		<b>99</b>	<b>94</b>
<b>Current receivables</b>			
Accounts receivable		69	67
Current tax assets		-	5
Current receivables from Group companies	3	-	20
Other current assets		5	3
Prepayments and accrued income		6	8
<b>Total current receivables</b>		<b>80</b>	<b>103</b>
<b>Cash and cash equivalents</b>		<b>206</b>	<b>254</b>
<b>Total current assets</b>		<b>386</b>	<b>451</b>
<b>TOTAL ASSETS</b>		<b>585</b>	<b>673</b>

SEKm	Note	Dec. 31, 2021	Dec. 31, 2020
<b>EQUITY AND LIABILITIES</b>			
<b>Total equity</b>		<b>331</b>	<b>334</b>
<b>Non-current liabilities</b>			
Liabilities to credit institutions		6	8
Lease liabilities		43	47
Provisions		7	5
Deferred tax liabilities		54	52
<b>Total non-current liabilities</b>		<b>110</b>	<b>112</b>
<b>Current liabilities</b>			
Liabilities to credit institutions		14	36
Lease liabilities		9	9
Provisions		5	7
Accounts payable		46	45
Current liabilities to Group companies	3	-	83
Current tax liabilities		9	-
Other current liabilities		6	6
Accrued expenses and deferred income		55	41
<b>Total current liabilities</b>		<b>144</b>	<b>228</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>585</b>	<b>673</b>

### Consolidated statement of changes in equity

SEKm	Share capital	Translation reserve	Retained earnings, including profit/loss for the period	Total equity
<b>Opening balance January 1, 2021</b>	<b>0</b>	<b>-1</b>	<b>335</b>	<b>334</b>
Profit/loss for the period			158	158
Total other comprehensive income		-5		-5
<b>Total comprehensive income</b>	<b>0</b>	<b>-5</b>	<b>158</b>	<b>153</b>
Bonus issue	1		-1	
Dividend to shareholders			-156	-156
<b>Closing balance at December 31, 2021</b>	<b>1</b>	<b>-6</b>	<b>336</b>	<b>331</b>
<b>Opening balance January 1, 2020</b>	<b>0</b>	<b>-5</b>	<b>352</b>	<b>347</b>
Profit/loss for the period			-17	-17
Total other comprehensive income		4		4
<b>Total comprehensive income</b>	<b>0</b>	<b>4</b>	<b>-17</b>	<b>-13</b>
Contributions from owners			22	22
Group contributions paid, before tax			-27	-27
Tax on group contributions			5	5
<b>Closing balance at December 31, 2020</b>	<b>0</b>	<b>-1</b>	<b>335</b>	<b>334</b>

**Consolidated statement of cash flows**

SEKm	Note	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
<b>Cash flow from operating activities</b>					
Operating profit/loss		79	46	212	-12
Adjustments for non-cash items:					
Depreciation, amortization and impairment of non-current assets		14	15	57	88 <sup>1</sup>
Adjustments for other non-cash items		3	-2	4	46 <sup>1</sup>
Interest received		0	0	0	0
Interest paid		0	-1	-2	-3
Income tax paid		-11	4	-36	-10
<b>Cash flow from operating activities before changes in working capital</b>		<b>85</b>	<b>62</b>	<b>235</b>	<b>108</b>
<b>Changes in working capital</b>					
Decrease (+) / increase (-) in inventories		-7	8	-6	44
Decrease (+) / increase (-) in accounts receivable		9	-15	-2	29
Decrease (+) / increase (-) in other receivables		0	-3	0	0
Decrease (-) / increase (+) in accounts payable		4	18	0	-12
Decrease (-) / increase (+) in other current liabilities		10	3	13	-16
<b>Cash flow from operating activities</b>		<b>101</b>	<b>73</b>	<b>240</b>	<b>153</b>
<b>Investing activities</b>					
Investments in intangible assets		-9	-8	-24	-22
Acquisition of property, plant and equipment		-2	0	-6	-7
Intra-group loans given <sup>2</sup>		-	-	-116	0
Intra-group loans repaid <sup>2</sup>		-	-3	-	67
<b>Cash flow from investing activities</b>		<b>-11</b>	<b>-11</b>	<b>-146</b>	<b>38</b>
<b>Financing activities</b>					
Repayment of external loans		-15	-13	-34	-12
Amortization of lease liability		-3	-2	-11	-8
New loans		1	3	13	36
Repayment of intercompany liabilities <sup>3</sup>		-	-	-103	-
<b>Cash flow from financing activities</b>		<b>-17</b>	<b>-12</b>	<b>-135</b>	<b>16</b>
Cash flow for the period		72	50	-42	208
Cash and cash equivalents at beginning of period		135	205	254	52
Exchange rate differences in cash and cash equivalents		-1	-1	-7	-5
<b>Cash and cash equivalents at end of period</b>		<b>206</b>	<b>254</b>	<b>206</b>	<b>254</b>

