

Leclanché Selected by Swiss Green Electricity Management Group for First Energy Storage Project in U.S.

- **Leclanché to serve as overall engineering, procurement and construction contractor and turnkey battery energy storage system provider to the 20 MW / 10 MWh Marengo Energy Storage Plant (Chicago) developed by GlidePath Power**
- **Strategic partnership paves the way for a new business model to finance projects in the utility-scale energy storage business**

YVERDON LES BAINS, Switzerland and DALLAS, Nov. 1, 2016 /PRNewswire/ -- Leclanché SA (SIX: LECN), the leading global and vertically integrated battery energy storage solution company, has been selected by Swiss Green Electricity Management Group (SGEM) to serve as the engineering, procurement and construction (EPC) contractor and battery energy storage system supplier for the Marengo project in the PJM Market. This latest project, the company's first in the United States following a project win in Canada earlier this year, strengthens the company's presence in North America.

In August 2016, Leclanché signed a preferred partnership agreement with Swiss Green Electricity Management Group (SGEM), an independent owner & operator of energy storage assets. This partnership agreement for investments into utility-scale energy storage projects begins with the Marengo Energy Storage Plant in the U.S.

The Marengo 20 MW / 10 MWh grid-scale energy storage project is among the largest, fully commercial battery storage projects in North America. The Chicago-area project is being developed for the PJM Interconnection, the regional market transmission operator. It was developed by GlidePath Power, a leading developer of advanced energy solutions, which recently sold three similar projects in the United States.

The Marengo Energy Storage Plant will be interconnected to the local Commonwealth Edison Company (ComEd) electric grid and will provide real-time frequency regulation service to PJM. The storage facility will respond almost instantly to the continually changing needs of the grid, providing real-time frequency regulation and allowing PJM to deliver higher quality reliable electrical service at a lower cost to its end-users in 13 states and the District of Columbia.

The increasing share of renewable energy in the electricity mix poses substantial challenges to grid stability. As a direct result, demand for frequency regulation is growing considerably. The smart deployment of battery energy storage systems (BESS) is the lowest-cost solution to support grid operators in their efforts to reduce and defer their investments into transmission and distribution infrastructure upgrades.

SGEM provides equity capital, leads project finance and supervises the construction and operation of energy storage infrastructure assets to deliver optimum risk-adjusted returns to its investors. The Group invests in energy storage projects on a build-own-operate model. Thanks to its partnership with Leclanché, SGEM enjoys the right of first offer for all qualified projects of the company which represent over 85 MWh for 2017.

"Next generation battery storage technology is creating a cleaner and more efficient electrical systems across the U.S.," commented Dan Foley, CEO and founder of GlidePath. "We are looking forward to working again with Leclanché as we focus on developing new projects that provide reliable electricity to the grid and end-users."

"This will be our first participation in the well-structured and dynamic PJM energy storage market, and the Marengo Project offers SGEM investors the opportunity to provide a long-term commitment to this fast-growing infrastructure asset class," said Antoine Spillmann, chairman of SGEM and CEO and Executive Partner at Swiss-based Bruellan Wealth Management. "We look forward to a continued long-term partnership with Leclanché. The Marengo Project illustrates Leclanché's technological expertise and its innovative solutions in providing viable and competitive battery energy storage systems, as well as in managing the construction of the asset as the global EPC project contractor. The company's project portfolio and its order book provide a high-quality and diversified pipeline of energy storage assets," Spillmann continued.

"The formation of SGEM and its acquisition of projects sends a strong signal that international investors are recognizing the tremendous potential of this exciting new infrastructure asset class. The pipeline of similar projects will continue to generate a high-growth demand in North America. Leclanché is focused on executing those projects, both on cost and on time. The Marengo Energy Storage Project leads the way to additional future projects and we are convinced that, thanks to investors such as SGEM, we will continue to play a leading role in the energy storage industry," said Anil Srivastava, CEO of Leclanché.

About Leclanché

Leclanché SA (SIX: LECN) is a fully vertically integrated battery energy storage solution provider. It delivers a wide range of turnkey energy storage solutions for homes, small offices, large industries, electricity grids, as well as hybridization for mass transport systems such as bus fleets and ferries. Established in 1909, Leclanché has been a reliable partner for battery energy storage solutions for over 100 years. Founded in the tradition of Georges Leclanché, the inventor of the dry cell battery, Leclanché today offers a rich portfolio of Battery Energy Storage Systems (BESS) comprised of bespoke battery systems from industry leading lithium-ion solutions. For more information, visit: www.leclanche.com

About SGEM

SGEM is an independent owner and operator of energy storage assets based in Switzerland. Driven by its long-term vision as an investor in energy storage infrastructure, SGEM covers all the value-added activities from final stage of project development, financing, construction supervision, operations & maintenance. SGEM built strong cooperation with various developers in selected markets and geographies to complete the validation of their project technical and economic performance. These different activities call on a range of capabilities, including industrial expertise and financial innovation.

For more information, visit: www.sgemgroup.com

About GlidePath

GlidePath Power is a leading greenfield developer that has the depth of experience and understanding spanning the breadth of skills required to develop financeable power projects, regardless of the technology. In less than two years, GlidePath Power has demonstrated its ability to develop, contract, and commercialize three battery storage projects, totalling 60MW, or roughly 40% of PJMs installed capacity of battery storage projects.

GlidePath Power continues to develop advanced energy solutions across the US, including 280MW of additional PJM battery storage projects.

For more information, visit: www.glidepath.net

Disclaimer

This press release contains certain forward-looking statements relating to Leclanché's business, which can be identified by terminology such as "strategic", "proposes", "to introduce", "will", "planned", "expected", "commitment", "expects", "set", "preparing", "plans", "estimates", "aims", "would", "potential", "awaiting", "estimated", "proposal", or similar expressions, or by expressed or implied discussions regarding the ramp up of Leclanché's production capacity, potential applications for existing products, or regarding potential future revenues from any such products, or potential future sales or earnings of Leclanché or any of its business units. You should not place undue reliance on these statements. Such forward-looking statements reflect the current views of Leclanché regarding future events, and involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no guarantee that Leclanché's products will achieve any particular revenue levels. Nor can there be any guarantee that Leclanché, or any of the business units, will achieve any particular financial results.

SOURCE Leclanche
