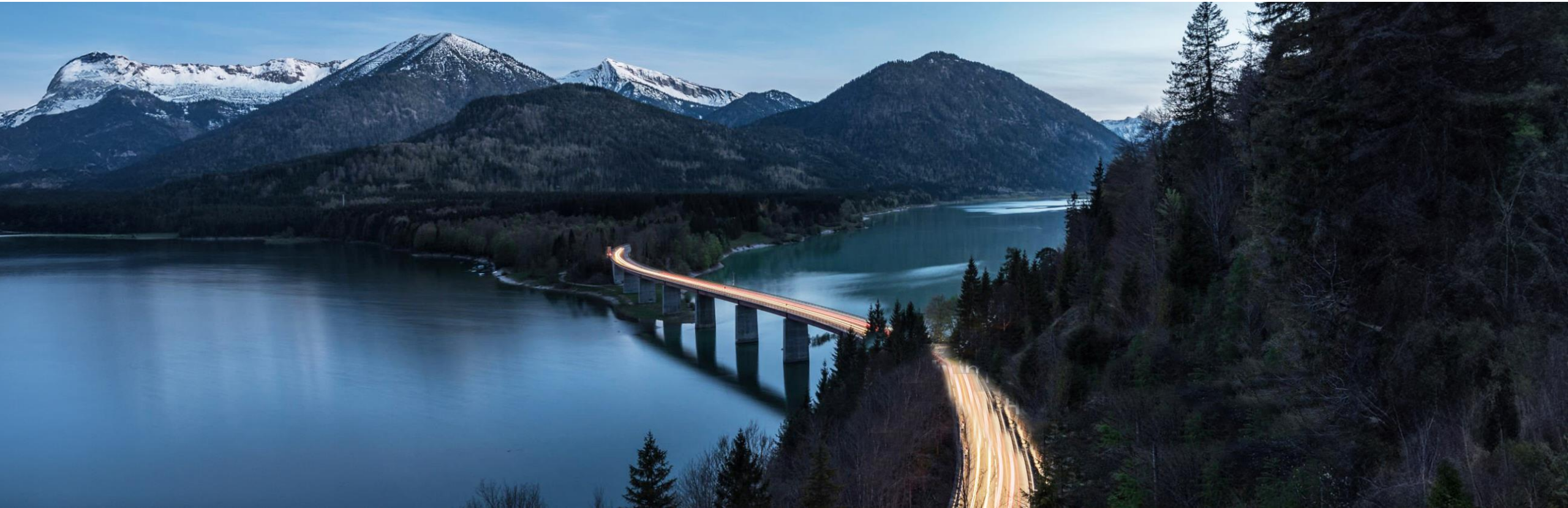


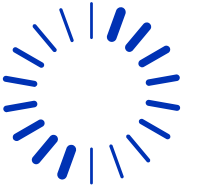


Full Year Results 2023/24

1 April 2023 to 31 March 2024



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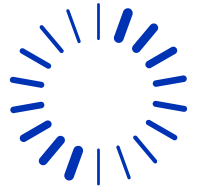
Frank Rehfeld

Proposal to Shareholders

Andreas Hürlimann

LEM with solid performance in FY 2023/24

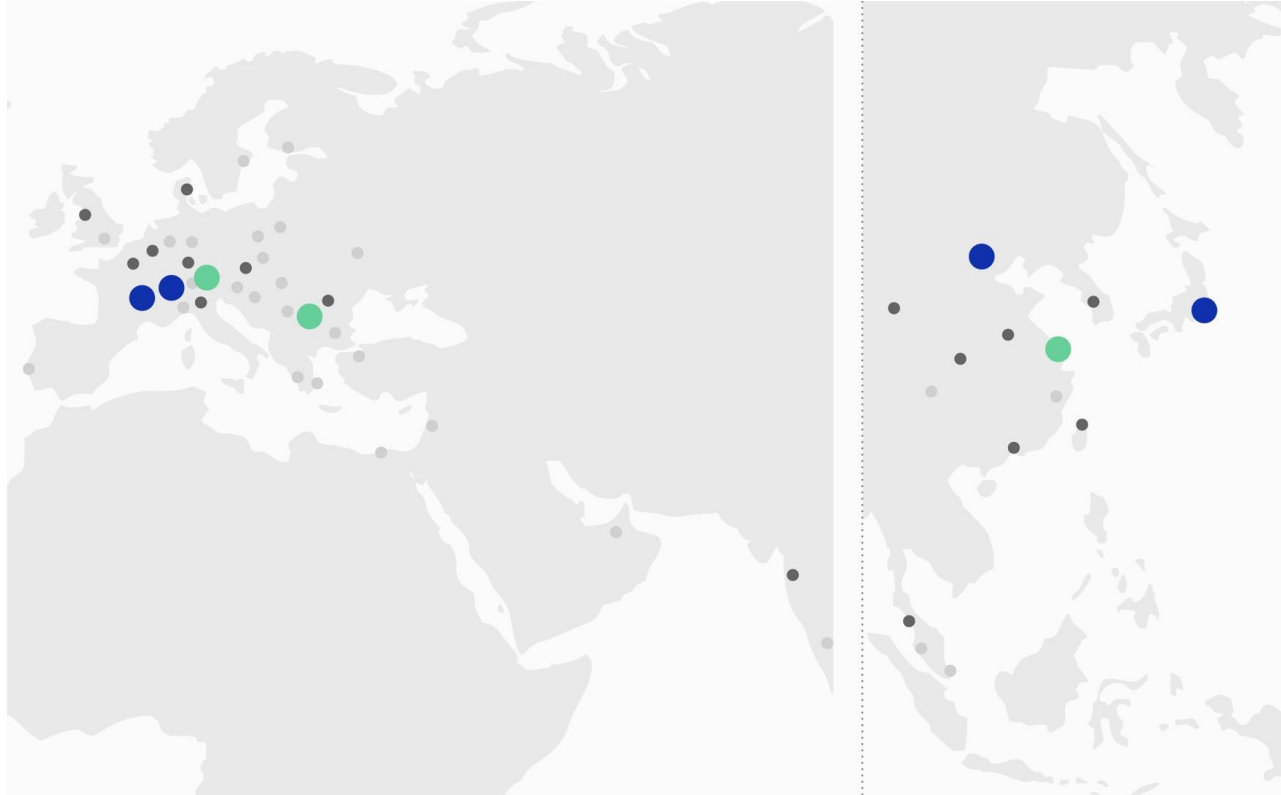
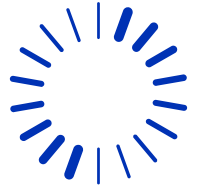
Two different half-year periods in heterogeneous markets



- › We maintained sales in CHF at prior year level, at constant exchange rates, sales increased by 7.2%
- › Sales driven mainly by our Track, Renewable Energy and Energy Distribution & High Precision businesses
- › China challenging due to slow economic growth and declining exports of solar systems; Rest of Asia with strong growth driven by electric and hybrid vehicles; both regions influenced by significantly negative currency effects
- › EMEA extremely well in all business areas as supply chains normalized; Americas with decent performance in the face of overall subdued investment activity
- › Gross margin decreased slightly due to higher input cost; continuing investments and build-up costs; the EBIT margin fell to 20.0%; in line with the long-term average
- › Starting from the previous year's peak, bookings further normalized
- › LEM benefits from fundamental, environmentally friendly developments in the areas of electrification, renewable energies and e-mobility

