

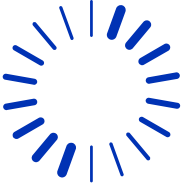


# Half Year Results 2025/26

1 April 2025 to 30 September 2025



# Agenda



## **Opening Remarks**

**Frank Rehfeld**

Business Performance

Frank Rehfeld

Financial Results

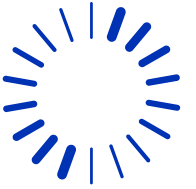
Antoine Chulia

Outlook & Mid-Term Ambitions

Frank Rehfeld

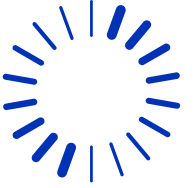
# LEM with stable sales in the first half 2025/26

Moderate performance with margin recovery over the half-year period



- LEM reported a 5.3% decline in sales to CHF 148.3 million (2024/25: CHF 156.5 million) due to currency headwinds; at constant exchange rates up 0.5%, with growth in Automation, Automotive and Track confirming the resilience of its diversified portfolio
- China confirmed stabilization trends with solid volume growth offset by high price pressure; LEM gained market share in Automation and Track and benefited from domestic EV market growth
- EMEA recorded slightly lower sales as weakness in Renewable Energy and EDHP weighed on performance; Americas with strong sales at constant exchange rates, supported by the tariff impact
- Driven by the Fit for Growth program, EBIT margin recovered to 7.7% in the first half, rising from 5.5% to 9.9% quarter-on-quarter despite lower sales from currency effects
- Free Cash Flow improved to CHF 5.6 million, up from CHF -11.6 million a year earlier, driven by tighter working capital management; Free Cash Flow before restructuring costs reached CHF 11.1 million.
- LEM expects no major change in business development and forecasts sales of CHF 265 to 290 million with a high single-digit EBIT margin for 2025/26, reflecting improved profitability
- Updated mid-term financial ambitions: Following a phase of market adjustment expected to last through FY2026/27, LEM targets sustainable average annual sales growth of 4 to 7% at constant exchange rates and a gradual improvement of the EBIT margin towards a 10 to 15% range

# Agenda



Opening Remarks

Frank Rehfeld

**Business Performance**

**Frank Rehfeld**

Financial Results

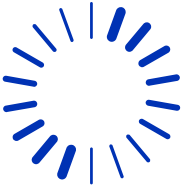
Antoine Chulia






Outlook

Frank Rehfeld



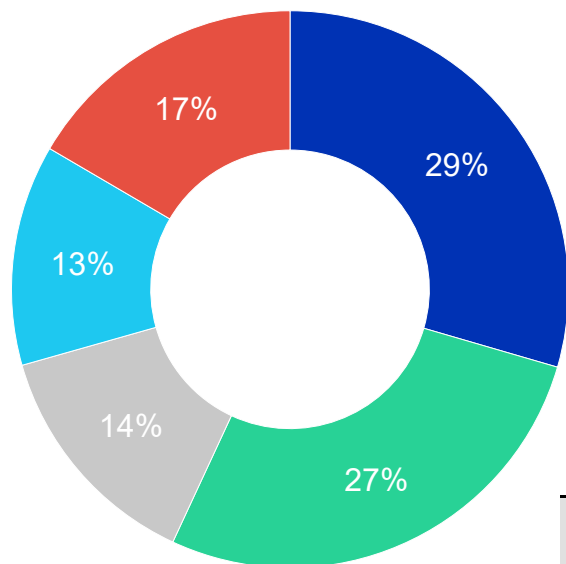
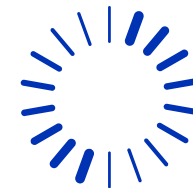
# A leading company in electrical measurement



Five Businesses	Automation	Automotive	Renewable Energy	Energy Distribution & High Precision	Track
					

HY 2025/26 Sales CHF m	43.7	40.6	20.3	19.0	24.6
Δ CHF	-3.2%	+2.0%	-20.3%	-19.7%	+9.9%
Δ constant exchange rates	+2.8%	+8.9%	-15.1%	-15.2%	+14.9%

