Half Year 2024 Earnings Presentation

Werner Lieberherr | Chief Executive Officer
Theresa Andorfer | Head of Group FP&A

October 30, 2024

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.

There are numerous risks, uncertainties and other factors, many of which are beyond Landis+Gyr’s control, that could cause Landis+Gyr’s actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect Landis+Gyr’s ability to achieve its stated targets. The important factors that could cause such differences include, among others: possible effects of pandemics, global shortage of energy or supplied components as well as increased freight rates, business risks associated with the volatile global economic environment and political conditions, including wars or military actions; market acceptance of new products and services; changes in governmental regulations and currency exchange rates; estimates of future warranty claims and expenses and sufficiency of accruals; and other such factors as may be discussed from time to time in Landis+Gyr Group AG filings with the SIX Swiss Exchange. Although Landis+Gyr Group AG believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

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 2024 on the website at www.landisgyr.com/investors/results-center. Due to rounding, numbers presented may not add up to the totals provided.

Landis+Gyr

Business Performance H1 FY 2024

Order Intake	Order Backlog
USD 812.1m Book-to-bill 0.9	**USD 3'645.1m** (3.3)% YoY in cc

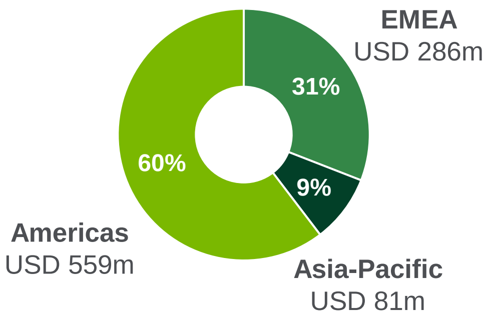
Net Revenue	Adjusted EBITDA
USD 925.6m (4.3)% YoY in cc	**USD 108.2m** 11.7% margin

Net Debt	Free Cash Flow (excl. M&A)
USD 226.3m	**USD (13.5)m**

EPS (diluted)	Software & Services Revenue
USD 1.67 +16.8%	**218.3m** 24% of revenue

- Solid order intake and book-to-bill driven by Americas resulting in high backlog of USD 3.6 billion
- Stable net revenue development in Americas and APAC despite high FY 2023 base with pent-up demand
- Adjusted EBITDA - expansion in Americas and APAC driven by operational efficiencies and gain on sale of real estate in India; partially offset by lower operating leverage in EMEA
- Free Cash Flow (excl. M&A) driven by operating working capital requirements
- Robust balance sheet position with low Net Debt / Adjusted EBITDA ratio of 1.01x
- Software & Services revenues increased to USD 218.3m or 24% of total revenue

Net Revenue Split



Evaluating strategic options for the group to drive sustainable shareholder value creation

Landis+Gyr

Americas – Winning with Leading Utility Partners

Smart Metering

Major Deployment Milestones at PSE&G (2m), LG&E (1m), & EPCOR (~100k Water Modules)

WINNING PARTNERSHIPS

Delivering continued flexibility & choice for long-term partner with meter to thirds solutions

Providing enhanced AMI value with leading FOCUS & S4x platforms & MDMS enhancements

Growing AES partnership & delivering the most reliable AMI solutions

Grid Edge Intelligence

Powering the Edge with +1m Revelo Grid Edge Sensors Shipped and +5m Under Contract

WINNING PARTNERSHIPS

Continued partnership with migration to future-proofed Mesh IP network anchored by Revelo & grid edge apps

Expanding WEC's robust network with G480 ultrasonic gas meters

Continued support of grid mod efforts with Revelo & grid edge apps pilot

Smart Infrastructure

Driving Growth in Software & Services with SaaS, Cybersecurity, and AMI Lifecycle Services

WINNING PARTNERSHIPS

Building on 20+ years of partnership with long-term Managed Services extension

Successful migration of 30+ customers to modernized Emerge head end

All cellular network solution, providing increased resiliency & complete service territory coverage


Magno Cabinet Meter


Transformational Grid Sensor Revelo


Leading G480 Ultrasonic Gas


Unified Software Platforms, from Emerge and Analytics to Flexibility


EV Chargers, Software & Mobile App

EMEA – Winning with Leading Utility Partners

Smart Metering

Strong growth in thermal heat and water solutions, gaining market share in the ICG

WINNING PARTNERSHIPS

Iberdrola: First order of new generation AMI, kicking off the 2nd wave of smart meter deployment in Spain

Tauron Polska Energia: ICG meter deal alongside HES extension for enhancing grid stability

SODO: Significant national smart meter deal in the Balkans driving grid modernization and energy efficiency

