Half Year 2023 Earnings Presentation

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Landis+Gyr

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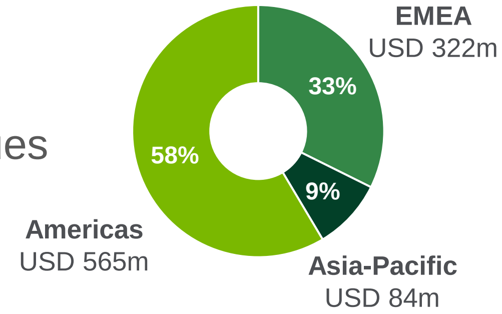
Business Performance H1 FY 2023

Order intake **USD 958.1m** +22.5% YoY in cc Book-to-bill 1.0	**Order backlog** **USD 3'730.5m** +5.4% YoY in cc
Net revenue **USD 970.5m** +32.1% YoY in cc	**Adjusted EBITDA** **USD 108.1m** 11.1% margin
Net debt **USD 134.2m**	**Free Cash Flow** (excl. M&A) **USD 5.1m**
EPS (diluted) **USD 1.43** (78.2)%	**Devices shipped** **10m** +38% YoY

- Sustained solid order intake / book-to-bill in Americas and EMEA resulting in USD 3.7b backlog while maintaining strong revenue growth
- Strong net revenue growth driven by backlog execution and improved component availability
- Adjusted EBITDA and margin increase due to operating leverage and slow recovery of supply chain cost
- Free Cash Flow (excl. M&A) affected by continued strategic inventory investments to support backlog conversion
- Strong balance sheet position with low net debt / adjusted EBITDA ratio of 0.67x
- Shipped 10 million devices in H1 (up 38%), also strengthening installed base for software revenues
- Decarbonization targets approved by Science Based Targets initiative (SBTi)

Net Revenue Split



As a recession-resilient company, Landis+Gyr is positioned in the sweet spot of the energy transition

Landis+Gyr

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)

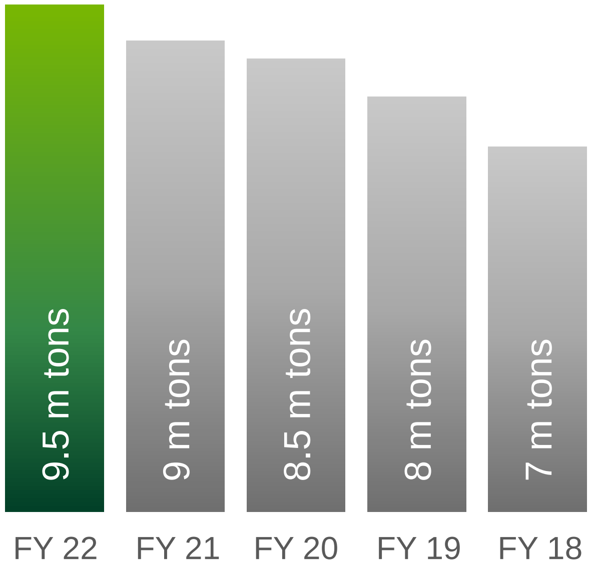
Top 5% of sustainable companies

Company grade of “B+”

AA-rated (top 15% in peer universe)

9.5
million tons CO_2

Direct CO_2 emissions avoided through installed Smart Metering base in FY 2022



Americas – Key Developments in H1 FY 2023

Smart Metering

- Achieved significant deployment milestones, hitting 1.3m metering endpoints with PSE&G NJ and over 1m with Ameren
- G480 ultrasonic gas meter certification paving way to serve WEC Energy Group's expansive network of over 200k endpoints

Grid Edge Intelligence

- Revelo E360 and interoperability success highlighted by kicking off large-scale Revelo deployment via the Wi-SUN network at National Grid NY, and by the regulatory approval for AMI for PPL RI
- Continuing to proritize 'SaaS-first' strategy across all products, and growing services penetration

