



Life Energy Motion

Ad hoc announcement pursuant to Art. 53 LR

27 May 2025

LEM reports financial year 2024/25 in line with guidance in a challenging environment, but with encouraging signs of recovery in the second half and strong rebound in China and Automotive bookings

- Sales declined 24.4% to CHF 306.9 million (2023/24: CHF 405.8 million); at constant exchange rates, the decrease was 23.5%. In sequential terms, Q4 2024/25 sales were up 2.3% compared to Q3 2024/25. Automotive in China grew 14.8% compared to the previous year, indicating that LEM is strengthening its position in this growing market.
- At CHF 262.2 million, bookings were 7.8% above the previous year's level (CHF 243.3 million). The China region recorded a strong increase of 81.5%, while the Automotive business received 57.4% more bookings. The Book-to-bill ratio rose to 0.97 in Q4 2024/25, compared to 0.82 in Q3 2024/25 and 0.85 for the financial year 2024/25.
- The gross profit margin decreased only slightly from 46.6% to 43.2%, despite the under-absorption of production fixed costs resulting from significantly lower volumes. This was possible thanks to continuous efforts in optimizing production costs and procurement activities.
- EBIT declined by 76.7% to CHF 18.9 million (CHF 81.1 million); the EBIT margin amounted to 6.1%. This includes one-time restructuring costs of CHF 7.9 million for the "Fit for Growth" program. EBIT before restructuring costs would have reached CHF 26.8 million, representing an EBIT margin of 8.7%. Net profit decreased to CHF 8.4 million, resulting in a net profit margin of 2.7% (CHF 65.3 million; 16.1%).
- The company-wide transformation and efficiency improvement program "Fit for Growth" runs within the planned timing and is expected to deliver significant EBIT improvements of CHF 18 to 22 million in 2025/26 and annual savings of around CHF 35 million from 2026/27 onwards.
- Free cash flow amounted to CHF 14.0 million (CHF 42.8 million). While free cash flow was CHF -11.6 million in the first half of 2024/25, it returned to positive territory in the second half of the financial year with CHF 25.6 million.
- In view of the profitability and the uncertainty surrounding the economic environment, the Board of Directors proposes not to pay a dividend for the 2024/25 financial year.
- Based on the upward trend in bookings, especially in the Automotive business, LEM sees encouraging signs of a stabilization in the current year. Uncertainties remain regarding inventories, particularly in the Automation business. The greatest risks relate to the global impact of the US tariff policy.

Frank Rehfeld, Chief Executive Officer, said: "The year 2024/25 financial year was shaped by persistent market headwinds. While the first half was under pressure due to cautious customer spending and high inventory levels, we saw encouraging signs of recovery in the second half. China showed a stabilization, especially in the Automotive business, where we achieved solid growth and regained market share. Europe and the Americas also recorded a positive development in Automotive thanks to project ramp-ups. In this environment, LEM continued to move forward, building on a business model that is well-positioned to benefit from global megatrends such as electrification, renewable energies and e-mobility. We invested in





Life Energy Motion

innovation, strengthened customer proximity and aligned our structure to meet shifting market realities – mainly towards China, where our efforts to win new projects and build regional capabilities have continued to bear fruit."

Sales by business

in CHF millions

	2024/25	2023/24	Change	Change at constant exchange rates
Business				
Automation	86.3	120.0	-28.0%	-27.2%
Automotive	86.2	98.6	-12.5%	-11.6%
Renewable Energy	44.7	70.8	-36.9%	-36.0%
Energy Distribution & High Precision	44.8	60.9	-26.5%	-25.9%
Track	44.9	55.5	-19.2%	-18.2%
Total	306.9	405.8	-24.4%	-23.5%

Automation

The Automation business was impacted by the weak global investment climate and continued high stock levels, particularly in EMEA and Japan. The situation improved in the fourth quarter with normalized inventories at most customers and an increase in short-term orders. In China, LEM saw slight growth and gained market share. Another positive sign is that design activities for new projects have picked up again in most markets.

Automotive

The Automotive business picked up again in the second half of the year. Main driver was the robust growth in China backed by the continued rise of the domestic EV market and the regaining of market share. Additional momentum was provided by project ramp-ups for EV and hybrid platforms as well as truck battery management in Europe and the Americas. LEM expects further traction in the coming year, which is reflected in the 51.8% increase in bookings.

Renewable Energy

The Renewable Energy business recorded a significant decrease across all markets. The markets in Europe and the USA suffered from persistently high inverter inventories at customers and in the retail channel, which also slowed exports from China. The domestic business in China developed satisfactorily, and LEM strengthened its position in a consolidating market.

Energy Distribution & High Precision

Demand for DC meters for charging stations dropped significantly due to delays in the rollout of charging infrastructure in Europe and the USA. By contrast, there was increased demand for DC meters from Chinese charging station manufacturers for export to Western markets. In all regions, business with uninterruptible power supply for data centers developed favorably, while high-precision solutions for medical devices remained stable.

