LEM

Life Energy Motion

Financial Half-Year Report
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Interim consolidated statement of financial position

Assets

In CHF thousands	Notes	30.9.2026	31.3.2026
Current assets			
Cash and cash equivalents		27,077	35,414
Accounts receivable		84,089	61,162
Inventories		52,325	50,347
Income tax receivable	12	5,128	6,895
Other current assets		3,488	3,708
Total current assets		**172,107**	**157,525**
Non-current assets			
Property, plant and equipment		68,318	74,296
Right-of-use assets		25,807	26,962
Intangible assets		7,691	8,490
Deferred tax assets	12	45,699	47,551
Other non-current assets	8	7,574	3,663
Total non-current assets		**155,089**	**160,963**
Total assets		**327,196**	**318,488**

Liabilities and equity

In CHF thousands	Notes	30.9.2026	31.3.2026
Current liabilities			
Accounts payable		24,781	21,367
Accrued expenses		31,764	29,278
Lease liabilities		3,772	3,743
Income tax payable	12	1,127	1,845
Current provisions	6	1,460	1,184
Interest-bearing loans and borrowings	7	13,707	36,053
Other current liabilities		1,987	1,282
Total current liabilities		**78,598**	**94,750**
Non-current liabilities			
Non-current lease liabilities		25,304	26,533
Non-current provisions	6	1,629	1,156
Deferred tax liabilities	12	2,244	1,488
Interest-bearing loans and borrowings	7	57,968	59,125
Other non-current liabilities		634	642
Total non-current liabilities		**87,780**	**88,945**
Total liabilities		**166,378**	**183,695**
Equity			
Share capital		570	570
Treasury shares		(1,149)	(1,273)
Reserves		(2,050)	(4,169)
Retained earnings		163,446	139,666
Total equity	9	**160,817**	**134,793**
Total liabilities and equity		**327,196**	**318,488**

Interim consolidated income statement

In CHF thousands	Notes	April to September 2026/27	April to September 2025/26
Sales		174,557	148,258
Cost of goods sold		(104,069)	(89,507)
Gross profit		**70,488**	**58,751**
Sales expenses		(13,106)	(14,242)
Administration expenses		(19,045)	(17,278)
Research & development expenses		(12,629)	(14,608)
Restructuring		(67)	(1,452)
Other income		84	198
Operating profit	10	**25,724**	**11,369**
Financial expenses		(2,049)	(2,415)
Financial income		16	65
Foreign currency exchange effect		34	(725)
Profit before tax		**23,726**	**8,293**
Income taxes	12	(4,510)	(1,501)
Net profit		**19,216**	**6,792**
Earnings per share, in CHF			
Basic earnings per share		16.86	5.96
Diluted earnings per share		16.86	5.94

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

Interim consolidated statement of comprehensive income

In CHF thousands	Notes	April to September 2026/27	2025/26
Net profit for the period recognized in the income statement		**19,216**	**6,792**
Other comprehensive income to be reclassified to profit and loss in subsequent periods			
Currency translation difference		2,323	(1,963)
Income tax		(221)	201
Total other comprehensive income to be reclassified to profit and loss in subsequent periods		**2,102**	**(1,762)**
Other comprehensive income not to be reclassified to profit and loss in subsequent periods			
Recognised surplus on defined benefit plans	8	3,947	270
Deferred tax on other comprehensive income		(555)	(38)
Total other comprehensive income not to be reclassified to profit and loss in subsequent periods		**3,392**	**233**
Other comprehensive income /(loss) for the period, net of tax		**5,494**	**(1,530)**
Total comprehensive income for the period		**24,710**	**5,262**

Interim consolidated statement of changes in equity

Attributable to shareholders

In CHF thousands	Notes	Share capital	Treasury shares	Capital reserve	Translation reserve	Retained earnings	Total equity
1 April 2025		**570**	**(1,872)**	**13,815**	**(15,960)**	**129,219**	**125,771**
Net profit for the period						6,792	**6,792**
Other comprehensive income/(loss)					(1,963)	434	**(1,530)**
Total comprehensive income					*(1,963)*	*7,226*	**5,262**
Share-based payments, net of transactions in own equity	11					(112)	**(112)**
Dividends paid	9						**0**
Movement in treasury shares	9		563	(642)		119	**40**
30 September 2025		**570**	**(1,309)**	**13,173**	**(17,923)**	**136,452**	**130,962**
1 April 2026		**570**	**(1,273)**	**13,137**	**(17,305)**	**139,666**	**134,794**
Net profit for the period						19,216	**19,216**
Other comprehensive income/(loss)					2,323	3,172	**5,494**
Total comprehensive income					*2,323*	*22,387*	***24,710***
Share-based payments, net of transactions in own equity	11		(80)			1,124	**1,044**
Dividends paid	9						**0**
Movement in treasury shares	9		204	(204)		269	**269**
30 September 2026		**570**	**(1,149)**	**12,933**	**(14,983)**	**163,446**	**160,817**

