

Full Year 2023 Earnings Presentation

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Landis+Gyr

Disclaimer

Forward-looking Information

This presentation includes forward-looking information and statements, including statements concerning the outlook for Landis+Gyr Group AG and Landis+Gyr group (“Landis+Gyr”). These statements are based on current expectations, estimates and projections about the factors that may affect Landis+Gyr’s future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for Landis+Gyr. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects”, “believes”, “estimates”, “targets”, “plans”, “outlook” “guidance” or similar expressions.

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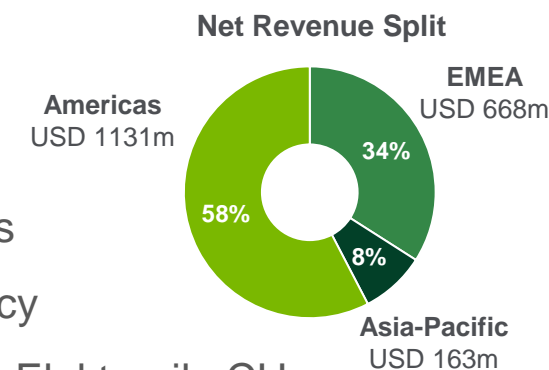
Alternative Performance Measures

This presentation may contain information regarding (a) preliminary, unaudited numbers that may be subject to change and (b) alternative performance measures such as reported EBITDA, Adjusted EBITDA, Adjusted Gross Profit, Adjusted Research and Development, Adjusted Sales, General and Administrative, and Adjusted Operating Expenses. Definitions of these measures and reconciliations between such measures and their USGAAP counterparts if not defined in the presentation may be found in the ‘Supplemental Reconciliations and Definitions’ section on pages 28 to 30 of the Landis+Gyr Half Year Report 2023 on the website at www.landisgyr.com/investors/results-center. Due to rounding, numbers presented may not add up to the totals provided.

Highlights FY 2023

| | |
|---|---|
| Order intake USD 1,978m Book-to-bill 1.01 | Order backlog USD 3,769m +0.5% |
| Net revenue USD 1,963m +15.6% in cc | Adjusted EBITDA USD 223.9m 11.4% margin |
| Net debt USD 131m | Free Cash Flow (excl. M&A) USD 91.1m |
| Devices shipped 20m +19% | Distribution (DPS) CHF 2.25 up 5 cents |

- Return to largely normalized market conditions and pre-Covid levels
- Sustained strong order intake / book-to-bill driven by Americas, resulting in a record USD 3.8b backlog
- Record net revenue driven by backlog execution and catch-up of pent-up demand
- Adjusted EBITDA and margin increase due to operating leverage and steady recovery of supply chain cost
- Return to robust Free Cash Flow (excl. M&A) generation of USD 91m
- Shipped 20 million devices (up 19%), further expanding installed base for software revenues
- Dividend proposal of CHF 2.25 in line with policy
- Strategic investments in SPAN, US, and Brusa Elektronik, CH



Strategic transformation positions Landis+Gyr in the sweet spot of the energy transition

Committed to the
**Science Based
 Target Initiative**

**2030
 Carbon Neutral**

**2050
 Net Zero**



Targets approved in
 2023



Joined in
 November 2019



Reporting according to
 GRI since 2020



ESG corporate rating
 Prime status (top decile)



ESG risk rating of 7.4
 (Negligible Risk)



Top 5% of
 sustainable companies



Adhering to TCFD since
 2023 ¹⁾



AA-rated
 (top 15% in peer universe)

8.9
 million tons CO₂

Direct CO₂ emissions avoided through
 installed Smart Metering base in FY 2023



CO₂ emissions
 avoided

Avoided
 nearly 7x
 more CO₂
 emissions in
 FY23 than
 produced



CO₂ emissions
 produced

¹⁾ In line with the Taskforce on Climate related Financial Disclosures (TCFD), Landis+Gyr has considered two scenarios as per the Intergovernmental Panel on Climate Change (IPCC) to assess the climate resilience of its strategy

²⁾ New methodology introduced in FY23 with the Carbon Trust

Americas – Winning with Leading Utility Partners



Smart Metering

Major Milestones at LG&E 700k+ endpoints & Ameren 1.2m

WINNING PARTNERSHIPS



Building on our long-term partnership with AMI refresh including metering, & software/ services



Delivering the most reliable solution for C&I applications



Providing supply chain relief with cellular metering solutions supporting key grid mod use cases



Grid Edge Intelligence

Large-scale Revelo Deployment Milestone at National Grid (NY): over 118k deployed, via a Wi-SUN network

