

A nighttime photograph of a city street scene. In the foreground, a multi-lane bridge with ornate railings spans a canal. The bridge is illuminated with warm lights, and its reflection is visible in the water. In the background, several large, multi-story buildings with many lit windows line the street. The sky is dark blue with some clouds. The overall atmosphere is urban and serene.

Signify

Q2 2025 results

July 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

Financial performance

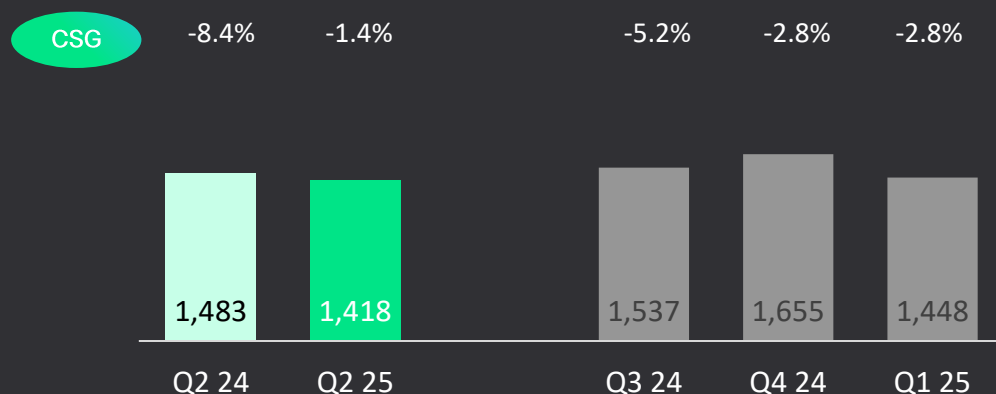
Outlook and closing remarks

Q&A

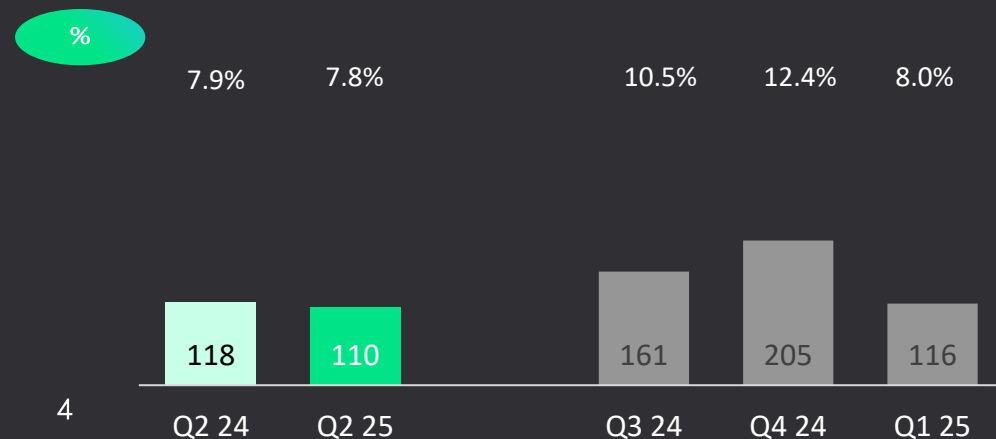


Signify reports 0.8% CSG excluding the Conventional business; operational profitability of 7.8%

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



Adjusted EBITA (in EURm & as % of sales)



