



# @signify

## Q1 2025 results

April 25, 2025

# Important information

## Forward-looking statements

This document and the related oral presentation contain, and responses to questions following the presentation may contain, forward-looking statements that reflect the intentions, beliefs or current expectations and projections of Signify N.V. (the “Company”, and together with its subsidiaries, the “Group”), including statements regarding strategy, estimates of sales growth and future operational results. By their nature, these statements involve risks and uncertainties facing the Company and its Group companies, and a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement as a result of risks and uncertainties. Such risks, uncertainties and other important factors include but are not limited to: adverse economic and geopolitical developments including the potential impact of trade tariffs, the impact of the increasing conflicts globally volatility in interest rates, inflation and currency fluctuations, changes in international tax laws, economic downturns in key geographies to the company, supply chain disruptions, new technological disruptions, cybersecurity risk, competition in the general lighting market, reputational and adverse effects on business due to activities in Environment, Health & Safety, compliance risks, ability to attract and retain talented personnel, pension liabilities. Additional risks currently not known to the Group or that the Group has not considered material as of the date of this document could also prove to be important and may have a material adverse effect on the business, results of operations, financial condition and prospects of the Group or could cause the forward-looking events discussed in this document not to occur. The Group undertakes no duty to and will not necessarily update any of the forward-looking statements in light of new information or future events, except to the extent required by applicable law.

## Market and Industry Information

All references to market share, market data, industry statistics and industry forecasts in this document consist of estimates compiled by industry professionals, competitors, organizations or analysts, of publicly available information or of the Group’s own assessment of its sales and markets. Rankings are based on sales unless otherwise stated.

## Non-IFRS Financial Statements

Certain parts of this document contain non-IFRS financial measures and ratios, such as comparable sales growth, adjusted gross margin and indirect costs, EBITA, adjusted EBITA, free cash flow, Net debt, Working capital, Brighter lives revenues, Circular revenues and other related ratios, which are not recognized measures of financial performance or liquidity under IFRS. The non-IFRS financial measures presented are measures used by management to monitor the underlying performance of the Group’s business and operations. Not all companies calculate non-IFRS financial measures in the same manner or on a consistent basis and these measures and ratios may not be comparable to measures used by other companies under the same or similar names. A reconciliation of a number of non-IFRS financial measures to the most directly comparable IFRS financial measures is contained in appendix B, Reconciliation of non-IFRS financial measures, of this document. For further information on non-IFRS financial measures, see “Chapter 18 Reconciliation of non-IFRS measures” in the Annual Report 2024.

## Presentation

All amounts are in millions of euros unless otherwise stated. Due to rounding, amounts may not add up to totals provided. All reported information is unaudited. Unless otherwise indicated, financial information has been prepared in accordance with the accounting policies as stated in the Annual Report 2024.

## Market Abuse Regulation

This press release contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation.



# Content

Business and operational performance - Eric Rondolat

Financial performance - Željko Kosanović

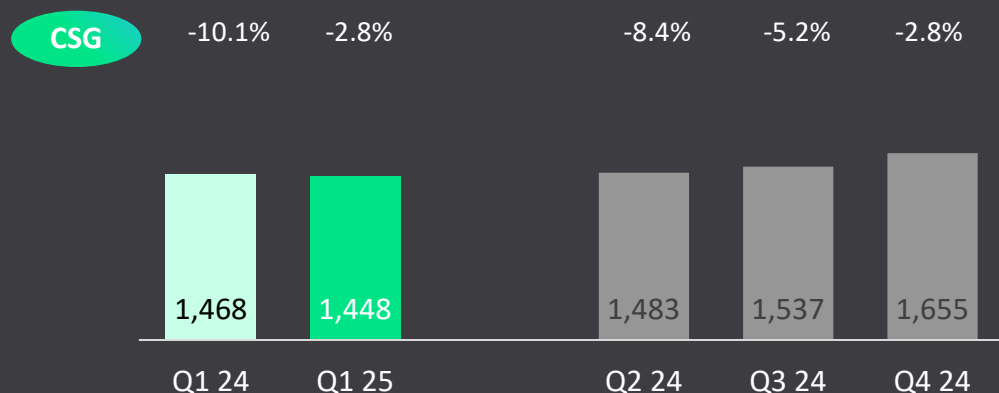
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Q&A

