signify

Q3 2025 results

October 24, 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.

Content

Q3 2025 saw mixed results with challenging dynamics and strength in connected and Consumer businesses

Q3 2025 Highlights

- **Challenging market conditions**
  - Professional Business saw continued project growth, but weaker demand in the U.S. and European public sectors. Offline trade softened in both regions, while online sales continued to grow.
  - OEM Business faced further weakening of market demand and sustained pricing pressure, especially in Europe

- **Sustained growth in connected and specialty lighting and Consumer business**
  - High single digit connected lighting growth across Professional and Consumer businesses
  - Consumer Business delivered strong performance, supported by new product launches and growth in India
  - Agricultural lighting showed strong seasonal performance

Solar lighting project delivered in Montbartier, France

- The municipality of Montbartier, France, aimed to modernize its public lighting to improve safety and enable remote maintenance, with a strong focus on **sustainability and cost efficiency**.
- Signify implemented the smart solar lighting solution **SunStay Pro** integrated with **Signify Interact** for connected lighting management
- The all-in-one solar system optimizes luminaire runtime, enables smart control, and reduces both **energy costs** and **environmental impact**.

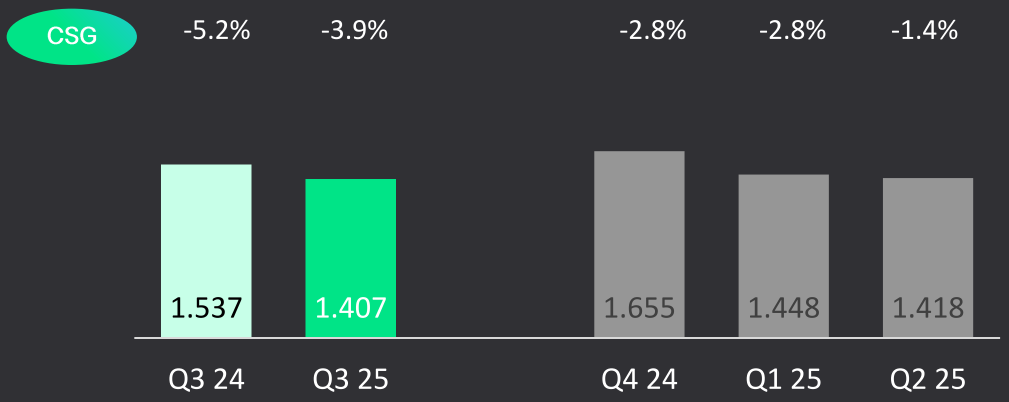
Successful new product launches for Philips Hue

- Hue Bridge Pro launch exceeded expectations with strong demand and well-managed availability on own website
- New Hue Essential range launched at an accessible entry point
- Expanded strip light and Festavia ranges launched ahead of the holiday season
- Hue Secure and AI-driven features extended our ecosystem into security and intelligent home experiences

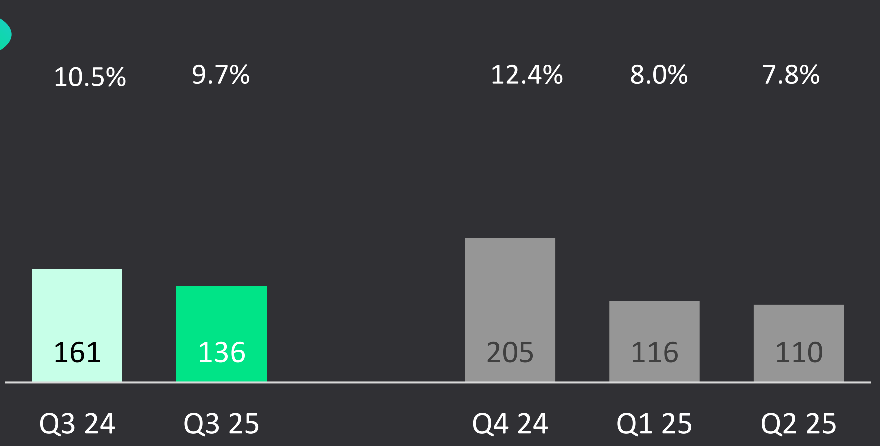
Content

Signify delivers -2.7% CSG excluding the Conventional Business with operational profitability of 9.7%