WINNING PARTNERSHIPS



Supporting grid modernization & net zero goals for 530k customers, enabled by Revelo & a Wi-SUN network



Smart grid technology with Revelo and grid edge apps



Comprehensive AMI solution led by future-proofed Revelo platform



Smart Infrastructure

Delivering AMI 3.0 Benefits with full AMI System Upgrade at TEPCO, the World's Largest IoT Utility Network

WINNING PARTNERSHIPS



Contracted with Enerpro for 1,000 INCH PRO Level 2 chargers



Cutting-edge Revelo-enabled Wi-SUN pilot highlighting Cisco interoperability



AMI water solution under the shared WE Energies network



Magno Cabinet Meter



Next Gen Grid Sensor Revelo



World leading G480 Ultrasonic Gas



Global Analytics, Head End & Flexibility Management Platforms



EV Chargers, Software & Mobile App

Leading Revelo Adopters Across North America

The only grid edge platform available today with streaming high resolution waveform data on every device



Over 5m+ Revelo and multiple grid edge apps running on millions of sensors, contracted and in active deployment


EMEA – Winning with Leading Utility Partners





Smart Metering

Significant growth in core market revenues driven by partnerships with key players

WINNING PARTNERSHIPS

 Regional win of 150k+ metering points with Oiken (CH)

 Successful market expansion for E660 win with E.ON (SE)


 Secured contracts for 800k endpoints in the UK before end of 2026 with two of the largest UK energy suppliers





Grid Edge Intelligence

Accelerated deployment in the Nordics, Belgium, Austria and South Africa

WINNING PARTNERSHIPS

 GridFlex Control solution for 50k endpoints with SES

 Deployment of solutions and services package for 2.5m endpoints


 Smart Grid Technology with residential meters and edge apps




Smart Infrastructure

Major wins in Europe with key e-mobility players in the market

WINNING PARTNERSHIPS

 Awarded frame contract for deployment of INCH Pro Chargers in Portugal

 Awarded frame contract for deployment of INCH Duo Chargers across EU

 Porsche subsidiary awarded contract for deployment of INCH Pro and Duo Chargers in Europe



IoT Ready Grid Edge Residential E360



World leading Ultrasonic Smart Water Meter



Global Analytics & Flexibility Management Platforms




EV Chargers, Software & Mobile App

APAC – Winning with Leading Utility Partners

Smart Metering

Major achievement at CLP, Hong Kong with 2m smart meters deployed



WINNING PARTNERSHIPS

-  Won 5-year smart metering contract in Western Australia
-  Won renewal of 3-year gas contract with leading gas utility in Victoria Australia
-  Won 80k units of smart metering and communications in Hong Kong

Grid Edge Intelligence

More than 700k E360 grid edge meters deployed





WINNING PARTNERSHIPS

-  Won over 300k units of grid edge metering orders
-  Awarded 1.8m RF components from Indian joint venture with Esyasoft

Smart Infrastructure

Expanding service revenues with continued growth in SaaS services

WINNING PARTNERSHIPS

-  Won 3-year extension for SaaS DML, Seamless connect Smart Water
-  Placed an additional 11k smart meters
-  Won largest EV installations at Auckland airport
-  EV charging partner for large commercial property

CLP 中電 Hong Kong: CLP won 3x IDC Future Enterprise Awards for its AMI system, which is also a recognition of Gridstream solution and smart meter offering and services to customer