Smart Infrastructure

- Secured first Americas EV deal with Enerpro Systems for 1,000 INCH PRO Level 2 chargers
- Increasing federal focus on cybersecurity, with the SEC's latest mandate for public firms (IOUs) to disclose cyber events and board discussions, strengthens the business rationale for Landis+Gyr's security offerings

Selected Wins

- Salt River Project meter extension (400k endpoints)
- CLECO AMI refresh
- Tucson Electric Power Revelo transition

Technology

- Key product launches in H1 include the Series 5 M125 residential gas retrofit modules, which offer enhanced meter reading capabilities and tamper sensors
- Rollout of Revelo Application Developer Kit to developer community enables increased software offering

Revelo™

G480
Smart Gas

Head-end Systems

Meter Data Management

Magno
Cabinet Meter

Strong momentum in the Americas, driven by high grid infrastructure investments

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EMEA – Key Developments in H1 FY 2023

Smart Metering

- In Germany, revenues increased with robust market share growth in a dynamic environment
- Solid project wins by Luna and in South Africa

Grid Edge Intelligence

- In the UK, SMETS2 program expected to continue past ’25, and successful market share gains in ICG segment
- In the Nordics, continued success in the national 2nd wave smart meter roll out
- Israel Electric Corporation rollout project successfully launched to deliver 566k residential smart electricity meters (extendable to 4.2m units), head-end system and maintenance of the existing MDM system and related applications

Smart Infrastructure

- Solid wins in EV Charging business, particularly in the UK, despite industry headwinds

Selected Wins

- In Switzerland, key regional wins of >150k metering points with Oiken and St.Gallen
- Major sales at Fluvius, E.ON Sweden, and in the Nordic markets with successful market expansion of E660

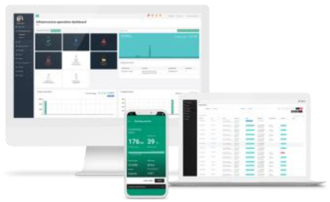
Technology

- Next Generation Grid meter family introduced with launch of E860
- Introduced analytics platform with first Power Quality Cloud customers live, providing critical insights for grid operations
- Launch of a new residential EV charging station platform to capture new market segment

E360

Power Quality Cloud

EV Solutions



EMEA well positioned to capture opportunities, driven by the accelerated energy transition in the region

APAC – Key Developments in H1 FY 2023

Smart Metering

- CLP Hong Kong, deployed 2m+ AMI meters milestone
- In Australia and New Zealand, leading smart water sustainable water management in residential metering

Grid Edge Intelligence

- In Australia, delivered 500k+ next generation Grid Edge meters since its release in FY21
- In Queensland, Australia, Gridstream SaaS initiated with 10k+ Grid Edge meters installed in FY23 H1

Smart Infrastructure

- In New Zealand, Smart Water SaaS with 40k+ end points currently under operation

Selected Wins

- In Hong Kong, signed three years maintenance support contract for Gridstream HES
- In the Philippines, supported and upgraded contract for Gridstream HES
- In Queensland, Australia, won 10k R1100 Grid Edge devices enabling DER and flexibility management services
- In China, continued leadership position in high end Grid segment and won first order of NB-IoT smart residential Heat meters

Technology

- Acquisition of Thundergrid, a turnkey EV infrastructure services company, strengthens EV offering in the region

E360™

Smart Water

EV Solutions

Increased profitability through product diversification through software, services and EV infrastructure offering

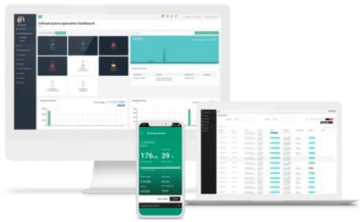
Comprehensive EV Solutions Portfolio

Hardware

AC L2 CHARGERS 7,4KW AND 22KW

To support home, semi-public, public and fleet charging

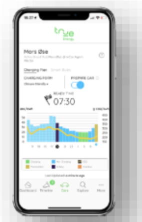
Software



EV CHARGE POINT & ENERGY MANAGEMENT SYSTEM

Scalable charger-agnostic software supporting EV charging monitoring & control and load management for demand response