Grid Edge Intelligence

Driving the future of smart grids with Grid Edge sensor deployment across Europe

WINNING PARTNERSHIPS

Enedis: Additional volume order for ICG meters with Grid Edge capabilities

Stadtwerk Winterthur: Mix of residential and ICG meters driving energy efficiency and smart grid integration

E.ON: Secured extension contract for residential and ICG grid edge sensors (SE)

Smart Infrastructure

Building momentum in the European e-mobility sector with strategic partnerships

WINNING PARTNERSHIPS

Michaud (Habitat et Réseau Électrique): Frame agreement signed with French energy distribution services and equipment specialist for resale of residential EV Chargers

Norlys: Deployment of home and semi-public EV Chargers with Denmark's largest integrated energy and telecommunications group

Amazon: Securing a contract for supply of fleet EV charging equipment

E660 High-Precision Industrial Grid Edge Sensor

Leading Ultrasonic Smart Water Meter

Global Analytics & Flexibility Management Platforms

EV Chargers, Software & Mobile App

APAC – Winning with Leading Utility Partners

Smart Metering

Major deployment milestones at CLP, Hong Kong - 2.5m smart meters and comms deployed

WINNING PARTNERSHIPS

CLP 中電: Continue to unlock AMI opportunities with additional orders for our residential, grid and comms

港燈 HK Electric: Contract extension for devices, head ends system, meter data management and integration for grid metering

Grid Edge Intelligence

Progressing to grow our software and services offering in Australia and India

WINNING PARTNERSHIPS

intellihub: Continue partnerships with Australia's largest metering services provider who are paving the way for DER's opportunities

esyasoft: Service agreement signed, pivoting Landis+Gyr into software and services business

Smart Infrastructure

Expanding the CPO model with airports in New Zealand

WINNING PARTNERSHIPS

Watercare: Grew our smart water meters endpoints to 35k+ in Auckland, New Zealand

Auckland Airport: Deploying 60+ chargers for Auckland Airport, an international hub in NZ

PLUS·ES: Expanding EV footprint in Australia with leading distributor PlusES, launching public charging network

Grid Edge Ready E360

Leading Smart Ultrasonic Water NB-IoT

Global Analytics & Flexibility Management Platforms

EV Chargers, Software & Mobile App

Consolidated Results – H1 FY 2024

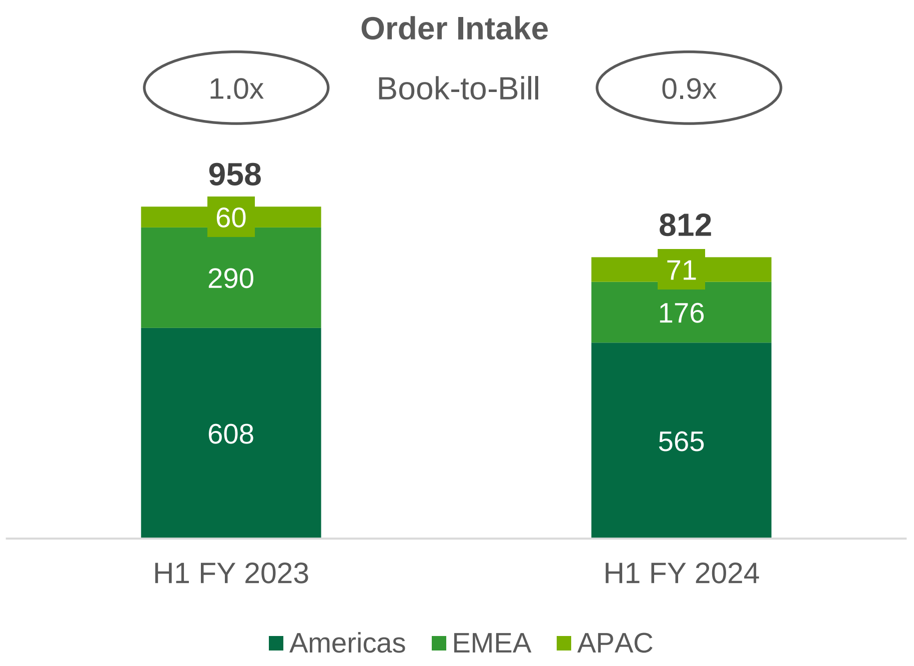
USD in millions (except per share amounts)	H1 2024	H1 2023	Change
Order intake	**812.1**	**958.1**	**(15.2)%**
Committed backlog	3'645.1	3'730.5	(2.3)%
Change in constant currency			(3.3)%
Net revenue to external customers	**925.6**	**970.5**	**(4.6)%**
Change in constant currency			(4.3)%
Adjusted Gross Profit	298.0	304.9	(2.2)%
Adjusted Gross Profit %	*32.2%*	*31.4%*	*80 bps*
Adjusted Operating Expenses	(189.8)	(196.8)	(3.6)%
Adjusted EBITDA	**108.2**	**108.1**	**0.1%**
Adjusted EBITDA %	*11.7%*	*11.1%*	*60 bps*
Operating Income	71.6	64.2	11.5%
Net Income attributable to shareholders	**48.2**	**41.2**	**17.0%**
Earnings per share - diluted (in USD)	1.67	1.43	16.8%