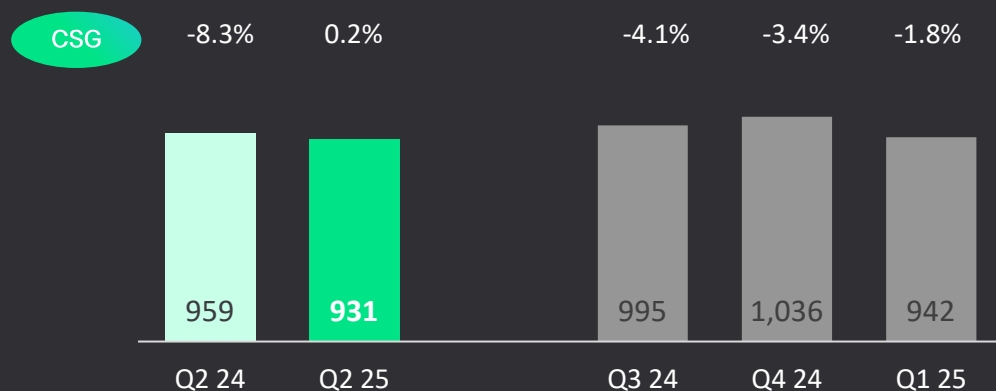
Q2 Key developments

- Installed base of connected light points increased to 156 million
- Comparable Sales decline of 1.4%; reflecting 0.8% growth excluding the Conventional business

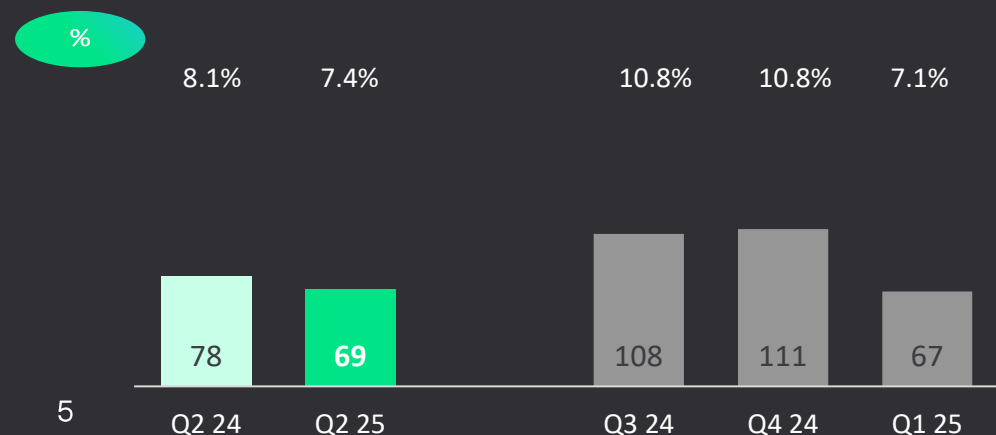
- Adjusted EBITA margin decrease by 10 bps to 7.8%
 - Robust gross margin performance, supported by disciplined pricing and COGS management
 - Fixed cost reductions partly reinvested to fuel growth momentum
- Net income of EUR 57m (Q2 24: EUR 63m)
- Free Cash Flow of EUR 36m (Q2 24: EUR 51m)

The Professional Business returned to growth with a CSG of 0.2%; operational profitability of 7.4%

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



Adjusted EBITA (in EURm & as % of sales)