New R&D centers and cooperation partner

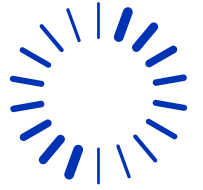
Customer proximity, local R&D and next generation chips in focus



- > In China, measures taken to become faster and more agile include focusing on greater customer proximity, strengthening local R&D, and expanding the R&D center in Shanghai alongside the one in Beijing
- > New R&D center in Sofia, Bulgaria (focus on software development), and in Munich, Germany (semiconductors/ASIC design)
- > New cooperation partner TDK will supply next-generation sensor elements for our integrated current sensors, whose performance parameters will benefit our customers in the automotive and industrial markets in the long term
- > With its high investments in R&D, LEM continues to drive innovation to extend its technological leadership

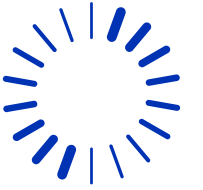
Production network expanded with fifth plant in Penang

Customer proximity, local R&D and next generation chips in focus



- To meet our growth needs, LEM expanded its manufacturing capacity with a new facility in Penang, Malaysia
- The opening ceremony took place on April 19 in the presence of the Chief Minister of Penang, the Swiss ambassador and business partners
- The new site enables LEM to supply the Asian markets as well as the USA and Europe from Asia. It is also well positioned in proximity to semiconductor manufacturers
- The facility currently operates three production lines and will significantly expand its capacity in the near future
- From around 70 people in April 2024, the headcount will increase to several hundred over the next five years
- The fifth plant complements the global network of production facilities in Beijing, Sofia, Geneva, and Tokyo

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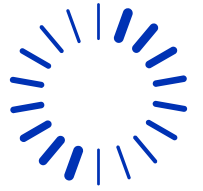
Sustainability Report






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Proposal to Shareholders

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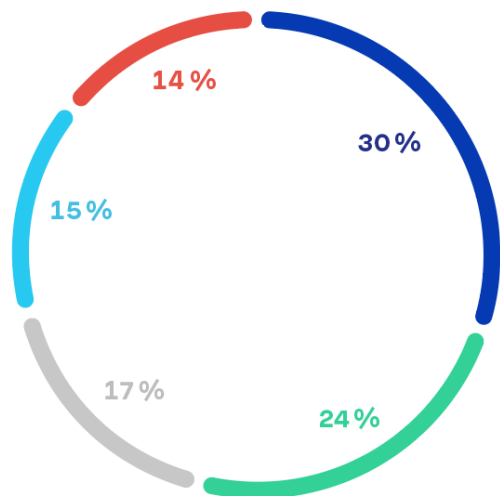
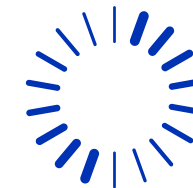
A leading company in electrical measurement



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

FY 2023/24 Sales CHF m	120.0	98.6	70.8	60.9	55.5
Δ CHF	-11.9%	-2.1%	+5.6%	+2.6%	+29.1%
Δ constant exchange rates	-5.5%	+6.8%	+14.8%	+8.2%	+35.4%

Sales distribution by business



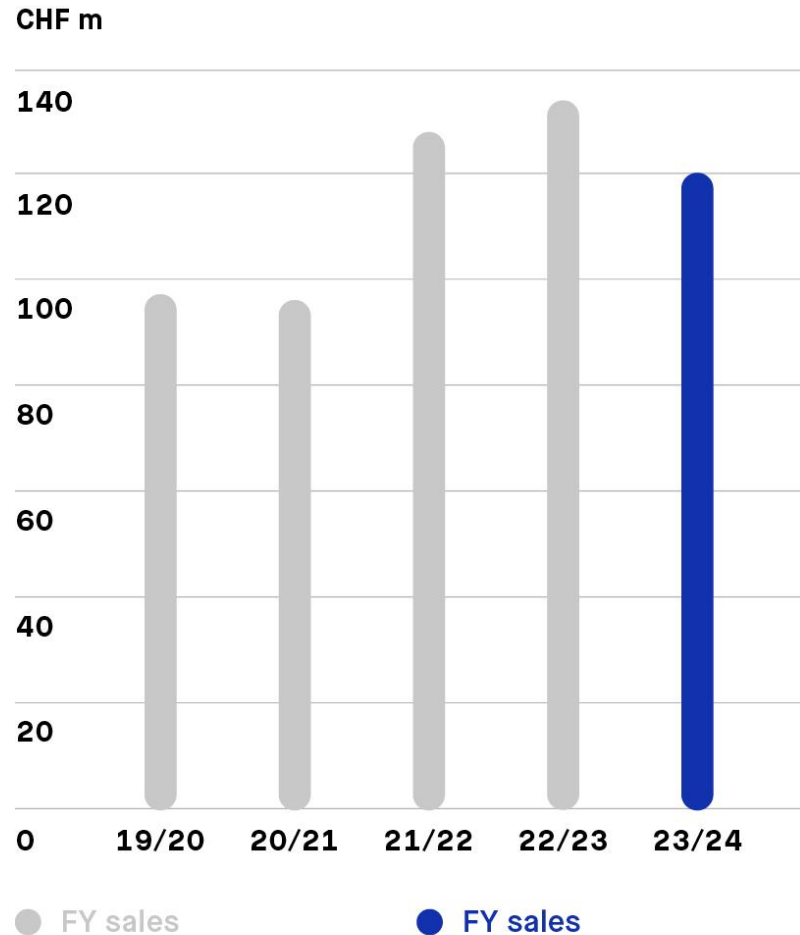
	Sales CHF m	Growth	
		FY 23/24 vs 22/23	Q4 23/24 vs 22/23
Automation	120.0	-11.9%	-25.6%
Automotive	98.6	-2.1%	-15.3%
Renewable Energy	70.8	+5.6%	-19.3%
Energy Distribution & High Precision	60.9	+2.6%	-4.2%
Track	55.5	+29.1%	+9.0%
TOTAL	405.8	-0.1%*	-14.9%

* +7.2% at constant exchange rates

- > Balanced Portfolio
- > Growth led by Track, Renewable Energy & Energy Distribution
- > Automation development in line with the global economic trend
- > Renewable Energy business in China impacted by destocking
- > The positive market environment in Track was supported by equipment upgrades in Europe
- > Anticipation of industry trends is crucial to optimally position LEM