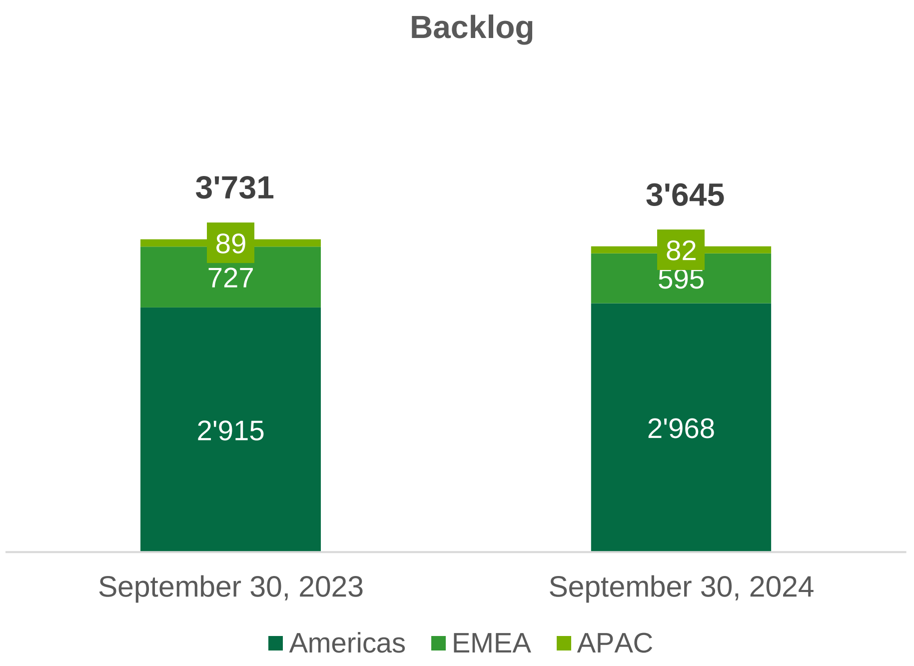
- Sustained solid backlog, supported by order intake in Americas
- Revenue decline of (4.3)% in constant currency driven by project timing in EMEA
- Adjusted EBITDA expansion in Americas and APAC supported by operational efficiencies, continued recovery of supply chain cost and a gain from a real estate transaction in India (USD 8.8m), partially offset by lower operational leverage in EMEA

