



Press Release

December 20, 2021

Signify to acquire Fluence to strengthen Agriculture lighting growth platform

- Adds Fluence’s complementary technology and market segments to Signify’s existing horticultural lighting operations
- Provides Signify with access to Fluence’s strong multi-channel go-to-market approach in attractive North American horticultural lighting market
- Fluence to operate as an entity within Signify’s agricultural lighting business in Division Digital Solutions
- Closing is expected in the first half of 2022, subject to regulatory approvals and other conditions

Eindhoven, the Netherlands – [Signify](#) (Euronext: LIGHT), the world leader in lighting, today announced that it has entered into a definitive agreement with ams OSRAM (SIX: AMS) to acquire Austin, Texas-based Fluence for USD 272 million (EUR 242 million) on a cash and debt-free basis. This acquisition will strengthen our global Agriculture lighting growth platform and extend our position in the attractive North American horticultural lighting market.

The acquisition is fully in line with our strategy to expand in attractive growth segments and our commitment to improving food availability by providing growers with horticultural lighting that helps them to reduce resource consumption and increase yields. We expect the global market for agricultural lighting to grow by more than 20% per year to EUR 1.6 billion in 2024.

The acquisition will add Fluence’s complementary horticultural lighting technology to our existing knowledge and expertise. This includes light recipes for the legal growing of cannabis¹ - which, due to the legalization in Canada and many US states in recent years, currently generates the majority of Fluence’s sales – and light recipes for the company’s fast-growing business to grow other crops. Fluence’s technology also includes more than 140 issued and pending patents, focusing on areas such as light quality, thermal management and installation methods. Currently Fluence generates a majority of its sales in North America.

“We’re excited to announce that we’re acquiring Fluence, strengthening our agricultural lighting business, one of our main growth platforms. It also further underlines the strategic importance of the North American market to our business,” said Harsh Chitale, Division Leader Digital Solutions at Signify.

¹ Signify and Fluence share a similar policy to only provide lighting products for the cannabis industry to growers that are legally permitted to do so, including markets that permit growing for recreational use. Fluence abides by and respects local laws and does not provide lighting for cannabis production in geographies in which it is not permitted.



“We’re looking forward to welcoming the team from Fluence. Its lighting innovations and solid go-to-market strategy have helped build a recognized brand with a strong position in North America and a fast-growing business in Europe. We feel that now is the right moment to join forces, allowing both of us to serve more customers with high-quality horticulture lighting products.”

“Since Fluence’s founding, it has been our sole mission to improve the interaction between light and life to yield a healthier and more sustainable world. Adding our lighting solutions to Signify’s strong portfolio empowers our combined businesses to deliver the world’s most advanced horticulture technology to cultivators on a global scale,” said David Cohen, CEO of Fluence. “The combination of our companies will immediately expand our collective footprints and inject valuable expertise into both companies’ product innovations. We look forward to uniting with the Signify team.”

Fluence employs more than 200 people. In the trailing 12 months (October 2020 to September 2021), Fluence generated USD 141 million (EUR 124 million) in revenue. Fluence will operate as an entity within Signify’s agricultural lighting business in Division Digital Solutions.

The acquisition is expected to close in the first half of 2022, subject to regulatory approvals and other conditions.

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About Signify

[Signify](#) (Euronext: LIGHT) is the world leader in lighting for professionals and consumers and lighting for the Internet of Things. Our [Philips](#) products, [Interact](#) connected lighting systems and data-enabled services, deliver business value and transform life in homes, buildings and public spaces. With 2020 sales of EUR 6.5 billion, we have approximately 37,000 employees and are present in over 70 countries. We unlock the extraordinary potential of light for brighter lives and a better world. We [achieved](#) carbon neutrality in 2020, have [been](#) in the [Dow Jones Sustainability World Index](#) since our IPO for five consecutive years and were named [Industry Leader](#) in [2017](#), [2018](#) and [2019](#). News from Signify is located at the [Newsroom](#), [Twitter](#), [LinkedIn](#) and [Instagram](#). Information for investors can be found on the [Investor Relations](#) page.

Forward-looking statements

This press release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Signify and certain of the plans and objectives of Signify with respect to these items. Examples of forward-looking statements include statements made about the strategy, estimates of sales growth, future EBITA, future developments in Signify's organic business and the completion of acquisitions and divestments. By their nature, these statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these statements.

Non-IFRS Financial Measures

Certain parts of this document contain non-IFRS financial measures and ratios, such as adjusted EBITA, free cash flow, 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 Signify's business and operations and, accordingly, they have not been audited or reviewed. 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. For further information on non-IFRS financial measures, see "Chapter 18 Reconciliation of non-IFRS measures" in the Annual Report 2020.