

# Signify Annual General Meeting of Shareholders 2023

Presentation by the CFO Javier van Engelen

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## Exercising financial discipline

Let me start by saying that Signify will continue to exercise financial discipline in the generation and use of cash.

As part of our capital allocation policy, we continue to focus on Free Cash Flow generation and on maintaining a robust capital structure to support our commitment to an investment grade credit rating.

We will also continue to invest in R&D and other organic growth opportunities, while pursuing selective M&A opportunities in line with strategic priorities.

Our dividend policy is to pay an increasing annual dividend per share in cash year on year. We propose a 2022 dividend of 1.50 euro per share (188 million euros) to be paid in cash in 2023.

Now, let's discuss our net debt development in 2022.

## Net debt development

Our net debt increased by 200 million euros to 1,356 million euros at year end 2022, representing a Net Leverage Ratio of 1.3x or close to 1.0x excluding Fluence and Pierlite acquisitions, in line with our previous deleverage commitments. The increase was mainly due to an increase in working capital.

There was no material movement on gross debt during 2022 with long term debt of 1,275 million of euro bonds, due in 2024 and 2027, and remaining term loans consisting of 280 million euros and 225 million US dollars with maturities in 2024 and 2025.

Our cash amounted to 677 million euros at year end 2022. We generated 445 million euros of Free Cash Flow during 2022.

On top of our cash available we also have unutilized Revolving Credit Facility of 500 million euros.