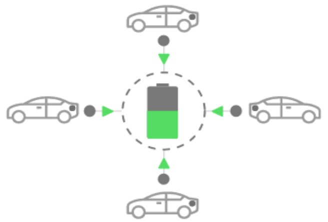
Smart Charging



SMART CHARGING APP

For consumers to prioritize charging when electricity is the cheapest and/or most climate friendly

EV Load Management



EV LOAD MANAGEMENT PLATFORM

Aggregating EV to help balancing the electricity grid by pausing and restarting charging

THUNDERGRID

Program Management, Software & Services | **Support Services**

Customer Funnel Generation → EV Transition Customer Technical Advisory → Engineering & Program Development → Infrastructure Development (EPC sub-contract) → Hardware & Software Provider → O&M Services

Portfolio expansion offers end-to-end solution to meet evolving customer needs

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Key Contract Wins

Smart Metering

Landis+Gyr will provide advanced metering technology for EPCOR water meters in city of Edmonton

Neenah Water Utility deploys Landis+Gyrs Gridstream AMI Solution under a shared network agreement with WE Energies

Grid Edge Intelligence

Israel Electric Corporation (IEC) and Landis+Gyr sign agreement for smart metering solutions

Tipmont signs agreement with Landis+Gyr to deploy smart grid technology

Smart Infrastructure

AEP Texas untertakes extensive smart lighting and asset management project as part of AMI contract extension

Landis+Gyr completes contract with Enerpro for Level 2 EV Chargers

Repower Italia migrates to Ocean EV Charge Point Management Software to accelerate growth

Atlante chooses Landis+Gyr charging solution to support the expansion of e-mobility services in southern Europe

Strong win rate in all three strategic pillars and regions, reflected in continuously high backlog

Consolidated Results – H1 FY 2023

USD in millions (except per share amounts)	H1 2023	H1 2022	Change
Order intake	**958.1**	**773.2**	**23.9%**
Change in constant currency			22.5%
Committed backlog	3’730.5	3’479.7	7.2%
Net revenue to external customers	**970.5**	**728.7**	**33.2%**
Change in constant currency			32.1%
Adjusted Gross Profit	304.9	226.9	34.4%
Adjusted Gross Profit %	*31.4%*	*31.1%*	*30 bps*
Adjusted Operating Expenses	(196.8)	(178.2)	10.4%
Adjusted EBITDA	**108.1**	**48.7**	**122.0%**
Adjusted EBITDA %	*11.1%*	*6.7%*	*440 bps*
Operating Income	64.2	10.5	511.4%
Net Income attributable to shareholders	**41.2**	**186.5**	**(77.9)%**
Earnings per share - diluted (in USD)	1.43	6.57	(78.2)%
Cash provided by (used in) operating activities	24.0	(82.9)	n/a
Free Cash Flow (excluding M&A)	**5.1**	**(38.9)**	**n/a**
Net Debt	134.2	79.3	69.2%

- Sustained solid backlog supported by order intake in Americas and EMEA
- Strong revenue growth led by Americas
- Adjusted EBITDA expansion driven by operating leverage, operational efficiencies and slow recovery of supply chain cost
- Free Cash Flow impacted by OWC requirements, primarily due to strategic inventory investments to support growth
- EPS H1 FY 2022 excl. Intellihub divestment of USD 1.01 (+41.6%)