# Sales distribution by business



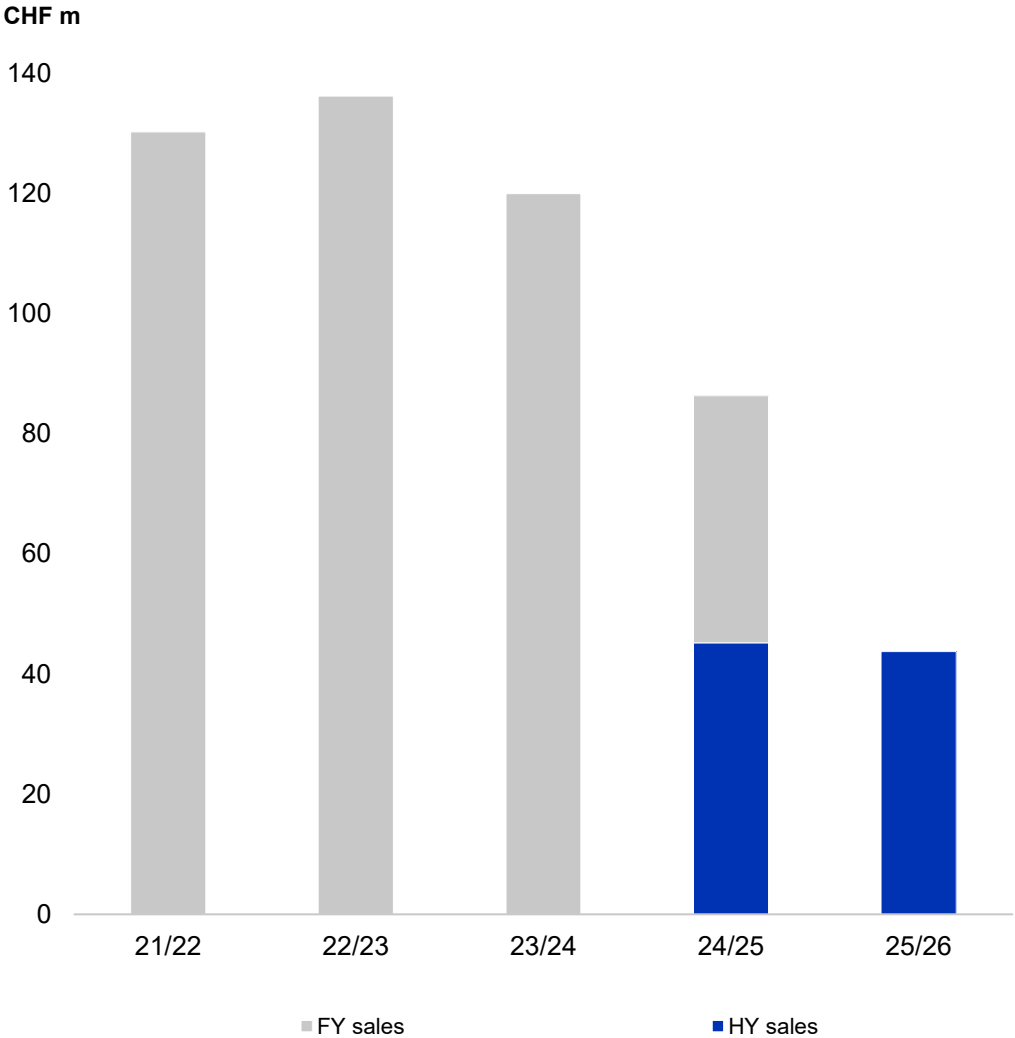
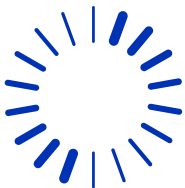
	Sales CHF m	Growth	
		HY 25/26 vs 24/25	Q2 25/26 vs 24/25
Automation	43.7	-3.2%	+4.3%
Automotive	40.6	+2.0%	-4.8%
Renewable Energy	20.3	-20.3%	-17.0%
Energy Distribution & High Precision	19.0	-19.7%	-18.5%
Track	24.6	+9.9%	+9.1%
<b>TOTAL</b>	<b>148.3</b>	<b>-5.3%*</b>	<b>-4.0%</b>

\*+0.5% at constant exchange rates

- Automation recovered as inventories normalized and Automotive grew in China and Europe on strong EV and battery management demand
- Renewable Energy and Energy Distribution & High Precision remained weak, with lower solar and EV charging investments partly offset by growth in data center power supply
- Track business performed well across all regions

# Automation

Drives, robots, tooling machines, elevators, and HVAC

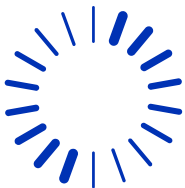


	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
Sales	43.7	45.2	22.5	21.6

- > The market recovered as customer inventories normalized, driven by mid-power applications such as power measurement and data center cooling, while low-power drives remained weak
- > High-voltage applications in China performed well, with Chinese suppliers expanding into Europe and increasing price pressure

# Automotive

Battery (EV & CE), motor control, and onboard charging



CHF m

120

100

80

60

40

20

0

21/22

22/23

23/24

24/25

25/26

■ FY sales

■ HY sales

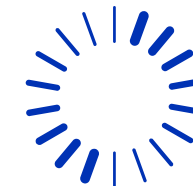
	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
Sales	40.6	39.8	19.0	19.9

- > Automotive performance significantly varied by region
- > China and Europe grew on strong EV and battery management demand, supported by LEM's strong local positioning and cost discipline
- > In the Rest of Asia and Americas, weak demand persisted, but price pressure was mitigated by a shift toward higher-value battery management products, where LEM leads technologically and is expanding capacity