1) Full-year 2020 includes impairment losses for property, plant and equipment and intangible assets of a total of SEK 29m (0), impairment losses for inventories of a total of SEK 48m (0) and other for a total of SEK -2m (1).

2) Intra-group loans given and repaid in investing activities relate to lending to and repayment from the former Parent Company Profoto Invest AB.

3) Repayment of intercompany liabilities in financing activities refers to the repayment of the loan from the former parent company Profoto Invest AB, which was settled in full at the end of Q2 2021. The dividend that was approved from 2020 to Profoto Invest AB of SEK 156m is included in the residual debt that has been repaid and settled in full.

# Condensed Parent Company financial statements

## Parent Company income statement

SEKm	Note	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
Net sales		2.9	2.9	11.7	11.7
<b>Operating expenses</b>					
Other external expenses		-1.4	-0.4	-26.5	-2.0
Personnel expenses		-3.3	-2.7	-12.4	-9.3
Other operating expenses		0.0	0.0	0.0	0.0
<b>Operating profit (EBIT)</b>		<b>-1.8</b>	<b>-0.2</b>	<b>-27.3</b>	<b>0.5</b>
<b>Profit/loss from financial items</b>					
Income from participations in Group companies		153.0	183.8	153.0	183.8
Interest and similar expenses		0.0	0.0	0.0	0.0
<b>Profit after financial items</b>		<b>151.2</b>	<b>183.6</b>	<b>125.7</b>	<b>184.3</b>
Appropriations		51.9	-27.5	51.9	-27.5
<b>Profit/loss before tax</b>		<b>203.1</b>	<b>156.1</b>	<b>177.6</b>	<b>156.8</b>
Tax on profit for the period		-10.9	5.7	-9.7	5.5
<b>Profit/loss for the period</b>		<b>192.2</b>	<b>161.8</b>	<b>167.9</b>	<b>162.3</b>

## Parent Company balance sheet

SEKm	Note	Dec. 31, 2021	Dec. 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Financial assets</b>			
Participations in Group companies		32.0	32.0
<b>Total non-current assets</b>		<b>32.0</b>	<b>32.0</b>
<b>Deferred tax assets</b>			
		<b>1.3</b>	<b>6.1</b>
<b>Current assets</b>			
Current receivables from Group companies	3	199.5	233.3
Other current receivables		0.5	0.6
Prepayments and accrued income		0.9	0.1
<b>Total current receivables</b>		<b>200.9</b>	<b>234.0</b>
<b>Cash and cash equivalents</b>			
		<b>0.0</b>	<b>0.3</b>
<b>Total current assets</b>		<b>200.9</b>	<b>234.3</b>
<b>ASSETS</b>		<b>234.2</b>	<b>272.4</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		0.5	0.1
<b>Total restricted equity</b>		<b>0.5</b>	<b>0.1</b>
<b>Unrestricted equity</b>			
Retained earnings		28.0	22.0
Profit/loss for the period		167.9	162.3
<b>Total unrestricted equity</b>		<b>195.9</b>	<b>184.3</b>
<b>Total equity</b>		<b>196.4</b>	<b>184.4</b>
<b>Current liabilities</b>			
Accounts payable		0.3	0.4
Current liabilities to Group companies	3	24.7	82.8
Current tax liabilities		4.9	-
Other current liabilities		1.2	1.0
Accrued expenses and deferred income		6.7	3.8
<b>Total current liabilities</b>		<b>37.8</b>	<b>88.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>234.2</b>	<b>272.4</b>