Grid Edge Ready E360



Smart Water Ultrasonic NB-IoT



Global Analytics & Flexibility Management Platforms



EV Chargers, Software & Mobile App

SPAN[®] Partnership Overview

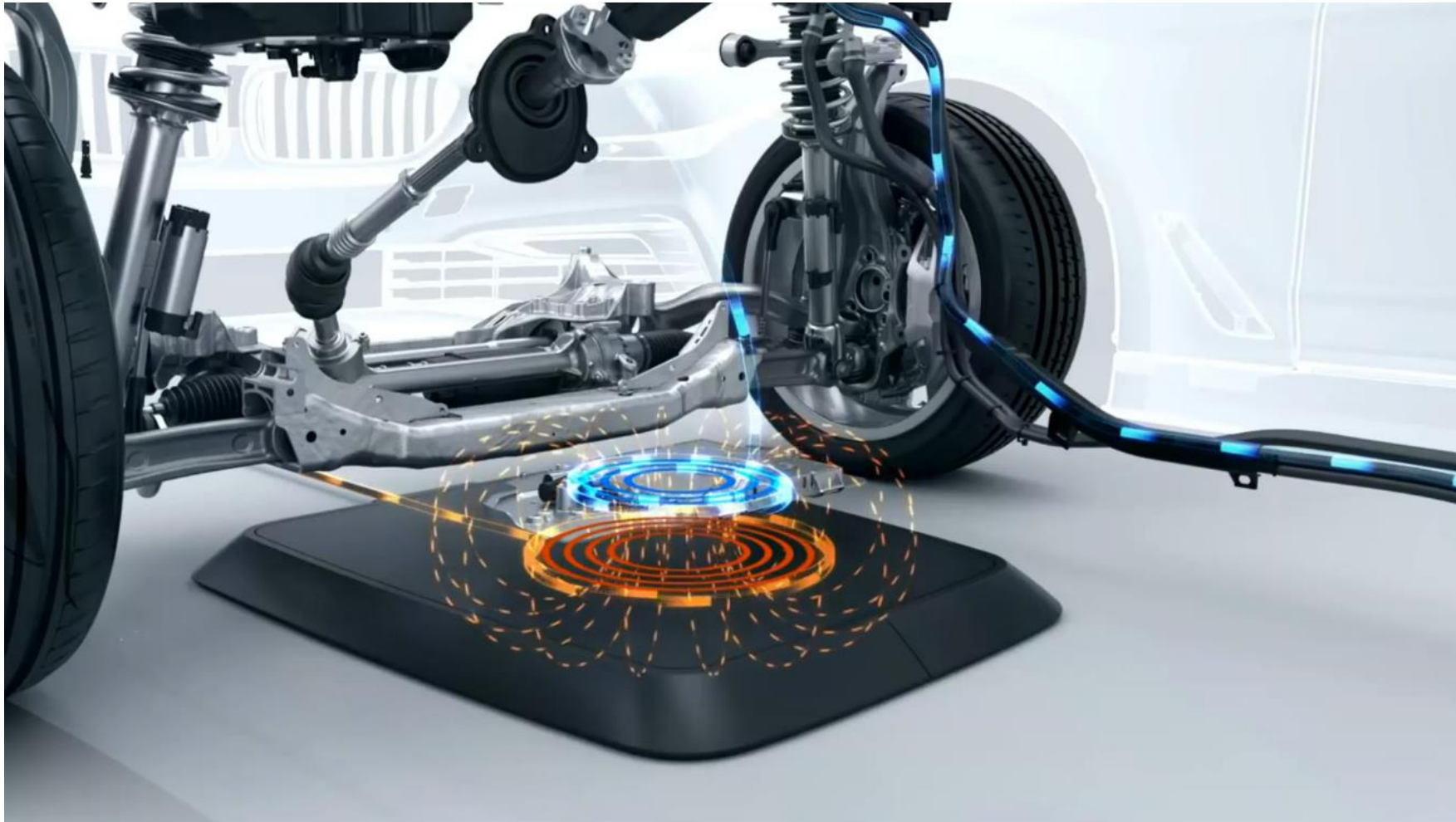
Landis+Gyr and SPAN Announce Partnership to Unlock Electrification and DER Flexibility at the Grid Edge

Landis+Gyr and SPAN form a strategic partnership to cost-effectively advance electrification, create grid flexibility, and build resilience. The collaboration brings together two energy industry leaders to help utilities increase electrification, unlock Distributed Energy Resource (DER) flexibility management, and enhance customer engagement.

SPAN Home Energy Management System paired with Landis+Gyr grid edge intelligence offers superior metering and control capabilities, redefining AMI 2.0 and enabling the cost-effective grid management of the future



