

Landis+Gyr



Financial Report 2025

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Financial Review of Landis+Gyr Group

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Overview

The following discussion of the financial condition and results of the operations of Landis+Gyr Group AG (“Landis+Gyr”) and its subsidiaries (together, the “Company” or the “Group”) should be read in conjunction with the Consolidated Financial Statements, which have been prepared in accordance with US GAAP, and the related notes thereto included in this Financial Review. Due to rounding, the numbers presented may not add up to the totals provided.

This Financial Report contains non-GAAP measures of performance. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in the “Supplemental Reconciliations and Definitions” section of this Financial Review.

Landis+Gyr is a global leader in intelligent energy infrastructure. For 130 years, the Company has partnered with utilities to modernize the systems that power communities and economies around the world.

Landis+Gyr’s technologies connect devices, data and decisions across the grid, giving utilities the insight and operational control needed to manage increasingly complex energy systems. Through advanced sensing technologies, secure communications networks and powerful analytics, Landis+Gyr enables more reliable, resilient and efficient energy operations.

To best serve its customers, Landis+Gyr has organized its business into two regional reportable segments: the Americas and Asia Pacific.

– Americas comprises the United States, Canada, Central America, South America, Japan and certain other markets which adopt US standards. This segment reported 89% of the Company’s total net revenue for the financial year 2025 (FY 2025; April 1, 2025, to March 31, 2026), compared to 86% in the financial year 2024 (FY 2024; April 1, 2024, to March 31, 2025). The Company is a leading supplier of Advanced Metering Infrastructure (“AMI”) communications networks and the leading supplier of smart electricity meters in North America. In addition, Landis+Gyr is one of the leading suppliers of modern standalone and smart electric meters in South America.

– Asia Pacific comprises Australia, New Zealand, China, Hong Kong and Singapore, while the balance is generated in other markets in Asia. It reported 11% and 14% of Landis+Gyr’s total revenue for the financial years 2025 and 2024, respectively. In Asia Pacific (excluding China), the Company is one of the leading smart electricity meter providers.

On September 27, 2025, the Company entered into a share purchase agreement to divest its operations in the Europe, Middle East and Africa (“EMEA”) region to AURELIUS Investment Lux Twenty-Four SARL (“AURELIUS”) for USD 215.0 million, subject to certain adjustments, including working capital and net indebtedness. The transaction closed on April 8, 2026.

The results of the EMEA operations, as well as certain other smaller operations, are presented as discontinued operations. Unless otherwise noted, all amounts and commentaries included in this Financial Review 2025 reflect only continuing operations.

Summary of Financial Information

RESULTS OF OPERATIONS

USD in millions, except per share data	FINANCIAL YEAR ENDED MARCH 31,		
	2026	2025	2024
Order intake	1,106.8	1,989.9	1,376.6
Committed backlog as of March 31,	3,892.8	3,933.4	3,070.3
Net revenue	1,166.2	1,119.7	1,293.5
Cost of revenue	780.1	754.7	864.0
Gross profit	386.1	365.0	429.5
Operating expenses			
Research and development	92.8	109.5	110.4
Sales and marketing	39.6	35.5	36.4
General and administrative	125.4	104.5	115.7
Amortization of intangible assets	32.9	32.2	31.6
Impairment of intangible assets	–	–	–
Operating income	95.4	83.3	135.4
Interest and Other income (expense), net	(28.0)	(36.5)	(17.1)
Income from continuing operations before income taxes and equity method investments	67.4	46.8	118.4
Income tax benefit (expense)	(26.2)	(8.9)	(16.2)
Net income from equity investments	–	–	3.2
Income from continuing operations, net of tax	41.2	37.9	105.4
Net income (loss) on discontinued operations	(207.8)	(187.3)	3.2
Net income (loss) before noncontrolling interests	(166.6)	(149.4)	108.6
Net income (loss) attributable to noncontrolling interests, net of tax	2.3	1.1	(1.3)
Net income (loss) attributable to Landis+Gyr Group AG shareholders	(168.9)	(150.5)	110.0
Earnings per share (basic)	(5.87)	(5.21)	3.79
Earnings per share (diluted)	(5.87)	(5.21)	3.78
Adjusted gross profit	404.3	382.2	450.2
Adjusted operating expenses	236.8	231.2	255.5
Adjusted EBITDA	167.5	151.0	194.7
Free cash flow (excluding M&A)	61.1	53.7	91.1

SUMMARY CONSOLIDATED BALANCE SHEETS

USD in millions	March 31, 2026	March 31, 2025	March 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	232.9	171.6	127.8
Accounts receivable, net	285.1	272.8	185.0
Inventories, net	117.6	133.2	111.6
Prepaid expenses and other current assets	85.1	66.7	59.6
Current assets held for sale – discontinued	434.1	280.0	327.6
Total current assets	1,154.8	924.3	811.6
Property, plant and equipment, net	69.9	66.2	55.4
Intangible assets, net	57.5	91.4	120.0
Goodwill	762.1	762.0	764.3
Deferred tax assets	74.1	73.9	43.8
Other long-term assets	190.9	167.2	162.3
Noncurrent assets held for sale – discontinued operations	–	320.3	487.1
TOTAL ASSETS	2,309.2	2,405.4	2,444.4
LIABILITIES AND EQUITY			
Current liabilities			
Trade accounts payable	113.9	129.9	87.2
Accrued liabilities	40.6	34.8	25.7
Warranty provision – current	12.5	11.8	16.1
Payroll and benefits payable	44.3	37.7	54.5
Short-term debt	174.3	94.6	4.4
Operating lease liabilities – current	9.7	8.9	7.3
Other current liabilities	102.9	96.0	62.6
Current liabilities held for sale – discontinued operations	271.9	170.5	166.5
Total current liabilities	770.1	584.2	424.3
Long-term debt	249.4	249.5	248.2
Warranty provision – non current	4.6	7.4	7.0
Pension and other employee liabilities	8.9	6.7	6.2
Deferred tax liabilities	11.5	11.5	12.6
Tax provision	23.2	20.8	19.7
Operating lease liabilities – non current	37.2	36.0	36.2
Other long-term liabilities	94.3	105.4	48.6
Noncurrent liabilities held for sale – discontinued operations	–	66.1	90.2
Total liabilities	1,199.2	1,087.8	892.9
Redeemable noncontrolling interests	–	–	5.0
Total shareholders' equity	1,110.0	1,317.7	1,546.5
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,309.2	2,405.4	2,444.4

Order Intake

Order intake decreased by USD 883.1 million, or 44.4%, from USD 1,989.9 million in the year ended March 31, 2025, to USD 1,106.8 million in the year ended March 31, 2026, on a reported currency basis (44.5% on a constant currency basis). The strong order intake, equivalent to a book-to-bill ratio of 0.95, was driven by a positive momentum centered around Grid Edge technology.

Committed Backlog

Committed backlog decreased by USD 40.6 million, or 1.0%, from USD 3,933.4 million in the year ended March 31, 2025, to USD 3,892.8 million in the year ended March 31, 2026, on a reported currency basis (decrease of 1.7% on a constant currency basis).

As of March 31, 2026, in the Americas, committed backlog related to products, services and solutions was USD 3,744.6 million compared to USD 3,761.9 million as of March 31, 2025. The majority of the committed backlog in the Americas relates to the USA. In Asia Pacific, as of March 31, 2026, committed backlog was USD 148.2 million compared to USD 171.5 million as of March 31, 2025. Most of the current backlog is recorded in Australia.

Net Revenue

Net revenue increased by USD 46.5 million, or 4.2%, from USD 1,119.7 million in the year ended March 31, 2025, to USD 1,166.2 million in the year ended March 31, 2026, on a reported currency basis (increase of 3.8% on a constant currency basis). The increase in net revenue was predominantly driven by the Americas, amounting to USD 75.5 million. In the Americas segment, the increase in net revenue of 7.5%, on a constant currency basis, was driven by strong Revelo demand and the business in Japan. The Asia Pacific segment net revenue decreased by 19.1% on a constant currency basis, mainly driven by the timing of large projects.

Cost of Revenue and Gross Profit

Cost of revenue increased by USD 25.4 million, or 3.4%, from USD 754.7 million in the year ended March 31, 2025, to USD 780.1 million in the year ended March 31, 2026. This increase results directly from higher revenue net of operating leverage. As a result, gross profit increased by USD 21.1 million, or 5.8%, from USD 365.0 million (or 32.6% as a percentage of revenue) in the financial year 2024 to USD 386.1 million (or 33.1% as a percentage of revenue) in the financial year 2025.

OPERATING EXPENSES

USD in millions	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Research and development	92.8	109.5
Sales and marketing	39.6	35.5
General and administrative	125.4	104.5
Amortization of intangible assets	32.9	32.2
Total operating expenses	290.7	281.7

Research and Development

Research and development expenses decreased by USD 16.7 million, or 15.3%, to USD 92.8 million in the year ended March 31, 2026, representing 8.0% of sales compared to 9.8% in the prior year. This reduction reflects focused R&D efforts on region-specific needs while supporting the conversion of existing and pipeline backlog in the Americas and the continued development of smart ultrasonic gas and water technologies.

Sales and Marketing

Sales and marketing expenses increased by USD 4.1 million, or 11.5%, from USD 35.5 million in the year ended March 31, 2025, to USD 39.6 million in the year ended March 31, 2026, mainly attributable to an increase in personnel expenses.

General and Administrative

General and administrative expenses increased by USD 20.9 million, or 20.0%, from USD 104.5 million in the year ended March 31, 2025, to USD 125.4 million in the year ended March 31, 2026. The increase was primarily driven by higher personnel costs and increased consulting expenses incurred in support of the Company's strategic initiatives, including sharpening its focus on the Americas and Asia Pacific regions and advancing preparations related to a potential US listing announced in October 2024, aimed at better aligning capital markets access with the Group's operational footprint.

Amortization of Intangible Assets

Cost of revenue includes amortization charges in the amount of USD 1.0 million and USD 1.0 million for the years ended March 31, 2026, and March 31, 2025, respectively; amortization of intangible assets included under operating expenses increased by USD 0.8 million, or 2.4%, from USD 32.1 million in FY 2024 to USD 32.9 million in FY 2025.

Operating Income and Reported and Adjusted EBITDA

Operating income increased by USD 12.1 million to USD 95.4 million for the year ended March 31, 2026, from USD 83.3 million for the year ended March 31, 2025, reflecting stronger gross profit supported by higher volumes and operating leverage, reduced R&D expenses following a sharper regional focus and partially offset by increased SG&A personnel costs driven by variable remuneration and consulting spend. Operating income included depreciation and amortization of USD 54.8 million for the year ended March 31, 2026, and USD 52.6 million for the year ended March 31, 2025, which are included in various line items in the Consolidated Statements of Operations.

Operating income before depreciation and amortization, which corresponds to EBITDA, increased by USD 14.3 million, or 10.5%, from USD 135.9 million for the year ended March 31, 2025, to USD 150.2 million for the year ended March 31, 2026. EBITDA included non-recurring and other items in the financial year ended March 31, 2026, that Management assessed to be non-indicative of operational performance. These items are excluded from Adjusted EBITDA.

Adjusted EBITDA was USD 167.5 million in FY 2025, compared to USD 151.0 million in FY 2024. The non-recurring and other items which amounted to USD 17.4 million included (i) restructuring expenses in the amount of USD 5.1 million, which were related predominantly to operational efficiency initiatives in the Americas, (ii) change in unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized amounting to less than USD 0.0 million and (iii) transformation expenses of USD 12.2 million primarily related to the preparation of a US listing and the focus on the Americas region.

By comparison, in the financial year ended March 31, 2025, non-recurring and other items amounted to USD 15.1 million and included (i) restructuring costs of USD 4.4 million driven by similar efficiency initiatives in the Americas, (ii) transformation expenses of USD 10.8 million linked to the U.S. listing preparation and regional focus and (iii) a small negative impact of USD (0.1) million from unrealized derivatives movements.

For further details, refer to the next chapter: Segment Information.

INTEREST, OTHER INCOME (EXPENSE) AND INCOME TAX EXPENSE

USD in millions	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Interest income	3.5	1.8
Interest expense	(26.3)	(21.6)
Interest expense, net	(22.8)	(19.8)
Income (loss) on foreign exchange, net	(6.2)	1.2
Non-operational pension credit	8.1	4.8
Gain from change in fair value of earn-out liabilities	0.2	0.6
Swiss stamp tax	(7.1)	-
Loss from change in fair value and impairments of investments in equity securities	(0.1)	(23.3)
Other income (expense), net	(5.2)	(16.7)
Income from continuing operations before income taxes	67.4	46.8
Income tax expense	(26.2)	(8.9)

Interest Income

Interest income increased by USD 1.7 million from USD 1.8 million in the year ended March 31, 2025, to USD 3.5 million in the year ended March 31, 2026.

Interest Expense

Interest expense increased by USD 4.7 million from USD 21.6 million in the year ended March 31, 2025, to USD 26.3 million in the year ended March 31, 2026, primarily attributable to higher borrowings under the Company's credit facilities agreement during FY 2025.

Income (Loss) on Foreign Exchange, Net

The net result on foreign exchange shifted from an income of USD 1.2 million in the year ended March 31, 2025, to a loss of USD (6.2) million in the year ended March 31, 2026. During the year ended March 31, 2026, the US dollar depreciated against both the Swiss franc and the euro, while strengthening against the Japanese yen.

For a discussion of the Company's other income (expense), refer to Note 6: Other Income (Expense), net in its Consolidated Financial Statements.

Income Tax Expense

Income tax expense increased by USD 17.3 million, from USD (8.9) million in the year ended March 31, 2025, to USD (26.2) million in the year ended March 31, 2026. The higher tax expense was primarily driven by changes in the geographic mix of earnings, with increased profitability in the US and Brazilian jurisdictions, both of which are subject to higher statutory tax rates.

Loss on Discontinued Operations

The loss from discontinued operations primarily reflects the operating results incurred up to the date of disposal, together with transaction-related costs and other expenses directly attributable to the exit of the EMEA business. For both FY 2024 and FY 2025, the loss from discontinued operations was driven by disposal-related activities.

Segment Information

The following tables set forth net revenues and Adjusted EBITDA for Landis+Gyr's segments: Americas and Asia Pacific for FY 2025 and FY 2024:

KEY FIGURES	FINANCIAL YEAR ENDED MARCH 31,		CHANGE	
	2026	2025	USD	Constant Currency
USD in millions, unless otherwise indicated				
Committed backlog				
Americas	3,744.6	3,761.9	(0.5%)	(0.9%)
Asia Pacific	148.2	171.5	(13.6%)	(19.1%)
Total	3,892.8	3,933.4	(1.0%)	(1.7%)
Net revenue to external customers				
Americas	1,040.1	964.6	7.8%	7.5%
Asia Pacific	126.0	155.1	(18.8%)	(19.1%)
Total	1,166.2	1,119.7	4.2%	3.8%
Adjusted gross profit				
Americas	354.4	321.4	10.3%	
Asia Pacific	42.5	62.9	(32.4%)	
Inter-segment eliminations	7.4	(2.1)		
Total	404.3	382.2	5.8%	
Adjusted EBITDA				
Americas	196.0	156.6	25.2%	
Asia Pacific	22.2	44.1	(49.7%)	
Corporate unallocated	(50.7)	(49.7)		
Total	167.5	151.0	10.9%	
Adjusted EBITDA % of net revenue to external customers				
Americas	18.8%	16.2%		
Asia Pacific	17.6%	28.4%		
Group	14.4%	13.5%		

Americas

Segment Revenue

Net revenue to external customers in the Americas segment increased by USD 75.5 million, or 7.8%, from USD 964.6 million in the year ended March 31, 2025, to USD 1,040.1 million in the year ended March 31, 2026, on a reported currency basis (7.5% on a constant currency basis). The increase was mainly driven by higher volumes from the adoption of Revelo meters and the business in Japan as well as the delivery in FY 2025 of shipments deferred at the end of the prior year due to tariff uncertainties.

Segment Adjusted EBITDA

Adjusted EBITDA in the Americas segment increased by USD 39.4 million, or 25.2%, from USD 156.6 million in the year ended March 31, 2025, to USD 196.0 million in the year ended March 31, 2026. Adjusted EBITDA margin increased, primarily driven by higher gross profit resulting from increased volumes and a more favorable product mix as well as R&D expense optimization.

For a reconciliation of Adjusted EBITDA on a segment basis to Adjusted EBITDA on a Group basis, see the Supplemental Reconciliations and Definitions.

Asia Pacific

Segment Revenue

Net revenue to external customers in the Asia Pacific segment decreased by USD 29.1 million, or 18.8%, from USD 155.1 million in the year ended March 31, 2025, to USD 126.0 million in the year ended March 31, 2026, on a reported currency basis ((19.1)% on a constant currency basis). Revenues were impacted by the completion of large project deliveries, particularly in Hong Kong.

Segment Adjusted EBITDA

Adjusted EBITDA in the Asia Pacific segment decreased by USD 21.9 million, or 49.7%, from USD 44.1 million in the year ended March 31, 2025, to USD 22.2 million in the year ended March 31, 2026. Prior year results included a one-off real estate gain in India of USD 11.0 million and a favorable sales mix across several markets, while the FY 2025 decrease reflected the absence of this gain as well as lower revenues.

For a reconciliation of Adjusted EBITDA on a segment basis to Adjusted EBITDA on a Group basis, see the Supplemental Reconciliations and Definitions.

Restructuring and Other Saving Initiatives

The Company continually reviews its business, manages costs and aligns resources with market demand. As a result, the Company has taken several actions to reduce fixed costs, eliminate redundancies, strengthen operational focus and better position itself to respond to market pressures or unfavorable economic conditions.

The following table outlines the cumulative three-year and current costs incurred to date under these programs per segment:

RESTRUCTURING CHARGES		
USD in millions	Cumulative costs incurred up to March 31, 2026	Total costs incurred in the financial year ended March 31, 2026
Americas	13.6	4.3
Asia Pacific	0.2	–
Corporate	3.1	0.8
Restructuring charges	16.9	5.1

The restructuring activities during FY 2025 were aimed at streamlining the organization to increase efficiencies and optimize the Company's cost structure primarily in the Americas region.

The cumulative costs incurred up to March 31, 2026, represent the Company's ongoing restructuring efforts under various programs over the last three financial years.

Liquidity and Capital Resources

The Company funds its operations and growth with cash flow from operations and borrowings. Cash flows may fluctuate and are sensitive to many factors including changes in working capital, the timing and magnitude of capital expenditures and repayment of debt.

The Company believes that cash flow from operating activities, available cash and cash equivalents and access to borrowing facilities will be sufficient to fund currently anticipated working capital, planned capital spending, debt service requirements, dividend payments to shareholders, if any, and the share-based compensation schemes for at least the next twelve months. Over the longer term, the Company believes that its cash flows from operating activities, available cash and cash equivalents and access to borrowing facilities will be sufficient to fund Landis+Gyr's capital expenditures, debt service requirements and dividend payments. The Company also regularly reviews acquisition and other strategic opportunities, which may require additional debt or equity financing.

Unless otherwise indicated, the numbers disclosed in this chapter relate to both continuing and discontinued operations.

CASH FLOW

USD in millions	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Cash flow provided by operating activities	98.3	78.9
Cash flow used in investing activities	(38.7)	(36.2)
Purchase of investments	1.5	–
Proceeds from the sale of investments, net of divested cash	–	11.1
Free cash flow (excluding M&A)	61.1	53.7
Cash flow provided by financing activities	3.0	2.2

Operating Activities

Cash flow provided by operating activities increased by USD 19.4 million from USD 78.9 million in the financial year 2024 to USD 98.3 million in the financial year 2025. The increase is primarily attributable to revenue growth, improved profitability and working capital management.

Investing Activities

Cash flow used in investing activities increased by USD (2.5) million from USD (36.2) million in the financial year 2024 to USD (38.7) million in the financial year 2025, owing to higher expenditure for new products introduction and replacements as well as investments ahead of the carve-out of the EMEA operations.

Financing Activities

Cash flow provided by financing activities slightly increased by USD 0.8 million, from USD 2.2 million in the financial year 2024 to USD 3.0 million in the financial year 2025. In the year ended March 31, 2026, the inflow from financing activities was driven mainly by the net proceeds from third party credit facilities of USD 73.6 million, net of the dividend payment of USD (41.2) million and the purchase of treasury shares of USD (28.6) million.

In the year ended March 31, 2025, the inflow from financing activities was driven mainly by the proceeds from the corporate credit facility agreements of USD 90.0 million, net of the dividend payment of USD (72.5) million and the purchase of treasury shares of USD (8.2) million.

Net Operating Working Capital

One key factor affecting cash flow from operating activities is, amongst others, changes in working capital. Operating working capital ("OWC") reflects trade account receivables from third and related parties (net of allowance for credit losses) including notes receivables and unbilled receivables, plus net inventories less trade accounts payable from third and related parties including prepayments. The table below outlines Landis+Gyr's operating working capital from continuing operations for the Company as of March 31, 2026, and March 31, 2025.

NET OPERATING WORKING CAPITAL		
USD in millions, except percentages	March 31, 2026	March 31, 2025
Accounts receivable, net ⁽¹⁾	289.3	276.5
Inventories, net	117.6	133.2
Trade accounts payable	(113.9)	(129.9)
Operating working capital	292.9	279.8
Operating working capital as a percentage of net revenue	25.1%	25.0%

¹ Including the long-term portion of accounts receivable, net, which is included in Other long-term assets in the Consolidated Balance Sheets.

During the period under review, the main changes to the Group's OWC arose from the timing of invoicing customers and disbursements to suppliers as well as tight inventory control.

Capital Expenditures

Capital expenditures increased by USD 6.6 million, or 20.6%, from USD 31.9 million in FY 2024 to USD 38.5 million in FY 2025, focused on investments for the preparation of the EMEA business' carve-out, new product introductions and upgrades to manufacturing facilities.

Net Debt

The table below presents the components of net debt as of March 31, 2026, and March 31, 2025.

NET DEBT		
USD in millions	March 31, 2026	March 31, 2025
Cash and cash equivalents	(232.9)	(171.6)
Credit facilities	419.4	339.5
Other borrowings	4.3	4.6
Other financial liabilities (assets), net	6.8	9.0
Net debt	197.6	181.6

The Company's policy is to ensure the Group will have adequate financial flexibility at all times without incurring unnecessary cost. Financial flexibility can be either provided through direct access to debt capital markets (private placement markets) or money markets (commercial paper) or through the establishment of bank facilities, either on a bilateral basis or on a syndicated basis.

Indebtedness

Total outstanding debt was as follows:

INDEBTEDNESS		
USD in millions	March 31, 2026	March 31, 2025
Credit facilities	419.4	339.5
Other borrowings	4.3	4.6
Debt	423.6	344.1

For the description of the Company's indebtedness, refer to Note 17: Debt in its Consolidated Financial Statements.

Critical Accounting Policies and Estimates

The Consolidated Financial Statements of the Company have been prepared in accordance with US GAAP. The preparation of the financial statements requires Management to make estimates and assumptions, which have an effect on the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the balance sheet date and on the reported amounts of revenues and expenses during the reporting period.