Landis+Gyr

Order Intake / Backlog – H1 FY 2024

USD in millions



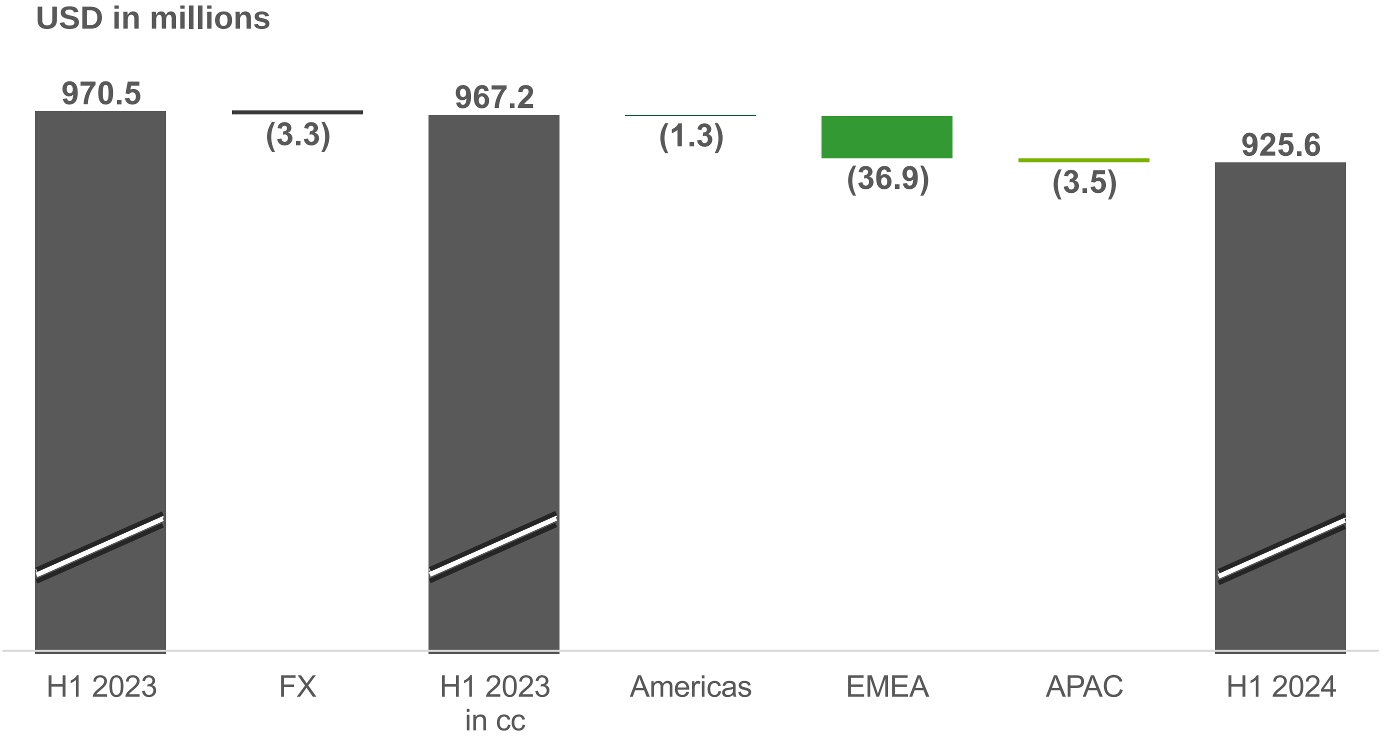


- Order Intake of USD 812 million, carried by wins in Americas
- Book-to-Bill ratio of 0.9x in H1 FY 2024
- Maintaining robust backlog of USD ~3.6 billion; Americas backlog growth +1.8% YOY