## Parent Company statement of cash flows

SEKm	Note	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
<b>Cash flow from operating activities</b>					
Operating profit/loss		-1.8	-0.2	-27.3	0.5
Income tax paid		0.4	0.4	0.2	0.0
<b>Cash flow from operating activities before changes in working capital</b>		<b>-1.4</b>	<b>0.2</b>	<b>-27.1</b>	<b>0.5</b>
<b>Changes in working capital</b>					
Decrease (+) / increase (-) in other receivables		0.0	-0.2	-0.8	-0.1
Decrease (-) / increase (+) in accounts payable		-0.7	0.2	-3.1	-0.2
Decrease (-) / increase (+) in other current liabilities		4.0	1.0	3.1	-0.3
<b>Cash flow from operating activities</b>		<b>1.9</b>	<b>1.2</b>	<b>-27.9</b>	<b>-0.2</b>
<b>Cash flow from investing activities</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Financing activities</b>					
Change in intercompany liabilities		-1.9	0.0	27.6	0.0
Change in short-term financial liabilities		-	-	-	0.5
<b>Cash flow from financing activities</b>		<b>-1.9</b>	<b>0.0</b>	<b>27.6</b>	<b>0.5</b>
Cash flow for the period		0.0	1.2	-0.3	0.3
Cash and cash equivalents at beginning of period		0.0	-0.9	0.3	0.0
<b>Cash and cash equivalents at end of period</b>		<b>0.0</b>	<b>0.3</b>	<b>0.0</b>	<b>0.3</b>

\* Intercompany balances including decided, received, and paid dividends have been cleared by netting of internal balances.



# Notes

## Note 1 Accounting policies and general information

This consolidated year-end report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with Chapter 9, Interim Reports, in the Swedish Annual Accounts Act. Disclosures in accordance with IAS 34 are presented in the financial statements and their notes, as well as in the remaining sections 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 in 2021 have not had a significant impact on the Group's 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 the Groupwide 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	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
EMEA	66	63	248	199
Americas	104	66	306	189
APAC	48	44	179	141
<b>Total net sales</b>	<b>218</b>	<b>173</b>	<b>732</b>	<b>529</b>

## Note 3 Related party transactions

Related party transactions include payments to Board members and senior executives, as well as (up until June 30, 2021) intra-group transactions with what was then the ultimate parent company, Profoto Invest AB. Compensation levels are determined on commercial grounds.

Transactions with the ultimate parent company Profoto Invest AB in 2020 consisted of intra-group loans, anticipated dividends, shareholder contributions and Group contribution. The purpose of the loan was to finance repayment of external loans from credit institutions. The loan to the ultimate parent company was interest-free and was settled in the second quarter of 2021. Closing balances are presented in the table for the Group and the Parent Company, respectively.

The Parent Company invoices monthly management fees of SEK 1.0m to the subsidiary Profoto AB. The level of monthly invoicing is determined annually and is based on the Groupwide fixed costs of the Parent Company. In the fourth quarter, the Parent Company's income from invoiced management fees totaled SEK 2.9m (2.9), and for the full year invoiced management fees amounted to SEK 11.7m (11.7). During the fourth quarter, the Parent Company anticipated a dividend from the subsidiary Profoto AB of SEK 153.0m and also received a group contribution from the subsidiary Profoto AB of SEK 51.9m. The Parent Company has issued a general guarantee on behalf of its subsidiary, see note 5.

Group SEKm	Dec. 31, 2021	Dec. 31 2020
Receivables from the Parent Company Profoto Invest AB	-	20
Liabilities to the Parent Company Profoto Invest AB	-	-83
<b>Total</b>	<b>-</b>	<b>-63</b>
Parent Company SEKm	Dec. 31, 2021	Dec. 31 2020
Intercompany receivables	199.5	233.3
Intercompany liabilities	-24.7	-
Liabilities to Parent Company	-	-82.8
<b>Total</b>	<b>174.8</b>	<b>150.5</b>