Automation

Drives, robots, tooling machines, elevators, and HVAC

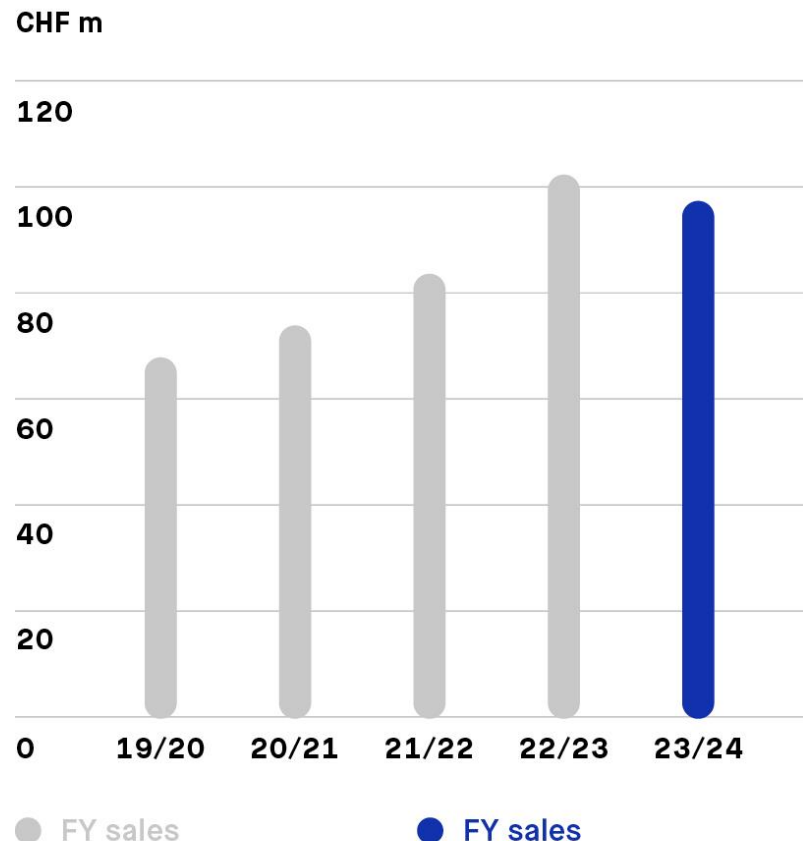
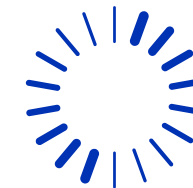


CHF m	FY 2023/24	FY 2022/23	Q4 2023/24	Q4 2022/23
Sales	120.0	136.3	25.6	34.5

- > Significant slowdown in demand after a relatively solid first half of the year
- > Business driven, among others, by the trend towards sustainable and customer-oriented solutions in manufacturing, especially in EMEA, where LEM is excellently positioned with its products
- > China with slightly weaker sales due to declining machine exports

Automotive

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

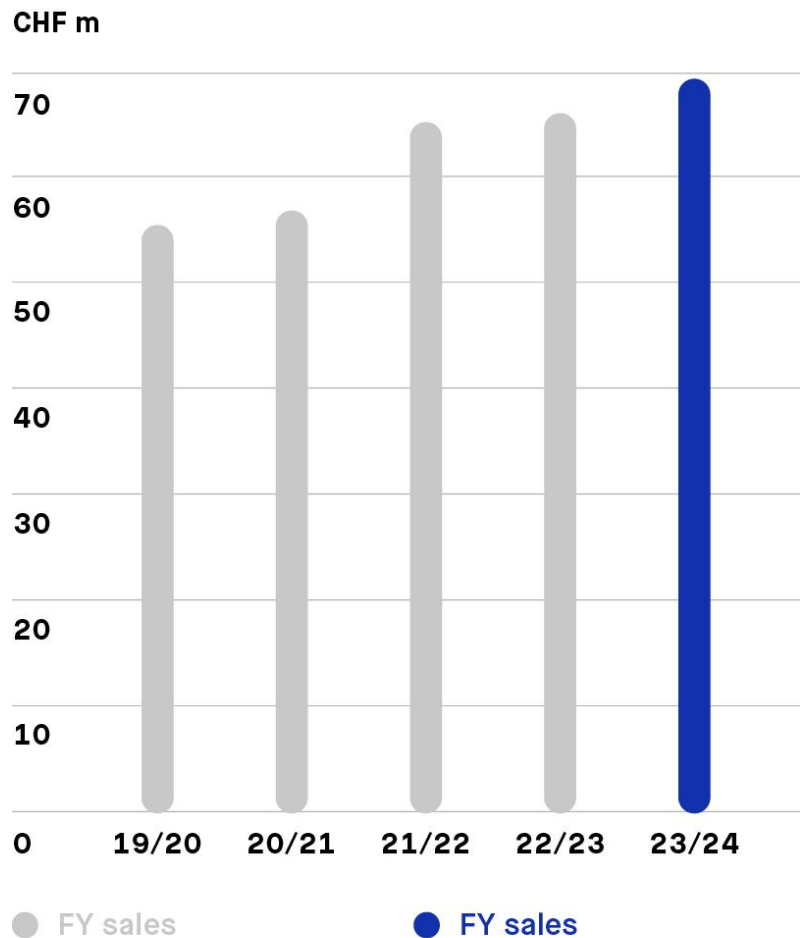
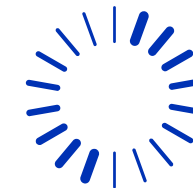


	FY	FY	Q4	Q4
CHF m	2023/24	2022/23	2023/24	2022/23
Sales	98.6	100.7	21.5	25.4

- > Business showed moderate growth year-on-year with weaker momentum in the second half of the year
- > Strong demand for battery management systems, engine control and onboard chargers in EMEA and South Korea
- > Most important market China below prior-year period, cost initiatives and a Key Account program have resulted in the first intended improvements

Renewable energy

Solar and wind

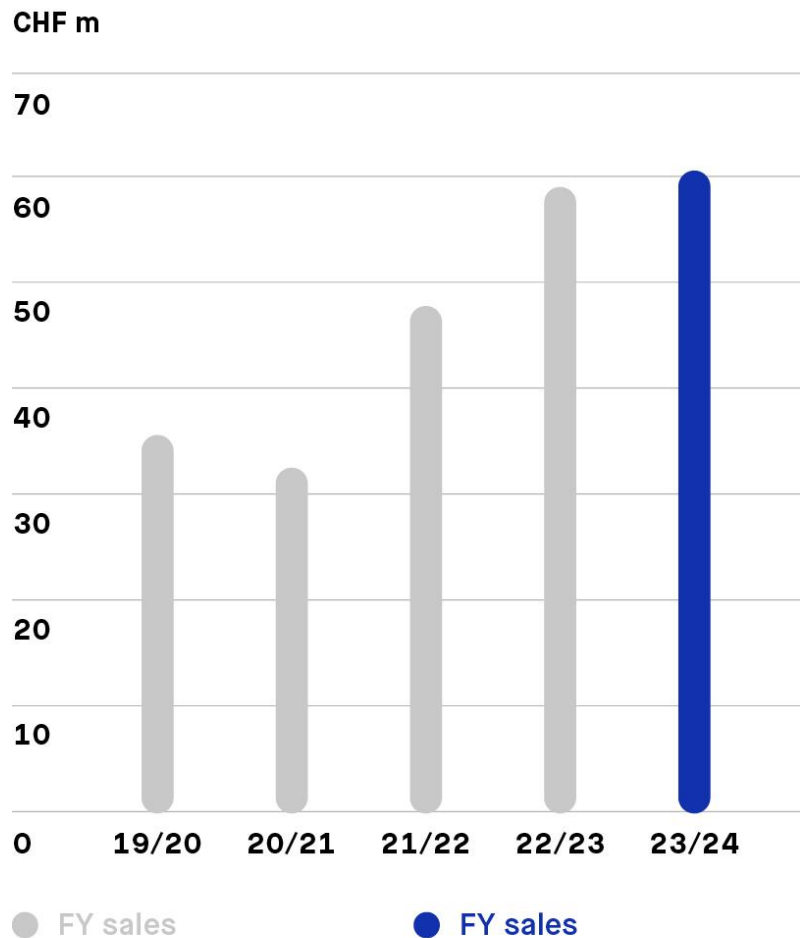
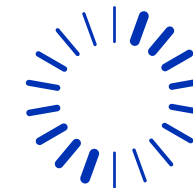