BRUSA Partnership Overview



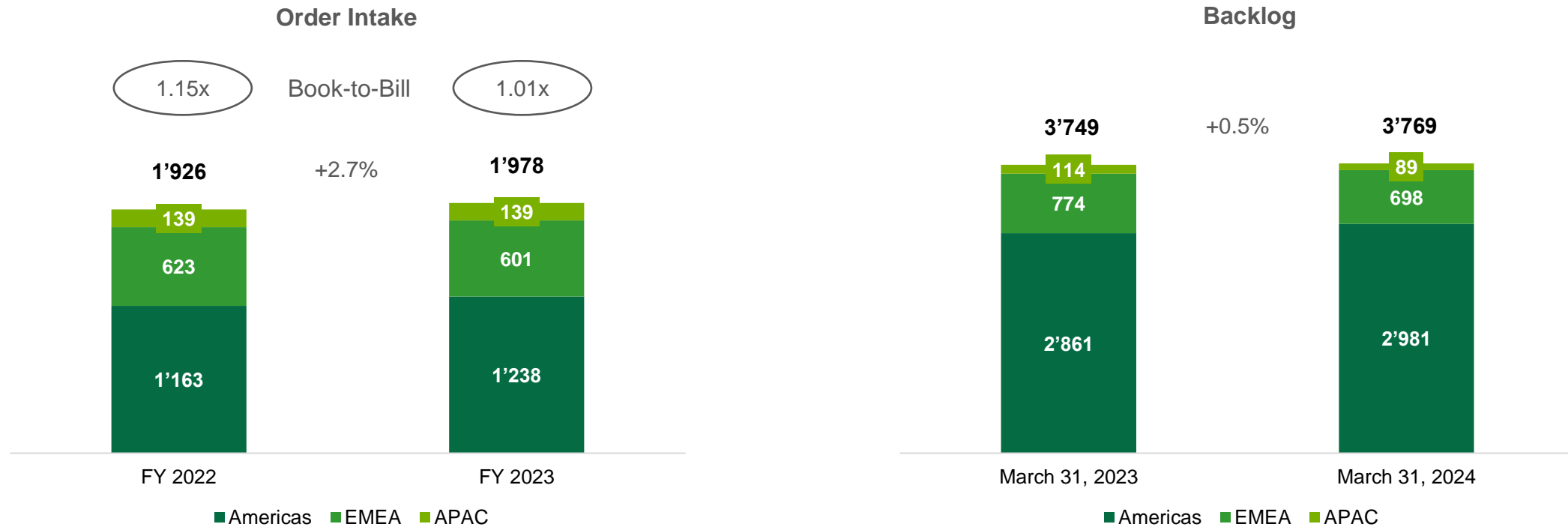
Consolidated Results – FY 2023

| USD in millions (except per share amounts) | FY 2023 | FY 2022 | Change |
|--|----------------|----------------|----------------|
| Order intake | 1,977.6 | 1,925.8 | 2.7% |
| Change in constant currency | | | 1.6% |
| Committed backlog | 3,769.0 | 3,748.6 | 0.5% |
| Net revenue to external customers | 1,963.0 | 1,681.4 | 16.7% |
| Change in constant currency | | | 15.6% |
| Adjusted Gross Profit | 627.6 | 514.6 | 22.0% |
| <i>Adjusted Gross Profit %</i> | <i>32.0%</i> | <i>30.6%</i> | <i>140 bps</i> |
| Adjusted Operating Expenses | (403.7) | (374.7) | 7.7% |
| Adjusted EBITDA | 223.9 | 139.9 | 60.0% |
| <i>Adjusted EBITDA %</i> | <i>11.4%</i> | <i>8.3%</i> | <i>310 bps</i> |
| Operating Income | 144.1 | 51.0 | 182.5% |
| Net Income attributable to shareholders | 110.0 | 207.9 | (47.1)% |
| Earnings per share - diluted (in USD) | 3.78 | 7.32 | (48.4)% |
| Earnings per share - diluted (in USD) excl. Intellihub | 3.78 | 1.78 | 112.4% |

- Sustained strong backlog supported by order intake in Americas
- Significant revenue growth led by Americas and EMEA supported by catch-up on pent-up demand
- Adjusted EBITDA expansion driven by steady recovery of supply chain cost, operating leverage, and operational efficiencies
- Excluding Intellihub divestment, EPS increased by 112.4%