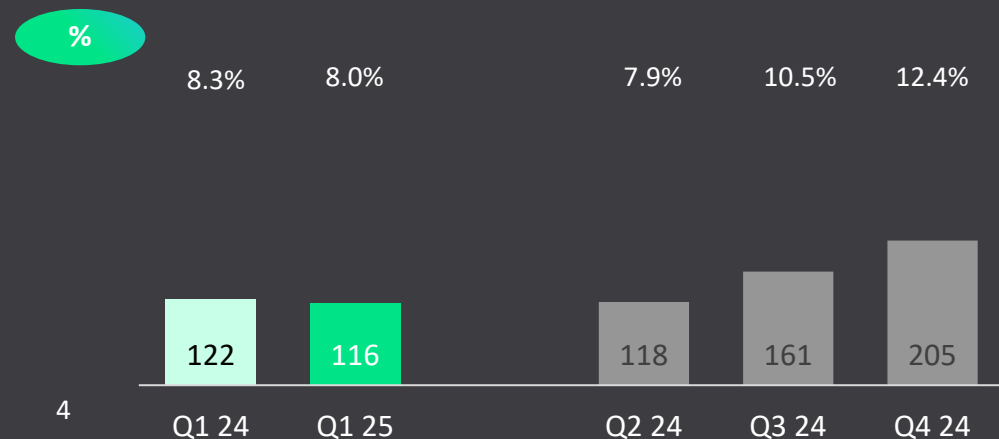


# Signify reported a CSG of -2.8% and an Adjusted EBITA margin of 8%

## Sales (in EURm) & comparable sales growth (in %)



## Adjusted EBITA (in EURm & as % of sales)

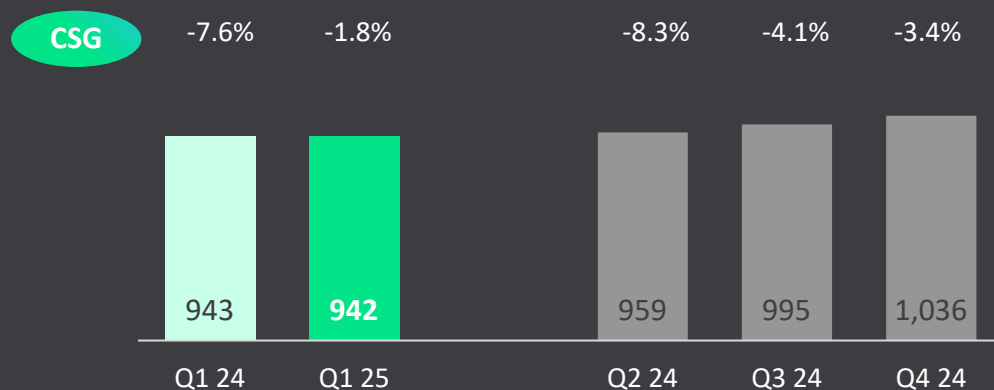


## Q1 Key developments

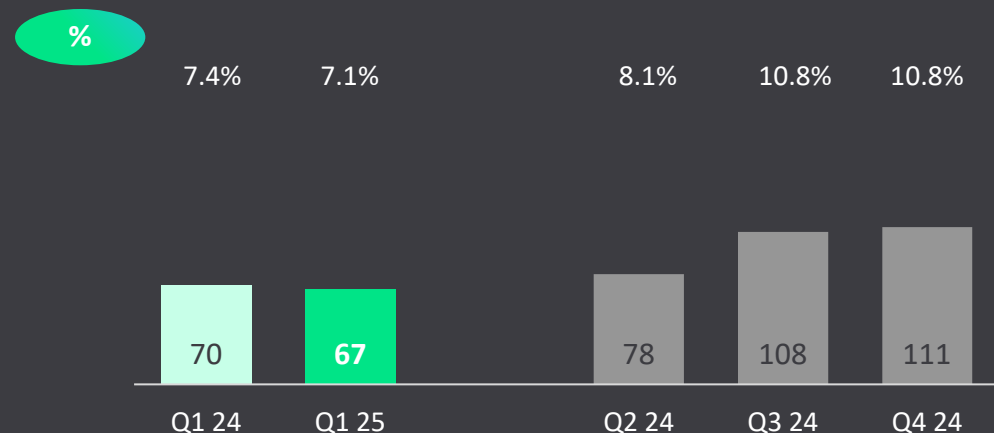
- 153 million connected light points (Q1 24: 126 million)
- Comparable sales decline of 2.8%
  - Growth in Consumer business across regions
  - Growth in connected
  - Return to moderate growth in China
  - Weakness in Professional Europe and OEM business
- Adjusted EBITA margin decrease of 30 bps to 8.0%
  - Benefits of cost reduction program offset by under-absorption of fixed costs
  - Negative segment mix
- Net income of EUR 67m (Q1 24: EUR 44m)
- Free Cash Flow of EUR 40m (Q1 24: EUR 80m)