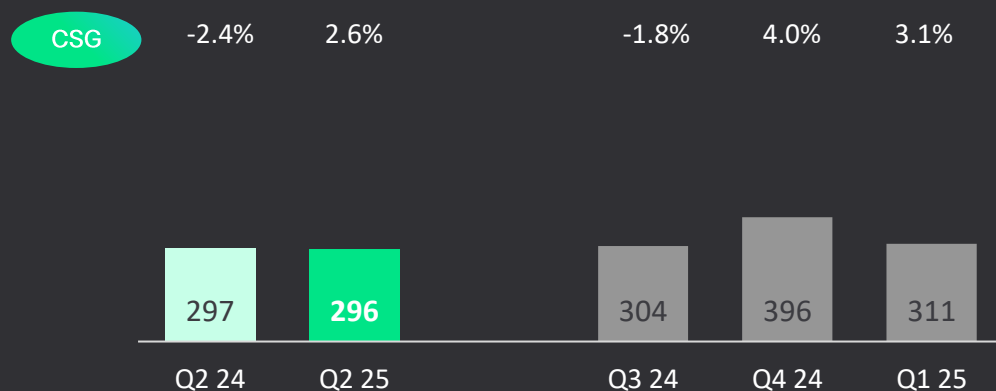


Q2 Key developments

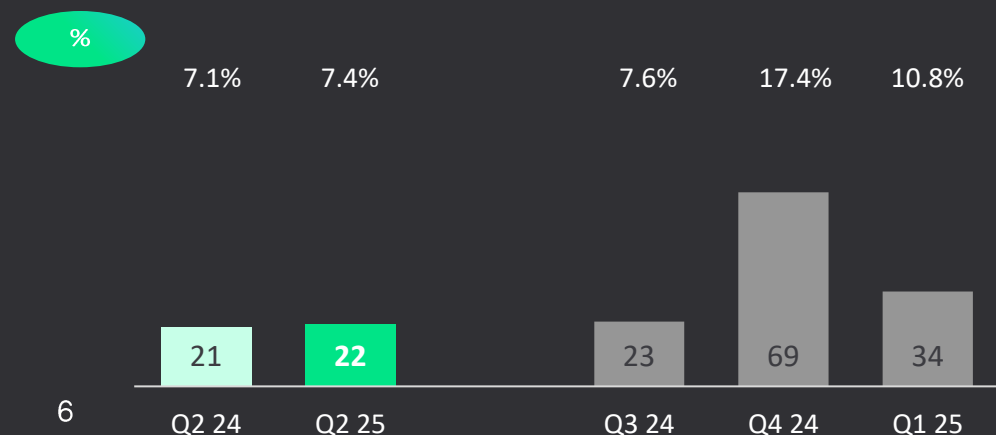
- Comparable sales growth of 0.2%
 - Solid performance in North America
 - Strong growth of connected lighting in all regions
- Negative currency effect of 3.1%
- Adjusted EBITA margin decrease of 70 bps to 7.4%
 - Robust gross margin
 - Fixed cost reductions partly reinvested to fuel growth momentum

The Consumer Business delivered its third consecutive quarter of CSG growth and expanded its profitability

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



Adjusted EBITA (in EURm & as % of sales)

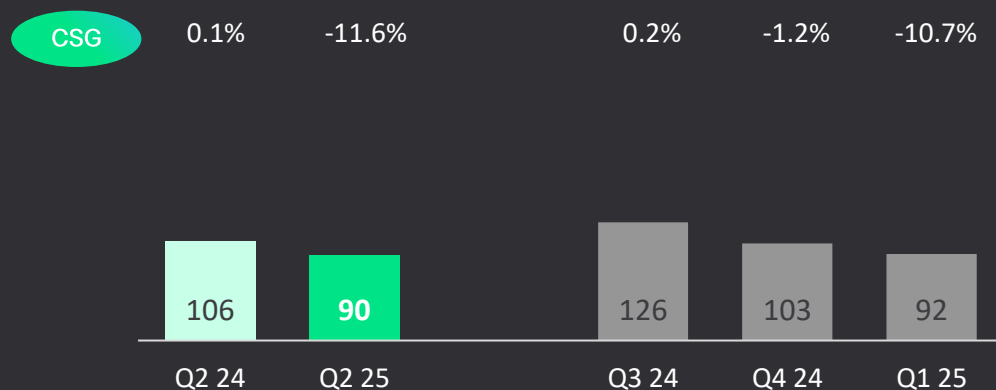


Q2 Key developments

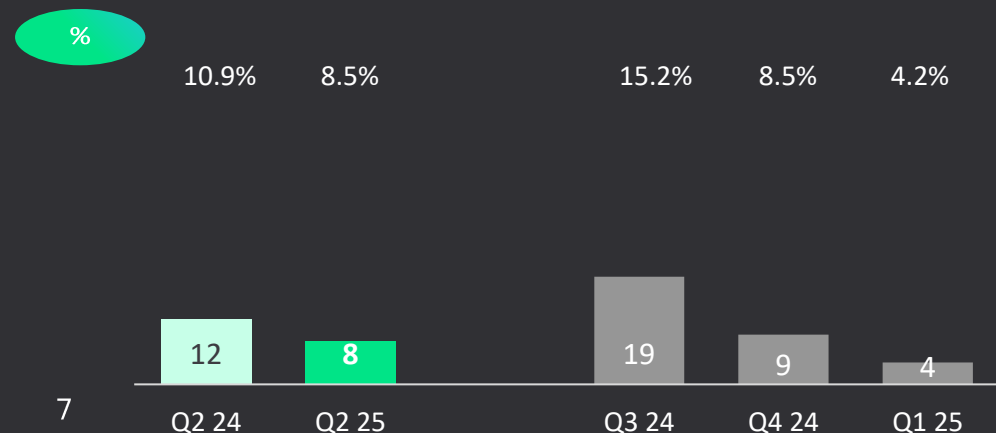
- Comparable sales growth of 2.6%
 - Continued momentum in the consumer business in most markets
 - Strong connected home performance
- Adjusted EBITA margin improved by 30 bps to 7.4%
 - Largely driven by volume growth
 - Continued investments to fuel growth momentum