Interim consolidated cash flow statement

In CHF thousands	Notes	April to September 2026/27	2025/26
Cash flow from operating activities			
Profit before tax		**23,726**	**8,293**
Adjustment for non-cash items		17,371	14,284
Interest received/paid and taxes paid		(3,117)	677
Cash flow before changes in net working capital		**37,980**	**23,254**
Cash flow from changes in net working capital		**(16,726)**	**(13,601)**
Cash flow from operating activities		**21,254**	**9,653**
Cash flow from investing activities			
Investment in fixed assets		(1,403)	(3,485)
Investment in intangible assets		(42)	(442)
Increase (–) in other non-current assets		(1,289)	(151)
Decrease (+) in other non-current assets		1,345	0
Cash flow from investing activities		**(1,389)**	**(4,077)**
Cash flow from financing activities			
Treasury shares acquired (–)	9	(1,716)	(2,574)
Treasury shares divested (+)	9	1,840	3,137
Payment of lease liabilities		(1,929)	(1,471)
Dividends paid to the shareholders of LEM HOLDING SA	9	0	0
Increase (+) in financial liabilities	7	41,206	129,200
Decrease (–) in financial liabilities	7	(68,496)	(130,975)
Cash flow from financing activities		**(29,095)**	**(2,683)**
Change in cash and cash equivalents		**(9,230)**	**2,893**
Cash and cash equivalents at the beginning of the period		**35,414**	**18,703**
Exchange effect on cash and cash equivalents		893	(1,169)
Cash and cash equivalents at the end of the period		**27,077**	**20,427**

Notes to the interim consolidated financial statements

1. General information

LEM Group (the Group) is a leading company in the field of electrical measurement. LEM engineers best-in-class solutions for energy and mobility, ensuring that its customers' systems are optimized, reliable, and safe.
The Group's operations are not subject to significant seasonal or cyclical variations that would materially affect the interpretation of the interim financial results.
The parent company of LEM Group is LEM HOLDING SA (the Company), which is a limited company incorporated in Switzerland.

2. Significant accounting principles

These unaudited interim condensed consolidated financial statements for the six months ended on 30 September 2026 have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting". They do not include all the information and disclosures presented in the annual consolidated financial statements and should therefore be read in conjunction with those for the year ended 31 March 2026.

The accounting and valuation policies are consistent with those applied in preparing the annual consolidated financial statements for the year 2025/26.

The preparation of the interim consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and related disclosures at the date of the interim financial statements. These estimates are based on management's best knowledge of current events and actions that the Group may undertake in the future. However, actual results could differ from those estimates.

The financial information is presented in thousands of CHF. The totals are calculated with the original unit amounts, which could lead to rounding differences. These differences in thousands of units are not changed to keep the accuracy of the original data.

Amendments in IFRS, effective as of January 2026, did not have a material impact on the interim consolidated financial statements. The Group has not early adopted any standard or amendment that has been issued but is not yet effective.

3. Exchange rates

The exchange rates for the most significant currencies are as follows:

	Income statement of 2026/27	Income statement of 2025/26	Balance sheet as at 30.9.2026	Balance sheet as at 31.3.2026
Currency	Average rate in CHF	Average rate in CHF	Half-year rate in CHF	Year-end rate in CHF
BGN	0.474	0.479	0.484	0.470
CNY	0.118	0.113	0.124	0.116
DKK	0.124	0.125	0.127	0.123
EUR	0.927	0.936	0.947	0.920
GBP	1.076	1.091	1.107	1.057
JPY	0.0050	0.0056	0.0053	0.0050
MYR	0.199	0.190	0.205	0.198
RUB	0.010	0.010	0.010	0.010
USD	0.801	0.813	0.834	0.800

4. Segment information

For management purposes, LEM Group is organized into two reportable segments as follows:

- The Asia region, which includes China, Japan, South Korea, India, and South-East Asia.
- The Europe/Americas region, which includes Europe, the Middle East, Africa, North America and Latin America.

Although the reportable segments provide similar electronics components called transducers for applications in different customer sectors, each region is managed separately in order to better align it with the location of the Group's customers and distribution partners and the unique market dynamics of each geographic region.