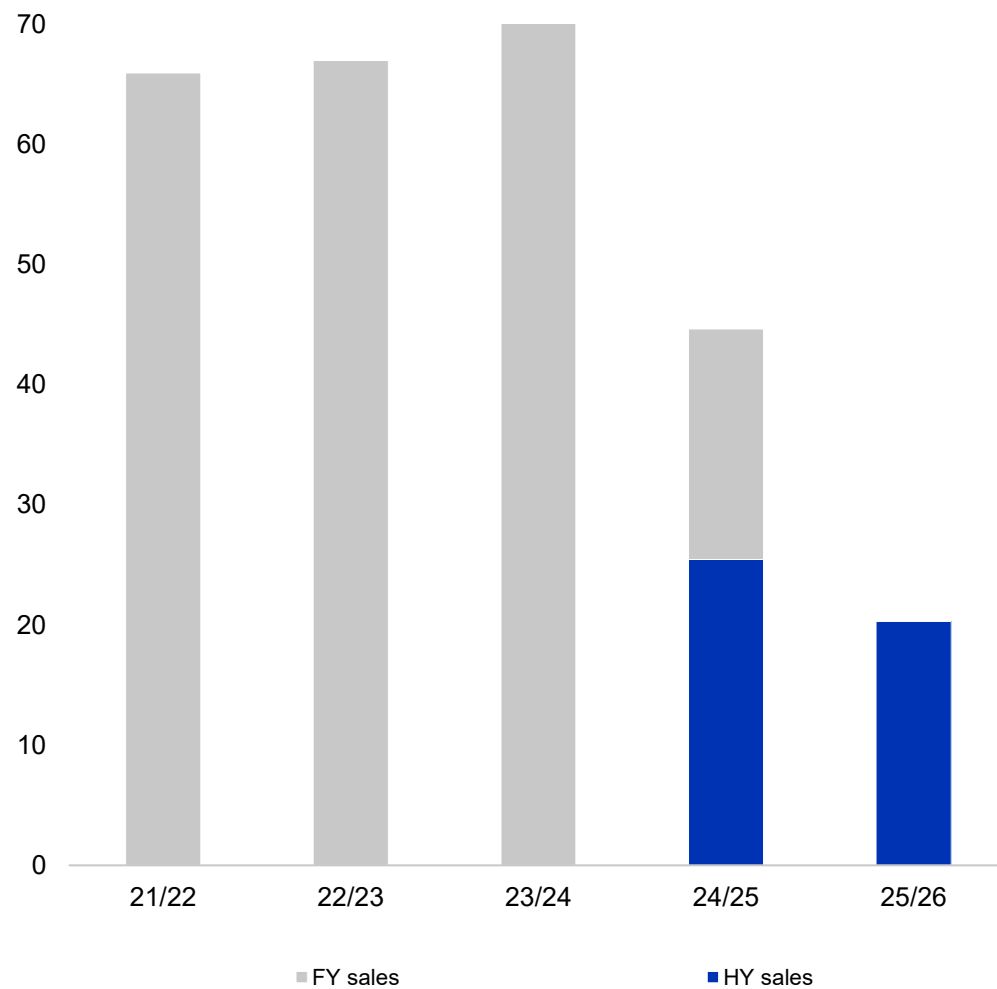


# Renewable energy

## Solar and wind



CHF m

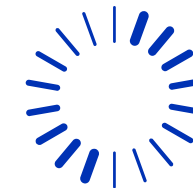


	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
Sales	20.3	25.5	9.4	11.4

- > Market in China declined after the cancellation of solar feed-in tariffs in June 2025, slowing new project investments
- > In Europe, demand remained weak as domestic solar systems are mostly sourced from China, while large commercial projects performed better
- > In the Rest of Asia, growth was supported by government spending in Japan, an upturn in India, and stable wind energy demand

# Energy distribution and high precision

Charging stations, smart grid, energy storage, and high precision



CHF m

70

60

50

40

30

20

10

0

21/22

22/23

23/24

24/25

25/26

■ FY sales

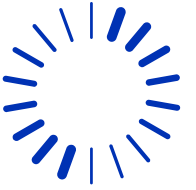
■ HY sales

	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
Sales	19.0	23.7	9.3	11.5

- DC meter business remained challenging in Europe and the US as low EV sales and rising competition led to postponed investments
- Market in China stayed relatively stable
- High-precision segment weakened due to lower demand in automotive battery testing
- Business with uninterruptible power supply for data centers grew across all regions, supported by a dedicated US initiative

# Track

## Trains, metro, and trackside



CHF m

60

50

40

30

20

10

0

21/22

22/23

23/24

24/25

25/26

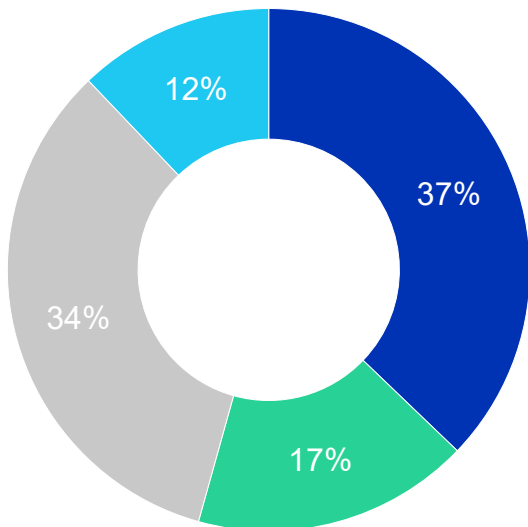
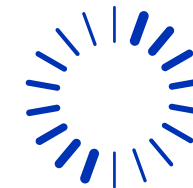
■ FY sales

■ HY sales

	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
Sales	24.6	22.4	12.3	11.2

- Track business performed well across all regions with strong sales growth
- Solid demand for converters in locomotive and subway projects ensured good capacity utilization
- Retrofit business for energy meters enabled growth above the overall market