Management evaluates the estimates on an ongoing basis, including, but not limited to, those related to costs of product guarantees and warranties, allowances for credit losses, recoverability of inventories, fixed assets, goodwill and other intangible assets, income tax expenses and provisions related to uncertain tax positions, pensions and other post-retirement benefit assumptions and legal and other contingencies.

Where appropriate, the estimates are based on historical experience and on various other assumptions that Management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from the Company's estimates and assumptions.

The Company deems an accounting policy to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made and if different estimates that reasonably could have been used, or if changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the Company's Consolidated Financial Statements.

Management also deems an accounting policy to be critical when the application of such policy is essential to the Company's ongoing operations. Management believes the following critical accounting policies require difficult and subjective judgments to be made, often as a result of the need to make estimates regarding matters that are inherently uncertain.

The following policies should be considered when reading the Consolidated Financial Statements:

- Revenue Recognition
- Business and Assets Acquisitions
- Discontinued Operations
- Contingencies
- Inventories
- Pension and Other Post-retirement Benefits
- Income Taxes
- Goodwill and Other Intangible Assets
- Warranty
- Leases

For a summary of the Company's accounting policies and a description of accounting changes and recent accounting pronouncements, including the expected dates of adoption and estimated effects, if any, on Landis+Gyr's Consolidated Financial Statements, see Note 2: Summary of Significant Accounting Principles in its Consolidated Financial Statements.

Supplemental Reconciliations and Definitions

Adjusted EBITDA

The reconciliation of Operating income (loss) to Adjusted EBITDA is as follows for the financial years ended March 31, 2026, and March 31, 2025:

ADJUSTED EBITDA	L+G GROUP AG		AMERICAS		ASIA PACIFIC		CORPORATE UNALLOCATED	
	FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025	2026	2025	2026	2025	2026	2025
USD in thousands, unless otherwise indicated								
Operating income (loss)	95,406	83,314	148,443	110,108	19,179	42,177	(72,216)	(68,971)
Amortization of intangible assets	33,932	33,167	25,681	25,707	14	23	8,237	7,437
Depreciation	20,833	19,384	17,585	17,416	2,965	1,968	283	-
EBITDA	150,171	135,865	191,709	153,231	22,158	44,168	(63,696)	(61,534)
Restructuring charges	5,149	4,446	4,337	3,389	-	45	812	1,012
Timing difference on FX derivatives ⁽¹⁾	44	(131)	-	-	44	(131)	-	-
Transformation expenses ⁽²⁾	12,172	10,811	-	-	-	-	12,172	10,811
Adjusted EBITDA	167,536	150,991	196,046	156,620	22,202	44,082	(50,712)	(49,711)
Adjusted EBITDA margin (%)	14.4%	13.5%	18.8%	16.2%	17.6%	28.4%		

1) Timing difference on FX derivatives represents unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized.

2) Transformation expenses relate to the strategic review of the EMEA region, the preparation of a US listing and the focus on the Americas region.

Adjusted Gross Profit

The reconciliation of Gross profit to Adjusted gross profit is as follows for the financial years ended March 31, 2026, and March 31, 2025:

ADJUSTED GROSS PROFIT	L+G GROUP AG		AMERICAS		ASIA PACIFIC		CORPORATE UNALLOCATED	
	FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025	2026	2025	2026	2025	2026	2025
USD in thousands, unless otherwise indicated								
Gross profit	386,144	364,998	337,008	304,725	41,723	62,394	7,413	(2,121)
Amortization of intangible assets	1,011	1,014	998	992	13	22	-	-
Depreciation	16,405	16,264	15,680	15,649	726	615	(1)	-
Restructuring charges	718	32	718	32	-	-	-	-
Timing difference on FX derivatives	44	(131)	-	-	44	(131)	-	-
Adjusted gross profit	404,322	382,177	354,404	321,398	42,506	62,900	7,412	(2,121)
Adjusted gross profit margin (%)	34.7%	34.1%	34.1%	33.3%	33.7%	40.6%		

Adjusted Operating Expenses

The reconciliation of Operating expenses to Adjusted operating expenses is as follows for the financial years ended March 31, 2026, and March 31, 2025:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Research and development	92,803	109,524
Depreciation	(2,390)	(1,753)
Restructuring charges	(1,795)	(1,102)
Adjusted research and development	88,618	106,669
Sales and marketing	39,628	35,535
General and administrative	125,386	104,472
Depreciation	(2,037)	(1,367)
Restructuring charges	(2,636)	(3,312)
Transformation expenses	(12,172)	(10,811)
Adjusted sales, general and administrative	148,169	124,517
Adjusted operating expenses	236,787	231,186

Main Exchange Rates Applied

The following exchange rates against the USD have been applied for the most important currencies concerned:

Exchange rates	INCOME STATEMENT AVERAGE EXCHANGE RATE, 12 MONTHS		EXCHANGE RATE ON BALANCE-SHEET DATE	
	2026	2025	March 31, 2026	March 31, 2025
Switzerland – CHF	1.2469	1.1281	1.2483	1.1307
Japan – JPY	0.0066	0.0066	0.0063	0.0067
Brazil – BRL	0.1838	0.1783	0.1925	0.1747
Australia – AUD	0.6609	0.6521	0.6886	0.6241
United Kingdom – GBP	1.3405	1.2760	1.3216	1.2907
Euro countries – EUR	1.1593	1.0737	1.1541	1.0812

Glossary

The following table provides definitions for key terms and abbreviations used within this Financial Report.

Term	Definition
Adjusted EBITDA	EBITDA excluding restructuring charges, timing difference on FX derivatives and transformation expenses
Adjusted Gross Profit	Total revenue minus the cost of revenue, adjusted for depreciation, amortization, restructuring charges and timing difference on FX derivatives
Adjusted Operating Expense	Research and development expense (net of research and development related income), plus sales and marketing expense, plus general and administrative expense, adjusted for depreciation, restructuring charges and transformation expenses
Basic EPS	The amount of earnings for the period divided by the weighted-average number of shares of common stock outstanding during the reporting period
Capex	Capital expenditures (cash used to acquire property, plant and equipment and intangible assets)
Committed Backlog	Cumulative sum of the awarded contracts, with firm volume and price commitments, that are not fulfilled as of the end of the reporting period
Cost of Revenue	Cost of manufacturing and delivering the products or services sold during the period
Diluted EPS	The amount of earnings for the period divided by the weighted-average number of shares of common stock outstanding during the reporting period, including the shares that would have been outstanding assuming the issuance of common shares for all potentially dilutive common shares outstanding during the reporting period

Term	Definition
EBITDA	Earnings before interest, taxes, depreciation & amortization and impairment of intangible assets
Effective Cash Tax Rate	Total projected cash tax payments as a percentage of income (loss) before income tax expenses
Effective P&L tax rate	Total projected tax expense including current and deferred taxes, as well as discrete events as a percentage of income (loss) before income tax expenses
EPS	Earnings per Share (the Company's total earnings divided by the weighted-average number of shares outstanding during the period)
Free Cash Flow (excluding M&A)	Cash flow from operating activities (including changes in net operating working capital) minus cash flow from investing activities (capital expenditures in fixed and intangible assets) excluding mergers, acquisition and divestment activities
Net Debt	Current and non-current loans and borrowings less cash and cash equivalents
Net Revenue	Income realized from executing and fulfilling customer orders, before any costs or expenses are deducted
Order Intake	Sum of awarded contracts during the reporting period with firm volume and price commitments

Consolidated Financial Statements of Landis+Gyr Group AG

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Report of the statutory auditor to the General Meeting of Landis+Gyr Group AG, Cham

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Landis+Gyr Group AG and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of March 31, 2026 and 2025, and the related consolidated statements of operations, consolidated statements of comprehensive income, consolidated statements of changes in shareholders' equity and consolidated statements of cash flows for the years then ended, and the related notes, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements (pages 20 to 66) present fairly, in all material respects, the financial position of the Company as of March 31, 2026 and 2025, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America (US GAAP) and comply with Swiss law.

Basis for opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (US GAAS), Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as the independence requirements relating to our audit. We have also fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key audit matters

Key audit matters are those matters that were communicated with those charged with governance and, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial



statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

Key audit matter	How our audit addressed the key audit matter
<p>As described in Notes 2.6 and 7 to the consolidated financial statements, the Company recognized net revenue of USD 1.2 billion for the year ended March 31, 2026. Revenue is primarily generated from the sale of hardware, software and Software-as-a-Service (SaaS) offerings, as well as related services, including implementation, installation, maintenance and extended warranties.</p> <p>Revenue is recognized upon transfer of control in accordance with contractual terms. Many arrangements include multiple performance obligations, requiring management to determine whether goods and services are distinct and to allocate the transaction price based on estimated standalone selling prices. The Company is required to estimate variable consideration (if any), such as liquidated damage provisions, rebates and volume and early payment discounts, and to factor that estimation into the determination of the transaction price.</p> <p>The principal consideration for our determination that revenue recognition is a key audit matter is the high degree of effort in performing audit procedures related to the Company's revenue recognition.</p>	<p>Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the Company's revenue recognition processes and evaluating the design of relevant controls. • Evaluating contracts, including assessing the identification of distinct performance obligations and the reasonableness of management's estimates when determination of standalone selling prices where allocation of the transaction price was required. • Testing revenue recognized for a sample of revenue transactions by obtaining and inspecting source documents, such as purchase orders, invoices, evidence of delivery or performance, and cash receipts. • Confirming a sample of outstanding customer invoice balances as of March 31, 2026, and, for confirmations not returned, obtaining and inspecting source documents, such as invoices, evidence of delivery or performance, and subsequent cash receipts.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with US GAAP and the provisions of Swiss law, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, the Board of Directors is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued; to disclose, as applicable, matters related to going concern; and to use the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS, Swiss law and SA-CH will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, Swiss law and SA-CH, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Company audit. We remain solely responsible for our audit opinion.



We are required to communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other information

The Board of Directors is responsible for the other information included in the annual report. The other information comprises information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of Landis+Gyr Group AG, the remuneration report of Landis+Gyr Group AG and our auditor's reports thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.


In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. We have nothing to report in this regard.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG


Patrick Balkanyi
Licensed audit expert
Auditor in charge


Keleigh Ramos

Zug, May 28, 2026

Consolidated Statements of Operations

USD in thousands, except per share data	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Net revenue	1,166,234	1,119,699
Cost of revenue	780,090	754,701
Gross profit	386,144	364,998
Operating expenses		
Research and development	92,803	109,524
Sales and marketing	39,628	35,535
General and administrative	125,386	104,472
Amortization of intangible assets	32,921	32,153
Operating income	95,406	83,314
Interest income	3,485	1,800
Interest expense	(26,317)	(21,627)
Other income (expense), net	(5,189)	(16,714)
Income from continuing operations before income taxes	67,385	46,773
Income tax expense	(26,225)	(8,892)
Income from continuing operations, net of tax	41,160	37,881
Discontinued operations		
Loss on discontinued operations before income taxes	(196,785)	(187,095)
Income tax expense	(11,006)	(180)
Loss on discontinued operations, net of tax	(207,791)	(187,275)
Net loss	(166,631)	(149,394)
Income attributable to noncontrolling interests	2,265	1,070
Net loss attributable to Landis+Gyr Group AG shareholders	(168,896)	(150,464)
Amount attributable to Landis+Gyr Group AG shareholders		
Income from continuing operations, net of tax	41,160	37,881
Loss from discontinued operations, net of tax	(210,056)	(188,345)
Net loss	(168,896)	(150,464)

USD in thousands, except per share data	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Basic earnings per share attributable to Landis+Gyr Group AG shareholders		
Income from continuing operations, net of tax	1.43	1.31
Loss from discontinued operations, net of tax	(7.31)	(6.52)
Net loss	(5.87)	(5.21)
Diluted earnings per share attributable to Landis+Gyr Group AG shareholders		
Income from continuing operations, net of tax	1.43	1.31
Loss from discontinued operations, net of tax	(7.30)	(6.52)
Net loss	(5.87)	(5.21)
Weighted-average number of shares used in computing earnings per share		
Basic	28,747,244	28,875,638
Diluted	28,759,519	28,901,355

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Comprehensive Income

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Net loss	(166,631)	(149,394)
Other comprehensive loss		
Foreign currency translation adjustments, net of tax	14,674	826
Pension plan benefits liability adjustments, net of tax	12,655	(3,178)
Comprehensive loss	(139,302)	(151,746)
Net income attributable to noncontrolling interests, net of tax	(2,265)	(1,070)
Foreign currency translation adjustments attributable to the noncontrolling interests, net of tax	(672)	(43)
Comprehensive loss attributable to Landis+Gyr Group AG shareholders	(142,239)	(152,859)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Balance Sheets

USD in thousands, except share data	March 31, 2026	March 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	232,905	171,564
Accounts receivable, net of allowance for credit losses of USD 2.5 million and USD 2.3 million	285,108	272,799
Inventories, net	117,557	133,202
Prepaid expenses and other current assets	85,103	66,734
Current assets held for sale – discontinued operations	434,131	279,967
Total current assets	1,154,804	924,266
Property, plant and equipment, net	69,877	66,235
Intangible assets, net	57,489	91,421
Goodwill	762,069	762,035
Deferred tax assets	74,064	73,910
Other long-term assets	190,881	167,215
Noncurrent assets held for sale – discontinued operations	–	320,335
TOTAL ASSETS	2,309,184	2,405,417
LIABILITIES AND EQUITY		
Current liabilities		
Trade accounts payable	113,924	129,929
Accrued liabilities	40,575	34,832
Warranty provision – current	12,537	11,798
Payroll and benefits payable	44,319	37,749
Short-term debt	174,276	94,556
Operating lease liabilities – current	9,707	8,892
Other current liabilities	102,873	96,008
Current liabilities held for sale – discontinued operations	271,922	170,473
Total current liabilities	770,133	584,237

USD in thousands, except share data	March 31, 2026	March 31, 2025
Long-term debt	249,371	249,522
Warranty provision – non current	4,578	7,375
Pension and other employee liabilities	8,922	6,720
Deferred tax liabilities	11,490	11,475
Tax provision	23,223	20,841
Operating lease liabilities – non current	37,209	36,035
Other long-term liabilities	94,262	105,419
Noncurrent liabilities held for sale – discontinued operations	–	66,140
Total liabilities	1,199,188	1,087,764
Commitments and contingencies – Note 25		
Shareholders' equity		
Landis+Gyr Group AG shareholders' equity		
Registered ordinary shares (28,908,944 and 28,908,944 issued shares at March 31, 2026, and March 31, 2025, respectively)	302,756	302,756
Additional paid-in capital	913,853	953,920
Retained earnings (Accumulated deficit)	(33,502)	135,394
Accumulated other comprehensive loss	(45,256)	(71,913)
Treasury shares, at cost (477,394 and 89,337 shares at March 31, 2026, and March 31, 2025, respectively)	(31,166)	(5,413)
Total Landis+Gyr Group AG shareholders' equity	1,106,685	1,314,744
Noncontrolling interests	3,311	2,909
Total shareholders' equity	1,109,996	1,317,653
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,309,184	2,405,417

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity

USD in thousands except for shares	Registered ordinary shares		Additional paid-in capital	Retained earnings (Accumulated deficit)	Accumulated other comprehensive loss	Treasury shares	Total Landis+Gyr Group AG equity	Noncontrolling interests	Total shareholders' equity
	Shares	Amounts							
Balance at March 31, 2024	28,908,944	302,756	1,029,603	285,858	(69,518)	(4,014)	1,544,685	1,796	1,546,481
Net income (loss)	-	-	-	(150,464)	-	-	(150,464)	1,070	(149,394)
Foreign currency translation adjustments, net of income tax expense	-	-	-	-	783	-	783	43	826
Pension plan benefits liability adjustment, net of income tax expense	-	-	-	-	(3,178)	-	(3,178)	-	(3,178)
Dividends paid (CHF 2.25 per share)	-	-	(72,473)	-	-	-	(72,473)	-	(72,473)
Share-based compensation	-	-	2,761	-	-	-	2,761	-	2,761
Purchase of treasury shares	-	-	-	-	-	(8,167)	(8,167)	-	(8,167)
Delivery of shares	-	-	(5,654)	-	-	5,654	-	-	-
Employee stock purchase plan	-	-	(317)	-	-	1,114	797	-	797
Balance at March 31, 2025	28,908,944	302,756	953,920	135,394	(71,913)	(5,413)	1,314,744	2,909	1,317,653
Net income (loss)	-	-	-	(168,896)	-	-	(168,896)	2,265	(166,631)
Foreign currency translation adjustments, net of income tax expense	-	-	-	-	14,002	-	14,002	672	14,674
Pension plan benefits liability adjustment, net of income tax expense	-	-	-	-	12,655	-	12,655	-	12,655
Dividends paid (CHF 1.15 per share)	-	-	(41,164)	-	-	-	(41,164)	-	(41,164)
Dividends paid to noncontrolling interests	-	-	-	-	-	-	-	(2,535)	(2,535)
Purchase of treasury shares	-	-	-	-	-	(28,630)	(28,630)	-	(28,630)
Delivery of shares	-	-	(2,877)	-	-	2,877	-	-	-
Share-based compensation	-	-	3,974	-	-	-	3,974	-	3,974
Balance at March 31, 2026	28,908,944	302,756	913,853	(33,502)	(45,256)	(31,166)	1,106,685	3,311	1,109,996

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Cash flow from operating activities		
Net loss	(166,631)	(149,394)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	54,763	52,551
Non-cash effects from discontinued operations	238,584	185,990
Share-based compensation	3,974	2,761
Loss (gain) on disposal of property, plant and equipment	120	(10,641)
Loss (gain) on foreign exchange, net	6,232	(1,214)
Change in allowance for credit losses	211	(639)
Deferred income tax	(1,968)	(37,626)
Change in operating assets and liabilities, net of effect of businesses acquired and effect of changes in exchange rates:		
Accounts receivable	(12,762)	(92,712)
Inventories, including advance payments	16,868	(28,515)
Trade accounts payable	(14,130)	43,039
Other assets and liabilities	(26,980)	115,291
Net cash provided by operating activities	98,281	78,891
Cash flow from investing activities		
Payments for property, plant and equipment	(38,511)	(28,121)
Payments for intangible assets	(4)	(3,825)
Proceeds from the sale of property, plant and equipment	1,346	6,782
Purchase of investments	(1,500)	-
Proceeds from the sale of investments, net of divested cash	-	(11,075)
Net cash used in investing activities	(38,669)	(36,239)

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Cash flow from financing activities		
Proceeds from third party facility	90,537	236,502
Repayment of borrowings to third party facility	(16,974)	(149,396)
Purchase of treasury shares	(28,630)	(8,167)
Debt issuance cost	(350)	-
Purchase of redeemable noncontrolling interests	-	(5,063)
Dividends paid	(41,164)	(72,473)
Dividends paid to noncontrolling interests	(2,535)	-
Net cash from settlement of foreign currency derivatives to hedge financing activities	2,109	-
Issuance of shares	-	797
Net cash provided by financing activities	2,993	2,200
Net increase in cash and cash equivalents	62,605	44,852
Cash and cash equivalents at beginning of period	171,564	128,508
Effects of foreign exchange rate changes on cash and cash equivalents	(1,264)	(1,796)
Cash and cash equivalents at end of period	232,905	171,564
Supplemental cash flow information		
Cash paid for income tax	56,103	44,791
Cash paid for interest	20,733	22,045

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 1: Description of Business and Organization

Description of Business

Landis+Gyr Group AG (“Landis+Gyr”) and subsidiaries (together, the “Company” or the “Group”) form a leading global provider of integrated energy management solutions. The Company is organized in a geographical structure which corresponds to the regional segments of the Americas and Asia Pacific. Landis+Gyr offers a comprehensive portfolio of products and services, including meters, related devices, communications technologies and software applications that are essential to the measurement and management of energy distribution and consumption.

As discussed in Note 3: Discontinued Operations, on September 27, 2025, the Company entered into a share purchase agreement to divest its operations in the Europe, Middle East and Africa (“EMEA”) region to AURELIUS Investment Lux Twenty-Four SARL (“AURELIUS”) for USD 215.0 million, subject to certain adjustments, including working capital and net indebtedness. The transaction closed on April 8, 2026. The results of the EMEA operations, as well as certain other smaller operations, are presented as discontinued operations in the accompanying Consolidated Statements of Operations for all periods presented. The assets and liabilities of the EMEA reporting unit and the other smaller operations have been reflected as assets and liabilities held for sale of discontinued operations in the accompanying Consolidated Balance Sheets for all prior periods presented.

Unless otherwise noted, all amounts and disclosures included in these notes to the Consolidated Financial Statements reflect only Landis+Gyr’s continuing operations. Refer to Note 3: Discontinued Operations for additional details.

The Company’s registered ordinary shares are listed on the SIX Swiss Exchange (Valor number: 37115349; ISIN: CH0371153492; Ticker symbol: LAND).

Note 2: Summary of Significant Accounting Principles

2.1 Basis of Presentation

The Consolidated Financial Statements are prepared in accordance with generally accepted accounting principles in the United States of America (“US GAAP”). All amounts are presented in United States Dollars (“USD”), unless otherwise stated.

2.2 Principles of Consolidation

The Consolidated Financial Statements include the accounts of Landis+Gyr Group AG and its wholly owned and majority owned subsidiaries. The Company consolidates companies in which it owns or controls more than fifty percent of the voting shares or has the ability to execute direct or indirect control.

The Company presents noncontrolling interests in less-than-wholly owned subsidiaries within the equity section of its Consolidated Financial Statements. On March 31, 2026, and on March 31, 2025, the Company had one less-than-wholly owned subsidiary, Landis+Gyr (Pty) Ltd in South Africa, with an ownership interest of 76.7% in both periods.

All intercompany balances and transactions have been eliminated.

Affiliates are companies where the Company has the power to exercise significant influence but does not have control. Significant influence may be obtained when the Company has 20% or more of the voting rights in the investee or has obtained a seat on the Board of Directors or otherwise participates in the policy-making process of the investee. Affiliated companies are accounted for using the equity method.

2.3 Use of Estimates

The preparation of financial statements in accordance with US GAAP requires Management to make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and accompanying notes. Significant items subject to such estimates include warranty provisions, allowances for credit losses, valuation of inventories, valuation allowances for deferred tax assets, valuation of goodwill and other intangible assets, valuation of defined benefit pension obligations, income tax uncertainties and other contingencies and items recorded at fair value, including assets and liabilities obtained in a business combination. Actual results may differ materially from these estimates.

Global economic impacts beyond the Company’s control, such as pandemics, global shortage of energy or supplied components as well as increased freight rates, duties, taxes or tariffs, business risks associated with the volatile global economic environment and changing political conditions, including wars or military actions, may create disruption in customer demand and global supply chains, resulting in market volatility, which the Company continues to monitor and, where reasonably possible, to manage and mitigate. A major disruption in the global economy and supply chain could have a material adverse effect on the Company’s business, prospects, financial condition, results of operations and cash flows.