# The Professional Business delivered sequential sales improvement and an operating profitability of 7.1%

## Sales (in EURm) & comparable sales growth (in %)



## Adjusted EBITA (in EURm & as % of sales)

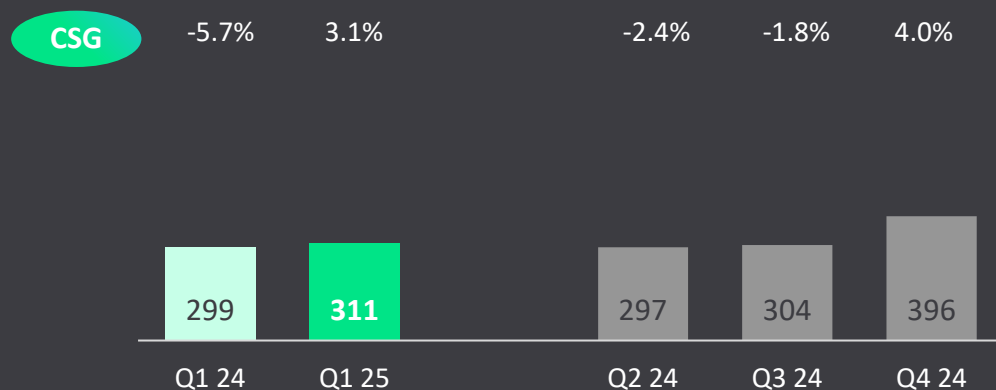


## Q1 Key developments

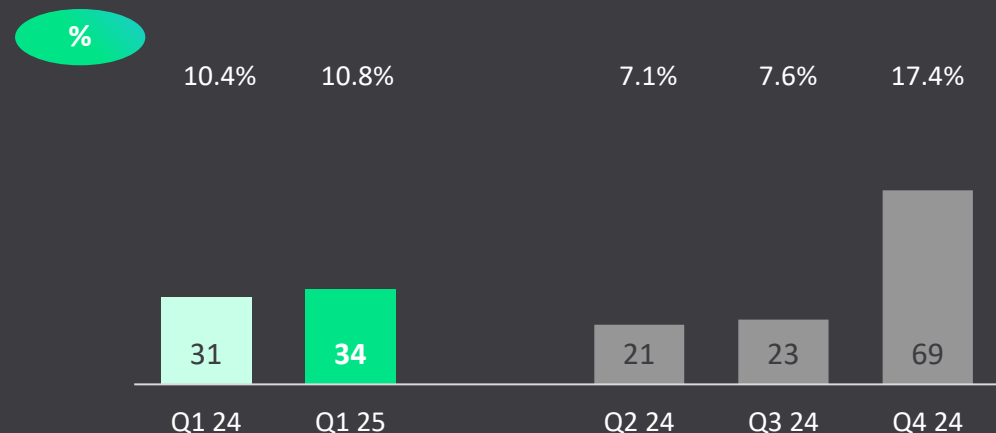
- Comparable sales decline of 1.8%
  - Sequential improvements across most businesses
  - Robust performance in agriculture lighting
  - Continued softness in trade and public segments in Europe
- Adjusted EBITA margin decrease of 30 bps
  - Negative segment mix due to weakness of high-margin Europe business

# The Consumer Business delivered a solid CSG of 3.1% with margin expansion to 10.8%; back to growth in all geographies

## Sales (in EURm) & comparable sales growth (in %)



## Adjusted EBITA (in EURm & as % of sales)



## Q1 Key developments

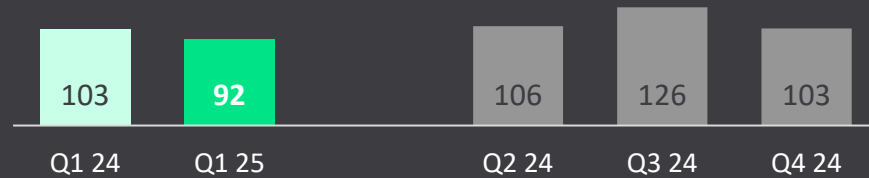
- Comparable sales growth of 3.1%
  - Strong demand for connected home offerings, driven by online sales
  - Solid performance across regions with stabilization in China
- Adjusted EBITA margin increase of 40 bps to 10.8%
  - Margin expansion driven by top line growth