The Group evaluates the performance of its reportable segments based on net sales and operating profit. Net sales for geographic segments are based on the location of customers. Operating profit for each segment includes net sales to third parties, related cost of sales, and operating expenses directly attributable to the segment.
The operating profit for each segment excludes centralized headquarter support functions as well as certain research and development costs managed outside of the reportable segments.
The segment information is presented net of intersegment transactions.

The Group does not include intercompany transfers between segments for management reporting purposes. The reporting segments are presented in a manner consistent with the internal reporting.

Business segment information

	Asia		Europe/Americas		Total	
In CHF thousands	**2026/27**	**2025/26**	**2026/27**	**2025/26**	**2026/27**	**2025/26**
Sales	99,026	80,552	75,531	67,707	**174,557**	**148,258**
Operating profit	28,925	20,188	21,072	15,027	49,996	35,215
Other operating costs*					(24,272)	(23,846)
Group operating profit					**25,724**	**11,369**

*Those costs are managed outside of the reporting segments and are linked to centralized headquarter support functions as well as certain Research and development costs.

5. Revenue information

Regional information

In CHF thousands	2026/27	2025/26
Sales		
China	67,532	55,201
Japan	9,981	7,815
South Korea	6,468	5,263
Rest of Asia	15,044	12,272
Total for the Asia region	**99,026**	**80,552**
Germany	11,153	12,513
Italy	6,760	5,938
Rest of EMEA	37,817	31,297
USA	18,879	17,039
Rest of Americas	922	919
Total for the Europe/Americas region	**75,531**	**67,707**
LEM Group	**174,557**	**148,258**

6. Current and non-current provisions

Warranty and customer claims

Provisions for warranty and customer claims have been estimated based on experience and the risk assessment of management. The warranty provision is expected to be used over the next five years.

Litigation and indirect taxes

The Group reviews all legal claims and takes appropriate actions to support its position, and management estimates the reasonable risk to be provided for.

Furthermore, the Group operates in multiple jurisdictions with complex legal and tax regulatory environments. Indirect tax provisions include disputes and uncertainties on non-income taxes (mainly VAT and sales taxes). They cover numerous separate cases whose detailed disclosure could be detrimental to the Group's interests. The Group does not believe that any of these cases will have a material adverse impact on its financial position.

7. Interest-bearing loans and borrowings

LEM Group significantly reduced its financial liabilities to CHF 71.7 million (CHF 95.2 million on 31 March 2026).

8. Retirement benefit obligations

As of 30 September 2026, the retirement benefit obligation remains in a surplus amounting to CHF 6.3 million (CHF 2.4 million on 31 March 2026). Consistent with year-end, the full amount of the surplus has been recognised as per IFRIC 14 requirement.

9. Equity

During the Annual General Meeting held in Geneva on 25 June 2026, the non-distribution of an ordinary dividend was approved by the shareholders (CHF 0.00 per share - prior year: ordinary dividend of CHF 0.00; total CHF 0.0 million).

Within the framework of its market-making contract, LEM holds its own shares. On 30 September 2026, the Group held 693 shares (31 March 2026: 1,474).

10. Operating profit

The Group sales increased by 17.7% to CHF 174.6 million in the first half of 2026/27; at constant exchange rates, this represents a sales increase of 17.2%.
The gross margin stood at 40.4% in the first half of 2026/27, slightly up from 39.6%, with an EBIT amounting to CHF 25.7 million (increase of 126.3% in the first half of 2026/27). The operating profit margin for the first six months of 2026/27 was 14.7% compared with 7.7% a year earlier.

11. Share-based payments

Starting with financial year 2022/23, the Board of Directors of LEM HOLDING SA grants Senior Executives and Managers a long-term incentive plan composed of share-based performance share units ("PSUs").
The number of shares obtained per PSU can thereby vary between 0% and 200% of the award, subject to continuous employment and depending on the achievement of pre-agreed performance conditions.

The performance conditions include non-market and market conditions such as economic value added ("EVA"), absolute total shareholder return ("absolute TSR"), and total shareholder return measured relative to the SPI EXTRA® Total Return Index ("relative TSR"). The grant-date fair value estimate of market conditions is based on a Monte Carlo simulation. The performance conditions are measured over a period of three consecutive financial years starting with the financial year during which the award date occurs relevant for measuring the long-term performance.

The Group accounts for the PSU as an equity-settled plan.