2.4 Held for Sale

The Company classifies its long-lived assets or disposal groups to be sold as held for sale in the period in which all of the held-for-sale criteria are met. The disposal groups, consisting of the associated assets and liabilities, are measured at the lower of carrying value or fair value, less costs to sell at each reporting period and until the asset or disposal group is no longer classified as held for sale. The carrying amount of any assets, including goodwill, that are part of the disposal groups, but not in the scope of ASC 360-10, Property, Plant, and Equipment, are tested for impairment under the relevant guidance prior to measuring the disposal groups at fair value, less costs to sell. The fair value is based on the use of estimates and is subject to change based on future developments and actual amounts realized upon sale. Any resulting loss is recognized in the period in which the held-for-sale criteria are met, while gains are not recognized on the sale of a long-lived asset or disposal group until the date of sale.

2.5 Discontinued Operations

Businesses to be divested are classified in the Consolidated Financial Statements as either discontinued operations or held for sale. For businesses classified as discontinued operations, the balance sheet amounts and results of operations are reclassified from their historical presentation to assets and liabilities of discontinued operations on the Consolidated Balance Sheets and to discontinued operations on the Consolidated Statements of Operations and Comprehensive (Loss) Income, respectively, for all periods presented. The gains or losses associated with these divested businesses are also recorded in discontinued operations in the Consolidated Statements of Operations and Comprehensive (Loss) Income. Additionally, the accompanying notes do not include the operating results of businesses classified as discontinued operations for all periods presented with the exception of Note 3: Discontinued Operations.

2.6 Revenue Recognition

The majority of the Company's revenues consist of hardware sales but may also include the license of software, software implementation services, cloud services and Software-as-a-Service (SaaS), project management services, installation services, post-sale maintenance support and extended or noncustomary warranties. The Company accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and the collectability of consideration is probable. In determining whether the definition of a contract has been met, the Company considers whether the arrangement creates enforceable rights and obligations, which involves evaluation of agreement terms that would allow for the customer to terminate the agreement. If the customer has the unilateral right to terminate a wholly unperformed agreement without providing consideration to the Company, the agreement would not be considered to meet the definition of a contract.

Many of the Company's revenue arrangements involve multiple performance obligations

consisting of hardware, meter reading system software, installation and/or project management services.

Separate contracts entered into with the same customer (or related parties of the customer) at or near the same time are accounted for as a single contract where one or more of the following criteria are met:

- The contracts are negotiated as a package with a single commercial objective;
- The amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
- The goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

Once the contract has been defined, the Company evaluates whether the promises in the contract should be accounted for as more than one performance obligation. This evaluation requires significant judgment, and the decision to separate the combined or single contract into multiple performance obligations could change the amount of revenue and profit recognized in a given period. For some projects, the customer requires the Company to provide a significant service of integrating, customizing or modifying goods or services in the contract in which case the goods or services would be combined into a single performance obligation. It is common that the Company may promise to provide multiple distinct goods or services within a contract in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. If applicable, for goods or services where observable standalone sales are available, the observable standalone sales are used to determine the standalone selling price. In the absence of observable standalone sales, the Company estimates the standalone selling price using either the adjusted market assessment approach or the expected cost plus a margin approach. Approaches used to estimate the standalone selling price for a given good or service will maximize the use of observable inputs and consider several factors, including the Company's pricing practices, costs to provide a good or service, the type of good or service and availability of other transactional data, among others. The Company determines the estimated standalone selling prices of goods or services used in the allocation of arrangement consideration on an annual basis or more frequently if there is a significant change in the business or if the Company experiences significant variances in its transaction prices.

Many of the Company's contracts with customers include variable consideration, which can include liquidated damage provisions, rebates and volume and early payment discounts. Some of the contracts with customers contain clauses for liquidated damages related to the timing of delivery or milestone accomplishments, which could become material in the event of failure to meet the contractual deadlines. At the inception of the

arrangement and on an ongoing basis, the Company evaluates the probability and magnitude of having to pay liquidated damages. The Company estimates variable consideration using the expected value method, taking into consideration contract terms, historical customer behavior and historical sales. In the case of liquidated damages, the Company also takes into consideration progress toward meeting contractual milestones, including whether milestones have not been achieved, specified rates, if applicable, stated in the contract, and the history of paying liquidated damages to the customer or similar customers. Variable consideration is included in the transaction price if, in Management's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur.

In the normal course of business, the Company does not accept product returns unless the item is defective as manufactured. The Company establishes provisions for estimated returns and warranties. In addition, the Company does not typically provide customers with the right to a refund.

Hardware revenues are recognized at a point in time. Transfer of control is typically at the time of shipment, receipt by the customer or, if applicable, upon receipt of customer acceptance provisions. The Company recognizes revenue prior to receipt of customer acceptance for hardware in cases where the customer acceptance provision is determined to be a formality. Transfer of control would not occur until receipt of customer acceptance in hardware arrangements where such provisions are subjective or where the Company does not have a history of meeting the acceptance criteria.

Perpetual software licenses are considered to be a right to use intellectual property and are recognized at a point in time. Transfer of control is considered to be at the point at which it is available to the customer to download and use or upon receipt of customer acceptance. In certain contracts, software licenses may be sold with professional services including implementation services that involve a significant service of integrating, customizing or modifying the software. In these instances, the software license is combined into a single performance obligation with the implementation services and recognized over time as the implementation services are performed or, if applicable, upon receipt of customer acceptance provisions.

Cloud services and SaaS arrangements where customers have access to some of our software within a cloud-based IT environment that we manage, host and support are offered to customers on a subscription basis. Revenue for the cloud services and SaaS offerings is generally recognized over time, ratably over the contract term commencing on the date the services are made available to the customer.

Professional services, which include implementation, project management, installation and consulting services, are recognized over time. The Company measures progress toward satisfying these performance obligations using input methods, most

commonly based on the costs incurred in relation to the total expected costs to provide the service. The Company expects this method to best depict its performance in transferring control of services promised to the customer or to represent a reasonable proxy for measuring progress. The estimate of expected costs to provide services requires judgment. Cost estimates take into consideration past experience and the specific scope requested by the customer and are updated quarterly. The Company may also offer professional services on a stand-ready basis over a specified period of time, in which case revenue would be recognized ratably over the term. Invoicing of these services is commensurate with performance and occurs on a monthly basis. As such, these services do not have a significant impact on contract assets and contract liabilities. Services, including professional services, are commonly billed on a monthly basis in arrears and typically result in an unbilled receivable, which is not considered a contract asset as the Company's right to consideration is unconditional.

Certain revenue arrangements include extended or noncustomary warranty provisions that cover all or a portion of a customer's replacement or repair costs beyond the standard or customary warranty period. Whether or not the extended warranty is separately priced in the arrangement, such warranties are considered to be a separate good or service, and a portion of the transaction price is allocated to this extended warranty performance obligation. This revenue is recognized ratably over the extended warranty coverage period.

Hardware and software post-sale maintenance support fees are recognized over time, ratably over the life of the related service contract. Shipping and handling costs and incidental expenses billed to customers are recognized as revenue, with the associated cost charged to cost of revenues. The Company recognizes sales, use and value added taxes billed to customers on a net basis.

Payment terms with customers can vary by customer, but amounts billed are typically payable within 30 to 90 days, depending on the destination country.

The Company incurs certain incremental costs to obtain contracts with customers, primarily in the form of sales commissions. Where the amortization period is one year or less, the Company has elected to apply the practical expedient and recognize the related commissions as an expense when incurred.

Certain costs to fulfill our customer contracts are capitalized when such costs relate directly to a specific contract, generate or enhance resources that will be used to satisfy performance obligations in the future and are expected to be recovered. These costs primarily include direct labor and third-party costs related to the implementation and onboarding of new customers. Capitalized costs to fulfill customer contracts are amortized over the estimated period of benefit, which is generally the expected customer relationship period.

2.7 Accounting for Business and Asset Acquisitions

The Company evaluates each transaction in order to determine if the assets acquired constitute a business. The evaluation consists of consideration of the inputs, processes and outputs acquired. For assets acquired in transactions that do not meet the definition of a business, the full fair value of the consideration given is allocated to the assets acquired based on their relative fair values, and no goodwill is recognized.

The Company uses the acquisition method of accounting to account for business combinations. The Company allocates the purchase price to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition, including intangible assets that can be identified. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on the acquisition date. Goodwill represents the excess of the aggregate purchase price over the fair value of the net assets acquired. Among other sources of relevant information, the Company uses independent appraisals and actuarial or other valuations to assist in determining the estimated fair values of the assets and liabilities acquired.

2.8 Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity or remaining maturity at the date of purchase of three months or less to be cash equivalents.

2.9 Restricted Cash

From time to time, the Company is required to maintain cash balances that are restricted in order to secure certain bank guarantees.

Restricted cash is generally deposited in bank accounts earning market rates; therefore, the carrying value approximates fair value. Such cash is excluded from Cash and cash equivalents in the Consolidated Balance Sheets.

2.10 Derivative Instruments

The Company's activities expose it to the financial risks of changes in foreign exchange rates. The Company uses derivative financial instruments, primarily foreign currency forward contracts, to economically hedge specific substantial foreign currency payments and receipts. Derivatives are not used for trading or speculative purposes.

The Company enters into foreign exchange derivative contracts to economically hedge the risks associated with foreign currency transactions and minimize the impact of changes in foreign currency exchange rates on earnings. Derivative instruments that the Company uses to economically hedge these foreign denominated contracts include foreign exchange forward contracts. Revaluation gains and losses on these foreign currency

derivative contracts are recorded within Cost of revenue or Other income (expense), net in the Consolidated Statements of Operations.

All derivative instruments are recorded on the Consolidated Balance Sheets at fair value on the date the derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. The Company does not apply hedge accounting and, therefore, changes in the fair value of all derivatives are recognized in Cost of revenue during the period. The fair value of derivative instruments is presented on a gross basis, even when the derivative instruments are subject to master netting arrangements. Cash collateral payables and receivables associated with derivative instruments are not added to or netted against the fair value amounts. The Company classifies cash flows from its derivative programs as cash flows from operating activities in the Consolidated Statement of Cash Flows.

The fair values of the Company's derivative instruments are determined using the fair value measurements of significant other observable inputs, as defined by Accounting Standards Codification ("ASC") 820, "Fair Value Measurements and Disclosures". The Company uses observable market inputs based on the type of derivative and the nature of the underlying instrument. When appropriate, the Company adjusts the fair values of derivative instruments for credit risk, which is a risk of loss due to the failure of either the Company or counterparty to meet its contractual obligations, considering the credit risk of all parties as well as any collateral pledged.

2.11 Concentrations of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk are primarily accounts receivable, cash and cash equivalents and derivative instruments.

The Company performs ongoing credit evaluations of its customers and, in general, does not require collateral from its customers.

The Company maintains cash and cash equivalents with various financial institutions that Management believes to be of high credit quality. These financial institutions are located in many different jurisdictions throughout the world. The Company's cash equivalents are primarily comprised of cash deposited in checking and money market accounts. Deposits held with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and are maintained with financial institutions with reputable credit and therefore bear minimal credit risk.

The amount subject to credit risk related to derivative instruments is generally limited to the amount, if any, by which a counterparty's obligations exceed the obligations of the Company with that counterparty. To mitigate such risk, the Company pursues, where possible, the use of legally enforceable master netting arrangements and collateral agreements.

2.12 Fair Value Measurement

The Company accounts for certain assets and liabilities at fair value. Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, emphasizing that fair value is a market-based measurement and not an entity-specific measurement. These valuation techniques include the market approach, income approach and cost approach. The income approach involves converting future cash flows to a single present amount. The measurement is valued based on current market expectations about those future amounts. The market approach uses observable market data for identical or similar assets and liabilities while the cost approach would value the cost that a market participant would incur to develop a comparable asset.

Inputs used to determine the fair value of assets and liabilities are defined by a three-level hierarchy, depending on the nature of those inputs. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the instrument's fair value measurement. The three levels within the fair value hierarchy are described as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies or similar techniques as well as instruments for which the determination of fair value requires significant management judgment or estimation.

2.13 Accounts Receivable and Allowance for Expected Credit Losses

Trade accounts receivable are initially recorded at the invoiced amount and do not bear interest. The Company maintains an allowance for credit losses for probable losses inherent in its trade accounts receivable portfolio at the balance sheet date. The allowance is maintained at a level which the Company considers to be adequate and is based on ongoing assessments and evaluations of the collectability and historical loss experience of accounts receivable. The allowance is established through the provision for credit losses, which is charged to earnings. Credit losses are charged and recoveries are credited to the allowance. Account balances are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

The allowance is based on the Company's review of the historical credit loss experience and such factors that, in Management's judgment, deserve consideration under existing economic conditions in estimating current expected credit losses. Management considers, among other factors, historical losses, current receivables aging, periodic credit evaluation of its customers' financial condition and existing industry and national economic data.

From time to time, the Company may sell certain accounts receivable to third-party financial institutions under the factoring arrangements with these financial institutions. Under the terms of these agreements, the Company transfers the receivables in an outright sale, with no recourse and no continued involvement with the assets transferred. The Company records such transfers as sales of accounts receivable when it is considered to have surrendered control of such receivables.

2.14 Inventories

Inventories are stated at the lower of cost (which approximates cost determined on a weighted average basis) or net realizable value. The costs include direct materials, labor and an appropriate portion of fixed and variable overhead expenses. Net realizable value is the estimated selling price in the normal course of business, minus the cost of completion, disposal and transportation. The Company writes down the value of inventories for estimated excess and obsolete inventories based upon historical trends, technological obsolescence, assumptions about future demand and market conditions.

2.15 Property, Plant & Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are recognized on a straight-line basis over the estimated useful life of the related asset, with the exception of leasehold improvements, which are amortized over the shorter of the asset's useful life or the term of the lease, and network equipment, which is depreciated over the shorter of the useful life of the asset or the life of the customer contract under which the equipment is deployed. The estimated useful lives are as follows:

ESTIMATED USEFUL LIVES	
Item	Years
Land	No depreciation
Buildings	20-40
Network equipment	5-10
Machinery and equipment	5-10
Vehicles and other equipment	3-10
Construction in progress	No depreciation

Repairs and maintenance are expensed as incurred, while major renovations and improvements are capitalized as property, plant and equipment and depreciated over their

estimated useful lives. Gains or losses on disposals are included in the Consolidated Statements of Operations at amounts equal to the difference between the net book value of the disposed assets and the proceeds received upon disposal.

2.16 Goodwill

Goodwill is tested for impairment annually in the fourth quarter of each financial year or more often if an event or circumstance indicates that an impairment may have occurred.

When evaluating goodwill for impairment, the Company uses either a qualitative or quantitative assessment method for each reporting unit. The qualitative assessment involves determining, based on an evaluation of qualitative factors, if it is more likely than not that the fair value of a reporting unit is less than its carrying value. If, based on this qualitative assessment, it is determined to be more likely than not that the reporting unit's fair value is less than its carrying value or the Company elects not to perform the qualitative assessment for a reporting unit, the Company proceeds to perform a quantitative impairment assessment.

The quantitative impairment test compares the fair value of a reporting unit with its carrying value. The fair value of a reporting unit is determined using the income approach. The income approach uses Level 3 inputs and Management estimates related to revenue growth rates, profitability margins, estimated future cash flows and discount rates. If the carrying value of the reporting unit exceeds its fair value, the Company records an impairment charge equal to the difference.

2.17 Intangible Assets with Finite Lives

Intangible assets with finite lives, principally customer contracts and relationships, are amortized on a straight-line basis over their estimated useful lives, ranging from three to twenty years, which Management has determined is the methodology best reflective of the expected benefits arising from the intangibles. The Company believes that the straight-line method is appropriate as these relationships are generally distributed over a long period of time and historical experience from each acquired entity has indicated a consistent experience with each customer.

Intangible assets with finite lives and property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Where such indicators exist, the Company first compares the undiscounted cash flows expected to be generated by the asset (or asset group) to the carrying value of the asset (or asset group). If the carrying value of the long-lived asset exceeds the future undiscounted cash flows to be generated by the asset (or asset group), an impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques, including discounted cash flow models, quoted market values and assistance by third-party independent appraisals, as considered necessary.

2.18 Investments

Investments in Affiliated Companies

Each reporting period, the Company reviews all equity method investments to determine whether a significant event or change in circumstances has occurred that may have an adverse effect on the fair value of each investment. When such events or changes occur, the Company evaluates the fair value compared to the carrying amount of the investment. Management's assessment of fair value is based on valuation methodologies using discounted cash flows, EBITDA and revenue multiples, as appropriate.

In the event the fair value of an investment declines below the carrying amount, the Company determines if the decline in fair value is other than temporary. If the Company determines the decline is other than temporary, an impairment charge is recorded. The Company's assessment as to the nature of a decline in fair value is based on, among other things, the length of time for which and the extent to which the market value has been less than its cost basis, the financial condition and near-term prospects of the entity and the Company's intent and ability to retain the investment for a period of time sufficient to allow for any anticipated recovery in market value.

Other Investments

Other investments include participation in other entities where the Company does not have the power to exercise significant influence or to exercise control. Equity investments with readily determinable fair values are measured at fair value. Other investments without readily determinable fair values are accounted at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. Changes in value are recorded in Other income (expense), net.

2.19 Warranty

The Company offers standard warranties on its metering products and its solution products for periods ranging from one to five years. In some instances, warranty periods can be further extended based on customer-specific negotiations. Standard warranty provision represents the Company's estimate of the cost of projected warranty claims and is based on historical and projected warranty trends, specific quality issues identified (if any), supplier information and other business and economic projections. If the Company's quality control processes fail to detect a fault in a product, the Company could experience an increase in warranty claims.

The Company tracks warranty claims to identify potential product-specific design or quality issues. If an unusual trend is noted, an additional warranty provision may be recorded when a product failure is probable and the cost can be reasonably estimated. Management continually evaluates the sufficiency of the warranty provisions and makes adjustments when necessary. The calculation of the warranty provision requires Management to make estimates with respect to projected failure rates as well as material, labor and other costs to be incurred in order to satisfy the Company's warranty commitments. As a result, actual warranty costs incurred in the future could differ significantly from the provision. The long-term warranty balance includes estimated warranty claims beyond one year. Warranty expense is included within Cost of revenue in the Consolidated Statements of Operations.

2.20 Commitments and Contingencies

Liabilities for loss contingencies, including environmental remediation costs, arising from claims, assessments, litigation, fines, penalties and other sources, are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. Any such provision is generally recognized on an undiscounted basis using the Company's best estimate of the amount of loss incurred or at the lower end of an estimated range when a single best estimate is not determinable. Changes in these factors and related estimates could materially affect the Company's financial position, results of operations and cash flows.

The Company has asset retirement obligations ("ARO") arising from contractual requirements to remove certain leasehold improvements at the time that the Company vacates leased property. The liability is initially measured on the date of executing the lease agreement at fair value and is subsequently adjusted for accretion expense and changes in the amount or timing of the estimated cash flows. In determining the fair value of the ARO, the Company has considered, among other factors, the estimated cost to remove the assets based on consultations with, and written estimates from, third-party contractors, the expected settlement dates and an effective interest rate, which for the Company is based on the credit-adjusted risk-free rate. The corresponding AROs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the shorter of the asset's remaining useful life or the lease

term. The Company classifies such liabilities in Other long-term liabilities in the Consolidated Balance Sheets.

Legal costs incurred in connection with loss contingencies are expensed as incurred.

Accruals for estimated losses from environmental remediation obligations, excluding AROs, generally are recognized no later than completion of the remediation feasibility study. Such accruals are adjusted as further information develops or circumstances change. Recoveries of environmental remediation costs from third parties, which are probable of realization, are separately recorded as assets and are not offset against the related environmental liability.

2.21 Employee Benefit Plans

The Company accounts for employee and retirement benefits in accordance with ASC 710, "Compensation".

Employee Benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and the liability can be estimated reliably. Liabilities recognized in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognized in respect of employee benefits which are not expected to be settled within 12 months are measured at the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to the reporting date.

Retirement Benefits

The Company contributes, in accordance with legal and statutory requirements, to various statutory defined benefit and defined contribution pension plans. In addition, the Company sponsors various post-retirement benefit plans that provide medical benefits to retired participants.

The Company records annual amounts relating to its defined benefit plans and post-retirement plans based on calculations that incorporate various actuarial and other assumptions including discount rates, mortality table assumptions, assumed rates of return, compensation increases, turnover rates and healthcare cost trend rates. The Company reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded in other comprehensive income/(loss). The unrecognized amounts recorded in Accumulated Other Comprehensive Income ("AOCI") are subsequently recognized as expense on a straight-line basis only to the extent that they exceed 10% of the higher of the market-related value or the projected benefit obligation, over the average remaining service period of active participants.

In addition to the defined benefit pension plans and post-retirement benefits plans, the Company also sponsors various employee retirement savings plans in which employees of certain subsidiaries are eligible to participate. Each plan provides for employee contributions as well as matching contributions by the Company. The Company recognizes an expense for matching contributions to defined contribution plans as they are incurred.

2.22 Income Taxes

Income taxes are based on the laws and rates in effect in the countries in which operations are conducted or in which the Company or its subsidiaries are considered resident for income tax purposes.

The Company accounts for income taxes using the asset and liability method. Under this method, deferred income taxes are recorded for temporary differences between the financial reporting basis and tax basis of assets and liabilities in each of the taxing jurisdictions in which the Company operates. These deferred taxes are measured using the tax rates expected to be in effect when the temporary differences reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

Deferred tax assets are evaluated each period to determine whether or not it is more likely than not that they will be realized. In determining this, the Company considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent financial operations. Valuation allowances are established where it is considered more likely than not that the Company will not realize the benefit of such assets.

Valuation allowances are reviewed each period on a tax jurisdiction by tax jurisdiction basis to analyze whether there is sufficient positive or negative evidence to support a change in judgment about the realizability of the related deferred tax assets.

The Company has elected not to reclassify prior periods' stranded tax. In accordance with its accounting policy, the Company releases income tax effects from accumulated other comprehensive income once the reasons the tax effects were established cease to exist (e.g., when prior service cost and pension gains (losses) are reclassified out of accumulated other comprehensive income and recognized within Net periodic benefit cost).

The Company accounts for uncertain tax positions in accordance with ASC 740, "Income Taxes", which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by the taxing authorities based solely on the technical merits of the position.

The Company recognizes interest expense and penalties accrued related to unrecognized tax benefits in the provision for income taxes. Accrued interest and penalties are included within the related tax liability caption in the Consolidated Balance Sheets.

2.23 Foreign Currencies

The reporting currency of Landis+Gyr is the US Dollar. The functional currency of most of the Company's subsidiaries is the applicable local currency. The translation from the applicable functional currencies into the Company's reporting currency is performed for the balance sheet accounts using exchange rates in effect at the balance sheet date, and for the Statements of Operations and the Statements of Cash Flows using the average exchange rates prevailing during the year. The resulting translation adjustments are excluded from earnings and are recognized in accumulated other comprehensive income (loss) until the entity is sold, substantially liquidated or evaluated for impairment in anticipation of disposal.

Foreign currency exchange gains and losses, such as those resulting from foreign currency denominated receivables or payables, are included in the determination of earnings with the exception of intercompany loans that are long-term investment in nature with no reasonable expectation of repayment, which are recognized in other comprehensive income.

2.24 Leases

The Company determines if an arrangement is a lease at inception. A lease exists when a contract conveys to the customer the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. The definition of a lease embodies two conditions: (1) there is an identified asset in the contract that is land or a depreciable asset (i.e., property, plant and equipment) and (2) the customer has the right to control the use of the identified asset.

Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. Lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when readily determinable. As most of its leases do not provide an implicit rate, in determining the present value of lease payments, the Company uses its incremental borrowing rate based on the remaining lease

term, the currency of the lease and the Company's credit rating. The ROU assets also include any lease payments made and exclude lease incentives received and initial direct costs incurred. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

The Company has lease agreements, which include lease and nonlease components. For each of the existing asset classes, the Company has elected the practical expedient to account for the lease and nonlease components as a single lease component when the nonlease components are fixed.

The Company has elected to utilize the short-term lease exemption for all lease asset classes. All leases with a lease term that is not greater than twelve months are not subject to recognition and measurement of lease ROU assets and liabilities in the Consolidated Balance Sheets.

Operating leases are included in Other long-term assets, Operating lease liabilities – current and Operating lease liabilities – non current in the Consolidated Balance Sheets. Operating lease costs are recognized on a straight-line basis over the lease term.

Finance leases are included in Property, plant and equipment, Other current liabilities and Other long-term liabilities in the Consolidated Balance Sheets. Finance lease ROU assets are generally amortized on a straight-line basis over the lease term with the interest expenses on the lease liability recorded using the interest method.

Lease expenses for variable lease payments, where the timing or amount of the payment is not fixed, are recognized when the obligation is incurred. Variable lease payments generally arise in lease arrangements where executory and other lease-related costs are billed to the Company when incurred by the lessor.

2.25 Research and Development Costs

Research and development costs primarily consists of salaries and payroll taxes, third-party contracting fees, depreciation and amortization of assets used in R&D activities and other overhead infrastructure costs. Research and development activities primarily consist of the development and design of new meters, network equipment and related software and are expensed as incurred.

2.26 Advertising

Advertising costs are expensed as incurred. Advertising expenses included in Sales and marketing expenses were USD 3.2 million and USD 2.7 million, respectively, for the financial years ended March 31, 2026, and March 31, 2025.

2.27 Earnings per Share

ASC 260, "Earnings per Share", requires entities to present both basic and diluted earnings per share. Basic earnings per share is calculated by dividing net income (loss) by the weighted-average number of common shares outstanding during the year.

Diluted earnings per share is calculated by dividing net income (loss) by the weighted-average number of common shares outstanding during the year plus all potentially dilutive common shares outstanding. Potentially dilutive shares that are anti-dilutive are excluded from the diluted earnings per share calculation.

As of March 31, 2026, and March 31, 2025, the Company had 12,275 and 25,717 dilutive shares outstanding, respectively

2.28 Share-based Compensation

The Company sponsors a share-based long-term incentive plan ("LTIP") providing the members of the Group Executive Management and other eligible key managers with the possibility to receive shares in the Company, subject to certain conditions. The LTIP consists of two components that are weighted equally: (i) a component with a market condition that is based on the total shareholders' return ("TSR") measured over three years relative to a peer group of comparable public companies as determined by the Company's Board of Directors, summarized under the heading Performance Share Plan PSP-TSR, and (ii) a component with a performance condition that is based on the Company's fully diluted earnings per share ("EPS") performance, summarized under the heading Performance Share Plan PSP-EPS. The Board of Directors, at its discretion, may allow the EPS normalization of certain significant and unforeseen one-off events, not indicative of underlying performance.

Share-based compensation expense is recognized and measured based on the guidance codified in ASC 718 "Compensation – Stock Compensation".

The fair value of performance stock units ("PSUs") granted under the PSP-TSR is estimated using the Monte Carlo simulation methodology. The Monte Carlo simulation input assumptions are determined based on available internal and external data sources. The risk-free rate is interpolated from country-specific government sovereign debt yields derived from Standard & Poor's as of the valuation date matching the measurement period. The expected volatility of the share price returns is based on the historic volatility of daily share price returns of the Company, derived from Standard & Poor's and measured over a historical period matching the performance period of the awards. The dividend yield is based on the expected dividend yield over the expected term of the awards granted. The expected term is the remaining term of an award based on the period of time between the grant date and the date the award is expected to vest.

The fair value of performance stock units granted under the PSP-EPS is determined based on the closing share price of the Company's share on the day preceding the grant date less the present value of expected dividends.

The Company recognizes stock-based compensation costs considering estimated future forfeiture rates, which are reviewed annually or whenever indicators are present that actual forfeitures may differ materially from previously established estimates.

The total compensation cost for the PSP-EPS is expensed on a straight-line basis over the requisite service period for each separately vesting portion of the award. The total compensation cost for the PSP-TSR is recognized on a straight-line basis over the requisite service period for the entire award (see Note 22: Share-based Compensation).

2.29 Treasury Shares

The Company accounts for treasury shares under the cost method and presents it within Treasury shares as a component of Stockholders' equity on the Consolidated Balance Sheets. The Company may repurchase shares of its common stock under share repurchase programs in the open market. Repurchased shares are recorded at the market price on the trade date and are held as treasury shares until they are reissued or retired. When treasury shares are reissued, if the issuance price is higher than the average price paid to acquire the shares, the excess of the issuance price over the cost is credited to Additional paid-in capital. If the issuance is lower than the cost, the difference is first charged against any credit balance in Additional paid-in capital from treasury shares, with the remaining balance charged to Retained earnings on the Consolidated Balance Sheets.

The Company accounts for the formal retirement of treasury shares by deducting its par value from Registered ordinary shares, reflecting any excess over par value as a reduction to Additional paid-in capital (to the extent created by previous issuances of the shares) and then Retained earnings on the Consolidated Balance Sheets.

2.30 Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09 – Improvements to Income Tax Disclosures, which amends Income Taxes (Topic 740). The FASB issued this update to improve annual basis income tax disclosures related to (1) rate reconciliation, (2) income taxes paid and (3) other disclosures related to pretax income (or loss) and income tax expense (or benefit) from continuing operations. This amendment is effective for the Company on April 1, 2025, with early adoption permitted. These amendments are to be applied on a prospective basis. Retrospective application is permitted. The Company adopted the new reporting requirements retrospectively so comparative periods have been restated accordingly. See Note 23: Income Taxes in the accompanying notes to the Consolidated Financial Statements for further details.

Applicable for Future Periods

In November 2024, the FASB issued ASU 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The new guidance is intended to enhance transparency and disclosures by requiring public business entities to disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The FASB further clarified the effective date in January 2025 with the issuance of ASU 2025-01, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date. The ASU is effective for the Company's annual Consolidated Financial Statements as of March 31, 2028, and for interim reporting periods beginning on April 1, 2028, with early adoption permitted. The Company is in the process of evaluating the impact that the adoption of this ASU will have on its Consolidated Financial Statements and related disclosures.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amended guidance simplifies the estimation of credit losses on current accounts receivable and current contract assets arising from transactions accounted for under ASC 606. The amendments allow all entities to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast as part of estimating expected credit losses on these assets. The ASU is effective for the Company on April 1, 2026, with early adoption permitted. The Company is in the process of evaluating the impact of the adoption of this ASU but does not expect the guidance to have a material impact on its Consolidated Financial Statements and related disclosures.

In September 2025, the FASB issued 2025-06 – Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, which modernizes the internal-use software guidance that is accounted for under Subtopic 350-40. The amendments eliminate the previous stage-based model (preliminary project stage, application development stage and post-implementation stage) and replace it with a principles-based approach that better aligns with modern software development practice, including agile and iterative methodologies. Under the new guidance, entities may begin capitalizing internal-use software development costs when (1) Management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. This ASU also supersedes the separate guidance on website development costs guidance and incorporates it into the internal-use software framework. ASU 2025-06 is effective for the Company on April 1, 2028, with early adoption permitted. The Company is in the process of evaluating the impact that the adoption of this ASU will have on its Consolidated Financial Statements and related disclosures.

In December 2025, the FASB issued ASU 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements, which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarifies when it applies. Under the amendment, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with US GAAP. The amendment also addresses the form and content of such financial statements, provides interim disclosure requirements and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for the Company for the interim period beginning on April 1, 2028, with early adoption permitted. The Company is currently evaluating the impact this standard will have on its Consolidated Financial Statements and related disclosures.

Note 3: Discontinued Operations

Divestment of the EMEA Business

On September 27, 2025, the Company entered into an agreement to divest the EMEA business to AURELIUS for USD 215.0 million, subject to working capital and other adjustments. The transaction closed on April 8, 2026, following the satisfaction of customary regulatory approvals and closing conditions. As a result of the sale, substantially all EMEA related assets and liabilities were sold. This divestment enables Landis+Gyr to sharpen its strategic focus on the Americas and Asia Pacific regions.

During the second quarter of the financial year ended March 31, 2026, the Company determined that the fair value of the EMEA business including costs to sell was lower than its carrying value and recorded a USD 193.6 million impairment against the assets held for sale, in particular goodwill of USD 177.6 million and certain intangible assets amounting to USD 16.0 million. The fair value of the EMEA business was estimated using the expected sale price as negotiated with the third-party buyer.

The Company determined that the divestment of the EMEA business which represented substantially all of the EMEA reporting unit and reportable segment, would represent a strategic shift that would have a major effect on the Company's operations and financial results. The results of operations for this business were presented as discontinued operations. The financial information disclosed in the following tables also includes two smaller discontinued operations that remain classified as held for sale as of the reporting date, as their disposals have not yet been completed, and will continue to be presented as held for sale in future periods until their respective transactions are finalized.

The following table discloses the major components of the pretax loss of the discontinued operations and a reconciliation to the amounts reported in the Consolidated Statements of Operations for the financial years ended March 31, 2026, and March 31, 2025:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
DISCONTINUED OPERATIONS – INCOME STATEMENT		
Major components of pretax loss of discontinued operations:		
Net revenue	779,553	652,841
Cost of revenue	575,527	513,962
Research and development	71,708	68,967
Sales and marketing	45,029	41,628
General and administrative	87,328	52,578
Amortization of intangible assets	3,565	4,480
Impairment of intangible assets	193,635	111,000
Operating loss of discontinued operations	(197,239)	(139,774)
Other income (expense), net	454	(2,779)
Pretax loss of discontinued operations	(196,785)	(142,553)
Loss from the sale of discontinued operations	–	(40,713)
Reclassification of foreign currency translation reserve	–	(3,829)
Income tax expense	(11,006)	(180)
Loss on discontinued operations, net of tax	(207,791)	(187,275)

In the financial years ended March 31, 2026, and March 31, 2025, Cost of revenue included amortization expenses of USD 6.7 million and USD 4.6 million, respectively.

The following table summarizes the carrying values of the assets and liabilities classified as held for sale in the Consolidated Balance Sheets as of March 31, 2026, and March 31, 2025:

DISCONTINUED OPERATIONS – BALANCE SHEET		
USD in thousands	March 31, 2026	March 31, 2025
Accounts receivable, net	137,698	144,382
Inventories, net	112,819	97,216
Prepaid expenses and other current assets	55,097	38,369
Property, plant and equipment, net	66,116	58,114
Goodwill	2,083	178,484
Other long-term assets	60,318	83,737
Total assets held for sale - discontinued operations	434,131	600,302
Less: current portion of assets held for sale – discontinued operations	434,131	279,967
Non current assets held for sale – discontinued operations	–	320,335
Trade accounts payable	78,543	71,825
Accrued liabilities	17,287	16,369
Warranty provision – current	20,069	16,864
Payroll and benefits payable	37,316	23,623
Operating lease liabilities – current	7,692	6,476
Other current liabilities	41,618	35,316
Pension and other employee liabilities	23,416	20,399
Warranty provision – non current	5,339	4,595
Deferred tax liabilities	732	2,236
Operating lease liabilities – non current	33,665	33,316
Other long-term liabilities	6,245	5,594
Total liabilities held for sale – discontinued operations	271,922	236,613
Less: current portion of liabilities held for sale – discontinued operations	271,922	170,473
Non current liabilities held for sale – discontinued operations	–	66,140
Net assets held for sale – discontinued operations	162,209	363,689

Net cash flows attributable to discontinued operations for the financial years ended March 31, 2026, and March 31, 2025, were as follows:

DISCONTINUED OPERATIONS - CASH FLOWS		
USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Net cash provided by operating activities	30,793	(1,285)
Net cash used in investing activities	(16,282)	(11,138)

Note 4: Shareholders' Equity

On March 31, 2026, and March 31, 2025, the capital structure reflected 28,908,944 authorized, registered and issued ordinary shares with restricted transferability. The restricted transferability is related to the fact that the Company can reject a shareholder not disclosing the beneficial owner; see art. 5 of Landis+Gyr's articles of association for further information.

Registered ordinary shares carry one vote per share, as well as the right to dividends.

Conditional Share Capital

The share capital of the Company may be increased by up to CHF 4,500,000 by issuing up to 450,000 fully paid-in registered shares with a nominal value of CHF 10 each, upon the exercise of option rights or in connection with similar rights regarding shares granted to officers and employees at all levels of the Company and its Group companies according to respective regulations and resolutions of the Board of Directors. This conditional share capital has been approved and is available for use. As of March 31, 2026, no shares were issued from this conditional share capital.

Furthermore, the share capital of the Company may be increased by up to CHF 28,908,940 by issuing up to 2,890,894 paid-in registered shares with a nominal value of CHF 10 each, through the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its subsidiaries. As of March 31, 2026, no shares were issued from this conditional share capital.

Capital Band

The Company has a capital band ranging from CHF 260,180,500 (lower limit) to CHF 317,998,380 (upper limit). The Board of Directors shall be authorized within the capital band to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until June 25, 2027, or until an earlier expiry of the capital band. The capital increase or reduction may be effected by issuing up to 2,890,894 fully paid-in registered shares with a nominal value of CHF 10 each and canceling up to 2,890,894 registered shares with a nominal value of CHF 10 each, as applicable, or by increasing or reducing the nominal value of the existing shares within the limits of the capital band.

Until June 25, 2027, or an earlier expiry of the capital band, the total number of newly issued shares which may be issued with the restriction or withdrawal of advance subscription rights or pre-emptive rights (1) from the conditional capital and (2) from the capital band must not exceed 2,890,894 new shares.

Treasury Shares

From time to time, the Company may repurchase shares of its common stock under programs authorized by the Board of Directors. Share repurchases are made in the open market and in accordance with applicable securities laws. Shares repurchased are displayed separately as Treasury shares in the Consolidated Financial Statements.

On October 28, 2025, the Company announced a share buyback program (the “Share Buyback program”) amounting to a maximum value of USD 175 million or a maximum of 10% of shares outstanding to return the net proceeds from the EMEA divestment to shareholders. The Buyback program started on October 29, 2025, and may continue to October 27, 2028, if not completed or terminated earlier. The Company reserves the right to terminate the Share Buyback Program at any time and has no obligation to acquire its own registered shares as part of the Share Buyback Program.

The changes in Treasury shares during the financial years ended March 31, 2026 and 2025, were as follows:

TREASURY SHARES	FINANCIAL YEAR ENDED MARCH 31,			
	2026		2025	
	Number of shares	Average acquisition price per share (in CHF)	Number of shares	Average acquisition price per share (in CHF)
Treasury shares - opening balance as of April 1,	89,337	55.20	54,456	69.93
Purchases under the share Buyback program	431,910	52.47	-	-
Other purchases	-	-	120,000	60.39
Delivery of shares	(43,853)	57.23	(85,119)	71.94
Treasury shares - closing balance as of March 31,	477,394	52.54	89,337	55.20

In the financial year ended March 31, 2026, the Company delivered 43,853 shares out of the treasury stock, of which 34,389 were allotted to employees eligible under the long-term incentive plan (“LTIP”) and 9,464 shares related to the share-based remuneration of the Company’s Board of Directors.

In the financial year ended March 31, 2025, the Company delivered 85,119 shares out of the treasury stock, of which 64,695 were allotted to employees eligible under the long-term incentive plan (“LTIP”), 13,207 shares were issued under the employee share purchase plan (“ESPP”) and 7,217 shares related to the share-based remuneration of the Company’s Board of Directors.

Dividend

At the Annual General Meeting of Shareholders on June 25, 2025, shareholders approved the proposal of the Board of Directors to distribute CHF 1.15 per share to shareholders. The declared dividend amounted to CHF 33.1 million (USD 41.2 million at the exchange rate prevailing on June 25, 2025) and was paid in July 2025.

At the Annual General Meeting of Shareholders on June 25, 2024, shareholders approved the proposal of the Board of Directors to distribute CHF 2.25 per share to shareholders. The declared dividend amounted to CHF 64.9 million (USD 72.5 million at the exchange rate prevailing on June 25, 2024) and was paid in July 2024.

Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive loss (“AOCL”) of the Company consist of:

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	MARCH 31,	
	2026	2025
USD in thousands		
Foreign currency translation adjustments, net of taxes of USD 944 and USD 1,875 as of March 31, 2026, and March 31, 2025, respectively	(49,593)	(63,595)
Pension plan benefits liability adjustments, net of taxes of USD (907) and USD 1,338 as of March 31, 2026, and March 31, 2025, respectively	4,337	(8,318)
Accumulated other comprehensive loss	(45,256)	(71,913)

The following tables present the reclassification adjustments in AOCL by component:

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) – FY 2025			
USD in thousands	Defined benefit pension items	Foreign currency items	Total
Beginning balance, April 1, 2025	(8,318)	(63,595)	(71,913)
Other comprehensive loss before reclassifications	12,824	14,002	26,826
Amounts reclassified from accumulated other comprehensive loss	(169)	-	(169)
Net current-period other comprehensive loss	12,655	14,002	26,657
Ending balance, March 31, 2026	4,337	(49,593)	(45,256)

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) – FY 2024

USD in thousands	Defined benefit pension items	Foreign currency items	Total
Beginning balance, April 1, 2024	(5,140)	(64,378)	(69,518)
Other comprehensive income (loss) before reclassifications	(2,601)	(3,046)	(5,647)
Amounts reclassified from accumulated other comprehensive loss	(577)	3,829	3,252
Net current-period other comprehensive income (loss)	(3,178)	783	(2,395)
Ending balance, March 31, 2025	(8,318)	(63,595)	(71,913)

The pension plan benefits liability adjustment, net of taxes, in the AOCL changed by USD 12.6 million and USD (3.2) million in the financial years ended March 31, 2026, and March 31, 2025, respectively. These changes represent the movement of the current year activity including the reclassified amounts from accumulated other comprehensive loss to net income:

AOCL - PENSION PLAN BENEFIT LIABILITY ADJUSTMENT

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Amortization of actuarial loss	1,039	514
Amortization of prior service credit	(1,208)	(1,091)
Amounts reclassified from accumulated other comprehensive loss to net income ⁽¹⁾	(169)	(577)
Net actuarial gain (loss)	16,532	(2,899)
Prior service credit (cost)	(1,462)	(1)
Total before tax	14,901	(3,477)
Tax benefit	(2,246)	299
Total other comprehensive income (loss) from defined benefit pension plans (net of tax) for the financial year ended March 31,	12,655	(3,178)

1) These accumulated other comprehensive income components are included in the computation of net periodic pension costs (see Note 21: Pension and Post-retirement Benefit Plans for additional details).

Note 5: Earnings per Share

Basic earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding during the period.

Diluted earnings per share is calculated by dividing net income by the weighted-average number of shares outstanding during the period, assuming that all potentially dilutive securities were exercised, if dilutive. Potentially dilutive securities comprise shares granted subject to certain conditions under the Company's share-based payment arrangements (see Note 22: Share-based Compensation).

Treasury shares are not considered outstanding for share count purposes and they were excluded from the average number of ordinary shares outstanding for the purpose of calculating the basic and diluted earnings per share.

The following table sets forth the computation of basic and diluted earnings per share (EPS):

EARNINGS PER SHARE

USD in thousands, except per share data	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Basic EPS attributable to Landis+Gyr Group AG shareholders:		
Income from continuing operations, net of tax	41,160	37,881
Loss from discontinued operations, net of tax	(210,056)	(188,345)
Net loss	(168,896)	(150,464)
Weighted-average number of shares used in computing earnings per share	28,747,244	28,875,638
Basic EPS attributable to Landis+Gyr Group AG shareholders:		
Income from continuing operations, net of tax	1.43	1.31
Loss from discontinued operations, net of tax	(7.31)	(6.52)
Net loss	(5.87)	(5.21)
Diluted EPS attributable to Landis+Gyr Group AG shareholders:		
Income from continuing operations, net of tax	41,160	37,881
Loss from discontinued operations, net of tax	(210,056)	(188,345)
Net loss	(168,896)	(150,464)
Weighted-average number of shares used in computing earnings per share	28,747,244	28,875,638
Effect of dilutive securities	12,275	25,717
Adjusted weighted-average number of shares outstanding	28,759,519	28,901,355
Diluted EPS attributable to Landis+Gyr Group AG shareholders:		
Income from continuing operations, net of tax	1.43	1.31
Loss from discontinued operations, net of tax	(7.30)	(6.52)
Net loss	(5.87)	(5.21)

There were 278,072 potentially dilutive securities from the Company's share-based long-term incentive plans for the financial year ended March 31, 2026, of which 12,275 were included in the computation of the adjusted weighted-average number of shares outstanding. The remaining 265,797 stock-based awards could be dilutive in future periods.

There were 269,538 potentially dilutive securities from the Company's share-based long-term incentive plans for the financial year ended March 31, 2025, of which 25,717 were included in the computation of the adjusted weighted-average number of shares outstanding.

Note 6: Other Income (Expense), Net

The components of Other income (expense), net were as follows:

OTHER INCOME (EXPENSE), NET	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Income (loss) on foreign exchange, net	(6,232)	1,214
Non-operational pension credit	8,052	4,839
Gain from change in fair value of earn-out liabilities	186	566
Swiss stamp tax	(7,085)	-
Impairment of investments in equity securities	-	(22,733)
Loss from change in fair value of investments in equity securities	(110)	(600)
Other income (expense), net	(5,189)	(16,714)

Gain from Change in Fair Value of Earn-out Liabilities

In connection with certain business combinations, the Company recorded contingent consideration liabilities, which are payable subject to the achievement of certain financial targets. During the financial years ended March 31, 2026, and March 31, 2025, the Company recorded gains from the change in value of the earn-out liabilities of USD 0.2 million and USD 0.6 million, respectively, which are included within Other income (expense), net in the Consolidated Statements of Operations.

Swiss Stamp Tax

From time to time, the Company holds investments in highly liquid money market funds bearing interest at market rates. During the financial year ended March 31, 2026, the Company paid duties on these transactions for the years 2020-2025 of USD 7.1 million which are included within Other income (expense), net in the Consolidated Statements of Operations.

Impairment of Investments in Equity Securities

For the financial year ended March 31, 2025, the impairment analysis on an equity invest-

ment indicated that the estimated fair value of this security was lower than its carrying value. Significant adverse changes in the general market condition of the industry in which the investee operates led to a reduction in the fair value of the equity investment. An impairment charge of USD 22.7 million was recorded within Other income (expense), net in the Consolidated Statements of Operations to reduce the carrying value of this investment to its fair value.

Loss from Change in Fair Value of Investments in Equity Securities

For the financial years ended March 31, 2026, and March 31, 2025, the Company recorded a loss from the change in value of its equity interest in Allego (see note 15: Other Long-term Assets) of USD (0.1) million and USD (0.6) million, respectively, which is included within Other income (expense), net in the Consolidated Statements of Operations.

