



June 14, 2024

## Signify publishes comparable financials for 2023 and Q1 2024 following implementation of new organizational structure<sup>1</sup>

**Eindhoven, the Netherlands** - [Signify](#) (Euronext: LIGHT), the world leader in lighting, has published its quarterly comparable financials for the year 2023 and Q1 2024. Following the implementation of Signify's new organizational structure on April 1, the company has established four verticalized businesses with full profit and loss responsibility<sup>2</sup>. Each of these four businesses will be fully responsible for its end-to-end processes including offer development, manufacturing, and sales & marketing.

The **Professional** business offers LED lamps, luminaires, connected lighting systems and services to customers in the professional segment. The Professional business is the combination of the former Digital Solutions division and Professional LED lamps and luminaires, which was formerly part of the Digital Products division.

Reflecting this shift and the reallocation of central costs to the businesses, the Professional business recorded sales of EUR 4,254 million with an Adjusted EBITA of EUR 412 million and an Adjusted EBITA margin of 9.7% for the year 2023. In Q1 2024, the Adjusted EBITA margin decreased from 7.9% to 7.4% year on year.

The **Consumer** business offers LED lamps, luminaires, and connected products, including Philips Hue and WiZ, to customers in the consumer segment. The Consumer business was formerly part of the Digital Products division alongside Professional LED lamps and luminaires and the OEM business.

Reflecting this shift and the reallocation of central costs to the businesses, the Consumer business recorded sales of EUR 1,342 million with an Adjusted EBITA of EUR 120 million and an Adjusted EBITA margin of 8.9% for the year 2023. In Q1 2024, the Adjusted EBITA margin improved from 6.0% to 10.4% year on year.

The **OEM** business offers lighting components to the industry. The OEM business was previously part of the Digital Products division and is now set up as a standalone business.

Reflecting this shift and the reallocation of central costs to the businesses, the OEM business recorded sales of EUR 457 million with an Adjusted EBITA of EUR 43 million and an Adjusted EBITA margin of 9.4% for the year 2023. In Q1 2024, the Adjusted EBITA margin decreased from 9.6% to 8.8% year on year.

The **Conventional** business offers special lighting, digital projection, and lamp electronics. The Conventional business is similar to the former Conventional Products division.

<sup>1</sup>This document contains certain non-IFRS financial measures and ratios, such as comparable sales growth, EBITA, adjusted EBITA, and related ratios, which are not recognized measures of financial performance or liquidity under IFRS. All reported data are unaudited.

<sup>2</sup>Please refer to appendix A for a visual representation of how the organizational structure has changed.

Following the reallocation of central costs to the businesses, the Conventional business recorded sales of EUR 627 million with an Adjusted EBITA of EUR 127 million and an Adjusted EBITA margin of 20.3% for the year 2023. In Q1 2024, the Adjusted EBITA margin decreased from 22.3% to 17.6% year on year.

'Other' represents amounts not allocated to the businesses and now mainly includes costs related to ventures, exploratory research and audits. Following the implementation of the new structure, part of the central costs has been reallocated to the four vertically integrated businesses. As a result of the reallocation, 'Other' Adjusted EBITA for 2023 reduced from EUR -86 million to EUR -31 million.

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## Signify

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Comparable sales growth	-9.1%	-8.6%	-7.8%	-7.7%	<b>-8.3%</b>	-10.1%
Sales	1,678	1,644	1,649	1,734	<b>6,704</b>	1,468
Adjusted EBITA	149	136	177	209	<b>670</b>	122
Adjusted EBITA margin	8.9%	8.3%	10.7%	12.1%	<b>10.0%</b>	8.3%
EBITA	83	108	151	108	<b>449</b>	82
Income from operations (EBIT)	61	88	131	89	<b>369</b>	64

## Professional Business

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Comparable sales growth	-6.3%	-4.2%	-4.2%	-3.0%	<b>-4.4%</b>	-7.6%
Sales	1,046	1,059	1,055	1,095	<b>4,254</b>	943
Adjusted EBITA	83	89	111	128	<b>412</b>	70
Adjusted EBITA margin	7.9%	8.4%	10.6%	11.7%	<b>9.7%</b>	7.4%

## Consumer Business

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Comparable sales growth	-15.0%	-11.1%	-6.0%	-5.3%	<b>-9.3%</b>	-5.7%
Sales	328	312	316	387	<b>1,342</b>	299
Adjusted EBITA	20	17	28	55	<b>120</b>	31
Adjusted EBITA margin	6.0%	5.5%	8.8%	14.2%	<b>8.9%</b>	10.4%

## OEM Business

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Comparable sales growth	-16.7%	-28.2%	-22.8%	-23.7%	<b>-23.0%</b>	-7.4%
Sales	114	108	128	107	<b>457</b>	103
Adjusted EBITA	11	8	16	9	<b>43</b>	9
Adjusted EBITA margin	9.6%	7.2%	12.2%	8.1%	<b>9.4%</b>	8.8%

## Conventional Business

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Comparable sales growth	-8.5%	-15.0%	-21.0%	-29.6%	<b>-18.4%</b>	-34.1%
Sales	186	160	145	136	<b>627</b>	119
Adjusted EBITA	41	32	30	23	<b>127</b>	21
Adjusted EBITA margin	22.3%	19.9%	20.9%	17.1%	<b>20.3%</b>	17.6%

## Other

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024
Sales	4	5	5	9	<b>23</b>	4
Adjusted EBITA	-6	-10	-9	-6	<b>-31</b>	-9



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### **About Signify**

[Signify](#) (Euronext: LIGHT) is the world leader in lighting for professionals, consumers and the Internet of Things. Our [Philips](#) products, [Interact](#) systems and data-enabled services, deliver business value and transform life in homes, buildings and public spaces. In 2023, we had sales of EUR 6.7 billion, approximately 32,000 employees and a presence in over 70 countries. We unlock the extraordinary potential of light for brighter lives and a better world. We have been in the [Dow Jones Sustainability World Index](#) since our IPO for seven consecutive years and have achieved the [EcoVadis](#) Platinum rating for four consecutive years, placing Signify in the [top one percent](#) of companies assessed. News from Signify can be found in the [Newsroom](#), on [X](#), [LinkedIn](#) and [Instagram](#). Information for investors is located on the [Investor Relations](#) page.



## Appendix A - The new organizational structure