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



Adjusted EBITA (in EURm & as % of sales)

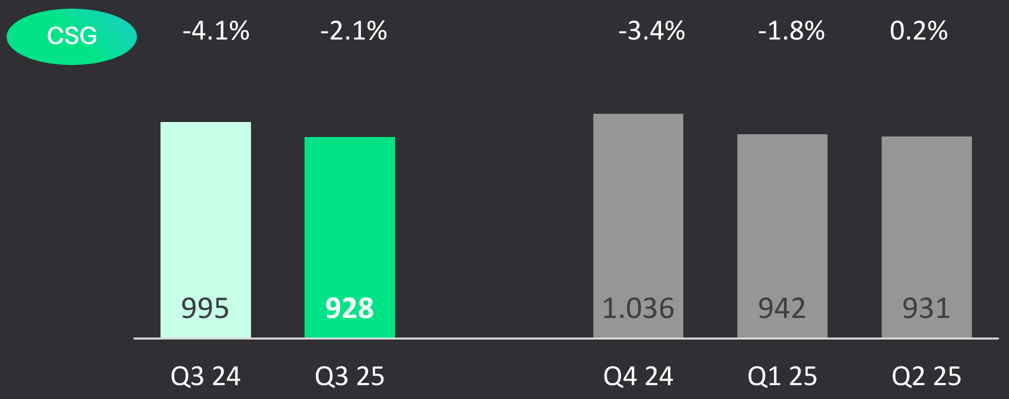


Q3 Key developments

- Installed base of connected light points increased to 160 million
- Comparable sales decline of 3.9% (and 2.7% excluding Conventional) driven by:
  - Continued weakness in Europe's professional business and softer demand in the US
  - OEM business saw further demand compression and continued price pressure
- Adjusted EBITA margin of 9.7%
  - Robust gross margin sustained in Professional and Consumer; decline driven by OEM and Conventional
- Net income of EUR 76m (Q3 24: EUR 108m)
- Free Cash Flow of EUR 71m (Q3 24: EUR 119m)

The Professional Business reports -2.1% CSG with softness in the U.S.; strong profitability sustained

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



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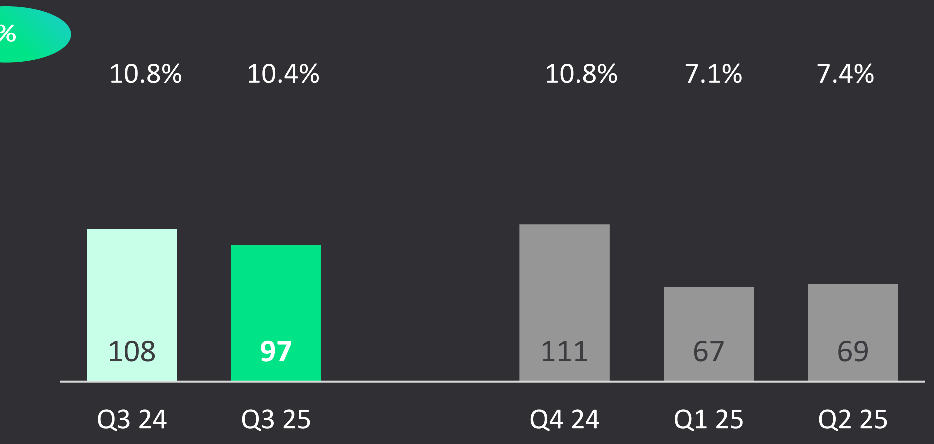