Note 7: Revenue

The following table provides information about contract assets and liabilities with customers:

CONTRACT LIABILITIES	MARCH 31,	
	2026	2025
USD in thousands		
Advances from customers	577	1,593
Deferred revenue	115,439	108,547
Contract liabilities	116,016	110,140

Contract liabilities primarily relate to advances received on orders from customers as well as amounts invoiced to customers in excess of revenues recognized predominantly on long-term projects. Contract liabilities are reduced as work is performed and as revenues are recognized.

Of the contract liabilities as of March 31, 2025, and March 31, 2024, the Company recognized revenue of USD 46.0 million and USD 29.7 million, respectively, during the subsequent financial year.

Contract liabilities are included within Other current liabilities and Other non-current liabilities in the Consolidated Balance Sheets.

Transaction Price Allocated to Remaining Performance Obligations

Total transaction price allocated to remaining performance obligations represents committed but undelivered products and services for contracts and purchase orders at period end. Twelve-month remaining performance obligations represent the portion of total transaction price allocated to remaining performance obligations that the Company estimates

will be recognized as revenue over the next 12 months. Total transaction price allocated to remaining performance obligations is not a complete measure of future revenues as the Company also receives orders where the customer may have legal termination rights but is not likely to exercise such rights.

Total transaction price allocated to remaining performance obligations related to contracts is approximately USD 913.0 million for the next 12 months and approximately USD 2,979.8 million for periods longer than 12 months with customer contracts typically ranging from several months or years for product deliveries to approximately 5 to 15 years for managed services and recurring software arrangements. The total remaining performance obligations are comprised of product and service components. The service component relates primarily to maintenance agreements for which customers pay a full year's maintenance in advance and revenue is generally recognized over the service period. Total transaction price allocated to remaining performance obligations also includes the Company's extended warranty contracts, for which revenue is recognized over the warranty period, and hardware, which is recognized as units are delivered. The estimate of when remaining performance obligations will be recognized requires significant judgment.

Costs to Obtain a Contract and Costs to Fulfill a Contract with a Customer

Costs to obtain a contract and costs to fulfill a contract are capitalized and amortized using a systematic rational approach to align with the transfer of control of underlying contracts with customers.

As of March 31, 2026, and March 31, 2025, the carrying balances of assets recognized from the costs incurred to obtain a contract were USD 4.0 million and USD 4.4 million, respectively. These amounts are included in Other long-term assets in the Consolidated Balance Sheets. For the financial years ended March 31, 2026 and 2025, the Company recognized USD 1.1 million and USD 1.2 million, respectively, amortization of capitalized costs incurred to obtain a contract. These amounts are included within Sales and marketing expenses in the Consolidated Statements of Operations.

As of March 31, 2026, and March 31, 2025, the carrying balances of assets recognized from the costs to fulfill a contract were USD 9.4 million and USD 14.2 million, respectively. These amounts are included in Other long-term assets in the Consolidated Balance Sheets. For the financial years ended March 31, 2026 and 2025, the Company recognized USD 14.5 million and USD 10.8 million, respectively, amortization of capitalized costs incurred to fulfill a contract. These amounts are included within Cost of revenue in the Consolidated Statements of Operations.

Disaggregation of Revenue

The disaggregation of revenue into categories, which depicts how revenue is affected by economic factors, is disclosed in Note 30: Segment Information.

Note 8: Accounts Receivable, Net

A summary of accounts receivable, net is as follows:

USD in thousands	MARCH 31,	
	2026	2025
Trade accounts receivable	213,088	140,801
Contract receivable	78,660	137,950
Allowance for doubtful accounts	(2,487)	(2,275)
Total accounts receivable, net	289,261	276,476
Less: current portion of accounts receivable, net	285,108	272,799
Long-term accounts receivable, net	4,153	3,677

The long-term portion of accounts receivable, net is included in Other long-term assets in the Consolidated Balance Sheets.

The carrying amount of accounts receivable approximates their fair value. Normal credit terms are 30 to 90 days, averaging slightly more than 60 days.

Contract receivable amounts are recorded when revenues are recognized and rights to receive payment become unconditional, upon product shipment/installation or service delivery, and invoicing occurs at a later date. Generally, contract receivable amounts are invoiced within one week after month-end.

A summary of the provision for credit losses accounts activity is as follows:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Beginning balance	(2,276)	(2,915)
Provisions for credit losses	(113)	(641)
Write-offs charged against the allowance	186	–
Recoveries	(284)	1,281
Balance at March 31,	(2,487)	(2,275)

Note 9: Inventories, Net

Inventories, net consist of the following:

INVENTORIES	MARCH 31,	
	2026	2025
USD in thousands		
Raw material and supplies	121,543	115,492
Work in progress	355	256
Finished goods	22,756	47,383
Total inventories gross	144,654	163,131
Inventory reserve	(27,098)	(29,929)
Total inventories, net	117,557	133,202

Note 10: Prepaid Expenses and Other Current Assets

A summary of the prepaid expenses and other current assets balance is as follows:

PREPAID EXPENSES AND OTHER CURRENT ASSETS	MARCH 31,	
	2026	2025
USD in thousands		
Prepaid expenses and advance payments	30,479	26,853
Sales and other non-income tax receivables	13,143	9,749
Income tax receivables/advances	25,605	2,164
Derivative financial instruments	6,593	1,294
Others	9,283	26,674
Total prepaid expenses and other current assets	85,103	66,734

Note 11: Property, Plant & Equipment, Net

A summary of the property, plant & equipment, net balance is as follows:

PROPERTY, PLANT AND EQUIPMENT	MARCH 31,	
	2026	2025
USD in thousands		
Land	512	486
Buildings	13,426	12,303
Network equipment ⁽¹⁾	142,537	136,724
Machinery and equipment	68,932	55,990
Vehicles and other equipment	99,152	95,041
Construction in progress	13,311	13,429
Total cost	337,870	313,973
Less accumulated depreciation	(267,993)	(247,738)
Property, plant and equipment, net	69,877	66,235

1) Network equipment is comprised of meters and meter reading equipment that is deployed under various customer contracts of Landis+Gyr Technology Inc., a US-based subsidiary of Landis+Gyr Group AG.

Total depreciation expense for the financial years ended March 31, 2026, and March 31, 2025, was USD 20.8 million and USD 19.4 million, respectively. The difference between the total change in accumulated depreciation and the depreciation expense of property, plant & equipment represents the effect from the disposal of assets and the change in exchange rates.

Note 12: Intangible Assets, Net

The gross carrying amount, accumulated amortization and impairments of the Company's intangible assets, other than goodwill, are as follows:

INTANGIBLE ASSETS				
March 31, 2026 (USD in thousands)	Gross asset	Accumulated amortization	Carrying amount	Weighted average useful life (in years)
Finite lived intangibles:				
Trade name and trademarks	113,960	(100,328)	13,632	2
Order backlog	33,290	(33,290)	–	–
Customer contracts & relationships	409,783	(368,918)	40,865	3
Developed technologies & others	90,805	(87,813)	2,992	3
Total finite lived intangibles	647,838	(590,349)	57,489	

INTANGIBLE ASSETS				
March 31, 2025 (USD in thousands)	Gross asset	Accumulated amortization	Carrying amount	Weighted average useful life (in years)
Finite lived intangibles:				
Trade name and trademarks	113,960	(93,512)	20,448	3
Order backlog	35,324	(35,324)	–	–
Customer contracts & relationships	413,697	(348,324)	65,373	4
Developed technologies	105,222	(99,622)	5,600	4
Total finite lived intangibles	668,203	(576,782)	91,421	

The following table presents the line items within the Consolidated Statements of Operations that include amortization of intangible assets:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Cost of revenue	1,011	1,014
Operating expenses	32,921	32,153
Total	33,932	33,167

Estimated future annual amortization expense related to finite lived intangible assets for each of the three years to March 31, 2029, and thereafter is as follows:

Financial year ending March 31, (USD in thousands)	Estimated annual amortization
2027	32,829
2028	24,150
2029	510
Total identifiable intangibles, net	57,489

Note 13: Goodwill

Landis+Gyr has two reporting units with goodwill: Americas and Asia Pacific, which are also the Company's reportable segments.

The changes in the carrying amount of goodwill for the financial years ended March 31, 2026, and March 31, 2025, are as follows:

GOODWILL USD in thousands	MARCH 31,		
	Americas	Asia Pacific	Total
Balance as of March 31, 2024 ⁽¹⁾	737,350	24,863	762,213
Effect of change in exchange rates	–	(178)	(178)
Balance as of March 31, 2025 ⁽¹⁾	737,350	24,685	762,035
Effect of change in exchange rates	–	34	34
Balance as of March 31, 2026 ⁽¹⁾	737,350	24,719	762,069

1) As of March 31, 2026, March 31, 2025, and March 31, 2024, the gross goodwill amounted to USD 1,188.1 million, USD 1,188.0 million, and USD 1,188.2 million respectively. The accumulated impairment charges as of March 31, 2026, March 31, 2025, and March 31, 2024, amounted to USD 426.0 million, of which USD 396.0 million and USD 30.0 million related to the Americas and Asia Pacific segments, respectively.

Note 14: Impairment of Intangible Assets

Finite Lived Intangibles

No impairment charges for finite lived intangibles were recorded in the financial years ended March 31, 2026, and March 31, 2025.

Goodwill

In the last quarter of the financial years ended March 31, 2026, and March 31, 2025, the Company performed a quantitative goodwill impairment analysis for all its reporting units that included an assessment of certain qualitative factors, the overall financial performance, macroeconomic and industry conditions as well as determining the fair value of the reporting units and comparing that fair value to the carrying values.

The outcome of the quantitative test for the Americas and Asia Pacific reporting units was that the goodwill was not impaired as of March 31, 2026, and March 31, 2025.

The Company's assessments considered the current and expected future economic and market conditions and their impact on each of the reporting units and intangible assets. The assumptions used within the impairment assessments represent the Company's best estimate. The Company's assessment that an impairment is not required for its reporting units assumes the trading conditions develop as forecasted. The ability to achieve its forecasts could be materially impacted by external factors such as pandemics, global shortage of energy or supplied components as well as increased freight rates, duties,

taxes or tariffs, and the Company's ability to respond to them.

Note 15: Other Long-term Assets

The components of Other long-term assets are as follows:

OTHER LONG-TERM ASSETS USD in thousands	MARCH 31,	
	2026	2025
Other investments	52,024	52,135
Overfunded pension plans (1)	49,417	27,549
Operating lease right-of-use assets (2)	39,411	36,920
Others	50,029	50,611
Total other long-term assets	190,881	167,215

1) See Note 21: Pension and Post-retirement Benefit Plans.

2) See Note 24: Leases.

Other Investments

On February 26, 2024, the Company entered into a Simple Agreement for Future Equity ("SAFE") with Span.IO, Inc. ("Span"), a company incorporated in San Francisco (California, USA). Span develops and commercializes innovative smart panels that manage and control loads. Per the terms of the SAFE, the Company made a cash contribution of USD 50.0 million to Span, in exchange for the right to obtain a variable number of preferred shares to be issued by Span in connection with its next round of financing. During the financial year ended March 31, 2026, the Company received 4,999,700 preferred shares of Span which correspond to a 7.62% shareholding. The carrying amount of the equity investment in Span as of March 31, 2026, and March 31, 2025, was USD 50.0 million and USD 50.0 million, respectively, which is included within Other long-term assets in the Consolidated Balance Sheets. The Company performed an impairment analysis that included an assessment of certain qualitative indicators. As a result of the assessment performed, no impairment charges were recorded in the financial years ended March 31, 2026, and March 31, 2025.

The Company owns a 1.3% equity interest in Sense Labs, Inc. ("Sense") that was acquired on January 16, 2019. Sense develops and provides electronic devices for analyzing electricity usage in households in the USA as well as related application software. As of March 31, 2026, and March 31, 2025, the carrying amount of the Company's share in Sense was USD 2.0 million and USD 2.0 million, respectively, which is included within Other long-term assets in the Consolidated Balance Sheets. The Company performed an impairment analysis that included an assessment of certain qualitative indicators. As a result of the assessment performed, no impairment charges were recorded in the financial years ended March 31, 2026, and March 31, 2025.

The Company has an equity interest in Allego N.V. (“Allego”), whose shares are listed over the counter on the New York Stock Exchange. The market price of Allego’s stock as of March 31, 2026, and 2025, was USD 0.001/share and USD 0.25/share, respectively. As of March 31, 2026, and March 31, 2025, the carrying amount of the Company’s equity interest in Allego was less than USD 0.1 million and USD 0.1 million, respectively, which is included within Other long-term assets in the Consolidated Balance Sheets.

Note 16: Other Current Liabilities

The components of Other current liabilities are as follows:

OTHER CURRENT LIABILITIES	MARCH 31,	
	2026	2025
USD in thousands		
Contract liabilities	54,143	45,995
Income tax provision	10,354	24,188
Sales tax payable	19,609	12,089
Others	18,767	13,736
Total other current liabilities	102,873	96,008

Note 17: Debt

The Company’s bank debt is as follows:

BANK DEBT USD in thousands	March 31, 2026		March 31, 2025	
	Balance	Weighted average interest rate	Balance	Weighted average interest rate
Multicurrency revolving credit facility B	170,000	4.9%	90,000	5.4%
Other borrowings	4,276	7.7%	4,556	8.6%
Short-term debt	174,276		94,556	
Multicurrency term loan facility A	249,505	5.1%	250,033	5.7%
Less: unamortized prepaid debt fees - term loan	134		511	
Long-term debt	249,371		249,522	

Landis+Gyr AG has credit facility agreements (the “Credit Facilities Agreement”) in place, establishing a USD 250 million multicurrency term loan facility (“Facility A”) and a USD 250 million multicurrency revolving credit facility (“Facility B”) with a bank syndicate led

by UBS Switzerland AG. Both facilities mature in February 2029 and provide two extensions of the facilities for an additional period of one year each.

The Credit Facilities Agreement contains affirmative and negative covenants customarily found in loan agreements for similar transactions, subject to certain agreed exceptions, for the borrower and the Group, including with respect to, among other actions, maintaining the Group’s business operations and assets, carrying out transactions with third parties at market conditions, ranking all obligations at least pari passu with present or future payment obligations, complying with laws and reporting obligations and preparing financial statements in accordance with US GAAP. The Credit Facilities Agreement restricts, among other actions, the following, subject to certain exceptions: carrying out material changes to the Group’s activities or structure, changing its accounting standards, incurring further indebtedness, granting security for indebtedness, granting credit to third parties and carrying out certain disposals of assets. The Credit Facilities Agreement also contains a financial covenant requiring that the Group’s Net Senior Debt (as defined therein) divided by EBITDA is not greater than 3.00x, whereby EBITDA shall always be positive.

The Credit Facilities Agreement contains events of default, which include, among others, payment defaults, breach of other obligations under the agreement, cross-default, insolvency, material adverse change or a material reservation of the auditors. Indebtedness under the Credit Facilities Agreement may be voluntarily prepaid in whole or in part, subject to notice, minimum amounts and break costs.

Multicurrency Term Loan Facility – Facility A

Under the multicurrency term loan, the Company may borrow loans in Swiss Francs, with consecutive interest periods of one, two, three or six months, or in US Dollars and in Euros, with consecutive interest periods of one, three, six or twelve months.

Borrowings under the Facility A bear interest at a rate based on the term Secured Overnight Financing Rate (“SOFR”) in case of borrowings in US Dollars, the Euro Interbank Offered Rate (“EURIBOR”) in case of borrowings in Euros, or the Swiss Average Rate Overnight (“SARON”) in case of borrowings in Swiss Francs, plus a margin ranging from 1.05% to 2.15% depending on the Net Senior Debt/EBITDA ratio calculated every half year at March 31 and September 30.

As of March 31, 2026, the Company has drawn loans for a total amount of USD 249.5 million which will mature during the following financial year, but the Company has the intention and the ability to roll them over the Credit Facilities Agreement until February 2029. The unused portion was nil.

Multicurrency Revolving Credit Facility – Facility B

Under the multicurrency revolving credit facility, the Company may borrow loans in Swiss Francs, with consecutive interest periods of one, two, three or six months, or in US Dollars and in Euros, with consecutive interest periods of one, three, six or twelve months.

Borrowings under the Facility B bear interest at a rate based on the term Secured Overnight Financing Rate (“SOFR”) in case of borrowings in US Dollars, the Euro Interbank Offered Rate (“EURIBOR”) in case of borrowings in Euros or the Swiss Average Rate Overnight (“SARON”) in case of borrowings in Swiss Francs, plus a margin ranging from 0.75% to 1.85% depending on the Net Senior Debt/EBITDA ratio calculated every half year at March 31 and September 30.

As of March 31, 2026, the Company has drawn loans for a total amount of USD 170.0 million which will mature during the following financial year. The Facility B's unused portion was USD 80.0 million.

The Company incurs a quarterly commitment fee equal to 35% per annum of the applicable margin of the unused portion of the multicurrency revolving credit facility as well as a quarterly utilization fee up to 0.3% per annum of all outstanding Facility B loans.

Note 18: Other Long-term Liabilities

The components of Other long-term liabilities are as follows:

OTHER LONG-TERM LIABILITIES	MARCH 31,	
	2026	2025
USD in thousands		
Contract liabilities	61,873	64,145
Finance lease liabilities - non current	3,407	5,542
Asset retirement obligations ⁽¹⁾	1,375	3,737
Others	27,607	31,700
Total other long-term liabilities	94,262	105,124

1) See Note 27: Asset Retirement Obligations.

Note 19: Derivative Financial Instruments

The Company is exposed to certain currency risks arising from its global operating, financing and investing activities. The Company uses derivative instruments to reduce and manage the economic impact of these exposures. Forward foreign exchange contracts are the main instrument used to protect the Company against the volatility of future cash flows (caused by changes in exchange rates) arising from transactions denominated in foreign currencies.

The gross notional amounts of outstanding foreign exchange contracts as of March 31, 2026, and March 31, 2025, were USD 491.3 million and USD 253.8 million, respectively.

For the financial year ended March 31, 2026, and March 31, 2025, the Company recognized gains (losses) from changes in the fair value of forward foreign exchange contracts of USD 1.6 million and USD (2.0) million, respectively. These amounts are included within Cost of revenue in the Consolidated Statements of Operations.

The fair values of the outstanding derivatives, included in the Consolidated Balance Sheets as of March 31, 2026, and March 31, 2025, were as follows:

DERIVATIVE FINANCIAL INSTRUMENTS	Notional amount	Derivative assets		Derivative liabilities	
		Prepaid expenses and other current assets	Other long-term assets	Other current liabilities	Other long-term liabilities
March 31, 2026 (USD in thousands)					
Foreign exchange contracts:					
Foreign currency forward contracts in JPY	163,017	4,703	–	2,776	–
Foreign currency forward contracts in CHF	104,763	288	–	1,640	–
Foreign currency forward contracts in MXN	17,536	527	–	169	–
Foreign currency forward contracts in EUR	118,717	378	–	511	–
Foreign currency forward contracts in CAD	24,527	360	–	102	–
Foreign currency forward contracts in AUD	15,295	155	–	160	–
Foreign currency forward contracts in GBP	31,246	141	–	226	–
Foreign currency forward contracts in PLN	13,184	28	–	74	–
Foreign currency forward contracts in SEK	1,994	5	–	26	–
Foreign currency forward contracts in CZK	1,013	8	–	7	–
Total derivative financial instruments		6,593	–	5,691	–

DERIVATIVE FINANCIAL INSTRUMENTS

March 31, 2025 (USD in thousands)	Notional amount	Derivative assets		Derivative liabilities	
		Prepaid expenses and other current assets	Other long-term assets	Other current liabilities	Other long-term liabilities
Foreign exchange contracts:					
Foreign currency forward contracts in JPY	147,883	1,025	–	1,518	–
Foreign currency forward contracts in GBP	41,415	91	–	200	–
Foreign currency forward contracts in CHF	17,759	–	–	56	–
Foreign currency forward contracts in EUR	15,448	11	–	3	–
Foreign currency forward contracts in MXN	12,716	–	–	214	–
Foreign currency forward contracts in PLN	5,432	12	–	–	–
Foreign currency forward contracts in AUD	5,248	141	–	7	–
Foreign currency forward contracts in SEK	2,553	6	–	1	–
Foreign currency forward contracts in CAD	2,519	–	–	25	–
Foreign currency forward contracts in CZK	2,518	–	–	7	–
Foreign currency forward contracts in ZAR	303	8	–	–	–
Total derivative financial instruments		1,294	–	2,031	–

A summary of the effect of netting arrangements on the Company's financial position related to the offsetting of its recognized derivative assets and liabilities under master netting arrangements or similar agreements is as follows:

DERIVATIVE FINANCIAL INSTRUMENTS

Offsetting of derivative assets	Gross amounts of recognized assets	Gross amounts not offset in the Consolidated Balance Sheets		Net amount
		Derivative financial instruments	Cash collateral received	
March 31, 2026	6,593	(4,468)	–	2,125
March 31, 2025	1,294	(1,027)	–	267

Offsetting of derivative liabilities	Gross amounts of recognized liabilities	Gross amounts not offset in the Consolidated Balance Sheets		Net amount
		Derivative financial instruments	Cash collateral pledged	
March 31, 2026	5,691	(4,468)	–	1,223
March 31, 2025	2,031	(1,027)	–	1,004

The Company's derivative assets and liabilities subject to netting arrangements include foreign exchange forward contracts with six counterparties on March 31, 2026, and nine counterparties on March 31, 2025. No derivative asset or liability balance with any of Landis+Gyr's counterparties was individually significant on March 31, 2026, and March 31, 2025. The Company's derivative contracts with each of these counterparties exist under agreements that provide for the net settlement of all contracts through a single

payment in a single currency in the event of default. The Company has no pledges of cash collateral against its obligations and it has not received pledges of cash collateral from its counterparties under the associated derivative contracts.

Note 20: Fair Value

The Company measures financial assets and liabilities at fair value. Foreign currency exchange contracts are measured at fair value on a recurring basis by means of various valuation techniques and models and the inputs used are classified based on the hierarchy outlined within the Company's significant accounting policies.

In addition, certain assets are measured at fair value on a nonrecurring basis; that is, the instruments are not measured at fair value on an ongoing basis but are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment).

The valuation techniques and models utilized for measuring financial assets and liabilities are reviewed and validated at least annually.

Recurring Fair Value Measurements

As of March 31, 2026, for each of the fair value hierarchy levels, the following assets and liabilities were measured at fair value on a recurring basis:

FAIR VALUE MEASUREMENTS – FY25

March 31, 2026 (USD in thousands)	Total	Level 1	Level 2	Level 3
Assets				
Foreign currency forward contracts	6,593	–	6,593	–
Other long-term assets – Investments in equity securities	15	15	–	–
Total	6,608	15	6,593	–
Liabilities				
Foreign currency forward contracts	5,691	–	5,691	–
Total	5,691	–	5,691	–

As of March 31, 2025, for each of the fair value hierarchy levels, the following assets and liabilities were measured at fair value on a recurring basis:

FAIR VALUE MEASUREMENTS –				
FY24				
March 31, 2025 (USD in thousands)	Total	Level 1	Level 2	Level 3
Assets				
Foreign currency forward contracts	1,294	–	1,294	–
Other long-term assets – Investments in equity securities	125	125	–	–
Total	1,419	125	1,294	–
Liabilities				
Foreign currency forward contracts	2,031	–	2,031	–
Other long-term liabilities – Contingent consideration	295	–	–	295
Total	2,326	–	2,031	295

Investments in Equity Securities

The Company's equity interest in Allego is traded on a public stock exchange for which quoted prices are readily and regularly available and is therefore categorized as Level 1.