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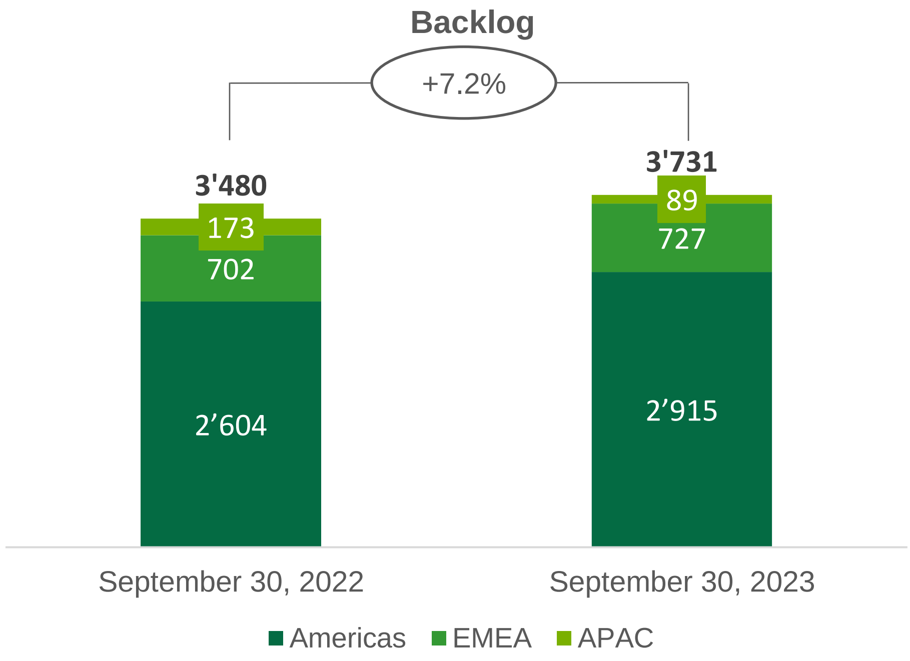
Order Intake / Backlog

USD in millions



- Order Intake of USD 958 million driven by wins in Americas and EMEA
- Book-to-Bill ratio of 1.0x in H1 FY 2023, orders keeping pace with strong revenue growth
- Maintaining robust backlog of USD ~3.7 billion

Solid Order Intake resulting in robust Backlog securing future growth

Book-to-Bill: Order Intake / Net revenue to external customers

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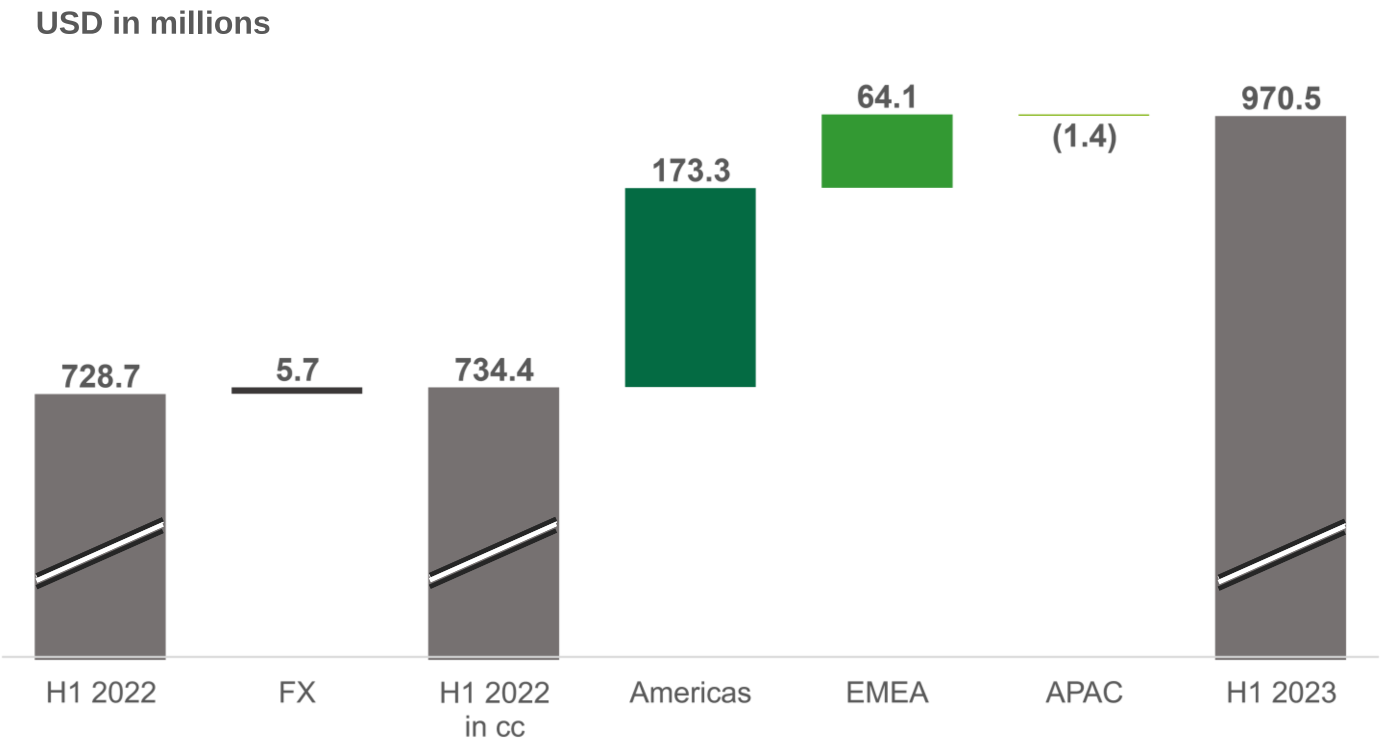
Net Revenue Bridge