# The OEM Business faced sales and adj. EBITA margin compression

## Sales (in EURm) & comparable sales growth (in %)

CSG

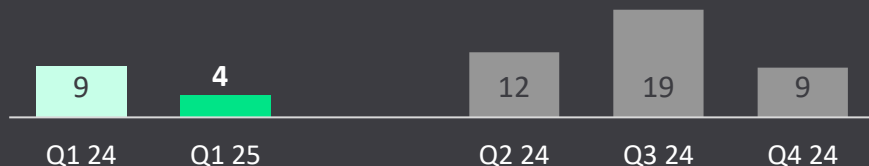
-7.4%   -10.7%   0.1%   0.2%   -1.2%



## Adjusted EBITA (in EURm & as % of sales)

%

8.8%   4.2%   10.9%   15.2%   8.5%

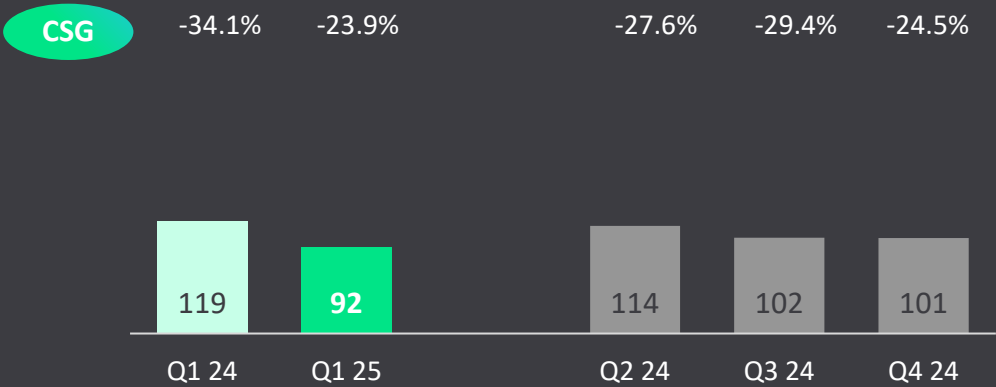


## Q1 Key developments

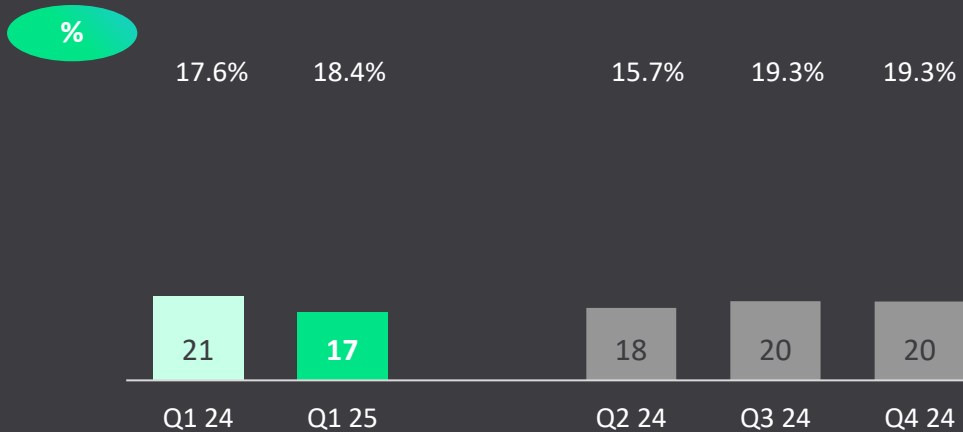
- Comparable sales decline of 10.7%
  - Half the decline attributable to two major customers
  - Intensified pricing pressure in component business
- Adjusted EBITA margin decrease to 4.2%
  - Under-absorption of fixed costs
  - Gross margin impacted by negative pricing, partly compensated by bill-of-material savings

