



Life Energy Motion

## Press release

# LEM announces new initiatives for operations in Switzerland and in Malaysia

- Changing role of headquarters (HQ) results in loss of 21 jobs in Geneva
- New Geneva HQ purpose built for around 250 employees, including R&D department, to open in 2021
- Swiss holding company to transfer from Fribourg to Geneva
- Investment in Malaysia production facility to serve customers worldwide from 2021

**Fribourg, Switzerland, 23 January 2020 – LEM (SIX: LEHN)**, a leading global company in electrical measurement for industry and automotive applications, announces today a number of initiatives impacting its Swiss operations, with an evolution of the HQ role and the loss of 21 jobs in Geneva. The company is also investing in a new global headquarters in Geneva and a new production facility in Malaysia to meet growing customer demand.

**Frank Rehfeld, Chief Executive Officer**, said: “The investments we are announcing today demonstrate how LEM is anticipating and adapting to changes in our markets, and the new technologies and skill sets we must master to better meet customer requirements. We have the strength of a diversified global footprint and are making the organization more agile to capture growth opportunities.

We are pleased to reinforce our commitment to our home city of Geneva, with an investment of around CHF 10 million in a new global headquarters that will do justice to the quality and leadership of our teams. However, the changing role of this HQ does mean some limited job losses in Geneva.

We are also excited by the opportunity to build a new production facility in Malaysia which will provide flexibility as geopolitical events may impact supply chains for our customers.

I would like to thank the commitment and ingenuity of our 1,500 people across the world; we are proud to develop and recruit the best global talent, working at the forefront of mega trends such as renewable energy, mobility, automation and digitization.”

## Changing role of headquarters

Over the past few years there has been a change in roles for the Geneva HQ based teams, who are now focused on setting strategy and standards, leading innovation and coordinating all global sites. The teams in countries such as China, Bulgaria, Japan and France have been empowered with skills and decision making in R&D, operations, sales and quality control. As part of this process, the company is making redundant 21 employees in Geneva, mostly in activities such as production support, supply chain and support functions. Some of these roles will now be performed in other countries. The affected employees are being accompanied with appropriate care and support. This will result in a one-off charge of CHF 1.5 million to the company’s results for the current year 2019/20.

## New global headquarters situated in Meyrin, Geneva

Based since 1983 in Plan-les-Ouates, Geneva, the global headquarters will be relocated to a new campus “The Hive” in Meyrin, Geneva, with an expected investment of around CHF 10 million. The new custom-built 7,000 sqm building will offer a modern work environment, better suited for





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collaboration, with the majority of the space dedicated to R&D and innovation. The campus is already home to other corporations such as Hewlett Packard, with excellent local amenities and easy access to car, train and airport networks. The first construction activities are scheduled for February 2020, and completion is expected in Q3 2021. This new Geneva site will be home to about 250 employees, out of a total of around 1,500 worldwide.

### **Simplification of Swiss legal structure**

In parallel with the physical changes to the company's Swiss operations, there are also changes to its legal structure to reduce complexity and simplify internal processes. This will result in the merger of LEM International SA and LEM Switzerland SA on 30 June 2020 and the relocation of LEM Holding SA from Fribourg to Geneva, the latter subject to shareholders' approval. These changes will not result in any job losses, but rather the relocation of some staff to Geneva.

### **New production facility in Malaysia**

The company has selected a site in Penang, Malaysia, for a new production facility of 5-10,000 sqm to meet growing demand from both industry and automobile clients worldwide, with an expected investment of between CHF 5-10 million. The facility is expected to open in fiscal year 2021/2022, employing about 50 people in the first year, and then growing to around 250 at full capacity after 5 years. This facility complements the company's existing major production sites in China, Bulgaria and Switzerland.

### **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 1,500 people in over 15 countries transform technology potential into powerful answers. We develop and recruit the best global talent, working at the forefront of mega trends such as renewable energy, mobility, automation and digitization.

With innovative electrical solutions, we are helping our customers and society accelerate the transition to a sustainable future.

Listed on the SIX Swiss Exchange since 1986, the company's ticker symbol is LEHN.

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