	FY	FY	Q4	Q4
CHF m	2023/24	2022/23	2023/24	2022/23
Sales	70.8	67.0	13.5	16.7

- Strong demand from EMEA, Americas, Japan and India with a slowdown from the third quarter onwards
- Declining business in China based on lower exports of solar power equipment and destocking
- Price pressure was noticeable in China and Europe
- Fundamental growth trend for renewable energies in China intact

Energy distribution and high precision

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

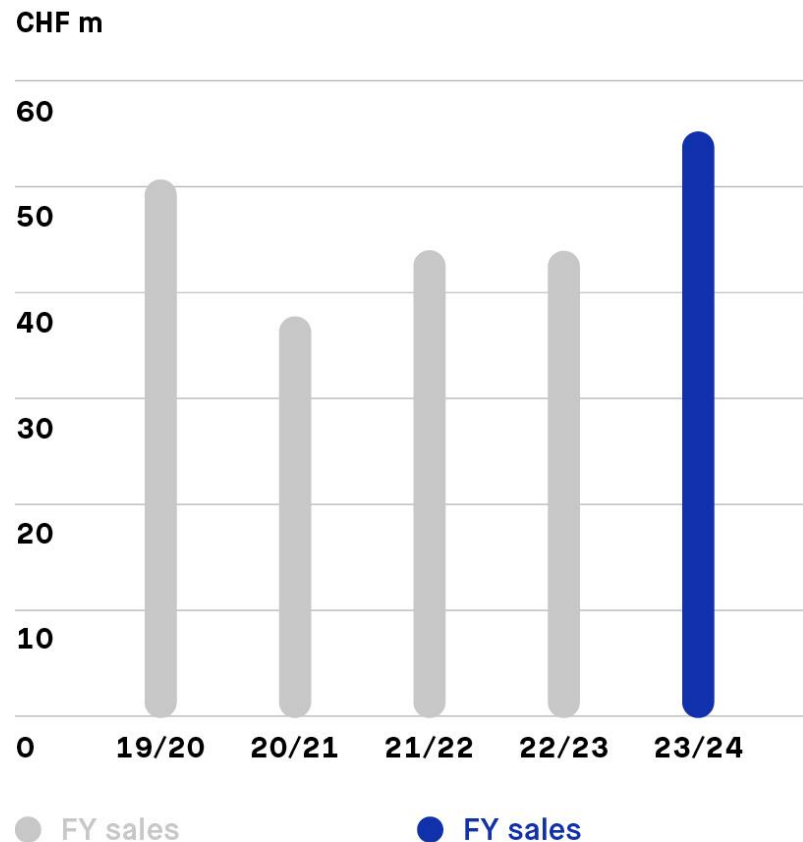
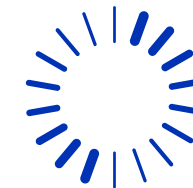


CHF m	FY 2023/24	FY 2022/23	Q4 2023/24	Q4 2022/23
Sales	60.9	59.4	15.8	16.6

- Business achieved steady growth in an increasingly competitive environment that also effects OEMs
- DC Meter for fast charging stations with good demand, despite a significant slowdown in the second half of the year as customers hesitated to invest year-end
- Products for smart grid developed solidly
- Testing and measurement business was impacted by a weaker second half of the year due to the general slowdown in e-mobility

Track

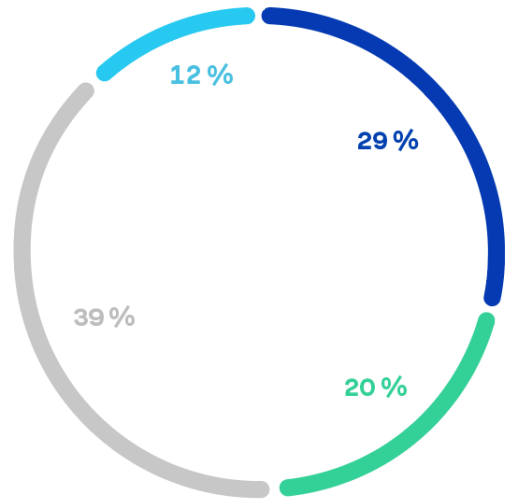
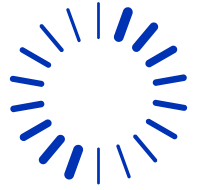
Trains, metro, and trackside



CHF m	FY 2023/24	FY 2022/23	Q4 2023/24	Q4 2022/23
Sales	55.5	43.0	12.7	11.6

- > Starting from a weak prior-year base
- > Upgrade of energy meters for locomotives created additional demand in EMEA
- > China also recorded robust growth, supported by a positive market environment

Sales distribution by region

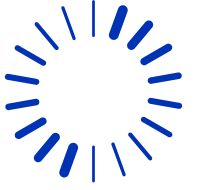


- > Balanced exposure
- > EMEA and Rest of Asia lead growth
- > America performed well despite subdued investments from the second quarter onwards
- > China challenging due to slow economic growth, declining exports of solar inverters, lower sales of products for e-mobility, some market share losses in both segments, and significantly negative currency effects
- > LEM accelerated measures for greater agility, cost reductions, local R&D and local decision-making

	Sales CHF m	Growth	
		FY 23/24 vs 22/23	Q4 23/24 vs 22/23
China	119.7	-24.2%	-36.8%
Rest of Asia	82.3	+15.9%	-2.6%
EMEA	156.5	+22.6%	+0.9%
Americas	47.3	-5.0%	-17.1%
TOTAL	405.8	-0.1%*	-14.9%