# Sales distribution by region

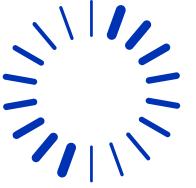


	Sales CHF m	Growth	
		HY 25/26 vs 24/25	Q2 25/26 vs 24/25
China	55.1	-8.5%	-8.6%
Rest of Asia	25.4	+0.4%	+12.5%
EMEA	49.7	-6.8%	-11.5%
Americas	18.0	+1.9%	+11.6%
<b>TOTAL</b>	<b>148.3</b>	<b>-5.3%*</b>	<b>-4.0%</b>

\*+0.5% at constant exchange rates

- Business in China remained stable at constant exchange rates, with volume growth offset by price pressure and market share gains in Automation, Automotive and Track
- Slight growth in the Rest of Asia was driven by India's Track business
- Sales in EMEA were slightly lower as weakness in Renewable Energy and EDHP was partly offset by stronger Automation, Automotive and Track
- Strong sales in the Americas at constant exchange rates were supported by the tariffs and solid performance in most businesses. Close cooperation with distributors led to market share gains
- The Malaysia production site is well received by global customers and supports growth

# Agenda



Opening Remarks

Frank Rehfeld

Business Performance

Frank Rehfeld

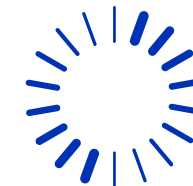
**Financial Results**

**Antoine Chulia**

Outlook & Mid-Term Ambitions

Frank Rehfeld

# Performance at a glance



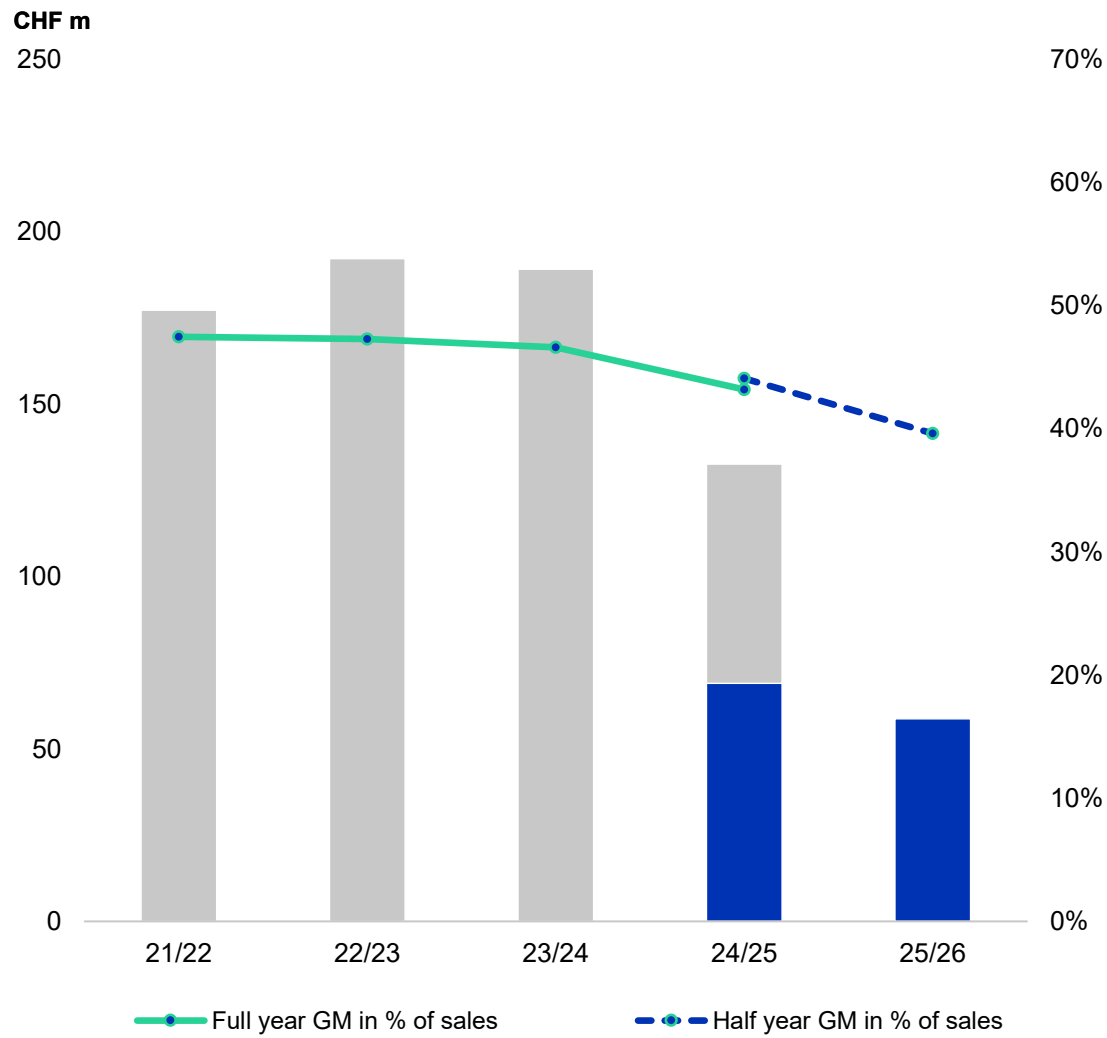
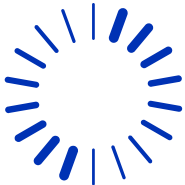
CHF m	HY 2025/26	HY 25/26 vs 24/25	Q2 2025/26	Q2 25/26 vs 24/25
<b>Sales</b>	148.3	-5.3%*	72.5	-4.0%
<b>Gross margin</b>	58.8	-14.9%	29.8	-9.9%
<b>EBIT</b>	11.4	-19.8%	7.2	+7.6%
<b>Net profit</b>	6.8	-20.8%	4.8	+26.4%