Order Intake / Backlog – FY 2023

USD in millions



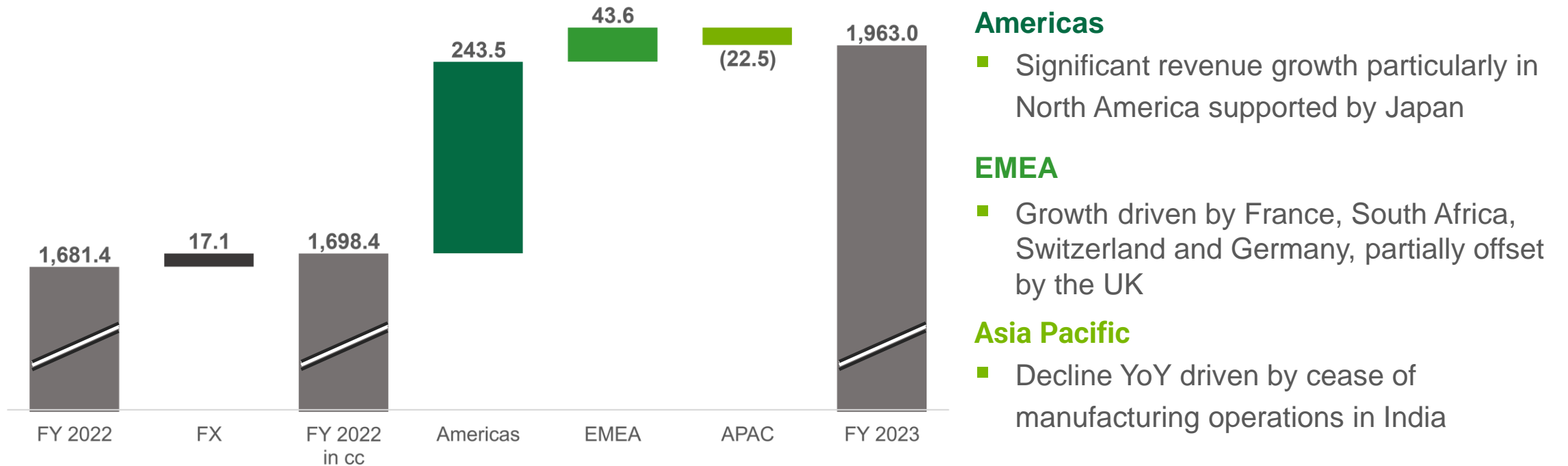
- Order Intake of USD ~2 billion driven by wins in Americas
- Book-to-Bill ratio of 1.01x for FY 2023, orders continued to keep pace with significant topline growth
- Sustained strong backlog of USD ~3.8 billion

Solid Order Intake resulting in record Backlog securing future growth



Net Revenue Bridge – FY 2023

USD in millions



Americas

- Significant revenue growth particularly in North America supported by Japan

EMEA

- Growth driven by France, South Africa, Switzerland and Germany, partially offset by the UK

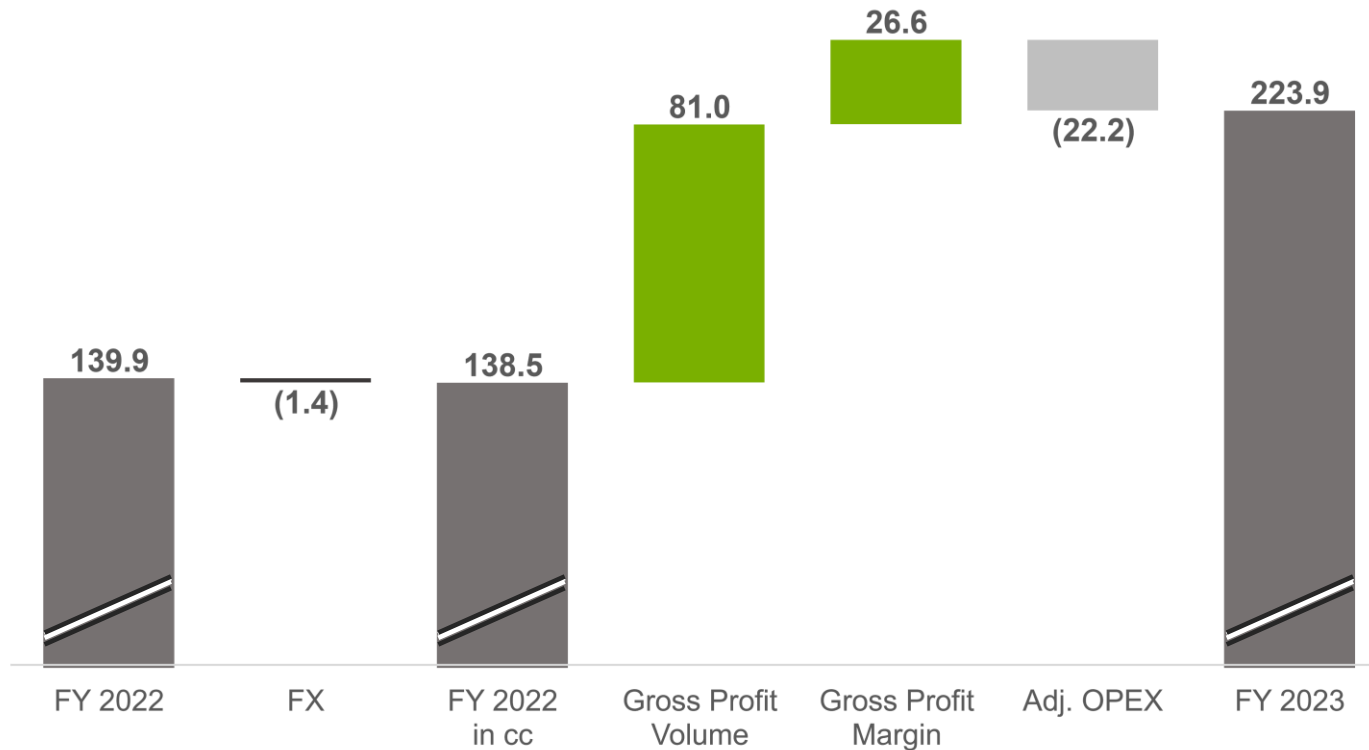
Asia Pacific

- Decline YoY driven by cease of manufacturing operations in India

Significant revenue growth of 15.6% in cc driven by backlog execution and supply chain improvement