# The Conventional Business declined by 23.9% in line with expectations while sustaining a strong profitability

## Sales (in EURm) & comparable sales growth (in %)



## Adjusted EBITA (in EURm & as % of sales)







## Q1 Key developments

- Comparable sales decline of 23.9%
  - Continued decline in general lighting across all regions
  - Good performance in Specialty lighting
- Adjusted EBITA margin improvement to 18.4%
  - Positive contribution of price



# Business highlights

Signify	Professional		Consumer
<b>Achieving the 15<sup>th</sup> rank among the Global 100 most sustainable corporations</b>	<b>Upgrading landmark Lighting on Pasupati Bridge, Indonesia</b>	<b>Illuminating Renault's Concept Store in Milan, Italy</b>	<b>Enhancing Home Security with new Hue Secure capabilities</b>
 <p>Signify named in "Global 100 most sustainable corporations" from Corporate Knights</p>			
<ul style="list-style-type: none"><li>• Signify was ranked 15<sup>th</sup> globally and 3<sup>rd</sup> in its sector in the Global 100 most sustainable corporations by Corporate Knights.</li><li>• This ranking highlights our strong performance in areas such as sustainable revenue, climate action transparency, and investments in innovation aligned with the Paris Agreement.</li></ul>	<ul style="list-style-type: none"><li>• Partnered with the Bandung City Government to install dynamic lighting on the Pasupati Bridge, boosting its visual appeal and reinforcing its status as a city icon.</li><li>• The installation enables flexible, theme-based lighting while supporting up to 47% of energy efficiency through automated controls.</li></ul>	<ul style="list-style-type: none"><li>• Equipped Renault's new concept store in Milan with customized lighting solutions using 3D printing and Interact Retail management platform.</li><li>• The lighting design enhances the immersive customer experience; reinforces Renault's brand identity, while delivering up to 60% energy savings.</li></ul>	<ul style="list-style-type: none"><li>• Expanded Hue Secure offerings with features including smoke alarm sound detection, emergency lighting activation and enhanced compatibility with smart home devices like Amazon Alexa and Google Nest Hub.</li><li>• These updates improve real-time safety response and enable broader integration into smart home ecosystems.</li></ul>

# Brighter Lives, Better World 2025 – Q1 2025 results

Doubling our positive impact on the environment and society

			2019 Baseline	Q1 2025 Result	2025 Target
Better World	Climate action	 	Carbon reduction over value chain against Paris Agreement	0	Ahead of track 324 MT
	Circular economy		Circular revenues	16%	36% 32%
Brighter Lives	Food availability Safety & security Health & well-being	 	Brighter lives revenues	16%	33% 32%
	Great place to work		Women in leadership positions	17%	27% 34%