Solid Order Intake resulting in continued robust Backlog securing future growth

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

Net Revenue Bridge – H1 FY 2024



Americas

- Solid topline performance maintaining high H1 FY 2023 revenue levels

EMEA

- Impacted by project timing, softening of the UK/Türkiye and dampened EV demand

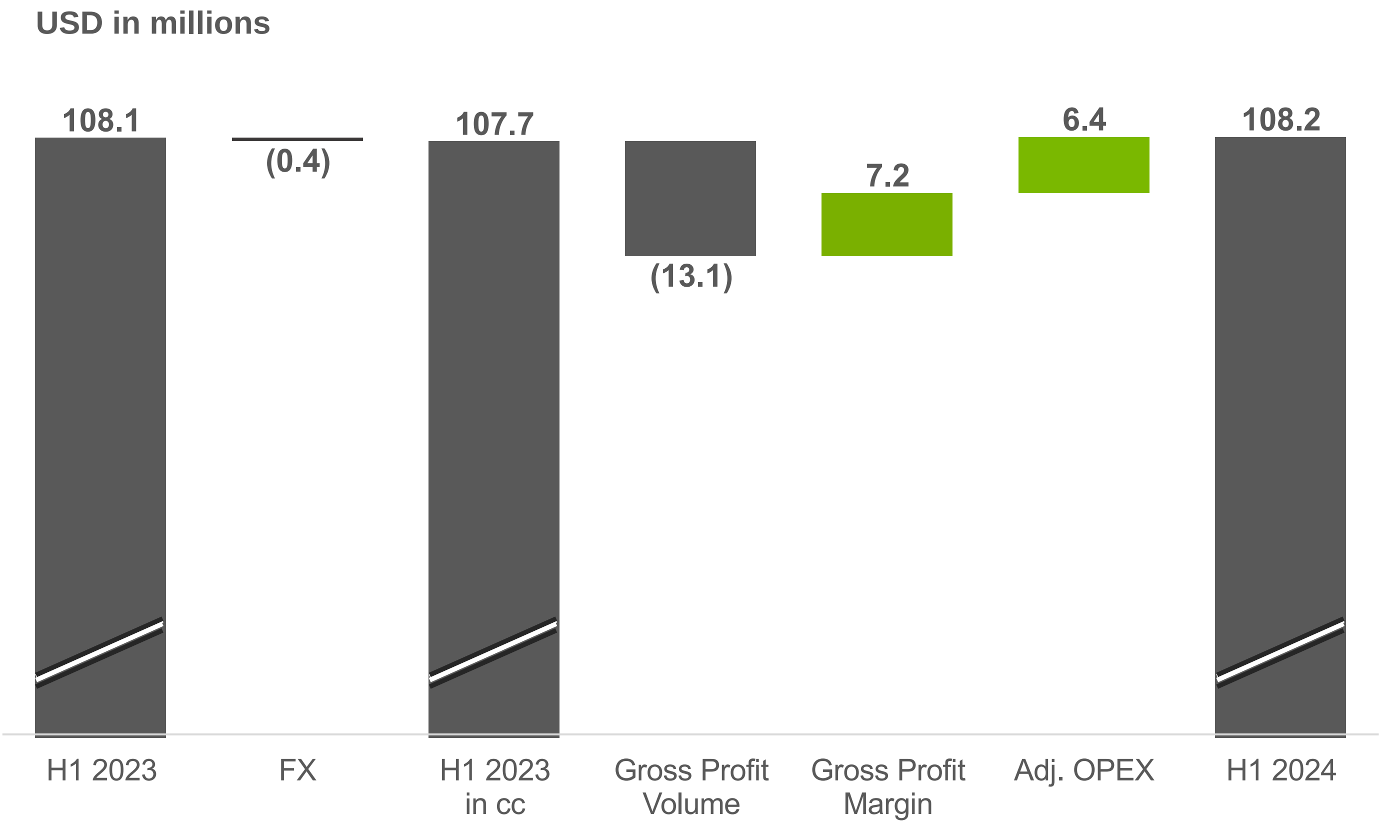
Asia Pacific

- Slight decline YoY primarily impacted by timing in Australia and SEA

Net revenue impacted by EMEA project timing, softening in the UK/Türkiye and dampened EV demand

Landis+Gyr

Adjusted EBITDA Bridge – H1 FY 2024



- Adjusted Gross profit volume driven by topline decline, particularly in EMEA
- Adjusted Gross Profit margin expansion due to operational efficiencies including continued supply chain cost recovery in Americas and APAC and gains from a real estate sale in India (USD 8.8m), partially offset by mix in EMEA
- Adjusted Operating Expenses decrease driven by operational cost-out, particularly in the Americas and EMEA, while maintaining investments in strategic initiatives

Adjusted EBITDA expansion driven by operational efficiencies and OPEX discipline

Adjustments to EBITDA – H1 FY 2024

USD in millions	H1 2024	H1 2023	Change
Reported EBITDA	**108.5**	**99.8**	**8.7%**
Adjustments	(0.3)	8.3	n/a
Restructuring Charges	2.1	15.1	(86.1)%
Warranty normalization adjustments	(2.7)	(4.8)	(43.8)%
Timing Differences on FX Derivatives	0.4	(1.9)	n/a
Adjusted EBITDA	**108.2**	**108.1**	**0.1%**
Adjusted EBITDA %	*11.7%*	*11.1%*	*60 bps*

- Restructuring Charges of USD 2.1 million are primarily related to the completion of a global restructuring initiative launched in August 2023 (Project Horizon)
- Warranty normalization adjustments of USD (2.7) 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 0.4 million relate to mark to market differences on certain hedges, primarily GBP-USD and AUD-USD currency

