

# Leclanché shareholders approve all Board proposals at Annual General Meeting

**The Company has secured fresh investment of CHF 18.5 million from existing investors Golden Partner and Bruellan**

**Creation of authorized and conditional share capital to enable Leclanché to raise funds for growth plans**

**2017 funding and growth strategy update, including confirmation of 450 MWh of qualified pipeline**  
**Three new directors elected**

YVERDON-LES-BAINS, Switzerland, 26<sup>th</sup> July 2017: Leclanché SA (SIX Swiss Exchange: LECN), one of the world's leading energy storage solution companies, announced today that its shareholders approved all of the proposals of the Board of Directors at its 2016 Annual General Meeting held this morning.

Shareholders approved all the resolutions relating to the creation of authorized and conditional share capital in connection with the 2017 operating and growth plans of the Company.

Three new members were elected to the Board of Directors. The Company welcomes Mr. Pierre-Alain Graf, a well-known industry leader in Switzerland and Europe, as an independent director. The Company also welcomes Mr. Tianyi Fan and Ms. Cathy Wang from Golden Partner, both top-class finance professionals, to the Board.

The shareholders also approved the proposals of LECN Co-Invest and ACE EE to readopt article 5 of the Articles of Association with regards to opting-up moving from 33 to 49 percent.

Anil Srivastava, CEO of Leclanché, provided a comprehensive overview of 2016's key achievements, including 56 per cent increase in revenue, more than 2.5 times 2014's figure; 16-fold increase in order intake; steady-state EBITDA loss reduction by 54 per cent, year-on-year; and off-balance sheet USD 23 million in project finance. Srivastava also provided an update on the Company's funding and growth strategy. Despite the success in 2016, Leclanché's growth strategy faced a temporary blip in the first half of 2017. This was driven by accumulated losses from the past and Leclanché's delay in raising new equity, which led to a very short term balance-sheet based technical insolvency under Swiss CO725.2, known to the Board since 31<sup>st</sup> May 2017, and negotiating an extension of the Convertible Loan provided by ACE and Jade Group, due on 30<sup>th</sup> June 2017. Leclanché solved these issues and its trajectory to profitable growth remains unaffected as it secured fresh investment of CHF18.5 million in July from existing shareholders Golden Partner and Bruellan.

Leclanché is planning to raise a further CHF 30 million in October and is reviewing the options of a rights issue, private placement with institutional shareholders and an asset sale.

In addition, Leclanché is reviewing a potential second listing on a North American exchange and the possible acquisition of a target energy management storage software company, which is expected to generate an additional 3.5 per cent margin.

Jim Atack, Chairman of Leclanché, said: "We are delighted to receive the continued support of our shareholders and their approval of all the Board's proposals. We are very pleased to welcome Tianyi Fan, Pierre-Alain Graf and Cathy Wang to the Board. We are also very grateful to have received the investment commitments from our long-term shareholders Golden Partner and Bruellan, which will enable Leclanché's management to take the Company to the next stage of its growth story. We thank ACE and Jade group for their constructive work with Golden Partner and the Company to extend the convertible loan."

Mr. Tianyi Fan and Ms. Cathy Wang representing the interests of Golden Partner said: "Leclanché is at the forefront of the transformation of the global energy industry to a focus on renewables and we are delighted to have the opportunity to invest further in the huge opportunities ahead for the Company."

Antoine Spillmann, partner and CEO of Bruellan, a major shareholder of the Company, said: "We are very pleased to increase our investment in Leclanché. I congratulate Anil and his world-class management team for their work in transforming the Company. Leclanché is one of the most innovative organizations in a sector that is set for long term high growth."

Leclanché's resumed fast-track growth strategy for the second half of 2017 is focused on completing its utility scale stationary storage projects in progress, including Marengo project in the USA and IESO project in Canada, two of the biggest projects of their kind in the world; and finalising contracts in eTransport following the Company's global agreement with Skoda Electric to provide battery packs for the Company's electric buses packaged solution; the launch of Leclanché's Marine Rack System, the world's first system approved under

revised DNV-GL requirements; and the agreement with eCAMION and SGEM to build and operate a network of 34 electric vehicle fast-charging stations along the trans-Canada highway.

In total, Leclanché has a confirmed order book of 95 MWh through 2018, equivalent to more than USD 50 million in revenue, and a qualified pipeline of more than 450 MWh. In eTransport, Leclanché is expecting to generate over 150 MWh per year, equivalent to more than USD 45 million in revenue, from 2019.

The markets in which Leclanché operates continue to experience very high growth. According to Navigant Research, in the four years to 2020 utility-scale generation and micro grids will experience a Combined Annual Growth Rate (CAGR) of 48 per cent; commercial and industrial battery systems, 58 per cent CAGR; and eTransport, 37 per cent CAGR.

## **About Leclanché**

Leclanché is one of the world's leading fully vertically integrated energy storage solution providers. It delivers a wide range of 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 trusted provider of battery energy storage solutions for over 100 years.

Founded in the tradition of Georges Leclanché, the inventor of the dry cell battery, Leclanché today has a rich portfolio of Battery Energy Storage Systems (BESS) that include bespoke battery systems from industry leading lithium-ion solutions.

Leclanché is listed on the Swiss stock exchange, and is the only listed pure-play energy storage company in the world.

SIX Swiss Exchange: ticker symbol LECN | ISIN CH 011 030 311 9

## **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.

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