Track

The track business in Europe was subdued due to expiring retrofitting projects. Follow-up orders will not start before the third quarter 2025/26. Business in India declined due to customers losing market share. However, the business continues to follow long investment cycles and offers steady, albeit slower development opportunities.





Life Energy Motion

Sales by region

in CHF millions	2024/25	2023/24	Change	Change at constant exchange rates
Region				
China	117.5	119.7	-1.8%	-1.1%
Rest of Asia	50.8	82.3	-38.3%	-37.4%
EMEA	104.1	156.5	-33.5%	-32.5%
Americas	34.6	47.3	-26.9%	-26.4%
Total	306.9	405.8	-24.4%	-23.5%

China

The China region showed clear signs of stabilization and LEM demonstrated remarkable resilience in this highly competitive market. This was most noticeable in Automation, Automotive as well as Energy Distribution and High Precision. LEM strengthened its Chinese market position across key segments and secured new customer projects. Bookings in China jumped by 81.5% compared to last year's level.

Rest of Asia

The rest of Asia, particularly Korea and Japan, was characterized by a broad downturn. The overall subdued market demand was exacerbated by high inventory levels. However, the ramp-up of the Penang site supported our ability to serve global customers through low-cost production and dual sourcing.

EMEA

LEM's business in Europe saw a significant decline in demand across most segments. The Automation business suffered from the continued low demand for capital investments due to the economic downturn. The slower-than-expected expansion of charging capacity reduced demand for DC meters, while solar energy is suffering from competition from China. Only Automotive showed a certain resilience thanks to new OEM project wins and project ramp-ups.

Americas

The development in the Americas region remained weak across most businesses. However, in Automotive, LEM recorded sequential improvement in both sales and bookings in the fourth quarter 2024/25, driven by the ramp-up of battery-related projects.

Lower volume and restructuring costs weigh on profitability

Gross profit for the financial year 2024/25 went down by 30.0% to CHF 132.6 million (CHF 189.2 million). The gross profit margin decreased only slightly from 46.6% to 43.2%, despite the under-absorption of production fixed costs resulting from significantly lower volumes. This was possible thanks to continuous efforts in optimizing production costs and procurement activities.

SG&A costs were 4.9% lower at CHF 70.7 million (CHF 74.4 million) as first result of initiatives to reduce the costs base. However, SG&A costs as a percentage of sales increased to 23.0% (18.3%). R&D costs increased by 4.1% to CHF 35.3 million or 11.5% of sales (CHF 33.9 million; 8.3%). LEM launched over 20 new products in the financial year 2024/25: 18 new designs and over 15 customized versions. The engineering headcount remained stable overall with an increase of engineering capabilities in Shanghai and at the IC design Center in Munich to enhance customer and application support as well as accelerate ICS innovation.

EBIT declined by 76.7%, from CHF 81.1 million to CHF 18.9 million, corresponding to an EBIT margin of 6.1%. This includes one-time restructuring costs of CHF 7.9 million for the "Fit for Growth" program (total





Life Energy Motion

one-time costs approximately CHF 10 million). EBIT before restructuring costs would have reached CHF 26.8 million, representing an EBIT margin of 8.7%. The implementation of the “Fit for Growth” program is proceeding according to plan.

Financial expenses increased from CHF 2.8 million to CHF 4.5 million due to higher average financial debt. Exchange rate effects due to the Swiss franc appreciation had a negative impact of CHF 3.9 million (CHF 3.3 million).

Net profit decreased from CHF 65.3 million to CHF 8.4 million, resulting in a net profit margin of 2.7% (6.1%).

Free cash flow amounted to CHF 14.0 million (CHF 42.8 million). While free cash flow was CHF -11.6 million in the first half of 2024/25, it returned to positive territory in the second half of the financial year with CHF 25.6 million.

Proposal to refrain from paying a dividend for the 2024/25 financial year

LEM targets a payout ratio significantly above 50% of the consolidated net profit for the year. In view of the profitability and the uncertainty surrounding the economic environment, the Board of Directors proposes not to pay a dividend for the 2024/25 financial year. However, LEM remains committed to resume its attractive and sustainable dividend policy in the future.

Change to the Board of Directors

Ueli Wampfler has decided not to stand for re-election to the Board of Directors at the upcoming Annual General Meeting on June 26, 2025. Ueli Wampfler has been a member of the Board of Directors for 18 years and has made valuable contributions to the development of LEM during this time. The Board of Directors and the Executive Management thank him for his many years of highly valued service and wish him all the best for the future.

Outlook

Based on the upward trend in bookings, especially in the Automotive business, LEM sees encouraging signs of a stabilization in the current year. Uncertainties remain regarding inventories, particularly in the Automation business. The greatest risks relate to the global impact of the US tariff policy.