Adjusted EBITDA Bridge – FY 2023

USD in millions



- Adjusted Gross Profit Volume increase driven by strong Americas growth
- Adjusted Gross Profit Margin increase primarily due to steady recovery of supply chain cost of approximately USD 28 million and operational efficiencies
- Adjusted Operating Expenses increase driven by cost to support backlog execution as well as continued investments in strategic initiatives

Strong Adjusted EBITDA recovery driven by significant top line growth & margin improvements

Adjustments to EBITDA – FY 2023

| USD in millions | FY 2023 | FY 2022 | Change |
|--------------------------------------|--------------|--------------|----------------|
| Reported EBITDA | 216.8 | 133.2 | 62.8% |
| Adjustments | 7.1 | 6.7 | 6.0% |
| Restructuring Charges | 12.6 | 11.8 | 6.8 % |
| Warranty normalization adjustments | (4.6) | (5.1) | (9.8)% |
| Timing Differences on FX Derivatives | (0.9) | 0.0 | n/a |
| Adjusted EBITDA | 223.9 | 139.9 | 60.0% |
| <i>Adjusted EBITDA %</i> | <i>11.4%</i> | <i>8.3%</i> | <i>310 bps</i> |

- Restructuring Charges of USD 12.6 million are primarily related to global restructuring initiative Horizon, completed in FY 2023
- Warranty normalization adjustments of USD (4.6) million represent the amount of provisions made relative to the average actual warranty utilization for the last three years
- Timing differences on FX derivatives: USD (0.9) million relate to mark to market differences on hedges

Free Cash Flow – FY 2023

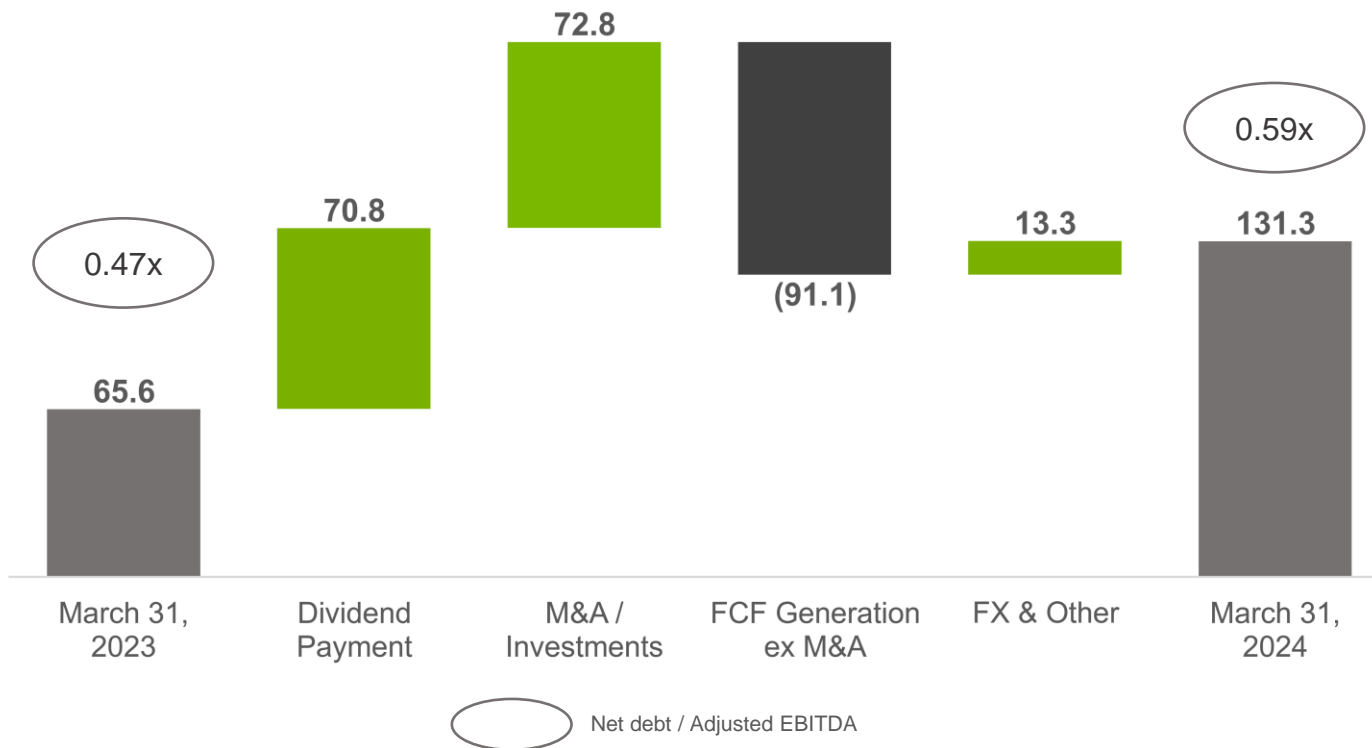
| USD in millions | FY 2023 | FY 2022 | Change |
|---|--------------|---------------|----------------|
| Reported EBITDA | 216.8 | 133.2 | 62.8% |
| Change in Operating Working Capital | (41.7) | (116.5) | (64.2)% |
| Capital expenditures (PP&E) | (30.6) | (28.3) | 8.1% |
| Restructuring charges add back | 12.6 | 11.8 | 6.8% |
| Restructuring cash effective | (15.1) | (6.4) | 135.9% |
| Other assets and liabilities | 5.6 | 21.2 | (73.1)% |
| Net interest payments | (16.5) | (6.7) | 146.3% |
| Income tax payments ex M&A | (40.0) | (30.2) | 32.5% |
| Free Cash Flow excl. M&A | 91.1 | (22.0) | n/a |
| (Investments / Acquisitions) Divestment | (72.8) | 234.8 | n/a |
| Income tax payments related to Divestment | - | (52.8) | n/a |
| Free Cash Flow | 18.3 | 160.0 | (88.6)% |