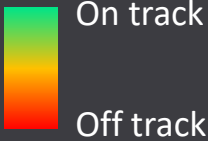


A list for climate and supply chain leader

Member of the  
**Dow Jones Sustainability  
World Index**



EcoVadis Platinum Medal and top 1%



# Content

Business and operational performance - Eric Rondolat

Financial performance - Željko Kosanović

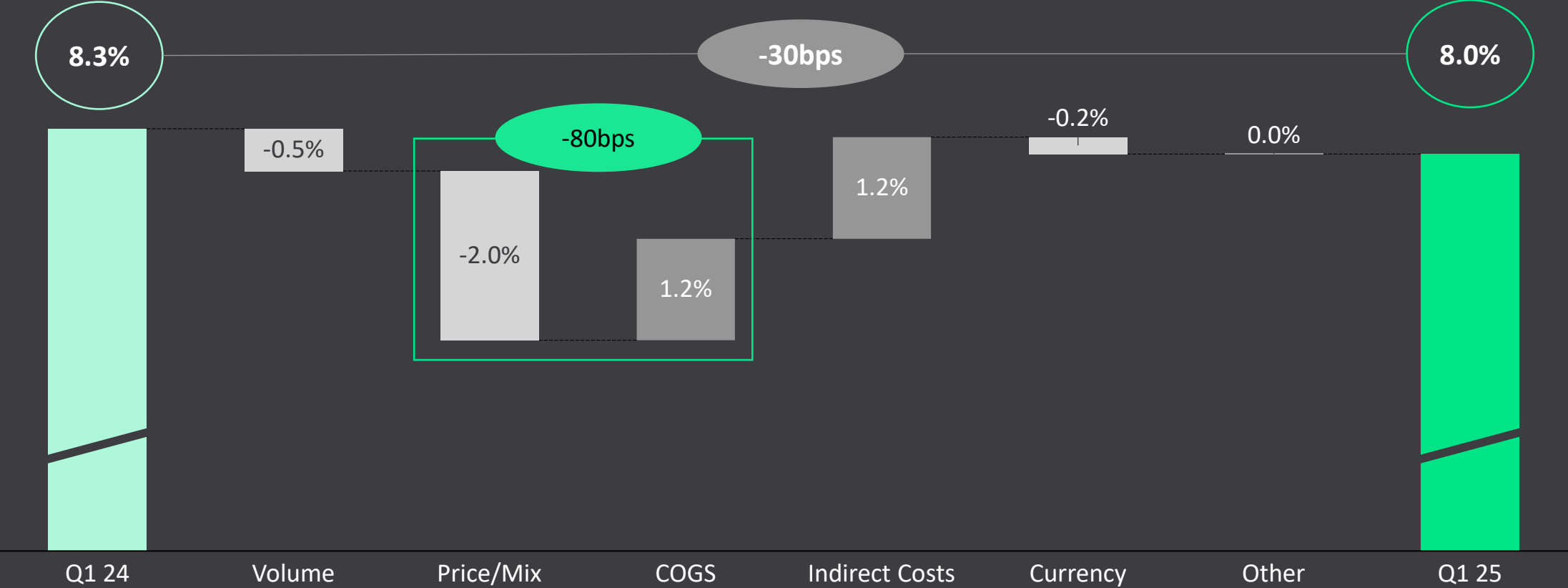
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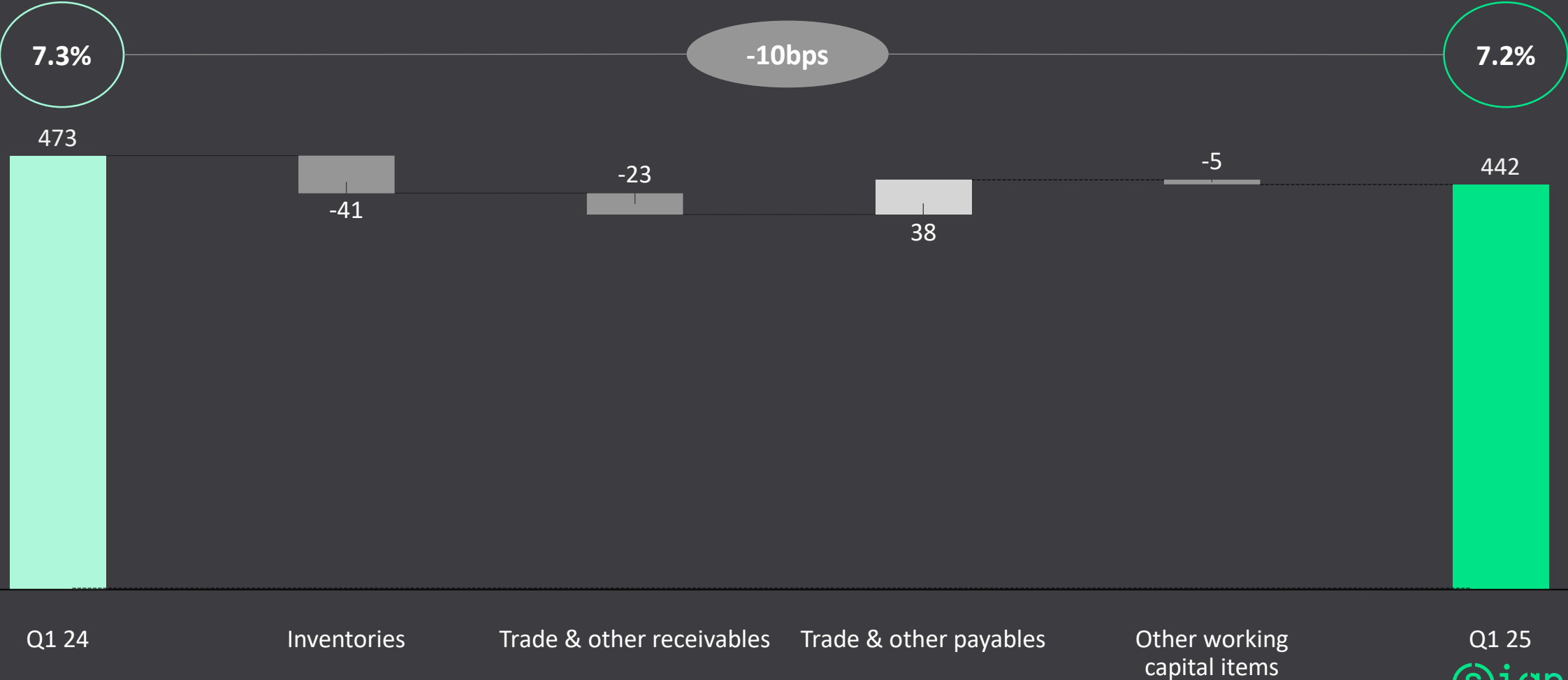
# Adjusted EBITA down 30 bps to 8.0% as indirect costs savings are offset by under-absorption of fixed costs; resilient gross margin