The OEM Business continued to face sales compression

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



Adjusted EBITA (in EURm & as % of sales)

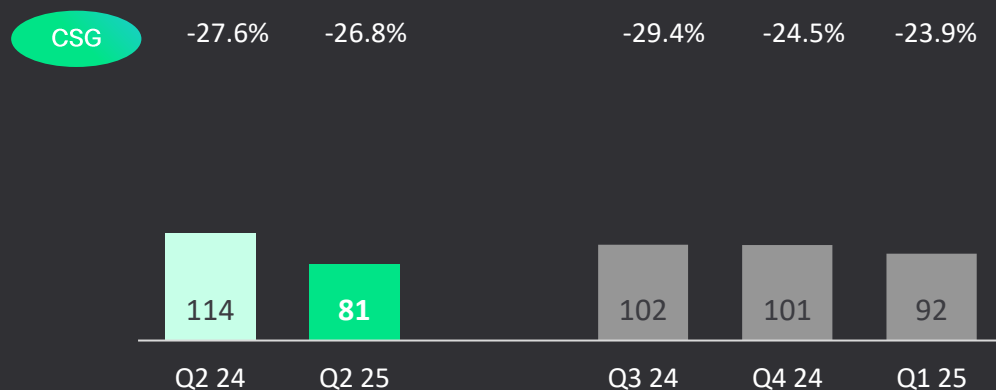


Q2 Key developments

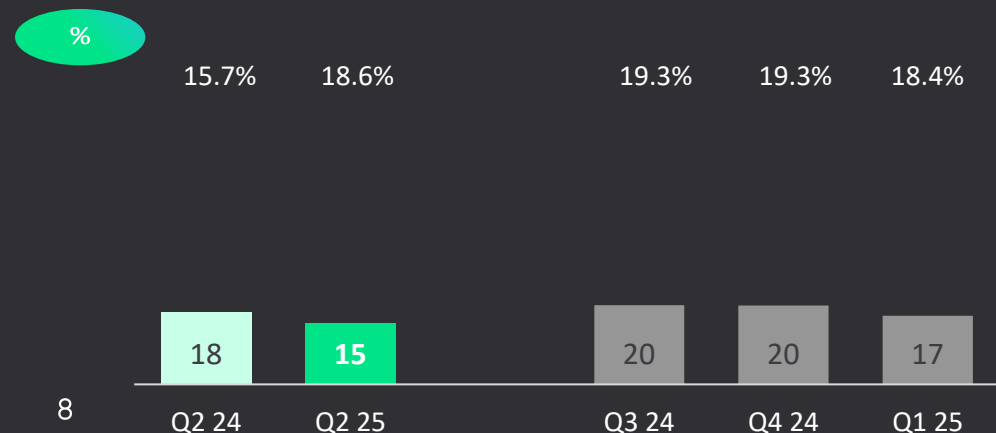
- Comparable sales decline of 11.6%
 - Business continues to face intense price pressure for non-connected components
 - Impact of two major customers
- Adjusted EBITA margin decrease to 8.5%
 - Negative pricing effect largely compensated by bill-of-material savings and positive sales mix
 - Under-absorption of fixed costs

The Conventional Business declined by 26.8% while sustaining a strong profitability

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



Adjusted EBITA (in EURm & as % of sales)



Q2 Key developments

- Comparable sales decline of 26.8%
 - Reflecting the structural decline of the business
- Adjusted EBITA margin improvement to 18.6%
 - Gross margin expansion driven by disciplined price and cost management