**Note 4 Intangible assets**

SEKm	Capitalized development expenditure	Software	Licenses	Total
<b>Opening accumulated cost, January 1, 2021</b>	<b>214</b>	<b>31</b>	<b>2</b>	<b>246</b>
Acquisitions	-	-	2	2
Capitalized development expenditure	22	0	0	22
<b>Closing accumulated cost December 31, 2021</b>	<b>236</b>	<b>31</b>	<b>4</b>	<b>271</b>
<b>Opening amortization January 1, 2021</b>	<b>-97</b>	<b>-12</b>	<b>-1</b>	<b>-109</b>
Amortization for the period	-29	-6	-1	-36
<b>Closing accumulated amortization December 31, 2021</b>	<b>-126</b>	<b>-18</b>	<b>-2</b>	<b>-146</b>
<b>Opening impairment January 1, 2021</b>	<b>-19</b>	<b>-</b>	<b>-</b>	<b>-19</b>
<b>Closing accumulated impairment December 31, 2021</b>	<b>-19</b>	<b>-</b>	<b>-</b>	<b>-19</b>
<b>Carrying amount per December 31, 2021</b>	<b>91</b>	<b>13</b>	<b>3</b>	<b>106</b>
<b>Opening accumulated cost, January 1, 2020</b>	<b>193</b>	<b>31</b>	<b>2</b>	<b>225</b>
Acquisitions	-	-	-	-
Capitalized development expenditure	21	-	-	21
<b>Closing accumulated cost December 31, 2020</b>	<b>214</b>	<b>31</b>	<b>2</b>	<b>246</b>
<b>Opening amortization January 1, 2020</b>	<b>-67</b>	<b>-5</b>	<b>-1</b>	<b>-73</b>
Amortization for the period	-30	-6	-	-36
<b>Closing accumulated amortization December 31, 2020</b>	<b>-97</b>	<b>-12</b>	<b>-1</b>	<b>-109</b>
<b>Opening impairment January 1, 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Impairment for the period	-19	-	-	-19
<b>Closing accumulated impairment December 31, 2020</b>	<b>-19</b>	<b>-</b>	<b>-</b>	<b>-19</b>
<b>Carrying amount per December 31, 2020</b>	<b>98</b>	<b>19</b>	<b>1</b>	<b>118</b>

**Note 5 Pledged assets and contingent liabilities**

Group SEKm	Dec. 31 2021	Dec. 31 2020
<b>Pledged collateral</b>		
Company mortgages	40	40
Pledge over accounts receivables and inventory in group company	57	45
<b>Total</b>	<b>97</b>	<b>85</b>
<b>Contingent liabilities</b>		
Swedish Customs Service	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

Company mortgage deeds of SEK 40m has been returned to the borrowing group company on february 3rd, 2022.

The Parent Company has issued a general guarantee on behalf of Profoto AB, 556115-5838. At the year end closing date, there were no outstanding liabilities for which the guarantee was valid.

The Parent Company provided a guarantee for its British subsidiary (Profoto Limited) for fiscal year 2020, pursuant to 479C of the UK Companies Act 2006. The guarantee relates to the liabilities of the British subsidiary, but is never used. The guarantee is not valid for fiscal year 2021. None of these guarantees could be considered contingent liabilities, since the probability that the guarantees would be called in for payment is extremely low.

Parent Company SEKm	Dec. 31, 2021	Dec. 31 2020
<b>Contingent liabilities</b>		
Guarantee for subsidiary	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

# Explanations for alternative performance measures

## Adjusted operating profit/loss (adjusted EBIT)

Alternative performance measures are used to describe trends in the business and to increase comparability between periods. Adjustments include significant effects from impairment of inventories, as well as development costs and IPO expenses. During the first half of 2021, adjustments were made for other external expenses related to IPO preparations in 2021. No adjustments were made in the fourth quarter of 2021. For the fourth quarter and for full-year 2020, adjustments have been made for government grants received, inventory write-downs and impairment of property, plant and equipment and intangible assets. The impairment losses were attributable to sales from a certain product

group that generally failed to meet expectations and these sales were not expected to increase during the coming year.

Adjusted items have a significant impact on EBIT. These are business-related events involving material amounts that have not occurred to the same extent in the past, and where the likelihood is low that similar transactions will occur in future periods. 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.