Americas

- Very strong performance particularly in North America

EMEA

- Growth driven by Switzerland, Luna business (FY 2021 acquisition) and France, partially offset by the UK

Asia Pacific

- Decline YoY driven by India partially offset by strong performance in Hong Kong

Strong Revenue Growth of 32.1% in cc driven by order backlog execution and improved component availability

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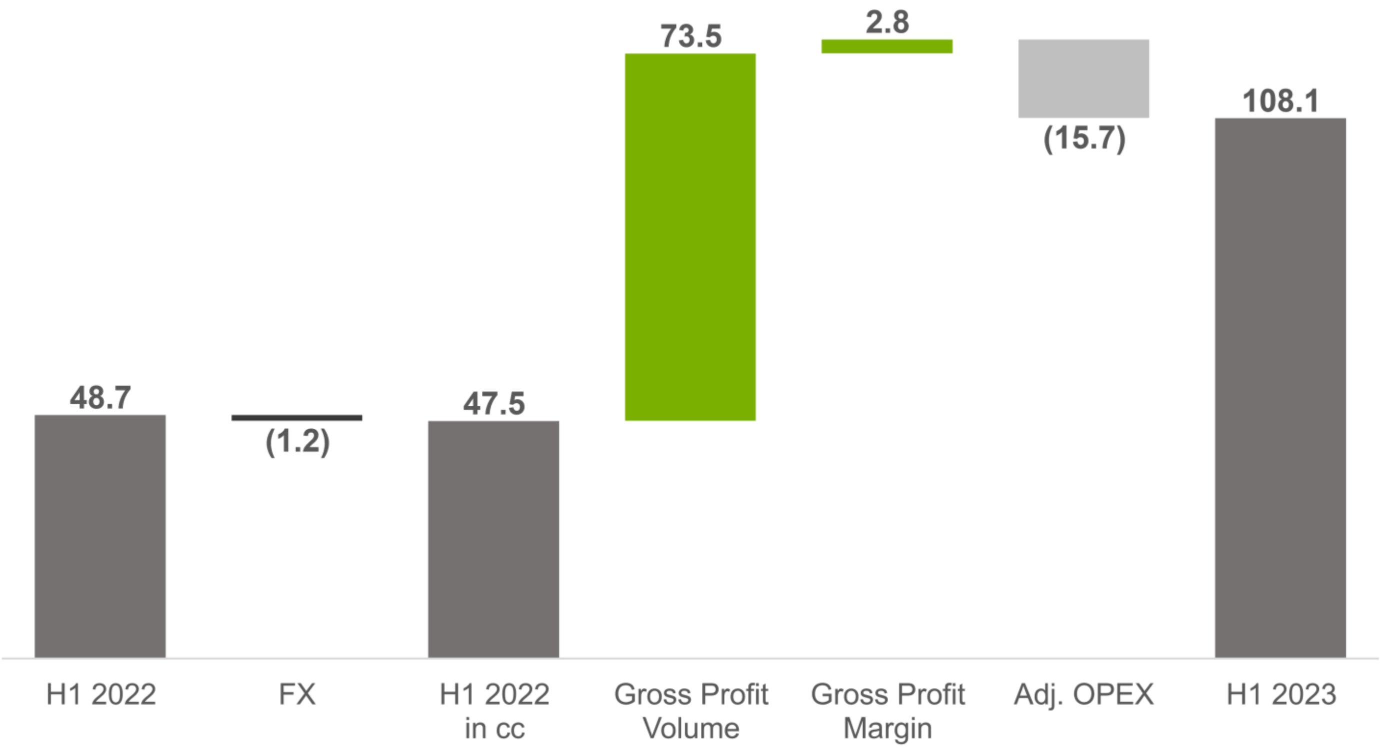
Adjusted EBITDA Bridge