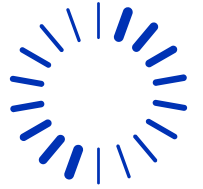
* +7.2% at constant exchange rates

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Performance at a glance

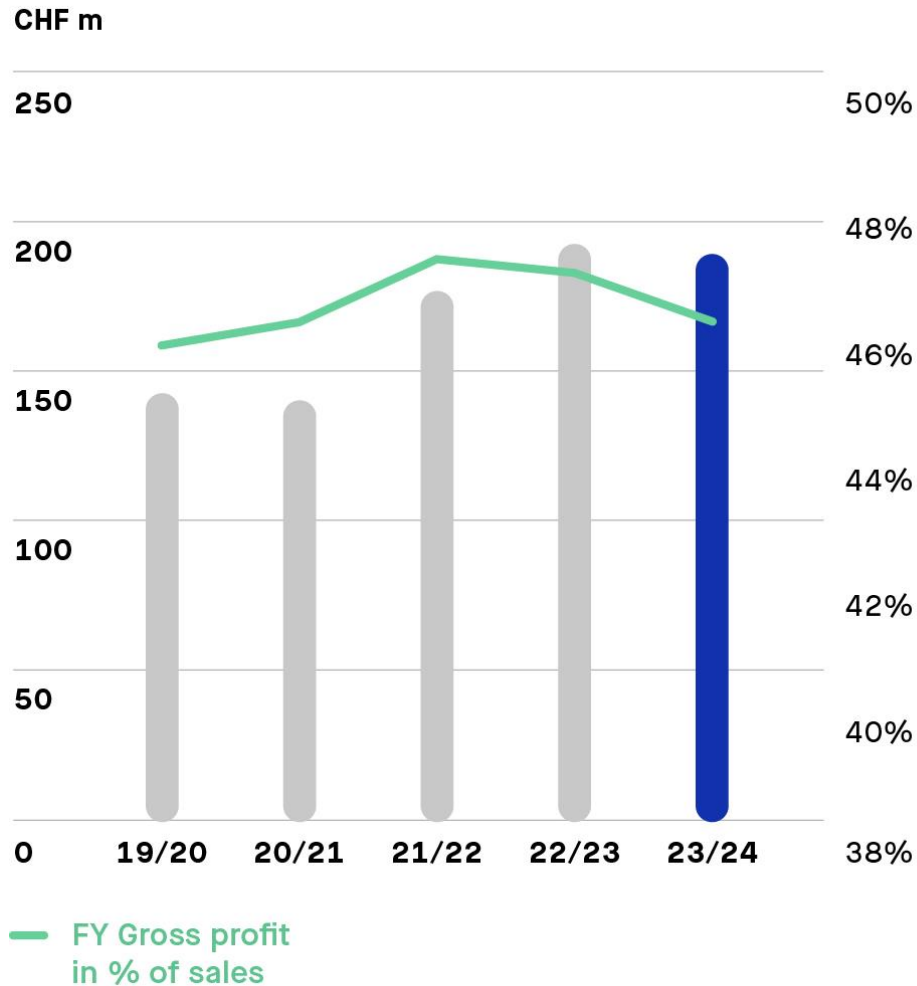
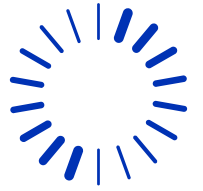


CHF m	FY 2023/24	FY 23/24 vs 22/23	Q4 23/24 vs 22/23
Orders received	243.3	-47.7%	-46.3%
Sales	405.8	-0.1%*	-14.9%
EBIT	81.1	-12.1%	-50.6%
Net profit	65.3	-13.3%	-50.7%

* +7.2% at constant exchange rates

- › Starting from the previous year's peak, bookings further normalized
- › Sales at constant exchange rates increased 7.2% driven by underlying demand and normalization of supply chains
- › EBIT margin declined to 20.0% in line with the long-term average; Investments in future prospects and severance costs had a negative impact on profitability
- › Net profit decreased mainly due to a lower operating result, with a slight positive effect from lower taxes

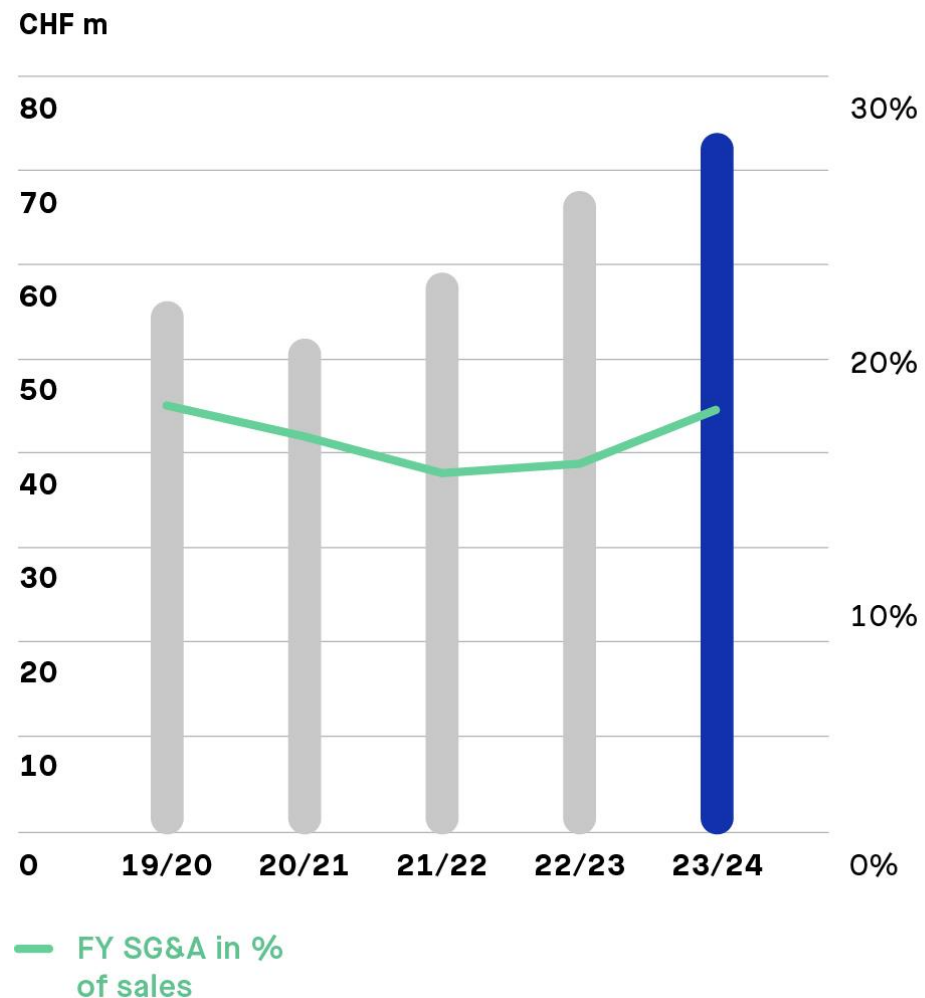
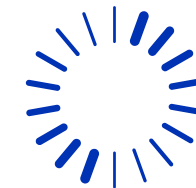
Gross margin



	FY	FY	Q4	Q4
CHF m	2023/24	2022/23	2023/24	2022/23
Gross profit	189.2	192.2	40.3	49.4
<i>In % of sales</i>	<i>46.6%</i>	<i>47.3%</i>	<i>45.2%</i>	<i>47.1%</i>

Gross margin decreased slightly by 70 basis pts:

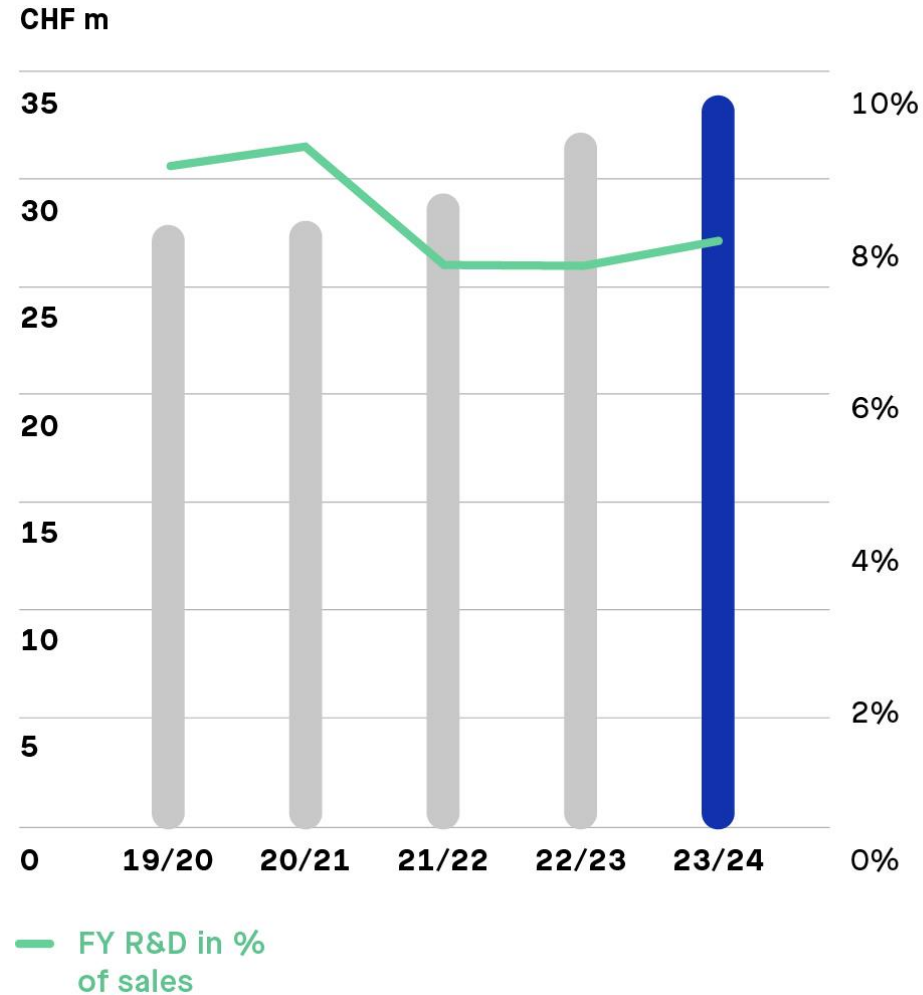
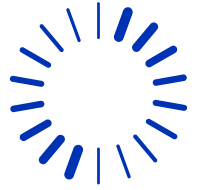
- > The gross profit margin was 46.6%, in line with the long-term average
- > Higher costs for electronic components and provisions for slow-moving inventories had a negative impact, while the improved business mix had positive



	FY	FY	Q4	Q4
CHF m	2023/24	2022/23	2023/24	2022/23
SG&A	74.4	68.1	20.3	18.1
<i>In % of sales</i>	<i>18.3%</i>	<i>16.8%</i>	<i>22.7%</i>	<i>17.3%</i>

- > SG&A increased slightly by 150 basis pts:
 - > LEM continues to invest in digitization projects, such as the first successful introduction of the new ERP system
 - > Build-up costs for the new production facility in Malaysia
 - > Severance costs resulted from the layoff of 40 employees

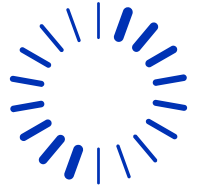
R&D



	FY	FY	Q4	Q4
CHF m	2023/24	2022/23	2023/24	2022/23
R&D	33.9	32.2	8.4	7.4
<i>In % of sales</i>	8.3%	7.9%	9.4%	7.1%

- > R&D investments at unchanged high level of 8.3% of sales
 - > Continued innovation to extend technological leadership
 - > Increased R&D headcount by 30 engineers
 - > Invest in future applications and opened two new R&D centers

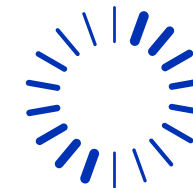
Financial expense



CHF m	FY 2023/24	FY 2022/23	Q4 2023/24	Q4 2022/23
Exchange effect	(3.3)	(1.9)	1.1	0.2
Other financial expense & income	(2.8)	(1.3)	(0.8)	(0.4)
Total	(6.1)	(3.3)	0.3	(0.2)

- › Negative foreign currency effects due to the appreciation of the CHF against major currencies
- › Higher interest rates and higher average debt led to increased interest expenses of CHF 1.5 million

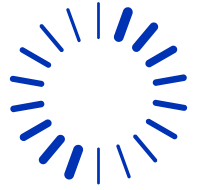
Income taxes



%	FY 2023/24	FY 2022/23
Expected income tax rate	16.3	15.6
Expected withholding tax rate	(0.1)	0.8
Expected tax rate	16.2	16.4
Effect of changes in tax rate on deferred tax	(2.3)	0.0
Other differences	(1.0)	(1.1)
Effective tax rate	12.9	15.3

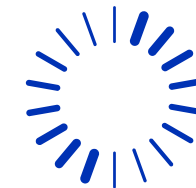
- › Tax rate without one-off at 15.5%
- › Effective tax rate 12.9% due to the increase in deferred tax assets as a result of the increase in the Canton of Geneva tax rate from 1 January 2024 and the sale of an IP to LEM China

Income statement



	FY	FY		Q4	Q4
CHF m	2023/24	2022/23	Change	2023/24	2022/23
Sales	405.8	406.4	-0.1%	89.2	104.7
Gross profit margin %	46.6%	47.3%	-0.7%pt	45.2%	47.1%
Operating expenses	(108.1)	(100.0)	+8.1%	(28.6)	(25.5)
EBIT	81.1	92.2	-12.1%	11.8	23.8
EBIT margin %	20.0%	22.7%	-2.7%pt	13.2%	22.8%
Net financial expenses	(6.1)	(3.3)	+87.0%	0.3	(0.2)
Income tax	(9.6)	(13.6)	-29.0%	(2.2)	(3.5)
Net profit	65.3	75.3	-13.3%	9.9	20.1
Net profit margin %	16.1%	18.5%	-2.4%pt	11.1%	19.2%

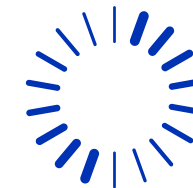
Balance sheet



CHF m	31.3.2024	31.3.2023
Net working capital	76.5	75.4
Non-current assets	172.6	153.9
Non-current liabilities	(38.8)	(39.0)
Net operating assets	210.2	190.3
Net cash/(debt)	(43.1)	(21.8)
Equity	176.7	173.6
Equity ratio	51.3%	53.0%
Days of sales outstanding	76	72
Days of inventory outstanding	110	102
Days of payables outstanding	47	54

- Non-current assets increased, mainly due to new production site in Malaysia and two new R&D centers
- Net working capital increased slightly as a result of the business activity
- Equity ratio down to 51.3%

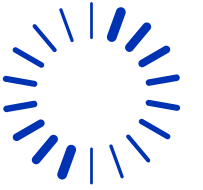
Cash flow



CHF m	FY 2023/24	FY 2022/23
Profit before tax	75.0	88.9
Adjustment for non-cash items and taxes paid	5.6	9.0
Cash flow from changes in net working capital	(6.2)	(11.0)
Cash flow from operating activities	74.4	87.0
Cash flow from investing activities	(31.6)	(26.5)
Free cash flow	42.9	60.5
Cash flow from financing activities	(39.8)	(54.9)
Change in cash and cash equivalents	3.1	5.6
Cash and cash equivalents at the end of the period	23.7	21.8

- Cash flow from operating activities is dropping as a consequence of the lower profit before tax
- Increasing investment mainly due to new Malaysia plant