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

SEKm	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
Net sales	218	173	732	528
Operating profit (EBIT)	79	46	212	-12
Total items affecting comparability	-	2	25	68
Government grants	-	2	-	-7
IPO expenses	-	-	25	-
Impairment of inventories	-	-	-	48
Impairment of property, plant and equipment and intangible assets	-	-	-	27
<b>Adjusted operating profit (EBIT)</b>	<b>79</b>	<b>48</b>	<b>237</b>	<b>56</b>
<b>Adjusted EBIT margin, %</b>	<b>36.1</b>	<b>27.7</b>	<b>32.3</b>	<b>10.6</b>

## Adjusted EBIT margin, %

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

## EBIT adjusted for currency effect, %

Percentage change in EBIT, translated at the transaction-based daily average exchange rate of the corresponding period in the previous year. Shows the change in profit or loss in operating activities, excluding the effects of exchange rates.

%	2021 Oct-Dec	2020 Oct-Dec
Change in EBIT	70.3	17.1
Currency effect	5.1	3.6
<b>EBIT adjusted for currency effect</b>	<b>75.4</b>	<b>20.7</b>

## EBIT

Profit or loss before financial items and tax. Shows the profit or loss from the company's operating activities.

## EBIT margin, %

Adjusted EBIT in percent 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.

## 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	2021 Oct-Dec	2020 Oct-Dec	2021 Full-year	2020 Full-year
Operating profit (EBIT)	79	46	212	-12
Depreciation, amortization and impairment of intangible assets and property, plant and equipment	14	15	57	88
<b>EBITDA</b>	<b>93</b>	<b>61</b>	<b>269</b>	<b>76</b>

### Items affecting comparability

Business transactions that represent the difference between operating profit/loss (EBIT) and adjusted operating profit/loss. These are transactions such as significant impairment of inventories and property, plant and equipment/intangible assets, government grants and IPO expenses, which by nature are unusual and have a material impact on earnings. The transactions play an important role in understanding underlying business developments.

### Net debt

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 amount indicates a positive net cash position.

SEKm	Dec. 31, 2021	Dec. 31, 2020
Liabilities to credit institutions, non-current	6	8
Lease liabilities, non-current	43	47
Liabilities to credit institutions, current	14	36
Lease liabilities, current	9	9
Current liabilities to Group companies	-	83
Current receivables from Group companies	-	-20
Cash and cash equivalents	-206	-254
<b>Net debt</b>	<b>-134</b>	<b>-91</b>

### 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	Dec. 31, 2021	Dec. 31, 2020
Net debt	-134	-91
EBITDA, LTM	269	76
<b>Net debt/EBITDA LTM, quota</b>	<b>-0.50</b>	<b>-1.20</b>

### Net sales adjusted for currency effect, %

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

%	2021 Oct-Dec	2020 Oct-Dec
Change in net sales	25.7	-20.2
Currency effect	-1.4	5.7
<b>Net sales adjusted for currency effect</b>	<b>24.3</b>	<b>-14.4</b>

Performance measure by quarter	2021				2020			
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Net sales, SEKm	218	189	172	153	173	126	81	148
EBIT, SEKm	79	58	36	40	46	-48	-23	13
EBIT margin, %	36.1	30.4	20.9	25.9	26.6	-38.0	-28.6	8.7
Adjusted EBIT, SEKm	79	58	53	48	48	24	-30	14
Adjusted EBIT margin, %	36.1	30.4	30.7	31.1	27.7	18.9	-36.6	9.3
Profit/loss for the period, SEKm	60	45	22	31	33	-39	-21	10
Net debt, SEKm	-134	-46	-14	-124	-91	-30	-3	-7
EBITDA LTM, SEKm	269	238	159	101	76	66	108	219
Net debt/EBITDA LTM	-0.50	-0.19	-0.09	-1.23	-1.20	-0.45	-0.02	-0.03
Earnings per share, SEK	1.50	1.11	0.56	0.78	0.82	-0.99	-0.53	0.26

# Definitions

**Average number of employees**

Average number of full-time employees during the period.

**Earnings per share**

Profit for the period attributable to the shareholders of the Parent Company, divided by the weighted average number of shares outstanding 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.

**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 EMEA**

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

**Region APAC**

Oceania and Asia except for Russia, Turkey and the Middle East.

**Region Americas**

Central America, North America, and South America.