\*+0.5% at constant exchange rates

- Sales declined by 5.3%. At constant exchange rates, there was a slight growth of 0.5%, supported mainly by Automotive and Track businesses.
- Gross margin hit from price/mix pressures, on path to recovery in Q2
- Large reduction in operational expenditures vs prior year thanks to Fit for Growth actions
- EBIT margin at 7.7%, affected by margin compression in Q1, but recovery above 10% before restructuring costs in Q2 thanks to margin improvements and reductions in Opex from Fit 4 Growth.

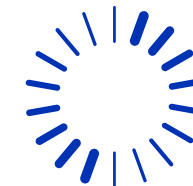


# Gross margin



CHF m	HY 2025/26	HY 2024/25	Q2 2025/26	Q2 2024/25
Gross profit	58.8	69.0	29.8	33.0
In % of sales	39.6%	44.1%	41.1%	43.7%

- > Gross margin decreased by 450 basis pts in HY, with solid sequential recovery in Q2 from Q1:
  - > price / mix drag from pressures driven by China market
  - > favorable contribution from supply productivity gains accelerating in Q2, despite under absorption of available capacity



CHF m

80

70

60

50

40

30

20

10

0

21/22

22/23

23/24

24/25

25/26

Full year SG&A in % of sales

Half year GM in % of sales

30%

20%

10%

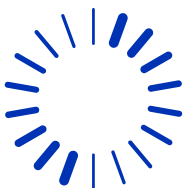
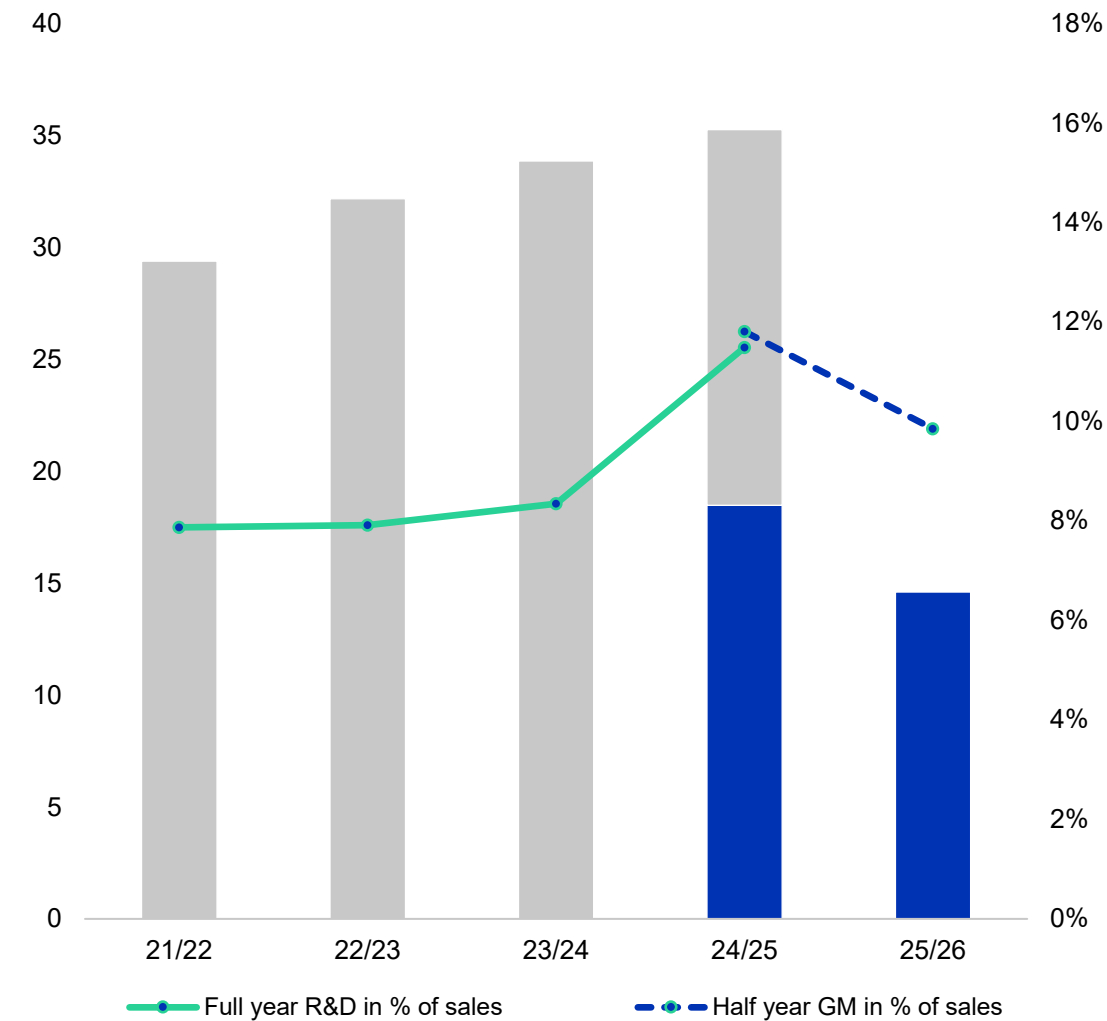
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	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
SG&A	31.5	36.4	15.3	17.8
<i>In % of sales</i>	<i>21.3%</i>	<i>23.2%</i>	<i>21.1%</i>	<i>23.6%</i>