Foreign Currency Forward Contracts

The fair value of the foreign currency forward exchange contracts has been determined using price quotes for similar instruments, appropriately adjusted, or present value techniques, based on available market data or option pricing, under the assumption that the unit of account is an individual derivative transaction and that derivative could be sold or transferred on a standalone basis. The foreign currency forward exchange contracts are classified as Level 2. The key inputs used in valuing derivatives include foreign exchange spot and forward rates, all of which are available in an observable market. The fair value does not reflect subsequent changes in the economy, interest and tax rates and other variables that may affect the determination of fair value.

Contingent Consideration Liabilities

In connection with certain business combinations, the Company recorded contingent consideration liabilities, which are payable subject to the achievement of certain financial targets. The fair value of these contingent consideration liabilities was estimated with Monte Carlo simulation models using Level 3 inputs, including EBITDA volatility and other market variables to assess the probability of achieving the targets, and any subsequent changes in fair value are recorded in the Consolidated Statements of Operations until settlement.

Fair Value of Other Financial Instruments

The fair value of the Company's financial instruments approximates carrying value due to their short maturities.

Note 21: Pension and Post-retirement Benefit Plans

A large portion of the Company's employees are covered by defined benefit plans which are funded by the Company, the employees and, in certain countries, by state authorities. The Company has pension plans in various countries with the majority of the Company's pension liabilities deriving from the US and Switzerland. Such plans can be set up as state or company-controlled institutions, as contracts with private insurance companies, as independent trusts or pension funds. The benefits provided by such entities vary by country based on the legal and economic environment and are primarily based on employees' years of service and average compensation, covering the risks of old age, death and disability in accordance with legal requirements and the pension legislation in the respective countries.

Net periodic pension cost and the pension obligation of the Company's defined benefit plans are calculated based on actuarial valuations. Such valuations consider, inter alia, the years of service rendered by employees and assumptions about future salary increases. The latest actuarial valuations were performed for the defined benefit plans as of March 31, 2026, and using that as the measurement date.

The underlying actuarial assumptions are based on the actual local economic circumstances of the countries where the defined benefit plans are situated. The Company contributes to the employee benefit plans in accordance with applicable laws and requirements and the pension plan assets are invested in accordance with applicable regulations.

The following tables summarize the movement of the benefit obligation, plan assets, funded status and amounts recognized in the Consolidated Balance Sheets for the defined benefit pension plans for the periods indicated in the tables below:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
BENEFIT OBLIGATION		
Change in benefit obligation:		
Benefit obligation at April 1,	191,296	186,821
Service cost	2,212	1,561
Interest cost	3,371	3,623
Employee contributions	1,167	1,388
Benefits paid by employer	(29)	-
Benefits paid through pension assets	(25,622)	(11,477)
Actuarial losses (gains)	(8,891)	6,223
Curtailments		-
Termination benefits		-
Liabilities extinguished on settlements	(1,076)	-
Plan amendments	1,461	-
Effect of changes in exchange rates	16,838	3,157
Benefit obligation at March 31,	180,727	191,296
PLAN ASSETS		
Change in plan assets:		
Fair value of plan assets at April 1,	215,898	197,934
Actual return on plan assets	15,045	21,186
Employer contributions	2,920	3,401
Employee contributions	1,167	1,388
Benefits paid through pension assets	(25,622)	(11,477)
Effect of changes in exchange rates	19,617	3,466
Fair value of plan assets at March 31,	229,025	215,898
Funded status at March 31,	48,298	24,602
Accumulated benefit obligation	177,621	195,023

As of March 31, 2026, and March 31, 2025, the net plan assets for the overfunded plans were equal to USD 49.4 million and USD 27.5 million, respectively. These amounts are included within Other long-term assets in the Consolidated Balance Sheets.

As of March 31, 2026, and March 31, 2025, the net benefit obligations for the Company's underfunded plans were equal to USD 1.1 million and USD 2.7 million, respectively. These amounts are included within Pension and other employee liabilities in the Consolidated Balance Sheets.

The projected benefit obligation ("PBO"), accumulated benefit obligation ("ABO") and fair value of plan assets, for pension plans with a PBO in excess of fair value of plan assets or ABO in excess of fair value of plan assets, were as follows:

March 31, (USD in thousands)	PBO exceeds fair value of plan assets		ABO exceeds fair value of plan assets	
	2026	2025	2026	2025
PBO	18,320	18,746	15,739	16,551
ABO	17,412	17,708	15,739	16,551
Fair value of plan assets	17,201	15,799	14,765	14,249

Net periodic pension benefit costs for the Company's defined benefit plans include the following components:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
NET PERIODIC PENSION BENEFIT COST		
Service cost	2,212	1,561
Operational pension cost	2,212	1,561
Interest cost	3,371	3,623
Termination benefits	-	-
Expected return on plan assets	(7,933)	(8,017)
Amortization of prior service costs	(1,252)	(1,132)
Amortization of actuarial loss (gain)	647	637
Settlements and curtailments	-	-
Exchange rates (gain) loss	(2,885)	50
Non-operational credit ⁽¹⁾	(8,052)	(4,839)
Net periodic benefit cost (credit)	(5,840)	(3,278)

1) Non-operational credit is included within Other income (expense), net in the Consolidated Statements of Operations.

Changes in plan assets and benefit obligations recognized in AOCL (pre-tax) are as follows:

CHANGES IN PLAN ASSETS AND BENEFIT OBLIGATIONS RECOGNIZED IN AOCL	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Net actuarial (gain) loss	(16,532)	2,899
Amortization of actuarial loss	(1,039)	(514)
Prior service cost	1,462	1
Amortization of prior service credit	1,208	1,091
Total change recognized in AOCL	(14,901)	3,477

The following represents the amounts included in AOCL related to the Company's defined benefit pension plans:

AMOUNTS RECOGNIZED IN AOCL FROM DEFINED BENEFIT PENSION PLANS	MARCH 31,	
	2026	2025
USD in thousands		
Actuarial (gain) loss	(7,290)	10,281
Prior service cost	1,890	(780)
Deferred tax liability (assets)	907	(1,338)
Effect of changes in exchange rates	156	155
Total	(4,337)	8,318

The weighted average assumptions used in accounting for the defined benefit pension plans are as follows:

WEIGHTED AVERAGE ASSUMPTIONS	March 31, 2026	March 31, 2025
Weighted average assumptions to determine benefit obligations:		
Discount rate ⁽¹⁾	1.81%	1.79%
Expected rate of increase in future compensation ⁽²⁾	1.33%	1.25%
Expected rate of increase in future pension benefits ⁽³⁾	0.10%	0.11%
Weighted average assumptions to determine net periodic pension costs:		
Discount rate (1)	1.79%	2.08%
Expected long-term rate of return on plan assets ⁽⁴⁾	3.66%	3.45%

- 1) The Company determined a discount rate for each individual defined benefit pension plan based on high-quality corporate bonds with currency and duration matching the associated liabilities. Where there is no deep market for such bonds, government bonds with an appropriate spread are used.
- 2) The Company determined the expected rate of increase in future compensation levels based on expected inflation rates and merit-based increases.
- 3) The Company determined the expected rate of increase in future pension benefits based on expected inflation in the plans' national markets, if such increase is included in the plan benefits.
- 4) The expected rate of return on plan assets was determined on the basis of the weighted average expected return on plan assets. The Company's assessment of the expected returns is based on historical return trends for equities, real estate and other assets and analysts' predictions of the market for debt instruments. The assets do not include any financial instruments issued by the Company.

Holding all other assumptions constant, a 0.5-percentage point decrease in the discount rate would have increased the PBO related to the defined benefit pension plans by USD 15.8 million while a 0.5-percentage point increase in the discount rate would have decreased the PBO related to the defined benefit pension plans by USD 14.2 million.

Holding all other assumptions constant, a decrease or increase of 0.5 percentage points in the discount rate would have decreased the interest cost in the financial year ended March 31, 2026, by USD 1.3 million or increased the interest cost by USD 1.1 million, respectively.

The actual asset allocation for the defined benefit pension plan assets is as follows:

ACTUAL ASSET ALLOCATION	March 31, 2026	March 31, 2025
Equity instruments	39%	33%
Debt instruments	31%	36%
Property	22%	21%
Other	8%	10%

The Company's pension plan assets for each individual plan are invested in accordance with statutory regulations, pension plan rules and decisions of the pension fund trustees. The Company's actual invested positions in various securities change over time based on short and longer-term investment opportunities. Strategic pension plan asset allocations are determined by the objective to achieve an investment return, which, together with the contributions paid, is sufficient to maintain reasonable control over the various funding risks of the plans. Based upon current market and economic environments, the actual asset allocation may periodically be permitted to deviate from policy targets. The plan's assets are divided according to asset class. For the financial year ending March 31, 2027, the targeted allocations are equities (38%), debt securities (32%), real estate (23%) and others (7%).

Annual benefit payments, including amounts to be paid from the Company's assets for unfunded plans, and reflecting expected future service, as appropriate, are expected to be as follows:

FUTURE BENEFIT PAYMENTS	
Financial year ending March 31, (USD in thousands)	
2027	14,517
2028	13,013
2029	13,499
2030	12,029
2031	11,754
2032-2036	53,959

The following tables present, for each of the fair-value hierarchy levels, the Company's defined benefit pension plan assets that are measured at fair value on a recurring basis as of March 31, 2026, and March 31, 2025:

PENSION PLAN ASSETS				
Fair value measurements March 31, 2026 (USD in thousands)				
	Total	Level 1	Level 2	Level 3
Equity instruments	88,866	88,866	–	–
Debt instruments	74,040	74,040	–	–
Real estate	49,969	49,234	321	414
Other	16,150	13,625	2,525	–
Total	229,025	225,765	2,846	414

PENSION PLAN ASSETS				
Fair value measurements March 31, 2025 (USD in thousands)				
	Total	Level 1	Level 2	Level 3
Equity instruments	69,203	65,866	3,337	–
Debt instruments	81,218	60,830	20,388	–
Real estate	45,243	–	44,923	320
Other	20,234	5,548	14,686	–
Total	215,898	132,244	83,334	320

The classification of fair value measurements within the hierarchy is based upon the lowest level of input that is significant to the measurement. Valuation methodologies used for assets and liabilities measured at fair value are as follows:

Debt and Equity Instruments

Debt and equity instruments classified as Level 1 are valued at the closing price reported on the active market where the individual securities are traded. Equity instruments classified as Level 2 consist of investments in traded institutional funds, which are not actively traded, valued at the repurchase price as calculated by the fund manager on a daily basis and alternative investments valued at their net asset value which is based on the fair value of the underlying assets that are traded in active markets and have quoted market prices.

Real Estate

Real estate investments classified as Level 2 are valued at the repurchase price as calculated by the fund manager on a daily basis. Real estate investments classified as Level 3 are valued using a discounted cash-flow approach; the discount rates are based on the age of the real estate and stand at 4.5%.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth a summary of changes in the fair value of the Level 3 assets:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Balance at April 1,	320	416
Actual return on plan assets	61	(104)
Purchases	–	–
Sales	–	–
Effect of changes in exchange rates	33	8
Balance at March 31,	414	320

Furthermore, the Company sponsors various defined contribution plans in which employees of certain subsidiaries are eligible to participate. Total expenses related to such plans for the financial years ended March 31, 2026, and March 31, 2025, were USD 8.3 million and USD 8.0 million, respectively.

Note 22: Share-based Compensation

Long-term Incentive Plan

The Company sponsors a share-based long-term incentive plan (“LTIP”) providing the members of the Group Executive Management and other eligible key managers with the possibility to receive shares in the Company, subject to certain conditions.

Each new award under the LTIP is a contingent entitlement (Performance Stock Unit or “PSU”) to receive shares in the Company, provided certain results are achieved during the three-year period. The LTIP consists of two components that are weighted equally: (i) a component with a market condition that is based on the total shareholders’ return (“TSR”), summarized under the heading PSP-TSR, and (ii) a component with a performance condition that is based on the Company’s fully diluted earnings per share (“EPS”) performance, summarized under the heading PSP-EPS. The Board of Directors, at its discretion, may allow the EPS normalization of certain significant and unforeseen one-off events, not indicative of underlying performance.

The following table summarizes the number of outstanding nonvested share equivalents allocated to each component of the LTIP as of March 31, 2026, and March 31, 2025:

MAXIMUM OUTSTANDING NONVESTED SHARE EQUIVALENTS UNDER THE LTIP	March 31, 2026	March 31, 2025
	Maximum share equivalents under the PSP-TSR	145,317
Maximum share equivalents under the PSP-EPS	145,317	134,769
Total maximum outstanding nonvested share equivalents under the LTIP	290,634	269,538
Exercisable	–	–

The number of share equivalents represents the maximum number of shares that can potentially vest and be distributed to employees if the Company were to achieve the highest vesting scenario for each component.

Total compensation costs recognized in the Consolidated Statements of Operations with respect to the LTIP for the financial years ended March 31, 2026, and March 31, 2025, were USD 2.8 million and USD 2.0 million, respectively.

Performance Stock Plan with a Market Condition (PSP-TSR Plan)

The Company annually allocates PSUs of its publicly traded shares to eligible employees who are employed with the Company at the grant date. These awards are subject to a TSR market condition, which compares the Company's TSR measured over three years relative to a peer group of comparable publicly traded companies. The relative TSR condition is calculated considering not only the variations of the closing price over the three-year period but also the dividends distributed in the same period, assuming that those dividends are reinvested at the time of distribution in the shares of the Company.

PSUs granted under the PSP-TSR component will cliff-vest and be converted into the Company's shares in a range of 0% to 200% following the 3-year measurement period. The PSP-TSR awards multiple shall be capped at 100% if Landis+Gyr's absolute TSR attributable to the relevant three-year measurement period is negative, regardless of the Company's performance relative to the peer group.

The following tables summarize the activities under the PSP-TSR component for the financial year ended March 31, 2026, and March 31, 2025:

TSR COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2026		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2025	67,384	134,769	67.07
Granted	47,297	94,594	63.68
Vested	(25,837)	(51,674)	52.80
Forfeited	(16,185)	(32,372)	68.00
Nonvested at March 31, 2026	72,659	145,317	69.73
Exercisable at March 31, 2026	–	–	–

TSR COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2025		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2024	83,100	166,200	68.18
Granted	34,625	69,250	66.73
Vested	(23,808)	(47,616)	68.57
Forfeited	(26,533)	(53,065)	68.77
Nonvested at March 31, 2025	67,384	134,769	67.07
Exercisable at March 31, 2025	–	–	–

The Company recorded share-based compensation expense for the PSP-TSR Plan of USD 1.8 million and USD 1.3 million, respectively, for the financial years ended March 31, 2026, and March 31, 2025, which is included within General and administrative expense in the Consolidated Statements of Operations. The total grant-date fair value of PSP-TSR awards that vested during the financial years ended March 31, 2026, and March 31, 2025, was USD 1.4 million and USD 1.4 million, respectively. As of March 31, 2026, total unrecognized compensation costs related to nonvested PSP-TSR awards amounted to USD 2.2 million. These costs are expected to be recognized over a weighted-average period of 2.0 years.

Equity-settled awards are recorded in the "Additional paid-in capital" component of shareholders' equity, with compensation cost recorded in General and administrative expenses over the vesting period, which is from the grant date to the end of the vesting period, including adjustments for actual forfeitures. The PSP-TSR awards are subject to a market condition, which based on the guidance in ASC 718 is reflected in the grant-date fair value. Compensation cost is recognized for the PSP-TSR awards, provided that the requisite service is rendered, regardless of when, if ever, the market condition is satisfied. In case of an outperformance of the PSP-TSR award compared to the targets, there will be no adjustment as long as the employee performs the requisite service period.

The weighted-average exercise price of PSP-TSR awards is zero. The following assumptions have been applied in the valuation model:

TSR COMPONENT	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Expected term	3 years	3 years
Risk free rate	0.410%	0.559%
Expected dividend yield	3.4%	3.2%

Performance Stock Plan with an Earnings per Share Condition (PSP-EPS Plan)

The Company annually allocates PSUs of its publicly traded shares to eligible employees who are employed with the Company at the grant date. These awards are subject to a predefined cumulative diluted earnings per share performance condition, which has to be met over a measurement period of three years. The EPS condition is set based on an outside-in view, taking into account growth expectations, risk profile, investment levels and profitability levels.

PSUs granted under the PSP-EPS Plan will cliff-vest and be converted into the Company's shares in a range of 0% to 200% following the 3-year performance period, if the performance conditions are met. None of the PSP-EPS awards will vest if a minimum cumulative target on fully diluted EPS has not been achieved over the performance period.

The following tables summarize the activities under the PSP-EPS Plan for the financial years ended March 31, 2026, and March 31, 2025:

EPS COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2026		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2025	67,384	134,768	58.99
Granted	47,297	94,594	50.51
Vested	(25,837)	(51,674)	45.37
Forfeited	(16,185)	(32,371)	58.28
Nonvested at March 31, 2026	72,659	145,317	58.47
Exercisable at March 31, 2026	–	–	–

EPS COMPONENT	FINANCIAL YEAR ENDED MARCH 31, 2025		
	Number of awards	Maximum number of shares conditionally granted	Weighted-average grant-date fair value per share (Swiss francs)
Nonvested at April 1, 2024	83,100	166,200	56.01
Granted	34,625	69,250	66.27
Vested	(23,808)	(47,616)	57.30
Forfeited	(26,533)	(53,065)	45.47
Nonvested at March 31, 2025	67,384	134,769	58.99
Exercisable at March 31, 2025	–	–	–

The Company recorded stock-based compensation expense for the PSP-EPS Plan of USD 0.9 million and USD 0.7 million, respectively, for the financial years ended March 31, 2026, and March 31, 2025, which is included within General and administrative expense in the Consolidated Statements of Operations. The total grant-date fair value of PSP-EPS awards that vested during the financial years ended March 31, 2026, and March 31, 2025, was USD 1.0 million and USD 1.4 million, respectively. As of March 31, 2026, total unrecognized compensation costs related to nonvested PSP-EPS awards were USD 1.6 million. These costs are expected to be recognized over a weighted-average period of 2.1 years.

Equity-settled awards are recorded in the "Additional paid-in capital" component of shareholders' equity, with compensation cost recorded in General and administrative expenses over the vesting period, which is from the grant date to the end of the vesting period, including adjustments for actual forfeitures. The PSP-EPS awards are subject to a performance condition, which based on the guidance in ASC 718 is not reflected in the grant-date fair value. The actual number of PSUs that will vest can range from 0% to 200% of the grant, depending upon actual Company performance below or above the target level. The Company estimates performance in relation to the established target when determining the projected number of PSUs that will vest and calculating the compensation cost related to these awards. If it is not probable that the performance target for the EPS component will be achieved, then compensation expense recorded to date will be reversed.

The weighted-average exercise price of PSP-EPS awards is zero. The fair value of performance stock units granted under the PSP-EPS Plan is determined based on the closing price of the Company's shares at the day preceding the grant date less the present value of expected dividends.

Other Share-based Compensation

The remuneration of the members of the Company's Board of Directors is paid 65% in cash and 35% in Landis+Gyr's shares, which are blocked for sale for a period of three years. In the financial years ended March 31, 2026, and March 31, 2025, the Company allotted 9,464 and 7,217 shares, respectively, out of the treasury stock and recorded USD 0.7 million and USD 0.7 million, respectively, of expense which is included within General and administrative expense in the Consolidated Statements of Operations.

The Company sponsors an Employee Stock Purchase Plan ("ESPP"). The ESPP provides an opportunity for eligible employees to purchase Landis+Gyr's stock at preferential conditions. The Company's Board of Directors in its sole discretion determines if and when an offering shall be made as well as the detailed parameters of such offering. By participating in the ESPP, an eligible employee may purchase Landis+Gyr's shares at a 15% discount from the SIX Swiss Exchange closing price at the date identified in each offering.

The ESPP was not offered during the financial year ended March 31, 2026. In connection with the ESPP, during the financial year ended March 31, 2025, the Company issued 13,207 shares out of treasury stock and recognized USD 0.1 million expense which is included within General and administrative expense in the Consolidated Statements of Operations. The proceeds from the issuance of shares under the ESPP were USD 0.8 million, which is included within Cash flow from financing activities in the Consolidated Cash Flow Statements.

Note 23: Income Taxes

The Group is within the scope of the OECD Pillar Two model rules. Switzerland has enacted its Pillar 2 legislation per December 2023. The legislation is effective for the Group's financial year beginning April 1, 2024. The Group has performed an assessment and expects no material top-up tax for the financial year ended March 31, 2026.