As % of sales



# Working capital reduced to 7.2%, driven by lower inventories and lower receivables, partly offset by lower payables

In EURm / as % of sales





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# Signify confirms its 2025 guidance; continues share repurchase program

**CSG:**  
**Low single digit growth**  
**(ex Conventional)**

**Adj. EBITA margin:**  
**Stable vs. 2024**

**Free Cash Flow:**  
**7.0% - 8.0% of sales**

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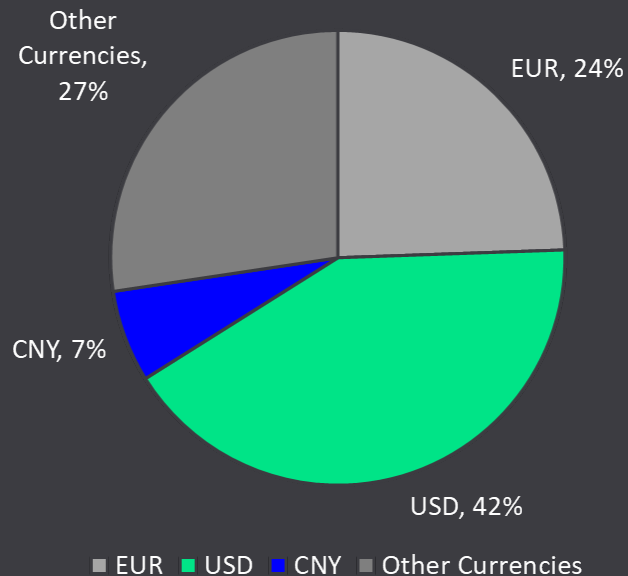
**Share repurchase program of**  
**up to EUR 150 million in 2025**

# Q&A



# Currency movements had a positive impact on sales and negative impact on the Adjusted EBITA margin

## Q1 25 Sales FX Footprint (% of total)



## Key developments

- Overall currency impact on sales of +1.4% mainly related to USD.
- Impact of -0.2% on the Adjusted EBITA margin %.



# Net income increased to EUR 67m achieved through lower restructuring costs and incidental items

## From Adjusted EBITA to net income (in EURm)

	Q1 24	Q1 25
<b>Adjusted EBITA</b>	<b>122</b>	<b>116</b>
- Restructuring	-22	-11
- Acquisition-related charges	-3	-2
<b>1</b> - Other incidental items	-15	-3
<b>EBITA</b>	<b>82</b>	<b>100</b>
Amortization	-17	-15
<b>EBIT</b>	<b>64</b>	<b>85</b>
Net financial income / expenses	-16	-13
Income tax expense	-4	-4
Results from investments in associates	0	0
<b>Net income</b>	<b>44</b>	<b>67</b>

## Key developments

- 1 Incidental items are mainly related to environmental provision for inactive sites and the discounting effect of long-term provisions (EUR 3 million mainly in Professional).



# Free cash flow decreased to EUR 40m, explained by a higher cash outflow from working capital

## Free cash flow (in EURm)

	Q1 24	Q1 25
Income from operations	64	85
Depreciation and amortization	68	61
Additions to (releases of) provisions	39	31
Utilizations of provisions	-66	-42
Change in working capital	1	-65
Net interest and financing costs received (paid)	-3	1
Income taxes paid	-18	-20
Net capex	-22	-25
Other	17	13
<b>Free cash flow</b>	<b>80</b>	<b>40</b>
<i>As % of sales</i>	<i>5.5%</i>	<i>2.8%</i>

## Key developments

- Free cash flow of EUR 40m
  - Higher cash outflow from working capital
  - Lower restructuring payout
- Restructuring payout of EUR 13m (Q1 24: EUR 34m)

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