- > SG&A decreased by 13% YoY:
  - > Fit for Growth program execution on track with plans
  - > Positive impacts steadily materializing in Q2

# R&D

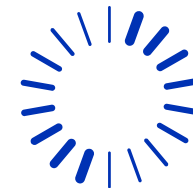
CHF m



	HY		Q2	
	2024/25		2025/26	
CHF m	2025/26	2024/25	2025/26	2024/25
R&D	14.6	18.5	6.3	8.6
In % of sales	9.9%	11.8%	8.7%	11.3%

- > R&D expenses decreased by 21.1%
  - > Reduction driven by Fit for Growth initiative
  - > Overall personnel reduction and footprint alignment towards Asia
  - > Improved R&D efficiency to support ambitious product roadmap

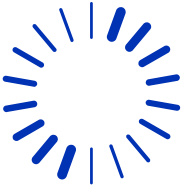
# Financial expense



	HY	HY	Q2	Q2
CHF m	2025/26	2024/25	2025/26	2024/25
Exchange effect	(0.7)	(2.3)	(0.1)	(1.0)
Other financial expense & income	(2.4)	(1.8)	(1.1)	(1.3)
<b>Total</b>	<b>(3.1)</b>	<b>(4.1)</b>	<b>(1.3)</b>	<b>(2.3)</b>

- Negative foreign currency effects due to the appreciation of the CHF against major currencies
- Higher average debt in HY 2025/26 led to an increase of interest expenses by CHF 0.5 million

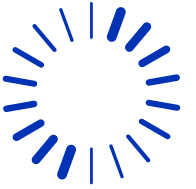
# Income taxes



%	HY 2025/26	FY 2024/25	HY 2024/25
Expected income tax rate	20.0	22.5	11.9
Expected withholding tax rate	(1.5)	4.6	2.0
<b>Expected tax rate</b>	<b>18.5</b>	<b>27.1</b>	<b>13.9</b>
Effect of changes in tax rate on deferred tax	1.6	0.8	0.3
Permanent difference	(2.2)	(3.6)	(1.9)
Other differences	0.3	(4.4)	2.2
<b>Effective tax rate</b>	<b>18.2</b>	<b>19.9</b>	<b>14.5</b>

- Current results are in line with previous year ending results, with an effective tax rate amounting to 18.2%.

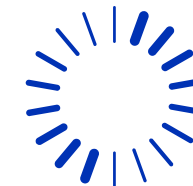
# Income statement



	HY	HY		Q2	Q2
CHF m	2025/26	2024/25	Change	2025/26	2024/25
Sales	148.3	156.5	-5.3%	72.5	75.6
Gross margin %	39.6%	44.1%	-4.5%pt	41.1%	43.7%
Operating expense	(47.4)	(54.9)	-13.6%	(22.6)	(26.4)
<b>EBIT</b>	<b>11.4</b>	<b>14.2</b>	<b>-19.8%</b>	<b>7.2</b>	<b>6.7</b>
EBIT margin %	7.7%	9.1%	-1.4%pt	9.9%	8.9%
Net financial expenses	(3.1)	(4.1)	-25.8%	(1.3)	(2.3)
Income tax	(1.5)	(1.5)	+2.8%	(1.1)	(0.6)
<b>Net profit</b>	<b>6.8</b>	<b>8.6</b>	<b>-20.8%</b>	<b>4.8</b>	<b>3.8</b>
Net profit margin %	4.6%	5.5%	-0.9%pt	6.6%	5.0%



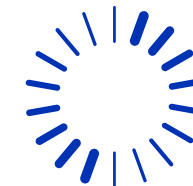
# Balance sheet



CHF m	30.9.2025	31.3.2025
<b>Net working capital</b>	<b>73.1</b>	<b>68.5</b>
Non-current assets	172.2	181.8
Non-current liabilities	(92.3)	(102.1)
<b>Net operating assets</b>	<b>153.0</b>	<b>148.2</b>
Net cash/(debt)	(81.8)	(90.1)
<b>Equity</b>	<b>131.0</b>	<b>125.8</b>
Equity ratio	40.2%	36.4%
Days of sales outstanding	84	81
Days of inventory outstanding	130	137
Days of payables outstanding	35	60

- Net working capital increase by CHF 4.6 million driven by large severance and catch-up vendor payments
- Reduction in non-current liabilities driven by long term debt movements and amortization

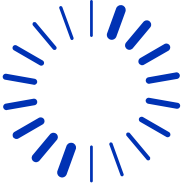
# Cash flow



CHF m	HY 2025/26	HY 2024/25
<b>Profit before tax</b>	<b>8.3</b>	<b>10.0</b>
Adjustment for non-cash items and taxes paid	15.0	5.3
Cash flow from changes in net working capital	(13.6)	(18.0)
<b>Cash flow from operating activities</b>	<b>9.7</b>	<b>(2.7)</b>
Cash flow from investing activities	(4.1)	(8.9)
<b>Free cash flow</b>	<b>5.6</b>	<b>(11.6)</b>
Cash flow from financing activities	(2.7)	7.0
Change in cash and cash equivalents	2.9	(4.6)
<b>Cash and cash equivalents at the end of the period</b>	<b>20.4</b>	<b>18.6</b>