Business highlights

Signify	Professional	Consumer
Signify ranks among most sustainable corporations by Corporate Knights	Helping Gothenburg to become a safer, smarter, and more sustainable city	Expanding the Philips Hue ecosystem with the Hue Play wall washer
		
<ul style="list-style-type: none"> Signify has ranked 6th overall and 1st in the Netherlands in Corporate Knights' Europe's 50 Most Sustainable Corporations ranking. Signify's high placement reflects its strong performance across a comprehensive set of sustainability indicators including sustainable revenue and investment, resource management and responsible innovation. 	<ul style="list-style-type: none"> Installed 27,000 connected light points since 2018 in Gothenburg, Sweden, enabling dynamic control, fault detection, and enhanced safety through sensor-based lighting. Achieving up to 80% energy savings, reduced light pollution, and lower operating costs—supporting continued rollout of connected lighting across the city. 	<ul style="list-style-type: none"> The immersive Hue Play wall washer uses exclusive ColorCast technology to deliver vibrant, wide-angle gradients and lighting effects. When syncing to games, movies, or music, the Play wall washer reacts in real time with rich, full-color gradients and immersive effects. When not syncing, Play wall washer transitions seamlessly to premium ambient light.

Brighter Lives, Better World 2025 – Q2 2025 results

Doubling our positive impact on the environment and society

			2019 Baseline	Q2 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%	37%	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%