USD in millions



- Adjusted Gross profit volume increase driven by growth in Americas and EMEA
- Adjusted Gross Profit margin increase primarily due to operational efficiencies and some supply chain cost recovery of approximately USD 9 million
- Adjusted Operating Expenses increase driven by cost to support order execution and future backlog conversion, particularly in the Americas, and continued investments in strategic initiatives

Strong Recovery in Adjusted EBITDA driven by strong top line growth

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Adjustments to EBITDA

USD in millions	H1 2023	H1 2022	Change
Reported EBITDA	**99.8**	**51.0**	**95.7%**
Adjustments	8.3	(2.3)	n/a
Restructuring Charges	15.1	6.5	132.3%
Warranty normalization adjustments	(4.8)	(2.5)	92.0%
Timing Differences on FX Derivatives	(1.9)	(6.3)	(69.8)%
Adjusted EBITDA	**108.1**	**48.7**	**122.0%**
Adjusted EBITDA %	*11.1%*	*6.7%*	*445 bps*

- Restructuring Charges of USD 15.1 million are primarily related to a global restructuring initiative launched in August 2023 (Project Horizon)
- Warranty normalization adjustments of USD (4.8) 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 (1.9) million relate to mark to market differences on hedges, primarily GBP-USD and AUD-USD currency

Free Cash Flow

USD in millions	H1 2023	H1 2022	Change
Reported EBITDA	**99.8**	**51.0**	**95.7%**
Change in Operating Working Capital	(32.1)	(44.5)	(27.9)%
Capital expenditures (PP&E)	(18.7)	(8.9)	110.1%
Restructuring charges add back	15.1	6.5	132.3%
Restructuring cash effective	(7.7)	(2.3)	234.8%
Other assets and liabilities	(30.1)	(25.1)	19.9%
Net interest payments	(8.4)	(2.2)	281.8%
Income tax payments ex M&A	(12.8)	(13.5)	(5.2)%
Free Cash Flow ex M&A	**5.1**	**(38.9)**	**n/a**
Divestment (Acquisitions)	-	234.8	n/a
Income tax payments related to Divestment	-	(52.8)	n/a
Free Cash Flow	**5.1**	**143.1**	(96.4)%

- Cash Flow impacted by inventory build up to support our growth trajectory
- Capex focus on new product introduction and upgrade of manufacturing facilities to support future growth and backlog execution
- Other Cash Flow impacted by the timing of revenue recognition in Americas
- H1 FY 2022 incl. Intellihub divestment net proceeds of USD 182.0 million

Investment in inventory and Capex to support record backlog execution and future growth