- Cash Flow impacted by change in OWC; decrease in Accounts Payables driven by lower purchase volume due to inventory burndown in H2 FY 2023
- Capex focused on investments for new product introductions and upgrade of manufacturing facilities
- FY 2023 investments related to strategic partnerships with Brusa Elektronik & SPAN.io
- FY 2022 including Intellihub divestment net proceeds of USD 182.0 million

Solid cash flow generation driven by improved profitability and strong focus on OWC management

Net Debt – FY 2023

USD in millions



- Sustained Balance Sheet strength
- 0.59x leverage ratio with a net debt position of USD ~131.3 million
- Investment activities related to Brusa Elektronik & SPAN.io
- Refinanced a USD 500 million Term Loan & Multicurrency Revolving Credit Facilities in February 2024

Strong balance sheet foundation and great platform to capture future growth opportunities

Americas Segment – FY 2023

| USD in millions | FY 2023 | FY 2022 | Change |
|--|----------------|--------------|--------------|
| Order intake | 1,238.1 | 1,163.1 | 6.4% |
| Committed Backlog | 2,981.1 | 2,860.9 | 4.2% |
| Change in constant currency | | | 3.9% |
| Net revenue to external customers | 1,131.3 | 887.9 | 27.4% |
| Change in constant currency | | | 27.4% |
| Adjusted Gross Profit | 401.9 | 312.5 | 28.6% |
| <i>Adjusted Gross Profit %</i> | 35.5% | 35.2% | 30 bps |
| Adjusted Operating Expenses | (179.3) | (161.7) | 10.9% |
| Adjusted EBITDA before Group Charges | 222.6 | 150.9 | 47.5% |
| Group Charges | (37.2) | (31.9) | 16.6% |
| Adjusted EBITDA | 185.4 | 119.0 | 55.8% |
| <i>Adjusted EBITDA %</i> | 16.4% | 13.4% | 300 bps |

- Sustained strong Order intake resulting in 1.1x book-to-bill; driven by wins in North America and Japan
- Double digit revenue growth of 27.4%; strong backlog execution particularly in North America, supported by catch-up on pent-up demand due to improved supply chain
- Adjusted EBITDA margin expansion driven by increased operating leverage, partially offset by investments related to backlog execution and ramp-up for future order conversion