These allotments are recognized as an expense representing the fair value of the services rendered by the beneficiaries. The fair value of the services is determined by reference to the fair value of the shares on the grant date. The performance conditions are considered when estimating the number of shares to be granted at the end of the vesting period. The benefits granted constitute expenses and are recognized on a straight-line basis over the vesting period in the income statement together with a corresponding increase in the consolidated reserves.

In CHF thousands	Grant date	Vesting period	30.9.2026 Income/(Expense)
Plan Cycle 2024/25 to 2026/27	17.7.2024	3 years	(659)
Plan Cycle 2025/26 to 2027/28	16.7.2025	3 years	(482)
Plan Cycle 2026/27 to 2028/29	14.7.2026	3 years	(482)
Total			**(1,624)**

The cycle 2023/24 to 2025/26 plan was settled, with vesting on July 19th, 2026. Employees received shares based on meeting set conditions.

12. Income taxes

Income tax expense is calculated based on the best estimate of the applicable annual income tax rate expected for the full year.

The Group calculates its expected average tax rate as a weighted average of the tax rates in the tax jurisdictions in which the Group operates.

For the half-year ending in September 2026, the Group recognized CHF 4.5 million of income tax expense, corresponding to an effective tax rate of 19%, compared to income tax expense of CHF 1.5 million and an effective tax rate of 18.2% in the prior-year half-year period.
The slightly higher current rate is mainly linked to the non-recognition of deferred taxes on tax loss carry forwards.

13. Financial assets and liabilities

Financial assets

In CHF thousands	30.9.2026 Book value	31.3.2026 Book value	Amortized cost	At fair value through profit and loss
Cash and cash equivalents	27,077	35,414	X	
Accounts receivable	84,089	61,162	X	
Derivative financial instruments – current	69			X
Other financial assets - current	174	1	X	
Other financial assets - non-current	7,574	3,663	X	
Total	**118,983**	**100,239**		

Financial liabilities

In CHF thousands	30.9.2026 Book value	31.3.2026 Book value	Amortized cost	At fair value through profit and loss
Accounts payable	24,781	21,367	X	
Accrued expenses	31,764	29,278	X	
Derivative financial instruments – current	304	251		X
Interest-bearing loans and borrowings - current	13,707	36,053	X	
Interest-bearing loans and borrowings - non-current	57,968	59,125	X	
Total	**128,524**	**146,074**		

Changes in liabilities arising from financing activities

		Cash impact		Non-cash impact	
In CHF thousands	1.4.2025	Cash flows Inflow	Cash flows (outflow)	Fair value changes and Others	30.9.2025
Interest-bearing loans and borrowings	108,831	129,200	(130,975)	(4,822)	102,234
Total	**108,831**	**129,200**	**(130,975)**	**(4,822)**	**102,234**

		Cash impact		Non-cash impact	
In CHF thousands	1.4.2026	Cash flows Inflow	Cash flows (outflow)	Fair value changes and Others	30.9.2026
Interest-bearing loans and borrowings	95,178	41,206	(68,496)	3,787	71,675
Total	**95,178**	**41,206**	**(68,496)**	**3,787**	**71,675**

The management assessed that the fair values of cash and cash equivalents, accounts receivable, other current and non-current assets, accounts payable, accrued expenses, and other current and non-current liabilities that are not measured at fair value are approximate to their carrying amounts in view of their short-term nature and are consequently not separately disclosed.

The Group enters into derivative transactions such as forward contracts to hedge the USD, JPY and EUR risks. The purpose of these currency hedges is to manage the currency risks arising from the Group's operations.

It is the Group's policy that no derivatives for speculative purposes shall be entered into.
The main risks arising from the Group's financial instruments are foreign currency risks and credit risks, whereas the others are of minor or no impact.
The Board of Directors reviews and agrees policies for managing each of those risks.

The Group's net financial liabilities at fair value amount to CHF 235,000 as of 30 September 2026 (net financial liabilities of CHF 157,000 as of 31 March 2026) and are all classified under Level 2.

During the last reporting period, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

14. Changes in scope of consolidation

There are no changes in scope of consolidation.

15. Events after the balance sheet date

There was no event subsequent to the balance sheet date that requires adjustment to or disclosure in the financial statements.

Notes to the interim consolidated financial statements

Financial calendar

The financial year runs from 1 April to 31 March

5 February 2027	Nine-month results 2026/27
27 May 2027	Full-year results 2026/27
24 June 2027	Annual General Meeting of Shareholders for the financial year 2026/27
25 June 2027	Dividend ex-date
2 July 2027	Dividend payment date

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