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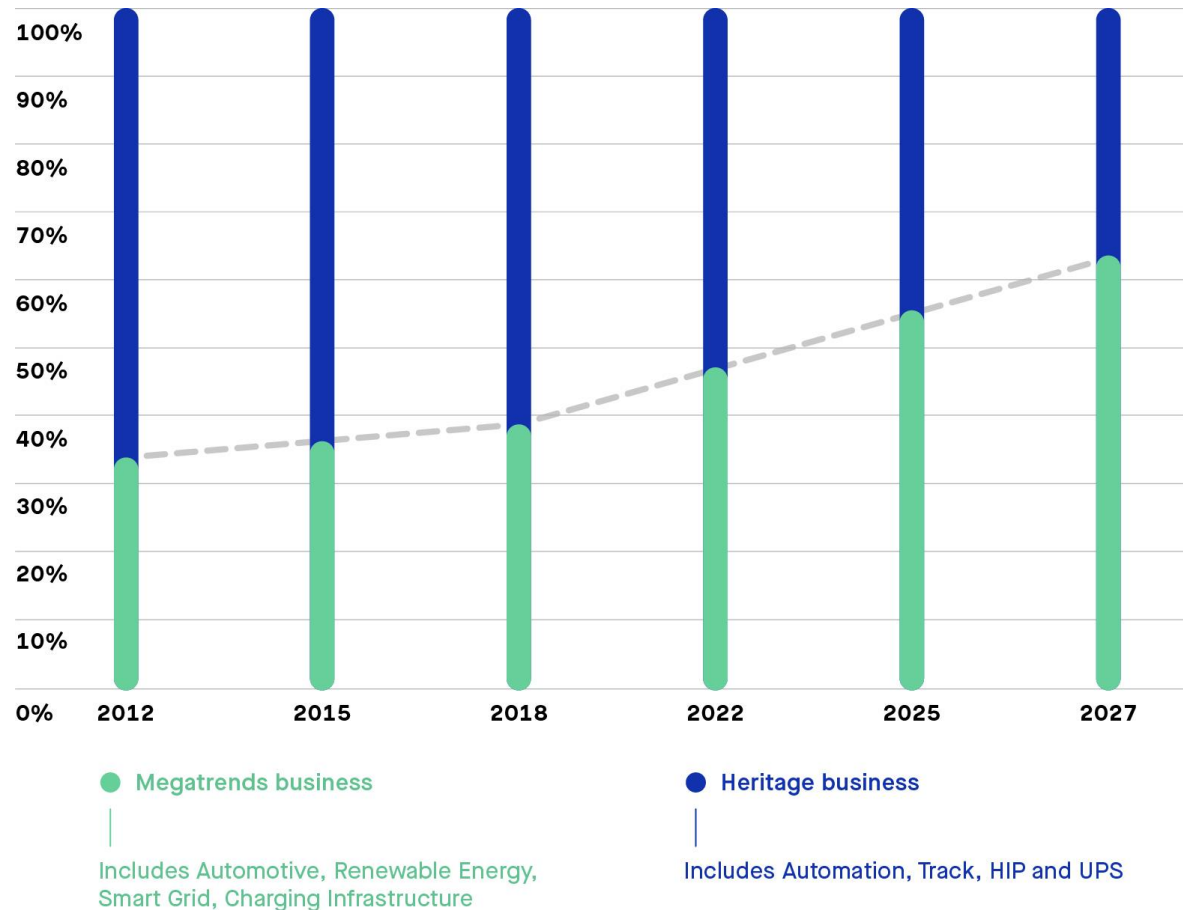
Proposal to Shareholders

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New megatrends drive volume mix

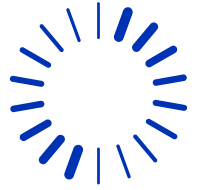


LEM's portfolio mix by revenue

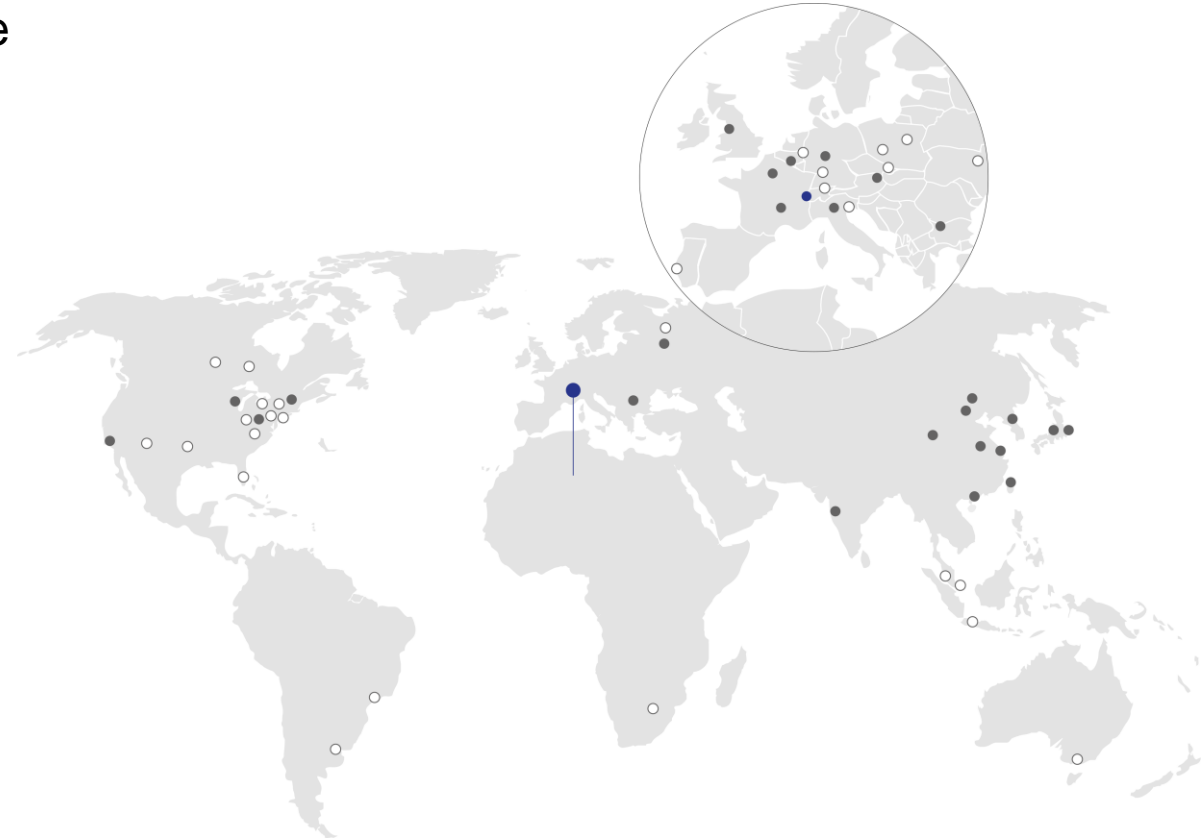


- More of LEM's revenue is linked to structural megatrends, i.e., electrification and decarbonization
- This reduces the share of heritage businesses from 65% in 2012 to 34% by 2027
- New portfolio mix helps limit the impacts of economic recessions

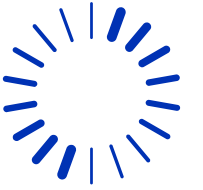
Outlook – Financial Year 2024/25



- LEM expects market development to be moderate in the current financial year.
- The main reason for some headwind is that it will still take time for customers to reduce their inventories, particularly in the Renewable Energy and Automation markets
- Based on forecasts from customers, LEM expects the situation to improve during the second half of 2024/25