Landis+Gyr

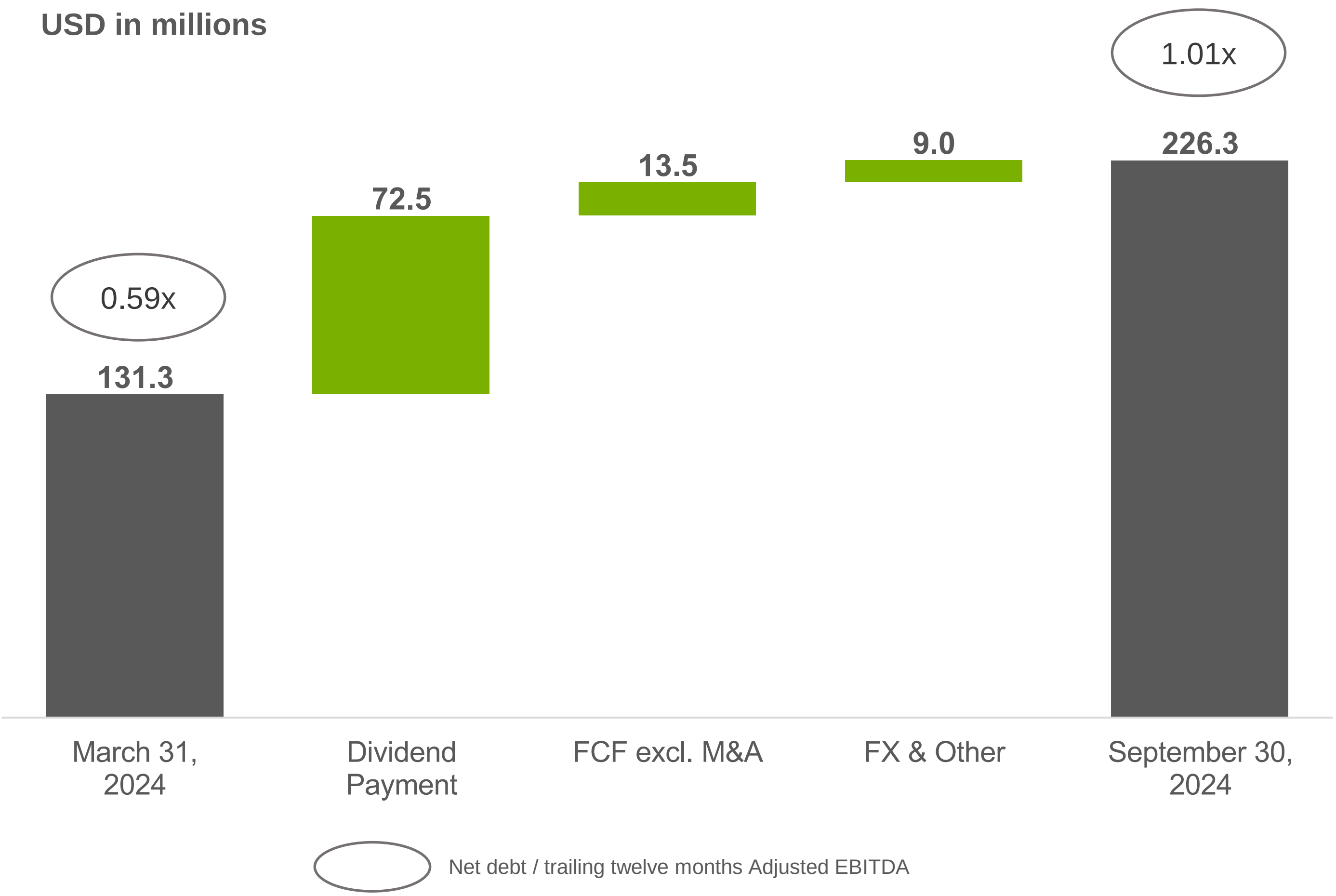
Free Cash Flow – H1 FY 2024

USD in millions	H1 2024	H1 2023	Change
Reported EBITDA	**108.5**	**99.8**	**8.7%**
Change in Operating Working Capital	(64.2)	(32.1)	100%
Capital expenditures (PP&E)	(11.7)	(18.7)	(37.4)%
Restructuring, Net	(0.9)	7.4	n/a
Other assets and liabilities	(23.0)	(30.1)	(23.9)%
Net interest payments	(11.0)	(8.4)	31.0%
Income tax payments	(11.2)	(12.8)	(12.5)%
Free Cash Flow ex M&A	**(13.5)**	**5.1**	**n/a**

- Cash Flow affected by timing of collections, back end loaded H1 FY 2024 delivery plan and timing of unbilled receivables
- CAPEX reduction driven by completion of prior year initiatives to upgrade manufacturing facilities and automation to support future growth and backlog execution
- Other Assets and Liabilities is driven by timing of deferred revenues, offset by lower incentive accruals
- Net interest payments increase driven by higher debt utilization to fund working capital requirements

Cash Flow impacted by operating working capital requirements driven by collection timing

Net Debt – H1 FY 2024



- Solid Balance Sheet foundation
- ~1.01x leverage ratio with net debt position of USD ~226.3 million
- Remaining investment capacity with available undrawn facilities of USD ~170 million
- Other primarily related to the acquisition of the remaining 25% equity interest in Etrel (USD 5.1m), as well as the purchase of treasury shares (USD 2.5m)

Robust balance sheet foundation to capture future growth opportunities

Landis+Gyr

Americas Segment – H1 FY 2024

USD in millions	H1 2024	H1 2023	Change
Order intake	565.5	608.1	(7.0)%
Committed Backlog	2’968.2	2’914.8	1.8%
Change in constant currency			2.2%
Net revenue to external customers	**558.7**	**564.8**	**(1.1)%**
Change in constant currency			(0.2)%
Adjusted Gross Profit	**195.9**	**197.0**	**(0.6)%**
Adjusted Gross Profit %	*35.1%*	*34.9%*	*20 bps*
Adjusted Operating Expenses	(85.7)	(89.2)	(4.0)%
Adjusted EBITDA before Group Charges	**110.2**	**107.8**	**2.3%**
Adjusted EBITDA % before Group Charges	19.7%	*19.1%*	*60 bps*
Group Charges	(13.9)	(17.9)	(22.2)%
Adjusted EBITDA	**96.3**	**89.9**	**7.1%**
Adjusted EBITDA %	*17.2%*	*15.9%*	*130bps*