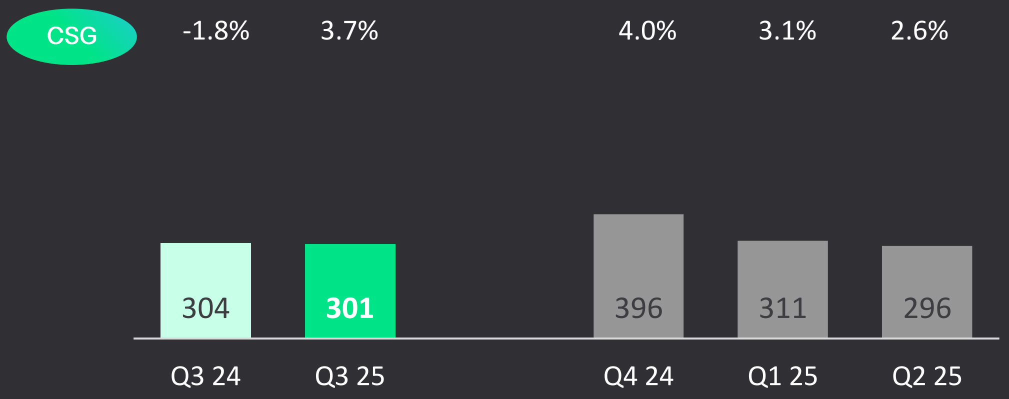
Q3 Key developments

- Comparable sales decline of 2.1%
  - US market softer than expected
  - Continued weakness in Europe
  - Connected growth in all regions
  - Strong agriculture lighting performance

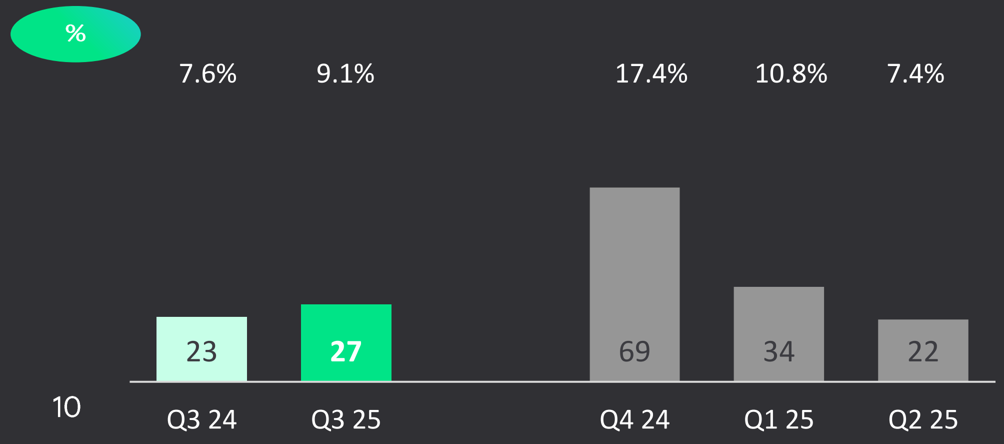
- Adjusted EBITA margin of 10.4%
  - Solid gross margin
  - Cost discipline

The Consumer Business delivered continued topline growth and profit expansion driven by its connected home brands

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



Adjusted EBITA (in EURm & as % of sales)



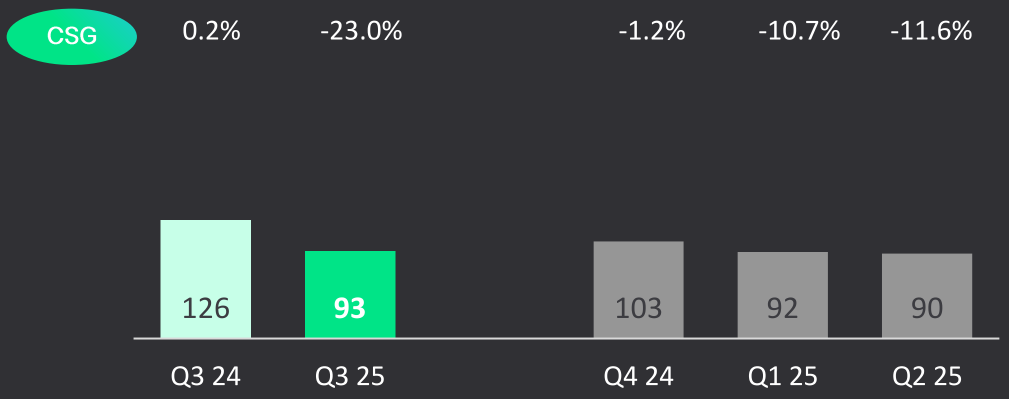
Q3 Key developments

- Comparable sales growth of 3.7%
  - Strong performance of connected driven by new product launches
  - Further acceleration of online sales
  - Strong performance in India