The following table summarizes the benefit (expense) for the Swiss federal, cantonal, communal and foreign taxes on income from continuing operations:

INCOME TAX BENEFIT (EXPENSE)	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Current income taxes:		
Foreign	(28,193)	(46,518)
Total current taxes	(28,193)	(46,518)
Deferred taxes:		
Domestic (Swiss federal)	5,435	8,139
Domestic (Swiss cantonal/communal)	2,755	4,356
Foreign	(6,222)	25,131
Total deferred taxes	1,968	37,626
Total income tax expense	(26,225)	(8,892)

The Company adopted ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures on a retrospective basis beginning with the financial year ended March 31, 2026. The Company is headquartered in Switzerland. The following table reconciles the Swiss federal statutory tax amount and rate to the Company's actual global effective amount and rate pursuant to ASU 2023-09 for the current and comparative periods ended March 31, 2026 and 2025:

INCOME TAX EXPENSE RECONCILIATION

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,			
	2026		2025	
Domestic	(61,473)		(34,192)	
Foreign	128,858		80,965	
Income from continuing operations before income taxes	67,385		46,773	
	Amount	Percent	Amount	Percent
Expected federal income tax provision	5,276	7.83%	3,662	7.83%
Canton Zug and local income taxes, net of federal income tax effect	(2,337)	(3.5%)	(3,139)	(6.7%)
Foreign tax effects				
United States				
Statutory income tax rate differential	7,879	11.7%	4,073	8.7%
State taxes	1,791	2.7%	2,105	4.5%
Effect of cross border tax laws	(462)	(0.7%)	-	0.0%
Tax credits	(3,864)	(5.7%)	(1,822)	(3.9%)
Nontaxable or nondeductible items	179	0.3%	(1,116)	(2.4%)
Adjustments to prior year	1,814	2.7%	(1,048)	(2.2%)
Hong Kong				
Statutory income tax rate differential	1,190	1.8%	1,884	4.0%
Withholding tax	92	0.1%	352	0.8%
Other	(107)	(0.2%)	(147)	(0.3%)
India				
Statutory income tax rate differential	1,147	1.7%	5,348	11.4%
Changes in valuation allowances	-	0.0%	378	0.8%
Nontaxable or nondeductible items	111	0.2%	(356)	(0.8%)
Adjustments to prior year	543	0.8%	31	0.1%
Japan				
Statutory income tax rate differential	5,778	8.6%	4,720	10.1%
Other	78	0.1%	92	0.2%
Adjustments to prior year	-	-	201	0.4%

INCOME TAX EXPENSE RECONCILIATION

	FINANCIAL YEAR ENDED MARCH 31,			
	2026		2025	
Mexico				
Statutory income tax rate differential	1,053	1.6%	595	1.3%
Other	226	0.3%	208	0.4%
Adjustments to prior year	502	0.7%	-	0.0%
Brazil				
Statutory income tax rate differential	3,595	5.3%	4,081	8.7%
Changes in valuation allowances	-	0.0%	(5,514)	(11.8%)
Tax credits	(3,188)	(4.7%)	(2,773)	(5.9%)
Other	(53)	(0.1%)	(67)	(0.1%)
Singapore				
Statutory income tax rate differential	8	0.0%	(313)	(0.7%)
Changes in valuation allowances	73	0.1%	510	1.1%
Other	(66)	(0.1%)	70	0.1%
New Zealand				
Statutory income tax rate differential	368	0.5%	467	1.0%
Nontaxable or nondeductible items	(513)	(0.8%)	(502)	(1.1%)
Adjustments to prior year	(46)	(0.1%)	(7)	(0.0%)
China				
Statutory income tax rate differential	36	0.1%	244	0.5%
Other	(79)	(0.1%)	(52)	(0.1%)
Adjustments to prior year	(325)	(0.5%)	-	0.0%
United Kingdom				
Statutory income tax rate differential	812	1.2%	-	-
Changes in valuation allowances	4,544	6.7%	-	-
Other	35	0.1%	(79)	(0.2%)
Australia				
Statutory income tax rate differential	(699)	(1.0%)	589	1.3%
Other	224	0.3%	60	0.1%
Adjustments to prior year	-	-	205	0.4%

INCOME TAX EXPENSE RECONCILIATION	FINANCIAL YEAR ENDED MARCH 31,			
Other foreign jurisdictions	443	0.7%	1,534	3.3%
Changes in valuation allowances	10,014	14.9%	2,607	5.6%
Nontaxable or nondeductible items	(72)	(0.1%)	(1,080)	(2.3%)
Others				
Tax effect of permanent differences on disposal of business	(8,125)	(12.1%)	(7,661)	(16.4%)
Adjustments to prior year	(3,975)	(5.9%)	(144)	(0.31%)
Worldwide changes in unrecognized tax benefits	2,325	3.5%	696	1.49%
Total income tax expense	26,225	38.9%	8,892	19.0%

The "Other foreign jurisdictions" line includes an amount of withholding tax (WHT), which relates to various countries.

Deferred Taxes

The significant components of the deferred tax assets and liabilities are as follows:

DEFERRED TAX ASSETS AND LIABILITIES	MARCH 31,	
	2026	2025
USD in thousands		
Deferred tax assets:		
Net operating loss carryforwards	71,849	58,234
Inventories	7,160	8,181
Deferred income	27,173	24,426
Accrued liabilities	6,552	7,173
Intangible assets	8,698	9,901
Operating leases	7,599	9,207
Pension and other employee related liabilities	15,151	15,160
Other	5,821	8,937
Total gross deferred tax assets	150,003	141,219
Deferred tax liabilities:		
Property, plant and equipment	(1,845)	(3,660)
Intangible assets	(2,032)	(2,021)
Operating leases	(5,138)	(6,469)
Other	(19,816)	(25,355)
Total gross deferred tax liabilities	(28,831)	(37,505)
Net deferred tax assets before valuation allowance	121,172	103,714
Valuation allowance	(58,598)	(41,279)
Net deferred tax assets (liabilities)	62,574	62,435
Included in:		
Deferred tax assets - non current	74,064	73,910
Deferred tax liabilities - non current	(11,490)	(11,475)
Net deferred tax assets (liabilities)	62,574	62,435

As of March 31, 2026, and March 31, 2025, the Company had total tax losses carried forward in the amount of USD 398.4 million and USD 262.8 million, respectively.

The expiration of the tax losses carried forward as of March 31, 2026, is as follows:

TAX LOSSES CARRIED FORWARD	
Financial year ending March 31, (USD in thousands)	
2027	8,393
2028	10,045
2029	12,958
2030	18,279
2031	55,756
Thereafter	264,484
Never expire	28,524
Total	398,439

Due to “change in ownership” provisions in certain jurisdictions, the use of a portion of the Company’s tax losses may be limited in future periods.

The Company believes that it is more likely than not that the benefit from certain net operating loss carryforwards and other deferred tax assets will not be realized due to insufficient profit projections.

The Company considered all available evidence, both positive and negative, including historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for a valuation allowance.

The valuation allowances are mainly provided against net deferred tax assets in the United States, the United Kingdom and Switzerland. In the event that certain deferred tax assets become realizable, the reversal of the valuation allowance would result in a reduction in income tax expense, as in the prior year.

Deferred taxes on undistributed earnings of foreign subsidiaries as of March 31, 2026, and March 31, 2025, are USD 10.9 million and USD 10.4 million, respectively.

The Company does not provide deferred taxes on temporary differences related to its foreign subsidiaries that are considered permanent in duration. Determination of the amount of deferred taxes on these temporary differences is not practical.

Provisions for Uncertain Tax Positions

ASC 740 clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements. This interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits is as follows:

GROSS UNRECOGNIZED TAX BENEFITS	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Balance as of April 1,	19,560	18,825
Gross increases to positions in prior years	37	226
Gross increases to current period tax positions	6,403	5,563
Audit settlements	(1,031)	-
Expiry of statute of limitations	(3,215)	(5,069)
Gross decreases to prior year positions	(127)	-
Effect on change in exchange rates	161	15
Balance as of March 31,	21,788	19,560

In the financial years ended March 31, 2026, and March 31, 2025, the net interest and penalties expense (benefit) related to unrecognized tax were USD 0.1 million and USD 0.1 million, respectively.

As of March 31, 2026, and March 31, 2025, accrued interest and penalties were USD 4.5 million and USD 4.3 million, respectively.

The Company does not expect any material changes in unrecognized tax benefits within the next 12 months.

As of March 31, 2026, and March 31, 2025, the amounts of unrecognized tax benefits that, if recognized, would affect the Company’s effective tax rate, were USD 23.2 million and USD 20.8 million, respectively.

The Company is subject to taxation in various states and foreign jurisdictions. As of March 31, 2026, the Company could be subject to income tax examination by the tax authorities in the following major tax jurisdictions:

STATUTE OF LIMITATIONS	Open tax years
Tax jurisdiction	
Australia	April 1, 2019 - March 31, 2026
Switzerland	April 1, 2024 - March 31, 2026
US: Federal	April 1, 2022 - March 31, 2026
India	April 1, 2019 - March 31, 2026
Japan	April 1, 2020 - March 31, 2026
Brazil	January 1, 2021 - March 31, 2026

Income taxes paid, net of refunds received, for both continuing and discontinued operations, consisted of the following:

INCOME TAX PAYMENTS (REFUNDS)	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Federal	51	(4)
Foreign		
US: Federal and state	30,399	33,648
Japan	7,360	(424)
South Africa	4,435	2,602
Hong Kong	3,350	1,964
Other	10,508	7,005
Total income tax payments	56,103	44,791

Note 24: Leases

The Company is party to several noncancelable operating leases, primarily for office space and company vehicles, that expire over the next 10 years. These leases might include renewal options and do not contain material residual value guarantees.

The components of lease expense are as follows:

OPERATING & FINANCE LEASE COST	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Finance lease cost – Right-of-use assets amortization	3,722	2,996
Finance lease cost – Interest on lease liabilities	411	394
Operating lease cost	10,640	9,910
Variable lease cost	(90)	484
Short-term lease cost	4,092	3,721
Total lease cost	18,775	17,505

Supplemental cash flow information related to leases is as follows:

OPERATING & FINANCE LEASES	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	11,555	9,849
Financing cash flows from finance leases	4,060	2,552
Right-of-use assets obtained in exchange for lease liabilities		
Operating leases	6,035	7,892
Finance leases	1,456	2,488

Supplemental balance sheet information related to leases is as follows:

OPERATING & FINANCE LEASES	MARCH 31,	
	2026	2025
USD in thousands, unless otherwise stated		
Operating leases		
Right-of-use assets, net	39,411	36,922
Lease liabilities	46,916	44,927
Finance leases		
Property, plant and equipment, net	7,293	9,551
Lease liabilities	6,854	9,228
Weighted-average remaining lease term (years)		
Operating leases	5.5	6.3
Finance leases	3.4	2.7
Weighted-average discount rate (percentage)		
Operating leases	4.3%	4.7%
Finance leases	3.9%	2.9%

Remaining maturities of lease liabilities as of March 31, 2026, are as follows:

FUTURE LEASE PAYMENTS	Finance leases	Operating leases
Financial year ending March 31, (USD in thousands)		
2027	3,755	11,385
2028	2,407	8,932
2029	756	8,743
2030	207	7,662
2031	18	6,236
Thereafter	–	9,911
Total lease payments	7,143	52,869
Less: Imputed interest	(289)	(5,953)
Total lease liabilities	6,854	46,916

As of March 31, 2026, the Company has additional operating lease commitments, primarily for office space, that have not yet commenced of USD 0.5 million. These operating leases will commence in the following financial year with lease terms of 7 years.

Note 25: Commitments & Contingencies

Guarantees

The following table provides quantitative data regarding the Company's third-party guarantees. The maximum potential payments represent a "worst-case scenario" and do not reflect Management's expected outcomes.

GUARANTEES	March 31, 2026
Maximum potential payments (USD in million)	
Performance guarantees obtained from third parties	137.4
Financial guarantees issued in connection with financing activities	540.6
Financial guarantees issued in connection with lease agreements	3.9
Total	681.9

The Company is often required to obtain bank guarantees, bid bonds or performance bonds in support of its obligations for customer tenders and contracts. These guarantees or bonds typically provide a guarantee to the customer for future performance, which usually covers the delivery phase of a contract and may, on occasion, cover the warranty phase. As of March 31, 2026, the Company had total outstanding performance bonds and bank and insurance guarantees of USD 137.4 million. In the event any such bank or insurance guarantee or performance bond is called, the Company would be obligated to reimburse the issuer of the guarantee or bond; however, the Company has no reason to expect that any outstanding guarantee or bond will be called.

In addition, the Company has entered into guarantees that provide financial assurances to certain third parties related to the outstanding lines of credit or to leasing arrangements, predominantly for office leases. The total amount was USD 544.6 million as of March 31, 2026.

Furthermore, the Company is party to various guarantees, whereby the Company has assured the performance of its wholly owned subsidiaries' products or services according to the terms of specific contracts. Such guarantees may include guarantees that a project will be completed within a specified time. If the subsidiary were to fail to fulfill its obligations under the contract, then the Company could be held responsible for the other party's damages resulting from such failure. Because the Company's liability under the guarantees typically matches the subsidiaries' liability under the primary contracts, such guarantees generally do not limit the guarantor's total potential liability where the liability results, for example, from personal injury or death or from intellectual property infringement. Therefore, it is not possible to specify the maximum potential amount of future payments that could be made under these or similar agreements. However, the Company has no reason to believe that any of the outstanding parent guarantees will ever be exercised and the Company has not had to make payments against any such parent guarantees in the past.

Legal Proceedings

The Company is subject to various legal proceedings and claims, the outcomes of which are subject to significant uncertainty. The Company's policy is to assess the likelihood of any adverse judgments or outcomes related to legal matters as well as ranges of probable losses. A determination of the amount of the liability required, if any, for these contingencies is made after an analysis of each known issue. A liability is recognized and charged to operating expense when the Company determines that a loss is probable and the amount can be reasonably estimated.

On October 5, 2015, the Romanian Competition Council ("RCC") launched an ex officio investigation against the Company together with several of its competitors on the alleged infringement of certain provisions of Romanian competition law in connection with auctions on the market of electricity meters and connected equipment. In response the Company immediately engaged external experts to conduct an extensive internal forensic investigation that did not reveal any violation of competition law. Additionally, the Company provided the RCC evidence demonstrating that it had not engaged in any of the alleged anti-competitive conduct. The Company is not materially active in the Romanian metering market nor was it materially active during the period under investigation. On January 4, 2018, the Plenum of the RCC issued its preliminary decision against the Company and five other companies and imposed a fine of RON 27.4 million (or USD 6.16 million, converted at the exchange rate as of March 31, 2026). In May 2018, the Company filed an appeal of the decision on the basis that it is significantly flawed and incorrect at fact and law. The referral request to the ECJ was dismissed by the Court on April 26, 2022. After the oral announcement of the verdict in favor of RCC dismissing the Company's appeal and its subsidiary request to reduce the fine on August 8, 2022, L+G received the written verdict on January 17, 2025. L+G timely submitted the appeal, putting forward its arguments on the decision being flawed at fact and at law. The High Court of Cassation and Justice heard the appeal on October 9, 2025; while the High Court rejected the requested referral of the case to the European Court of Justice on December 16, 2025, the Court held the final hearings in March 2026. Subsequent to the financial year end, the Court dismissed the appeal. The Company is awaiting the final decision in writing.

In addition to the case listed above, Landis+Gyr and its subsidiaries are parties to various employment-related and administrative proceedings in jurisdictions where the Company operates. None of the proceedings are individually material to Landis+Gyr and the Company believes that it has made adequate provision such that the ultimate disposition of the proceedings will not materially affect its business or financial condition.

In the normal course of business, the Company is party to various legal claims, actions and complaints. It is not possible to predict with certainty whether the Company will ultimately be successful in any of these legal matters or, if not, what the impact might be. However, the Company's management does not expect that the results of any of these legal proceedings will have a material adverse effect on the Company's results of operations, financial position or cash flows.

Due to the nature of the Company's business, it may be subject to claims alleging infringement of intellectual property rights belonging to third parties in connection with various of the Company's products and technologies. In this context, the Company may also be exposed to allegations of patent infringement relating to communication or other technologies from time to time, for example, where the Company purchases components or technology from vendors, which may incorporate technology belonging to third parties. In these instances, the Company relies on the contractual indemnification from such vendors against the infringement of such third-party intellectual property rights. However, where such contractual rights prove unenforceable or not collectible, the Company may need to bear the full responsibility for damages, fees and costs resulting from such allegations of infringement. It could also be necessary for the Company to enter into direct licenses from third parties with regard to technologies incorporated into products supplied to the Company from such vendors. As of today, there is no active or ongoing litigation related to such allegations of infringement and associated indemnification from vendors.

Indemnification

The Company generally provides an indemnification related to the infringement of any patent, copyright, trademark or other intellectual property right on software or equipment within its customer contracts. This indemnification typically covers damages and related costs, including attorney's fees with respect to an indemnified claim, provided that (a) the customer promptly notifies the Company in writing of the claim and (b) the Company controls the defense and all related settlement negotiations. The Company may also provide an indemnification to its customers for third-party claims resulting from damages caused by the negligence or willful misconduct of its employees/agents under certain contracts. These indemnification obligations typically do not have liability caps. It is not possible to predict the maximum potential amount of future payments under these or similar agreements.

US Supreme Court Ruling on Tariffs Imposed under IEEPA

On February 20, 2026, the US Supreme Court issued a decision invalidating tariffs imposed under the International Emergency Economic Powers Act ("IEEPA"). Subsequent to the ruling, the US Court of International Trade issued orders requiring US Customs and Border Protection to implement a refund process for tariffs previously collected under IEEPA. The Company has paid tariffs that may be eligible for refund under these rulings. As of March 31, 2026, the Company had not recognized any tariff refund receivable, as Management had not yet concluded that recovery was probable and reasonably estimable. The Company is evaluating the eligibility of its import entries and the administrative procedures established by CBP. The Company cannot reasonably estimate the amount or timing of any potential refunds at this time; however, it is reasonably possible that it could be material.

Warranty

A summary of the warranty provision account activity is as follows:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Beginning balance, April 1,	19,172	23,100
New product warranties	5,340	2,115
Other changes/adjustments to warranties	(4,561)	(2,401)
Claims activity	(3,018)	(3,426)
Effect of changes in exchange rates	182	(216)
Ending balance, March 31,	17,115	19,172
Less: current portion of warranty	(12,537)	(11,798)
Long-term warranty	4,578	7,374

The Company calculates its provision for product warranties based on historical claims experience, projected failures and specific review of certain contracts.

New product warranties recorded during the financial years ended March 31, 2026, and March 31, 2025, primarily consist of additions in line with the ordinary course of business.

Note 26: Restructuring Charges

The Company continually reviews its business, manages costs and aligns resources with market demand. As a result, the Company has taken several actions to reduce fixed costs, eliminate redundancies, strengthen operational focus and better position itself to respond to market pressures or unfavorable economic conditions.

During the financial year ended March 31, 2026, the Company continued its restructuring effort, aimed at reducing costs and improving operating performance. In connection with these restructuring plans, the Company recognized costs related to termination benefits for employee positions that were eliminated. The total initiatives in the financial year ended March 31, 2026, represent approximately USD 5.1 million in primarily severance related costs. Some of the severance payments were completed during the financial year ended March 31, 2026, and the remaining payments will be completed during the financial year ending March 31, 2027.

A summary of the Company's restructuring activity, including costs incurred during the financial years ended March 31, 2026, and March 31, 2025, is as follows:

USD in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Beginning balance, April 1,	4,399	2,698
Restructuring charges	5,149	4,446
Settlements	(6,576)	(2,562)
Effect of changes in exchange rates	(17)	(183)
Balance as of March 31,	2,955	4,399

The outstanding balance as of March 31, 2026, and March 31, 2025, respectively, is included under Accrued liabilities and Other long-term liabilities in the Consolidated Balance Sheets.

A summary of the Consolidated Statements of Operations line items where restructuring activity charges have been recognized is as follows:

RESTRUCTURING COST	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Cost of revenue	718	32
Research and development	1,795	1,102
Sales and marketing	311	(2)
General and administrative	2,325	3,314
Total	5,149	4,446

The following table outlines the cumulative and current costs incurred to date per operating segment:

RESTRUCTURING BY SEGMENT	Cumulative costs incurred up to March 31, 2026	Total costs incurred in the financial year ended March 31, 2026
Americas	13,585	4,337
Asia Pacific	209	–
Corporate	3,132	812
Restructuring charges	16,926	5,149

The cumulative costs incurred up to March 31, 2026, represent the Company's ongoing restructuring efforts under various programs over the last three financial years.

Note 27: Asset Retirement Obligations

AROs exist in Australia and New Zealand. The following table presents the activity for the AROs, excluding environmental remediation liabilities:

ASSET RETIREMENT OBLIGATION	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
USD in thousands		
Beginning balance, April 1,	3,737	237
Additional obligations incurred	355	3,444
Obligations settled in current period	–	(15)
Changes in estimates, including timing	(3,210)	–
Accretion expense	470	86
Effect of changes in exchange rates	23	(15)
Obligation balances, March 31,	1,375	3,737

Note 28: Related Party Transactions

The Company conducts business with certain companies where members of the Company's Board of Directors or Executive Committee act, or in recent years have acted, as directors or senior executives. The Company's Board of Directors has determined that the Company's business relationships with those companies do not constitute material business relationships. This determination was made in accordance with the Company's related party transaction policy which was prepared based on the Swiss Code of Best Practice.

Note 29: Concentrations

The Company generates the majority of its revenue in the United States with the balance in Asia Pacific, South America and Canada. The majority of the revenue is derived from the sale of energy meters.

For the financial year ended March 31, 2026, the Company had two customers that individually represented 10% or more of total net revenue. In the aggregate, those customers comprised 28.8% of total net revenue. For the financial year ended March 31, 2025, one customer accounted for 10.4% of total net revenue. The Company had no other customers that individually represented 10% or more of total net revenue.

Approximately 29% of the Company's workforce is subject to collective bargaining agreements expiring between 2026 and 2037. Approximately 20% of the Company's workforce is subject to collective bargaining agreements expiring within one year.

Note 30: Segment Information

As result of the divestment of the EMEA business, the Company is organized in a geographical structure into the following operating segments:

Americas

The Americas generates the majority of its revenue in the United States, with the balance produced in Canada, Central America, South America, Japan and certain other markets which adopt US standards. The Americas reportable segment designs, manufactures, markets and sells products for the Company's three growth platforms: Smart Metering, Grid Edge Intelligence and Smart Infrastructure technology. Product examples are Landis+Gyr's Gridstream® Connect platform, advanced metering infrastructure solutions, Revelo® meters, smart electricity meters, commercial/industrial and grid meters, communication modules for water and gas meters, streetlight controllers, distribution automation, system deployment services, managed network services and other advanced metering infrastructure offerings including software (head-end system ("HES"), meter data management ("MDM"), analytics), installation, implementation, consulting, maintenance support and related services.

Asia Pacific

The Asia Pacific segment generates the majority of its revenue in Australia, China, Hong Kong and Singapore, while the balance is generated other markets in Asia. The Asia Pacific reportable segment designs, manufactures, markets and sells products for the Company's three growth platforms: Smart Metering, Grid Edge Intelligence and Smart Infrastructure technology. Product examples are advanced metering infrastructure solutions, non-smart and smart electricity meters, prepayment electricity meters, commercial/industrial and grid meters, gas meters, heat and water meters and solutions, load control devices, system deployment services and advanced metering infrastructure offerings including software (HES, MDM, analytics), installation, implementation, consulting, maintenance support and related services.

The Chief Operating Decision Maker ("CODM") is the Company's Chief Executive Officer. The CODM allocates resources to and assesses the performance of each operating segment using the information outlined in the table below. Each operating segment offers products for different applications and markets and provides separate financial information that is evaluated regularly by the CODM. Decisions by the CODM on how to allocate resources and assess performance are based on a reported measure of segment profitability.

The CODM assesses the segment's performance primarily by using each segment's net revenue to third parties (excluding any inter-company sales) and the adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). Effective April 1, 2025, Management defines Adjusted EBITDA as operating income (loss) excluding (i)

depreciation and amortization, (ii) impairment of intangible assets, (iii) restructuring charges, (iv) change in unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized and (v) transformation expenses. Comparative amounts were adjusted to match the presentation or classification used in the current period.

The CODM primarily reviews the results of each segment on a basis that is before the elimination of profits made on inventory sales between segments and excluding allocated corporate overhead.

The CODM assesses net revenue to third parties and Adjusted EBITDA for each segment predominantly in the annual budget and periodic forecasting processes. The CODM considers budget-to-actual and forecast-to-actual variances for these measures when making decisions about the allocation of operating and capital resources to each segment.