Ranked in the Clean200



CDP A-list for Supplier Engagement



Member of the Dow Jones Best-in-Class World Index



EcoVadis Platinum Medal and top 1%



On track

Off track

Content

Business and operational performance

Financial performance

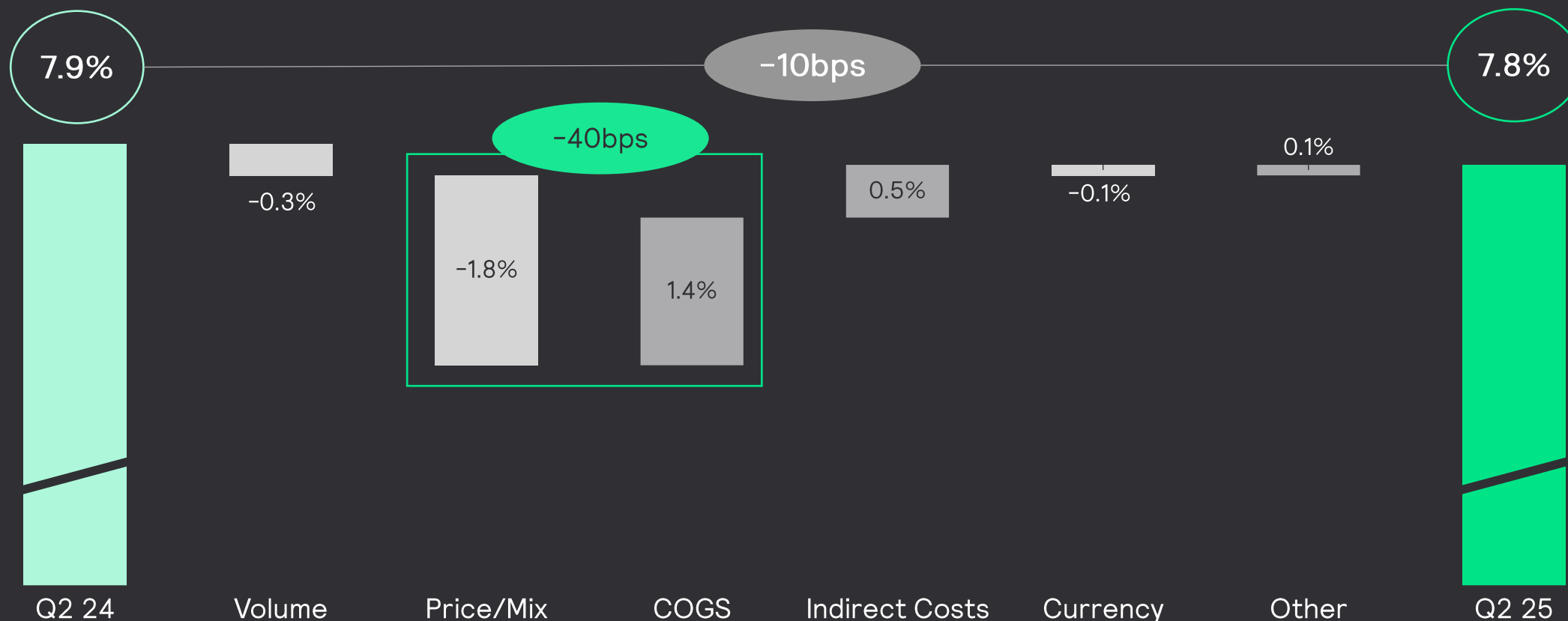
Outlook and closing remarks

Q&A



Adjusted EBITA down 10 bps to 7.8% as indirect costs savings are partly reinvested to fuel growth momentum; robust gross margin

As % of sales



Working capital reduced to 7.5%, led by lower inventories and receivables, 40bps improvement in sales ratio

In EURm / as % of sales



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Outlook 2025

CSG:
Low single digit growth
(ex Conventional)

Adj. EBITA margin:
9.6-9.9%

Free Cash Flow:
7.0 - 8.0% of sales

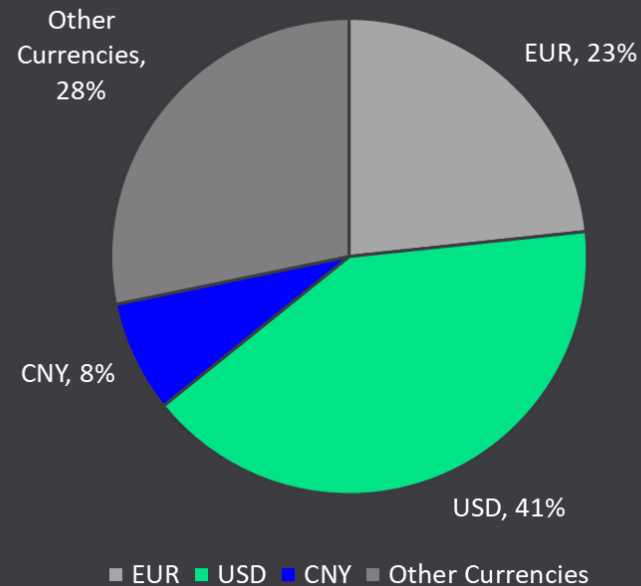
Share repurchase program of
up to EUR 150 million in 2025

Q&A



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

Q2 25 Sales FX Footprint (% of total)



Key developments

- Overall currency impact on sales of -3.0% mainly related to USD.
- Neutral impact on the Adjusted EBITA margin %.

Net income decreased to EUR 57 million, primarily due to lower operating income and higher adjusted items

From Adjusted EBITA to net income (in EURm)

	Q2 24	Q2 25
Adjusted EBITA	118	110
- Restructuring	-9	-10
- Acquisition-related charges	-2	1
- Other incidental items	8	-3
EBITA	115	97
Amortization	-18	-14
EBIT	97	83
Net financial income / expenses	-21	-17
Income tax expense	-13	-9
Results from investments in associates	-1	0
Net income	63	57

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 36m, explained by a higher cash outflow from working capital

Free cash flow (in EURm)

	Q2 24	Q2 25
Income from operations	97	83
Depreciation and amortization	64	57
Additions to (releases of) provisions	30	31
Utilizations of provisions	-64	-40
Change in working capital	-15	-27
Net interest and financing costs received (paid)	-28	-28
Income taxes paid	-16	-9
Net capex	-20	-32
Other	2	2
Free cash flow	51	36
<i>As % of sales</i>	<i>3.4%</i>	<i>2.6%</i>

Key developments

- Free cash flow of EUR 36m
 - Lower income from operations
 - Higher cash outflow from working capital
 - Lower restructuring payout
- Restructuring payout of EUR 14m (Q2 24 EUR 39m)

signify

the meaning of light