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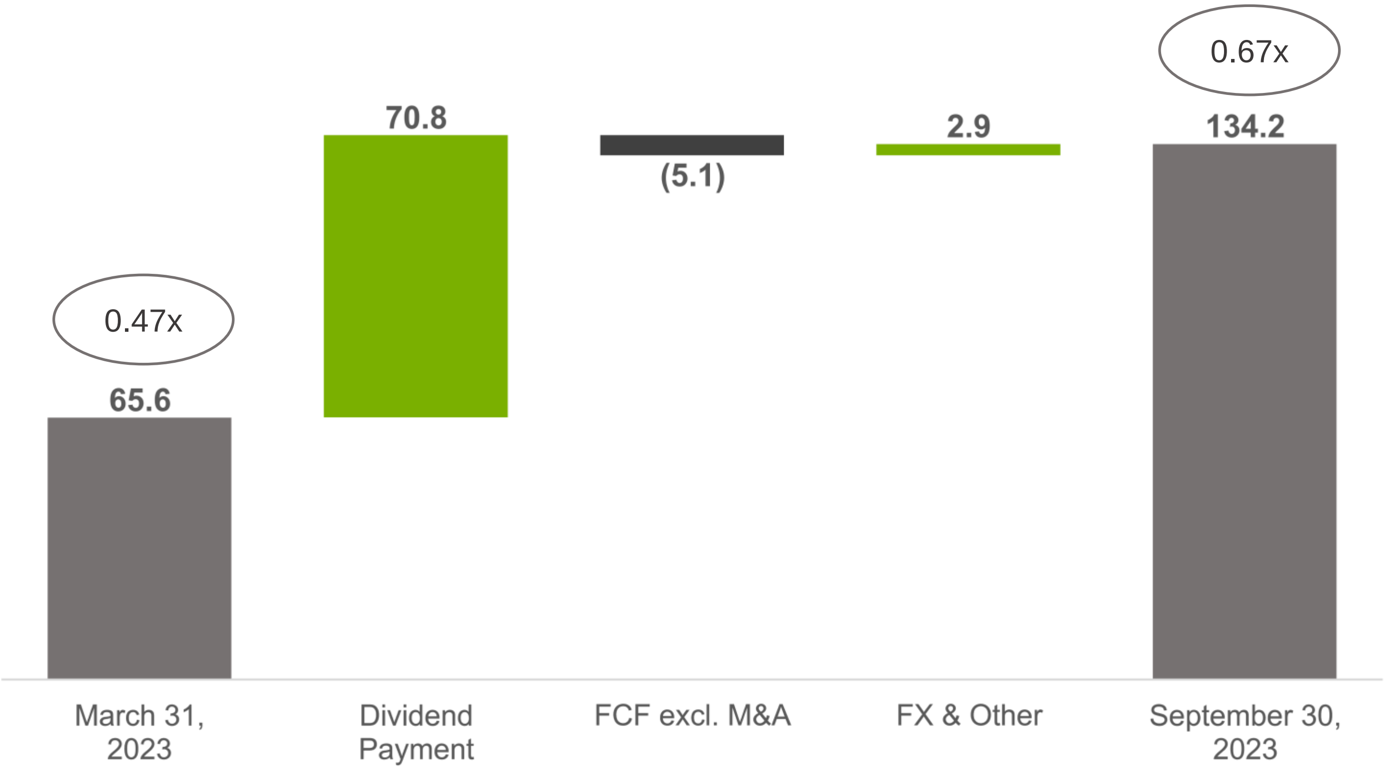
Net Debt

USD in millions



- Continued Balance Sheet strength
- ~0.67x leverage ratio with net debt position of USD ~134.2 million
- Remaining investment capacity with available undrawn facilities of USD ~233 million