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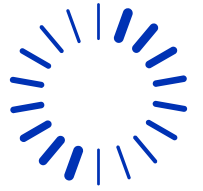
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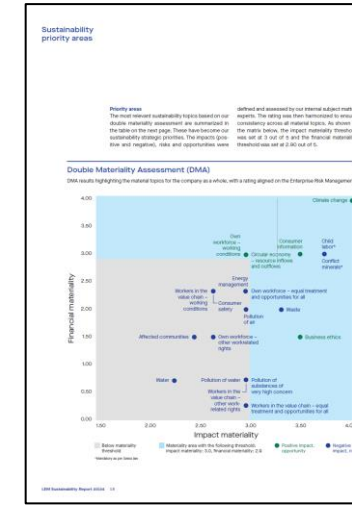
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Strong improvement on Sustainability

Solid foundations to build up the LEM sustainability strategy



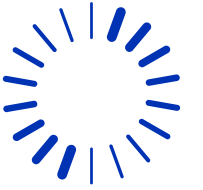
8 material ESG topics (* mandatory as per Swiss law)



- Double Materiality Assessment conducted to identify the 8 material ESG topics on which LEM will focus.
- KPIs defined such as reducing Scope 1 and Scope 2 emissions by 90% until 2025.
- Concrete actions implemented such as senior management bonus linked to emission reduction.

- On the governance side, a dedicated team has been created with clear roles, responsibilities, and accountabilities throughout the organization.
- Information on the importance of sustainability for LEM's business strategy and purpose, and on the ESG priorities, can be found in the separate Sustainability Report published for the first time.

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Frank Rehfeld

Sustainability Report

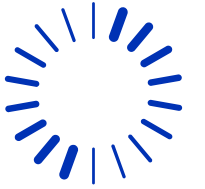
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Proposal to Shareholders

Andreas Hürlimann

Dr. Libo Zhang proposed as new BoD member

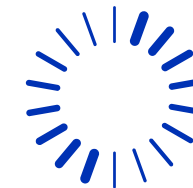
Experienced Board Professional and Corporate Finance Advisor.



- › Dr. Libo Zhang will bring many years of experience in management positions in the areas of finance, controlling and commercial processes in international industrial companies.
- › Among other mandates, she is a member of the Board of Directors of the Swiss technology group VAT.
- › Previously, Ms. Zhang was CFO of the automotive manufacturer Borgward Group AG in Germany and of FFG Europe & Americas, a worldwide specialist in the tooling machine industry. Before, she held senior management positions in finance and commercial operations at SGL Group, a global manufacturer of carbon-based products, at MTU Aero Engines and at MAN SE.
- › Ms. Zhang is German citizen and holds a PhD in Economics and an MBA from Georg-August University in Göttingen, Germany.

Proposed dividend of CHF 50 per share

Payout ratio of 87.3% in line with LEM's dividend policy



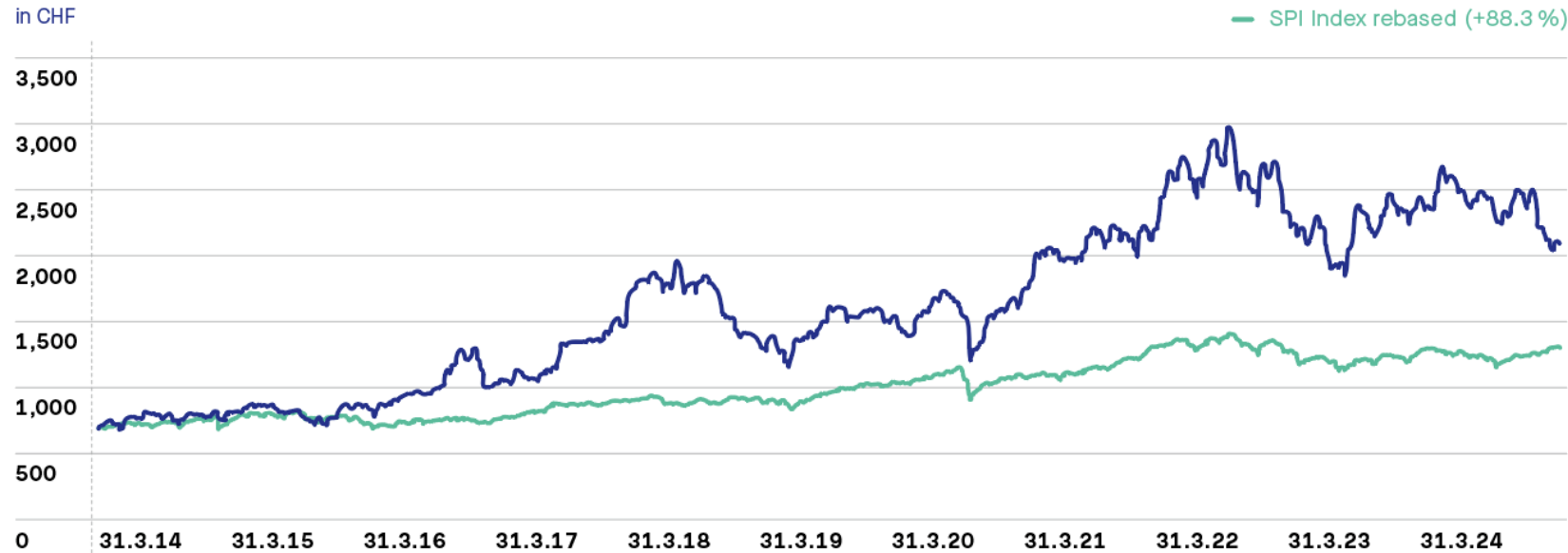
- > The LEM dividend policy targets a payout ratio significantly above 50% of the consolidated net profit for the financial year.
- > The Board of Directors proposes a dividend of CHF 50 per share, down from CHF 52
- > This represents a payout of 87.3% (up from 78.7%) and a dividend yield of 2.9% (as per 31 March 2024).
- > The proposal is based on the solid performance in 2023/24 and the trust in the long-term fundamentals of the business and LEM's future.
- > The net dividend will be paid on 4 July 2024.

The long-term investor view

LEM provided significant returns to shareholders over the past 10 years

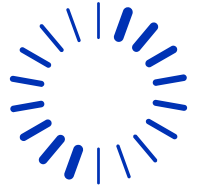


Share price development LEM HOLDING SA (LEHN) compared to SPI



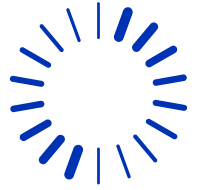
Source: Bloomberg

- › Share price development from 31 March 2014 to 31 March 2024: +242%
- › Distributed dividends over the past 10 years: CHF 485m (incl. FY 2023/24 proposal by BoD)



Q&A

Financial calendar and contact details



The financial year runs from 1 April to 31 March

27 June 2024	Annual General Meeting for the financial year 2023/24
2 July 2024	Dividend ex-date
4 July 2024	Dividend payment date
26 July 2024	First quarter results 2024/25
11 November 2024	Half year results 2024/25
7 February 2025	9 months results 2024/25
27 May 2025	Full year results 2024/25

For further information

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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.