- Strong order intake resulting in book-to-bill of 1.0, driven by wins in North America (WEC Energy Group, Austin Energy, and Florida Power & Light)
- Maintained record high H1 FY 2023 revenue levels in constant currency; supported by strong focus on backlog execution
- Adjusted EBITDA margin expansion driven by operational cost-out and continued recovery of supply chain cost

Landis+Gyr

EMEA Segment – H1 FY 2024

USD in millions	H1 2024	H1 2023	Change
Order intake	175.6	290.3	(39.5)%
Committed Backlog	595.3	727.1	(18.1)%
Change in constant currency			(23.2)%
Net revenue to external customers	**286.1**	**321.6**	**(11.0)%**
Change in constant currency			(11.4)%
Adjusted Gross Profit	**71.9**	**90.2**	**(20.3)%**
Adjusted Gross Profit %	*25.1%*	*28.1%*	*(290) bps*
Adjusted Operating Expenses	(70.7)	(74.2)	(4.7)%
Adjusted EBITDA before Group Charges	**1.1**	**16.0**	***(93.1)%***
Adjusted EBITDA % before Group Charges	*0.4%*	*5.0%*	*(460)bps*
Group Charges	(6.7)	(9.4)	(28.5)%
Adjusted EBITDA	**(5.6)**	**6.7**	**n/a**
Adjusted EBITDA %	*(1.9)%*	*2.1%*	*n/a*

- Book-to-bill of 0.6, impacted by timing of large tenders in UK, Poland and UAE
- Revenue decrease of 11.4% in constant currency driven by project timing and softening in the UK and Türkiye and dampened EV demand
- Adjusted EBITDA impacted by lower operating leverage and product mix; continued investments in EV and Water more than offset by OPEX restructuring

APAC Segment – H1 FY 2024

USD in millions	H1 2024	H1 2023	Change
Order intake	71.0	59.6	19.1%
Committed Backlog	81.6	88.6	(7.9)%
Change in constant currency			(9.9)%
Net revenue to external customers	**80.7**	**84.1**	**(4.0)%**
Change in constant currency			(4.1)%
Adjusted Gross Profit	**34.5**	**22.6**	**52.7%**
Adjusted Gross Profit %	*42.7%*	*26.9%*	*n/a*
Adjusted Operating Expenses	(12.0)	(11.6)	3.4%
Adjusted EBITDA before Group Charges	**22.5**	**11.1**	***n/a***
Adjusted EBITDA % before Group Charges	27.9%	*13.2%*	n/a
Group Charges	(2.2)	(2.4)	(9.5)%
Adjusted EBITDA	**20.3**	**8.6**	**n/a**
Adjusted EBITDA %	*25.2%*	*10.3%*	n/a

- Book-to-bill of 0.9, order entry supported by wins in Hong Kong and Esyasoft (India JV)
- Revenue impacted by project timing in Australia and SEA
- Adjusted EBITDA expansion supported by a gain from a real estate transaction in India (USD 8.8m) and favorable mix (Hong Kong and ANZ)

Landis+Gyr

Guidance FY 2024 – reconfirmed

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 – reconfirmed

Net Revenues (Relative to FY 2021)

Organic growth of mid to high single digit CAGR

Adjusted EBITDA

Adjusted EBITDA margin between 12% and 14% of net revenues

Dividend

Progressive dividend

Strong focus on cash conversion

Creating Shareholder Value

Landis+Gyr sharpens its strategic focus to drive value creation

Focus on Americas business

- Offers the greatest opportunity with higher value software and services solutions as the US market values differentiated edge-to-enterprise solutions in critical infrastructure
- EBITDA margins are >500bps higher than the Group average, (80% of EBITDA)
- Strong emphasis on value creation from US business, offering highest return on capital

Strategic review of EMEA

- The Company has launched a strategic review for the best value creation from the EMEA business
- Over the last few years, the region's production footprint has been successfully optimized, which positions EMEA to expand its margin profile
- Landis+Gyr intends to communicate the outcome of the strategic review in due course

Evaluating merits of a US listing

- Today, 60% of Group revenues and >80% of Adjusted EBITDA are generated in the Americas region
- Gaining access to a larger pool of capital and facilitate easier comparisons with key peers
- The Company is already reporting according to US-GAAP and in US Dollar
- Landis+Gyr has engaged advisors to support the review of a potential listing in the US