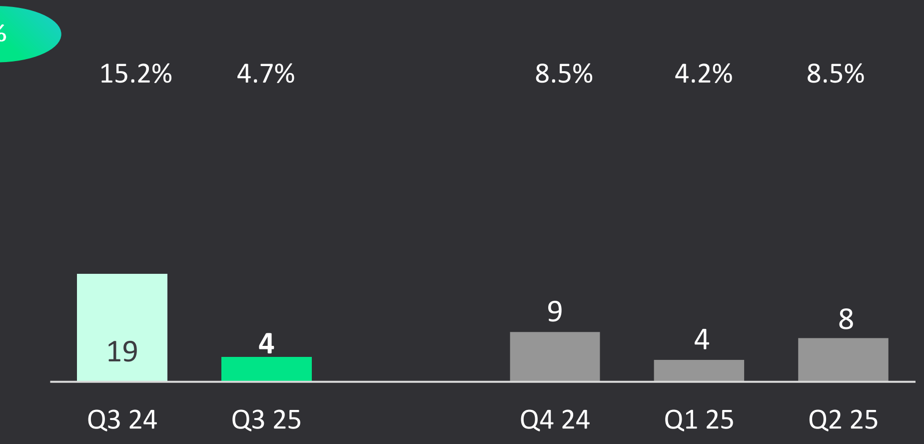
- Adjusted EBITA margin of 9.1%
  - Robust gross margin
  - Operating leverage

The OEM Business faced further weakening of market demand and sustained pricing pressure

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



Adjusted EBITA (in EURm & as % of sales)



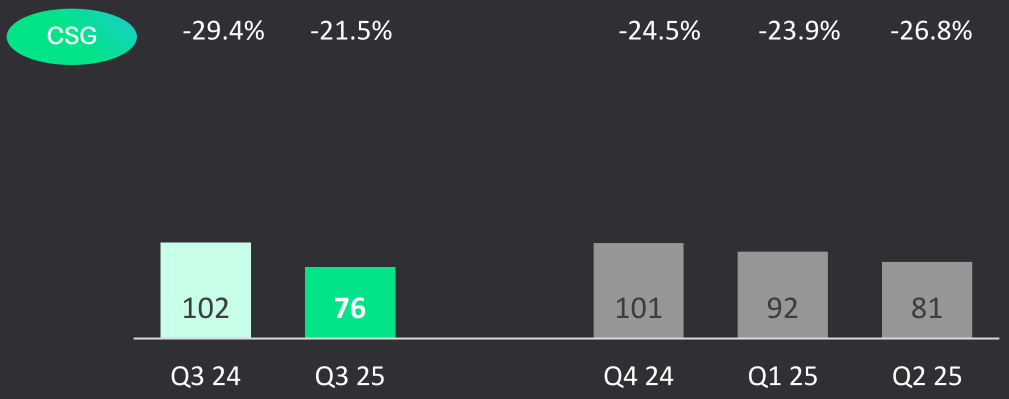
Q3 Key developments

- Comparable sales decline of 23.0%
    - Continued impact of two major customers
    - Intense price pressure
    - Further weakening of market demand, especially in Europe

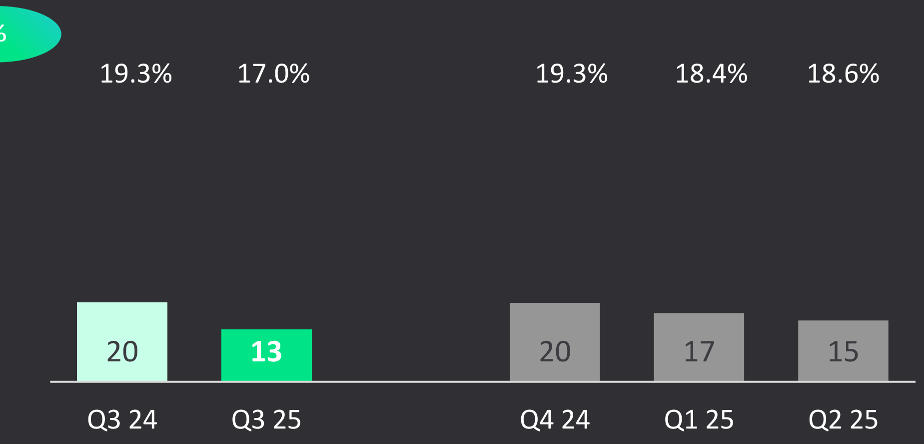
- Adjusted EBITA of 4.7%
    - Gross margin strongly impacted by volume reduction and price pressure