Net debt / trailing twelve months Adjusted EBITDA

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

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Americas Segment

USD in millions	H1 2023	H1 2022	Change
Order intake	608.1	409.3	48.6%
Committed Backlog	2’914.8	2’604.2	11.9%
Change in constant currency			11.7%
Net revenue to external customers	**564.8**	**391.7**	**44.2%**
Change in constant currency			44.3%
Adjusted Gross Profit	**197.0**	**139.9**	**40.8%**
Adjusted Gross Profit %	*34.9%*	*35.7%*	*(80) bps*
Adjusted Operating Expenses	(89.2)	(78.7)	13.3%
Adjusted EBITDA before Group Charges	107.8	61.3	75.9%
Group Charges	(17.9)	(13.5)	32.6%
Adjusted EBITDA	**89.9**	**47.7**	**88.5%**
Adjusted EBITDA %	*15.9%*	*12.2%*	*370 bps*

- Strong order intake resulting in 1.1x book-to-bill; driven by wins in North America
- Double digit revenue growth of 44.2%; very strong backlog execution particularly in North America, supported by improved component availability and catch-up on pent-up demand
- Adjusted EBITDA margin expansion driven by higher operating leverage, partially offset by investments related to ramp-up for future order conversion and backlog execution

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EMEA Segment

USD in millions	H1 2023	H1 2022	Change
Order intake	290.3	264.4	9.8%
Committed Backlog	727.1	702.1	3.6%
Change in constant currency			(4.0)%
Net revenue to external customers	**321.6**	**248.0**	**29.7%**
Change in constant currency			24.9%
Adjusted Gross Profit	**90.2**	**65.4**	**37.9%**
Adjusted Gross Profit %	*28.1%*	*26.4%*	*170 bps*
Adjusted Operating Expenses	(74.2)	(65.8)	12.8%
Adjusted EBITDA before Group Charges	16.0	(0.3)	*n/a*
Group Charges	(9.4)	(9.0)	4.4%
Adjusted EBITDA	**6.7**	**(9.4)**	**n/a**
Adjusted EBITDA %	*2.1%*	*(3.8)%*	*n/a*

- 0.9x book-to-bill, supported by wins in Switzerland, Israel and the Nordics
- Strong revenue growth of 24.9% in constant currency driven by Switzerland, France, and Luna (Turkey), partially offset by softening in the UK
- Adjusted EBITDA improvement driven by operating leverage, partially offset by investments in EV, water meter technology, and Luna expansion

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APAC Segment

USD in millions	H1 2023	H1 2022	Change
Order intake	59.6	99.5	(40.1)%
Committed Backlog	88.6	173.3	(48.9)%
Change in constant currency			(48.7)%
Net revenue to external customers	**84.1**	**89.0**	**(5.5)%**
Change in constant currency			(1.7)%
Adjusted Gross Profit	**22.6**	**23.3**	**(3.0)%**
Adjusted Gross Profit %	*26.9%*	*26.2%*	*70 bps*
Adjusted Operating Expenses	(11.6)	(13.2)	(12.1)%
Adjusted EBITDA before Group Charges	11.1	10.2	8.8%
Group Charges	(2.4)	(3.4)	(29.4)%
Adjusted EBITDA	**8.6**	**6.8**	**26.5%**
Adjusted EBITDA %	*10.3%*	*7.6%*	*270 bps*

- 0.7x book-to-bill, YoY decline driven by discontinuation of India manufacturing activities and prior year major wins in Hong Kong
- Revenue impacted by India, FX headwinds (AUD-USD), partially offset by Hong Kong growth
- Adjusted EBITDA expansion driven by partial recovery of supply chain cost and operational cost-out

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Guidance FY 2023 – reconfirmed

Net Revenues

Low double-digit organic net revenue growth (compared to FY 2022)

Adjusted EBITDA

Adjusted EBITDA margin between 9.0% and 11.0% of net revenues

Free Cash Flow (excl. M&A)

Around USD 60 million to USD 90 million

Dividend

Progressive dividend

Mid-Term Guidance FY 2025 – reconfirmed

Net Revenues (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

Strong focus on cash conversion

Q&A

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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 over USD 3.7b 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

Release of FY 2023 Results:
May 8, 2024

Publication of Annual Report 2023 and Invitation to AGM 2024:
May 30, 2024

Annual General Meeting 2024:
June 25, 2024

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