Investor, analyst and media conference

Andreas Hürlimann, Chairman of the Board of Directors, Frank Rehfeld, CEO, and Thomas Mellano, VP Finance, will explain the 2024/25 full-year results today at 10:30 am CET at a conference for investors, analysts and media at the Widder Hotel in Zurich.

Conference call and audio webcast

The conference for investors, analysts and the media will be broadcast via conference call and audio webcast.

To participate in the conference call, please register via this [link](#). You will then receive a confirmation e-mail with individual dial-in data. As a participant in the conference call, you can follow the presentation [here](#) (please mute the browser sound).

To access the live audio webcast, please use this [link](#). Questions can be asked via the chat function. A recording of the webcast will be available after the call from LEM's website or using the same [link](#).





Life Energy Motion

Download link

The ad hoc announcement, Annual Report and presentation are available in the Investor Relations section of the LEM website (www.lem.com/en/investors), where the webcast recording will later also be archived.

Financial calendar

The financial year runs from 1 April to 31 March

26 June 2025	Annual General Meeting for the financial year 2024/25
29 July 2025	First quarter results 2025/26
10 November 2025	Half year results 2025/26
6 February 2026	9 months results 2025/26
26 May 2026	Full year results 2025/26
25 June 2026	Annual General Meeting for the financial year 2025/26
29 June 2026	Dividend ex-date
1 July 2026	Dividend payment date

LEM – Life Energy Motion

A leading company in electrical measurement, LEM engineers the best solutions for energy and mobility, ensuring that our customers' systems are optimized, reliable and safe. Our 1,698 people in 17 countries transform technology potential into powerful answers. We develop and recruit the best global talent, working at the forefront of megatrends such as renewable energy, mobility, automation and digitization. With innovative electrical solutions, we are helping our customers and society accelerate the transition to a more sustainable future. Listed on the SIX Swiss Exchange since 1986, the company's ticker symbol is LEHN. www.lem.com

Investor contact

Thomas Mellano, VP Finance
+41 79 286 86 03
investor@lem.com

Media contact

Dynamics Group
Thomas Balmer, +41 79 703 87 28, tba@dynamicsgroup.ch
Christian Wolf, +41 79 457 72 05, cwo@dynamicsgroup.ch



Appendix

Consolidated income statement

In CHF thousands	April to March		
	2024/25	2023/24	Change
Sales	306'924	405'777	-24.4%
Cost of goods sold	(174'450)	(216'614)	
Gross profit	132'474	189'163	-30.0%
Gross profit margin (in %)	43.2%	46.6%	
Sales expenses	(27'914)	(29'513)	
Administration expenses	(42'819)	(44'881)	
Research & development expenses	(35'265)	(33'866)	
Restructuring	(7'898)		
Other expenses	(7)	0	
Other income	179	153	
Operating profit	18'867	81'058	-77.4%
Operating profit margin (in %)	6.1%	20.0%	
Financial expenses	(4'745)	(3'181)	
Financial income	215	422	
Foreign currency exchange effect	(3'861)	(3'326)	
Profit before tax	10'476	74'972	-86.7%
Income taxes	(2'085)	(9'645)	
Net profit	8'391	65'327	-89.1%
Net profit margin (in %)	2.7%	16.1%	

Key figures on quarterly basis

in CHF millions	2024/25					2023/2024					Change	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q4 - Q4 2M	12M
Orders received												
Total LEM	65.1	62.7	60.6	73.7	262.2	81.0	60.5	46.4	55.3	243.3	+33.2%	+7.8%
Book-to-bill ratio												
Total LEM	0.80	0.83	0.82	0.97	0.85	0.72	0.55	0.50	0.62	0.60	+56.2%	+42.5%
Sales												
Automation	23.6	21.6	20.2	21.3	86.7	34.3	32.6	27.5	25.6	120.0	-17.0%	-27.8%
Automotive	19.9	19.9	22.3	23.8	85.9	27.4	26.0	23.7	21.5	98.6	+10.7%	-12.8%
Renewable Energy	14.1	11.4	9.5	9.7	44.7	21.0	19.8	16.4	13.5	70.8	-28.0%	-36.9%
Energy Distribution & High Precision	12.2	11.5	10.8	10.3	44.8	15.6	17.0	12.5	15.8	60.9	-34.7%	-26.5%
Track	11.1	11.2	11.7	10.9	44.9	14.2	15.6	13.2	12.7	55.5	-14.1%	-19.2%
Total LEM	81.0	75.6	74.3	76.0	306.9	112.3	111.0	93.3	89.2	405.8	-14.7%	-24.4%
EBIT												
Total LEM	7.5	6.7	5.9	-1.3	18.9	26.2	25.5	17.6	11.8	81.1	-110.7%	-76.7%
Net profit												
Total LEM	4.8	3.8	3.5	-3.7	8.4	20.5	22.9	12.0	9.9	65.3	-137.4%	-87.2%