The Conventional Business declined by 21.5%; sustained solid profitability

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



Adjusted EBITA (in EURm & as % of sales)

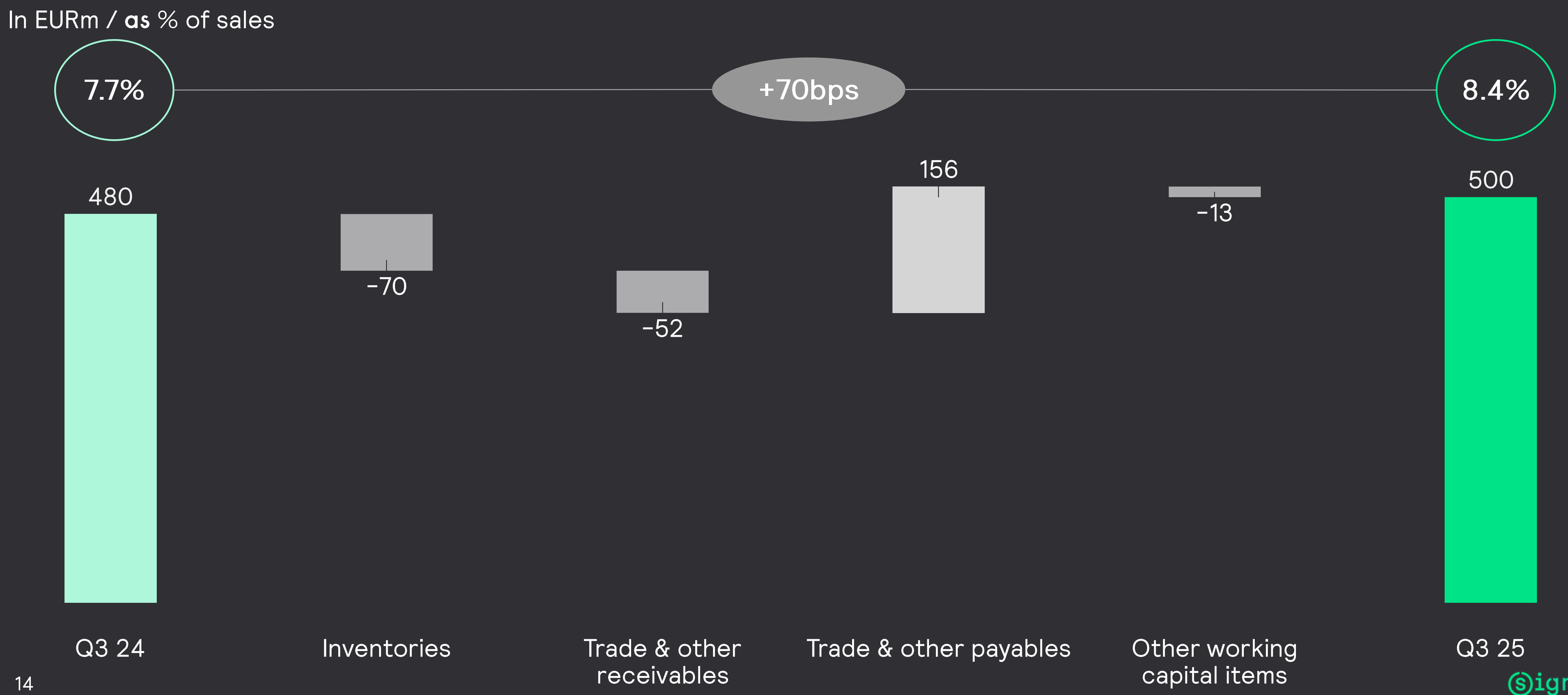


Q3 Key developments

- Comparable sales decline of 21.5%
  - Reflecting the structural decline of the business
- Adjusted EBITA margin of 17.0%
  - Gross margin impacted by temporarily higher manufacturing costs due to site rationalization

Adjusted EBITA margin of 9.7%; with decrease driven by volume impact

Working capital as 8.4% of sales; increase driven by Consumer seasonality and OEM performance