SEGMENT INFORMATION – FY 2025

USD in thousands	FINANCIAL YEAR ENDED MARCH 31, 2026		
	Americas	Asia Pacific	Total
Net revenues from external customers	1,040,096	126,006	1,166,102
Intersegment revenues	4,800	258	5,058
Total net revenues	1,044,896	126,264	1,171,160
Unallocated revenues			132
Elimination of intersegment revenues			(5,058)
Consolidated net revenue			1,166,234
Less:			
Adjusted cost of revenue	690,491	83,758	
Adjusted research and development expenses	84,556	2,460	
Adjusted sales and marketing expenses	31,069	8,047	
Adjusted general and administrative expenses	42,734	9,797	
Adjusted EBITDA	196,046	22,202	218,248

Reconciliation of profit or loss (Adjusted EBITDA)

Restructuring charges ⁽¹⁾			(5,149)
Timing difference on FX derivatives ⁽²⁾			(44)
Transformation expenses ⁽³⁾			(12,172)
Elimination of intersegment profits and corporate unallocated			(50,712)
Depreciation			(20,833)
Amortization of intangible assets			(33,932)
Interest income			3,485
Interest expense			(26,317)
Other income (expense), net			(5,189)
Income from continuing operations before income taxes			67,385

- 1) Restructuring charges are summarized in Note 26: Restructuring Charges including the line items in the Consolidated Statements of Operations that include the restructuring charges.
- 2) Timing difference on FX derivatives represents unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized.
- 3) Transformation expenses related to the strategic review of the EMEA region, the preparation of a US listing and the focus on the Americas region.

SEGMENT INFORMATION – FY 2024

USD in thousands	FINANCIAL YEAR ENDED MARCH 31, 2025		
	Americas	Asia Pacific	Total
Net revenues from external customers	964,642	155,057	1,119,699
Intersegment revenues	2,844	569	3,413
Total net revenues	967,486	155,626	1,123,112
Elimination of intersegment revenues			(3,413)
Consolidated net revenue			1,119,699
Less:			
Adjusted cost of revenue	646,088	92,726	
Adjusted research and development expenses	99,008	1,245	
Adjusted sales and marketing expenses	26,514	8,955	
Adjusted general and administrative expenses	39,256	8,618	
Adjusted EBITDA	156,620	44,082	200,702

Reconciliation of profit or loss (Adjusted EBITDA)

Restructuring charges ⁽¹⁾			(4,446)
Timing difference on FX derivatives ⁽²⁾			130
Transformation expenses ⁽³⁾			(10,810)
Elimination of intersegment profits and corporate unallocated			(49,711)
Depreciation			(19,384)
Amortization of intangible assets			(33,167)
Interest income			1,800
Interest expense			(21,627)
Other income (expense), net			(16,714)
Income from continuing operations before income taxes			46,773

- 1) Restructuring charges are summarized in Note 26: Restructuring Charges including the line items in the Consolidated Statements of Operations that include the restructuring charges.
- 2) Timing difference on FX derivatives represents unrealized gains and losses on derivatives where the underlying hedged transactions have not yet been realized.
- 3) Transformation expenses related to the strategic review of the EMEA region, the preparation of a US listing and the focus on the Americas region.

The following table presents segment depreciation and amortization and capital expenditures for the financial years ended March 31, 2026, and March 31, 2025:

SEGMENT INFORMATION	DEPRECIATION AND AMORTIZATION		CAPITAL EXPENDITURE	
	FINANCIAL YEAR ENDED MARCH 31,		FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025	2026	2025
USD in thousands				
Americas	43,264	43,122	18,596	12,562
Asia Pacific	2,979	1,993	6,722	4,510
Total segments	46,243	45,115	25,318	17,072
Corporate	8,520	7,436	1,949	3,803
Consolidated	54,763	52,551	27,267	20,875

The Company does not monitor total assets by operating segment and such information is not reviewed by the CODM.

The following tables represent the continuing operations' revenue for the financial years ended March 31, 2026, and March 31, 2025:

SEGMENT REVENUE			
Financial year ended March 31, 2026			
(USD in thousands)	Total	Americas	Asia Pacific
United States	811,122	811,122	–
Japan	167,883	167,883	–
Brazil	49,917	49,917	–
Australia	60,329	–	60,329
Other countries	76,851	11,174	65,677
Total net revenue	1,166,102	1,040,096	126,006

SEGMENT REVENUE			
Financial year ended March 31, 2025			
(USD in thousands)	Total	Americas	Asia Pacific
United States	734,796	734,796	–
Japan	135,471	135,471	–
Brazil	44,516	44,516	–
Australia	64,555	–	64,555
Other countries	140,361	49,859	90,502
Total net revenue	1,119,699	964,642	155,057

The following tables represent the property, plant and equipment, net as of March 31, 2026, and March 31, 2025:

SEGMENT PP&E, NET			
March 31, 2026 (USD in thousands)			
	Total	Americas	Asia Pacific
United States	21,159	21,159	–
Mexico	27,142	27,142	–
Brazil	9,435	9,435	–
Australia	3,480	–	3,480
India	3,259	–	3,259
China	2,077	–	2,077
Other countries	3,325	–	152
Property, plant and equipment, net	69,877	57,736	8,968

SEGMENT PP&E, NET			
March 31, 2025 (USD in thousands)			
	Total	Americas	Asia Pacific
United States	27,134	27,134	–
Mexico	20,747	20,747	–
Brazil	6,430	6,430	–
India	5,052	–	5,052
Australia	2,965	–	2,965
China	1,870	–	1,870
Other countries	2,037	–	101
Property, plant and equipment, net	66,235	54,311	9,988

Sales to external customers are based on the location of the customer (destination). Disclosure of long-lived assets is based on the location of the asset.

Note 31: Subsequent Events

The Company evaluated subsequent events and transactions that occurred after the balance sheet date through May 28, 2026, which is the date that the Consolidated Financial Statements were available to be issued.

On September 27, 2025, the Company entered into a share purchase agreement to divest its operations in the Europe, Middle East and Africa (“EMEA”) region to AURELIUS for USD 215.0 million, subject to certain adjustments, including working capital and net indebtedness. The transaction closed on April 8, 2026.

Statutory Financial Statements of Landis+Gyr Group AG

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Report of the statutory auditor to the General Meeting of Landis+Gyr Group AG, Cham

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Landis+Gyr Group AG (the Company), which comprise the balance sheet as at 31 March 2026, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 70 to 76) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

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Overall materiality	CHF 11,960,000
Benchmark applied	Total Assets
Rationale for the materiality benchmark applied	We chose Total Assets as the benchmark because, in our view, it is the most relevant measure for the activities of Landis+Gyr Group AG as a holding company.

We agreed with the Audit, Finance and Risk Committee that we would report to them misstatements above CHF 598,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

We further confirm that the proposed appropriation of the accumulated deficit and the statutory capital reserves comply with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Patrick Balkanyi
Licensed audit expert
Auditor in charge

Keleigh Ramos

Zug, 28 May 2026

Balance Sheet

CHF in thousands	Notes	March 31, 2026	March 31, 2025	CHF in thousands	Notes	March 31, 2026	March 31, 2025
ASSETS				LIABILITIES AND SHAREHOLDERS' EQUITY			
Current assets				Current liabilities			
Cash and cash equivalents		509	5	Trade accounts payable to subsidiary		39,888	18,172
Short-term loan receivable from subsidiary		60,114	–	Accrued liabilities		172	16
Total current assets		60,623	5	Total current liabilities		40,060	18,188
NON CURRENT ASSETS				Non current liabilities			
Long-term loan receivable from subsidiary		294,661	303,149	Long-term loan payable to subsidiary		643,678	534,642
Investment	5	841,205	897,205	Provision for unrealized FX gain		68,566	47,093
Total non current assets		1,135,866	1,200,354	Total non current liabilities		712,244	581,735
TOTAL ASSETS		1,196,489	1,200,359	Total liabilities		752,304	599,923
				SHAREHOLDERS' EQUITY			
				Share capital	6	289,089	289,089
				Statutory capital reserves	7	523,617	554,253
				Reserve for treasury shares held by subsidiary			
				– against statutory capital reserves	8	2,422	4,931
				Statutory retained earnings		2,953	2,953
				Accumulated deficit		(351,235)	(250,790)
				Accumulated deficit brought forward		(250,790)	(220,966)
				Loss for the year		(100,445)	(29,824)
				Treasury shares – against statutory capital reserves		(22,661)	–
				Total shareholders' equity		444,185	600,436
				TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,196,489	1,200,359

See notes to the statutory financial statements.

Income Statement

CHF in thousands	Notes	FINANCIAL YEAR ENDED MARCH 31,	
		2026	2025
Operating expenses		(39,899)	(18,286)
OPERATING LOSS		(39,899)	(18,286)
Financial income		21,451	12,710
Financial expense		(25,839)	(24,209)
Impairment of investment		(56,000)	–
LOSS BEFORE TAXES		(100,287)	(29,785)
Direct taxes expense		(158)	(39)
LOSS FOR THE YEAR		(100,445)	(29,824)

See notes to the statutory financial statements.

Notes to the Statutory Financial Statements

Note 1: Applicable Accounting Law

These standalone financial statements have been prepared in accordance with articles 957-963b of the Swiss Code of Obligations (CO).

Landis+Gyr Group AG reports its consolidated financial statements on the basis of a recognized standard (US GAAP) and has therefore, in accordance with the legal provisions, decided not to provide a separate management report, a separate statement of cash flows or notes on the audit fees and on interest-bearing liabilities in this financial report.

The content of the above is reflected in the Corporate Governance Report and the Financial Report sections of the Company's Annual Report.

Note 2: General

Landis+Gyr Group AG is the parent company of the Landis+Gyr group of companies, which is a leading global provider of energy management solutions.

The Company's registered ordinary shares are listed on the SIX Swiss Exchange.

Note 3: Summary of Significant Accounting Principles

3.1 Conversion of Foreign Currencies

The Company's functional currency is the US Dollar, translated into Swiss Francs for statutory financial reporting purposes. Transactions during the year denominated in foreign currencies are translated and recorded in US Dollars at actual exchange rates prevailing on the dates of the transactions. Profits and losses on exchange are recognized in the income statement, with the exception of unrealized gains, which are deferred until they are realized.

With the exception of investments and equity which are translated at historical rates, all other assets and liabilities are translated into Swiss Francs using the year-end closing rate, whereas income and expenses are translated using the average exchange rate. Foreign currency exchange losses arising from translation are shown as currency translation differences under financial income or expense. Foreign currency exchange gains arising from translation are deferred on the balance sheet. A foreign exchange translation gain of CHF 68.6 million (prior year: CHF 47.1 million) has been deferred on the balance sheet.

The current year realized foreign exchange rate gain was CHF 1.4 million. In the prior year, a foreign exchange loss of less than CHF 0.1 million was realized. These realized exchange rate gains and losses are not taxable as the taxable currency is equivalent to the functional currency which is the US Dollar

3.2 Investment

The investment in subsidiary is carried at cost less adjustments for impairment, if any. The investment is reviewed annually for impairment and adjusted to the recoverable amount in instances where the carrying value is determined to be in excess of the recoverable amount.

3.3 Long-term Loan Receivable

Financial assets are valued at acquisition cost less adjustments for foreign currency losses and any other impairment of value.

Note 4: Number of Employees

The Company did not have any employees in the financial years ended March 31, 2026, and March 31, 2025.

Note 5: Investments

As at the balance sheet date, the Company holds the following direct investments:

COMPANY	NOMINAL CAPITAL	OWNERSHIP & VOTING RIGHTS MARCH 31,	
		2026	2025
Landis+Gyr AG, Alte Steinhäuserstrasse 14, Cham	CHF 29,700,000	100%	100%
Landis+Gyr Olympus AG, Alte Steinhäuserstrasse 18, Cham	CHF 100,000	100%	–

On November 1, 2025, the Company acquired Landis+Gyr Olympus AG in the form of a dividend in kind from Landis+Gyr AG. The value of the acquired company was booked as a reduction to the value of the investment in Landis+Gyr AG (Substanzdividende).

At March 31, 2026 and 2025, the Company performed an impairment analysis. As Landis+Gyr Olympus AG was sold to a third party on April 8, 2026, the investment was impaired by CHF 56.0 million at March 31, 2026 to reflect the expected sales price. There was no impairment charge for the year ended March 31, 2025.

As at the balance sheet date, the Company holds the following substantial indirect investments:

COMPANY	NOMINAL CAPITAL	OWNERSHIP & VOTING RIGHTS MARCH 31,	
		2026	2025
Landis+Gyr Investments LLC, Lafayette, USA	USD 100	100%	100%
Landis+Gyr Ltd, UK	GBP 43,600,000	100%	100%
Luna Elektrik Elektronik Sanayi ve Ticaret A.Ş., Izmir, Turkey	TRY 250,000	100%	100%
Landis+Gyr Holdings Pty Ltd, Australia	AUD 45,587,028	100%	100%

Note 6: Share Capital

On March 31, 2026, the share capital represented 28,908,944 (prior year: 28,908,944) authorized, registered and issued ordinary shares with restricted transferability with a nominal value of CHF 10 each. The restricted transferability is related to the fact that the Company can reject a shareholder not disclosing the beneficial owner. Registered ordinary shares carry one vote per share as well as the right to dividend.

Conditional Share Capital

The share capital of the Company may be increased by up to CHF 4,500,000 by issuing up to 450,000 fully paid-up registered shares with a nominal value of CHF 10 each, upon the exercise of option rights or in connection with similar rights regarding shares granted to officers and employees at all levels of the Company and its subsidiaries according to respective regulations and resolutions of the Board of Directors. This conditional share capital has been approved and is available for use. As of March 31, 2026, no shares were issued from this conditional share capital.

Furthermore, the share capital of the Company may be increased by up to CHF 28,908,940 by the issuance of up to 2,890,894 fully paid-up registered shares with a nominal value of CHF 10 each, upon the exercise or mandatory exercise of conversion, exchange, option, warrant or similar rights for the subscription of shares granted to shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its subsidiaries. As of March 31, 2026, no shares were issued from this conditional share capital.

Capital Band

The Company has a capital band ranging from CHF 260,180,500 (lower limit) to CHF 317,998,380 (upper limit). The Board of Directors shall be authorized within the capital band to increase or reduce the share capital once or several times and in any amounts or to acquire or dispose of shares directly or indirectly, until June 25, 2027, or until an earlier expiry of the capital band. The capital increase or reduction may be effected by issuing up to 2,890,894 fully paid-in registered shares with a nominal value of CHF 10 each and cancelling up to 2,890,894 registered shares with a nominal value of CHF 10 each, as applicable, or by increasing or reducing the nominal value of the existing shares within the limits of the capital band.

Until June 25, 2027, or an earlier expiry of the capital band, the total number of newly issued shares which may be issued with the restriction or withdrawal of advance subscription rights or pre-emptive rights (1) from the conditional capital and (2) from the capital band must not exceed 2,890,894 new shares.

Note 7: Statutory Capital Reserves

MOVEMENT IN STATUTORY CAPITAL RESERVES	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
CHF in thousands		
Statutory capital reserves as of April 1,	554,253	620,235
Dividend payment of CHF 1.15 (prior year: CHF 2.25) per share	(33,145)	(64,859)
Transfer to reserve for treasury shares held by subsidiary – against statutory capital reserves	2,510	(1,123)
Statutory capital reserves carried forward	523,618	554,253

The statutory capital reserves balance per March 31, 2025, has been approved by the tax authorities.

The transfer to the reserve for treasury shares held by subsidiary is outlined in Note 8: Treasury Shares and Reserve for Treasury Shares Held by Subsidiary.

Note 8: Treasury Shares and Reserve for Treasury Shares Held by Subsidiary

During the financial years ended March 31, 2026, and March 31, 2025, 9,464 and 7,217 treasury shares, respectively, were purchased and delivered as compensation-in-kind to the members of the Board of Directors.

On October 28, 2025, the Company announced its intention to execute a share buyback program (the “Share Buyback Program”) amounting to a maximum value of USD 175 million or a maximum of 10% of shares outstanding to return the net proceeds from the EMEA divestment to shareholders. The Buyback program lasts from October 29, 2025, to October 27, 2028, at the latest. The Company reserves the right to terminate the Share Buyback Program at any time and has no obligation to acquire its own registered shares as part of the Share Buyback Program.

The movement in the number of Treasury shares during the year was as follows:

	FINANCIAL YEAR ENDED MARCH 31,			
	2026		2025	
	Number of shares	Average acquisition price per share (in CHF)	Number of shares	Average acquisition price per share (in CHF)
Treasury shares - opening balance as of April 1,	-	-	-	-
Purchases for share Buyback program	431,910	52.47	-	-
Other purchases	9,464	56.89	7,217	75.90
Delivery of shares	(9,464)	(56.89)	(7,217)	75.90
Treasury shares – closing balance as of March 31,	431,910	52.47	-	-

In addition, a subsidiary company, Landis+Gyr AG, also purchased shares in the Company and as of March 31, 2026, held 45,484 shares (prior year: 89,337 shares) at an average acquisition price of CHF 53.25 per share (prior year: CHF 55.20) which are reserved for the employee and Board compensation plans.

The number of shares transferred to the Company for distribution to Board members was 9,464 (average purchase price of CHF 56.89).

The value of the movement of shares held by Landis+Gyr AG, amounting to CHF 2.5 million (prior year: CHF 1.1 million), during the year has been debited to the Statutory capital reserves and credited to the Reserve for treasury shares held by subsidiary.

Note 9: Contingent Liabilities

Landis+Gyr Group AG forms part of the Swiss VAT group of Landis+Gyr and is therefore a liable party for any tax liabilities. The VAT group consists of Landis+Gyr AG, Landis+Gyr Group AG and Caligyr AG.

Note 10: Third-Party Guarantees

The Company has entered into guarantees that provide financial assurances to certain third parties related to the outstanding lines of credit. The total amount was CHF 384 million and CHF 336 million as of March 31, 2026 and 2025, respectively. The exchange rates used to convert the maximum liability amounts into CHF are USD 0.80 (prior year: 0.88) and EUR 0.92 (prior year: 0.96).

The Company is party to various guarantees, whereby the Company has assured the performance of its wholly owned subsidiaries’ products or services according to the terms of specific contracts. Such guarantees may include guarantees that a project will be completed within a specified time. If the subsidiary were to fail to fulfill its obligations under the contract, then the Company could be held responsible for the other party’s damages resulting from such failure. Because the Company’s liability under the guarantees typically matches the subsidiaries’ liability under the primary contracts, such guarantees generally do not limit the guarantor’s total potential liability where the liability results, for example, from personal injury or death or from intellectual property infringement. Therefore, it is not possible to specify the maximum potential amount of future payments that could be made under these or similar agreements. However, the Company has no reason to believe that any of the outstanding parent guarantees will ever be exercised, and the Company has not had to make payments against any such parent guarantees in the past.

Note 11: Shareholdings of Board and Group Executive Management

At March 31, 2026, and March 31, 2025, the members of the Board held the following number of shares in the Company:

NAME	FUNCTION	NUMBER OF SHARES HELD AS OF MARCH 31,	
		2026	2025
Audrey Zibelman	Chair; independent	3,521	1,269
Eric Elzvik	Vice-Chair; independent	14,197	12,474
Andreas Spreiter	Independent Member	12,676	11,736
Christina Stercken	Independent Member	6,600	5,660
Laureen Tolson	Independent Member	3,606	2,666
Fabian Rauch ^(a)	Not independent; representative of a major shareholder	1,186	364
Brett Carter ^(b)	Independent Member	626	n/a
Steve Loudon ^(b)	Independent Member	626	n/a

(a) Representative of Spectrum Entrepreneurial Ownership (SEO), holding 1,448,338 shares which amounts to 5.01% of outstanding share capital. Newly elected at the EGM on August 26, 2024.

(b) Newly elected at the AGM on June 25, 2025.

At March 31, 2026, and March 31, 2025, respectively, the members of the Group Executive Management held the following number of shares in the Company and the conditional rights to receive Landis+Gyr Group AG shares under the long-term incentive plan ("LTIP"):

NAME	FUNCTION	FINANCIAL YEAR ENDED MARCH 31, 2026	
		NUMBER OF SHARES HELD	NONVESTED SHARE EQUIVALENTS UNDER THE LTIP
Peter Mainz	Chief Executive Officer	9,248	15,870
Davinder Athwal ^(a)	Chief Financial Officer	–	14,427
Prasanna Venkatesan	Head of Americas	2,408	8,129
Holger Klafs ^(b)	Group General Counsel	1,907	6,233

(a) Appointed CFO and member of the GEM effective April 1, 2025.

(b) Appointed member of the GEM effective August 1, 2025.

NAME	FUNCTION	FINANCIAL YEAR ENDED MARCH 31, 2025	
		NUMBER OF SHARES HELD	NONVESTED SHARE EQUIVALENTS UNDER THE LTIP
Peter Mainz ^(a)	Chief Executive Officer	6,297	–
Robert Evans ^(b)	Head of EMEA	–	1,223
Prasanna Venkatesan ^(c)	Head of Americas	–	8,207

(a) Appointed CEO and member of the GEM effective November 21, 2024.

(b) Appointed member of the GEM effective November 1, 2024. Member of the GEM until March 31, 2025.

(c) Appointed member of the GEM effective December 10, 2024.

Note 12: Significant Shareholders

At March 31, 2026, and March 31, 2025, respectively, the significant shareholders in the Company, holding more than 3% of the total shares, were:

Name (Beneficial owner/legal shareholder)	MARCH 31, 2026	
	Number of Shares	Holding %
Rudolf Maag	3,000,000	10.38%
UBS Fund Management (Switzerland) AG	1,489,378	5.15%
SEO Management AG	1,448,338	5.01%
BlackRock, Inc.	1,067,555	3.69%
Dimensional Holdings Inc.	871,515	3.01%

Name (Beneficial owner/legal shareholder)	MARCH 31, 2025	
	Number of Shares	Holding %
Rudolf Maag	3,000,000	10.38%
UBS Fund Management (Switzerland) AG	1,489,378	5.15%
SEO Management AG	1,448,338	5.01%
BlackRock, Inc.	1,067,555	3.69%
Barry Lebovits, Joshua Kuntz / Rivulet Capital Master Fund Ltd	925,000	3.20%
Norges Bank	905,642	3.13%

To the best of the Company's knowledge no other shareholders held 3% or more of Landis+Gyr Group AG's total share capital and voting rights on March 31, 2026, and March 31, 2025.

Proposed Appropriation of the Accumulated Deficit and Statutory Capital Reserves

PROPOSED APPROPRIATION OF THE ACCUMULATED DEFICIT

CHF in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Balance carried forward from previous year	(250,790)	(220,966)
Loss for the year	(100,445)	(29,824)
Accumulated deficit	(351,235)	(250,790)

The Board of Directors proposes to the Annual General Meeting to carry forward the accumulated deficit.

PROPOSED APPROPRIATION OF STATUTORY CAPITAL RESERVES

CHF in thousands	FINANCIAL YEAR ENDED MARCH 31,	
	2026	2025
Statutory capital reserves carried forward ^(a)	523,617	554,253
Proposed dividend payment of CHF 1.20 per share on max. 28,908,944 shares out of statutory capital reserves ^(b)	(34,691)	-
Dividend payment of CHF 1.15 per share	-	(33,145)
Transfer to reserve for treasury shares held by subsidiary	-	2,509
Statutory capital reserves to be carried forward ^(c)	488,926	523,617

(a) Refer to Note 7: Statutory Capital Reserves for the movements in statutory capital reserves during the year.

(b) Treasury shares held by Landis+Gyr AG at the record date will not receive dividends. Accordingly, the total amount distributed will be lower.

(c) Amount depends on the total distribution.

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This report is subject to all legal reservations and disclaimers as set forth on page 33 of the Annual Report.