EMEA Segment – FY 2023

| USD in millions | FY 2023 | FY 2022 | Change |
|--|--------------|---------------|----------------|
| Order intake | 600.7 | 623.3 | (3.6)% |
| Committed Backlog | 698.4 | 773.9 | (9.8)% |
| Change in constant currency | | | (9.7)% |
| Net revenue to external customers | 668.1 | 602.3 | 10.9% |
| Change in constant currency | | | 7.0% |
| Adjusted Gross Profit | 181.4 | 150.6 | 20.5% |
| <i>Adjusted Gross Profit %</i> | <i>27.1%</i> | <i>25.0%</i> | <i>210 bps</i> |
| Adjusted Operating Expenses | (147.7) | (144.5) | 2.2% |
| Adjusted EBITDA before Group Charges | 33.7 | 6.1 | n/a |
| Group Charges | (16.2) | (20.2) | (19.8)% |
| Adjusted EBITDA | 17.5 | (14.1) | n/a |
| <i>Adjusted EBITDA %</i> | <i>2.6%</i> | <i>(2.3)%</i> | <i>n/a</i> |

- 0.9x book-to-bill, supported by wins in Switzerland and Israel
- Solid revenue growth of 7.0% in constant currency driven by France, South Africa, Switzerland and Germany, partially offset by softening in the UK
- Adjusted EBITDA improvement driven by operating leverage, continued recovery of supply chain cost and better pricing, partially offset by investments in EV and ultrasonic water meter technology

APAC Segment – FY 2023

| USD in millions | FY 2023 | FY 2022 | Change |
|--|--------------|--------------|----------------|
| Order intake | 138.8 | 139.4 | (0.4)% |
| Committed Backlog | 89.5 | 113.8 | (21.4)% |
| Change in constant currency | | | (20.7)% |
| Net revenue to external customers | 163.6 | 191.2 | (14.4)% |
| Change in constant currency | | | (12.1)% |
| Adjusted Gross Profit | 44.0 | 44.9 | (2.2)% |
| <i>Adjusted Gross Profit %</i> | 26.9% | 23.5% | 340 bps |
| Adjusted Operating Expenses | (21.1) | (25.1) | (15.9)% |
| Adjusted EBITDA before Group Charges | 22.8 | 19.9 | 14.6% |
| Group Charges | (4.8) | (6.6) | (27.3)% |
| Adjusted EBITDA | 18.0 | 13.3 | 35.3% |
| <i>Adjusted EBITDA %</i> | 11.0% | 6.9% | 410 bps |

- 0.8x book-to-bill, YoY decline driven by discontinuation of India manufacturing activities
- Revenue impacted by India and Bangladesh, FX headwinds (AUD-USD), partially offset by growth in the Philippines and Hong Kong
- Adjusted EBITDA expansion driven by steady recovery of supply chain cost and operational cost-out

Guidance FY 2024

Net Revenue

Low single digit net revenue growth

Adjusted EBITDA

Adjusted EBITDA margin between 11% and 13% of net revenue

Dividend

Progressive dividend

Mid-Term Guidance FY 2025

Net Revenue (Relative to FY 2021)

Organic growth of mid to high single digit CAGR

Adjusted EBITDA

Adjusted EBITDA margin between 12.0% and 14.0% of net revenues

Dividend

Progressive dividend

Strategic transformation favorably positions Landis+Gyr to achieve mid-term guidance

Q&A

Key Messages

- Increased need for more intelligent power grids to drive energy efficiency and ensure critical infrastructure stability, further amplified by energy crisis, which positions L+G in the sweet spot of the energy transition
- Data driven solutions to expand recurring revenue streams and drive profitable growth through holistic portfolio, accelerated by Google Cloud partnership
- Flexibility Management and EV Solutions business poised to capture new markets
- Record backlog of almost USD 3.8b and leading installed base
- Solid balance sheet with investment capacity for acquisitions
- Strong cash generative business with dividend capacity
- Passionate commitment as an ESG-centric industry leader, driving sustainable impact by empowering utilities and communities to manage energy better
- Recession-resilient, due to continuation of rollouts and expected lower cost during economic slowdown

Landis+Gyr is positioned in the sweet spot of the energy transition with a strong focus on decarbonizing the grid

In a Nutshell

Landis+Gyr, as a recession-resilient **energy efficiency** Company, is positioned right in the **sweet spot of the energy transition**, further amplified by the current energy crisis, while playing an active role in **decarbonizing the grid**.

#investinginthefuture

Dates & Contacts

Important Dates

| | |
|------------------|---|
| May 30, 2024 | Publication of Annual Report 2023 and Invitation to AGM 2024 |
| June 25, 2024 | Annual General Meeting 2024 |
| June 27, 2024 | Ex-Dividend Date |
| July 1, 2024 | Dividend Payment Date |
| October 30, 2024 | Release of H1 FY 2024 Results |

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Investing in the Future

#decarbonizethegrid

Landis+Gyr