A holistic update will be provided during a Capital Markets Day in 2025

Americas Region

Leading integrated edge-to-enterprise solutions, record backlog driving profitable growth

Record Backlog **USD ~3b** Americas Region	Software & Services **~55%** of Backlog
Software & Services **~32%** of Revenue	#1 Smart Electricity **40%** Market Share
World's Largest IoT Utility Network **1.3b** Reads with **99.99%** Accuracy	#2 Smart Electricity **26%** Market Share
US Electricity Demand **x2** between 2024 & 2050	Data Centers to Consume **9%** of US Electricity Demand in 2030

Leading market position

- Largest installed base provides data to support new product and recurring revenue software and service offering
- Scale player with high level of customer intimacy and stickiness
- Leverage current leading position to underpin base level of growth

Poised to benefit from electrification and decarbonization trends

- Favorable regulatory conditions in key US grid edge intelligence market
- Technology leader with state-of-the-art integrated edge-to-enterprise solutions

High margin solution focused business

- Americas backlog demonstrating value of strategic transformation investments from FY20 (software ca. 30%) to today (software ca. 55%)
- High return on capital

Growth opportunities through exposure to highly dynamic segments

- Smart ultrasonic gas, cybersecurity, EV, software and services, including edge-to-enterprise solutions like flexibility management, DERMS, and analytics

Strong ESG performance supports prime position for infrastructure investments

Today, 60% of Group revenues and >80% of Adjusted EBITDA are generated in the Americas region

Sources: Frost & Sullivan *2023 Market Data* / Clean Energy Resources to Meet Data Center Electricity Demand | Department of Energy

Landis+Gyr

EMEA Region

European market leader, positioned to benefit from a highly supportive market backdrop

#2 Region **17%** Market Share	Backlog **USD 595.3m** EMEA Region
Software & Services **11%** of Revenue	#1 Smart Electricity **56%** Market Share
#1 Smart Electricity **40%** Market Share	#1 Smart Gas **66%** Market Share
#2 Smart Electricity **34%** Market Share	#1 Ultrasonic Heat **43%** Market Share

Leading market position

- Largest installed base provides unique access to data to support new product introductions and to grow recurring revenue software and service revenue
- Scaled player with high level of customer intimacy and stickiness
- Leverage current leading position to underpin base level of growth

Poised to benefit from positive industry trends

- Energy transition drives smart device rollouts and increases need for intelligent solutions
- Positioned to benefit from second wave of electricity smart device rollouts, given significant market share in Switzerland, UK, and Nordics

Clear path to short-term growth margin uplift and medium-term EBITDA-margin expansion

- Identified initiatives (footprint optimization, R&D efficiencies, supply chain, etc.) drive profitability

Growth opportunities through exposure to highly dynamic segments

- Smart water/heat, cybersecurity, EV, software and services, including flexibility management, DERMS, analytics

Strong ESG performance supports prime position to compete in European tenders

EMEA's production footprint has been successfully optimized to position the region to expand its margin profile

Market Data Source: Frost & Sullivan 2023

Q&A

Key Messages

- Landis+Gyr reconfirms its financial guidance for FY24 and FY25
- With a strong focus on the Americas, where EBITDA margins significantly exceed the Group average, Landis+Gyr is well-positioned in this highly attractive market
- In line with the Company's commitment to future allocation of capital to and value creation in the Americas, Landis+Gyr is evaluating the merits of a potential US listing; providing access to a larger pool of capital, enhancing comparisons with key sector peers, and presenting a compelling value proposition over the medium-term
- Furthermore, Landis+Gyr has initiated a strategic review for the best value creation from its EMEA business, aiming to position the region for long-term success
- A holistic update on these strategic initiatives will be presented during a Capital Markets Day in 2025

Landis+Gyr sharpens its strategic focus to drive value creation and evaluates potential listing in the US

Landis+Gyr

Dates & Contacts

Important Dates

Release of FY 2024 Results:
May 8, 2025

Capital Markets Day:
FY 2025

Publication of Annual Report 2024 and Invitation to AGM 2025:
May 28, 2025

Annual General Meeting 2025:
June 25, 2025

Release of H1FY 2025 Results:
October 28, 2025

Contacts

Eva Borowski
SVP Investor Relations &
Corporate Communications

Phone +41 41 935 6396
Eva.Borowski@landisgyr.com

Christian Waelti
Head Investor Relations

Phone +41 41 935 6331
Christian.Waelti@landisgyr.com

ir@landisgyr.com

www.landisgyr.com/investors

Landis+Gyr

Investing in the Future

#decarbonizethegrid

Landis+Gyr