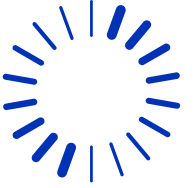
- Strong improvement of operating cash flow from solid EBITDA and tax refunds, despite large one-time payments (incl. restructuring costs)
- Investments decreased by CHF 4.8 million due to strict project scrutiny and prioritization
- Free Cash Flow improved to CHF 5.6 million due to better working capital management; Free Cash Flow before restructuring costs reached CHF 11.1 million

# Agenda



Opening Remarks	Frank Rehfeld
Business Performance	Frank Rehfeld
Financial Results	Antoine Chulia
<b>Outlook &amp; Mid-Term Ambitions</b>	<b>Frank Rehfeld</b>

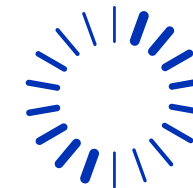
# Outlook – Financial Year 2025/26



- LEM does not expect a general change in business development until the end of the financial year
- For FY 2025/26, we expect
  - Sales in the range of CHF 265 to 290 million and a high single-digit EBIT margin
  - Considering the outlook, uncertainties remain regarding the global impact of US tariff policy, significant currency fluctuations, and continued geopolitical movements in the semiconductor ecosystem

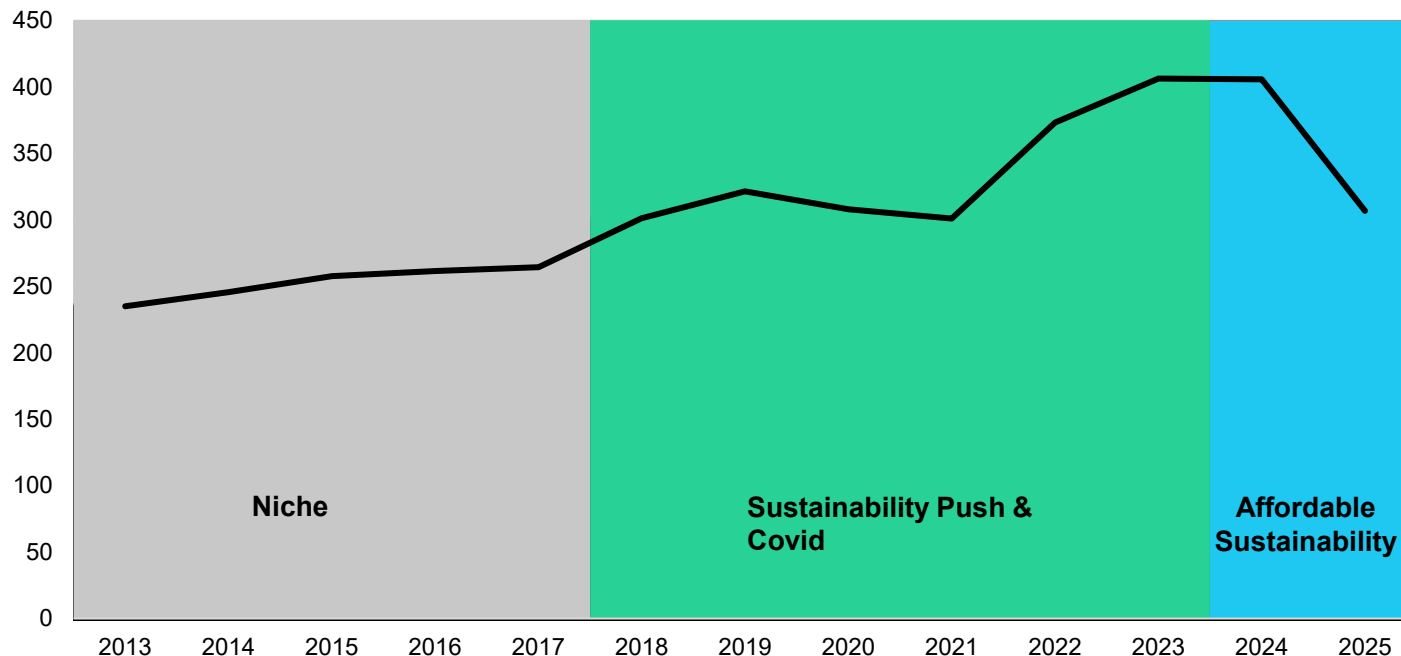
# Updated Mid-Term Financial Ambitions

Recalibration to enhance flexibility and reflect current industry dynamics



Net Sales LEM HOLDING SA

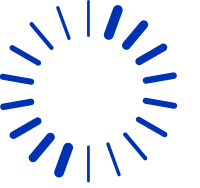
in CHF



- A fundamentally changing environment and the continued appreciation of the Swiss franc prompted an update of LEM's mid-term ambitions.
- LEM expects market adjustment and stabilization to continue through FY 2026/27; from FY 2027/28 it targets 4 to 7% average annual sales growth at constant exchange rates and a 10 to 15% EBIT margin, depending on currency and market developments.
- The company is adapting to structural changes as part of the "Fit for Growth" program launched in November 2024.
- LEM's mid-term ambitions position the company to capture growth opportunities while maintaining strict cost discipline and financial resilience.