Brighter Lives, Better World 2025 – Q3 2025 results

Doubling our positive impact on the environment and society

			2019 Baseline	Q3 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%	34%	32%
	Great place to work	Women in leadership positions	17%	27%	34%

EcoVadis Platinum Medal and Top 1%

CDP A-list for Supplier Engagement

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

On track

Off track

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Outlook 2025

CSG:
-2.5 to -3.0%
-1.0 to -1.5% excluding Conventional

Adj. EBITA margin:

9.1-9.6%

Free Cash Flow:

Around 7%

Share repurchase program of
up to EUR 150 million in 2025

Early Reflections and Priorities

There is a lot to be proud of…

- Passionate professionals
- Strong innovation power
- Costs and capital discipline

and there are challenges

- Market conditions
- Lack of growth
- Performance predictability

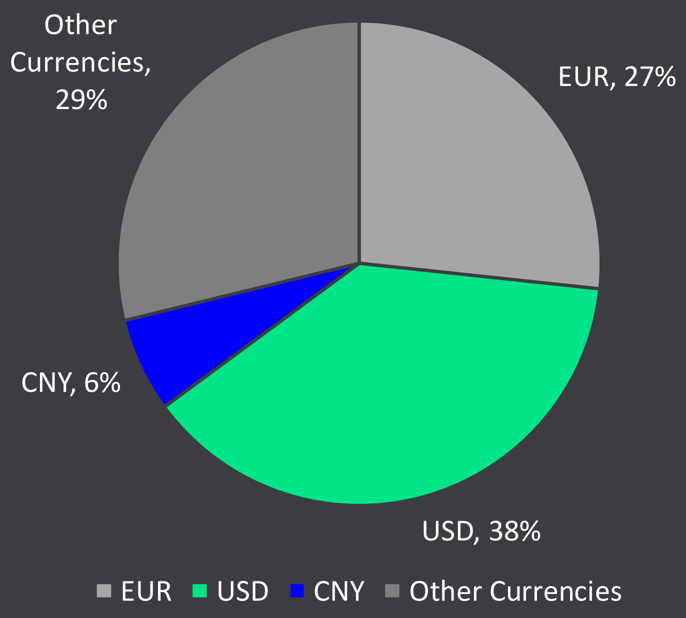
Priorities

- Outperforming in difficult market
  - Focus on commercial and supply chain excellence
  - Retain cost and capital discipline
- Update strategic direction
  - Review portfolio
  - Develop roadmap to deliver durable growth
- Building key capabilities
  - Continue to shift our culture to deliver full value from our operating model
  - Leverage our digital and AI capabilities

Q&A

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

Q3 25 Sales FX Footprint (% of total)



Key developments

- Overall currency impact on sales of -4.5 % mainly related to USD.
- Neutral impact on the Adjusted EBITA margin %.

Net income decreased to EUR 76 million, primarily due to lower operating income

From Adjusted EBITA to net income (in EURm)

	Q3 24	Q3 25
Adjusted EBITA	**161**	**136**
- Restructuring	-13	-11
- Acquisition-related charges	4	7
- Other incidental items	1	-1
EBITA	**153**	**131**
Amortization	-16	-14
EBIT	**137**	**118**
Net financial income / expenses	-22	-15
Income tax expense	-6	-27
Results from investments in associates	-1	0
Net income	**108**	**76**

Key developments

- Net income decreased to EUR 76 million, reflecting a lower income from operations as well as a higher income tax expense, as the previous year included a one-off tax benefit.

Free cash flow decreased to EUR 71m, explained by a higher cash outflow from working capital and Capex

Free cash flow (in EURm)

	Q3 24	Q3 25
Income from operations	137	118
Depreciation and amortization	60	58
Additions to (releases of) provisions	31	15
Utilizations of provisions	-61	-33
Change in working capital	-15	-39
Net interest and financing costs received (paid)	-9	-5
Income taxes paid	-5	-4
Net capex	-17	-32
Other	-4	-6
Free cash flow	**119**	**71**
As % of sales	*7.7%*	*5.1%*

Key developments

- Free cash flow of EUR 71m
  - Lower income from operations
  - Higher cash outflow from working capital and Capex
  - Lower restructuring payout
- Restructuring payout of EUR 11m (Q3 24 EUR 32m)

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the meaning of light