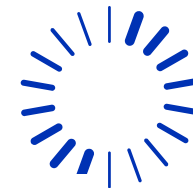
# Sustainability trends to continue

## LEM continues to drive innovation

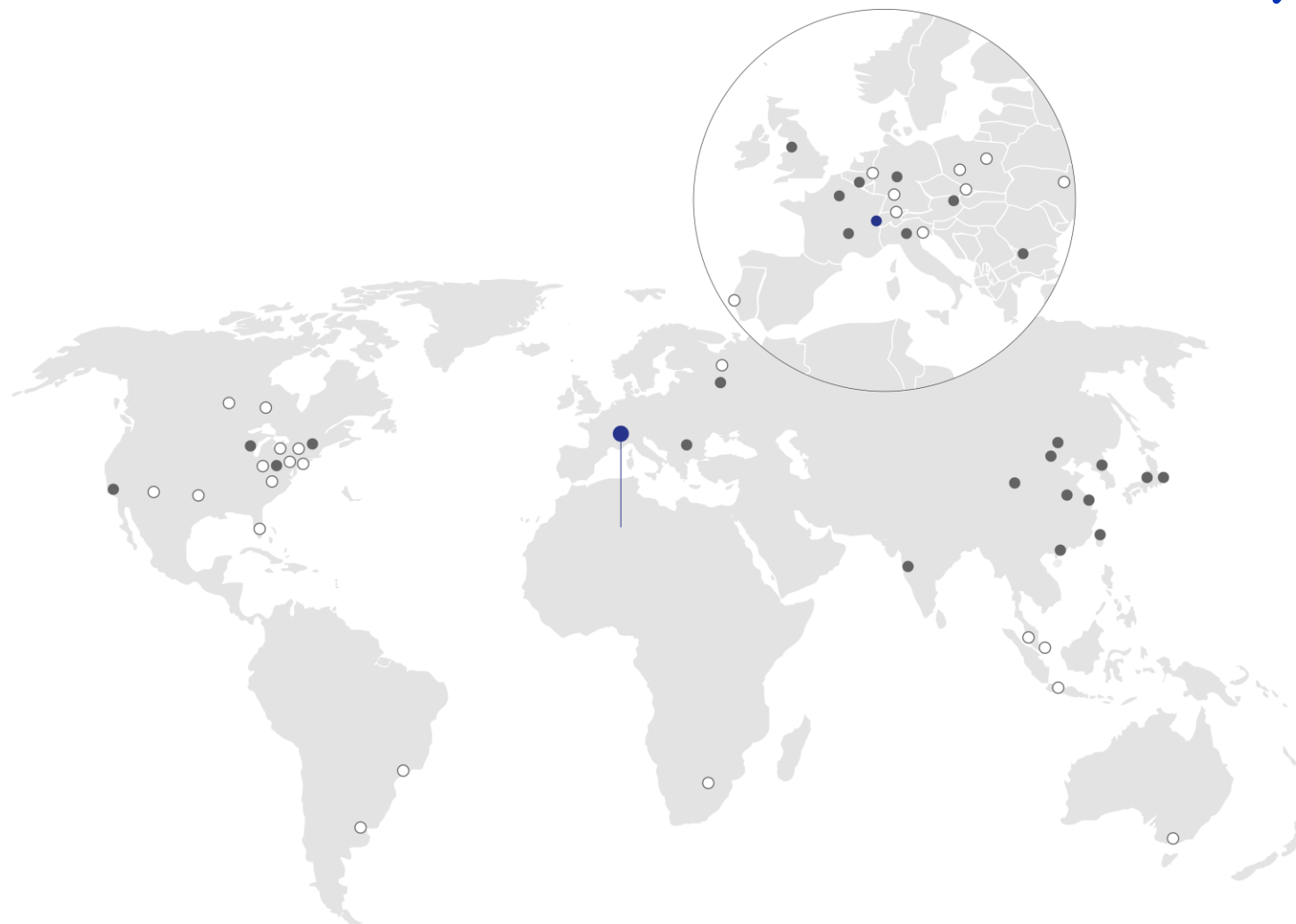


- The LEM business model is well positioned to capture growth from global megatrends in electrification, energy transition and e-mobility
- With our high investments in R&D, LEM continues to drive innovation to strengthen and expand its technological leadership
- New and expanded R&D centers in Munich, Germany, and Shanghai, China, delivered initial successes, with further progress to follow
- The Malaysia production site enables the extension and flexibilization of our production footprint and is well received by global customers

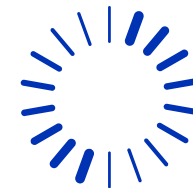




# Q&A



# Financial calendar and contact details



## The financial year runs from 1 April to 31 March

6 February 2026	9 months results 2025/26
26 May 2026	Full year results 2025/26
25 June 2026	Annual General Meeting FY 2025/26
29 June 2026	Dividend ex-date
1 July 2026	Dividend payment date

## For further information

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E-mail: [investor@lem.com](mailto:investor@lem.com)



**Leading the world in electrical measurement, LEM engineers the best solutions for energy and mobility, ensuring that our customers' systems are optimized, reliable and safe.**